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Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 102^{d} CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Tuesday, September 24, 1991*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O God, to respect the value of every life, to learn to appreciate the story of each person, to celebrate the joy and the opportunities of each day. May we not easily forget the blessings that each of us has received or to be appreciative of the support that others have shown to us. May we see each day as an opportunity to do the works of reconciliation and compassion, of justice and peace, so people will live together without fear or poverty and share in the fullness of life. With gratefulness and thanksgiving, we offer this our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. ZIMMER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ZIMMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 287, nays 107, not voting 38, as follows:

[Roll No. 269]

YEAS—287

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
Bacchus
Barnard
Barton
Bateman
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Bruce
Bryant
Bustamante
Campbell (CO)
Carper
Carr
Chapman
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (IL)
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Donnelly
Dooley
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Frank (MA)
Frost
Gaydos
Gejdenson
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDermott
McEwen
McGrath
McHugh
McNulty
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Packard
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Richardson
Rinaldo
Ritter
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schulze
Schumer
Serrano
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Stallings
Stark
Stenholm
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—107

Allard
Armey
Baker
Ballenger
Barrett
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clay
Coble
Coleman (MO)
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Duncan
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gekas
Gilchrest
Gingrich
Goodling
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Martin
McCandless
McCrery
McDade
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Murphy
Nussle
Oxley
Paxon
Ramstad
Regula
Rhodes
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Santorum
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Weldon
Wolf
Young (AK)
Zeliff
Zimmer

NOT VOTING—38

AuCoin
Bentley
Boxer
Brown
Byron
Callahan
Cardin
Coyne
Dixon
Dymally
Edwards (OK)
Foglietta
Ford (MI)
Ford (TN)
Gallo
Gephardt
Holloway
Hopkins
Hoyer
Hunter
Hyde
Levine (CA)
Lloyd
Marlenee

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Martinez
McMillen (MD)
Mfume
Michel
Morrison
Mrazek
Ridge
Sanders
Saxton
Slaughter (VA)
Staggers
Stokes
Thomas (WY)
Towns

□ 1226

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. McDERMOTT). Will the gentleman from Indiana [Mr. VISCLOSKY] please come forward and lead the House in the Pledge of Allegiance.

Mr. VISCLOSKY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 972. An act to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians.

The message also announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 749. An act to rename and expand the boundaries of the Mound City Group National Monument in Ohio; and

S. Con. Res. 63. Concurrent resolution directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 868.

THE RECESSION IS NOT OVER

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, while the President was boating and golfing in Maine, his advisers told us that as soon as he got back to work, he was going to dive into domestic affairs and show us that he cares about the same issues Americans care about. Well, he got back 3 weeks ago and we are still waiting.

Yesterday at the United Nations, the President was still speaking on his favorite topic, the New World Order. Meanwhile outside the rarified hall of the United Nations, America is out of work, underinsured, and losing the battle for competitiveness.

On Sunday, the President's Budget Director Darman claimed the recession was over and the 9 million unemployed Americans do not constitute an emergency. He reiterated the President's determination to veto the Democratic attempt to help American workers.

Mr. Speaker, as the famous poet Yogi Berra said, "It ain't over till it's over and until the fat lady sings."

Mr. President, we have scanned the horizon. We do not see the fat lady. "It ain't over." There is still a recession. We need help for American workers now. Do not veto the unemployment package. Please, make sure that when you think about the considerations that you are going to choose as priorities, American workers are priority No. 1, getting rid of the recession is your goal.

□ 1230

IN SUPPORT OF S. 363, MORRISTOWN NATIONAL HISTORICAL PARK EXPANSION ACT

(Mr. ZIMMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZIMMER. Mr. Speaker, I rise in support of S. 363 which would expand the Morristown National Historical Park, our country's first national historical park. This bill, which is on today's agenda, is the Senate counterpart of H.R. 2035 which I introduced in the House.

The Morristown National Historical Park is the site of the Continental Army's encampment during the long hard winter of 1777 and again in the winter of 1779. The property is environmentally sensitive as well as historically sensitive. Primrose Brook, whose pristine waters once supplied George Washington's troops, flows through the property and feeds the sensitive wetlands of the Great Swamp, a national wildlife refuge.

Passage of this bill will ensure that we preserve this tract of land for the enjoyment of residents in New Jersey and for all Americans who treasures our Nation's heritage.

THE RECESSION IS NOT OVER

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, in July Secretary Brady said it was no big deal. He was talking about the recession. But to 1.2 million Americans who have exhausted their unemployment benefits after 26 weeks, it is a very big deal. That is 600,000 more people than just 2 years ago, and the numbers are mounting.

In July, after the administration claimed that the recession had ended, 318,000 people exhausted their benefits, a historic high. And yet, yesterday OMB Director Darman claimed the recession had ended.

It is time to deal with reality, time to deal with the truth. The recession is deep, and to the American family it is dangerous.

It is time for George Bush to come home, deal with the realities of the economy and to help get an extension of unemployment benefits to save the American family.

BEST WISHES TO GEORGE RUSSELL FOR A SPEEDY RECOVERY

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I was distressed to find out yesterday that our good friend, George Russell, suffered a heart attack last Wednesday.

For 17 years George has been with us in this House, on the dais, as we have discussed the great issues of the day. He has played an important role in putting together the massive CONGRESSIONAL RECORD, a feat which has been likened to publishing Tolstoy's War and Peace" every day we're in session.

I am told that George is still in a coma but that his vital signs are good, that he is off the respirator and breathing on his own.

George is being treated in Bon Secours Hospital in Baltimore. I know that my colleagues will join me in extending our prayers and best wishes to George for a speedy recovery, and expressing the hope that he will be able to rejoin us on the floor real soon.

NEW JOBS FOR WHO?

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I guess I owe the President of the United States an apology. On August 19, 1988, in his acceptance speech in New Orleans, the President said, "My mission is 30 in 8: 30 million jobs in the next 8 years."

I thought those were going to be American jobs. But in looking at gross national product figures, apparently they were in France, whose GNP has grown 6 times more than the GNP of the United States since George Bush's election; or Italy, whose GNP is now 6 times higher than when George Bush was elected; or Holland, which is 8 times more than the United States in terms of growth; or Germany, whose GNP has grown 11 times more than the United States' GNP since the President's election; or Japan, who is now 16 times more in terms of growth since January 8, 1989.

I certainly know that those new promised jobs did not occur in Lake and Porter Counties because there are now 4,932 people who were working when George Bush became President who are now looking for work.

JTPA PROGRAM GOOD FOR SMALL BUSINESS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, I want to encourage the House Education and Labor Committee to keep small businesses in mind as it marks up the Job Training Partnership Act reform amendments.

Since small businesses provide 67 percent of first jobs for American workers, assistance with the time and expense of employee training is a valuable benefit to our Nation's small businesses.

As proposed, the bill would place emphasis on providing services to our neediest clients; namely economically disadvantaged adults and youth. In addition, it would retain the focus of the program on performance standards, while bolstering the training and education components.

Education deficiencies plague our American students. Clearly this does not bode well for the small business owners faced with the prospect of hiring them. The JTPA Program must be responsive to both individuals in need of training and small businesses. The program is essential to job growth in our country.

My colleagues, the Band-Aid approach of extending benefits without helping job growth is a cruel solution to the problems of the unemployed. In matters of economic growth it is easy to say that you are all for small business, but it is how you vote that counts.

EXCESSIVE DRUG COMPANY PROFITS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, a report released today by the Aging Committee of the other body revealed that prescription drug prices in the United States have increased by 150 percent in the 1980's, nearly three times the rate of inflation. My goodness, we have a committee that figured that out. All you have to do is go down to your local drugstore and buy a bottle of aspirin for three times what it costs to buy cocaine, and then we in the Congress have figured out that prescription drug costs have gone up.

Last year the top 10 drug companies had average profits of over 15 percent in a recession, while the Fortune 500 firms averaged less than 5 percent.

It would be one thing if these profits were being used for real research and development. But the truth is that drug companies are spending more on advertising then they are on research, and some of what they call research is really advertising in the form of expense-paid trips for doctors and their wives at fancy resorts and payoffs to encourage physicians to prescribe prescription drugs.

And with the money they spend on research, where are the breakthroughs and where are the cures? In the 1950's miracle vaccines were developed which eliminated polio, measles, smallpox, and other diseases. The new drugs that they have introduced over the last decade are geared toward maintaining the health and controlling the health problems, not curing them.

The reason for this is clear. Drug companies have financial incentives to develop maintenance drugs which require people to fill prescriptions month after month rather than develop cures which stop disease with one dosage.

It is time that we have a health care industry that provides cures, not cash.

HAS THE HOUSE INTELLIGENCE COMMITTEE BEEN THE VICTIM OF A LEAK?

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, a recent report in the New York Times states that a staff aide to former Speaker Jim Wright admits to having been given classified information from a member of the House Intelligence Committee.

If this report is true, we may have had a serious breach of secrecy in the Intelligence Committee.

This report is particularly disturbing because the issue involved is an allegation of House staffers and Members aiding the Communist government of Nicaragua.

I believe both the Intelligence Committee and the Ethics Committee should look into this charge.

I am not a member of either committee, but I know we simply cannot have a situation in which Intelligence Committee members leak classified information.

THE RECESSION IS NOT OVER

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the National Association of Business Economists says that the recession is over. Now this august body arrived at that decision even though unemployment is our biggest employer. Banks are merging to avoid submerging and bankruptcies are at an all time high. Even cash-rich insurance companies are going broke.

But they say, hey, other than that, everything is OK.

Folks, with experts like this, it is no wonder that the savings and loans have turned into savings and moans.

□ 1240

I think folks, we should really consider this group's advice and realize that last year they said Elvis Presley was still alive and was working for a 7-Eleven in Long Beach.

THE SERBIAN WAR AGAINST CROATIA

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, for the first time since 1945, war has broken out in Europe. While five of the six republics that once comprised Yugoslavia are moving at varying speeds toward independence, democracy, and a market economy, the Communist party still retains control of Serbia. Fearing the winds of peaceful change might eventually sweep the Serbian Communists away, Serbian President Slobodan Milosevic has fanned the flames of ethnic hatred and promoted war in an attempt to retain power.

In 1990, Milosevic launched a brutal campaign of violent oppression against the 90 percent Albanian Kosovo province. This year after pro-Western governments gained power during free elections in Slovenia and Croatia, Milosevic agitated the Serbian minority in Croatia and organized armed insurgents. Since Croatia declared independence, Serbian militia and remnants of the Yugoslavian army have seized more than one-third of Croatia, killing more than 400 Croatians and driving more than 100,000 Croatians from their homes.

Although the leaders of the European Community have unsuccessfully attempted to organize a cease-fire and begin peace negotiations, President Bush has remained strangely silent during the Balkan crisis. Time is running out; Serbian aggression could easily spread throughout the Balkans. The United States along with its European allies should act now to prevent a wider conflagration.

Specifically, I urge the Bush administration to:

First, recognize the independence of Slovenia and Croatia. Yugoslavia, as a single country, is dead.

Second, organize a United Nations economic blockade of Serbia until the Serbian Government withdraws all of the armed force under its control out of Croatia and recognizes Croatian independence. Serbia is a landlocked, import-dependent country; without foreign assistance, Serbia cannot wage war for long.

Third, integrate Slovenia and Croatia along with other new Eastern European democracies into the structure of NATO and the European Community.

WHO IS THE VANQUISHED, WHO IS THE VICTOR?

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the Iraqis want to impose four conditions on U.N. inspection teams looking for nuclear weapons in that country: First, no aerial photography; second, no flights to western Iraq; third, a 2-week time limit; and fourth, Iraqi officials must be present on all flights.

All of these are unacceptable and President Bush would be well within the bounds of the U.N. resolution to join with our allies in sending United States warplanes to Iraq to accompany inspection helicopters and teams.

To allow Saddam Hussein to delay or deter the allied search for nuclear weapons is to ask him to one day use them.

To delay further is to ask, "Who Is the Vanquished, Who Is the Victor?"

THE ARRIVAL OF PROTIMBER ACTIVISTS

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CHANDLER. Mr. Speaker, hundreds of Americans from timber-dependent communities are here this week to tell Congress their side of the story.

These are the frontline people. They are hard working Americans from small timber towns in Washington, Oregon, Idaho, and northern California trying to understand why their way of life has been singled out for destruction.

Mr. Speaker, let us be clear about the message that these working-tax paying Americans bring to our Nation's capital.

We are not seeking permission to cut every last tree, or drive species into extinction.

We are advocating a balanced, commonsense approach, that protects the environment and preserves a way of life that has been in existence since the first families settled in the Pacific Northwest.

Please remember the faces and the names of these people when legislation comes before you advocating Congress lock up our valuable natural resources.

Remember these people because, Mr. Speaker; it is their jobs that will be lost, their homes that will have to be sold, and their communities that will forever be changed by such misguided policies.

A list of participating groups follows:

PARTICIPATING GROUPS

Adirondack Cultural Foundation.
Adirondack Blue Line Confederation.
Alaska Miners Association.
American Environmental Foundation.
American Farm Bureau Federation.
American Forest Council.
American Forest Resource Alliance.
American Loggers Solidarity.
American Mining Congress.
American Pulpwood Association.
American Sheep Industry.
American Shrimp Processors Association.
Association of Western Pulp & Paper Workers—Local #3.
Associated Oregon Loggers.
Blue Ribbon Coalition.
California Forestry Association.
California Woolgrowers.
Citizen's Natural Resource Group.
Citizens Council of the Adirondacks.
Citizens for Land Rights.
Citizens Forum for Truth and Progress.
Coastal Concerned Association.
Columbia Gorge United.
Columia River Plywood Co-Op Association.
Communities First.
Communities for a Great Northwest.
Communities for a Great Oregon.
Concerned Shrimpers of America.
Concerned Shrimpers of Texas.
Douglas Timber Operators.
Eastern Oregon Mining Association.
Fairness to Landowners Committee.
Gorge Resource Coalition.
Grassroots for Multiple Use.
Helicopter Logging Association.
Horse Council of Oregon.
Illinois Valley Resources Coalition.
Illinois Valley Timber Coalition.
Klamath Alliance for Resources and Environment.
Land Improvement Contractors of America.
Log Truckers Conference.
Louisiana Forestry Association.
Louisiana Shrimp Association.
Maine Constitutional Rights Institute.
Molalla Timber Action Committee.
Multiple Use Land Alliance.
National Cattleman's Association.
National Forest Products Association.
National Hardwood Lumber Association.
National Inholders.
National Trappers Association.
Nehalem Valley Timber Coalition.
New Hampshire Landowners Alliance.
North American Wholesale Lumber Association.
North Olympic Timber Action Committee.
Northwest Forest Resource Council.
Northwest Forestry Association.
Northwest Independent Forest Manufacturers.
Northwest Legal Foundation.
Northwest Timber Workers Resource Council.
Oregon Forest Products Transportation Association.
Oregon Cattlemen's Association.
Oregon Cattlewomen.
Oregon Farm Bureau Federation.
Oregon Forest Industries Council.
Oregon Fur Takers.
Oregon Lands Coalition.
Oregon Off-Highway Vehicle Association.
Oregon Project.
Oregon Seed Council.
Oregon Sheepgrowers.
Oregon Women for Agriculture.
Oregon Women for Timber.
Oregonians for Food and Shelter.
Oregonians in Action.
Organization of Louisiana Fishermen.
Pennsylvania Forest Industry Association.
Pennsylvania Land Owners Association.
Property Rights Alliance.
Property Rights of Congress of America.
Protecting Industries Now Endangered.
Public Land Users Coalition.
Public Land Users Society.
Public Lands Council.
Putting People First.
Ranchers and Farmers United for Private Property Rights.
Save Our Industries and Land.
Save Our Sawmills.
Seafood Producers and Processors of the Upper Texas Coast.
Siuslaw Timber Operators.
Southern Oregon Alliance for Resources.
Southern Oregon Resources Alliance.
Southern Oregon Timber Industries Association.
Southwest Louisiana Fishermen's Association.
Sensibly Managing All Resources Together.
Stop! Think! Organize! Prevail!
Terrebonne Fishermen's Organization.
Third Force for Forestry.
Timber Employees for Responsible Solutions.
Timber Resources Equal Economic Stability.
United Conservation Alliance.
United Property Owners.
United Paperworkers International Union—Local #1189.
Voters for Oregon Timber Resources.
Wallowa County Cattlewomen.
Wallowa County Stockgrowers.
Washington Agriculture Export Alliance.
Washington Citizens for World Trade.
Washington Commercial Forest Action Committee.
Washington Contract Loggers Association.
Washington Women in Timber.
Water for Life.
West Oregon Timber Supporters.
West Valley Citizens for Timber.
Western Forest Industries Association.
Western Wood Products Association.
Wetlands Property Rights.
Wildlife Legislative Fund of America.
Willamette Forestry Council.
Wind River Multiple Use Advocates.
Women For Multiple Use of Our Resources.
Women Involved in Farm Economics.
Wood Industry Seeks Equality.
Workers of Oregon Development.
Wyoming Public Lands Council.
Yellow Ribbon Coalition.

VETERANS DO NOT WANT TO HEAR POLITICAL PROMISES

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, Comdr. Dominic de Francesco of the American Legion addressed the Committee on Veterans' Affairs this morning giving the annual report for the American Legion for the coming year.

What he said was that he talked about the shortfalls in funding for America's 28 million American veterans and their families, shortfalls in medical, in prescription drugs, nursing homes, and in educational programs, and many more.

Mr. Speaker, he was right. Veterans' benefits have been cut over the last 10 years. And why? Because they say we have to balance the budget. Well, that is the equivalent of buffalo chips.

I will say this, that nothing has happened as far as balancing the budget. There are a lot of places to cut, but not with America's fighting men and women.

There are political promises. Veterans do not want to hear political promises at election time. It is not enough, my friends, and I say to the veterans with their 28 million strong and their families to get moving at election time. If you want to get something done, use your political prowess. That is the way to do it.

REACH OUT AND TOUCH A COMMIE?

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, former Central Intelligence Agency officer Alan Fiers recently testified before the Senate Intelligence Committee. He was asked if there was any truth to a newspaper report about conversations between certain Members of Congress and staff aides of the House and the Communist Government of Nicaragua in the 1980's.

Mr. Fiers reported that there was truth to those reports.

Mr. Speaker, we must investigate Mr. Fiers' claim. The reputation of this institution is at stake. If, indeed, Members of the House or their staffs were aiding and abetting the brutal Communist dictatorship in Nicaragua, helping it to circumvent administration moves to help Nicaraguan freedom fighters, then we should know about it. The American people should know about it as well.

Mr. Speaker, I have heard the telephone adage "Reach out and touch someone." But I never thought that it meant touching Communist thugs hellbent on enslaving the people of Central America.

I certainly hope that this was not the case. I would not have believed for one moment that Congressmen would do such things, but we will never know if we cover up the truth.

Mr. Speaker, this matter is a matter that deserves investigation. Let us make public the transcripts, if in fact there are any, of such conversations.

[From the New York Times, Sept. 15, 1991]

INTELLIGENCE MATERIAL ON SANDINISTAS IS SAID TO HAVE INVOLVED LAWMAKERS

(By David Johnston and Michael Wines)

WASHINGTON.—During most of the 1980's, as the Reagan Administration monitored the communications of the Sandinista Government of Nicaragua, it intercepted and recorded numerous private discussions involving Congressional opponents of the Nicaraguan rebels in an unanticipated part of the secret intelligence operation, former Administration and intelligence officials said.

In one case, a former Congressman said this week that he believed material collected was used in an attempt to intimidate him. Michael D. Barnes, who was a Democratic Representative of Maryland, said William J. Casey, the Director of Central Intelligence, confronted him privately in late 1985 and tried to threaten him so he would mute his opposition to military assistance to the program. Mr. Barnes says Mr. Casey failed.

There is no indication that the information was improperly collected. But its eventual use by the Reagan Administration may raise questions about whether officials complied with real restrictions—adopted after the disclosures in the 1970's about Government spying on American citizens—that forbid using intelligence for political purposes.

The eavesdropping program, which remains a tightly guarded secret, was aimed at the Sandinista Government. But incidentally it generated detailed information about discussions between Nicaraguan leaders and Congressional officials who opposed President Ronald Reagan's policies in Central America. Most were Democrats or staff members of Democrats.

Several former officials of the Reagan Administration asserted that the Government monitored meetings and telephone calls between Sandinistas and members of Congress or their aides. But in interviews, other intelligence officials were willing to verify only that the Government intercepted communications of Sandinista officials discussing among themselves their private contacts with Congressional officials.

At one point some Administration officials proposed that members of Congress or their aides be prosecuted, former Administration officials said. Intelligence officers who supported the Administration's policies considered the conversations with the Sandinistas to be damaging breaches of national security, if not treasonous. But the prosecution idea was not pursued.

UNAWARE OF MONITORING

Former Reagan Administration officials said the lawmakers included Mr. Barnes, David E. Bonior of Michigan, now the third-ranking Democrat in the House, and Jim Wright of Texas, the former House Speaker. Until he resigned in 1989 over accusations about his financial dealings, Mr. Wright was deeply involved in trying to mediate regional peace negotiations in Central America.

In interviews this week, all three men said they had discussions with Sandinista officials, but Mr. Bonior and Mr. Wright said they were unaware that their conversations might have been monitored.

Mr. Barnes was a leading opponent of aiding the contras and then chairman of a House Foreign Affairs subcommittee on Central America. In an interview, he said Mr. Casey told him late in 1985 that the Central Intelligence Agency had obtained communication between the Nicaraguan Embassy and the Foreign Ministry in Managua. The communication outlined a conversation between Victor C. Johnson, the staff director of Mr. Barnes' subcommittee, and representatives of the Sandinista government.

Mr. Barnes testified briefly about this incident during Oliver L. North's criminal trial in 1989. He insists that Mr. Johnson had not divulged any classified information. Mr. Barnes said he considered Mr. Casey's approach to be a threat intended to mute his opposition to the Administration's contra policy.

CONCERN IN ADMINISTRATION

"I felt at the time that it was an improper usage of foreign intelligence to intimidate members of Congress and their staffs from fulfilling their responsibilities," he said in an interview this week.

But within the Reagan Administration the intelligence material produced a far different reaction. Former Administration officials said they were sometimes stunned by the intelligence reports. These officials said they became seriously concerned that lawmakers or their staff members were advising the Sandinistas to adopt specific diplomatic and military tactics to help the Congressmen defeat Administration proposals to provide the contras with military aid.

These accusations intensified in 1987 and 1988 when lawmakers like Mr. Wright became directly involved in meetings with contra and Sandinista leaders.

But the lawmakers said their discussions with Sandinista representatives were always cautious. Usually, they said, the conversations centered on how the Sandinistas could enhance their standing in Congress by improving human rights, holding free elections and ending repressive measures against the political opposition.

AIDE'S NAME IN REPORT

After reviewing the data, one Reagan Administration official said there were discussions about the possibility of revoking the security clearances of several Congressional officials. At one point in late 1987 and early 1988 there were discussions within the National Security Council over whether to prosecute Mr. Wright or his aides under the Logan Act of 1799.

The law bars American citizens from dealing directly with a foreign government on matters involving a controversy with the United States. A decision was made against referring the matter to the Justice Department, officials said.

Some members of the Congressional intelligence committees also had access to the intelligence data. In early 1988, Wilson Morris, one of Mr. Wright's chief aides, was approached by a Democratic member of the House intelligence committee, who told him that his name had appeared in a classified report, Mr. Morris said in an interview this week.

Mr. Morris declined to identify the lawmaker but said he regarded the discussion as purely informational. Mr. Morris said he did not remember telling Mr. Wright about the incident.

MET WITH SANDINISTA LAWYER

Mr. Morris said he held a number of meetings and telephone conversations with contra and Sandinista representatives in 1987 and 1988. Among them was Paul S. Reichler, a Washington lawyer who represented the Sandinista Government. Mr. Morris's conversations with Mr. Reichler were among those monitored by intelligence agencies, the former Reagan administration official said.

Mr. Bonior, a vocal leader in opposing contra aid, said he suspected at times that his conversations might be overheard, but was never told his telephone calls or private meetings with Sandinista leaders had been monitored. Reports collected on Mr. Bonior's activities included meetings he held in 1986 and 1987 with Carlos Tunnerman, the Nicaraguan Ambassador to the United States, officials said.

Mr. Bonior said he remembered meeting with the Ambassador several times. The meetings usually took place at the Nicaraguan Embassy because Mr. Tunnerman did not speak English well and preferred to discuss political matters in person with his translators present.

This suggested that intelligence agencies may have monitored conversations inside the Nicaraguan Embassy, not just telephone calls and cables. Members of Congress and others might rightly assume that their telephone conversations with the Nicaraguan Embassy were being monitored at that time. But few would have suspected that their conversations within the Embassy could be overheard.

ECHO OF FAMILIAR THEME

Present and former officials who were willing to discuss the intelligence operation are in some cases the same ones who have tried to justify their actions in the Iran-contra affair by saying they simply could not trust the Congress to keep details of the Iran arms sales and contra support program secret. These assertions were a constant theme during the House and Senate investigation of the Iran-contra affair in 1987, and some former intelligence officials under scrutiny in the Iran-contra prosecution are expected to make the same case.

At Mr. North's trial, for example, defense lawyers asserted that the former National Security Council aide concealed his activities from Congress largely because Mr. North did not trust the lawmakers. The intelligence information, these officials say, supports that view.

This comes as Lawrence E. Walsh, the Iran-contra independent prosecutor is investigating former senior intelligence officials for concealing from Congress their knowledge of the secret arms supply network Mr. North and his associates set up after Congress cut off military aid to the contras in 1984.

Last week, Clair E. George, the chief of the agency's clandestine service, was indicted for perjury, false statements and obstructing Congressional inquiries into the affair. Some officials are now trying to explain his actions by saying Mr. George knew of the monitoring operation as did Alan D. Fiers Jr., the former head of the C.I.A.'s Central America task force, who in July pleaded guilty to withholding information from Congress.

Mr. Fiers is a scheduled witness in Robert M. Gates' confirmation hearings next week as Mr. Bush's nominee for director of Central Intelligence.

Mr. Fiers declined to discuss the matter. But his lawyer, Stanley S. Arkin, said, "I am confident that Mr. Fiers will answer any question put to him at the Senate Committee hearings in a full and forthright manner and consistent with this obligation under the laws regarding classified intelligence."

It is unclear how extensively the information was circulated within the Administration. But some officials at the National Security Council, the State Department and the Pentagon were aware of it. The collection effort involved the Central Intelligence Agency, the National Security Agency and the Federal Bureau of Investigation, officials said. Spokesmen for the agencies declined to comment.

Under regulations that govern electronic monitoring, intelligence agencies are prohibited from targeting United States citizens without obtaining a warrant from a special court. But they are permitted to collect information about Americans without a warrant if it is incidental to surveillance efforts directed at foreign governments.

But the agencies may only disseminate information about Americans if it is essential to understanding the intelligence or suggests that a crime may have been committed.

"There's no question that any kind of political use of any of this information is improper, if not illegal," said Gary M. Stern, legislative counsel at the American Civil Liberties Union's project on national security.

AU CLAIR SCHOOLS: HOPE FOR THE DISADVANTAGED

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, unborn babies are the most innocent and vulnerable victims of drugs. It is estimated that 375,000 babies are born every year with alcohol, cocaine, or some other drug already in their systems. They are at a severe disadvantage from the day they are born through no fault of their own.

However, there is an alternative for these children in my district. The Au Clair school program, located in Lake County, FL, provides unique and effective services for children with behavior problems. The Au Clair program has two campuses in Florida and one in Delaware.

In August, I had the opportunity to tour the Lake County facility in Florida, and I was impressed with the unique environment provided. The administration and faculty of the Au Clair program should be commended for offering a way to help give an advantage to the disadvantaged, to give hope to the helpless, to give love to the unloved.

Mr. Speaker, the Au Clair program provides America with a point of light that shines brightly with hope, encouragement, and love.

IT IS TIME FOR TRANSPORTATION FAIRNESS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, it is like Robin Hood, only we have reversed the plot, and it is not a movie. Instead of robbing the rich and giving to the poor, the formula for disbursing Federal transportation dollars has been more like stealing funds from the progressive States who need the most and rerouting them to the pork barrel.

My constituents, generous as they are, are tiring of the practice of getting only 80 cents or less on every dollar they send to Washington for transportation purposes. I and many others now think the time has come for a fairer way to distribute our transportation dollars.

The FAST substitute to the transportation bill sponsored by our colleagues, the gentleman from Florida [Mr. BENNETT] and the gentleman from California [Mr. DREIER] is a better way not only for Florida but for other States that have exported billions of tax dollars over many years to finance bridges and roads in other States.

The existing formula has been blind to the commonsense conclusion that as States confront record growth they obviously need more, not less, of their own transportation funds. Even Robin Hood understood this.

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SADDAM HUSSEIN AND SUFFERING IRAQI CHILDREN

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, the recent events in Iraq once again illustrate Saddam Hussein's continued defiance of U.N. resolutions. First, he interferes with U.N. inspectors looking for weapons of mass destruction, and second, he rejects a United Nations offer to allow the sale of Iraqi oil—an offer which would raise money for food and medicine to help thousands of Iraqi children dying from disease and starvation.

The sad truth is that these two actions go hand in hand, and should not come as a surprise to anyone familiar with Saddam Hussein. The question is how to respond?

President Bush hints he may send military helicopters and warplanes to enforce the inspection process, and already, the Iraqis are hinting they will now cooperate with U.N. inspectors. It may be more difficult, however, to get humanitarian aid to the suffering Iraqi children.

By rejecting the United Nations offer to allow the sale of oil, Saddam Hussein seems intent on starving his own citizens. If he refuses to cooperate, then we need to consider other ways of providing food and medical relief.

Last June, I introduced House Concurrent Resolution 168, which calls for the partial release of frozen Iraqi assets to pay for humanitarian aid only. I think the Bush administration should take a hard look at this alternate approach. Under Resolution 168, money could be directly transferred to the United Nations and relief agencies without any Iraqi involvement.

It's time we bypass a belligerent Saddam Hussein and take steps to end the needless suffering of thousands of Iraqi children.

DID AMERICAN CONGRESSMEN AID A COMMUNIST DICTATORSHIP?

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, recent accusations in the press have created a situation unprecedented in my time as a House Member.

A report in the New York Times refers to the Central Intelligence Agency intercepting and recording conversations between Members of the House and the Communist government of Nicaragua during the 1980's.

It is further reported that CIA officials believe lawmakers and their staffs were aiding the Nicaraguan Communist regime in trying to defeat administration proposals before the Congress.

One of those Members, no longer in the Congress, has suggested that former CIA Director William Casey tried to intimidate the Member.

Mr. Speaker, nothing less than full disclosure of the entire question will suffice.

What, if anything, did our colleagues say to the Communists and when did they say it? What kind of CIA intimidation, if any, went on?

I call upon the Speaker to begin an immediate investigation into all aspects of these charges.

CONGRESSIONAL LEAKS

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, time and again we have heard wailing from the other side of the aisle about those people who supposedly misled Congress during the Nicaraguan freedom fighter effort back in the 1980's.

Well, could that possibly have been because Congress was leaking information to America's enemies like a spaghetti strainer?

We need to know the information behind this and the facts behind these allegations. Is it possible that Members of this body were giving information to America's enemies and Communist leaders of Nicaragua to the detriment of the United States, to the detriment of the cause of freedom, and those people who were putting their lives on the line in Central America to stop that Communist spearhead?

This is too important a question for us to let it be swept under the rug. We cannot permit a coverup of this information. Let us find out the facts. Let us find out if people in this body did commit acts that are very questionable indeed.

ANOTHER MISSED DEADLINE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, there has been for some years now no more important concern than our budget deficit, and yet we will have this year what should prove to be the largest single year budget deficit shortfall ever. The budget compromise fashioned last October promised systematic budget reforms designed to avoid the use of continuing resolutions, governmental shutdowns, midnight sessions, and the sort of closed-door deal making that has infamized budget debacles of past years.

In just a few days, the first year of spending under the guidelines set forth in OBRA '90 will draw to a close, and Congress has yet to get its fiscal House in order. Of the three major deadlines agreed to last year, we have already missed two. The conference report on the fiscal 1992 budget was passed a month after the deadline, and the final appropriations bill did not leave the House until late July.

On Monday, Mr. Speaker, we will miss the final deadline and again send the President a continuing resolution. Our inability to make budgetary deadlines that were all but automatic under the agreement made last year is indicative of just how far we are from making any real progress on deficit reduction.

CRUEL HOAX ON UNEMPLOYED BY DEMOCRATIC LEADERSHIP

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, the Democratic leadership is about to play a cruel hoax on unemployed Americans. The Democratic leadership is going to try to pass unemployment legislation which the Democrats have designed to be vetoed by the President. The Democrats believe they will have a political issue that the unemployed will not get any money. That is cruel, heartless, and wrong.

President Bush is willing to sign the unemployment extension offered by Senator DOLE. That unemployment extension fits the budget agreements, is paid for, and is appropriate.

The choice is very clear. The Republican leadership is willing to offer an unemployment extension which can be signed and which will have checks going to the unemployed now. That is also a fair proposal which is paid for.

The Democratic leadership is not so much worried about checks getting to the unemployed as about having a political issue.

Furthermore, I will once again offer the Economic Growth Act to create 1,100,000 new jobs and sell 220,000 additional new homes.

I hope the Democrats will be as concerned about employment as they seem to be about unemployment.

I really think this is a chance in a bipartisan way to pass an unemployment extension which can be signed, to give up the political issue in order to help Americans.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 332, CONTINUING APPROPRIATIONS, 1992

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 102–216) on the joint resolution (H.J. Res. 332) making continuing appropriations for the fiscal year 1992, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

MAKING IN ORDER ON WEDNESDAY, SEPTEMBER 25, 1991, OR ANY DAY THEREAFTER, CONSIDERATION OF HOUSE JOINT RESOLUTION 332, CONTINUING APPROPRIATIONS, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order on Wednesday, September 25, 1991, or any day thereafter, to consider in the House, any rules of the House to the contrary notwithstanding, the joint resolution (H.J. Res. 332) making continuing appropriations for fiscal year 1992 and for other purposes, and that debate be limited to 1 hour, the time to be equally divided and controlled by myself and the gentleman from Pennsylvania [Mr. McDADE], and that the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion, except one motion to recommit.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. McDADE. Reserving the right to object, Mr. Speaker, and I shall not object, I just want to engage in a brief colloquy with the chairman of the committee in order to enlighten Members of the body a bit about what is contained in this resolution that is upcoming.

Mr. Speaker, may I ask the chairman, this is I believe the continuing resolution that we just marked up in the full committee, which is a clean and simple short-term stopgap funding bill that runs until October 17. Is that the resolution we are referring to?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I am happy to yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, the gentleman is correct.

Mr. McDADE. And is this the same resolution that provides for funding at the lowest levels of House action, Senate action, or last year's levels?

Mr. WHITTEN. Mr. Speaker, again the gentleman is correct.

Mr. McDADE. Mr. Speaker, I thank the chairman.

Mr. Speaker, I understand as well this is the resolution that keeps all programs running under the terms and conditions that applied to the programs in fiscal year 1991.

Mr. WHITTEN. That is correct.

Mr. McDADE. Mr. Speaker, I thank the gentleman.

I want to point out that I am aware of no objection to this continuing resolution. In fact, the administration supports this resolution.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield further?

Mr. McDADE. I am delighted to yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, may I say it is a pleasure for me to work with the gentleman from Pennsylvania [Mr. McDADE], and I am proud of the job the Appropriations Committee has done this year, and may I add, the leadership as well, Mr. Speaker, in helping us with our work.

Again this year we have passed all the appropriation bills on time on the House side. I would like to report to the House what I said to the full Committee on Appropriations today.

The fiscal year begins one week from today. The House has passed all 13 bills. Two have been signed into law. Eight are ready to go to conference and we will begin appointing conferees later this afternoon.

The Senate has added 1,400 amendments to those eight bills. The staff has been working with their Senate counterparts to work out differences.

Obviously, Mr. Speaker, we need a short-term resolution. Thus we have reported this which came out of the committee, and now we are asking unanimous consent to consider it tomorrow.

Again, Mr. Speaker, I wish to thank all who have contributed to bringing about the passage of these bills on time.

I want to say in defense of the Appropriations Committee, in past years where we have been delayed it has been at the instance of our colleagues who had other business they wanted to complete before we handled the money bills, because the Congress has a tendency to want to adjourn as soon as we pass the Appropriations bills.

Again, Mr. Speaker, may I say it is a pleasure to work with my colleague, the gentleman from Pennsylvania.

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Mr. McDADE. Mr. Speaker, let me reply to the gentleman from Mississippi [Mr. WHITTEN] that we are very grateful on this side of the aisle for the spirit of cooperation which we have had with respect to this continuing resolution.

Mr. Speaker, I agree with my distinguished friend from Mississippi that we could, if we can keep the Senate in session, complete the work on all appropriation bills. I do not see any reason why we would have to be here after October 15.

Mr. Speaker, I commend my friend from Mississippi for his forthright actions.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from California.

Mr. DANNEMEYER. I thank the gentleman for yielding.

Mr. Speaker, I am just asking an inquiry here: I have been watching and listening to this debate. When do the existing rules say that we were to have completed our work on these appropriation bills?

Mr. McDADE. Well, as the gentleman knows, it is desirable that we conclude our work by the end of the fiscal year in time for the beginning of the new fiscal year. We have passed over to the Senate all the appropriation bills out of the House, as the gentleman knows.

Mr. DANNEMEYER. Do I understand the gentleman's comment to mean that we are by law supposed to have completed our work on appropriation bills by not later than September 30?

Mr. McDADE. That is the desirable objective.

Mr. DANNEMEYER. I thank my colleague for that information.

Mr. McDADE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2698, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2698) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and appoints the following conferees and, without objection, reserves the right to appoint additional conferees: Messrs WHITTEN, TRAXLER, McHUGH, NATCHER, and DURBIN, Mrs. KAPTUR, Messrs PRICE, SMITH of Iowa, OBEY, SKEEN, MYERS of Indiana, and WEBER, Mrs. VUCANOVICH, and Mr. McDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2608, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? The Chair hears none and appoints the following conferees, and without objection, reserves the right to appoint additional conferees: Messrs SMITH of Iowa, ALEXANDER, EARLY, CARR and MOLLOHAN, Ms. PELOSI, and Messrs WHITTEN, ROGERS, REGULA, KOLBE, and McDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2426, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1992

Mr. THOMAS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2426) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? The Chair hears none and appoints the following conferees and, without objection, reserves the right to appoint additional conferees: Messrs. HEFNER, ALEXANDER, THOMAS of Georgia, COLEMAN of Texas, BEVILL, WILSON, DICKS, FAZIO, WHITTEN, LOWERY of California, EDWARDS of Oklahoma, DELAY, LIGHTFOOT, and McDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2707, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. PURSELL

Mr. PURSELL. Mr. Speaker, I offer a motion to instruct conferees.

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman from California will state it.

Mr. DANNEMEYER. Mr. Speaker, this gentleman from California has a motion to instruct conferees, and I wonder how I would structure my ability to bring this to the attention of the House.

The SPEAKER. There is only one proper motion at this stage, and recognition goes first to a minority committee member, but that motion may be amended if the previous question is rejected on that motion.

Mr. DANNEMEYER. Then I have a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DANNEMEYER. Mr. Speaker, in order to reach the issue of defeating the previous question, debate would have to take place on the House, would it not?

The SPEAKER. One hour of debate on the pending motion.

Mr. DANNEMEYER. And would it be appropriate to divide the time between those now standing so that this issue may be brought to the attention of the House?

The SPEAKER. The Chair would initially recognize the gentleman from Kentucky [Mr. NATCHER] and the gentleman from Michigan [Mr. PURSELL] each for one-half hour.

Mr. DANNEMEYER. Mr. Speaker, a further parliamentary inquiry, would it be appropriate to divide the time 20 minutes to each side so that this Member would have an opportunity of bringing this issue to the members of the House?

The SPEAKER. If both 30-minute recognitions were in favor of the motion, then the gentleman would be in a position to request 20 minutes in opposition.

Mr. DANNEMEYER. May I inquire of the Chair if that is the case?

The SPEAKER. The Chair does not know. That will have to be seen at the time that the motion is offered.

Mr. DANNEMEYER. May I direct that inquiry through the Chair?

The SPEAKER. The gentleman is premature; the question has not yet arisen, but the gentleman's rights will be protected.

Mr. DANNEMEYER. I thank the Speaker.

The Clerk read as follows:

Mr. PURSELL moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2707, be instructed to agree to no less than the amount provided by the House under amendment No. 161 related to Guaranteed Student Loan Administration.

Mr. NATCHER. Mr. Speaker, will the gentleman from Michigan yield?

Mr. PURSELL. I yield to the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. I thank the gentleman for yielding.

Mr. Speaker, on this side we have no objection to the motion offered by the gentleman from Michigan.

The SPEAKER. Does the gentleman from California [Mr. DANNEMEYER] request 20 minutes in opposition to the motion?

Mr. DANNEMEYER. I do, Mr. Speaker.

The SPEAKER. The gentleman will be recognized for 20 minutes.

The gentleman from Michigan [Mr. PURSELL] will be recognized for 20 minutes, the gentleman from Kentucky [Mr. NATCHER] will be recognized for 20 minutes, and the gentleman from California [Mr. DANNEMEYER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, I yield myself such time as I may consume. I will be very brief. I will not need to take the 20 minutes.

Mr. Speaker, I rise in support of a motion to instruct conferees regarding a dispute between the House and the Senate of only $6 million for administration of the Guaranteed Student Loan Program. The House of Representatives and the subcommittee, of which I am the ranking minority member, felt very strongly that Secretary Alexander, in supervision and monitoring the loan default problem should have all the necessary tools at his immediate disposal. We must not jeopardize either the funding or the management of our Guaranteed Student Loan Program and the Senate numbers could cost this country millions of dollars.

There are currently 50 guaranty agencies and 12,000 participating banks that need monitoring. That is a major responsibility. Unlike the S&L program, we felt committed as a committee, I think on both sides of the aisle, to appropriately fund the necessary staff with which to monitor and prevent the collapse of any guarantee agency. Last year the collapse of one guarantee agency cost the Federal Government over $100 million.

The cost to the Federal Government because of defaults in the Guaranteed Student Loan Program in fiscal 1990 was $2.4 billion; in fiscal year 1991 it was $3.6 billion. In other words, a 50-percent increase over 1 year.

We think prudent and responsible fiscal management and leadership from the House of Representatives on this matter is appropriate.

The Senate needs to concur and, hopefully, recede to the House.

So on behalf of my side of the aisle, and I think we have bipartisan agreement on this, the motion to instruct conferees to insist on the House numbers for administration of the Guaranteed Student Loan Program should be agreed to.

Mr. Speaker, I yield back the balance of my time.

Mr. NATCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have no objection to the motion offered by the gentleman from Michigan. As the Members of the House know, the Senate has reduced funding for administering the guaranteed student loan program. We think the motion offered by the gentleman from Michigan is proper in every respect.

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Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. DANNEMEYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what I seek to do is to have the House concur in some language that has been placed in this appropriation bill on the Senate side that will continue in existence title 20 funding for an adolescent family life program, and I want to bring to the attention of the Members of the House that in order for my motion to amend the existing instruction offered by my colleague, the gentleman from Michigan [Mr. PURSELL], I would have to defeat the previous question, and that will be my purpose in doing that.

Members will recall that title 10 deals with family planning activity, and the House in the ensuing weeks will take up the reauthorization of that measure. Family planning deals with how we are going to use Federal tax dollars in planning families in this country.

As we know, there is a controversial provision of that whole issue today; namely, to what extent can those who receive Federal funds in the area of family planning deal with the issue of abortion?

This issue of Adolescent Family Life Program has been funded at a much lower level than title X under family planning, but nevertheless it has been very successful in those school districts around the country that have utilized title XX funding. The Senate has put in a little less than $8 million in fiscal year 1992, and the sense of this motion I seek to offer today will in effect instruct our conferees to stand firm and continue this level of funding for adolescent family planning under title XX if this appropriation bill is finally adopted.

I just want to draw the attention of my colleagues to how effective this program in advocating abstinence for young kids in our society has been.

Studies show that the clear abstinence message leads to healthier attitudes and healthier behavior. When sex respect students were asked: "Do you feel that sex among unmarried teens is? First, very wrong; second, quite wrong; third, not very wrong; fourth, not wrong at all; fifth, no response. The figures for 1988 were 20 percent very wrong in the pretest and 29 percent in the posttest. In 1990, it was 33 percent in the pretest and 41 percent in the posttest."

The school community program for sexual risk reduction among teens and abstinence-based sex education programs based in South Carolina resulted in a marked reduction in the teenage pregnancy rate. It dropped from 60 per 1,000 before the program began in 1982 to 25 per 1,000 in 1985. The rate for comparison counties without the program showed an increase in teen pregnancies during the same time period.

A sexuality commitment and family abstinence-based program used by San Marcos Junior High decreased the pregnancies from 147 to 20 among their students after only 2 years of implementation.

These three instances—and there are others if time permitted that I could cite to my colleagues—show quite clearly that when programs are implemented under title XX, it has the beneficial effect of reducing teenage pregnancy and teenage sexual activity, which results in lower pregnancy rates among teenage kids in our society.

Mr. Speaker, for this reason I believe the motion to defeat the previous question should be adopted by the House so I may have the opportunity of offering this amendment. I do not seek to replace the language of my colleague, the gentleman from Michigan [Mr. PURSELL]. I only seek to amend the language so that my language will be part of his, and so his language will survive and my language will be a part of that instruction as well.

Mr. Speaker, I reserve the balance of my time.

Mr. NATCHER. Mr. Speaker, I reserve the balance of my time.

Mr. PURSELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to have had the opportunity to debate this amendment. However, in our discussions earlier with our staff on the committee, both on the majority and minority sides, we never had the opportunity to discuss this. I am not in disagreement with what my friend is trying to do, but this is not the appropriate time or place. It is really tough now for us to change horses in the middle of the stream. I had wished that my colleague, the gentleman from California, would have had an opportunity to bring this before the subcommittee earlier this year and to have had it debated on the House floor when the bill was considered.

So, Mr. Speaker, at this time I would have to oppose this amendment.

Mr. DANNEMEYER. Mr. Speaker, I yield 7 minutes to my colleague, the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, this is one of those issues that is probably going to affect more the ethos of our country and our culture and what it is like to raise children in this country than any of the passionate battles we have had on this floor about funding the Contras, the anti-Communist freedom fighters in Nicaragua, or programs for Angola or Afghanistan, or debates coming up over the B-2, strategic defense, or what we are going to do with the Soviet Union. This has to do with the fabric of American life and what we tell our young people about responsibility to themselves and to other young people, their sexual responsibility.

This title XX money was taken out on a technicality. The week it happened, Newsweek magazine came out with an article on young women across this country who are sexually active. That is that ugly little cute term we have for "sexual promiscuity in high school." It said in this Newsweek magazine article that not only do we have teenage prostitution out in the street for kids that drop out of school, but girls in school were so aggressive sexually that it was defying description, and they quoted young girls who said they would "even date boys who are so ugly you want to vomit after you have been out with them and slept with them, but they will give you a gold bracelet."

I had that article. I tore it out of the magazine, and I approached the distinguished gentlewoman from Colorado [Mrs. SCHROEDER] here in the well, and I said, "PAT, why is this title XX money out?"

I said, "We can't just pass out condoms in high school. We have to have programs that teach that there is some meaning to words like 'modesty' and 'decency' and 'virginity' and 'wholesomeness.' What do we do, take these words out of our dictionary?"

□ 1320

Is there anything to these concepts left in a country that used to be proud of its Judeo-Christian standards, its Mosaic law, its Maimonides-Rabbinical law, its Pope Gregory IX, Pope Innocent III, St. Louis, Edward the Confessor, Saint Alphonse?

Do we have any standards left in this country? Why is Moses' face in this Chamber?

I did not tell the gentlewoman from Colorado [Mrs. SCHROEDER] all that, just the first few sentences. I said, "PAT, don't we have any standards left in this country? Look at what is happening to teenage girls."

She said, "Oh, I don't care. I only took it out because you folks had taken out some title X money. It is up to you to put it back in."

Well, that is what we are trying to do right now, is put it back in. If the gentlewomen from Colorado [Mrs. SCHROEDER] does not mind it being in, I do not understand why anybody would mind it being in.

I remember walking across the lawn with a former Member from Connecticut, and he was musing. He had just lost in a big expensive comeback in Connecticut.

He said to me, "Can you imagine, BOB, this Jeremiah Denton trying to put money in a budget to teach chastity?"

I said, "Why do you mock that and ridicule that? Do you have children? Do you have daughters? Do you have sons? Don't you want your sons to treat all young women the way you would want somebody to treat a kid sister, or to treat anybody's daughter? What is so funny about this that you are mocking Senator Denton?"

Well, he lost his bid for higher office shortly thereafter that, and, as I repeat, 8 years later lost his comeback bid.

I do not understand Members like that. I do not understand Members that think there is something funny or ridiculous about trying to teach chastity to kids in high school.

I was just told by a nephew the other night that in a Catholic high school in the valley, Crespi by name, one of his teachers in his sophomore year told the class that sex before marriage is OK if the two people are in love.

How many times have we heard that inane line? To 16-year-olds, it is love. Next year with different partners, it is 17-year-olds' puppy love. Next year it is 18-year-old love. That is more serious because you can vote.

Then they go on to college, and it is a different love every semester, and pretty soon here is the guy that says, "I am going to shape up my life and look for Miss Right to be the mother of my children." But meanwhile the young girl has had 10, 15, 20 affairs. And what is she in this double standard we still have in Western civilization? Why, she is a little street urchin, and he is a big lover boy.

That standard is still out there, just as it was when I was in high school, and it is never going to change. Instead of asking young men to live up to the standards that we are trying to get young women to live up to, and that is what my mother pumped in my head every time I went out on a date. Every time I came home late, she said, "I hope you are treating those young women with respect, the way you would want a younger sister that you never had to be treated."

But today, what are we telling people? What does it seem like NOW's major crusade was? To bring our young women down to the alley cat standard of young men, who were lying most of the time anyway about all their conquests.

No, we need this title XX money. We cannot treat this in a cavalier way any more.

I suggest you all go to your dictionaries, and I will do it in this dictionary here which is a pretty old one, and look up the word "ethos." The whole cultural standards of our Nation, the principles under which we are trying to raise children. I wish I had on the tip of my tongue all the statistics on teenage abortion, teenage births, because kids are rejecting this idea of killing their babies in their wombs, but they are still having tens of thousands of babies born outside of wedlock. It is coming down to the 50 percent point in some ethnic groups or poverty groups across this country.

The disease rate, I remember making a speech on this House floor 15 years ago with words I had never heard of in my life, chlamydia, venereal warts, gonorrhea, syphilis, going off the charts. That was before the spring of 1981. We did not find out until about a year later when the scientific community came up with AIDS.

This country is flat out an unsafe place to raise decent young men and women in majority areas of our country, and pretty soon there will not be a village or a hamlet from sea to shining sea where a parent will not be betrayed by some school teacher like this priest at Crespi telling kids exactly what they want to hear when they are a sophomore.

It used to happen at Catholic University when you were a freshman under Father Charles Curran, where he would get a freshman class of kids and say, "Masturbation is OK, sex outside of marriage is OK, homosexuality is OK, but don't tell your parents I told you that."

Do you know what a priest does when he does that? He steals the money from the parents, steals it from them, and betrays everything that those parents believed in and thought was going to be reinculcated into those children with the Christian education that they were paying for.

No. When that happens in our most trusted institutions, they are supposedly following Judeo-Christian ethical standards, you can imagine the message to kids when they set up some clinic in a high school and pass out condoms.

You cannot pray in high school any more, but you can pass out condoms. Get at least this title XX money in there to teach decency, wholesomeness, virginity, and chastity, and waiting for a mature age.

Mr. NATCHER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I find this debate quite puzzling, because what is now pending before the House is a motion to instruct conferees on graduate student loans. That is the issue before the House.

As I understand it now, the gentleman from California [Mr. DANNEMEYER] wants to defeat the previous question so that he can offer a proposal that would say that a sex survey that at one time had been talked about by the Department of Health and Human Services, which, unfortunately, Secretary Sullivan stopped, and I say unfortunately because we need to get information about what the sexual practices are in this country at this time of an AIDS epidemic, an upsurge of syphilis and gonorrhea and other sexually transmitted diseases. We need to know what is happening so we can change behavior, and not just preach about the problem.

But at any rate, this sex survey, as I understand it, is not going to happen. So the proposal is to take the money that is not going to be spent anyway and transfer it to a program called title XX which has not been reauthorized.

Well, if there is any money there, there are a lot of programs to fund. We just had a hearing this morning about the 20th anniversary of the National Cancer Institute. So much needs to be done in the area of research on cancer and other diseases.

If we are interested in the problems of morality and abortion, I believe we ought to be putting more money into the family planning program, because that program can prevent abortions by preventing unintended, unwanted pregnancies.

There are 34 million people in this country who do not have health insurance. Perhaps if we had some money we could put it into community health centers, because that is the only place many people can go for any services at all.

Mr. Speaker, my point is that I think what the House is being subjected to is a little bit of a charade. We will all be told that if we vote against this motion of the gentleman from California [Mr. DANNEMEYER], that we are really voting for a sex survey that he heartily disapproves of, while that is just the reality as I understand it.

This seems to be a way to set up a vote that someone can claim meant something else than the reality of the situation. Procedurally, the motion to instruct is on graduate student loans. We ought to go along with that motion to instruct. We ought to support the previous question so we can vote on that motion to instruct, and not let this process be misused by trying to confuse everybody on an issue that is not an issue, to stop a survey that is not going to be conducted, to show the Secretary he had better not even think about a survey in the future.

We have now had this issue in the House when we had the National Institutes of Health legislation. The gentleman from California [Mr. DANNEMEYER] tried at that time to put in law a way to prevent a sex survey ever in this, and this House overwhelmingly and resoundingly defeated that hamstringing of the people in the research institutions from finding out information that would help us prevent, cure, and curtail some of these diseases.

Mr. Speaker, I thank the chairman of the subcommittee for yielding time to me to rise in support of the previous question when that vote is put to us so we can go on with the business of the House.

Mr. DANNEMEYER. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I think it may be important, given the remarks of the previous speaker, to clarify the situation that we are in. The motion that we have before us from the gentleman from Michigan is on a subject matter which is in the purview of the conference committee named the Guarantee Student Loans.

Mr. Speaker, I would ask the gentleman from California [Mr. DANNEMEYER], is that not correct?

Mr. DANNEMEYER. Mr. Speaker, that is correct.

Mr. WALKER. The gentleman from Michigan does not include any language in his motion to instruct on title XX, which the gentleman from California [Mr. DANNEMEYER] would like to have the conference committee address as well.

Mr. DANNEMEYER. Mr. Speaker, that is also correct.

□ 1330

Mr. WALKER. And the subject matter under title XX is also under the purview of the conference committee because of the Senate action; is that correct?

Mr. DANNEMEYER. That is correct. To be more specific, the Senate committee has put into this bill for title XX funding $7.8 million from teenage sex surveys that will not take place as a result of a decision by the administration. And some of us believe that is a proper place to fund the program title XX that has been so successful in reducing teenage pregnancies around this country.

Mr. WALKER. So this has nothing to do with the implementation of the sex surveys at all. It is the Senate having made a decision to put this money into a program to instruct people on the issues of chastity and virginity and so on. So the gentleman is simply attempting, as I understand it, to amend the motion of the gentleman from Michigan. He is not attempting in any way to take away the language of the gentleman from Michigan with regard to guaranteed student loans?

Mr. DANNEMEYER. That is absolutely right. I think I made that clear to the gentleman from Michigan [Mr. PURSELL]. I do not intend to replace his language at all. I only seek to add to what his language would do as indicated here by providing funding for title XX.

Mr. WALKER. So if the previous question were defeated, the action before the House would be to amend the language of the gentleman from Michigan in hopes that at the end of the process we would have instructions to the conferees both on the subject of guaranteed student loans and on the subject of title XX.

Mr. DANNEMEYER. That is correct.

Mr. WALKER. Mr. Speaker, I am a little confused then as to what the gentleman from California was telling the House because he seems to say it was an either/or choice. I do not think there is an either/or choice here. We have a very, very clear situation where if Members vote to defeat the previous question, we will have an opportunity to address the subject matter that was not included in the amendment of the gentleman from Michigan. And we will in no way lose the subject matter of guaranteed student loans.

In fact, we will simply enhance it by having an instruction that goes further than that and also includes title XX.

I do not think that the situation could be clearer. I certainly hope the House will be with the gentleman from California [Mr. DANNEMEYER] in his attempt to defeat the previous question.

Mr. NATCHER. Mr. Speaker, I yield 5 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding time to me. I thank the gentleman from Kentucky for his leadership on this.

I rise to encourage people to support the previous question. The issue of guaranteed student loans is absolutely vital, and we must move on on it.

The issue about title XX has been really diverted a bit, and I think we ought to lay it out. There was an internal memo at Health and Human Services saying that the program was not doing what it was supposed to be doing. There were no qualms about trying to find a way to do the things title XX was to do, as the gentleman from California points out, but HHS had measured the program and said it was not doing that. It had not been authorized, so it was an unauthorized, program, because I think many people had qualms that while the goals were good, we were not getting there.

Adolescent pregnancy had doubled and so forth. So that is really the issue.

I really resent very much the Members who went into the well and said that I had some other agenda and was not part of the Christian-Judeo culture. I resent that tremendously.

I have young children, and I want to tell my colleagues, I am all for the goals of chastity and virginity and every other such thing. What I want my colleagues to know is this is really about getting on with moving the previous question, getting on with student loans. That is where we ought to be as a body.

This other stuff is all ancillary and has been drug up on issues that really do not matter. If we switched and if we changed, this money would not be diverted from the sex surveys on adolescents. Those are dead. It would come out of the Institute for Child Health and Human Development.

I do not think any Member in here wants to take money out of the Institute for Child Health and Human Development. They are desperately needing money. So that would be what would happen if the amendment of the gentleman from California could carry. So let us get on with guaranteeing student loans. That is important.

Let us not take money out of an institute for child health and human development where the money, every nickel of it, is needed and we need more. Let us not take it out of there for a program that HHS said itself internally was not working. Great goals, but they have not found the right means.

We ought to be funding what works. That is what the taxpayer wants us to do. That is what this body did, and we ought to stand our ground.

I urge every Member to move to vote for the previous question.

Mr. DANNEMEYER. Mr. Speaker, I think the House understands what the issue is. I want to make sure what defeating the previous question will do.

The gentleman from Michigan [Mr. PURSELL] has made a motion to instruct conferees. I agree with that motion. It deals with student loans. That is a needed provision insofar as what our conferees do on that issue. I support that.

When we defeat the previous question, if the House does that, I intend to offer a motion to the motion of the gentleman from Michigan [Mr. PURSELL] that will still keep his motion where it is, not change it one bit, just add language to it that in effect will provide funding for the adolescent life program under title XX.

Members may recall that we tried to do this in a previous consideration of the House, but a Member stood and objected that money in an appropriation bill was deleted because there was no authorization for the continuation of the program and the point of order was sustained.

This is why we are seeking to provide funding for that activity. The Senate has, in its version of this bill, provided almost $8 million for this purpose of adolescent family planning, and the adoption of what I seek to have added to this language will have the same purpose there and a clear indication to our conferees that the House also believes that the subject of adolescent family planning has some utility, insofar as Federal funds are concerned, in helping the kids of our society relate to the issues that they are confronting in their growing years.

This is why I seek to defeat the previous question, so I can offer in effect my amendment to the existing language.

Mr. Speaker, I yield back the balance of my time.

Mr. NATCHER. Mr. Speaker, I yield back the balance of my time.

Mr. PURSELL. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The SPEAKER pro tempore (Mr. CARPER). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 262, nays 154, not voting 16, as follows:

[Roll No. 270]

YEAS—262

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bilirakis
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Bruce
Bryant
Bustamante
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Green
Guarini
Hall (OH)
Hamilton
Harris
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade

McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Montgomery
Moody
Moran
Morella
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Rangel
Reed
Richardson
Roe
Roemer
Rogers
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stenholm
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—154

Allard
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bereuter
Bliley
Boehner
Broomfield
Bunning
Burton
Byron
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gilchrest
Gingrich
Goss
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Huckaby
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kyl
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Mollohan
Moorhead
Morrison
Nichols
Nussle
Orton
Owens (UT)
Oxley
Packard
Paxon
Petri
Porter
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stallings
Stearns
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

Bentley
Boxer
Brown
Callahan
Dixon
Dymally
Ford (TN)
Hatcher
Hopkins
Hyde
Levine (CA)
Mrazek
Rahall
Slaughter (VA)
Staggers
Stokes

☐ 1359

Messrs. GUNDERSON, HOBSON, COLEMAN of Missouri, and OWENS of Utah changed their vote from "yea" to "nay."

Mr. STENHOLM changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SKAGGS). The question is on the motion to instruct offered by the gentleman from Michigan [Mr. PURSELL].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Speaker will appoint conferees when the Speaker resumes the chair.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1330

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that my name be withdrawn from cosponsorship of the bill, H.R. 1330.

The SPEAKER pro tempore. Is there objection to the request the gentleman from California?

There was no objection.

WITHDRAWAL FROM COSPONSORSHIP OF H.R. 1330, THE COMPREHENSIVE WETLANDS CONSERVATION AND MANAGEMENT ACT

Mr. ANDERSON. Mr. Speaker, today I rise to ask that my name be withdrawn from cosponsorship of H.R. 1330, the Comprehensive Wetlands Conservation and Management Act of 1991. In an effort to quell any misconceptions that I have changed my position on the critical issue of wetlands protection, allow me to share my rationale for this decision.

The ongoing polarization caused by the wetlands program, coupled with the essential need to protect these diminishing resources, originally led me to cosponsor the Comprehensive Wetlands Conservation and Management Act of 1991. Never did I, nor do I now, view H.R. 1330 as the optimum legislative solution to this complex and critical issue. My cosponsorship was a means to heighten congressional awareness on outstanding issues with the section 404 program. In addition, I sought to exhibit my personal interest in modifying wetlands regulation during the reauthorization of the Clean Water Act during the 102d Congress.

When Congress first gave regulatory authority to the Army Corps of Engineers over dredging and filling of the Nation's waters under the River and Harbor Act of 1899, and later under section 404 of the Clean Water Act, who envisioned this authority transcending into today's heated wetlands debate? Enactment of the 1972 Clean Water Act, subsequent revisions in 1977, and publication of the "Wetlands Mitigation Manual" in 1989, has made wetlands protection both the most embraced, and the most feared, environmental initiatives in the country. Like all environmental issues, there are those who seek more wetlands protection, and those that feel existing protection is unfair and inconsistent.

On one hand, despite existing protection, America continues to lose wetlands to filling and draining at a rate of 30 acres per hour, 290,000 per year. Moreover, of the current inventoried wetlands, 20 percent receive no protection at all under section 404, while other major portions of wetlands received exemption from the program in 1977 amendments.

On the other hand, the current regulatory program has extended to the protection of millions of acres of land, both public and private, with little specific statutory authority from the Congress. In addition, it has been argued that much of this land is not qualified to be on the wetlands inventory. Although subject to some dispute, we have all heard the horrific story of John Pozgati, a self-employed truck mechanic, who was sentenced to 3 years in prison and a $202,000 fine for cleaning and filling a 14-acre garbage dump located on his own property. When looking at this program from all sides, it is obvious that a revised, balanced, and flexible approach is needed to correct the program's existing shortcomings. Fortunately, recent events make changes inevitable.

On August 14, 1991, the administration released its proposed revisions to the "Federal Manual for Identifying and Delineating Jurisdiction Wetlands." Accordingly, the House Subcommittee on Water Resources is currently scheduling extensive hearings to review the administration's revisions, and to receive testimony from other concerned parties. Being a member of the Water Resources Subcommittee, it is imperative that I listen to the witness testimony and review all the wetlands proposals with an open mind prior to making any determination on which way the Congress should proceed. Only by doing so can I make an honest, educated decision on wetlands reform. Therefore, in view of recent developments, and with all due respect to Congressman JAMES HAYES and the other cosponsors of H.R. 1330, I ask that my name be withdrawn from cosponsorship of H.R. 1330 at this time.

RE-REFERRAL OF H.R. 2926, JEFFERSON NATIONAL EXPANSION MEMORIAL

Mr. ROSE. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the bill (H.R. 2926) to amend the act of May 17, 1954, relating to the Jefferson National Expansion Memorial to authorize increased funding for the East St. Louis portion of the memorial, and for other purposes, and that the bill be re-referred to the Committee on Interior and Insular Affairs.

Mr. WALKER. Reserving the right to object, Mr. Speaker, can I assume this has been cleared with the minority?

Mr. ROSE. Mr. Speaker, if the gentleman will yield, counsel for my committee tells me that it has been. We are simply correcting a mistake that was made. This bill should never have been referred to us in the first place.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. ROSE. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 193

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Concurrent Resolution 193.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2519, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1992

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. GREEN

Mr. GREEN of New York. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. GREEN of New York moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2519, be instructed to agree to the amendment of the Senate numbered 35 for only that part of the amendment on page 23 from the end of line 18 after the colon through the colon on line 25.

The SPEAKER pro tempore. The gentleman from New York [Mr. GREEN] is recognized for 30 minutes.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no objection to this motion. It simply would concur with a Senate amendment that would delete House language which is no longer necessary in view of the decision of the House to fund the HOME program during its consideration of this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. GREEN].

The motion was agreed to.

The SPEAKER pro tempore. The Speaker will appoint conferees when the Speaker resumes the chair.

APPOINTMENT OF CONFEREES ON H.R. 2622, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. WOLF

Mr. WOLF. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. WOLF moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on H.R. 2622, be instructed to agree to the Senate amendment numbered 154, concerning sentencing guidelines for Federal child pornography offenses.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. WOLF] will be recognized for 30 minutes, and the gentleman from California [Mr. ROYBAL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I yield myself such time as I may consume.

The motion that I am offering on H.R. 2622, the Treasury, Postal Service, and General Government appropriations measure for fiscal year 1992, deals with an amendment that passed the Senate unanimously on July 18, by a 99 to 0 vote.

This motion should be passed by the House with the same overwhelming support it received in the other body. It should be supported by every Member who favors increased protection for children who are the victims of molestation and exploitation. The strong supporters for this amendment include the Religious Alliance Against Pornography—which includes Cardinals in the Catholic Church such as Cardinal Bernardin of Chicago, Cardinal Law of Boston, and Cardinal Mahony of Los Angeles. The alliance also includes the president of the Southern Baptist Convention, Dr. Harold C. Bennett, Dr. Bill Melvin of the National Association of Evangelicals, the Patriarch of the Greek Orthodox Church, His Eminence Archbishop Iakovos, and the leaders of virtually every major Protestant and Mormon faith group in America.

Specifically, the pending motion concerns the sentencing guidelines that deal with Federal child pornography offenses. In the 1990 crime bill, Congress toughened Federal pornography laws by creating a new Federal offense for possession of child pornography. This new offense supplemented the existing offense of transporting, receiving, or trafficking in material involving the sexual exploitation of a minor. When the U.S. Sentencing Commission promulgated guidelines for the new possession offense, it took the existing receipt offense, which had been part of the offense involving trafficking, and put it in with the new possession offense. The Commission then assigned the possession and receipt offense the lower base offense level of 10.

Thus, the proposed sentencing guideline would effectively lower the penalty for receiving child pornography materials, even though Congress wanted to strengthen Federal criminal law in this area in the 1990 crime bill.

Senate amendment 154 would reiterate that Congress wants to put teeth into the criminal laws governing child pornography. The amendment sets the base offense levels for trafficking in child pornography at 15, and sets the base offense level for traffickers in child pornography who have a history of sexually abusing children at 18. It sets the base offense level for offenders possessing several articles of child pornography at 13, the base offense for offenders possessing 10 or more items of child pornography at 15, and also sets the base offense level for the distribution of adult obscenity at 10.

The motion and amendment are supported by The National Coalition Against Pornography, the National Center for Missing and Exploited Children, the Family Research Council, the Children's Legal Foundation, Morality in Media, the Southern Baptist Convention, the National Family and Child Protection Law Center, and many other groups.

I want to read just a few excerpts from the letters that I have received on this issue:

"Child abuse and sexual assaults on children are occurring in epidemic numbers in the United States today * * *. Children's Legal Foundation strongly endorses the legislation you are working to enact which would strengthen the child pornography penalties as reflected in the Federal sentencing guidelines."—James P. Mueller, Children's Legal Foundation.

"We consider this legislation vital to the interests and well-being of children throughout the United States. It has our strongest possible support and we would be deeply opposed to any weakening of the amendment in conference."—Jerry R. Kirk and Deen Kaplan, Religious Alliance Against Pornography.

Mr. Speaker, as the ranking member on the Select Committee on Children, Youth, and Families I can tell you that the American family, and especially children, are under tremendous pressure in today's society. This motion is an important step in protecting childern from the exploitation that occurs with every single instance of child pornography. I would hope that Members of the House will show the same level of concern regarding child pornography as members of the Senate, who passed this amendment 99 to 0. I urge a yes vote on this motion.

Mr. ROYBAL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have received a letter from the chairman of the U.S. Sentencing Commission who states in his letter that he does oppose the Senate language as written, but he recommends modified language.

I also have a letter from Cardinal Roger Mahoney, the Archbishop of Los Angeles, who supports the Senate amendment.

Mr. Speaker, I will include these letters in the RECORD at this point.

U.S. SENTENCING COMMISSION,
Washington, DC, August 7, 1991.

Hon. EDWARD R. ROYBAL,
Chairman, Subcommittee on Treasury, Postal Service, and General Government, Capitol, Washington, DC.

DEAR CONGRESSMAN ROYBAL: I am writing in reference to Senate Amendment No. 780 to the FY 1992 Treasury, Postal Service Appropriations Bill that directs the United States Sentencing Commission to amend the sentencing guidelines pertaining to child pornography offenses.

Regrettably, the debate in the Senate mischaracterized the Commission's recent actions as having reduced the guideline penalties for trafficking in child pornography. This is not correct. In point of fact, the Commission amendments assure that defendants who peddle child pornography will be sentenced as traffickers *even* if they successfully negotiate a plea to the lesser offense of simple possession of child pornography. The Commission has always regarded child pornography offenses as serious, as indicated by the fact that the guidelines do not permit straight probation for the least serious forms of this conduct and require a substantial term of imprisonment for the more serious forms.

The Commission's 1991 amendments to the child pornography guideline were principally motivated by the creation of a new offense in the 1990 crime bill (codified at 18 U.S.C. §2252(a)(4)) that punishes by imprisonment up to five years the knowing possession of three or more items of child pornography. Prior to the 1990 crime bill, 18 U.S.C. §2252 provided up to ten years imprisonment upon a first offense conviction for a wide range of conduct varying in seriousness from the simple receipt through the mail of one item of child pornography to for-profit trafficking in large volumes of such material. Convictions for such conduct were sentenced under guideline 2G2.2, which provided a base offense level of 13, increased by 2 levels (about 25 percent) if the material involved a prepubescent minor or minor under age 12, and further increased by at least 5 levels if the offense involved for-profit distribution.

In response to the 1990 crime bill amendment, the Commission created a new guideline, 2G2.4, and assigned to it a base offense level of 10, increased to 12 if the pornographic material involved a prepubescent minor or minor under age 12. The base offense level of 10 was the highest of the alternatives proposed for public comment[1] and is roughly 50 percent greater than the base offense level for simple receipt or possession (in federal jurisdiction) of one item of adult obscene matter. The sentencing significance of this is that a first offender who violates 18 U.S.C. §2252(a)(4) by possessing three items depicting a prepubescent child and who manifests remorse will be subject to a guideline range of 6-12 months imprisonment. A sentence of probation is only permitted in such circumstances if the defendant, as a condition of probation, loses his liberty for at least six months in jail, community confinement, or home detention.

In constructing the new guideline, the Commission made several other significant decisions. First, the Commission provided that if the actual offense conduct involves trafficking in child pornography, the trafficking guideline, with its more severe penalties, will apply, although the defendant may only be convicted of simple child pornography possession. Similarly, if the actual offense conduct involves production of child pornography, the still more severe penalties of guideline 2G2.1 (Sexually Exploiting a Minor by Production of Sexually Explicit Visual or Printed Material . . .) will apply. The purpose of these "cross references" is to ensure that defendants will be punished commensurate with the seriousness of their real offense conduct, even if a plea bargain allows a plea to a possession charge. Furthermore, for those cases in which the defendant possesses a large quantity of prohibited material, but the government is unable to prove trafficking (in order to trigger the cross reference to the trafficking guideline), commentary to the new guideline recommends an above-guideline sentence.

Secondly, in keeping with the overarching congressional mandate to ensure that defendants who commit similar offense conduct are treated similarly under the guidelines, the Commission determined that the new guideline should encompass other conduct of comparable seriousness to the new statutorily-created offense (simple possession of child pornography) that was formerly sentenced under §2G2.2, including simple receipt. Recognizing that receipt is a logical predicate to possession, the Commission concluded that the guideline sentence in such cases should not turn on the timing or nature of law enforcement intervention, but rather on the gravity of the underlying conduct. In this regard, the Commission's rationalization of the offense conduct according to its severity parallels the manner in which illegal drug (or firearms) receipt and possession are treated similarly under the guidelines, while drug (or firearms) distribution or trafficking are treated more severely. Senate Amendment No. 780, unfortunately, would negate the Commission's carefully structured efforts to treat similar conduct similarly and to provide proportionality among different grades of seriousness of these offenses. Instead, it would require the Commission to rewrite the guidelines for these offenses in a manner that will reintroduce sentencing disparity among similar defendants and render the guidelines susceptible to plea bargaining manipulation.

For example, the Senate Amendment mandates the same base penalty for a defendant who, in response to a postal sting solicitation, orders one prohibited magazine as it does for an active "smut peddler." At the same time, the amendment would require the Commission to provide sentences that are 25 percent more severe if the defendant transports one prohibited magazine across state lines than if he is apprehended with nine child pornography movies in his home. Furthermore, through skillful plea bargaining, large-scale traffickers may be able to circumvent the nominally more sever penalties mandated by the Senate amendment by negotiating a plea to simple possession. One primary reason Congress created the Sentencing Commission was to devise guidelines that avoid these unwarranted variations in sentencing for similar conduct. Amendment No. 780 will reintroduce the very problems the guidelines now prevent.

The Commission fully concurs in the need to provide appropriately severe penalties for these offenses that involve the sexual exploitation of young victims. The Commission's guidelines, taking into account proposed amendments we recently sent to the Congress for its review, continue to require substantially tougher penalties than typically were imposed under pre-guidelines practice. In fact a number of judges had written the Commission to express the view that the offense level for the lest serious forms of conduct under §2G2.2 was too severe and that the Commission had failed to consider mitigating factors that warranted a lower sentence. Empirical data on non-distribution cases sentenced under §2G2.2 during fiscal year 1990 suggest many judges share this view of sentence severity. Data indicates that 34 of 88 such cases were sentenced below the appropriate guideline range. This 38 percent below-guideline sentencing rate is more than two and one-half times the 14.4 percent downward departure rate for all guidelines in the same period. Moreover, there are indications that many prosecutors may share the judges' views, based on the fact that apparently only three such downward departure sentences have been appealed. By ordering the Commission to raise penalties even higher for the least serious cases (*i.e.*, simple possession and receipt), Senate Amendment No. 780 may aggravate this below-guideline sentencing rate and heighten sentencing disparity.

As I stated in recent testimony submitted to the Senate Judiciary Committee in connection with the 1991 crime bill, the Commission welcomes the opportunity to work with

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[1] In its January 17, 1991, solicitation of public comment on proposed guideline amendments, the Commission requested views on whether the base offense level under proposed §2G2.4 should be 6, 7, 8, 9 or 10. The only comment received on this issue was from the Department of Justice, which suggested an offense level of 9 and opposed removal of simple receipt from §2G2.2.

Congress to ensure that the guidelines are achieving the objectives Congress sees fit to establish, and we will implement any new congressional directives as promptly as the law permits. At the same time, we believe it is important for Congress to recognize that the Commission is now in a position to provide, to an extent unparalleled by previous sources, detailed data on actual sentencing practices under the guidelines—information that we hope Congress will consider in its decision on sentencing policy.

If the conferees determine that a directive to the Commission is needed in this area, I recommend consideration of the attached substitute provision. This directive, with its more flexible language, is patterned after similar directives in the Commission's original statute and several subsequent crime bills. It expresses the clear Congressional will that the Commission provide appropriately severe penalties in this area without hamstringing the ability of the Commission to take into account variations in the actual offense conduct and significant offender characteristics. Given reasonable flexibility, I am confident the Commission can accomplish the desired aim without creating anomalous results or compromising the core principles of the Sentencing Reform Act.

Thank you for your consideration in this matter.

With highest regards and best wishes, I am,

Sincerely,

WILLIAM W. WILKINS, JR.,
Chairman.

SUGGESTED SUBSTITUTE FOR CHILD PORNOGRAPHY AMENDMENT

Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall review and amend as necessary the sentencing guidelines pertaining to child pornography offenses to ensure a substantial term of imprisonment for any dependent convicted of an offense involving: (1) the sale, distribution, or possession with intent to sell or distribute any visual depiction involving the sexual exploitation of a minor, or (2) the receipt, transportation, or possession of such material if the defendant received, transported or possessed a substantial quantity of such material.

THE 1991 SENTENCING COMMISSION AMENDMENTS TO CHILD PORNOGRAPHY GUIDELINES

§2G2.1. Sexually Exploiting a Minor by Production of Sexually Explicit Visual or Printed Material; Custodian Permitting Minor to Engage in Sexually Explicit Conduct; Advertisement for Minors to Engage in Production.

(a) Base Offense Level: 25

(b) Specific Offense Characteristics

(1) If the offense involved a minor under the age of twelve years, increase by 4 levels; otherwise, if the offense involved a minor under the age of sixteen years, increase by 2 levels.

(2) If the defendant was a parent, relative, or legal guardian of the minor involved in the offense, or if the minor was otherwise in the custody, care, or supervisory control of the defendant, increase by 2 levels.

(c) Special Instructions

(1) If the offense involved the exploitation of more than one minor, Chapter Three, Part D (Multiple Counts) shall be applied as if the exploitation of each minor had been contained in a separate count of conviction.

COMMENTARY

Statutory Provisions: 18 U.S.C. §2251(a), (b), (c)(1)(B).

Application Notes:

1. For the purposes of Chapter Three, Part D (Multiple Counts), each minor exploited is to be treated as a separate victim. Consequently, multiple counts involving the exploitation of different minors are not to be grouped together under §3D1.2 (Groups of Closely-Related Counts). Special instruction (c)(1) directs that if the relevant conduct of an offense of conviction includes more than one minor being exploited, whether specifically cited in the count of conviction or not, each such minor shall be treated as if contained in a separate count of conviction.

2. Subsection (b)(2) is intended to have broad application and includes offenses involving a minor entrusted to the defendant, whether temporarily or permanently. For example, teachers, day care providers, babysitters, or other temporary caretakers are among those who would be subject to this enhancement. In determining whether to apply this adjustment, the court should look to the actual relationship that existed between the defendant and the child and not simply to the legal status of the defendant-child relationship.

3. If the adjustment in subsection (b)(2) applies, do not apply §3B1.3 (Abuse of Position of Trust of Use of Special Skill).

§2G2.2. Trafficking in Material Involving the Sexual Exploitation of a Minor; Receiving, Transporting, Advertising, or Possessing Material Involving the Sexual Exploitation of a Minor with Intent to Traffic.

(a) Base Offense Level: 13.

(b) Specific Offense Characteristics—

(1) If the material involved a prepubescent minor or a minor under the age of twelve years, increase by 2 levels.

(2) If the offense involved distribution, increase by the number of levels from the table in §2F1.1 corresponding to the retail value of the material, but in no event less than 5 levels.

(3) If the offense involved material that portrays sadistic or masochistic conduct or other depictions of violence, increase by 4 levels.

(c) Cross Reference—

(1) If the offense involved causing, transporting, permitting, or offering or seeking by notice or advertisement, a minor to engage in sexually explicit conduct for the purpose of producing a visual depiction of such conduct, apply §2G2.1 (Sexually Exploiting a Minor by Production of Sexually Explicit Visual or Printed Material; Custodian Permitting Minor to Engage in Sexually Explicit Conduct; Advertisement for Minors to Engage in Production) if the resulting offense level is greater than that determined above.

COMMENTARY

Statutory Provisions: 18 U.S.C. §§2251(c)(1)(A), 2252.

Application Notes:

1. "Distribution," as used in this guideline, includes any act related to distribution for pecuniary gain, including production, transportation, and possession with intent to distribute.

2. "Sexually explicit conduct," as used in this guideline, has the meaning set forth in 18 U.S.C. §2256.

3. The cross reference in (c)(1) is to be construed broadly to include all instances where the offense involved employing, using, persuading, inducing, enticing, coercing, transporting, permitting, or offering or seeking by notice or advertisement, a minor to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct.

4. If the defendant sexually abused a minor at any time, whether or not such sexual abuse occurred during the course of the offense, an upward departure is warranted. In determining the extent of such a departure, the court should take into consideration the offense levels provided in §§2.A3.1, 2.A3.2 and 2.A3.4 most commensurate with the defendant's conduct.

§2G2.4. Receipt or Possession of Materials Depicting a Minor Engaged in Sexually Explicit Conduct.

(a) Base Offense Level: 10.

(b) Specific Offense Characteristic—

(1) If the material involved a prepubescent minor or a minor under the age of twelve years, increase by 2 levels.

(c) Cross References—

(1) If the offense involved causing, transporting, permitting, or offering or seeking by notice or advertisement, a minor to engage in sexually explicit conduct for the purpose of producing a visual depiction of such conduct, apply §2G2.1 (Sexually Exploiting a Minor by Production of Sexually Explicit Visual or Printed Material; Custodian Permitting Minor to Engage in Sexually Explicit Conduct; Advertisement for Minors to Engage in Production).

(2) If the offense involved trafficking in material involving the sexual exploitation of a minor (including receiving, transporting, advertising, or possessing material involving the sexual exploitation of a minor with intent to traffic), apply §2G2.2 (Trafficking in Material Involving the Sexual Exploitation of a Minor; Receiving, Transporting, Advertising, or Possessing Material Involving the Sexual Exploitation of a Minor with Intent to Traffic).

COMMENTARY

Statutory Provision: 18 U.S.C. §2252.

Application Note:

1. This guideline assumes that the offense involved a small number of prohibited items. If the defendant possessed 50 or more books, magazines, periodicals, films, video tapes, or other items containing a visual depiction involving the sexual exploitation of a minor, and subsection (c)(1) or (c)(2) does not apply, an upward departure may be warranted.

OFFICE OF THE ARCHBISHOP,
Los Angeles, CA, August 1, 1991.

Hon. EDWARD ROYBAL,
House of Representatives, RHOB, Washington, DC.

DEAR CONGRESSMAN ROYBAL: I am writing in order to elicit your support for the Helms/Thurmond Child Pornography Amendment to the 1990 crime bill which is dealing with the whole question of the possession of child pornography.

Since you are the senior House Democrat on the Conference Committee, your position is extremely important to all of us in seeing that the Helms/Thurmond Amendment remains part of the Conference Committee's work on the overall crime bill.

Thanking you for your leadership in this important area of public law, and with kindest personal regards, I am

Sincerely yours in Christ,

CARDINAL ROGER MAHONY,
Archbishop of Los Angeles.

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Mr. ROYBAL. Mr. Speaker, the issues concerning the sentencing of those involved in child pornography are fairly complex. I think the conferees should review both letters, but particularly that of the chairman of the Sentencing Commission, prior to making any final decision on the language to be included in the bill. I will not oppose the instructions, because I believe that we all share a desire to do what has to be done to stop this horrible exploitation of children. It should be done effectively, with modified language approved by the conferees.

Mr. Speaker, I reserve the balance of my time.

Mr. WOLF. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. Mr. Speaker, I rise to urge my colleagues to approve the motion to instruct the conferees to agree to the Senate amendment providing increased penalties for child pornography offenses under Federal sentencing guidelines.

The Senate amendment makes several important changes to Federal sentencing guidelines for child pornography offenses. First and foremost, it reverses a decision by the Sentencing Commission to lower penalties for certain forms of trafficking in child pornography.

Second, the amendment provides substantial penalties for those who both traffic in child pornography and have engaged in a pattern of activity involving the sexual abuse of a child.

Finally, the Senate amendment would provide an increase in penalties for trafficking in child pornography and other similar offenses that ensure all those convicted of sexually exploiting young children serve some time behind bars.

The offenses covered by the Senate amendment are very serious. Children who fall prey to pornographers are victimized twice over. In the first instance, the production of child pornography always involves the sexual abuse or exploitation of a child. That crime in-and-of-itself can have devastating, long-term consequences for the young victim.

Where the act of abuse has been recorded on film, videotape, or some other means of depiction, however, the harm to the victim is substantially amplified. As Justice Byron White wrote in the case of New York versus Ferber, pornographic films and photographs constitute a "permanent record" of the sexual abuse through which the child has suffered and which can haunt that child well into adulthood.

The existence of such a record and its potential circulation through national, and in some instances even international, chains of distribution can serve only to deepen the emotional and psychological wounds of the child victim.

The circulation and possession of child pornography causes other harm as well. Most experts agree that there is a very high degree of correlation between those who desire to receive and possess child pornography and those who engage in the sexual molestation of young children.

A 1986 Senate report found that "[n]o single characteristic of pedophilia is more pervasive than the obsession with child pornography."

According to the report, it is not unusual for those who sexually molest young children "to possess collections containing several thousand photographs, slides, films, videotapes, and magazines depicting nude children and children engaged in a variety of sexual activity." Moreover, the report concluded that "the distribution of child pornography in the United States is largely carried out by individual pedophiles, who produce this material and trade it among themselves or order it through the mail from other countries."

The final report of the Attorney General's Commission on Pornography also addressed the question of the relationship between the sexual abuse of children and child pornography. That report found that a "significant aspect of the trade in child pornography, and the way in which it is unique, is that a great deal of this trade involves photographs taken by child abusers themselves, and then either kept or informally distributed to other child abusers."

Perhaps even more disturbing was the report's finding that "there is substantial evidence that photographs of children engaged in sexual activity are used as tools for further molestation of other children."

Given that those who receive child pornography through the mails are often also involved in the actual sexual abuse of children—or at the very least meet the psychological profile of those likely to engage in molesting children—it seems incredible that the Sentencing Commission would reduce penalties for such offenders. Yet that is exactly what the Commission proposed to do and what the Senate amendment would prevent.

The Congress has spoken to the issue of child pornography and the sexual exploitation of children repeatedly over the last 15 years. Each time, our legislative effort has emphasized the seriousness of those offenses. Just last year, Congress attempted to strengthen Federal laws by enacting legislation that would make it a crime, subject to substantial penalties—not only to traffic in child pornography—but simply to possess such materials as well.

I was surprised, to say the least, when I learned that the Sentencing Commission used the enactment of that legislation as a pretext to lower penalties for certain forms of trafficking in child pornography. Never in a million years would I have guessed that my vote to make possession illegal would be interpreted by bureaucrats at the Commission as a vote to lower penalties for trafficking. Yet that is exactly what happened.

In the future, I would hope that we could rely upon the Sentencing Commission to promulgate guidelines that fulfill, rather than frustrate, the will of Congress. In the meantime, I urge my colleagues to approve the motion to instruct the conferees to accept the Senate amendment strengthening criminal penalties for those who sexually exploit our children.

Mr. Speaker, I urge support of the motion offered by the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I yield myself such time as I may consume.

Before I close, let me make a couple of comments. One, I will here insert in the RECORD a memorandum prepared by our staff in response to the Sentencing Commission letter.

The memorandum is as follows:

RESPONSE TO SENTENCING COMMISSION LETTER

"Regrettably, the debate in the Senate mischaracterized the Commission's recent actions as having reduced the guideline penalties for trafficking in child pornography. This is not correct. In point of fact, the Commission amendments assure that defendants who peddle child pornography will be sentenced as traffickers even if they successfully negotiate a plea to the lesser offense of simple possession of child pornography."

That statement is misleading. True, the amendments do provide that traffickers who plea to possession should never the less be sentenced under the trafficking guideline. However, the amendment also narrows the scope of trafficking to exclude receiving, transporting, advertising child pornography (all of which had been considered "trafficking" under the old guideline). The net result is that the penalties for receipt, transportation, and advertising of child pornography have been reduced under the amendments.

"Furthermore, through skillful plea bargaining, large-scale traffickers may be able to circumvent the nominally more severe penalties mandated by the Senate amendments by negotiating a plea to simple possession."

This is simply not true. The Commission amendments provide that where a defendant pleads guilty to possession but in fact has engaged in trafficking, the court should apply the trafficking guideline. The Senate amendment simply expands the "trafficking" to include receipt, transportation, and advertising. As a result, a plea bargain should not serve to defeat the purpose of the Senate amendment. To the extent that the language of the guidelines are unclear in producing that result, the Commission has the power to further amend the guidelines to effect the Congressional intent (a point that could be made in report language).

"In fact a number of judges had written to Commission to express the view that the offense level for the least serious forms of conduct under 2G2.2 was too severe and the Commission had failed to consider mitigating factors that warranted a lower sentence. Empirical data on non-distribution cases sentenced under 2G2.2 during fiscal year 1990 suggest many judges share this view of sentence severity. Data indicates that 34 of 88 such cases were sentenced below the appropriate guideline range. This 38 percent below-guideline sentencing rate is more than two and one-half times the 14.4 percent downward departure rate for all guidelines in the same period."

This is very misleading and is largely contradicted by the Commission's own statistics. Under law, when judges depart from the guidelines (that is, when they impose a sentence which is either greater or lesser than the one called for under the guidelines), they must provide their reasons for doing so. According to statistics provided by the Commission to Senator Helms, of these 34 below-guidelines departures only 8 were made because the judge believed that the defendant's conduct was not "serious."[1] Thus, the number of downward departures attributable to a judge's view that receipt, transportation, or advertising for child pornography is not a serious offense is 9 percent, not 38 percent. The Commission fails to mention that their were also 9 above-guidelines departures. In four of those cases, the judge imposed a more severe sentence because of the defendants extensive criminal history, in two cases because the defendant engaged in the sexual exploitation or abuse of a minor, and in 2 cases for "other" reasons.

"[I]n keeping with the overarching congressional mandate to ensure that defendants who commit similar offense conduct are treated similarly under the guidelines, the Commission determined that the new guideline should encompass other conduct of comparable seriousness to the new statutorily-created offense (simple possession of child pornography) that was formerly sentenced under 2G2.2, including simple receipt."

This, of course, is exactly what has enraged the anti-pornography groups. Congress toughened federal pornography laws by creating a new federal offense of possessing child pornography and the Commission used that new law as a pretext for reducing penalties for conduct which had been treated as trafficking (i.e., receipt, transportation, and advertising). Surely, no member of Congress understood that by voting to create a new federal offense he would also be voting to reduce penalties for existing offenses.

If the Commission believe that treating possession differently from trafficking would produce unwarranted sentencing disparities, it could have provided penalties for possession that are as high as the penalties for receipt, transportation, and advertising (rather than lowering penalties for those offenses).

"Recognizing that receipt is a logical predicate to possession, the Commission concluded that the guideline sentence in such cases should not turn on the timing or nature of law enforcement intervention, but rather on the gravity of the underlying conduct."

The notion that "the guideline sentence should not turn on the timing or nature of enforcement intervention" is applicable to offenses where law enforcement authorities are likely to intervene before the crime has been completed. An example might be where police arrest a drug dealer before he actually makes a distribution. That approach would not seem to apply to the receipt and possession of child pornography.

Virtually all enforcement is accomplished through sting operations conducted through the mails. As a result, most offenders (even active distributors) are caught in the act of receiving child pornography out of their mail box. It makes little sense, then to suggest that enforcement authorities will intervene in the offense after the offender has taken possession of child pornography but before he has received it. If anything, the stated rationale supports treating receipt the same as distribution since distributors are likely to be caught in the act of receipt.

"In this regard, the Commission's rationalization of the offense conduct according to its severity parallels the manner in which illegal drug (or firearms) receipt and possession are treated similarly under the guidelines, while drug (or firearms) distribution or trafficking are treated more severely."

The parallel to drug and firearms offenses are at best strained. Traditionally, those who simply possess drugs (i.e., drug users) are often viewed as victims of their own addiction who should be treated differently than drug traffickers. This was the overriding Congressional concern when the drug possession statute (21 U.S.C. 844) was first enacted in 1970. As a result, drug possession is a misdemeanor under federal law whereas trafficking carries far more severe penalties (up to a mandatory term of life imprisonment) depending on the type and amount of drugs involved in the offense. There is not really a serious argument that a similar distinction exists between child pornography "users" and child pornography "traffickers."

Unlike either child pornography or drugs, the possession, receipt, and distribution of firearms is lawful under many (perhaps most) circumstances. Many violations of federal firearms statutes (particularly those involving receipt and possession) are technical in nature committed by defendants who, despite their technical violation of the law, nevertheless seek to possess or receive firearms for otherwise lawful purposes (e.g., hunting). Again, there is no serious argument that those receiving or possessing child pornography are in a parallel position.

"[T]he [Senate] amendment would require the Commission to provide sentences that are 25 percent more severe if the defendant transports one prohibited magazine across state lines than if he is apprehended with nine child pornography movies in his home."

That result is inherent in distinguishing between possession and trafficking. An individual who possesses a small amount of heroin is guilty of a misdemeanor, whereas an individual who trafficks in the same amount is guilty of a felony.

"The sentencing significance of [providing a base offense level of 10] is that a first offender who violates 18 U.S.C. 2252(a)(4) by possessing three items depicting a prepubescent child and who manifests remorse will be subject to a guideline range of 6–12 months imprisonment. A sentence of probation is only permitted in such circumstances if the defendant, as a condition of probation, loses his liberty for at least six months in jail, community confinement, or home detention."

It is important to recognize that under current sentencing practices a first offender sentenced under the guideline amendment for possession of pornography depicting very young children is unlikely to serve any prison time. The most likely result is a sentence to 6 months of home confinement (i.e., house arrest). Persons sentenced to home confinement are generally free to leave their homes to go to work, to attend to necessary chores such as buying groceries, visiting physicians, dentists, etc. Of course, while at home, their are no limitations on the offender's access to the normal conveniences of home (i.e., television, VCR, stereo, etc.). One purpose of the Senate amendment was to ensure that even first-time violators of Federal child pornography possession laws—particularly where materials depicting very young children are involved—spend at least a short amount of time behind bars. While that is theoretically possible under the Commission's amendment, it is an unlikely result.

"If the conferees determine that a directive to the Commission is needed in this area, I recommend consideration of the attached substitute provision."

The Commission-proposed substitute is objectionable for several reasons. First, it requires only that the Commission "review and amend as necessary the sentencing guidelines pertaining to child pornography." Under the substitute, the Commission is free to determine for itself whether any further amendment to those guidelines is necessary. Second, it requires the Commission to "ensure a substantial term of imprisonment" under the guidelines for individuals convicted of child pornography offenses without stating what constitutes "substantial." Further, and perhaps most objectionable, the Commission substitute perpetuates the distinction between distribution on the one hand and receipt, transportation, and advertising on the other. It was precisely that issue which drew fire from the anti-child pornography groups and the Justice Department. Thus, even if the Commission did take action pursuant to the substitute amendment, the terms of the amendment would prevent the Commission from taking action acceptable to the anti-child pornography groups and the Justice Department.

Mr. WOLF. Second, Mr. Speaker, I want to remind all Members that this passed the Senate by a vote of 99 to 0.

Mr. Speaker, third, it is supported by all the major religious groups in the United States, the Catholic Cardinals Conference, the Bishops Conference, all the different religious denominations across the board. I will insert in the RECORD at this time the names of those organizations, as follows:

RELIGIOUS ALLIANCE AGAINST PORNOGRAPHY

COOPERATIVE

Mrs. Jacqueline G. Wexler, President, Retired National Conference of Christians and Jews.

GREEK ORTHODOX

His Eminence Archbishop Iakovos, Primate, Archdiocese of North and South America.

Bishop Philip of Daphnousia, Archdiocese of North and South America.

Reverend Milton B. Efthimiou, Archdiocese of North and South America.

JEWISH

Rabbi Marc H. Tanenbaum.
Rabbi Mordecai Waxman.
Rabbi Walter S. Wurzburger.

PROTESTANT

Rev. James E. Andrews, Stated Clerk, Presbyterian Church (USA).

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[1] Of the remaining below-guideline departures, 7 were made because the defendant provided substantial assistance to law enforcement efforts, 12 were made because of the defendant's age, infirmity, or diminished capacity, and 8 were made for "other" reasons. None of these categories have anything to do with the severity of the defendant's conduct. Where a departure is made because the defendant assisted law enforcement efforts, it is the quality of his assistance—not the severity of his offense conduct—that counts. So too, where the defendant suffers from diminished capacity, etc., his criminal conduct may be very serious. The judge's decision to impose a lesser sentence, however, focuses on the defendant's relatively reduced culpability. Finally, there is no reason to believe that the 8 cases falling in the "other" category involved considerations going to the severity of the offense conduct.

Bishop George W. Bashore, Bishop of Western Pennsylvania, United Methodist Church.

Dr. Harold C. Bennett, President & Treasurer, Executive Committee, Southern Baptist Convention.

Mrs. Sarah Blanken, Vice President, Women's Leadership, National Coalition Against Pornography.

Dr. Ralph A. Bohlmann, President, The Lutheran Church-Missouri Synod.

Bishop Voy M. Bullen, General Overseer, The Church of God.

Dr. G. Raymond Carlson, General Superintendent, Assemblies of God.

Rev. Clifford R. Christensen, Conference Minister, Conservative Congregation, Christian Conference.

Dr. Raymond E. Crowley, General Overseer, Church of God (Cleveland, TN).

Rev. L. Edward Davis, Stated Clerk, Evangelical Presbyterian Church.

Dr. James Dobson, President, Focus on the Family.

Bishop Paul A. Duffey, Secretary, Council of Bishops, United Methodist Church.

Dr. Steve F. Flatt, Minister, Madison Church of Christ.

Bishop William Frey, The Episcopal Church.

Dr. Archer R. Goldie, Secretary, N. Amer. Baptist Fellowship, Baptist World Alliance.

Dr. Ray H. Hughes, First Assistant/General Overseer, Church of God (Cleveland, TN).

Dr. B. Edgar Johnson, General Secretary, Church of the Nazarene.

Dr. William A Jones, President, National Conference of Black Pastors.

Rev. Dean M. Kelley, Director of Religious & Civil Liberties, National Council of Churches.

Dr. Jerry R. Kirk, President, National Coalition Against Pornography.

Dr. Richard Land, Executive Director, Christian Life Commission, Southern Baptist Convention.

Mr. James M. Lapp, Executive Secretary, General Board, The Mennonite Church.

Dr. Eileen W. Lindner, Associate General Secretary, National Council of Churches.

Chief John Maracle, Chief of North American, Native Christian Council.

Bishop George Dallas McKinney, Bishop of Southern California, Church of God in Christ.

Dr. Thomas A. McDill, President, Evangelical Free Church in America.

Dr. Billy Melvin, Executive Director, National Association of Evangelicals.

Commissioner Andrew S. Miller, The Salvation Army, Retired.

Dr. Edwin G. Mulder, General Secretary, Reformed Church in America.

Mr. David H. Northup, Executive Vice President, Advent Christian General Conference.

Commissioner James Osborne, National Commander, The Salvation Army.

Mr. Matt Parker, President, Institute for Black Family Development.

Mr. Vern Preheim, General Secretary, General Conference Mennonite Church.

Dr. Adrian Rogers, Former President, Southern Baptist Convention.

Dr. Oscar Romo, Director, Div. of Language Missions, Southern Baptist Convention.

Dr. Mary O. Ross, President, Women's Conv. Auxiliary, National Baptist Convention, U.S.A., Inc.

Rev. Don Sauls, General Superintendent, Pentecostal Free Will Baptist Church.

Dr. R. Donald Shafer, General Secretary, Brethren in Christ Church.

Rev. Ray E. Smith, General Superintendent, Open Bible Standard Churches, Inc.

Dr. Glen O. Spence, Executive Director, General Association of General Baptists.

Dr. Everett Stenhouse, Assistant General Superintendent, Assemblies of God.

Dr. Mary Ruthstone, Secretary, Women's Commission, National Association of Evangelicals.

Dr. Paul Tanner, Executive Secretary, Retired, Church of God (Anderson, IN).

Bishop Clyde E. Van Valin, Free Methodist Church of North America.

Rev. Vilis Varsbergs, President, Latvian Evangelical Lutheran, Church in America.

Dr. Daniel E. Weiss, General Secretary, American Baptist Churches, U.S.A.

Dr. John H. White, President, Retired, National Association of Evangelicals.

Dr. Melvin L. Worthington, Executive Secretary, National Association of Free Will Baptists.

Rev. Donald E. Wrigley, President, Advent Christian General Conference.

ROMAN CATHOLIC

His Eminence Joseph Cardinal Bernardin, Archbishop of Chicago.

His Eminence John Carninal Krol, Archbishop of Philadelphia, Retired.

His Eminence Bernard Cardinal Law, Archbishop of Boston.

His Eminence Roger Cardinal Mahony, Archbishop of Los Angeles.

His Eminence John Cardinal O'Connor, Archbishop of New York.

Most Rev. James W. Malone, Former President, National Conference of Catholic Bishops.

Most Rev. Daniel E. Pilarczk, President, National Conference of Catholic Bishops.

Bishop Robert J. Banks, Auxiliary Bishop of Boston.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS

Elder John K. Carmack, First Qurom of the Seventy.

Dr. Richard P. Lindsay, Second Quorum of the Seventy.

Mr. Bruce Olsen, Managing Director, Public Affairs.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct conferees.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to instruct conferees offered by the gentleman from Virginia [Mr. WOLF].

The question was taken: and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WOLF. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 18, as follows:

[Roll No. 271]

YEAS—414

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula

Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—18

Bentley
Boxer
Callahan
de la Garza
Ford (TN)
Gaydos
Hefner
Hopkins
Hyde
Levine (CA)
McCloskey
Mrazek
Shaw
Slaughter (VA)
Smith (NJ)
Staggers
Stokes
Waxman

□ 1433

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. DONNELLY). The Speaker shall appoint conferees on his return to the chair.

REMOVAL OF NAME OF MEMBER AS A COSPONSOR OF HOUSE RESOLUTION 194

Ms. SLAUGHTER of New York. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2686, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. YATES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2686) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. GREEN OF NEW YORK

Mr. GREEN of New York. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. GREEN of New York moves that the managers on the part of the House, at the conference of the disagreeing votes of the two Houses on the bill, H.R. 2686, be instructed to disagree to the amendment of the Senate numbered 182.

PARLIAMENTARY INQUIRIES

Mr. DANNEMEYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DANNEMEYER. Mr. Speaker, I have a motion to instruct conferees which I would like to offer to the House, so may I inquire, how would I proceed to do that?

The SPEAKER pro tempore. Under the rules of the House, the gentleman from New York [Mr. GREEN], being a minority member of the committee and the ranking member of the subcommittee, has been recognized, and he was standing. The House would have to vote down the previous question on the motion offered by the gentleman from New York [Mr. GREEN].

Mr. DANNEMEYER. Then, if I may pose a further parliamentary inquiry, how much time will be allocated to this motion to instruct?

The SPEAKER pro tempore. The Chair will inquire, is the gentleman from Illinois [Mr. YATES] in support of the motion?

Mr. YATES. I am, Mr. Speaker.

The SPEAKER pro tempore. Since the gentleman is in support of the motion the gentleman from New York [Mr. GREEN] will be recognized for 20 minutes, the gentleman from Illinois [Mr. YATES] will be recognized for 20 minutes, and the gentleman from California [Mr. DANNEMEYER] will be recognized for 20 minutes.

The Chairman recognizes the gentleman from New York [Mr. GREEN].

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my motion to instruct involves the low-income weatherization and State conservation grant programs in the Department of Energy. The House-passed bill contained a total of $247,893,000 for those programs. That included $200 million for weatherization of low-income homes. This is at the same level as in the fiscal year 1991 appropriation bill.

The Senate amendment unfortunately reduced those levels to $220,150,000, including $177,600,000 for low-income weatherization. This represents a reduction of over 11 percent or $22,400,000 from the fiscal year 1991 appropriation.

I think the Senate-proposed reduction is a very bad idea. It will be devastating to the low-income weatherization program, and I am making this motion in order to encourage the House conferees to stand by the House position and to protect the funding which the House voted for these programs.

Let me explain why I think the action of the Senate is most unwise. First, as my colleagues will remember, in addition to the funding of the low-income weatherization program from general funds, we enacted legislation which made available to States funds from recoveries for petroleum overcharge violations. Those violations occurred during the period when we had national petroleum price controls. It was a rather complicated setup, as my colleagues will remember, but when there were violations found, there were very substantial recoveries achieved which were made available so that States could use those funds to supplement the funding of this program. With the passage of time since the decontrol of oil prices, obviously there are no further violations of the petroleum price-fixing legislation. We do not have it any more, and, therefore, smaller and smaller amounts are becoming available each year as the cases remaining from the 1970's are ultimately resolved.

Second, funding for low-income heating assistance has decreased in the past several years so that money for both the payment of fuel bills and weatherization assistance, provided by that program, is not available at the same level.

Finally, even though this program has been funded for over a decade, fewer than 20 percent of eligible households—4 million of 22 million—have been weatherized through 1990.

□ 1440

Slowing the rate of expenditures will delay completion of this program even further, thus penalizing the low-income sector of our economy unnecessarily.

Moreover, Mr. Speaker, it seems to me that the weatherization program is an ideal way to achieve more efficient use of fuel, thus avoiding the environmental problems inherent in the burning of fuels, reduce our dependence on imported oil, and improve our balance of payments.

Mr. Speaker, for those reasons, I think it is very important that we continue to fund this program at least at the current level, and I therefore make this motion in order to encourage the House conferees to persuade our Senate brethren to do exactly that.

Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I associate myself with all the remarks of the gentleman from New York [Mr. GREEN]. I think his amendment is a good one, and I urge Members to accept it.

Mr. Speaker, I reserve the balance of my time.

Mr. DANNEMEYER. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, again the House takes up the issue of taxpayer funding for trash, sometimes called pornography, sometimes called indecent art, but otherwise some say we need to continue all in the name of freedom of expression.

Last year Congress gave NEA Chairman Frohnmayer a reprieve from restrictions on funding offensive art, and asked only that he adhere to general standards of decency. But he instead said that he would not be the decency czar.

Mr. Frohnmayer is quoted in last Friday's Washington Post, that, "The NEA does not fund art that is 'patently offensive' and never will."

Mr. Speaker, let us examine whether or not what has been funded by the NEA, the National Endowment for the Arts, is consistent with what Mr. Frohnmayer, its head, says it will not do. These are examples of what was funded by taxpayer money during 1991.

"Jesus Christ Condom": A movie about an AIDS activist dressed as Jesus Christ and wearing a crown of thorns. Among his quotes are, "My mom (Mary) was a virgin and boy did she miss out. Make sure your second cumming (ejaculation) is a safe one. Use condoms." Later, an ACT-UP member crumbles the holy communion elements on the floor and steps on them.

"Poison": A movie which shows homosexual violence in prison with one prisoner stalking another and multiple glimpses of rear-entry intercourse and genital fondling. Several young men are shown humiliating another young man by repeatedly spitting into his gaping mouth.

"Tongues United": Again, this is with Federal tax dollars, in spite of the language of Mr. Frohnmayer. This is a movie about black homosexuals who are kissing and caressing each other, which contains much nudity and profanity. This was shown all over America on national public television.

Mr. YATES. Mr. Speaker, will the gentleman yield for a correction? The gentleman has stated that each of these grants was funded in 1991.

Mr. DANNEMEYER. That is the statement.

Mr. YATES. Mr. Speaker, perhaps I should correct the gentleman in my own time. I will tell the gentleman from California [Mr. DANNEMEYER] that several of these grants were not funded in 1991, but one of them, at least, was funded in 1988. This is important, because the House considered what NEA had done before last year when it passed the authorizing legislation. It decided to incorporate language to correct that in last year's legislative bill, Mr. Frohnmayer has been trying to do just that.

Mr. DANNEMEYER. Mr. Speaker, reclaiming my time, I would hope that he will come to the realization that that is what should be done. I am saying these were funded in 1991. If the gentleman from Illinois [Mr. YATES] has got evidence otherwise, he can take the time to relate to that.

Mr. Speaker, next is "A Midsummer Night's Dream": A play which opened in New York's public Central Park, which shows one actress appearing completely nude, many topless women, and men wearing only G-strings.

"Paris Is Burning": A movie which is about transsexuals and homosexuals and shows a practice called vogueing, a kind of vulgar dancing which substitutes for street fighting. Two men suck on the breast of one of the transsexuals in this movie full of nudity and profanity.

"No Trace of the Blonde": A piece of performance art by Holly Hughes which explores feminist themes using subject matter dealing with vampirism.

"Lust and Pity": A grant the NEA gave to the Alice B. Theater Company helped support the production of several homosexual plays such as "Lust and Pity."

"1991 San Francisco International Lesbian and Gay Film Festival": For the fourth year in a row, this film festival was funded by the NEA to show such movies as "Beyond Superdyke," "Why I Masturbate," "Sadomasochistic Sex and Music," and "Queers Bash Back."

Mr. Speaker, it is really a tragedy to have to stand on the floor of the House of Representatives and read some of this trash. But our taxpayer money is being used to fund this stuff, and we are the people that have the purse strings and are answerable to the people of this country as to whether we are going to continue the funding of taxpayer dollars to finance this trash.

Mr. Speaker, let me observe that President Phyllis Schlafly, Eagle Forum; Paul Weyrich, national chairman, Coalitions for America; Rev. Don Weldmon, the American Family Association; Ralph Reed, executive director, Christian Coalition; Rev. Louis P. Sheldon, president, Traditional Values Coalition; Gary Bauer, president, Family Research Council; Dr. Richard Land, executive director, Christian Life Commission of the Southern Baptist Convention; and Beverly LaHaye, president, Concerned Women for America, are all watching this vote very closely, because these organizations and many others in this country intend to bring to the attention of their constituencies what this debate is all about.

The Southern California Baptist Convention on June 4-6, 1991, adopted some language which makes very clear that they want this motion to instruct adopted.

Mr. Speaker, let me just very briefly procedurally explain where we are. Where we are right now is that in order for this Member from California to offer the motion to instruct, I will have to amend the motion of the gentleman from New York [Mr. GREEN]. I have no desire to replace the language that he seeks to have amended in this bill. I do not want to knock it out.

All I seek is to add the language that is the subject of the motion that I am talking about to this piece of legislation, this motion to instruct.

It says, very simply, notwithstanding any other provision of law, none of the funds made available to the National Endowment for the Arts under this act may be used to promote, disseminate, or produce materials that depict or describe in a patently offensive way sexual or excretory activities or organs.

This motion was adopted in the U.S. Senate by a vote of 68 to 28. I mention that to Members as an indication of support by the Senate.

This language of "patently offensive material" has been ruled constitutional by the U.S. Supreme Court in FCC versus Pacifica, which upheld the FCC's power to enforce its definition of decency. The relevance of this argument is offered so that if somebody seeks to say that the language that I seek to have added to this motion to instruct conferees is somehow unconstitutional, it certainly is not. It has passed constitutional muster.

Mr. Speaker, for these reasons I ask that Members defeat the previous question so that this Member from California will have an opportunity to add the language that the Senate adopted by a vote of 68 to 28 to this motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I must say that I recognize almost none of the works cited by the gentleman from California [Mr. DANNEMEYER], but I did recognize one of them, "Midsummer Night's Dream." The "Midsummer Night's Dream" to which the gentleman refers was indeed performed in Central Park as part of the city's and Joseph Papp's free Shakespeare program. It was William Shakespeare's "Midsummer Night's Dream." It was performed by a very respected Brazilian Theater Company, and it was performed in Portuguese.

Mr. Speaker, I do not think by any stretch of the imagination it was obscene. It got mixed reviews, but certainly it was treated seriously by all the theater critics who saw it. Plainly, when it was being given in Portuguese, it was not pandering to any mass audience. So I think the one case that the gentleman from California [Mr. DANNEMEYER] refers to with which I am familiar really does not make his case.

□ 1450

Let me simply, instead of getting into the debate we had for several years, urge my colleagues to support the motion for the previous question so that we do not have to get into that morass.

The fact of the matter is that this issue was considered in the last Congress where it should be considered, on the authorizing legislation. After expensive work in committee and after extensive debate on the floor, we passed reauthorizing legislation for the National Endowments which responded to the concerns that Members had had as to grants that had been previously made.

That work was done and it was done as it should be done, by the Congress of the United States through thoughtful authorizing legislation.

A motion to instruct conferees on an appropriations bill is certainly not the place to reopen that complicated and emotionally charged debate. There are other times when Members have gotten up on this floor and said, "I have had little choice but to offer a rider on an appropriations bill because the authorizing committee just brings nothing to the floor that addresses the issue." That did not happen in this case.

The authorizing committee did its work and brought legislation to the floor. We debated this issue, and we resolved it. We should not now get this appropriation bill enmeshed in that debate once again.

I particularly plead with my colleagues to approve the motion for the previous question because inevitably, if the gentleman from California prevails, the motion that I have offered, which I think is a straightforward one addressing a most serious issue, one involving poor people, one involving the environment, involving our economy and the balance of payments. That motion, which I wish to make, though it will not be deleted by the gentleman from California, would inevitably be coupled with this other highly controversial and emotional instruction that he wishes to offer. And in the end, we would not have a clear-cut vote on the motion that I seek to offer.

So I urge my colleagues to approve the previous question and to support my motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. DANNEMEYER. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, it is not my purpose to challenge anyone not to support the National Endowment for the Arts. If a colleague had asked me a year ago if I would vote for the NEA, I probably would have thrown that colleague out the window because of the problem of funding obscene art. I sat and listened on the House floor to the debate and tried to enter into the discussion with an open mind. I looked in my own city, where there are positive benefits from the NEA—such things as the Old Globe Theater and San Diego Symphony. I witnessed three Christian plays this year that were sponsored and paid for by the National Endowment for the Arts, and I tried to make the judgment based on that.

I was assured that the type of Mapplethorpe art and the type of art that the gentleman from California [Mr. DANNEMEYER] mentioned would not be funded in the future.

Regardless of whether they were funded in 1989 or 1991, some of these excesses have been funded.

We have problems in the military. We have problems in almost every account that we work on. But does that mean we should not fund them? No. So I support the National Endowment of the Arts. But I want to tell my colleagues, I will have a very difficult time in the future supporting the NEA if this type of language is allowed. I would not take away anything from the amendment of the gentleman from New York. As a matter of fact, I support it.

I do not think to send a message to the conferees on an item like this detracts from it.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, what does the gentleman mean when he says "if this type of language is allowed"? He cannot support it if this type of language is allowed. To what does the gentleman refer?

Mr. CUNNINGHAM. Mr. Speaker, if the continuous display of obscene art is allowed to be upheld and continue with National Endowment of the Arts funding, one of the things I would like to like to do is to send a message to the conferees. And I do not think there is a single Member on either side of this question that wants to see obscene art.

Mr. YATES. If the gentleman will continue to yield, he is absolutely right.

Mr. CUNNINGHAM. Then why not send a message to the conferees saying that we support that.

Mr. YATES. Mr. Speaker, we already have. Is the gentleman aware of the language that we adopted last year in the legislative bill authorizing the continuation of the NEA?

Mr. CUNNINGHAM. Mr. Speaker, I am, yes. However, this evidently has not taken like a vaccination because the same kind of things are being portrayed on our television screens and in our playhouses today. We are still faced with problems in the NEA. I wish we could curb them and I think this amendment is a step in the right direction.

Mr. YATES. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the gentleman is absolutely wrong, and I say that the gentleman is wrong because last year, if I remember some of the speeches that the gentleman from California [Mr. DANNEMEYER] made over the course of several years—and I must say I have difficulty remembering some of them—but if my memory is correct, he objected to the NEA making grants to a woman who smeared chocolate on her body. I think he used that as one of the examples, and to a person, an applicant who was urinating on the stage.

Let me point out to the gentleman that John Frohnmayer is now the defendant in a suit by those two applicants who are claiming that John Frohnmayer did wrong in turning down their grants.

Was the gentleman aware of the fact that Frohnmayer was being sued by them? Was the gentleman aware of the fact that Frohnmayer had denied those grants?

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I am aware. However, if this type of art still exists, then all this does is send another amendment, a message to the conferees that this House does not want to support pornographic art in television or movies. That is what I support.

Mr. YATES. Mr. Speaker, that is not what the amendment says. Let me point out what the language last year said.

Mr. CUNNINGHAM. Mr. Speaker, if the gentleman would continue to yield, I am a freshman Congressman. I was not here for the debate, but I am familiar with it.

Mr. YATES. Mr. Speaker, let me point out what the language is. This is the language that was adopted last year.

> No payment shall be made under this section except upon application therefor which is submitted to the National Endowment for the Arts in accordance with regulations issued and procedures established by the Chairman. In establishing such regulations and procedures, the Chairman shall ensure,

I point out to the gentleman from California the use of the word "ensure."

> * * * that artistic excellence and artistic merit are the criteria by which applications are judged, taking into consideration general standards of decency and respect for the diverse beliefs and values of the American public.

Would the gentleman agree with me that standards of decency and respect for the diverse beliefs and values of the American public would include the langauge of the so-called Helms amendment?

Mr. CUNNINGHAM. Mr. Speaker, it depends on how far one goes with diverse.

Mr. YATES. Mr. Speaker, I will say to the gentleman in response to that, the amendment which the gentleman from California seems to sustain uses the phrase "that is patently offensive to the public."

Mr. CUNNINGHAM. Mr. Speaker, this was in the Senate language.

Mr. YATES. This was in the Senate language.

I ask the gentleman, which language is stronger? To me it is stronger to have language which requires adherence to standards of general decency that, one, limits and language, two, grants or applications that are not patently offensive because of depictions of sexual organs or sexually explicit material.

Mr. CUNNINGHAM. Mr. Speaker, if the gentleman will continue to yield, I agree with him. There is nothing wrong in this House giving a message of sending both languages to the conferees to state that we do not uphold this type of pornographic art, and this has been shown this year on television.

Mr. YATES. How many types of formulations of words would the gentleman want to make in order to convey that idea?

Mr. CUNNINGHAM. Mr. Speaker, however many it takes to stop it.

Mr. YATES. Mr. Speaker, it is being stopped. I just told the gentleman of two applicants to whom the gentleman from California objected getting grants who are suing in order to have their grants. He turned them down.

As a matter of fact, several of the groups by which the gentleman from California [Mr. DANNEMEYER] is supported have objected to Mr. John Frohnmayer rather than to anything else. It is not to the grants. They do not like the job he is doing.

□ 1500

It is almost impossible for Mr. Frohnmayer to do the job that all of us want Mr. Frohnmayer to do because our standards of what we believe is acceptable by the public vary from person to person.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. YATES. Sure, I yield to the gentleman from California.

Mr. DANNEMEYER. The gentleman is correct. Last year Congress adopted the standard. Last year Congress adopted the standard that says that the grants of the NEA had to adhere to the general standards of decency. That was the test. And I read into the RECORD what has filtered through that test. This trash that I have described has been paid for, notwithstanding the mandate that was given to Mr. Frohnmayer to observe general standards of decency. That is why we need this instruction.

Mr. YATES. I will tell the gentleman in response that his information is a little bit incorrect. I already told the gentleman about one of the grants to which he referred as being given in 1988 before Mr. Frohnmayer even became the administrator. And I will point out to the gentleman that somebody told me as they walked into the House that there were some people out there who were showing some of the Members when they came in some Mapplethorpe photos, and the House dealt with that last year as well. That was a grant that took place previously.

So Mr. Frohnmayer is doing an adequate job, the kind of job that everyone wants done. So I say to the gentleman, to both gentlemen from California, incidentally, what is it about Orange County that unites you?

Mr. DANNEMEYER. He is welcome to come to Orange County any time, but he happens to be from San Diego County. But it is close. It is close.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from San Diego County.

Mr. CUNNINGHAM. Mr. Speaker, would the gentleman agree to do a Dear Colleague letter with me stating to all Members that we do not support on the House floor obscene art such as listed here?

Mr. YATES. Let me read further. The vote for this language was overwhelming last year. But let me point this out. Listen to this further language of what we adopted last year. This was obviously before the gentleman became a Member:

> Applications are consistent with the purposes of this section where such regulations and procedures shall clearly indicate that obscenity is without artistic merit.

That is in the language of the law now. And:

> Is not protected speech, and shall not be funded.

How much clearer does the gentleman want to be than the language that I have just read?

It goes on, "Projects, productions, workshops and programs that are determined to be obscene."

Mr. CUNNINGHAM. Sir, there is no stronger message than cutting funds.

Mr. YATES. Let me finish what I am going to say. The gentleman wanted us to agree on the fact that we are not for obscenity. That is what this language that is now in the law says:

> Projects, productions, workshops and programs that are determined to be obscene are prohibited from receiving financial assistance under this Act from the National Endowment.

Could there be anything that was more explicit than that?

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California for just a moment, and then I will come back to the other gentleman.

Mr. DANNEMEYER. Mr. Speaker, the gentleman made reference to this and I will say it again. When I made my opening comments I made reference to eight different either movies or plays that were funded in 1991. The gentleman said I made a mistake on one of them, one of the eight. My question is how did the other seven pass this filter of conforming to general standards of decency? Is the gentleman from Illinois suggesting that what I describe in seven of those eight conforms to the general standards of decency?

Mr. YATES. I am stating to the gentleman that Mr. Frohmayer has examined those, and he is well aware of the language that Congress put into the act last year. I will tell the gentleman that as far as general standards of decency are concerned, that phraseology in and of itself, coupled by the additional language that I read to the gentleman from California, from San Diego and Orange Counties, you could not make it more direct than in that language. And the addition of the language of the so-called Helms amendment will not improve that language. As a matter of fact, it might confuse the language more.

Mr. CUNNINGHAM. Would the gentleman yield?

Mr. YATES. I yield to the gentleman from San Diego.

Mr. CUNNINGHAM. One of the loudest messages that this body can send to anybody is cutting off their funds. We have found that if you threaten somebody's funds they are going to change, and to me what my friend from California is stating, through the filter such things as "Beyond Superdyke," "Why I Masturbate," "Sex and Music," "Queers Bash Back," those are the kinds of things that we need to restrict.

Mr. DANNEMEYER. Mr. Speaker, I yield 5 minutes to my colleague, the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I came to this body in 1985. One of the first efforts that we started in 1985 was this issue, because we had seen in 1984 that there were grants just like these being made to extremist, and I use the word very loosely, "artists," and the representative from Texas, Mr. ARMEY, and I were very upset with what kind of art was being funded and supported by my constituents' tax money. And we took on this issue, and we worked out sort of an agreement with the chairman. And with all due respect, the gentleman from Illinois does work very very hard on this issue in trying to accommodate the Members of the House. But it is not working, It is not working. And as the distinguished chairman says, we have this wonderful language in the authorization bill that calls for general standards of decency, and Chairman Frohnmayer of the NEA does not recognize that language obviously, because last year Congress gave the

National Endowment for the Arts a raise and simply asked that they adhere to the general standards of decency.

Mr. YATES. Mr. Speaker, will the gentleman yield for a point?

Mr. DELAY. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, even if the language was accepted that was propounded by Senator HELMS in the Senate, will not Mr. Frohnmayer be required as well to interpret that language? The gentleman says he has not been doing a good job.

Mr. DELAY. If I may reclaim my time and finish my statement, then I will be glad to yield to the chairman, and I hate to cut him off but my time is short. That is the whole point. The point is that Mr. Frohnmayer has said that he would not, and he has publicly said that he will not be the "decency czar," and he continues to fund this obscenity. I think if the American taxpayer saw what we are funding with Federal taxpayer dollars, they would be outraged by what is going on, in spite of the fact that in the authorization bill we have this general standard of decency language.

I submit that as the gentleman from California has so aptly put it, the best message is through an appropriations bill. I serve on the Appropriations Committee and I know that the best message to send to a bureaucrat or to an appointed bureaucrat like Mr. Frohnmayer is to say that your funds cannot be used for this kind of smut.

In response to the gentleman from New York who said "A Midsummer Night's Dream" was just a Shakespeare festival and party in Central Park, in the open air in Central Park, this Portuguese-speaking cast was clad nude, topless and wearing G-strings out in the open air. Maybe I do not know William Shakespeare, but I do not think William Shakespeare wrote "A Midsummer Night's Dream" to be portrayed in the nude.

Today we address an issue that keeps appearing like our worst nightmare: the filth and moral degradation that a minority of alleged artists keep screaming for: taxpayer funding for the National Endowment for the "Extreme" Arts. These artists cannot practice their art without Federal moneys, they cry.

□ 1510

To me, Mr. Speaker, without Federal funding, there is no market for their efforts. If there is no market for their works, then nobody wants them. If that is the case, then why, Mr. Speaker, as representatives of the people, do we want to finance them with taxpayers' dollars?

The constitutionality of the resounding Senate approval of the Helms amendment, by a vote of 68 to 28, has been upheld by previous court decisions. The U.S. Supreme Court has used the same language found in the Helms amendment in FCC versus Pacifica, upholding the FCC's power to enforce its definition of indecency. The Supreme Court has recently held in the Rust versus Sullivan decision that the Federal Government can set conditions on the use of Federal taxpayers' dollars.

At question here is the NEA's inability to distinguish between art and obscenity.

I feel Webster summed up the idea of art quite well when he says in his dictionary that art is the conscious use of skill and creative imagination especially in the production of esthetic objects. Now, what kind of skill and creative imagination is needed to depict sexual or excretory activities or organs as the Helms amendment instructs the NEA not to fund?

Going back to Webster, he cites obscenity as disgusting to the senses, repulsive, abhorrent to morality or virtue. Is this art pleasant to the eye, or does it have any, any, redeemable social value? I do not think so.

The Rust versus Sullivan decision effectively refutes the extreme view that denying taxpayers' money is a form of censorship or a limit of free speech. By restricting how these moneys are spent, the Government is not censoring free speech. It is just saying that taxpayers' dollars are not going to be spent on views that the mainstream of the American people do not share.

Let us instruct those conferees to accede to the Senate position and accept the Helms language, and we cannot do that unless we defeat the previous question.

Members, listen up, this is a vote that is going to be very closely scrutinized by people that you represent, people like Concerned Women for America, the American Family Association, the Christian Life Commission of the Southern Baptist Convention, the Christian Coalition, the Traditional Values Coalition, the Family Research Council, the Eagle Forum, and Coalitions for America.

You are not going to be able to explain this defeat of the previous question away as a procedural motion. This is the only way that we can have a vote in this House in support of the Helms amendment, and it will be looked upon as such. We are just saying, "Mr. Frohnmayer, you are not complying with the authorization bill. This is what we want, and we have a better definition of what we want."

Mr. YATES. Mr. Speaker, I yield myself 4 minutes in order that I might ask the gentleman from Texas a question.

Mr. Speaker, I take it the gentleman, using the example of the "Midsummer Night's Dream," was opposed to that grant?

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman from Texas.

Mr. DELAY. Mr. Speaker, I would oppose a grant for producing "A Midsummer Night's Dream" in the nude in open air in Central Park, yes.

Mr. YATES. To what does the gentleman object? The fact that it was in Portuguese or the fact that there was nudity?

Mr. DELAY. The fact that there was nudity.

Mr. YATES. There is nothing in the Helms amendment that prevents that. The Helms amendment would prohibit grants that are patently offensive. Now, is it possible that the "Midsummer Night's Dream" was not patently offensive to the audience, the thousands of people who saw it, but thought that this was the proper way to depict the Shakespearean play?

Mr. DELAY. If the gentleman will yield further, I think it is patently offensive to the taxpayers of this Nation that Federal tax moneys went to produce that play, yes.

Mr. YATES. Because of the fact that some of the people may have been nude?

Mr. DELAY. No. You can have all the nude productions in Central Park in New York City that you want, just do not fund it with Federal taxpayers' dollars.

Mr. YATES. Well, will the gentleman answer another question? Is the gentleman familiar with the opera "Salome"?

Mr. DELAY. I do not think I have seen it.

Mr. YATES. Well, it is an opera under which Salome does the Dance of the Seven Veils.

Mr. DELAY. Yes, I understand. Yes.

Mr. YATES. And in some of the productions, her last veil comes off in a darkened theater, and she is in the nude, but she goes offstage quickly, but it is a way of presenting an emotional moment in that opera.

Mr. DELAY. If the gentleman will yield further, you can have Salome all you want, Mr. Chairman. The point is do not fund it with taxpayers' Federal money.

Mr. YATES. Why not? Why not if it is not an offensive rendition?

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. DANNEMEYER. Has the gentleman ever been audited by the IRS?

Mr. YATES. Have I what?

Mr. DANNEMEYER. Have you ever been audited by the IRS?

Mr. YATES. As a taxpayer, of course I have.

Mr. DANNEMEYER. We send them out there in the name of collecting hard-earned taxpayers' money, and I think we should have a responsibility to say that we are not going to take taxpayers' dollars, as the gentleman has said, and we are funding what some artists believe is art.

Mr. YATES. If the gentleman will permit me to respond, do you know what the cost to the taxpayers of the United States was in connection with the grant of the arts, of these, of the Mapplethorpe exhibit and the Serrano exhibit? And let me finish. One quarter of one-tenth of 1 cent in taxpayers' money.

Mr. DANNEMEYER. And we are adding four-tenths of a trillion to the national debt this year, I say to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Fourth-tenths of one-tenth of 1 percent.

Mr. DANNEMEYER. We are adding four-tenths of a trillion to the national debt, and we have no business spending money on the NEA.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just so my colleagues do not misunderstand about "Midsummer Night's Dream," yes, some of the actors and actresses were scantily clad, but the periods of nudity, either topless, or in the case of one character, total nudity, were brief. It was not a case that the play was performed from beginning to end in the nude and, again, I can only say that every critic who reviewed it, while some liked it and some did not, thought that it was a piece of serious theater, and certainly worthy of exhibit.

Again, this is a very highly regarded Brazilian troupe, and so I do not really see how one can fault the National Endowment for the Arts for funding "Midsummer Night's Dream." How silly can you get?

Mr. Speaker, I should like to close, as I understand I am entitled to, if anyone wants to say anything further.

Mr. DANNEMEYER. Mr. Speaker, I yield myself the remainder of my time, 3 minutes.

Mr. Speaker, I think the Members in the Chamber and those watching on our closed-circuit TV have the motion that I seek to make clearly before us, but I would like to repeat it, and perhaps if there is any misunderstanding, it can be disabused.

I seek to defeat the previous question not for the purpose of defeating the motion my colleague, the gentleman from New York [Mr. GREEN], seeks to add to this bill, but just to add an amendment to that language, and his language will survive with my amendment. I seek to aid this language that was approved by the Members of the other body by a vote of 68 to 28, that notwithstanding any other provision of law, none of the funds made available to the National Endowment for the Arts under this act may be used to promote, disseminate, or produce materials that depict or describe in a patently offensive way, sexual or excretory activities or organs, and I suggest that that test, that language, has passed constitutional muster. It is appropriate for us as stewards of the taxpayers' funds to put this modest level of restriction in the law, because, quite candidly, the language that we put in the law last year; namely, general standards of decency, has permitted the coming into existence with Federal taxpayers' funds of these items that I read previously during my opening remarks, so that is what this motion is all about.

□ 1520

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from Illinois.

Mr. YATES. Mr. Speaker, how many items did the gentleman read? He read eight, out of how many grants that were made by the NEA?

Mr. DANNEMEYER. Well, all of them were made by the NEA, and I will say to my colleague and reclaim my time, even though one, as the gentleman may claim, had been funded in the previous time, its display is being funded this year, and if it does not pass this test of patently offensive, its funding can be withdrawn anytime the people running the NEA have the determination to do that, and I will suggest they ought to get on with it.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, somebody from the NEA was apparently listening to the debate. I received a message here that no money has gone to the New York Shakespeare Festival since 1989, so obviously the NEA could not have made the grant for the performance of "Midsummer Night's Dream."

Mr. DANNEMEYER. Did they make the grants for the other ones that I read?

Mr. YATES. I do not know.

Mr. DANNEMEYER. The gentleman does not know?

Mr. YATES. I will be very glad to find out. I did not know what grants the gentleman was going to come forward with, but I will be glad to supply that.

Mr. DANNEMEYER. These were funded by the National Endowment for the Arts in 1991: "Jesus Christ Condom," "Poison," "Tongues United," "Paris Is Burning," "No Trace of the Blonde," "Lust and Pity," and the 1991 San Francisco International Lesbian and Gay Film Festival.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the annual visit of some of the more esthetic Members of our body to impose their definitions of art upon the NEA and upon the country. Every time that our Interior Committee bill is brought to the floor, there are those who want to kill the grants to the NEA. They have not been able to kill it outright, as the gentleman from Illinois [Mr. CRANE] sought to do the last time that my bill was on the floor, when he offered an amendment that would have killed all funding for the NEA; so what they are trying to do is to kill it by limitations upon the way grants may be given.

That matter was considered by the legislative committee last year. The legislative committee last year went into it thoroughly. It came out with the definitions that we have quoted as we have gone through this debate, and the legislative committee went further than that. They said the proper judge of what is obscene is the courts. The courts are the ones who pass on the question as to what is artistic freedom, what is protected under the first amendment.

When the gentleman from California [Mr. DANNEMEYER] takes the floor and says that this is obviously constitutional, I do not agree with that. The gentleman does not know whether it is, obviously, constitutional or not. That is for the courts to decide. That is why the legislative committee last year said that any grant that is questionable should be tried by the courts in determining whether artistic freedom was breached.

So I say, Mr. Speaker, how many times do we have to debate the question as to what is obscene? We have debated it now for 4 years that I know about. We have debated it in legislative bills. We have debated it in appropriation bills.

The matter affects only a minute part of the NEA, and yet its heavy hand is imprinted upon the reputation of the NEA.

I would hope that the Congress would permit the NEA to continue its functions.

Mr. Frohnmayer, in my opinion, is doing a most credible job. The fact that applicants are finding fault with Mr. Frohnmayer and the gentleman from California [Mr. DANNEMEYER] and others of his persuasion find fault with Mr. Frohnmayer is the best indication that he is doing a credible job.

So Mr. Speaker, I urge that the Green amendment be sustained and the Members of the House vote aye on this vote.

Mr. GREEN of New York. Mr. Speaker, I yield 10 seconds to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, if there is a question of accountability and if the accountability is such that these kinds of things cannot be restricted with common sense, then this gentleman will not support the NEA next year, and I know a lot of other Members who voted for it, will not support it also.

Mr. YATES. Mr. Speaker, will the gentleman yield for a reply?

Mr. CUNNINGHAM. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I forget what distinguished person it was who was an Ambassador to India and tried to get a bell that would not ring on his front door corrected or fixed. He called a workman in and the workman tried and tried and could not do it.

Finally, the Ambassador turned to him and said, "My good man, why don't you use common sense?"

And the man from India said, "My dear sir, common sense is a gift of the gods and I am only a poor workman."

Mr. CUNNINGHAM. We should have common sense on this, Mr. Speaker.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from California insists that he does not want to do anything to the motion that I want to make, which is to urge our conferees to help the poor, to help our balance of payments and to help deal with the energy problem; but inevitably what the gentleman from California will do will destroy my effort, because the fact of the matter is that if he succeeds in defeating the previous question, the debate from that point on will not be about low-income energy assistance or State grants. We are just going to have another hour of what we have been debating for this hour, and I do not think that is very constructive.

I particularly think it is not very constructive because this is an issue which was handled in the proper way in the last Congress. The authorizing committee did what authorizing committees should do. It held extensive hearings. It had extensive discussions within its ranks. It brought a bill to the floor. We debated it extensively here.

The Senate did the same thing, and finally we agreed on and passed a bill which establishes the standards that the gentleman from California says we ought to have. Those standards are in the authorizing legislation.

Under those circumstances, Mr. Speaker, there is no excuse for using a motion to instruct conferees on an appropriations bill to open up that question once again.

So, Mr. Speaker, I urge my colleagues to vote "yes" on the previous question and then vote "yes" on my motion to instruct.

Ms. OAKAR. Mr. Speaker, I rise in opposition to Representative DANNEMEYER'S efforts to instruct conferees to insist upon inclusion of the Helms amendment concerning the National Endowment for the Arts in the Interior appropriations conference agreement.

When Congress reauthorized the National Foundation for the Arts and Humanities Act in November of last year, much of the debate centered around funding methods at the National Endowment for the Arts. A detailed review of both funding processes and funding allocations were quickly made. This act included reforms which have been implemented by the Endowment. However, these reforms must be given time to work, and in so doing, will prove beneficial to our constituency.

Of the many investments the Federal Government makes in America, the National Endowment for the Arts stands out as one agency which provides one of the greatest returns to Americans at all levels of income, age, and education.

Since its inception in 1965, the National Endowment for the Arts has provided the single largest source of support for the arts. Concurrently, the number of performing arts groups has risen dramatically in this country, as has public attendance at cultural events. While the NEA does not have the financial capacity to provide funding for everyone, it does award approximately 5,000 or more grants annually to artists and nonprofit arts groups around the country.

In my hometown of Cleveland, my constituents are fortunate to be enriched by the arts. We take great pride in our orchestra, ballet, playhouses, and countless nonprofit dance and repertory theater companies, that are supported in part by our National Endowments. Just last year, the Ohio Chamber orchestra was awarded a $10,000 grant which provided programming for new audiences which mainly came from minority and low-income segments of the community. The Cleveland Musical Arts Association received an award to support educational concerts for students and daytime concerts at reduced prices. A grant was awarded to the Fairmount Theatre for the Deaf to support production costs. Mr. Speaker, these are just a few examples of the benefits the National Endowment for the Arts offers to my district.

Our federally funded arts programs are so important to the cultural wealth of this Nation. We must continue to let the National Endowment for the Arts do its fine work.

Mr. GREEN of New York. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The SPEAKER pro tempore (Mr. DONNELLY). The question is on ordering the previous question.

The question was taken; and the Speaker, pro tempore announced that the noes appeared to have it.

Mr. GREEN of New York. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote taken by electronic device, and there were—yeas 213, nays 204, not voting 15, as follows:

[Roll No. 272]

YEAS—213

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bilbray
Boehlert
Bonior
Borski
Boucher
Brooks
Brown
Bryant
Bustamante
Campbell (CA)
Cardin
Carr
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gilman
Gonzalez
Gordon
Grandy
Green
Guarini
Hatcher
Hayes (IL)
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hughes
Jefferson
Johnson (CT)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Machtley
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHugh
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Morrison
Murphy
Murtha
Natcher
Neal (MA)
Neal (NC)
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Owens (NY)
Owens (UT)
Pallone
Panetta
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Price
Rahall
Rangel
Reed
Richardson
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Skaggs
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Stark
Studds
Swett
Swift
Synar
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—204

Allard
Andrews (TX)
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Browder
Bruce
Bunning
Burton
Byron
Camp
Campbell (CO)
Carper
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Combest
Condit
Costello
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gibbons
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Goss
Gradison
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hobson
Holloway
Hubbard
Huckaby
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (SD)
Johnson (TX)
Kasich
Klug
Kyl
Lagomarsino
Lancaster
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston

Lloyd
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Nichols
Ortiz
Orton
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickett
Porter
Poshard
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shuster
Sisisky
Skeen
Skelton
Slattery
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stallings
Stearns
Stenholm
Stump
Sundquist
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Anthony
Boxer
Callahan
Ford (TN)
Hopkins
Hyde
Levine (CA)
Mrazek
Nagle
Shaw
Slaughter (VA)
Staggers
Stokes
Valentine
Washington

□ 1546

Messrs. SPRATT, JOHNSON of South Dakota, KASICH, CRAMER, PICKETT, SLATTERY, BARNARD, HALL of Ohio, and ANDREWS of Texas changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GORDON). The question is on the motion to instruct offered by the gentleman from New York [Mr. GREEN].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Speaker will appoint conferees upon his return to the chair.

APPOINTMENT OF CONFEREES ON H.R. 2942, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2942) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1992, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. COUGHLIN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2942, be instructed to agree to Senate amendment No. 163, omnibus transportation employee testing.

□ 1550

The SPEAKER pro tempore (Mr. GORDON). The gentleman from Pennsylvania [Mr. COUGHLIN] will be recognized for 30 minutes, and the gentleman from Florida [Mr. LEHMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I move that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2942, which makes appropriations for the Department of Transportation and related agencies for fiscal year 1992, be instructed to agree to Senate amendment No. 163, which provides the statutory authority for mandatory drug and alcohol testing of transportation professionals.

Mr. Speaker, the language in Senate amendment No. 163 is identical to the Omnibus Transportation Employee Testing Act sponsored by Senators HOLLINGS and DANFORTH, which has passed the other body 11 times. Our distinguished colleague, the gentleman from New Jersey [Mr. HUGHES] and I recently introduced companion legislation in the House, H.R. 3361.

Mr. Speaker, to protect the traveling public, the Senate amendment requires testing for drug and alcohol use by the operators of aircraft, railroads, commercial motor vehicles, and mass transportation vehicles. It protects the rights of those tested by incorporating guidelines established by the Department of Health and Human Services on laboratory accuracy, as well as protections for individual privacy.

In 1989, the Department of Transportation issued final rules to require drug testing of nearly 4 million transportation workers. While this is a step in the right direction, the Senate amendment is critical if we are to provide the DOT with the statutory authority necessary to prevent court challenges. It will also permit drug testing of mass transit operators and require the DOT to supplement its program with requirements for alcohol testing.

The evidence of drug and alcohol use in the transportation industry is overwhelming. Just last month, 5 people were killed and at least 130 others were injured when a New York City subway train derailed and crashed. The motorman had a blood alcohol content of 0.21 percent, twice the legal limit in New York State, when he was tested 13 hours after the accident.

In the wake of this tragedy, I want to commend Sonny Hall, president of the Transportation Workers Union Local 100, for his public acknowledgement of the need for random testing, stating that his members "have no fear of drug or alcohol testing." Other unions have already agreed to testing procedures. It gratifies me greatly to see that union leaders who have been traditionally opposed to random drug testing are acknowledging that testing is a logical response to restore confidence in our transportation systems.

In January 1987, a crash between a Conrail freight train and an Amtrak passenger train at Chase, MD, resulted in 16 fatalities and 170 injuries. The Conrail train's engineer and brakeman subsequently testified that they had been smoking marijuana in the cab prior to the fatal accident. The National Transportation Safety Board found that a probable cause of the accident was the engineer's failure, as a result of impairment from marijuana, to stop the train in compliance with cab and wayside signals.

A recent incident involving substance abuse in the aviation industry was the conviction in 1990 of 3 Northwest Airlines pilots who had flown a jetliner with 91 passengers on board while intoxicated. Fortunately, the plane landed without incident. Two hours after the flight ended, the blood alcohol content of the crew's captain was 0.13 percent. He testified that he had drunk 20 rum and cokes the night before the flight, and it was only because airport authorities were able to test under Minnesota law that the pilots were found to be legally intoxicated.

With respect to the commercial motor carrier industry, in 1990 the National Transportation Safety Board announced the results of a 1-year study of fatal truck crashes in eight States. The NTSB found that 33 percent of the truck drivers who were killed in these crashes were drug or alcohol impaired.

These threats to public safety are why the U.S. Supreme Court has found testing programs to be constitutional.

Let me say to my colleagues that the fact is that large numbers of transportation employees work in an environment with little, if any direct supervision. A strong deterrent, such as the threat of being detected and sanctioned for drug or alcohol use, is, therefore, a necessity.

The traveling public relies upon the vigilance of trained employees to be alert to occurrences that might endanger safety. Those who drink alcohol before or while operating a vehicle, or who use illegal drugs, simply have no business holding a sensitive travel or public safety job through which they assume responsibility for the innocent lives of others.

The presence of alcohol and illegal drug use in the transportation industry poses far too serious a threat to ignore. Drug and alcohol testing is the only sure method we have to deter this and to be sure that transportation professionals will not use drugs or alcohol.

The public supports this testing. A recent Gallup poll found that 80 percent of all Americans surveyed favored testing of those in public safety positions. Moreover, the Senate amendment requires rehabilitation programs that give employees the opportunity to come forward and get help before they are identified through testing as a drug or alcohol abuser.

The need for this legislation is obvious, and the time for action is now. A similar motion to instruct passed the House overwhelmingly, in June 1988, by a vote of 377 to 27. Enactment of the Senate amendment will strengthen efforts already under way in the transportation industry.

Mr. Speaker, I urge my colleagues to once again give this motion to instruct their overwhelming, bipartisan support.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to my distinguished colleague, the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding, and I want to commend the distinguished ranking member of the Select Committee on Narcotics for urging our support of this important measure by which we recede to the Senate's language that spells out a proper measure for drug and alcohol testing of transportation personnel. I think most of us in this body agree that people in sensitive positions should be tested, and the recent accidents certainly underscore the need for that.

Mr. Speaker, I am pleased to rise in support of this motion to instruct the transportation appropriation conferees, and I would like to commend the distinguished ranking member of the House Select Committee on Narcotics, the gentleman from Pennsylvania [Mr. COUGHLIN] and the distinguished gentleman from New Jersey [Mr. HUGHES] for their diligent efforts in bringing this antinarcotics measure to the floor.

Mr. Speaker, yesterday, the House approved a measure that authorized $51.5 million for rail safety. Today, I join my colleagues in further ensuring the safe condition of our rails and other modes of transportation. This instruction would enhance the safety of travelers by providing a fundamental component of a safe transportation system—sober, nonaddicted employees.

Mr. Speaker, last month's tragedy in the New York subway is just one of many incidents in which drug or alcohol abusing workers endangered the lives of unsuspecting, innocent passengers. When traveling, our Nation's citizens should not have to worry about the sobriety of the operator of each train, plane, bus, or subway.

Mr. Speaker, let us make certain that there are no more incidents of engineers or pilots going directly from bottle to throttle. Accordingly, I urge all my colleagues to support this instruction to conferees to mandate drug testing for transportation employees.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the distinguished gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding so that I can go up to the Rules Committee and report the weekly unemployment insurance bill that is coming out here in a few minutes.

Mr. Speaker, I do rise in support of this motion offered by the gentleman from Pennsylvania [Mr. COUGHLIN], and I really commend him for the outstanding work he does as the ranking Republican on the Select Committee on Narcotics Abuse and Control.

Mr. Speaker, this is a vitally needed amendment. We should support it 100 percent.

Mr. Speaker, I rise in support of the motion of the gentleman from Pennsylvania [Mr. COUGHLIN] to instruct the House conferees on H.R. 2942, the fiscal year 1992 Transportation appropriations bill. This motion would instruct our conferees to retain the Senate language providing for drug and alcohol testing of transportation personnel in safety-related jobs.

This provision, better known as the Danforth-Hollings drug testing bill for transportation employees, contains the same language as the Coughlin-Hughes-Solomon drug testing bill for transportation employees, its recently introduced companion bill in the House.

Mr. Speaker, this language will require testing for drug and alcohol abuse by the operators of aircraft, railroads, commercial motor vehicles, and mass transportation vehicles. In other words, it requires testing of individuals who perform duties which directly affect the safety and well-being of other people.

Mr. Speaker, you realize that it took a terrible subway tragedy in New York City to persuade some skeptics of the value of random testing. One of these converts is Sonny Hall, president of the Transport Workers Union Local 100, who previously opposed this type of testing but who now sees its necessity. He should be commended for his stand.

Mr. Speaker, this idea of random testing is not new, of course. You are well aware that I have favored random testing and applicant testing across the board for the past several years—in areas where safety, security, or productivity is on the line. Quite frankly, I'm disappointed that I have made proposals in this session of Congress alone which have met with mixed success at best. Who ever said the war on drugs was over? It's not. Ask any person who visits the streets of an urban city, ask any person who walks the halls of some affluent suburban high school, ask any person who is hurt physically or emotionally by someone who has been overcome with drug addiction. Mr. Speaker, they will tell you "No, the war on drugs cannot be over." They know that drugs continue to scourge our society.

Why is it, then, that 80 percent of the American public supports drug testing and yet the Congress has recently begun to shy away from this issue? I don't understand it.

Mr. Speaker, drug testing works. I've cited this next statistic many times before, and I'll cite it again. Since the Department of Defense instituted random testing, drug use within the military plummeted 82 percent, dropping from 27 percent in 1980 to 4.8 percent in 1988. The Coast Guard started random testing in 1983 and has seen a drop in drug use from 10.3 percent to 0.41 percent. This feat was no accident. After random testing was implemented, these results were achieved. Mr. Speaker, random testing works.

Mr. Speaker, the performance of transportation operators must be repeatedly monitored, because many innocent lives are resting on these individuals' skills and alertness. For this reason, I urge you to support this motion to instruct the conferees to retain the Danforth-Hollings language in the Transportation appropriations bill.

I also challenge you to support other random drug testing proposals. Don't wait until another preventable tragedy happens again. Support random testing today and let's demonstrate that the American Government lives by the same standards that it sets for the American people.

Mr. COUGHLIN. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. SOLOMON]. He has been a leader in this field.

Mr. Speaker, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not believe this bill is the appropriate vehicle for this Senate amendment. The language that the gentleman from Pennsylvania is asking that we be instructed to agree with is a 30-plus page bill. I feel this legislation should be reviewed by the House Public Works and Transportation and Energy and Commerce Committees. It is my understanding that these committees do not support the inclusion of this language in this appropriations bill. In addition, we do not know all the implications of the Senate language. We do not know, for example, if there will be problems in administering these drug and alcohol testing programs. That being the case, I would urge the House not to accept the motion. This would allow the appropriate authorizing committees the opportunity to review this language and allow the conferees to make any adjustments to the language that may be warranted.

Mr. Speaker, I urge that the motion be defeated.

□ 1600

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. Mr. speaker, I thank the ranking member for yielding.

Mr. Speaker, having served on this committee for quite a long period of time, I think it is very important we think of one other aspect that perhaps has not been discussed. We talked about the Conrail accident in Chase, MD, and the tragedies the press focuses in on. The fact is this has been aired publicly and has been discussed.

Mr. Speaker, I cannot think of anything worse psychologically than to have the public forum and debate take place as it has over the last 3 or 4 years, and then have something like this rejected. The message that would be sent out to America would be that it is all right for us to have mandatory drug testing in all these other areas, to have it for teachers, to have it for athletes, and not have it for someone who is responsible for your life in public transportation.

Mr. Speaker, this would send the wrong message out. I strongly support this, and urge Members do the same.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Speaker, I would like to thank the gentleman from Pennsylvania [Mr. COUGHLIN] and other Members for leading this fight in this area.

Mr. Speaker, last month, in the early morning hours of August 28, 5 people lost their lives and more than 200 people were injured because a New York subway motorman was drunk on the job. With a blood alcohol level of twice the legal limit for driving a car, the motorman conducted a train through our Nation's most populated city. The motorman overshot stations and drove the train at high speeds until the fatal moment when the train was shred in half lengthwise. Then he ran away.

How could this tragedy have been prevented? In New York City thousands of transit workers are tested each year for drugs, and maybe if the motorman was a crack addict he would have been stopped. However, the motorman had a problem with alcohol. It was common knowledge among fellow transitworkers that he drank on the job, yet because of the legal impediments to testing for drunkenness, transit workers in New York City are only tested after accidents or when a supervisor's suspicion is aroused.

This accident convinced the president of the Transit Workers Union in New York City to change his position and to support the principle of random drug and alcohol testing to restore the public's confidence.

This tragedy that took five lives, required hundreds of rescue workers 4 hours to remove all the injured passengers, and tied up commuters for days could have been avoided. The Senate language that provides for drug and alcohol testing of transportation personnel in safety-related jobs will save lives. I do not think we can afford to wait any longer.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the fact is that random testing indeed does work. Since the Department of Defense instituted random testing, drug use has decreased 82 percent, dropping from 27 percent in 1980 to 4.8 percent in 1988. The Coast Guard started random testing in 1983 and has seen a drop in drug use from 10.3 percent to 0.41 percent in 1990.

These are important results. They are good results. I urge Members to support this legislation to provide for drug and alcohol testing.

Mr. LEWIS of Florida. Mr. Speaker, I rise, today, in support of the motion to instruct conferees to retain Senate language requiring drug and alcohol testing of transportation personnel in safety-related jobs.

I would also like to take this opportunity to commend the work of my distinguished colleagues the gentleman from Pennsylvania [Mr. COUGHLIN] and the gentleman from New Jersey [Mr. HUGHES] toward ensuring the safety of the American public.

Drug and alcohol related accidents are simply unacceptable. Situations such as the New York subway crash, the Northwest Airlines incident, and the Conrail-Amtrak collision can no longer be tolerated. I know that the 13.2 million Americans riding public transportation everyday, would overwhelmingly agree.

In my own State of Florida, an April Gallup poll found that more than nine-tenths of Florida workers supported drug testing for transportation workers, airline pilots, and workers in safety sensitive jobs. That's a mandate to take action, if I've ever seen one.

Clearly, we have a responsibility to ensure the safety of the traveling public. A responsibility that needs to begin here today.

I urge my colleagues to vote "yes" on the motion to instruct.

Mr. HUGHES. Mr. Speaker, I rise in support of the motion to instruct the House conferees on the transportation appropriations bill to retain the Senate language which provides for mandatory drug and alcohol testing of transportation employees who hold safety sensitive positions.

Just last week, my colleague LARRY COUGHLIN and I introduced H.R. 3361, a bill to require drug and alcohol testing of transportation workers. Our bill is identical to the measure sponsored by Senators ERNEST HOLLINGS and JOHN DANFORTH, which was included in the Senate transportation appropriations bill.

This marks the 11th time that the Senate has approved the Hollings-Danforth bill since 1987. I believe it's time for the House to join with the Senate in standing up for the rights of the traveling public by approving this language.

The operators of airplanes, trains, buses and other public vehicles have a responsibility to do their jobs free of alcohol and drugs. Unfortunately, this has not always been the case in recent years.

In January 1987, 16 people died and 170 were injured when a Conrail freight train ran through warning signals and slammed into an Amtrak passenger train in Chase, MD. Both the engineer and brakeman of the Conrail train later admitted that they were smoking marijuana at the time of the accident.

Last year, three pilots for Northwest Airlines were fired after they flew a jetliner with 90 passengers on board while intoxicated.

And just last month, 5 people died and 130 were injured in a New York City subway crash caused by a driver who had a blood-alcohol content of more than twice the legal limit some 13 hours after the accident.

The U.S. Department of Transportation has attempted to address this problem by issuing regulations which require the testing of nearly 4 million transportation workers for drugs. While I commend the DOT for its efforts, these rules simply do not go far enough. We need to include alcohol testing as part of this program, and just as importantly, Congress must put the force of law behind these regulations to avoid court challenges.

The legislation which Representative COUGHLIN and I have introduced, and which the Senate has passed, would require the Secretary of Transportation to establish a comprehensive program of drug and alcohol testing for transportation employees who hold safety sensitive positions. This would include preemployment, reasonable suspicion, random, recurring and postaccident testing.

The specific testing procedures mandated under our bill would incorporate guidelines established by the U.S. Department of Health and Human Services to assure the accuracy of the tests, as well as protections for the individuals' privacy and confidentiality of the results.

It would also require the development of rehabilitation programs for employees who are found to have used drugs or alcohol.

I realize that a drug and alcohol testing program of this magnitude will be expensive, and is not without inconvenience or sacrifice for those that are tested. Nevertheless, I believe the initiative is carefully drawn and balanced and necessary under the circumstances.

Innocent travelers have a right to know that the operators of the vehicles they are riding in are not under the influence of drugs or alcohol and are able and prepared to perform their jobs with skill and professionalism. That's just what our legislation would do, and I urge my colleagues to support this motion.

Mr. LEHMAN of Florida. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore (Mr. RICHARDSON). The question is on the motion to instruct offered by the gentleman from Pennsylvania [Mr. COUGHLIN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. COUGHLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 413, nays 5, not voting 14, as follows:

[Roll No. 273]

YEAS—413

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—5

Dingell
Jacobs
Lehman (FL)
Oberstar
Sabo

NOT VOTING—14

Boxer
Broomfield
Callahan
Conyers
Fascell
Ford (TN)
Hopkins
Hyde
Levine (CA)
Mrazek
Slaughter (VA)
Staggers
Stokes
Washington

□ 1625

Mr. JACOBS changed his vote from "yea" to "nay."

Mr. STALLINGS changed his vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. COUGHLIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion just agreed to.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The Speaker will appoint conferees upon his return to the chair.

PERMISSION FOR COMMITTEE ON JUDICIARY TO SIT ON WEDNESDAY, SEPTEMBER 25 AND THURSDAY, SEPTEMBER 26, 1991, DURING 5-MINUTE RULE

Mr. BROOKS. Mr. Speaker, I ask that the Committee on the Judiciary be permitted to sit while the House is reading for amendment under the 5-minute rule on Wednesday, September 25 and Thursday, September 26, 1991.

The minority has been consulted. The gentleman from New York [Mr. FISH] is here. We agree that it needs to be done.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION ACT OF 1991

Mr. MARKEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1674) to amend the Communications Act of 1934 to reauthorize the Federal Communications Commission and for other purposes, as amended.

The Clerk read as follows:

H.R. 1674

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Communications Commission Authorization Act of 1991".

SEC. 2. EXTENSION OF AUTHORITY.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 6 of the Communications Act of 1934 (47 U.S.C. 156) is amended to read as follows:

"SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for the administration of this Act by the Commission $133,500,000 for fiscal year 1992 and $163,500,000 for fiscal year 1993, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, for each of the fiscal years 1992 and 1993. Of the sum appropriated in each fiscal year under this section, a portion, in an amount determined under section 9(b), shall be derived from fees authorized by section 9.".

(b) TRAVEL REIMBURSEMENT PROGRAM.—Section 4(g)(2) of the Communications Act of 1934 (47 U.S.C. 154(g)(2)) is amended to read as follows:

"(2) The Commission shall submit to the appropriate committees of Congress, and publish in the Federal Register, quarterly reports specifying the reimbursements which the Commission has accepted under section 1353 of title 31, United States Code.".

(c) COMMUNICATIONS SUPPORT FROM OLDER AMERICANS.—Section 6(a) of the Federal Communications Commission Authorization Act of 1988 (47 U.S.C. 154 note) is amended by striking "1988, 1989, 1990, and 1991" and inserting in lieu thereof "1992 and 1993".

SEC. 3. REGULATORY FEES.

(a) AMENDMENT.—Title I of the Communications Act of 1934 is amended by inserting after section 8 the following new section:

"SEC. 9. REGULATORY FEES.

"(a) GENERAL AUTHORITY.—

"(1) IN GENERAL.—The Commission, in accordance with this section, shall assess and collect regulatory fees to recover the costs of the following regulatory activities of the Commission: enforcement activities, policy and rulemaking activities, user information services, and international activities.

"(2) FEES CONTINGENT ON APPROPRIATIONS AUTHORITY.—The fees described in paragraph (1) shall be collected only if, and only in the total amounts, required in appropriation Acts.

"(b) ESTABLISHMENT AND ADJUSTMENT OF REGULATORY FEES.—

"(1) IN GENERAL.—The fees assessed under subsection (a) shall—

"(A) be derived by determining the full-time equivalent number of employees performing the activities described in subsection (a) within the Private Radio Bureau, Mass Media Bureau, Common Carrier Bureau, and other offices of the Commission, adjusted to take into account factors that are reasonably related to the benefits provided to the payor of the fee by the Commission's activities, including such factors as service area coverage, shared use versus exclusive use, and other factors that the Commission determines are necessary in the public interest;

"(B) be established at amounts that will result in collection, during each fiscal year, of an amount that can reasonably be expected to equal the amount appropriated for such fiscal year for the performance of the activities described in subsection (a); and

"(C) until adjusted or amended by the Commission pursuant to paragraph (2) or (3), be the fees established by the Schedule of Regulatory Fees in subsection (g).

"(2) MANDATORY ADJUSTMENT OF SCHEDULE.—For any fiscal year after fiscal year 1992, the Commission shall, by rule, revise the Schedule of Regulatory Fees by proportionate increases or decreases to reflect, in accordance with paragraph (1)(B), changes in the amount appropriated for the performance of the activities described in subsection (a) for such fiscal year. Such proportionate increases or decreases shall—

"(A) be adjusted to reflect, within the overall amounts established in appropriations Act under the authority of paragraph (1)(A), unexpected increases or decreases in the number of licensees or units subject to payment of such fees; and

"(B) be established at amounts that will result in collection of an aggregate amount of fees pursuant to this section that can reasonably be expected to equal the aggregate amount of fees that are required to be collected by appropriations Acts pursuant to paragraph (1)(B).

Increases or decreases in fees made by adjustments pursuant to this paragraph shall not be subject to judicial review. In making adjustments pursuant to this paragraph the Commission may round such fees to the nearest $5 in the case of fees under $1,000, or to the nearest $25 in the case of fees of $1,000 or more.

"(3) PERMITTED AMENDMENTS.—In addition to the adjustments required by paragraph (2), the Commission shall, by regulation, amend the Schedule of Regulatory Fees if the Commission determines that the Schedule requires amendment to comply with the requirements of paragraph (1)(A). In making such amendments, the Commission shall add, delete, or reclassify services in the Schedule to reflect additions, deletions, or changes in the nature of its services as a consequence of Commission rulemaking proceedings or changes in law. Increases or decreases in fees made by amendments pursuant to this paragraph shall not be subject to judicial review.

"(4) NOTICE TO CONGRESS.—The Commission shall—

"(A) transmit to the Congress notification of any adjustment made pursuant to paragraph (2) immediately upon the adoption of such adjustment; and

"(B) transmit to the Congress notification of any amendment made pursuant to paragraph (3) not later than 90 days before the effective date of such amendment.

"(c) ENFORCEMENT.—

"(1) PENALTIES FOR LATE PAYMENT.—The Commission shall prescribe by regulation an additional charge which shall be assessed as a penalty for late payment of fees required by subsection (a) of this section. Such penalty shall be 25 percent of the amount of the fee which was not paid in a timely manner.

"(2) DISMISSAL OF APPLICATIONS OR FILINGS.—The Commission may dismiss any application or other filing for failure to pay in a timely manner any fee or penalty under this section.

"(3) REVOCATIONS.—In addition to or in lieu of the penalties and dismissals authorized by paragraphs (1) and (2), the Commission may revoke any instrument of authorization held by any entity that has failed to make payment of a regulatory fee assessed pursuant to this section. Such revocation action may be taken by the Commission after notice of the Commission's intent to take such action is sent to the licensee by registered mail, return receipt requested, at the licensee's last known address. The notice will provide the licensee at least 30 days to either pay the fee or show cause why the fee does not apply to the licensee or should otherwise be waived or payment deferred. A hearing is not required under this subsection unless the licensee's response presents a substantial and material question of fact. In any case where a hearing is conducted pursuant to this section, the hearing shall be based on written evidence only, and the burden of proceeding with the introduction of evidence and the burden of proof shall be on the licensee. Unless the licensee substantially prevails in the hearing, the Commission may assess the licensee for the costs of such hearing. Any Commission order adopted pursuant to this subsection shall determine the amount due, if any, and provide the licensee with at least 30 days to pay that amount or have its authorization revoked. No order of revocation under this subsection shall become final until the licensee has exhausted its right to judicial review of such order under section 402(b)(5) of this title.

"(d) EXEMPTIONS.—

"(1) IN GENERAL.—The fees established under this section shall not be applicable (A) to governmental entities, (B) to nonprofit entities holding tax exempt status under section 501(c)(3) of the Internal Revenue Code, or (C) to persons licensed in the Amateur Radio Service.

"(2) WAIVER AND DEFERMENT.—The Commission may waive or defer payment of a fee in any specific instance for good cause shown, where such action would promote the public interest.

"(e) DEPOSIT OF COLLECTIONS.—Moneys received from fees established under this section shall be deposited as an offsetting collection in, and credited to, the account providing appropriations to carry out the functions described in subsection (a), and shall remain available until expended. No fees may be so deposited for any fiscal year unless funds are authorized to be appropriated for such fiscal year pursuant to section 6 of this Act.

"(f) REGULATIONS.—

"(1) IN GENERAL.—The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.

"(2) TIME FOR PAYMENT.—Such rules and regulations shall require the payment of regulatory fees at the beginning of the fiscal year for which such fees are in effect or at such other time during the fiscal year as the Commission may determine in accordance with the efficient operation of the president under this section. Such rules and regulations shall permit payment by installments in the case of fees in large amounts.

"(3) MULTIPLE-YEAR PAYMENTS.—If the Commission determines that, because of the small amount of fee involved relative to the cost of annual collection, it would be inefficient to collect any regulatory fee each year, such rules and regulations may also require the payment of the fee in advance for a number of years not to exceed the term of the license held by the payor.

"(g) SCHEDULE.—Until amended by the Commission pursuant to subsection (b), the Schedule of Regulatory Fees which the Federal Communications Commission shall, subject to subsection (a)(2), assess and collect shall be as follows:

"SCHEDULE OF REGULATORY FEES

Bureau/Category	Annual Regulatory Fee
Private Radio Bureau: Exclusive use services (per license):	
Land Mobile (above 470 MHz, Base Station and SMRS)	$75
Microwave (47 C.F.R. Part 94)	75
Shared use services (per license unless otherwise noted):	
Aviation (Ground Stations) (47 C.F.R. Part 87)	10
Aviation (Aircraft Stations) (per station) (47 C.F.R. Part 87)	10
Marine (Ship Stations) (per station) (47 C.F.R. Part 80)	10
Marine (Coast Stations) (47 C.F.R. Part 80)	10
General Mobile Radio Service (47 C.F.R. Part 95)	10
Land Mobile (all Stations not covered above) (47 C.F.R. Part 90)	10
Mass Media Bureau (per license):	
AM radio limited-time (47 C.F.R. Part 73):	
Class II	100
Class III	100
AM radio full-time (47 C.F.R. Part 73):	
Class I	500
Class II	100
Class III	100
Class IV	100
FM radio (47 C.F.R. Part 73):	
Classes C, C1, C2, and B	500
Classes A, B1, C3, and D	100
TV (VHF and UHF) (47 C.F.R. Part 73)	2,000
Low Power TV, TV Translator, and TV Booster (47 C.F.R. Part 74)	100
Broadcast Auxiliary (47 C.F.R. Part 74)	100
International (HF) Broadcast (47 C.F.R. Part 73)	100
Cable Antenna Relay Service (47 C.F.R. Part 78)	150
Cable Television System (per 1000 subscribers) (47 C.F.R. Part 76)	175

Bureau/Category	Annual Regulatory Fee
Common Carrier Bureau: Radio Facilities:	
Cellular Radio (by market ranking) (47 C.F.R. Part 22):	
Markets 1–40	1,900
Markets 41–90	1,400
Markets 91–306	950
Rural service areas (per area)	500
Space Station (per operational station in geosynchronous orbit) (47 C.F.R. Part 25)	30,000
Domestic Public Fixed (per call sign) (47 C.F.R. Part 21)	105
Public Mobile (operational, per call sign) (47 C.F.R. Part 22)	150
International Fixed Public (per call sign) (47 C.F.R. Part 23)	105
Earth Stations:	
VSAT and equivalent C-Band antennas (per antenna)	20
Mobile satellite earth stations (per antenna)	1
Earth station antennas:	
Less than 9 meters:	
Transmit/Receive and Transmit Only (per meter)	75
Receive only (per meter)	50
9 Meters or more	
Transmit/Receive and Transmit Only (per meter)	100
Receive only (per meter)	75
International Earth Stations (per meter)	250
Carriers:	
Inter-Exchange Carrier (I) (25,000,000 or more lines)	2,000,000
Inter-Exchange Carrier (II) (1,000,000–25,000,000 lines)	500,000
Inter-Exchange Carrier (III) (65,000–1,000,000 lines)	1,000
Inter-Exchange Carrier (IV) (less than 65,000 lines)	100
Local Exchange Carrier (I) (10,000,000 or more access lines)	1,125,000
Local Exchange Carrier (II) (100,000–10,000,000 access lines)	150,000
Local Exchange Carrier (III) (20,000–100,000 access lines)	1,000
Local Exchange Carrier (IV) (less than 20,000 access lines)	100

"(h) REPORT.—The Commission shall include in each annual report pursuant to section 4(k) submitted during calendar years 1993 and 1994 an analysis of the progress made in developing accounting systems necessary to making the adjustments authorized by subsection (b)(3).".

(b) CONFORMING AMENDMENTS.—Section 8 of the Communications Act of 1934 (47 U.S.C. 158) is amended—

(1) by striking the heading of such section and inserting "APPLICATION FEES";

(2) by striking "charges" each place it appears and inserting "application fees";

(3) by striking "charge" each place it appears in subsection (c) and inserting "application fee";

(4) by striking out "Schedule of Charges" each place it appears and inserting "Schedule of Application Fees"; and

(5) in the schedule contained in subsection (g)—

(A) by striking "SCHEDULE OF CHARGES" and inserting "SCHEDULE OF APPLICATION FEES";

(B) by striking "charge" and "Charges" each place they appear and inserting "application fee" and "Application fee", respectively; and

(C) by striking "CHARGES" and inserting "APPLICATION FEES".

SEC. 4. LICENSE FEE EXEMPTION FOR VOLUNTEERS AT NONCOMMERCIAL STATIONS.

Section 8(d)(1) of the Communications Act of 1934 is amended—

(1) by striking "or" at the end of subparagraph (A);

(2) by inserting before the period at the end of subparagraph (B) the following: ", or (C) volunteer personnel providing services to noncommercial radio and television stations licensed to nonprofit institutions".

SEC. 5. FEES FOR LOW-EARTH ORBIT SATELLITE SYSTEMS.

Section 8(g) of the Communications Act of 1934 (47 U.S.C. 158) is amended by inserting in the Schedule of Charges under the heading "COMMON CARRIER SERVICES" the following:

"22. Low-Earth Orbit Satellite Systems:	
a. Application for Authority to Construct:	
(i) Lead Application	$10,000
(ii) Additional Applications.	500 per satellite
b. Application for Authority to Launch and Operate:	
(i) Lead Application:	
for first orbital plane.	$100,000
for each additional plane.	50,000
(ii) Each additional satellite.	2,750 per satellite
c. Assignment or Transfer	25,000 per request
d. Modification	25,000 per request
e. Special Temporary Authority or Waiver of Prior Construction Authorization.	2,500 per request
f. Amendment of Application.	5,000 per request
g. Extension of Construction Permit Launch Authorization.	25,000 per request.".

SEC. 6. PATENT LICENSE AGREEMENTS.

Section 4(g) of the Communications Act of 1934 (47 U.S.C. 154(g)) is amended by adding at the end the following paragraph:

"(3) The Commission is authorized to acquire and to utilize technical equipment without compensation to the provider of the equipment pursuant to negotiated patent license agreements.".

SEC. 7. GIFT AND BEQUEST AUTHORITY.

(a) PROPERTY AND EQUIPMENT.—Section 4(g) of the Communications Act of 1934 (47 U.S.C. 154(g)) is further amended by adding at the end the following new paragraph:

"(4) The Commission is authorized to accept, hold, administer, and use unconditional gifts, donations, and bequests of real property and tangible personal property and short-term training incidental to the operation of donated equipment. The Commission shall promulgate regulations to carry out the provisions of this paragraph.".

(b) VOLUNTARY SERVICES.—Section 4(f)(4) of the Communications Act of 1934 is amended by adding at the end the following new subparagraph:

"(K) The Commission for purposes of providing specialized, radio club, and military-recreation call signs, may utilize the voluntary and uncompensated services of amateur radio organizations, as determined by the Commission.".

SEC. 8. COMMISSION REFUND AUTHORITY.

Section 204(a)(1) of the Communications Act of 1934 (47 U.S.C. 204(a)(1)) is amended—

(1) by striking "increased charge" the first 2 places it appears and inserting "revised charge";

(2) by striking "increased charges" and inserting "revised charges";

(3) by inserting ", subsequent to the effective date of the proposed new or revised charge," after "such amounts were paid";

(4) by striking "charge increased, or sought to be increased" and inserting "new or revised charge, or a proposed new or revised charge"; and

(5) by striking "increased charge" the last place it appears and inserting "new or revised charge".

SEC. 9. INTERCEPTION OF CELLULAR TELECOMMUNICATIONS.

(a) AMENDMENT.—Section 302 of the Communications Act of 1934 (47 U.S.C. 302) is amended by adding the following new subsection:

"(d)(1) INTERCEPTION OF CELLULAR TELECOMMUNICATIONS.—Within 180 days after the date of enactment of the Federal Communications Commission Authorization Act of 1991, the Commission shall prescribe and make effective regulations denying equipment authorization (under part 15 of title 47, Code of Federal Regulations, or any other part of that title) for any scanning receiver that is capable of—

"(A) receiving transmissions in the frequencies allocated to the domestic cellular radio telecommunications service,

"(B) readily being altered by the user to receive transmissions in such frequencies, or

"(C) being equipped with decoders that convert digital cellular transmissions to analog voice audio.

"(2) MANUFACTURE OR IMPORT OF NON-COMPLYING EQUIPMENT.—Beginning one year after the effective date of the regulations adopted pursuant to subsection (a), no receiver having the capabilities described in subparagraph (A), (B), or (C) of paragraph (1) shall be manufactured in the United States or imported for use in the United States.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of the Federal Communications Commission Authorization Act of 1991.

SEC. 10. ELECTRONIC FILING OF APPLICATIONS.

(a) WAIVER BY LICENSEE.—Section 304 of the Communications Act of 1934 (47 U.S.C. 304) is amended by striking "have signed a waiver of" and inserting "have waived".

(b) ELECTRONIC FILING.—

(1) Section 308(b) of the Communications Act of 1934 (47 U.S.C. 308(b)) is amended by inserting before the period at the end of the section the following: "in any manner or form, including by electronic means, as the Commission may prescribe by regulation".

(2) Section 319(a) of the Communications Act of 1934 (47 U.S.C. 319(a)) is amended by inserting before the period at the end of the section the following: "in any manner or form, including by electronic means, as the Commission may prescribe by regulation".

SEC. 11. LICENSED OPERATORS.

Section 318 of the Communications Act of 1934 (47 U.S.C. 318) is amended by striking "(3) stations engaged in broadcasting (other than those engaged primarily in the function of rebroadcasting the signals of broadcast stations) and (4)" and inserting "and (3)".

SEC. 12. DISCLOSURE OF INTERCARRIER AGREEMENTS AND THE FREEDOM OF INFORMATION ACT.

Section 412 of the Communications Act of 1934 (47 U.S.C. 412) is amended by striking:

"relating to foreign wire or radio communication when the publication of such contract, agreement, or arrangement would place American communication companies at a disadvantage in meeting the competition of foreign communication companies" and inserting "if such contract, agreement, or arrangement would be exempted from the application of section 552 of title 5, United States Code, pursuant to subsection (b)(4) of that section".

SEC. 13. STATUTE OF LIMITATIONS FOR FORFEITURE PROCEEDINGS.

Section 503(b)(6) of the Communications Act of 1934 (47 U.S.C. 503(b)(6)) is amended—

(1) by striking "so long as such violation occurred within 3 years prior to the date of issuance of such required notice"; and

(2) by adding at the end thereof the following: "For purposes of this section, the 'date of commencement of the current term of such license' means the date of commencement of the last term of license for which the licensee has been granted a license by the Commission. A separate license term shall not be deemed to have commenced as a result of operation pursuant to section 307(c) of this Act pending decision on a license renewal application.".

SEC. 14. STUDY OF TELEPHONE RATES AND PROCEDURES FOR MEMBERS OF THE UNITED STATES ARMED FORCES DEPLOYED ABROAD.

(a) IN GENERAL.—The Federal Communications Commission shall conduct a study of the telephone surcharge and procedures for Armed Forces personnel in the following countries: Germany, Japan, Korea, Saudi Arabia, Great Britain, Italy, Philippines, Panama, Spain, Turkey, Iceland, Netherlands, Greece, Cuba, Belgium, Portugal, Bermuda, Diego Garcia, Egypt, and Honduras.

(b) COMPONENTS OF STUDY.—In conducting the study referred to in subsection (a), the Commission, in conjunction with the Department of Defense, Department of State, and the National Telecommunications and Information Administration shall evaluate the cost of military personnel and their families of placing telephone calls by—

(1) evaluating and analyzing the costs of such telephone calls to and from American military bases abroad;

(2) comparing the costs of telephone calls that use foreign telecommunications equipment with calls that use American telecommunications equipment;

(3) evaluate methods of reducing the rates imposed on such calls;

(4) determine the feasibility of the Federal Communications Commission adopting flexible billing procedures and policies for members of the Armed Forces and their families for telephone calls to and from the abovementioned countries;

(5) evaluate methods for the United States to persuade foreign governments to reduce the surcharges that are often placed on such telephone calls.

(c) SUBMISSION OF REPORT.—Not later than 180 days following the date of the enactment of this Act, the Commission shall submit to the Congress a report containing the findings and conclusions of the study conducted under this section. The report shall include any recommendations for legislation that the Commission considers necessary.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 20 minutes, and the gentleman from New Jersey [Mr. RINALDO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 1674, the FCC Authorization Act of 1991, which authorizes funding levels of $133 million for 1992 and $163 million for 1993 and includes additional provisions that clarify the Commission's refund authority, authorize the assessment of user fees, and improve the Commission's administrative activities.

This bill comes up at a critical time for the FCC, as it tries to deal with the recent spate of telephone outages. These outages mean that the regulatory burden the FCC has to carry is all the greater and needs our support. The bill contains a provision to allow the FCC to assess fees in order to provide funding for the FCC's regulatory and policymaking activity. The administration's controversial user fee proposal was offered as an amendment by Mr. LENT at the Telecommunications Subcommittee markup and was subsequently amended by my good friend Mr. RINALDO at the full committee markup. The Rinaldo substitute amendment makes the user fees more equitable and gives the FCC the resources it needs to implement congressional policies. With these fees, the Commission can regulate the dynamic, burgeoning telecommunications industry and carry out its statutory responsibilities to promote the public interest.

These fees are based on several factors, including ability to pay, service area coverage, and shared or exclusive use. The FCC is authorized to assess and collect $65 million of user fees for fiscal year 1992 to recover the cost of performing its regulatory functions. The fees would be assessed to all users of FCC services, with a specific statutory exemption for public safety entities, amateur radio operators, and noncommercial broadcast users, along with a general exemption for governmental entities and nonprofit entities holding tax exempt status. The annual fees were designed by the FCC to recover the costs of operating the Commission's enforcement, user information, policy and rulemaking, and international activities.

Today, as we enter an unprecedented period in the evolution of America's telecommunications industries, the role of the FCC is critical to promoting a competitive marketplace, and providing timely development of efficient, innovative communications facilities and services. The recent decision by Federal District Court Judge Harold Greene to permit the Bell operating companies to provide information services underscores the importance of the Commission's statutory responsibilities. The Commission should be especially cognizant of its role in protecting consumers and competitors as it assumes these new regulatory functions and it should be cautious in adopting new deregulatory policies for the telecommunications industry. The recent outage in New York that crippled air service illustrates that the Commission needs to be more aggressive in guaranteeing the integrity of America's telecommunications network.

Finally, the legislation before us today also includes an important provision that helps to safeguard the privacy of cellular communications. The Electronic Communications Privacy Act [ECPA] makes it illegal to intercept cellular telephone conversations, ensuring users of cellular telephones the same degree of privacy protection afforded those consumers who use traditional wire telephone service. Cellular telephones are considered a common carrier service and its users have an expectation and a right to privacy. Section 8 in the bill would require the FCC to deny equipment certification for receiving equipment, or scanners, that can receive cellular phone cells, or can be readily altered to receive cellular calls. By bringing the Commission's certification process in line with ECPA, this equipment could not be used for illegal eavesdropping and interception of cellular frequencies.

Again, I would like to thank the gentleman from New Jersey, Mr. RINALDO, for his hard work on this piece of legislation and thank also the full committee chairman, Mr. DINGELL, and the ranking member of the full committee, Mr. LENT, for their leadership and effort on this legislation.

Mr. Speaker, the bill before us today, the Federal Communications Commission Authorization Act of 1991 which provides necessary reauthorizations for this important independent agency contains a few clarifying changes. These modifications would refine the proposed user fee schedule and procedures to ensure its fair implementation and efficient administration. In addition, the bill includes two other minor changes which were made after consultation with the agency and with agreement of all parties. These modifications are totally consistent with the terms and intent of the legislation as approved by the committee.

First, the bill makes clear that the Appropriations Committee would be scored or credited with the revenue generated by institution of the FCC user fees. The clarifying language was recommended by the Office of Management and Budget [OMB] and the Congressional Budget Office [CBO] and does not affect the original intent of the legislation or the roles of the Appropriations and Authorizing Committees. The Commission would be permitted to spend these funds only with congressional authorization. This would ensure that Congress retains full authority to oversee Commission activities.

In addition, the modification does not affect funds not expended by the FCC in any given year. These revenues will be credited to the Commission's appropriations account to be appropriated for the FCC's use in the subsequent year. This provision ensures that excess funds would be expended only for the Commission's authorized regulatory activities only.

Second, the bill modifies the Commission's license revocation authority with regard to nonpayment of user fees. The Commission shall be authorized to revoke the license of a telecommunications entity if that entity has failed to pay the assessed user fee. Parties objecting to a revocation action must file with the FCC to show cause why the fee has not been paid or given reason why fees should be waived or deferred. The Commission shall process these objections through paper hearings in order to facilitate complaints and better accommodate any challenges that the FCC may receive. The Commission will grant a hearing to a licensee if a substantial and material question of fact is presented. In addition, the FCC may assess the costs of such hearings to the licensee unless the licensee substantially prevails.

The Commission would be permitted to revoke a license only if a user refuses to pay the assessed fee. A licensee who has paid his fee but objects to an aspect of the fee schedule, would retain full recourse to appeal the fee or amount of the fee and to seek relief from the FCC either through refund or other means. Since the Commission relies on these user fees for its operations, the committee believes that this provision is essential to ensure that the flow of necessary funds is not interrupted.

Third, H.R. 1674 is changed to exempt volunteer personnel providing services to noncommercial radio and television stations licensed to nonprofit institutions from the license fee. This provision clarifies the committee's intent to exempt those who provide volunteer services to public broadcasting from licensing fees since they are performing works in the public interest.

Fourth, the substitute changes the user fee schedule assessed to satellite users to ensure that these fees reflect the costs incurred by the FCC in regulating the satellite industry. In the bill as reported, satellite users are assessed a flat $85 per antenna fee. In response to the Commission's recommendation the satellite fee schedule included in the legislation has been adjusted to differentiate between various types of satellites—that is—low earth orbit satellites [Vsats]. As a result, satellite fees correspond more closely with regulatory costs associated with particular satellite users.

Fifth, H.R. 1674 further amends the Commission's refund authority with regard to the revision of rates charged by common carriers. This provision amends section 204(a)(1) of the Communications Act so that when common carriers charges are revised, the Commission has the authority to order refunds of excessive charges, regardless of whether the excessive charge results from a new charge or an increase or decrease of pre-existing charge. This legislation is modified to ensure that the Commission authority to order refunds does not extend beyond the period of the effective date of the tariff filing. In addition the committee wants to make clear that Commission jurisdiction of local exchange service with regard to this section remains limited to exchange access service.

Sixth, H.R. 1674 is modified by a provision concerning manufacture of scanners capable of monitoring cellular frequencies. As reported by the committee, the bill restricts the manufacture of receiving equipment, or scanners, capable of intercepting cellular frequencies. The legislation further extends the restrictions embodied in H.R. 1674 to include scanners imported for use in the United States. This change ensures that scanners imported into the United States meet the same requirements that this legislation imposes on domestically manufactured equipment and is consistent with the original intent.

Seventh, the legislation modifies the section 8(g) fees for low earth orbit satellite system to better correspond with the Commission's administrative cost. This change was recommended after further review by the Commission for the licensing of these multisatellite system which are a new technology with which the Commission has limited licensing experience.

These changes provide for a fair, effective, and equitable distribution and administration of user fees. Additional changes related to Commission refund authority and scanning equipment will guarantee that the FCC retains comprehensive authority to protect consumer privacy and regulate rates charged for telephone service. I believe that these modifications further ensure the fairness of this bipartisan, consensus package.

☐ 1630

Mr. Speaker, I reserve the balance of my time.

Mr. RINALDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of H.R. 1674, the FCC authorization bill, and the committee amendment in the nature of a substitute.

The bill includes an important user fee schedule that I feel is equitable. Despite some initial flaws that I believe made the schedule unfair, the user fee proposal has been adjusted to bring the estimated fee revenue in line with the budget allocations for each of the FCC bureaus. This adjustment gives me greater confidence that there is a true nexus between the service provided by the FCC and the amount of the fee imposed. That nexus is critical. Many in the telecommunications industry, including the broadcasters, telephone companies, and cellular companies have raised concerns about whether the fee proposal accurately represented a true fee-for-service assessment.

I was also concerned that the fee proposal would create an undue hardship on certain licensees, who are barely making ends meet at present. These licensees all presently pay a share of an existing statutory fee schedule that contributes over $41 million per year to the General Treasury.

Now, however, there will be a more equitable distribution of the fees between the licensees of the affected industries to establish a clear distinction between small and large users. I consider this change a matter of fundamental fairness. The proposal will help ensure that fees are assessed on the basis of size, subscriber base, and coverage area of providers within a particular industry.

The bill also addresses the concern that excess revenue collected through user fees should not go into the general fund of the U.S. Treasury. The bill requires that any excess revenue from collected user fees will be retained to be expended by the FCC in the succeeding fiscal year.

The bill requires the FCC to adjust the amount of the fee for a class of users to reflect an unexpected increase or decrease in the number of licensees or units. The bill also ensures full due process protection for licensees in fee adjustment and revocation actions. Finally, the bill directs the FCC to develop rules allowing users with large fees to make payments in installments.

Mr. Speaker, the committee amendment in the nature of a substitute contains several changes to the bill. First, it alters the fee schedule so that it differentiates, again in a more equitable fashion, between different types of satellite users. The amendment also restricts the importation of scanners that can easily intercept cellular communications. The bill reported from the committee would have applied the restriction only to domestically manufactured scanners.

The amendment also limits the FCC's refund authority to excessive revenues earned after a proposed revised tariff goes into effect. Under the amendment, it is intended that such authority not be retroactive to a rate in effect prior to the revised tariff filing. The FCC's refund authority under this section of the act applies to any common carrier, and with respect to local exchange carriers it is obviously limited to tariffs relating to exchange access.

Finally, the amendment includes a provision supported by the distinguished gentleman from Ohio [Mr. OXLEY], to exempt personnel volunteers at college-owned radio stations from licensing fees. This provision is a good one, given the valuable public service these stations, which Congress has previously exempted from FCC fees, and their volunteer employees provide.

Mr. Speaker, I believe that the FCC authorization bill is much improved with the changes that have been made. I thank Chairman DINGELL, the ranking Republican member, Mr. LENT, Telecommunications Subcommittee Chairman MARKEY, and all the other committee members who worked with me on this legislation. I urge the Members' support of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I congratulate both the gentleman and the chairman, the gentleman from Michigan [Mr. DINGELL], for the work that they have put in on this bill.

Mr. Speaker, on September 17, the third major telephone failure of this decade, an absolute telecommunications debacle, completely disrupted long-distance service in Manhattan and shut down New York City's three major airports. Thousands of passengers were surely inconvenienced and may have been put at serious risk, their lives in danger, by this massive telecommunications failure.

This disturbing episode is regrettably a perfect example of the rapidly changing telecommunications environment and our past inability to control our telecommunications effectively.

The American telecommunications industry is changing and expanding before our eyes. We in Congress need to meet these challenges and to live a cutting-edge public policy.

Increasingly, our task is being subverted by an FCC which neither has the resources nor the staff to provide effective oversight and accountability. A recent GAO study indicated that the FCC has enough resources, and now listen to this, Mr. Speaker, to audit each major telephone company once in 16 years. That is just not good enough. This does not provide for diligent oversight, and it will not give the Congress an accurate picture of the telecommunications environment.

This bill, H.R. 1674, has a provision for user fees which you have just heard about from my colleague which are expected to raise about $144 million every 2 years. This new source of revenue can help the FCC expand both its personnel and its oversight activities to keep pace with new developments.

□ 1440

Mr. Speaker, I am delighted that the committee chairman, the gentleman from Massachusetts [Mr. MARKEY] has scheduled an emergency oversight hearing in New York City on the AT&T outage. Hopefully, we will see the day when the FCC and Congress can collaborate on preventing disasters instead of joining together to assess the damage and engage in belated after-the-fact damage control.

This is an important first step toward this goal, and I urge my colleagues to support H.R. 1674.

Mr. RINALDO. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, today we will consider the FCC authorization for fiscal year 1992. I urge my colleagues on both sides of the aisle to support passage of this measure. Approval of this legislation will ensure that the Commission will be able to continue to provide effective, comprehensive service to all members of our Nation's telecommunications community.

I believe the FCC and our Nation's telecommunications industry have provided us with what is the best telecommunications system in the world. In his 2-year tenure at the FCC's helm, Chairman Sikes has provided dynamic, can-do leadership, and he, the other Commissioners, and the Commission staff have taken bold strides toward moving us into the 21st century in areas such as spectrum reallocation, HDTV, and cable competition.

I do not want the United States to lose our leadership in telecommunications arena, as we may have in some other areas. If we do, the consequences could be severe. For that reason, I ask my colleagues to support the authorization of funding for the FCC, so that Chairman Sikes and his staff can continue to provide the service and forward-thinking leadership our Nation's telecommunications community deserves.

To illustrate the impact of this legislation on congressional districts from coast to coast, I would like to note that the bill incorporates language I suggested exempting volunteer broadcasting personnel at noncommercial radio and television stations licensed to nonprofit educational institutions from the $35 licensing fee for an operator's permit. Waiving this fee will allow these small, nonprofit stations to operate with full complements of personnel. I urge you to back this bill and support the many college and university radio and television stations which serve so many communities across America.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I would like to engage the gentleman from Massachusetts in a colloquy. We share a major concern about the reliability of our Nation's telephone network. In July, telephone outages on both the east and the west coasts affected more than 12 million people, including residents in my home State of West Virginia. Last week, an AT&T outage in New York City crippled air traffic to and from the city for several hours. In the past 9 months, the Nation has experienced seven major disruptions in telephone service.

According to testimony before my Government Operations Subcommittee, the Nation's telephone network is becoming increasingly vulnerable to service disruptions. So far, the disruptions have caused only inconvenience and financial hardship. The next outage may end in human tragedy.

The FCC has assured my subcommittee that the telephone network remains reliable and that market forces will ensure its continued reliability. Recent events, however, have undermined the FCC's credibility. In order to prevent future disasters, the FCC must take additional steps to address the crisis in our telephone system.

The Commission should establish a quantitative scale for measuring the impact of outages on end-users and then should establish enforceable reliability and quality standards for the network based on this quantitative scale.

The Commission should also implement requirements for network carriers to report outages in a timely fashion. Each service disruption should be assessed according to the quantitative scale measuring the impact of outages. As a related matter, the Commission should establish procedures to foster communication among network carriers on issues that affect network reliability.

The FCC should establish one or more advisory committees, subject to the requirements of the Federal Advisory Committee Act, to recommend appropriate steps for both Government and industry to assure network reliability. And finally, the Commission should include a network reliability impact statement with each of its common carrier orders.

While the FCC has made recent strides in addressing certain of these issues, it has not established a timetable for undertaking a full-fledged effort to bolster network reliability. Moreover, the FCC's efforts to solicit the advice of the telecommunications industry, have been accomplished behind closed doors. I believe that legislation is necessary to ensure that the problem of network vulnerability is addressed promptly, comprehensively, and openly.

It is my understanding that the gentleman has plans to offer legislation in the near future that will address modification of final judgment issues. I think it would be appropriate to include language in his bill to address issues of network reliability as well. I would be happy to work with the gentleman in that endeavor.

Mr. MARKEY. Mr. Speaker, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Speaker, the gentleman makes a very correct point that while there is still some mood to further deregulate the telecommunications industry, we have to be very cognizant of the fact that as these technologies become more sophisticated, more technical, that we also have to be aware of the fact that outages become much more potentially disastrous, not just to individuals, but to entire regions, economies, and industry. So we are going to work with the gentleman to draft legislation that will ensure that the standards we put in place will protect the system against the evergrowing sophistication of the technologies that are going to be implemented to make our telecommunications system more efficient.

Mr. WISE. Mr. Speaker, I thank the gentleman from Massachusetts.

Mr. RINALDO. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, during the Persian Gulf war, men and women of the U.S. armed services relied heavily on telephones to speak to their loved ones back home. And while our men and women were protecting the people of Saudi Arabia, and bearing the burdens of the United States and the world, they were charged 73 cents, let me repeat, 73 cents per minute surcharge by Saudi Arabia for phone calls not using Saudi Arabian telecommunications equipment.

At the time, I and many of my colleagues on the Energy and Commerce Committee were outraged by this surcharge. My friend and colleague, Congressman OXLEY, introduced a resolution regarding the surcharge and I joined with him and other members of the committee to press for elimination of the charges.

Today, through this authorization, we have the ability to take a forward step. With the kind of assistance of the Telecommunications Subcommittee chairman, Mr. MARKEY, we have included specific language designed to analyze foreign surcharges and provide Congress with the information necessary to enact legislation.

The legislation before us requires an FCC study to look into ways to reduce the telephone costs to servicemen and women who are stationed abroad. It is a terrible injustice that these personnel should be needlessly taxed by a foreign country that they are defending at a great sacrifice.

Since American personnel are stationed in numerous countries around the world, and since it would be impractical to pursue efforts in countries where only a handful of troops are stationed, this study would look at surcharges and procedures in the 20 countries which represents the nations with the overwhelming majority of American troops who are stationed abroad. These countries include: Germany, Japan, Great Britain, Greece, and even Bermuda.

The study will be conducted by the FCC in conjunction with the Department of Defense, Department of State, and the National Telecommunications and Information Administration.

The study will evaluate the costs of telephone calls by analyzing the costs of such telephone calls and comparing the costs of telephone calls that use foreign telecommunications equipment with calls that use American equipment. In addition, the study will determine the feasibility of the FCC adopting some flexible billing procedures and policies for members of the Armed Forces and their families for telephone calls to and from the above-mentioned countries.

The report will be due 180 days from the enactment of this act. The Commission will submit to Congress a report containing findings and conclusions.

Mr. Speaker, I would like to thank the chairman of the full committee, the chairman and ranking Republican of the Telecommunications Subcommittee, and my other colleagues on the subcommittee for their continuing interest in this issue, an issue which isn't in the headlines anymore but is nonetheless very important to the men and women of the Armed Forces who protect freedom and represent America around the world. I feel this action is the very least we can do for the brave men and women of the Armed Forces—America's modern-day heroes. We owe our military personnel our gratitude and our honor, not calls from collection agencies because of excessive foreign surcharges.

Mr. LENT. Mr. Speaker, I rise in support of H.R. 1674 and the committee amendment in the nature of a substitute that will be offered today.

The bill authorizes $133 million and $163 million in fiscal years 1992 and 1993, respectively. The bill also includes the President's proposal to raise part of the FCC's budget through cost of services based user fees. I strongly endorse the President's proposal, which reflects a commonsense, cost-effective approach to government in an era of growing budget deficits. For many other independent agencies, user fees are commonly applied to help fund the agency.

It is critical that we enact the user fee proposal to ensure that the FCC is fully funded. We are witnessing the development of a rapidly evolving telecommunications marketplace, and we need a first-rate regulatory agency overseeing the rapid changes in it. I am sure that we all agree that a fully funded FCC will be critical in the next few years, given the numerous important issues currently before the Commission.

I urge my colleagues to support the committee amendment, which many members of the Energy and Commerce Committee have worked together or in order to refine the user fee schedule.

I also would like to thank and commend our full committee chairman, Mr. DINGELL, along with our subcommittee chairman, Mr. MARKEY, and the ranking Republican member on the subcommittee, Mr. RINALDO, for their support of this important user fee proposal.

I urge my colleagues to support H.R. 1674 and the committee amendment in the nature of a substitute to the bill.

Mr. RINALDO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORRES). The question is on the motion offered by the gentleman from Massachusetts [Mr. MARKEY] that the House suspend the rules and pass the bill, H.R. 1674, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 1674, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2707, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

The SPEAKER. The Chair appoints the following conferees on H.R. 2707, and, without objection, reserves the right to appoint additional conferees: Messrs. NATCHER, SMITH of Iowa, OBEY, ROYBAL, STOKES, EARLY, HOYER, MRAZEK, WHITTEN, PURSELL, PORTER, YOUNG of Florida, WEBER, and MCDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2519, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1992

The SPEAKER. The Chair appoints the following conferees on H.R. 2519, and, without objection, reserves the right to appoint additional conferees: Messrs. TRAXLER, STOKES, MOLLOHAN, CHAPMAN, and ATKINS, Ms. KAPTUR, and Messrs. WHITTEN, GREEN of New York, COUGHLIN, LOWERY of California, and MCDADE.

□ 1650

APPOINTMENT OF CONFEREES ON H.R. 2622, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

The SPEAKER. The Chair appoints the following conferees on H.R. 2622, and, without objection, reserves the right to appoint additional conferees: Messrs. ROYBAL, HOYER, and SKAGGS, Ms. PELOSI, and Messrs. YATES, EARLY, WHITTEN, WOLF, LIGHTFOOT, ROGERS, and MCDADE.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2686, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

The SPEAKER. The Chair appoints the following conferees on H.R. 2686, and, without objection, reserves the right to appoint additional conferees: Messrs. YATES, MURTHA, DICKS, AUCOIN, BEVILL, ATKINS, WHITTEN, REGULA, MCDADE, LOWERY of California, and SKEEN.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2942, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

The SPEAKER. The Chair appoints the following conferees on H.R. 2942, and, without objection, reserves the right to appoint additional conferees: Messrs. LEHMAN of Florida, CARR, DURBIN, SABO, PRICE, NATCHER, WHITTEN, COUGHLIN, WOLF, DELAY, and MCDADE.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all remaining motions to suspend the rules and prior to the vote on House Concurrent Resolution 199, postponed from yesterday.

TRUTH IN SAVINGS ACT

Mr. TORRES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2654) to require the clear and uniform disclosure by depository institutions of interest rates payable and fees assessable with respect to deposit accounts, as amended.

The Clerk read as follows:

H.R. 2654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Savings Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that economic stability would be enhanced, competition between depository institutions would be improved, and the ability of the consumer to make informed decisions regarding deposit accounts, and to verify accounts, would be strengthened if there was uniformity in the disclosure of terms and conditions on which interest is paid and fees are assessed in connection with such accounts.

(b) PURPOSE.—It is the purpose of this Act to require the clear and uniform disclosure of—

(1) the rates of interest which are payable on deposit accounts by depository institutions; and

(2) the fees that are assessable against deposit accounts,

so that consumers can make a meaningful comparison between the competing claims of depository institutions with regard to deposit accounts.

SEC. 3. DISCLOSURE OF INTEREST RATES AND TERMS OF ACCOUNTS.

(a) IN GENERAL.—Except as provided in subsection (b), each advertisement, announcement, or solicitation initiated by any depository institution or deposit broker relating to any demand or interest-bearing account offered by an insured depository institution which includes any reference to a specific rate of interest payable on amounts deposited in such account, or to a specific yield or rate of earnings on amounts so deposited, shall state the following information, to the extent applicable, in a clear and conspicuous manner:

(1) The annual percentage yield.

(2) The period during which such annual percentage yield is in effect.

(3) All minimum account balance and time requirements which must be met in order to earn the advertised yield (and, in the case of accounts for which more than 1 yield is stated, each annual percentage yield and the account minimum balance requirement associated with each such yield shall be in close proximity and have equal prominence).

(4) The minimum amount of the initial deposit which is required to open the account in order to obtain the yield advertised, if such minimum amount is greater than the minimum balance necessary to earn the advertised yield.

(5) A statement that regular fees or other conditions could reduce the yield.

(6) A statement that an interest penalty is required for early withdrawal.

(b) BROADCAST AND ELECTRONIC MEDIA AND OUTDOOR ADVERTISING EXCEPTION.—The Board may, by regulation, exempt advertisements, announcements, or solicitations made by any broadcast or electronic medium or outdoor advertising display not on the premises of the depository institution from any disclosure requirements described in paragraph (4) or (5) of subsection (a) if the Board finds that any such disclosure would be unnecessarily burdensome.

(c) MISLEADING DESCRIPTIONS OF FREE OR NO-COST ACCOUNTS PROHIBITED.—No advertisement, announcement, or solicitation made by any depository institution or deposit broker may refer to or describe an account as a free or no-cost account (or words of similar meaning) if—

(1) in order to avoid fees or service charges for any period—

(A) a minimum balance must be maintained in the account during such period; or

(B) the number of transactions during such period may not exceed a maximum number; or

(2) any regular service or transaction fee is imposed.

(d) MISLEADING OR INACCURATE ADVERTISEMENTS, ETC., PROHIBITED.—No depository institution or deposit broker shall make any advertisement, announcement, or solicitation relating to a deposit account that is inaccurate or misleading or that misrepresents its deposit contracts.

SEC. 4. ACCOUNT SCHEDULE.

(a) IN GENERAL.—Each depository institution shall maintain a schedule of fees, charges, interest rates, and terms and conditions applicable to each class of accounts offered by the depository institution, in accordance with the requirements of this section and regulations which the Board shall prescribe. The Board shall specify, in regulations, which fees, charges, penalties, terms, conditions, and account restrictions must be included in a schedule required under this subsection. A depository institution need not include in such schedule any information not specified in such regulation.

(b) INFORMATION ON FEES AND CHARGES.—The schedule required under subsection (a) with respect to any account shall contain the following information:

(1) A description of all fees, periodic service charges, and penalties which may be charged or assessed against the account (or against the account holder in connection with such account), the amount of any such fees, charge, or penalty (or the method by which such amount will be calculated), and the conditions under which any such amount will be assessed.

(2) All minimum balance requirements that affect fees, charges, and penalties, including a clear description of how each such minimum balance is calculated.

(3) Any minimum amount required with respect to the initial deposit in order to open the account.

(c) INFORMATION ON INTEREST RATES.—The schedule required under subsection (a) with respect to any account shall include the following information:

(1) Any annual percentage yield.

(2) The period during which any such annual percentage yield will be in effect.

(3) Any annual rate of simple interest.

(4) The frequency with which interest will be compounded and credited.

(5) A clear description of the method used to determine the balance on which interest is paid.

(6) The information described in paragraphs (1) through (4) with respect to any period after the end of the period referred to in paragraph (2) (or the method for computing any information described in any such paragraph), if applicable.

(7) Any minimum balance which must be maintained to earn the rates and obtain the yields disclosed pursuant to this subsection and a clear description of how any such minimum balance is calculated.

(8) A clear description of any minimum time requirement which must be met in order to obtain the yields disclosed pursuant to this subsection and any information described in paragraph (1), (2), (3), or (4) that will apply if any time requirement is not met.

(9) A statement, if applicable, that any interest which has accrued but has not been credited to an account at the time of a withdrawal from

the account will not be paid by the depository institution or credited to the account by reason of such withdrawal.

(10) Any provision or requirement relating to nonpayment of interest, including any charge or penalty for early withdrawal, and the conditions under which any such charge or penalty may be assessed.

(d) OTHER INFORMATION.—The schedule required under subsection (a) shall include such other disclosures as the Board may determine to be necessary to allow consumers to understand and compare accounts, including frequency of interest rate adjustments, account restrictions, and renewal policies for time accounts.

(e) STYLE AND FORMAT.—Schedules required under subsection (a) shall be written in clear and plain language and be presented in a format designed to allow consumers to readily understand the terms of the accounts offered.

SEC. 5. DISCLOSURE REQUIREMENTS FOR CERTAIN ACCOUNTS.

The Board shall require, in regulations which the Board shall prescribe, such modification in the disclosure requirements under this Act relating to annual percentage yield as may be necessary to carry out the purposes of this Act in the case of—

(1) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a period of less than 1 year;

(2) variable rate accounts;

(3) accounts which, pursuant to law, do not guarantee payment of a stated rate;

(4) multiple rate accounts; and

(5) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a stated term.

SEC. 6. DISTRIBUTION OF SCHEDULES.

(a) IN GENERAL.—A schedule required under section 4 for an appropriate account shall be—

(1) made available to any person upon request;

(2) provided to any potential customer before an account is opened or a service is rendered; and

(3) provided to the depositor, in the case of any time deposit which is renewable at maturity without notice from the depositor, at least 30 days before the date of maturity.

(b) DISTRIBUTION IN CASE OF CERTAIN INITIAL DEPOSITS.—If—

(1) a depositor is not physically present at an office of a depository institution at the time an initial deposit is accepted with respect to an account established by or for such person; and

(2) the schedule required under section 4(a) has not been furnished previously to such depositor,

the depository institution shall mail the schedule to the depositor at the address shown on the records of the depository institution for such account no later than 10 days after the date of the initial deposit.

(c) DISTRIBUTION OF NOTICE OF CERTAIN CHANGES.—If—

(1) any change is made in any term or condition which is required to be disclosed in the schedule required under section 4(a) with respect to any account; and

(2) the change may reduce the yield or adversely affect any holder of the account,

all account holders who may be affected by such change shall be notified and provided with a description of the change by mail at least 30 days before the change takes effect.

(d) DISTRIBUTION IN CASE OF ACCOUNTS ESTABLISHED BY MORE THAN 1 INDIVIDUAL OR BY A GROUP.—If an account is established by more than 1 individual or for a person other than an individual, any distribution described in this section with respect to such account meets the requirements of this section if the distribution is made to 1 of the individuals who established the account or 1 individual representative of the person on whose behalf such account was established.

(e) NOTICE TO ACCOUNT HOLDERS AS OF THE EFFECTIVE DATE OF REGULATIONS.—For any account for which the depository institution delivers an account statement on a quarterly or more frequent basis, the depository institution shall include on or with any regularly scheduled mailing posted or delivered within 180 days after publication of regulations issued by the Board in final form, a statement that the account holder has the right to request an account schedule containing the terms, charges, and interest rates of the account, and that the account holder may wish to request such an account schedule.

SEC. 7. PAYMENT OF INTEREST.

(a) CALCULATED ON FULL AMOUNT OF PRINCIPAL.—Interest on an interest-bearing account at any depository institution shall be calculated by such institution on the full amount of principal in the account for each day of the stated calculation period at the rate or rates of interest disclosed pursuant to this Act.

(b) NO PARTICULAR METHOD OF COMPOUNDING INTEREST REQUIRED.—Subsection (a) shall not be construed as prohibiting or requiring the use of any particular method of compounding or crediting of interest.

(c) DATE BY WHICH INTEREST MUST ACCRUE.—Interest on accounts that are subject to this Act shall begin to accrue not later than the business day specified for interest-bearing accounts in section 606 of the Expedited Funds Availability Act, subject to subsections (b) and (c) of such section.

SEC. 8. PERIODIC STATEMENTS.

Each depository institution shall include on or with each periodic statement provided to each account holder at such institution a clear and conspicuous disclosure of the following information with respect to such account:

(1) The annual percentage yield earned.

(2) The amount of interest earned.

(3) The amount of any fees or charges imposed.

(4) The number of days in the reporting period.

SEC. 9. REGULATIONS.

(a) IN GENERAL.—

(1) REGULATIONS REQUIRED.—Before the end of the 9-month period beginning on the date of the enactment of this Act, the Board, after consultation with each agency referred to in section 10(a) and public notice and opportunity for comment, shall prescribe regulations to carry out the purpose and provisions of this Act.

(2) EFFECTIVE DATE OF REGULATIONS.—The regulations prescribed under paragraph (1) shall take effect not later than 6 months after publication in final form.

(3) CONTENTS OF REGULATIONS.—The regulations prescribed under paragraph (1) may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of accounts as, in the judgment of the Board, are necessary or proper to carry out the purposes of this Act, to prevent circumvention or evasion of the requirements of this Act, or to facilitate compliance with the requirements of this Act.

(4) DATE OF APPLICABILITY.—The provisions of this Act shall not apply with respect to any depository institution before the effective date of regulations prescribed by the Board under this subsection (or by the National Credit Union Administration Board under section 12(b), in the case of any depository institution described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act).

(b) MODEL FORMS AND CLAUSES.—

(1) IN GENERAL.—The Board shall publish model forms and clauses for common disclosures to facilitate compliance with this Act. In devising such forms, the Board shall consider the use by depository institutions of data processing or similar automated machines.

(2) USE OF FORMS AND CLAUSES DEEMED IN COMPLIANCE.—Nothing in this Act may be construed to require a depository institution to use any such model form or clause prescribed by the Board under this subsection. A depository institution shall be deemed to be in compliance with the disclosure provisions of this Act if the depository institution—

(A) uses any appropriate model form or clause as published by the Board; or

(B) uses any such model form or clause and changes it by—

(i) deleting any information which is not required by this Act; or

(ii) rearranging the format,

if in making such deletion or rearranging the format, the depository institution does not affect the substance, clarity, or meaningful sequence of the disclosure.

(3) PUBLIC NOTICE AND OPPORTUNITY FOR COMMENT.—Model disclosure forms and clauses shall be adopted by the Board after duly given notice in the Federal Register and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

SEC. 10. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) in the case of insured depository institutions (as defined in section 3(c)(2) of such Act);

(B) by the Federal Deposit Insurance Corporation in the case of depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and

(C) by the Director of the Office of Thrift Supervision in the case of depository institutions described in clause (v) and or (vi) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and

(2) the Federal Credit Union Act, by the National Credit Union Administration Board in the case of depository institutions described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS ACT TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any agency referred to in subsection (a) of such agency's powers under any Act referred to in such subsection, a violation of a requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to the powers of any agency referred to in subsection (a) under any provision of law specifically referred to in such subsection, each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this Act, any other authority conferred on such agency by law.

(c) REGULATIONS BY AGENCIES OTHER THAN THE BOARD.—The authority of the Board to issue regulations under this Act does not impair the authority of any other agency referred to in subsection (a) to make rules regarding its own procedures in enforcing compliance with the requirements imposed under this Act.

SEC. 11. CIVIL LIABILITY.

(a) CIVIL LIABILITY.—Except as otherwise provided in this section, any depository institution which fails to comply with any requirement imposed under this Act or any regulation prescribed under this Act with respect to any person who is an account holder is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure;

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved; and

(3) in the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with a reasonable attorney's fee as determined by the court.

(b) CLASS ACTION AWARDS.—In determining the amount of any award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure of compliance was intentional.

(c) BONA FIDE ERRORS.—

(1) GENERAL RULE.—A depository institution may not be held liable in any action brought under this section for a violation of this Act if the depository institution demonstrates by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) EXAMPLES.—Examples of a bona fide error include clerical, calculation, computer malfunction and programming, and printing errors, except that an error of legal judgment with respect to a depository institution's obligation under this Act is not a bona fide error.

(d) NO LIABILITY FOR OVERPAYMENT.—A depository institution may not be held liable in any action under this section for a violation of this Act if the violation has resulted in—

(1) an interest payment to the account holder in an amount greater than the amount determined under any disclosed rate of interest applicable with respect to such payment; or

(2) a charge to the consumer in an amount less than the amount determined under the disclosed charge or fee schedule applicable with respect to such charge.

(e) JURISDICTION.—Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within 1 year after the date of the occurrence of the violation involved.

(f) RELIANCE ON BOARD RULINGS.—No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any regulation or order, or any interpretation of any regulation or order, of the Board, or in conformity with any interpretation or approval by an official or employee of the Board duly authorized by the Board to issue such interpretation or approval under procedures prescribed by the Board, notwithstanding, the fact that after such act or omission has occurred, such regulation, order, interpretation, or approval is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(g) NOTIFICATION OF AND ADJUSTMENT FOR ERRORS.—A depository institution shall not be liable under this section or section 10 for any failure to comply with any requirement imposed under this Act with respect to any account if—

(1) before—

(A) the end of the 60-day period beginning on the date on which the depository institution discovered the failure to comply;

(B) any action is instituted against the depository institution by the account holder under this section with respect to such failure to comply; and

(C) any written notice of such failure to comply is received by the depository institution from the account holder,

the depository institution notifies the account holder of the failure of such institution to comply with such requirement; and

(2) the depository institution makes such adjustments as may be necessary with respect to such account to ensure that—

(A) the account holder will not be liable for any amount in excess of the amount actually disclosed with respect to any fee or charge;

(B) the account holder will not be liable for any fee or charge imposed under any condition not actually disclosed; and

(C) interest on amounts in such account will accrue at the annual percentage yield, and under the conditions, actually disclosed (and credit will be provided for interest already accrued at a different annual percentage yield and under different conditions than the yield or conditions disclosed).

(h) MULTIPLE INTERESTS IN 1 ACCOUNT.—If more than 1 person holds an interest in any account—

(1) the minimum and maximum amounts of liability under subsection (a)(2)(A) for any failure to comply with the requirements of this Act shall apply with respect to such account; and

(2) the court shall determine the manner in which the amount of any such liability with respect to such account shall be distributed among such persons.

(i) CONTINUING FAILURE TO DISCLOSE.—

(1) CERTAIN CONTINUING FAILURES TREATED AS 1 VIOLATION.—Except as provided in paragraph (2), the continuing failure of any depository institution to disclose any particular term required to be disclosed under this Act with respect to a particular account shall be treated as a single violation for purposes of determining the amount of any liability of such institution under subsection (a) for such failure to disclose.

(2) SUBSEQUENT FAILURE TO DISCLOSE.—The continuing failure of any depository institution to disclose any particular term required to be disclosed under this Act with respect to a particular account after judgment has been rendered in favor of the account holder in connection with a prior failure to disclose such term with respect to such account shall be treated as a subsequent violation for purposes of determining liability under subsection (a).

(3) COORDINATION WITH SECTION 10.—This subsection shall not limit or otherwise affect the enforcement power under section 10 of any agency referred to in subsection (a) of such section.

SEC. 12. CREDIT UNIONS.

(a) IN GENERAL.—No regulation prescribed by the Board under this Act shall apply directly with respect to any depository institution described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) REGULATIONS PRESCRIBED BY THE NCUA.—Within 90 days of the effective date of any regulation prescribed by the Board under this Act, the National Credit Union Administration Board shall prescribe a regulation substantially similar to the regulation prescribed by the Board taking into account the unique nature of credit unions and the limitations under which they may pay dividends on member accounts.

SEC. 13. EFFECT ON STATE LAW.

The provisions of this Act do not supersede any provisions of the law of any State relating to the disclosure of yields payable or terms for accounts to the extent such State law requires the disclosure of such yields or terms for accounts, except to the extent that those laws are inconsistent with the provisions of this Act, and then only to the extent of the inconsistency. The Board may determine whether such inconsistencies exist.

SEC. 14. DEFINITIONS.

For the purposes of this Act—

(1) ACCOUNT.—The term "account" means any account offered to 1 or more individuals or an unincorporated nonbusiness association of individuals by a depository institution into which a customer deposits funds, including demand accounts, time accounts, negotiable order of withdrawal accounts, and share draft accounts.

(2) ANNUAL PERCENTAGE YIELD.—The term "annual percentage yield" means the total amount of interest that would be received on a $100 deposit, based on the annual rate of simple interest and the frequency of compounding for a 365-day period, expressed as a percentage calculated by a method which shall be prescribed by the Board in regulations.

(3) ANNUAL RATE OF SIMPLE INTEREST.—The term "annual rate of simple interest"—

(A) means the annualized rate of interest paid with respect to each compounding period, expressed as a percentage; and

(B) may be referred to as the "annual percentage rate".

(4) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(5) DEPOSIT BROKER.—The term "deposit broker"—

(A) has the meaning given to such term in section 29(f)(1) of the Federal Deposit Insurance Act; and

(B) includes any person who solicits any amount from any other person for deposit in an insured depository institution.

(6) DEPOSITORY INSTITUTION.—The term "depository institution" has the meaning given such term in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(7) INTEREST.—The term "interest" includes dividends paid with respect to share draft accounts which are accounts within the meaning of paragraph (3).

(8) MULTIPLE RATE ACCOUNT.—The term "multiple rate account" means any account that has 2 or more annual rates of simple interest which take effect at the same time or in succeeding periods and which are known at the time of disclosure.

The SPEAKER. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering a bill that is long overdue. The Truth-in-Savings Act has been before this body for a number of years now, but has never quite made it to that final resting place—enactment into law. I trust that this year will be different, that it will be the 102d Congress which enacts this bill.

A number of my colleagues have worked diligently over the years to develop and refine this legislation and they should be commended for their persistence. Representative FRANK ANNUNZIO was at the forefront in bringing this issue before Congress many years ago, Chairman HENRY GONZALEZ, chairman of the Committee on Banking, Finance and Urban Affairs, has demonstrated leadership in strengthening and expediting the bill, and Representative RICHARD LEHMAN is to be commended for the diligence he has shown over the years in crafting many of the compromises necessary to move the legislation. I also want to acknowledge the cooperation I received from Representative AL MCCANDLESS, my colleague from California in developing the bill before us today.

Similar legislation was approved unanimously in the 99th, 100th and 101st Congresses. The other body has also approved truth-in-savings legislation over the years, and this year it is included in the bank reform bill approved by that Chamber's Banking Committee.

Extensive hearings have been held on this subject since 1984. As a result of these hearings and deliberations, careful compromises have been developed and are reflected in this bill. The committee has worked extensively with the banking industry, Federal regulators, and consumer groups, all of which have voiced their support for the bill we have before us today.

Essentially, the bill will enable consumers to compare different savings and investment products so that they may make informed decisions about investing their money. It provides guidelines to depository institutions regarding the type of information that must be disclosed in advertisements, solicitations, and announcements. Specifically, it requires clear and uniform disclosure of the interest rates, earned yields, fees, terms, and conditions of deposit accounts. With the increasing sophistication and complexity of the financial marketplace, there is a need for consumers to be given simple and understandable information about bank products.

In particular, the bill ensures that consumers will receive interest on the entire amount on deposit in their account each day. This will effectively prohibit the practice currently used by some banks of paying interest on only a portion of the consumer's balance while advertising the rate as if it were being paid on 100 percent of the balance.

An uninformed consumer is easy prey for confusing or deceptive market practices. It is time Congress did something to provide consumers with the knowledge to safeguard against the dangers posed by a confusing marketplace. Informed consumer choice is the foundation of a healthy economy. The legislation we are now considering will help provide such a choice.

I urge all of my colleagues to support this important bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my colleague from California, the chairman of the subcommittee, in support of this legislation.

The goal of truth in savings is to establish uniform standards of disclosure for depository accounts.

Specifically, the bill requires clear disclosure of the terms and conditions on which interest will be paid on an account, and what fees or charges may be assessed.

All printed solicitations for depository accounts will be required to contain the following information: The annual percentage yield or APY; the period of time the stated APY is in effect; the minimum opening deposit required for that account; the minimum balance required for that account; fees or conditions that could reduce the APY; and penalties which may be imposed on that account.

The bill before us also requires current depository account holders to be notified that schedules are available from the financial institution upon request.

The bill prohibits the advertisement of free accounts for accounts which require minimum balances or limit the number of transactions.

Perhaps the strongest proconsumer provisions of H.R. 2654 are those which prohibit the use of the investible balance method of calculating interest.

A few financial institutions have a policy of only paying interest on 88 percent of the principal. Consequently, many depositors have been shocked to discover that their yield is much smaller than they had been promised.

This bill does not mandate the use of a specific method of calculating interest, but it very explicitly requires that the method be disclosed and interest be paid on the full principal.

The bill also requires some standardization of information on the periodic statements that financial institutions send to their customers.

That information will include: The APY earned; the amount of interest earned; the amount of any fees or charges imposed; and the number of days in the statement period.

Most financial institutions are already, voluntarily, in full compliance with the provisions of this legislation.

However, this bill will ensure that all institutions are playing by the same rules and that no one can exploit a commercial advantage by not providing their customers with full disclosure.

The bill is not perfect. I have some strong reservations about provisions of the bill that, in the name of enforcement, create another title in the "Lawyers Full Employment Act."

In my opinion, expedited resolution is preferable to lawsuits.

I offered an amendment in subcommittee to address the issue, but it failed on an 8-to-8 tie vote.

I offered the same amendment in full committee, and again lost on a tie vote, this time 26 to 26.

Realizing that I had already set a record for two tie votes on the same amendment, I decided not to pursue it on the floor.

Frankly, in the event of a 217-to-217 vote, I suspect the Speaker would be inclined to vote with the subcommittee chairman.

That issue aside, this bill is the product of mutual cooperation between the majority and the minority.

The administration has no objection to the bill, but will seek a couple of minor amendments to it in the Senate.

It is a good bill. It is good for consumers, and it is good for financial institutions. It should be supported.

Mr. LEHMAN of California. Mr. Speaker, I rise today in support of H.R. 2654, the Truth-in-Savings Act, which would provide needed disclosure to consumers by depository institutions of the interest and fees associated with deposit accounts. Since 1984 I have introduced legislation to give consumers the ability to effectively compare different deposit instruments. By requiring uniformity in how this information is disseminated, consumers can determine the true cost and yield of each account being offered.

You would be surprised at the variety of ways the yield you are earning on your savings account could be calculated. Just knowing the interest rate being offered is not enough. Both the amount used as a basis to calculate the yield and the time period in which it is compounded can dramatically affect what is truly earned on your account. Essentially, a consumer today really has no means to calculate how much money they will really have at the end of a given time.

The result is that institutions compete with "teaser ads" and other promotions that suggest they pay high rates while they are in fact manipulating the calculations to reduce what they actually pay depositors. Clearly, guidelines are needed to prevent this type of abuse and deception and to give the consumer the tools necessary to comparative shop for the best deals.

The delay over the years in enacting this legislation has only heightened the need for it. As financial markets become bigger and more complex, consumers become even more confused. Simple and understandable disclosure of terms, fees, and conditions and yields will go far to eliminate that confusion.

When I served as chairman of the Banking Subcommittee on Consumer Affairs, I considered this measure a top priority. I am pleased that my successor, Congressman TORRES, has the same commitment to ensuring that this legislation proceeds expeditiously through the legislative process. I am hopeful that, either as a stand-alone bill or as part of a larger banking package, this legislation will finally be enacted. I urge my colleagues to support this much-needed measure.

Mr. SLATTERY. Mr. Speaker, I rise in support of H.R. 2654, the Truth in Savings Act. This legislation is intended to give consumers a means to compare the promised interest rates on all savings deposits, including certificates of deposit. It also would require that interest be paid on the total amount in a depositor's account, ending the practice used by some banks of paying interest only on the investible deposit, which does not include the amount mandated to be maintained in cash reserves.

H.R. 2654 would mandate that interest be paid on the full collected balance in an account, computed on a daily basis. The bill, however, would not mandate that interest be paid or computed in a specific manner. Disclosure statements to customers and bank advertisements would have to indicate the annual percentage yield on accounts, computed in such a way that reported yields on different accounts could be readily compared. Banks also would have to disclose clearly all fees and terms, such as minimum balances, and could not advertise accounts as being free of charge if a minimum balance requirement applied. Civil fines could be assessed on banks that did not comply with the law, but bona fide errors that were caught by the bank and promptly corrected would not subject the bank to a penalty.

During consideration of H.R. 2654 by the Banking Committee, I offered an amendment, which was adopted by voice vote, that would mandate that periodic statements issued by financial institutions disclose: First, the annual percentage yield earned; second the amount of interest earned; third, the amount of any fees or charges imposed; and fourth, the number of days in the statement period. My amendment also added a statutory definition of the term "annual rate of simple interest" which is used in the legislation to define the "annual percentage yield." I believe that these additions strengthen the bill before us today.

Earlier this year, I introduced legislation, H.R. 2674, which includes many of the basic provisions of H.R. 2654, but also includes several other provisions suggested by Richard L.D. Morse, emeritus professor of family economics at Kansas State University, such as the proposals in the amendment I offered to H.R. 2654. Professor Morse has prepared an analysis of the provisions of H.R. 2654. As compared with the issues addressed in H.R. 2674. His analysis will follow my statement in today's CONGRESSIONAL RECORD.

In addition, My legislation would apply truth in savings mandates to credit unions, as does H.R. 2654, and would preempt inconsistent State laws, as does H.R. 2654. My legislation, H.R. 2674, would also apply truth in savings standards to mutual funds; this provision is not included in H.R. 2654, because the House Banking Committee does not have jurisdiction over the securities industry. On August 2, however, the Senate Banking, Housing and Urban Affairs Committee approved S. 543, omnibus banking regulation overhaul legislation which includes truth in savings language similar to that found in H.R. 2654. S. 543 would apply truth in savings standards to mutual funds, using language identical to that found in H.R. 2674. I hope that any truth in savings legislation ultimately approved by a House-Senate conference committee will apply truth in savings standard to mutual funds.

I am confident that many Kansas financial institutions already are meeting the standards established by these proposals. While I am sensitive to the concern that these proposals would increase the Federal regulatory burden placed on banks, I believe that banks should move affirmatively to meet these relatively uncomplicated disclosure standards. Doing so would help to maintain public confidence in financial institutions, which has been sorely tested during the past few years. I also believe it is essential that truth in savings standards be imposed on credit unions and mutual funds, as well as banks and savings and loans, so that consumers can make informed comparisons between the services offered by various savings vehicles.

I urge my colleagues to support H.R. 2654 and I commend my colleagues, Consumer Affairs and Coinage Subcommittee Chairman ESTEBAN TORRES and Banking, Finance and Urban Affairs Committee Chairman HENRY GONZALEZ, for bringing this measure before the full House of Representatives. I hope that the 102d Congress will present truth in savings legislation to the President for his signature.

ANALYSIS OF H.R. 2654

(By Dr. Richard L.D. Morse)

I am very supportive of this bill, not because I am convinced that banks do not tell the truth—they do—but because I know how confused consumer/depositors are about their own savings accounts and what they foresee happening in the banking system. This bill is needed.

Not only are depositors concerned about the collapse of FSLIC, and now FDIC, but they witness bank mergers, closing of local branch bank facilities, emergence of branch banks whose decision-makers are based out-of-state and out-of-reach. If they have trouble with their accounts, the tellers or machine ATMs are of little or no assistance. Locating the right government regulatory office having jurisdiction with authority over their savings presents a major hurdle. And then the regulator is too often disinclined to appreciate the consumer problem since it deals mainly with, is paid by, and represents the banking system. I once wanted to know the number of days of a term certificate and had to deal with 3 government agencies, made five bank contacts and wrote 11 letters. That very expensive pursuit answered a question about one situation confronted six months previously. But situations change so radically that the information probably no longer is currently useful, current situation. If this bill had been in place, the information wanted would have been available as a routine matter. A depositor will no longer need to beg, plead or even request the information; it and other essential information will be disclosed in the schedule, in the savings contract, and perhaps even reprinted on the periodic statement reporting account activity and balances.

I do have some concerns about the Act and have three major recommendations:

A. I am disappointed that H.R. 2654 does not require full disclosure of basic facts about the account on the account statement so the account holder, a financial planner, the tax accountant or bank examiner could verify the accuracy of interest payments and fees and charges imposed. Each statement, in my view, should be "self-proving" just as are bank statements now being sent their credit card holders. What I will propose is to have savings customers treated as respectfully as credit customers. It is the practical, feasible, decent and ethical way of doing savings business, respecting depositor rights and the need to be informed.

Specifically, I recommend: Amend section 8 periodic statement by adding:

(5) the date and amount of each transaction. This is a normal and customary procedure.

(6) the date on which interest begins to accrue if other than the transaction date. Without this there is no way one can compute the interest. The bank must know the dates when it computes the interest, why not tell the depositor?

(7) the rate or rates and balances to which the periodic rates were applied during the period to compute interest earning. This can be accomplished by adopting the credit card disclosure model, printing on the statement: "interest is calculated by applying the daily rate to the daily balances", or, if there is daily compounding, by inserting: "interest is calculated and paid daily." However, if exotic tiered rates or other complex rate systems are used, then more complicated designators will need to be devised. The cost of explaining these complexities will become part of the cost considerations which the bank should calculate. Under the present law, the cost of deciphering is borne totally by the unsophisticated depositor. I am convinced that the efficient institutions will apply good business practices to find the least costly method of giving the facts.

(8) any other facts needed to verify the account. This fully establishes the intention of the Act. Depository institutions must disclose not only items (1) through (7), but any other information a depositor or bank examiner would need in order to verify the account.

I am of the opinion that this legislation should be reflective of the respect Congress holds for the capacity of depositors to know and understand their accounts. I anticipate that following enactment of this Act depositors will have justifiable confidence in their financial institution's handling of their savings. This should result in consumer confidence and willingness to save with financial institutions. I am convinced that the Congress is in a critical position to enhance consumer confidence in savings.

B. Secondly, I recommend: delete section 7(c) the effect of which will then be to expect institutions to accrue interest beginning on the day-of-deposit. As the Act now stands, the payment of interest could be delayed until the next business day after the bank receives "provisional credit" on deposited funds. This delay gives the banks 1 to 5 or more days of float. My reasons are as follows:

1. Depositors now know the day they deposit funds. They customarily are given a dated deposit slip or other tangible record dating the deposit. The day that "provisional credit" is granted and the distinction

between a "business" and "calendar" day is not common knowledge, making the day interest begins unknown to the depositor, the Congress should not tolerate hiding the effective date of deposited funds.

2. The first "business day" following the "provisional credit" date could be disclosed. Under the amendment I have proposed to Section 8, two dates could be required: the "Transaction date" and the "interest bearing date." There is precedent for this 2-date procedure; many banks in their monthly credit statements give both the date of the credit transaction and the posting date. The finance charge calculation my bank uses is the "posting date." I know this from reading the Truth in Lending mandated disclosure on the back of my bank statement.

Double dates are not required, of course; the second date can be avoided by a change in policy to pay interest from day of deposit. Nevertheless, a cost/benefit analysis may reveal to banks that the cost of disclosing the second date is less than the interest saved by not paying interest during the float period. I anticipate the opposite, but that will be their decision. Under the present wording of the Act, the trade-offs are not fair. The bank gains from not having to pay interest during the undisclosed float days, whereas the depositor looses both the float interest and the date information. My amendments would give requirer inclusion of both tradeoff factors.

3. The "float" or difference in time between date-of-deposit and date-of-provisional credit is the result of the way the banking system works which is beyond depositor control or influence. Float is strictly a banking problem. The banking system has made great strides in reducing the float, especially since passage of the Expedited Funds Availability Act. I feel confident that banks will continue working to reduce float time and especially with the incentive to save on interest. Floats are a cost of banking which should be borne by the banks and not passed on to the depositor.

4. "Most banks (47%) pay interest on consumer accounts from date of deposit" reports the Federal Reserve Board in The 1989 Report to Congress under the Expedited Funds Availability Act. Why, I ask, is it provident to encourage banks to change from this simple and natural way of doing business?

5. It is argued that banks are mistreated by depositors' "double dipping" getting interest on their outstanding check balance while getting interest on checks from day of deposit until cleared. True. But likewise do banks "double dip" when lending money, getting interest from the date credit is extended until the borrower's check clears the banking system. Both types of floats will continue in the absence of electronic money transfers which eliminates floats.

C. My third recommendation relates to the authorization given the Board which in effect transfers the judgment of Congress to the Board in determining what is allowable under the Act. I much prefer that the Congress establish specific principles and guidelines for the Board to follow, and also to require the Board after one year from the date of final regulations to file a report to the Congress on the effectiveness of the Act from the perspective of depositors and depository institutions. The report should also contain recommended changes in legislation needed to correct for any deficiencies or hardships caused depositors and depository institutions.

I take very seriously the plea for relief from regulations. My answer is that we not shy away from needed legislation, but write legislation that is so tight it does not require voluminous interpretations.

It is also my observation that the Board has had sufficient authority in the past to address many of the practices which have deceived and confused depositors, and hence have made it a necessity for the Congress to write this legislation. A simple example is the unwillingness of the Board to clarify the meaning of such a commonly used and basic word as "annual." Instead, the Board has written extensive regulations, pages in length, legalizing almost every conceivable day combination for calculating interest. Another example is the failure of the Board to give a precise functional definition of "Annual Rate of Simple Interest" especially after they had precedence for this when Congress defined "Annual Percentage Rate." This bill, I believe addresses both of these deficiencies adequately. If not, the Board should return after a year's experience with the language provided by the Congress with recommended changes.

Specifically, I recommend:

1. Delete Section 9(3) Contents of Regulations.

The Board is given authority over broadcasting and electronic media in Section 3 (b).

The Board is directed in Sec. 4(a) to specify which fees, charges, etc, must be included in a schedule and how the schedule should be maintained.

The Board's authorization is further expanded in Sec. 4(d) "to include such other disclosures as the Board may determine to be necessary to allow consumers to understand and compare accounts, ..." This includes understanding on the part of Board staff as well as depositors successful verification of their accounts.

The Board is directed in Sec. 9(4) to publish model disclosure forms and clauses.

Thus it would seem that the role of the Board is sufficiently explicit that it need not be given the broad latitude of (3).

2. Delete in Section 14 DEFINITIONS, (2) Annual Percentage Yield the last 13 words: "calculated by a method which shall be prescribed by the Board in regulations.

The inclusion of those words suggests that the Congress is not clear as to the meaning of the 4 components of the definition. Surely there can be no doubt as to the meaning of: "amount of interest," "$100 deposit," and "a 365-day period."

The other critical word in the definition is "percentage" which is a standard arithmetic term. There should be no doubt that, for example, $6.00 interest on a $100 deposit can only be expresed as 6 percent. And if it is for a 365-day period, the correct expression would be 6 percent per annum.

There was no testimony from the Board suggesting need to clarify this definition of the APY, and I submit that in the absence of proven need to do otherwise the Congress should not yield to giving the Board authorization to redefine Annual Percentage Yield.

In closing, I wish to underscore the warning given on Board testimony of over-regulation. In its May 30, 1991 statement, the Board forewarned: ". . . We know first hand that simple concepts such a 'Truth in Savings' invariably results in complicated regulations." It continues to suggest why this has been the history: "To encompass the diversity of industry practices and products, implementing rules are often intricate and voluminous." I agree with the observation, but disagree that this is inevitable indeed, the purpose of my amendments is to curb the tendency of the Board to consider as its responsibility to legalize by regulations products so complex and convoluted as to beguile regulators and confound depositors. My amendments should discourage such temptations.

There is no intention by my amendments to limit the development of new products or reduce the number of products made available to consumers, provided they meet the test of being understandable and comparable by the depositor who may be unsophisticated in finance.

☐ 1700

Mr. McCANDLESS. Mr. Speaker, I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I too have no further requests for time, and therefore I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SABO). The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and pass the bill, H.R. 2654, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CUYAHOGA NATIONAL RECREATION AREA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2181) to permit the Secretary of the Interior to acquire by exchange lands in the Cuyahoga National Recreation Area that are owned by the State of Ohio, as amended.

The Clerk read as follows:

H.R. 2181

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACQUISITION OF STATE OR LOCAL LANDS BY EXCHANGE.

Section 2(b) of the Act entitled "An Act to provide for the establishment of the Cuyahoga Valley National Recreation Area", approved December 27, 1974 (16 U.S.C. 460ff-1(b)), is amended by striking "may be acquired only by donation." and inserting "within the boundaries of the recreation area may be acquired only by donation or exchange for equal value. In determining the exchange value of lands of the State or any political subdivision thereof under this subsection, the Secretary shall not include in the value of those lands amounts paid from the land and water conservation fund, if any, for the original acquisition of those lands by the State or political subdivision.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2181, introduced by Representative THOMAS SAWYER, would permit the Secretary of the Interior to acquire by exchange publicly owned lands in the Cuyahoga Valley National Recreation Area in the State of Ohio.

The Cuyahoga Valley National Recreation Area was established under the leadership of our former colleague John Seiberling, in 1975 and is located along a 22-mile stretch of the Cuyahoga River between Cleveland and Akron, OH. The valley contains a number of natural features including marsh, forest and meadow habitats, and significant historical and archeological resources. The park was established to protect for public use and enjoyment the historic, scenic, natural, and recreational values of the Cuyahoga River Valley and maintain open space and recreational opportunities necessary for the urban environment.

Cuyahoga is a prime example of a "partnership park" in which numerous public and private entities work closely together to carry out their shared goals of resource protection and visitor enjoyment. Over half of the park is not national lands, and most of that area is owned by other public entities. Two major Metropolitan park systems, Cleveland Metroparks and the Akron Metropolitan Park District, own nearly 7,800 acres within the park's boundaries.

The Subcommittee on National Parks and Public Lands held a hearing on H.R. 2181 in early June. At this hearing representatives of the National Park Service and local park districts described the management difficulties which arise from the current checkerboard pattern of land ownership at Cuyahoga Valley. Current law allows the National Park Service to acquire public lands by donation only, and local laws and regulations restrict the ability of local governments to donate land to the park. This conflict leads to management difficulties in several areas including law enforcement, resource management, and capital improvements such as roads and towpaths. By providing the Secretary of the Interior the authority to exchange lands with public entities within the park, this bill provides added flexibility to address these management issues.

The Interior Committee adopted an amendment in the nature of a substitute to the bill which makes several clarifications about the exchange the authority provided by the legislation. The committee substitute provides that exchanges would have to be within the boundaries of the park and of equal value, except that appropriate adjustments should be made in cases where funds from the land and water conservation fund were used by the State or municipal government for land acquisition of a parcel to be exchanged. The purpose of this provision is to ensure that the Federal Government does not in effect pay twice for the same piece of property. This clarification was sought by the National Park Service and I believe it is a good policy.

H.R. 2181 is a prudent bill which improves the ability of the National Park Service to manage the Cuyahoga Valley National Recreation Area in cooperation with State and local governments. I urge the House to pass the bill as amended by the Interior Committee.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2181 as reported by the full Interior Committee. We heard testimony explaining the complicated and fragmented land ownership pattern at this park. I certainly agree that this current land ownership pattern is largely unworkable from a management perspective for the various government agencies involved. Therefore, this legislation is necessary to resolve the problems and I, like the administration, support it.

However, before we pass this bill in the House and send it to the other body, I think it is important to reflect for a moment on how we got to this point of fractionalized ownership. In other words, why has the Federal Government acquired numerous tracts of land at Cuyahoga which it now finds unsuitable for retention or surplus to its management needs. The answer to this question is found in the history of land acquisition at this park.

The overly aggressive nature of Federal land acquisition at this park has been well documented. Not only has that past resulted in extremely adverse and unnecessary impacts on numerous private property owners, and a very difficult relationship between the NPS and local persons, but of even greater concern to this Member is the fact that Federal funds were used to acquire lands which were surplus to the agency needs. This heavy-handed land acquisition is apparently continuing today at this park, as evidenced by administration testimony that 50 percent of the lands acquired that the park currently are acquired through condemnation proceedings.

While I support this measure as necessary to resolve existing problems, it is a clear example of costly and unnecessary Federal land acquisition. I would hope that this measure does not encourage even more unnecessary acquisition, but instead causes NPS to examine the rationale behind land acquisition policies pursued at Cuyahoga to date.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. SAWYER], the sponsor of the bill.

Mr. SAWYER. Mr. Speaker, I say to the gentleman from Minnesota [Mr. VENTO], "Thank you." It is because of your work and the efforts of your committee that this bill has reached the House floor so quickly. This is important to northeastern Ohio and I am grateful for this undertaking.

The goal of this legislation is straightforward—to provide the National Park Service [NPS] with the authority to exchange properties within the State of Ohio and its 17 governmental subdivisions that have land holdings throughout the Cuyahoga Valley National Recreation Area.

The Cuyahoga Valley is a treasured asset for the residents of northeastern Ohio and the many communities who share its boundaries.

The Cuyahoga Valley is a partnership park. It strives to maintain a productive and cooperative relationship with all its neighbors, communities, and residents alike.

However, existing restrictions on the transfer of publicly held properties pose serious problems for the Cuyahoga Valley.

Under current law, the NPS can acquire publicly owned properties only through donations. In a real partnership, this one-sided means of acquiring property does not work very well.

The Cuyahoga Valley's partnership includes two metropolitan park systems—Cuyahoga and Summit counties. Together they own and manage more than 7,500 acres in the park.

It also includes 15 municipalities. Each has its own agenda, with goals that often directly complement resources and programs within the Cuyahoga Valley.

This totals more than 9,100 acres of non-Federal public lands scattered throughout the park.

You can imagine how difficult this has made effective management and development. From law enforcement to capital planning, the Cuyahoga Valley and its local counterparts have to overcome enormous obstacles.

The random land ownership patterns within the Cuyahoga Valley are dysfunctional. At the very least, the ownership patterns leave questions as to who is responsible for what. More often, they pose serious barriers to major park projects.

This legislation will alleviate this problem. It will permit the National Park Service to acquire, by exchange, lands within the Cuyahoga Valley.

I am confident that this authority will significantly improve the NPS's ability to collaborate with local jurisdictions and carry out its mandate.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume just to point out that this is a partnership park. There have been some land management practices that ended up being controversial in the past. This measure has really little to do with them other than to provide for a more uniform and rational type of land management between the various government units that make it up. Often issues that ended up being litigated were to clear title, were to establish fair prices, but there were some controversies that did ensue in this area. I think that very often, Mr. Speaker, they had been blown out of proportion.

The important point is that this issue of the Cuyahoga Valley, which was worked on by my former colleague and which the gentleman from Ohio [Mr. SAWYER] is picking up the work on it, has an enormously important resource in a populated area that is serving an important segment of the community in terms of recreation and natural area which should, and hopefully will in perpetuity, be serving the residents of Ohio and the Nation.

Mr. Speaker, it is a marvelous resource. I have had a chance to visit it. I commend my colleagues to stop and take a look at it, and to visit it as well, and urge them to support this modest bill which provides for the consolidation of some of the land ownership patterns.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2181, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

STONES RIVER NATIONAL BATTLEFIELD, TN

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2370) to expand the boundaries of Stones River National Battlefield, TN, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STONES RIVER NATIONAL BATTLEFIELD BOUNDARY CHANGE.

The Act entitled "An Act to amend the boundaries of Stones River National Battlefield, Tennessee, and for other purposes", approved December 23, 1987 (101 Stat. 1433), is amended as follows:

(1) In the first sentence of section 1(a) strike "numbered 327/80,001, and dated March 1987" and insert "numbered 327/80,004A, and dated September 1991".

(2) In section 1(b), insert "(1)" after "LANDS.—", and add at the end thereof the following:

"(2) Before acquiring any lands under this Act whose surface has been substantially disturbed or which are believed by the Secretary to contain hazardous wastes, the Secretary shall (A) prepare a report on the potential hazardous wastes or similar problems associated with such lands and the costs of restoring such lands, together with a plan of the remedial steps that must be taken to correct the situation in order to proceed with the acquisition in a timely manner, and (B) submit the report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

"(3)(A) Except for property which the Secretary determines to be necessary for the purposes of administration, development, access, or public use, an owner of improved property which is used solely for noncommercial residential purposes on the date of its acquisition by the Secretary may retain, as a condition of such acquisition, a right of use and occupancy of the property for such residential purposes. The right retained may be for a definite term which shall not exceed 25 years or, in lieu thereof, for a term ending at the death of the owner or the death of the spouse, whichever is later. The owner shall elect the term to be retained. The Secretary shall pay the owner the fair market value of the property on the date of such acquisition, less the fair market value of the term retained by the owner.

"(B) Any right of use and occupancy retained pursuant to this section may, during its existence, be conveyed or transferred, but all rights of use and occupancy shall be subject to such terms and conditions as the Secretary deems appropriate to assure the use of the property in accordance with the purposes of this Act. Upon his determination that the property, or any portion thereof, has ceased to be so used in accordance with such terms and conditions, the Secretary may terminate the right of use and occupancy by tendering to the holder of such right an amount equal to the fair market value, as of the date of the tender, of that portion of the right which remains unexpired on the date of termination.

"(C) This paragraph applies only to owners who have reached the age of majority.

"(D) As used in this paragraph, the term 'improved property' means a detached, year-round noncommercial residential dwelling, the construction of which was begun before the date of enactment of this paragraph, together with so much of the land on which dwelling is situated, such land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures accessory to the dwelling which are situated on the land so designated.".

(3) Section 2 is amended to read as follows:

"SEC. 2. AGREEMENT.

"The Secretary is authorized to enter into an agreement with the city of Murfreesboro, Tennessee, containing each of the following provisions—

"(1) If the city agrees to acquire sufficient interest in land to construct a trail linking the battlefield with Fortress Rosecrans, to construct such trail, and to operate and maintain the trail in accordance with standards approved by the Secretary, the Secretary shall (A) transfer to the city the funds available to the Secretary for the acquisition of such lands and for the construction of the trail, and (b) provide technical assistance to the city and to Rutherford County for the purpose of development and planning of the trail.

"(2) The Secretary shall agree to accept the transfer by donation from the city of the remnants of Fortress Rosecrans of Old Fort Park, and following such transfer, to preserve and interpret the fortress as part of the battlefield.

"(3) In administering the Fortress Rosecrans, the Secretary is authorized to enter a cooperative agreement with the city of Murfreesboro, Tennessee for the rendering, on a nonreimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire preventive agencies.".

(4) Redesignate section 3 as section 4, and insert the following new section after section 2:

"SEC. 3. PLANNING.

"(a) PREPARATION OF PLAN FOR REDOUBT BRANNAN.—The Secretary shall, on or before February 1, 1992, prepare a plan for the preservation and interpretation of Redoubt Brannan.

"(b) UPDATE OF GENERAL MANAGEMENT PLAN.—The Secretary shall, on or before March 31, 1993, update the General Management Plan for the Stones River National Battlefield.

"(c) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide technical assistance to the city and to Rutherford County in the development of zoning ordinances and other land use controls that would help preserve historically significant areas adjacent to the battlefield.

"(d) MINOR BOUNDARY REVISIONS.—If the planning activities conducted under subsections (a) and (b) of this section show a need for minor revisions of the boundaries indicated on the map referred to in section 1 of this Act, the Secretary may, following timely notice in writing to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate of his intention to do so and providing an opportunity for public comment, make such minor revisions by publication of a revised boundary map or other description in the Federal Register.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

□ 1710

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore (Mr. SABO). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2370, A bill to add lands to Stones River National Battlefield was introduced by Congressman BART GORDON, a man who has taken an active interest in this park. The 1862–63 Battle of Stones River marked the beginning of the end for the Confederate Army of Tennessee. Stones River is also one of the 25 priority sites of Interior Secretary Lujan's American battlefield protection plan. Located in fast-growing Murfreesboro, this bill for Stones River National Battlefield has additional urgency because a highway bypass that will bring additional development to the area is now being built adjacent to the battlefield.

The Committee on Interior and Insular Affairs amended H.R. 2370. As amended, H.R. 2370 authorizes the acquisition of additional lands, directs the Secretary of the Interior to prepare and submit to the Congress a report on those lands which have been substantially disturbed or which may contain hazardous wastes. The Department of the Interior has a policy against acquisition of contaminated lands. I agree with that policy. Those lands whose soil profile has been substantially altered should be acquired only if the acquisition furthers park purposes and if the benefits exceed the costs of restoration.

H.R. 2370 also authorizes the Secretary to enter into an agreement with the city of Murfreesboro concerning the construction of a trail between the park and Fortress Rosecrans and the donation of Fortress Rosecrans to the park. Fortress Rosecrans could be used to interpret some of the logistical issues of the Civil War. The American public seldom has the opportunity to realize that the Union's superior industrial and agricultural strength and its larger population were as critical to Union victory as campaign strategy and battlefield tactics. Fortress Rosecrans can provide such an opportunity.

Finally, H.R. 2370 calls for the preparation of a preservation and interpretation plan for Redoubt Brannan and a new general management plan for the park. Mr. Speaker, I endorse this legislation and look forward to its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2370, a bill to substantially expand the existing Stones River National Battlefield by over 300 acres. Mr. VENTO has already explained the historic events which took place at this battlefield, as well as the bill before Members today.

I would just like to commend the bill's sponsor, Mr. GORDON for bringing forward a comprehensive measure which attempts to fully address all of the boundary issues at this park. All the lands proposed for acquisition were directly related to action on the battlefield and most have been proposed for acquisition in the past by the National Park Service.

The administration has generally supported his measure, except for transfer of management responsibility for Fortress Rosecrans and any requirements that contaminated or otherwise highly altered lands be acquired. It is not the intention of this measure to force the National Park Service to acquire any lands which are contaminated or unsuitable for park designation. The boundary as contained in this bill reflects only the maximum acquisition boundary and should not be construed to mean that the National Park Service must acquire all lands contained within it.

I would like to thank the chairman for advancing this important bill which will go a long way toward protecting one of the numerous Civil War battlefield sites within the National Park Service which is threatened by urban development.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee [Mr. GORDON].

Mr. GORDON. Mr. Speaker, I would like to thank Chairman VENTO for yielding me time. I would also like to take this opportunity to thank the chairman, his staff, and the ranking minority member, Congressman LAGOMARSINO, for their assistance and cooperation in addressing my legislation in a timely manner.

Mr. Speaker, H.R. 2370 is part of my continuing effort to preserve and protect one of our Nation's most at-risk Civil War battlefields, Stones River national battlefield.

The battle of Stones River was fought from December 31, 1862 through January 2, 1863. After a bloody, hard-fought battle, Union Gen. William Rosecrans led his forces to victory over Confederate Gen. Braxton Bragg and his militia. In all, 23,000 of the 83,000 combined forces were injured or killed.

A direct result of the Union victory was the construction of Fortress Rosecrans. Fortress Rosecrans, which was completed in early 1863 and covered over 225 acres, was the largest earthen fortress constructed during the Civil War and was a major supply depot for the Union Army's assault on the South. Today Fortress Rosecrans is listed on the National Register of Historical Places.

During the Civil War the Stones river battlefield area encompassed 3,700 acres. When the park was originally established in 1927, the national battlefield and cemetery included only 350 acres. The National Park Service's 1980 general management plan for Stones River suggested the acquisition of 284 additional acres of historically significant land. In 1983, the Park Service amended its recommendation to include only 83 acres.

The tremendous reduction in acreage was due to the intrusion of commercial and residential development surrounding the battlefield. The current situation further threatens all of the unacquired historically significant land surrounding the existing park. The 1990 census figures reveal that my home county of Rutherford is the fastest growing of all 95 Tennessee counties. Rutherford County has grown over 40 percent in the past decade.

There is impetus for this legislation other than population growth alone. The State Department of Transportation has decided to complete the final segment of a bypass around my hometown of Murfreesboro. The extension of Thompson Lane is both good and bad news. The good news is that park visitors will have direct access to the park from a major interstate. The bad news is the extension runs adjacent to the park and intersects several very important tracts of land. Unless we move quickly to authorize the acquisition of the remaining land on either side of the roadway, I am fearful it will be forever lost to development.

Mr. Speaker, the Civil War was divided into the eastern and western theaters. Over the years, much of the preservation and acquisition efforts have been directed to the eastern theater. H.R. 2370 offers an excellent opportunity to increase awareness and preservation in the western theater.

In addition, Interior Secretary Manuel Lujan in his American battlefield protection plan has included Stones River as one of his 25 priority battlefields.

I would once again like to thank Chairman VENTO for his efforts. I urge passage of H.R. 2370.

Mr. CLEMENT. Mr. Speaker, I rise today in strong support of H.R. 2370, a bill to expand the boundaries of the Stones River National

Battlefield. I would like to congratulate my colleague from the neighboring 6th Congressional District of Tennessee, Mr. GORDON, for the outstanding work he has done on this important and much-needed legislation.

Shiloh, Missionary Ridge, Lookout Mountain, Franklin, and Stones River are all examples of Civil War battlefields vitally important to our States history. They are enjoyed by numerous Tennesseans, as well as the many visitors to our great State. The Civil War is one of the single most important eras in the history of our great Nation and one which we must never allow ourselves to forget. As Americans, we must do all we can to ensure that these battlefields are preserved so that they continue to serve as a living testimony and constant reminder of the struggle which took place in shaping this Nation.

Stones River National battlefield is located in Rutherford County, the fastest growing county in Tennessee. Business and industry are rapidly claiming the battlefield land. In 1987 Representative GORDON introduced legislation, which subsequently became law, authorizing the acquisition of 53 acres of the most threatened historically significant land, and the preservation, stabilization, and interpretation of Fortress Rosecrans and the construction of a 2.6-mile historic river trail. Thanks to Representative GORDON's efforts this land and fortress will forever be preserved, this providing future generations a unique educational experience.

Since the enactment of the 1987 legislation, additional tracts of land of equal importance have been identified. As the area surrounding the battlefield continues to develop, Representative GORDON is continuing his efforts to ensure that the most significant portions of the 3,700 acre battlefield remain undisturbed and free of additional commercial and industrial development.

The number of visitors to the Stones River National battlefield and museum, the site of the bloody and fierce battle which pitted 83,000 men of the Northern and Confederate Armies against one another, has increased an average of 22 percent since October of last year and there is every indication that this will continue.

I urge the adoption of this important legislation.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2370, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING EXPANSION OF MORRISTOWN NATIONAL HISTORICAL PARK

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 363) to authorize the addition of 15 acres of Morristown National Historical Park.

The Clerk read as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITION TO PARK.

The Act entitled "An Act to authorize the addition of lands to Morristown National Historical Park in the State of New Jersey, and for the other purposes", approved September 18, 1964 (16 U.S.C. 409g), is amended by striking "600" each place it appears and inserting "615".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Morristown National Historical Park, first authorized in 1933, preserves and interprets two winter encampments of the Revolutionary War soldiers in 1777 and 1779. S. 363, introduced by Senator BRADLEY and already passed in the Senate, adds 15 acres to the Jockey Hollow Area of Morristown National Historical Park. S. 363 is identical to H.R. 2035 introduced by Congressman DICK ZIMMER.

Gen. George Washington twice encamped in Morristown, NJ. He chose Morristown because it was highly defensible as well as an excellent place to observe the British Forces who occupied New York City. During the winter of 1777–1778, Washington and his troops wintered in Morristown, training and recuperating from the battles of Trenton and Princeton. During the winter of 1779–1780 the Continental Army again wintered in Morristown, suffering through the worst winter of the century with numerous blizzards and hardships for the 10,000 troops camped at Jockey Hollow. Troops from Connecticut camped in the area proposed for addition to the park.

This is prime land for archeological resources to help better understand the actual conditions the Continental Army faced. Today, this land faces strong development pressures. Without timely action, we will not be able to preserve this part of our Nation's past. Mr. Speaker, I support S. 363 and recommend its passage so that we can indeed ensure the protection of this part of George Washington's Camp at Morristown.

Mr. Speaker, I reserve the balance of my time.

☐ 1720

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to be recognized on S. 363, a bill which provides for expansion of the existing Morristown National Historic site. The subcommittee chairman, Mr. Vento, has adequately explained the purpose of this measure.

Inasmuch as the Congress has already appropriated the estimated $585,000 required to purchase this 15 acre tract and we have a very willing seller, this matter is not controversial.

While the park plan does call for acquisition of this tract, if incompatible uses occur, such is clearly not the case. The site is not threatened by any development. At the hearing, when I asked the superintendent if this was the top priority for acquisition at the park, she responded that it was not. While the subcommittee did receive some testimony which indicated the site has potential archeological resources, the fact is that the site has never been surveyed and the true existence of any resources of significance is unknown.

It would have been far preferable to have addressed the boundary questions at this park in a comprehensive fashion rather than permitting our land acquisition policy to be driven by the interests of a single adjacent private property owner as is the case here. However, I note that the administration supports this measure and for that primary reasons, I do not intend to oppose it.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. ZIMMER], the author of this legislation in the House.

Mr. ZIMMER. Mr. Speaker, I thank the gentleman for yielding time to me. I appreciate the kind words of the gentleman from California [Mr. LAGOMARSINO], as well as the gentleman from Minnesota [Mr. VENTO]. I appreciate very much the expeditious treatment that this legislation has received in the subcommittee.

Mr. Speaker, I rise in support of S. 363, which would expand the Morristown National Historical Park in New Jersey by approximately 13 acres. This bill is the Senate counterpart of H.R. 2035, which I introduced in this House.

Morristown National Historical Park is our country's first national historical park. The park is the site of the Continental Army's encampment during the long, hard winter of 1777 following its great victories at Trenton and Princeton and again in the winter of 1779.

The property in question lies immediately adjacent to the existing park in

Harding Township and would add 13 acres to this historic site. The land is being sold to the Park Service to preserve it for future generations to enjoy. The appropriation to make the purchase was made during the last Congress and this legislation will enable the Park Service to acquire the land.

The tract to be purchased is known as the "Sterling North property" after its former owner the well-loved 20th century novelist Sterling North, author of the children's classic "Rascal," "Thoreau of Walden Pond," and others. Because the Sterling North property housed the 1st and 2d Connecticut Brigades during the difficult winters at Morristown, acquisition of the land would enable the Park Service to perform archaeological studies that would provide a great deal of information about our forefathers' efforts to win independence.

The property is environmentally sensitive as well as historically significant. Inclusion of these 13 acres in the park will add a protected natural corridor to the Patriots Path National Recreation Trail. Primrose Brook, whose pristine waters once supplied George Washington's troops, flows through the property and feeds the sensitive wetlands of the Great Swamp, a national wildlife refuge. Acquisition of the land will add to the park an area of great natural beauty and ecological value.

Passage of this bill will ensure that we preserve this tract of land for the enjoyment of the residents of my district and of New Jersey, and for all Americans who wish to preserve our Nation's heritage.

New Jersey's rural landscapes are being threatened by an open space crisis. Overdevelopment and suburban sprawl have severely burdened the State's infrastructure, including our State and national parks. At a time when New Jerseyans are struggling to save undeveloped tracts of land, this legislation will put us one step closer to preserving the natural and historic heritage of our State and our Nation.

This bill has a great deal of local support. Last year, the Harding Township Committee unanimously endorsed the bill. The New Jersey Conservation Foundation, a land conservation organization, is supportive, as is the Washington Society of New Jersey.

I believe that it is fitting that on this 75th anniversary of our National Park Service we proceed with this important purchase to expand our country's first national historical park.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SABO). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 363.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

COMMENDING PEOPLE OF THE SOVIET UNION FOR COURAGE AND COMMITMENT TO FREEDOM

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 199, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 199, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 23, as follows:

[Roll No. 274]

YEAS—409

Abercrombie
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—23

Ackerman
Berman
Boxer
Broomfield
Callahan
Dymally
Fascell
Ford (TN)
Guarini
Hopkins
Hyde
Kleczka
Levine (CA)
Moran
Mrazek
Pursell
Sanders

Slaughter (VA)
Smith (FL)
Staggers
Stokes
Washington
Waxman

□ 1748

Messrs. REED, ALLARD, MICHEL, and ROHRABACHER changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MORAN. Mr. Speaker, during rollcall vote No. 274 on House Concurrent Resolution 199, I was unavoidably detained. Had I been present I would have voted "aye."

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO SIT ON TOMORROW, WEDNESDAY, SEPTEMBER 25, 1991, DURING 5-MINUTE RULE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be permitted to sit tomorrow during the 5-minute rule for purposes of considering the bank reform legislation.

□ 1750

Mr. BURTON of Indiana. Mr. Speaker, reserving the right to object, I would just like to inquire whether or not this has been cleared with the minority.

Mr. DINGELL. If the gentleman will yield, Mr. Speaker, the answer to that question is "yes," it has been cleared with the minority.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1426, FEDERAL RECOGNITION OF LUMBEE TRIBE OF CHERAW INDIANS OF NORTH CAROLINA

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-218) on the resolution (H. Res. 225) providing for the consideration of the bill (H.R. 1426) to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2900, GOVERNMENT-SPONSORED HOUSING ENTERPRISES FINANCIAL SAFETY AND SOUNDNESS ACT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-219) on the resolution (H. Res. 226) providing for the consideration of the bill (H.R. 2900) to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 1722, EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-220) on the resolution (H. Res. 227) providing for the consideration of the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent to have my name removed from the list of cosponsors of House Resolution 194.

The SPEAKER pro tempore (Mr. SABO). Is there objection to the request of the gentleman from Indiana?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. KOLTER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

NATIONAL BREAST CANCER AWARENESS MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 95) designating October 1991 as "National Breast Cancer Awareness Month," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. GILMAN. Mr. Speaker, reserving the right to object, I yield to the gentlewoman from Illinois [Mrs. COLLINS], the chief sponsor of House Joint Resolution 257, designating October 1991 as National Breast Cancer Awareness Month.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, first of all, I would like to thank the chairman of the Census Subcommittee, the distinguished gentleman from Ohio, for bringing this resolution to the floor so expeditiously.

As I stand here this afternoon, I am at once pleased and saddened at this occasion. I am pleased because the commemorative resolution which I sponsored, to designate October 1991 as National Breast Cancer Awareness Month, will be enacted, and with other efforts nationwide, will help to call attention to the disease and the need for early detection and treatment. But I am also saddened because of the need for this resolution: the incidence of breast cancer is ever increasing; the mortality rate is depressingly high; and, too many women are still delaying getting mammograms.

The statistics of this insidious killer are striking:

One of every nine women will develop breast cancer at some point in her life;

Breast cancer has become the second leading cause of cancer death for American women;

In 1991, breast cancer will strike an estimated 175,000 women and 900 men in the United States;

Last year, breast cancer killed an estimated 44,000 women and 300 men; and

Breast cancer incidence rates have increased about 1 percent per year since the early 1970's, including a 20-percent jump in the first half of the 1980's.

I am sure many, if not most of us, know of a friend or family member who puts a face on these numbers.

The good news is that we can turn these statistics around. We start by calling attention to the problem. We start with a national effort, such as this resolution and the many activities planned across the country to alert women to the disease, its causes, effects, and cures.

Once we have their attention, we make it abundantly clear that early detection is critical, that they can help protect themselves and even save their own lives through early detection, be it self-examination, a doctor's examination or mammogram. The most important thing to know about early detection is that it can result in a 5-year survival rate of nearly 100 percent. Studies have documented the decrease in breast cancer deaths attributable to early detection. Here is where mammography is particularly effective, since it can detect cancers so small that they would be missed by even the most experienced practitioner. As a matter of fact, a mammogram can detect a lesion as small as the size of a pinhead. Ladies, mammograms do not hurt and properly administered, are safe. Afraid of getting a mammogram? Think of the alternatives: surgery, radiation treatments, chemotherapy, or an ungodly combination of all of them.

The third link in the effort to lower the incidence and mortality rate of breast cancer is ensuring that all women, regardless of financial or insurance status, have access to mammographies. Putting aside for a moment the number of lives that can be saved with early diagnosis and intervention, let us talk to those who only speak in numbers: We would realize a tremendous savings on our health care dollars if more women had access to, and utilized, methods of early detection.

The last piece in the puzzle is ensuring adequate funding for research into improved methods of detecting and treating breast cancer. We must never be satisfied with anything less than a 100-percent survival rate.

Finally, Mr. Speaker, I truly believe that the events planned across the country, including low-cost physical examinations and mammography screenings, media events, television, and radio programs, will help in our fight against breast cancer. We may not be able to reach every woman, but if something one woman hears or sees this October convinces her to get an exam, we may have saved a life and that will make all our efforts worthwhile.

Again, Mr. Speaker, I thank the Chairman for his support and assistance in bringing this matter to the floor today.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I am pleased to rise in support of House Joint Resolution 257 which designates October 1991 as "Breast Cancer Awareness Month," and I would like to commend the gentlewoman from Illinois [Mrs. COLLINS] for her efforts in bringing this measure to the floor.

Mr. Speaker, I continually find the statistics on breast cancer, and the mortality rate from breast cancer very disturbing. In 1991, an estimated 44,500 women will die of breast cancer—1 in every 9 women will contract breast cancer in this lifetime, yet only 175,000 cases will be diagnosed this year.

In spite of these shocking statistics many women do not practice routine breast examinations or utilize today's advanced mammography technology. I hope making October, Breast Awareness Month, will reveal to all Americans the importance of prevention and early detection, because, one in every five deaths from breast cancer could be avoided by early detection.

Statistics show that women with early stages of breast cancer, when the disease is still localized, experience a 90-percent survival rate, while the survival rate for women with more advanced regional cancer is only 68 percent. Even more tragic, is the fact that the survival rate for women with breast cancer which has advanced to more stages is only 18 percent.

Surely this is a disease for which an ounce of prevention is worth a pound of cure. National Breast Cancer Awareness Month can help get this message out, and can actually save women's lives.

I urge my colleagues to vote in favor of House Joint Resolution 257.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 95

Whereas breast cancer will strike an estimated 175,000 women and 900 men in the United States in 1991;

Whereas 1 out of every 9 women will develop breast cancer at some point in her life;

Whereas the risk of developing breast cancer increases as a woman grows older;

Whereas breast cancer is the second leading cause of cancer death in women, killing an estimated 44,000 women and 300 men in 1990;

Whereas the 5-year survival rate for localized breast cancer has risen from 78 percent in the 1940s to over 90 percent today;

Whereas most breast cancers are detected by the woman herself;

Whereas educating both the public and health care providers about the importance of early detection will result in reducing breast cancer mortality;

Whereas appropriate use of screening mammography, in conjunction with clinical examination and breast self-examination, can result in the detection of many breast cancers early in their development and increase the survival rate to nearly 100 percent;

Whereas data from controlled trials clearly demonstrate that deaths from breast cancer are significantly reduced in women over the age of 40 by using mammography as a screening tool;

Whereas many women are reluctant to have screening mammograms for a variety of reasons, such as the cost of testing, lack of information, and/or fear;

Whereas access to screening mammography is directly related to socioeconomic status;

Whereas increased awareness about the importance of screening mammography will result in the procedure being regularly requested by the patient and recommended by the health care provider; and

Whereas it is projected that more women will use this lifesaving test as it becomes increasingly available and affordable: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1991 is designated as "National Breast Cancer Awareness Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1800

CRIME PREVENTION MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 303) to designate October 1991 as "Crime Prevention Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. SABO). Is there objection to the request of the gentleman from Ohio?

Mr. GILMAN. Mr. Speaker, reserving the right to object, I rise in strong support of House Joint Resolution 303, which designates the month of October 1991 as "National Crime Prevention Month."

The terrible violence and suffering associated with the national scourge of illicit drug abuse has energized the public's outcry against all crime. While personal efforts by individual citizens are important, organized community crime prevention is imperative if the war on drugs and other crimes is to be won.

Organized community action, in cooperation with local law enforcement officials, can effectuate positive change. By mobilizing our citizens in an all out effort, we can help eradicate crime from our neighborhoods and our municipalities.

As we commemorate the 11th anniversary of the national citizen's crime prevention campaign which features the McGruff crime dog, the outstanding efforts of the crime prevention campaign as well as those of the Department of Justice and all other organizations promoting local partnerships among our law enforcement agencies should be recognized and commended. It is through these programs that the quality of life in communities across our Nation is being improved.

Accordingly, I support this measure and urge all my colleagues to vote in favor.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 303

Whereas crime prevention improves the quality of life in every community;

Whereas crime prevention is a cost-effective answer to the problems caused by crime, drug abuse, and fear of crime;

Whereas crime prevention is central to a sound criminal justice system at national, State, and local levels;

Whereas more than 27,000,000 people in the United States are actively engaged in helping their communities to prevent the commission of crimes against persons and property:

Whereas millions of citizens have demonstrated that, by working together, they can reduce crime, drug abuse, and fear of crime;

Whereas all people of the United States, from preschoolers to senior citizens, can help themselves, their families, and their neighborhoods to prevent crime and to build safer and more caring environments;

Whereas an important challenge facing all people and groups in the United States (including individuals, State and local agencies, civic and community groups, religious institutions, schools, businesses, and law enforcement agencies) is to weave methods into daily life that prevent crime and become part of society's norms;

Whereas it is important to annually honor persons who work throughout society to prevent crime and to build and sustain the Nation's communities; and

Whereas the National Citizens Crime Prevention Campaign (featuring McGruff the Crime Dog and promoted by the Department of Justice, the National Crime Prevention Council, the Advertising Council, and the Crime Prevention Coalition) promotes diverse partnerships among law enforcement agencies, citizens, businesses, and government to reduce crime and to improve community life throughout the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1991 is designated as "Crime Prevention Month", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the month with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 73) designating October 1991 as "National Domestic Violence Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. GILMAN. Reserving the right to object, Mr. Speaker, I yield to the gentlewoman from New York [Ms. SLAUGHTER], the chief sponsor of Senate Joint Resolution 73, designating October 1991 as "National Domestic Violence Awareness Month."

Ms. SLAUGHTER of New York. Mr. Speaker, today for the third consecutive year I want to thank my colleagues in the House of Representatives for passing a resolution designating October 1991 as "National Domestic Violence Awareness Month."

Once again I am proud to have introduced this resolution, but I am also saddened that such action is still necessary. The heartbreaking reality is that nearly 4 million Americans, mostly women and children, will be injured and well over 2,000 of them will die as a result of domestic violence.

The scope of this violence is even more horrifying when one considers that such abuse rarely happens only once in a family. The average battered spouse is attacked every 4 months, and domestic violence emergencies now account for one third of all police responses.

Victims of this abuse often do not know where to turn. They may feel the criminal justice system unsympathetic, the shelters full, the disgrace unbearable. This year shelters will have to turn away some 250,000 abused spouses due to lack of space.

In my congressional district which includes Rochester, NY, the Alternatives for Battered Women shelter reports that its 26-bed facility has been operating at or above capacity for the last 5 months.

Indeed, the shelter reports it receives 200 new calls for help each month on its hotline.

As Congress passes this resolution to raise awareness of this issue, Lifetime Television this week will air an important new documentary that portrays the human suffering behind these grim statistics. The program, entitled "Prisoners of Wedlock," can be seen Wednesday night. To their credit, the program's producers do not try to simplify the problem of domestic violence. Instead, they depict the great struggle many families face in overcoming abusive behavior that often has been passed down from one generation to the next.

The families who have persevered and overcome the daily threat of violence in their lives deserve our recognition and support. We should also commend the hard work and invaluable achievements of those who work and volunteer their time to help victims of domestic violence.

In voting for this resolution, we affirm every American's right to live a life free of abuse and violence. By setting next month aside as a time to educate our fellow Americans on the terrible statistics and reality of domestic violence, we are taking a step toward finding viable solutions.

Mr. GILMAN. Further reserving the right to object, Mr. Speaker, I am pleased to join in support of Senate Joint Resolution 73 which designates October as "National Domestic Violence Awareness Month," and I would like to commend the gentlewoman from New York [Ms. SLAUGHTER] for her efforts in bringing this measure to the House floor.

Mr. Speaker, every year hundreds of thousands of wives are abused by their husbands, and more than a million children suffer from physical, sexual, and emotional maltreatment. One in twelve women are beaten while they are pregnant, and approximately one-third of women killed are murdered by their boyfriends or spouses.

The crimes committed behind closed doors and beneath the shroud of family privacy are perhaps the most despicable in our society. There is a constant outcry from the American public for the Government to help make the streets safe—what we also desperately need is safe homes—for our women and our children.

Mr. Speaker, I wholeheartedly support this measure and I request that all my colleagues join in bringing necessary attention to this problem.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 73

Whereas it is estimated that a woman is battered every fifteen seconds in America;

Whereas domestic violence is the single largest cause of injury to women in the United States, affecting six million women;

Whereas urban and rural women of all racial, social, religious, ethnic, and economic groups, and of all ages, physical abilities, and lifestyles are affected by domestic violence;

Whereas 31 per centum of female homicide victims in 1988 were killed by their husbands or boyfriends;

Whereas one-third of the domestic violence incidents involve felonies, specifically, rape, robbery, and aggravated assault;

Whereas in 50 per centum of families where the wife is being abused, the children of that family are also abused;

Whereas some individuals in our law enforcement and judicial systems continue to think of spousal abuse as a "private" matter and are hesitant to intervene and treat domestic assault as a crime;

Whereas in 1987, over three hundred and seventy-five thousand women, plus their children, were provided emergency shelter in domestic violence shelters and safehomes and the number of women and children that were sheltered by domestic violence programs increased by one hundred and sixty-four thousand between 1983 and 1987;

Whereas 40 per centum of women in need of shelter may be turned away due to a lack of shelter space;

Whereas the nationwide efforts to help the victims of domestic violence need to be expanded and coordinated;

Whereas there is a need to increase the public awareness and understanding of domestic violence and the needs of battered women and their children; and

Whereas the dedication and successes of those working to end domestic violence and the strength of the survivors of domestic violence should be recognized: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1990 is designated as "National Domestic Violence Awareness Month". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe this month by becoming more aware of the tragedy of domestic violence, supporting those who are working to end domestic violence, and participating in other appropriate efforts.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POLISH-AMERICAN HERITAGE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 125) to designate October 1991 as "Polish-American Heritage Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. GILMAN. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Illinois [Mr. LIPINSKI], the chief sponsor of Senate Joint Resolution 125, to designate October 1991 as "Polish-American Heritage Month."

Mr. LIPINSKI. Mr. Speaker, I thank the ranking minority member for yielding.

Mr. Speaker, it is with great pride that I come before the House today as the sponsor of this resolution to designate October 1991, as "Polish-American Heritage Month." As a Polish-American and as the representative of many Polish-Americans in Illinois, I know what a great honor this resolution is to the Polish-American community.

Poles were among the first settlers of America, dating all the way back to the 17th-century settlement of Jamestown. Since those early days, Polish-Americans have contributed to all aspects of American life with their achievements in the arts, sciences, government, military, sports, and education.

Polish-American Heritage Month is an opportunity to recognize these achievements, and to also recognize the aid and support of Polish-Americans to Poland's struggle to free itself from communism. Led by former Solidarity leader and now President Lech Walesa, Poland has gone further than any other nation of Eastern Europe to establish democracy and a free-market economy.

Mr. Speaker, Polish-American Heritage Month is a well-deserved tribute to Polish-Americans and an opportunity for all Americans to gain a deeper understanding of this unique cluture.

I thank the gentleman from Ohio and the gentleman from Pennsylvania for bringing this legislation to the floor.

Mr. GILMAN. Further reserving the right to object, Mr. Speaker, I am pleased to rise in support of Senate Joint Resolution 125, which designates October 1991 as "Polish-American Heritage Month," and commend our colleague, the Senator from the other body, Senator SIMON, and my distinguished colleague, the gentleman from Illinois [Mr. LIPINSKI] for their work on this resolution.

I am proud to recognize the myriad contributions of Polish-Americans to life in the United States, and to support legislation that will bring to national attention these contributions.

Since the days of Kosciuszko, ethnic Poles have shared their burning desire for freedom throughout the world. Polish-Americans have served in our Armed Forces, and preserved, protected, and defended the American way of life since the inception of the American experience. From our steel mills to top foreign policy positions, to the fields of medicine and law, the contributions of ethnic Poles to the good of American society will be commemorated for generations to come.

Mr. Speaker, Polish-Americans can look across the seas to the land of their ancestry and derive great pleasure from the raging tide of democracy throughout Eastern Europe. These changes bring hope and inspiration to Polish citizens and give the opportunity to experience some of what their émigré counterparts have experienced in our great Nation for over 200 years. Accordingly, I urge my colleague to join with me in supporting this important resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 125

Whereas the first Polish immigrants to North America were among the first settlers of Jamestown, Virginia, in the seventeenth century;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other Poles came to the British colonies in America to fight in the Revolutionary War and to risk their lives and fortunes for the creation of the United States;

Whereas Poles and Americans of Polish descent have distinguished themselves by contribution to the development of arts, sciences, government, military service, athletics, and education in the United States;

Whereas the Polish Constitution of May 3, 1791, was modeled directly on the Constitution of the United States, is recognized as the second written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Poles and Americans of Polish descent take great pride and honor in the greatest son of Poland, his Holiness Pope John Paul the Second;

Whereas Poles and Americans of Polish descent and people everywhere applauded the efforts of Solidarity's leader and now President Lech Walesa in fighting for freedom, human rights, and economic reform in Poland;

Whereas the Polish American Congress is observing its forty-seventh anniversary this year and is celebrating October 1991 as "Polish-American Heritage Month": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1991 is designated "Polish-American Heritage Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such a month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1810

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just considered and passed.

The SPEAKER pro tempore (Mr. SABO). Is there objection to the request of the gentleman from Ohio?

There was no objection.

SUPPORT FOR EMERGING DEMOCRACIES ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. COLEMAN] is recognized for 5 minutes.

Mr. COLEMAN of Missouri. Mr. Speaker, as events unfold in the Soviet Union at unprecedented speed, the challenges facing its people are numerous and formidable. To assist them with the most immediate challenges American agriculture must be prepared to provide the food necessary to get them through this upcoming winter. It is in the American interest to provide this assistance; the security of the United States is improved when the Soviet Union turns to a free enterprise, market-oriented system. Nevertheless, we must bear in mind the responsibilities we face here at home.

I view the help the United States can provide to the Soviet Union to be in two phases. The first is immediate food assistance for the winter months. Americans are compassionate and, I believe, willing to help the Soviet people get through the hard winter months. The second phase, development of a long-term relationship with the Soviet Union, should be based on ways to improve their standard of living through self-help measures so that United States interests, including those of agriculture and trade, are emphasized. In the long term we can provide the technical help and know-how that will improve the food distribution systems of the Soviet Union to make them our trading partners.

There are several elements that are essential in developing this two-phase response to the events in the Soviet Union.

We must be assured that any distribution of food must be both fair and equitable and that the benefits of the assistance are received by the people.

Changes in the Soviet Union must be undertaken based on democratic values and principles. Our support is contingent on peaceful change in the Soviet Union through orderly processes and respect for international law and obligations.

We want to help the Soviet Union change to a market-oriented, free enterprise system in which ultimately they will become full trading partners with the United States. We do not want to miss any opportunity to participate in the changing events in the Soviet Union.

Conversely, we must be assured that any United States assistance to the Soviet Union is accomplished carefully, bearing in mind our responsibilities here at home.

For the Soviet union money alone is not the answer, especially in a country that is experiencing a crisis in its own currency system, a continuing breakdown in its food distribution system, and confusion within its political system. We must continue to keep a careful watch on this situation and tailor our response in a measured, thoughtful manner.

Nevertheless, it is in the American interest to have the Soviet Union change to a free market economy, to become a partner in trade rather than an adversary in the world.

I am introducing a bill today to begin this two-phase process: Immediate assistance through the Food for Progress Program and long-term technical assistance through the expertise of U.S. farmers and agriculture businesses.

My bill amends the Food for Progress Act to enhance the availability and effectiveness of that program to meet the expanding needs of emerging democracies as they introduce free enterprise elements into their agriculture economies. Under this bill, the $30 million limit of funds that can be used by the Commodity Credit Corporation [CCC] for costs to carry out Food for Progress is removed for 1992. The bill also lifts, for 1992, the ceiling of 500,000 metric tons of commodities for use in this program. While the magnitude of the need for increases in Food for Progress assistance is not known, I believe that the USDA will be using commodities held in surplus by the CCC. Transportation costs will depend on the amount and type of commodities provided.

The Food for Progress Program was established in the 1985 farm bill and authorizes the President to enter into agreements to provide food to countries to promote the implementation of private, free enterprise agricultural policies. While in the past, agreements under Food for Progress have been transacted with foreign governments, it is possible to sign agreements with international groups, such as private voluntary organizations to monitor the administration of this program within the Soviet Union.

Because of the crucial needs of the Soviet Union and other countries in Eastern Europe and elsewhere, the ceilings on the Food for Progress Program could be reached very rapidly. It is essential to lift these ceilings so that the United States can respond.

Additionally, my bill expands the provisions of the 1990 farm bill which established a program to promote agriculture exports to emerging democracies. Under my bill, the Secretary of agriculture is authorized to use CCC funds to pay subsistence and travel costs of United States citizens to emerging democracies to share their knowledge and know-how in agriculture with their counterparts in those countries. Farmers, processors, experts in food distribution and marketing would be selected to share their knowledge with people in emerging democracies. Improvements in agriculture in emerging democracies and thereby the improvement in the standard of living is essential in our efforts to increase agricultural trade with these countries.

Last, the legislation I am introducing will temporarily suspend the creditworthiness test currently used to administer the USDA export credit guarantee programs. This suspension will be limited only to the Soviet Union while they undergo their transition to a market economy.

Because the bill is essential to addressing the crisis facing the people of the Soviet Union, I will be working for immediate action on it by the House of Representatives.

EUROPEAN 14-PERCENT TARIFF ON AMERICA'S SEMICONDUCTOR AND COMPUTER INDUSTRY IS UNFAIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BACCHUS] will be recognized for 5 minutes.

Mr. BACCHUS. Mr. Speaker, I rise today to address an important but neglected issue in our international trade.

The issue is the 14-percent tariff that America's semiconductor and computer industry must pay to enter the European marketplace.

Last year, this burdensome tariff cost American firms more than $340 million, a tribute paid merely for the opportunity to enter Europe.

This 14-percent tariff is too high, much too high. And it is especially unfair given the fact that we do not impose any tariffs at all on our imports of European semiconductors; neither do the Japanese. I have seen the import of this tariff firsthand. Harris Corp., which employs thousands of people in my district, have had to spend millions of dollars to sell semiconductors in the European market. This "fortress Europe" mentality, this fortress Europe protectionism, together with the difficulties that Americans continue to have in penetrating the Japanese market are two reasons why Harris Corp. and other American semiconductor firms are suffering huge losses and losing vital markets.

In the past decade, the American share of the world market in semiconductors has declined from 57 percent to 40 percent, while Japan's and Europe's combined share has increased from 43 to 58 percent. This loss in market share, combined with the 14-percent European tariff, has had a devastating impact on employment in this important industry. If the European tariff is not eliminated, American firms will stop making semiconductors here and start making them overseas, and even more of our future will slip offshore.

This past Friday, in part because of the European tariff, Harris Corp. laid off more than 400 workers in Brevard County, in my district in Florida. That is more than 400 lost jobs, more than 400 anxious families.

A healthy semiconductor and computer industry is vital to our economy and to our prospects for economic growth. This multibillion-dollar industry provides more than 2.6-million American jobs, more than double the number of jobs in the American auto and steel industries combined.

In addition, a strong semiconductor and computer parts industry is vital to our national security. The war in the gulf vividly illustrated the close relationship between our military security and our industrial and technological leadership.

President Bush has said many times that the loss of American superiority in high technology would have significant consequences for our future. He is absolutely right. My hope is that he will seize this chance to help American workers and help American businesses by helping eliminate the European tariff on semiconductors.

I urge my colleagues today to join me in signing a letter to Ambassador Carla Hills urging her and the President to make the elimination of the European tariff on semiconductors and computers a high priority in the Uruguay round of the GATT in Geneva. We must keep American jobs here. We must ensure that our makers of semiconductors and computer parts are given the equal opportunity they need to compete in the world marketplace. We must put an end to fortress Europe.

POLISH NATIONAL ALLIANCE—MILWAUKEE SOCIETY NAMES ATTORNEY EDWARD A. DUDEK 1991 POLISH AMERICAN OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, I rise today to pay tribute to attorney Edward A. Dudek, an outstanding leader of Milwaukee's Polish-American community who is being honored by the Polish National Alliance, Milwaukee Society, as the 1991 Polish-American of the year. Attorney Dudek will receive this well deserved honor at the Milwaukee Society's 46th annual Pulaski Day banquet on October 12, 1991.

In addition to his impressive contributions to Wisconsin's legal establishment, attorney Edward Dudek has been an active and valuable member of Milwaukee's Polish-American community. Attorney Dudek's outstanding accomplishments in his professional, civic, and cultural endeavors have benefited our community in countless ways.

As president of the State bar of Wisconsin, attorney Dudek helped to maintain the standards of integrity and fair play which stand as the foundation of Wisconsin's legal system. As a businessman, author, and lecturer, he has been able to pass on the benefits of his experience and expertise in the fields of banking law and corporate litigation to numerous colleagues.

Through his charitable work, attorney Dudek has been able to touch the lives of many of the less fortunate in our community. Attorney Dudek's genuine concern for both young and old is displayed through his involvement in organizations such as Alverno College, St. Charles Youth and Family Services, Alexian Village of Milwaukee, and the St. Luke's Medical Center philanthropy board.

Throughout his endeavors, attorney Dudek has remained mindful of his rich heritage as a Polish-American. As a member of the Polish National Alliance, and more recently, through his participation in the St. Josaphat Basilica restoration fund, attorney Dudek has done much to ensure that Milwaukee will remain proud of its Polish-American heritage for years to come.

Mr. Speaker, I am proud to join the Milwaukee Society in honoring attorney Edward A. Dudek as the Milwaukee Society's 1991 Polish-American of the Year.

UNIVERSAL HEALTH CARE ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. RUSSO] is recognized for 60 minutes.

GENERAL LEAVE

Mr. RUSSO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter in the RECORD on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUSSO. Mr. Speaker, our health care system is in a state of crisis. We spend nearly $800 billion a year on health care in America. And what do we have to show for it? It is the most expensive, the most inefficient, and the most deficient system in the world. What do we have to show for this $800 billion? We are spending close to 12 percent of our gross national product on health care, more than any other industrialized nation in the world; 40 percent more than Canada, 87 percent more than Germany, and 132 percent more than Japan.

All of those countries have universal coverage for all their people; we do not.

In our health care statistics are the following: We are 13th in the world in life expectancy, 24th in the world in infant mortality. What appalling statistics, considering that we spend more than any other nation in the world on health care.

What else do we have to show for our $800 billion? Thirty-seven million Americans are uninsured; millions of more Americans are underinsured. And at any one time during this year, close to 60 million Americans will have no health care coverage whatsoever. This is the most expensive system, and yet it has these major, major deficiencies.

As a result of this, Mr. Speaker, I have introduced a comprehensive reform of our health care system, H.R. 1300, Universal Health Care Act of 1991, which would establish a universal, single-payer, comprehensive national health care program for all Americans. Comprehensive; it will cover medically necessary expenses for all Americans; doctor expenses, hospital expenses, whatever is determined by the Secretary to be medically necessary.

And while we are doing that, we are going to cut the Nation's health care costs.

Mr. Speaker, we need a universal health care program. This program will guarantee everyone access to the system, comprehensive in nature, for less money than we spend today; that is right, less money than we spend today, and we will cover everyone.

□ 1820

We will have vision care, dental care, long-term health care for all Americans, prescription drugs. The only things that are not covered by H.R. 1300 are over-the-counter drugs, cosmetic surgery and private rooms that are not medically necessary. Otherwise it covers everything else and for less money.

How do we do that? We do that by setting up a single-payer system in which we have one payer, one benefit, that every American receives regardless of your income status, regardless of your insurance status. It is based on your medical need. It covers everyone, and we do it by eliminating the 1,500 different insurance programs that are now in existence. We do it by eliminating the billions upon billions of dollars of administrative waste created by the insurance industry.

Mr. Speaker, you well know about the different forms that have to be filled out, that you send in, that they miss something, and they ask you to send more information, and they say, "We misplaced it. Photocopy it and send it in again." More and more forms, more and more paper, reams of forms to be sent in to the insurance companies, only then to be told 3, 4, 5 months later that on your $500 bill they are only going to pay $25. This is what the most expensive health care system in the world will tell you.

Mr. Speaker, we need to have cost containment, we need to have quality care for all Americans, and we need to have peace of mind for all Americans. What do I mean by peace of mind? That when your child is sick, and you want to take your child to the doctor, you can do it. You do not have to worry about how much it is going to cost, the copayments, the deductibles. This bill will set up a system where there will be no copayments, no deductibles. We will be able to pick the doctor of our choice, the hospital of our choice, the provider of our choice for less money than we spend today.

It is a good deal, it is a great deal, it is simple, and it is easy to deal with. Why are we going to have problems? Well, it seems to me, unless it is complicated and inefficient, nothing sells in Washington, DC. The more simple it is, the more easy to understand, the more difficult it is to pass.

It boggles my mind. Mr. Speaker, that we can put forth a program that can guarantee quality health care, comprehensive in nature, to all Americans for less money, and we do not have it today. We do not have it, and we need to have it.

Mr. Speaker, the General Accounting Office has done a study of applying what is called the Canadian system to the United States, and that is a single-payer system that covers all Canadians, and what they said is that, if we apply the Canadian system to the United States, we would save in administrative costs $67 billion a year; $67 billion.

Now what do we do with that $67 billion in savings? Well, for $18 billion of it, we will use that to cover all uninsured people in America; $46 billion of it would cover all the copayments and deductibles so there are no copayments and there are no deductibles. That is $64 billion. We save $3 billion.

I think we can do better. In this country, in America, we spend 24 cents of every health care dollar on administrative costs. The Canadians spend 11 cents. If we do just as good as the Canadians, we will save close to $100 billion a year on administrative costs which then can be used to be plowed back into the system to give the kind of coverage Americans deserve.

Mr. Speaker, we have the best quality care in the world. We have the best quality care money can buy. But if you do not have money in this country, you do not get that service, and I think it is a privilege that every American deserves, to have a right. Every American deserves to have that privilege, and we can guarantee that right by making sure we eliminate this administrative waste and we apply it to the

American public, their need for quality health care.

Mr. Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I appreciate the gentleman from Illinois [Mr. RUSSO] for yielding, and let me commend him for, not just taking this special order tonight to discuss national health care, but specifically his legislation, legislation that is now becoming known in many congressional districts as the Russo bill that we are being asked about in our townhall meetings by our constitutents who are being closed out of the current system because of increased costs, because of a lack of accessibility, because of preexisting conditions, all of the trauma that families are now suffering no matter whether they are working part time or full time. If they have good insurance, they find out that every renewal period brings an additional charge, an additional barrier.

If I might, I would like to ask the gentleman two questions that have been raised several times about this, and the gentleman just touched on one of them, and that is that it is often said that, if we go this route, that what we will really be doing is we will be rationing health care, that if we adopt the Russo bill, if we adopt a single-payer national system, that we will be rationing health care, and that we do not do that under the current system, and that is one of the reasons why people should not support it.

The second one would be dealing with the issue of copayments and deductibles that so many people have on their current insurance programs, that that is there to truly keep down the cost of insurance, and I wonder if the gentleman could address these two issues that are often raised in this discussion when we are back in our districts having townhall meetings.

Mr. RUSSO. Mr. Speaker, I thank the gentleman from California [Mr. MILLER] for recognizing those issues.

On rationing, America rations in the cruelest form possible. We ration in this country on your ability to pay. Under my approach there would not be any rationing, and the reason there would not be any rationing is, if you check the GAO study, the GAO pointed out that because of the overcapacity and because of the tremendous amount of dollars that we have currently spent on our system we have overcapacity to deal with these kinds of problems for the next 20 years. There is not going to be rationing in this country as it is known today. We will be able to take care of people's needs because the doctor is going to say, "This is what my patient needs," and not an insurance bureaucrat that will require you to call to get an approval before you have a procedure.

So, America now rations in the worst possible fashion. We have people who do not go to see their doctors or do not go and visit a hospital because they do not have the money. That is rationing. They are not able to take their children to get a physical because they do not have the copayment or the deductible. That is rationing in its cruelest form.

And the deal with the copayments and deductibles as a way of ratcheting down health care costs just does not work. The United States of America has the highest copayments, the highest deductibles, in the world and yet has the most expensive system. So, in those countries that we compete with in the world market, have very low copays, very low deductibles, they, in most cases, do not even have it, yet they do it for less than we do it. So, the idea that without copayments and without deductibles you will have a very expensive system, the United States has tossed that idea right on its head because we do have the highest copays and the highest deductibles and, at the same time, have the highest and most expensive system in the world.

So, those two arguments fall on their face when one starts to analyze exactly what happens in America.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman from Illinois [Mr. RUSSO] for answering those questions, and I will let others speak, and then I have a couple of others.

Mr. RUSSO. Mr. Speaker, I yield to the gentleman from Washington [Mr. McDERMOTT].

Mr. McDERMOTT. Mr. Speaker, I want to thank the gentleman from Illinois for this chance to discuss the single-payer system for financing health care. As a medical doctor, I know we have to reform the way we pay for health care in this country, and I know we also have to maintain and improve the quality of that care.

We do not have to look far for ideas about how to do this. Canada provides good health care to every resident at one fourth less cost than this country. They do it by setting an overall health care budget in each province, then letting the health care providers—private practitioners, just like ours—decide how to use those resources.

Some people call that rationing. They seem to think the only way to keep people healthy and get them well is to spend with no limits. A lot of the people who use scare talk like rationing are the ones who tell you not to throw money at problems like education and housing. Yet they seem content to throw money at a health care system that has never had to make choices. They confuse quality with quantity; they think more is always better.

Sometimes more is better. Prenatal care, childhood immunization, blood pressure screening, mammography, and other preventive services keep costs down by keeping people healthy and catching problems early. Doctors and nurses know the value of preventive care, yet those are the services our fragmented health insurance system is least likely to cover. Instead, we spend billions to treat the problems that occur because we neglected prevention. That can happen only in an open-ended, multipayer system where nobody is in charge.

The mythmakers tell us we cannot get good quality care in a single-payer system. They try to frighten us with horror stories about Canada—waiting lists for surgery, medical refugees crossing the border for operations in the United States. It is true, sometimes Canadians have to wait a little longer for an elective operation or a trip through a CAT scanner. If they have enough money and do not want to wait, they may come across the border to use our empty hospital beds and unused diagnostic equipment, ready and waiting for the paying customers Canada provides. Is that the result of Canadian rationing or of American waste?

We have our own horror stories—people in sleeping bags on emergency room floors, waiting to be admitted to wards; infants dying of measles because they cannot get vaccines; hospitals closing trauma care units; 200 births a day with no prenatal care. Anyone who tries to defend our system and criticize Canada's on the basis of isolated examples will have a lot of explaining to do.

We like to believe that American health care is "the finest in the world." But, even for those who can pay for care, that is a questionable statement. More than one-third of some surgeries are unnecessary. We cannot explain why you are twice as likely to have coronary bypass surgery in New Haven as in Boston, 10 times as likely to have a tonsillectomy in one Vermont town as in another. We lose more babies and die younger than Canadians.

No one here today will claim that Canada has a perfect health care system. Quebec and other provinces are struggling now with the costs of an aging population, medical technology, and the AIDS epidemic, just as we are. The Canadians have put a lid on the cost of their health care system, so they have to make choices. Some of the provinces will have to lift the lid and spend more to maintain access to quality care for all their people. They have a system that lets them make that choice when they are ready to pay for it.

And their system assures, much better than ours, that whatever they spend will be distributed fairly, based on medical need, instead of on wealth or income or where you happen to work. The bottom line is this: in Canada, no one who needs care is denied it for inability to pay. No one has to fear bankruptcy if they get sick. They have a health care system; we have a lottery.

American doctors have to deal with a lottery too—1,500 different payment systems, public and private, paying different amounts for the same service, requiring different billing forms, imposing different standards of appropriate care. Our doctors make a little more money than Canadian doctors, but they pay a high price in paperwork and bureaucracy.

In Canada, doctors make four times the average income, and they spend their time practicing medicine instead of chasing paper. They have traded the chance to maximize their incomes for the clinical freedom to practice their professions. They do not have government or insurance industry bureaucrats second-guessing their medical decisions. They can spend their time doing what they became doctors to do—treating and healing the sick, helping their patients stay healthy. I think most American doctors would make that choice if they could.

But when you get right down to it, the issue is not whether Canadians have better health care than Americans. Some do, and some do not. The issue is whether a single-payer system would give us more value, better medical quality, better health for the dollars we are spending now.

The GAO says we spend $67 billion a year on health insurance billing and bureaucracy. Some estimates are higher, other are lower. But no one doubts that we are wasting colossal amounts administering a complex, fragmented insurance system that fails to contain costs, fails to ensure quality, and fails to deliver anything to millions of Americans.

This is a rich country full of smart people. We do not have to take second place to Canada or anyone else in taking care of our health. We have health maintenance organizations and managed care systems that Canada should imitate. We lead the world in biomedical research and our biotechnology industry. We are working on treatment outcomes research that will help us improve quality and get the best value for our dollars. We will make the most of those advantages in a single-payer system—not Canada's, but America's.

If our $800 billion health care industry were a separate country, it would be the sixth largest economic power in the world. If we exercise the leadership the American people deserve, we can put that power in the service of every American and build a better, stronger, healthier nation.

The gentleman from Illinois is one of those providing that leadership, and I am proud to be working with him toward that goal.

□ 1830

Mr. RUSSO. Mr. Speaker, as the gentleman knows, basically the people who consider whether a system is a good system or a bad system are the people who use the system, and in Canada, according to the latest polls, 90 percent of the Canadians love their system. In a poll taken in the United States, 89 percent of Americans want comprehensive reform of their health care system. So the individuals who are directly impacted by the system are speaking out.

In the GAO study, one of the things they pointed out was that of the $67 billion in savings, $34 billion of it comes from administrative costs, from the insurance industry, and the other $33 billion comes in savings of administrative costs from doctors and hospitals. I happen to believe we can do better than that. I consider that a conservative estimate. So all the moneys that we save can then be used to plow back into the system, and that is how a single payer system not only will give us quality health care for all Americans but at the same time can contain costs because it is the only single payer and they will set the rules by which we have to operate.

It seems to me that one of the criticisms that is always leveled is that you are going to have these lines and you are not going to be able to deal with the problem. The difference in our approach in H.R. 1300 is that we are not ratcheting down health care costs; we are trying to level it off, and with the 11½ percent of GNP which is giving us this enormous over-capacity, as the GAO points out, we will still spend 11½ percent of the gross national product, which is still by far more than any other country in the world.

So if we are going to spend that amount of money, why can we not give our people the best care and give it to everybody? And we can do it under a single payer system.

Mr. MCDERMOTT. Mr. Speaker, I think the gentleman from Illinois raises the real basic question. The United States has the smartest people in the world, we have the best doctors, and it is a rich country. Why can we not develop a system to cover everybody with health care when every other single industrialized country in the world has done it? The Canadians have done it, the Japanese have done it, and the West Germans, the Danes, the Swedes, the English, and the French have done it. Everybody has done it. There is no reason why we cannot do it and keep the kind of quality care we have in this country.

Mr. RUSSO. Mr. Speaker, I thank the gentleman from Washington [Mr. MCDERMOTT].

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RUSSO. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I thank my friend for yielding. His leadership in this area has been superb. As a member of the Ways and Means Committee, he has become fully cognizant of the health care problem, and he has come forward with a bill that has by far the best framework for resolving this problem.

One of the problems we have is that whenever you propose a change, people who are opposed to change compare your change to perfection, and perfection generally wins. We are not trying to replace perfection with the proposal the gentleman from Illinois has put forward; we are trying to replace a mess with what the gentleman from Illinois has put forward.

I will ask people to think about this: Suppose we had a single payer system, and suppose somebody came out and said, "We don't like the single payer system. Here is what we are going to put in its place:" We will have 1,500 different insurance companies, we will have Medicaid, we will have Medicare, and we will have this patchwork and that. Your health insurance will depend on your job. If you lose your job, you might lose your health insurance.

If we had in place the system the gentleman is advocating, and somebody came along and described our current system, which would be very difficult to do because people would not believe you, does anyone imagine that they would not accept the current system as a proposal? To those who ask, "Gee, can we defend this?" think what it would be like. Somebody ought to just reduce the paper of our current health system and then say, "Why don't we try to explain this to people and try to put it forward?"

The other argument, of course, is the one the gentleman from Washington just mentioned. Somehow some of our great conservative friends would have us believe that there is something peculiarly deficient in the American character, so we are not capable of having a health care system like this. Apparently they think we are stupid as a country that if we set up a system and it turned out that people in this rich country had to wait a long time for medical care, we would just sit there and say, "Oh, isn't that too bad?"

We are talking about a system which will be dynamic and which will change. We are not planning to suspend the Congress of the United States, although some people in the White House may think that would not be a bad idea. What we would do would be to set up the system and then recalibrate it if we had this problem. If it turned out in a particular area that the lines are too long, then we could change that. But let us look at the current reality.

□ 1840

Increasingly we are told by our business community that the cost of medical care puts them at a competitive disadvantage because they have to put the cost of medical care on the car, on the computer, on the piece of equipment we are trying to sell, whereas in other countries they can put the cost of the medical care into a nationwide system and it does not become a per unit cost on the piece of equipment for sale.

Medical cost sharing in my recent look is the single greatest cause of labor disputes in the United States of America today. We have more friction on the job, more lost labor time, because of companies saying we cannot pay you, and vice versa. It has become a major factor in the bankruptcy courts. We have situations where people who have worked hard all their lives to build this country then found that the company they worked for, maybe it was an airline, went bankrupt, and they are being told they are going to lose their health care benefits because of things obviously over which they had no control.

One of the things about our health care system now when it is tied to the job is that it has become a major interference with the mobility of the labor market. All good free enterprise economists want there to be great mobility in the labor market. So we all know people who dare not move from their job because of what it would mean to health care.

Mr. RUSSO. What we ought to understand is the reason we are in trouble today is because of the kind of system that we have that is employer-based, and it has 1,500 different insurance companies who are in the business of insuring healthy people. Because why else would they deny you coverage if you have a preexisting condition and you wanted to move jobs?

If you have bypass surgery and you may be 50 years old and healthy as a rock, running the triathlon, and you want to change jobs to another place and they take your medical record. On your medical record it says you have had bypass surgery, you cannot get insurance.

Mr. FRANK of Massachusetts. If the gentleman will yield, is the gentleman telling me that because I was in Boston and not in Connecticut, so I did not have bypass, I had angioplasty, but the gentleman is telling me if redistricting does not go well, I am going to have trouble getting health insurance?

Mr. RUSSO. Well, that is quite right. The other thing is, the private sectors, it is companies who are trying to compete in the world market. How can they compete when in the last 2 years their insurance costs have gone up, their insurance premiums, have gone up over 50 percent? It is impossible to deal with a system that continually escalates costs. Because basically insurance companies to not want to insure sick people.

Mr. MILLER of California. If the gentleman will yield, I think the gentleman from Massachusetts [Mr. FRANK] is making a very important point, that today your access to health insurance has nothing to do with your need or well-being for that health insurance. It is a question of where are you employed, the size of your employer, do you work part time, is it a good paying job, or a bad paying job? If you are a young family and your children are in school and they graduate and do not get a job, the fact that they are 23 and are no longer in school, they do not get health insurance coverage.

It is cheaper now to send your kid to law school so they can get health insurance than to have them out of school with no insurance.

Mr. FRANK of Massachusetts. If the gentleman would yield, it would depend on whether your coworkers are sick or not sick. And this is not just a matter of equity. Frankly, I think we have got all the votes we are going to get in this House based on equity. Now we have got to pick up those Members who are not that equity motivated. Let us get to efficiency and productivity.

The current employer-based patchwork health system is a significant interference with economic rationality. If you look at free market economics, if you look at the bases on which people are supposed to price their products. If you look at free market economics and on labor mobility, and on where people are supposed to move for jobs. The fact is that keeping health insurance has become so much a dominant factor for people that it has become an important interference to economic reality.

Finally, let me say in closing, and I appreciate the time of the gentleman, when we talk about costs, I know very few people who do not feel at this point more frightened and threatened by the rising cost of their health insurance than by the cost of their taxes.

The taxes are something they can control. They can vote on elected officials. So there is some element of control there.

But health care costs that people have had to pay have been growing. When you combine the two, lose your job, change your job, be put on the market where you have to do it on your own, and it becomes a disaster.

This country owes itself a far better and more rational and fairer health care system than it has, and the gentleman from Illinois has given us the pathway.

Mr. RUSSO. The polls indicate, if I may tell my good friend from Massachusetts, that most Americans do not feel that their health insurance will cover their big illness. We are all basically one illness away from bankruptcy, unless you are a multimillionaire.

The polls seem to indicate that even though they may have this employer-based insurance, they are not sure that somewhere in that policy, somehow, somewhere, that when they have a major illness, they are going to be denied that coverage at the moment of truth.

Mr. FRANK of Massachusetts. I ask for just one more minute to point out what we all know, we tell people that work very hard in this country all their life and save some money, and we worry about the savings rate, but we have a medical system that says if you reach the age of 70, 75, or 80, and become very ill and you are going to require long-term care of some sort, you almost certainly will have to become a pauper. Because the Federal Government simply will not help you until that has happened.

So we tell people to save all their lives, and then, when you are old, you get very sick, you get taxed away everything you have saved all your life, and that is an irrationality that we should not allow to continue.

Mr. MILLER of California. Mr. Speaker, if the gentleman will yield just for one point, I just want to say I think the gentleman has raised another point, and that is we are told constantly that businesses want to reform health care because they cannot compete in the world marketplace.

I find it interesting that the systems they say they cannot compete against are the systems such as the gentleman is suggesting creating here. The maintenance of this system, we have found out we cannot compete against the West Germans, the Japanese, or other major industrialized countries, and yet they are all able to compete against us and maintain a single payer national health care system within their countries for their workers, for their families, for their entire population.

So it is rather amazing that we would struggle so hard to hold on to a system that is not allowing us to compete against identically the system that you are talking about creating.

Mr. RUSSO. As the gentleman from California [Mr. MILLER] knows, they do it for less money than we do it, they have better health care statistics than we have, so the question is why should we not do it? We cannot do less than single payer, and the country needs to know that.

We need to have this debate, because this ought to be a major issue in next year's Presidential election.

Mr. MILLER of California. I want to take one minute to thank the gentleman from Illinois [Mr. RUSSO] for this special order. I am very proud to be a coauthor of this legislation, because I think it is the single most important debate that we can have with respect to the future of America's families, the well-being of their children, the security of their jobs, their economic security; that this debate around health care and the inability of the American family to pay for it and to have access to it must be addressed by this Congress.

I would hope that we would continue to have these special orders, and that we will at a time when health care comes before this body, that we would have a full-blown and lengthy debate, and let those people who want to detract from your legislation, from the notion of a single payer system, from comprehensive health care, come forth and make their case. Let us debate this, and let the country see the kind of misinformation that has been perpetrated about the notion of national health care and single payers, and let them understand that this is clearly within the capabilities of this country, to provide better health care to more people for the same costs. That ought to be the goal of this Congress.

Mr. RUSSO. I yield to the gentleman from New York [Mr. SCHEUER].

□ 1850

Mr. SCHEUER. Mr. Speaker, I am a proud cosponsor of H.R. 1300, the Universal Health Care Act of 1991. I wish to again commend Congressman RUSSO for introducing this legislation and for his leadership on an issue of vital importance to all Americans. The legislation provides for universal access through a simple single payer system. I thank my colleague for yielding time to me so that I can participate in this important dialog.

In the movie "Network," a frustrated and angry anchorman, played by the late Peter Finch, rebels against the restrictions he operates under by declaring to all within earshot, that "I am mad as hell and I am not going to take it anymore." American health care consumers are in the same mood. And for many good reasons.

Recently, for example, in my own State of New York, the largest health insurer in the State—Empire Blue Cross and Blue Shield—announced that it planned to increase health insurance rates for 300,000 people who buy their own policies and for another 120,000 employees of small businesses who are considered bad risks because of preexisting health conditions. If this rate increase is approved by the State insurance department, then residents of New York City and surrounding counties would pay $11,000 for a comprehensive policy, if purchased on an individual basis, and more than $9,000 if purchased by a small business group that Blue Cross considers to be risky because some of the workers have health problems. Aside from the fact that the proposed premium increases of almost 50 percent in a single year are outrageous, the proposal of Empire Blue Cross and Blue Shield moves in the direction of instituting experience rating—a practice, which if fully implemented, will lead to the denial of health insurance to those most in need of medical care.

Mr. Speaker, since this increase in health insurance premiums tends to be repeated week after week, month after month, in cities and towns all across this Nation, the American public, like the anchorman, is getting mad as hell. We need only look at a recent headline in the Wall Street Journal—certainly not a supporter of Government intervention.

Let me quote the Journal headline. "Voters, Sick of the Current Health Care System, Want Federal Government to Prescribe Remedy."

The June 28 Wall Street Journal article reported on a Wall Street Journal-NBC poll which found that 55 percent of registered voters believe that the high cost of our health care system is the most important health care issue facing the country today. And the public most frequently cited insurance companies, doctors, and hospitals as the culprits for escalating health care costs. Finally, and most important, although the public does not blame Government for creating the problem, a majority—51 percent—say it is primarily up to Government to solve the problem.

Mr. Speaker, it is time that we accept the challenge the American people have laid at our congressional doorstep. The time for reforming our health care system is now.

We can provide quality health care for the uninsured and the underinsured without increasing the amount of money our Nation now spends on health care. This goal is within our reach if we adopt some form of the single payer system.

Congress General Accounting Office, after a thorough review of the single payer system in Canada, concluded that the adoption of a single payer system in the United States potentially could save $67 billion—more than enough money in today's economy to provide quality health care for the uninsured and for the underinsured. Furthermore, the GAO notes that a Canadian style single payer system, with global budgeting and negotiated fee schedules, "could constrain the future growth of U.S. health spending leading to substantial further cost savings."

And, based on their recent study in the New England Journal of Medicine, Drs. Woolhandler and Himmelstein estimate potential savings in 1991, from adopting a single payer system, to be $136 billion.

Mr. Speaker, this is not the forum in which to determine the precise magnitude of the potential savings from a single payer system. At hearings starting next week that, as chairman, I have scheduled before the Subcommittee on Education and Health of the Joint Economic Committee, we will explore the issue of administrative savings in more detail with a wide range of experts from the insurance and health industry and from the business, labor, consumer, and academic communities.

Instead, Mr. Speaker, I wish to ask a few very simple questions.

Is there anyone in this Chamber willing to vote to spend $50 to $100 billion on pushing paper, rather than on prenatal care for pregnant women?

Is there anyone in this Chamber willing to vote to spend $50 to $100 billion on pushing paper, rather than on health care for children living in poverty?

Is there anyone in this Chamber willing to vote to spend $50 to $100 billion on pushing paper, rather than on health care for workers and their families who lost health insurance coverage when the head of the family became unemployed?

Is there anyone in this Chamber willing to vote to spend $50 to $100 billion on pushing paper, rather than on health care for employed workers who forgo preventive care, not covered by the company insurance policy, so that their children can get needed dental care?

And, Mr. Speaker, is there anyone in this Chamber willing to vote to spend $50 to $100 billion on pushing paper, rather than on long-term care or catastrophic coverage for our senior citizens?

Mr. Speaker, the questions answer themselves. Let those who would waste $50 to $100 billion come to this well and tell pregnant women, children living in poverty, workers, and the elderly that pushing paper is more important than providing access to quality health care to all of the groups I have mentioned.

Let no one conclude from my remarks that I don't care about the people in the insurance industry. I feel sorry for those who might lose their jobs when we eliminate all the unproductive paperwork. But I feel even more sorry for pregnant women, for children, for workers, and for the elderly who are being denied access to health care because some people are still defending an incredibly inefficient, wasteful, bloated, and chaotic health care system.

An overhaul of the health care system will, in the final analysis, make our economy more productive. In the short run, total spending and total employment in the health care industry will be unchanged, but the spending and employment will be reallocated to more productive uses. Workers will be liberated from pushing paper, and, therefore, better able to treat patients—the insured and underinsured—who will rightly now demand greater access to health care.

Doctors will spend less time explaining a complicated bill to frail, elderly people and more time treating them.

Nurses will spend less time filling out medical coding forms, needed as input for billing insurance companies, and more time caring for patients in hospitals and nursing homes.

Computer technicians will spend less time designing programs that track complicated billing procedures for doctors and hospitals, and more time designing procedures that improve our ability to interpret complicated diagnostic tests.

More than 10 million people are employed in the business of delivering health care. About 20 percent of this effort goes to administrative responsibilities. A single payer system would permit doctors and nurses to spend more time on patient care and less time on administrative responsibilities.

The elimination of the private health insurance industry would eradicate the jobs of approximatley 500,000 unnecessary personnel in our health care delivery system. Naturally, a major concern is the effect this would have on individuals who lost their jobs and on communities in which they reside. But Congress has dealt with difficult transitions such as this before.

Military cutbacks and base closures are unpopular—but everyone agrees that we can no longer afford oversized defense budgets. And indeed, over the next 5 years, up to 1 million individuals will be laid off as a result of our Nation's decision to downsize its military.

We have been especially effective in the past in assisting communities predict and resolve problems caused by significant reductions in the size of the defense establishment. The DOD defense economic adjustment program has assisted almost 500 communities. About 158,000 new jobs were created in 100 localities to offset the loss of 93,000 jobs resulting from base closures.

There is no reason to believe that we could not be equally effective in assisting individuals that would be dislocated as a result of the elimination of the private health insurance industry.

Mr. Speaker, it is more than 40 years since President Truman first proposed providing universal access to health care. The need for reform was clear 40 years ago; the passage of time has only increased the urgency.

The time for action is now.

Mr. RUSSO. Mr. Speaker, I would like to point out, one of the major concerns that we have in health care in this country is how do we contain the costs of health care. And to contain costs, H.R. 1300, the bill that I have introduced and that the gentleman is a cosponsor of, would establish what is known as national and State health care budgets. It would establish national expenditure targets. It would establish global budgets for hospitals and fee schedules for health care providers.

Why is that important? According to the General Accounting Office and according to the Congressional Budget Office, no other health care reform plan can achieve the cost savings of this single-payer program with these cost containment features. These are the most stringent, toughest cost containment provisions in any health care bill.

As the gentleman knows, H.R. 1300 has 55 cosponsors, more cosponsors than any other health care reform bill that is before this Congress. So we ought to be very proud of the provisions in H.R. 1300.

It is going to guarantee quality health care for all Americans. It is going to contain costs with the toughest cost containment mechanisms that we could come up with. And it is going to give peace of mind to those Americans who when they need health care, it is going to be there for them, whether they have a preexisting condition or whether they change jobs or, God forbid, they contract a major illness while they are working. They do not have to worry about not being able to get health care in this country. They will be able to get health care under any circumstances.

That ought to be the major objective of this House of Representatives and this Congress and this President.

Mr. SCHEUER. The bill of the gentleman from Illinois [Mr. RUSSO], which I am proud to be a cosponsor of, combines decency, morality, and ethics in that it takes care of everybody and it provides for all of the health care needs and at a cost significantly less than what we are spending now.

Mr. Speaker, the Pepper Commission estimated that it would cost us $55 billion or $60 billion to go into a national health program. The savings that we would accrue from eliminating these 1,500 cockeyed health insurance programs and policies where these companies are falling all over themselves, the savings that accrue have been estimated at anywhere from $60 billion to $130 billion. The Congressional Budget Office estimates $55 billion to $60 billion. The General Accounting Office estimates $67 billion, and Drs. Wolhandler and Himelstein have written in the prestigious New England Journal of Medicine that after a couple of years of rationally redesigning the system and a single-payer system, the savings would be up to $132 billion or $133 billion.

Now, who would be hurt by this? Nobody would be hurt by this. The business community is offended and outraged.

Mr. RUSSO. The insurance companies would be hurt by it because they would no longer be able to write health insurance policies in this country under the single-payer approach. But from my personal conversations with several, in fact, I had one insurance person talk to me today after a speech I gave indicating that "You have to understand, Congressman, this is not a lucrative business for us. This is not something where we make a lot of money. Some of the major carriers no longer write health insurance because they cannot make any money at it."

What I said to him is, "I have this bleeding heart for insurance companies. I feel so poorly about the fact that they are losing so much money at it that that is why I introduced this bill, H.R. 1300, so they do not have to lose money any more."

We will get them out of the business, and we will run a single-payer system that will cover everybody, that will not be a myriad of eligibility requirements. There will be one requirement. Everyone will be treated the same. You will not have to fill out all these forms, spend all this money.

Do my colleagues realize that we spend 24 cents on every health care dollar in America on administrative costs? That is anywhere between $170 billion to $190 billion out of the $800 billion on Administrative costs. If we could just cut that in half, we could give the Cadillac program to everybody in this country for less money then we spend today.

Mr. SCHEUER. Mr. Speaker, the gentleman is absolutely right. The costs in human terms and in financial terms of our current, utterly chaotic system are appalling. We exclude 37 million people from health insurance altogether. We take care of them through the emergency rooms at an exorbitant cost. We do not provide long-term care for seniors. We do not provide catastrophic care for anybody.

We provide thoroughly substandard care for poor women and their kids, prenatal and postnatal. The kids zero to 10.

But there is a pot of gold out there, a pot of gold out there that we could pay for all of these things and end up spending significantly less as a percentage of our gross national product than we are paying now. And that pot of gold is a single-payer system.

Why there are not 435 Members on the bill of the gentleman from Illinois [Mr. RUSSO], I do not understand. How can we not do it?

We are afraid of change, but we have let ourselves grow like Topsy in a way totally chaotic and with a wasteful health care system, when all of the other industrialized democracies of the world have streamlined intelligent health care systems. We ought to go that route.

□ 1990

Harry Truman advocated that we go to a national health care program 40 years ago.

The American people reminded me of the announcer in the movie, Network. The guy said, "I'm mad as hell and I can't take this anymore." Congressman, the American people are way ahead of the Congress, they are extraordinarily far ahead of the administration. They want a national health care system.

Mr. RUSSO. And they are only going to get it if they demand it, because this inside-the-beltway mentality that says we cannot do it is dead wrong. And if the American people want a major change, and 89 percent of them in the Post say they do, they are going to have to write their Congressman, they are going to have to write the President and instruct their legislative leaders and say we want H.R. 1300, and we need it right away. That is the way we are going to get what the public needs, if they demand it. The Congress and the Senate respond to the people's wishes, and if they want major change like they say in the polls, then they have to ask for it. They have to write, call, do whatever is needed to be done to gin up the people and lead them. No inside the beltway. You may not think this is right, but outside the beltway where the people live and make decisions about their daily lives, they want the universal national health care coverage for all Americans, because we can do it cheaper if we eliminate the No. 1 problem, which is the insurance companies' administrative waste that takes away from the needs of the American public when it comes to health care.

Mr. SCHEUER. The American people want a national health care system. They want a single payer system. They feel that Congress is responsible for their well-being. They do not hold us responsible for the health care mess, but they hold us responsible for doing something about it.

That is why I think we all owe you a debt of gratitude for the tremendous leadership you have shown.

Mr. RUSSO. I thank my good friend from New York.

Mr. Speaker, I yield to my good friend, the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, I am privileged today to join my distinguished colleague, MARTY RUSSO of Illinois, and other distinguished cosponsors of the Universal Health Care Act of 1991, in an effort to increase understanding of the benefits of a single-payer system as proposed by H.R. 1300.

Our health care system is in a state of chaos. It is consuming a sizable portion of our GNP. Thirty-seven million Americans are uninsured and millions more underinsured. It is no secret that one of the top priorities in the minds of everyone across the Nation is to see our health care system reformed. They want to see high-quality health care equally available to all Americans. They want a national system that provides comprehensive benefits to all, a system that gives them freedom to choose their own doctors, hospital, or health care provider of their choice. Americans want to see a health care system that provides quality measures to improve the type of medical care they receive and one that gives Americans no financial obstacles to receiving care.

Mr. Speaker, I am pleased to be a cosponsor of a bill that proposes to provide Americans with all that I have just mentioned. A bill that will eliminate administrative waste and establish a single-payer system to replace thousands of public and private health insurance programs in the country thereby saving the United States huge amounts of administrative expense estimated by the General Accounting Office at more than $67 billion a year. These health care dollars which would have been used in determining patients eligibility for health insurance, for billing, advertising, marketing, and commissions, would be allocated to improve the quality of care.

This plan will also provide for uniform Federal standards to guarantee that all Americans receive full access to comprehensive, quality care, and progressive financing to make health care affordable for all.

Another benefit of this plan is the prevention of bankruptcy in our businesses because of the acceleration in health-costs for employees. I was amazed to learn that most businesses now spend almost as much on their employees' health insurance as they earn in after-tax profits and many of the giant corporations are now having trouble paying the bill. Furthermore, this single-payer plan will also curb the astronomical amount of our GNP spent on health care, which is now 12 percent and growing to an expected 15 percent or $1.5 trillion by the year 2000. It is absurd that the United States spent more than any other major industrialized nation in health care, yet millions of children are denied pediatric care; pregnant mothers are denied prenatal care; working parents are impoverished by unexpected health costs; and the elderly do not have long-term care.

Mr. Speaker, today, the only State in the Nation who can boast of near-universal health care is the State of Hawaii. Under its prepaid health care program established 17 years ago, every employer is required to pay insurance premiums for any person working more than 20 hours a week. Almost all of Hawaii's 1.1 million people have some kind of medical insurance. The unemployed, seasonal workers, and those whose jobs do not include insurance are taken care of by State medical subsidies established during Governor Waihe'e's administration. Although this is not a single-payer system and administrative costs absorb a substantial portion of the health care cost, Governor Waihe'e and his administration must be commended for being able to provide health coverage for about 98 percent of the State population.

Mr. Speaker, I have not touched on most of the major provisions and benefits of the Universal Health Care Act because of time. However, I want to say that I firmly believe that what America needs is for the Federal Government to provide health insurance for all Americans. A health care system that would cut the Nation's health care costs, yet providing comprehensive, quality health care for all Americans. And that, Mr. Speaker, and my distinguished colleagues, is what H.R. 1300 proposes to do. I urge you to support the National Health Care Act of 1991 for the sake of all the citizens of this great Nation.

In conclusion, I would like to commend Congressman RUSSO for his effort and hard work in designing and developing this excellent initiative which will resolve the critical need in the country for a universal, comprehensive, and quality health care for all.

Mr. Speaker, I include for the RECORD an article from the New York Times of Tuesday, July 23, 1991, entitled "Hawaii Shows It Can Offer Health Care Insurance for All."

The article referred to follows:

[From the New York Times, July 23, 1991]

HAWAII SHOWS IT CAN OFFER HEALTH INSURANCE FOR ALL

(By Timothy Egan)

HONOLULU.—Residents of the Hawaiian Islands, more than 2,400 miles from the American mainland, have long complained that they are left out of major debates that ripple across the nation.

But on at least one big issue—how to provide adequate medical care to all citizens—health policy analysts say Hawaiians are well ahead of the rest of the country, and their state is being studied in Congress and by other state governments as a potential national model.

The 50th state is the only one that can boast of near-universal health care. Under a 17-year-old program that requries employers to pick up the cost of insurance premiums for any person working more than 20 hours a week, most of Hawaii's 1.1 million people have some kind of medical insurance. The unemployed, seasonal workers and those whose job does not include insurance are taken care of by state medical subsidies.

SOME SPECIAL CIRCUMSTANCES

In all, 98 percent of Hawaiians have some kind of medical insurance. By contrast, in the country as a whole, 14 percent of the population or 34 million people, lack medical insurance and get no government subsidy. Most are wage earners who work for small or low-paying businesses.

Perhaps most surprising to many experts, the near-universal access to health care here has not led to soaring costs. While Hawaii ranks near the top of the states in cost of living, its average health insurance premium is near the bottom. For example, a family in Hawaii pays a premium of $263 a month, nearly half that of other states.

To be sure, Hawaii differs from the other 49 states in many important ways. The population is small, the climate is healthful, and the state has a long tradition of providing generous benefits to workers, most of whom belong to unions.

Even during the current recession in tourism, Hawaii has the lowest unemployment rate of any state, 2.8 percent; its insurance companies have to pay little compared to other states for hospital care for the unemployed. Its insurance industry is dominated by a few big companies, which can exercise strong bargaining power to keep doctors' and hospitals' fees down. It is in the middle of an ocean, so businesses that might object to paying health care costs—up to $1,000 a year per employee—cannot simply move across a state line.

But while these oddities help explain Hawaii's success in keeping rates low while providing care to nearly everyone, advocates here and experts on the mainland say the state has much to contribute to the current national debate.

"One criticism I hear is that we are different, as if we're all sipping mai tais on the beach and dancing in coconut shell bras," said Dr. John Lewin, Hawaii's director of health. "We have a lot of poor people in Hawaii. We have all the health problems of the rest of the states. But what makes us different is that we decided to do something about it."

Dr. Lewin, energetic and outspoken, has become a sort of evangelist for universal health care, which he calls a basic human right. He has spoken to numerous Congressional officials and to leaders in states like California and Washington, where similar plans are under discussion. The thrust of his argument is that the states can provide health insurance for all citizens and keep costs down if preventive care is emphasized, and if there is competition among the major insurance companies to go after the uninsured.

Dr. Karen Davis, a professor of health policy at Johns Hopkins University in Baltimore, agrees. "What Hawaii has demonstrated, to a lot of people's astonishment," she said, "is that they have covered all their people while minimizing economic disruption."

By contrast, Massachusetts' plan for universal health insurance, also considered a pioneer of sorts, has stalled amid concern over the state's soured economy. Small-business owners, who starting in January would be required to offer employees insurance or pay the state to do it, are lobbying for a delay or outright repeal of the plan.

A 'COST OF DOING BUSINESS HERE'

The Hawaii plan took effect in 1974, when much of the country was in a severe recession. The world of health care was much different then. For one thing, mandatory insurance coverage by employers was not considered particularly radical; one of its leading advocates was the Nixon Administration. For another, no one had heard of AIDS, crack addiction or the host of high-technology advances that have driven up the cost of medicine. Before Hawaii's plan went into effect, 17 percent of its residents were without medical insurance—a greater percentage than that represented by the 34 million Americans who now lack coverage.

In the Hawaii plan, the employee pays a portion of the insurance: no more than 1.5 percent of a person's gross wages, or half the premium, whichever is less. For someone making $2,000 a month, the fee can work out to around $30 a month. The requirement applies even to people who hire domestic workers for 20 hours a week or more, and any business that does not comply can be fined or shut down. State officials say they have had few problems with compliance.

Some business groups still complain about the cost. "For the smaller businesses, it's somewhat of a problem," said Mary Jane Van Buren, a spokeswoman for the Hawaii Chamber of Commerce. "It can make a difference, for some people, between going under and staying profitable." But she added, "People accept it, like everything else, as the cost of doing business here."

A STATE OF SMALL BUSINESSES

As Congress debates a Democratic-sponsored bill to require employers who do not provide health coverage to pay premiums for uninsured workers, the main argument used against the measure is that it puts too much of the burden for national health care on small businesses. It could lead to higher inflation, the critics say, and create still more bureaucracy to bedevil small businesses that are already snagged in Government-generated red tape.

But Hawaii's example, experts here say, belies the arguments.

The state's economy is run by small businesses; more than 90 percent of Hawaii's 27,271 individual enterprises employ 50 people or less, according to the state labor department.

Jean Pinc, who runs the B & L Bike and Sport Shop in Kona-Kaikta, on the Big Island of Hawaii, says the additional cost of paying health insurance for three full-time employees has not been a drag on the business. "We want to keep our good people, and one way to keep somebody loyal is to give them good benefits," she said. "Everybody who runs a small business is pretty much in the same situation."

Not everyone is covered by the Hawaii requirements. In the most important exception, employers do not have to pay for care of dependents. But business people here say the competition for workers is so strong that most dependents are covered.

THE PART-TIME LOOPHOLE

There are ways to get around paying insurance premiums. Some businesses hire only part-time workers, avoiding the 20-hour threshold.

"We could do that if we wanted to, and I know some people do," Ms. Pinc said. "But again, it comes down to trying to run a business with people who will stay loyal and do a good job for you."

The fact that Hawaii has virtually full employment means that companies have to compete, with various benefit packages, to keep good workers. As it is, "some employers are desperate for workers," said Rich Budnick, a spokesman for the Labor Department in Honolulu.

Last year, a second part of the Hawaiian health plan, designed to cover the 5 percent of the population that falls between the cracks, went into effect. People who otherwise have no insurance pay a small fee for each doctor visit and a portion of the insurance premium. The rest is picked up by the state. The poor are covered by Medicaid, the state-Federal program, as in other states.

The 1990 plan, called the State Health Insurance Program, is running below its projected budget cost—insuring slightly more than 10,000 people at an annual cost of under $1,000 per person. But it provides only basic benefits, covering no more than five days in a hospital per year and limiting care in other ways.

A POUND OF PREVENTION

The question most frequently asked about Hawaii's system is how the state has managed to control costs. With Hawaii's isolation and expensive real estate, the cost of living is about 30 percent above the national average. But its health insurance premiums, for a single person per month average about $94 a month—well below the $154 average cost for a similar policy in New York, California's $141 premium and the $282 average for Kansas.

The infant mortality rate, down 50 percent from its high of 16 per 1,000 in 1974, is among the nation's lowest. Life expectancy, at 78 years, is near the top.

"The secret of our success, the secret that many in the American medical establishment do not want to hear, is prevention," Dr. Lewin said. "We have twice as many outpatient visits, that is, people see their doctors several times a year, and half as many hospital stays, as the national average."

People are encouraged to go to the doctor early and often, he said, thus minimizing the chance of costly operations for maladies that could have been prevented. "The emergency room is not the place to get prenatal care," Dr. Lewin said.

SPREADING RISK AND EXPENSES

Another cost-saving aspect is that the pool of workers covered by a given insurance plan is not drawn from a single workplace but from the entire population. If the premiums were based on the health of 10 people at one office, and 2 of those people had life-threatening diseases, the costs for everyone else at that office would skyrocket. But because the risk pool comprises all people on the island, the costs are much lower.

"This has reduced the administrative expenses for insurers, and together with the spreading of risk, made insurance premiums affordable for all but a handful of small employers," wrote Molly Joel Coye, the head of California's Department of Health Services, in the Summer, 1991 edition of Issues in Science and Technology.

But just as Hawaii is being studied by people outside the state, Dr. Lewin fears that a new Federal system proposed by Senate Democrats, a "mega-Medicaid," as he calls it, will be imposed on Hawaii. The proposal would eventually require all employers to provide health insurance for their employees or to or pay into a health-care fund. Although Dr. Lewin likes aspects of the bill, he worries that the additional Federal bureaucracy would set Hawaii back.

The Federal Government should establish a minimum set of benefits, Dr. Lewin says, then step aside and let the states craft their own programs.

Mr. RUSSO. I thank the gentleman from American Samoa.

It is my honor to yield to the gentlewoman from San Francisco [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding, and also thank him for his leadership and boldness in presenting this legislation to the Congress and to the country. I am proud to be an original cosponsor of the Russo bill, the single payer bill for universal access to quality health care in America. On behalf of my constituents, Mr. RUSSO, I want to extend their thanks to you as well.

I have been in communication with them on the issue of health care reform, access to health care, and in a series of meetings with small business, with big business, with health care providers, with grassroots people interested in mobilizing for reform in and access to health care in America, and very importantly to me at my neighborhood meetings, grassroots meetings with my constituents in my district. Starting with the last group I mentioned, I am pleased to report that as a result of our meetings, which were attended by hundreds of people, and also mailings that we did into the district describing the options before the Congress, the response was overwhelmingly, in the nineties, overwhelmingly in favor of a single payer, the Russo bill. We presented three options to my constituents. One was the single payer. Another was the play or pay, which I know has been addressed here earlier, which was more employer based. And the third option was credits as proposed by our more conservative colleagues in the House.

Focusing on the two that have generated the most interest, single payer, as I say, even though it is difficult, because so many of our colleagues standing on this issue are divided on it and have traditionally voted for play or pay, an employer-based system.

Mr. RUSSO. If the gentlewoman will yield, I think it is important to at least talk about what they mean by play or pay, because that is one of the options, and I think it is a deadly option. It is the option that goes in the wrong direction.

Basically under the play or pay, it is an employer-based plan that says if you want to play you can offer health care for your workers through the private sector, through insurance companies. However, if you do not do that, then you will have to pay a tax and pay into the system.

What is wrong with play or pay? I will tell you what is wrong with play or pay. The only people who will play are those companies and those employers that have a very healthy and a very young work force. Why? Because they will get the best premiums. The insurance companies are not in the business of wanting to give good premiums, low premiums for sick people. If you are a company that has older people, and you have some employees that may have had bypass surgery, have high blood pressure, have a preexisting condition, may have suffered breast cancer, the insurance premium will be so high that they will not play, they will pay. So the Federal Government will be picking up that cost.

Why do I say that? What happens is the pay premium will not be that high, so the Federal Government will get the worst of all worlds. We will get the high-risk, high-cost individuals, and the insurance companies will get the low-risk, healthy people, which is just the absolute wrong way that we ought to be going. So play or pay to me is not the option, because it does not cover enough Americans. It gives the Federal Government the biggest burden, and it is a huge mistake, the same mistake that was being made back with Medicare and Medicaid. The Federal Government got the elderly and the poor, and the insurance companies got everybody in the middle who were healthy and prosperous because they are in the business of a bottom line. So I thank the gentlewoman for giving me that opportunity.

Ms. PELOSI. I thank the gentleman. I will add to what is wrong with play or pay by saying it does two other things. The gentleman touched on one at the end of his remarks by saying it produces a system or could produce a system like Medicaid. We will have two tiers, two different qualities of health care, access to health care in America, and that is just whatever we propose next in terms of reform should avoid, but which I believe is built into play or pay.

The other complaint that I have about play or pay is that it may address the needs of more Americans than are covered now, but will still leave tens of millions of Americans uncovered, but decrease the constituency for major reform in our country.

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So what will appear to look good to some, they will swallow that, and then we will have lost momentum, and I think that is a danger in the pay or play.

Mr. RUSSO. The other problem with pay or play, it is going to cost middle-American taxpayers more tax dollars not for increased insurance benefits for them but to cover poor individuals that the insurance companies will not, and indirectly what we end up doing is the American taxpayer is going to be subsidizing the administrative waste of the insurance industry. That is the wrong thing to do. That is the wrong direction, and that is why pay or play, as far as I am concerned, has not picked up the kind of steam and momentum that people thought it would, because once you analyze it, it is going to be an enormous adverse effect, especially on business, because the business community cannot continue to exist under the current system, because their insurance premiums are getting higher and higher, and they get less and less coverage for more and more cost, and more and more small businesses are beginning to stop covering their employees. The only way we can give better coverage is if we have a single-payer system.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding.

I also want to commend the gentleman for sponsoring the Universal Health Care Act of 1991, H.R. 1300. I am very proud to be able to be a cosponsor of the act with the gentleman from Illinois, because as the gentleman has said, the health care system is, indeed, in crisis.

It is crushing our States and our municipalities, our businesses and our families, and I am convinced that we are going to give to our children a collapsed health care system unless we address this crisis by adopting the single-payer system that the gentleman has put forward and that he has given us the leadership to introduce here this year.

We all know the statistics that we are spending more than 12 percent of our gross national product on health care which is the highest of all the industrialized countries.

The increases in our health care spending go on year after year at a rate far greater than our economic growth rate, while at least 35 million people are uninsured and an equal number are underinsured, and we still rank among the industrialized countries lower than many of them on major health indicators.

It is a disgrace that this Nation has the highest infant mortality rate of all of the industrialized countries, and despite all of that exorbitant expenditure on health care, we remain the only industrialized nation other than South Africa that does not have a national health program. That is strange company, indeed, in a nation as rich as ours.

Our failure to provide adequate health care for all of our citizens is shameful. People are hurting. People directly hurt because of that health care system of ours.

Let me just give the Members one example. One of my constituents in the city of Westfield gave birth to twins. She paid $534 per quarter for health insurance with a $500 deductible. After giving birth, however, her carrier doubled her quarterly premium to over $1,000, and unable to get family coverage through her husband's policy, unable to afford these premiums with two new births and two teenagers and one income, she was forced to drop her insurance, leaving all but her husband completely uninsured.

To buy health insurance, she decided to return to work part time, but she discovered that she had to wait 6 months for her insurance coverage to become effective again. So she has outstanding bills of $2,000 for the care of the twins, no insurance to pay the bills, and worst of all, if anything goes wrong in the next 4 months, she and her babies have no health care protection.

That kind of thing is truly unacceptable. So I am urging my colleagues to follow the gentleman's leadership and to look to our neighbor to the north not just to the structure of their system but its popularity, a system that by a combination of public insurance with private delivery has created a highly rated health care system both by consumers and by providers.

We know what the problem is. We know what the solution is. All we have to do really is act, and I think we ought to act now.

I really commend the gentleman from Illinois for his leadership in bringing this before the public, because, indeed, it is probably the most important issue for families, for working people in this country at the present time, and it really cries out for a solution.

Mr. RUSSO. Mr. Speaker, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank the gentleman for yielding again.

I also would like to say that our distinguished colleague from Massachusetts has demonstrated certainly the need for this reform.

My colleague, the gentleman from California [Mr. MILLER], earlier demonstrated to us how important it was to children and families, indeed, to all Americans, particularly working Americans who do not have the resources to defend themselves against the menace of becoming ill.

Our colleague, the gentleman from New York [Mr. SCHEUER], also demonstrated what the problem is, and the gentleman's bill offers a solution.

The gentleman has already addressed where the savings are in the administrative costs, the fairness of the legislation, because it treats all Americans equally, gives them health care according to their needs, not according to their ability to pay, and it eliminates that unfair rationing that exists today.

The gentleman has talked about the impact that there has been on business picking up the tab on all of this and how big business in particular has become overburdened by the cost of insurance, and small business is frightened by it. Some provide it, some do not. But they beg us for another solution beyond mandated benefits to something like a single payer.

But I would like for just a moment to talk about some of the individuals that participated in our neighborhood meetings and answered the questionnaire that we sent out about this. Without making a pitch, I just presented objectively what the options were, and we were overwhelmed by the response in favor of the single payer.

As recently as the other day when there was a rally organized by constituents that they invited me to, they had taken the initiative in support of the Russo bill, and as recently as this morning when I met with small businesses to describe to them the provisions of the gentleman's bill, some of the things that I think would interest our other colleagues are that the work force is changing in America. We think of people as working for a business, a company, the State, the city, some entity that provides coverage.

In a district like mine in San Francisco, and perhaps that of the gentleman from New York [Mr. SCHEUER] and others in different parts of the country, more and more we see people reaching their fulfillment in an individual way by being writers, artists, performers, photographers, dancers, whatever, in addition to being employed as a waiter or whatever, so these people who want to work at home or work as individuals or pursue an artistic career in the broadest definition of the word artistic are really, in order to make some valuable contribution to society without great financial gain, are greatly at risk. They really have no coverage.

The gentleman from Massachusetts [Mr. FRANK] talked about how people are locked into jobs because they cannot afford to leave because they lose their insurance, and many of these people, indeed, have to stay in traditional jobs because they cannot pursue the career of their choice, their first choice, largely because of health benefits. So there are many, many Americans who are not covered now who really cannot speak as a group, because they do not belong to a group because of the pursuit that they have undertaken in their lives.

Many of these people live in my district, and on behalf of them, I particularly wanted to thank the gentleman, because this is one answer, the one and only answer, and that they say pay or play really does not work for them; the traditional, the system as it is today, does not work for them, and if they happened to be married to someone who is working and they have a traditional work, job, and that person dies, they are again further menaced not only by the death in the family but also by the loss of benefits.

So for these people who work at home or pursue their individual pursuits, fields of activity, this offers some hope, and for that I wanted to convey a special thanks from San Francisco to the gentleman, because this really is an act of courage and a bold move on the genteman's part to put this proposal on the table, well thought out, and can stand the test of scrutiny in terms of its cost-effectiveness and the smartness and the intelligence in which it is presented.

For all Americans, be they big business, small business, and the individuals that I am talking about here, as you addressed other individuals who were threatened by the fear of becoming ill, I also want to thank the gentleman for putting this forth and giving us this. This is a very valuable debate.

It is a privilege to serve in the Congress of the United States, but never so much a privilege as when on an occasion such as this when we can really be addressing the needs of our people very directly, the needs that they feel immediately, those fears that menace them every day of their lives.

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The gentleman has offered this to make a difference, and it is an honor to be part of it, and I thank the gentleman very much for giving us that opportunity. On behalf of my constituents, I thank the gentleman from Illinois [Mr. RUSSO] for his leadership.

Mr. HOCHBRUECKNER. Mr. Speaker, the topic of health care in the United States has been widely discussed during the 102d Congress. With the uninsured population reaching 37 million Americans, health insurance costs skyrocketing, and 12.1 percent of our GNP going toward health care, clearly this issue demands attention. That is why I have cosponsored H.R. 1300, the Universal Health Care Act of 1991, introduced by Congressman MARTY RUSSO.

Mr. Speaker, H.R. 1300 is a health insurance plan with a single payer approach that would eliminate most private insurance in favor of a Government-paid program. The bill incorporates Medicare's practice guidelines and expands them to cover the entire health system. Congressman RUSSO'S goal is that every citizen would be granted equal access to all aspects of health care, while the Nation's health care costs would be reduced.

Under H.R. 1300, the Federal Government would provide health insurance for all U.S. citizens. Citizens would receive a health insurance card entitling them to the national health insurance benefits. There would be no coinsurance or deductibles and consumers would be free to choose their own doctors, hospital, or health care provider. Providers would be prohibited from charging more than they received from the Government.

H.R. 1300 has the support of several organizations, including the International Association of Machinists & Aerospace Workers; Amalgamated Clothing & Textile Workers Union; United Mine Workers of America; International Ladies' Garment Workers' Union; American Postal Workers Union; Communication Workers of America; National Association of Social Workers; and the National Council of Senior Citizens.

Mr. Speaker, this legislation would provide every U.S. citizen with the health benefits they deserve, while saving this country billions of dollars in administrative costs and wasted time. For these reasons, I urge my colleagues to cosponsor H.R. 1300.

Mr. LAFALCE. Mr. Speaker, not long ago, I came across the following quotation:

> It is no longer acceptable morally, ethically or economically for so many of our people to be medically uninsured or seriously underinsured. * * * If the Iron Curtain can be lifted, the Warsaw Pact dissolved, and East and West Germany politically reunited, all quite rapidly, because it was the right thing to do and the time had come—surely we in this rich and successful country can manage to provide basic health care because it, too, is the right thing to do and the time has come.

Coming from TED KENNEDY or the AFL–CIO, such remarks would not be surprising. But coming as they did, from the editor of the Journal of the American Medical Association, they were not only surprising but astounding.

In the United States, the quest for national health care reform has long faced a seemingly insurmountable Berlin Wall of forces opposed to major reform of the system. Physicians feared socialized medicine. Businesses feared costly mandates. The insurance industry feared encroachment. But in the past year, the wall has begun to break; recognizing that we can no longer afford the costs, administrative burdens, and inadequate coverage associated with our current system, opposition to national health care reform is now weakening, and fundamental reform may be possible.

The most recent break in the wall was the urgent call for reform in the Journal of the AMA—the group long considered the strongest force opposed to national health insurance. The AMA, major business groups, labor unions, and policymakers now realize that action is necessary to help the 30 to 40 million Americans who lack health insurance and therefore typically do not have access to the care they need.

The editor of the AMA Journal believes it is no coincidence that the United States and South Africa are the only two industrialized nations without national health insurance. One of the many reasons for lack of access to health care in the United States, he says, is "longstanding, systematic, institutionalized racial discrimination."

Despite the lack of access, the United States spends more on health care than 22 other industrialized countries. According to the latest estimates, health costs account for 12.2 percent of America's gross national product [GNP], compared to 8.7 percent in Canada, 8.2 percent in West Germany, 6.7 percent in Japan, and 5.8 percent in the United Kingdom. And in the past 2 years alone, health insurance costs have increased by 46 percent.

Nearly one-quarter of America's health care spending is gobbled up by unnecessary paperwork costs. That is more than double the paperwork costs of any other nation. If the United States could bring its administrative costs down to the Canadian system's 11 percent level, according to the GAO, we could save about $67 billion in 1 year. Why the enormous difference? Unlike other industrialized countries, where coverage, fees, and benefits are standardized, the United States has 1,500 private health insurers, providing many types of coverage and benefits, with different sets of rules and requirements.

Unlike other countries, where bills for the same types of service can be submitted together, or where there is a single payer system, in the United States, hospitals and physicians bill separately for each patient and procedure. To help companies and health care providers cope, a myriad of claims processors, employee benefits specialists, accountants, consultants, and administrative support personnel are needed. Indeed, it's an administrative nightmare to both the patient and the health care provider.

Industry efforts to contain costs have made the system even more complicated. Complex new procedures to control utilization, necessitating formal reviews and authorizations before individual claims can be paid, have created, in the words of the AMA, a virtual "paper snow."

These trends must not be allowed to continue. As the AMA Journal noted, "An aura of inevitability is upon us." To control runaway costs and to provide access to affordable, high-quality care for all Americans, numerous plans have been proposed. Nearly a quarter of the corporate executives responding to a recent poll sponsored by the Robert Wood Johnson Foundation and the Gallup organization said they are willing to consider an approach which, in my view, is the most sensible—to create a single system in which the Government sets cost limits and provides health insurance for all citizens.

The Universal Health Care Act of 1991, which I have cosponsored, would guarantee health care access for all Americans and would allow everyone to choose their own doctor. Businesses would no longer be saddled with the administrative and financial burdens of providing health insurance and would, therefore, be in a better position to compete in the global marketplace. Americans would save billions in the administrative costs of health care, and would receive full coverage for all major health care services, including doctor and hospital visits, annual checkups, dental care, prescription drugs, nursing home care, as well as home and community-based services.

In developing comprehensive reform, we should keep an open mind and listen to what our constituents are saying. In a recent Gallup poll, only 25 percent of all Canadians expressed "deep dissatisfaction" with their health care system, while 89 percent of all Americans expressed deep dissatisfaction. And according to a 1988 Louis Harris poll on attitudes about health care in the United States, Canada, and Great Britain, 61 percent of the Americans polled said they would prefer a Canadian-style system. In fact, a Gallup Poll released just this month, found that nearly two-thirds of Americans support nationalized health insurance, even if it means higher taxes.

Clearly, we need to take a closer look at the Canadian health care system. What are its strengths and weaknesses? In Canada, where health care coverage is universal and Canadian provincial governments are the single payers of doctors and hospitals, citizens generally do not have problems with access to primary care services.

According to the recent GAO study, "Canadian Health Insurance: Lessons for the United States":

> Canadians use more physician services per person than do U.S. citizens. Yet the cost of physician services per person in Canada is one-third less than in the United States.

In addition, according to the GAO:

> The combination of lower hospital administrative costs and the use of budget controls limiting equipment, facilities, and labor keeps Canadian hospital expenses down. In 1987 (the latest year for which comparable figures are available), Canada spent 18 percent less per person on hospital services than did the United States.

The GAO estimates that—

> If the coverage and single-payer features of the Canadian system were applied in the United States, the savings in administrative costs alone would be more than enough to finance insurance coverage for the millions of Americans who are currently uninsured. There would be enough left over to permit a reduction, or possibly even the elimination, of copayments and deductibles.

While different groups may criticize particular aspects of the Canadian system, most now agree on the major principles behind it—that affordable health care coverage should be available to all Americans, that any reform should preserve individuals' freedom to choose, and that costs must be reduced.

Fundamental change in our health care system will not come quickly or easily. But gradually the wall blocking reform is crumbling. We can look forward to building a new health care system that guarantees access to vital services for all Americans. As the editor of the AMA Journal said, "It is no longer acceptable morally, ethically, or economically" not to do so.

Mr. COLLINS of Illinois. Mr. Speaker, I rise in support of the efforts of my colleague, Congressman RUSSO, to bring sanity and stability to our Nation's health care system and I thank the gentleman for holding this special order.

According to current estimates, somewhere between 34 and 37 percent of Americans have no health insurance of any kind. That is a top priority concern that, in itself, should compel us to take strong steps toward reform.

But, additionally, those who are insured are often no better off. Health care costs are escalating at about 11 percent per year, twice the pace of general inflation.

Even worse, premiums for private health insurance coverage have been escalating at the rate of 21 percent in each of the last few years. According to a study by the Wyatt Corp., employer-based group health plans had to pay out an average of almost $4,000 per employee in premiums in 1990, a rise from $2,750 in 1988.

The United States spends roughly 12 percent of its GNP on health care, higher than any other country, and that number is expected to rise dramatically over the next few years absent major changes. We must get more for our money.

The Government Accounting Office has reported that the United States will waste about $67 million in health care overhead in 1991 that would not be spent if the United States had a single-payer national health care program. The savings would be more than enough to provide coverage to all those who are currently uninsured or underinsured.

The cost increases have a sharp impact on all sectors of the American economy. For example, over $700 of the cost of a car manufactured by a U.S. auto company is attributable to health insurance costs. The big losers are consumers, industry, and our national trade deficit.

The culprits include providers, insurers, and the low reimbursement rates for governmental health programs which resulted from the public health funding cutbacks of the 1980's.

Chicago, among many other parts of our country, has suffered greatly from these problems. As more and more people were priced out of the health insurance market during the 1980's, more and more uninsured families had to rely on government health programs which are poorly funded. Community health centers could not carry the load by themselves and many of the uninsured went to hospitals for treatment. Many of the providers who did offer care to indigents eventually became insolvent. During the latter half of the 1980's, 14 Chicago-area health care facilities closed their doors. That remains as a massive blow to the health care capacity of the entire city. The providers who remain are forced to shift some of the costs of indigent care to their well-insured patients in order to keep afloat.

As bad as the rising costs of health insurance are, they are actually much more extreme for some groups of Americans than for others. The Energy and Commerce Subcommittee on Commerce, Consumer Protection and Competitiveness, of which I am the chairwoman, held a hearing earlier this year on the effect of insurer rating practices on the rising costs of private health insurance. The testimony which was heard was often startling.

Whereas health insurers formerly used underwriting to price and manage risks, underwriting now focuses on the avoidance of risk. As one witness, who represents an insurer, put it, "Insurance underwriting practices for small employers have reached the point where too often insurers see their business mission as figuring out which Americans to cover * * *" The result is that many Americans are now treated as uninsurable.

When an employer applies for group coverage of his or her employees, they are often told which of their employees will be covered and which will not. Pre-existing condition exclusions sometime exclude certain conditions from being covered, and those are usually the conditions for which a person most needs the coverage. Other times, an individual is completely excluded. These people often face financial ruin and must rely on public care to cover their bills, shifting the burden to taxpayers. Hospitals and physicians who treat them often are forced to compensate for the low government reimbursement rates by shifting some of the costs to their well-insured patients. As the cycle comes full circle, insurers are forced to increase their rates, and more people who cannot afford rate hikes become uninsured. This cycle of crisis is on an irreversible course toward disaster in the near future.

The bottom line of underwriting practices known as experience rating, tiered rating, multitiered rating, and especially durational rating is that higher-risk groups and individuals, and even many small groups that are not high-risk, are faced with dramatically higher premiums where they can find insurance at all.

For example, if a small group that is subject to these practices has even one member who develops a serious, costly health condition, the group's premiums are sure to be hiked substantially in the next year. In other cases, the carrier simply excludes such persons from coverage at the time of renewal. Due to durational ratings, many small groups that have no high claims still face sharp premium hikes simply because their coverage was designed for regular increases. For an individual with a serious, costly ailment who is not part of a group, the next year's premiums would skyrocket.

There are indications that some employers have begun to screen potential employees according to their health status before hiring them, in order to guard against increased premiums in years to come. Many workers choose not to change jobs of fear for not being covered under a new health plan.

There was also much testimony at our hearing about the unreasonable basis for many of the underwriting decisions. For example, even though these decisions are supposed to be made on the basis of actuarially sound rating principles, when there is no data, insurers usually assume that a person is a high risk. This was demonstrated to be the case for rare disorders such as Tourette syndrome and P.K.U. In the case of Sjogren's syndrome, which is merely the body's inability to produce adequate fluids, treatment is the frequent use of eye drops and other over-the-counter items. Yet, since it has an ominous name, some insurers treat it as a high-risk condition, complete with rate hikes and refusals to cover new applicants who have it.

Insurers were also shown to not distinguish between various types of other diseases, such as multiple sclerosis. In that instance, all persons with any form of multiple sclerosis are treated as uninsurable even though there are four forms of the condition, with victims of the benign form requiring no more use of medical care than an average healthy person who seeks care only a couple times a year.

The occupation of the applicant also is considered in determining who is a high risk. Rather than just limit this to ultrahazardous jobs, typical insurer lists of high-risk professions include doctors, nurses, lawyers, dentists, beauticians, barbers, workers in restaurants and bars, parking attendants, municipal employees, employees of nonprofit organizations and convenience stores, and, ironically, employees of insurance agencies.

Perhaps most inappropriate of all is the use of many insurers of family history and routine tests such as blood tests, urinalyses, cholesterol counts and salt level tests in determining who is a high risk. Virtually all Americans undergo these tests and the impact of such practices cannot be understated. Decisions are made on the basis of these results even though great speculation is involved in doing so and without regard for the fact that these levels often change over a period of months and even weeks. This information is often stored in either of a couple databanks which insurers easily and regularly access. No one is exempt.

While these are among the problems faced by persons and groups who rely on private health insurance, the problems with America's health care delivery system include cost shifting, competition among providers, the practice known as defensive medicine, and, of extreme importance, the increases in the basic cost of care itself. With a system as mired in shortcomings as ours is, the time has come for immediate change.

All Americans deserve better. All Americans must have better. Congress and the President must rise to the challenge to see to it that Americans get the affordable health care that they need.

Mr. Speaker, our Nation's health care delivery system needs major surgery and it would be a clear case of malpractice to defer treatment any longer.

Mr. WEISS. Mr. Speaker, the morass which characterizes our current health care system can be tolerated no longer. Most estimates indicate that roughly 37 million of our citizens have no health insurance whatsoever. This represents one of every eight Americans.

Incidentally, this population has grown by nearly 1 million a year under the Reagan and Bush administrations. Indeed, after increasing throughout the 1960's and 1970's, the percentage of the population with private health insurance coverage steadily and dramatically declined in the 1980's.

However, these numbing statistics don't tell the whole story. A full 63 million Americans—over 25 percent of the population—will lack medical protection for substantial periods of time as they move from job to job or in and out of the job market. Ironically, as we provide coverage to fewer and fewer people, health care expenditures have swelled to nearly $700 billion annually.

The time has come for a national health care system with comprehensive benefits and a strong preventive thrust which includes every American, regardless of income, resources or employment status. The Federal Government must join the chorus of voices proclaiming health care a nonnegotiable human need. The public already has spoken clearly on this issue. According to a June 28th poll conducted by the Wall Street Journal and NBC News, 69 percent of those polled, a majority of which categorized themselves as conservatives, supported adoption of a universal, Government-sponsored health care system.

What is called for is a national single-payer system that will guarantee affordable, accessible care for less than we presently spend. We have heard in recent weeks from various sources, the General Accounting Office and the Congressional Budget Office among them, that adopting a single-payer system would result in a net savings over what the Government currently spends every year on health care, and allow us also to do away with much of the administrative bureaucracy which now consumes such a large proportion of our Medicare and Medicaid budgets.

A recent GAO study of the Canadian health insurance system states that the "universal access, uniform payment system and expenditure controls" which have benefited that country so well, might be used to more equitably provide health care to the citizens of this country. If we are capable of leading the modern world in quality of medical care and technological innovation, then why should our ability to administer that care remain forever mired in the dark ages?

Of all the proposals before Congress to reform the present system, the most promising is H.R. 1300, the Universal Health Care Act of 1991, introduced by my good friend and esteemed colleague from Illinois, Congressman MARTY RUSSO. The Russo bill would save us billions of dollars by replacing private insurers with a single, publicly administered and publicly accountable plan. This single-plan system ends unnecessary paperwork, marketing, advertising, and other costs caused by the insurance industry. Perhaps the most welcome aspect of this measure, is its elimination of coinsurance and codeductible payments. The proposal also provides consumers with the freedom to choose their own doctors and hospitals while prohibiting providers from charging more than they receive from the Government.

By providing our Nation's young and old, healthy and sick, rich and poor with the health care they all deserve, the Universal Health Care Act patches the holes in our present swiss cheese-style health care system. I urge my colleagues to support a single-payer system as outlined in H.R. 1300.

Mr. CONYERS. Mr. Speaker, I want to commend the distinguished gentleman from Illinois [Mr. RUSSO] for organizing this special order to discuss how best to reform our health care system. I also want to personally thank him for the leadership he has provided this body on the health care issue.

Mr. Speaker, our health care system is critically ill. Costs are skyrocketing. Every day more and more Americans are added to the rolls of the uninsured. Tens of millions don't know they are underinsured and only an illness away from bankruptcy. The issue before us today is not whether reform of the present system is needed—even President Bush and the American Medical Association have recently come to the conclusion that health care should be a right for all Americans. The issues are what type of reform will best insure all Americans, what type of reform will adequately contain costs, and what type of reform will maintain our high quality of care?

I believe the hands-down winner is a single-payer system, like that enjoyed by our Canadian neighbors to the north. I say this based not on idle speculation, but rather on the results of an objective and nonpartisan study I asked the ever-cautious General Accounting Office to conduct evaluating the Canadian system. I say this based on 4 days of hearings held by the Government Operations Committee, which I chair, at which we fully examined this report, and heard from all sides on the matter—Americans and Canadians, supporters and critics, consumers and providers.

Mr. Speaker, I'd like to use my time to note a few of the highlights from the exhaustive 18-month survey of the Canadian health care system conducted by the GAO.

First, Canadian health insurance is implemented through a network of provincial plans. As a condition of Federal funding, provincial plans must:

Provide universal coverage for all legal residents, regardless of income or health status;

Offer comprehensive coverage of all medically required services;

Not charge deductibles or copayments, or do extra billing, so that people aren't discouraged from getting costly care;

Allow portability between jobs and residences, so that health care is not dependent on your employer or your State; and

Publicly administer the plan on a nonprofit basis.

I want to make it very clear Mr. Speaker, that when we discuss the Canadian system we are not talking about socialized medicine. We are talking about Government-financed insurance for health care, just like we have a Government-financed pension system for retirement called Social Security.

Let me quote from the GAO report about the Canadian system:

> It does not have a socialized system of delivery medical care. Rather, most health resources in Canada are in the private sector.

Like our system, a third party pays the private and public providers—in their case the Government acts as the payer rather than insurance companies. Second, most physicians are independent and earn their incomes by fee-for-service, as American doctors do. Ninety-five percent of Canadian doctors work for themselves, not for the Government. Finally, 90 percent of hospitals are private, nonprofit corporations, exceptions being federally owned and operated veterans' hospitals and provincial psychiatric hospitals.

The most stunning finding of the GAO report is that if the United States were to adopt a Canadian-style, single-payer program, the savings from reduced administrative waste alone would be about $67 billion per year. That savings would be enough to pay for the 32 million Americans who currently lack health insurance and protect the tens of millions of underinsured, at no additional cost to society; I repeat, at no additional cost. Equally important, all extra charges, such as copayment and deductibles, could be eliminated for everyone else, again with no additional cost. Those without insurance would get security, low-income people would no longer be discouraged from getting the care they need because of exorbitant out-of-pocket costs, the middle class and elderly would be protected from the disaster of catastrophic illness.

More specifically, the GAO estimates the following short-run savings from reduced paperwork and additional costs under a single-payer system:

Savings in insurance overhead would be $34 billion.

Savings in hospital and physician administrative costs could be another $33 billion.

The cost of serving the newly insured would be about $18 billion.

The cost of providing additional services to those currently insured, stemming from the elimination of copayments and deductibles, could be about $46 billion.

The net impact, after transition and for the first full year of implementation, would be to reduce, I repeat reduce, national health spending by about $3 billion.

Mr. Speaker, no other health care proposal on the table can make such a claim—that it would reduce overall health care spending. The other proposals—the so-called play-or-pay employer mandates approach or tax credits—would all cost us tens of billions of dollars more because they won't get rid of the paperwork morass created by 1,200 insurance companies. This paperwork burden adds nothing of value to the system. As the senior vice president of the Henry Ford Hospital System in Detroit, the largest hospital in the metro area, testified before our committee:

> There may very well no longer be an important role for private insurance. It has become increasingly evident to purchasers and providers that the traditional role of the insurer as financier of large, rare and unpredictable expenses has become superfluous in health care.

The GAO also found that Canada has been much more successful than the United States in containing health care costs. In 1971, when Canada fully implemented its system, the countries spent about the same share of GNP on health care—7.4 percent in Canada and 7.5 percent in the United States In 1989, the United States share was 11.6 percent, whereas Canada's was 8.9 percent. That difference represents about $150 billion per year in additional health care costs in the United States, or 20 percent of total spending.

GAO found that cost containment in Canada is successful because the Government, acting as the single payer, oversees the financing system as a whole. With that power, administrative costs are much lower, and controls are able to be placed on hospital budgets, on the acquisition of high-technology equipment, and on physician services.

GAO further noted that:

Canada's per capita spending on insurance administration was only one-fifth that of the United States, in 1987.

In 1987, Canada spent 34 percent less per capita on physician services than did the United States, reflecting the use of negotiated fee schedules and lower practice expenses.

As with physicians, the single payer, universal coverage system permits Canadian hospitals to have far lower administrative costs than do their United States counterparts. In 1987, Canada spent 18 percent less per person for hospital services than did the United States.

Among the cost-containment measures used to control hospital spending, the prospective global budgeting system may be the most important.

Mr. Speaker, perhaps the most common criticism of the Canadian system is that millions of people would be waiting in lines to receive care, people would be dying in hospital hallways, and other grim tales. Such a description best describes America's current system where we ration by income, rather than what would result under a Canadian-style program in the United States.

Again let's turn to the findings of the GAO report. The GAO found that Canadians have few problems with access to primary care services. In fact, there are slightly more physicians per person in Canada than in the United States, Canadians use more physician services per person than we do, and they have longer hospital stays than Americans. Yet the cost of physician services per person in Canada was one-third less than in the United States.

The GAO commissioned a team of auditors and devoted one chapter in their study to analyze reports of queues for Canadian medical services. Their principal finding: Queues have developed for eight specialized services, but there are thousands of different services performed by physicians. They reported that these queues are very manageable—patients with immediate or life-threatening needs rarely wait for services; waiting lists for elective surgery and diagnostic procedures may be several months long.

Mr. Speaker, even this minor problem can be avoided here in the United States. No one is suggesting adopting everything about the Canadian system. More importantly, we are choking on excess capacity. Every hospital and doctor's group buys the best it can simply to compete against the other providers for business. It costs enormous sums of money to run this equipment, and countless unneeded tests are performed to pay for it. There is plenty of give and take under our current level of spending, which would not change under a single-payer system.

Mr. Speaker, for years now the insurance industry, the doctor's lobby and the drug companies have been spreading distortions and telling outright lies about the Canadian system. They've taken out advertisements, appeared on news shows and talk shows, and spread their financial largess in the Halls of Congress. But the American people haven't been buying it. In the latest Wall Street Journal/NBC News poll in June, 69 percent said they support adoption of a Canadian-style system.

It is time to choose between the consumer's interest and the special interests; between a single-payer approach and an employer mandate plan.

Single payer offers universal and comprehensive coverage; employer mandates will leave millions uninsured and offers swiss cheese policies to the rest of us.

Single payer offers top-quality care to all Americans; employer mandates will create a two-tier system with the healthiest receiving private insurance and the sickest and most costly patients draining the public plan.

Single payer will reduce paperwork and save tens of billions of dollars; employer mandates will keep the system clogged with unneeded insurance forms and waste tens of billions of dollars.

Single payer brings all Americans together; employer mandates will pit the middle class against the poor, the healthy against the sick, the young against the old.

Single payer means people pay premiums to the Government; employer mandates means people pay the same premiums to line the pockets of the insurance industry.

Single payer offers freedom to choose the provider of your choice; employer mandates will let insurance companies tell you what doctor to see or whether they will pay for a procedure.

Single payer offers freedom to change jobs at will or move to a different State; employer mandates limits such mobility.

Very simply, single payer offers the chance to save money; employer mandates will add tens of billions of dollars to our already exorbitant health care costs.

Mr. Speaker, the choice is clear.

Additional findings of GAO's study of the Canadian system include:

Canada's lower rates for certain procedures do not conclusively represent underservicing, nor do United States rates conclusively reflect overprovision of services.

In Canada, the health program has broad popular support and all residents are covered by the program, but per capita spending is significantly less than in the United States.

In 1989, Canadian spending was $1,570 per person, with all people insured; in the United States it was $2,196 per person, with 32 million uninsured.

The average life expectancy of Canadian men and women is longer than in the United States, which is ranked 10th in the world. In 1986, life expectancy at birth was 73.1 years for a Canadian man compared to 71.3 years for an American man, and 79.9 years for a Canadian woman compared to 78.3 years for an American women.

The infant mortality rate in Canada also is lower than that of the United States, which is ranked 17th in the world. In 1987, the infant mortality rate in Canada was 7.3 deaths per 1,000 live births, compared to the United States rate of 10.1. In the mid-1980's, in the United States, 6.8 percent of all births were low birth weight, compared to 5.7 percent in Canada.

In a 1988 survey of United States and Canadian adults, 7.5 percent of Americans surveyed reported that they failed to receive needed medical care for financial reasons, compared to less than 1 percent of Canadians. The proportion that did not receive needed medical care for nonfinancial reasons (such as inability to get appointment or lack of transportation) was also higher in the United States than in Canada.

Private health insurance coverage is primarily a function of the individual's income and/or place of employment. However, employment does not guarantee coverage. Of the over 32 million Americans under age 65 that were uninsured in 1988, most were from families with a working adult.

The United States approach should borrow those concepts from Canada that work, like universal access, a uniform payment system, and some type of expenditure controls. But it should also build on the strengths of the current U.S. system by encouraging greater emphasis on managed care and retaining its superior management information systems. Through this approach the United States may be able to develop new solutions compatible with unique American needs.

Mr. ANNUNZIO. Mr. Speaker, at least 34 million Americans—nearly three-fourths of whom are from working families—cannot afford health insurance. Unless Congress undertakes reforms soon, millions more will surely join them.

America's health care systems needs major surgery to correct its runaway costs and its rapidly dwindling accessibility to working families. If enacted, H.R. 1300, will put America's health care system on the road to recovery.

Sponsored by my colleague from Chicago, Congressman MARTY RUSSO, H.R. 1300, calls for the adoption of a federally funded, "single-payer" health care system to be administered by the States and the U.S. Government.

The key advantage of this bill is that it will provide a strong dose of fiscal medicine in the form of cuts in administrative costs now assumed by more than 1,500 separate insurance companies. With H.R. 1300, Americans won't need to spend billions of dollars on health care marketing, bill processing, and other hallmarks of our existing system. A recently released study from the General Accounting Office estimates that the elimination of this bureaucracy would save at least $40 billion annually. Estimates vary, but that savings would go a long way toward covering the cost of providing every American with health insurance.

In addition to the savings earned by cutting the health bureaucracy, H.R. 1300 would put the brakes on health care spending with provisions calling for yearly, set fees for doctors and annual budgets for hospitals.

But beyond the need to reform this system so that middle-income Americans can afford it, our economic health may hinge on our ability to keep health care costs from draining our financial life blood. Americans now spend at least 12 percent of our $5 trillion yearly output of goods and services on health care. That percentage is already higher than that of any industrial country, and it could mushroom to as much as 37 percent of our gross national product by the year 2030, according to the President's budget chief. Clearly, then, even those who prefer today's health care system can see that its skyrocking costs are threatening our economic future.

Given the crisis we are confronting, Mr. Speaker, it is unconscionable that anyone would try to stall consideration of H.R. 1300. I urge my colleagues to make health care reform a priority so that we can move H.R. 1300 through the hearing process as quickly as possible and bring it to the floor for consideration.

The time has come to stop wringing our hands over America's health care crisis and start doing something about it. In H.R. 1300, Congress has a comprehensive, equitable, practical, affordable plan for putting our Nation's ailing health care system on the road to recovery. Prompt action is needed before more working families lose their health benefits, and risk losing everything they've earned to pay for a serious illness or injury.

Mr. LIPINSKI. Mr. Speaker, as stated in the preamble, the Constitution was established to promote the general welfare of we the people of the United States. Although health care is not specifically mentioned, it seems to me that in the spirit of the Constitution the general welfare of the people includes ensuring that each and every American receives health care. However, it is clear that not every American is receiving adequate health care, and as long as children are denied pediatric care, pregnant mothers are denied prenatal care, families are devastated by unexpected health care costs, and the elderly are denied long-term care, the general welfare of America and Americans is not being promoted.

Statistics illustrate the magnitude of the problem—37 million Americans are uninsured, and 60 million Americans are underinsured. Although we spend twice as much per capita on health care than any industrialized country in the world, we rank 13th in life expectancy and 22d in infant mortality. The problem of health care access affects all Americans whether they are rich or poor, black or white, old or young, employed or unemployed. It is not limited to one class or race of people, for every day Americans face health care related crises, and every day Americans do not have the insurance or financial ability to access quality care. Many people are only a pink-slip away from being uninsured while others work for small businesses which cannot afford to provide health care for their employees; senior citizens are constantly confronting the need for affordable long-term care while insurance companies pick and choose what they will and will not cover. How do any of us know what our future health care needs might entail? Clearly, until our patchwork system of health care and health insurance is reformed, these needs will not be met.

I will not stand by and continue to let the welfare of the American people be threatened. As trends suggest, if we do not reform our health care system, the numbers of uninsured will grow and rising costs of delivering health care will continue. This not only affects individuals but also the well-being of our economy. It has been projected that if we continue in the current direction eventually our health care system could economically bankrupt our country. Fortunately, a recent GAO study of the Canadian Health Insurance System shows us that a single-payer system could curb this trend and create a system that promotes the public welfare and health of the American people.

According to the GAO report, implementing a system similar to Canada's would address our two biggest deficiencies in health care—the lack of universal coverage and access and the need for centralized financial controls—and it would eliminate these deficiencies while meeting the unique needs of America. For instance, while Americans regardless of health, age, or financial situation would receive comprehensive and quality care, they would also have the freedom to choose their own physician or source of care. And while the Federal Government would be the source of the national health insurance program and funds, the States would be responsible for implementation so that local needs would be met. In other words, the welfare of the population and the economy would improve without compromising the values and freedoms of the American people.

Furthermore, a national program would decrease the amount of waste now rampant in the health care system. In addition to the public insurance plans, Medicare and Medicaid, 1,500 private health insurers sell thousands of different health insurance policies. It is not surprising, then, that administrative costs have skyrocketed. Due to the large number of insurers, complex billing practices are unavoidable, and coupled with the need for advertising, marketing, claims reviewers and processors, billing clerks and collection agencies, the cost of administration is one-quarter of all health costs. The GAO estimates that $67 billion per year could be saved by reducing and simplifying the administrative process. Unfortunately, competition has not succeeded in providing incentive for providers to compete on the basis of efficiency or quality but has succeeded in inflating costs and increasing waste. A national health care plan, by creating a single-payer, publicly administered health care system without copayments, deductibles, or cost-sharing, would succeed in saving billions of dollars in administrative costs which could be used to provide access and care to all those who are uninsured or underinsured.

Instead of individually reforming or improving our existing and fragmented health care system, we must overhaul the existing system and incorporate changes that have proved effective in many other countries. Only in this way will we guarantee access and quality care that all Americans deserve. Our health care system is ailing, and the prognosis for the future is dire unless some fundamental changes occur. I believe, however, a national health care system would provide the cure.

Mr. HAYES of Illinois. Mr. Speaker, before I begin addressing the issue of the U.S. health care system, I would like to thank my colleague Representative MARTY RUSSO for having the courage to take the lead on this issue. The health care system in this country is in disarray. Today there are approximately 37 million uninsured or underinsured Americans made up of: Twenty-four million working Americans and their families, 5 million uninsurable persons, some of who are employed, and 7 million indigent Americans whose income is below poverty level, but who lack coverage by the Medicaid system—a system which provides assistance to only about 37 percent of the country's poor. Our system is not getting better and every year, according to the Labor Department, 1 million people lose their health insurance coverage.

This problem is significant when you recognize that these numbers represent 30 percent of the U.S. population, and underscores the urgency for this country to establish a universal health plan. It seems the longer we take to pass legislation that remedies the problem, millions more of innocent people will suffer.

Nearly everyone in this country agrees that America's troubled health care system requires substantial reform. I understand the difficulty in reaching a democratic consensus on this volatile issue; however, the problem is that caught in the middle of all this political maneuvering are 37 million Americans who could care less about the politics of health care—they are only concerned about accessing adequate health care. When citizens of 10 developed countries were recently polled by Louis Harris and Associates, Americans were by far the least satisfied with their health care: Sixty percent said they thought that the U.S. system needed a fundamental overhaul. Having traveled throughout the world, I must point out that among developed nations only the United States and South Africa have not implemented universal access to health care. Being in the same company as the repressive nation of South Africa is something that I, as an African-American, am not proud of nor should any citizen. By reforming our health care system, we can enhance the quality of so many American's lives.

In the area of cost, it is estimated that we spend in excess of $600 billion a year on health care, yet lag substantially in access to care, as well as the quality of care. A great deal of this is due to the high cost of health care. The exorbitant cost affects employers because of the increasing premiums, as well as the individual seeking coverage. Employers paid 21.6 percent more for health benefits in 1990 than they did in the previous year. This increase has trickled down to the employees who are reaching into their pockets to make up the difference for essential health care services.

I believe that everyone should have access to decent and affordable health care. That is why I have been an ongoing supporter of establishing a national health care policy. Now is the time for us to resolve this problem because if we do not produce a workable solution, the quality of life for all of us will suffer. There are several pieces of health care legislation pending in this Congress. However, there is one major piece of legislation, H.R. 1300, the Universal Health Care Plan, of which I am a cosponsor, that addresses the problems of health care in this country. Under this legislation the Federal Government would provide health insurance for all U.S. citizens. While this proposal does not attempt to answer every detail, it is intended as a framework for how a national health care program should be structured. It is time for our Nation to resolve the inequities for our health care system and make the health of the American people our first national priority.

AFFORDABLE HEALTH CARE FOR AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 60 minutes.

Mr. MILLER of California. Mr. Speaker, I yield to the gentleman from New York [Mr. SCHEUER], so that we might continue this special order on H.R. 1300.

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, we are wasting perhaps upwards of $100 billion a year on the world's most chaotic, wasteful, aberrational health care system.

Now, maybe we have a right to do it to ourselves, appalling as the costs are, but I suggest that if in the course of giving the Russians emergency food aid for this coming winter, if we stipulated as a condition of that they had to adopt our health care system, there would be an absolute explosion of bitter criticism from the civil rights world, and they would characterize that condition as a despicable act of cruelty and oppression.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for his remarks, and I want to thank everybody who participated tonight; but I want to make a point again, that what is currently being defended in terms of the status quo of health care in this country really is a nonsystem. This is not a system that allows for the comprehensive care when needed to many, many Americans. Rather, what we have is essentially a nonsystem where your access to health care, the affordability of health care, is becoming much more of a lottery for millions of American families. They can be denied health care, not because they do not need it, but because they have lost their jobs. They can be denied health care, not because they do not need it, but because they have a preexisting condition. They can be denied health care because they do not have the right kind of jobs, because they do not have a large enough employer, a wealthy enough employer, or a compassionate employer.

You need not offer health care in this country to your employees, but if you are not an employee, it becomes incredibly expensive and prohibitive for many, many Americans, people as the gentlewoman from California [Ms. PELOSI] has pointed out who are self-employed, who run single proprietorships, find out they belong to no group. They have no ability to get the benefits of group coverage. If you are a young student and you used to be on your parents health insurance coverage, but now you have turned 23 and

Blue Cross drops you and you are out of school so you cannot take advantage of getting it through the university or the college, then you are by yourself again and that health care coverage is prohibitive in terms of your ability to pay for it.

So what we find is that we have a system that is created for 37 to maybe 40 million Americans, a system in which they are uninsured, without coverage of underinsured. Many of those are children; through no fault of their own this system will not provide them coverage. Many of them are individuals who go to work every day all year long and still are not able to provide health care coverage.

Now, the notion is somehow that we are not paying for those people, but the fact is, as I think the gentleman from Illinois found out in the research for this legislation, we are paying those costs. That is the 12 percent of the gross national product, the person who is uninsured and shows up at a county hospital in an emergency room because they could not be seen maybe 1 or 2 weeks before when they had a cold and now they are here with pneumonia, the person who comes into the trauma center because there is no other point of access.

What we are really doing is designing a system where more and more people are entering that system at the most expensive point of entry, through the emergency room in a county hospital or another kind of hospital, public or private hospital, when in fact we could have provided preventive care, diagnostic care to treat that illness or that trauma at a much lower threshold.

So I think we have got to understand as part of this debate that essentially this system can no longer be defended. That is not to say that this is about bad doctors, bad technology, bad delivery. That is not it. We have wonderful doctors, wonderful medical staffs, great nurses, great technology, wonderful facilities. This is a debate about the access to that system and about the affordability of that system so that people can in fact share in that system as part of being a citizen of this country, a resident of this country, one of the rights of living and the privilege of living in America.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. RUSSO].

Mr. RUSSO. Mr. Speaker, as the gentleman knows, we have what is known as a lot of uncompensated care, poor people who do not have any coverage, who go in and the hospitals and doctors take care of them. They do not get paid for it.

Why do you think we have not only the most costly system, but a system that shifts costs? It shifts costs to third party payers, so when you get your hospital bill and you wonder why the aspirin you got, two aspirins cost you $5 on your bill, is because you are paying for a lot of people who come in to the emergency room, who come in to the hospital and do not have any health care insurance. You are paying for it. We are paying for it. We are paying for the entire system. And what do we have? We have a system that denies access, that puts roadblocks in the way of medical care, and it costs more money than any other health care system in the world. We can give universal coverage to all Americans of a comprehensive benefit that will cover physician care, hospital care, dental care, vision care, mental health, prescription drugs, long-term care for all Americans, and stress preventive medicine.

We do not do preventive medicine. The gentleman knows as a former chairman of the Select Committee on Children and Families, for every $1 that we spend on the Women's, Infants, and Children's Care Program, we saved the Federal Government $3.60 because instead of having a low-birth-weight baby born with major defects, we do not have that happen. We have healthy babies born.

If you have preventive care where we get people in to see their doctors early, they will take care of the problem early on. We have a current system that does not reimburse for preventive care. We would have a much healthier society if people were able to go see their doctors more often when they needed to.

The Canadians see their doctors almost twice as much as Americans do. They do it for 40 percent less per capita than we do, and they have better health care statistics than the United States.

Mr. MILLER of California. Well, what the gentleman is describing is the fact that H.R. 1300 puts the emphasis on preventive care, getting to a family, getting to an individual early on when it is cheaper and easier to take care of that individual, so if the gentleman is telling me that the Canadians are engaging their health care system—what did the gentleman say?

Mr. RUSSO. Almost twice as often.

Mr. MILLER of California. Almost twice as often as Americans are, and yet the Americans are constructing a system that every time you renew your policy, they set up a new barrier. On the back of your Blue Cross card now you have an 800 number that if you do not call that number before you go to the hospital, they are going to assess you an additional $500, and yet the gentleman is telling me that the Canadians are seeing their doctors in hospitals twice as often, and they are doing it cheaper.

I mean, there is something that deserves to be dramatically reexamined about the defense of this current system with respect to costs to businesses, to individuals, to families, and its accessibility. It simply is not working.

Mr. RUSSO. Even the insurance industry will admit that they need major reforms.

The problem that I see here is that we have the most costly system, and a system that goes out of its way to deny access. That is not the way the American system ought to be set up.

It would be one thing if somebody said it was going to cost more and more dollars to do it, but even the GAO study and the Himmelstein study if you split the difference between the two of them of $80 billion we would save from administrative costs, that money could be put back into the system and you could give long-term care to our seniors. You could give long-term care to disabled individuals.

One of the real tough problems that we have that the so-called sandwich generation has to deal with today is that if they have parents who need long-term care, do they deprive their children of a college education? Do they have to mortgage their house in order to take care of their parents?

□ 1930

And how do the parents feel? They have to lose their dignity. All the money that they have saved, the home that they built, they have to spend down to zero before the Government will step in and say, "Yes, now we will give you long-term care, now that you lose your dignity, now that you have no money left, now that you are destitute, now in this moment we will step in and give you long-term care." That is absolutely ridiculous.

Look at the pain on the faces of the young people today who are worried about, "Can I take care of my parents, can I take care of myself? Will I be able to take care of my children when they need help?"

This is for a system where we can do all of this for less money.

For the sake of argument, let us say it will cost us slightly more money, just like every other plan that has been introduced. Let us assume for argument's sake that that would happen. Now, even if it costs more money, you would give the most comprehensive benefit program to all Americans, all Americans would get it. There would be one benefit. There would not be all of these eligibility requirements. There would not be all these forms that you would have to fill out. You do not have to worry about have you met this code or that code or check off on this code to see if everything was right. Doctors are spending more time trying to collect money than being doctors. They would rather be doctors than collection agencies.

This system sets up a program where all you do is spend your time filling out forms and shuffling papers. What do insurance companies do also? They spend time with studies trying to figure out which groups are the best groups to insure because they do not want sick people insured, they only want healthy people because that is the only way that they can make money.

That is the system we have today. We have a system that sets up roadblocks and denies access for $80 billion a year. If we do not do anything between now and the year 2000, we will be spending over 15 percent of our gross national product, $2 trillion; $2 trillion a year on health care, and we will be denying more and more people access. That is what is happening in America. We are denying people the ability to get health care in this country even though we spend more than anybody else.

Mr. Speaker, it is the wrong direction. The public should not stand for it, and it should demand that Members of Congress give them a national health care today, not 10 years from now.

I thank the gentleman for yielding.

Mr. MILLER of California. Mr. Speaker, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank both of the gentlemen for yielding. In the course of his remarks, my colleague talked about uncompensated care and who pays for that, both of my colleagues did, in fact, refer to that.

It is interesting, I think, in the course of this debate in the years leading up to the debate before us now that at first big business in America was opposed to any mandatory benefits or any kind of a health, universal access plan. Then they saw that big business, in order to attract employees, began providing health care to their employees. Their employees were the ones who were insured, and when they went to the hospital they found, as the gentleman indicated, that the insurance company was paying not only for their employee to be treated but also for uncompensated care, maybe 100 percent of another person who came in off the street, and a certain percentage of Medicare and Medicaid patients from whom the hospital did not receive a full compensation.

So we see a change. We see big business saying, "Hey, wait a minute. We are the major payers of insurance in this country, paying for benefits for our own employees," and then you know the statistics about insurance, Blue Cross being one of the major purveyors to the auto industry in Detroit because of the cost of health insurance to provide health insurance to workers there. But anyway big business then all of a sudden began to encourage a look into this for a solution.

Small business, on the other hand, began to say, "Well, big business, they all provide health insurance. Now, if 1 person out of 1,000 or 10 people out of 1,000 get sick, with big business it still does not affect their premiums the way it would if 1 person out of 20 in a small business became ill and the impact on the premiums proved to be great."

Mr. MILLER of California. I yield to the gentleman from Illinois.

Mr. RUSSO. Big business has found out that no matter what they have done, no matter how much they tried to contain costs, they are unable to do so because of the amount of administrative waste we have to deal with. The average cost to big business is about 12 percent of payroll. Under my legislation they will be paying 7.5 percent of payroll. For what?

Not for some small program, but a comprehensive program. We have found even in our own health care system in the Federal Government, we are paying more today for less coverage. Continually every year they cut back on health care benefits for all Americans and increase their premiums. Meanwhile, what is happening? We are having the worst health care statistics, we are getting worse, not better. The Canadians live 2 years longer than we do, instead of us living 2 years longer than them. So, if it is a question of spending money, we spend the money. Nobody spends what we spend, pretty close to $2,700 per capita. The Canadians, who have the second most expensive system, spend about $1,700 or $1,800 per capita.

Now, what I am trying to do, what we are all trying to do under the single-payer program, is to simplify the system, make it efficient, contain costs, and give quality health care to all Americans.

All you have to do, as the gentlewoman from California knows, you will have something like a little credit card such as this, and it says, "Health security identification card."

You would then walk in to the doctor, and you would hand the doctor your credit card. You would say, "I don't feel good, I have a sore throat. Take care of me." Or whatever it is. If you go to a hospital, you go to the emergency room, and you just hand them a credit card. That is all you do under H.R. 1300. You do not have to fill out another form, you do not have to worry about whether or not you are eligible, whether you come under code Z or code X or 205 or section 102. You are covered.

Everyone is treated the same. It is a completely comprehensive benefit that every American is entitled to. They get it, and all they do is walk in and get taken care of.

What happens? One little form is filled out. It is sent to the State intermediary, who checks the form and then sends it to the Federal Government. Every 30 days the Federal Government pays.

You know, one of the criticisms, as the gentlewoman knows, is that the Government cannot do it. "Look at how much waste there is in the Government." Well, it happens that in the health care field we are very good. Now, that may surprise people. But as a percentage of premiums collected under Medicare, the administrative costs of the Federal Government is 2.5 percent. Private insurers are 12 percent.

So the Federal Government knows how to do it better than the private sector because, as the private sector has it today, they are the ones who are running up the administrative costs.

In Social Security, we do like 1 percent of administrative costs.

So the bottom line is I have never heard anyone say that they do not want to continue Medicare, they just want more benefits under Medicare. I have never heard anyone say eliminate the Social Security Administration; they just want more dollars from Social Security.

So in those critical areas the Federal Government does an excellent job, better than the private sector.

So to say that "the Government cannot do it, will not be able to do it, we'll squander our money," they forget who rips off the Federal Government. When they talk about fraud in the Federal Government, is it the Federal Government ripping off the Federal Government? No, it is the contractors, the defense contractors who are ripping off the Federal Government.

When we have fraud and abuse in the Housing Department, it is not the Federal Government ripping off the American people; it is the people doing business with the Federal Government.

So, in a situation like Medicare and in a situation like the single-payer provision that we have here, the Federal Government will have greater control; it will be able to ferret out more and more fraud and abuse, if it exists, because they are the only payer.

So the one thing the Federal Government does well is it prints money and writes checks. Under this system, single payer, once we establish the eligibility requirement, which is that everyone is eligible, and which is comprehensive, the only thing that the Federal Government needs to do is to cut a check. We do it every month, and on time.

Mr. MILLER of California. Mr. Speaker, I yield to the gentlewomen from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, the gentleman brings up a point that was raised by my constituents. That is, can the Federal Government be the single payer? Can it do it efficiently? And they cite some of the recent S&L debacles and so forth. I would point out to them, as has probably been pointed out in this debate earlier this evening, that it is when the Government does not play the role, when there is deregulation and Government's hands are tied by lack of personnel, talented personnel to examine and scrutinize the functions that Government falls back. But when the Government plans ahead, as it did with Medicare and Social Security, it does its job very well.

Actually, perhaps we should have gone further in those days and gone right on to universal access to health care. When there was Social Security, the next step Medicare, the next step would have been that.

I want to put it in just a little different perspective historically, and that is that this idea that the gentleman is putting forth that all Americans should be entitled to quality health care sounds drastic compared to what we have now. And when you look at these other Western democracies, and Canada has been referenced a number of times, so we have that example; we look to Germany, and I cannot think of him as a liberal but an advocate for health care reform was Bismarck in Prussia. He began the foundation of universal access to health care in Germany, and the system that exists today there was built on that over 100 years ago.

□ 1940

It was at the turn of the century in England when their system was introduced. I say this, not to say that we are going to have a system like Canada's, Germany's, or England's, Great Britain's. Perhaps it will more closely resemble our Western Hemisphere neighbor, Canada, but our system and this single-payer proposal will be an all-American proposal. It will be in harmony with our past, in that it will provide quality health care and choice to Americans which they are used to, but it will be an improvement on the past in that it will do so in a very cost-effective way and all the ways this gentleman mentioned in terms of cutting administrative costs and having doctors be physicians rather than accountants and collection agencies.

The other point that my colleague, the gentleman from California [Mr. MILLER], brought up about how important it is, the strength of our country; well, some people like to define the strength of our country in our military might and our weapons of destruction. But the health of our country, the strength of our country really relates more to the health and well-being of our population, and this is the way it should be measured first and foremost.

In a practical way it really relates directly to American competitiveness, what we can learn from Western democracies who know that the well-being of the work force is crucial to competitiveness, and the well-being of the work force relates to removing this menace of health care, whether it is a business that provides health care, but it is an issue on the table in every labor negotiation when we should really be talking about wages and other benefits rather than health care. This is something that can be removed from the table; the menace is no longer there. People know that their worth is recognized in the work force of a particular company throughout the country, and that, I think, will contribute immeasurably to American competitiveness as we value the human resources involved here.

Mr. Speaker, I would also like to address something which the gentleman was talking about earlier, the way people can take advantage of the system. If seniors, for example, would use the system very much because of age, et cetera. It has been indicated many times that this is, in fact, not going to affect the cost. It is still better in the long run to have people in early, to address their needs earlier, so that it does not turn into something more serious later.

One final point I would like to make is that somebody also mentioned that only wealthy Americans do OK under the present system because any one of us is one illness away from bankruptcy. But let me tell my colleagues what I know about wealthy Americans. They like to protect their assets. They are not looking to be spending it on health care when they believe their insurance should be covering it. So, they have even more reason to want something like universal access to quality health care so that, when they are ill, they have even more to lose financially because they have more money to be brought down.

In any case, democracy is about not only freely electing representatives. It is about citizen participation and formation of policy, and the gentleman so rightly said earlier that this is not going to happen unless the American people speak out. The mobilization that has to take place to make this change happen in an all-American way, the way that people want, is very important, and I join with the gentleman in calling upon constituents throughout the country to call and write their Members of Congress and the White House to say that they support the single payer, they support the Russo bill, and that this could be the centerpiece of the debate. And let us improve upon it or modify it in order to make it workable, if in fact that is the complaint. I think it is an excellent bill as it is. Again I commend the gentleman for his leadership in putting it forth, and I thank him again on behalf of my constituents.

Mr. RUSSO. Mr. Speaker, I just want to just deal with the question of government because I think the gentlewoman from California [Ms. PELOSI] is absolutely right. We have been living in the last 10 years, through the last two administrations, under a theory that less government was better for America. The less the Government got involved in our lives, the better off the country was. And so we have this philosophy of getting rid of government: "Don't let it get involved."

And what do we have? We have the EPA scandal because the Government was not watching the people who were pouring pollutants and toxins because it was some kind of a sweetheart deal. We have the HUD scandal because Government did not watch how the contracts were being let. They did not keep an eye on it. They just said, "Go ahead and do what you want. Let the private sector decide, and that will be better for America."

So, we had a major HUD scandal, and then we have the famous S&L scandal. What happened? We deregulated, but nobody believed that we would eliminate all the inspectors and examiners to keep an eye on what the State regulators were doing, which was nothing. So, again less government. At least, if we are going to deregulate, we at least want to inspect to make sure that they are doing their job, even though we are going to have a lot of regulations. We want to make sure that somebody is watching the chicken coop when the foxes are standing outside. And then we have the Department of Defense scandals and all the different problems we have with the $500 hammer and $700 toilet seats. All those scandals; why? Because Government was not doing its job, but that is the philosophy of the last two Republican administrations. That is their philosophy. That is what has given us the kind of scandals that we have.

So, when they say government cannot do it, well, we have not had government working for us over the last 10 years. It has been a lack of government that has given us the greater scandals, some of the greatest scandals in the history of our country, and now the banks have a problem, and the insurance companies may be after them. We have a problem on Wall Street. All this has happened in this mentality of less government.

So, I think we need government. I think government plays an important role, and I think in this field government would be an excellent choice because it does have a great track record.

Let me just conclude with one last story, that in being interviewed on one of the TV program, prior to the interview the interviewer was a Canadian and said to me, "I have to tell you something. I have to tell you a story that basically to me tells the whole story about the American system."

Mr. Speaker, his mother had just suffered a stroke several months earlier, and his sister had called him and told him, "Mom has just suffered a stroke, and she is pretty much incapacitated, so we have to find a place to put her," and they were talking about was it better to put her in Ontario or put her a little closer to New York. He spent his time in New York, and they were going through all these different conversations about where they should put Mom.

He said, "You know the difference between the United States and Canada? In the United States you would be asking yourself the question of how much it would cost to help Mom."

Note: A question of where. Can I afford to institutionalize her where she would get the best quality care? In Canada they never thought about it. His only thought was: "Where can I put her?" He does not worry about the cost. The cost factor never entered his mind.

So, here we have a system that only stresses how much it is going to cost us, how much premiums are, how much our deductibles are, how much our copayments are. We are all driven by how much it is going to cost us, and here, if we put in a single payer system, we will never have to worry about costs any more because we spend more than enough money. We are still going to spend 11½ percent of GNP under the Russo plan under H.R. 1300. We are still going to spend. We are not trying to ratchet it down to 8 percent of GNP. There will be more than enough money to deal with the technology, advancements we need to have, more than enough money to deal with the hospital beds and the physicians that we are going to need.

What I am trying to do is get the doctor back into making decisions, not some insurance bureaucrat to decide on the other end of the phone whether or not you should have this operation and under what conditions you should have the operation. I want the doctor to tell me. That is what he is trained to do.

So, Mr. Speaker, that is what H.R. 1300 is, and we are beginning debate. We are starting a debate on where this country goes on health care reform. Do we continue the old system and try to fix it? Eighty-nine percent of Americans say, "No, give us a comprehensive reform." Do we do some partial solutions? Employer mandates? Play-or-pay? Do we move slowly? I think that is wrong. I think we need to look at all the options, and I think single payer is the best option for the American people. It gives them a comprehensive program for all Americans for less money than we spend today.

So, if we are going to begin a debate, we need to have the public's participation in the debate. The American people are going to have to participate. They are going to have to write their Congressman, write their Senator, write the President, all our offices, get involved, demand from their elected representatives national health care. It is only going to happen that way. So I appreciate the gentleman extending this debate on national health care, and I thank him for yielding this time to me.

□ 1950

Mr. MILLER of California. I want to thank the gentleman for initiating this debate, for introducing this legislation, and for making sure that this Congress will have the option.

I must reiterate the last point made by the gentleman from Illinois [Mr. RUSSO] and the gentlewoman from California [Ms. PELOSI], that this debate is really going to be up to the public. For those who have watched this special order, for those who have expressed concern about the health care system in this country, for those who have received notice that they are no longer going to be insured by their health insurer, for those who have been told that services that were provided last year are not going to be available this year, for those who have had their premiums increased year after year while the services covered have gone down and been limited, they have got to get involved in this debate.

All too often people are intimidated about approaching a Member of Congress and saying what is on their mind. They have got to come to understand that there is going to be a huge lobby in this town of doctors and health insurance companies, as well as other insurance companies, whole associations of people that will not want this Congress to provide comprehensive health care.

The only lobby that is going to counteract that are the people of this country. If the polls are correct and 70 percent, 80 percent of the people in this country, as high as 90 percent of the people say they want major reform, if the polls are correct about the overwhelming majority of people who want comprehensive health care, a national health care bill along the lines of H.R. 1300, then those people had better write their Member of Congress.

It is not complicated. Simply tell your Member of Congress that you want them to support H.R. 1300. If you cannot remember the number, remember the name, you want the Russo bill. You want comprehensive health care for you and your families.

Legislation all too often is very much like a sophisticated pro football game. The plays look very complicated, but when you go back to the instant replays, you see it was very simple. It was about blocking and tackling, it was about running the prescribed routes or not running the prescribed routes by a receiver, about throwing the ball on target. Legislation is the same. It is about writing, it is about calling legislators, it is about expressing your desires, in this case, about the need for national health care.

If the people in this country miss this opportunity over the coming months to participate in this debate, then in fact this question will be resolved in the continuation of the status quo that is pricing people out of health care coverage, leaving them with no coverage at all, and providing inadequate coverage to those who can afford it. That cannot be how America enters the worldwide economic marketplace, trying to put together a competitive work force, to improve the health of its children, to improve the health of their families.

The very best opportunity we have is if people understand what is at stake with H.R. 1300, what is at stake with the passage of the Russo bill. Because then we can enter the next century with a healthy work force, with healthy families, with healthy schoolchildren, and we can do it for the same amount of money that we are spending today. But we can do it for all Americans in a rational, well-organized system.

I want to thank the gentleman for initiating this debate. This will not be the last special order. Many Members are coauthors of this legislation, and we will be giving them the opportunity to speak on behalf of the Russo bill and H.R. 1300.

THE SAMOAN FOOTBALL PLAYERS IN THE NATIONAL FOOTBALL LEAGUE

The SPEAKER pro tempore (Mr. DOOLEY). Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, during a recent game between the San Francisco 49'ers and the San Diego Chargers, one of the television announcers covering the game commented on the increasing number of Samoans playing in the National Football League. His comments were in reference to Jessie Sapolu, offensive center for the 49'ers, and Junior Seau, middle linebacker for the Chargers.

These two fine athletes, along with others whose names and affiliations I would like to share with my colleagues and the entire Nation, trace their heritage to a small group of islands in the South Pacific known as the Samoan Islands.

Mr. Speaker, I have had the unfortunate experience of having to give lessons on geography to many of my fellow Americans as to the location of the Samoan Islands. Oftentimes I have had to draw maps and lines to indicate that the Samoan Islands are situated approximately 2,500 miles almost directly south of the great State of Hawaii.

The Samoan people are a part of the Polynesian race whose ancestors voyaged and established settlements that stretched from as far north as Hawaii, portions of Micronesia, and as far south as New Zealand or Aotearoa, and as far east as the Easter Islands or traditionally known even today as Rapanui.

Mr. Speaker, the TV announcer was absolutely correct when he said that American Samoa, on a per capita basis, probably has more football players in the NFL than any other town or city of comparable size in the United States or anywhere else in the world with a population of approximately 50,000 in the territory and approximately 100,000 in the United States. The 11 NFL professional football players, means that on a ratio basis, there is one Samoan NFL player for every 15,000 Samoans in the United States.

Mr. Speaker, I would like to pay tribute to these young men who are a source of pride and inspiration for all the people not only for Samoa, but for all Americans.

In alphabetical order we start with the one with the most Samoan name—No. 88 of the Chicago Bears, Glen Kozlowski.

Glen started his football career at Carlsbad High School in California then went on to play wide receiver at Brigham Young University. In 1990, he led the Bears' special teams squad with 23 tackles for the second straight year.

He has also been the club's fifth receiver since 1989 and has been credited with an average of 20 yards per reception. Glen's older brother Mike Kozlowski played safety for the Miami Dolphins from 1979 to 1986.

Al Noga, born in American Samoa in 1965, started all 16 games as a defensive tackle with the Minnesota Vikings last season and finished fourth in quarterback sacks.

During the last season he was named the defensive player of the week for his play against the Green Bay Packers when he recorded three solo tackles, three assists, a sack, and forced a fumble which he recovered in the end zone for a touchdown.

Drafted in 1988, Al Noga made All-American during his last 2 years at the University of Hawaii where he still holds the school career record for the total number of 33 quarterback sacks in a single season.

Noga was the first player from the University of Hawaii to earn the Associated Press' All-America and all conference—as well as the Western Athletic Conference defensive player of the year in 1986.

Al's older brother, Falaniko Noga, is a solid member of the Detroit Lions defense. A 6 foot 1 inch, 235 pound linebacker, Niko is also the spirited leader of the Lions special teams. He was named 1990 MVP by the team and led the Lions with the most number of unassisted tackles during the last sason. Prior to joining the Lions in 1989, Niko was a middle linebacker for the Phoenix Cardinals.

In 1988, he finished the season second in unassisted tackles. Niko can play linebacker, defensive end or tackle. So far, his career consists of 350 unassisted tackles and is often double teamed by most opponents.

Like his brother Al, Niko was the first freshman to earn All-Western Athletic Conference Player of the Year from the University of Hawaii. Their older brother Peter, also played for the Cardinals and the Colts.

Pio Sagapolutele was born in American Samoa in 1969. Upon graduation from Maryknoll High School in Hawaii, Sagapolutele was recruited and received a scholarship from San Diego State University.

He was a 3-year starter for the Aztecs and played in the Hula Bowl during his senior year. While at San Diego, he was awarded the Byron H. Chase Memorial Trophy, given annually to San Diego State's top defensive lineman as a senior.

Sagapolutele graduated earlier this year and was picked up as a defensive lineman for the Cleveland Browns. In years to come, I expect that Pio will be a holy terror, not only for the opposing team, but also for the announcers attempting to pronounce his name.

Dan Saleaumua, was an unknown plan B free agent picked up by the Kansas City Chiefs on the seventh round in 1987. According to a press release from the Chiefs, Saleaumua, the current starting nose tackle, is regarded as the finest plan B acquisition they have ever had. He is recognized as one of the NFL's finest interior lineman in just 1½ years as a starting nose tackle.

According to the Phoenix Sun:

> Saleaumua is an aggresive, hard-nosed player who has deceptive quickness. In 2 years with the Chiefs, he leads Kansas City with 161 tackles and has a nose for the ball as evidenced by his 11 fumble recoveries during the past two seasons.

During the last season, Saleaumua proved his 1989 season was not a fluke by earning first time all-NFL honors from Sports Illustrated' and Pro Football Weekly. In 1990, Saleaumua ranked third in the entire NFL for the most number of tackles, and second for fumble recoveries.

Saleaumua was a 4-year letterman at Arizona State, where he registered 190 tackles during his college career.

"The hub of the 49'ers offensive front wall" is what the San Francisco Chronicle called Jessie Sapolu, center for the San Francisco 49'ers. Since being drafted by the 49'ers in 1983, Jessie has earned his spot as the leader of the offensive line. In a recent TV interview, quarterback Joe Montana said:

> The success of any quarterback depends on the protection he gets from the offensive line. For the 49'ers, Jessie Sapolu controls that line—and that, is the key to winning or losing.

Prior to current position, Sapolu played offensive left guard, a position he took over from veteran Guy McIntyre. Like most other Samoan players in the NFL today, Sapolu was drafted out of the University of Hawaii where he played 3 years as a guard before moving to center. He was captain of the team during his senior year—a position he also held years before while attending Farrington High School, also in Hawaii.

Sapolu was born in 1951 in Apia, western Samoa.

Born Tiaina Seau Jr., Junior Seau is one of the awesome players recruited to rebuild the San Diego Chargers during the past 2 years. Starting in 1990, Seau quickly earned a starting position with the Chargers and was named to the 1990 all rookie team by Football News.

During his first year, Seau progressed quickly and blossomed during the second half of 1990. According to the Chargers, Seau, a first round draft pick, has demonstrated incredible athletic ability:

> He has exhibited a toughness to take on the inside run and has the speed to pull down runners from behind.

Seau was the second leading tackler during his rookie year and was voted first alternate to the Pro Bowl in his first NFL season.

While he did not learn how to speak English until he was 7, Junior, during his senior year at Oceanside High School, was named to California's all academic team with a 3.6 grade point average.

While at Southern California, he was also named San Diego section basketball player of the year.

Of all the Samoan football players still in the NFL, no one has done it longer than Mosi Tatupu. Long known for his toughness and outstanding special teams play, Mosi has joined the Los Angeles Rams after spending 13 seasons with the New England Patriots. He ranks second in Patriots' history with 194 games played and currently ranks as the No. 2 rusher in the Patriots history with 2,415 yards.

Tatupu has returned to Los Angeles to play for Rams Head Coach John Robinson, who coached him at USC and considers him one of the best blocking backs he has ever coached.

At 36 years of age, Tatupu led the Rams in special teams tackles last year. He played in Super Bowl XX and has received the highest honors the league has to offer. In 1986, he was named to the Pro Bowl for his outstanding special teams play; in addition, he has been named NFL alumni's special teams player of the year, 1986; named to the Associated Press and Pro Football Newsweekly all-pro teams.

While at the University of Southern California, Tatupu saw action in four postseason bowl games, including two Rose Bowl victories.

Tatupu was born in Pago Pago, American Samoa, and attended Punahou High School in Hawaii, where he is still considered one of the best players to ever play the game.

Esera Tuaolo was drafted a few months ago by the Green Bay Packers in the first round. In 1989 while at Oregon State, Tuaolo was named the PAC-10 conference's defensive player of the year. This Samoan nose tackle closed out his Oregon State career with a school record 14 sacks, despite playing hurt throughout the 1990 season with a knee injury. His 23 tackles behind the line of scrimmage, as well as his 27.5 quarterback pressures, also were all-time OSU records. He was ranked third among the Nation's defensive tackles by Packer scouts going into the draft. "The guy can hammer people," veteran scout Jon Jelacic says of the powerful Samoan. "He's a head snapper. As a 'nose,' he makes plays 7 yards either way—he's not a 3 or 4 yard guy," plays as if he's on a search and destroy mission, possesses a low center of gravity that makes it extremely difficult to drive him away from the play.

This is a guy to watch. Tuaolo says he first started getting his strength from "carrying those bananas up and down the plantation."

Tuaolo had not planned on being a football player. He played for about a year during his freshman year high school and then quit "because of the farm and stuff." While attending high school in Hawaii, he played volleyball. When he moved to California to finish high school, the school did not have a volleyball team so he ended up playing football again.

Before graduating from high school, Tuaolo was named the national defensive player of the year, a feat he duplicated when he graduated from college 4 years later.

Natu Tuatagaloa is another highly rated player who was drafted by the Cincinnati Bengals in 1989 after being a defensive standout for four seasons at the University of California. He saw considerable action last season and recorded 25 tackles and 3 assists. Tuatagaloa is an excellent pass rusher and registered five sacks and recovered four fumbles last season. Bengals defensive line Coach Chuck Studley says, "Tuatagaloa has excellent potential because of size and quickness."

Tuatagaloa is Dutch-Samoan and his athletic skills come from his Samoan father and Dutch mother, who were both exceptional athletes. His father was one of the best rugby players ever to play in Samoa, Tuatagaloa said. His mother Ria, was a swimmer for the Netherlands in the Olympics.

He has played rugby and basketball and had a 12-1 record in golden gloves boxing competition, until his mom found out and made him quit boxing.

After two seasons with the Bengals, Natu is a young man with a big heart and a bigger future ahead of him in the NFL.

Mark Tuinei has been with the Dallas Cowboys since 1983. Mark finished the 1990 season as the only Dallas offensive lineman to end the entire year at his current position.

He has provided the Cowboys offense with a solid foundation at left tackle and started all 13 games in 1990. In the many games Mark has played, the one I remember the most is the 1989 game against the New York Giants. Working mostly against all-pro Lawrence Taylor, Tuinei earned player of the game honors after Dallas held the Giants without a sack.

His older brother Tom, also played defensive tackle for the Detroit Lions for many years.

These are all young men we can all be proud of. They set the finest example of what can be done if one has the courage, stamina, and determination to make it in life.

Mr. Speaker, I am extremely proud of these young athletes who have excelled in one of our country's most popular sports. But more than that, I am proud of the contributions they make to their families, their communities, and to our great Nation. As role models in their respective communities, they have encouraged young people to stay away from drugs and alcohol and to pursue higher education. Many have visited hospitals and have spoken in civic clubs and associations—also they all emphasized the importance of maintaining a spiritual base and the need to help one's fellowman.

Mr. Speaker, I also want to pay a special tribute to the parents and families of these outstanding athletes for their support and encouragements for them to become successful in life.

Mr. Speaker, I am proud of these athletes—not because they are Samoans, but because they are Americans of Samoan ancestry.

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FUNDING THE NAFTA ADJUSTMENT ASSISTANCE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 60 minutes.

Mr. PEASE. Mr. Speaker, I have spoken many times on the topic of the proposed free-trade agreement with Mexico and Canada, commonly known as the North American Free-Trade Agreement, or the NAFTA. Today, however, I would like to address a specific aspect of this agreement that I have not yet discussed on the House floor. This is the funding for the NAFTA adjustment assistance program, to which the administration committed in its May 1 action plan.

On August 8, I sent a letter on funding the NAFTA adjustment program to Ambassador Carla Hills. Mr. Speaker, I request that the copy of this letter which I have provided be reproduced in the RECORD at the conclusion of my remarks.

In short, in this August letter, I proposed the levying of a small adjustment fee on goods traded among the three North American economies that will be integrated as a result of the NAFTA. The revenue raised from this fee will be used to fund the program that will assist workers who are dislocated as a result of the agreement.

I flag the issue of adjustment assistance funding because I anticipate problems in this area. When the work of the actual FTA negotiations is completed, and Congress gets ready to take up domestic implementing legislation, the question will arise as to how the NAFTA adjustment program will be funded. The answer to this question is complicated by the Budget Enforcement Act of 1990.

I envision one of two scenarios playing out next year when we actually get down to the business of funding the NAFTA adjustment program, whether it proves to be an amalgam of existing programs or an entirely new statutory plan.

If, on one hand, the decision is made to structure the NAFTA adjustment program as a discretionary spending program, it will be subject to the overall spending cap that was instituted under last year's budget agreement. This would allow the administration to drop the ball in Congress' court, forcing us to cut other programs in order to fund this adjustment plan. With domestic programs already at a bare minimum, the Congress will undoubtedly refuse to adopt this means for funding the NAFTA adjustment program.

If, on the other hand, the program is structured as an entitlement, the pay-as-you-go requirement of last year's agreement comes into play. This requirement would make it necessary to generate revenue and/or cut other entitlements in order to offset any additional spending. The administration is then likely to argue that it is not willing to raise taxes or cut other entitlements in order to pay for an adequate program.

One can easily see that under either scenario, there is likely to be a major argument between Congress and the administration, not over the adjustment program itself, but over the funding mechanism. I can already hear the accusations and counteraccusations.

My point in detailing these scenarios is to emphasize the need for a creative solution to the problem of adequately funding the NAFTA worker adjustment assistance program. The adjustment fee that I have proposed is just such a creative remedy.

I would add that there is precedent for the use of an adjustment fee to alleviate some of the negative distribution of income effects of an international trade agreement. Negotiating an adjustment fee is a statutory objective of the United States in the Uruguay round of the GATT talks.

In closing, let me make one final but very crucial point. While the details of the NAFTA adjustment assistance program could conceivably be viewed as a purely domestic matter and therefore not requiring input from our North American partners, the funding mechanism for this program should not be viewed in the same way.

If the administration were to adopt the concept of the adjustment fee, the United States would have to gain approval from Canada and Mexico, our partners in the proposed NAFTA. Thus, the adjustment fee must be addressed now during the NAFTA negotiations. The details of the adjustment plan can come later, but the possibility of an adjustment fee needs to be settled sooner, not later.

Mr. Speaker, the letter I referred to previously is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 8, 1991.
Ambassador CARLA HILLS,
Office of the United States Trade Representative (USTR), Washington, DC.

DEAR MADAM AMBASSADOR: Pursuant to past discussions that we have had both publicly and privately, I wanted to put pen to paper and formally propose a solution to a problem that has arisen as a result of the current plans to negotiate a free trade agreement (FTA) with Mexico and Canada.

The problem to which I refer is the potential for the FTA to catalyze the movement of investment capital and concurrently, manufacturing jobs, from the United States to Mexico. As you know, the spectre of these capital shifts engendered the President's May 1 commitment to an adequate adjustment program for workers dislocated with the FTA. Although I was happy to hear of this Administration commitment, I am still left with a feeling of uneasiness about this program, more specifically, about the way in which it will be funded.

When the work of the actual FTA negotiations is completed, and Congress gets ready to take up domestic implementing legislation, the question will arise as to how the North American Free Trade Agreement (NAFTA) adjustment program will be funded, a question whose answer is complicated by the Budget Enforcement Act of 1990. As I stated in last week's Ways and Means Trade Subcommittee hearing on worker dislocation adjustment assistance programs, I anticipate two scenarios materializing next year when we actually get down to the business of funding the NAFTA adjustment program, whether it proves to be an amalgam of existing programs—such as Trade Adjustment Assistance (TAA) and the programs authorized under the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA)—or an entirely new statutory plan.

If the decision is made to structure the NAFTA adjustment program as a discretionary spending program, it will be subject to the overall spending cap that was instituted under last year's budget agreement. This would allow the Administration to drop the ball in Congress' court, forcing us to cut other programs in order to fund this adjustment program. With domestic programs already at a bare minimum, the Congress will undoubtedly refuse to adopt this means for funding the NAFTA adjustment program.

In contrast, if the program is structured as an entitlement, the "pay-as-you-go" requirement of last year's agreement comes into play. This requirement would make it necessary to generate revenue and/or cut other entitlements in order to offset any additional spending. The Administration is then likely to argue that it is not willing to raise taxes or cut other entitlements in order to pay for an adequate program.

Thus, under either scenario, there is likely to be a major argument between Congress and the Administration, not over the adjustment program itself, but over the funding mechanism. I can already hear the accusations and counter-accusations.

My point in detailing these scenarios is to emphasize the need for a creative solution to the problem of adequately funding the NAFTA worker adjustment assistance program. Fortunately, I have devised just such a creative remedy.

In order to fund the NAFTA adjustment program, I propose that the three governments involved impose a small adjustment fee on goods trade within the North American free trade area.

As you recall, negotiating such an adjustment fee is a statutory negotiating objective of the United States in the Uruguay Round of the multilateral negotiations being held under the auspices of the General Agreement on Tariffs and Trade (GATT). Although USTR has not had much success in Geneva in this regard, negotiating an adjustment fee among only three nations should prove much easier to accomplish. Furthermore, such a fee should be deemed GATT legal inasmuch as free trade agreements in general have been determined to be in compliance with the GATT legal superstructure.

More to the point, section 1428(a)(1)(B) of Public Law 100-418 states that the President "shall undertake negotiations with any foreign country that has entered into a free trade agreement with the United States under subtitle A or under section 102 of the Trade Act of 1974 to obtain the consent of such country to the imposition of such a fee by the United States." Now seems an opportune time in the NAFTA negotiations with Mexico and Canada for United States negotiators to propose, in accordance with existing law, that the import fee be authorized.

In conclusion, I would ask you to seriously consider the above proposal. There is logic in funding adjustment to government-induced changes in trade patterns through a trade-related mechanism, such as an adjustment fee. Those who gain from liberalized trade would pay a very small fee in relation to their much larger derived benefits. Linking some adjustment funding to an import fee would also provide a more secure source of payment divorced from the uncertainties of the budget process. Workers, firms, and industries adversely affected by liberalized trade flows would not have to worry so much about whether adequate adjustment programs would be available.

Please keep in mind, that the Congress intends to hold President Bush to his promise on the NAFTA adjustment assistance program, a promise that included a commitment to adequate funding. My adjustment fee would provide a means for the President to fulfill this commitment while demonstrating the fiscal responsibility for which both he and the Congress must be accountable.

I look forward to your response to my proposal.

Sincerely yours,

DON J. PEASE,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT), for today after 5 p.m., on account of official business in district.

Mr. CALLAHAN (at the request of Mr. MICHEL), for today and the balance of the week, on account of personal business.

Mr. STOKES (at the request of Mr. GEPHARDT), for today and September 25, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GILMAN) to revise and extend their remarks and include extraneous material:)

Mr. COLEMAN of Missouri, for 5 minutes, today.

Mr. BARTON of Texas, for 5 minutes, each day on September 25 and 26.

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mr. BACCHUS, for 5 minutes, today.

Mr. MFUME, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. BONIOR, for 60 minutes, on September 26.

Ms. KAPTUR, for 60 minutes, on October 3.

Mr. KOPETSKI, for 60 minutes, on October 8.

Mr. JACOBS, for 60 minutes, on November 6.

(The following Member (at the request of Mr. FALEOMAVAEGA) to revise and extend her remarks and include extraneous material:)

Ms. KAPTUR, for 60 minutes, on September 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GILMAN) and to include extraneous matter:)

Mr. BILIRAKIS.

Mr. LEWIS of California in two instances.

Mr. FAWELL.

Mr. WOLF.

Mr. SANTORUM in two instances.

Mr. MILLER of Ohio in three instances.

Mr. EMERSON.

Mr. SCHULZE.

Mr. PORTER.

Mr. MACHTLEY in two instances.

Mrs. ROUKEMA.

Mr. CUNNINGHAM.

Mr. STUMP.

Mr. KOLBE.

Mr. DREIER of California.

Mr. ARMEY.

Mr. CAMP.

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. WYDEN.

Mr. OLVER.

Mr. KLECZKA.

Mr. SLATTERY.

Mr. YATRON.

Mr. APPLEGATE.

Mr. HEFNER.

Mr. MCMILLEN of Maryland.

Mr. ENGEL.

Mr. CLAY.

Mr. ORTIZ.

Mr. ERDREICH.

Mr. YATES.

Mr. KOSTMAYER in two instances.

Mr. LANTOS in two instances.

Mr. RAHALL.

Mr. CARDIN.

Mr. DWYER of New Jersey in two instances.

Mrs. KENNELLY.

Mr. BONIOR.

ENROLLED JOINT RESOLUTION

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 233. Joint resolution designating September 20, 1991, as "National POW/MIA Recognition Day," and authorizing display of the National League of Families POW/MIA flag.

ADJOURNMENT

Mr. FALEOMAVAEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 12 minutes p.m.) the House adjourned until tomorrow, Wednesday, September 25, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2121. A letter from the Assistant Secretary, Department of the Army, transmitting notification of intent to award a contract for all services, material, and facilities to the George C. Marshall Foundation, pursuant to 10 U.S.C. 2304(c)(7); to the Committee on Armed Services.

2122. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize the Secretary of Defense to institute a voluntary separation incentive for members of the Armed Forces to ensure an orderly, effective, and fair reduction in the size of the Armed Forces, and for other purposes; to the Committee on Armed Services.

2123. A letter from the Chairman, Federal Reserve System, transmitting the Board's 1991 report to Congress under the Expedited Funds Availability Act, pursuant to 12 U.S.C. 4008(d)(1); to the Committee on Banking, Finance and Urban Affairs.

2124. A letter from the Chairman, Federal Reserve System, transmitting the Board's assessment of the profitability of credit card operations of depository institutions, pursuant to 15 U.S.C. 1637; to the Committee on Banking, Finance and Urban Affairs.

2125. A letter from the Secretary of Health and Human Services, transmitting a report on the fiscal year 1990 Low Income Home Energy Assistance Program, pursuant to 42 U.S.C. 8629(b); jointly, to the Committees on Education and Labor and Energy and Commerce.

2126. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act to revise the provisions added thereto by the Prescription Drug Marketing Act of 1987; jointly, to the Committees on Energy and Commerce and the Judiciary.

2127. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation entitled, "Controlled Substances Monitoring Act of 1991"; jointly, to the Committees on Energy and Commerce and the Judiciary.

2128. A letter from the Inspector General, Railroad Retirement Board, transmitting the Board's budget request for fiscal year 1993, pursuant to 45 U.S.C. 231f; jointly, to the Committees on Appropriations, Energy and Commerce, and Ways and Means.

2129. A letter from the Secretary of Commerce, transmitting the Department's first annual report on foreign direct investment in the United States, pursuant to Public Law 101-533, section 3(a) (104 Stat. 2344); jointly, to the Committees on Energy and Commerce, Foreign Affairs, Post Office and Civil Service, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 1426. A bill to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes; with an amendment (Rept. 102-215). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. House Joint Resolution 332. Resolution making continuing appropriations for the fiscal year 1992, and for other purposes. (Rept. 102-216). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROWN of California: Committee on Science, Space, and Technology. H.R. 1538. A bill to establish a national electric vehicle research, demonstration, and commercialization program for the United States, and for other purposes; with an amendment (Rept. 102-217, Pt. 1). Ordered to be printed.

Mr. HALL of Ohio: Committee on Rules. House Resolution 225. Resolution providing for the consideration of H.R. 1426, a bill to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes. (Rept. 102-218). Referred to the House Calendar.

Mr. GORDON: Committee on Rules. House Resolution 226. Resolution providing for the consideration of H.R. 2900, a bill to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes. (Rept. 102-219). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 227. Resolution providing for the consideration of S. 1722, a bill to provide emergency unemployment compensation, and for other purposes. (Rept. 102-220). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MCMILLEN of Maryland (for himself, Mr. CONDIT, Mr. ACKERMAN, Mr. TOWNS, Mr. KLECZKA, Mr. LANCASTER, Mr. RINALDO, Mrs. COLLINS of Illinois, Mr. ESPY, and Mr. TORRICELLI):

H.R. 3373. A bill to amend title XVIII of the Social Security Act to permit separate payment under part B of the Medicare Program for the interpretation of electrocardiograms provided by a physician during a visit, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ABERCROMBIE (for himself and Mrs. MINK):

H.R. 3374. A bill to amend chapter 67 of title 10, United States Code, to grant eligibility for retired pay to certain personnel who were members of the Reserve components or other nonregular components of the Armed Forces before August 16, 1945, and did not perform active duty during certain periods; and for other purposes; to the Committee on Armed Services.

By Mr. ARMEY (for himself, Mr. BARTON of Texas, Mr. BURTON of Indiana, Mr. CAMPBELL of California, Mr. CRANE, Mr. DORNAN of California, Mr. FAWELL, and Mr. ROHRABACHER):

H.R. 3375. A bill to impose certain restrictions on product liability actions; to the Committee on the Judiciary.

By Mr. BILIRAKIS:

H.R. 3376. A bill to modify the provision of law which provides a permanent appropriation for the compensation of Members of Congress, and for other purposes; jointly, to the Committees on Appropriations and Rules.

By Mr. COLEMAN of Missouri:

H.R. 3377. A bill to enhance the ability of the United States to provide support to emerging democracies in their transition to agricultural economies based upon free enterprise elements; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. DAVIS:

H.R. 3378. A bill to equalize inspection charges for Great Lakes vessels, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRANK of Massachusetts:

H.R. 3379. A bill to amend section 574 of title 5, United States Code, relating to the authorities of the Administrative Conference; to the Committee on the Judiciary.

By Mr. ECKART (for himself and Mr. FIELDS):

H.R. 3380. A bill to amend the Communications Act of 1934 to ensure carriage on cable television systems of local news and other programming and to restore the right of broadcasting stations to control the distribution of their signals, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRANK of Massachusetts:

H.R. 3381. A bill to amend section 202, title 18, United States Code, to allow the President to waive certain conflict of interest statutes with respect to certain individuals; to the Committee on the Judiciary.

By Mr. GUARINI:

H.R. 3382. A bill to suspend temporarily the duty on Pentostatin; to the Committee on Ways and Means.

By Mr. HEFLEY:

H.R. 3383. A bill to provide for the transfer of certain lands in the County of Clear Creek, CO, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLLOWAY:

H.R. 3384. A bill to amend the Voting Rights Act of 1965 to modify the applicability of the preclearance procedures; to the Committee on the Judiciary.

By Mr. HOPKINS:

H.R. 3385. A bill to amend title V of the Surface Mining Control and Reclamation Act of 1977 to assist small surface coal mine operators, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOPKINS (for himself, Mr. Bunning, and Mr. Rogers):

H.R. 3386. A bill to authorize States to regulate the treatment, disposal, and other disposition of solid waste; to the Committee on Energy and Commerce.

By Mr. KOSTMAYER:

H.R. 3387. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEVIN of Michigan (for himself and Mr. Vander Jagt):

H.R. 3388. A bill to amend the Internal Revenue Code of 1986 to require foreign insurance companies to use same year tax return data in calculating minimum effectively connected net investment income, to provide for a carryover account, and to allow an election to use an individualized company yield; to the Committee on Ways and Means.

By Mr. LIPINSKI:

H.R. 3389. A bill to provide for adjustment of immigration status for certain Polish and Hungarian parolees; to the Committee on the Judiciary.

By Mr. McMILLAN of North Carolina:

H.R. 3390. A bill to suspend for a 3-year period the duty on C.I. Pigment Red 242; to the Committee on Ways and Means.

H.R. 3391. A bill to suspend for a 3-year period the duty on C.I. Pigment Yellow 155; to the Committee on Ways and Means.

H.R. 3392. A bill to suspend for a 3-year period the duty on C.I. Pigment Red 214; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mrs. Boxer, Mr. Bruce, Mr. Ford of Tennessee, Mr. Frost, Mr. Hall of Ohio, Mr. Hayes of Illinois, Mr. Hertel, Mr. Jefferson, Mr. Kildee, Mr. Owens of New York, Ms. Pelosi, Mr. Rahall, Mr. Rangel, Mr. Reed, Mr. Sawyer, Mr. Scheuer, Mr. Stokes, Mr. Towns, and Mr. Valentine):

H.R. 3393. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide for health insurance coverage for pregnant women and children through employment-based insurance and through a State-based health plan; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. MILLER of California (for himself and Mr. Rhodes):

H.R. 3394. A bill to amend the Indian Self-Determination and Education Assistance Act; to the Committee on Interior and Insular Affairs.

By Mr. REGULA:

H.R. 3395. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to detail members of the Armed Forces for duty as advisers and instructors at correctional facilities of States and local governments operated as military-style boot camps and to authorize the transfer of excess defense property, including real property at military installations being closed or realigned, to States and local governments for use by these camps; to the Committee on Armed Services.

By Mr. ROEMER:

H.R. 3396. A bill to amend title X of the Higher Education Act of 1965; to the Committee on Education and Labor.

By Mr. SCHEUER (for himself and Mr. Swett):

H.R. 3397. A bill providing for research and development and the demonstration in Federal buildings of energy efficiency and renewable energy technologies, and for other purposes; jointly, to the Committees on Energy and Commerce, Science, Space, and Technology, Public Works and Transportation, and Government Operations.

By Mr. SOLOMON:

H.R. 3398. A bill to amend title 18, United States Code, to provide the penalty of death for certain murders of State and local correctional officers by incarcerated persons, and for other purposes; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 3399. A bill to amend the Social Security Act by establishing a program to be funded by a trust fund financed by increasing certain excise taxes, under which a coordinated system of treatment providers, assessment and case-management experts, and case and program evaluators shall provide treatment services to persons suffering from drug or alcohol addiction; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. MICHEL (for himself and Mr. Solomon):

H.R. 3400. A bill to provide an emergency unemployment compensation program; jointly, to the Committees on Ways and Means, Education and Labor, and Energy and Commerce.

By Mr. WAXMAN:

H.R. 3401. A bill to amend the Public Health Service Act to establish a program for the prevention of disabilities, and for other purposes; to the Committee on Energy and Commerce.

H.R. 3402. A bill to amend the Public Health Service Act to revise and extend certain programs regarding health information and health promotion; to the Committee on Energy and Commerce.

By Mr. WHEAT:

H.R. 3403. A bill to extend the temporary suspension of duty on O,O-dimethyl-S-((4-oxo-phosphorodithioate; to the Committee on Ways and Means.

H.R. 3404. A bill to extend the temporary suspension of duty on 4-fluoro-3-phenoxy benzaldehyde; to the Committee on Ways and Means.

By Mr. WYDEN (for himself and Mr. Cooper):

H.R. 3405. A bill to amend the Public Health Service Act to provide for affordable prices for drugs purchased by certain entities receiving financial assistance under such act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. PAYNE of New Jersey (for himself, Mr. Wolpe, Mr. Dellums, Mr. Faleomavaega, and Mr. Fuster):

H.R. 3406. A bill concerning democratic changes and violations of human rights in Zaire; to the Committee on Foreign Affairs.

By Mr. WHITTEN:

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes.

By Mr. LaFALCE:

H.J. Res. 333. Joint resolution to amend the joint resolution entitled "Joint Resolution creating the Niagara Falls Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, New York," approved June 16, 1938, to authorize the issuance of certain bonds, and for other purposes; to the Committee on Foreign Affairs.

By Mr. LENT:

H.J. Res. 334. Joint resolution designating the week of April 26, 1992, as "Just Pray No Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H.J. Res. 335. Joint resolution proposing an amendment to the Constitution of the United States limiting the number of consecutive terms for Members of the House of Representatives and the Senate; to the Committee on the Judiciary.

By Mr. ERDREICH (for himself, Mr. Bevill, Mr. Harris, Mr. Cramer, and Mr. Browder):

H. Con. Res. 208. Concurrent resolution protesting the decision of the Secretary of Health and Human Services to prohibit Federal payments under the Medicaid Program relating to State Medicaid expenditures that are made from revenues derived from provider-specific taxes; to the Committee on Energy and Commerce.

By Mr. RAVENEL (for himself, Mr. Engel, Mr. Jones of Georgia, Mr. Miller of Washington, Ms. Pelosi, Mr. Dellums, Mr. Ritter, Mr. Fuster, Mr. Hertel, Mr. Spence, Mr. McNulty, Mrs. Patterson, Mr. Spratt, Mr. Bilbray, Mr. Gilman, Mr. Porter, Mr. Derrick, Mr. Tallon, Mr. Cooper, Mr. Penny, Mr. Lowery of California, Mr. Hughes, Mr. Hochbrueckner, Mr. Dannemeyer, Mr. Towns, Mr. Vucanovich, Mrs. Meyers of Kansas, and Mr. Dornan of California):

H. Res. 228. Resolution expressing the sense of the House of Representatives that the President should communicate to the leaders of the Government of the People's Republic of China the concern of the United States for the welfare of Wang Juntao and Chen Ziming and call for their immediate release from prison; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. Gilchrest, Mr. Camp, and Mr. Applegate.

H.R. 127: Mr. Fascell, Mr. Hatcher, and Mr. Nussle.

H.R. 303: Mr. Baker, Mr. Oberstar, Mr. Markey, and Mr. Swett.

H.R. 304: Ms. Snowe, Mr. Swett, Mr. Petri, and Mr. Kopetski.

H.R. 421: Mr. McMillan of North Carolina.

H.R. 431: Mrs. Lloyd, Mr. Taylor of Mississippi, Mr. Taylor of North Carolina, Mr. Morrison, and Mr. Richardson.

H.R. 464: Ms. Norton.

H.R. 493: Mr. Miller of Washington.

H.R. 534: Mr. Roemer, Mr. Hatcher, Mr. Rose, Mr. Kyl, Mr. Roberts, Mr. Boucher, Mr. Lewis of California, Mr. Wolf, Mr. Chandler, Mr. Neal of North Carolina, and Mr. Armey.

H.R. 608: Mr. Pickett, Mr. Gillmor, Mr. Hall of Ohio, Mr. Rohrabacher, and Mr. Dellums.

H.R. 609: Mr. Petri, Mr. Markey, Mr. Boehlert, and Mr. LaRocco.

H.R. 676: Mr. Grandy.

H.R. 709: Mr. Rangel and Mr. Owens of Utah.

H.R. 722: Mr. PETERSON of Minnesota, Mr. HERTEL, Mr. HOCHBRUECKNER, and Mr. TOWNS.

H.R. 747: Mr. CRANE, Mr. FALEOMAVAEGA, Mr. BARNARD, and Mr. NEAL of Massachusetts.

H.R. 804: Mr. SLAUGHTER of Virginia, Mr. RAMSTAD, and Mr. FALEOMAVAEGA.

H.R. 842: Mr. JONES of Georgia, Mr. KANJORSKI, Mr. LUKEN, and Ms. HORN.

H.R. 843: Mr. YATES and Ms. SLAUGHTER of New York.

H.R. 911: Mr. SMITH of New Jersey, Mr. KLECZKA, Mr. BONIOR, and Mr. KOSTMAYER.

H.R. 924: Mr. TALLON and Mr. EWING.

H.R. 931: Mrs. MINK, Mr. DELLUMS, Mr. CLINGER, and Mr. HENRY.

H.R. 1004: Mr. SOLOMON, Mr. STEARNS, and Mr. THOMAS of Wyoming.

H.R. 1077: Mrs. MEYERS of Kansas and Mr. ARMEY.

H.R. 1106: Mr. COX of California.

H.R. 1147: Mr. SANDERS and Mr. VISCLOSKY.

H.R. 1237: Mr. SHAW, Mr. MACHTLEY, Mr. THORNTON, and Mr. MILLER of Ohio.

H.R. 1311: Mr. BILBRAY and Mr. JONES of North Carolina.

H.R. 1312: Mr. BILBRAY and Mr. JONES of North Carolina.

H.R. 1346: Mr. LUKEN, Mr. DOOLEY, Mr. SAVAGE, Mr. OLVER, Mr. FROST, Mr. NEAL of Massachusetts, and Mr. CAMPBELL of Colorado.

H.R. 1406: Mr. HAMMERSCHMIDT, Mr. GLICKMAN, Mr. DICKINSON, and Ms. MOLINARI.

H.R. 1411: Mr. QUILLEN, Mr. TAYLOR of Mississippi, Mrs. PATTERSON, Mr. JOHNSTON of Florida, Mr. WISE, Mr. ATKINS, Mr. JONTZ, Mr. EVANS, Mr. ARMEY, Mr. McEWEN, Mrs. VUCANOVICH, Mr. KLUG, Mr. DARDEN, Mr. GUARINI, and Mr. RIDGE.

H.R. 1430: Mr. COX of Illinois.

H.R. 1450: Mr. ROE, Mr. LEWIS of Georgia, Mr. SKEEN, and Mr. JOHNSON of Texas.

H.R. 1468: Mr. THOMAS of Wyoming.

H.R. 1473: Mr. PRICE, Mr. CRAMER, and Mr. SMITH of Oregon.

H.R. 1516: Mr. OBEY, Mr. VALENTINE, and Mr. COX of Illinois.

H.R. 1523: Mr. PAXON and Mr. GUNDERSON.

H.R. 1527: Mr. PERKINS and Mr. McCANDLESS.

H.R. 1531: Mr. DWYER of New Jersey, Mr. KOPETSKI, Mr. THOMAS of Wyoming, Mr. MORRISON, Mr. McCOLLUM, Mrs. SCHROEDER, Mr. WOLPE, Mr. FAZIO, and Mr. LEHMAN, of California.

H.R. 1603: Mrs. KENNELLY.

H.R. 1627: Mr. McCANDLESS.

H.R. 1655: Mr. TAYLOR of Mississippi.

H.R. 1696: Mr. ATKINS, Mr. BARNARD, Mrs. BOXER, Mr. CLAY, Mr. DANNEMEYER, Mr. ERDREICH, Mr. FALEOMAVAEGA, Mr. HALL of Texas, Mr. HAYES of Illinois, Mr. HUBBARD, Mr. HUCKABY, Mr. KANJORSKI, Mr. LANCASTER, Ms. LONG, Mrs. MORELLA, Mr. OWENS, of Utah, Mr. PAYNE of New Jersey, Mr. PRICE, Mr. RAVENEL, Mr. ROE, Mr. ROHRABACHER, Mr. SKEEN, Mr. STALLINGS, Mr. TALLON, Mr. TRAFICANT, Mr. VENTO, Mr. WISE, Mr. WOLPE, Mr. BILBRAY, Mr. TOWNS, and Mr. PICKETT.

H.R. 1703: Mrs. ROUKEMA.

H.R. 1711: Mr. DOOLITTLE.

H.R. 1800: Mr. CLINGER.

H.R. 1809: Mrs. UNSOELD.

H.R. 1885: Mr. MORAN and Mr. NEAL of Massachusetts.

H.R. 1889: Mr. BARNARD and Mr. KOLTER.

H.R. 2070: Mr. CUNNINGHAM.

H.R. 2164: Mr. SPRATT and Mr. PEASE.

H.R. 2200: Mr. CUNNINGHAM.

H.R. 2248: Mr. HUCKABY.

H.R. 2274: Mr. PORTER.

H.R. 2334: Mr. ACKERMAN, Mrs. LOWEY of New York, Mr. TOWNS, Mr. MARKEY, Mr. JOHNSTON of Florida, Mr. ECKART, Mr. ATKINS, Mr. STARK, Mr. STAGGERS, Mr. OWENS of New York, and Mr. GAYDOS.

H.R. 2437: Mr. DUNCAN, Mr. McMILLAN of North Carolina, Mr. JAMES, Mr. SHAW, Mr. GORDON, Mrs. LLOYD, Mr. BACCHUS, Mr. ENGLISH, Mr. FASCELL, Mr. FISH, and Mr. McCOLLUM.

H.R. 2452: Mr. SIKORSKI and Mr. NEAL of North Carolina.

H.R. 2484: Mr. PAYNE of Virginia.

H.R. 2540: Mr. ACKERMAN, Mr. BACCHUS, Mr. DE LUGO, Mr. DWYER of New Jersey, Mr. HALL of Ohio, Mr. FLAKE, Mr. JOHNSON of South Dakota, Ms. MOLINARI, Mrs. MORELLA, Mr. OBERSTAR, Mr. OWENS of New York, Mr. RAHALL, Mr. ROEMER, Mr. SERRANO, Mr. VALENTINE, Mr. YATES, Mr. FOGLIETTA, Mr. TORRICELLI, Mr. HORTON, Mr. AuCOIN, Mr. BONIOR, Mr. BROWN, Mr. FORD of Tennessee, Mr. GALLO, Mr. MINETA, Mrs. MINK, Mr. MURTHA, Mr. RAVENEL, Mr. RINALDO, and Mr. TALLON.

H.R. 2541: Mr. ACKERMAN, Mr. BROOMFIELD, Mr. FORD of Michigan, Mr. HORTON, Mr. LANCASTER, Mr. McCLOSKEY, Mr. RANGEL, Mr. SAWYER, Mr. TRAXLER, Mr. YATES, Mr. AuCOIN, Mr. BONIOR, Mr. BROWN, Mr. FORD of Tennessee, Mr. GALLO, Mr. MINETA, Mrs. MINK, Mr. MURTHA, Mr. RAVENEL, Mr. RINALDO, and Mr. TALLON.

H.R. 2553: Mrs. ROUKEMA, Mr. MARTINEZ, Mr. IRELAND, Mr. BILIRAKIS, and Mr. HALL of Ohio.

H.R. 2598: Mr. PACKARD, Mr. HENRY, Mr. PETERSON of Minnesota, Mr. RAVENEL, Mr. IRELAND, Mr. PETERSON of Florida, Mr. MARTIN, Mr. HALL of Texas, Mr. GUNDERSON, Mr. SMITH of New Jersey, and Mr. ROSE.

H.R. 2632: Mr. FROST, Mr. ECKART, and Mr. CARPER.

H.R. 2643: Mr. DOOLITTLE.

H.R. 2668: Mr. HOCHBRUECKNER, Mr. ACKERMAN, Mr. FOGLIETTA, Mr. ROYBAL, Mr. HORTON, Mr. DUNCAN, Mr. FRANK of Massachusetts, Mr. DELLUMS, Ms. NORTON, Mr. EVANS, Mr. TOWNS, Mr. OWENS of Utah, Mr. GUARINI, Mr. RAMSTAD, Mr. FROST, Mr. McNULTY, Ms. HORN, Mrs. KENNELLY, Mr. SABO, Mr. BRYANT, Mr. BERMAN, Mr. GORDON, Ms. PELOSI, Mr. KOLTER, Mr. EDWARDS of California, Ms. SLAUGHTER of New York, Mr. LIPINSKI, Mr. ESPY, Ms. DELAURO, Mrs. LOWEY of New York, and Mr. DYMALLY.

H.R. 2669: Mr. HOCHBRUECKNER, Mr. ACKERMAN, Mr. FOGLIETTA, Mr. ROYBAL, Mr. HORTON, Mr. DUNCAN, Mr. FRANK of Massachusetts, Mr. DELLUMS, Ms. NORTON, Mr. EVANS, Mr. TOWNS, Mr. OWENS of Utah, Mr. GUARINI, Mr. RAMSTAD, Mr. FROST, Mr. McNULTY, Ms. HORN, Mrs. KENNELLY, Mr. SABO, Mr. BRYANT, Mr. BERMAN, Mr. GORDON, Ms. PELOSI, Mr. KOLTER, Mr. EDWARDS of California, Ms. SLAUGHTER of New York, Mr. LIPINSKI, Mr. ESPY, Ms. DELAURO, Mrs. LOWEY of New York, and Mr. DYMALLY.

H.R. 2673: Mr. FORD of Michigan.

H.R. 2709: Ms. PELOSI.

H.R. 2755: Mrs. UNSOELD, Mr. WYDEN, Mr. NEAL of North Carolina, Mr. McMILLEN of Maryland, and Mr. CONYERS.

H.R. 2763: Mr. HUGHES, Mr. HANSEN, Ms. SNOWE, and Mr. RICHARDSON.

H.R. 2778: Mr. JEFFERSON.

H.R. 2788: Mrs. BENTLEY, Mr. CUNNINGHAM, Mr. PACKARD, Mr. DUNCAN, Mr. HUNTER, and Mr. DICKINSON.

H.R. 2872: Mr. OWENS of New York.

H.R. 2879: Mr. EWING, Mr. HORTON, and Mr. TALLON.

H.R. 2890: Mr. STAGGERS, Mr. MRAZEK, Mr. ANNUNZIO, Mr. MYERS of Indiana, Mr. OLIN, Mr. TAYLOR of Mississippi, Ms. SLAUGHTER of New York, Mr. PICKETT, Mr. BILBRAY, and Mr. APPLEGATE.

H.R. 2902: Mr. TAYLOR of Mississippi, Mr. CUNNINGHAM, and Mr. MARTINEZ.

H.R. 2903: Mr. TAYLOR of Mississippi and Mr. CUNNINGHAM.

H.R. 2904: Mr. TAYLOR of Mississippi and Mr. CUNNINGHAM.

H.R. 2915: Mr. THOMAS of California.

H.R. 2920: Mr. KOPETSKI.

H.R. 3002: Mr. BEILENSON.

H.R. 3017: Mr. ESPY, Mr. HORTON, Mr. TOWNS, Mrs. PATTERSON, Mr. WASHINGTON, Mr. HOCHBRUECKNER, Mr. KENNEDY, Mr. ACKERMAN, Ms. NORTON, Mr. JEFFERSON, Mr. ENGEL, Mr. SCHEUER, Mr. FROST, and Mrs. KENNELLY.

H.R. 3018: Mr. Espy, Mr. HORTON, Mr. TOWNS, Mrs. PATTERSON, Mr. WASHINGTON, Mr. HOCHBRUECKNER, Mr. KENNEDY, Mr. ACKERMAN, Ms. NORTON, Mr. JEFFERSON, Mr. ENGEL, Mr. SCHEUER, Mr. FROST, and Mrs. KENNELLY.

H.R. 3048: Mr. COX of California.

H.R. 3049: Mr. MICHEL.

H.R. 3061: Mr. MOORHEAD.

H.R. 3062: Mr. MARTINEZ and Mr. MOORHEAD.

H.R. 3066: Mr. HERGER, Mr. DORNAN of California, Mr. PACKARD, Mr. CUNNINGHAM, Mr. GALLEGLY, Mr. ROHRABACHER, and Mr. LOWERY of California.

H.R. 3082: Mr. COX of Illinois and Mr. DELLUMS.

H.R. 3098: Mr. KOPETSKI, Mrs. MINK, Mr. JEFFERSON, and Mr. HAYES of Illinois.

H.R. 3104: Ms. DELAURO.

H.R. 3132: Ms. ROS-LEHTINEN, Mr. FOGLIETTA, Mr. LEWIS of Florida, Mr. GIBBONS, Mr. RAVENEL, and Mr. GILLMOR.

H.R. 3142: Mr. BILBRAY, Mr. GORDON, Mr. PETERSON of Minnesota, Mr. KILDEE, Mr. HARRIS, Mr. VOLKMER, and Mr. LaFALCE.

H.R. 3150: Mr. SABO and Mr. DELLUMS.

H.R. 3164: Mr. SMITH of New Jersey, Mr. LENT, Mr. MARKEY, Mr. SWETT, Mr. SKEEN, Mr. McCOLLUM, and Mr. KOPETSKI.

H.R. 3172: Mr. McMILLAN of North Carolina, Mr. SCHIFF, and Mr. JONES of Georgia.

H.R. 3221: Mr. HOBSON, Mr. PURSELL, Mr. KANJORSKI, Mr. KYL, Mr. DWYER of New Jersey, Mr. CLINGER, Mr. GUNDERSON, and Mr. GUARINI.

H.R. 3236: Mr. ACKERMAN, Mr. PERKINS, Mr. HOCHBRUECKNER, Mr. FROST, Mr. KOPETSKI, and Mr. KILDEE.

H.R. 3251: Mr. TOWNS, Mr. HORTON, Mr. JOHNSON of South Dakota, Mrs. MINK, Mr. ACKERMAN, Ms. ROS-LEHTINEN, Ms. KAPTUR, Mr. STUDDS, Mr. BURTON of Indiana, Mr. JONTZ, Mr. WISE, Ms. PELOSI, Mr. HERTEL, Mr. BROWN, Mr. GUARINI, Mr. LaFALCE, Ms. SLAUGHTER of New York, Mr. OWENS of New York, Mr. ANTHONY, Mr. KANJORSKI, Mr. HOCHBRUECKNER, Mr. COX of Illinois, Mr. OWENS of Utah, Ms. NORTON, and Mr. BATEMAN.

H.R. 3280: Mr. VENTO, Mr. LEWIS of Florida, Mr. UPTON, Mr. BEREUTER, Mr. GORDON, Mr. FUSTER, Mr. KOLTER, Mr. HORTON, and Mr. BUSTAMANTE.

H.R. 3281: Mr. CUNNINGHAM.

H.R. 3311: Mr. YOUNG of Florida, Mr. BACCHUS, Mr. DOOLITTLE, Mr. DANNEMEYER, Mr. MARTINEZ, and Mr. BREWSTER.

H.R. 3314: Mr. BURTON of Indiana, Mr. MARKEY, Mrs. KENNELLY, Mr. ACKERMAN, Mr. SMITH of New Jersey, Mr. WOLF, Mr. DANNEMEYER, Mr. TRAXLER, Mr. WOLPE, Mr. BUSTAMANTE, Mr. LAGOMARSINO, Mr. ERDREICH, Mr. KOLBE, Mr. HARRIS, Mr. WAXMAN, Mr. GEJDENSON, Mr. COUGHLIN, and Ms. KAPTUR.

H.R. 3316: Mr. HYDE.

H.R. 3317: Mr. COX of Illinois, Mr. COOPER, and Mr. NEAL of Massachusetts.

H.R. 3334: Mr. ROYBAL, Mr. HERTEL, Mr. LANCASTER, Mr. TOWNS, Mr. DELLUMS, and Mr. FORD of Tennessee.

H.J. Res. 123: Mr. SCHULZE, Mr. DOWNEY, Mr. MCCOLLUM, Mr. FORD of Tennessee, Mr. MOAKLEY, Mr. CLAY, Mr. SAWYER, Mr. BILIRAKIS, Mr. WELDON, Mr. DONNELLY, Mr. GINGRICH, Mr. LEHMAN of California, Mr. PORTER, Mr. SUNDQUIST, and Mr. DOOLITTLE.

H.J. Res. 153: Mrs. JOHNSON of Connecticut, Mr. YOUNG of Florida, Mr. OBERSTAR, and Mr. ROBERTS.

H.J. Res. 164: Mr. PETERSON of Minnesota.

H.J. Res. 178: Mr. ROE.

H.J. Res. 179: Mr. WOLPE.

H.J. Res. 191: Mr. SMITH of Oregon and Mr. YOUNG of Florida.

H.J. Res. 195: Mr. EWING.

H.J. Res. 227: Mrs. VUCANOVICH, Mr. SYNAR, Mr. BERMAN, and Mr. WHITTEN.

H.J. Res. 230: Mr. ACKERMAN, Mr. POSHARD, Mr. YATRON, Mr. TRAXLER, Mrs. ROUKEMA, Mr. SYNAR, Ms. LONG, Mr. MCGRATH, Mr. STAGGERS, Mr. SHARP, Mr. SAXTON, Mr. UPTON, Mr. PAXON, Mr. DOWNEY, Mr. BROWN, Mr. FEIGHAN, Mr. BEVILL, Mr. CONYERS, Mr. FAZIO, Mr. HAYES of Illinois, Mr. HEFNER, Mr. DORNAN of California, Mr. GALLO, Mr. GUNDERSON, Mrs. UNSOELD, Mr. ENGLISH, Mr. CLEMENT, Mr. BEILENSON, Mr. REGULA, Mr. LANCASTER, Mr. PICKLE, Mr. HORTON, Ms. NORTON, Mr. WEISS, and Mr. BILBRAY.

H.J. Res. 239: Mr. ZIMMER, Mr. MATSUI, and Ms. NORTON.

H.J. Res. 242: Mr. SYNAR, Mr. MURPHY, Ms. OAKAR, Mr. MOAKLEY, Mr. AUCOIN, Mr. DYMALLY, Mr. ROWLAND, Mr. HATCHER, Mr. SMITH of New Jersey, Mrs. BENTLEY, Mr. GEREN of Texas, and Mr. ENGEL.

H.J. Res. 284: Mr. AUCOIN, Mr. SMITH of Oregon, Mr. ROTH, Mr. VALENTINE, Mr. HOYER, Mr. BLAZ, Mr. HOCHBRUECKNER, Mr. HUBBARD, Mr. LIPINSKI, and Mr. BOEHLERT.

H.J. Res. 307: Mr. CARPER, Mr. ROE, Mr. LEWIS of Georgia, Mr. GUARINI, Mr. WAXMAN, Mr. INHOFE, Mr. CALLAHAN, Mr. OWENS of New York, Mr. ESPY, Mr. NUSSLE, Mr. FORD of Tennessee, Mrs. UNSOELD, Ms. NORTON, Mr. GORDON, Mr. EVANS, Mr. RANGEL, Mr. JEFFERSON, Mr. FROST, Mr. LAGOMARSINO, Mr. EWING, Mr. FAZIO, Mr. EMERSON, Mr. LANCASTER, and Mr. SPENCE.

H.J. Res. 316: Mr. ROWLAND, Mr. BOUCHER, Mr. JONTZ, Mr. JONES of Georgia, and Mrs. BENTLEY.

H.J. Res. 324: Mr. HORTON, Mr. NICHOLS, Mr. RIGGS, Mr. CLEMENT, Mrs. PATTERSON, and Mr. BARNARD.

H.J. Res. 325: Mr. ANDREWS of Maine, Mr. BATEMAN, Mr. BEILENSON, Mr. BOUCHER, Mr. BURTON of Indiana, Mr. CHANDLER, Ms. COLLINS of Michigan, Mr. CONYERS, Mr. CRAMER, Mr. DOOLITTLE, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. ENGEL, Mr. ESPY, Mr. FAWELL, Mr. FAZIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. GALLEGLY, Mr. GALLO, Mr. GEKAS, Mr. GILMAN, Mr. GINGRICH, Mr. GUNDERSON, Mr. HAMILTON, Mr. HANSEN, Mr. HATCHER, Mr. HORTON, Mr. HUGHES, Mr. HUNTER, Mr. HYDE, Mr. INHOFE, Mr. JEFFERSON, Mr. JONES of North Carolina, Mr. KASICH, Mr. KENNEDY, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LANTOS, Mr. LEACH, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. LEWIS of California, Mr. LUKEN, Mr. MCCOLLUM, Mr. MCCRERY, Mr. MCEWEN, Mr. MCGRATH, Mr. MACHTLEY, Mr. MANTON, Mr. MARTIN, Mr. MARTINEZ, Mr. MATSUI, Mrs. MORELLA, Mr. MORRISON, Mr. MURPHY, Mr. ORTON, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. PICKETT, Mr. POSHARD, Mr. RAHALL, Mr. RHODES, Mr. ROHRABACHER, Mr. SCHIFF, Mr. SHARP, Mr. SMITH of Texas, Mr. SMITH of Oregon, Mr. SOLOMON, Mr. SPENCE, Mr. STALLINGS, Mr. STEARNS, Mr. STUDDS, Mr. SUNDQUIST, Mr. TRAFICANT, Mrs. UNSOELD, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WELDON, Mr. WHEAT, Mr. WILSON, Mr. COUGHLIN, Mr. GONZALEZ, Mr. HASTERT, Ms. SLAUGHTER of New York, Mr. SPRATT, Mr. VENTO, Mr. DOWNEY, Mr. CARDIN, Mrs. BYRON, Mr. VOLKMER, Mr. YOUNG of Florida, Mr. MCHUGH, Mr. SANDERS, Mr. APPLEGATE, Mr. ANDREWS of Texas, Mr. WHITTEN, and Mr. SAWYER.

H. Con. Res. 100: Mr. COYNE, Mr. KOLTER, Mr. MCDADE, Mr. FALEOMAVAEGA, Mr. LOWERY of California, Mr. BOEHLERT, Mrs. BOXER, Mr. RAMSTAD, Mr. MILLER of California, Mrs. LOWEY of New York, Mr. SISISKY, Ms. SNOWE, Mr. ROSE, and Mr. WOLPE.

H. Con. Res. 156: Mrs. PATTERSON, Mr. GONZALEZ, Mr. FUSTER, Mr. PAYNE of New Jersey, Mr. CONYERS, Mr. MARTINEZ, Mr. LEHMAN of Florida, Mr. TORRICELLI, Mr. MCHUGH, Mr. BROOMFIELD, Mr. HAMILTON, and Mr. YATES.

H. Con. Res. 162: Mr. JEFFERSON, Mr. LENT, and Mr. MCGRATH.

H. Con. Res. 192: Mr. BATEMAN, Mr. SKAGGS, Mr. PETERSON of Minnesota, Mr. SOLOMON, Mr. SHARP, Mr. KANJORSKI, Mr. ERDREICH, Mr. ROEMER, Mr. PENNY, Mr. GORDON, Mr. COLEMAN of Texas, Mr. ZELIFF, and Mr. KOLBE.

H. Res. 121: Mr. MINETA.

H. Res. 215: Mr. KYL, Mr. WALSH, and Mr. KOLBE.

H. Res. 224: Mr. ROEMER, Mr. HEFLEY, Mrs. VUCANOVICH, Mr. IRELAND, Mr. MCMILLAN of North Carolina, Mr. KYL, Mr. BILIRAKIS, Mr. ZIMMER, Mr. CONDIT, Mr. BLILEY, Mr. SLATTERY, Mr. BEREUTER, Mr. WYLIE, Mr. CAMPBELL of Colorado, Mr. GIBBONS, Mr. COMBEST, Mrs. SCHROEDER, Mr. ROGERS, and Mr. HOBSON.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1330: Mr. ANDERSON.

H. Con. Res. 193: Mr. ACKERMAN.

H. Res. 194: Mr. KOLTER, Mr. ROSE, Mr. QUILLEN, Mr. BURTON of Indiana, and Ms. SLAUGHTER of New York.

SENATE—*Tuesday, September 24, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

The PRESIDING OFFICER. Today's prayer will be offered by guest chaplain, the Reverend John Tresch, Jr., Bluefield, WV.

PRAYER

The Reverend John W. Tresch, Jr., interim pastor, First Baptist Church, Bluefield, WV, offered the following prayer:

May we join together in prayer.

Our Father, we are assembled here today in the awareness that You are the owner of everything. We acknowledge our gratitude that You have deemed us worthy to serve as stewards of that which You have created and own.

From the beginning of our Nation You have been recognized as Sovereign Lord—for the first document framed on the *Mayflower* was not a political instrument. Rather, it was a religious covenant whereby its Framers declared that they and succeeding generations were bound to serve You first—then, You would bless us. However, if we failed to honor You, those Framers understood that we should not expect Your blessings.

We also recall that the first building those colonizers constructed was not a house of government. Rather, it was a house of worship. In so doing, they affirmed Your preeminence.

As these honorable Senators consider and discuss the making of laws, help them to remain mindful of the wisdom You alone can give. Keep them conscious of the fact that these laws are like a rock cast into a pond—the influence expands in concentric circles until it reaches the farthest shore.

Help them to consider first the principles which are more lasting than are laws. May they take as their model Jesus the Christ who came not to legislate but to unfold those principles upon which individual lives and a world must be built.

Grant that, as they come to the end of this day, each Senator/servant will be able to hear in his/her heart Your approbation. "Well done!" Then can our Nation continue to fulfill that mission which is according to Your will. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 24, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADERSHIP TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 1722 which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1722) to provide emergency unemployment compensation, and for other purposes.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. The Chair, in his capacity as a Senator from the State of Nevada, observes that a quorum is not present.

Hearing no objection, the time for the quorum call will be charged equally to both sides.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 11 a.m. is equally divided and controlled between the Senator from Kansas [Mr. DOLE] and the Senator from Texas [Mr. BENTSEN]; also, under the unanimous-consent agreement, the time of the quorum call entered at about 9 a.m. was equally divided between the two Senators.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to proceed as if in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE EXTENSION OF UNEMPLOYMENT BENEFITS

Mr. KENNEDY. Mr. President, I join in urging immediate passage of the bill that I am cosponsoring with Senator BENTSEN and others to extend unemployment benefits. Unemployed workers in all parts of the country are hurting, and need help.

On Monday, I attended a rally held by thousands of working men and women in Boston. Sponsored by the State AFL–CIO, the people at that rally called for prompt passage of extended unemployment benefits.

These are hard working men and women who, through no fault of their own, have lost their jobs and now are losing their benefits. They need help and they need it now.

I hope that this time, President Bush will hear their cries for help, and approve these benefits.

If the President had recognized this emergency, help would already be on the way. Congress passed a similar bill in July, and sent it to the President. But he refused to declare an emergency under the Budget Act.

As a result, thousands of working Americans were unfairly deprived of the help that they need and deserve.

Three hundred thousand people are exhausting their benefits each month—the highest level in the entire 40 years that records have been kept. How many more must lose their benefits before the administration acts?

In my home State of Massachusetts, the economy continues to stagnate, with little relief in sight. Massachusetts has lost around 9 percent of total employment in the last 2 years, the worst job losses since the Great Depression. In August of this year, there were 198,000 fewer people employed than 1 year ago.

And the number of people exhausting their unemployment benefits has risen by 29 percent this year.

In June and July, I chaired a series of hearings on how the recession is affecting the work force in Massachusetts.

In city after city, hard-working men and women offered heart-rendering stories about the economic difficulties they face.

Those in the administration who think we are not in an emergency should hear from people like Octavio Mattos of Fall River, a Portuguese im-

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• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

migrant who is now an American citizen.

He lost his job, and he was threatened with the loss of his home. He told me "My American dream is turning into a nightmare."

They should hear from Shirley Lundgren of Lowell.

Mrs. Lundgren's husband has lost his job for the second time in less than 2 years.

The Lundgrens lost their health insurance. They fear they cannot provide their children with necessary medical care. They sold their family heirlooms, cashed in their pension, and spent all their savings in order to feed and clothe their two daughters and maintain their home.

In a voice close to tears, but still proud and strong, Shirley Lundgren said to me "Senator, we need help. Tell them in Washington that the recession isn't over."

We said in August that if the administration refused to provide these benefits in August, Congress would be back in September with a new bill.

And we have kept our word to the American people.

We intend to do our best to see that these benefits become available as soon as possible, before yet, another month of no benefits goes by.

There is one serious omission that is of concern to me and to many of my colleagues, and that is that the extended benefits provided under the bill in its present form would not be available to unemployed railroad workers.

It was not the intention of the sponsors to exclude railroad workers. However, because those workers are covered under a separate railroad unemployment insurance program, I am advised that an amendment to the Railroad Unemployment Insurance Act may be necessary to enable those workers to receive extended benefits.

I hope to see that omission corrected in the bill that we send to the President's desk.

The administration says that providing unemployment compensation on an emergency basis would violate the Budget Act. But if helping the unemployed is not an emergency, then what is?

When Congress authorized the budget agreement last year, we specifically included provisions to permit emergency spending in an economic downturn.

It is exactly this type of situation that we had in mind.

The budget agreement was intended to provide flexibility in dealing with economic problems, not as a device for the administration to deny help to working families enduring hard times because the economy has gone bad.

Let us be clear about what is busting the budget.

It is the Reagan-Bush borrow and squander policies that provided huge tax cuts for the wealthiest 1 percent of Americans, while raising taxes on the middle class.

As a recent report by Citizens for Tax Justice points out, the total cost of the tax breaks given to the wealthiest 1 percent over the last decade is $164 billion.

That is $164 billion in increased government borrowing to pay for these tax breaks.

Compare that $164 billion to the approximately $5.5 billion that these extended unemployment benefits will cost. If these tax breaks had not been given to the wealthiest 1 percent of the population, we could pay for these benefits 30 times over.

In the face of this record, what alternatives do our Republican colleagues offer? One bill would only provide 10 weeks maximum benefits, while the majority of States would only get 6 weeks. This is clearly inadequate.

The other Republican proposal extends more tax breaks to the wealthy through a capital gains tax cut, justified with the same old discredited supplyside arguments that created the gaping deficits we now face.

This type of tax giveaway to the wealthy is one of the main reasons that jobs and income have stalled for most Americans. Now, when we try to ease the pain by providing emergency unemployment benefits for hard-working Americans, the administration turns thumbs down.

Unemployment benefits alone will not reverse the economic decline of the United States, but they are a good place to draw the line. Congress must say "no more" to the continued administration policy of rewarding the wealthy, while taxing the middle class and refusing to provide help to working families most in need.

The bill that we have introduced is an important first step in sending that message, and I urge the Senate to pass it.

The ACTING PRESIDENT pro tempore. The time of the Senator from Massachusetts has been charged against the time of the Senator from Texas [Mr. BENTSEN].

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, as Senator KENNEDY requested, I also ask unanimous consent to speak as if in morning business for a period of 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 5 minutes.

Mr. GRASSLEY. I thank the Chair.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1742 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOMINATION OF JUDGE CLARENCE THOMAS

Mrs. KASSEBAUM. Mr. President, over the past 2 weeks, the Judiciary Committee has been engaged in hearings on the nomination of Judge Clarence Thomas as an Associate Justice of the Supreme Court. Like most of my colleagues. I have not been directly involved in these hearings, but I have followed them closely.

I was particularly interested, Mr. President, in Judge Thomas' 5 days of testimony before the committee. While I had met with the judge before the hearings began and found him to be an impressive person, I believe the hearings and Judge Thomas' response to the questions raised during the hearings have been important to all of us in considering this nomination.

Having met with Judge Thomas and having listened to his testimony, I believe he is genuinely a fair-minded person with the integrity and independence necessary to serve on the Supreme Court. I believe his word that he would bring no preestablished agenda to the Court but will judge each case on its merits according to the law.

Another factor in my own thinking is Judge Thomas' life story. While much has been made of this, perhaps too much, I do not discount the fact that Judge Thomas has experienced poverty and racism firsthand. Being poor and black does not automatically qualify Judge Thomas or anyone else to be a Supreme Court Justice. But, I do believe that those experiences must have played a role in shaping both a conscience and a consciousness that will force Judge Thomas to wrestle seriously and honestly with the issues that come before the Court.

Mr. President, I will vote to confirm Judge Thomas as an Associate Justice of the Supreme Court. I believe he is a man of intelligence, integrity, and character. I also believe, and I think the hearings have demonstrated, that he has what is called judicial temperament, and that, I believe, Mr. President, is a very important qualification.

Mr. President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

Mr. BENTSEN. Mr. President, I understand from the minority side that they are running out of time on this. In trying to be of assistance to them, I again suggest the absence of a quorum but the time to be equally divided between the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH REFORM: A NEED FOR DIALOG WITH THE AMERICAN PEOPLE

Mr. McCAIN. Mr. President, all of us remember the firestorm that developed among our Nation's elderly as they learned about the Medicare Catastrophic Coverage Act. There has been much focus of late on the need for reform of our Nation's health care system. I am concerned, however, that if we act in haste, and without a full understanding of what the American public wants, we very definitely risk the same response that we found with the Medicare Catastrophic Coverage Act.

Mr. President, the state of our health care delivery system is increasingly on the minds of the American people—and for good reason.

Over 31 million Americans lack health insurance.

Business and government health expenditures continue to escalate rapidly, with no end in sight.

There is unequal access to medical services.

Some have proposed treatments for these symptoms that demonstrate a lack of understanding of the problem and a complete disregard for the views of the American people. I shudder at this thought, because that is exactly what happened with the Medicare Catastrophic Coverage Act—and look where that got us.

America's health care system is suffering from explosive cost pressure which is pushing every part of the system to the breaking point. Health care costs are the fastest rising component in our entire economy.

This year we will spend $750 billion on our health care system, 13 percent of our GNP—a figure projected to grow to 15 percent by the year 2000.

Our health care system should be able to deliver high quality services in an equitable manner to all Americans who need care, yet it does not.

It should reward innovation and efficient delivery of services, yet it does not.

Instead, it encourages defensive medicine; shifts uncompensated care costs to private payors; and forces hospitals, nursing homes, and clinics to compete in an unending medical arms race.

As a society, we have allowed enormous layers of bureaucracy to be placed on the physician patient relationship, resulting in tens of billions of health care dollars being spent on nonpatient care activities.

We have discouraged personal responsibility for health and for the appropriate use of health services.

So difficult is this burden for our people and businesses to bear that this year we are experiencing an unprecedented movement aimed at nationalizing at least some or all of the health care system. Daily, we hear and read of the Canadian system, of mandated health benefit plans, and of big business' support for some form of national health insurance.

The pressure to adopt such a system is growing to a fever pitch. I wonder, however, if the American people are not being sold a bill of goods.

Just wait until they figure this out. I just pray it's not after Congress has blindly stabbed in the dark—enacting some well intended but poorly conceived legislation, as was the case with the Medicare Catastrophic Coverage Act.

To their credit, our neighbors to the north have a health care system that provides universal access to primary care and preventive services for all Canadians. Providers are paid on a fee-for-service basis and there is little cost sharing for the patient. The taxpayers, however, certainly share the cost.

There are, however, some serious downsides to the Canadian-style system that must be recognized: The government controls costs by rationing services, and there is virtually no innovation. It is not a great system if you have serious health problems that would be best served by sophisticated technology or innovative treatment methods. For example, most Canadians lack access to state-of-the-art diagnostic services—including those for detecting breast cancer, brain tumors, and spinal problems.

Another point often is that Americans have different expectations regarding health care than Canadians, and that Canada has a very different sociodemographic composition than America. For example, Canada just does not have to deal with the type and magnitude of problems that we find, for example, in Washington, DC, as a result of the high crime rate and the illicit drug trade.

It has been my experience that most indicating support for a Canadian-style system are focusing on the better access to primary care and the lower out of pocket cost at the doctor's office. They are often unaware, however, of the lack of access to high-technology diagnostic and treatment services that we expect as commonplace, the higher taxes, or the rationing that comes with a Canadian-style system and when they learn of these facts about the Canadian system, most quickly run the other way.

This ought to be instructive to us.

There is another option for reform that some have been turning toward. It is half-way to Canada. In fact, it is within our borders—the so-called Massachusetts miracle. What a miracle. It required that business either provide a specific set of health benefits to their employees or render a tax to Caesar. It was a mandate, pure, and simple. And, it failed to acknowledge that the reason why some small businesses did not provide insurance to their employees was because they couldn't afford the premiums. Massachusetts turned a deaf ear to that issue.

If any size business has an interest in seeing their employees covered for health care expenses it is small business. After all, they don't have an adequate size work force to permit them to move employees around within the organization when an employee gets sick.

Many hailed it as the Massachusetts miracle. It is now known as the Massachusetts debacle. Yet, some still want to repeat it.

So before we dash, as a nation, headlong into the financial black hole of national health insurance, or repeat the now repealed Massachusetts miracle, I believe we ought to learn the lessons of the now repealed Medicare Catastrophic Coverage Act. We should enter into a dialog with the American people about what is good about our current system; how the good aspects of the system can be protected; the tradeoffs inherent in the various alternatives that exist for reforming the system; and how much more taxes the American people are willing to pay for an expanded public sector role in health care.

This dialog is not a delay tactic—it is essential. Rather than telling the American people, as Congress did with the enactment of the Medicare Catastrophic Coverage Act, that we know what is best for them—perhaps it is time we step back a couple of paces and try and learn from the American people what they want. We must educate each other.

Most Americans enjoy state-of-the-art health care. Nowhere in the world is the art and science of medicine so advanced, or advancing so quickly as in the United States. But that advancement comes at a price. The challenge to policymakers and leaders is to identify and contain those costs which do not contribute to quality of care, or advancement of medicine, and to find ways to provide care to more Americans.

Unlike food, clothing, and shelter, many Americans consider health care unaffordable unless they carry insurance. We are deluding ourselves. We buy coverage for services we plan to use rather than insure ourselves against those occurrences we could not afford if they came to pass.

One issue about which many are being misled, in the effort to manufacture a justification for national health reform, is the uninsured.

Today, over 31 million Americans are without health insurance. Many of them go without routine primary care and preventive services, because without insurance, they believe they can't afford it. And, most of us presume that a lack of insurance translates into a lack of ability to pay for care.

This is not always true. But for those for whom this is true, the result is often delayed and more costly treatment. And what follows is an unnecessarily large drain on Federal, State, and provider resources when a resulting catastrophic illness or accident requires care and the individual does not have the necessary coverage.

An often glossed over point, however, is that virtually all get care when they are truly in need. For the uninsured, however, it is usually in the most expensive and inappropriate setting and only after they are very sick.

We need to be about the task of expanding access to health insurance.

Some believe the answer to expanding coverage lies with mandated health benefits coverage or national health insurance. The Senator from Nebraska [Mr. KERREY] has recently proposed such ill-advised legislation.

The proposal from my colleague from Nebraska would turn our Nation's health care system over to the Government. A Federal commission, in conjunction with State governments, would dictate the services currently going to Medicare, Medicaid, CHAMPUS, and individual, corporate, and Social Security taxes paid by the elderly would be dramatically increased to fund the program.

Mr. President, this proposal is not good medicine for the American people. It turns our health system over to big brother. And it will not give Americans what I believe they want.

First, the process of distributing health care resources would become intensely political, bureaucratic, wasteful, and unrelated to either real need or provider performance.

Second, it provides minimal, inadequate incentives for physicians and hospitals to improve the health care value American patients receive per dollar spent.

And, third, it would enshrine the status quo and discourage much needed organizational innovation.

Mr. President, true health reform requires not the substitution of bureaucratic and political judgment for markets, but the strengthening and channeling of market forces in socially desirable directions.

Regulatory barriers to competition must be eliminated. This proposal does not do that.

Markets have to be reformed and regulated so that administrative costs are lowered, and competition takes place on quality and cost dimensions—not on the basis of selecting relatively healthy patients.

Incentives have to be put in place to constrain patient demand.

This proposal fails in this regard as well.

Mr. President, in my view, proposals to mandate health coverage or create national health insurance evidence a failure to understand who is uninsured. In fact, such proposals may actually exacerbate rather than solve the problem.

Contrary to what we are being led to believe, most uninsured Americans are not unemployed. Rather, between 70 and 80 percent are employed or are dependents of employed individuals, the vast majority of whom work for small businesses. These people are without insurance not because small business owners are unwilling to provide coverage, but because the businesses are unable to pay the high cost of the health coverage mandated by most States.

To make real progress in addressing this aspect of the health care crisis requires that policymakers confront four main issues. In short, we must craft a package that will provide employees with the coverage they need, give small firms affordable options with which to provide that coverage, help insurers to better cope with rising health care costs, and reduce—through private sector solutions—the health cost drain on our Government resources.

My good friend from Minnesota, DAVE DURENBERGER, and I have introduced a package of four bills—S. 88, S. 89, S. 700, and S. 1229—that can be an important first step in coming to grips with this issue. Rather than mandating coverage or creating expensive new programs, this package of bills addresses the problem of affordability and accessibility head on by creating new and effective coverage options both for the uninsured and insurers.

I am firmly convinced that this package of bills represents a real, working solution for millions of uninsured Americans and is a far better approach than either mandating health benefits or national health insurance.

Mr. President, yesterday, the Washington Post carried a staff editorial on the budding effort by the distinguished chairman of the Finance Committee to address the critical issue of those in our country who lack health insurance. Rather than using the issue of the uninsured as a justification for forcing America down the broken and crippling road of national health insurance, as a number of his Democratic colleagues have been doing, he proposes that the issue be tackled in a manner similar to that embodied in S. 88, S. 89, S. 700, and S. 1229.

I, for one, Mr. President, am pleased that the distinguished chairman of the Finance Committee has decided to join my good friend from Minnesota, Senator DURENBERGER, and myself in moving in this direction. I am also pleased that the chairman is dedicating his energies to addressing the critical issue of portability. I look forward to working with the chairman of the Finance Committee and Senator DURENBERGER in seeing to it that the Senate addresses this issue before the close of the 1st session of the 102d Congress.

Mr. President, unlike the Washington Post, I do not see the chairman of the Finance Committee's move in the direction of incremental reform so much a matter of believing that more cannot be accomplished at this time as a belief that a much more extensive dialog must occur with the American people before full reform legislation is contemplated. This is, where we erred with the Medicare Catastrophic Coverage Act. And, there is perhaps no one that knows it better than the distinguished chairman of the Finance Committee.

In addition to working toward reform of the small business insurance market, it is my hope that we can also work on the issues of medical liability reform, increased access to long-term care coverage and increased access to health coverage for the low income—as all of these issues, too, are priorities of the American public.

As I have stated, I am very concerned about the push by some in Congress toward national health insurance. I could not agree more that our health care delivery system needs some serious attention. But it is a big leap from open expressions of dissatisfaction with the system to argue that a Canadian-style system or the so-called Massachusetts miracle is what the American public has in mind.

Mark my words, if this is the direction we go, we will have a firestorm on our hands that will far surpass that caused by enactment of the Medicare Catastrophic Coverage Act.

What we need is action in the areas where there is consensus and dialog in the other areas to fully understand what the American people want in the way of health care reform.

We cannot afford to play politics with this issue, as some of my colleagues from the other side of the aisle are currently doing. It is unfair to the American people. And it will only result in greater mistrust of the Federal Government by the American people.

The solution is not simple—as some of my Democratic colleagues have been telling the American people. It is very complex, as the issues involved are very complex. Ultimately, the issue of reform must involve an understanding of what the American people want from their health care delivery system, how much of it they think ought to be brought under the control of the Federal Government, and how much the American people are willing to pay in additional taxes. I submit that these issues are being glossed over by many who are introducing health reform proposals.

I think it is time we took a deep breath as a country and stepped back to take a look at what the most critical issues to be decided are, what the tradeoffs for various alternatives are, what our priorities are, and begin to develop a jointly held agenda for reform.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, I ask unanimous consent that I be permitted to proceed for roughly 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHAT EMERGED WAS A MAN OF COMPASSION

Mr. GORTON. Mr. President, when one reads about Clarence Thomas, one cannot help but be struck by the enormous challenges he has faced and the magnitude of his achievements. Judge Thomas has lived a remarkable odyssey. Born black and poor in a time and place of repressive racial segregation, overt discrimination and limited opportunities, Judge Thomas has surmounted barriers one after another to stand today on the threshold of a seat on the U.S. Supreme Court.

I am deeply impressed by his guiding personal philosophy of self-help, a philosophy he has lived, a philosophy that has brought Judge Thomas to this pinnacle. His nomination is the culmination of an extraordinary career of hard work, dedication, wise mentors, and luck which seemed to improve the harder he worked.

In fact, it is precisely these accomplishments and this philosophy that have alarmed some of his harshest critics. Some groups and individuals opposed Judge Thomas' nomination before even reviewing his record or granting a fair hearing. He was condemned for being different, for failing to hew to the road blazed by the mainstream of the civil rights establishment.

Their protestations were both premature and misdirected. The Thomas writings and speeches they damned were those of a thoughtful advocate refining his guiding philosophy, one that matured and evolved over the years. At the same time, however, Judge Thomas would have been subject to even greater criticism by those same critics had he lacked strong convictions in his capacities as policymaker.

No Supreme Court confirmation should be based upon a nominee's views on any particular issue. If approved, Justice Thomas may sit on the Court for three or more decades. It would be shortsighted to gauge his fitness based on a guess as to how he might vote on any single current issue—even if such a guess later may prove to have been well-founded.

It is, of course, just that kind of single-interest litmus test that has diminished the value of Supreme Court confirmation hearings. Knowing that a precise answer to a single question may cost a nominee any chance of confirmation, it is hardly surprising that all such questions are ducked. In fact, a nominee willing to engage in such an exchange probably should be rejected on the ground that he or she lacks the good judgment necessary to be on the Supreme Court.

When a majority of the Senate Judiciary Committee rejected Robert Bork, it condemned itself to a set of bland, inconclusive hearings, like those on David Souter or Clarence Thomas. Judge Bork engaged committee members in a clash of ideas. For his pains, he was sentenced to personal humiliation, the mischaracterization of his views, and rejection. The Supreme Court got a fine, though less distinguished, yet equally conservative justice. A valuable lesson was taught, and as a result, it is likely that no future nominee will follow Judge Bork's lead.

Even so, during 5 grueling days of personal testimony and cross-examination, Judge Thomas conducted himself with grace and composure. He patiently listened to ringing testimonials, stinging criticisms, and a barrage of wide-ranging questions, answering some admittedly, and politely but forcefully declining to answer others.

To the degree that we could make judgments of him, what emerged was a thoughtful jurist who remembers, learns and gains from each challenge, a person whose background of poverty, segregation and paternal abandonment will yield valuable perspective on many critical issues to come before the bench. Arthur Fletcher, the Chairman of the U.S. Commission of Civil Rights and a supporter of Clarence Thomas' nomination, said, "In his heart of hearts—Judge Thomas—knows how he got where he is."

What emerged was an open-minded jurist who will temper cold legal reasoning with absolute fairness, compassion, warmth and humility, one who can emphasize, rather than merely sympathize, with many of those who will come before the Court. At critical junctures in his life, special people stepped forth to act as mentors because they saw these qualities in the young Clarence Thomas. Because of these qualities, Judge Thomas has engendered the loyalty and faith of those who know him best. For example, Margaret Bush Wilson, the former chairperson of the NAACP who regards Clarence Thomas as a second son, and Doug Mooney, a practicing attorney in Seattle who has been a close friend since they worked together in the Missouri Attorney General's office, emphasize the humanity of Clarence Thomas as among his most endearing traits.

What emerged was a legal scholar who will be true to the words and purpose of the Constitution. Judge Thomas is a fiercely independent thinker whose views may not be pigeonholed, or coerced, views which will add to the diversity of debate among the nine Justices.

Mr. President, Judge Thomas is an excellent candidate. He has the credentials and the temperament to sit on the highest court of this land. I urge my colleagues to vote to confirm Clarence Thomas to be an Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask unanimous consent to speak as though in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. LEAHY. Mr. President, let me follow the distinguished Senator from Washington State who has spoken. Let me express my views on the same subject.

The Senate's responsibility to advise and consent on Supreme Court nominations is one of our most solemn duties, and each Senator has to approach it in his or her own way. Some argue that we should, except in the very rarest of cases, simply confirm the President's nominee.

I can give a President's nominee the benefit of the doubt, but I approach each nomination to the Supreme Court as it comes, on its own terms.

The White House is extremely confident that Judge Thomas will soon be Justice Thomas. Some will argue then, that a single Senator's vote really does not make any difference. On a lifetime appointment of this importance, the vote of every Senator counts. My vote on this nomination is but 1 of 100. It may not affect the final outcome, but my oath to uphold the Constitution, including its advice and consent provision, requires that I cast it conscientiously.

I do not consent to the nomination of Judge Clarence Thomas as an Associate Justice of the Supreme Court of the United States.

Judge Thomas has overcome what for many have been insurmountable obstacles with admirable courage and determination. However, this triumph alone cannot propel him to a seat on the U.S. Supreme Court.

A Supreme Court Justice must possess, above all, a deep and profound vision of the Constitution and the role that document plays in the complex intertwining of American society. A nominee must possess that vision and must bring it to bear on cases argued on the same day he or she ascends to the highest court in the land.

Last year, at the hearing held to consider his nomination to the D.C. Circuit, Judge Thomas said that he was "not * * * someone who has had the opportunity or the time to formulate an individual, well thought-out constitutional philosophy." After 5 days of testimony during the Judiciary Committee's fair and thorough hearings, Judge Thomas' judicial philosophy remains unformed or at best obscure.

To perform my constitutionally required responsibility of consent, I must be sure in my own mind that the nominee's vision does not threaten or undermine the Constitution and the Bill of Rights. Although during Judge Thomas' brief tenure on the Court of Appeals he has been thoughtful and moderate, his decisions have not dealt with the pivotal constitutional issues that are the routine fare of the Supreme Court.

I tried during the hearings to assess Judge Thomas' constitutional vision, but Judge Thomas refused to answer questions and repeatedly disavowed the passionate statements of his earlier speeches and writings. As a result, no one knows what Judge Thomas' constitutional vision is.

After reviewing Judge Thomas' past record and listening to his testimony I am left with far too many doubts to consent to his nomination. I have doubts about his legal ability, which, at this early stage in his career, is largely untested, and I have doubts about how Judge Thomas views the fundamental right to privacy, including a woman's right to choose. Nothing in these hearings was more astonishing than his statement to me that he has never discussed Roe versus Wade, the most controversial Supreme Court case of the last quarter-century.

In the face of these doubts, the fact that Clarence Thomas is a fine person with a good sense of humor who pulled himself up by his bootstraps and succeeded in a hostile world is not enough—not for elevation to the Supreme Court; not for a lifetime appointment which could last into the third decade of the next century; not to be a final arbiter of the Constitution and the Bill of Rights.

QUALIFICATIONS

My first concern is that nothing in Judge Thomas' record or testimony suggests the level of professional distinction or constitutional grounding that a Supreme Court nominee ought to have. His legal, as distinguished from administrative, experience is limited, as is his judicial experience—a year and a half on the Court of Appeals with scant consideration of constitutional issues. His speeches and writings have shown little in the way of analysis or scholarship.

Nor did his performance in the hearing suggest that Judge Thomas has any framework for approaching constitutional issues. When, for example, Senator SPECTER asked how he would analyze whether the Constitution required a congressional declaration of war in circumstances like the Korean conflict, Judge Thomas appeared unable even to discuss the relevant constitutional considerations.

DISAVOWALS AND REFUSALS TO ANSWER

My second concern is Judge Thomas' disturbing flight from his record. Instead of taking responsibility for the statements he made as Chairman of the EEOC, Judge Thomas asked the committee to weigh only his statements during the hearings in determining who the real Judge Thomas is.

In distancing himself from past statements, Judge Thomas took various tacks: either, first, he meant to say something far more temperate than his pugnacious rhetoric suggested; second, he had not really read what he was commenting on; third, he was just trying to score a point with his audience and did not mean what the words seemed to say, or fourth when he became a judge, he "stripped down like a runner" and shed the harsh views expressed as an executive branch advocate. Let me give you a couple of examples.

Although he spoke repeatedly on the pivotal nature of natural law and said that "the higher law background of the American Constitution * * * provides the only firm basis for a just, wise and constitutional decision" (speech before the Federalist Society, University of Virginia School of Law, March 5, 1988). Judge Thomas maintained at the hearings that natural law should play no role in constitutional adjudication.

Another example: although he warmly praised Lewis Lehrman's essay arguing that all abortion is unconstitutional (Lehman, "The Declaration of Independence and the Right to Life," the American Spectator, April 13, 1987), calling it a "splendid example of applying natural law," (speech before the Heritage Foundation, June 18, 1987) Judge Thomas maintained at the hearings that this was just a throwaway line, that he only skimmed the article before praising it, and that he mentioned it only to make his conservative audience more receptive to civil rights. (September 10, 1991 Tr. at 196, 97; September 11, 1991, Tr. at 96-97). In fact, he said he had not even read the article before the hearings.

Another example: Although he told the American Bar Association that "economic rights are protected as much as any other rights,"—ABA address, August 11, 1987—a statement that contradicts the Supreme Court's post-Lochner jurisprudence, Judge Thomas maintained at the hearings that he only meant that economic rights should not be forgotten.

Another example: Although he appeared to moderate his views on affirmative action at the hearings, his writings attack virtually every Supreme Court case since Bakke that upholds racial or gender preferences, even as a last resort.

Moreover, during the hearings, Judge Thomas repeatedly described the combative right-wing rhetoric that punctuates his speeches and articles in watered-down, mild tones. For example, although he endorsed the statement that the United States was "careening with frightening speed toward * * * a statist-dictatorial system * * *"—speech before the Cato Institute, April 23, 1987—and said that "demagogues" are using the underclass to advance a political agenda that resembles "the crude totalitarianism of contemporary socialist states * * *"—speech at California State University, April 25, 1988—Judge Thomas said during the hearing that he only meant to underscore the importance of the individual against the State.

The statements from which Judge Thomas distanced himself during the hearings were not the ingenuous or unschooled statements of his youth. Judge Thomas made them during the last several years as Chairman of an important Government agency. I think senior executive officials speaking in public should be held to mean what they say.

Even assuming that we accept Judge Thomas' current disclaimers, that would mean only that he gave too little thought to the words he was using or else was willing to say things he did not believe to curry favor with conservative audiences. If the latter is true, it raises question about how much Judge Thomas was willing to bend his views to curry favor with the Senate.

My third concern is Judge Thomas' selective refusal to answer questions. I said in my opening statement that I expected answers to fair questions. However, Judge Thomas played it safe and declined to answer many questions he should and could very easily have answered.

Perhaps Judge Thomas' advisers told him the nomination was his to lose and counseled him not to answer the questions the American people truly care about. This may have been good politics, but it did not fulfill Judge Thomas' responsibility to the Nation. As I said when the hearing began, no nominee should be asked to discuss cases pending before the Court. Neither should a nominee feel free to avoid questions about established constitutional doctrine on the ground that a case on that subject eventually will come before the Court.

No one could compel Judge Thomas to answer questions. The decisions not to tell us how he thinks—not to give us a window into his mind—was his and his alone. In choosing not to share his vision of the Constitution, Judge Thomas failed to provide what I need as a Senator for informed consent.

Just as no one could compel Judge Thomas to answer the Judiciary Committee's questions, no one can compel me to vote for a nominee who has not satisfied his obligation to answer legitimate questions.

Nor will I vote for any nominee now pending or planned who refuses to answer appropriate questions about his or her approach to the Constitution, which I recognize may be different from that nominee's personal philosophy.

Judge Thomas' stated rationale for refusing to respond to questions was that such responses would compromise his impartiality. But Judge Thomas was erratic in his application of this standard. He commented on the propriety of capital punishment, the use of victims' impact statements and the application of stare decisis—all issues likely to come back before the Court. Indeed, he commented on the long-accepted Lemon versus Kurtzman test for deciding establishment clause cases, although that test is sure to be challenged in Lee versus Weisman, a case pending before the Supreme Court right now.

Yet on privacy issues, Judge Thomas refused to do more than recite what the Court has held. The degree to which he would speak to legal issues appeared to correlate more to whether Judge Thomas would win or lose votes on the committee than to how his public statements would affect his impartiality or even the appearance of impartiality.

Judge Thomas' refusal to answer questions was especially hard to fathom because it was he who opened the door to them. He endorsed the Lehrman article; he participated in the White House Working Group that criticized Roe, he cited Roe in an article on the privileges or immunities clause, and he specifically referred to abortion in a column in the Chicago Defender. It is difficult to comprehend how Judge Thomas could have made those references with no opinion on the underlying privacy issues.

Indeed, all of the troubling questions about this nomination—ambiguous testimony, repudiations, and nonresponses—coalesce in the area of privacy.

Clarence Thomas came to the Judiciary Committee with an inconclusive, but troubling history on privacy rights. As I said at the outset of this process, Judge Thomas' embrace of Lewis Lehrman's article, "The Declaration of Independence and the Right to Life," was of particular concern to me. The consequence of Lehrman's thesis that a fetus has an inalienable right to life beginning at conception is that any termination of a pregnancy at all, even in the third day, would constitute murder. That radical position goes far beyond the views of even most conservatives that abortion is a political issue best left to the legislative branch.

Despite repeated questions from me and other members of the committee, Judge Thomas did not categorically state that he disagreed with the Lehrman article. Instead, he explained that he invoked the article in his speech to a conservative audience to find "unifying principles in the area of civil rights" (September 11, 1991, Tr. at 96) and that he does "not endorse" (September 13, 1991, Tr. at 21) Lehrman's conclusion.

Those responses leave me—and I would expect the Senate—with more questions than answers. At the time Judge Thomas embraced the Lehrman article, did he understand its implications? Was he not sufficiently concerned about its conclusion to think twice about calling it a splendid example regardless of who the audience might be?

Judge Thomas explained another aspect of his record by saying that—although his name appeared on the report of the White House Working Group on the Family, a report which criticized privacy cases, including Roe,—he had not read the report then or now.

In his testimony before the committee, he recognized the fundamental right to marital privacy. But does that fundamental right to privacy—apart from an equal protection analysis—extend to single people? He was asked that question repeatedly during the hearings and did not give a clear answer.

Finally, as I told Judge Thomas during the hearing, I had some real difficulty with his statement that he had never discussed Roe versus Wade with anyone. That answer had troubled me as much as any answer he gave, and I thought about it a great deal. I still find it hard to believe that there is a lawyer in this country who thinks about the Constitution at all who has not discussed Roe versus Wade. He said he did not. That is his answer. That is the record. But I find it so hard to understand.

The fundamental right to privacy is much more than the constitutional right of women to make very personal decisions about reproduction. It is the right of all of us to be free from government intrusion into the most basic, private aspects of our lives. The people of Vermont have a right to know where a nominee to the Supreme Court stands on the right of privacy, and I cannot consent to a nominee who refuses to explain his own record on that issue.

CONCLUSION

I will not allow the advice and consent process to be reduced to a kabuki theater of ritualized refusals to respond. I will not acquiesce in artful evasions and disclaimers. Unless the nominee is willing to engage in genuine dialog, the Senate cannot fulfill its constitutional responsibility. I will not vote for a nominee on the hope that he or she has a capacity to grow and will change for the better

Clarence Thomas is an impressive man who has overcome great odds and accomplished much in his life. It may be that at some time in the future he will be ready for a seat on the Supreme Court. But nothing in his record or his testimony gives me confidence that he is ready to fulfill that solemn responsibility today.

Nor do I give any credence to those who say that we should accept one nominee because, if we do not, the next one is going to be worse. We should take each nominee, one by one, as they come.

I would welcome the opportunity to confirm a person who had overcome the obstacles surmounted by Judge Thomas, who was also a proven jurist with a demonstrated compassion for individual rights, but I cannot consent to this nominee who possesses such a contradictory record and brief judicial experience. I cannot justify taking the risk that voting in favor of Judge Thomas' confirmation would represent.

Too much is at stake in this nomination. The next justice we confirm will help shape the law of our land for decades to come. It is incumbent upon this body to insist upon a nominee who has the professional distinction and constitutional vision to assume the responsibilities of a Supreme Court Justice; who is willing to engage this body in an honest debate; and who will stand rock solid in defense of our fundamental liberties and rights. I do not believe that Clarence Thomas is that nominee and therefore I shall cast my vote against confirmation.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senate Republican leader, Senator DOLE.

Mr. DOLE. Mr. President, I think this unanimous consent has been cleared—I know it has—by the other side.

I ask unanimous consent that the amendments that this Senator and amendments the Senator from Texas [Mr. GRAMM] are about to send to the desk be subject to modification by their authors prior to 5 p.m. today. That has been cleared.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I think the order says at 1 p.m., the distinguished Senator from Texas would be recognized.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I wonder, if you might recognize the Senator from Texas, if he minds yielding me 5 minutes.

The PRESIDING OFFICER. Under the previous order, the Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I yield to the distinguished Republican leader 5 minutes.

The PRESIDING OFFICER. The Republican leader is recognized for up to 5 minutes.

AMENDMENT NO. 1185

(Purpose: To provide for a substitute amendment)

Mr. DOLE. Mr. President, I send an amendment in the nature of a substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to considering the amendment at this time?

If not, the amendment will be received. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. DOMENICI, Mr. ROTH, Mr. LUGAR, Mr. DURENBERGER, and Mr. SIMPSON, proposes an amendment numbered 1185.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amendment No. 1185

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereafter in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title, or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:.	The applicable limit is:
5-percent period	10
Other period	6.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

The applicable range is: .	In the case of a:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after September 30, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this title for any week—

(A) beginning before the later of—

(i) October 1, 1991, or

(ii) the first week following the week in which an agreement under this title is entered into, or

(B) beginning after June 30, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 30, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this title.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following September 30, 1991 (or, if later, the week following the week in which the agreement under this title is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following September 30, 1991,

such individual shall be entitled to emergency unemployment compensation under this title in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this title.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of an individual who has received amounts of emergency unemployment compensation under this title to which he was not entitled, the State shall require such individual to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the emergency unemployment compensation to which he was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this title:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this title and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 107. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after September 30, 1991.

TITLE II—COLLECTION OF NONTAX DEBTS

SEC. 201. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) IN GENERAL.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

SEC. 301. CREDIT CHECKS; COSIGNERS.

(a) IN GENERAL.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this title referred as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) CONFORMING AMENDMENT.—Section 428(b)(1) of the Act is amended—

(1) in subparagraph (U), by striking "and" at the end thereof;

(2) in subparagraph (V), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. BORROWER INFORMATION.

(a) IN GENERAL.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) CONFORMING AMENDMENT.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 303. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

"(1) by striking the subsection heading and inserting "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 305. WAGE GARNISHMENT.

(a) IN GENERAL.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"SEC. 488A. (a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Section 428(c)(6) of the Act is amended by striking subparagraph (D).

SEC. 306. DATA MATCHING.

Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SEC. 401. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act;

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this title for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 405(b)(2)(A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act over the course of fifteen years after the enactment of this title;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 45 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 45 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures.

(B) The Department of Commerce shall make available to the Federal Communications Commission 45 megahertz of electromagnetic spectrum for allocation of land-mobile services. Notwithstanding section 553 of the Administrative Procedure Act and title III of the Communications Act, the Federal Communications Commission shall allocate such spectrum and conduct competitive bidding procedures to complete the assignment of such spectrum in a manner which ensures that the proceeds from such bidding are received by the Federal Government no later than September 30, 1992. From such proceeds, Federal agencies displaced by this transfer of the electromagnetic spectrum to the Federal Communications Commission shall be reimbursed for reasonable costs directly attributable to such displacement. The Department of Commerce shall determine the amount of, and arrange for, such reimbursement. Amounts to agencies shall be available subject to appropriation Acts.

(C) Within twelve months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section.

(D) Within twenty-four months after the date of enactment of this title, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 45 MHz previously designated under subsection (d)(1)(A)).

(E) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this title, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(C);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(D); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 404.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 405(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector advisory committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than twenty-four months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(D), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this title, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 406(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within three months after receipt of the Secretary's report under section 404(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 45 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 404(d)(1)(D), by the effective dates recommended pursuant to section 404(e) (except as provided in subsection (b)(4) of this section), withdraw or

limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 405(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 404(d)(1)(A), and within six months after receipt of the Secretary's report under section 404(d)(1)(C), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 404(d)(1)(C) unless the substituted frequency also meets each of the criteria specified by section 404(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 404(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 406, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation Acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 45 MHz to be reallocated from United States Government to non-United States Government use under section 404(d)(1)(A), not later than twenty-four months after enactment of this title, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 408, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 404(e), not later than two years after issuance of the report required by section 404(d)(1)(D), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this title. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 404(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection:

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, except that any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 407 of the Emerging Telecommunications Technologies Act of 1991.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2).

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2), except that the notification required by section 405(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended by adding the following new subsection:

"(j)(1)(A) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, subject to the exclusions listed in paragraph (2).

"(B) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subparagraph (C), the Commission shall grant a permit or license.

"(C) No construction permit or license shall be granted to an applicant selected pursuant to subparagraph (B) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and subsection (a) of this section, on the basis of the information contained in the first- and second-stage applications submitted under subparagraph (B).

"(D) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of this Act.

"(E) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(F) The Commission, in designing the competitive bidding procedures under this subsection, shall study, and if appropriate, include procedures—

"(i) to extend the holding period for winning bidders awarded permits or licenses, and

"(ii) to expand review and enforcement requirements to ensure that winning bidders continue to meet their obligations under this Act.

"(G) The Commission shall, within eighteen months after enactment of the Emerging Telecommunications Technologies Act of 1991, following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 45 MHz reallocated from United States Government to non-United States Government use under section 404(d)(1)(A) of the Emerging Telecommunications Technologies Act of 1991, to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to—

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, over-the-air terrestrial radio and television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the Emerging Telecommunications Technologies Act of 1991;

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption; and

"(G) small business as defined by Sec. 3(A) and 5(b)(6) of the Small Business Act as amended.

"(3) In implementing this subsection, the Commission shall ensure that current and future rural telecommunications needs are met and that existing rural licensees and their subscribers are not adversely affected.

"(4) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury.".

(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act is amended by striking the period after the word "selection" and inserting ", except in instances where competitive bidding procedures are required under subsection (j).".

(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended by adding the following new subsection:

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in this title:

(1) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(2) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(3) The term "Commission" means the Federal Communications Commission.

(4) The term "Communications Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(5) The term "Secretary" means the Secretary of Commerce.

TITLE V—DISLOCATED WORKERS

SEC. 501. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the State of Washington.

TITLE VI—DEFICIT REDUCTION REQUIREMENT

SEC. 601. DEFICIT REDUCTION REQUIREMENT.

(a) CONGRESSIONAL FINDING.—The Congress finds that this Act would lead to a reduction in the deficit and, pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts (both increases and decreases) provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) PRESIDENTIAL DETERMINATION.—None of the preceding sections of this Act shall take effect unless the President makes a determination and notifies the Congress that this Act would reduce the deficit cumulatively for fiscal years 1991 through 1996; and, notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless the President submits a written designation of all direct spending amounts (both increases and decreases) provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. DOLE. Mr. President, let me first indicate that in accordance with the agreement which was entered into on Friday, without objection from anyone, between the hours of 3 and 6 there will be time if anybody else has other amendments they wish to offer to this unemployment compensation proposal. I would hope if there are any amendments on either side they could be offered between those times so we could start voting at 7 and not be here until 9, 10, 11 tonight considering additional amendments. If we could consider all the amendments between now and 7 and then start voting at 7 on one, two, three or four amendments, if we could complete the business of the Senate today sometime between 7 and 7:30—and I know that is the view shared by the distinguished majority leader, because I have had an opportunity to visit with him earlier this morning.

So I just urge my colleagues on this side, if you have additional amendments in addition to the so-called Dole amendment and the so-called Gramm amendment, please try to debate those amendments between 3:30 and 6 so we can start voting and end the evening at a fairly reasonable hour.

Mr. President, a very important debate will occur today—a debate that is critically important to a lot of people.

It is important to those who are unemployed and whose regular benefits under the unemployment insurance system have or will run out. The one thing I agree with my colleagues on the other side of the aisle on is that something should be done for the unemployed worker. It is nothing short of a tragedy when someone wants to work and cannot find a job—a tragedy for that man or woman, for their children, for their families.

But this debate is also important to other individuals—something I think the proponents of the so-called Bentsen bill have forgotten. This debate is important for all Americans, their children, and their grandchildren for the issues in the Bentsen legislation go far beyond extended benefits for the unemployed.

The issues hit upon such critical questions as whether last year's budget agreement should be maintained and whether the Federal deficit—already of staggering proportions—should be burdened with another $6 billion in debt. The question that every Senator in this Chamber should be asking him or herself is whether it is good for America—those who are working and those who are not working—to say Congress has no budget discipline—Congress does not care how big the Federal deficit grows.

Contrary to my colleagues on the other side of the aisle, this Senator does care about such issues and that is why I, along with Senators DOMENICI, ROTH, LUGAR, SIMPSON, DURENBERGER, and others, are offering an alternative which provides help to the unemployed without mortgaging the future of all Americans.

DOLE-DOMENICI-ROTH ALTERNATIVE

Let me say up front, Mr. President, that while our bill may not be as generous as the Bentsen bill, it is a responsible piece of legislation that gets benefits to those who need them without running up the deficit. If the issue was merely who could provide the biggest package of benefits, I would have offered a bill with 25, 30, or 35 weeks of benefits. Under that analysis, I would win. But, unfortunately, as under the Bentsen bill, America would lose.

TWO-TIER PROGRAM

Our bill establishes a two-tier extended benefits program providing 6 weeks for all States and 10 weeks in those States with an insured unemployment rate or IUR—adjusted to include exhaustees—of 5 percent or more.

Similar to the Bentsen proposal, these benefits are 100 percent federally funded and would be payable over the 9-month period beginning the first week in October and ending June 1992. In addition, this proposal provides for a reachback in States qualifying for 10 weeks of extended benefits to include those who have exhausted their benefits since April 1991.

Finally, Mr. President, the proposal ensures parity of treatment between military and civilian workers. The Bentsen proposal ups benefits for all military personnel whether they have voluntarily or involuntarily left their jobs. Our proposal ups benefits for those military personnel who, through no fault of their own, have lost their jobs but, unlike the Bentsen bill, does not reward those who choose to retire or not to reenlist.

BILL PAYS FOR ITSELF

As I have already discussed this morning, the cornerstone of our proposal is that it pays for itself.

The discipline of the budget agreement requires that new programs be paid for and in developing our proposal we have stuck by those rules.

Financing is provided through two mechanisms. First, an auction of frequencies reallocated from Federal Government users to the FCC for distribution to private sector users. And second, by certain reforms to the student loan collection process.

SPECTRUM AUCTION

On the spectrum auction, $1.2 billion comes from the auction of frequencies owned but not needed by the Federal Government. There is a lot of misinformation out there and I want to make perfectly clear that this bill is not a fee and only affects new communications use. It has absolutely no effect on current frequency users or renewals of spectrum licenses. In addition, exemptions are provided for broadcasters, small businesses, Federal, State, and local government users, public safety services, private radio end users, users displaced by the Emerging Technologies Act, amateur operators, public radio and television, and radio astronomy.

It is a fair approach and an approach that captures for the Public Treasury the values of these frequencies that historically have been a giveaway to the rich.

STUDENT LOAN COLLECTION REFORMS

The second piece of the funding comes from certain modest reforms to the collection process for student loans which raises $1.9 billion. This bill would permanently extend a provision of law set to expire in January 1994 which permits the IRS to reduce the amount of any Federal refund due to a taxpayer by the amount of debt owed. While the provision applies to all nontax debt owed to Federal agencies, a substantial portion of the savings are associated with the Guaranteed Student Loan Program where default costs are estimated between $3 to $3.6 billion.

In addition, other fundamental reforms would be made including requiring credit checks on borrowers under the age of 21 and the inclusion of so-called confess judgment language in all promissory notes to simplify the collection process.

NO SEQUESTER

One issue that I want to clear up some confusion on is the question of a sequester. Let me make it loud and clear: no sequester is produced under this legislation. Language is contained in the bill expediting the auction process with the effect that approximately $1.21 billion is scored in fiscal year 1992. Combined with receipts from the guaranteed student loan reforms, this bill results in a deficit offset of $25 million in fiscal year 1992.

BENTSEN BILL IS A BUDGET BUSTER

Mr. President, now that I have described my bill, I just want to briefly highlight some comparisons with the so-called Bentsen bill.

The biggest flaw of that proposal is that it is a budget buster. It looks the budget agreement squarely in the eye and says:

Those rules do not matter anymore;

The Federal deficit does not matter anymore;

Requiring the U.S. Treasury to sell $6 billion more in public debt does not matter anymore.

Mr. President, it is this Senator's opinion—and I have said it often—that the worst message that Congress could send right now is that the budget agreement and the deficit do not matter. If we send that message, I can assure my colleagues—as Federal Reserve Chairman Greenspan has warned, that long-term interest rates will rise choking off business growth and producing more unemployment.

STRUCTURAL PROBLEMS WITH BENTSEN BILL

Mr. President, the Bentsen program of extended benefits is also cumbersome and costly to implement. History has shown that four-tier programs are hard for the States to administer and this one will be no different.

In addition, the proposal uses the total unemployment rate as the trigger for extended benefits which in this Senator's opinion makes no sense. TUR has never been used in the two decade history of extended benefit programs to trigger benefits. TUR is only available on a current basis for 11 States and its application to the 39 remaining States in an extended benefit program is suspect at best. TUR counts groups who are not and should not be served by an extended benefit program and its use would inevitably lead to the wasteful and inefficient disbursement of Federal funds.

DIAL 1-800-D-E-F-I-C-I-T

Mr. President, I urge all of my colleagues to carefully review the two proposals and to pick the best one. President Bush has looked at the proposals and said he would sign our bill. If the debate here is really about getting additional benefits to unemployed workers, then every Senator should support the Dole/Domenici/Roth package.

It is a responsible package that provides additional benefits for unemployed Americans. It pays for itself and rather than increasing the deficit, it produces deficit reduction of $1.2 billion over 5 years.

Compare this with the so-called Bentsen proposal. We have heard a lot of speeches on the other side of the aisle about emergencies. Unfortunately, instead of dialing 911, my colleagues have dialed 1-800-DEFICIT. I think all Americans would agree that the last thing this country needs is $6 billion more added to the Federal deficit.

Mr. President, I will take 2 or 3 more minutes now and I will come back between the hours of 3:30 and 6 to debate our program further.

Mr. President, this is a very important vote today. It is an important vote to a lot of people. There are a lot of people, as everybody will agree, who have lost jobs, who are out of work. They have families, they have no other income, they have no place to go, and they are looking to Congress for extended benefits.

So this is a very important debate for those who are unemployed and whose regular benefits under the employment insurance system have or will run out.

I think we are in agreement. There is no disagreement on either side of the aisle that we ought to do something for the unemployed worker. I think I can say without any reservation that is also the view of the President of the United States. It is nothing short of a tragedy when someone wants to work and cannot find a job, a tragedy for that man or woman, and for their children and for their families. But this debate is also about something else, something I think some of my friends have forgotten.

This debate is important for all Americans, their children and their grandchildren, for the issues in the legislation offered on the other side go far beyond the extended benefits for the unemployed.

So when we look at one side we see the children of the unemployed. If we look at the other side, if you want to break the budget by $5.8 billion, we see all the children of America, all the grandchildren, and all the others who someday are going to have to pay off this added $5.8 billion to the deficit.

So we have to make a judgment. We have to make a decision. And it seems to me that what we have attempted to do—what we have attempted to do on this side of the aisle—is come forth with a couple of ideas, one which will be discussed by the distinguished Senator from Texas [Mr. GRAMM] and others who are sponsoring that proposal as I am.

My proposal, the so-called Dole proposal, discussed by myself, the Senator from New Mexico [Mr. ROTH] and others who support it, we believe will offer a couple of good opportunities. One is called a growth package, the Gramm proposal. Ours does not have the growth factor, but we pay for it. It is not quite as generous, obviously, as the proposal on the other side, but we pay for it. I think that is being fairly generous to future taxpayers and future generations.

So we do care about the issue. It is not as generous. In fact, we have been looking for ways to make it even more generous. Can we find other ways to add additional weeks? We go up for 6 weeks for everyone, 10 weeks for some, as opposed to 7, 13, or 20 weeks in the other proposal.

But the bottom line is, we are looking around. By 5 o'clock today we may be able to raise that to 12 weeks. Maybe not. Maybe we cannot find the money.

There are a lot of similarities in the two proposals. I guess the big difference is the cost and whether it is paid for. I guess even the greater difference is which one will President Bush sign. President Bush will sign this proposal, the so-called Dole-Domenici-Roth proposal. President Bush will veto this proposal, the so-called Bentsen proposal. And I have the highest regard for my chairman and the Senator from Texas [Mr. BENTSEN] but the truth of the matter is President Bush is going to veto this and the veto is going to be sustained.

Then we ask ourselves: What have we done for the unemployed? Zero. Then we have to make some judgment whether we can come up with a program that we can pay for, that will help the unemployed and their children and their grandchildren, but also keeping in mind the future generations that are going to be shafted if we carry out what we think may happen later today.

So without getting into all the details, which are well known, it seems to me we need to focus on the one issue. A lot of us fell on our swords and voted for a budget agreement. Maybe later today I can recall some of the statements made on the floor trying to get that budget agreement passed. There were solemn pledges made by some of us that we were going to stick with that budget agreement. It was pretty hard to come by, pretty hard to get a majority of the votes. In fact, on the House side, they had to go back a second time; we had to water it down to get the votes.

It just seems to this Senator if we break the budget now, why should we not break it again next week?

Also at a later time I want to address what I hear coming from the other side: President Bush cares about the Kurds, he cares about the people in Bangladesh, he cares about the Israelis, Egyptians, Turks, whatever, but he does not care about Americans. We will provide for the record precisely where that aid money came from, and we will also provide, I hope, information that indicates it is pretty widely supported by Republicans and Democrats in nearly every case.

So there are a lot of straw men being tossed out there. I hope we do not get engaged in politics. There may be a chance to compromise this. We might even do this today. This Senator is willing to do it. I think others are willing to do it. But if not today, then maybe next week.

So, Mr. President, I will be discussing it in greater detail later today. But I want to make one final point. There have been some saying if you adopt the so-called Dole-Domenici-Roth proposal there is going to be a sequester. I do want to clear up the confusion on that issue.

There is no sequester produced under the legislation that I have sent to the desk.

The language that is contained in the bill expediting the auction process with the effect to approximately $1.21 billion is scored in fiscal year 1992. Combined with receipts from the guaranteed student loan reforms, this bill results in a deficit offset of $25 million in fiscal year 1992. So we believe we have taken care of any concerns of that kind.

So, I just say the Federal deficit does matter. Requiring the U.S. Treasury to sell $6 billion more in public debt does matter. It seems to me we ought to send the right signal to the people across America: Once we make an agreement, tough as it is, hard as it is to live by, we are going to stick to it.

Mr. President, I thank my colleague from Texas and I yield the floor.

The PRESIDING OFFICER. Who yields time? The senior Senator from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. President, I certainly share the latter regard with the distinguished Republican leader and understand his concern. I have had an opportunity to look at his amendment as it was previously structured. I am confident it would have called for a sequester if it had taken effect. I have assumed from what he has said he has come closer to my amendment. If so, I congratulate him for it.

Mr. President, last month the Congress overwhelmingly supported the Finance Committee bill that provided up to 20 weeks of benefits for long-term unemployed workers who had exhausted their benefits. The President signed the bill, but he declined to free the money for it.

Actually, employers paid into the unemployment fund almost $8 billion for the specific purpose of paying extended unemployment benefits. We saw an incredible situation where the fund continued to build up as unemployment increased. Obviously, the current program is not working.

So what we are talking about in this legislation is using the total unemployment rate to trigger benefits. This rate measures a State's labor market, where it is more difficult to get a job. It is a much more realistic approach than using a rate that just counts those who are insured and have lost their jobs.

Mr. President, in refusing to release those funds from the unemployment trust fund, talked about the improvements in the economy and what was taking place there. The American people would like to believe that. Unemployed workers would like to believe that. But they just cannot afford to, from what they have seen.

The blue chip forecast talks about an increase in GNP of some 2.5 to 3 percent. This is not what we have seen in the recoveries from the last two recessions, where it has gone up from 6 to 7 percent. This is muddle recovery. And one of the realities of life is that you do not see unemployment peaking until 6 to 8 months after a recession begins to turn around and we begin to see a serious recovery.

Last week, the Federal Reserve reduced the discount rate to 5 percent. That is the lowest rate since February 1973. Why did they do it? Because they are concerned about this recession, because they have not seen the kind of reaction that they want, and they are really not sure when it is going to turn around.

GNP estimates for the second quarter of 1991 have been revised downward from a positive four-tenths of 1 percent to a negative one-tenth of 1 percent. Labor markets are growing weaker. In August, total civilian employment dropped to 116.4 million. That is the lowest level in nearly 3 years. At the same time, the economy lost 300,000 jobs, and that is on top of the 172,000 that were lost last July.

So discouraged Americans are dropping out of the work force in increasing numbers. In the last 2 months, the labor force has fallen by 750,000 people as discouraged workers abandon their search for new jobs.

The capacity of the Nation's extended benefits program to respond to the need of unemployed workers continues to decline. In fact, it approaches a condition of paralysis. The only State now where unemployed workers qualify for extended benefits is Rhode Island, and that affects about 5,000 workers. Meanwhile, the Department of Labor actuary estimates the number of workers who exhaust their regular benefits will go to 3.4 million in fiscal year 1992, and that is up from 3.1 million in 1991. In July alone, some 318,000 workers exhausted their regular benefits without being able to qualify for further aid.

In sum, let me say to those Senators who overwhelmingly supported the bill in August, the case is even more compelling in September.

When the President refused to release those funds, there was no doubt in my mind that the President was advised he would shortly have new labor market numbers that would justify his position. But the deterioration over the last month happens to give him pause.

As the senior financial economist for DRI/McGraw Hill commented last week, "The recovery is progressing but slowly. It still has a ball and chain on its foot."

Mr. President, this ball and chain is causing enormous pain for American workers, whether they live in Port Isabel, TX, or in Detroit, MI.

When the economy recovers, these workers will be back at the job contributing to the economy and paying taxes like everybody else. But in the short-term, they need help.

Mr. President, I hope the Senate will respond to the needs of unemployed Americans and we will join together in enacting S. 1722 as promptly as possible.

Mr. President, we will continue this debate as we get to 3:30 and to 6 o'clock this afternoon. But in the meantime, I see my distinguished friend, the other Senator from Texas, is prepared to offer his amendment.

I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. Who yield time? The Chair recognizes the junior Senator from Texas [Mr. GRAMM].

AMENDMENT NO. 1187

Mr. GRAMM. Mr. President, I yield myself such time as I might need.

Mr. President, I send an amendment to the desk. The amendment is titled the Emergency Economic Growth Act. I send it up on behalf of myself, Senator KASTEN, Senator WALLOP, Senator MACK, Senator SMITH, Senator CRAIG, Senator HATCH, and Senator DOLE. I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to laying aside the Dole amendment to consider the Gramm amendment at this time? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself, Mr. KASTEN, Mr. WALLOP, Mr. MACK, Mr. SMITH, Mr. CRAIG, Mr. HATCH, and Mr. DOLE, proposes an amendment numbered 1187.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert:

TITLE —EMERGENCY ECONOMIC GROWTH ACT

SECTION 00. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Emergency Economic Growth Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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Subtitle A—Investment and Job Creation Incentives

PART I—REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS

SEC. 01. REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
5-year gain	10
5-year gain	20
3-year gain	50.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after April 15, 1991.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1933.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS AFTER APRIL 15, 1991, AND BEFORE 1992.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning in April 15, 1991, and ending on December 31, 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1992.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

"(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 1 is hereby repealed.

(2) Section 12 is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(3) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(4) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(5)(A) Section 170(e)(1)(B) is amended by inserting "(or, in the case of a taxpayer other than a corporation, the nondeductible percentage of the amount of gain)" after "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b)."

(6)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(7)(A) Section 221 (relating to cross reference) is amended to read as follows:

SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gain, see section 1201.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(8) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(9) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(10) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)" before the period at the end thereof.

(11) Paragraph (4) of section 691(c) is amended by striking "1(h),".

(12) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(13)(A) Subparagraph (B) of section 904(b)(2) is amended by striking out so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULES WHERE CORPORATE CAPITAL RATE GAIN DIFFERENTIAL.—In the case of a corporation, for any taxable year for which there is a capital gain rate differential—".

(B) Subparagraphs (D) and (E) of section 904(b)(3) are amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).

"(E) RATE DIFFERENTIAL PORTION.—The rate differential portion of foreign source net capital gain, net capital, or the excess of net capital gain from sources within the United States over net capital gain, as the case may be, is the same proportion of such amount as—

"(i) the excess of the highest rate of tax specified in section 11(b)(1) over the alternative rate of tax under section 1201(a), bears to

"(ii) the highest rate of tax specified in section 11(b)(1)."

(14) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Deduction for capital gains."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after April 15, 1991.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after April 15, 1991.

(B) SPECIAL RULE FOR 1991 TAXABLE YEAR.—In case of any taxable year which includes April 15, 1991, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(h) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. 02. PREVENTION OF EXCESSIVE DEDUCTION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188 (as in effect before its repeal by the revenue Reconciliation Act of 1990), 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

"(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

"(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Economic Growth and Jobs Creation Incentives Act of 1991", and

"(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

"(c) CONFORMING AMENDMENTS—

"(1) Subparagraph (E) of section 1250(d)(4) is amended—

"(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

"(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

"(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Economic Growth Act of 1991)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of section 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and.

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Economic Growth and Dividend Act of 1991)."

"(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after April 15, 1991, in taxable years ending on or after such date.

PART II—INFLATION ADJUSTMENT FOR INVESTMENTS

SEC. 11. INDEXING OF CERTAIN INVESTMENTS AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) IN GENERAL.—Pat II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF INVESTMENTS ACQUIRED AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(B)) and the holding period of which begins after April 15, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(i) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(ii) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(ii). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of investments acquired after April 15, 1990 for purposes of determining gain."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments

made by this section shall apply to dispositions of any property the holding period of which begins after April 15, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after April 15, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

PART III—ENTERPRISE ZONES

Subpart A—Designation

SEC. 21. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1991.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban Development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

"(E) the area meets at least one of the following criteria :

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement, prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"Subchapter D. Designation of enterprise zones.".

SEC. 22. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. 23. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this Act) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 of such Code shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Subpart B—Federal Income Tax Incentives

SEC. 31. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.

"Sec. 1392. Credit for enterprise zone employees.

"Sec. 1393. Enterprise zone capital gain.

"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of subtitle C of title II of the Economic Growth Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal Government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collection (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with the respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate application under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidence of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchaper C of this chapter to the contrary.—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCES.—

For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a).".

(c) CLERICAL AMENDMENT.—The table of subchapter for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 32. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISES ZONE CAPITAL GAIN.—Clause (i)) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income.".

(b) INDIVIDUALS.—Section 56(b) (relating to adjustments to the alernative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e)).".

SEC. 33. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (14) the following new paragraph:

"(15) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394.".

SEC. 34. EFFECTIVE DATE.

The amendments made by this subpart shall apply to taxable years ending after December 31, 1990.

Subpart C—Regulatory Flexibility

SEC. 41. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code).".

SEC. 42. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request or waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefore and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 of the following new item:

"611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611)" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 43. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local cordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Subpart D—Establishment of Foreign Trade Zones in Enterprise Zones

SEC. 51. FOREIGN-TRADE ZONE PREFERENCES.

(a) Preference in Establishment of Foreign-Trade Zones in Revitalization Areas.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) Application Procedure.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) Application Evaluation.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Subpart E—Repeal of Title VII of the Housing and Community Development Act of 1987

SEC. 61. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

PART IV—HEALTH INSURANCE COSTS OF SELF-EMPLOYED

SEC. 65. DEDUCTION FOR HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS MADE PERMANENT.

(a) In General.—Section 162(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking paragraph (6).

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1991.

PART V—RESEARCH AND EXPERIMENTATION CREDIT EXTENDED

SEC. 71. RESEARCH AND EXPERIMENTATION CREDIT EXTENDED.

(a) In General.—Section 41(h) of the Internal Revenue Code of 1986 (relating to termination) is amended—

(1) by striking "1991" each place it appears and inserting "1992", and

(2) by striking "1992" each place it appears and inserting "1993".

(b) Conforming Amendment.—Section 28(b)(1)(D) of the Internal Revenue Code of 1986 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking "1991" and inserting "1992".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle B—Savings Incentives

PART I—INDIVIDUAL RETIREMENT PLUS ACCOUNTS

SEC. 81. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) In General.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) General Rule.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) Individual Retirement Plus Account.—For purposes of this title, the term "individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) Contribution Rules.—

"(1) No deduction allowed.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) Contribution limit.—

"(A) In general.—Except in the case of rollover contributions, the aggregate amount which may be acceped as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 increase after 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) Special rule for married individuals.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) Contributions after age 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) Limitations on rollover contributions.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) Distribution Rules.—For purposes of this title—

"(1) In general.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) Treatment of qualified distribution.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) Qualified distribution.—For purposes of this subsection—

"(A) In general.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) Distributions within 5 years.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) Special rules relating to rollovers from regular individual retirement accounts.—

"(A) In general.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) Treatment of tax-favored amounts.—

"(i) In general.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) Time for inclusion.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) Rollover Contributions.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) Determinations.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) Conforming Amendment.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

PART II—PRIME ACCOUNTS

SEC. 82. ESTABLISHMENT OF PRIVATE RETIREMENT INCENTIVES MATCHED BY EMPLOYERS.

(a) In General.—Section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) Prime Accounts.—

"(1) In general.—For purposes of this title, the term 'prime account' means an individual retirement plan—

"(A) with respect to which the requirements of paragraphs (3), (4), and (5) are met; and

"(B) with respect to which the only contributions allowed are contributions under a qualified salary reduction arrangement.

"(2) Qualified salary reduction arrangement.—

"(A) In general.—For purposes of this subsection, the term 'qualified salary reduction arrangement' means a written arrangement of an eligible employer under which—

"(i) an employee may elect to have the employer make payments—

"(I) as elective employer contributions to the prime account on behalf of the employee, or

"(II) to the employee directly in cash,

"(ii) the amount which an employee may elect under clause (i) for any year is required to be expressed as a percentage of compensation and may not exceed a total of $3,000 for any year, and

"(iii) the employer—

"(I) is required to make a matching contribution to the prime account for any year in an amount equal to so much of the amount the employee elects under clause (i)(I) as does not exceed 3 percent of compensation, and

"(II) may make no other matching contribution.

"(B) Eligible employer.—For purposes of this subsection, the term 'eligible employer' means an employer who normally employs fewer than 100 employees on any day during the year.

"(C) Arrangement may be only plan of employer.—

"(i) In general.—An arrangement shall not be treated as a qualified salary reduction arrangement for any year if the employer (or any predecessor employer) maintained a qualified plan with respect to which contributions were made, or amounts were accrued, for any year in the period beginning with the year such arrangement became effective and ending with the year for which the determination is being made.

"(ii) Service credit.—A qualified plan maintained by an employer shall provide that, in computing the accrued benefit of any employee, no credit shall be given for service during a year for which such employee was eligible to participate in a qualified salary reduction arrangement of such employer.

"(iii) Qualified plan.—For purposes of this subparagraph, the term 'qualified plan' means a plan, contract, pension, or trust described in subparagraph (A) or (B) of section 219(g)(5).

"(D) No fee or penalty on employee's initial investment determination.—An arrangement shall not be treated as a qualified salary reduction arrangement unless it provides that no fee or penalty will be imposed on an employee's initial determination with respect to the investment of any contribution.

"(3) Vesting requirements.—The requirements of this paragraph are met with respect to a prime account if the employee's rights to any contribution to the prime account are nonforfeitable. For purposes of this paragraph, the rules of subsection (k)(4) shall apply.

"(4) Participation requirements.—The requirements of this paragraph are met with respect to any prime account for a year only if, under the qualified salary reduction arrangement, all employees of the employer who are reasonably expected to work at least 1,000 hours during such year are eligible to make the election under paragraph (2)(A)(i).

"(5) Administrative requirements.—The requirements of this paragraph are met with respect to any prime account if, under the qualified salary reduction arrangement—

"(A) an employer must make the elective employer contributions under paragraph (2)(A)(i) and the employer matching contributions under paragraph (2)(A)(iii) not later than the close of the 30-day period following the last day of the month with respect to which the contributions are to be made,

"(B) an employee may elect to terminate participation in such arrangement at any time during the year, except that if an employee so elects, the employee may not elect to resume participation until the beginning of the next year, and

"(C) each employee eligible to participate—

"(i) may elect, during the 60-day period before the beginning of any year, to participate in the arrangement, or to modify the amounts subject to such arrangement, for such year, and

"(ii) may elect, within 30 days of commencing employment during any year, to participate in the arrangement.

"(6) Definitions.—For purposes of this subsection—

"(A) Employee.—The term 'employee' includes an employee as defined in section 401(c)(1).

"(B) Year.—The term 'year' means the calendar year."

(b) Prime Accounts Not Treated as Pension Plans.—Notwithstanding any other provision of law, a prime account or qualified salary reduction arrangement under section 408(p) of the Internal Revenue Code of 1986 shall not be treated as an employee benefit plan or pension plan for purposes of the Employee Retirement Income Security Act of 1974.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1991.

SEC. 83. TAX TREATMENT OF PRIME ACCOUNTS.

(a) DEDUCTIBILITY OF CONTRIBUTIONS.—

(1) Section 219(b) of the Internal Revenue Code of 1986 (relating to maximum amount of deduction) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL RULE FOR PRIME ACCOUNTS.—This section shall to apply with respect to any amount contributed to a prime account established under section 408(p)."

(2) Section 219(g)(5)(A) of such Code (defining active participant) is amended by striking "or" at the end of clause (iv) and by adding at the end thereof the following new clause:

"(vi) any prime account (within the meaning of section 408(p)), or".

(b) CONTRIBUTIONS AND DISTRIBUTIONS.—

(1) Section 402 of such Code (relating to taxability of beneficiary of employees' trust) is amended by adding at the end thereof the following new subsection:

"(k) TREATMENT OF PRIME ACCOUNTS.—The rules of paragraphs (1) and (3) of subsection (h) shall apply to contributions and distributions with respect to a prime account under section 408(p)."

(2) Section 408(d)(3) of such Code is amended by adding at the end thereof the following new subparagraph:

"(G) PRIME ACCOUNTS.—This paragraph shall not apply to any amount paid or distributed out of a prime account (as defined in section 408(p)) unless it is paid into another prime account."

(3) Clause (i) of section 457(c)(2)(B) of such Code is amended by striking "section 402(h)(1)(B)" and inserting "section 402(h)(1)(B) or (k)".

(c) PENALTIES.—

(1) EARLY WITHDRAWALS.—Section 72(t) of such Code (relating to additional tax in early distributions) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULES FOR PRIME ACCOUNTS.—In the case of any amount received from a prime account (within the meaning of section 408(p)) during the 3-year period beginning on the date such individual first participated in any qualified salary reduction arrangement maintained by the individual's employer under section 408(p)(2), paragraph (1) shall be applied by substituting "25 percent' for '10 percent'."

(2) FAILURES TO REPORT.—Section 6693 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) PENALTIES RELATING TO PRIME ACCOUNTS.—

"(1) EMPLOYER PENALTIES.—An employer who fails to provide 1 or more notices required by section 408(l)(2)(C) shall pay a penalty of $100 for each day on which such failures continue.

"(2) TRUSTEE PENALTIES.—A trustee who fails—

"(A) to provide 1 or more statements required by the last sentence of section 408(i) shall pay a penalty of $100 for each day on which such failures continue, or

"(B) to provide 1 or more summary descriptions required by section 408(l)(2)(B) shall pay a penalty of $100 for each day on which such failures continue."

(d) REPORTING REQUIREMENTS.—

(1)(A) Section 408(l) of such Code is amended by adding at the end thereof the following new paragraph:

"(2) PRIME ACCOUNTS.—

"(A) NO EMPLOYER REPORTS.—Except as provided in this paragraph, no report shall be required under this section by an employer maintaining a qualified salary reduction arrangement under subsection (p).

"(B) SUMMARY DESCRIPTION.—The trustee of any prime account established pursuant to a qualified salary reduction arrangement under subsection (p) shall prepare, and provide to the employer maintaining the arrangement, each year a description containing the following information.

"(i) The name and address of the employer and the trustee.

"(ii) The requirements for eligibility for participation.

"(iii) The benefits provided with respect to the arrangement.

"(iv) The time and method of making elections with respect to the arrangement.

"(v) The procedures for, and effects of, withdrawals from the arrangement.

"(C) EMPLOYEE NOTIFICATION.—The employer shall notify each employee immediately before the period for which an election described in subsection (p)(5)(C) may be made of the employee's opportunity to make such election. Such notice shall include a copy of the description described in subparagraph (B)."

(B) Section 408(1) of such Code is amended by striking "An employer" and inserting—

"(1) IN GENERAL.—An employer".

(2) Section 408(i) of such Code is amended by adding at the end the following new flush sentence:

"In the case of a prime account under subsection (p), only one report under this subsection shall be required to be submitted to the Secretary (at the time provided under paragraph (2)) but, in addition to the report under this subsection, there shall be furnished, within 30 days after each calendar quarter, to the individual on whose behalf the account is maintained a statement with respect to the account balance as of the close of, and the account activity during, such calendar quarter."

(e) CONFORMING AMENDMENTS.—

(1) Section 280G(b)(6) of such Code is amended by striking the "or" at end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", or" and by adding after subparagraph (C) the following new subparagraph:

"(D) a prime account described in section 408(p)."

(2) Section 402(g)(3) of such Code is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by adding after subparagraph (C) the following new subparagraph:

"(D) any employer contribution under section 408(p)(2)(A)."

(3) Subsections (b) and (c) of section 414 of such Code are each amended by inserting "408(p)," after "408(k),".

(4)(A) Section 415(a)(2) of such Code is amended by striking "or" at the end of subparagraph (B), by inserting "or" at the end of subparagraph (C), and by adding after subparagraph (C) the following new subparagraph:

"(D) a prime account described in section 408(p)."

(B) Section 415(a)(2) of such Code is amended—

(i) by striking "or pension" and inserting "pension, or account", and

(ii) by striking "or 408(k)" and inserting "408(k), or 408(p)".

(C) The second last sentence of section 415(c)(2) of such Code is amended—

(i) by inserting a comma after "408(d)(3))", and

(ii) by inserting ", and without regard to contributions to a prime account which are excludable from gross income under section 408(p)" after "408(k)(6)".

(D) Section 415(e)(5) of such Code is amended by inserting "or prime account" after "simplified employee pension".

(E) Section 415(k)(1) of such Code is amended by striking "or" at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting ", or", and by inserting after subparagraph (F) the following new subparagraph:

"(G) a prime account described in section 408(p)."

(5) Section 4972(d)(1)(A) of such Code is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding after clause (iii) the following new clause:

"(iv) any prime account (within the meaning of section 408(p))."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle C—Homeownership Incentives

PART I—FIRST-TIME HOMEBUYERS TAX CREDIT

SEC. 086. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $1,000.

"(b) INCOME LIMITATIONS.—

"(1) IN GENERAL.—No credit shall be allowed under subsection (a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) PHASE-DOWN OF CREDIT.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' has the meaning given to such term by section 408A(e)(3)(E)(ii).

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) TREATMENT OF MARRIED INDIVIDUALS.—The adjusted gross income of any individual for any taxable year shall include the ad-

adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase."

"(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

PART II—PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS

SEC. 87. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by title II) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(T).—SECTION 72(T) SHALL NOT APPLY TO ANY DISTRIBUTION WHICH WOULD BE A QUALIFIED DISTRIBUTION BUT FOR THE LIMITATIONS OF SUBPARAGRAPH (A).

"(3) DISTRIBUTIONS FROM IRA ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(ii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and.—

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(I) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distribution to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle D—Work Incentives

PART I—REDUCTION IN SOCIAL SECURITY PENALTY ON WORKING ELDERLY

SEC. 91. PHASED-IN INCREASES IN THE EARNINGS TEST OVER THE PERIOD 1992-1997 FOR INDIVIDUALS WHO HAVE ATTAINED NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Subparagraph (D) of section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended to read as follows:

"(D)(i) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be—

"(I) for each month of the taxable year ending after 1991 and before 1993, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000.

"(II) for each month of the taxable year ending after 1992 and before 1994, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(III) for each month of the taxable year ending after 1993 and before 1995, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(IV) for each month of the taxable year ending after 1994 and before 1996, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(V) for each month of the taxable year ending after 1995 and before 1997, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(VI) for each month of the taxable year ending after 1996 and before 1998, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(ii) For purposes of subparagraph (B)(ii)(II), the increase in the exempt amount provided under clause (i)(VI) shall be deemed to have resulted from a determination which shall be deemed to have been made under subparagraph (A) in 1996.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after 1991.

SEC. 92. TRANSFERS TO TRUST FUNDS.

(A) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in social security benefits payable from such fund which is attributable to the amendment made by section 401.

(b) TRANSFERS.—The amounts appropriated by subsection (a) to a payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such subsection. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) DEFINITIONS.—For purposes of this section—

(1) PAYOR FUND.—The term "payor fund" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(2) SOCIAL SECURITY BENEFITS.—The term "social security benefits" means any amount received by a person by reason of entitlement to monthly benefits under title II of the Social Security Act.

(d) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services on—

(1) the transfers made under this section during the year, and the methodology used in determining the amount of such transfers and the payor funds to which made, and

(2) the anticipated operation of this section during the next 5 years.

SEC. 93. STUDY TO DETERMINE IMPACT OF TOTAL REPEAL.

(a) STUDY.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall undertake in 1997 a study for the purpose of determining whether further amendments relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act are necessary or appropriate. Such study shall be conducted in full consultation with the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce shall provide the Secretary with such appropriate assistance and information requested by the Secretary as the Secretary considers necessary and appropriate to carry out the study under this section.

(b) SPECIFIC MATTERS TO BE STUDIED.—

(1) IN GENERAL.—The Secretary, in carrying out the study provided for in this section, shall address, analyze, and report specifically on various effects—

(A) which have resulted from the amendment made by section 401, and

(B) which would reasonably be expected to result from repeal, effective with respect to taxable years ending after calendar year 1997, of the provisions relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act.

The Secretary shall include in the report any other information which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to deductions on account of work and the exempt amount.

(2) EFFECTS TO BE INCLUDED IN STUDY.—The effects referred to in paragraph (1) shall include—

(A) the effect on numbers in the workforce, by category of income;

(B) the effect on the purchasing power of members of the workforce, expressed in constant dollars;

(C) the effect on the working elderly with wage or salary income at or below the national average wage level;

(D) the short-term and long-term effect on the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund;

(E) the effect on the Federal budget; and

(F) the effect on the national economy.

(c) REPORTS.—The Secretary shall submit to each House of the Congress, not later than November 1, 1997, a final report of the findings of such study.

PART II—ECONOMIC GROWTH DIVIDEND

SEC. 94. USE OF ECONOMIC GROWTH DIVIDEND.

(a) GENERAL RULE.—If the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, such dividend shall be used to increase the amount of the personal exemptions as provided in section 412.

(b) ECONOMIC GROWTH DIVIDEND.—For purposes of this Act—

(1) there is an economic growth dividend for any fiscal year if the Secretary determines that the real growth in the gross national product during such fiscal year was at a rate in excess of 3 percent, and

(2) the amount of the economic growth dividend for such fiscal year is the amount which the Secretary estimates will be the annual increase in Federal tax receipts resulting from the real growth in the gross national product during such fiscal year at a rate in excess of 3 percent.

Determinations under the preceding sentence shall be made before the close of the calendar year in which the fiscal year ends.

(c) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, subsection (b) shall be applied by substituting for "3 percent" each place it appears the estimated rate of real growth in the gross national product for such fiscal year as set forth in the President's budget submission for such fiscal year under section 1105 of title 31, United States Code.

SEC. 95. INCREASE IN AMOUNT OF PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—If the Secretary determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, the amount of the exemption amount for taxable years beginning after the close of the calendar year in which such fiscal year ends shall be increased by an amount which the Secretary estimates will reduce Federal tax receipts for taxable years beginning in the following calendar year by an amount equal to 100 percent of the amount of such economic growth dividend.

(b) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, 50 percent of the economic growth dividend shall be used in accordance with subsection (a), and 50 percent of the growth dividend shall be used to make a downward adjustment in the maximum deficit amount of section 250(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) EXEMPTION AMOUNT.—For purposes of this section, the term 'exemption amount' means the amount which would otherwise be the exemption amount under section 151(d) of the Internal Revenue Code of 1986 before the application of paragraphs (2) and (3) thereof.

(d) INFLATION ADJUSTMENTS.—Any increase determined under this section shall be adjusted for increases in the cost of living under procedures similar to those provided in section 151(d)(4) of such Code.

Subtitle E—Emergency Designation

SEC. 99. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) all appropriations authorized by this Act (for all fiscal years), and all receipts legislation provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years), all appropriations authorized by this Act (for all fiscal years), and all receipts legislation provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. GRAMM. Mr. President, I ask unanimous consent that a summary of the amendment that I have offered, along with an economic estimate of the job impact arising from that amendment and a summary of a State-by-State projection of job creation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Emergency Economic Growth Act to be offered to Emergency Unemployment Compensation Act by Senators Gramm, Kasten, Wallop, and Dole, Sept. 24, 1991

[5-year revenue impact]

	Billion
Subtitle A. Investment and job creation incentives:	
Capital gains rate reduction	+$9.5
Inflation indexing for capital gains	−4.6
Enterprise zones	−1.8
Permanent extension of self employed health care deduction	[1]−1.8
1-yr extension of research and experimentation tax credit	−1.1
Subtitle B. Savings incentives:	
IRA-Plus plan	+13.4
PRIME retirement plans for small businesses	[1]−.1
Subtitle C. Homeownership incentives:	
First-time homebuyer tax credit	−3.9
Penalty-free IRA plus withdrawal for home purchase, higher education and health costs	−1.8
Subtitle D. Work incentives:	
Reduce Social Security penalty on working elderly	−3.1
Economic growth dividend	
Subtitle E. Emergency designation	
Total savings	4.7
Emergency Unemployment Compensation Act of 1991 pays for Democrat plan to extend U.C. benefits	−4.4
Total costs	−.3

[1] CBO scoring.

Note.—OMB-Treasury Dept. Scoring.

THE EMERGENCY ECONOMIC GROWTH ACT OUTLINE

[General Description, Sept. 24, 1991]

SUBTITLE A. INVESTMENT AND JOB CREATION INCENTIVES

The President's capital gains tax cut for individuals. Capital gains on investments held more than three years get a 30 percent exclusion from taxes, assets held more than 2 years get a 20 percent exclusion and assets held more than a year get a 10 percent exclusion. The top capital gains rate would drop to 19.6 percent. Eligible investments include homes, farms, timber, factories, stocks and other capital assets.

Expand inflation adjustment to capital gains. Investments acquired after April 15, 1991 would pay a capital gains tax only on the inflation-adjusted gain.

The President's enterprise zone proposal. Federal tax incentives for employment and investment will be provided in up to 50 designated enterprise zones, at least one third of which would be in rural areas. Zones would have Federal, state and local regulatory relief.

Permanent extension of the self employed health care deduction. Based on Sen. Durenberger's S. 88 which permanently extends the 25 percent credit.

A 1-year extension of the Research and Experimentation Tax Credit. The existing credit is set to expire at the end of 1991.

SUBTITLE B. SAVINGS INCENTIVES

An IRA-Plus program. Individuals will be encouraged to establish and made non-deductible contributions to Individual Retirement Accounts where interest would accumulate, compound and be distributed tax-free. Contributions could be made regardless of income. Existing IRA's could be "rolled over" into the new accounts with payment of tax now, but no tax when withdrawn.

PRIME Retirement Accounts. Employees of small business can make tax deductible contributions to PRIME Accounts, up to $3,000 a year. The contributions would be matched dollar-for-dollar by employers, up to 3 percent of the employees' salary.

SUBTITLE C. HOMEOWNERSHIP INCENTIVES

First-Time Homebuyer Tax Credit. Lower-income singles, working young couples and moderate-income families all will be eligible for a tax credit to help offset the down payment cost for a first-time home purchase. The largest credit would amount to $1,000 for families with incomes of $31,000 or less, and would phase-out by $41,000.

Tax and Penalty free IRA-Plus withdrawal. Tax and penalty free IRA-Plus withdrawals are allowed for first-time home purchase, higher education expenses and medical needs. After 5 years, up to 25 percent of the IRA-Plus account could be withdrawn for these purposes.

SUBTITLE D. WORK INCENTIVES

Raise the Social Security earnings limit. Over 5 years, raise the amount of income (from the current $9,720 to about $17,600 in 1996) that can be earned by the working elderly before they lose Social Security benefits.

An Economic Growth Dividend. Pay to working men and women an economic growth dividend when the economy grows faster than the economic growth forecast established by the budget summit agreement. Additional revenues would automatically and equally fund an increased personal exemption and a reduction in the deficit with a revision downward in the deficit targets. After 1995, all revenues resulting from real economic growth greater than 3 percent would automatically fund an increased personal exemption.

SUBTITLE E. EMERGENCY DESIGNATION

Emergency Designation. Designates all direct spending, appropriations and receipt changes provided by the Emergency Economic Growth Act as emergency requirements, as provided for in sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act.

Presidential Designation. None of the provisions in this Act shall take effect unless the Presidents submits a written designation of these spending, appropriations and tax changes as emergency requirements.

JOBS AND GROWTH RESULTING FROM THE EMERGENCY ECONOMIC GROWTH ACT

An analysis of the Emergency Economic Growth Act has been provided by the Institute for Policy Innovation based in Dallas, Texas. The analysis shows significant job creation, economic expansion and capital stock additions resulting from the plan.

ESTIMATED IMPACT OF THE ECONOMIC GROWTH ACT

	Timeframe—	
	By 1996	By 2000
Additional jobs created	485,000	1,133,000
Additional gross national product (billion)	$329.2	$1,122
Additional capital stock (billion)	$1,217	$2,927

Note.—The study was done by the Institute for Policy Innovation research associates Gary and Aldona Robbins, both former economists with the United States Treasury Department.

THE EMERGENCY ECONOMIC GROWTH ACT—SUMMARIES

SUBTITLE A—INVESTMENT AND JOB CREATION INCENTIVES

Capital Gains Rate Reduction for Individuals

In general: The capital gains tax rate would be reduced by means of a sliding-scale exclusion. Individuals having a net capital gain would be able to exclude a percentage of the gain realized on the disposition of qualified assets held for one, two, or three years. Qualified assets would include any capital assets other than collectibles. The exclusion would be 30 percent for assets held more than three years, 20 percent for assets held more than two years, and 10 percent for assets held more than one year. Assets held more than three years would pay a top tax rate of 19.6 percent on gains from the sale of qualified investments. Prior depreciation would be recaptured at ordinary income rates, and the exclusion is an alternative minimum tax preference.

Effective date and phase-in rules: The proposal would be effective generally for gain taken into account on or after April 15, 1991, and in taxable years ending on or after April 15, 1991. For the balance of 1991, the full 30 percent exclusion would apply to assets held for more than one year. For dispositions in 1992, the 30 percent exclusion would apply to assets held for more than two years, and the 20 percent exclusion would apply to assets held at least one year but not more than two years.

Inflation Indexing of Capital Gains

In general: Individual taxpayers would be allowed to index certain assets for inflation for purposes of computing the amount of gain realized on sale or other disposition. Indexing would be available only for corporate stock and tangible property which is either a capital asset or property used in a trade or business. Indexing would not be available for collectibles, options, preferred stock, and stock of foreign corporations. Taxpayers could not use indexing to produce a loss or increase the amount of a loss. Special rules would help prevent arbitrage through short sales or debt-financing of indexed assets. Special rules would also be provided for pass-through entities.

Effective date: The proposal would be effective for assets acquired after April 15, 1991.

Enterprise Zones

In general: The proposal would provide Federal tax incentives for employment and investment in designated enterprise zones, in conjunction with Federal, state, and local regulatory relief. Up to 50 zones would be selected over a four-year period beginning in 1991. One-third of the zones would be in rural areas, and zone designations would last for 25 years. The Federal tax incentives provided for zones would include an employee credit, a capital gain exclusion, and stock expensing. The employ credit would be equal to 5 percent of wages up to $10,500, and would phase out when the employee earned between $20,000 and $25,000. Any gain accruing on tangible capital assets used in an enterprise zone business would be excluded from income. The stock expensing provision would allow individuals to deduct contributions to the capital of small corporations engaged in an enterprise zone business. A deduction of up to $50,000 per year would be allowed, with a $250,000 lifetime limit.

Effective date: The proposal would apply to taxable years ending after December 31, 1990.

Permanent Extension of the Health Care Deduction for Self Employed

In general: The existing 25 percent deduction for health insurance expenses of self employed individuals is set to expire at the end of 1991. The proposal incorporates the provisions of Senator Durenberger's S. 88 which would permanently extend the 25 percent deduction for health insurance expenses of the self employed.

Effective date: The proposal would apply to taxable years beginning after December 31, 1991.

One-Year Extension of Research & Experimentation Tax Credit

In general: The existing R&E tax credit will expire at the end of calendar 1991. Under the proposal, the credit would be extended until December 31, 1992.

Effective date: The proposal would apply to taxable years beginning after December 31, 1990.

SUBTITLE B—SAVINGS INCENTIVES

Individual Retirement Plus Accounts

In general: An individual would be allowed to establish and make non-deductible contributions to Individual Retirement Plus Accounts. Receipt of funds from a Retirement Plus Account would be tax-free when distributed to the individual after age 59½ or when disabled (or to the individual's beneficiary after the individual's death) provided the funds had been held in the IRA Plus Account for at least 5 years. Through 1996, individuals could make a total of $2,000 of contributions to regular IRAs or to Retirement Plus Accounts. Contributions to Retirement Plus Accounts could be made regardless of income or other retirement plan coverage. After 1996, individuals could make an additional $1,000 of contributions to Retirement Plus Accounts (for a total of $3,000). The proposal would also allow rollover of funds from IRAs into Retirement Plus Accounts before July 1, 1993, although income tax on the original IRA contribution would be imposed over a 4-year period.

Effective date: The proposal would be effective for taxable years beginning after December 31, 1991.

Prime Retirement Accounts

In General: Employers with less than 100 employees can offer PRIME retirement accounts to their employees. If they do so, they may not offer other retirement plans. Employees can make tax deductible contributions up to a maximum of $3,000 a year. Employers must match each contribution dollar-for-dollar up to a maximum of the first three percent of the employees salary. PRIME Account rules are similar to IRA's in that contributions are not taxed when made but taxed upon withdrawal; earnings on PRIME Accounts accumulate tax free until withdrawn; a 10 percent penalty applies to early withdrawal; and PRIME Accounts are invested just like IRA accounts (in banks, mutual funds, and annuities). PRIME Account contributions are fully vested when made.

Effective date: This proposal shall apply to years beginning after December 31, 1991.

SUBTITLE C—HOME OWNERSHIP INITIATIVES

First Time Homebuyer Tax Credit

In General: First time homebuyers would be eligible for a $1,000 tax credit on the purchase of their primary residence. All families with adjusted gross incomes up to $31,000 would get the full credit. The credit is reduced by $10 for every $100 of income above $31,000, thus eliminating the credit for those with adjusted gross incomes of $41,000 or higher.

Effective date: The proposal would apply to principal residences purchased after July 31, 1991.

Tax and Penalty Free Withdrawals From IRA Plus Plan

In General: Tax-free and penalty-free withdrawal of up to 25 percent of the funds from a Retirement Plus Account would be allowed for first-time homebuyers, or for higher educational and medical expenses if the funds had been held in the account for at least 5 years. The distributions for homepurchases could come from the homepurchaser, his or her parents, or grandparents. Permitted withdrawals for educational expenses apply only to college or vocational school expenses. The permitted amount for medical withdrawals is limited to those medical expenses in excess of 7.5 percent of adjusted gross income.

Effective date: The proposal would be effective for taxable years beginning after December 31, 1991.

SUBTITLE D—WORK INCENTIVES

Reduce Social Security Penalty

In General: The proposal would increase the Social Security earnings limit by $1,000 each year over five years. Each $1,000 increase would be in addition to the scheduled annual increase for wage growth. By 1996, the earnings test limit would be approximately $17,600, up from the current level of $9,720 and the $12,600 level estimated for that year. To ensure the protection of the Social Security Trust Fund actuarial balance, a "flowback" mechanism is included where a portion of the revenues raised by the overall package flow from the Treasury's General Fund to the Social Security Trust Fund. The amount of flowback revenues will equal the estimated cost of the earnings test increase.

Effective date: The proposal would increase the earnings limit in the taxable year beginning January 1, 1992, with additional increases in each of the next four years.

Economic Growth Dividend

In General: The proposal would require budget receipts generated by achieved economic growth levels in excess of the Administration forecast during the FY 1992-95 period to be rebated to workers as an "economic growth dividend." The dividend would be used to increase personal exemptions from Federal income tax and to reduce the deficit in equal amounts. To ensure that the dividend earmarked for deficit reduction accomplishes that purpose, the deficit targets will be lowered by an amount equal to half of the economic growth dividend. After FY 1995, economic growth dividends would result from real GNP growth exceeding 3 percent, and the amount of an economic growth dividend would be the estimated annual increase in Federal tax receipts resulting from the real GNP growth in excess of 3 percent. After FY 1995, the full amount of the dividend would go to an increased personal exemption.

Effective date: The proposal would apply to fiscal years beginning on or after October 1, 1991.

SUBTITLE E—EMERGENCY DESIGNATION

Emergency Designation of Spending and Tax Changes

In General: Designates that the direct spending, appropriations, and receipt changes resulting from this Act are emergency requirements, as provided in Sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985. However, none of these provisions shall take effect unless the President submits to the Congress a written designation that the spending, appropriations and receipt changes are emergency requirements.

Effective date: President must make designation not later than the date of enactment of this Act.

JOB CREATION BY STATE

IMPACT OF EMERGENCY ECONOMIC GROWTH ACT TO BE OFFERED BY SENATORS GRAMM, KASTEN, AND WALLOP TO S. 1722, THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT

Total jobs created	By 1996	By 2000
Alabama	6,866	16,807
Alaska	984	2,966
Arizona	6,886	14,830
Arkansas	3,935	9,887
California	57,059	133,469
Colorado	6,886	15,818
Connecticut	7,870	17,796
Delaware	984	2,966
District of Columbia	984	2,966
Florida	23,611	55,365
Georgia	12,789	29,660
Hawaii	1,968	4,943
Idaho	1,968	3,955
Illinois	22,627	53,387
Indiana	10,821	22,739
Iowa	4,919	11,864
Kansas	4,919	10,875
Kentucky	6,886	14,830
Louisiana	6,886	16,807
Maine	2,951	5,932
Maryland	10,821	23,728
Massachusetts	12,789	30,648
Michigan	17,708	42,512
Minnesota	8,854	19,773
Mississippi	3,935	9,887
Missouri	9,838	22,739
Montana	984	2,966
Nebraska	2,951	6,921
Nevada	1,968	5,932
New Hampshire	2,951	5,932
New Jersey	17,708	41,524
New Mexico	2,951	5,932
New York	35,416	83,047
North Carolina	13,773	31,637
North Dakota	984	2,966
Ohio	21,643	50,421
Oklahoma	4,919	12,853
Oregon	4,919	12,853
Pennsylvania	23,611	54,376
Rhode Island	1,968	4,943
South Carolina	6,886	15,818
South Dakota	984	2,966
Tennessee	9,838	22,739
Texas	31,481	73,161
Utah	2,951	6,921
Vermont	984	2,966
Virginia	12,789	29,660
Washington	8,854	21,750
West Virginia	2,951	6,921
Wisconsin	9,838	22,739
Wyoming	984	1,977
Rest of world	1,968	3,955
U.S. total	485,000	1,133,000

Note.—This study was done by Fiscal Associates, Inc. of Arlington, VA. Fiscal Associates is run by Gary and Aldona Robbins, both former Treasury economists.

Mr. GRAMM. Mr. President, let me begin by going back to the last time we addressed this issue. I have strong feelings about it, as do those who are on the other side of the aisle. I want to try to give a presentation of how I see it. I want to try to be fair to what I believe to be the facts and obviously fair to people on the other side.

But the one thing I want to do is draw a contrast in approach, because I share with the distinguished chairman of the Finance Committee a belief that the economy is still in trouble. It may well be, Mr. President, that the economy turned the corner last month, but it sure did not leave any skid marks when it turned.

I am very concerned about a weak and plodding recovery. I am concerned about the possibility of the economy slipping back into a recession if, in fact, the recovery has started. What I want to do is do something about the problem. I think my amendment gives Members of the Senate and gives the American people a clear choice.

The distinguished chairman of the Finance Committee and those in the majority in the Senate propose to deal with the recession by extending unemployment benefits. I propose to deal with the recession by trying to get on with the job of creating more jobs, more growth, and more opportunity for the American people, and, in the process of stimulating the economy, to generate the revenues that are sufficient to pay for extending the unemployment benefits that are proposed by the Senate Finance Committee.

When we voted on this issue at the end of July, the public may have been deceived, but I do not believe any Member of the Senate was confused. The final compromise that allowed us all to go home for the recess was a compromise whereby the Congress passed an extension of unemployment benefits but left it up to the President as to whether he would declare an emergency and in the process drive the deficit up by somewhere between $4.4 billion and $5.8 billion.

So far as I am aware, not one of the 100 Members of the Senate believed that the President would declare an emergency, and in essence we left with a belief that perhaps the majority party, the Democrats, had a campaign issue. The President had successfully defended the budget, and in reality nothing was going to happen. Of course, that is exactly what happened, and I do not think anybody was surprised by it.

Today we are considering exactly the same bill in the Senate that is the law of the land. I am not aware, in my 17 years here, that we have ever voted on the same bill twice where that bill has gone on the first time and become law. I suspect there is probably some reason behind this: A, an attempt to resurface a political issue, or B, a desire to vote on something in the Senate that can pass here and go to conference to adopt something that might not pass if it were considered on the floor of the Senate today.

The bill before us, Mr. President, is a bill that seeks to extend unemployment benefits—I am not going to get into the details of it. I personally do not believe it is very well crafted. It extends unemployment benefits in ways that are fundamentally different from what we have done in the past.

I do not think it is well targeted. I think it would be a nightmare to administer. I think it would cost a lot of money that would be avoided by doing it more efficiently. That is not the issue. Everybody knows the substance of this bill is not the issue, but the basic issue is how do we deal with the recession.

The way I would like to deal with it is to try to stimulate the economy. But a fundamental concern that I have about the bill before us is that it is really an effort to spread the misery of the problem, rather than getting on with the solution. Certainly, for the people who are unemployed there is a lot of misery in America today. Nobody disputes that. But if we raise the deficit by $5.8 billion so that the Federal Government goes out and borrows an additional $5.8 billion in addition to the huge sums we are already borrowing, if the Government, by seizing that $5.8 billion, takes away money from those who would have built new homes, new farms, new factories, to generate new economic growth, if interest rates rise and if the increase in interest rates sends the economy into a deeper recession, we have benefited the people who are unemployed by extending benefits for a short while but we have paid for it by putting more Americans out of work.

Mr. President, I ask unanimous consent that a letter from Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, July 31, 1991.

Hon. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR: The Congress and the Administration face a difficult decision in their deliberations over proposed changes in the unemployment compensation system. We all have considerable sympathy for the hardships caused by unemployment, especially for those who have experienced a prolonged spell of joblessness and who may be exhausting their unemployment insurance benefits. At the same time, we have to recognize the crucial importance of the long-term discipline imposed by last fall's budget agreement and its beneficial effects on financial markets. Issuance of long-term securities by the federal government and by corporations in the process of restructuring their balance sheets has been substantial of late. Aided in part by the prospect that the budget agreement would impose restraint on government bond issuance over time, the market has absorbed this supply with minimal disruption. However, I am most concerned that breaching this discipline would alter perceptions of fiscal restraint and result in some edging up of long-term interest rates.

Sincerely,

ALAN GREENSPAN,
Chairman.

Mr. GRAMM. Mr. President, let me read one sentence from that letter that I think really brings home the point I am trying to make. He talks about the budget summit agreement, about its impact, and he concludes by saying:

> I am most concerned that breaching this discipline—

This discipline being the budget summit agreement—

> would alter perceptions of fiscal restraint and result in some edging up of long-term interest rates.

Mr. President, I share that concern, and I believe it is irresponsible to pass a bill that holds out no hope for creating a single new job, that is funded solely by adding to the deficit, and that in the process would put more Americans out of work.

What makes American politics or makes any other debate relevant and interesting is that people have different opinions. I know there are others here who have different opinions.

The amendment I have sent to the desk is a fundamentally different approach. We are going to get into debate about scoring, or how much it costs, and I know the public's eyes glaze over when we talk about these things. So let me put that off until the end and simply outline what the amendment I have offered does.

The amendment that I have offered is a carefully crafted economic growth package that is estimated by the Institute for Policy Innovation to create, between now and 1996, 485,000 new jobs in America and 1.133 million jobs by the turn of the century.

There is not much new in the package, but it brings together, I think, a coherent proposal that is aimed at revving up the engine of the American economy in a fiscally responsible way and, in the process, creating jobs and generating the best kind of new revenues for the Federal Government—revenues that come from economic growth.

The first provision of the Emergency Economic Growth Act is to lower the capital gains tax rate, the proposal that was made by the President that would lower the capital gains tax rate to 19.6 percent. According to OMB and the Treasury, the adoption of that reduction in the capital gains tax rate would actually bring $5.9 billion into the Federal Treasury by inducing people to sell assets, and to engage in economic activity that generates job creation.

I know, Mr. President, that there will be those who argue that in the process of lowering this rate people who sell assets and people who create jobs will profit. Mr. President, if we can save America at a profit, I want to do it. If we can put people to work at a profit, I want to do it. I do not believe that the American economy can be reinvigorated without a profit. In fact, our whole system is based on inducing people to be productive by providing incentives.

The second reform contained in this package is to index capital gains on a prospective basis so that if someone sells their home, their farm, their small business, or some other asset in the future, they will pay taxes on the change in the real value. They will not pay taxes on inflation.

The next provision of the bill is well known, strongly supported by the American people, but has been strongly opposed in Congress, and that is a provision which provides enterprise zone incentives for people making investments in our inner cities and in rural areas where we have high levels of unemployment.

Again, it is a fundamental, philosophical difference. Those who oppose this bill believe the best way to deal with the inner-city problem and the lack of economic activity is through Government spending. I submit they ought to study the Soviet Union and Eastern Europe. Those of us who support the enterprise zone proposal believe we need to provide incentives, special, strong incentives to induce people to invest in America's inner cities, and to put capitalism to work on the most difficult economic problems that exist within our system. What a tragedy it would be if we export to the Soviet Union and Eastern Europe, the recipe that created success in America, and we refuse to use it even in our own inner cities.

The Emergency Economic Growth Act will permanently extend the health care deduction for the self-employed.

The Emergency Economic Growth Act will extend for 1 year the R&E tax credit, the idea being to continue to provide incentives for new economic development, for new research, and for the creation of new techniques and new products.

The Emergency Economic Growth Act provides incentives for people to save. It adopts the IRA-plus plan, which provides incentives for people to create long-term savings. They pay taxes on it when they put it into the IRA, but all of the interest accrued during the time they hold it is not taxable when they withdraw it for use in retirement, to send their children to college, to buy their first home, or to pay for catastrophic medical expenditures. There are few proposals, Mr. President, that are more popular with the American people, and if you allow people to convert their current IRA's into IRA-pluses, the Treasury estimates that such a proposal would produce revenues of roughly $13.4 billion over a 5-year period.

The Emergency Economic Growth Act would adopt the PRIME retirement plan proposal for small business. This is Senator PACKWOOD's proposal. It allows employees of small businesses to make a tax-deductible contribution to PRIME accounts of up to $3,000 a year. These contributions would be matched dollar for dollar by employers up to 3 percent of the employee's salary, again encouraging people to save for their own retirement, creating a capital base for economic growth, and helping us to lower interest rates.

The Emergency Economic Growth Act would institute a first-time homebuyer tax credit. The way this proposal would work is that families that earn up to $31,000 would be able to get a $1,000 tax credit when they make a down payment on their first home. This benefit would phase out at a family income level of $41,000. The objective is to get home construction moving in America again, to help stimulate the economy, and to make it possible for people to share in the American dream of home ownership.

I am proud, Mr. President, to be able to announce that the National Association of Homebuilders has endorsed this proposal. I ask unanimous consent that a letter in Housing News Service of the National Housing Center of the National Association of Homebuilders be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUILDERS ENDORSE GRAMM/GINGRICH TAX CUT PLAN

WASHINGTON, July 31.—A five-year tax cut plan proposed by Sen. Phil Gramm (R-Texas) and Rep. Newt Gingrich (R-Ga.) was strongly endorsed today by the 155,000-member National Association of Home Builders (NAHB).

"The Gramm/Gingrich tax stimulus is just what the doctor ordered—a shot in the arm to put some life back into today's anemic economic recovery," said NAHB President Mark Ellis Tipton.

In addition to cutting capital gains taxes to a top rate of 19.6 percent, including gains on both residential and commercial real estate, the legislation would permit up to a $1,000 tax credit for moderate-income families buying their first homes and permit tax- and penalty-free withdrawals from IRA accounts as long as the money is used to cover catastrophic medical expenses, education costs or downpayments on first homes.

The tax credit proposal is aimed at helping lower-income single persons, working young couples and moderate-income families offset the downpayment costs on a first home. A tax credit of up to $1,000 would be provided for families with incomes of $31,000 or less who are buying a first home.

According to Gramm and Gingrich, the proposal at the very least would be revenue neutral, and would probably generate enough new economic growth over the next five years to more than offset the proposed $23.3 billion in tax cuts.

"This is a recipe for economic growth that will give housing a big boost, provide much needed savings incentives and help make the overall U.S. economy much more competitive in the long run," Tipton added.

The IRA withdrawal proposals, along with the $1,000 tax credit, would help young families raise enough money to make a downpayment on a starter home, which is by far the biggest obstacle blocking homeownership, Tipton added. In addition, the capital gains tax cut would bolster the value of rental apartments and help put a net under falling commercial real estate values. The plan also includes an enterprise zone proposal which would help stimulate economic and residential development in economically distressed areas.

"The new first-time home buyers tax credit and the penalty-free IRA provision will help make the American dream of homeownership a reality for more lower- and middle-income Americans," said Rep. Gingrich. "The National Association of Home Builders was instrumental in developing the new tax credit provision."

Mr. GRAMM. Mr. President, the next provision of the Emergency Economic Growth Act would be the penalty-free withdrawals from IRA-plus for home purchase, higher education, and health costs.

The next provision of the Emergency Economic Growth Act is a provision that is long overdue in American law. We have on the law books of America one of the most discriminatory provisions of law that I am aware of existing anywhere in the world. It is a provision which says that if senior citizens continue to work and they earn more than $9,720 a year, they lose some Social Security benefits as their income exceeds that level.

This proposal, in addition to the changes that are already in current law, will raise from $9,720 to $17,600 by 1996, the maximum allowable amount of income before they begin to lose Social Security. Some increase is already being phased into law. This will phase it up further, and, Mr. President, I want to say that my long-term goal is to see the penalty for working eliminated. I think it is wrong. I think it is counterproductive. When we ban employer discrimination against senior citizens in the private sector of the economy, it is about time that we ban it from the governmental sector as well.

The next provision is what I call the economic growth dividend. Basically, the objective of this provision is a long-term reform of the American tax system. It says that between now and 1995, if the growth of the economy exceeds the assumptions built into the budget summit agreement, producing new net revenues beyond the level of revenues that are predicted in the summit agreement, rather than allowing that money to go to Government to spend on new Government programs, rather than allowing all that money to go to the people that are riding in the wagon getting benefits from the Government, this provision says that the revenue that comes from economic growth above the level carried in the budget summit agreement—or above 3 percent real growth, when that budget summit agreement ends—that revenue would be declared an economic growth dividend. It would be used to lower the deficit and to raise the individual income tax exemption so that working families could invest that money in their own health programs, their own education programs, and their own housing programs so we could have perestroika in America.

Finally, Mr. President, the amendment has the same Presidential designation of an emergency as that contained in the committee bill so that there is no budget point of order against this amendment.

Before yielding the floor, let me talk a little bit about what the amendment costs and who is doing the estimates on the costs.

One of the advantages of this proposal is that, according to the OMB-Treasury estimate, not only would this proposal not lose money, it would gain money. It would allow us, in addition to paying for the OMB's estimate of the Finance Committee bill's cost, which is $4.4 billion, it would, in addition to paying for everything I have talked about here, pay to extend unemployment benefits under the proposal of the Finance Committee and, in addition, it would end up making us over the 5 years about $300 million.

Let me reiterate that in case I have not been clear. According to the way the OMB and the Treasury measure the impact of all of these proposals, these proposals will generate $4.7 billion of net new revenues over the next 5 years and will allow us to pay for the bill currently before the Senate to extend unemployment benefits, plus yield about 300 million over the 5-year period.

Mr. President, you are going to hear that the Congressional Budget Office scores it differently. Almost all of the scoring comes down to that old chestnut which is: how do you score a capital gains tax rate reduction?

I believe that the Treasury scoring is correct. We have never reduced the capital gains tax rate in the modern era that we have not generated new revenues. And in the middle of a recession, when the economy is sluggish, I do not believe anybody outside of the Congress who is the least bit knowledgeable would disagree with the estimates of the Treasury and OMB which state that reducing the capital gains tax rate over a 5-year period would generate at least $9.5 billion.

But the point is that the bill before us has no hope of generating revenues, has no hope of creating jobs and, clearly, costs a lot of money. The amendment that I have offered under the Treasury and OMB scoring would not only pay for itself, but would pay for the extension of unemployment benefits. Under CBO scoring, it would supposedly lose money, principally because of the dispute concerning capital gains.

Mr. President, we have had this debate on many occasions, and I do not think I am going to foster more understanding by saying much more about it here. But if my amendment were adopted, under Treasury and OMB estimates, this bill would then be revenue neutral. It would allow the President to extend unemployment benefits, and it would allow the President, to give us some positive broad-based incentives to get the economy going; incentives for people to invest, and create jobs by lowering the capital gains tax rate; incentives for asset investment and basic fairness by eliminating the inflation tax on capital gains; enterprise zones to put people to work in our inner cities and depressed rural areas; extending the deductibility of health care for the self-employed and more.

The current 25-percent tax credit for self-employed people who buy health insurance is schedule to expire on December 31. This bill would extend that. This would institute IRA-plus, encouraging people to save; the PRIME retirement program to help our employees of small business build up their own retirement; and a first-time credit for home buyers to encourage people to buy new homes and create jobs and share in the American dream. It would give people, for the first time, the ability to withdraw from their IRA-plus to purchase a home, to send their children to college, or to pay for catastrophic health costs. It would lift an unfair burden that keeps many senior citizens out of the workplace and, finally, it would guarantee that when the American economy is humming again, not all of the benefits of that growth would go to Government, and that some of those benefits would go to the people who created the growth in the first place.

So I urge my colleagues to look at this provision and to decide that it should become the law of the land. We will have a dispute about its cost. One group argues that it does not lose revenues, and another argues that it does. There is no doubt about the fact that the committee bill before us loses revenues and does not create one single job.

Finally, if a point of order is raised that this is a revenue measure offered to a nonrevenue bill, I want to remind my colleagues that the House bill is a revenue bill, that the House bill does affect revenues, and in a parliamentary maneuver to stifle debate on the real issue, that bill was sent to committee. So if that point of order is raised, I urge my colleagues to remember that the bill which came over from the House is a revenue bill.

So I urge my colleagues to vote on the substance. I do not believe the American people will be confused on the issue, no matter how this is couched—in a motion to table or a point of order—because it is a revenue measure.

I think the measure is very clear. Do you want to spread the misery of the recession, or do you want to get on with the job of generating economic growth? In this happy circumstance, the way that the OMB and the Treasury do their accounting—and I remind my colleagues that they are the official accountants for the purpose of Gramm-Rudman-Hollings and sequesters and offsets under the budget summit agreement, not CBO—this package will generate enough revenue to pay for extending unemployment compensation.

So I urge my colleagues to look at it. It is not a perfect medicine, I am sure, but it is a medicine that gives us some hope of curing the disease. The proposal that is before us is simply a proposal that says, let us bring in the leeches, let us pile on the blankets, let us spread the misery.

I say let us cure the disease and get on with the job of creating jobs. We do not help the unemployed as much by extending their unemployment benefits as we help them by creating new jobs. That is a fundamental difference in these two approaches.

If this becomes a partisan issue—and I hope it will not; I hope people on both sides of the aisle will vote for this amendment—if people want to go to the public and say my solution to unemployment is to pay more unemployment benefits, I am happy to go to the American public and say my solution to unemployment is to get on with the task of creating more jobs.

I yield the floor.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. President, just for the record, when we talk about the cost of that measure, the Joint Tax Committee says that measure would cost $22 billion over the 5-year period. When we talk about the estimate on capital gains, let us remember again the difference in opinion and what Treasury did when we were talking about the 1986 bill. In 1986, they argued to bring up the rate on capital gains, to bring it up from 20 to 28. Why? Because they said that picked up $22 billion. That was Treasury saying that. That is how we paid for bringing the top rate down from 50 to 28 percent. Now they take the other tack. They say, if you will drop the capital gain rate down, it will make money doing the reverse of what they were talking about before. I find that very difficult to reconcile.

To make another point, I am sure we could have a very interesting debate about the substance of this amendment. But it really would not matter because the amendment is doomed. It is firing for effect. It cannot become law. It seeks to do what the Constitution of the United States says shall not be done.

Let us understand what the sponsors of this amendment seek to achieve. They propose a tax amendment to a nonrevenue bill, an S-numbered bill. Article I, section 7 of the Constitution states that revenue bills shall originate in the House of Representatives. My friend, my colleague from Texas, states that we will be going to conference with the House revenue bill. We will not. That will not be the procedure.

Let us talk about the Constitution. The rules are very clear and very specific. If the amendment is adopted this bill will violate the origination clause of the Constitution. We will send the bill to the House where it will be blue slipped, returned to the Senate, and the bill is dead. It cannot go into effect.

I realize that there are some Members of the Senate who would like to deny extended unemployment benefits to the victims of this very deep recession. If one opposes the legislation, the Bentsen bill, and if they oppose the Dole amendment to it, then you probably ought to vote for this amendment because if it is agreed to it will surely doom the bill. But if you support extended benefits you really have no choice but to vote against this amendment. I hope all those Members who are watching this on their consoles back in their offices get that point, that that is the clear choice that they have.

I want the Members of the Senate to understand that this is not a revenue bill. It cannot be a vehicle for a tax amendment. There should be no doubt or uncertainty about that point.

Let me make it further clear, I have spoken to the chairman of the House Ways and Means Committee on this specific subject, and Chairman ROSTENKOWSKI has told me categorically that if this legislation comes back to the House with a tax amendment he will blue slip it and the bill will be dead.

You do not have to take my word for it or Chairman ROSTENKOWSKI's. You do not even have to consult your copy of the Constitution. You should understand, however, that constitutionally this amendment cannot change the tax law. You should realize that the courts have held that a tax change originating in the Senate bill is a nullity, an absolute nothing.

So, if the sponsors of this amendment want to debate tax policy on the floor of the Senate, that is their prerogative. We will be debating it in the Finance Committee. My distinguished colleague from Texas will have an opportunity to testify for his legislation, and the chairman of the Finance Committee will be introducing tax legislation.

But no one should be confused about it. This amendment kills this legislation if it passes. It cannot become law. It is a blatant violation of the Constitution. There is no place on this piece of legislation for it. It is like passing an amendment that requires the Sun to rise in the West.

The question before the Senate really has nothing to do with the merits of this amendment. The question is, do you support or do you oppose extended unemployment benefits for unemployed American workers? If you support them, then you have to oppose this amendment. And you can do so confident in the knowledge that it flies in the face of our Constitution.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the junior Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, before I yield to my distinguished colleague from Wyoming let me respond to the distinguished chairman of the Finance Committee.

First of all, the House passed a revenue bill. Nobody, as far as I understand, disputes that fact. In a parliamentary maneuver to try to stifle exactly this debate, that bill was sent to committee, and the bill before the Senate is the same bill earlier signed by the President. Remarkably, we are debating a bill that is already the law in an effort to prevent the Senate from having an opportunity to address the House revenue provision. That bill continues to languish in committee.

If people want to see the economy stimulated and want to see jobs created, here is how to do it. First of all adopt the Emergency Economic Growth Act as an amendment.

Second, if then there is a desire to see this problem dealt with, it is very simple to deal with it. We can then bring up the House bill with consent, amend it with this bill, adopt it; then we are dealing with a revenue bill and we can go to conference with the House.

So the only reason that this concern exists is because it has been created. Job creation and economic growth to increase opportunity, this provision, those objectives are not unconstitutional.

We have a revenue measure, adopted in the House, that has not been brought to the floor of the Senate in order to create an artificial barrier which can easily be surmounted. It can be corrected by adopting this amendment and then going back and pulling the House bill up and adopting it. That eliminates the blue slip problem.

The blue slip problem is an artificial creation aimed at preventing us from dealing with the real problem which is a recession, and I urge my colleagues to vote on the substance. I also put them on notice that I believe that the American people will hold people accountable as to how they vote on this issue, knowing that we have created an intentional problem which is easily corrected if people want to deal with it.

I yield 5 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Chair will remind the distinguished Senator from Texas only 3 minutes and 40 seconds remain under the time controlled by the Senator.

Mr. GRAMM. Mr. President, I yield the remaining time to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, I thank my colleague from Texas for yielding.

AMERICA'S FUTURE: STIMULATING ECONOMIC GROWTH RATHER THAN ECONOMIC DEPENDENCY

Mr. President, in a few hours the Senate will conduct the second most important vote in this session of Congress. Our most important vote, of course, occurred on January 12—the Senate authorizing the use of America's Armed Forces against Iraq aggression in the Persian Gulf. That vote, 52 to 47, demonstrated that the United States had the will to defend our national interest against aggression. The Desert Storm campaign subsequently confirmed that we also had the ability to defend the national interest.

The success in defining our interests abroad has not carried over to the domestic arena. The ideals, the arguments that have propelled us to international success are too often given minimal support here, at home. Today, we face a clear decision on what our vision of America's future should be. In brief, it is a choice between enacting a program of economic growth versus a program promoting economic dependency.

After nearly a decade of prosperity, we have experienced what the Congressional Budget Office describes as a shallow recession. With total adult employment at historic highs, the recent slowdown in the economy has increased unemployment by 1.5 percent above the lowest rate reached during the 1980's. The unemployment rate for the peak of the current recession matched the lowest unemployment rate during the last recession about 10 years ago.

Despite the fact that we are now coming out of the recession, we are now debating whether we should increase unemployment benefits for those harmed by the economy's downturn. This is an issue which should have been discussed a year ago. It is the wrong solution at the wrong time. What we should be promoting is employment opportunities.

We have had this debate before. Every economic slowdown has been accompanied by the demand that the Federal Government must simply expand the length of eligibility for those qualified for unemployment benefits. Some of us have countered that a program born in the 1930's was overdue for reform. But, our suggestions for a job retraining benefit were rejected. Efforts to utilize unemployment benefits as the basis for employment startup programs have also been stymied by those who have a fanatical devotion to Government dependency.

Everyone agrees that a full employment economy is a most desired situation; 6.8 percent unemployment is too high, both in terms of the affect on individuals and on society. But, does anyone seriously believe that we will promote employment opportunities by the passage of this legislation. Of course not. Extended benefits do not prepare workers for reentry into the job market. Extended benefits reduce employment opportunities by relying on deficit financing which crowds out capital needed by the private sector. And, fewer than one-half of all unemployed actually receive any benefits under this program.

Last Friday, we heard several of our colleagues dissect the issues underlying this legislation. Both Senator LOTT and Senator SIMPSON ably countered the revisionist view of the 1980's which the supporters of this legislation rely on to justify further Federal deficit spending on entitlements. As my colleague from Wyoming explained, we are being asked to debate, once again, Reaganomics. Attacking the economic successes of the 1980's is an act of desperation and frustration.

A brief review of what happened in the 1980's will reveal why Members should vote for the Gramm-Kasten-Wallop amendment today. In 1981, President Reagan convinced Congress to enact the largest tax cut in our history. What many forget is that at the time, we were suffering from one of the greatest tax burdens ever confronting this Nation. Federal taxes absorbed more than 20 percent of GNP. Federal spending was out of control and the economy was in trouble.

We managed to reduce tax burdens and stimulate a decade of economic growth. But, even with the 1981 tax cuts, the tax revenues during the Reagan administration were higher than historic averages. During the postwar period, tax revenues have averaged about 18.5 percent of GNP. During the Reagan years, tax revenues averaged 18.9 percent of GNP. Even at this level, we provided enough incentive for the economy to sustain nearly 90 consecutive months of economic growth. And, tax revenues during Reagan's 8 years were $140 billion higher than they would have been if taxes had been at the historic average. It is obvious that the Reagan tax policies were responsible for a growing economy and for substantial Federal revenues.

The people who are now trying to increase the deficit through the passage of this legislation fault Reaganomics for the huge growth in the Federal deficit during the past decade. But today's critics were yesterday's spenders. Much of their accusations are directed to defense spending as the source of our deficits. Anyone listening to yesterday's debate on the Department of Defense appropriations bill realizes that is a baseless argument. We heard about the lack of training and the lack of parts which was plaguing our Armed Forces 10 years ago. For 3 years, 1982 to 1985, there was real growth in the defense budget. Since then, there has been virtually zero growth in defense spending. And, last year's budget agreement requires real cuts in defense spending over the next 4 years.

The growth in the Federal deficit is easy to trace. The biggest area of growth has been in interest on the national debt. The second area of deficit growth has been entitlements. As a result, Federal spending averaged 23.4 percent of GNP during the 1980's compared to 21 percent average during the postwar period. Our biggest mistake was believing that the balanced budget amendment enacted in 1985 would actually control Federal spending. Instead, those in Congress who refused to accept any reforms to control Federal spending used the budget process to protect programs. Perhaps the only useful result of last year's budget summit is that we did agree to limits on Federal spending over the next 5 years.

One result of our failure to control Federal spending during the 1980's was the 1986 Tax Reform Act. Reform should be put into quotes, because that bill began as a true reform bill, but ended as an effort to reduce economic incentives for the private sector. New jobs creation during the past decade was stimulated by the risk takers, the entrepreneurs. Since 1986, we have created such absurdities as passive losses and alternative minimum taxes—thorns whose only purpose is to discourage people from taking risk.

Looking at today's world, we realize that we have won. Our free market system has defeated centralized planned economies. But, victory will be hollow if we cannot continue the economic growth that has powered the world since 1981. Economic growth does not require a new industrial policy, such as extended unemployment benefits. All we need to do is provide economic incentives. The amendment we offer today provides these incentives. We provide more capital—in a world faced with capital shortages—by reducing the tax burden on capital gains and increasing savings incentives. If ever we want to promote a new world order, it must begin today by passing the Gramm-Kasten-Wallop economic growth amendment.

Mr. President, the Senate of the United States, in particular, the Congress of the United States, in general, appears able to look at but one level at a time and refuses to look at the broad array of issues. Back on January 12, we voted 52 to 47 to say that the United States had the will to defend our national interest against aggression, and we did it.

But when it comes to domestic policy this Senate, this Congress, cannot do that because it has to play politics. I think the Senator from Texas [Mr. GRAMM] accurately described the contents. I will not do that.

But I will say the Democratic Party, the majority party, is offering us an extension which does nothing for the economy. It provides for no jobs, no growth, no hope, and no incentive.

It provides no interest at all in capital gains, which now like private property has become the pariah of the politically correct Democratic Party. The idea that Americans should profit from risk where property seems anathema to them.

The senior Senator from Texas has said that the unemployment peaks long after recession is over. So why do not we do something about providing an end to the recession if that is what they believe in?

We will hear, as the majority leader said yesterday, that it is unconstitutional. I have two things to say about that. One that it would not be the first time the Senate acted in that way. It is a matter of convenience and choice. And, two, to avoid confronting the real issue of economic growth, the majority party has resorted to legislative slight of land by removing the House bill and quoting the Joint Committee on Taxation, which has become like the GAO, the handmaiden of the majority leader, no longer the honorable institution of independent judgment we once expected them to be. We, as does the majority party, the Finance Committee declared an emergency.

The President feels this is a budget buster. The President feels an emergency does not exist. He does not have to sign it anymore. He has to sign the one that just spends money.

Mr. President, the chairman of the Finance Committee says it is not a revenue bill, but it sure is a spending bill. He says that the amendment that we have offered over here cannot become law. When he says that, it means that the majority in both Houses seeks to buy support from Americans with deficits, not growth; with promises, not progress.

The domestic policy differences are absolutely clear in these two issues. Do you want to do something that you know provides jobs? Do you want to do something that you know provides a competitive America? Do you want to do something that you know reduces the trade deficit?

Mr. President, if you want to do those things, you do not just pile a bunch of money into the extended benefits cart. You do something to try to bring the economy back together again.

Mr. President, I yield the floor.

The PRESIDING OFFICER. All time controlled by the junior Senator from Texas has expired.

Who yields time?

Mr. GRAMM. Mr. President, I ask unanimous consent that Senator COATS be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBB. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

Mr. ROBB. Mr. President, I thank the chairman of the Finance Committee and the manager of the particular legislation who is on the floor at this particular time. With his permission, Mr. President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia is recognized.

Mr. ROBB. I thank the Chair.

(The remarks of Mr. ROBB pertaining to the introduction of S. 1741 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time allocated to our side.

The PRESIDING OFFICER. All time is yielded back.

RECESS UNTIL 2:30 P.M.

Mr. BENTSEN. Mr. President, I suggest that the Senate stand in recess under the previous order until 2:30.

Thereupon, at 12:19 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The pending business is S. 1722. The presently pending amendment is the Gramm amendment No. 1187. The bill is under the control of the Senator from Texas [Mr. GRAMM] and the Senator from Texas [Mr. BENTSEN]. The time will run from 2:30 to 3:30. It is equally divided. Who seeks recognition?

Mr. BENTSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 5 minutes.

Mr. FOWLER. Mr. President, I thank the distinguished chairman of the Finance Committee, my friend from Texas, and I commend his leadership.

Mr. President, I rise today in support of the workers, men and women, throughout my home State of Georgia and those across the Nation who are suffering and suffering hard as a result of this recession. Sometimes in the best of times I can show you places, unfortunately, in my State and certainly throughout the Southeast where working people, two-income families, have a hard time, in many cases do not have the gas, light, and water on in their homes at the same time.

During the last year more than 76,000 Georgians lost their jobs. Those Georgians have spent the last 26 weeks trying to find jobs, and have been remarkably unsuccessful at a time when the economic conditions of Georgia are typical of those throughout the country, that is more and more people out of work, longer and longer lines for any job. In Atlanta a couple of months ago a new Burger King opened—11 jobs flipping hamburgers at $6.25 an hour—and 1,700 people applied for those 11 jobs.

We are criticized accurately in the Congress of the United States by many people who say that we ought to be looking down the road to care for our people and to provide some sort of underpinning when economic forces are totally beyond the control of men and women of average income but who believe in the work ethic, who do not want to have anything to do with welfare, and who believe that if only given the opportunity or some kind of bridge they can handle their own affairs without asking for charity from private sources, or much less from the Government.

That is the reason that we have an employer's tax to go into a fund in case there is an emergency in our country that throws people out of work. And the employers of our country have now paid into a fund that within the next few weeks will reach over $8 billion just for such an emergency.

This $8 billion cannot be used to declare an emergency for the Kurdish refugees, as the President asked the Congress to do and we did. This $8 billion already paid in by Americans cannot be used for an emergency in Turkey or Ethiopia or any other country in the world but the President has already asked for an emergency. And in the charitable-mindedness of the American people we declared that emergency and helped them with billions of dollars.

This $8 billion of taxpayers' money already collected was for only one purpose, and that is to help Americans in times of economic distress when they lose their jobs—to pay unemployment benefits. And the Congress of the United States, acting several weeks ago after our pleas were not heeded at the White House, said, "This is an emergency, Mr. President. You have to release that money."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FOWLER. Without objection, I yield myself an extra 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FOWLER. Mr. President, we passed legislation, which the President signed into law, approving the release of that money to pay unemployment benefits and to extend it by at least 7 weeks, and it is only 7 weeks in the majority of the States. But then, trying to have it both ways, for whatever reason I do not know, he said, "But I will not declare the emergency to implement the law."

That is not playing straight. It is not playing straight obviously with the people who desperately need the benefits, but it is also not playing straight with the majority of the American people to say, "Well, I will sign it, but—." Knowing that because we did not want to waste that money, we gave the power of the purpose in that fund to the President of the United States as the guardian, that that money only be used for the purpose for which it was taxed, collected, and a genuine emergency, which was an act of congressional trust and congressional faith in the Chief Executive Officer of the United States, whoever he might be, holding the Presidency. And he has refused to do so.

The legislation molded by the distinguished chairman of the Finance Committee, Senator BENTSEN, will provide this money for people who have exhausted not only present benefits, but, more sadly, during that time cannot find other work.

And I would challenge any Senator on this floor to rise and say that they have not had 5, 10, or 15 calls per month that somehow got through the staffs, as it has from this Senator from Georgia, from people who said: Senator FOWLER, I never thought I would have to call you. I have lost my job. I will do anything. I will pump gas in the middle of the night. I do not want to go on welfare. I am embarrassed for myself and my wife. Let me tell you, Senator FOWLER, what do I do? I have lost all my health benefits. My family is totally unprotected. Where is the policy, where is the safety net? I cannot even have an extension of our benefits.

This is an economic obligation of this country for which our citizens were taxed. More important, it is a moral obligation of our country toward our citizens. I trust that the Congress, hopefully, by a huge majority today, will agree to the proposal of the Senator from Texas, [Mr. BENTSEN] and help citizens who deserve help. I thank the Chair.

Mr. BENTSEN. I thank the distinguished Senator from Georgia for his comments and his understanding and concerns of the unemployed in this country.

Mr. GRAMM. Mr. President, I yield 7 minutes to the distinguished Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 7 minutes.

Mr. KASTEN. Mr. President, it seems that the focus in Washington is on quick fix and Band-Aid approaches to helping people hurt by bad economic policies. Job-destroying policies—like the 10-percent excise tax on boats, which has thrown 19,000 middle-income boat builders out of work—have increased the need to extend unemployment compensation benefits.

I think if we can focus on what we really want to think about here today, would it not be better to have good economic policies to begin with, as opposed to coming in and having to debate about how many weeks we are going to extend the unemployment compensation issues? We are debating today what we are going to do for people when they lose their jobs, instead of the more important question of how to create jobs and how to prevent people from losing their jobs; we want to talk about new jobs.

I know we can do better than we are doing here today, and I believe we must do better with the kind of legislation that simply the unemployment legislation deals with. Expanding unemployment benefits does absolutely nothing to reduce unemployment. It simply treats the symptoms instead of curing the underlying disease of anemic economic growth.

Some of my colleagues on the other side of the aisle may think they have a good political issue, something they can use to differentiate Democrats and Republicans. But their emphasis on unemployment benefits, I believe, completely misses the point: We ought to be talking about policies to create employment.

The real issue facing American workers and their families is jobs and job creation. How do we create new jobs, invest in new plants and new small businesses and making sure that workers find the jobs we help create? That is the challenge.

The lead editorial in today's Wall Street Journal asks the question: "Why not jobs?" We ought to be talking about solving unemployment by creating jobs. The Journal goes on to say that "the truly compassionate thing is to make sure there are jobs for the unemployed to find * * *."

That is what our economic growth amendment would do. It focuses the debate where it belongs, on job creation, and how to turn tax users on the Federal Government's unemployed program into taxpayers with good jobs in the private sector. It builds on the successful approach of the 1980's, the approach that unleashed the job creation miracle that put 21 million Americans back to work.

Low tax, incentive-based policies to promote work, savings, homeownership, and investment, caused the economic expansion of the 1980's.

When we let workers, entrepreneurs, and small businessmen do what they do best—innovating, producing, investing—we are unleashing a ballistic force of wealth creation and job growth. That should be our job here today.

This amendment calls for a reduction in the capital gains tax rate for long-term investment, indexed for inflation. This would provide a dramatic new incentive for investment in job-creating small business ventures.

Our high capital gains tax rate today is a tax on the American dream, a tax on the small businessmen, on the small businesswomen, who do not have access to start-up capital. It is a tax on the "long shot," on the people taking the risk, on the entrepreneurs in our society. it does not hurt the rich as much as the low- and middle-income people that want to become rich.

That is what the debate and legislation should be about, to take people who are now without jobs, give them the opportunity to go to work and then to encourage risk, entrepreneurship, and success.

Second, our amendment establishes enterprise zones to promote small business investment and job creation in the Nation's distressed rural and urban areas. We have been talking about enterprise zones for over 10 years while unemployment rates in some of our inner cities have risen. State and local enterprise zones have been a smashing success. We, in Wisconsin, have had tremendous success with a number of enterprise zones, particularly in Milwaukee and some of the urban areas.

Wisconsin has allocated nearly $5 million in tax credits to 50 businesses certified by the State Department of Development. These businesses have committed to investing $55 million in zone projects, upgrading 787 jobs and creating 1,341 new jobs. This shows that enterprise zones work, they create jobs where jobs are desperately needed, in depressed urban and rural areas.

We need to add now the Federal incentive, a commitment to bringing jobs into those depressed areas, particularly some of the urban and rural areas that are distressed, without jobs, and with high levels of crime, high levels of poverty, and high levels of other kinds of problems. We need to add that incentive in order for the State zones to reach their full job-creating potential.

Third, our amendment proposes that we give America's senior citizens more freedom and incentives to work and to produce by raising the Social Security earnings penalty.

Fourth, it expands the pension and health insurance coverage for small businesses and their workers by adopting Senator PACKWOOD'S PRIME account plan, and making the 25-percent health insurance deduction permanent for self-employed businesses. These measures enjoy broad bipartisan support on the small business committee. The 25-percent health insurance deduction would expire. We do not want to simply extend it. We want to make it permanent. Frankly, I believe we should go further. I have offered legislation that would give a 100-percent deduction for health insurance costs for a self-employed individual. It seems to me that individuals ought to be treated exactly the way large corporations are treated today, and that is where corporations can deduct their health insurance cost. Self-employed individuals should be able to deduct theirs as well. In my view, that means a 100-percent deduction on both, for the employer and for the self-employed individual.

Perhaps most important of all, the Economic Growth Act provides incentives for those who need it the most—the middle-income working families. It creates a new tax-deferred IRA, individual retirement account. It gives young working families a $1,000 first-time homebuyer's tax credit. It provides for penalty free withdrawal from IRA's for a home purchase, for higher education, or for health costs. It calls for an expanded personal exemption for families with young children when tax revenues from higher growth exceed projections.

These incentives will give families in Wisconsin and across the country the opportunity to achieve the American dream: a good job, a home, a chance to start a business, and the financial resources to help pay for their children's education and health-care expenses.

At this point, I want to list several small business, taxpayer, pro-seniors, farm, and homebuilder organizations from my State of Wisconsin and across the country who have endorsed this amendment: Wisconsin Realtors Association, Wisconsin Manufacturers and Commerce, Wisconsin Builders Association, Metropolitan Milwaukee Association of Commerce, the Seniors Coalition, American Small Business Association, National Small Business United, National Federation of Independent Business, Consumer Alert Advocate, U.S. Chamber of Commerce, Americans for Tax Reform, National Tax Limitation Committee, Citizens Against Government Waste, Americans for a Balanced Budget, U.S. Business and Industrial Council, National Grange, Citizens Against a National Sale Tax, Associated Builders and Contractors, National Association of Self-Employed, and American Legislative Exchange Council.

Mr. President, I ask unanimous consent that the letters from these groups be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

INDEPENDENT BUSINESS
ASSOCIATION OF WISCONSIN,
Madison, WI, September 24, 1991.

Hon. ROBERT W. KASTEN, Jr.,
Ranking Republican Member, Senate Committee on Small Business, Washington, DC.

DEAR BOB: The Independent Business Association of Wisconsin supports the "Kasten-Gramm Amendment" to the "Emergency Unemployment Compensation Act" and urges the full Senate to vote "yea" when it comes to the Senate floor.

We feel that extending U.C. is only a band-aid approach when what is needed is economic stimulation. With the recent downturn in the economy the service sector is now losing jobs. We need an economic policy which will create new jobs rather than simply easing the financial problems of the unemployed. The Kasten-Gramm Amendment is the stimulus business needs to move forward.

IBA Wisconsin has always supported Capital Gains Reduction and we reiterate that position here. We are pleased that you have included that in this Amendment as well as the 100% deduction for Health Insurance premiums for the Sole Proprietor.

The "work incentive" to those on social security could potentially bring in additional taxes and even be a revenue enhancer.

We applaud you for your continued efforts on behalf of the Small and Independent Businesses in the State of Wisconsin and the Nation and thank you for the opportunity to support this Amendment.

Sincerely,

GEORGIA THOMAS,
IBAW Vice-Pres. Federal Programs and President, Premier Services Group, Inc., Racine, WI.

WISCONSIN REALTORS ASSOCIATION,
Madison, WI, September 23, 1991.
Senator ROBERT KASTEN,
Senate Office Building, Washington, DC.

DEAR BOB: On behalf of the 11,000 members of the Wisconsin REALTORS Association, we are writing to express our support for your amendment to the Emergency Unemployment Compensation Act. We believe the incentives enumerated in your proposal will have a beneficial impact on the economy of our state.

Even though Wisconsin is currently one of the strongest housing markets in the country and is on pace to establish a record for sales of existing homes, there still exists an impediment in the market to first time homebuyers. That impediment is having the necessary resources to save enough for that first home. Rental costs have increased by 79% during the decade of the 80's, while median income for the rental population increased by only 41%. Those making less than $29,000 saw their income rise by 8% during this time period.

The penalty free IRA Plus withdrawal for a home purchase would help many households save enough money for a home purchase and government should not make individuals make the choice between retirement and a place to live. Coupling this with the first time homebuyer tax credit will certainly help to put a home purchase within easier reach than now exists.

As you know, we have always supported a reduction and/or exclusion for the sale of a house under capital gains tax law. We believe this policy to be in the best interest of our economy. From a national perspective, this should provide an additional boost to a slowly recovering economy.

We wish you best in your attempts to pass this worthwhile amendment.

Sincerely,

JAMES R. IMHOFF, Jr.,
President.
WILLIAM E. MALKASIAN, CAE,
Executive Vice President.

WISCONSIN BUILDERS ASSOCIATION,
Madison, WI, September 24, 1991.
Senator ROBERT W. KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of the 4200 member firms of the Wisconsin Builders Association as well as the 160,000 employees of those companies, I am writing to express our support for the Gramm-Kasten amendment to the Emergency Unemployment Compensation Act.

Enterprise zones, capital gains expansion, IRA-Plus creation and the first-time home buyer tax credit are all proposals that will benefit the national economy.

Long-term economic solutions rather than band aid approaches to the Nation's economic ills need to be considered. Our members believe that the Gramm-Kasten Emergency Economic Growth Act will accomplish real incentives for saving, home ownership and job creation.

Our industry, home building, contributes more than $8 billion to Wisconsin's economy annually. Nationally, our contribution approaches 5% of GNP. It is important for the provision of affordable housing and economic growth that the Gramm-Kasten proposal be adopted.

We urge the U.S. Senate to support your proposal.

Sincerely,

GERALD J. DIEMER,
Executive Vice-President.

WISCONSIN MANUFACTURERS & COMMERCE,
Madison, WI, September 24, 1991.
Senator ROBERT KASTEN,
Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: Wisconsin Manufacturers and Commerce supports the Kasten-Gramm Amendment to the Emergency Unemployment Compensation Act which offers incentives for job creation, economic growth and individual savings. We remain opposed, however, to the provisions in the bill that extend the duration of benefits.

The plight of the long-term unemployed is a serious matter for workers, their families and their communities. However, the U.C. system cannot be called upon to solve problems beyond its scope. It is worthwhile to review the policies that support the U.C. system—often forgotten in the emotional debate surrounding jobless workers.

U.C. policy is based on the view that U.C. benefits are not a welfare entitlement but, instead, a fringe benefit of employment that is earned based upon the individual's commitment to the employer and long-term attachment to the workforce. Rather than lowering eligibility standards and extending the duration of benefits, policymakers should focus on job creation and job training. The best remedy for unemployment is a well trained worker and a strong economy.

The provisions contained in the Kasten-Gramm Amendment are in the best interest of the U.C. system and the national economy. We wish you luck in the passage of your amendment but urge you to oppose provisions extending the duration of time allowed to receive benefits.

Sincerely,

NICK GEORGE, Jr.,
Director of Legislative Relations.

METROPOLITAN MILWAUKEE ASSOCIATION OF COMMERCE,
Milwaukee, WI, September 20, 1991.
Senator ROBERT W. KASTEN, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: As the United States begins to pull itself out of the recession, the goal of the federal government should be increased economic activity and new job creation through tax policies that encourage investment. The Kasten-Gramm "Emergency Economic Growth Act" does exactly that.

The Metropolitan Milwaukee Association of Commerce and its 2,700 member businesses has long supported a reduction in the capital gains tax rate as a tool to encourage business development and expansion. Access to new capital is especially important for the members of our Council of Small Business Executives (COSBE). Our small businesses need policies such as the capital gains exclusion if they are to obtain the capital they need to expand and grow.

Other provisions of the bill, including the one-year extension of the research and experimentation tax credit, the enterprise zone proposal, and savings & work incentives are sound policy which will help citizens in all sectors to participate in, and benefit from, growth in our country's economy.

While those who are unemployed may be temporarily assisted by an extension of unemployment compensation benefits, the only long-term solution is a tax policy which encourages the creation of quality jobs in the private sector.

Thank you for your work on this amendment. Please keep us informed of its progress through the Committee on Small Business.

Sincerely,

HILDA HEGLUND,
Executive Director, COSBE.
MARY JO K. PAQUE,
Director, Governmental Affairs.

ASSOCIATED BUILDERS & CONTRACTORS OF WISCONSIN, INC,
Madison, WI, September 24, 1991.
Hon. ROBERT W. KASTEN, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: I am writing to lend our support to the Gramm-Kasten amendment to the Emergency Unemployment Compensation Act. Our 650 member firms of the Associated Builders and Contractors of Wisconsin are very supportive of the effects that you have made on behalf of the construction industry by introducing this amendment.

We believe that the creation of quality jobs in the private sector is the only long-term solution to unemployment. Any tax policy which encourages capital development by the business community will translate into construction for the future.

We believe that the generation of 485,000 jobs in the next five years coupled with the $5.8 billion funding will provide this country with a strong economic incentive to grow.

We appreciate all of the efforts that you have expended on behalf of construction and economic development. Please keep us informed as to your progress.

Sincerely,

LES WAKEFIELD,
Director of Legislation.

FOX CITIES CHAMBER OF COMMERCE & INDUSTRY,
Appleton, WI, September 24, 1991.
Senator ROBERT W. KASTEN, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: I am writing in support of the Kasten-Gramm amendment to the Emergency Unemployment Compensation Act in which you and Senator Gramm enumerate your pro-growth tax incentives for creating new jobs.

The Fox Cities Chamber of Commerce and Industry believes strongly in the "healing power" of job creation. In 1989 the Chamber undertook a major fund drive to, among other things, assist local business and industry in the creation of 10,000 new jobs. We are just short of reaching our goal after only the second year.

We believe that is important to note that this undertaking took place while the nation was experiencing a serious recession.

Although we understand the short term value of extending unemployment benefits, it does nothing long term to prevent job loss. Your proposal does!

We strongly encourage you and Senator Gramm to press forward with your "Emergency Economic Growth" initiative as it recognizes the importance of rapid economic growth in the employment equation.

Sincerely,

THOM A. CISKE,
Vice President,
Government Relations.

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Washington, DC, September 24, 1991.

Hon. ROBERT KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of the over 500,000 members of the National Federation of Independent Business (NFIB), I want to thank you for joining with Sen. Gramm in offering the Emergency Economic Growth Act of 1991 as an amendment to the Emergency Unemployment Compensation Act of 1991.

Extending unemployment benefits will not pull our nation out of its current economic slump. Although cutting a few extra checks for those in the unemployment lines may provide minimal, temporary assistance to some, the best way to help the unemployed is to spur economic growth and allow them the opportunity to provide for their own future.

NFIB is very concerned with the approach taken by many in Congress to unemployment. Extending unemployment benefits will aid those eligible for unemployment for a few weeks, but it does nothing to help them find a job. In addition, the unemployment insurance system is paid for by a tax on jobs. Employers pay 100% of the costs of running the unemployment insurance system. They pay an unemployment tax on every employee they hire. Increasing unemployment benefits will eventually lead to an increase in the unemployment insurance tax, which will in turn increase the cost of hiring new workers.

The Emergency Economic Growth Act of 1991 takes the right approach toward the problems created by the current economic slump. Cutting capital gains taxes, bolstering research and experimentation, and making it easier for workers to save for their retirement will all promote economic growth, bringing unemployment rates down by providing employment opportunity. In the end a new job is more important to the unemployed than a few more unemployment checks. The Emergency Economic Growth Act of 1991 is the type of program needed to get America back to work. It will, in the end, provide a better standard of living for all Americans.

Sincerely,

JOHN J. MOTLEY III,
Vice President,
Federal Governmental Relations.

ASSOCIATED BUILDERS
& CONTRACTORS, INC.,
Washington, DC, September 24, 1991.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of our 17,500 Open Shop contractors, subcontractors and supplier members across the country, I am writing to express Associated Builders & Contractors strong support for the Kasten-Gramm Emergency Economic Growth Act.

The construction and real estate industries are enduring one of their deepest recessions in memory. In most areas of the country our members are confronted with a steep decline in construction activity with no signs of real improvement on the horizon. Because it represents 8 percent of total GNP, our nation will not achieve sustained economic growth without a revitalized construction industry.

The cumulative effect of the Kasten-Gramm economic program will create the additional jobs and economic activity needed to lift our nation out of its current slump. Lowering capital gains taxes and indexing for inflation, encouraging first-time home ownership and promoting greater savings through expanded Individual Retirement Plans are long overdue. Additional components such as the creation of more enterprise zones for small business will help as well.

It is also worth noting that this program pays for itself and still provides additional unemployment insurance for laid-off workers who have exhausted their benefits. The comprehensive, revenue-neutral Kasten-Gramm program would be far more effective in creating a foundation of long-term economic expansion than the band-aid remedies attempted in the past.

We urge the Senate to adopt the Kasten-Gramm Emergency Economic Growth Act.

Sincerely,

CHARLES E. HAWKINS III,
Senior Vice President.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, September 23, 1991.

Hon. ROBERT KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: We understand that you and Senator Gramm intend to offer S. 1603, "The Economic Growth and Job Creation Incentives Act," as an amendment to the unemployment benefits extension bill, S.1722. Farm Bureau supports S. 1603 as an amendment to the unemployment package.

Farm Bureau supports a tax policy that is designed to encourage private initiative, economic growth, equity, and simplicity. S.1603 addresses our goals because of its provisions for capital gains treatment, indexing of capital assets, individual retirement accounts, and an increase in the earnings limitation for Social Security.

We support your efforts and encourage the Senate to adopt S. 1603.

Sincerely,

JOHN C. DATT,
Executive Director, Washington Office.

THE SENIORS COALITION,
Fairfax, VA, September 24, 1991.

Senator ROBERT KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: As you know, it doesn't take an economics degree to realize that when you tax productivity, you get less of it.

Our members understand this, but all too often it seems Congress doesn't.

Every day we hear from our members questioning Congress' common sense. They write pleading letters, cynical letters, hopeful letters. They hope that Congress will correct its mistakes.

Last year Congress passed the second largest tax increase in our nation's history.

The Seniors Coalition warned that it would increase unemployment, increase the deficit, and most likely cause a recession that would hurt those on a fixed income—senior citizens—most of all.

Unfortunately, we were right.

Now Congress has a chance to rectify its mistake and we hope that it is not too late. The Kasten-Gramm amendment to the Emergency Unemployment Compensation Act, entitled the Emergency Economic Growth Act, is a crucial step forward on the road of recovery.

This amendment would help seniors by reducing the Social Security Earnings Penalty, and creating economic growth that would help bring the country out of a recession that is causing great pain to America's seniors.

Voters cannot correct the problem until next year, Congress can do it today. We urge Congress to support the Emergency Economic Growth Act to protect America's senior citizens from a recession they, and the nation cannot afford.

Sincerely,

JAKE HANSEN,
Executive Director.

STATEMENT BY THE NATIONAL GRANGE ON THE GRAMM-KASTEN EMERGENCY ECONOMIC GROWTH AMENDMENT

Our nation's current economic difficulties require swift new policies in order to encourage the private sector to return to a path of growth and prosperity and to provide our people with productive jobs. The National Grange, representing 325,000 farmers and other rural Americans in more than 4,000 local chapters across the nation, believes that the Gramm-Kasten Emergency Economic Growth Amendment will benefit the nation as a whole and rural America in particular.

Hard pressed farming and rural areas will directly benefit from the provisions contained in the Emergency Economic Growth Amendment. Reducing the capital gains tax and indexing capital gains to inflation will encourage older farmers to transfer their farms' assets to a new younger generation of farmers who will feed our nation into the 21st Century. Enterprise zones and new tax credits for R & D will provide direct incentives for new jobs in non-farm rural job markets. Removing the earnings penalties from Social Security will allow older citizens who are still able to make productive contributions to our nation's economy to do so. This is critical for rural areas because a disproportionate number of our nation's older citizens live in rural communities.

The U.S. Senate should adopt the Gramm-Kasten Emergency Economic Growth Amendment.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, September 23, 1991.

Hon. PHIL GRAMM,
Hon. ROBERT KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATORS GRAMM AND KASTEN: The Council for Citizens Against Government Waste is pleased to endorse the Gramm-Kasten pro-growth amendment to S. 1772, the Unemployment Compensation Act.

The Gramm-Kasten amendment would help invigorate the U.S. economy and provide hundreds of thousands of new jobs, investment, saving, work incentives and home ownership.

Proponents of the Unemployment Compensation Act claim the bill is needed in order to help those left jobless by the recession. No one can be unsympathetic to the plight of those individuals and families affected by slower economic growth.

But S. 1772 would not even have to be on the floor of the Senate if Congress had enacted pro-growth legislation such as the Gramm-Kasten amendment, and eliminated hundreds of billions of dollars in documented deficit-producing government waste. Higher taxes and government waste have led to record deficits and debts, and exacerbated the recession and unemployment. Taxpayers have had enough.

Adoption of the Gramm-Kasten amendment and a serious attack on government waste would be the best cure for unemployment and the budget deficit. On behalf of the 435,000 members of the Council for Citizens Against Government Waste and millions of hard-working U.S. taxpayers, we urge all senators to support the Gramm-Kasten amendment.

Sincerely,

ALAN L. KEYES.

U.S. CHAMBER OF COMMERCE,
LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, DC, September 19, 1991.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: Soon you will vote on proposals to extended benefit payments to the long-term unemployed. The U.S. Chamber of Commerce recognizes the seriousness of the unemployment situation and understands Congress' desire to make extended benefits available to those individuals most in need. Consequently, the Chamber does not oppose this bill, nor did it oppose similar legislation recently passed by the House of Representatives. The Chamber strongly favors the Senate approach, however, in making the benefits extension a temporary rather than a permanent systemic change.

The need for extended unemployment benefits is a reflection of the severity of the current recession and the lack of a firm policy by Congress and the Executive Branch to stimulate economic growth. Extended benefits will provide short-term help to unemployed workers, but will not secure the productive re-employment these workers seek.

It is our understanding that a number of pro-growth initiatives will be offered as amendments to the unemployment bill that will be offered on the Senate floor. The Chamber urges you to give them serious consideration. By focusing on pro-growth policies, Congress will create jobs and return Americans to work, thereby demonstrating its concern also for the long-term needs of the currently unemployed.

Sincerely,

DONALD J. KROES.

AMERICANS FOR TAX REFORM,
Washington, DC, September 20, 1991.

Senator ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: I am writing this letter on behalf of Americans for Tax Reform to endorse the Gramm-Kasten Emergency Economic Growth Act. Americans for Tax Reform believes that now is the time to vigorously pursue pro-growth policies to get our nation's economy back on track. The Gramm-Kasten Amendment is definitely a step in the right direction.

The Gramm-Kasten Amendment realizes that the real cure for our sluggish economy is the creation of full-time jobs in the private sector. Establishing enterprise zones for small businesses, phasing-out social security earnings limitations, providing first-time homebuyers tax credit and granting a capital gains tax cut for individuals are all designed to attack unemployment head on.

Instead of merely treating the symptoms and ignoring the real problem, Americans for Tax Reform believes the Gramm-Kasten Amendment provides real incentives for work, saving, homeownership and investing. Moreover, the Gramm-Kasten Amendment represents sound fiscal judgment—a revenue neutral solution designed to create jobs and get Americans back to work without increasing the budget deficit.

We at Americans for Tax Reform strongly encourage members of the U.S. Senate to adopt the Gramm-Kasten Emergency Economic Growth Act. It is time to aggressively pursue policies that offer permanent long-term economic solutions. The Gramm-Kasten Amendment does just that.

Sincerely,

GROVER NORQUIST,
President, Americans for Tax Reform.

CITIZENS AGAINST A NATIONAL
SALES TAX, VALUE ADDED TAX,
Washington, DC, September 23, 1991.

Senator ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of Citizens Against a National Sales Tax/VAT, I am writing to offer our endorsement of the Gramm-Kasten Emergency Economic Growth Act. If we are to resume the record economic growth America enjoyed in the 1980's, we must earnestly pursue pro-growth policies that will send us in the right direction. Gramm-Kasten is clearly a positive step towards renewed growth.

There are those who would prefer to treat the effects of unemployment instead of the cause. The only cure for unemployment is the creation of new jobs.

Gramm-Kasten realizes that the real way out of our economic morass is the creation of full-time jobs in the private sector. The enterprise zones, tax credits for first-time homebuyers, the cut in the capital gains tax rate for individuals and the phasing-out of the earnings test for social security recipients are all key to restoring economic growth and a full force attack on unemployment.

The revenue-neutral nature of Gramm-Kasten insures that Americans can get back to work without increasing the level of deficit spending. This is a very important consideration for all groups such as ours who understand the relationship of higher taxes to the strangulation of the economy.

Citizens Against a National Sales Tax/VAT strongly encourages members of the U.S. Senate to adopt the Gramm-Kasten Emergency Economic Growth Act. It is time to aggressively pursue policies that offer permanent long-term, job creating solutions and to turn our backs on problem-causing, job killing alternatives.

Sincerely,

PETER ROFF,
Executive Director, CANST/VAT.

[From the National Tax-Limitation Committee, Washington, DC]

STATEMENT

The National Tax Limitation Committee, America's largest grassroots taxpayers' lobby, strongly endorses the Emergency Economic Growth Act as offered by Senator Gramm and Senator Kasten.

The Gramm-Kasten Economic Growth Act will provide our struggling economy with an immediate boost, providing the investment and job creation incentives so desperately needed across America.

Together, the provisions of Gramm-Kasten will serve to strengthen our economic growth for many years into the future, as well as creating dynamic benefits in the short-term.

In a nation where ever-increasing taxes are strangling economic growth, Gramm-Kasten provides *real* growth incentives that will help every American family. NTLC and the taxpaying citizens we represent welcome this important legislation and urge its speedy passage.

Nothing else Congress might enact could have a more positive impact on our economic future.

AMERICANS FOR A
BALANCED BUDGET,
Falls Church, VA, September 24, 1991.

Senator PHIL GRAMM,
The Capitol,
Washington, DC.

DEAR SENATOR GRAMM: The Emergency Economic Growth Act which you and Senator Kasten are proposing is one of the most pro-taxpayer initiatives to be considered on the floor of the Senate in a long time.

Unlike the budget agreement, the act takes an approach to our nations fiscal ills of putting Americans to work and encouraging them to invest in this country instead of bankrupting business, increasing unemployment and encouraging Americans to buy overseas.

With this amendment, the Emergency Unemployment Compensation Act should be renamed the Emergency Pro-Employment Compensation Act.

The Emergency Economic Growth Act is pro-worker, pro-business, pro-homeowner, pro-family and pro-senior. Any elected official who opposes this legislation is casting a vote against American workers, businesses, homeowners, families and senior citizens.

Sincerely,

COLIN L. CHAPMAN,
Executive Director.

BUSINESS AND INDUSTRIAL COUNCIL,
Washington, DC, September 24, 1991.

DEAR SENATOR: During the course of the debate pertaining to the Emergency Unemployment Compensation Act, Senators Kasten and Gramm intend to offer their Emergency Economic Growth Act as an amendment.

On behalf of the 1500 members CEOs of the U.S. Business and Industrial Council, I urge your support for the Gramm-Kasten amendment to stimulate the economy and reduce the likelihood that future extensions of unemployment compensation will be necessary.

With a reduction in the capital gains tax rate, indexation of the value of capital gains, the authorization of enterprise zones, and incentives to work and save, Gramm-Kasten offers much needed relief for the current recession.

We urge you to support this very important measure.

Sincerely yours,

JOHN P. CREGAN,
President.

AMERICAN SMALL
BUSINESSES ASSOCIATION,
Arlington, VA., September 24, 1991.

Hon. ROBERT W. KASTEN, Jr.
Hart Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of the 150,000 members of the American Small Businesses Association, I would like to offer our full support for the Gramm—Kasten amendment to the Emergency Unemployment Compensation Act.

Extending unemployment benefits without a plan to stimulate job creation is irresponsible government. ASBA is pleased to support the Gramm-Kasten amendment for two important reasons:

1. The amendment will stimulate the creation of 485,000 new jobs in the next five years (Institute for Policy Innovation study);
2. The amendment encourages economic growth which would generate $5.8 billion in new tax revenue over five years, enough to fund the cost of the Democratic Plan to extend unemployment benefits.

The Gramm-Kasten amendment, when added to the Emergency Unemployment Compensation Act, would create a "win-win" situation. The jobless receive temporary relief in the form of 13 weeks of additional benefits along with better prospects for jobs in the future. There is no addition to the deficit and businesses do not bear the burden of new taxes to pay for the Democratic Plan. For all these reasons ASBA supports Gramm-Kasten.

Sincerely,

RONALD A. FRANO,
Executive Director.

NATIONAL SMALL BUSINESS UNITED,
Washington, DC, September 24, 1991.

Hon. ROBERT W. KASTEN,
U.S. Senate,
Washington, DC.

DEAR SENATOR KASTEN: I want to take this opportunity to thank you and offer our support for the amendment you and Senator Gramm will offer to the unemployment compensation bill. National Small Business United (NSBU) strongly supports your amendment and urges the full Senate to vote for its adoption. After all, your amendment would offer the unemployed real long-term economic opportunity, rather than just an expanded shot at temporary government benefits.

Among the many provisions of your amendment, we would like to call special attention to the overwhelming need for a serious capital gains rate cut (along with indexation), an extension of the R&D tax credit, and an expansion of the deduction of health care premiums for the self-employed (to 100%). Your amendment would do all of these things—and more. When combined with the other pro-growth items in the bill, we believe that this package contains the basic elements necessary for small business to lead the next economic recovery well into the 1990s—and with it bring the new and well-paying jobs that the American worker really needs.

On behalf of the nation's small business community, we would once again like to offer our support for your amendment and thank you for once again realizing the real and pressing needs of small businesses in today's economy. We urge the rest of the Senate to face up to the same realities and vote "yea" when this amendment comes to the Senate floor.

Thank you.

Sincerely yours,

JOHN PAUL GALLES,
Executive Vice President.

AMERICAN LEGISLATIVE
EXCHANGE COUNCIL,
Washington, DC, September 23, 1991.

Hon. ROBERT W. KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: On behalf of the 2,400 bipartisan state legislator members of the American Legislative Exchange Council [ALEC], I am writing to endorse the Emergency Economic Growth Act which would provide pro-growth tax incentives and create new jobs.

The key to lowering the unemployment rate is economic growth and job creation in the private sector. The program you and Senator Gramm have outlined would provide many powerful incentives to spark our nation's economic recovery by encouraging savings through an expanded IRA plan, and investment in the private sector by reducing the tax rate on capital gains. Your amendment would also reward personal initiative by reducing the Social Security Penalty on the working elderly as well as provide much-needed tax relief for working Americans by increasing the personal exemption.

Government cannot tax and spend our nation to economic recovery. Your amendment offers the important pro-growth tax incentives needed to "jump start" our nation's economy. It is a vital step in the right direction.

Sincerely,

SAMUEL A. BRUNELLI,
Executive Director.

BUILDERS ENDORSE GRAMM/GINGRICH TAX CUT PLAN

WASHINGTON, July 31.—A five-year tax cut plan proposed by Sen. Phil Gramm (R-Texas) and Rep. Newt Gingrich (R-Ga.) was strongly endorsed today by the 155,000-member National Association of Home Builders (NAHB).

"The Gramm/Gingrich tax stimulus is just what the doctor ordered—a shot in the arm to put some life back into today's anemic economic recovery," said NAHB President Mark Ellis Tipton.

In addition to cutting capital gains taxes to a top rate of 19.6 percent, including gains on both residential and commercial real estate, the legislation would permit up to a $1,000 tax credit for moderate-income families buying their first homes and permit tax- and penalty-free withdrawals from IRA accounts as long as the money is used to cover catastrophic medical expenses, education costs or downpayments on first homes.

The tax credit proposal is aimed at helping lower-income single persons, working young couples and moderate-income families offset the downpayment costs on a first home. A tax credit of up to $1,000 would be provided for families with incomes of $31,000 or less who are buying a first home.

According to Gramm and Gingrich, the proposal at the very least would be revenue neutral, and would probably generate enough new economic growth over the next five years to more than offset the proposed $23.3 billion in tax cuts.

"This is a recipe for economic growth that will give housing a big boost, provide much needed savings incentives and help make the overall U.S. economy much more competitive in the long run," Tipton added.

The IRA withdrawal proposals, along with the $1,000 tax credit, would help young families raise enough money to make a downpayment on a starter home, which is by far the biggest obstacle blocking homeownership, Tipton added. In addition, the capital gains tax cut would bolster the value of rental apartments and help put a net under falling commercial real estate values. The plan also includes an enterprise zone proposal which would help stimulate economic and residential development in economically distressed areas.

"The new first-time home buyers tax credit and the penalty-free IRA provision will help make the American dream of homeownership a reality for more lower- and middle-income Americans," said Rep. Gingrich. "The National Association of Home Builders was instrumental in developing the new tax credit provision."

CONSUMER ALERT ADVOCATE,
September 24, 1991.

Senator ROBERT KASTEN,
Hart Senate Office Building,
Washington, D.C.

DEAR SENATOR: We understand that you and Senator Phil Gramm and Senator Malcolm Wallop will today introduce the Emergency Economic Growth Act.

As a group representing thousands of America's consumers, we wholeheartedly endorse this pro-growth Act. This act, which includes a tax reduction provision, is absolutely essential to get the economy moving again. This act is therefore sorely needed. All Americans will benefit from the growth created by the Act. In particular, unemployed Americans will substantially benefit from the jobs that will be created by the growth resulting from the Act.

We encourage all of the members of the Senate to approve the Emergency Economic Growth Act. This act focuses on actually *creating* jobs and will benefit all American consumers and taxpayers.

Sincerely,

SCOTT PATTISON,
Executive Director.

AMERICAN FARM BUREAU FEDERATION,
September 23, 1991.

Hon. ROBERT KASTEN,
U.S. Senate,
Washington, DC.

DEAR SENATOR KASTEN: We understand that you and Senator Gramm intend to offer S. 1603, "The Economic Growth and Job Creation Incentives Act," as an amendment to the unemployment benefits extension bill, S. 1722. Farm Bureau supports S. 1603 as an amendment to the unemployment package.

Farm Bureau supports tax policy that is designed to encourage private initiative, economic growth, equity, and simplicity. S. 1603 addresses our goals because of its provisions for capital gains treatment, indexing of capital assets, individual retirement accounts, and an increase in the earning limitation for Social Security.

We support your efforts and encourage the Senate to adopt S. 1603.

Sincerely,

JOHN C. DATT,
Executive Director,
Washington Office.

Mr. KASTEN. Mr. President, all of these groups across America and Wisconsin support this amendment for one simple reason: It will create new jobs for American workers. According to former Treasury economist Gary and Aldona Robbins, The economic growth amendment will create 485,000 new jobs by 1996 and 1.1 million by the year 2000.

Mr. President, let me point out that the unemployment bill proposed by the chairman of the Finance Committee will increase the budget deficit.

Our amendment is budget neutral. It is fiscally responsible. According to the Treasury Department estimates, the Gramm-Kasten amendment raises $5.8 billion in tax revenue which could pay for the cost of extending unemployment compensation.

Mr. President, instead of debating how to manage economic decline and joblessness, we ought to be debating how to promote economic recovery and job creation.

We have a plan to put 1.1 million Americans back to work. That is what American families and workers care about: How to save their jobs, improve their jobs and create new ones.

Some economists believe the recession is over. But without new incentives for work, saving, homeownership and investing, economic growth may not reach the historical trend of 3 percent real GNP growth per year.

The point of our amendment is to show the American people that there is a clear distinction between Republicans and Democrats on this issue:

The majority party today wants to manage joblessness and economic decline by spending more taxpayer dollars. They have no plan for job creation and economic recovery.

Our Gramm-Kasten-Wallop amendment wants to create jobs for middle-income families, expand homeownership, and promote upward mobility. We have a specific job creation agenda: One that promotes incentives to work, save and invest.

The real emergency is how to create full-time private sector jobs with a future. Anyone who cares about creating jobs will support this amendment.

It is a vote to create 1.1 million new jobs.

It is a vote to cut taxes for working families.

It is a vote to expand homeownership for middle-income families.

It is a vote to expand pension and health coverage for workers, and

It is a vote to give America's seniors more freedom to work.

I hope the amendment will be agreed to.

I yield the floor.

The PRESIDING OFFICER. The time has expired.

The Senator from Georgia.

Mr. FOWLER. Mr. President, the Senator from Montana wishes to speak on an unrelated matter, the time not to be charged against either side.

The PRESIDING OFFICER. Will the Senator state the request so the chair may rule on it?

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak in morning business, the time not charged to either side.

The PRESIDING OFFICER. For how long a period?

Mr. BAUCUS. Seven minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana is recognized to speak as though in morning business for a period not to exceed 7 minutes.

TRADE WITH THE EUROPEAN COMMUNITY

Mr. BAUCUS. Mr. President, in the last 10 years, our trade relationship with the European Community has stood in stark contrast to our relationship with Japan.

We have had a seemingly endless list of intractable trade disputes with Japan. We have had a few similar disputes with the EC, but there have been far fewer and most have been amicably resolved.

Similarly, the United States bilateral trade deficit with Japan seems to be permanently stuck at about $30 billion per year. In stark contrast, the United States actually ran a $6.2 billion trade surplus with the EC in 1990.

But beneath the surface there are signs of serious strain in the U.S.-EC trade relationship. EC trade policy has become more protectionist. In light of this trend, it is time for the United States to pursue a much more aggressive trade strategy toward Europe.

In particular, there are three sectors: agriculture, television programs, and aircraft, in which a more aggressive trade policy should be employed.

AGRICULTURE

Despite maintaining relatively open markets in many sectors, the EC remains the world's foremost agricultural protectionist.

All told, the U.S. Trade Representative's Office estimates that EC agricultural protection adds $7 billion annually to the U.S. trade deficit.

Currently, bilateral disputes on meat and soybeans are already being pursued under section 301. But though virtually no progress has been made on any of these issues, the United States has only retaliated for the so-called hormone ban.

The United States has held up more than $1 billion in retaliation for EC oilseed subsidies even though a dispute settlement under the GATT rules in favor of the United States. The EC continues to drag its feet on implementing the panel's decision.

Just last week, the EC decided to continue its ban on all imports of meat from U.S. slaughterhouses. It is time for the United States to retaliate under section 301 for this continued agricultural protectionism.

Beyond these product specific disputes, the EC continues to stall progress on the agricultural issues in the Uruguay round. In response, the United States should consider initiating a section 301 investigation that goes to the heart of the EC's agricultural program. For example, a section 301 could be launched at the EC's variable levies, floating tariffs on agricultural products.

These steps will send a strong message to the EC that its agricultural protectionism cannot continue.

THE BROADCAST DIRECTIVE

In October 1989, the EC passed the so-called broadcast directive. The broadcast directive is a blatant quota on exports of U.S. television programming.

The Special 301 provision of the 1988 Trade Act was specifically written to address countries that pirate or impose trade barriers against U.S. intellectual property exports. If countries are identified under Special 301, and accelerated section 301 investigation is launched against the countries' unfair practices.

Earlier this year, the administration included the EC on a Special 301 warning list, known as a watch list, because of the broadcast directive.

If substantive steps are not taken by the EC to eliminate the directive by April 30 of next year, the date of the annual Special 301 review, a Special 301 case should be initiated against the broadcast directive,

AIRBUS

Perhaps the most troubling ongoing trade dispute with the EC surrounds Airbus.

Major U.S. companies, such as Boeing and McDonnell Douglas, have long dominated the market for large civil aircraft.

But starting in the early 1970's, a number of EC countries—Germany, France, Spain, and Great Britain—launched an effort to build a European aircraft industry known as Airbus.

Over the project's lifetime, the governments involved have lavished $26 billion in direct subsidies and preferential financing on Airbus.

Without the subsidies, a recent Commerce Department study indicates that not a single one of Airbus' aircraft lines would be commercially viable.

Subsidized competition from Airbus now threatens to bankrupt major U.S. aircraft vendors.

Negotiations between the United States and the EC on Airbus have dragged on for more than a decade. Now, the EC promises more flexibility, but it has committed to no specific action.

The United States can no longer afford to simply talk. The administration should immediately begin to vigorously employ the full range of U.S. unfair trade laws—antidumping law, countervailing duty law, and section 301—to counter Airbus subsidies. The United States should also seek to press forward with the long delayed GATT dispute settlement case on Airbus.

We must ensure that the U.S. civil aircraft industry is not destroyed by EC subsidies.

CONCLUSION

On the whole, the United States has pursued a largely wait-and-see attitude toward trade with the EC hoping that problems could be addressed in the GATT round.

But we have already seen U.S. industries devastated by European unfair trade practices. We can no longer afford to wait.

We must act and forcefully to protect U.S. trade interests.

It is my hope that U.S. concerns with the Europeans can be addressed through negotiations, either bilaterally or through the GATT. But, if not, it is time to remind the Europeans that our trade laws have real bite.

I ask unanimous consent that a letter on a related topic, China MFN, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, September 24, 1991.

Hon. GEORGE BUSH,
President of the United States, the White House, Washington, DC.

DEAR MR. PRESIDENT: I am writing to urge the Administration to follow through vigorously on its commitments to take strong action with regard to the People's Republic of China.

During the recent Congressional debate on extension of MFN to China, the Administration articulated a policy of using "smart instruments" to address our concerns with China. The policy involved using carefully tailored policy tools to address bilateral problems while continuing to engage China with MFN. Certainly, no policy can be expected to immediately solve all of our many problems with China. It will take continued high level pressure on many fronts to improve China's respect for human rights. And negotiations on arms sales must take place quietly behind the scenes.

However, in a letter to me dated July 19, 1991, you outlined a range of policy steps the Administration planned to take with regard to China. In my opinion, the Administration has been slow to implement a number of the steps outlined in the letter. In particular, I am disappointed that the Administration has not yet initiated a Section 301 investigation to address Chinese trade barriers or implemented the new policies directed at blocking imports of goods made with prison labor.

In your letter, you wrote that: "* * * my Administration has invited senior Chinese trade officials to Washington in August for a continuation of consultations begun in June regarding access for U.S. products to the Chinese market. If these talks fail to produce Chinese commitments to take substantial measures to improve market access, the Administration will self-initiate further action under Section 301 of our trade laws."

According to published press reports, the August session with the Chinese failed to yield meaningful results. Yet, instead of initiating a Section 301 case, the Administration allowed the Chinese until September 30th to respond to U.S. proposals before taking action under Section 301. I understand the rationale for giving China until September 30th to respond to U.S. proposals. But I believe it is essential to the credibility of the Administration's China policy that the Administration initiate a Section 301 investigation against Chinese trade barriers shortly after September 30th unless China makes very substantial progress toward opening it market.

With regard to goods made with prison labor, you wrote the following: "In particular, I am ordering the following additional measures: The Department of State will seek to negotiate a memorandum of understanding with China on procedures for the prompt investigation of allegations that specific imports from China were produced by prison labor. Pending the negotiation of this agreement, the U.S. Customs Service will deny entry to products imported from China when there is reasonable indication that the products were made by prison labor. The denial will continue until the Chinese Government or the Chinese exporter provides credible evidence that the products were not produced by prison labor."

Since the letter was written, an investigation described in recent stories on "60 Minutes" and in "Newsweek" has provided strong evidence of significant Chinese prison labor exports. Yet, I am unaware of any Customs Service efforts to stop imports of goods made with Chinese prison labor. I congratulate the Customs Service on its recent raids that seized an unprecedented amount of illegally imported Chinese apparel into the U.S. But action must also be taken to address imports of goods made by prison labor.

Finally, I am concerned that your commitment to "work actively" in support of Taiwan's effort to join the GATT has not yet been fulfilled. I understand that the Administration has been working behind the scenes to set the stage for future efforts. But I hope that the U.S. begins public efforts to assist Taiwan's entry into the GATT in the very near future.

I support the so-called "smart instruments" policy for China. But for such a policy to succeed, the "smart instruments" must be used. If the Administration fails to act, the Congress will have no alternative but to use the leverage provided by MFN to press for progress in China.

The Administration and the Congress worked cooperatively to forge a China policy during the Congressional debate on MFN extension. But it is now time to implement that policy.

I look forward to your reply and to working with you on this issue in the future.

With best personal regards, I am
Sincerely,

MAX BAUCUS.

Mr. BAUCUS. Mr. President, I yield the floor.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRAMM. Mr. President, I ask unanimous consent that Senator SEYMOUR, the junior Senator from California, be added as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION OF AMENDMENT NO. 1187

Mr. GRAMM. Mr. President, under the unanimous-consent agreement both Senator DOLE and I have the right to modify our amendments up until the hour of 5 o'clock, and under that unanimous-consent agreement I send a modification to the desk to correct a typographical error in the amendment.

The PRESIDING OFFICER (Mr. KOHL). The Senator has that right. The amendment is so modified.

The modification follows:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), in includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	10
2-year gain	20
3-year gain	30.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

Mr. GRAMM. Mr. President, there was a typographical error and the bill should have said 30 percent. It said 50. We struck the 50 and inserted 30.

Mr. President, there is only one solution to the unemployment problem, and that is to create employment. We have heard some impassioned argument today about a safety net. But in the final analysis there is only one real safety net, and that safety net is a vibrant American economy.

So, returning to the debate earlier in the day, let me emphasize again that there is a clear difference between the approach of the Finance Committee, which simply seeks to spread the misery of the problem by raising the deficit by $5.8 billion to expand unemployment benefits, when the chairman of the Federal Reserve System warns us that such action, breaching the budget agreement, will almost certainly drive up long-term interest rates and, in the process, put more people out of work.

The alternative which I have proposed, together with roughly a dozen other Members of the Senate, is to try to deal with the unemployment problem in providing the one thing that solves the problem, which is employment, by trying to create incentives for jobs, growth, and opportunities. In the process, we have put together a comprehensive package of tax incentives that, according to the way that the Office of Management and Budget and the Department of the Treasury keep their books, will stimulate the economy and create jobs. It also will generate enough revenues to not only pay for itself but to pay for the extension of unemployment benefits that is proposed in the underlying bill that is before us.

I want to go back to the issue of the point of order which apparently will be lodged against this amendment. I want to speak very clearly, because I want my colleagues to understand how artificial this point of order is. I am sure there are many who will believe that, because we are voting on a technicality rather than on the substance of the issue, somehow somebody is going to be confused. I hope that will not be the case. And so let me try to clarify the situation we face.

The House of Representatives, under the name of extending unemployment benefits, adopted and sent to the Senate a revenue bill, a bill that clearly has revenue provisions in it, a bill that complied with the interpretation given by the senior Senator from Texas of what the Constitution says on the issue. That bill was not brought to the floor of the U.S. Senate.

In a parliamentary move that was aimed at preventing a debate on revenues, something that was debated in the House, but in an effort to prevent that debate on the floor of the U.S. Senate, the House bill was sent to committee and in an extraordinary action which would seem to reek of politics, Mr. President, we are debating a bill that is already the law of the land. The bill that is now before us, the underlying bill, was adopted before we recessed in August, was sent to the President, and was signed into law by the President. So we are voting on, in essence, a bill that is already law in what would seem to be an effort to prevent this body from working its will on the revenue issue.

I submit to my colleagues that this is totally an artificial creation with one and only one objective, and that is, having raised the issue of unemployment, clearly there are those who do not want to address the single cure for it, which is to create employment and do it in such a way as to stimulate the economy, create jobs, growth, and, opportunity and generate the best kind of revenues by more people working.

Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. And, in the process, more people that work under the same tax system pay more taxes.

Now, apparently we will have a point of order raised against this amendment. Let me remind my colleagues that this point of order has been raised many times on the floor of the Senate and more often than not, in my 7 years here, it has been tabled.

Let me read the Constitution. Article I, section 7 says, "All bills for raising revenue"—and I emphasize "raising"—"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills."

Well, Mr. President, the first point I would like to make is I am not raising revenues. I am providing in my amendment, along with roughly a dozen other colleagues, reductions in marginal tax rates aimed at creating jobs and creating opportunity for our citizens.

Let me remind my colleagues of a speech given by our dear colleague from Missouri, Senator DANFORTH, on February 4, 1986.

He said:

> The Supreme Court has spoken on this issue and, in the case of United States versus Norton, the Supreme Court said that the limitation in the Constitution for bills originating in the House of Representatives is confined to, in the words of the Supreme Court, "bills to levy taxes" in the strictest sense of the word and has not been understood to extend to bills for other purposes which incidentally create revenues.

Well, Mr. President, that precisely fits what I am doing. And let me remind my colleagues—for those who may intend to use this point of order as a fig leaf to hide behind when they explain to their constituents why they did not vote for a bill that has been endorsed by the American Farm Bureau, the U.S. Chamber of Commerce, the National Tax Limitation Committee, the National Federation of Independent Business, the Senior Coalition—and the list goes on and on—a bill that aims at creating jobs and growth and opportunity in our economy—that on September 7, 1988, I raised precisely the same point of order to a bill that was offered by the distinguished Senator from South Carolina [Mr. HOLLINGS]. It was a textile bill. I raised the point of order making the assertions that this was a revenue measure originating in the Senate.

Senator HOLLINGS did not debate the substance of the issue. I may have been right. I may have been wrong. That is not the point. What is the point is he moved to table the constitutional point of order and only one Democratic Member of the U.S. Senate that was present voted to uphold the point of order, however it might have been decided on the substance. They voted to table it.

Now, Mr. President, I guess if people vote to sustain this point of order today on a bill which in fact is companion to a revenue bill in the House, they are saying that the provision on a textile bill was more important than providing tax credits for new home ownership, eliminate the inequity to senior citizens where they lose Social Security if they work, and the other provisions of the Emergency Economic Growth Act amendment. So I hope my colleagues will look at the substance, that they will conclude that there is but one solution to unemployment and that solution is employment, and that what we need is more jobs.

An outside group, as I noted earlier, has estimated that the adoption of this proposal will create some 400,000 jobs over the next 4 years and will by the year 2000 create over a million new jobs.

That is what we need to create a real safety net for the American people. I hope my colleagues will vote on this serious issue based on the substance.

I yield 5 minutes to the distinguished minority whip.

The PRESIDING OFFICER. The Chair recognizes Senator SIMPSON.

Mr. SIMPSON. Mr. President, I want to speak on behalf of the Gramm-Kasten-Wallop amendment. I ask unanimous consent that I be added as a cosponsor to that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I thank my colleague from Texas. He does explain those things so aptly, in a way that people can hear, especially when pointing out an inconsistency which we will soon see when we vote on this issue.

There are ample policy reasons for supporting the amendment before us. But I am going to take the plunge, if I may for a moment, and speak about what is happening here politically.

Last Thursday, we received a preview of what that was to be all about. It really did not sound at all to me like a simple humanitarian gesture. I think everyone knows what is going on here. There has been no secret made—we have had our caucuses today—of the political tactics which are to be employed, now and for the foreseeable future, I suppose—at least for a little while—by the loyal opposition.

The attempt is to portray our President as someone who is cold, aloof, evil, uncaring about anything on the domestic front—anything at all. A remarkable charge in every way. How absurd.

I believe this is an issue which has been politically "cooked up" in the last few weeks. This matter could have been dealt with months ago, but I did not see any effort to bring it up. I said the other day that there must have been a campaign 1992 focus group that met somewhere, possibly in an early Presidential primary State in the last few weeks. They decided to trot this one out of the stable, because it was not here in January or February or March or April or May. If it was that critical, you would think we would have seen it earlier. I have not seen it before until July.

The partisan purpose is to crank up all the emergency legislation that can possibly be cooked up, ship it on down to the White House, and then say, "There it is, Mr. President. This is an emergency." Everything will be considered an emergency in order to avoid the discipline we voted for last year in the bipartisan budget agreement.

It will be sent to him as an emergency, and it will say: "Mr. President, it does bust the budget; we have not been able to figure out a way to get around the budget proposal. We wish we could. We would like to get back to our old habits, but this strange, arcane, goofy budget agreement—which we agreed to—prevent us from doing that. So we are going to ship you a piece of goods and call it "an emergency." And then if you do not claim it as an emergency, we are going to wrap it around your neck." That is a good trick, but it is not going to work.

It is a remarkable charge that this President has not dealt with issues on the domestic front. Yet we do have to understand how such baseless charges arise, and I do, give the President's undeniable success in world affairs—bringing peace to the world. I always thought that successfully working toward world peace was a pretty good thing, domestically. Some detractors of the President may find that is a strange concept—silly, even. But I think that it is a pretty good idea.

So, in matters as fundamental as war and peace, he is doing better than anyone that has ever held the seat, the position, the honor of being president. So, unfortunately for his detractors, there is no other ground on which he can be assailed.

However, I think this is almost a child-like ploy. It certainly will not be work. The domestic initiatives of this President have been wide ranging, energetic, plentiful, generous. You can run down the list: the America 2000 education plan; a crime bill of remarkable import; a Clean Air Act, which finally got going because of this President; the Americans With Disabilities Act, which finally became reality because of this President; the child care legislation, which became a law, finally, because of this President; banking reform proposals, which are finally before us because of this President. There is no area in which the administration has failed to take the initiative.

Not all of those have been met with complete acceptance by the Congress, but it surely cannot fail to be noticed that the only areas in which administration proposals do not succeed with alacrity and great energy are those domestic issues which require ample cooperation from both parties in Congress.

That is not to lay total blame, but domestic policy is unavoidably a partnership between the President and the Congress; in this case, a Republican President and a Democratic Congress in both Houses. Thus, Congress will not be able to escape its share of responsibility, and the people know that. And that is why they get down on us. That is exactly why they feel as they do about those of us who are politicians.

The underlying bill here has a dual function. It can serve to embarrass the President by getting him into a bidding war as to who cares more for America's unemployed, and it busts the budget at the seams at the same time. The issue before us today provides a very handy and pretty shaky pulpit for the President's detractors. What better way to harass the President on economic issues than to hammer on this ancient theme of unemployment?

May I ask if I might have an additional 3 minutes from the time manager?

Mr. GRAMM. Mr. President, I yield our dear colleague an additional 3 minutes.

Mr. SIMPSON. I thank my colleague from Texas.

However, I think that partisan cynicism from the other side of the aisle in this instance is quite unbecoming. We have in this amendment a perfect opportunity to provide our sincerity. Our leader has said: Send them both to the White House, because we know something needs to be done. That almost sent a rigor through a couple of people on the opposite side of the aisle.

The amendment before us will do the job. In the first instance, it will provide a means to pay for the extended benefits, and in the second place it would enact a series of measures which would spur growth and reduce, in the long run, the number of unemployed Americans.

So it is so easy to profess—and we all do this—our concern and compassion for the unemployed, and it is real. And, indeed, I believe that every single Senator in this body does have that sincere compassion to do something. History shows that it can also be so very easy for us to pass any kind of a benefit package. What is difficult, but most important to do, is to enact the policies necessary to reduce the need for those benefits.

So it is incumbent upon those who wish to blame the President for every single economic ill faced by this country to prove that they wish to advance policies that treat the causes of these ills. What pro-growth policies have been advanced by the Democratical controlled Congress which would have prevented these ascribed miseries? They have voted down attempts to spur investment by reducing capital gains taxes, and will probably vote this down. At least we will get on record with that.

And I want to be quite fair. I think Senator BENTSEN has himself energetically espoused the cause of expanded IRA benefits, but what has been done by this Congress as a whole? Not much. And the answer is, really, nothing.

Here is the opportunity. It is this body which bears the responsibility for the spending and taxation policies which inhibit growth and thereby increase unemployment. Presidents really do not have much say in that.

So I urge my colleagues to finally take a very measurable and real step. I do commend my friend from Texas. He can bring it all together in a way that is acceptable and hearable, and the American public will heed it and hear it, and enacting this amendment will be a real step toward alleviating unemployment.

I thank my colleagues and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, I yield 6 minutes to the Senator from Michigan, my colleague, Senator LEVIN.

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan.

Mr. LEVIN. Mr. President, a record number of people are hurting, and the Congress should act. The facts are simple, and their message is compelling.

In my own State of Michigan, people are exhausting their unemployment benefits at a rate of 17,000 people a month. That is 17,000 people for whom the nightmare of unemployment has, each month, become just a little bit darker.

Since the beginning of this year, over 100,000 people in Michigan have exhausted their unemployment benefits. That is almost as many people as exhausted their benefits during all of last year.

We cannot hide these facts amidst a haze of wishful thinking. We must, instead, act to ease their human tragedy as quickly as possible, and the Bentsen legislation before us today, providing up to 20 additional weeks of benefits, will help to do just that.

This is not the time to declare victory over the recession, as the President's advisers seem to be doing. This is the time to recognize the cold, hard reality that not only is prosperity not just around the corner, but also that we are not even sure that we are walking down the right street.

The housing industry, which is a key to any sustained and substantial economic recovery, remains depressed. For the first 7 months of this year new single-family home sales are 13 percent below last year's level.

Retail sales in August, which are seen as an indicator of the likely strength of sales during the year-end holiday season, fell by almost 1 percent.

Auto sales, after showing some signs of improvement, turned back down in August.

These are definitely not the signs which would encourage us to tell the unemployed who have exhausted their benefits that, if they hold out on their own for just a little bit longer, then the job market will open up again soon. These definitely are the signs which should compel us to approve today this bill to provide up to 20 weeks of additional unemployment benefits.

Two arguments are raised against the Bentsen legislation, of which I am pleased to be a cosponsor. First, it is argued that the recession is over, and so, extending these benefits now would be like treating a patient who is no longer sick. But as I have just indicated, the current economic facts indicate that the American economy is still sick and those who have exhausted their benefits are experiencing its most severe symptoms. Furthermore, the historical record shows that after the 1982 recession, the number of people who are unemployed for more than 26 weeks actually increased after the recession officially ended. So, given the state of the economy, this legislation is desperately needed now and in the months to come.

The second argument raised against this legislation is that it will bust the budget. In fact, the budget agreement of last year specifically contemplated the possibility that we might be faced with emergencies that would require additional spending and that would not be offset by revenue increases or other spending cuts. This legislation extending benefits would not permit spending to occur unless such an emergency was declared, and there can be no doubt that we are in an emergency. In July, more people nationwide exhausted their unemployment benefits than during any other month on record, and that is since data has been collected in 1951. So, for the last 40 years, as long as we have been collecting data on unemployment and the exhaustion of unemployment benefits, July was the worst month in history.

Mr. President, this debate is about legislation, it is about budget estimates, and it is about priorities, but, most of all, it is about people. And, Mr. President, record numbers of people are hurting, and it is time for the U.S. Senate to act.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I yield myself 10 minutes.

Mr. President, this morning on "Good Morning America," I had the opportunity to discuss this legislative package with the Secretary of Labor, Lynn Martin, who was there on the other side. I want to touch on some of the points that we were trying to develop in that rather tight timeframe on the TV show this morning.

First of all, the package that is before the Senate that has been reported out of the Senate Finance Committee is the right package, and I strongly support it. This is a package that we sent to the President before, the President signed it, but he refused to trigger it on by acknowledging the emergency requirement in the country. That was a mistake at that time. We are bringing it back through. We think that the President, in light of the additional unemployment that we have seen in the country since that time, will see now the need to go ahead and enact this legislation. It is critically needed. It is urgent for the people who are out there across the country who need these extended unemployment benefits.

It is important to remember that there is over $8 billion collected already in the extended unemployment benefits trust fund. That has already been collected for precisely this kind of a problem. Now that the problem is here and we have millions of unemployed workers exhausting their benefits, these moneys need to be used to help those workers who have been out of work now for half a year—for half a year they have not been able to find employment, their jobs have not called them back. They need to be able to draw on this extended unemployment benefit fund in order to keep their lives together. Many are losing their homes and their cars. Their families are being broken apart because of the urgency of the situation.

This morning on the television show the Secretary of Labor said the plan being offered on the other side, the so-called Dole plan, was the better plan. That is not true. Of course, the obvious question is, Where is the Bush plan? There has been no Bush plan on this issue. In fact, the plan that is being offered on the other side is obviously a plan that is being offered, in my view, to try to make it look as if there are really two choices. In practical, cold fact there is only one option for getting a significant amount of help out to the unemployed workers promptly, and that is our bill.

One of the issues that was made today was that there was a funding mechanism on the proposal that had been developed on the other side of the aisle. My understanding is that the funding mechanisms are being discarded because the problem is that selling these frequencies for broadcast would come in another time period out into the future, if, in fact, that even happens.

So now as I understand it, they are moving back to the emergency designation, which is what we have been calling for all along. So at least finally, in that area, it looks as if we are getting to be in the same position with respect to recognizing the emergency status, and I hope the President will now recognize that himself.

The other problem, a major defect, in the plan on the other side is that it does not reach the States with the worst problems. The States now with the highest unemployment levels in the country are my home State of Michigan and the State of West Virginia. Yet, under the plan mapped out on the other side, those States would not be eligible for the highest tier of benefits under that plan.

So the four-tier plan that we have developed, which is geared to providing the benefits to the States with the highest levels of unemployment on a graduated scale, is clearly the direction that we ought to go.

The underlying problem with all of this is that the Bush administration has an economic program for every country but America. The reason we are in here right now trying to get this emergency assistance through to unemployed workers is that we have a very troubled economy and the recession has been going on for a long period of time. The unemployment rates have remained very high, so many of our workers are exhausting their unemployment benefits, and they need this help. The money has been collected for them, it is in the fund and it is time they received it.

I will tell you about the case of one person with respect to what is happening to the returning service men and women from Desert Storm. Under the current unemployment system, returning veterans from Desert Storm are only eligible for half the benefits of workers in the United States who were laid off. In fact, the Desert Storm people have to wait for as many as 4 weeks or longer before they can quality for their first benefits.

I have a constituent in Michigan, Scott Sierko, up in Pinconning, MI. He was called up to Desert Storm from September 30 of last year to May 23 of this year as a member of the National Guard. After he returned from Desert Storm, he was laid off from his job and he filed for benefits. However, as an ex-service member he was only eligible for a fraction of the benefits that other people who had been laid off were getting at the same time. So other co-workers of his who were laid off, but did not go to Desert Storm, were eligible for the full 26 weeks and he was not because he had a situation where he had been defending our country. Also, the other workers laid off had no waiting period, and Scott had a waiting period of several weeks.

That defect is not cured in the plan being offered on the other side of the aisle. Returning servicemen and servicewomen from Desert Storm are treated as second-class citizens under that legislation. We correct that in our bill. In our bill, the one coming out of the Finance Committee, they get the same benefits that everybody else is entitled to and they get them at the same time. So they do not have this arbitrary time of having to wait.

I must say, the parades that we had in the country to recognize and acknowledge the heroics of our service people in Desert Storm were entirely appropriate, but providing the unemployment benefits for those who have come back and cannot find work and have lost their jobs is far more important. We do that in the bill that we have here.

The alternative that has been suggested does not get that job done.

I might say as well that under the alternative that is being talked about, there are only two places today that are presently covered by extended unemployment benefits in terms of the defects in the existing system. One is Puerto Rico. The other is Rhode Island.

But as I noted earlier, States like Michigan and West Virginia, which actually have the highest level of unemployment in the country, are States that at the present time are not eligible for extended benefits.

I might say in addition to that, there is another major defect in the plan of the other side. They are not going to point it out, but in their plan they no longer count in the uninsured category for purposes of calculating that these benefits people who are unemployed, have exhausted their benefits, and have become discouraged workers.

So in other words, the unemployed worker out there who has exhausted his benefits, has not come back to work and is out there permanently unemployed is not counted in their base. They leave that person out in deciding which States trigger on and trigger off extended unemployment benefits.

So it is not a fair plan. Frankly, I think it is offered really for window dressing. I do not say that disrespectfully, but I think when you analyze the plan and you analyze how it has been put together and the substance of how the plan would work, you can see it is not a real plan. It is designed to create the fiction of a plan and is not a real plan.

The other day we saw the President out to the Grand Canyon in a lovely setting. It is all well and good to go out and visit these locations. We have a Grand Canyon of unemployed workers in this country, and there are over 9 million of them in that canyon of unemployment. Frankly, it is time for the President, in my view—a man who is a friend of mine—to go out and visit an unemployment office in this country. I do not mean with the TV cameras and all the hype. I mean to go into an unemployment office in Michigan or another State and talk face to face with the unemployed men and women who are there and get an understanding of how serious this economic problem is and that it is not solving itself. The unemployment levels remain very high in the country. Many people who want to work full time are only able to find part-time work.

I think it is important for the President to take the focus off the foreign policy initiatives, for a while at least, and concentrate on what is going on in America. Certainly with our unemployed workers, our underemployed workers, our companies that are in trouble.

We also need a healthcare plan in this country as well. People who have health insurance today are seeing their rates go through the roof. We have nearly 40 million people without any health insurance at all. They need to have some manner of health insurance.

That is another issue which requires the attention of the President and the administration. That is at the center of this discussion today, whether we are going to bring the focus around and put it on the needs of the people of this country.

As Senator SARBANES said the other day, the people today who qualify for unemployment benefits are people who work. They have a work history. They want to work. Their whole life is built around their work and being able to sustain themselves and their families. When their jobs disappear and do not come back and they have exhausted their basic unemployment benefits, it is absolutely necessary there be a period of extended unemployment benefits to help tide them over until this economy does come back. These workers have earned that protection. Their employers have paid it in, over $8 billion paid in to the unemployment extended benefits trust fund.

The problem is that the folks generally on this side of the aisle want to take and count that surplus, that $8 billion in the extended unemployment compensation fund, they want to be able to count that and apply it against other spending in the Government budget that has nothing to do with unemployed workers. That is why they are hanging on so tight to this, because they do not want it spent for the purpose for which it was designed, for which it was collected and for which today it is needed.

I reserve the remainder of my time.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am not going to talk very long today, I do not think, because essentially I heard the same comments about the President, about unemployed compensation, about foreign countries about 5 or 6 nights ago. I heard the entire speech on those issues. I think it is now repeated again this afternoon. And perhaps I even missed one in between. Maybe it has gone on three times in the Senate. Maybe we figure that if the people were not watching on Thursday night past when all of this was hashed out, maybe they were listening on Friday. And if they were not listening on Friday we can try again this afternoon.

Having said that, let me just say what I said the other night, hopefully abbreviated.

Mr. President, it really does not matter how many times the distinguished Senator, Senator RIEGLE, continues to try to make his——

The PRESIDING OFFICER. I must inform the Senator from New Mexico, the time under the control of the Senator from Texas has expired.

Mr. DOMENICI. Parliamentary inquiry. Who is in control of the time now?

The PRESIDING OFFICER. The majority manager has 4 minutes remaining.

Mr. GRAMM. Mr. President, I yield 10 minutes to the distinguished vice chairman of the Budget Committee, the Senator from New Mexico.

Mr. DOMENICI. Let me say to my friend from Texas I understood the Chair said there is no longer any time, and go to the open discussion. That will be fine.

Mr. GRAMM addressed the Chair.

Mr. DOMENICI. Mr. President, I have no objection to that. I would then proceed for 10 minutes on my own.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, when the Chair indicated that we had a time problem, I was speaking about the American people, having said that we have heard the same message in the past 7 or 8 days three times on the floor of the Senate. Now, I was going to say I really do not believe it is going to do any good if this finishes today, if somebody wants to give the same speech on the same subject about the same President a fourth time tomorrow. The reason it is not going to make any difference, the President is not going to lose one vote with the kind of speeches we have been hearing, because the American people are not fools. They understand it is very easy to take the floor of the Senate and accuse and talk and be worried about Americans who do not have jobs and indicate that the President does not care. You can say that.

I could say that about Mother Teresa. I could say she does not care about poor people; she did not show up in the slums of New York. But, you see, people would say, "What is the matter with you? Why don't you have something constructive to say?"

That is the point. Those who would say the President does not have anything to say about domestic policies, he is too busy in foreign policy, the question is what are they saying about domestic policy.

As a matter of fact, it seems to me they choose, on that side of the aisle, in particular the spokesmen of the last 2 or 3 days, not to say what they are for because that will make more Americans wonder what in the world are they talking about. Today they would spend more money, let the deficit grow, all in the name of economic progress, spending guarantees of $7.5 or $7.8 billion on emergency unemployment compensation, not even try to pay for it with some other program being canceled or some revenue measure, and try to tell the American people this is an economic policy that is good for America's future.

The truth of the matter is it is not. The truth of the matter is that the American people again are not fools. They say, when you went through all this emotional trauma to get a 5-year budget plan, why do you not pay for this unemployment compensation one way or another?

Having said that, I am perfectly prepared to continue, if someone wants to continue, and talk about our President, whether he is doing anything for the domestic program of this country from a positive standpoint. But I think it is very interesting to ask for those who are critical, what would they do. In fact, the only emergency program under the budget proposal that I have seen offered is this one.

The truth of the matter is it will not help economic growth. It takes care of some people who have big problems, and we ought to do that. But it will not make America grow. It will not make America go back to work. It will not make American businesses earn money so they can employ people. This is one unemployment comp that ought to be done on an extension matter because the people need so much help.

Now, let me make sure, even though I am not the unemployment compensation expert—Senator DOLE, who is the prime sponsor—and I am his principal cosponsor—is the one who is expert on it. But let me say a couple of things.

Senator RIEGLE criticized the Dole-Domenici amendment because it did not take care of the servicemen. Let me say without going into detail that is not true. I do not accuse the Senator of telling the Senate something intentionally that is wrong. He may not know. But it takes care of the servicemen exactly as his does, and indeed for the involuntary military after 1 week they get full 26 weeks of benefits. So that is in the bill.

Second, it is contended this is not serious. I believe it is very serious. In fact, I believe if the Democrats would vote for this, and get it to the President so he can sign it, the unemployed in this country would be very, very pleased because literally scores and scores of them would start to get an additional 6 weeks of benefits and some in States with high unemployment would get 10. Frankly, I believe that is the right thing to do. If in 6 or 8 weeks we need to take another look, let us take another look.

Having said that, let me suggest one more time that this amendment that Senators DOLE and DOMENICI asked the Senate to support, which I understand the President of the United States will sign, uses two sources of revenue. One is we have a student loan program. That student loan program needs some reform measures which will make sure that we can collect through the income tax approach what is due to us. That is a very big revenue resource measure.

In fact, in each of the years, this year and 4 more, when you add them up it will collect enough to pay for this unemployment comp. But to play safe we add on top of that the bid option of the electromagnetic spectrum which has been around the Senate for a long time. There are various approaches. We think it will yield $1.2 billion, and we will leave out of that sale all of those areas that people are worried about and only sell those that are going to go to these new companies who are going to make billions of dollars using that spectrum for telephone systems and the like. You add the two together and essentially during the period of our 5-year agreement we will have $1.2 billion more then we need to pay for the unemployment compensation.

So I did not say that the proposal that my friend, Senator RIEGLE, is supporting was not for real. In fact, I said it was for real. In fact, it is so real that it is going to cost $5.8 billion, and it is going to add $5.8 billion to the deficit. That is how real it is. We will get that from the Congressional Budget Office, and we will get that from OMB. That is for real—$5.8 billion added to the deficit. On the other hand, we will get $1.2 billion in excess of the cost under the Dole-Domenici proposal.

My last observation, then I will yield the floor, and later on I will speak to another issue——

Mr. RIEGLE. Will the Senator when he finishes yield for one question on the service men and women?

Mr. DOMENICI. I will be pleased to. Let me finish this one thought.

Mr. President, I think the Senate from time to time says, well, Senator DOMENICI, if he knows anything he knows a little bit about a budget under our budget policies. That really is not the budget, but under our budget program. I think I know a little bit. Let me make a suggestion as to why I think it is unreasonable for the other side of the aisle to expect the President of the United States to sign the bill they are going to send him.

If you look at the budget resolution for this year that is implementing the 5-year agreement you will find that it is very typical other than it has three reserve clauses that cover three distinct new areas that we might cover during the year of its validity. One of those three reserved areas is jobs and unemployment. That is provided for in a very special way using past precedent and past language, and essentially it says that if you need additional new unemployment compensation provisions you can pass them, and it will not be a violation of the Budget Act so long as you pay for them in the same measure that you adopt them.

The reserve clause makes it in order to move the dollars around within the budget which otherwise would make it subject to a point of order. It does that for health and infrastructure.

Frankly, it was just a few months ago when we adopted that. I believe that the Senate and the House intended that if we ever needed new unemployment compensation benefits statutes we will use that reserve provision which says pay for it, you can move the dollars around in the budget, and it will be in order.

On the other hand, they choose to interpret it to mean that you do not have to use that. You can use something else. And the something else is the emergency clause of the budget that says if you have a real emergency you do not have to count the expenditure. You can break the budget, so to speak.

I believe you ought to seriously put it within one of those reserve clauses and pay for it. I think it is not so difficult to do. That is why we have handled it in this manner.

Later on I will join my friend from Texas in talking about economic growth because it is interesting that—while the President is being accused of not being concerned about the American economy, and not doing anything about economic growth—clearly the measure the distinguished Senator from Texas and others have put before the Senate will not be voted for by those on the other side of the aisle. They will vote against it. But I guarantee you when they stand up, and say, "Where is the economic development activities, where are you going to get growth, Republican style?", we can hold this one up. We can say do this, capital gains, do the other things for IRA's, and the like, and you will get a basis for sustained economic prosperity.

So later on we will speak to it knowing full well that some on the other side will continue to ask what the President is for, but surely will not be for what Republicans are for—to cause sustained economic growth as contained in the Gramm and others amendment here today.

I will be pleased to answer questions if the Senator has any.

Mr. RIEGLE. Mr. President, let me say to the Senator from New Mexico that I checked with the Finance Committee staff on the benefits to servicemen and women that leave the service who would have, say, served in Desert Storm. The amendment that the Senator is offering actually cuts below current levels of spending the amount of unemployment money going to ex-service personnel by half a billion, $535 million over 5 years.

I have asked specifically how that happens. I was told the way that happens is you increase the benefits for a very small number of veterans, those that leave the service at the request of the service. Anybody that finishes their normal tour of service duty and is discharged honorably would not qualify for the extended benefits. So you actually are providing fewer dollar benefits to our veterans than under current policy. I do not want to misstate the provision that the Senator has but I am told that is what it would do. So in fact it does not help many of the veterans who are being discharged honorably. In fact the total expenditures for veterans will go down by a half a billion over the next 5 years.

Mr. DOMENICI. When I spoke to the unemployment compensation provisions in the Dole-Domenici bill, I said that for involuntary discharges we had the same thing as the Senator from Michigan, and we do.

With reference to voluntarily being separated from the military, we do not have the same thing that the Senator does nor the same thing that is in current law. I will just tell the Senate why. Voluntary separated, meaning you are in the service, you have time, they are not letting you go, you will voluntarily decide you want to be separated—not discharged, separated. We say why treat them any different than a civilian who is voluntarily separated? There is law with reference to them. We say the same thing ought to apply to the military. That is the difference. I will agree that is a difference. I do not agree that it is enough to pass the other bill and not ours under any circumstances. But it is a difference.

Mr. RIEGLE. I say to the Senator he is cutting the existing benefits to veterans over the 5-year period of time according to the baseline numbers by a half a billion dollars. People who leave the service under honorable conditions and come back who cannot find work I think ought to be on the same footing with any other worker in the society that is out of work and cannot find a job.

They should not get half of what other workers get, they should get the same amount. That is a defect, I assert, in the Senator's bill. That is something that we correct in the bill from the Finance Committee.

I thank the Senator for yielding.

Mr. President, do I have 4 minutes remaining?

The PRESIDING OFFICER. Yes.

Mr. RIEGLE. I yield to the Senator from Minnesota.

Mr. WELLSTONE. I thank the Senator from Michigan.

Mr. President, I was not party to the budget agreement. So let me try and talk about this the way I hear about it from people in my State of Minnesota.

I think what concerns people the most is that we not have a debate here where it becomes a game of chess and unemployed people become the pawns. We have an amendment, or set of amendments, which are called growth package, but they are tax revenue amendments which should originate in the House, and they doom our effort here to extend unemployment benefits to unemployed people. That, to me, is a charade.

People who are unemployed are people in real flesh who have children to feed, who are trying to pay their mortgages, who are trying to pay their medical bills. I think what people in our country are interested in is in our taking action that can do some good for people.

Mr. President, I will not talk about the President at all, but I hear that if he should draw from the unemployment trust fund, which is there to provide benefits for unemployed people, that somehow breaks an agreement, and that it is wrong to do that for the budget. I never hear a word about that when we talk about the B-2 bomber. You never hear a word about that when we talk about more money for star wars. You never heard a word about that when we talked about $9 billion to defend Japan. But when it comes to providing benefits for unemployed people, all of a sudden, some of our colleagues say we cannot do that, that would be wrong, we need that $8 billion to make sure we have revenue so that we can somehow say we are making an effort to balance the budget—which we are not doing. That money was there to provide benefits for unemployed people.

Mr. President, I ask this question, because I have to be brief: When in the U.S. Senate will the people who do not have all of the clout and do not have the lobbyists be heard? Did we, not that long ago, extend our salaries from $100,000 to $125,000? If U.S. Senators can extend their salaries from $100,000 to $125,000 a year, we ought to be able to extend unemployment benefits to people who are out of work and trying to support themselves.

I really think this is a test case of who this capital belongs to. All of the people with the clout, and all of the people with the big money, and all of the people with the lobbyists, get their way here. I think now is the time for there to be justice for people who are out of work. That is why I believe this proposal by the Senator from Texas should pass, and that is why I will vote against these amendments.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington..

Mr. GORTON. Mr. President, we are dealing here today with a bill related to unemployment. In fact, we are dealing with a major amendment on the part of the Republican leader and Senator DOMENICI on the subject of unemployment. That is, of course, an important subject. It encompasses individual tragedies all across the country, people who are in considerable need and who deserve hope and who deserve help.

In the Gramm amendment, however, we are dealing with an employment amendment. We are dealing with the up side of the challenges which are facing this country today. I believe that by the very nature of the amendment, that subject has greater long-term significance for the people of the United States and for its economy than does any bill dealing with unemployment.

As we struggle over the extension of unemployment insurance, we are dealing with the question of 4 weeks, or 6 weeks, or 7 weeks, or 10 weeks, or perhaps 20 weeks. As we deal with a growth amendment, an employment amendment, we are dealing with an unlimited future. We are dealing with economic opportunity for thousands, tens of thousands, perhaps hundreds of thousands of Americans.

It is for exactly that reason that I believe the Gramm amendment is so significant and so important. So much of the debate over the course of the last week or so has been negative, in the sense of looking backward or looking at temporary forms of relief, that it is a great relief to this Senator actually to be able to vote for something which will provide for jobs and more economic growth.

The Senator from Texas, the junior Senator from Texas, in introducing this amendment, has gone through all of its details. I do not need to repeat each of the concerns, the considerations, which he has mentioned.

It does, of course, include a modest capital gains proposal which offers tax incentives of an increasing amount for the longer a particular capital asset has been held. That is obviously a progrowth and a proemployment provision. It is also, incidentally, at least in the first several years, and perhaps permanently, one which will increase receipts to the National Treasury, rather than to cost money from the National Treasury.

There is a second element, however, to this amendment's provisions relating to capital gains. That is the indexing of capital assets beginning on April 15 of this year. That, Mr. President, while it is also an economic and a job-creating incentive, almost reaches the stature of a moral provision in the bill.

Nothing can be more destructive; nothing can be more negative; nothing can be more wrong, in the view of this Senator, than to tax a nonexistent gain, to create an incentive on the part of the spenders in the Congress of the United States to encourage inflation, because inflation will bring in a tax on the sale of capital assets.

At the very least, even if the Congress is unwilling to accept a general capital gains provision, I believe we owe it to our constituents to say that they will not in the future be taxed on a gain which is illusion, which results purely from inflation, and that very important goal, at least, the future Gramm amendment accomplishes.

The Gramm amendment also deals with an issue which has been around for a decade and is as important today as it was when it was first introduced, the idea of enterprise zones, the incentive for creation of jobs and opportunities in exactly those parts of the United States in which the recession is the worst, in which job opportunities are the fewest, and in which wages are the lowest.

To begin—at least in the modest fashion in which this proposal does—to encourage new enterprises, business, and industrial enterprises in those parts of the United States seems to me to be vitally important. The proposal encourages home ownership in two ways: with tax credits for low- and middle-income individuals striving to buy their first home; and by the permission for the use of certain portions of individual retirement accounts on a tax-free basis for downpayments on homes, obviously, something which will have the goal of increasing the home building industry in the United States, and even more important than that, encouraging homeowning by the people of the United States.

The Gramm amendment includes a number of savings incentives, which are likely to be real triggers to economic growth in the country. But, again, perhaps one of the provisions which is of most importance, and of the greatest justice, and with the greatest incentive for the creation of employment opportunities is that portion of the Gramm amendment which deals with the Social Security earnings tax.

Mr. President, I will confess that I would much prefer that we simply abolish that earnings tax and not continue to provide the tremendous disincentive we presently have in our Tax Code for work on the part of some of our most productive and intelligent and certainly most experienced citizens. I understand, by reason of the constraints under which we operate with these amendments, having to balance revenue losses with revenue gains, that that was impossible for the Senator from Texas, Mr. GRAMM, to accomplish. He has significantly increased the ceiling which retired persons, Social Security recipients, can earn without having a Social Security benefit penalty, and that is vitally important. More of our productive and thoughtful seniors will be encouraged to work. Fewer of them will be penalized by what are the highest effective tax rates in the United States. This is a matter not only of economic incentives but of simple justice. To take it in toto, Mr. President, we have the opportunity here this evening to do something genuine for the people of the United States of America, or we have the opportunity simply to engage in pointless rhetoric.

Were we to pass the Gramm amendment, the entire Bentsen unemployment set of provisions would work. Enough net revenue would be brought into the Treasury so that we could afford that set of unemployment benefits. We would have a bill which could be signed by the President of the United States, just as we could if the Dole amendment passes.

The Gramm amendment—I am sure even the Senator from Kansas will admit—is the best solution of all, because it not only will allow us to do something for the unemployed; it will give us tremendous incentives to see to it that more people are employed, that more people own homes, that more people are able to save, that more jobs are created. We get the best of all worlds if we pass the Gramm amendment, and then pass an entire bill which can, in fact, be approved by the President of the United States.

Mr. REID. Mr. President, I rise today in support of S. 1722, and in opposition to the amendment offered by several of my colleagues. In my estimation it is nothing less than an effort to kill this much-needed emergency relief for the unemployed.

It is a well-known fact that I support several of the provisions in this amendment. For instance, ever since the capital gains rate was increased as a result of the 1986 Tax Reform Act, I have been in favor of a reduction to it. It is simply good economics for not only Nevada, but States across the country.

There are other concepts, such as the changes to IRA savings plans, that I might support. In fact, I am a cosponsor of S. 612, the Savings and Investment Act, which restores IRA deductions to taxpayers.

Mr. President, I believe this amendment does a disservice to the important issues that it addresses. Issues such as a capital gains rate reduction, changes to the IRA savings plan, and the homeownership incentives are issues the Senate needs to address. Very simply, this is not the time nor the place to do it.

The PRESIDING OFFICER. All the time on the Gramm amendment has expired. The amendment is laid aside to recur upon disposition of the Dole amendment.

AMENDMENT NO. 1188

(Purpose: To provide a substitute amendment)

Mr. BENTSEN. Mr. President, I send to the desk an amendment in the nature of a substitute.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 1188.

Mr. BENTSEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) In General.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) Exhaustion of Benefits.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) Weekly Benefit Amount.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) Election.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) In General.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) Amount in Account.—

(1) In general.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period or other period	7

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of

the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. BENTSEN. Mr. President, I originally intended to add some extended benefits for railroad retirement, but I have been advised by the Rules Committee of the House that would be a revenue measure and, because of that, I struck that from this amendment.

First, this amendment ensures States remain eligible for reach-back benefits, despite the President's failure to allow our earlier bill to go into effect.

Second, it raises to 7 weeks the level of emergency benefits available to any State.

The first provision in my amendment ensures that the reach-back provisions of S. 1722 will apply in States that might otherwise become ineligible as a result of the President's failure last month to declare unemployment an emergency.

Like the first bill that we sent to the President, S. 1722 contains a reach-back provision to provide emergency benefits to the unemployed workers who exhausted their regular benefits on or after April 1, 1991. That reach-back is applicable to those workers who live in States that, on the effective date of the bill, have a 6-month average unemployment rate of at least 6 percent.

I am offering an amendment to S. 1722 that would preserve the reach-back status of all States. Under this amendment, no unemployed worker in any State would be prevented from receiving reach-back benefits because of the President's failure to declare an emergency with respect to our earlier unemployment legislation.

The amendment provides that no State that was eligible to provide reach-back benefits on September 1, 1991, under S. 1554, would be ineligible to do so under S. 1722. CBO estimates that the one-time cost would be $40 million in fiscal year 1992.

Second, I have seen how the situation for jobless Americans has, in many respects, worsened in recent weeks, with little hope of a strong recovery. When the President signed our unemployment bill last month, he acknowledged the problem, but he did not release the benefits because of his belief, mistakenly, that we are on the way to recovery. I have not seen that happening.

What we have seen is an economy that lost an additional 300,000 jobs in August. That is on top of the 172,000 that were lost in July. What we have seen is extended benefits that have expired for 318,000 workers in July—more people at any time in the last 40 years. What we are seeing is a possible muddled recovery, not the historic kind of recovery we have seen in the last two recessions. In the past, we have come out of it with a rebound of 6 to 7 percent GNP. For this one, the Blue Chip forecast is talking about maybe 2½ percent, or something in that area.

Historically, these things have peaked, insofar as unemployment, some 7 or 8 months after the recession supposedly had started to recover. So that is what we are trying to take care of.

It seems to me that the current situation demands that we do somewhat more for unemployed workers in those States that have moderate unemployment rates.

My friend from Kansas has done some of that. We have tried to do it a bit more. The majority of these States have unemployment that has averaged above 5 percent in the past 6 months, and most, if not all, have pockets, pockets of high unemployment.

This amendment provides that unemployed workers in any State that has an average unemployment rate below 7 percent will be entitled to a full 7 weeks of emergency benefits. The reach back provision would remain unchanged, so it applies only to States with average unemployment of 6 percent or more. CBO estimates the cost of this provision will be $300 million in fiscal year 1992.

I urge Senators to support this amendment so we can send the President an improved and strengthened program for the Nation's unemployed.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

AMENDMENT NO. 1189 TO AMENDMENT NO. 1188

(Purpose: To urge U.S. negotiators to seek an agreement in the interests of American consumers of coffee)

Mr. BROWN. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 1189 to amendment No. 1188.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the amendment, add the following new section:

SEC. . INTERNATIONAL COFFEE AGREEMENT.

Since the International Coffee Agreement (ICA) and its administrative arm, the International Coffee Organization (ICO), were born in 1983 to stabilize global coffee trade, by establishing an export quota system;

Since the ICO members control 95 percent of coffee exports and 86 percent of coffee imports and act much like a cartel by restricting the amount of coffee that can be sold on the world market;

Since an export quota system for coffee acts directly against the interests of American consumers by keeping prices at artificially high levels;

Since the negative effect of ICA quotas on consumers has been demonstrated from April 1989, when it appeared the agreement would lapse, to June 1991, by a 46.1 percent drop in the price of coffee;

Since the agreement lapsed in 1989, United States imports of coffee increased by 26 percent in 1990 over 1988 levels, at a total cost savings of $1.27 billion due to lower prices;

Since a World Bank study found quota benefits for members of the ICA come at the expense of the consumer and mid-level producing countries;

Since the International Coffee Organization, of which the United States is a member, began meetings on September 23, 1991, to establish a new coffee agreement and to again limit exports and control world coffee prices;

Since the proposals for a new coffee agreement discriminate against the coffee producers of Central America;

Since on July 29, 1991, the Senate unanimously agreed to an amendment that would prevent further United States participation in the International Coffee Organization;

Therefore, it is the sense of the Senate that the United States should not be party to any coffee agreement which will increase the price of coffee to the American consumer.

Mr. BROWN. Mr. President, the amendment before the Senate is one that expresses the sense of the Senate with regard to the International Coffee Organization and current negotiations that are proceeding now.

Why bring the measure up at this time particularly to be added onto this appropriate, important bill? I think there are several reasons why it is urgent that this measure be considered and that the Senate express its views on the measure.

First of all, the delegates of the International Coffee Organization are meeting now, meeting today in London. They started their meeting yesterday, and it will continue throughout this week. And the subject of their deliberations is whether or not they will revive a market allocation measure; whether or not they will establish a cartel for the allocation of the markets for coffee around the world.

The organization involves both countries that supply coffee, produce coffee, and countries that consume it. The major country among these is the United States. We are the major consumer of coffee and have a major share in that organization.

But, ironically, even though we are the major consuming nation, several producer countries outvote us, and outvote us significantly.

It is important, I think, also to consider this measure on an unemployment bill. Let me share with the Senator why. If the cartel is revised, the stated proposals of the advocates of the new quota system talk about a 20-percent increase in the price of coffee.

This literally means that the unemployed of this country will have to come forward with at least $400 million—that is, along with all other Americans—at least $400 million a year more for the coffee we consume. If, indeed, the prices go back up to the level they were under the previous cartel agreement, the quota agreement in 1989, it will hit the American consumer by almost a billion dollars in higher coffee prices.

This is no small measure. The potential of a quota agreement is dangerous and has an enormous impact on the American consumer.

The question I believe this Chamber needs to consider is, Why is it in the interest of American consumers to have a cartel formed on a commodity which Americans do not produce? Ninety-eight and a half percent of the coffee consumed in America is produced outside this country; a little short of 1½ percent of the coffee we consumer is produced in Hawaii. But the balance of the coffee—the 98½ percent—is produced elsewhere.

It is clearly not in the interest of American consumers to have a cartel formed regarding this substance. The potential that American delegates might participate in a measure that could impact American pocketbooks of up to a billion dollars a year is one that I think merits consideration of this proposal.

The amendment is quite straightforward. The "whereases" simply go forward to indicate the background, but it concludes with this: "Therefore, it is the sense of the Senate that the United States should not be a party to any coffee agreement which will increase the price of coffee to the American consumer."

It is quite straightforward. There are no strings. It simply says: We are not in favor of an agreement which will hit the American consumer's pocketbook, to his or her detriment.

Mr. President, at this point, I ask for the yeas and nays on my amendment.

Mr. DOLE. The Senator wants the yeas and nays?

Mr. BROWN. Mr. President, I ask unanimous consent that this amendment be considered as an amendment to the Bentsen substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, I ask for the yeas and nays.

Mr. DOLE. The yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BROWN. Mr. President, I think it is worthwhile for us to ask what happened when we had a cartel agreement. The evidence is quite clear. The Wall Street Journal I think discusses it clearly and sets it forward quite directly. Here is what the Wall Street Journal said in an article yesterday commenting on the new coffee negotiations:

> The agreement to stabilize prices failed in July 1989, when Brazil refused to reduce its export quotas. The U.S., the major consumer nation, insisted that Brazil reduce its market share because of shortages and artificially high prices of mild Arabica coffee. It believed that Costa Rica and other South and Central American producers shouldn't be prevented from exporting more of their desirable coffee. In the subsequent free market, average international coffee prices fell 50% to the present level of 67 cents a pound.

That is the Wall Street Journal.

Mr. President, as I go through the statistics from the Department of Agriculture, though, I find the aggregate figure something closer to 24 percent. Whether it is a 50-percent drop in coffee prices since we have left this quota arrangement, or whether it is 46 percent, that my figures seem to indicate as an overall aggregate figure, there is no question that it has made a major impact on the price of coffee in the wholesale market.

American consumers, if you simply take the 20 percent that the advocates of the new quota system are arguing for, the 20-percent increase in the prices of coffee, will pay a bill of almost $400 million a year more for their coffee if this proposal goes through.

If, indeed, you see a doubling of price back to the old levels, then you could well see the impact range up to a billion dollars a year for American consumers. A World Bank study has been done on this subject to see the kind of impact that this cartel agreement has had, and it is very interesting. Almost half of the countries that are coffee producers are losers under this proposal—not winners, but losers. And interestingly enough, the countries that seem to lose the most are Central American neighbors, ones that have been part of the Caribbean initiative, ones that this country has paid specific attention to because of our strong interest in helping them stimulate their economies and move forward.

The simple fact is the studies indicate that the Central American countries are the ones that are hurt by this agreement; not helped, but injured.

Mr. President, I would like to submit into the RECORD at this point, and later I will ask unanimous consent to do so, a series of letters from people who have studied this provision and come to conclusions about it.

There is a letter from Paul Beckner, from the Citizens for a Sound Economy, who strongly supports our effort to end the funds for the International Coffee Organization. I might mention that is not the purpose of this amendment. Our amendment is simply limited to a sense of the Senate that express its concern that we not end up hurting the American consumer.

Citizens Against Government Waste have come out expressing their concerns; the National Taxpayers Union join in their concerns; the Consumers for World Trade has spoken out forcefully, and I will submit that letter for the RECORD. The ANACAFE, which is directly concerned about the impact on Guatemala, and speaks in strong tones about its impact on that country, says this in one of their paragraphs:

> This is a serious situation for Guatemala. As in many producing countries, coffee is the mainstay of the Guatemalan economy. Forty thousand small subsistence farmers, spread throughout the highlands of country, make their living from coffee. We believe that the United States and other major consuming nations should join with the producers in making a major effort to promote greater consumption of quality coffee throughout the world.

Not curtail the market. If we in the International Coffee Organization allow a quota agreement to go through, we will hit those countries that can afford it least. Our friends and neighbors in Central America will be the first ones hit, because we will be saying to them their ability to export coffee as they have had in these last 2 years will be dramatically curtailed.

The Consumers for World Trade have also spoken out on this subject, again with great concern about the potential of the quota agreement being reached.

Mr. President, I ask unanimous consent that these letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITIZENS FOR A SOUND ECONOMY,
Washington, DC, July 23, 1991.

Hon. HANK BROWN,
U.S. Senate, Washington, DC.

DEAR SENATOR BROWN: Citizens for a Sound Economy strongly supports your effort to prohibit the funding of the International Coffee Organization (ICO), a cartel which uses quotas to increase the cost of coffee. When OPEC established a cartel to raise the price of oil, Americans were outraged. Imagine how they would feel if they knew that the government wanted to use their tax dollars to fund a similar cartel for coffee growers!

It's bad enough that consumers have to put up with existing trade barriers. But the idea that taxpayers' dollars would be used to help implement quotas which, in turn, would raise the price of coffee is especially unbelievable. Your amendment would keep Americans from paying twice: once to support the ICO, and again to afford higher-priced coffee.

Since July 1989, when the quota system fell apart, retail coffee prices have declined dramatically. If your amendment succeeds, it will assure that consumers can continue to enjoy the benefits of quota-free coffee. CSE supports your effort to end funding of the International Coffee Organization 100 percent.

Sincerely,

PAUL BECKNER,
President.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, July 25, 1991.

Hon. HANK BROWN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: On behalf of the Council for Citizens Against Government Waste (CCAGW), I am writing in support of your amendment to S. 1435, the Foreign Relations Authorization Act.

CCAGW members commend your efforts to keep $899,000 out of the pockets of the International Coffee Organization (ICO), a group which contributes to the deterioration of free markets by establishing export quotas on coffee.

In July of 1989, the export quota system ceased as a result of the inability of the ICO to come to an agreement on new levels. Since the suspension of the ICO quotas, the price of coffee to the consumer has declined 9.5%, from $3.17/lb in June 1989 to $2.87/lb in June 1991.

The ICO hurts the consumer, and it also fails to stabilize the coffee industry as originally intended. Both U.S. importers and roasters of raw beans contend that the industry can be more efficient without government intervention through the ICO.

Any further payments to the ICO would be a dereliction of Congress' duty to the taxpayers. The appropriation of nearly one million taxpayer dollars to the ICO must be prevented. The Council for Citizens Against Government Waste strongly urges the Senate to adopt your amendment.

Sincerely,

ALAN L. KEYES.

NATIONAL TAXPAYERS UNION,
Washington, DC, July 29, 1991.

Senator HANK BROWN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: On behalf of the 200,000 members of the National Taxpayers Union, I would like to express our support of your amendment to prohibit U.S. funding of the International Coffee Organization.

The ICO is a waste of tax dollars. It restricts free trade by setting export quotas, and it harms the American consumer, who must pay higher retail prices for coffee. The coffee industry would operate much more efficiently without the interference of the ICO. Since the suspension of export quotas in 1989, the total cost of importing coffee has declined significantly. In addition, the retail price of coffee has dropped 9.5%.

The ICO does a disservice to taxpayers by using their money to support production quotas, which in turn raise the prices they must pay for coffee. We fully support your efforts to defund the ICO and bring market forces back to the coffee industry.

Sincerely,

JAMES DALE DAVIDSON,
Chairman.

CONSUMERS FOR WORLD TRADE,
Washington, DC, September 18, 1991.

Senator HANK BROWN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: Consumers for World Trade (CWT) would like to express its support for the Brown amendment to the Foreign Relations Authorization Act for 1992/1993 which would prohibit further US funding of the International Coffee Organization (ICO).

We firmly believe that, in general, international commodity agreements which are intended to stabilize commodity prices are not in the best interest of consumers. These agreements, more often than not, as they remove a product from the influence of the market place, support prices at inappropriately higher levels than they would be in the free market. As a result, they levy a hidden and regressive tax on consumers in the form of excess costs. In certain cases, these costs have amounted to an estimated several billion dollars.

In addition, commodity agreements deprive consumers of an adequate choice in the market place and ignore consumer preference. The International Coffee Agreement is a case in point.

In the 1980's consumer demand favored "Mild Arabica", a high quality coffee, produced mostly by Mexico and Central America. This product had received a comparatively small quota share. On the other hand, "Robusta" coffee had more quota than demand. However, the allocations were inflexible and insistent negotiations between the US and other ICO members failed to change the situation or alleviate the price distortions caused by the quota allocations.

Because of these and other problems, many international commodity agreements have collapsed over time leaving commerce in disarray and clearly demonstrating the inefficiency and inpracticality of managed trade.

CWT, a national non-profit organization concerned with the interest of consumers in international trade policy, urges the conferees to adopt the Brown amendment.

Sincerely,

DOREEN L. BROWN,
President.

CONSUMERS FOR WORLD TRADE,
Washington, DC, August 7, 1991.

Hon. HANK BROWN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BROWN: I am writing on behalf of Consumers for World Trade (CWT) to express our support for your amendment to the Foreign Relations Authorization Act for 1992/1993 which would prohibit further US funding of the International Coffee Organization (ICO).

CWT is a national, non-profit, organization, established in 1978, and concerned with the interest of consumers in international trade policy. We firmly believe that, in general, international commodity agreements which are intended to stabilize commodity prices are not in the best interest of consumers. These agreements, more often than not, by removing a product from the influence of the market place, support prices at inappropriately higher levels than they would be in a free market. As a result, they levy a hidden tax on consumers in the form of excess costs. In some product cases, these costs amount to an estimated several billion dollars for certain years.

In addition to maintaining higher prices, these agreements can deprive consumers of an adequate choice in the market place and ignore consumer preference. The International Coffee Agreement (ICA) is a case in point.

In the 1980's consumer demand favored "Mild Arabica", a high quality coffee, produced mostly by Mexico and Central America. This product had been allocated a comparatively small quota share. On the other hand "Robusta" coffee had more quota than demand. However, the allocations were inflexible and insistent negotiations between the US and other ICO members failed to change the situation or alleviate the price distortions caused by the quota allocations.

Because of these and other problems, many international commodity agreements have collapsed over time leaving commerce in disarray. This clearly demonstrates the inefficiency and inpracticality of managed trade. We urge Congress to enact the Brown amendment into the law.

Sincerely,

DOREEN L. BROWN,
President.

ASOCIACION NACIONAL DEL CAFE,
Guatemala, C.A., August 26, 1991.

Senator HANK BROWN,
U.S. Senate, Washington, DC.

DEAR SENATOR BROWN: We have read with interest your proposed amendment regarding funding for the International Coffee Organization (ICO). Recently, ANACAFE presented the enclosed Position Paper on the international coffee situation to the U.S. Department of State, the Department of Commerce and the Office of the U.S. Trade Representative.

ANACAFE, in the name of the 45,000 Guatemalan coffee producers, fully backs a free market in coffee. We oppose a quota system or any other method that distorts the forces of the market.

For your information, Guatemala works within the structure of a free market economy. There is, and always has been, very little government intervention, except in a limited regulatory role, over the production and marketing of Guatemalan farm products.

As you mention in your proposed amendment, international coffee prices have declined substantially since quotas were eliminated in July, 1989. Nonetheless, the American consumer has not benefited in the same proportion to that decline. Obviously, middlemen have taken advantage of the circumstances to make greater profits. Even worse, not only has per capita coffee consumption in the United States decreased considerably in the past 25 years, but U.S. consumption did not increase as a result of the latest reduced prices paid to producing nations.

This is a serious situation for Guatemala. As in many producing countries, coffee is the mainstay of the Guatemala economy. Forty thousand small subsistence farmers, spread throughout the highlands of country, make their living from coffee. We believe that the United States and other major consuming nations should join with the producers in making a major effort to promote greater consumption of quality coffee throughout the world.

Two articles that were published by the trade publication "Coffee Annual" are enclosed. They express my position and that of the Guatemalan producer on these issues, and also what we think the role of the ICO should be in the 1990's. For your information I am a CPA (New York, 1963) and recently read an interesting article about you in the May, 1991 issue of The Journal of Accountancy. I also congratulate you on being the first CPA to be elected a U.S. Senator.

Very truly yours,

JAMES F. MCSWEENEY,
General Manager.

Mr. BROWN. Mr. President, others may rise to defend what I believe is the unconscionable imposition of higher prices upon the American consumer. I will want to address those concerns.

But one item that I know has been addressed I think deserves some comment. Some have suggested that, in our effort to move countries away from the production of dangerous drugs, having a quota system will be helpful in that. I want to suggest to the Senate that nothing could be further from the truth. A coffee quota agreement reduces the amount of acreage where coffee is planted. It increases the amount of acreage available for other crops.

An open market not only helps American consumers, but it expands the amount of acreage devoted to coffee production. Far from reducing acreage devoted to cocaine, a coffee quota increases acreage where cocaine can be grown. We cannot excuse a one-half billion dollars to $1 billion hit on the American consumer because of drugs. The facts simply do not support that kind of indication.

Mr. President, the Senate has spoken on this issue before. The Senate took a clear position earlier with the State Department bill when it adopted our amendment, which indicated clearly that we should not support the International Coffee Organization with the $899,000 that is planned for it in the coming year.

This is a different issue, but it is one very much related to that where the Senate spoke out. This simply expresses the sense of the Senate that our negotiators should not act to the detriment of the American consumers. I hope the Senate will adopt this. I hope it will speak clearly. And by speaking out clearly, I believe we can have a strong impact on the position taken by the American negotiators in London.

I yield the floor, Mr. President.

(Mr. SANFORD assumed the chair.)

Mr. BENTSEN. Mr. President, the administration has informed me that they oppose the amendment offered today by the Senator from Colorado. President Bush is committed to negotiating a new International Coffee Agreement that meets the interests of American consumers. Rather than sending a positive signal to our negotiators in London this week, this resolution tells them that the Congress is not backing them up, that we do not want an International Coffee Agreement.

The amendment offered by the Senator from Colorado is described as a simple sense-of-the-Senate resolution that says we should not be a party to an International Coffee Agreement which would hurt American consumers. If that were true, I would not object to this amendment. But, in fact, what this sense-of-the-Senate resolution really says is that an International Coffee Agreement is a bad idea. That contradicts U.S. policy since 1962, a policy that has been endorsed by the Congress on many occasions. Only 2 years ago, the Senate passed a resolution endorsing the International Coffee Agreement and urged the administration to conclude a new agreement successfully.

The International Coffee Agreement is not a cartel, as the Senator from Colorado alleges. It is negotiated by both producing and consuming countries and reflects the interests of both. Its objective is to stabilize prices and assure steady supply and demand, and that is in the best interest of both producers and consumers.

Neither consumers nor producers benefit from widely fluctuating coffee prices. But that is what you can have in the absence of an agreement because of changes in weather conditions from year to year. Brazil has a drought, and coffee prices skyrocket. That is good for producers. It is sure not good for the consumers. In fact, the World Bank has said that coffee prices would have been 24 percent higher in the early 1980's without the International Coffee Agreement—24 percent higher without the agreement.

That is not to say there have not been problems with past agreements. And that is why the administration has demanded changes in it. We have not had an International Coffee Agreement in place since 1989 when negotiations collapsed over the demands the administration made. The objective was to make the International Coffee Agreement more market oriented and more responsive to the tastes of American consumers.

Let us get on with doing that. I am in accord with the administration in that objective. I urge the Senate to vote against the sense-of-the-Senate resolution of the distinguished Senator from Colorado.

I yield the floor.

Mr. MCCAIN. Parliamentary inquiry, Mr. President. Is it appropriate now for me to propose an amendment?

The PRESIDING OFFICER. What would be in order is a perfecting amendment to the bill.

AMENDMENT NO. 1190 TO AMENDMENT NO. 1188

(Purpose: To require a 60-vote Supermajority in the Senate to pass any bill increasing taxes)

Mr. MCCAIN. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 1190 to amendment No. 1188.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment reads as follows:

At the end of the bill, add the following section:

SEC. . TAX FAIRNESS AND ACCOUNTABILITY.

(a) SUPERMAJORITY REQUIREMENT IN THE SENATE.—In the Senate, any bill or amendment increasing the tax rate, the tax base, the amount of income subject to tax; or decreasing a deduction, exclusion, exemption, or credit; or any amendment of this provision shall be considered and approved only by an affirmative vote by three-fifths of the Members of the Senate, duly chosen and sworn.

(b) AMENDMENT TO THE CONGRESSIONAL BUDGET ACT OF 1974 STRIKING 60-VOTE REQUIREMENT FOR REVENUE REDUCTION.—Section 311(a) of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following: "Notwithstanding any other provision of this Act or any other law, a bill, resolution, or amendment that reduces the tax rate, the tax base, the amount of income subject to tax; or increases a deduction, exclusion, or credit shall be considered and approved by a simple majority of the Senate; *Provided however*, That a bill, resolution or amendment that reduces the tax for Social Security may only be considered and approved by an affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn.

Mr. MCCAIN. Mr. President, I ask unanimous consent to lay aside the Brown amendment and that my amendment be a perfecting amendment to the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, the amendment that I have at the desk for consideration is a very simple one. I will describe it in one or two sentences. It calls for a change in the procedures that this body uses—which require at the present time 60 votes to lower taxes and 51 votes to raise them—to be reversed and that, henceforth, if this amendment is adopted, it will require 60 votes to raise taxes on the American people and only 51 to lower them.

It is called by me the Tax Fairness Amendment. I think it is fair. I think it is fair to the American people who are now bearing a higher burden of taxation than at any time in our history since World War II.

To be exact, 128 of the first 365 days of this year Americans now spend working for the Government paying taxes; 3 days longer than last year; frankly, bearing what many of us view, certainly I view, as an intolerable burden of taxation that has not only harmed their ability to achieve the hopes and aspirations that they have for themselves, their families, and their children. This incredibly high burden of taxation, in my view, Mr. President, has also imposed an intolerable burden on our possibility to have an economic recovery of some strength which will then provide jobs and provide employment for all Americans.

I do not like, on the floor of the Senate, either to display anger or other emotions, but when I think about what was done to the American people, I do get angry, and I must say that a majority of my constituents are angry. Because what we did to them at the so-called budget summit, Mr. President, was impose the largest tax increase in history, raising $166 billion over 5 years. Americans were told that Congress had made tough choices and cut spending and that tax increases were necessary for fairness.

I think it is important for me to repeat to my colleague what we already know, and I will say it again. Only in Washington does a cut mean a reduction in the rate of increase. If I told someone that they were going to get a cut in their pay, they would certainly be gratified to know that that was only a cut in the rate of an increase. Only in Washington do we say that we cut budgets when in some cases we cut the rate of increase in some of our spending from the 20 percentiles down to the teens.

I will admit that some tough choices were made. But spending was not cut. Spending was not cut. Taxes were raised and we allowed spending to go relatively unchecked.

The numbers become a little bit numbing, but they bear repetition. For every $1 of new taxes agreed to last year there was $1.83 increase in spending. For every $1 of new taxes, which was 166 billion dollars' worth, we increased spending by 83 cents.

So, what was the result of this famous budget summit where all of these incredible sacrifices were made? Taxes went up, spending went up, and the deficit is expected to balloon to record levels.

One of the many things, but perhaps one of the most important things that I have been unable to understand, Mr. President, is that the size of this deficit does not seem to make a great deal of difference to the American people. Why that is, I cannot understand because I think we have laid a burden on the American people and their children which we will be generations in shouldering. And, unless we do something to reverse what we have done, in my view we are headed to further economic woes and perhaps even severe recession.

History shows us we cannot lay this kind of burden of deficits and taxation on the American people and expect them to shoulder it and have a strong and vital economy. We proved during the administration of John F. Kennedy that tax cuts stimulate economies and prudent spending cuts have to be made along with them. Otherwise you simply increase the size of the deficit.

As is well known, but unfortunately not appreciated, the deficit is expected even this year to reach a record level. The deficit for fiscal year 1991 will be $282.2 billion—$61.1 billion more than the largest previous deficit. The deficit for fiscal year 1992 is expected to increase by $70 billion above previous estimates. It is estimated to reach an unprecedented level of $348.3 billion.

I will admit to not being an economist with some pride. But the fact is that $348.3 billion deficit in 1 year was unheard of just a few years ago. That is $70 billion more than the entire defense budget for 1992.

If 10 years ago I would have stood on the floor of this body and said we are going to have a higher national deficit than we are spending on defense, people would have said that is not possible. It is not possible. But that is the case.

I might add these new figures reflect the $118 billion counting error. Let me explain that again; a $118 billion counting error which was built into the agreement.

These distinguished people, from all over our Government, gathered out at Andrews Air Force Base and they went over the figures and they studied and they contemplated and they agreed and they only made a little $118 billion counting error? Someone should be responsible for that.

Its practical effect, we have merely raised taxes to support higher levels of spending and larger deficit.

There is more to last year's budget deal than increased taxes, spending and debt—as if that was not enough. There is a provision in last year's deal which requires 60 votes, a supermajority, for tax cuts, while only requiring a 50 plus 1 vote, simple majority, for tax increases.

I think the message there is clear. It is much easier to raise your taxes than it is to cut spending.

I think it is wrong. It has become clear that tax increases support more spending and larger deficits and unless we control taxation we will never control and limit spending. I think it is important for us to take the very simple step of requiring a supermajority for tax increases rather than the way it is presently in the rules. It does not cost a penny. It does not alter the spending caps or revenue provisions of the budget agreement. It would simply reverse the provision in last year's budget that requires 60 votes for a tax cut and only 50 plus 1 for tax increases. It would also require a supermajority of 60 votes to repeal any provision of this amendment. This would ensure a lasting and fiscally sound method for determining tax policy.

Furthermore, this amendment would protect the integrity of the Social Security trust funds from unwarranted raids or tax bills that would adversely affect the long-term actuarial soundness of the fund. No change could occur in the revenue stream for Social Security except for a 60-vote supermajority.

My amendment would ensure tax increases were debated openly, they would reflect a broad national consensus based on need.

Mr. LOTT. Mr. President, will the Senator yield?

Mr. McCAIN. I will be glad to yield to my friend without losing my right to the floor.

Mr. LOTT. Well, I would like to ask two or three questions because I think some Members, and certainly a lot of American people, would be shocked if they really realized what was included in the budget agreement last year with regard to tax provisions. I would like to address the first question to the Senator.

As I understand it, the provision in last year's budget with regard to tax cuts, would require a 60-vote supermajority in order to have a tax cut. Is that correct?

Mr. McCAIN. My friend from Mississippi is correct. I ask, was he a member of that august team?

Mr. LOTT. I certainly was not. This is one of the many reasons why I was not a member of that particular team. I voted against that budget agreement—because many provisions in it I thought were inappropriate and were going to damage the economy, and I think they have.

My colleague's provision now would repeal that supermajority for tax cuts.

Mr. McCAIN. Exactly.

Mr. LOTT. The flip side of that is a very interesting proposition. That budget agreement last year did not require the 60-vote supermajority to increase taxes, is that correct?

Mr. McCAIN. My friend from Mississippi is correct. It requires 50 plus 1, which, again, I think reflects the mindset of those who were negotiating this budget summit.

Mr. LOTT. So, under that provision to raise taxes it only takes 51 votes, but to cut taxes would require the 60-vote supermajority. And the amendment of my colleague here would reverse or flip those and require a greater vote to increase taxes but only 51 percent to cut them. Is that correct?

Mr. McCAIN. My friend from Mississippi is correct. Also with a caveat that I might add that this protects the integrity of the Social Security trust fund, which I know that my friend from Mississippi has been committed to, because it would require a 60-vote supermajority in order to change any revenue stream for Social Security.

Mr. LOTT. Mr. President, I thank the Senator for yielding. I commend him for his efforts. When he has concluded his remarks I would like to comment further on my support for this amendment.

Mr. McCAIN. I thank my friend from Mississippi, Mr. President, and I very much appreciate his involvement and his commitment to fiscal sanity.

There will be an argument made by the opponents of this amendment that somehow this will undo the budget agreement and if we do this, it will be open season on the budget and we will see all kinds of changes, and so forth.

First of all, it does not undo the budget deal because it does not change the spending caps or reallocate any money between projects or budget authority. It does not raise any revenue or lose any revenue. It is not a revenue amendment. And it does not affect Social Security.

Let me quote the amendment directly:

> *Provided however*, That a bill, resolution or amendment that reduces the tax for Social Security may only be considered and approved by an affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn.

Social Security is not affected by this amendment.

Mr. President, I would like at this point to thank the many groups from Arizona and around the country that have added their support to this critical effort and worked tirelessly to help enact this amendment: The United States Business and Industrial Council; the National Tax Limitation Committee; the National Taxpayers Union; Citizens Against Government Waste; Citizens for a Sound Economy; the United States Chamber of Commerce; dozens of local chambers of commerce in Arizona; the American Legislative Exchange Council; the United States Federation of Small Businesses; the Arizona Federation of Taxpayers Association; the mayor and city manager of the city of Somerton; State representatives from Michigan and Pennsylvania; Americans for a Balanced Budget, the Seniors Coalition; the American Farm Bureau; "Enough!", which is an antitax organization; the Lincoln Caucus; and COFIRE.

Most important, I would like to thank the thousands and thousands and thousands of overtaxed American families and businesses who have contacted me with their support of this supermajority proposal. Their support has been the single most effective weapon in this battle for tax limitation.

I look forward to working with them in future legislative endeavors.

Mr. President, I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The United States Business and Industrial Council.

The National Tax Limitation Committee.

The National Taxpayers Union.

Citizens Against Government Waste.

Citizens for a Sound Economy.

The United States Chamber of Commerce.

Dozens of local Chambers of Commerce in Arizona.

The American Legislative Exchange Council.

The United States Federation of Small Businesses.

The Arizona Federation of Taxpayers Association.

The Mayor and City Manager of the City of Somerton.

State representatives from Michigan and Pennsylvania.

Americans for a Balanced Budget.

The Seniors Coalition.

The American Farm Bureau.

"Enough!" Anti-tax Organization.

The Lincoln Caucus.

COFIRE.

Mr. MCCAIN. In closing, Mr. President, I do not see this amendment as something that is in any way impacting on the budget summit agreement, although certainly I oppose that agreement, because many of us including my friend from Mississippi saw what was going to happen. In the last 8 years, there have been six budget summit agreements, these so-called budget summits. Every single time that there was a budget summit, taxes and the deficit went up and spending went up. My proposal is that we probably should have a resolution not to have a budget summit and then perhaps we can get the deficit reduced and not lay another increase in taxes on the American people.

Mr. President, the people of this country are carrying a higher and higher tax burden. I think it is unconscionable what we are doing to working men and women in this country. We are talking about until May 8 of this year the American people work to pay their taxes rather than to support themselves and their families. It is, therefore, impossible for Americans to realize the American dream.

I also know, Mr. President, that there may be a budget point of order brought against this amendment. I intend at that time to ask for a vote to waive the budgetary point of order, and I recognize that will require 60 votes in order to do so.

Mr. President, I urge my colleagues to take this simple but important step which sends a message to the American people that we are not interested in raising their taxes. In fact, we are interested in reducing them.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. I yield the floor.

Mr. BENTSEN. Mr. President, I ask unanimous consent tht the vote on or in relation to the Brown amendment occur immediately, without any intervening debate, upon the disposition of Senator GRAMM's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I was listening to the distinguished Senator from Arizona. I think his amendment has an appeal but I think it is a superficial one. What it does is require a supermajority, 60 votes, for any bill or amendment that increases taxes, but it would provide for a single majority to cut taxes.

I must say nobody around here likes to increase taxes. That is obviously politically unpopular. It is certainly popular to cut them. But what we did in the budget summit last year was agree to a pay-as-you-go principle. That is what we required. This amendment would unhinge the budget process; it would unleash runaway deficits.

Last year when we adopted the budget agreement, the key provision was for pay-as-you-go. That requires new entitlements to be matched either by revenue increases or spending cuts. This amendment, in tipping the balance against taxes, actually destroys that kind of tough discipline we added to the budget process just a year ago. As a result, this amendment would send the deficit into the stratosphere by removing the current requirement for a supermajority vote to increase it.

This is not deficit neutral. It is pro-deficit. This amendment has a catchall "notwithstanding" clause that allows a simple majority to increase the deficit by opening tax loopholes, tax shelters, or changing the tax base, as well as by reducing some existing taxes. In other words, this amendment would require 60 votes to pay for expanding Medicare coverage, but only a majority to pass a Christmas tree full of special interest tax loopholes.

Is that the way we want the system to work? I do not think so. Maybe deficits do not matter to some of the folks supporting such an amendment. Maybe they are not losing any sleep over the all-time record high deficits announced yesterday by OMB. But the sobering facts are that this year's deficit will hit $282 billion for fiscal year 1991; $60 billion higher than our previous record of $221 billion in 1986. And next year's deficit is projected by OMB to reach a staggering $348 billion. Fiscal discipline is important, now more than ever. That is why we enacted pay-as-you-go last year.

Why do we have on the books longstanding points of order against deficit increases, points of order which can be waived only by a supermajority vote of the Senate? As chairman of the Finance Committee, I am also concerned about stacking the deck against my committee's responsibilities and authorities. It is hard enough to fulfill the requirements for deficit-neutral legislation.

This amendment would say loopholes are fine; let us go ahead and start driving the truck through them, but any offsetting revenues have to win 60 votes. Frankly, I am not sure how this amendment would operate in practice, but it might be construed to divide packages and allow points of order against revenue increases while leaving reductions undisturbed.

Members of my committee happen to support extension of the R&D tax credit. I am one of them. It would generate very strong support. I think in the competition that we have with other countries around the world, it is absolutely imperative that we encourage research and development in this country. So does the administration. But such an extension would lose revenues. This amendment would let us pass that extension by a majority vote, but then we would have to find the 60 votes to offset those losses with revenues and, if we fail to muster that supermajority, the credit will still be extended and the deficit would widen.

This proposal also encroaches on another committee, the Budget Committee, by amending the Budget Act. I heard my friend from Arizona say that a point of order might be raised. Of course it will be. I understand the chairman of the Budget Committee is likely to raise a point of order against this amendment on the grounds that it contains legislation within the jurisdiction of the Budget Committee but that it has not been reported by that committee.

In short, Mr. President, we should not be revising the budget process on the floor on unrelated legislation. We should not make it easy to increase our already staggering deficits. And we should maintain fiscal discipline. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I rise to speak in behalf and support of the McCain amendment. I want to congratulate the distinguished Senator from Arizona for raising it at this time. I think it does relate to the debate we are having this afternoon, but I have never noticed the Senator worrying too much about germane amendments in the past. The important thing about this one is this is an important amendment the American people would be very interested in. I agree with the distinguished chairman of the Finance Committee.

Unlike some of my friends, I think deficits do matter. I think we ought to do something about them. I have a very strong feeling about what we should do; that is we should cut spending, not raise taxes.

We have already agreed to significant reductions in defense spending, but all the rest of the programs, whether they are domestic discretionary or so-called entitlement mandatory programs, they rise every year unabated. So, yes, let's do something about deficits, but let's do it by cutting spending. We should be prepared to cast the tough votes to do that.

Fiscal discipline does count. The distinguished chairman of the Finance Committee is right, and I share his feelings on that. I think we need fiscal discipline in the Congress. But when I say fiscal discipline, I am talking about the ability to cut spending, not, once again, to raise taxes.

Now, I have been critical of last year's budget agreement. I was critical of it. I have been critical of it in speeches since then. I think it was a bad deal. I thought all it did was cut defense, allow all other spending to go up, and raise taxes and raise fees which are really taxes disguised as fees. I thought it was a bad deal. But a deal is a deal. We made it. The Congress voted for it. I did not vote for it, but the Congress did. The President signed it.

At least it does have some caps, and it has some discipline that I have seen work some this year on the floor of this body. I saw the distinguished chairman of the Appropriations Committee rise and speak in defense of at least those caps. My problem with those caps is they were way too high. You can't get the brass ring if it is held too high. We had the caps so high it is possible to get everything under those caps. You can't cut spending that way. The caps added some discipline and we should support that.

But the present law says that tax cuts are bad, and therefore we should have a supermajority of 60 to have relief for the taxpayers of this country. But tax increases are fine. That is OK, only 51 votes to pass tax increases.

What kind of insanity is that? Why did we do that? At the very minimum, should we not have it the same both ways? If we are going to raise taxes or cut taxes, let us have a majority vote.

The amendment of the Senator from Arizona would require a supermajority to increase taxes. I certainly agree with that. We should have a deterrent to raising taxes even more on the people who are pulling the wagon in this country. It is not a unique idea. Lots of State legislatures, as I understand it, require a supermajority to raise taxes. I think—I will have to check on it—my own State of Mississippi requires a supermajority to raise taxes. I think that is a great idea. I am glad the amendment language provides a firewall for Social Security—a firewall that would require a 60-vote majority.

But for the life of me, I cannot believe what I hear in speeches here in this body and in the Congress about how the taxpayers are not overtaxed. When you look at what individuals and businesses pay in terms of taxes, whether it is into the unemployment compensation fund, or other employee benefit packages, it's outrageous. By the way, when the chips have been down, this Senator has been willing to vote for some of those tax bills, I am sorry to say. I voted for TEFRA, the worst vote of my career. I admit it here publicly. I wish I could take it back.

Some people are wondering why the economy is sluggish right now. Because of some of the dumb things we did in the 1986 so-called tax reform package. We have discouraged innovation. We have taken away incentives for people to invest, buy and sell and turn over the economy.

I want to help the unemployed people. You have to be concerned about some extension of benefits for unemployment compensation, but who around here thinks that is going to create one new job or get anybody off unemployment?

What we need to be arguing about right now is what we can do to relieve the tax burden on the American taxpayers, what can we do to encourage economic growth and development; what can we do, in short, to create some jobs.

When we eliminated the deduction of interest on passive investments, what we did is we stopped dead a lot of investments by people who had some money they could have invested which would have helped the economy. We stopped that. It had a devastating impact on the real estate industry.

When we raised the tax on capital gains, once again it had a very negative impact on the economy of this country. Last year we had great fun raising taxes on luxury items. What has happened? It has cost jobs in almost every instance, and it has not increased revenue.

I do not know about the rest of my colleagues, but I can tell you the people who are working and paying taxes in my own State of Mississippi have about reached the point of no return. They are overburdened.

I had one constituent come up to me when I was a Congressman and say "Oh, Congressman, raise my taxes." One guy. He is still out. They have not put him in yet. You know what I mean.

But this amendment would at least put some sanity back into our tax policy to require a supermajority to cut taxes. Where is the fairness in that? The burden should be the other way. I hope that my colleagues will join me in doing that.

If it is really essential that we raise taxes, we can get the supermajority. But we should first cut spending across the board. How about a unique idea: at least freeze spending at last year's level. We ought to try that before we make it easier to raise taxes on people and harder to cut the tax burden.

So I urge adoption of this amendment. I think it would certainly be well received in my State of Mississippi. I think it would be well received across the United States.

I commend the Senator again for his efforts.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank my friend from Mississippi for his very cogent and I think compelling argument in favor of the amendment.

Mr. President, if the distinguished chairman of the Finance Committee has no objection, I would like to offer a unanimous-consent request that the vote either on this amendment or to waive the budget be stacked following the Brown amendment.

Mr. BENTSEN. I would say that a point of order would be made, I assume by the chairman of the Budget Committee, and then that vote would precede, as I would understand it, the Senator's motion to waive the budget.

Mr. McCAIN. My unanimous-consent request, I might say to the distinguished chairman was either/or, either a vote on my amendment, which probably will not happen, or the vote to waive the budget.

Mr. BENTSEN. I would object to that.

Mr. McCAIN. All right. Then I would request the yeas and nays after completion of my remarks.

Mr. President, since there is objection——

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. BENTSEN. I may have misunderstood the request.

Mr. McCAIN. I would like to try to explain it again to the distinguished chairman. My understanding was that we were stacking the votes, after the vote on the Brown amendment.

Mr. BENTSEN. That is correct.

Mr. McCAIN. And that was the last amendment agreed to.

Mr. BROWN. The Brown amendment was last.

Mr. McCAIN. Yes. My unanimous-consent request was that either an up-or-down vote on my amendment or a motion to waive the budget would take place following the vote on the Brown amendment.

Mr. BENTSEN. Reserving the right to object——

Let me work with the Parliamentarian and see if we can take care of the procedure in order to make the point of order and then to get the vote.

Mr. McCAIN. I withhold my unanimous-consent request, Mr. President.

Mr. President, finally, I would just like to say that when I talk to the people in my State—and I cannot, obviously, speak for people around the country—and I say to them, "did you know that it requires 60 votes to reduce your taxes and only 51 to raise them? "I get a two-word answer. They say, "That's crazy." "That's crazy."

Mr. President, it is crazy. It is crazy to make it easier to raise people's taxes than it is to reduce them.

This is a simple amendment. I would like to thank again the coalition that has supported this very important amendment. I read them off earlier, but I would like to mention a couple of quotes from the letters they have sent me.

From the Citizens for a Sound Economy, they said, "If the McCain amendment is not adopted, we believe that the current budget rules will foster ever higher tax increases with little chance of relief. Passage of the McCain amendment is important to Citizens for a Sound Economy."

From the National Taxpayers Union:

> Last year's budget agreement requires a three-fifths, or supermajority vote of Congress to cut taxes, but only a simple majority to raise them. The McCain amendment would reverse this insidious provision, by requiring a supermajority vote to increase taxes, while allowing a simple majority to cut taxes.
>
> Don't let the Senate debate on the finer points of Beltway budget arcana cloud this critical issue. Currently it is easier for Congress to raise taxes than cut them, and taxpayers nation-wide want the situation corrected.

From the Citizens Against Government Waste:

> The 435,000 members of CCAGW strongly believe that it should be harder for Congress to raise the tax burden than to reduce it. The current system works against the taxpayer and it needs to be corrected.

From the United States Business and Industrial Council:

> As you probably remember, last year's budget summit deal mandated one of the largest tax increases in American history with what was touted as extraordinary fiscal restraint. The most recent mid-term estimate of next year's deficit was a staggering $362 billion. The same report also revealed that revenues from recently-raised taxes are growing very slowly, demonstrating that last year's tax hikes are a part of the problem rather than the solution.

From the Coalition for Fiscal Restraint:

> While the McCain proposal would reverse these procedures, such a reversal would—in our view—tend to encourage more responsible fiscal decisions in the Senate by promoting deficit reduction through spending restraints rather than placing yet larger tax burdens on the nation's economy.

Mr. President, the reason I quote from those letters and thousands of others that I have received is the American people, when they find out about this Orwellian situation, want it changed.

I hope my colleagues will not let a technical—repeat, technical—violation of the Budget Act prevent them from voting to reverse this incredibly inequitable situation.

I repeat, again, it does not affect any of the appropriations. It does not affect any of the spending areas or its allocations. It simply is a message to the American people, which we badly need to send them, that we are more interested in reducing taxes and spending than we are in raising them.

Mr. President, I yield the floor.

Mr. DURENBERGER. Mr. President, just last week, the Senate voted by an overwhelming margin not to waive last year's budget agreement. In doing do, I along with more than 80 of my colleagues sent a clear signal to the American people that we must maintain some effort at fiscal discipline if we are ever going to eliminate the Federal deficit.

Because I am committed to the integrity of the budget agreement, I must oppose the amendment offered by my distinguished colleague from Arizona, Senator MCCAIN. I am certain that what this amendment will do is ensure that the budget deficit in 1993 and 1994 will be far higher than currently projected.

Last year, we adopted a pay-as-you go budget agreement. Under the terms of that agreement, if a legislative proposal loses revenue, the Senate must come up with sufficient offsetting revenue to pay for that proposal. If there is no offset, a revenue-losing legislative proposal can still be enacted, but only if 60 Senators agree to waive the Budget Act. That is the real discipline underlying last year's agreement.

What the pending amendment would do, is turn the budget agreement upside down. It would allow a simple majority of 51 Senators to pass legislation cutting taxes and potentially widening the deficit. But it would require a supermajority of 60 votes to pass fiscally responsible legislation that might require a modest tax increase.

What does that tell the American people? That if we try to be fiscally responsible we need a supermajority of 60 votes. But if we want to get into a series of tax cut giveaways, become fiscally reckless, we only need a simple majority.

Mr. President, if we want to send a signal to the financial markets of the world that this Nation is abandoning any effort at fiscal discipline, we should waive the Budget Act and adopt this amendment. I think that would be irresponsible and I urge my colleagues to reject this amendment.

Mr. DOMENICI. Mr. President, Senator GRAMM would offer this amendment to his amendment if he were here, but he indicated that he could not get here in time. So he suggested that I amend it.

So I ask unanimous consent to be authorized to offer an amendment to the amendment by Senator GRAMM.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I will send an amendment to the desk shortly. It is very simple, but very important. When we passed the luxury tax, we made a serious mistake because any vehicle over $30,000, that is any vehicle, is subject to that tax.

It turns out that in the United States there are small fabricators and manufacturers of specialized automobiles and vehicles for the disabled. It turns out that they do not come in below $30,000. In fact, they are $31,000, $32,000, $33,000, most of them, across America.

So all of them are subject to a luxury tax when they are for the handicapped of this country.

I think that is a terrible mistake. There is no tax consequence because it is so small; it is negligible, yet we cannot get it changed. The Treasury Department says that unless and until we change it by law, they will continue to put a luxury tax on the disabled of this country. This amendment takes care of that by exempting the tax on vehicles for the disabled in this country.

AMENDMENT NO. 1187 AS FURTHER MODIFIED

Mr. DOMENICI. I send a modification to amendment No. 1187 to the desk and ask for its immediate consideration. I do this on behalf of Senator GRAMM. There are 55 Senators supporting this.

The PRESIDING OFFICER. The Senator has a right to do so. The amendment will be so modified.

The amendment (No. 1187), as further modified, is as follows:

At the end of amendment 1187, as modified, add the following:

SEC. . PARTS OR ACCESSORIES INSTALLED FOR USE OF PASSENGER VEHICLES BY DISABLED INDIVIDUALS EXEMPT FROM LUXURY TAX.

(a) IN GENERAL.—Paragraph (3) of section 4004(b) of the Internal Revenue Code of 1986 (relating to separate purchase of article and parts and accessories therefor) is amended—

(1) by striking "or" at the end of subparagraph (A),

(2) by redesignating subparagraph (B) as subparagraph (C),

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) the part or accessory is installed on a passenger vehicle to enable or assist an individual with a disability to operate the vehicle, or to enter or exit the vehicle, by compensating for the effect of such disability, or".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 11221(a) of the Omnibus Budget Reconciliation Act of 1990.

Mr. DOMENICI. Mr. President, as the law stands today, disabled Americans that make conversions to their vehicles will be taxed by the Federal Government under the premise of the luxury tax. I do not think any one would dispute that conversions such as electronic doors, lifts, and arm controls that are added to vehicles for use by the physically disabled are necessities, not luxuries. Unfortunately, during last year's budget negotiations, the Congress neglected to exempt conversions for the disabled from calculation of the luxury tax.

I became aware of this injustice when Independent Mobility Systems, a business in Farmington, NM, that specializes in equipping vehicles for the disabled, contacted me and explained the implications of the new luxury tax to their clients.

Imagine if you were a disabled American adding specially designed parts to a newly purchased vehicle that enabled you, despite your physical disability, to have a job, go to church, visit your family and friends—to lead a productive life. You would soon discover that the U.S. Government taxes these conversions the same way we tax cellular phones, Lincoln towncars, and stretch limo's.

Usually the type of vehicle purchased by a disabled individual costs around $20,000, and this is not subject to the luxury tax. However when you make additions to the vehicle so that it is accessible by a physically disabled individual, the cost might be $30,000, $31,000, or $32,000. A 10-percent luxury tax is imposed on vehicles over the $30,000 threshold.

The corrective amendment that I am offering today is identical to S. 401, the Americans With Disabilities Luxury Tax Relief Act, that has been cosponsored by 55 of my colleagues in the Senate. S. 401 simply exempts conversions to vehicles for use by the disabled from calculation of the luxury tax. The Joint Tax Committee has written to me that the revenue impact of S. 401 is negligible, I expect it to be null.

The Senate Finance Committee included S. 401 in S. 1394, the Tax Simplifications Act. However, it is uncertain whether S. 1394, or any tax measure will be passed in the Congress this year. For this reason, I am asking for your acceptance of S. 401 on the unemployment compensation legislation. This may be the only opportunity to pass S. 401 this year.

I cannot imagine a less controversial issue. S. 401 has tremendous support, and I appreciate your consideration of my amendment.

Mr. BREAUX. Mr. President, as this body debates the merits of extending unemployment benefits to the more than 2 million of this Nation's workers, I feel that we must, simultaneously, direct our attention to ways of reactivating our economy. For only with a healthy economy will the unemployed of this country find work.

We are currently mired in an economic recession that has many side effects. One of the side effects is lack of production of affordable housing for our Nation. Housing starts are at their lowest since 1945. Mr. President, housing construction has led this country out of every recession that this country has suffered since World War II.

Before the Senate today is one alternative, Senator GRAMM's amendment, that is intended to jump start the economy generally and the housing industry specifically. I cannot support this amendment today for reasons including the fact that it is a tax amendment on a nontax bill and, therefore, if it is passed, would kill this important unemployment bill.

I hope that Congress will have the opportunity to review in more detail the provisions of this proposed amendment and other proposed alternatives that will address the Nation's economic problems and those of the housing industry. Hopefully, collectively we can find a way to jump start the Nation's economy and put us on the road to recovery.

THE GRAMM AMENDMENT TO S. 1722

Mr. KOHL. Mr. President, I commend the Senator for Texas for offering his amendment. Our debate today is about how best to respond to the immediate human pain caused by the current, lingering recession. The Senator from Texas correctly points out that one response—a very good response—would be to create jobs for the long-term unemployed. His amendment is designed to do just that.

I certainly do not object to that goal. In fact, I support several elements in the Senator's package. I support indexation of capital gains for tax purposes. I support expansion of IRA's and penalty-free withdrawal from IRA's to make a down payment on first homes, to pay medical bills, or to fund a college education. And I support extension of the research and development tax credit.

However, I do not support the Senator's submission of this complete package on this particular bill. First of all, the Gramm amendment ties many reasonable tax break proposals to a cut in the capital gains rate. The Senator from Texas is aware—as is almost everyone who follows the Congress—that a capital gains tax cut has changed from a substantive issue into a political football. Even the President has backed off his long support for this tax break. Making it part of the rest of these bipartisan tax proposals guarantees that the whole package will be rejected as a Republican attempt to kill a Democratic unemployment program. And that is a shame.

It is a shame because this body should debate, in a bipartisan way, the high cost of capital in this country. Unfortunately, amendments such as this make a thoughtful debate on this important issue less and less likely. We will not seriously address job creation in this country until politicians stop using tax break proposals to bash members of the other party over the head—and start using them to build a better U.S. economy for members of all parties.

The second reason I cannot support this amendment is that, if passed, it will kill our efforts to get quick relief to the many American families who are out of work and out of money right now. Senator BENTSEN's unemployment bill is a short-term emergency measure. When Congress hears of victims of natural disasters, we pass emergency appropriations bills. We don't hold them up with amendments that make long-term, controversial changes to the Tax Code. When the Nation was shocked by the evidence of the Kurds suffering overseas, we sent emergency aid quickly. Democrats didn't hold that bill up by trying to attach to it items like defense cuts or civil rights legislation. So why, when American workers are the ones beset by an economic disaster, should we tolerate an amendment that will only delay, and perhaps even kill, our attempts to get them emergency aid? We should not, and for that reason I would hope that my colleagues will join me in voting against the Gramm amendment.

Mr. LAUTENBERG. Mr. President, I support many of the provisions in the amendment offered by the distinguished Senator from Texas [Mr. GRAMM]. However, since approval of the amendment would have the effect of killing this important legislation to provide relief to the unemployed, I cannot support the amendment.

Mr. President, I am an original cosponsor of legislation, S. 612, to allow all Americans to make deductible contributions to individual retirement accounts. In fact, I testified in favor of that bill in a hearing before the Finance Committee. The bill, introduced by the distinguished chairman of the Finance Committee, Senator BENTSEN, is an important measure that would help encourage savings. It also would allow for penalty-free withdrawals from IRA's for first-time home purchases, higher education expenses, and high medical expenses.

I also strongly support other important provisions included in the amendment. For example, I have cosponsored legislation to make the research and experimentation tax credit permanent, and I also support increases in the Social Security earnings limit.

As important as these provisions are, Mr. President, this amendment will not lead to their enactment. To the contrary, if approved, the amendment will simply kill the underlying unemployment legislation to which it is attached. That is because it would render the bill unconstitutional, as a revenue measure that did not originate in the House of Representatives.

In other words, Mr. President, this is not a serious proposal. It is mischief, pure and simple.

Mr. President, the problem of unemployment in this Nation is serious, and must be addressed seriously. In my State, the official unemployment rate was 6.7 percent last month. The actual total, including people so discouraged that they have simply dropped out of the job hunt, is much higher.

The housing industry is particularly hard hit. Nationwide, housing is at the lowest level of production since World War II. And in my State of New Jersey, there have been massive layoffs in the construction industry.

The people who have lost their jobs in this recession are hurting, Mr. President. Their families are hurting. Their children are hurting. And they are looking to us to provide much-needed relief.

That is why this bill is so important. And that is why I cannot support any amendment that would kill the legislation. I am hopeful that many of the provisions in the Gramm amendment will be considered by the Senate in an appropriate context in the near future, and approved.

Mr. DODD. Mr. President, I rise in strong opposition to the amendment offered by my colleague, Senator GRAMM. His amendment is nothing more than game playing. It will kill our effort to extend unemployment benefits to 2 million long-term unemployed. The amendment of my colleague, plays off the emotions of middle-class Americans, rather than working for true reform of our tax system. He knows as well as I do that his proposal would doom this measure, S. 1722, to a veto, unless he proposes offsets for the cost of the package.

Proposals to restore full deductibility of IRA's, provide a tax credit to first-time homebuyers, establish enterprise zones, and lower capital gains taxes should be debated by this Chamber, but we should not be debating tax reform on this much-needed measure to extend unemployment benefits to the 2 million Americans who have exhausted their benefits.

Middle-class Americans are overburdened and tax relief is needed. There is inequity in our tax system. Over the last decade, the richest 1 percent of Americans have enjoyed a 15-percent tax cut, while the middle class have had their taxes increase by 2 percent.

What middle-income families do not need, however, are false promises. If my colleagues are as serious about tax reform as I am, I urge them to put forward their proposals with offsets. In 1986, I fought to save the deductibility of IRA's. This year, I have joined Senator BENTSEN in pushing for full restoration of IRA's. I have also introduced a measure to restore fairness to our tax system by raising personal exemptions for hard-working Americans. My measure, however, includes proposals for offsets, to pay for the cost of the changes. I would be pleased to sit down with Senator GRAMM to work out a proposal that could pass the Senate and be signed into law.

Mr. President, the unemployed do not deserve to have their badly needed benefits blocked by cynical amendments. For this reason, I urge my colleagues to withdraw their amendments and join me in a serious effort to reform our tax laws.

Mr. LIEBERMAN. Mr. President, I must oppose the amendment by the junior Senator from Texas. But I hasten to add that, under other circumstances, I would actively support the Senator's amendment.

The State of Connecticut is suffering from one of the worst recessions in recent memory. Our unemployment figures continue to rise. The credit crunch has devastated hopes for economic growth, and cutbacks in the defense industry have further eroded chances for imminent recovery.

We need an economic growth package similar to the one that my friend from Texas has proposed. We are in a recession, and the only way that we are going to get our economy moving again is to offer economic stimulus.

The Gramm growth package, which contains a cut in the capital gains rate with an increased exclusion for assets held over 3 years, is the kind of tax cut we need to get businesses moving again. The package would also put in place enterprise zones. I am the chief Senate sponsor of enterprise zone legislation and would very much like to see it enacted. Our inner cities need help, and enterprise zones would go a long way toward increasing investment in economically depressed urban areas.

I also support the IRA provisions in the amendment, particularly those helping first time homebuyers. The housing industry across the country, and especially in Connecticut, is going through one of the most difficult periods since the end of the Second World War. Connecticut is ranked sixth in terms of jobs lost in the construction industry over the last 2 years, and we are fourth in the percentage of construction jobs lost during that same period. This is nothing short of a disaster.

We need a tax policy that will pickup the construction industry, pickup investment in businesses, and generally get our economy moving again. I hope that we have an opportunity to consider a similar package in the near future.

Mr. President, the people of Connecticut are suffering. They are feeling the pangs of recession that are afflicting millions of Americans across the Nation. We need an economic growth package, but we also need to offer some immediate relief for those who are out of work as a result of our present economic slide. That is why I cannot vote for the Gramm amendment. I like the details, but I know that the result would be to eliminate the emergency unemployment benefits that the bill provides.

Under the Constitution, revenue bills have to originate in the House. This means that Senator GRAMM'S amendment would have the effect of killing the unemployment insurance extension. We cannot risk having this bill voted down in the House because of a procedural question. We have to help the working men and women of our Nation who need relief. Unfortunately, a vote for the Gramm amendment would assure that the bill would get lost in a legislative tangle, while unemployment benefits run out.

My vote against the Gramm amendment is not a vote against using our Tax Code to stimulate economic growth. It is a vote in favor of guaranteeing the extension of unemployment benefits. I hope we have another opportunity to support a package similar to the one contained in the Gramm amendment. Connecticut and the Nation needs it.

Mr. DURENBERGER. Mr. President, I rise in strong support of the amendment offered by my distinguished colleague from Texas, Senator GRAMM. I support this proposal because it addresses the symptoms and the causes of the recent recession. Providing extended unemployment benefits, important as they are, only represents relief, not a cure to the problems of unemployment and recessions.

Part of weathering a recession is cushioning the blow, which the Dole-Domenici-Roth bill does through extending unemployment compensation benefits. The other part of surviving a downturn is ensuring that there is as little backsliding as possible for all Americans. The Emergency Economic Growth Act does just that. It establishes a comprehensive program for economic stimulation to ensure that the economic recovery now underway will neither stall nor lose momentum.

This package includes extended benefits for unemployed workers as well as important incentives including business growth, savings, and homeownership. Most importantly, the Growth Act does not increase the Federal budget deficit.

In addition to providing extended benefits for the long-term unemployed, the Gramm amendment attempts to prevent the causes of unemployment altogether. The heart of the plan's business incentives is favorable treatment for long-term investments. A combination of a rate reduction and indexation of gains for inflation will reduce the cost of capital by inducing the sale of nonproductive assets and allowing them to be used by job-producing small and growing business.

Capital gains is an issue of competitiveness. All of our major industrial competitors understand the benefits of treating capital investments preferentially. Consequently, they have capital gains taxes which are substantially less than our own in order to stimulate investment, growth, and expansion.

Indexing capital gains is also about fairness. It recognizes that owning a home or a farm whose value increased due to inflation, does not mean that its owner has suddenly become rich. What is does mean is that when someone sells the same asset he has held for many years, the investor is taxed on the effects of inflation. The only way to protect this inflationary gain is to roll over the gain into another property. This ties up assets in nonproductive investments, while driving up the cost of capital for fledgling businesses, stifling job creation.

The amendment also encourages more Americans to put a larger portion of their earnings into savings. Through the IRA-Plus plan and the PRIME retirement plan, Americans will be offered a new measure of independence by encouraging them to save for their retirements.

The addition of penalty-free withdrawals from the IRA-Plus will also encourage Americans to save for investment in their future, the future of their children and grandchildren, and the future of our Nation. For the first time, taxpayers will be able to use this important savings option to assist their children in purchasing a home, to assist their grandchildren in paying for higher education, or for paying for their own health care expenses. The IRA-Plus will guarantee that the dreams of home ownership and higher education will not die during an economic slowdown.

In addition to the many important provisions in this proposal, Mr. President, I am especially pleased that my colleague from Texas has incorporated my legislation (S. 88) to permanently extend the 25-percent deduction for the health insurance costs of the self-employed.

This modest tax benefit works. It allows farmers, small business owners, and independent small contractors to provide health insurance for themselves. The 25-percent deduction, which will expire at the end of 1991, is not just an issue of access to health care, it is about fairness.

As our Nation confronts the problem of gaps in health care coverage, it is all too clear that small businesses and individuals, not the employees of large corporations, are the ones who suffer from the deficiencies in health insurance coverage. Small business owners must already pay far higher health insurance premiums than their counterparts in the large corporate sector because small businesses cannot take advantage of group pricing structures offered by the insurance industry.

Corporate America has long enjoyed a full deduction for its health insurance costs. For individuals who work for themselves, even this modest tax deduction has been subject to the uncertainty of annual extensions. Adoption of this amendment would end that uncertainty.

Mr. President, the Joint Committee on Taxation estimates that extending the 25-percent deduction for the self-employed would cost $200 million in 1991, and $1.8 billion over 5 years. This important tax benefit for the self-employed can be included in the Gramm-Kasten-Wallop amendment on a revenue neutral basis.

The extension of the deduction for the health insurance costs of the self-employed will help to ensure that existing enterprises, run by individuals, do not lose ground to recession. We should not sacrifice the gains which have been made for the self-employed when they are most vulnerable to the effects of an economic slowdown.

AMENDMENT NO. 1185, AS MODIFIED

Mr. DOLE. Mr. President, I send a modified amendment to the Bentsen substitute to the desk, in accordance with the previous order that I do so by 5 p.m.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. Pursuant to the previous authority, the amendment is so modified.

The amendment (No. 1185), as modified, is as follows:

At the end of the bill, insert the following:

SEC. 11. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereafter in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title, or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
5-percent period	10
Other period	6.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount

of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after September 30, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this title for any week—

(A) beginning before the later of—

(i) October 1, 1991, or

(ii) the first week following the week in which an agreement under this title is entered into, or

(B) beginning after June 30, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 30, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this title.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following September 30, 1991 (or, if later, the week following the week in which the agreement under this title is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following September 30, 1991,

such individual shall be entitled to emergency unemployment compensation under this title in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this title.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of an individual who has received amounts of emergency unemployment compensation under this title to which he was not entitled, the State shall require such individual to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the emergency unemployment compensation to which he was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this title:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this title and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week

after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 107. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after September 30, 1991.

TITLE II—COLLECTION OF NONTAX DEBTS

SEC. 201. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) IN GENERAL.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

SEC. 301. CREDIT CHECKS; COSIGNERS.

(a) IN GENERAL.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this title referred as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) CONFORMING AMENDMENT.—Section 428(b)(1) of the Act is amended—

(1) in subparagraph (U), by striking "and" at the end thereof;

(2) in subparagraph (V), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. BORROWER INFORMATION.

(a) IN GENERAL.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) CONFORMING AMENDMENT.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 303. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

"(1) by striking the subsection heading and inserting "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 305. WAGE GARNISHMENT.

(a) IN GENERAL.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"SEC. 488A. (a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Section 428(c)(6) of the Act is amended by striking subparagraph (D).

SEC. 306. DATA MATCHING.

Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SEC 401. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act;

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this title for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to

the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 405(b)(2) (A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act over the course of fifteen years after the enactment of this title;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 45 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 45 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures.

(B) The Department of Commerce shall make available to the Federal Communications Commission 45 megahertz of electromagnetic spectrum for allocation of land-mobile services. Notwithstanding section 553 of the Administrative Procedure Act and title III of the Communications Act, the Federal Communications Commission shall allocate such spectrum and conduct competitive bidding procedures to complete the assignment of such spectrum in a manner which ensures that the proceeds from such bidding are received by the Federal Government no later than September 30, 1992. From such proceeds, Federal agencies displaced by this transfer of the electromagnetic spectrum to the Federal Communications Commission shall be reimbursed for reasonable costs directly attributable to such displacement. The Department of Commerce shall determine the amount of, and arrange for, such reimbursement. Amounts to agencies shall be available subject to appropriation Acts.

(C) Within twelve months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section.

(D) Within twenty-four months after the date of enactment of this title, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 45 MHz previously designated under subsection (d)(1)(A)).

(E) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this title, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(C);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(D); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 404.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 405(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector adviser committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than twenty-four months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United

States Government users, and any dissenting views thereon.

(e) Timetable for Reallocation and Limitation.—The Secretary shall, as part of the final report required by subsection (d)(1)(D), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this title, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 406(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) In General.—The President shall—

(1) within three months after receipt of the Secretary's report under section 404(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 45 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 404(d)(1)(D), by the effective dates recommended pursuant to section 404(e) (except as provided in subsection (b)(4) of this section), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) Exceptions.—

(1) Authority to substitute.—If the President determines that a circumstance described in section 405(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 404(d)(1)(A), and within six months after receipt of the Secretary's report under section 404(d)(1)(D), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) Grounds for substitution.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) Criteria for substituted frequencies.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 404(d)(1)(D) unless the substituted frequency also meets each of the criteria specified by section 404(a).

(4) Delays in implementation.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 404(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 406, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) Costs of Withdrawing Frequencies Assigned To the United States Government; Appropriations Authorized.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation Acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) Plans Submitted.—

(1) With respect to the initial 45 MHz to be reallocated from United States Government to non-United States Government use under section 404(d)(1)(A), not later than twenty-four months after enactment of this title, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 408, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 404(e), not later than two years after issuance of the report required by section 404(d)(1)(D), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this title. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 404(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) Amendment to the Communications Act.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection:

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, except that any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 407 of the Emerging Telecommunications Technologies Act of 1991.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) Authority of President.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) Procedure for Reclaiming Frequencies.—

(1) Unassigned frequencies.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2).

(2) Assigned frequencies.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in 405(b)(2), except that the notification required by section 405(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) Costs of Reclaiming Frequencies.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) Effect on Other Law.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) Competitive Bidding Authorized.—Section 309 of the Communications Act is amended by adding the following new subsection:

"(j)(1)(A) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, subject to the exclusions listed in paragraph (2).

"(B) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subparagraph (C), the Commission shall grant a permit or license.

"(C) No construction permit or license shall be granted to an applicant selected pursuant to subparagraph (B) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and subsection (a) of this section, on the basis of the information contained in the first- and second-stage applications submitted under subparagraph (B).

"(D) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of this Act.

"(E) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(F) The Commission, in designing the competitive bidding procedures under this subsection, shall study and if appropriate include procedures—

"(i) to extend the holding period for winning bidders awarded permits or licenses, and

"(ii) to expand review and enforcement requirements to ensure that winning bidders continue to meet their obligations under this Act.

"(G) The Commission shall, within eighteen months after enactment of the Emerging Telecommunications Technologies Act of 1991, following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 45 MHz reallocated from United States Government to non-United States Government use under section 404(d)(1)(A) of the Emerging Telecommunications Technologies Act of 1991, to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to—

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, over-the-air terrestrial radio and television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the Emerging Telecommunications Technologies Act of 1991;

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption, and

"(G) small business as defined by section 3(A) and 5(b)(6) of the Small Business Act as amended.

"(3) In implementing this subsection, the Commission shall ensure that current and future rural telecommunications needs are met and that existing rural licensees and their subscribers are not adversely affected.

"(4) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury.".

(b) Random Selection Not To Apply When Competitive Bidding Required.—Section 309(i)(1) of the Communications Act is amended by striking the period after the word "selection" and inserting ", except in instances where competitive bidding procedures are required under subsection (j).".

(c) Spectrum Allocation Decisions.—Section 303 of the Communications Act is amended by adding the following new subsection:

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in this title:

(1) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(2) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(3) The term "Commission" means the Federal Communications Commission.

(4) The term "Communications Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(5) The term "Secretary" means the Secretary of Commerce.

TITLE V—DISLOCATED WORKERS

SEC. 501. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the State of Washington.

TITLE VI—DEFICIT REDUCTION REQUIREMENT

SEC. 601. DEFICIT REDUCTION REQUIREMENT

(a) Congressional Finding.—The Congress finds that the provisions contained in titles I, II, III, IV, and V of this amendment would lead to a reduction in the deficit and, pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts (both increases and decreases) provided by such titles I through V of this amendment (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Presidential Determination.—None of the provisions contained in this amendment shall take effect unless the President makes a determination and notifies the Congress that this Act would reduce the deficit cumulatively for fiscal years 1991 through 1996; and, notwithstanding any other provision of law or any other provision of this amendment, none of the sections contained therein shall take effect unless the President submits a written designation of all direct spending amounts (both increases and decreases) provided by such titles I through V (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985. Such a determination by the President shall preclude any provisions of this Act, other than the provisions contained in this amendment section 11 and titles I through V from taking effect.

Alternatively, such a determination by the President with regard to the provisions of this Act (as contained in section 10(b)) not contained in this amendment shall prevent the provisions of this amendment from taking effect and put into effect those provisions not contained in this amendment.

Definitions: "this amendment" includes "titles I, II, III, IV, and V" as originally offered on the Senate floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The minority leader.

Mr. DOLE. Mr. President, I ask that I may proceed out of order for 5 minutes.

REPEAL RESOLUTION 3379

Mr. DOLE. Mr. President, yesterday, in his address to the United Nations, President Bush spoke for all Americans in calling for the immediate repeal of the infamous resolution 3379—the so-called Zionism is racism resolution.

That resolution, passed by the United Nations in 1975 over the strong objection of the United States, is still on the record today—a stain on the honor of the United Nations, an insult to Jews around the world, and an abomination to men and women of goodwill everywhere.

The resolution should never have been considered, let alone passed. It should have been repealed long ago.

It must be repealed now.

Back in March, the distinguished Senator from New York, Senator MOYNIHAN, introduced Senate Joint Resolution 110, calling upon the administration to work for the repeal of this obscene U.N. resolution. He has taken the lead on this issue in very recent Congress, and I commend him for that leadership role.

I was pleased to join Senator MOYNIHAN; his distinguished colleague from New York, Senator D'AMATO; the Senator from Oregon, Senator PACKWOOD; the majority leader, Senator MITCHELL; and more than 20 other Senators—as original cosponsors of that resolution.

That resolution was referred to the Foreign Relations Committee, where it remains to be acted on.

Particularly in light of the President's eloquent appeal of yesterday, and the ongoing developments in the Middle East, it is time to move that resolution now.

Senator MOYNIHAN, Senator D'AMATO and I have come to the floor now to urge prompt action. We have consulted with the distinguished chairman of the Foreign Relations Committee, Senator PELL, who has also been a leading force in seeking the overturn of the U.N. resolution. I understand that Senator PELL will seek to have his committee act favorably on the Moynihan resolution during its scheduled business meeting this evening.

I commend and thank Senator PELL for this decision. I hope that we can follow it up tomorrow, by obtaining unanimous consent for floor action on this very important and timely issue.

Now is the time for the Senate to act on the Moynihan resolution.

Now is the time for the United Nations to act to repeal Resolution 3395.

Now, at long last, it is time, high time, to do what is needed, and what is right.

Mr. President, I yield to the distinguished Senator from New York. Senator MOYNIHAN will be on the floor briefly, but I yield to Senator D'AMATO.

Mr. D'AMATO. Mr. President, I want to join the Republican leader in commending Senator MOYNIHAN for his leadership in this activity and urge our colleagues to move expeditiously.

In voting to support sanctions and the use of direct action against Saddam Hussein last year, the United Nations shed itself of 25 years of irrelevance and ineffectiveness. In heeding President Bush's call yesterday, the call to rescind its ridiculous equating of Zionism with racism, the United Nations can now shed itself of a generation of shameful hypocrisy. I applaud the President's call before the United Nations to the General Assembly to repeal the Zionism racism Resolution 3395.

This resolution has been an ugly blot on the record of the United Nations. It is time for the Arab States and their allies to prove that they are serious about peace. This resolution implicitly challenges the right of Israel to exist. Its repeal will be an important first step to any Middle East peace conference. Without repeal, Israel will have to question the Arab nations' commitment to peace.

I hope that we can move this expeditiously and join with the Republican leader in seeking a speedy resolve and would urge the United Nations to act now.

Mr. BENTSEN. Mr. President is the Senator yielding the floor?

Mr. D'AMATO. I yield the floor.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

The Senate continued with the consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. BENTSEN. Mr. President, I ask unanimous consent that the vote on, or in relation to, the McCain amendment occur immediately, without any intervening debate, upon disposition of Senator BROWN'S amendment, and that no amendments to either the McCain amendment or to the amendments by Senators DOLE, GRAMM, and BROWN be in order or to any language that may be stricken by these amendments. My understanding is it has been cleared.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, as I understand, under the order commencing at 6 o'clock, there will be about 30 minutes on each side to debate the various amendments that are pending, particularly the proposal by the distinguished Senator from Texas, Senator BENTSEN, the proposal by this Senator, Senator DOMENICI, and Senator ROTH, and others, and the proposal by the other Senator from Texas, Senator GRAMM, Senator WALLOP, and others. So we still have about 50 minutes.

I would hope that if anyone has any other amendments to this proposal, this would be a good time to debate the amendments. I think it is the hope of the majority leader that we might complete action on this measure this evening and, if we could line up the votes, it would mean we could get out of here at a very early hour. So again, I urge any of my colleagues on this side of the aisle—I understand there are no amendments on the other side of the aisle—if there are amendments, we have about 50 minutes before the final debate, probably enough time to consider one or more amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I rise today in strong support of the unemployment compensation bill we are considering today. I am glad to be an original cosponsor.

This may be the most important bill we will consider this year.

Why? Because too many hard-working Americans are not working. They have lost their jobs in the recession that's been underway for the past year.

What is worse, the safety net of unemployment insurance is failing them. They are exhausting their payments. And they still do not have a job.

Mr. President, we may not be able to give every man and woman a job, but we sure need to help them keep their lives and their family together while they look for one.

The newspapers have been filled with stories about how the recession is over. Well, that might be true to the economists at the Federal Reserve or the stockbrokers on Wall Street. But unfortunately, the recession is still all-too-real for thousands of Americans who cannot find a job, or cannot get their job back after a layoff.

That is why this bipartisan proposal, to extend benefits to the long-term unemployed, is so badly needed now.

This needed legislation was introduced by the distinguished chairman of the Finance Committee, Senator BENTSEN, and the ranking member of that committee, and the former chairman, Senator PACKWOOD. It is identical to a bill the Finance Committee approved in July by a bipartisan vote of 15 to 4.

Because of this bipartisan nature of the bill, it is especially unfortunate that this has become a partisan debate.

Mr. President, we are talking about real people here, real people who have house payments to make, car payments, children to feed; real people who want to work but cannot not find jobs.

This legislation will ease the burden on those thousands of Americans who have been out of work, and remain out of work for long periods of time, during this recession. This bill will ease the suffering that families undergo when the paycheck stops coming in.

This bill will buy some time for those people and those families who have nowhere else to turn. People who have paid into an unemployment insurance program.

In my own State of Montana, the unemployment rate is about 6.4 percent. That is less than the national rate. But there are still workers who have lost their jobs and who have run out of unemployment benefits. This bill will help them.

This bill sets up an emergency unemployment compensation program to provide additional assistance to longterm unemployed workers whose regular benefits have run out.

This is not a handout, Mr. President. These are benefits that people earn. They are s short-term fix, to give people a chance to find a new job. To give them and their families some security during this harrowing experience.

Losing a job is traumatic. Not finding another is worse. And when you are about to lose your unemployment benefits, it is a real emergency.

You fear losing your car. You fear losing your house. And just as importantly in many ways, you fear losing your self respect.

Mr. President, economic difficulty is extremely stressful and takes its toll on families. When families lose their income, they sometimes fall apart under the strain. Spouse abuse, child abuse, and divorce can result.

No one is claiming that enactment of this bill will put an end to domestic violence. But we can make a difference in thousands of peoples' lives by buying them a little more time before they run out of hope and money.

This bill will be a short-term help for the young unemployed father who has a family depending on him for food and housing and clothing, while he looks for work.

This bill will help, for a few weeks, the woman supporting a family on her own who has lost her job and has no other source of income.

Mr. President, those are emergencies as real as any this Nation might face. And behind each emergency there are real people who are suffering.

I have talked to many Montanans in recent months, and I know that many people still face hard times. They are not only worried about how to pay for their child's college education or how to buy a new car; they are worried about how to pay for their family's next meal and how to make sure there is a bed for their children to sleep in.

That is why I hope President Bush will recognize that the plight of the unemployed in this Nation is a real problem, affecting real people, and it is an emergency that we must address.

The President seems to have a domestic policy for every country but our own. He has been willing to violate the budget agreement for foreign emergencies but not for the emergency we are facing here at home.

We should not have one threshold for foreign emergencies—which says you do not have to offset the cost—and another standard for the unemployed in this country—which says you do not get benefits unless some other program is cut.

President Bush said no to extending unemployment benefits by not releasing the funds to pay for those benefits. Since he had the opportunity to make extended benefits a reality, more than 300,000 more Americans have exhausted their unemployment benefits.

We have a trust fund to pay unemployment benefits. But it is a cruel irony that while unemployment is increasing, the trust fund is running a surplus. The money in that trust fund must be used to help people in need.

Americans deserve equitable treatment, especially those who are out of a job. This bill does that.

Mr. President, I urge my colleagues to support this needed legislation, and fervently hope that President Bush will join us in helping those still feeling the impact of an economic recession.

Mr. President, I yield the floor.

Mr. DIXON. Mr. President, I wish to state for the record that I will be voting against all amendments to the bill before us. I will do so because the Emergency Unemployment Compensation Act will provide urgently needed assistance to the more than 3 million American workers who have already exhausted their unemployment benefits, and the countless more that will no doubt exhaust their benefits without such relief.

I would like to make it clear, however, that many provisions included in the amendments I will soon vote to table represent things that I would generally support or seriously consider, including but not limited to: Capital gains tax cut, enterprise zones, extension of the research and experimentation tax credit, savings incentives such as the IRA-Plus Program, tax credit for first-time homebuyers, tax- and penalty-free IRA-Plus withdrawals, and raising of the current Social Security earnings limit for working elderly.

Mr. President, it is important that we provide this relief to the millions of workers who have exhausted their benefits but cannot find jobs due to the ongoing recession, who have been unable to provide for their families or pay their bills. But it is my hope, Mr. President, that once we have provided this critical relief that Congress will turn to the equally important business of providing the means for long-term growth.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland [Mr. SARBANES] is recognized.

Mr. SARBANES. Mr. President, could I ask the manager of the bill, I take it the floor is open for general debate?

Mr. BAUCUS. The Senator is correct.

Mr. SARBANES. Mr. President, I rise in very strong support of the legislation before us and to extend unemployment benefits, I urge its enactment.

Mr. Darman, the Director of the Office of Management and Budget, said over the weekend that the recession was over. I do now know where he finds the evidence for that assertion. However, it is clear that we have not been in a short and shallow recession as the administration has asserted, but one that really parallels the severity of other postwar recessions. In fact, the decline in employment in percentage terms in this rescission is worse than what took place in the first 13 months of the 1981–82 recession which was the worst that we had experienced since the Great Depression.

There are all kinds of indicators to show that economic activity is spotty across the country. Even those who think we are coming out of the recession expect an anemic recovery. There is no one who argues about that, not even the administration.

Let me give you some idea of how difficult our situation is. In the second quarter of this year we had 6.8 percent unemployment. In the last quarter of last year, we had 5.9-percent unemployment. If you lost your job in October, November, or December of 1990, at an unemployment rate of 5.9 percent, by now you will have used up your 26 weeks of benefits, and you will be looking for a job in a job market with an uemployment rate of 6.8 percent. So in other words, you are in a tougher job market now in terms of finding a job than at the time you lost your job.

Second, the official unemployment rate of 6.8 percent understates the total or comprehensive unemployment rate. We had testimony from the Commissioner of the Bureau of Labor Statistics that the comprehensive unemployment rate was much higher. The comprehensive rate is the rate that includes discouraged workers. People get so discouraged that they drop out of the work force and they are no longer counted as unemployed.

Second, there are approximately 6 million people in this country that are working part-time but want to work full-time. They cannot find a full-time job, and they are working part-time. If you add them in the unemployment rate is 10 percent. Twenty million Americans in 1990 at one point or another experienced unemployment, and the figure for 1991 is expected to be 25 million.

Now what has happened as a consequence of this is that the number of persons unemployed longer then 26 weeks has approximately doubled over the last 13 months of this recession. That chart shows a very rapid increase in the number of people unemployed for longer then 26 weeks.

Now this is very important to keep in mind because it must be realized that in the past even after a recession is over the number of long-term unemployed continues to increase. So there is every reason to expect that even when this recession ends—and there is some argument about whether that has happened, when it will happen, how strong the recovery will be—there will still be a need to help the long-term unemployed. Also, the recoveries in these other recessions were much stronger than is being predicted for this recession. Economic activity shot up. You had growth rates of 4, 5, 6 percent of GNP. The most people are talking about coming out of this recession is 2, 2.5 percent. Even with the rapid growth as they came out of past recessions the number of long-term unemployed rose after the recession ended.

So even if Mr. Darman is right that the recession has ended—and I contest that—but even if one accepts that assertion, it is clear thay you are going to have more long-term unemployed after the recession ends. In addition, with lower growth coming out of the recession than in the past, you can expect an increase in the number of long-term unemployed for several months.

It is important to remember that these are people about which we are talking. People who have held a job. You cannot draw unemployment benefits unless you have been working for a continuous period of time. What has happened in past recessions is the Congress and the administration working together provided extended benefits. That is shown in this chart which shows the persons receiving extended unemployment insurance benefits in past recessions. In the 1974–75 recession, the 1980 recession, and the 1981–82 recession there was a large increase in the number of people receiving extended benefits.

In this recession you have had almost no increase in the number of people receiving extended benefits. You have 8½ million people unemployed, and only 14,000 of them are drawing extended benefits. You have States in this country with unemployment rates of 8, 8.5, 9, 9.5 percent, and they are not drawing extended benefits because the trigger mechanism is inadequate.

All of this has happened while the extended benefit trust fund has a huge surplus. Employers are required to pay taxes to provide for extended benefits. The trust fund balance is now over $8 billion and it is projected to go almost to $10 billion next year.

We are not paying benefits to people for extended benefits. We built up this huge surplus in the extended benefit trust fund, which is meant and intended precisely for the purpose of paying extended benefits. That is why people pay those taxes, for exactly that reason. It is really an abuse of this trust fund not to use the moneys paid into it to pay the extended benefits. In fact, the theory is you build up the surplus in the trust fund in good times, and you use it in bad times. We are in bad times now; we are in a recession. Yet during this recession, the trust fund continues to build up a surplus.

The funding for these benefits has already been paid. People already provided for it. They contributed into this trust fund explicitly for the purpose of paying extended benefits, and the administration refuses to use the huge surplus which exists there. We say the administration should declare an emergency as provided under the Budget Act in order to go ahead and make these benefit payments available to those American workers in need.

The administration has come to the Congress this year and asked the Congress to join with it in declaring an emergency in order to send assistance overseas. The Congress agreed to do that. Why is it the President can perceive emergencies abroad in order to send assistance out of the country to help others but cannot perceive an emergency here at home to help the millions of Americans who are unemployed and desperate for some assistance?

I am going to close by quoting from a couple of letters which I have received on this issue. I think these letters underscore the human dimensions of this problem, indeed, the human tragedy. We held a hearing a few week ago when we heard from some unemployed people regarding their situation. These people had jobs and lost them due to no fault of their own. The testimony of these individuals prompted some people to write me. I want to just quote from a couple of those letters.

> DEAR SENATOR SARBANES: I am writing this letter to you after watching the hearing on television on the problems of unemployed people in AMERICA.
>
> The reasons I put AMERICA in capital letters is because we would be better off if we were from a foreign country so that President Bush would see it in his heart to help us out. He does nothing for the Americans that are suffering. I only hope you will be able to get through to Bush and make him realize that we are in an emergency situation in our country.
>
> What we as unemployed people want is to be able to rebuild our self esteem, pay our bills, and contribute to this country. We are not looking for a handout. But right now we need more help. It is sad to know the funds are there but the President will not release them.
>
> People have this idea that being unemployed is fun. It isn't. It is extremely depressing. Everyone thought I was lucky having the summer off. I did not enjoy one day of this summer as I was worrying about getting a job. It is on your mind constantly, from when you wake up in the morning until you go to bed at night, and then if you should wake up during the night, it is right there hounding you.
>
> No, I am not lazy and I don't believe many unemployed people are. They are just victims of a situation that is called a recession, but which my 77-year-old mother calls a depression. She is probably right. If things are turning around and the recession is ending, then I would like to know in what country this is happening? I hope I don't have to go on welfare, as I am not that type of person. But you really think about it when things get so bad.
>
> If you want statistics, I will give you mine. I am a white, middle-aged female, single parent of two, head of household. I raised my sons basically on my own since they were 3 and 5. I worked full time from when they were 7 and 9. I had them in all the sports programs I could. I worked 10 minutes from the house so I could be available should something happen to them and they needed me.
>
> My sons are turning out to be good men. They are both in college and have always been clean, decent individuals. They really never gave me any major problems, just the normal ones every parent has with their children. I don't want any praise or desire any for what I have done. They were my responsibility and I lived up to it. What I want now is help from the Government until things get better for me and all the thousands of people that are in the same situation.
>
> Please do what you can to help all of us out. We don't want it. We need it. And we need it now. Please see what you and your fellow Senators can do to help get this country back on its feet, or else this country will be gone. I know it sounds stupid, but I think it could happen if we don't help ourselves and each other. We are falling off the face of the Earth and no one cares.
>
> One other important thing you asked about the other evening was medical coverage. Who can afford it? It is one of the last things you think about. I couldn't afford medical coverage. If I should get sick I'll just pray it passes or else I will pass on to that big unemployment office in the sky. You have to have a sense of humor, but it just get harder and harder each day.

And then, Mr. President, quoting from another letter:

> I am writing to you regarding a serious crisis that exists nationally, a lack of adequate unemployment benefits for working men and women. What has been allowed to happen in this country has been a disgrace. As I stood in line the other week I got to hear firsthand the concern in the voices of people. The first blow was losing their job. The second was seeing the United States Government abandon them in their hour of need. I am one of the very people affected by President Bush's decision not to fund the extended unemployment program. We are a hard-working people who have over the years made this country great, the workers who have held the same job, in many cases, for a number of years. What constitutes an emergency? Whenever the unemployment rates have been this devastating in the past, the Federal Government has automatically stepped in.

The correspondence is absolutely right about that, Mr. President. In past recessions, the Congress and the Presidents at the time, Ford, Carter, Reagan, stepped in to help.

This time, President Bush and his administration is saying to these people, cold turkey.

To return to the letter:

> What constitutes an emergency? Whenever the unemployment rates have been this devastating in the past, the Federal Government has automatically stepped in. What has made this emergency different? Could it be that no one wants to admit that there is an emergency?
>
> As I said earlier, what a disgrace. There are thousands of emergency programs in this country for the needy and they receive benefits for being needy. This extention in unemployment benefits in general are programs for the middle-class working people who have fallen on hard times. They have contributed to this Government. They will pay taxes on this money. This isn't a handout; this isn't a freebie.
>
> These people will contribute again, it has been proven. This country is in jeopardy of losing one of its natural resources. The United States was made great by working people. This Government should show dedication and loyalty to these people who have contributed both financially with their income tax dollars and physically with their hard work.

Mr. President, I say the time has long passed to show our dedication and loyalty to these working people who have contributed to our Nation both financially and physically with our hard work. These are working people by definition. You cannot draw unemployment insurance unless you have held continuous employment.

There is an extended benefits trust fund with $8 billion surplus in it for the very purpose of paying extended benefits; and there are millions of Americans, as these letters indicate, in desperate need of some help to get through these difficult economic times. They have lost their jobs through no fault of their own. It is incumbent upon to provide them a hand which will see them through this difficult period until the economy truly has an upturn and job opportunities are available again.

Mr. President, it is imperative to enact the Bentsen legislation, and I very strongly commend the distinguished chairman of the Finance Committee for the leadership role he has assumed on this critical issue, and I urge my colleagues to support his efforts. Mr. President, I yield the floor.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I rise in strong support of the Bentsen proposal. The legislation before us will help more than 8.75 million jobless Americans, including nearly 150,000 people from my home State of Washington who are out of work.

This bill will help those who have exhausted their benefits. That means that 51,000 workers, who would otherwise be left out in the cold, will now gain a small, but significant boost as they search for a new job.

I have had letters, and I am so pleased that the Senator from Maryland read a series of letters from his constituents. My letters are the same. We are not talking about people who have been permanently unemployed. We are not talking about people who are on welfare, Mr. President. We are talking about people who have worked. We are talking about people who have worked and who have had money set aside by law for protection when they are unemployed. That is what is so monstrous about what has been done by the President of the United States; to take a trust fund where taxes have already been paid and say that money cannot be spent for the purpose for which it was created. This is not to create a deficit. This is to spend money for which it was created.

Mr. President, it is getting worse. Since the last time we considered this measure, national unemployment has jumped 1.8 million. In August, the unemployment rate was 6.8 percent, barely 2.2 percent below its highest mark in 5 years.

Each State, we should remember, is different. But they all share in a common ache that comes from unemployment at this time. For example, in my home State of Washington, we have what is often referred to as a Swiss cheese economy. Portions of the State involved in very high technology, aerospace, so-called sunrise industries, enjoy relatively stable and often strong economic growth. We wish this were true all over.

When I hear Members come on to this floor and speak about creating new jobs, having new jobs, we have created new jobs in our State and we have created new industries. But this unemployment compensation trust fund was part of the safety net we heard so much about for so many years for those areas of the economy that did not benefit from the growth patterns that were occurring.

This is us being all together as a Nation, looking out for one another, and in my State looking out for one another in areas like this: 20 out of the 39 counties depend upon timber supply or agriculture. They are public lands. Throughout all of these counties there are public lands, as well as agricultural economies.

People are suffering in Skamania County. Betty and I were there last month. Do you know what the unemployment rate in Skamania County is? Eighteen percent. Adams County, 13.7 percent. These are people who have been working.

This is what the Senator from Maryland and I are talking about when we say that these funds should be used for the purpose for which they were raised. Unemployment compensation funds should be released. This is precisely why an emergency title was placed in the bill. It was to say that when you have a recession and people are hit with this double whammy, that they get some relief.

Does it help the overall economy? You bet it does. How do you think the grocer who lives in Skamania County or the person who is selling gasoline at the pump or the other people can live, if no one has any money and the Federal Government's small assistance through unemployment compensation is part of bringing this economy back, a part of providing jobs so that it does not slide further downhill.

Our people have been hit by a double whammy. They are reeling from the effects of a nationwide recession, from cutbacks in farm programs, and from a policy of greed that resulted in overcutting of our timber forests so that there is a supply crisis. That is what runs up these terrible rates of unemployment. And remember, this unemployment involves people who have been working and keeping the economy alive.

In July, I introduced a bill to begin a comprehensive ecosystem-based approach of managing our forest resources. This is to see to it that we do not have this double whammy occur again in our counties. A key element of this legislation would be part of this bill. It provides for extended unemployment benefits to displaced timber workers, people who are losing their jobs because we overcut for the supply, people who are losing their jobs because there is a recession and people are not building homes, so there is not a market for timber.

Portions of my legislation are modeled on the bill before us today. As I said the last time we debated this matter, it is easy for this administration to ignore the unemployed but it is unconscionable for the Congress to do so. How can we explain it to Americans who are faced with losing their cars, their homes, their life savings, when there is more than $8 billion in the extended benefits trust fund? We have set this money aside for this purpose. It is unconscionable that we do not force it to be spent for the purpose for which it was created.

How can we tell those who paid in full into this fund that in a time of crisis they will not be helped? Or to say to those who are paying the taxes, we want you to pay some more because you have already paid this tax for this protection, but because we would like to use this money for something else to make our deficit look better, we will not use it.

That is what is happening. We are asking people to pay a tax on a tax they have already paid for this specific purpose. It is unconscionable. We in the Congress should not allow this to happen. We should support the Bentsen bill. It pays out money for which money was created. This idea of adding on or putting in additional taxes to pay for what a tax has already been created for is simply another way for them to raise taxes on other areas when they do not use them in the areas for which they were created.

The program we are proposing in the Senate will provide extended unemployment benefits to those who have exhausted their benefits. The President effectively destroyed this bill in Congress after having a press conference announcing billions of dollars in emergency assistance for needy people overseas. I believe the United States should help when it can, but jobless Americans are also living in an emergency. They are my priority. Why is the President fighting us as we try to help our own people just a little bit, help our own with the funds we set aside to do this?

I urge my colleagues to join us in supporting this critical emergency situation.

We have on the Appropriations Committee addressed the needs of the timber communities through report language. The Dole amendment contains a false promise but no relief. We are asking that this Congress and this Senate do its part to release funds so that we may proceed with taking care of the American workers who have made this a part of their life, who have had the taxes paid for them and who are now asking the safety net apply to them.

Mr. President, I urge passage of the Bentsen amendment and defeat of the other two amendments. I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. I thank the Chair.

Let me first put this debate into the proper context. This is really not a debate about whether there will be extended unemployment compensation benefits. That is something that both sides believe should occur. This is a classic debate, from a philosophical perspective, between the parties.

The plan that has been proposed by the Democrats in this body is the same old song to which we have been listening for generations. They have a plan but have no way to pay for it. And then comes the smokescreen: They say we have collected all of these taxes over the years and we ought to spend them despite having voted for a budget agreement that says we cannot bust the spending and deficit targets.

On the other hand, the Republican alternative acknowledges we want to see these benefits extended, but if we are going to do it we ought to at least talk about how we are going to pay for it.

Before I get to the Gramm amendment, which I support, I want to talk for a moment about experiences I had during the August recess. I traveled across Florida, to small, little towns in north Florida from Pensacola nearly to Jacksonville, and the message from Floridians was constant throughout the entire trip.

The first place I went was to a little town called Bristol, FL. Frankly, it was the first time I had been there. Bristol is in a county called Liberty County, with a total population of roughly 5,000 people. And 125 people showed up for this little meeting—pretty good turnout for a county of 5,000. The message was that we are losing jobs here in this little town; we may in fact be losing industries; we in fact are going to put people out of business, we are going to put families that have been in business for generations in this community out of business because of a decision made by Government. It was the decision by the Forest Service with respect to the red cockaded woodpecker.

I then moved on to another very small north Florida town called Cross City. And at Cross City, people came up to me left and right, commercial fishermen, most of them, telling me that their families had been in business for generations, and now it looked as if they were going to lose their businesses as a result of a decision made by Government. That had to do with how many days they could fish for a certain type of fish. Think about this for a minute. The Government is now telling these fishermen how many days they can fish for a certain type of fish. This sounds suspiciously like central planning. But the point is that a decision made by Government is putting people out of work and out of business.

I then went to Starke, FL, a little bit further to the east. And in Starke, FL, the people talked to me of their concern about the wetlands issue and whether there were going to be jobs and businesses in their community as a result of the Government's methods of regulating wetlands.

I'll relate one additional experience from Sarasota, FL—not north Florida but on the west coast of Florida about 50 miles south of Tampa. There I met with a group of people, roughly 300 or 400, who had come out to a rally for a discussion about the so-called luxury tax: The idea behind the luxury taxes was simple but wrong. Let us tax the wealthy. There are only a relatively small number that we can talk about, about the top 1 percent in terms of income. Let us tax them. As a result of doing that we can solve our budget problem.

Do you know what they called the luxury tax in Sarasota, FL, at the boat manufacturing plant I was visiting? They called it a layoff tax. And that is exactly what this idea of raising money by taxing the wealthy is—a layoff tax.

But the wealthy decided they did not need to buy any more boats. So the people who ended up paying that tax are the people that were laid off. So it is a layoff tax.

What we are saying here today is that Republicans have an alternative to allow the people of this Nation to have these extended unemployment benefits. We say we have a way to pay for it. We have a growth plan. Yes, I am proud to talk about the need to create jobs. I think it is important to create jobs. It seems to me that if you put into place an extension of unemployment compensation benefits without a means to pay for it, that is not going to help the economy.

What Senator GRAMM has offered as an alternative is a growth package, which includes a reduction in the capital gains tax rate. That is going to bring in revenues, first, to the Federal Government and, second, it is going to pull together a pool of funds which will be available in the venture capital market to aid in the start up of new businesses and in the creation of new jobs.

So I say this is not an issue of whether or not we are going to extend benefits. It is a question of how are we going to pay for it.

The conclusion that the American people can clearly come to as a result of the discussion in this body over the last several days is that the Democrats have their same old plan. That plan is to spend money, but do not worry how you pay for it. The Republicans, on the other hand, have said let us extend those benefits but let us remember if you really want to reduce the cost of extending those benefits, if you really want to reduce the cost of government in this particular area, the most effective way to do it is to create jobs.

We are proposing, through the Gramm amendment, to do just exactly that. And the choice is, in fact, clear. I do not shrink from this debate. I think it is one that the American people want to hear, and the conclusion is we have a growth plan that pays for these extended benefits. It helps those people who have lost their job. Many have lost their job because of the actions of the House and the Senate. We have a way to create jobs and to pay for it. That is, I think, the choice the American people want us to make.

Senator DOMENICI last week raised a challenge to the Democrats by asking where is your plan? Where is your plan for America? You keep talking about a domestic agenda, but yours is just motor voter, campaign finance, ethics in government, parental leave. How does that get the economy going? How does that create jobs? How does that give opportunity to Americans who want to work?

Again, I say I look forward to this debate. I look forward to the vote. I think we have, in fact, offered the alternative that will give hope and opportunity to the American people.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER (Mr. LEVIN). Under the previous order, the time between 6 o'clock p.m. and 7 o'clock p.m. is equally divided and controlled in the usual form.

Who yields time?

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be equally divided between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I have not arranged for anybody to yield time to me. I will have to find out what the score is.

The PRESIDING OFFICER. Without objection, the Senator from Iowa can proceed under the time of the Republican leader. You are the senior Republican leader.

Mr. GRASSLEY. I ask unanimous consent to proceed for 6 minutes under the time of the Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I yield 1 minute to my colleague for an additional statement that he wants to make at this point, the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Thank you, Mr. President.

I thank the Senator for yielding.

I wanted to add some additional information to my comments with respect to my concern about jobs, particularly in the construction industry in Florida. Of the 644,000 construction jobs lost throughout the Nation from August of 1989 to August of 1991, Florida lost 24 percent of those jobs. This loss of 155,000 jobs in Florida is by far the most of any State in the Union. During the same period of time in Florida, new housing permits have dropped by 43 percent.

Again, I think that the alternative that has been proposed by Senator GRAMM which addresses the reduction in the capital gains rate, and the homeowner incentive, and the first-time home buyer tax credit, is something that is sorely needed and will provide an incentive to get the construction industry moving again. We have seen over the years the construction industry does in fact lead our Nation out of recessions.

I thank the Senator for yielding.

Mr. GRASSLEY. Mr. President, I have some thoughts on this piece of legislation that is before us, the underlying piece of legislation, and more importantly comment on Senator BENTSEN'S approach as well as Senator DOLE'S approach.

But before we dissect ourselves too much here I think we ought to take some time to thank Senator BENTSEN for, as chairman of the Finance Committee, now a second time trying to find a solution to a problem that we all—both parties—recognize as being a serious problem, the unemployment problem, faced by many of our fellow Americans.

If there is any difference of opinion, it is a difference of how to address the problem. I suppose there is a very basic difference though. One approach finds a way in the budget of actually paying for it. The other one adds it to the deficit.

So, philosophically, there is a great difference. But the leadership of this body that brings this to our attention I think needs to be complimented.

Back in July, both as a member of the Senate Finance Committee and also as a Member of this body on the floor of the Senate, I voted in support of Chairman BENTSEN'S original proposal because people needed help. As Chairman BENTSEN'S legislation was the only viable proposal under consideration at that time, I wanted to address the issue. So I voted for that.

What we know is that Congress passed the chairman's bill and sent it to the President who, even though he signed it, did not make a very crucial decision that needed to be made of declaring it an emergency. So, consequently, the bill was not implemented. So now during this debate we are back at square one.

Mr. President, I recognize the real need out there in the grassroots of America where the working men and women of America have financial problems because unemployment compensation has run out.

At that time, I voted with the intention of helping those in need. Since that time, I have listened with great concern, and I also have to candidly admit with some disgust, at some of the trends that have taken place in this debate over the last month because it seems like political opponents of the President have attempted to take advantage of the unemployment situation—specifically those who are unemployed—and to use this as a political issue against President Bush.

It is this Senator's opinion that this attempt should not have been tried. It is this Senator's view that it will not succeed. To some extent, it has actually cast a cloud over this debate that is not good for the successful accomplishment of our goal of helping the unemployed.

To some extent, the bill before us I think is doomed to ultimate failure, ultimate failure maybe not in the sense that it will not pass the Congress, but if it is vetoed and the veto is sustained, there really is not help there for the unemployed people of America.

So if we want to help, it seems to me we ought to get where we can get the broadest consensus. That ought to include enough Republican votes so that an effort to override the veto would be successful.

I think it gets down to a basic proposition of having an issue for political purposes or having a bill that will help the people that it was intended to help. If we really want to get past politics and actually do something for the unemployed, then we have to pass that responsible bill, one that addresses the unemployment problem, but also one that would have the President's support. Otherwise, all we are going to accomplish is gridlock, and not one unemployed worker anywhere in the United States is going to be helped.

The President has already said no to the underlying bill, and it is now time to move forward with something that we can get that a large number of people here will support—most important, one that the President will sign.

I think Senator DOLE offered a responsible alternative that pays for itself and has the support of the President. Of those two things, the most important thing is for this body to pass legislation that does not add to the national debt, because more and more debt has something to do with the unemployment problem as much as other issues or other reasons.

It is for these reasons that I intend to support the Dole substitute as the only viable, short-term assistance for the unemployed at this time.

If we are going to really tackle the problems, then we have to find solutions that go beyond short-term fixes. That is why I intend to support additional amendments that have been offered by a number of our colleagues to cut taxes on American workers, as well as to cut the cost of doing business.

If we are really going to help the working people of this country, we need to provide incentives for economic growth and job creation.

We can only hope that the leadership of this Congress will finally get the message that bipartisan, long-term solutions are the only real answers to the unemployment problem that we are confronted with today and that this legislation, both of these debates going on simultaneously here on two separate proposals, tries to accomplish.

I yield the floor.

Mr. GRAMM. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, throughout this debate, there has been confusion that somehow we are doing something today that is going to change the reality that is faced by Americans, that somehow if we adopt the underlying bill, something is going to change in America. So let me begin by dispelling that myth.

The bill that is before the U.S. Senate, the underlying bill on which there are two amendments pending, is already the law of the land. This bill was adopted before the August recess; it was signed into law by the President, and the adoption of the underlying bill will not change the laws of the country, nor will it change the reality of one unemployed person in America, period.

You might ask, why do we have this extraordinary circumstance? This is the first time in the 7 years that I have been in the Senate that we have ever voted on something that was already the law of the land. I think that is a good point to begin on in explaining the real alternative here and the real issue.

We are considering a bill that, already this year, has been adopted as law, because the House sent over an unemployment compensation extension bill that had a revenue measure in it. Had that been brought to the floor of the Senate, which would have been the normal procedure, we would have struck all after the enacting clause and substituted the committee amendment and that would have been subject to further revenue amendments.

Mr. President, having brought up the plight of the unemployed, it is clear that the Democrats desperately do not want to debate any real policy to do something about it. I have heard our colleagues on the left-hand side of the Chamber, all day, talk about "We need a policy to deal with the unemployed." I ask my colleagues: Is extension of unemployment compensation a policy? Is that an antirecession policy? Will the extension of unemployment benefits—humanitarian though they may be—create a single job in the American economy? The answer is "no."

In fact, according to Alan Greenspan, the Chairman of the Board of Governors of the Federal Reserve System, in a letter he sent to both leaders of the Senate, he is concerned that extending unemployment benefits, busting the budget to the tune of $5.8 billion will increase long-term interest rates and put more people out of work.

The reality is that we are not, on the underlying bill, debating the issue of unemployment at all. I know it sounds revolutionary, but I will repeat: The solution to unemployment is employment. The only real safety net is economic growth.

That brings me to the amendment which I have offered. Let me start with the parliamentary situation, because I know that there are many in this body who intend to vote on a parliamentary motion and then run back to their States and say: "I am not against this amendment. I am not against the Emergency Economic Growth Act. I am for all those provisions, but I could not vote for it because of a technicality."

Let me explain to my colleagues the technicality, and then I will get to the substance. The technicality is that, rather than bringing up the House revenue bill, we brought up a bill that is already the law of the land. That way, we can raise a point of order against issues that go to the heart of the House bill.

That is easy to fix, very easy, if we want to fix it. The way we fix it is to adopt my amendment, then bring up the House bill, strike all after the enacting clause, substitute the Bentsen provision with my amendment attached to it in place of the House language, and go to conference. That way, we deal with the entire problem of the so-called blue slip in the House.

By raising a point of order against a revenue provision in a Senate bill when the House bill has a revenue provision in it, we are simply trying to limit debate on an issue that is critically important to millions of Americans.

Let me turn to the substance of the issue. I have offered an amendment called the Emergency Economic Growth Act that attempts to deal with the recession by trying to create jobs. As I said earlier today, the economy may have turned the corner last month, but it did not leave any skidmarks on the road when it turned.

I am worried about the American economy, and I want to do something about it. I want to offer the unemployed people of this country more than simply extending their unemployment benefits. I want to create jobs.

I have offered, along with a dozen or so of our colleagues, a comprehensive package that the Institute of Policy Innovation has estimated will, by 1996, create 485,000 jobs and by the year 2000 will create 1,133,000 new jobs. How does it do it? Well, it does it, first, by reducing the capital gains tax rate, adopting the President's proposal.

I remind my colleagues that the House, in the last Congress, cut capital gains tax rates. We refused to go along. By lowering the capital gains tax rate, we are going to encourage people to invest in job creation.

I know there are some people who are going to say if they invest, they are going to make a profit. God bless them. If America is going to be saved, it is going to be saved at a profit. And I for one am not concerned about making it possible for people to make money as long as they are creating jobs.

Our provision indexes the capital gains tax rate so that people who are selling homes and people who are selling assets do not pay taxes on inflation, eminently reasonable.

I want to adopt the enterprise zone provision that the President has been calling for—two Presidents, in fact, for over a decade—to provide incentives for these enterprises to deal with the problems we have in our inner cities and the rural areas that are blighted by poverty, tax incentives to encourage people to invest in creating jobs for the long-term unemployed.

I want to extend the current tax credit that is available to self-employed people who buy health insurance. Under current law, that is going to expire on December 31. I do not want it to expire. I want to extend the research and development tax credit that expires at the end of this year and which encourages American industry and agriculture to develop new technology.

I want to institute the IRA-plus plan to encourage people to save, to put money into IRA's. And I want to let them draw that money out, not just for retirement, but also to send their children to college. I want to let them draw it out to buy their first home. I want to let them draw it out if they have catastrophic medical expenses.

I want to adopt the PRIME provisions that Senator PACKWOOD championed and which makes it possible for small businesses to set up retirement programs so people can save and create the capital to foster the economic growth of America.

I want a first time home buyer tax credit that will let people earning $31,000 a year as family income get a $1,000 tax credit if they buy or build a new home, to stimulate home construction, and in the process help create jobs and fuel the economic recovery.

I want to reduce the penalty on senior citizens who continue to work after they could retire. Today, senior citizens who continue to work and earn over $9,720 annually have Social Security benefits taken away from them as they earn more money. That is not right, but more importantly, it is not smart.

Finally, I want an economic growth dividend so that when the economy grows beyond our budget projections all the new revenues do not go to Government to spend, but some of it goes to the working people who are pulling the wagon. Use half of it for deficit reduction; give half of it back by raising the personal exemption.

Remarkably, Mr. President, the Office of Management and Budget and the Treasury—and they are the official scorekeepers under Gramm-Rudman—estimate that this proposal will not only pay for itself, but it will pay for the extension of unemployment benefits contained in the bill before us.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. GRAMM. I yield myself an additional 3 minutes.

So, Mr. President, I am not substituting these incentives to generate economic growth in place of the provisions of the Finance Committee bill; I am offering them as an amendment to help pay for them.

I know that the Congressional Budget Office scores capital gains rate reduction as losing revenue. No private outside firm that I have had any access to scores it as losing revenue. But under the provisions of the existing bill, the underlying bill, the President would have the power to designate an emergency and decide whether to trigger unemployment compensation benefits and whether to trigger these incentives to create economic growth.

I would like to remind my colleagues that a lot of people in America have looked at these provisions, and they are for them. The American Farm Bureau Federation has endorsed this amendment, as have the Seniors Coalition, the NFIB, the National Tax Limitation Committee, the U.S. Chamber of Commerce Legislative and Public Affairs Branch, the U.S. Business and Industry Council, the American Small Business Association, the Association of Associated Builders & Contractors, the National Association for the Self-Employed, and the list goes on and on.

So we are really down to a choice. Do we want to pass a bill as our response to unemployment that simply extends unemployment benefits but offers no hope; that simply spreads the misery by raising the deficit; so that we can pay more benefits out at the same time that the Chairman of the Board of the Federal Reserve System warns us that to do that could drive up the deficit?

There will be a dispute about how much the provisions that I have proposed cost. But the Treasury and the Office of Management and Budget say that they not only do not cost, they will pay for the provisions of the Senate Finance Committee bill.

Nobody estimates the Senate Finance bill to do anything other than lose money. So we have two choices. We can simply respond to unemployment by paying out unemployment compensation, or we can work to fuel the engine of economic growth. I propose fueling the engine of economic growth.

We are apparently going to vote on a point of order. We have voted on similar points of order on many occasions, and on many occasions, they have been set aside. This point of order can be solved very easily by adopting my amendment, and then in the normal procedure, which is almost always followed here, approve the pending bill, as amended, pull out the House bill, strike all after the enacting clause, and substitute this provision.

We can then go to conference with the House and have an opportunity to work out not only an extension of unemployment benefits but also work out incentives to fuel economic recovery.

That is basically what the debate is about today. One side says let us spread the misery. I say let us create jobs, growth, and opportunity for our people. I think it is a clear-cut choice. I urge my colleagues to vote for growth.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I yield myself 10 minutes.

Mr. President, the amendment by my distinguished friend from Texas does not have a chance of becoming law. Let us understand that. What he is doing is offering a tax amendment to a nonrevenue bill, to an S. numbered bill. The Constitution makes it very clear that such revenue measures must originate in the House. The point is, it will be blue-slipped by the House and returned to the Senate, and this bill will be dead. Let there be no misunderstanding among Senators on this point.

But it is critical in evaluating this amendment to understand that the bill we are acting on is not a revenue bill. It is well and good to try and debate vast changes in the Tax Code. That is something we will be doing in the Finance Committee, and the distinguished Senator from Texas will be welcome to make his arguments on his bill. The chairman of this committee will also have a provision to make some very major changes.

Let me further state that the chairman of the Ways and Means Committee has personally told me that this bill, if it has that amendment, will be blue-slipped. Make no mistake about it, what that means is you will have no unemployment benefits.

Mr. President, the unemployment compensation package that has been offered by my friends, Senators DOLE, DOMENICI, and ROTH, unfortunately is a bad deal for the American worker. And it is bad news for the budget process. It was defeated in the Finance Committee; it was defeated this summer on the floor of the Senate; and it should be defeated again tonight. It is an empty promise that really does not take care of the realities of this recession. It is a back door for those who do not want to face up to the human tragedy of 8½ million workers without jobs.

This has been the third-longest recession since World War II, and for millions of Americans it is not over yet. What they are talking about is recovery that may muddle along at 2½-percent growth, while traditionally, in past recessions, we have bounced back at 6 and 7 percent.

It is true that in recessions such as this, as they start to turn around, you will see the unemployment rates continue at high levels until 7 and 8 months after the recession has begun to turn around.

What does Senator DOLE's amendment accomplish, Mr. President? In 44 States, long-term unemployed workers would receive a maximum of 6 weeks of extended benefits; workers in the six high-tier States would get 10 weeks. By way of contrast, the Bentsen bill, S. 1722, would provide a maximum of 20 weeks of benefits.

But that is only part of the problem for the opposition amendment. The benefits it does bestow are shunted away from the workers in the States that need them the very most. Only 14 percent of the workers eligible for benefits under the Dole proposal—workers who have exhausted their regular State benefits—live in the high-tier States.

I say to my colleagues, if you are interested in responding to the problem, if you want to help hard-working Americans hang on and weather the storm, then this amendment does not do the job. It is like putting a Band-Aid on a broken leg.

One reason the proposal is so seriously deficient is because it uses the insured unemployment rate, the IUR, as a measure to determine benefits. The total unemployment rate is what you want to use, a far more accurate and fair measure.

What has happened using the IUR is that the moneys that have been set up for extended benefits in the unemployment benefits trust fund have grown to almost $8 billion as unemployment went up. That is absolutely the opposite of how it should work. That is why you have to take the total unemployment rate into consideration.

What I am proposing is the extension of benefits for 7 weeks in States that have had 6 percent and less unemployment for 6 months. For those that have had 7 percent unemployment for 6 months it would be 13 weeks of benefits, and for those who have had more than 8 percent, 20 weeks. That will do a much more effective job of taking care of the concerns that face unemployed workers today.

To get around the potential problems with the pay-as-you-go requirement of the Budget Act, the sponsors of this amendment to my bill invoke the same emergency authority as that used in S. 1722. So all of their criticism of use of the emergency authority begins to ring pretty hollow.

Mr. President, we are debating the pros and cons of various proposals to extend benefits, benefits that are expiring for hundreds of thousands of American workers every month. This is not merely a question of priority or policy. The debate is not about budget theory and sequesters. It is about the tragic human consequences of a recession on our workers, workers with families and bills to pay, people trying to hang on to their dignity, trying to hang in there a little longer until the recovery takes hold. The money is there in the trust fund. It was set up specifically for that purpose. And it is up to us to get those benefits into the hands of the families who need them.

Mr. President, I urge my colleagues to oppose the Dole alternative and let us move on as quickly as we can to the passage of S. 1722.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, let me just make two responses, and then I will be glad to allow the distinguished chairman of the Budget Committee to take the floor, or else I will yield to the distinguished Senator from New Mexico.

Mr. President, we agreed in the budget summit agreement to a cap on total spending. What the President has said, and I, quite frankly, do not think it is an unreasonable request, is you set out in law what the limit was on spending and if you want to spend more on unemployment compensation, spend less somewhere else. The fact that the Democrat proposal does not do that suggests to me that it is an effort to create a political issue rather than an effort to help the unemployed.

Let me also remind my colleagues of the startling point that the bill before us is already the law of the land, has already been signed into law by the President. If it is adopted again and signed into law again, nothing will change from what exists today.

Second, in terms of this point of order about revenue bills originating in the Senate, I remind my colleagues that the companion House bill that was sent to the Senate is a revenue bill. It was sent to committee. And the same bill we have already adopted into law was called up and creates this problem.

This problem is very easy to fix. All we have to do is to adopt my amendment, then bring up the House bill and strike all after the enacting clause and substitute this bill for the House bill. That eliminates the problem. So it is an artificially created problem.

Finally, I remind my colleagues that we have voted to table these points of order arising out of a revenue provision on a nonrevenue bill on many occasions. In fact, on September 7, 1988, I raised such a point of order against a Hollings trade bill, and every Democratic Member of the Senate who was present, except one, voted to table that point of order. No debate was undertaken as to whether I was right or whether I was wrong.

The point was, on many occasions, that being one of them, we have tabled this point of order. When you are voting, you are voting on the substance of this provision. I want to give it an opportunity to go to conference and become law. Those who oppose it do not.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes and 27 seconds remaining.

Mr. GRAMM. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, I yield 5 minutes to the distinguished senior Senator from the State of Tennessee, the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished senior Senator from Texas.

I rise for the second time in 7 weeks to support the effort made by the distinguished chairman of the Senate Finance Committee to repair the unemployment insurance system in this country.

While time may heal many wounds, the last 7 weeks have only deepened the economic plight of millions of unemployed Americans—working men and women who have been thrown out of the unemployment insurance system who want to work but, through no fault of their own, have exhausted their unemployment insurance.

Since the first go-around—when this body unanimously supported emergency action to assist out-of-work Americans—500,000 people have been abandoned by the unemployment insurance system.

They are just a fraction of the 5 million Americans who have lost, or will soon lose, their unemployment insurance benefits. Two million Americans have lost their insurance benefits since the start of the year, soon to be joined, I am advised, by another 3.2 million by the end of next year, according to the administration's own forecast.

For these workers and their families, the recession is certainly not over. It is a continuing tragedy—a living nightmare—an emergency by any definition.

It is an emergency by the commonsense definition of human suffering. It is an emergency also by the technical definition offered by the Office of Management and Budget. It falls squarely within the parameters laid out by OMB for defining an emergency. It is, No. 1, essential. It is, No. 2, sudden. It is, No. 3, urgent; No. 4, unforeseen; and last, it is temporary. That fits the administration's own definition of an emergency under the emergency provisions of the budget summit agreement.

Ask our people who are out of work and out of benefits if their circumstances are not sudden, urgent, unforeseen, essential, and temporary.

Not in 40 years, not since 1951, when the Labor Department started keeping monthly data, have so many lost their unemployment insurance protection that they have paid for and that they have relied upon.

But the linchpin of Congress' dispute with the President has been the question of whether emergency unemployment extension is a violation of the budget summit. As one of the people who crafted the emergency mechanism, I think I can speak with some authority on that particular subject. With this bill today we are giving the President a second chance to help American families in desperate need who are the ones suffering from the poor economic record of this administration.

This time it is our hope that the President will abandon pretense and grant the emergency designation required for assistance to take effect. He should either do that or come forward and be candid with the American people and say that unemployed Americans do not merit emergency relief. If the President takes this latter course, he will surely give the American people a clear view of his priorities.

Consider that at this very moment the administration is quietly proceeding with plans to extend nearly $2 billion in debt relief to countries all around the world.

By claiming some kind of broad executive authority the administration is playing "beat the clock" to liquidate these debts. After October 1, 1991, debt forgiveness would require explicit appropriations under the new credit reform rules contained in the budget summit agreement.

In other words, the administration is currently pursuing a $2 billion giveaway—a giveaway that's off-budget and beyond the reach of Congress.

The list reads like a traveler's guide to the Third World: $310 million for Bangladesh, $379 million for Bolivia, $94 million for Ghana, $142 million for Guyana, $94 million for Haiti, $107 million for Honduras, $271 million for Jamaica, $100 million for Kenya, $54 million for Madagascar, $3 million for Malawi, $52 million for Mozambique, $22 million for Nicaragua, $42 million for Senegal, $58 million for Tanzania, $16 million for Uganda.

The stark fact is, the President can liquidate the debts of Malawi—but can't help the unemployed factory worker in Maine.

He can write off $100 million in Kenya, But the unemployed in Mississippi are on their own.

This administration can forgive the $58 million Tanzania owes us, but for the unemployed men and women in Tennessee and in Texas—the Bush administration claims the pot is empty.

The message could hardly be clearer—if you are not an American, this administration cannot wait to help you. But if you happen to be a citizen of this country, one who has lost his or her job, who has no insurance benefits coming and nowhere to turn for income, then you are strictly at the end of the line as far as this administration is concerned.

We are giving the President another opportunity. I hope he will not miss it.

Those who have worked all of their lives, who have paid into an unemployment insurance system, deserve more in their time of need than to be told that we cannot afford to help them.

I urge the President not to miss another opportunity to do just that. I urge him to use the emergency provisions that we intentionally wrote into law and expand unemployment insurance coverage for 5 million unprotected Americans.

There is an amendment before the body that has been offered by the distinguished Senator from Arizona [Mr. McCAIN] that would sweep away procedural obstacles for tax cuts under the Budget Act.

Considering the fact that we have a $350 billion deficit coming up, I do not think we need to change a procedure that under the Budget Act would make it easier to raise the deficit. So at the appropriate time I intend to raise a point of order against the McCain amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Texas.

Mr. GRAMM. Mr. President, I yield the remainder of our time to the distinguished Senator from New Mexico.

Mr. DOMENICI. How much time do I have, Mr. President?

The PRESIDING OFFICER. Three minutes and twenty seconds.

Mr. DOMENICI. I thank the Senator from Texas very much.

Let me first say to the senior Senator from Texas, he raised the point the Dole-Domenici bill in the first year did not totally comply with the requirements of the 5-year budget agreement. I might suggest there are two technical errors in the amendment that have to be corrected. I think Senator DOLE will ask that they be corrected, after which it will be budget neutral in the first year. I just want to tell the distinguished Senator that.

Mr. BENTSEN. Will the Senator yield? I did not raise that point because I understood you would be correcting it. I did, but not during this debate.

Mr. DOMENICI. Mr. President, the other night we had this similar debate about economic prosperity and growth. The other side used an awful lot of time talking about the President, by way of complaining about what was going on in America.

I raised the point it did not seem the other side had much of an economic agenda. I think I said, does anybody really believe that motor voter, campaign reform, dairy price supports, even child care, parental leave—which are about two-thirds of the entire game plan for economic prosperity that the other side has provided the American people with—I wondered if anybody really believed it would produce even one job. Nobody answered. But I think the failure to say anything indicates I am right. That would produce no jobs, it would put no one to work, and we would be here extending unemployment benefits forever if we did not have a game plan that is better than that.

So tonight I do not object to what the other side has not said. But rather I rise to commend the junior Senator from Texas [Mr. GRAMM], for putting before this body and the American people a positive plan for economic growth. There is no doubt in my mind that Senator BENTSEN, the senior Senator from Texas is right, I say to Senator GRAMM. It will not become law—not this time. Not 3 days from now.

But I guarantee if we are going to have growth and prosperity in this country we will have to come to our senses and change the policy of this land so that business men and women, those who own the enterprises of America large or small, can make money.

You know, we did not used to talk that way. That was sort of a vulgar thing to say. But they have to make money in order to hire people, in order to pay taxes, in order to have growth.

Frankly, if we are going to do anything to get out of this recession—and heretofore I thought we surely should do nothing because I am fearful that what we might do is the wrong thing, but tonight I can say if we are going to do anything, indeed we ought to do the kinds of things encapsulated in the Gramm amendment pending before this body.

There is no doubt that sooner or later we are going to have to work better and harder policywise at capital formation. Everyone tells us that. Then why not a capital gains differential? Every industrial Nation has one except great old America. We can get along without it? Why not have enterprise zones? We have tried everything else for the difficult areas of America, except that. It is time we try it. Why not save more?

It is time to put into law the excellent proposals in this amendment, some of which have been suggested by the senior Senator from Texas.

So I rise tonight to say it is good to stand up—instead of reading off a list of things that will not accomplish economic growth, that come from that side of the aisle—to praise those included in a bill that comes from this side of the aisle that I hope every Republican and a few Democrats will vote for.

I yield the floor and I thank the Senator for giving me time.

The PRESIDING OFFICER. Who yields time? The Senator from Texas has 14 minutes remaining.

The Republican leader.

Mr. DOLE. First let me apologize to the majority leader. I apologize for being a bit late. May I have 5 minutes?

Mr. MITCHELL. Although I believe the time has expired on that side, of course the Republican leader has his leader time. I think we are agreeable to his using such time as he wishes. Or, if that is not enough, to take additional time as well.

AMENDMENT NO. 1185, AS FURTHER MODIFIED, TO AMENDMENT NO. 1188

Mr. DOLE. Mr. President, I ask unanimous consent I might send a technical correction to my amendment to the desk. I can explain what it does.

This technical correction addresses certain timing concerns raised in connection with CBO's review of the proposal this afternoon. It changes nothing on the financing and nothing on the program.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The amendment is so modified.

(The text of the amendment (No. 1185), as further modified, is printed in today's RECORD under "Amendments Submitted.")

Mr. DOLE. Mr. President, I wanted to speak again about generally where we are this evening. I commend my colleagues, Senator DOMENICI, Senator GRAMM, Senator WALLOP, Senator ROTH, and others who have been discussing the problem we face with unemployment on our side of the aisle.

It seems to me we have a couple of good opportunities, and certainly I do not denigrate the efforts of the distinguished chairman. As I have indicated earlier, I have great respect for him. But I think there are major differences, philosophical differences in our approach. I would just say to my colleagues on this side of the aisle, it seems to me we ought to support, without exception, the two substitutes that are being offered, Dole-Domenici-Roth and the Gramm-Wallop-Kasten-Lott substitute. I think it is consistent to vote for each.

Earlier today, I made a modification to my amendment. It made one small but a very significant change.

If my amendment is approved by the Senate and by the House, it would result in both proposals, the so-called Bentsen proposal and the Dole-Domenici-Roth proposal going to the President and letting him decide which proposal should be law. The President has made it unequivocally clear the Bentsen bill will be vetoed. No benefits are going to go to unemployed workers if the bill is vetoed and if the veto is sustained. No benefits went to unemployed workers as a result of the bill that passed in August, and the same thing could happen again.

I do not believe there is any dispute in the debate that there are some people who are unemployed and their families who are suffering and that additional extended benefits would certainly be welcome. We cannot provide those additional benefits at the cost of the budget agreement and the economic future of this country and that would hurt every American working and unemployed. I have spoken before about the plight of working Americans and their families. If we are going to foist another $6 billion load on top of the deficit, we are going to make it more difficult for a lot of other families. So I think we have to take the broad look.

How do we do it? Do we do it through the Gramm package or through the Dole-Domenici package? Whichever way we do it, at least we pay for it. In the Gramm package, in particular, it is a growth package, we create jobs. That is what we are all about: Creating jobs.

If we do not want to do that, at least we ought to pay for what we do when it comes to unemployment benefits. We think it is responsible. We think it pays for itself. And it also reduces the deficit by $1.2 billion over a 5-year period. It gets benefits to those who need them without creating disincentives to reemployment or inefficiently spending additional Federal moneys. Its financing mechanisms are sound and represent good policy.

We had questions raised about the fee to broadcasters. They are satisfied. I talked with the broadcasters.

We had the question raised about the fee to small companies. They are exempt. So they do not have any concern.

So we have a good sound proposal. There is no sequester in this proposal.

I just suggest that, in fact I would say to my friends on the other side, if you think the President is bluffing, if you do not think he wants to help the unemployed worker, why not adopt my amendment, send it down to the President and he may decide to sign the other bill, I doubt it but he may sign one of the two bills. It is a good way to check the President, test the President, if anybody questions his sincerity. I do not. If some think this is more politics than reality, then the President will have a choice to sign the Bentsen bill or sign the Dole bill, and I think he would choose to sign the bill offered by the Republican leader, Senator DOMENICI, and others.

So I just say, if you want to get checks in the hands of the unemployed by next month, the course of action is pretty clear. I am realistic. I know what the outcome will be this evening. I hope I am wrong. But I have a pretty good feeling my colleagues on the other side will prevail. The President will ultimately veto that bill unless there are radical changes made in the House, which I do not foresee. The President will veto the bill. I believe the veto will be sustained and then we are right back where we were. Nobody benefits. It may be a political issue, but I suggest the unemployed worker is not really interested in political issues or who gets the political credit. If he really is hurting and his family is hurting, he is looking for some unemployment extended benefits, and I think we offer in the modification we made the President a choice.

So, Mr. President, I urge colleagues to support the Dole-Domenici proposal and the Gramm-Wallop proposal. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. I yield myself 7 minutes.

Mr. President, the proponents of the Dole amendment state very proudly that they pay for it. Let us look at how they do it. One way is by selling the spectrum. That provision has been before this body twice before—brought before it by the very articulate, eloquent chairman of the Commerce Committee, who knows the subject well—and it has been defeated in both instances.

But let us look at another way they pay for it. And that is by addressing the question of benefits for those who leave the service. Under the Dole amendment, if they leave the service for the good of the service, then they get their extended unemployment benefits, but if they leave it at the end of their tour of duty and they are honorably discharged, they do not get the benefits. I do not understand the rationale for that.

Let me tell you that the Retired Officers Association does not understand it either. Let me quote what they say:

DEAR MR. CHAIRMAN: I am writing today about a matter of concern to The Retired Officers Association; an association comprised of 375,000 active duty, retired, reserve and guard personnel and their dependents. This matter is one which we feel would unjustly penalize a large number of uniformed personnel who are about to voluntarily leave the service of their country.

Specifically at issue is Senator Dole's amendment to S. 1722 which would deny to these personnel any unemployment compensation upon their voluntary separation. We find this proposal to be unconscionable. I am sure you will recall that TROA had urged passage of S. 1554 and that, in doing so, we emphasized certain factors for that support. These factors need re-emphasis. They are as follows:

a. Many personnel will be separating far from home with little if any opportunity of finding employment in their communities;

b. Many will be separating with skills incompatible with the needs of the civilian job market; and,

c. Many will have families to support with no visible source of income.

In light of the recent sacrifices made by these volunteers during Operations Desert Shield/Desert Storm, we find Senator Dole's amendment to be heartless and not in keeping with the traditions of our nation in its concern for our armed forces.

We urge your strong and vigorous opposition to this ill-conceived amendment.

And from the Noncommissioned Officers Association:

There aren't enough billets to retain everyone in the military so it's the application of involuntarily or voluntary separations to keep the services at Congressionally-mandated end strengths. However, the mere fact that young men and women join the military and honorably serve their country should suffice for attaining eligibility for unemployment compensation benefits.

The Dole amendment changes current law and thereby denies these benefits to those who are honorably discharged at the end of their tour of duty.

I asked the Congressional Budget Office what that would mean in the way of cutting benefits. CBO estimates that the amendment would result in a 65-percent cut in benefits for ex-service personnel over the next 5 years. Is that the way the President really wants to pay for this bill, by punishing veterans? I do not think so. I do not think the American people believe that is a reasonable thing to do, and I do not think that the Senate is prepared to vote for that kind of a cut in extended benefits for veterans.

Mr. President, I ask unanimous consent that two letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE RETIRED OFFICERS ASSOCIATION,
Alexandria, VA, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Senate Committee on Finance, Senate Dirksen Office Building, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing today about a matter of concern to The Retired Officers Association, an association comprised of 375,000 active duty, retired, reserve and guard personnel and their dependents. This matter is one which we feel would unjustly penalize a large number of uniformed personnel who are about to voluntarily leave the service of their country.

Specifically at issue is Senator Dole's amendment to S. 1722 which would deny to these personnel any unemployment compensation upon their voluntary separation. We find this proposal to be unconscionable. I am sure you will recall that TROA had urged passage of S. 1554 and that, in doing so, we emphasized certain factors for that support. These factors need re-emphasis. They are as follows:

a. Many personnel will be separating far from home with little if any opportunity of finding employment in their communities;

b. Many will be separating with skills incomparible with the needs of the civilian job market; and,

c. Many will have families to support with no visible source of income.

In light of the recent sacrifices made by these volunteers during Operations Desert Shield/Desert Storm, we find Senator Dole's amendment to be heartless and not in keeping with the traditions of our nation in its concern for our armed forces.

We urge your strong and vigorous opposition to this ill-conceived amendment.

Sincerely,

T.J. KILCLINE.

NON-COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA,
Alexandria, VA, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: It has come to the attention of the Non-Commissioned Officers Association of the USA (NCOA) that the Honorable Bob Dole has offered an amendment to the bill, S. 1772, that will terminate all unemployment compensation for servicemembers voluntarily leaving the military services.

NCOA, with more than 160,000 members—most on active duty with the Army, Navy, Marine Corps, Air Force, and Coast Guard—is adamantly opposed to the Dole amendment and request that you carry this message to your colleagues.

There aren't enough billets to retain everyone in the military so it's the application of involuntarily or voluntary separations to keep the services at Congressionally-mandated end strengths. However, the mere fact that young men and women join the military and honorably serve their country should suffice for attaining eligibility for unemployment compensation benefits.

Respectfully,

C.A. "MACK" MCKINNEY,
Legislative Counsel.

Mr. BENTSEN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Mr. President, I ask unanimous consent that Senator BROWN and Senator SEYMOUR be added as cosponsors to the Gramm amendment.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, might I inquire as to how much time is left on both sides on this issue?

The PRESIDING OFFICER. The Republican leader's time of 4 minutes 12 seconds and under the control of Senator BENTSEN, 8 minutes 38 seconds. It is his leader's time.

Mr. MITCHELL. How much time is left on the bill on the other time exclusive of the leader time?

The PRESIDING OFFICER. There is no time.

Mr. MITCHELL. How much time does the Republican leader have on his leader time?

The PRESIDING OFFICER. Four minutes 12 seconds.

Mr. MITCHELL. How much time does Senator BENTSEN have on this side?

The PRESIDING OFFICER. Senator BENTSEN controls 8 minutes 34 seconds.

Mr. MITCHELL. How much time does the majority leader have on leader time?

The PRESIDING OFFICER. All of the majority leader's time.

Mr. MITCHELL. Mr. President, so as not to delay the matter further—we are already up to the time of the vote—might I suggest that I will now ask just for 7 minutes and then we would vote, and so there would be no further time used on it, if that is agreeable to all concerned.

Mr. BENTSEN. Mr. President, such time as I have is at the hands of the majority leader to use as he sees fit.

Mr. MITCHELL. Mr. President, I ask unanimous consent that I be recognized for 7 minutes, and at the conclusion of my remarks, the Senate proceed to a vote in accordance with the prior agreement.

The PRESIDING OFFICER. Is there objection to the request?

The Chair hearing none, the unanimous-consent request propounded by the majority leader is agreed to. The majority leader is recognized for 7 minutes.

Mr. MITCHELL. Mr. President, let me make certain if that is agreeable to the distinguished Republican leader before I proceed, he not being present on the floor at the time I made the request.

Mr. President, I am advised it is agreeable to the Republican leader.

Let me state the situation. As I understood it, counting leader time, there was 4 minutes on the Republican side, 18 minutes on this side. We have agreed to reduce ours to 7 minutes and they to zero. And so we will proceed, Mr. President, with these final remarks.

Senators should be on notice then that in 7 minutes the voting will occur and there will be at least four votes during that period.

Mr. President, the distinguished chairman of the committee has already addressed the substitute offered by Senator DOLE. I will encourage my colleagues to vote against that amendment and to support the Bentsen bill.

I want to address my remarks to the amendment offered by the distinguished junior Senator from Texas [Mr. GRAMM].

I believe that that amendment can be summed up in one word: phony. It is a phony amendment with phony arguments for a phony objective.

Mr. President, every Member of this Senate, indeed, every ninth grade civics student in America, knows that the Constitution of the United States requires that all revenue measures originate in the House of Representatives. The Senate has no legal or constitutional authority to initiate tax measures.

Therefore, any tax measure passed by the Senate, originating in the Senate, is dead right at that moment. This Senate could vote 100 to nothing in support of the pending amendment, and it would be dead the instant the vote occurred. Everybody knows that.

Why, then, we ask, would someone offer an amendment that everyone knows would be dead even if passed? The answer is obvious—to kill the bill that provides unemployment insurance to 3 million Americans who now have exhausted their benefits, because not only would this amendment be killed, it would drag down with it the bill of which it became a part upon approval by the Senate.

This is a naked, a transparent, an obvious effort to kill the unemployment insurance bill by attaching a tax bill to it which is unconstitutional and without any legal basis. Every Senator, therefore, should recognize that a vote for the Gramm amendment is a vote to kill the unemployment insurance bill. The provisions of the Gramm amendment cannot become law. The procedure being used to advance them directly and plainly violates the Constitution of the United States. Every Member of the House knows it. Every Member of the Senate know it. We all know what is going on.

This amendment also busts the budget and busts the budget agreement. We have heard a lot of talk in recent weeks from our colleagues on the other side of the aisle that we cannot violate the budget agreement; we cannot touch the budget agreement; we have to adhere to the budget agreement.

Now here come the very same people and offer an amendment that busts the budget agreement wide open. We may assume, I hope, that after this evening we will hear no more of this talk about not wanting to bust the budget agreement, because this amendment would bust the budget agreement wide open.

Mr. President, finally, it is a cruel hoax, a cruel hoax to say to 3 million American families whose benefits have been exhausted under unemployment insurance, who are losing their cars and their homes, who do not know where the next payment is coming from for their mortgages, to say to them that the solution to their problems is to cut taxes for those whose incomes exceed $200,000 a year.

The principal beneficiaries of the tax cut proposed in this amendment are those whose incomes exceed $200,000 a year. To now turn and to say to 3 million American families out of work, through no fault of their own, suffering through this severe recession, the answer to your problems is that we now cut taxes on those who are making more than $200,000 a year, who would be the principal beneficiaries of this amendment, that is a cruel hoax which the Senate should not perpetrate.

We want growth. We want economic recovery. We want job creation. This is not the way to get it. A serious job creation package would be presented consistent with the Constitution and in a manner that would permit it to become law. This cannot become law. The Constitution prohibits it. Everybody here knows that.

Let us deal with economic recovery, let us deal with job creation, let us deal with capital formation in a manner that has a prospect and a process which will permit it to become law. But let us not use those provisions as a transparent way to kill the unemployment insurance bill and thereby take 3 million American families who, through no fault of their own, face dire economic circumstances and deny them those benefits by adding this unconstitutional provision to it.

That is the plan. That is the objective. That is the intent. That would be the result. A vote for this amendment is a vote to kill the unemployment insurance bill, plain and simple.

We cannot let that happen. There are almost 9 million Americans out of work by the official unemployment count. The recession continues. The recovery stalls. The economy is in crisis. People are desperate, people are hurting. In every previous recession, they have had the benefit of an extended unemployment insurance program. Eight billion dollars in taxes have been paid into a fund for precisely that purpose. That money cannot be used for any other purpose, by law. Why not permit that program to operate as intended by law, as intended when those taxes were paid, as this Nation has done in every previous recession?

I urge my colleagues to defeat this amendment, to reject the alternative proposal offered by the distinguished Republican leader, and to pass into law the Bentsen bill which is the best, fairest way to proceed at this time.

I thank my colleague.

I yield back whatever time I may have remaining.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Parliamentary inquiry. Mr. President, if my amendment were adopted to the underlying bill, and if the distinguished chairman of the Finance Committee then called up the House bill, the House unemployment compensation bill, which is a revenue bill, and struck all after the enacting clause and substituted the underlying bill with my amendment attached to it and then called for a conference with the House, would that bill be subject to a blue slip and subject to being killed by the House?

The PRESIDING OFFICER. The Chair would have no authority to comment on whether the House of Representatives would exercise its prerogatives and blue slip the measure.

Mr. GRAMM. Mr. President, further propounding my parliamentary inquiry, since the House bill is a revenue bill if it were brought up, as would be the normal procedure, and all after the enacting clause were struck and the Senate language with my amendment was inserted, would then our bill under the H.R. number be subject to blue slipping?

The PRESIDING OFFICER. The Chair is informed that the Chair is unable to comment as to whether the House of Representatives would choose to exercise its constitutional prerogatives.

Mr. MITCHELL. Mr. President, may I inquire of the distinguished Republican leader whether there would be any objection to making the votes after the first vote 10 minutes in length among his colleagues? There are a series of votes now.

I am hoping to do that. Mr. President, I ask unanimous consent that the sequence of votes that are to occur without any interruption, and that all votes after the first vote be 10 minutes in length.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1185, AS MODIFIED

The PRESIDING OFFICER. The question now occurs on the Dole amendment, as modified.

Several Senators addressed the Chair.

Mr. McCONNELL. Mr. President, I rise today to support passage of a responsibly funded measure to extend unemployment benefits to out-of-work Americans. Mr. President, it is true that there are millions of Americans that are in need of economic assistance. In Kentucky, there is a real need for immediate financial aid. According to the latest figures, Kentucky has an unemployment rate of 7.4 percent, up from the June figure of 7.2 percent. Residents of eastern Kentucky have been hit extremely hard during this recession. In Elliot County alone, 23 percent of the labor force is out of work, while the rest of the counties in eastern Kentucky have figures at or above 10 percent unemployment.

Mr. President, it is important to provide these people with short-term relief, but it's more important to get them back to work. The people of Kentucky realize that the Bentsen bill is just another quick fix, and will not provide them with the jobs they desperately need. The Bentsen proposal, on the other hand, would cost $5.8 billion and contains no funding mechanism. This $5.8 billion will simply be added to the already $300 billion deficit facing the American people. It is true that the Bentsen bill taps the surplus in the unemployment trust fund, but supporters neglect to mention that this $5.8 billion will be added directly to the deficit. The proposal sponsored by the senior Senator from Texas, while well meaning, is fiscally irresponsible and puts the costly burden of paying the bills on the next generation of Americans.

Mr. President, last week I listened to several of my esteemed colleagues debate the suspension of the Gramm-Rudman-Hollings budget rules. It is ironic, Mr. President, that the Bentsen unemployment bill, which adds almost $6 billion to the deficit, should follow such a heated debate about the importance of deficit reduction. I would like to tell my colleagues who truly support deficit reduction that we have two proposals before the Senate that, in contrast to the Bentsen plan, demonstrate solid fiscal responsibility.

Mr. President, I would like to go on the record as supporting the two measures that would aid American's unemployed while demonstrating fiscal responsibility. The two bills, sponsored by Senator DOLE and Senator GRAMM, will extend unemployment benefits to workers and, in keeping with the budget agreement, maintain spending neutrality.

The measure proposed by Senator DOLE is a responsible unemployment benefit option. It establishes a manageable, two-tier program providing all States with 6 weeks of benefits and 4 more weeks to those States with an insured unemployment rate of 5 percent or greater. This program also retroactively takes in those Americans who have previously exhausted their benefits since April 1991. In addition, the Dole measure not only pays for itself, it offers a deficit reduction measure. The bill would cost $2.4 billion over 5 years, but would raise $4 billion over the same 5 years.

I also urge my colleagues to consider the measure sponsored by Senators GRAMM, KASTEN, and WALLOP, which promotes comprehensive economic recovery. This proposal fully funds the $5.8 billion Bentsen spending package through economic growth measures. This growth would be achieved through several tax and benefit incentives. This act provides incentives to working senior citizens through a reduction in the earnings test. It also provides tax credits for first-time homebuyers which will invigorate the housing market. Small business owners and American industry, employers of millions of Americans, will benefit from enterprise zones and research tax credits. These are the real answers to economic growth and job creation.

There are signs of recovery. Passage of the growth incentives contained in the Gramm proposals will speed that recovery. In any case, the last thing we want to do right now is pass a bill that adds $6 billion to the deficit, no matter how well meaning the author of that bill may be.

Mr. President, U.S. fiscal policy is in a state of turmoil and in total contradiction to any type of growth policy. We are currently trying to finance an ever increasing $300 billion deficit by flooding the market with Treasury bonds. At the same time, we have increased the taxes that slow consumer spending and investment. This is a ridiculous public policy and detrimental to the United States as a whole.

Mr. President, the Nation's workers are in dire need of assistance, but at a time when we face a serious deficit crisis, we need a responsible measure like the Dole and Gramm proposals. I commend the minority leader and Senator GRAMM on their efforts to produce measures that will both fund the extension of benefits while remaining fiscally responsible. I ask my colleagues who are serious about economic recovery to favorably consider these measures.

For the record, Mr. President, let me state that I have some concerns with the particular offset language as it now appears in Senator DOLE's amendment. It is my opinion that the offset language regarding auctioning of the Federal spectrum should not be implemented without incorporating the exemption language of S. 218 as it relates to Tennessee Valley Authority. I intend to work with the TVA and with my colleagues to develop an auction process that does not jeopardize the reliability of electricity supply to TVA customers in my State, nor raise the rates paid by those customers.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I move to table the amendment of the Senator from Kansas, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. Mr. President, would it be possible to have listed by the majority leader the votes we will have coming up in sequence?

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I believe there are four votes. The first is on the Bentsen motion to table the Dole amendment. The second will be on a point of order, a constitutional point of order on the Gramm-Kasten-Mack-Smith-Dole et al. amendment. The third will be on a Bentsen motion to table the Brown amendment. The fourth will be on a McCain motion to waive the Budget Act in order to permit consideration of the McCain amendment. I believe that is the sequence now.

I inquire of the Chair whether it is now in order for the points of order to be made with respect to the Gramm-

Kasten et al. amendment and the McCain amendment.

The PRESIDING OFFICER. The Chair would inform the majority leader the points of order can only be made against those amendments as they occur. The pending question before us is the motion to table the Dole amendment. So the challenge would be premature.

Mr. MITCHELL. Mr. President, Senators should be aware that what will occur is as each amendment comes up in sequence, there will either be a motion to table or a point of order, depending upon which is applicable to that amendment.

Mr. CHAFEE. One more inquiry. Does the majority leader now envision a vote on the Bentsen amendment this evening?

Mr. MITCHELL. Yes. It is my hope and intention that immediately following the last vote in the sequence that we can go to final passage. However, the Senator should be aware, and all Senators should be aware, that there is nothing in the agreement to preclude other amendments from being offered. We hope that is not the case. But that will depend upon what happens at that time. It is my hope that as soon as we complete action on the fourth amendment in sequence we could then go to final passage.

Mr. BENTSEN. I will be submitting a modification.

Mr. MITCHELL. Senator BENTSEN indicates he has a modification to his amendment prior to vote on final passage. And other Senators do have a right to offer amendments, although I hope they do not.

Mr. WALLOP. Is it the majority leader's intention to finish tonight?

Mr. MITCHELL. Yes. It is my hope.

Mr. BROWN. Mr. President, I ask unanimous consent that Senators METZENBAUM, MACK, and SYMMS be added as cosponsor of the Brown coffee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1185, AS MODIFIED

Mr. GORTON. Mr. President, today we debate two proposals for extending unemployment benefits to American workers. My Senate colleagues and the people of Washington State deserve to know how I will vote and why.

I will vote against the Bentsen bill because it is a cruel hoax on American workers. Every Member of this body knows that it will never provide one dime of benefits to working people. Why? Because it will be vetoed. Why will it be vetoed? Because every Member of this body knows that this bill violates the budget agreement reached last fall. Every Member knows that if the President did not veto this bill—the door would be opened to a flood of budget busting bills to follow in the wake of this one and our $300 billion deficit would, again, be off to the races. President Bush rightly sees this proposal as budget busting politicking by the Democratic majority, therefore, he will veto the legislation.

The Bentsen bill, if it were law, would provide a minimum of 4 weeks, and a maximum of 20 weeks, extended unemployment benefits. The goal of assisting workers in need of a helping hand is a goal Senator BENTSEN and I share. However, voting to spend $5.8 billion to accomplish this goal without even pretending to pay for these benefits is irresponsible. And to hold out this false hope of extending unemployment benefits knowing that this bill will be vetoed is political cynicism, rawly and baldly displayed.

The Democratic majority makes one point with which I agree. They say that now is the time to help America's workers. If so, why do they insist on playing politics with the future of workers and those of their families? If the Democratic majority simply wanted to help unemployed Americans they would have passed Senator DOLE's proposal in August. A proposal that would have been enacted by the President and would have been providing unemployment assistance to Americans in need today.

No one should minimize the impact of this recession on many workers in different parts of this country. It is the duty of Congress, however, to make spending decisions based on both the need and the ability of American taxpayers to pay for these benefits. Congress should act today to provide additional unemployment benefits for American workers. But, at the same time, Congress must find the money to pay for these benefits—not charge this spending to future generations.

Which brings me to the second proposal. I strongly support the proposal offered by Senator DOLE. The Dole proposal provides both extended benefits and a method of paying for these benefits. I know that many Americans, and many in Washington State, are facing the exhaustion of their unemployment benefits. They and their families face an uncertain future. They deserve our help and they deserve a proposal that will pass into law. These working Americans, now unemployed through no fault of their own, deserve better than to be pawns in the political game being played by the Democratic leadership.

Senator DOLE's package of benefits extends benefits from 6 to 10 weeks. Most importantly the Republican leader's proposal raises revenue adequate to offset the money spent on providing the extra benefits—this proposal pays for what it spends.

Mr. President, unemployed workers in Washington State can rightly ask whether or not the Bentsen proposal offers more than the Dole proposal? The answer, especially to my constituents in hard-hit timber communities, is that the Dole proposal provides more in two specific ways.

First, as I stated earlier, the Dole proposal is the only proposal which will put any extra benefits into their wallets and pocketbooks, because it is the only one which will be signed into law by the President. On the face of the two proposals, for Washington's unemployed, the difference between the two proposals are 7 extra weeks of benefits they will never see or 6 extra weeks which will actually be deposited into checking and savings accounts, available to pay mortgages, credit cards, and grocery bills.

Second, because of my discussions with Senator DOLE about the on-going plight of timber workers, the Republican leader has included a specific provision to benefit these workers. Under this provision, timber workers in Washington State will have first priority for the Secretary's discretionary funds under the Job Training Partnership Act. This provision means that Washington's timber workers' retraining needs are given top priority in the country by the Secretary of Labor when dispersing these funds. For 1991, this means first priority access for worker retraining funds for Washington's timber workers of approximately $80 million. For 1992, the Labor Department estimates that the Secretary's discretionary fund could be as much as $100 million at which our State's timber workers will have the top priority.

In conclusion, I support Senator DOLE's amendment because it will put money into the pockets of Washington's workers and provide a higher level of retraining dollars for Washington's timber workers. I urge my colleagues to vote for real money and stop another cruel hoax from being perpetrated on America's unemployed.

Mr. DURENBERGER. Mr. President, while all the Nation welcomes the signs of improved economic health, many Americans are still hurting as they look for work and watch their unemployment benefits either rapidly running out or having already expired.

I am pleased to cosponsor the Republican leader's extended benefit substitute. This amendment will allow the Unemployment Compensation Insurance Program to fulfill its role as a safety net for American workers and help to give unemployed Americans a leg up as the recovery continues. And, most importantly, this amendment meets the needs of the unemployed and does so within the confines of last year's hard-won budget agreement.

As significant as the needs of the unemployed may be, now is not the time to abandon the budget agreement nor is it the time to revamp the Unemployment Compensation Insurance Program.

The Dole substitute extends benefits for those who have lost eligibility, but within the structure of the existing unemployment compensation program. It maintains the current two-tier eligibility formula, rather than creating more bureaucracy and more administration. This amendment ensures that the money goes to those in need, not to fuel more government through complex formulas and unwieldy calculations.

This substitute also maintains a consistent measure of unemployment by utilizing the insured unemployment rate [IUR]. The IUR measures those who have exhausted their benefits and who are eligible for extended benefits. In my judgment, it is both inappropriate and unwise to switch the trigger for extended benefits to the total unemployment rate [TUR], especially when such a measure has never been used before and includes people who are not eligible to receive those benefits.

It is true all States have pockets of significant unemployment. The proposal offered by the minority leader takes this into account by providing benefits which are consistent for all States. There is no magic line in this proposal which, when crossed, lopsidedly floods a State with extended benefits. All States will have access to a meaningful portion of the extended benefit pie.

All of this can be accomplished, under Senator DOLE'S amendment without abandoning the Budget Enforcement Act, or increasing the deficit. While Washington may not be able to prevent recessions, we do have tools at our disposal to cushion the blow for many Americans. The Dole-Domenici-Roth amendment I am cosponsoring is one of those tools, and now is the time to use it.

Unemployment insurance is designed to assist workers who, through no fault of their own, find themselves out of work for long periods. And that is what this legislation will do. Our current economic situation does not, however, provide a justification to abandon fiscal sobriety.

While my State of Minnesota has not been hit as hard as some others, recessions in the Midwest have tended to lag behind the slowdowns on the coasts. Fortunately, the substitute legislation provides that Minnesota will have access to extended benefits, both now and in the future, should the need arise.

I am hopeful, Mr. President, that this self-financing bill ensure that the recovery now underway will not lose speed and that any lingering effects of the economic slow down will be minimized for the many Americans who have borne the brunt of this downturn.

Mr. MCCAIN. Mr. President, I am proud to strongly support the proposal offered by Senator DOLE, Senator DOMENICI, and Senator ROTH to extend unemployment insurance benefits. Those who are unemployed deserve our help. We now have an opportunity to give them the assistance they so desperately need.

Mr. President, I must draw the Senate's attention to the facts. The unemployed need our help. More than 300,000 unemployed Americans exhaust their benefits each month. They and their families will suffer. Our economy will suffer.

To be honest, everyone will suffer, perhaps, but those of us who serve here in the Senate. We, unlike those who are facing wholesale deprivation, recently voted ourselves a raise. I would like to point out, Mr. President, that I strongly opposed that raise.

Now we have an opportunity to share our largess with those who really need it. The sobering fact is that those on the other side of the aisle do not truly want to do so. They want to try to embarrass the President and force him to veto an economically unsound bill.

The Bentsen proposal will temporarily help the unemployed—as does the alternative offered by Senator DOLE. When our economy is once again strong, our children and grandchildren are going to have to pay, and pay dearly, for our generosity. On the other hand, the distinguished Republican leader's bill offers a rational, economically sound approach to the issue.

Most important, President Bush has stated he will sign the Dole-Domenici-Roth bill. Mr. President, this is a very cruel game we are playing with the American people. Those who have lost their jobs need help. Politics are not going to help feed, house, or clothe these individuals.

Mr. President, let us support real economic growth. The Dole alternative, combined with the amendment offered by Senator GRAMM to stimulate the economy and encourage growth, is a real solution to many of the problems which face our economy.

Mr. President, I am also pleased to support the Gramm amendment. The amendment offered by the junior Senator from Texas will stimulate our economy. Progrowth, proemployment policy is needed now. S. 1554 will do none of this.

We have tried the band-aid approach—the approach of the Bensten proposal—in the past. Our constituents know that it has always failed. If it were to become law, and it will not, it would also fail. If we really want to help the American worker, then let us make sure he or she has a job. We owe American laborers more than a political advertisement designed to embarrass the President.

The President will sign the Dole-Domenici-Roth bill. It will become law and those who are looking to us for help will receive it. Mr. President, let us give American workers hope for a quality future.

Mr. President, I ask unanimous consent that a letter from Department of Labor Secretary Martin supporting the Dole amendent and a summary of the Dole-Domenici-Roth alternative appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
Washington, DC, September 24, 1991.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Today you have a chance to help immediately the unemployed who have exhausted their benefits. This issue should bring us all together because each of us understands the problems of unemployment. Some of you may recall, that when I was in the House, I represented a district that had the highest unemployment in the nation during the last recession. This affected friends, neighbors, and members of my own family.

Now is the time to forget politics. Lets come to an agreement on a bill that can be passed and, as important, signed. The President can sign a bill if the cost to the economy doesn't threaten existing jobs.

The alternative meets this test; moreover it offers a positive approach to answer quickly the needs of those who have lost their jobs and who may need this extra help. Other proposals may sound good, but they can't be signed and would bring no relief. Our mutual concern for the well being of the American worker demands that we act prudently.

I have enclosed two editorials from the New York Times and Washington Times that make this point. It is time to help those who are out of work and concentrate on policies that can create jobs and promote economic recovery.

Sincerely,

LYNN MARTIN,
Secretary of Labor.

[From the New York Times, Sept. 19, 1991]

A COWARDLY VOTE FOR THE JOBLESS

House Democrats displayed neither courage nor sense on Tuesday when they voted to extend unemployment benefits for the long-term unemployed without raising taxes to pay for the plan. By raising the deficit, the bill would effectively violate last year's tortuously negotiated budget law, paving the way for further violations as the delayed pain from deficit reduction takes hold.

The plight of the unemployed is serious. Each month more than 300,000 Americans exhaust the standard 26-week limit for unemployment benefits; these families can face loss of their homes or apartments, if not worse deprivation. The House bill would extend benefits for up to 20 additional weeks, at a cost of over $6 billion.

The problem is that Congress refuses to pay—a fiscally reckless evasion of last year's deficit-reduction law, which required that new programs be paid for by new taxes or by compensating cuts in other programs. The House Ways and Means chairman, Dan Rostenkowski, offered a plan to raise payroll taxes on high-paid workers, but his fellow Democrats wouldn't go along.

Some tried to mask political cowardice as virtue, contending that tax hikes would worsen the recession. But the claim is false: since the new revenues could be immediatley returned to the private economy in the form of higher benefits, the Rostenkowski plan would not dampen spending.

The House bill is similar to one Congress approved in August; this one, however, eliminates the loophole that allowed Mr. Bush to sign but not institute the new benefits. That invites a certain Presidential veto.

The Senate now has the opportunity to make the bill right. By adopting the Rostenkowski plan it can help the unemployed, make the payroll tax fairer and preserve the deficit-reduction law. But it will take more guts than were demonstrated this week in the House.

The Unemployment Bonanza

[From the Washington Times, Sept. 19, 1991]

The latest so-called recession-fighting measure working its way through Congress is a mandatory 20-week extension in unemployment benefits coupled with a lowering of the unemployment rates that would trigger such benefits. The House of Representatives passed the extension Tuesday and the Senate is due to take it up any day. Congress passed a similar bill last month that authorized the new benefits if the president declared an economic "emergency." Mr. Bush coyly signed that bill but declined to declare the emergency.

As it is, unemployed Americans enjoy a substantial government cushion. States are now required to provide workers laid off from virtually all wage and salary jobs at least 26 weeks of regular unemployment payments, and up to 13 weeks of extended payments, depending on the prevailing unemployment rates in insured jobs. In Massachusetts for example, the state guarantees a former worker up to $423 a week for 30 weeks. With the 20-week extension Congress seeks, a Massachusetts former worker would receive $21,150 in public funds over the course of a year. And the extensions would be kicked in not by increases in the unemployment rate for insured jobs, but by increases in the always-higher unemployment rate that includes uninsured jobs.

In the District of Columbia, the maximum payment is now $293 per week for 26 weeks, plus 10 extended weeks. To qualify for the maximum, a person must have worked for parts of two quarters a year, earning at least $6,739 in one quarter and no less than $300 in another. That means someone paid a base salary of $26,956 who works from Jan. 1 through April 5 can get fired and receive $7,618 in public funds through Thanksgiving. With Congress' 20 week extension, a former worker in the District can receive $13,478 while taking 10½ months to find a new job.

Who will pay for this? Everybody who still works; everyone in business who manages to stay afloat; and, quite likely, a generation of Americans that hasn't even applied for its first jobs yet.

Unemployment benefits are paid for by state and federal taxes on employers. Employers now pay the federal government a 0.8 percent tax on the first $7,000 in salary they pay every employee. House Ways and Means Chairman Dan Rostenkowski offered an amendment to the extension bill that would have raised these taxes by $6.5 billion, the amount the bill is expected to cost through 1996. That was rejected in favor of funding the bill through deficit spending. This investment in incumbency insurance not only violates the commitment Congress made at last fall's budget summit to pay as it goes for new spending (a commitment that cost the American people a $160 billion tax increase), but tossed another $6.5 billion burden onto the backs of people who aren't even old enough to vote. President Bush has said he will veto this bill, and he should.

Impact of Dole-Domenici-Roth Alternative

Proposal is fiscally responsible—it pays for itself with excess funds earmarked for deficit reduction. S. 1554 will increase the deficit $5.8 billion.

All States receive at least 6 weeks of benefits; 7 jurisdictions will qualify under the 5 percent trigger as of 10/1/91—Alaska, Connecticut, Maine, Massachusetts, New Jersey, Puerto Rico, and Rhode Island. As of 3/31/91, a total of 21 jurisdictions will qualify under the 5 percent trigger.

Program minimizes administrative costs and opportunity for erroneous payments; more complex programs—such as the four-tier approach in S. 1554—cost more and cause more errors.

Uses the IUR augmented by including exhaustees. IUR has always been used in additional benefits programs. TUR, which is used in S. 1554 and includes new entrants to the workforce, students between terms, and those who are fired or quit from their jobs, has never been used in such programs.

Costs of program are more modest than S. 1554—keeping in line with the scale of the problem and the point we have reached in recovering from the recession.

Program avoids creating disincentive effects that discourage workers from seeking employment in economic recovery.

UCX changes liberalize rules for ex-service personnel to parity with civilian workers, correcting the current inequity. Desert Storm reservists who returned to a recession economy would qualify for benefits if they served 90 days or more, instead of the usual 180 days. As with civilian workers, those who leave voluntarily would not qualify for benefits.

Mr. MURKOWSKI. Mr. President, I rise today in support of an amendment offered by the distinguished minority leader, Senator DOLE, to S. 1722, Senator BENTSEN's unemployment compensation proposal. While I support an extension of unemployment insurance benefits, S. 1722 takes the wrong approach to providing additional benefits to our Nation's unemployed workers.

S. 1722 SERIOUSLY FLAWED

Although S. 1722 provides needed benefits for the unemployed, the bill is seriously flawed in that it is financed through more rubber checks and deficit spending by Congress. The alternative offered by the senior Senator from Kansas is the more responsible approach. This amendment offers more reasonable benefits in light of our current budgetary restraints, but most importantly includes financing for those benefits, rather than paying for them with increased borrowing and deficit spending.

The most glaring drawback of S. 1722 is its lack of financing. Rather than providing an offset for its $5.8 billion 5-year price tag, the bill would require the President to declare an emergency, in conflict with the spirit of last fall's budget agreement, to authorize the deficit spending. The Bentsen bill openly attempts to subvert the Budget Enforcement Act with respect to its pay-as-you-go requirements. The inevitable result of this legislation would be to require the government to sell more bonds to finance the growing $3.5 trillion national debt.

DOLE ALTERNATIVE IS FISCALLY RESPONSIBLE

The alternative offered by Senator DOLE is responsive to the needs of our Nation's unemployed while being fiscally responsible. Rather than mortgaging the future of our children by increased borrowing, the plan pays for itself with any excess funds earmarked for deficit reduction. Financing would come from a number of sources including auction frequencies of the electromagnetic spectrum for communications use. The plan would also raise funds through student loan reform provisions, extension of the IRS tax refund offset program, and customary borrowing reforms. The total financing package under this plan would be $4 billion, with a net cost of the program of $2.4 billion, all in fiscal year 1992. Excess funds raised under the plan would go toward deficit reduction.

The Dole plan is responsive to the needs for our Nation's unemployed, providing extended benefits to those workers previously ineligible for this program. The plan creates a two-tier program of federaly funded benefits that provides at least 6 weeks of benefits to all States and an additional 4 weeks in States whose insured unemployment rate, adjusted to include unemployment insurance claimants who have exhausted their benefits, is 5 percent or greater. This plan also liberalizes rules for ex-service personnel to achieve parity with civilian workers, correcting the current inequity. It will allow personnel who leave the service involuntarily to qualify for up to 26 weeks of benefits with only 1 waiting week before they may apply for benefits, consistent with the treatment of civilian workers.

ALASKA IMPACT OF THE TWO PLANS

In my consideration of these two plans, I reviewed their application to my home State of Alaska. Based on unemployment figures for 1991, I found their treatment of unemployed workers in my State to be very similar. Alaska had an average insured unemployment rate for 1991 of 6.2 percent. Based on that figure, under the Dole plan Alaska's unemployed workers would be eligible for 13 weeks of extended benefits, in addition to the 26 weeks of regular unemployment benefits. The plan outlined in S. 1722, based on a State's total unemployment rate, affords Alaskan workers the same benefits. Alaska's average total unemployment rate for 1991 of 7.8 percent would make workers in my State eligible for 13 weeks of extended benefits under S. 1722, the same amount available under current law.

SUPPORT THE DOLE ALTERNATIVE

The situation in Alaska is indicative of the question before us today. The benefits and program changes included in these proposals are not radically different in their treatment of our unemployed workers. What is radically different is a philosophy reflected in the financing of the two bills. The Dole plan recognizes that extended benefits are necessary. However, our good intentions in providing these benefits must be tempered by the fiscal realities facing our Nation. We must ask ourselves whether we are acting in the best interests of all Americans in providing benefits without regard for the Budget Enforcement Act's pay-as-you-go provisions. Would not workers be better served by the Dole approach, providing the most benefits we can within our budgetary means? The Bentsen plan reflects a worn-out philosophy of resorting to fiscally irresponsible behavior that may help unemployed workers in the short run, only to saddle their children with our debts in the long run.

Mr. President, an economic recovery is underway and efforts to undermine the discipline of the Budget Act by use of the emergency designation provision would start us down that slippery slope that would soon make our hopes of any true budget reduction illusory. We do not want to jeopardize the recovery by such actions, simply to make political hay. Our Nation's workers deserve more than that. I urge my colleagues to make what may be a difficult, but fiscally responsible choice and adopt the Dole alternative.

Mr. HELMS. Mr. President, this Chamber has resounded today with great rhetorical flourishes about the need to help the unemployed. But, politics aside for the moment, what the more than 8 million unemployed Americans need, are jobs—not more Government programs. This amendment takes a much-needed step in that direction, and I am pleased to be one of its cosponsors.

The bill before us, the so-called Emergency Unemployment Compensation Act will do absolutely nothing to reduce unemployment. In fact, it will exasperate the problem by increasing the Federal debt and deficit by $4.4 billion, thereby threatening an economic recovery and putting even more Americans out of work.

Mr. President, if Congress is really serious about finding a cure for unemployment it must realize that full-time jobs result from economic growth.

Indeed, the recently enacted luxury tax, of the 1990 budget agreement, is an excellent example of how much of the unemployment problem can be laid at the doorstep of Congress. Hoping to soak the rich, through this tax, Congress succeeded only in bringing about layoffs of hard-working Americans employed in the targeted industries. I can't begin to estimate the enormous number of letters and calls I've received from North Carolinians who have been put out of work because of this so-called luxury tax—from citizens who were once productive citizens who are now filing for unemployment compensation and standing in unemployment lines.

Mr. President, the point is, the people of this country have been asked to sacrifice far too much. We should indeed help those who are unemployed, but not in the manner that the big-spenders in Congress have proposed. By escalating the Federal debt another $4.4 billion, Congress will only weaken the economy further, and thereby put more and more people out of work—a grave injustice to both the employed and the unemployed of this country.

What Congress should be doing, Mr. President, is providing incentives for small businesses and firms which are such a vital component of the American economy in employment, growth, and the development and introduction of new goods and services.

That is what this amendment would accomplish and I urge my colleagues to support the Emergency Economic Growth Act, and bring some life back into the ailing job market.

The PRESIDING OFFICER. The question now occurs on the motion to table the Dole amendment No. 1185, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—42

Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Helms
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—1

Harkin

So the motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

AMENDMENT NO. 1187

Mr. MITCHELL. Mr. President, the pending Gramm amendment seeks to change revenue law in violation of the origination clause of the Constitution which requires tax measures to originate in the House of Representatives.

Accordingly, Mr. President, I raise a point of order that the amendment would be violative of the Constitution.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I move to table the point of order and ask for the yeas and nays.

The PRESIDING OFFICER. The Senator's motion is premature. The Chair must make his ruling on the point of order which has been challenged.

Under precedents and practices of the Senate, the Chair has no power or authority to pass on such a point of order. The Chair submits the question to the Senate.

The question is, Is the point of order well taken?

Is there a sufficient second on the motion to table?

There is a sufficient second.

The yeas and nays are ordered.

The PRESIDING OFFICER. The question now occurs on agreeing to the motion of the Senator from Texas to lay on the table the point of order of the Senator from Maine. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] is necessarily absent.

The PRESIDING OFFICER. Are then any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—39

Bond
Brown
Burns
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Helms
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—60

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy

NOT VOTING—1

Harkin

So the motion to lay on the table was rejected.

Mr. BENTSEN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now occurs, is the point of order well taken?

So the point of order was sustained.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the point of order was sustained.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1189

The PRESIDING OFFICER. The question now occurs on agreeing to the Brown amendment, numbered 1189. The yeas and nays have been ordered.

Mr. PACKWOOD. Mr. President, are we on the Brown sense-of-the-Senate resolution?

The PRESIDING OFFICER. That is correct.

Mr. PACKWOOD. I move to lay that on the table.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. PACKWOOD] to table the amendment of the Senator from Colorado [Mr. BROWN]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] is necessarily absent.

The result was announced—yeas 40, nays 59, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—40

Adams
Akaka
Baucus
Bentsen
Biden
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Conrad
Cranston
Danforth
Daschle
DeConcini
Ford
Fowler
Gore
Graham
Hollings
Inouye
Johnston
Kennedy
Kerrey
Kerry
Lieberman
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Wellstone

NAYS—59

Bingaman
Bond
Brown
Burns
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Garn
Glenn
Gorton
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Jeffords
Kassebaum
Kasten
Kohl
Lautenberg
Leahy
Levin
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Murkowski
Nickles
Pressler
Pryor
Riegle
Roth
Rudman
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NOT VOTING—1

Harkin

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I wonder if there would be any objection to vitiating the yeas and nays on the underlying Brown amendment, the motion to table having failed by a decisive magin. Accordingly, I ask unanimous consent that the yeas and nays on the Brown amendment be vitiated.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

The question is on agreeing to amendment No. 1189.

The amendment (No. 1189) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Does the majority leader wish the floor?

Mr. MITCHELL. Mr. President, I inquire of the distinguished Republican leader and the manager of the bill, the chairman of the Finance Committee, as to whether or not following the vote on the point of order on the McCain amendment, I understand that will be made, and Senator MCCAIN will then make a motion to waive the Budget Act, whether it would be possible to proceed to final passage following Senator BENTSEN'S modification of his amendment? That is, I am asking whether there are any other amendments which would require a rollcall vote—and I hope there will not be—so we could then proceed to have a vote on Senator MCCAIN'S amendment, and after Senator BENTSEN modifies his amendment, his bill, have a vote on that, final passage, and make that the last vote of the evening.

Mr. DOLE. If the majority leader will yield, I am advised by the Senator from Idaho [Mr. SYMMS] that he will not offer his amendment and also by the Senator from New Hampshire that he will not offer his amendment. I am not certain if there are other amendments.

Mr. WALLOP. If the Republican leader will yield, that would depend entirely on what the modification of the Senator from Texas is. If the modification were to include, as some of us suspect that it might, the House bill or were it to be followed subsequently by a unanimous-consent agreement to include the House bill, then there would not be a possibility——

Mr. BENTSEN. I will be happy to discuss the modification. The modification, frankly, takes part of Senator DOLE'S bill. We are talking about for the States of Washington and Oregon. That is one that would require the Secretary of Labor in determining the programs funded under part B of title III of the Job Training Partnership Act to give special consideration to services for dislocated workers in the timber industry in the States of Washington and Oregon.

Mr. DOLE. It is a small provision out of our bill.

Mr. WALLOP. I appreciate it and I just say to the Senate, it is growing into the habit of allowing modifications to be agreed to by unanimous consent before anyone knows what is in there. My guess is it would be better if people would try to explain the modifications.

Mr. MITCHELL. Mr. President, if I can take the lack of response to the inquiry with respect to amendments as acquiescence to the procedure I just described, we will then have a point of order made by the distinguished chairman of the Budget Committee, a motion to waive that by the distinguished Senator from Arizona, then a vote on that motion; following that, Senator BENTSEN will modify his amendment, as stated, and then we will have a vote on final passage, and that will complete action on this bill and be the last vote this evening.

Mr. President, I thank my colleagues, and particularly the distinguished Republican leader, for their cooperation.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The McCain amendment, No. 1190, is the pending amendment.

Mr. SASSER. Mr. President, in that case I raise a point of order against the McCain amendment under section 306 of the Congressional Budget Act.

Mr. MCCAIN. Mr. President, I move to waive the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive section 306 of the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 37, nays 62, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—37

Bond
Brown
Burns
Coats
Cochran
Cohen
Craig
D'Amato
Dole
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Helms
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—62

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NOT VOTING—1

Harkin

The PRESIDING OFFICER. On this vote, the yeas were 37; the nays, 62. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion to waive is rejected.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion to waive was rejected.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Arizona would affect the process by which Congress enforces the appropriate level of revenues. Since this process is within the jurisdiction of the Budget Committee, the amendment violates section 306 of the Budget Act. The point of order is well taken. The amendment falls.

MODIFICATION TO AMENDMENT NO. 1188

Mr. BENTSEN. Mr. President, I send a modification to my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Senator's amendment is so modified.

The modification is as follows:

At the end of the amendment add the following:

SEC. . ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. If the Senator will withhold for a moment, the Senate will be in order. The Chair requests Senators to take their conversations elsewhere so business will continue, and the Chair will wait until the Senate is in order. The Chair will be patient.

Mr. DIXON. Mr. President, will my friend from Texas yield for a very brief unanimous-consent request?

Mr. BENTSEN. I yield to the distinguished Senator.

Mr. DIXON. I thank my friend from Texas.

Mr. President, I ask unanimous consent that my vote on rollcall vote No. 203 be corrected by changing my vote from "aye" to a "nay" vote. It will not change the result.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(The foregoing tally has been corrected to reflect the above order.)

The PRESIDING OFFICER. Without objection, the modification to amendment No. 1188 sent to the desk is agreed to.

The question is on agreeing to the substitute amendment (No. 1188) as amended.

The amendment (No. 1188), as modified, was agreed to.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I do not intend to delay the Senate, but I do want to mention, because I understand we are about to give final consideration to this legislation, that there is a group of workers—railroad workers—which Congress has historically included in programs enacted during past recessions to provide supplemental and extended unemployment benefits, but which through an oversight has not been included in this legislation.

I understand further from the chairman of the Finance Committee that an amendment to enable unemployed railroad workers to receive extended unemployment benefits from the railroad unemployment insurance trust fund so that they would be treated the same as other unemployed workers who qualify for the benefits provided under this legislation is not in order and cannot be considered at this time.

I have spoken to the majority leader, I have spoken to the chairman of the Finance Committee, I have spoken to the ranking member of the Labor and Human Resources Committee, and I have spoken to other Senators—Senator METZENBAUM, Senator EXON, Senator WELLSTONE, Senator CONRAD, and others—who are similarly concerned about this issue and the need to ensure equitable treatment for workers in the railroad industry.

I understand that they are interested in trying to remedy this oversight and will work with me to try to ensure that legislation is enacted so that these workers will be treated fairly, and will be able to receive benefits similar to the benefits provided to workers in other industries. Am I correct in that?

Mr. BENTSEN. Mr. President, if the Senator from Massachusetts will yield for just a moment, let me state that I think it is a serious inequity, and I would very much like to correct it. I support that. I regret it cannot be done on this piece of legislation. But on the first appropriate piece of legislation that it can be, I will be supporting it, and will try to assist in that regard.

Mr. MITCHELL. Mr. President, I am pleased to associate myself with the remarks of the distinguished chairman.

Mr. KENNEDY. I thank the majority leader, and also my friend, the Senator from Utah.

Mr. HATCH. Mr. President, I would like to associate myself with the remarks of the distinguished Senator from Massachusetts.

I thank the Chair.

BENEFITS TO MILITARY PERSONNEL

Mr. DOLE. Mr. President, our proposal provides 26 weeks of benefits to those involuntarily separated from the service.

While it is true that those voluntarily separated from the service would not get benefits, this approach is consistent with State programs and unemployment benefits for civilian workers.

The whole point is to ensure parity of treatment and that is what our proposal does.

This proposal has no effect on those separated from service due to defense downsizing because the denial of the right to re-enlist, or sign up for additional service is considered an involuntary separation.

There is no good policy reason to reward those service members who voluntarily leave the military by their own decision with a check from the Government in an amount equal to 26 weeks of unemployment compensation.

Certainly, if someone voluntarily leaves a job, they are presumably accepting a new job or have made the conscious decision to quit without new employment That's their choice and the Government has no role in offering unemployment benefits in such situations.

In addition, while there are no details yet on how the downsizing will occur, it is likely that it will occur in part through a reduction in the recruitment and intake of new personnel and through the offering of incentives such as early retirement and generous severance pay packages. Again, extended benefit compensation serves no legitimate purpose in such situations.

Mr. AKAKA. Mr. President, I rise to express my strong support for S. 1722, the Unemployment Compensation Act of 1991. I commend the distinguished chairman of the Finance Committee, Senator BENTSEN, and the majority leader, Senator MITCHELL, for their leadership and persistence in advancing this legislation to address the domestic emergency confronted by millions of American workers and families whose unemployment benefits have expired. I am proud to cosponsor S. 1722.

Mr. President, it is truly unfortunate and unnecessary that the Senate must again consider legislation to provide emergency benefits for long-term unemployed American working men and women. Unfortunate, since, just over 1 month ago, the Senate and House enacted legislation addressing the hardship faced by hundreds of thousands of American workers who have exhausted their unemployment benefits. And unnecessary because even though the President signed the bill, he declined to declare an emergency which would have released the money necessary to extend the benefits. Instead, the President announced that the recession had ended, the emergency was over, and happy days were here again.

Mr. President, notwithstanding the White House's rosy scenario about the end of the recession, the facts indicate that the recovery is slower than originally forecast, and millions of Americans are still out of work. Almost 8.5 million people are unemployed, looking for jobs, jobs that just don't exist. In August, there were 1.2 million long-term unemployed Americans, and our economy lost another 300,000 jobs, on top of the 192,000 jobs lost in July.

Adoption of S. 1722 will ensure that the over 300,000 jobless workers who saw their unemployment benefits run out last month will receive needed assistance. This figure, by the way, is the largest number for any month in the past 40 years. The U.S. Department of Labor's estimates forecast 3.4 million unemployed workers will exhaust their benefits in fiscal year 1992. This is up from 1.5 million people in 1989, when the President took office.

Mr. President, these statistics all indicate that the recovery is proceeding slower than expected. What these indicators fail to convey, however, is that real people are facing genuine financial hardship and pain because of the economy. We're not talking about welfare frauds or Wall Street bond traders. We're talking about hardworking, taxpaying families, struggling to make ends meet, put food on the table, keep up with the bills, and pay the mortgage.

We in Hawaii are fortunate to have one of the lowest State unemployment rates in the Nation. Our unemployment rate of 2.8 percent is less than half the national average. Yet, I know that in many States and regions across the country unemployment and economic difficulties are much worse than the national average. How can the administration deny that a real emergency does not exist for these people and their communities?

Mr. President, millions of unemployed workers and their families are in dire need of the supplemental benefits we seek to provide today. The trust funds necessary for this purpose have already been collected. The situation at hand meets all five criteria laid out in the budget agreement for determining an emergency. I see no reason to delay helping our Nation's unemployed workers any longer. I urge my colleagues to support S. 1722.

Mr. BRADLEY. Mr. President, we are here again to give President Bush one more opportunity to show us that he sees what every one of us sees when we are home—an economic emergency. Because of our failure to invest in the future during the 1980's, the job losses we are now experiencing will last longer, cut deeper, and destroy hope for the future in a way that we have never seen before.

Behind every one of the 8.5 million Americans out of work there is likely to be a family, a mortgage, car payments, back-to-school costs, and all the other pressures of life. Behind every one of the 725,000 people who gave up looking for work and dropped out of the labor force in the last 2 months, there is a story of losing hope for a better future, and for our economy's competitive future, another talented individual who has been left out.

I don't know why the President does not see this. I know that every Member of this body sees it, or I assume that they do from the fact that not one Senator would go on record this summer in opposition to extending unemployment benefits. Perhaps I can describe the situation in my State, and the economic emergency facing our Nation will become clearer.

Two weeks ago, for example, General Electric announced layoffs of 1,350 workers in Moorestown, East Windsor, and Camden. Many of these layoffs are inevitable, as the bloated defense spending of the 1980's finally comes to an end. But the workers who have devoted their lives to our Nation's security need help and time to make the transition to a post-cold-war economy. There are no jobs in Moorestown, East Windsor, or Camden, which is one of the most economically troubled cities in America. This is not a short-term economic slowdown. Laid-off workers cannot expect that the plants will begin hiring again within a few weeks or months, soon enough that their unemployment benefits will carry them through. This is the inevitable, predictable breakdown following the overconsumption, underinvestment, and misguided priorities of the 1980's.

The statistics that show the seriousness of this economic emergency also show how very different the reality of this downturn is. Unemployment benefits ran out on 334,000 people last month. Never, as long as we've kept records, back to 1950, have so many people remained jobless after their benefits ran out. Not in the 1982 recession, and not in the recession of the mid-1970's did 334,000 people's benefits run out in 1 month. Nationwide, almost 2 million people exhausted all their unemployment benefits in the first 7 months of this year. Two million people have worked hard, have lost their jobs through no fault of their own, and now have lost the one safety net that can carry them through until times get better.

In my State of New Jersey, people are angry and disappointed. They hear the administration say the recession is ending, and they tell me, "It's not over in New Jersey." In fact, it's not over anywhere. New Jersey is in bad economic shape, but it's a microcosm of the economic emergency facing the Nation, where unemployment rates don't tell the whole story. New Jersey's unemployment rate is 6.7 percent; the national rate is 6.8 percent. In New Jersey, the number of unemployed who exhausted their benefits rose 47 percent from a year ago; nationwide it rose 46 percent. It's an emergency in New Jersey when 102,000 workers have been out of work so long that their benefits have run out, and it's an emergency for the nation when nearly 2 million lose their safety net.

I hope President Bush will consider the cost to our economic competitiveness, and to our confidence in the future, of letting unemployed workers fall through the safety net. The labor force declined by 310,000 people last month, and by 415,000 the month before. Among teenagers, the labor force declined by 580,000 in the last year. If we lose the talents of people with a history of working, if we don't build the habit of working in our young people, how can our economy hope to recover by competing in a global environment that puts a premium on talent and skill? Consider that cost in human terms, in economic terms, in terms of future possibilities, and tell us, Mr. President, that the cost of changing last year's budget agreement is higher.

We have the money in the trust fund for unemployment insurance. We can't spend it on anything else. We put it aside for an economic emergency and today we face such an emergency.

I don't want to play politics with the unemployed. I don't want to accuse President Bush of not caring about jobless workers or ignoring suffering. I just want to get these emergency benefits moving as quickly as possible, and

President Bush can do it with the stroke of his pen. If he does not, he will need to explain to us why this is not an emergency, why we're better off not providing these benefits. But the most important thing is to get those benefits moving by October 6, so that a few more families will be able to adjust to the economy's long transition, so that a few more workers will stay in the workforce, so that our economy will remain strong and secure for decades to come.

Mr. ROTH. Mr. President, it is a tragedy that across this country hard-working families have lost their jobs as a result of a downturn in the economy. Many of us here predicted this downturn over a year ago when the Congress, without my help, stuck the American people with one of the largest tax increases in our Nation's history. Now we are facing its troubling consequences.

Many folks' livelihoods were forced to a crashing halt during the past year when their company's plant closed down or their managers decided to downsize. Imagine the fear, the frustration and even the loss of hope that this kind of unforeseen event inspires. This despair is magnified for those who exhaust all their benefits before landing another job.

Statistics may point in the direction of national economic improvement, but for significant numbers of out-of-work Americans, these statistics won't pay the bills. I assure you the recent revision in GNP downward from positive to negative has not done much to encourage employers to begin to rehire. Employment growth in recent months has been virtually flat and not enough jobs have been created to reemploy these recession casualties.

In my own State of Delaware, the Department of Labor reports that more individuals exhausted their unemployment benefits in July and August than in the average of the previous 6 months. While initial claims are down, those who have exhausted the maximum 26 weeks of benefits that Delaware provides are finding business slow to open their doors. The jobs are just not there for the unemployed and the time is right for the Federal Government to step in and provide assistance.

Mr. President, the legislation we propose today addresses the difficulties faced by the unemployed in a compassionate yet fiscally responsible manner. And unlike the Bentsen bill, ours has the President's strong stamp of approval. Let's quit trifling with the jobless and vote for something that will actually be implemented—a bill we know will fly.

Dole-Domenici-Roth is the more effectively designed proposal. Its two-tier approach is simple and easy—much more so than the Bentsen proposal. And our legislation uses as a measure of unemployment the tried and true insured unemployment rate rather than the total unemployment rate, which has never been used in such programs. Ours is adjusted to include exhaustees. Finally, our bill does not bust the budget. It fully pays for itself with excess funds directed toward deficit reduction.

Mr. President, this bill is the appropriate response to the needs of hard-working Americans caught in a crunch and does not violate the budget agreement. Unemployed Americans looking for a decent job deserve more than empty rhetoric about benefits that will never reach their pockets. I urge my colleagues to support a plan that can work, a plan President Bush will sign. I urge my colleagues to support Dole-Domenici-Roth.

Mr. DURENBERGER. Mr. President, while all the Nation welcomes the signs of improved economic health, many Americans are still hurting as they look for work and watch their unemployment benefits either rapidly running out or already expired. I am pleased to support this legislation to provide extended benefits because it will allow this important program to fulfill its roll as a safety net for American workers and help to give unemployed Americans a leg up as the recovery continues.

Although this bill is not a perfect piece of legislation, the needs of unemployed Americans cannot wait for every aspect to be ironed out and every question to be answered. These needs must be addressed now.

While Washington may not be able to prevent recessions, we do have tools at our disposal to cushion the blow for many Americans. This legislation is one of those tools, and now is the time to use it.

The unemployment trust funds are designated for assisting workers who, through no fault of their own, find themselves out of work for long periods. And that is what this legislation will do.

While my State of Minnesota has not been hit as hard as some others, recessions in the Midwest have tended to lag behind the slowdowns on the coasts. Fortunately, this legislation provides the flexibility for Minnesotans to receive extended benefits, in the event that such a need should arise.

I am hopeful, Mr. President, that tapping these dedicated reserves will ensure that the recovery now underway will not lose speed and that any lingering effects of the economic slow down will be minimized for the many Americans who have borne the brunt of this downturn.

Mr. HATCH. Mr. President, over time, I have had my share of disagreements with the Washington Post. But, I have to say an editorial contained in last July 28 edition of the Post hit the nail on the head when it comes to the merits of the legislation we are considering today.

The editorial staff of the Post identified three components to this debate: the timing, the lack of a responsible method to fund extended unemployment benefits, and partisan politics. Their analysis of each is right on point.

The Post said, "Democrats waited out the whole recession to come to the aid of the unemployed." They note that evidence indicates that our Nation is working its way out of a relatively mild and weak recession.

Regarding the lack of a budget offset to pay for the cost of this legislation, the Post said: "by turning to borrow-and-spend as a refuge from tax-and-spend, the Democrats end up hurting the cause they purport to help." The cause they purport to help is deficit reduction. Is it a cause with only rhetorical value?

"In doing so," the Post continues, "they hand the President not just the pretext but the obligation to veto the bill." Why? The Post concludes it "punches a $6 billion hole in last year's budget agreement."

This is "the wrong way" to correct a problem, the Post concludes. The "bill, in its present form, ought to be vetoed."

This is very strong language. And, it is not coming from the Senator from Utah—it is coming from the Washington Post's editorial staff.

But, it is an analysis right on target. The Bentsen approach is the wrong way to approach this issue. It would poke a $6 billion hole in the budget agreement that, until now, was supposed to have been a bipartisan commitment.

The people of Utah have asked me to help them. Just like the people of Michigan have asked for help and the people of Texas have asked for help. This is why I am here today. I want desperately to provide this assistance to the citizens of Utah in a sensible, reasonable fashion that does not have to rob Peter to pay Paul.

And, thanks to Senators DOLE, DOMENICI, and ROTH, we will be given an option that does not have to break the budget to help the citizens of any State.

The Senator from Texas has come before us and provided half of the information relevant to producing a solution for this problem. The part of the equation that he minimizes is that his bill would increase the deficit by $5.8 billion. In my view, this is hardly the way to work out of a recession.

Another fact that the Senator from Texas plays down is that a revised benefits structure would put in place a four-tier extended benefits system that ranges from 4 to 20 weeks of extended benefits. This proposed system would be very complex in operation and thereby add new costs for administration of the system.

I also want to point out that this bill provides a new measure to be used for triggering unemployment benefits—a total unemployment rate rather than the currently used insured unemployment rate. This new rate is much less targeted and includes even those who voluntarily quit or are fired from jobs. This unfair change is very hard for those Senators from States with low total unemployment rates to accept, particularly when there is an alternative that uses the traditional measure and offers more in the way of benefits.

The President has already indicated that he will not sign this bill, and for good reason. I ask my colleagues, Mr. President, how much good will this legislation do for those needing help if it never is passed?

It is very important for the American people to note that an alternative exists—the Dole-Domenici-Roth alternative—that will help people while not exacerbating our deficit problems. And, most importantly, this alternative has another huge advantage—President Bush will sign it into law.

I think the citizens of Utah want a solution that will provide help while staying the course on our budget resolve. The individual worker is affected by broken budget promises as well as by the prospect of extended unemployment benefits.

Mr. President, I do not think the citizens of Utah care if a good solution comes from Democrats or Republicans. They want fair and equitable results—not political game-playing. And, I'm certain they would not approve of these partisan efforts to embarrass the President at the expense of raising the deficit.

So, let us pass a bill that will help unemployed citizens without busting out budget. Let us not rob Peter to pay Paul. Let us pass a bill that is responsible. And, above all else, let us pass a bill that our President will sign so that the citizens of Utah, and Texas, and Michigan, and every other State have something more than empty political promises to pay their bills during their times of trouble.

With all these facts in mind, I strongly support the Dole-Domenici-Roth alternative and urge my colleagues to support it as well.

Mr. President, I would now like to shift the focus of my comments to the amendment offer by the junior Senator from Texas, Senator GRAMM, and my good friend from Wisconsin, Senator KASTEN. This amendment not only helps those who are currently unemployed, it attacks the cause of unemployment. It provides both an expansion of unemployment benefits and a set of progrowth tax incentives designed to create new jobs.

This amendment would provide for a reduction in the capital gains tax rate. Opponents of this reduction do not believe that such a reduction will result in an economic benefit to the Nation commensurate to the loss of revenue. In all candor, the facts show otherwise. Investing in capital assets is a form of saving. Capital gains are the rewards investors receive for the risks of their investment. Taxing those capital gains creates a bias against savings and investment. Most economists agree that one of our Nation's greatest needs is to encourage a higher savings rate. One way to do this is to reduce the capital gains tax.

Increasing the Nation's savings rate reduces the cost of capital. This leads to a greater amount of capital available for the formation of new ventures. New ventures lead to new jobs, and new jobs generate new revenues.

This amendment also provides for the enactment of a Super-IRA program. Most of the Members of the Senate have already cosponsored a similar program introduced by Senators BENTSEN and ROTH. This program would also increase the personal savings rate of this nation and create more capital for investment. This investment would create new jobs and new revenues.

Extending unemployment benefits does absolutely nothing to reduce or prevent unemployment. By just extending these benefits, we are treating the symptoms of the larger disease, that of slow economic growth. This amendment treats the underlying disease. The only real cure for unemployment is rapid and sustained economic growth. The progrowth policies contained in this amendment would facilitate this economic growth. By passing this amendment, we would be helping the workers of America by creating jobs, increasing investment and saving, facilitating homeownership, and providing work incentives.

I strongly urge my colleagues to look at the big picture and treat more than just the symptom. This amendment would not only create jobs and spur economic growth, but it would also raise enough revenue over 5 years to finance the cost of expanding unemployment benefits. Let us cure the disease, not treat the symptom. I strongly urge my colleagues to support this amendment.

Mr. WOFFORD. Mr. President, once again, I rise in support of the Emergency Unemployment Compensation Act of 1991. This legislation will enable us to use the unemployment trust fund for its intended purpose—to help working families who have been hardest hit by the recession.

It is a disgrace that this action hasn't yet been taken. In August, Democrats and Republicans worked together to craft legislation that would have extended unemployment benefits for the long-term unemployed. The President cynically signed the bill but refused to free the necessary funds, effectively rejecting extended benefits for nearly three million Americans—and some 168,000 Pennsylvanians—who need them. Did the President think that working families wouldn't notice that they still can't afford to put food on the table?

In August, another 300,000 Americans exhausted their benefits—the highest level in 40 years. And every day, another 2,000 workers are laid off from their jobs. Yet the administration doesn't call this an emergency. We recognize emergencies all over the world. In recent legislation, President Bush has requested American taxpayer dollars to help the Kurds in Iraq and people in Egypt, Turkey, Sudan, Angola, Bangladesh, and Ethiopia. And yet he can't see the human emergency right here at home, when millions of Americans have lost their jobs—through no fault of their own, during a recession the administration predicted would be "short and shallow."

I believe the time has long since passed for us to start taking care of our own people and our own problems. More than 2.8 million Americans have exhausted their benefits in the last 12 months. By the end of 1992, that number is expected to grow to 3.4 million. This legislation is vital to helping these families overcome the effects of the national recession.

Currently, workers are entitled to only 26 weeks of unemployment compensation, a drastic cut from the 49 weeks available during the 1982–83 recession. Those who qualify for extended benefits—the long-term unemployed—are also the long-term workers. They have contributed to society over a lifetime, and ask no more than the benefits they've earned and that their employers have paid for through years of contributions to the unemployment trust fund.

The Republican proposal disregards the fact that the recession isn't felt uniformly across the Nation. And the financing mechanism makes no sense. The extended benefits trust fund exists for one specific purpose: providing extended benefits. In fact, it can be used for no other purpose.

At this very moment, the fund contains nearly $8 billion. And even after the extended benefits are paid for, the trust fund will end fiscal year 1992 with a $3.5 billion balance. The Department of Labor estimates that the fund will reach its legal limit of $9.03 billion by the end of fiscal year 1994.

But just as these funds are needed, the Republicans are scrambling to avoid spending them on what they're intended for. The Dole amendment contains a number of serious shortcomings. First, it won't provide much of an extension of benefits. Workers in Pennsylvania would only qualify for 6 weeks of extended benefits, instead of up to 13 weeks under the Bentsen bill. Second, workers in Pennsylvania whose benefits ran out by April 1, 1991 won't qualify for extended benefits under the "reachback" provision.

Finally, it calls for a whole new taxing mechanism which seems to bear no relationship to the employment issue. Why do they want to raise taxes when there are already funds available to help workers who have exhausted their benefits? The only possible answer is that the unemployment trust fund is being used to hide the true size of the budget deficit.

This budgetary trick is played at the expense of America's working families. The trust fund, like all Federal trust funds, was created to serve a specific purpose—to provide insurance to working Americans who lose their jobs, and cannot find new work, because of recession. Working Americans should be able to depend on it when they need it.

I hope the Senate will ultimately agree to the House version of this legislation and will include the emergency designation needed to implement the program. And I hope that the President won't continue to turn his back on the working Americans who need our help.

Mr. President, although I have been actively supporting the extension of unemployment benefits since my very first day in the Senate and even before, I am under no illusion that this step is the only one we must take toward reviving our economy. An unemployment check is no substitute for a job. We need to help create new opportunities. We need to take action. Not just stand on the sidelines, wring our hands and hope things get better soon.

The administration has the worst economic growth record of any since World War II. Since President Bush took office, total employment has increased by only 235,000 jobs. But at the same time, more than 2 million people have joined the ranks of the unemployed. So for every new job created, nine American workers have lost their jobs. And there is no improvement in sight. Recently, Richard Rahn of the U.S. Chamber of Commerce concluded that "the economy's performance since the middle of 1988 has been meaner and harsher [and] * * * is likely to remain so for some time to come."

Yet despite the warnings and despite the human suffering, the administration has done nothing. There has been no leadership and no action. And I believe our people are angry about it. They are angry because for 10 years the rich have gotten richer—and bigger Federal tax breaks. While the vast majority of working Americans have seen their real income decline and their Federal tax burdens increase.

They're angry because in almost every measurable indicator, they can see and feel the American dream slipping away from them—the dream of owning your own home; the dream of helping your kids go to college; of moving up into better jobs with better pay; and having good health care when you're sick.

Each of these dreams—for most Americans and most Pennsylvanians—is farther, much farther from reality today than 10 years ago. And for far too many—like the people who've run out of their employment benefits and can't find new jobs because of this recession—the dream has become a nightmare.

I do not think that we in Congress should remain, as the administration has, silent. I believe that we need to enact legislation that will help create new economic opportunities and will enable Americans to compete.

Over the last decade, the Reagan and Bush administrations have told us that economic opportunity "trickles down" from the wealthy. We have been told by Republicans that if we only help the richer, everyone will be helped. But it hasn't worked out that way. And yet the amendment offered today by Senators GRAMM, KASTEN, and WALLOP—which I opposed—would have us continue in this failed tradition. It includes President Bush's broad-based capital gains tax proposal, which amounts to no more than a tax give-away for the wealthy.

It is a costly proposal for taxpayers. One which experts believe will cost us more than $19 billion over 5 years. It's also a costly proposal for working families. The benefits of a broad-based capital gains tax cut will flow to the wealthy, once again leaving the middle class to pick up the tab. According to a Citizens for Tax Justice study done last year, the capital gains tax cut proposal voted upon today would give the richest 23,707 couples an average tax cut of $16,262. In contrast, the four-fifths of Pennsylvania families whose incomes are below $55,000 would receive an average capital gains tax benefit of only $18.

Moreover, the Republican capital gains tax cut proposal does not offer much bang for the buck. It does not distinguish between productive and speculative investments. It rewards investments regardless of their potential to create jobs and economic growth. If we have learned anything over the last decade, I hope we have learned that a handful of Wall Street investors raking in millions doesn't lead to an increased standard of living for all people. More often, it leads to shuttered plants, lost jobs, and committees robbed of long time employers as companies get sold off and broken up to pay for the take-overs and buyouts.

For these reasons, I voted against the amendment introduced by my distinguished Republican colleagues. But I agree that we need to provide incentives for business investment and personal savings. We do need to help this economy grow. But we can only do it by encouraging long-term investments that will make our companies more competitive—not more debt-ridden.

I believe Congress should act soon on genuine proposals that help do this. But investment and savings incentives will not be enough. As Secretary for Industry and Labor of the Commonwealth of Pennsylvania, I worked to bring labor and management together with productive results for everyone. I saw first hand that capital and labor together create real economic opportunity, stable long-term growth, a high standard of living, and individual opportunity.

Unfortunately, the amendment introduced by Senators GRAMM, KASTEN, and WALLOP failed to recognize the vital relationship between increased skill and economic growth. I intend to work with my colleagues to see that educational incentives are part of any economic recovery package.

Economic recovery also depends upon working people being able to take home, save, and spend more of their paychecks. I support providing income tax relief to working families. I think it is a matter of fairness. The fact is that all but the very richest and the very poorest American families now pay a higher share of their incomes in overall Federal taxes than they did 14 years ago. For middle and lower income families in the first three-fifths of the income scale, after-tax incomes have actually declined since 1977. Whereas, the after-tax incomes have actually declined since 1977. Whereas, the after-tax income of the richest 1 percent of the population grew by the 136 percent.

Tax relief for working families is a matter of vital economic importance. Consumption is a huge engine that drives our economy. We need to realize that economic growth percolates up far more than it trickles down. And the inability of people to buy what they need and want has drastic consequences. For example, the home building industry in this country has suffered a loss of 644,000 jobs in 2 years. My home State of Pennsylvania is ranked seventh in the Nation in the loss of construction jobs since July 1989. Housing starts are at their lowest level since 1945. Why? Because working families just do not have enough money to buy homes.

The amendment offered by Senators GRAMM, KASTEN, and WALLOP claims to provide working men and women "an economic growth dividend when the economy grows faster than the economic growth forecast established by the budget summit agreement." I do not think working families or our Nation's economy can wait. I believe Congress should restore fairness to our tax system now.

Mr. President, I am committed to working with my colleagues to stimulate economic growth through targeted savings and investment incentives, educational assistance, and income tax relief for working families. Only through such a comprehensive approach can we increase our Nation's competitiveness and insure that all Americans share in future growth.

Mr. DODD. Mr. President, I rise in strong support of S. 1722, yet another bill to extend unemployment insurance benefits to the millions of long-term unemployed.

I regret that the President did not release the funds for extended benefits a month ago. As the recession drags on, the number of unemployed and uninsured continues to rise. It is bad enough the unemployed have to wait in unemployment lines—they would rather have a job. However, they should not have to wait for President Bush to finally listen to their pleas and ease the very real pain they are currently feeling.

The Unemployment Insurance System, first created in 1935 as part of the original Social Security Act, was designed as a "safety net" for hard-working Americans impacted by a weakened economy. It was designed to provide benefits to workers to minimize the hardships of unemployment. The program was also intended to reduce the impact of an economic downturn on communities and businesses.

However, the program is not working for millions of Americans. As many as 2.8 million unemployed workers nationwide, including over 60,000 workers in Connecticut, have lost the protection of the "safety net" within the last year. Their unemployment benefits have run out. This situation is intolerable, and we need to do something about it.

Employers pay additional taxes for the sole purpose of building an unemployment trust fund for just these times. To deny people access to such benefits now is not only cruelly unfair, it violates our agreement with employers to put the revenues from the unemployment payroll tax to use. We owe it to the employers and the unemployed to live up to our end of the deal—to use the Federal trust fund, now worth about $8 billion, to ease the pressures of this recession on families and communities. I cannot think of a better opportunity or reason for this Congress to take emergency action on a domestic crisis.

The emergency action is not unfamiliar to the Congress or the President. Last year's budget agreement included provisions to allow for emergency designations. And we have already been asked by the administration to make emergency funding available for the Bangladesh flood victims and the Kurdish refugees. Surely, we owe the same consideration to the victims of this recession.

During stronger economic times, 6 months of benefits may be adequate to provide a cushion for the unemployed looking for new work. However, when the recession lasts longer than 6 months—in this case longer than 2 years in Connecticut—we have every reason to extend the benefits to cover the victims of long-term unemployment.

Even if there were evidence that the grip of this recession is loosening, I am not aware of one economic forecast that says the recovery will be quick. Moreover, the repercussions of this recession on workers and families will not end when the recession ends. According to the Center on Budget and Policy Priorities, "in the last recession, the long-term unemployment did not peak until 6 months after the recession was over." The reality we must deal with is that the number of unemployed workers, no longer insured, is expected to grow to over 3 million by the end of this year.

Over the last 2 months, I have chaired three field hearings across my State to listen firsthand to the struggles of the unemployed. Unemployed and dislocated workers in Connecticut are losing everything they have worked for over the last decade. I will ask unanimous consent that testimony provided to me by four of my constituents who are affected by unemployment be inserted in the RECORD following my remarks. Their stories are sad, but unfortunately not unique.

Families are losing their homes to foreclosure. Most of them, even those with children, have no health insurance. Some have had their phones and electricity turned off; others have had to move in with their siblings or parents. Basic living expenses for these families have become unaffordable. Their lives have been disrupted. They have no recourse but to put their American dream on hold. When the benefits run out, however, the American dream is not just postponed, it is canceled. We simply cannot afford to let this happen to millions of Americans.

In closing, I urge my colleagues to join me in voting to extend unemployment benefits. A vote in favor of S. 1722 is one way we can assure workers, gulf war veterans and their families, that they have our support. They deserve it. What they do not deserve is a veto from President Bush. For this reason, I hope my colleagues will join me in sending a message to them and the President of our overwhelming—veto proof—support for this measure.

I ask unanimous consent that the material to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PAMELA SHEA,
Waterbury, CT.

Good morning, my name is Pamela Shea and I am a 32 year old mother of two children. My daughter Karla is 13 years old and is a freshman in high school, and my son Jeremy is 11 years old and in the 7th grade. We presently reside in a one family house in Waterbury.

As a working class mother, or former working class mother as you might say, and having been a public servant in my entire employment life, I am aware of the budget deficit and the crisis upon the state of Connecticut and its citizens.

For the past eight years I have been employed by the state. In 1983 as a civilian dispatcher for the state police department, and in 1988 as an agency policy officer at the Southbury Training School. I graduated in May of 1988 from the police academy in Meriden and was employed as an officer up until May of this year. I was among the first "budget cuts" from a small department despite the promotion of a fellow employee and numerous hours of overtime in my own department to cover my absence.

In the last several months, I have had to make some major adjustments to my standard of living since I have gotten layed off. The simple pleasures of a decent paycheck have been eliminated in many respects adding to the pressures of maintaining a suitable life for my family.

In an effort to make myself a more attractive employment candidate, I do believe for myself that a college degree, although no guarantee, would enhance my ability to a prospective employer, but the realization of obtaining that goal has only added to my financial burden.

As an individual with a family to support my employment concerns are a critical issue that I am now facing.

I have borrowed from family members to make ends met, and have been very fortunate up until now, but frankly it frightens me to think of what lies ahead for the three of us with borrowing money for oil, water, health care insurance, tuition payments and mortgage payments for the past several months, it is nearly impossible to survive much longer without some kind of job.

I have been forced to curtail my children's extracurricular activities because of the many fees involved. Although my children themselves have felt the pinch with spending and allowance, I am fortunate that they are old enough for me to try and explain the realities of unemployment and what it actually means that mom no longer has a job.

Our budget is certainly tight, and in the foreseeable future it seems that things can only get worse. I read the papers daily, and do what I can in terms of job searching, that in itself has been a full time job, but without the worthy paycheck, and although the sources of job listings may be long, the candidates out weigh the opportunities by far.

Most recently, as we all know, Governor Weicker has again threatened to lay off thousands of additional state employees. I had dreamed that sometime in the near future I would be employed so that I could begin to repay the thousands of dollars that I have had to borrow, and further hoped that in a couple of years from now I could again be independent, but today that "dream" is fading fast.

It is very discouraging to me to have worked so hard for the past several years, to see myself only going backwards almost overnight.

If it weren't solely for my family, I am certain that I would not even have had the money to pay for medical insurance, let alone a place to live. I feel helpless being such a financial burden as well as an emotional burden on them. I am afraid that despite all of their efforts to support me at this time, will soon be all for nothing if I do not find a job soon.

With my unemployment benefits of $218.00 a week coming to an end soon, I trust that Governor Weicker will not continue to try and correct the State deficit by virtually single handedly destroying families such as my own. But I would like to first ask Governor Weicker if he can see any other alternative for me so that I do not go directly from the unemployment line to the welfare line?

Thank you for listening.

SEPTEMBER 23, 1991.

My name is Felicia Ruccio. I am a lifelong resident of Connecticut, currently residing in Waterbury. I am a 33 year old single professional.

On May 1st, 1991, I became one of the millions of unemployed citizens of this country. After ten years in the marketing industry, the firm I was working for was sold. The buyer closed the office doors in Connecticut and transferred all business to their headquarters in New Jersey. We were not offered the choice to relocate with the new company.

At first I had mixed emotions. I was anxious about the uncertainties of the future, but at the same time enthusiastic about new career opportunities. As time went on, I came to realize that my situation was worse than I could have imagined. Looking back on it now, I had no idea what was in store for me.

Not once did I think that I would come close to exhausting my unemployment benefits. I thought that after sending out some resumes, making some phone calls and renewing old contacts that I would be back in the work force. I had a college education and over ten years experience. Surely there would be a job for me. I did not realize how severe and widespread the unemployment situation was.

You see, when I was working, the problem of unemployment did not exist for me because it did not affect me. I knew people who had lost their jobs but I never really understood or cared to understand how very real the problem was because it was not a part of my life.

I often wonder if the Bush administration feels the same way. On paper, there are millions of Americans out of work. But being aware of the situation and having it become a part of your life are two totally different feelings.

In August, when I read that President Bush signed the unemployment relief legislation to extend benefits, but would not declare the emergency necessary to put the measure into effect, I was crushed. There is no greater feeling of emergency to an unemployed person whose benefits are about to expire. He stated that economic recovery has begun. Regardless if it has or not, the fact remains that there are millions of people who have not felt this recovery and will not for a long, long time.

I have been out of work for almost six months now. I've explored all possible avenues in my job search including attending a local support group where I have met many others who are in the same situation as myself. I've gained a lot of insight from members of the group and also from the many guest speakers. All of the people that I have met are educated professionals, who at one time, like myself, were successful in their careers. It's painful to know that we are only a small sampling of a much larger unemployed population.

My unemployment benefits are about to expire and I have drained whatever savings I had. I have cut every corner that can be cut, including not carrying health insurance for the past six months. Because of this, I have decided to do what I'm sure thousands of other unemployed people have done. I have accepted a part-time job. I feel fortunate that I have been hired by a large, stable organization and I'm hoping that down the road there may be potential for full time employment with them.

In the meantime, my situation remains the same. I have gone from being unemployed to underemployed. I hate to think that I could possibly lose my home and everything that I have worked so hard for. It's difficult enough to deal with the emotional stress of being out of work. To add the pressure of meeting financial obligations is a burden that is very difficult to bear.

In closing, I'd like to appeal to President Bush and question the reality of an economic recovery and his motives for rejecting the bill to extend unemployment benefits, while at the same time increasing foreign aid. I only hope that the testimonies we are hearing today will help him to understand the sense of urgency that we feel and that we as Americans need the administration's support and assistance through this crisis. Thank You.

SEPTEMBER 22, 1991.

GOOD MORNING SENATOR: My name is Thomas R. Lombard. I live at 194 Priscilla St. in Bridgeport, CT. Thank you for the opportunity to speak on such an important issue. I was fortunate enough to attend your meeting in Bridgeport last week. Those people spoke of the plight of blue and white collar workers. Unemployment is effecting the full spectrum of people.

My grandparents came from Ireland to this land of plenty. They chose Bridgeport because it was the most prosperous industrial city on the east coast. They envisioned success for their descendants. Once the machinery and the presses could be heard and felt like the very pulse of the city. Well, the patient died. Bridgeport has become yet another industrial ghost town. Tens of thousands of jobs are gone. Those salaries are no longer taxable revenue for the city. Politicians are searching for ways to balance the budgets. This is the result of unemployment.

The companies left Connecticut with the blessing of the Federal Government, but the President is opposed to revising the unemployment insurance. I worked in a factory for over 13 years and received the same amount of unemployment as if I worked 1 year. What happened to the money that was paid in those other years? Why shouldn't we be eligible to receive it? We are not asking for handouts, these are benefits that we should be entitled to.

Unemployment statistics are taken from the unemployment rolls. When a person exhausts their benefits they are no longer listed as unemployed. They still are jobless but are no longer counted. The entire accounting system is a lie. The economy is crippled but we lie about the numbers to pretend that the recession is ending.

Where do the legislators think these people went? Has anyone noticed that the numbers of homeless people has escalated? Once they were a faceless crowd to me. Now I am seeing faces of people that I know. People who were once self respecting, productive members of our community. They are not out there by desire, they are out there because of desperation. Most of these people would rather be working instead of panhandling. Some naturally resort to crime for an income. This places another nail in the coffin. The burden on the city increases. It is not my intent to blame all of our problems on the lack of employment, but it seems to be more than just a coincidence.

After World War Two America re-built the factories of Germany and Japan. They lost the war, but won the battle. The American factories that produced the weapons to win the war were permitted to deteriorate. Our former enemies were given new factories and the latest technological advances. We have created the economic giants that are strangling us now. I am no longer certain that they lost the war. Things that they could not attain by force are being attained by the yen and the mark.

Now that the Cold War is over there is talk that we should provide aid to the Soviet Union. I say no. The issue of providing aid to Israel, or any other nation, I am also opposed to. We have the largest deficit in our history, yet special interest groups pressure politicians to provide aid to "friendly nations". Start listening to the voters and not the lobbyists. As long as there are hungry Americans there should be no foreign aid. As long as there are unemployed workers there should be no imports that threaten remaining American jobs. As long as large companies are permitted to leave America to take higher profits abroad, they should be penalized. Take care of our own people first. In the words of Jesus Christ, "Physician Heal Thy Self''.

My own experience with unemployment will be briefer than my outline of American revision.

I graduated from Bullard-Havens Technical Vocational High School in September, 1973. To months later I began working at the Bryant Electric Company in Bridgeport, CT. I worked days and continued going to night school to complete the required schooling toward my plumbing license. At the time it was not required to be licensed to work in a factory. As a result I never went to Hartford for the test. This is a problem now because the licensing board may not recognize my years of service toward a journeyman's lic. attaining a masters license would be impossible.

Bryant Electric announced their plans to close the plant. After over thirteen years of service I left a job that I truly loved.

I went into a boat repair business with a friend of mine. I could see that it was a job where hard work did not pay off. Having lost a chunk of my nest egg, I withdrew from the business, and planned my next career move.

Next I was persuaded to use my construction skills. My brother and I worked for a tradesman we know since we were children. It started off well until it became obvious that our friend was a liar.

The following year it became obvious he was also quite a thief. Again I also lost a large chunk of money and was forced to reorganize.

This year I became a licensed home improvement contractor and work only with my brother. The only remaining problem is the economy. Due to the fear of the future, people are doing their own repairs or putting off remodeling until money is more plentiful. This trend appears to further threaten any hope I have of getting back on my feet.

Please do everything you can to show the people that there is a light at the end of this dreadful tunnel.

Thank you for your concern.

THOMAS R. LOMBARD.

TESTIMONY OF MAUREEN LINKOVICH, WINSTED, CT

Unemployment and underemployed people in this country are a class in itself, one without much representation because of the very stereotype the term implies and because of its volatility. Eventually, the unemployed has exhausted his benefits, and he/she disappears from the rolls. He may move to another region; he may eventually find work, suitable or unsuitable; he may find temporary employment, only to eventually return to the ranks of the unemployed; he may become a welfare statistic.

Second, and only a step above the most basic needs in Maslow's hierarchy of needs, are safety needs—to feel secure and safe—out of danger. Included in this area are needs such as continued employment and hospitalization programs (from Graham, "Management, the individual, the organization, the process.") What happens when these needs are not met? What happens when an entire segment of society reverts to that area of trying to satisfy its most basic needs? We seem to forget that it affects each and every person in our society through increased taxes to fund the costs of additional programs to provide for those affected by unemployment. It affects the buying power of society, which keeps the wheels of business turning.

My husband, who works for a small nonunion construction company was recently unemployed for almost 6 months. We are facing the prospect of unemployment again as winter approaches. In past winters, he has been able to work through most or all of the winter, usually on a shortened work week. However, with the current recession, prospects do not look good for his employment this winter.

I have worked both part-time and full-time throughout our 15 year marriage. My present position is a temporary one which ends this month.

I'd like to add that my husband at one time owned a small construction firm with a partner for 10 years. The oil crisis of the late 1970's and lack of sufficient fuel allocation for the business forced it to close. So I think I have a pretty good viewpoint of both business and employee issues.

Based on my husband's unemployment and job search over the last several months, I have never felt so scared and hopeless in all my life.

We first of all faced the prospect of high health insurance costs for my family of four. We purchased the most very basic insurance to cover us in the event of serious hospitalization. There is a deductible on the policy and hospital costs would be covered up to 80 percent. So, not only did we have a loss of income, we had the additional expense of paying for health insurance. Since my husband did return to work this past summer, we are still paying our own insurance because the company is unable to provide it any more.

His job search was not successful. He looked both in his field and out of it. It would have been helpful if retraining were available. However, with the glut of workers available, companies are not interested in retraining—even potentially loyal and capable people. The construction union in this state has provided relative security for its members, but entry into the union is also a closed door.

How does one hide fear and insecurity from a family? It's not easy and it's really not possible. Kids are too perceptive. I know that my daughters, 11 and 14 years old have felt some of the stress. I saw a simultaneous drop in their grades during that time. They are both excellent students, so even with the drop, their grades were still very good, but it was a drop nonetheless, and it occurred at the same time, something that had never happened before.

Of course buying habits changed, but we have always been relatively conservative that way. For example, our car has 95,000 miles on it. That's a purchase we probably would be making in a more secure time. Other more basic purchases were dropped. And of course, visits to doctors and dentists are put off as long as possible.

We want to be able to keep our modest house since it's the only asset we really have. We do not have a retirement or pension plan. Fortunately, we got into the housing market before inflated prices and we managed to build much of the house ourselves.

I feel that we have tried to be productive, hard-working members of society. We have both volunteered in our community. My husband served 14 years as a fireman in Winsted's all-volunteer fire company and left it only when he had to in order to work two jobs after he had gone out of business. I have volunteered in Girl Scouts for almost 10 years because I see the need to provide positive programs for another poorly represented part of our society, the children of America.

My brother is an electrician in Vermont. In the past year, he has gone for several weeks without work. His loss of work is derived from several sources—the recession, loss of work to moonlighters, and loss of social programs which used to provide rehab. jobs for him.

This is not the kinder, gentler nation that was promised.

I think that we need to redefine the middle class—it is absolutely too broad a range now—with those in the lower area teetering on the poverty level and those in the higher levels extremely comfortable.

We need more retraining, possibly in proposed R & D programs, retrain those people not brought up in the "computer age."

Try to ensure that each family has at least one member employed in a decent job.

Business needs to be socially responsible, both in human and in environmental needs.

We need to continue and extend unemployment benefits.

We have become greedy—both as individuals and in business areas. We don't know how to put ourselves in "other's shoes." People don't want to acknowledge others problems. It might be an indication of their own future.

I have continued to take courses at area community colleges. Presently, my husband is enrolled at a Saturday computer course at Waterbury State Technical.

We have been responsible and productive, honest and industrious.

I'd like to quote from a recent article regarding family policy in the Utne Reader. It is written by Monika Bauerlein, a native of Germany. She's commented that she has come to love many things about the United States but family policy is not one of them. To put it mildly, it's an inhumane system. It's also uneconomical. She goes on to say that as the economy convulses from one recession into another, middle class people are usually one paycheck (or a divorce) away from unemployment, poverty, homelessness and very often family disaster. During these recessionary periods, Marion Wright Edelman, of the Children's Defense Fund, has noted, a sense of isolation and often despair, hits parents and children regardless of their place on the social and economic ladder." Bauerlein continues "it really takes a community to raise children no matter how much money one has. It's the bedrock security of the community that we and our children need."

What prompted me to call Senator Dodd's office recently was another report on the S & L bailout. I think it's obscene to bail out a group who committed fraudulent acts at the expense of the taxpayers, the unemployed among them, when many of us cannot even afford proper health care.

I feel that health care should be available to all and that National Health Care should be instituted.

Consider that as taxpayers we continue to fund health care in all public sectors while we cannot afford it ourselves. Consider that some families have dual policies and are basically overinsured while those who can least afford it pay their own or go uninsured.

Certainly during our personal crisis, health benefits would have alleviated a lot of the stress. A National Health Insurance might even encourage entrepreneurialship. How many people stay at stressful or lowpaying jobs because of health care benefits? How many people do not even consider opening their own businesses because of the added costs of purchasing their health benefits?

I'd like to close by pointing out an irony relative to my grandfather. My grandfather emigrated here from Ireland in the early 1900's. He worked hard and eventually purchased a home. However, when his wife became ill, he lost his home and basically spent the rest of his life paying off medical bills. This is happening to people today. The last decade has created as the German lady said, an "inhumane society." Have we made no progress in a century? How are we going to exit from this century?

Mr. BOREN. Mr. President, I simply want to clarify the record regarding my vote on the Gramm-Wallop amendment. I voted against the amendment on procedural grounds. Since the amendment is a revenue provision, it would have caused the underlying bill, the Emergency Unemployment Compensation Act, to die in the House of Representatives. As all Senators know, the Constitution requires revenue measures to originate in the House.

However, I want my position on the tax policy provisions contained in the Gramm amendment to be clear. I support a capital gains differential. I support the IRA-type savings plans that are called for both in this amendment and in a bill authored by the distinguished chairman of the Finance Committee, Senator BENTSEN. I support policies to help lower and middle-class individuals purchase their first home. I support extension of the research and experimentation tax credit; in fact I support making it permanent. I support the extension of the health insurance deduction for self-employed individuals. Last, I support repeal of the automobile luxury tax on cars equipped for handicapped individuals.

Mr. President, I believe all of these provisions are sound tax policy and are desperately needed for our Nation's economic success. As a member of the Finance Committee, I intend to continue working with Chairman BENTSEN to ensure enactment of each of these policies.

Mr. KOHL. Mr. President, I intend to vote for S. 1722, the Finance Committee bill to provide extended unemployment benefits to the over 3 million American workers who have exhausted their normal benefits. These are people who want to work, who have worked in the past, and will work in the future. But because of the recession—a recession which has lasted for well over a year and shows no signs of ending soon—they just can't find work right now. These people have paid into the unemployment insurance system and now they need, and deserve, a payback of their own. That's what this bill gives them.

I would like to thank the chairman of the Finance Committee for altering his proposal to offer 7 weeks of benefits to the long-term unemployed in a State like Wisconsin, where our State unemployment rate is lower than that in most of the other States. S. 1722 originally offered only 4 weeks of benefits to States like mine.

A recession does not respect State boundaries. While I am thankful that Wisconsin, as a whole, is weathering this economic downturn well, I am distressed that certain areas of Wisconsin are suffering unemployment rates well above 10 percent. The increase in benefits from 4 to 7 weeks will give unemployed workers in these depressed areas a chance to survive until their local economy picks up.

Unemployed is unemployed. The needs of a jobless worker in Wisconsin—the need to support his or her family, to make house payments, to pay medical bills—are as pressing as the needs of jobless workers in Texas, Arizona, California, or New York. I thank the Senator from Texas for responding to this reality so quickly after I brought it to his attention.

While I am proud to support this bill for what it does, I am troubled by what it does not do. We are recognizing only one emergency here: The plight of the long-term unemployed. Their plight is real, their problems are significant, but they are not unique.

The dairy farmers in my State are not unemployed—they are working hard every day—but they are not making a living. Inadequate prices and soaring costs have driven them into a corner just as deep and as dark as that in which the unemployed find themselves. Mr. President, we do have to consider the needs of dairy farmers in Wisconsin as well as unemployed auto workers in Detroit. Both are suffering as a result of the economic policies of this administration. And both need some relief. Obviously we are not going to provide relief for the dairy farmers now. But before this year ends, the Senate will have to consider legislation to respond to their problems.

Despite this one area of concern, I believe that S. 1722 should win the support of a majority of this body. American workers are suffering right now because of an economic recession that has been as sudden, severe, unexpected, and harsh as any hurricane, tornado, or earthquake. We are offering them assistance today to help keep their homes and families together until this storm passes. Yes, we are borrowing the money to offer this assistance, just as we have borrowed to help other victims—both here and abroad—of natural disasters, economic collapses, or wars.

Is this "help now, pay later" approach fiscally irresponsible? Not at all. There is a category of spending which Democrats and Republicans alike agree on—emergency spending. And we agree that such spending should take place quickly, in response to urgent needs, with the financing to be worked out later. This understanding is embodied in last year's budget law, and this understanding allowed us to get immediate aid to the Kurds and immediate funding to our troops fighting in the gulf.

While our troops waited overseas for reinforcements, no one would have tolerated a long, partisan debate on tax cuts versus spending cuts, or sequester versus entitlement reform. Congress and the President agreed that they should have every penny of support they needed. Don't our workers on the economic front lines deserve the same treatment?

This is not to argue that we should push off the costs of this bill onto our children or grandchildren. After we get assistance to these jobless workers, we have an obligation to turn to the hard work of deficit reduction. I am committed to this, as I know are many of my colleagues. We will have our first chance to pay for this emergency aid, in a meaningful way, perhaps as soon as this week. We will have a chance to vote on an amendment by Senator SASSER to cut a significant amount of defense spending. This cut will not be spent on some other program; it will be used to reduce the deficit.

I want to help jobless workers today, and S. 1722 does that. I want to pay for that good deed, and we will have a chance to do that later this week. Congress can pursue humane economic policy and a balanced budget at the same time. A first step toward this end is voting for S. 1722 today. A second step is to engage in a meaningful debate on spending restraint tomorrow. I am willing to do both, and I urge my colleagues to join me.

Mr. GORE. Mr. President, I am pleased that I am an original cosponsor of the Emergency Compensation Unemployment Act of 1991. I commend Senator BENTSEN for his work in helping those who have exhausted their unemployment benefits due to the recession.

Support for this bill has been very eloquently stated. I would like to address my opposition to the Dole amendment and my concerns about his proposal to offset funds used in his bill. The Dole amendment would raise revenue by auctioning off Government radio spectrum by 1993. This move could seriously affect the Tennessee Valley Authority's power communications, and, consequently, cost TVA ratepayers as much as $10 million.

TVA is one of the Nation's largest producers of electricity serving 7 million customers in 7 States with 29 hydroelectric facilities, 12 coal-fired plants, 3 operating NRC-licensed units, 4 gas turbine installations, and a pumped storage plant. Also, TVA's geographic location and size make it the key power system in the Eastern United States in terms of providing the solid electrical foundation required for a stable, reliable, interconnected power grid.

In order to reliably meet the electrical power needs of the Valley's 7 million citizens, the TVA power system owns and operates 18 microwave systems which utilize radio frequencies in the 1710–1850 MHz band. These microwave facilities are an integral part of TVA's in-house power control telecommunications system, through which TVA sends the signals that communicate with, control, and protect TVA generation and transmission facilities; direct the flow of electric power over 17,000 miles of high-voltage transmission lines; and control power exchange with neighboring electric systems through 44 interconnection points.

Under the Dole amendment, TVA's ratepayers would have to pay up to $10 million if forced to move from current radio frequencies. That is money that the ratepayers would have to pay for a second time since they have already paid to have the present system installed. I find this unacceptable. TVA has just celebrated its 4th year of no rate increases, and I don't want power customers to bear unnecessary costs because of this amendment.

Since the people and the businesses in Tennessee and other surrounding States are paying for the power system, which is self-financing, they have the right to expect that they will get their electricity in a reliable and efficient manner. The need for utilities to have reliable, private telecommunications systems has been demonstrated numerous times during natural disasters such as tornadoes, hurricanes, and earthquakes. The Federal Communications Commission has acknowledged this reliability when it found that "power companies demand a reliability factor of 99.995 percent * * * which is higher than the level of reliability for most common carrier services."

The Senate Commerce Committee in its consideration of S. 218—a bill to reallocate at least 200 MHz of Federal agency radio frequency spectrum to developers of emerging telecommunications technologies—recognized the critical importance of microwave facilities used for power system control by TVA and the Power Marketing Administrations and expressly exempted the frequencies those power systems use from the reallocation process.

Preserving the reliability of the power supply to millions of customers of TVA and the PMA's requires that those Federal power systems be able to continue to use appropriate radio frequencies for operating their power system control microwave facilities. These needs must be provided for and protected under any spectrum reallocation proposal. The amendment offered by the Senator from Kansas does not ensure this.

Mr. BYRD. Mr. President, just over 1 month ago, the Congress passed and sent to the President legislation, the Emergency Unemployment Compensation Act of 1991, to provide emergency extended unemployment benefits to those Americans experiencing prolonged unemployment. While the President signed the bill, he refused to designate the spending authorized as an emergency under the Balanced Budget and Emergency Deficit Control Act of 1985. As a result, no funds were released, and no assistance was provided to those American workers, and their families, struggling to survive the hardships associated with long-term unemployment.

I was disappointed by the President's decision last month. In my view, the plight of the unemployed in this country and the inadequacies of our unemployment compensation system represent an emergency that demands as much attention and action as the administration has been willing to devote to the problems of people overseas. Thus far, however, by refusing to acknowledge that an emergency exists at home, the administration has turned its back on the needs of the people of this country.

In his inaugural address, the President spoke of making America a "Kinder and Gentler Nation." As we look out across our Nation today, however, we do not see a kinder and gentler economy. Instead, we see an economy, a nation and its people, suffering from the effects of a wrenching recession. During his campaign, the President promised to create 30 million new jobs in 8 years. Yet, today, there are fewer Americans employed than when the President took office. As a result of the recession, unemployment has climbed to its highest levels in the last 5 years. Eight and one-half million Americans were out of work in August; less than 3.3 million were covered by the existing unemployment insurance system. Is this the administration's vision of a "Kinder and Gentler Nation?"

Since April, the number of Americans receiving unemployment compensation has declined by 264,000, all the while the number of Americans unemployed has increased by 214,000. Barely one-third of all unemployed workers are today receiving some form of unemployment benefits.

The existing unemployment compensation system is failing to meet the needs of those Americans suffering through the indignity and distress of unemployment, particularly those experiencing long-term unemployment. In July more than 330,000 Americans exhausted their unemployment insurance benefits. The system has abandoned these Americans, leaving them to fend for themselves, with no job and no unemployment insurance. Is this the administration's vision of a "Kinder and Gentler Nation?"

There are now nearly 1.2 million Americans who have been unable to find work for more than 6 months because of the recession. For most of these workers, their unemployment insurance has been exhausted. The administration, however, says it sees no reason for providing additional extended unemployment benefits. I, on the other hand, would argue that there are plenty of reasons—1.2 million or more compelling reasons—for doing so.

We are confronted with a crisis in this country; an emergency that demands action. I know how long-term unemployment can destroy the spirit of a working man or woman. I have seen how it can cause despair, frustration, hunger, and family strife. When I go home to West Virginia, where we struggle under the highest unemployment rate in the Nation, I do not have to look far to see the harsh effects of unemployment. In July, West Virginia's unemployment rate climbed to 10.1 percent. In that same month, West Virginia's unemployed also became ineligible for extended unemployment benefits. We have the highest unemployment rate in the Nation, yet we are not eligible for extended unemployment benefits. As a result, only 25 percent of unemployed workers in West Virginia are currently receiving unemployment compensation. Three out of every four unemployed workers in my home State are being left out in the cold, forced to endure and struggle through the hardships of unemployment on their own.

Mr. President, an emergency exists in West Virginia, just as an emergency exists throughout our country. The unemployed in the United States deserve our help, and the means to help are available. The extended benefits trust fund has accumulated a multibillion-dollar surplus, greater than the cost of the bill before us today. Let us use that surplus, and let us exercise the emergency procedures that were built into last year's budget agreement, to meet the needs of those Americans who are looking to us for some assistance during this time of economic hardship.

I am pleased to be an original cosponsor of the bill before the Senate today, S. 1722, and I commend both the majority leader and the chairman of the Senate Finance Committee for bringing this measure to the Senate floor with such speed. I am confident that we, in Congress, will pass this important and much needed legislation again, just as we did in August. We must recognize the unemployment situation in our country for what it is—an emergency. We must take the steps required to free up the funds necessary to meet the needs of Americans struggling to survive the hardships of long-term unemployment. Americans living next door deserve the same helping hand as people living halfway around the world. Americans deserve better than what the administration has given them to date.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] is necessarily absent.

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—69

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—30

Brown
Coats
Cochran
Craig
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Helms
Kassebaum
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—1

Harkin

So the bill (S. 1722), as amended, was passed as follows:

S. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) In General.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) Exhaustion of Benefits.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) Weekly Benefit Amount.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) Election.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) In General.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) Amount in Account.—

(1) In general.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) Applicable limit.—For purposes of this section—

(A) In general.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period or other period	7

(B) Applicable limit not reduced.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) Increase in applicable limit.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) Reduction for extended benefits.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) Weekly benefit amount.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) Determination of Periods.—

(1) In general.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) Applicable trigger.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) Applicable range.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) Special rules for determining periods.—

(A) Minimum period.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) Exception if applicable range increases.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) Notification by secretary.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) Effective Date.—

(1) In general.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) Transition.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) Reachback provisions.—

(A) In general.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 11. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

SEC. 12. INTERNATIONAL COFFEE AGREEMENT.

(a) Since—

(1) the International Coffee Agreement (ICA) and its administrative arm, the International Coffee Organization (ICO), were born in 1983 to stabilize global coffee trade, by establishing an export quota system;

(2) the ICO members control 95 percent of coffee exports and 86 percent of coffee imports and act much like a cartel by restricting the amount of coffee that can be sold on the world market;

(3) an export quota system for coffee acts directly against the interests of American consumers by keeping prices at artificially high levels;

(4) the negative effect of ICA quotas on consumers has been demonstrated from April 1989, when it appeared the agreement would lapse, to June 1991, by a 46.1 percent drop in the price of coffee;

(5) the agreement lapsed in 1989, United States imports of coffee increased by 26 percent in 1990 over 1988 levels, at a total cost savings of $1,270,000,000 due to lower prices;

(6) a World Bank study found quota benefits for members of the ICA come at the expense of the consumer and mid-level producing countries;

(7) the International Coffee Organization, of which the United States is a member, began meetings on September 23, 1991, to establish a new coffee agreement and to again limit exports and control world coffee prices;

(8) the proposals for a new coffee agreement discriminate against the coffee producers of Central America; and

(9) on July 29, 1991, the Senate unanimously agreed to an amendment that would prevent further United States participation in the International Coffee Organization: Therefore

(b) It is the sense of the Senate that the United States should not be party to any coffee agreement which will increase the price of coffee to the American consumer.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, I would not want anybody to misinterpret the vote here. This is only the preliminary round. The big vote will be on sustaining the veto. Obviously if the bill is not changed, the same bill will go back to the President and he could sign it and not declare it an emergency. I assume there will be a change made in conference, and when that change is made there will be a change in the number of votes this evening, also.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

SAM BOYD

Mr. REID. Mr. President, I rise today to recognize a leading figure in the growth and development of the tourism/resort industry in my home State of Nevada.

On September 26, 1991, Sam Boyd will be inducted into the Gaming Hall of Fame at a dinner coinciding with the World Gaming Congress and Exposition '91. Sam is a true Nevada entrepreneur. He arrived in Las Vegas in 1941 with only a few dollars in his pocket. Today, he is founder and the honorary chairman of the board of the Boyd Groups, one of the largest gaming empires in the world. This organization, which includes the California Hotel, Sam's Town Hotel, the Stardust Hotel, the Fremont Hotel, and the Gold River Hotel in Laughlin, has set innovative standards for Nevada's tourism industry.

Sam built this empire from the ground up with the Bingo Club in Las Vegas and with the Eldorado Club in Henderson, the city where I attended high school. Sam Boyd's Eldorado Club was a modest casino that catered primarily to Nevadans and Henderson residents. Sam offered good food and quality entertainment at reasonable prices, and he became actively involved in community and civic affairs, particularly with the Clark County Boys Club and the University of Nevada, Las Vegas.

Today, his sister, Charlotte Crowley, runs the Eldorado Club, and his son, Bill, manages the Boyd Group properties on a day-to-day basis. However, Sam's legacy of customer service and community involvement is still evident at each hotel that bears his name.

Sam Boyd is the kind of man who turns obstacles into opportunities. He took a gamble on Nevada, and he came out a winner. But the State has also benefited from Sam's leadership, his humanitarianism, and his generosity.

It is therefore with great pleasure that I congratulate Sam Boyd for being honored as an inductee into the World Gaming Hall of Fame.

THE 1992 APPROPRIATIONS FOR THE NATIONAL ENDOWMENT FOR THE ARTS

Mr. KENNEDY. Mr. President, the National Endowment for the Arts is a small but important Federal agency. Over the past year, it became the focus of a divisive national debate on cultural values and artistic freedom. This debate which consumed much of last year, has had the silver lining of bringing attention to the important work of this agency. In its brief history, the NEA has had a significant impact on the arts in America. The number of artistic opportunities and the quality of those offerings has dramatically increased. More Americans than ever are enjoying the arts and, when asked, say they want more, not less.

Last year Congress scrutinized the NEA and developed a plan to impose appropriate guidelines and accountability for grantmaking procedures. The legislation clearly and unequivocally prohibits funding of any project or grant that a court finds obscene or in violation of child pornography laws.

The vote in the Senate to approve the compromise amendment was overwhelming and sent a clear signal of broad bipartisan support for the Arts Endowment in the Senate. That compromise continues today to be a valid solution to the issues of accountability and other matters relating to Federal spending for the arts.

Chairman John Frohnmayer has made exceptional progress in response to the legislation. He is committed to restoring confidence in the agency by the Congress, which funds the agency, the artists who apply for grants, and all those who love the arts and attend the museums, symphonies, and dance and theater programs sponsored by the Endowment.

The new guidelines permit the flexibility that is needed without compromising appropriate oversight and openness in the grantmaking process. There is no evidence that the new system, adopted by an overwhelming vote in this body just last October, is not working. Any attempt to upset that compromise, so carefully written with the able leadership of Senator HATCH, is inappropriate.

I hope that the Senate will reject this attempt to undermine the important work of the Arts Endowment. If the truth be known, it is yet another attack on the agency by the knownothings who would really prefer to eliminate the agency entirely.

The arts deserve our attention, respect, and support. This amendment offers the back of the hand. In his recent speech honoring the 1991 Medal of Arts recipients, President Bush spoke of the arts in America. Art, he said "inspires Americans to dare more, dream more and reach further."

The work of this agency is important to artists and citizens throughout the country. The Senate should permit that work to continue, without the excessive and unseemly interference proposed by this amendment.

RECENT DEATH OF ROY JONES, SENIOR STAFF OF THE GENERAL ACCOUNTING OFFICE

Mr. CHAFEE. Mr. President, I am saddened to report the recent death of Roy R. Jones who was a senior evaluator with the U.S. General Accounting Office [GAO]. I was very fortunate to have recently worked with Mr. Jones on a study which my distinguished colleague, Senator MOYNIHAN, and I requested GAO to prepare for us.

Mr. Jones' work at GAO has had a positive effect on many people both in and outside GAO. He was instrumental in developing information that has both improved the efficiency and effectiveness of the Government and led to legislation that has resulted in reduced pain, suffering, and death on the Nation's highways.

During most of his 26-year career with GAO, Mr. Jones worked on motor vehicle and highway safety issues. Several years ago, he directed a study on minimum drinking age laws which resulted in a report entitled "Drinking-Age Laws: An Evaluation Syntheses of Their Impact on Highway Safety." The report was thorough and convincing. All States and the District of Columbia have maintained 21-year-old minimum drinking age laws. The National Highway Traffic Safety Administration estimates that the laws have reduced traffic fatalities involving drivers in the affected age groups by 13 percent, and have saved over 11,000 lives.

In response to the request I mentioned earlier, Mr. Jones guided assessments of the research on safety belts and motorcycle helmets. The first report, "Highway Safety: Interim Report on Safety Belt and Motorcycle Helmet Effectiveness" was issued in May of this year. A second report, "Highway Safety: Motorcycle Helmet Laws Save Lives and Reduce Costs to Society" was issued on July 29, 1991, less than a week after Mr. Jones' death. The final report on safety belts will be completed early next year. These reports document the savings in deaths, injuries, and societal costs resulting from increased use of safety belts and motorcycle helmets and they have helped Federal, State, and local officials make the legislative changes that will make our highways safer.

During the past year, Mr. Jones briefed my staff and kept us informed about the progress of these reviews. He was a pleasure to work with. He impressed us with his dedication, knowledge, fairness and willingness to listen. Mr. Jones used these characteristics to produce thorough, objective assessments. His presence will be missed, but his contributions and the good will he generated will be around for years to come.

TRIBUTE TO DALE ENGQUIST AND JUDE RAKOWSKI

Mr. COATS. Mr. President, I rise today to recognize the outstanding accomplishments of two fellow Hoosiers—Dale B. Engquist, superintendent of the Indiana Dunes National Lakeshore, and Jude Rakowski, Indiana Dunes National Lakeshore ranger.

For my colleagues who have yet to experience this natural wonder, the Indiana Dunes is home to more than 1,000 different plant species, the third highest known species diversity in the National Park System. The Dunes' sandy beaches stretch 50 miles along Lake Michigan, and the park is within 100 miles of 10 million people. From the steel plants of Gary, to the Michigan City powerplants, the dunes is the epitome of an urban park—host to almost 2 million visitors annually.

On August 25, 1991, at ceremonies taking place on the National Mall in Washington, DC, Mr. Engquist received the "75th Anniversary Director's Award," commemorating the 75th anniversary of the National Park Service. This award, the Park Service's most prestigious, is bestowed on those whose contributions have helped shape the Service and preserve our national parks.

For almost three decades of dedicated service, Dale Engquist has devoted himself to the mission and purpose of the National Park Service. As superintendent, Dale has been a leader in the Midwest region for the development of a geographical information system [GIS]. Early on, he recognized the need to develop and support a system to inventory the lakeshore's resources and to monitor events occurring external and internal to its boundaries. The GIS has been utilized to complete planning documents for the Lakeshore, to analyze the interaction of wildlife within the urban setting, and to develop fire management units for the Lakeshore's fire management plan.

In addition, Mr. Engquist was also recently named the Midwest region's "Superintendent of the Year for Natural Resources Stewardship." These two awards are testament to the extraordinary dedication and energy Dale has put into his job. Dale Engquist's leadership and foresight have truly gained for the Indiana Dunes a national reputation as a leader in natural resource management.

I would also like to take a moment to acknowledge Mrs. Jude Rakowski who was honored by the National Park Service as "Outstanding Ranger for the Midwest Region." Mrs. Rakowski, who has been with the Park Service since 1980, was recognized for her skill in managing the turn-of-the-century Chellberg Farm, and for her coordination of the annual Duneland Harvest and Maple Sugar Time festivals. Jude has inspired many with the energy she places into every task she undertakes.

Jude's skill, innovation and plain hard work have made the Duneland Harvest Festival the success that it is. Every year, the festival draws about 12,000 people who are treated to a wonderful assortment of music, arts and crafts. The Maple Sugar Time Festival, which runs for 3 weeks, is also coordinated by Mrs. Rakowski. In 1987, this exceptional event won the "Outstanding Interpretive Program Award" from the Association of Interpretive Naturalists. It is my understanding that thousands of school children attend these two events each year learning much about their culture and heritage in an enjoyable setting.

It gives me great pleasure to recognize these two outstanding Hoosiers, and the important work which they are doing for our National Park Service. I commend Dale, Jude and all the other employees of the Indiana Dunes National Lakeshore for all they have done to make the Dunes a true national treasure.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,383d day that Terry Anderson has been held captive in Lebanon.

I also note that today we have a bit of good news. Mr. Jack Mann—held held hostage since May 12, 1989—is now free. Let us rejoice with his family and pray the others will be soon to follow.

THE NOMINATION OF CLARENCE THOMAS

Mr. DOLE. Mr. President, I would certainly want to note today and thank my colleagues, Senator NUNN and Senator REID, for their statements in support of the nomination of Clarence Thomas. It seems to me this nomination is well on its way and that Clarence Thomas will be confirmed, and I thank my colleague from Georgia and my colleague from Nevada.

The PRESIDING OFFICER. The Senator from Kentucky.

MESSAGES FROM THE HOUSE

At 2:35 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2426) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HEFNER, Mr. ALEXANDER, Mr. THOMAS of Georgia, Mr. COLEMAN of Texas, Mr. BEVILL, Mr. WILSON, Mr. DICKS, Mr. FAZIO, Mr. WHITTEN, Mr. LOWERY of California, Mr. EDWARDS of Oklahoma, Mr. DELAY, Mr. LIGHTFOOT, and Mr. MCDADE as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. SMITH of Iowa, Mr. ALEXANDER, Mr. EARLY, Mr. CARR, Mr. MOLLOHAN, Ms. PELOSI, Mr. WHITTEN, Mr. ROGERS, Mr. REGULA, Mr. KOLBE, and Mr. MCDADE as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2698) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. TRAXLER, Mr. MCHUGH, Mr. NATCHER, Mr. DURBIN, Ms. KAPTUR, Mr. PRICE, Mr. SMITH of Iowa, Mr. OBEY, Mr. SKEEN, Mr. MYERS of Indiana, Mr. WEBER, Mrs. VUCANOVICH, and Mr. MCDADE as managers of the conference on the part of the House.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2607. An act to authorize activities under the Federal Railroad Safety Act of 1970 for fiscal years 1992 through 1994, and for other purposes.

At 6:19 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 363. An act to authorize the addition of 15 acres to Morristown National Historical Park.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. TRAXLER, Mr. STOKES, Mr. MOLLOHAN, Mr. CHAPMAN, Mr. ATKINS, Ms. KAPTUR, Mr. WHITTEN, Mr. GREEN of New York, Mr. COUGHLIN, Mr. LOWERY of California, and Mr. MCDADE as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ROYBAL, Mr. HOYER, Mr. SKAGGS, Ms. PELOSI, Mr. YATES, Mr. EARLY, Mr. WHITTEN, Mr. WOLF, Mr. LIGHTFOOT, Mr. ROGERS, and Mr. MCDADE as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2686) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. YATES, Mr. MURTHA, Mr. DICKS, Mr. AUCOIN, Mr. BEVILL, Mr. ATKINS, Mr. WHITTEN, Mr. REGULA, Mr. MCDADE, Mr. LOWERY of California, and Mr. SKEEN as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. NATCHER, Mr. SMITH of Iowa, Mr. OBEY, Mr. ROYBAL, Mr. STOKES, Mr. EARLY, Mr. HOYER, Mr. MRAZEK, Mr. WHITTEN, Mr. PURSELL, Mr. PORTER, Mr. YOUNG of Florida, Mr. WEBER, and Mr. MCDADE as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2942) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1992, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. LEHMAN of Florida, Mr. CARR, Mr. DURBIN, Mr. SABO, Mr. PRICE, Mr. NATCHER, Mr. WHITTEN, Mr. COUGHLIN, Mr. WOLF, Mr. DELAY, and Mr. MCDADE as managers of the conference on the part of the House.

MEASURES REFERRED

The following bills were read the first and second time by unanimous consent, and referred as indicated:

H.R. 2607. An act to authorize activities under the Federal Railroad Safety Act of 1970 for fiscal years 1992 and 1993, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The Committee on Labor and Human Resources was discharged from the further consideration of the following bill; which was placed on the calendar:

S. 611. A bill to amend the Civil Rights Act of 1964 to strengthen protections against discrimination in employment, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1938. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on Budget Rescissions and Deferrals dated September 1, 1991, pursuant to order of January 1, 1975, as modified by order of April 11, 1986, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC–1939. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the Annual Report to the Congress on the Panama Canal Treaties for fiscal year 1990; to the Committee on Armed Services.

EC–1940. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on United States Costs in the Persian Gulf Conflict and Foreign Contributions to Offset Such Costs; to the Committee on Armed Services.

EC–1941. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report entitled "Air Force Restructure, September 1991"; to the Committee on Armed Services.

EC–1942. A communication from the Principal Assistant Secretary of Defense (Production and Logistics), transmitting, pursuant to law, a report regarding the incorporation of environmental considerations in the weapons systems acquisition process; to the Committee on Armed Services.

EC–1943. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a report on estimated obligations incurred during Operation Desert Shield/Desert Storm; to the Committee on Armed Services.

EC–1944. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to clarify the minimum service requirements for members of the armed forces who complete flight training; to the Committee on Armed Services.

EC–1945. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 119 of title 10, United States Code, to change the special access programs reporting date from February 1 of each year to March 1 of each year; to the Committee on Armed Service.

EC–1946. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report on the profitability of the credit card operations of depository institutions for calendar year 1990; to the Committee on Banking, Housing, and Urban Affairs.

EC–1947. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on actions taken and progress made in implementing the funds availability schedules and the impact on consumers of the Expedited Funds Availability Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–1948. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a sequestration update report for fiscal year 1992 entitled "The Economic and Budget Outlook: An Update"; to the Committee on the Budget and the Committee on Governmental Affairs.

EC–1949. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on foreign direct investment in the United States, dated August 1991; to the Committee on Commerce, Science, and Transportation.

EC–1950. A communication from the Acting Commandant of the United States Coast Guard, transmitting, pursuant to law, a notice on the delay in the submission of a report on commercial fishing industry vessel and unclassified fish processing vessel safety; to the Committee on Commerce, Science and Transportation.

EC–1951. A communication from the Admiral, United States Navy, Secretary of Energy, transmitting, pursuant to law, a report on the evaluation of the suitability of the training program developed by the National Institute of Environmental Health Sciences for training workers involved in environmental and waste management activities of the Department of Energy; to the Committee on Energy and Natural Resources.

EC–1952. A communication from the Assistant General Counsel, Department of Energy, transmitting, pursuant to law, a notice of meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC–1953. A communication from the United States Environmental Protection Agency, transmitting, pursuant to law, an executive correspondence on Hydrogen Sulfide Corrosion in Wastewater Collection and Treatment Systems; to the Committee on Environment and Public Works.

EC–1954. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the impact of fee schedules on the availability of medical equipment and the appropriateness of the oxygen volume adjustment; to the Committee on Finance.

EC–1955. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a Presidential consideration with respect to Albania; to the Committee on Foreign Relations.

EC–1956. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the status of consultations with the Government of Canada on complex issues of recovery of damages, contingency plans and coordinated actions in the event of an oil spill in the Arctic Ocean; to the Committee on Foreign Relations.

EC–1957. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, on the status of efforts to negotiate access agreements for United States vessels to fish for tuna in the exclusive economic zones of other countries; to the Committee on Foreign Relations.

EC–1958. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Audit of the District Government's Use of Private Security Firms and DAS's Bureau of Protective Services"; to the Committee on Governmental Affairs.

EC–1959. A communication from the Chairman of the National Commission on Migrant Education, transmitting, pursuant to law, a report on the Migrant Student Record Transfer System; to the Committee on Labor and Human Resources.

EC–1960. A communication from the Commissioner of the Rehabilitation Services Administration, Department of Education, transmitting, pursuant to law, a report on the accomplishments of the supported employment programs for Fiscal Year 1990; to the Committee on Labor and Human Resources.

EC–1961. A communication from the Acting General Counsel, Department of the Treasury, transmitting, a draft of proposed legislation to amend section 516 of title 44, United States Code, with respect to the prosecution of defaulting contractors by the General Counsel for the Department of the Treasury; to the Committee on Rules and Administration.

EC–1962. A communication from the President, United States Capitol Historical Society, transmitting, pursuant to law, its Annual Report for the year ending January 31, 1991; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1034. A bill to enhance the position of United States industry through the application of the results of Federal research and development, and for other purposes (Rept. No. 102–157).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1717. A bill to amend the Native American Programs Act of 1974 (Rept. No. 102–158).

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute:

S. 1553. A bill to establish a program of marriage and family counseling for certain veterans of the Persian Gulf War and the spouses and families of such veterans (Rept. No. 102–159).

By Mr. CRANSTON, from the Committee on Veterans Affairs, without amendment:

S. 1358. A bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans (Rept. No. 102–160).

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 182. A resolution commending Hong Kong for successfully holding the first direct elections to its Legislative Council.

S.J. Res. 110. A joint resolution expressing the sense of the Congress that the United States and the Soviet Union should lead an effort to promptly repeal United Nations General Assembly Resolution 3379 (XXX).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Arnold Lee Kanter, of Virginia, to be Under Secretary of State for Political Affairs;

Thomas Michael Tolliver Niles, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Secretary of State;

Edward P. Djerejian, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State; and

C. Payne Lucas, of the District of Columbia, to be a Member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1993.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which was printed in full in the CONGRESSIONAL RECORD of September 11, 1991, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROBB:

S. 1741. A bill to provide for approval of a license for telephone communications between the United States and Vietnam; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LEAHY (for himself and Mr. GRASSLEY):

S. 1742. A bill to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, and to increase sales at the markets, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BUMPERS (for himself and Mr. PRYOR):

S. 1743. A bill to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH:

S. 1744. A bill to provide for the Commissioner of Labor Statistics to be classified as Executive Level IV, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DANFORTH (for himself, Mr. CHAFEE, Mr. COHEN, Mr. DURENBERGER, Mr. HATFIELD, Mr. JEFFORDS and Mr. SPECTER):

S. 1745. A bill to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

By Mr. STEVENS (for himself and Mr. D'AMATO):

S. 1746. A bill to designate Federal Office Building Number 9 located at 1900 E Street, Northwest, in the District of Columbia, as the "Theodore Roosevelt Federal Building"; to the Committee on Environment and Public Works.

By Mr. SIMON:

S. 1747. A bill to amend the Higher Education Act of 1965 to establish programs for minority foreign service professional development; to the Committee on Labor and Human Resources.

By Mr. BAUCUS:

S. 1748. A bill to amend various provisions of the Internal Revenue Code of 1986 relating to the taxation of regulated investment companies; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1749. A bill to amend the National Apprenticeship Act to require minimum funding for certain outreach recruitment and training programs, to restore a national information collection system, to limit the authority to conduct reductions in force within the Bureau of Apprenticeship and Training of the Department of Labor, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself, Mr. AKAKA, Mr. BAUCUS, Mr. BRADLEY, Mr. BROWN, Mr. BRYAN, Mr. BUMPERS, Mr. GRASSLEY, Mr. BURDICK, Mr. COCHRAN, Mr. DECONCINI, Mr. DODD, Mr. GARN, Mr. GRAHAM, Mr. HATCH, Mr. HEFLIN, Mr. HOLLINGS, Mr. LAUTENBERG, Mr. LEVIN, Mr. REID, Mr. SASSER, Mr. SEYMOUR, Mr. THURMOND, Mr. COATS, Mr. CRANSTON, Mr. DIXON, Mr. GORE, Mr. NUNN and Mr. SPECTER):

S.J. Res. 202. A joint resolution to designate October, 1991, as "Crime Prevention Month"; to the Committee on the Judiciary.

By Mr. STEVENS:

S.J. Res. 203. A joint resolution designating the week beginning on November 3, 1991, as "American Magazine Week"; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. DECONCINI, Mr. LAUTENBERG and Mr. STEVENS):

S.J. Res. 204. A joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBB:

S. 1741. A bill to provide for approval of a license for telephone communications between the United States and Vietnam; to the Committee on Banking, Housing, and Urban Affairs.

LICENSING OF TELEPHONE CALLS BETWEEN THE UNITED STATES AND VIETNAM

Mr. ROBB. Mr. President, imagine for a moment that you wanted to make an overseas call to your family. But in order to do so, you had to first send your family mail telling them to be at a particular telephone at a particular time.

Then you had to send a large money order to a post office box in a third country. A black market operator would then call you and patch your call through to your relative—if you were lucky enough to avoid dealing with a fly-by-night operator, who just cashed your check and disappeared.

That, Mr. President, is what many Americans are currently forced to do in order to speak to their loved ones in Vietnam.

I rise today to redress this injustice, and to introduce legislation to permit direct telephone service between the United States and Vietnam. This legislation serves the humanitarian purpose of allowing these people to legally and directly telephone their relatives using any U.S. long distance carrier and be charged a reasonable and fair amount in the process.

Currently, Mr. President, hundreds of thousands of U.S. citizens of Vietnamese descent are forced to use the services of third country black market telephone operators to communicate with their loved ones in Vietnam, and in doing so are charged ripoff rates for the calls. The money lines the pockets of the black market operators and the Vietnamese Government, which receives tribute from these black marketeers for allowing their monopoly.

Let me briefly explain this legislation. It is very simple: Approval of license applications is mandated by law, and any revenues generated from the resulting phone service must be deposited in a United States-controlled escrow account, preventing Vietnam from collecting any of the funds subject to the discretion of the administration.

The legislation prohibits the Vietnamese Government from receiving any of that money, and thus effectively tightens the economic embargo on the current Government of Vietnam. At the same time, by allowing phone service to exist on a legal basis, the cost to callers is dramatically reduced.

Earlier this year, at a Senate Foreign Relations Committee hearing I asked Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon, through the distinguished senior Senator from California, about allowing direct phone service to Vietnam. Mr. Solomon responded that allowing such service was "part of the road map plan."

I support the administration's road map plan for the lifting of the embargo and normalizing diplomatic relations with Vietnam. I was clear on this point in letters I wrote to Secretary of State Baker and Treasury Secretary Brady in early July.

In those letters, however, I indicated my strong belief that one exception should be made to the administration's approach: Restrictions on direct telephone communications, currently prohibited by the commercial embargo should be lifted.

Mr. President, I followed up with the administration by letter, on July 3, encouraging the responsible officials to approve a pending application for a license to establish direct telephone communication.

In August 9 reply from the Treasury Department's Assistant Secretary for Legislative Affairs, I was told that "because the points noted in your letter in support" of granting this application involve foreign policy implications, we have sought the views of the Department of State in this matter."

Mr. President, an application for a license to provide phone service to Vietnam has been on file at the Treasury Department's Office of Foreign Assets Control for more than 2 years. I believe more than enough time has been provided to determine "the foreign policy implications" and seek "the Department of State's response" and views on the matter.

And let me add one final point. We currently have an economic embargo in place against Cuba yet direct phone links with that island nation are allowed. The case is just as strong, if not stronger for allowing direct telephone communications between the United States and Vietnam. We would be doing a great humanitarian service to the Vietnamese population in this country and not be effectively changing the conditions set by the administration for lifting the embargo and normalizing relations with Vietnam.

Mr. President, I ask that my original letters to Secretary Baker and Secretary Brady be included in the RECORD as well as the response I received from the Treasury Department.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 3, 1991.

Hon. JAMES A. BAKER,
Secretary of State, Washington, DC.

DEAR SECRETARY BAKER: Earlier this year, Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon testified before the Senate Foreign Relations Committee regarding our bilateral relations with Vietnam. Assistant Secretary Solomon explained the road map plan in detail, and I support the Administration's approach on normalization and the lifting of the embargo.

While I was unable to attend the hearing due to a previous commitment, beforehand I contacted Senator Cranston, who asked a specific question on my behalf relating to direct phone service to Vietnam. As you know, the commercial embargo prohibits telephone communication between the U.S. and Vietnam.

Assistant Secretary Solomon responded that allowing direct phone service was "part of the road map plan," but I believe on this one issue, we can and should move more quickly. AT&T has applied for a license to establish direct telephone communication between the U.S. and Vietnam, and I strongly encourage positive consideration of the application.

Given that phone service has existed with Cuba since 1968, a country which is also subject to the U.S. commercial embargo, it would seem reasonable to allow for the same kind of service to Vietnam. No revenue would accrue to Vietnam directly—it would accumulate in a blocked account—until the entire embargo was lifted.

As a member of the Subcommittee on East Asian and Pacific Affairs, and one who represents a state with one of the largest Vietnamese populations in the country, I hope you'll consider granting AT&T's license request without delay.

Sincerely,

CHARLES S. ROBB.

U.S. SENATE,
Washington, DC, July 3, 1991.

Hon. NICHOLAS F. BRADY,
Secretary of the Treasury,
Washington, DC.

DEAR SECRETARY BRADY: Earlier this year, Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon testified before the Senate Foreign Relations Committee regarding our bilateral relations with Vietnam. Assistant Secretary Solomon explained the road map plan in detail, and I support the Administration's approach on normalization and the lifting of the embargo.

While I was unable to attend the hearing due to a previous commitment, beforehand I contacted Senator Cranston, who asked a specific question on my behalf relating to direct phone service to Vietnam. As you know, the commercial embargo prohibits telephone communications between the U.S. and Vietnam.

Assistant Secretary Solomon responded that allowing direct phone service was "part of the road map plan," but I believe on this one issue, we can and should move much more quickly. AT&T has applied for a license to establish direct telephone communication between the U.S. and Vietnam, and I strongly encourage positive consideration of the application.

Given that phone service has existed with Cuba since 1968, a country which is also subject to the U.S. commercial embargo, it would seem reasonable to allow for the same kind of service to Vietnam. No revenue would accrue to Vietnam directly—it would accumulate in a blocked account—until the entire embargo was lifted.

As a member of the Subcommittee on East Asian and Pacific Affairs, and one who represents a state with one of the largest Vietnamese populations in the country, I hope you'll consider granting AT&T's license request without delay.

Sincerely,

CHARLES S. ROBB.

DEPARTMENT OF THE TREASURY,
Washington, DC, August 9, 1991.

Hon. CHARLES S. ROBB,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROBB: Thank you for your letter dated July 3, 1991 requesting approval by the Office of Foreign Assets Control ("FAC") of the license application of American Telephone and Telegraph Company ("AT&T") to establish direct U.S. to Vietnam telephone service.

As you know, the Foreign Assets Control Regulations, 31 C.F.R. Part 500 ("the Regulations"), which are administered by FAC, prohibit all unlicensed transactions involving property in which Vietnam, Cambodia or North Korea has an interest. The prohibitions include the provision of telecommunications service of the kind described in AT&T's application dated June 30, 1989.

Because the points noted in your letter in support of granting AT&T's application involve foreign policy implications, we have sought the views of the Department of State in this matter. Upon receiving the Department of State response, we will communicate further with you.

I hope this information is of assistance to you. Please let me know whenever we may be of service.

Sincerely,

MARY C. SOPHOS,
Assistant Secretary (Legislative Affairs).

By Mr. LEAHY (for himself and Mr. GRASSLEY):

S. 1742. A bill to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, to expand the awareness and use of farmers' markets and to increase sales at the markets, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARMERS' MARKET NUTRITION ACT

Mr. LEAHY. Mr. President, I am pleased to introduce the Farmers' Market Nutrition Program Act of 1991.

This act reauthorizes and expands a WIC Farmers' Market Program that has been operating very successfully in nine States. Under this program, WIC recipients and other low-income families use special coupons to purchase fresh fruits and vegetables at farmers' markets.

In Vermont the Farmers' Market Program serves over 6,000 households, who can use their coupons to shop at any farmers' market in the State. Recipients of farmers' market coupons learn how to buy and prepare more nutritious foods, and provide support to the farmers' markets.

By focusing low-income benefits on farmers' markets, we take advantage of untapped resources, and build on the public spirit of our communities.

Most importantly, pregnant women, infants and children obtain a more wholesome diet. I look forward to the continued success of the Farmers' Market Nutrition Program.

Mr. GRASSLEY. Mr. President, today Senator LEAHY and I are introducing a bill to reauthorize the Farmers' Market Nutrition Program. As a demonstration project since 1989, this endeavor has proven successful in assisting low-income families, farmers, and the local economies in the 10 States that have participated.

The Iowa Farmers' Market/Women, Infants, and Children Check Program was designated to provide a supplemental source of fresh fruits and vegetables for the diets of women, infants, and children who were identified as nutritionally at risk and also to promote agricultural diversification by stimulating the demand for locally grown, unprocessed fruits and vegetables at farmers markets throughout these participating States.

The State of Iowa started the Iowa Farmers' Market/WIC Check Program on a test basis in 1987, utilizing a mere $15,000 that was appropriated by the State legislature at that time. Each client was provided a $10 coupon to purchase fresh fruits and vegetables at one of three Waterloo, IO, farmers markets. In 1988, based upon the success of the 1987 program, the state of Iowa provided $100,000 to expand the program into 8 counties utilizing 12 different farmers markets.

The Federal Government in 1989 shared financial responsibility with Iowa and 9 other States for a 3-year demonstration project. The project was a 70-30 match program with the Federal Government providing 70 percent and the States providing 30 percent. From 1989 to 1991, the program has grown to serve 34,000 clients through 57 farmers markets. Each client received $20 dollars' worth of coupons to purchase fresh fruits and vegetables during each of the 3 demonstration years.

The Iowa Farmers' Market/WIC Check Program supplements the Iowa Health Department Program because fresh fruits and vegetables which are highly nutritious cannot be acquired through the regular WIC Program. The Farmers Market Program checks can only be use at authorized markets and accepted by trained and certified vendors.

Participating farmers have indicated very much success from their end of the program by saying that approximately 25 percent of their overall market sales can be attributed to WIC clients shopping through this program. In 1991 alone, approximately $608,000 will be distributed in farmers market checks.

Mr. President, this program provides much-needed fruit and vegetables to women, infants, and children who would otherwise not receive this sort of help. At the same time, it also assists farmers markets in selling their produce. Additionally, it encourages participation from local banks to receive the coupons.

This is truly a partnership between the Federal and State governments, local banks, farmers, farmers markets, and participating families.

Because of the success of this demonstration project, Senator LEAHY and I are introducing this legislation to reauthorize the program for future years. Our bill will continue the program in the 10 States where it already exists and provide additional funds for other States who wish to join in our successful program.

Iowa has an excellent program to the credit of Dan Cooper, the program's administrator.

I am proud of the success of the Iowa Farmers Market Program and I am happy to participate with Senator LEAHY in the introduction of this legislation to put it on a more continuing basis so that other States, other than the nine already participating, will have an opportunity to partake of the successful program.

By Mr. BUMPERS (for himself and Mr. PRYOR):

S. 1743. A bill to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

ARKANSAS WILD AND SCENIC RIVERS ACT

• Mr. BUMPERS. Mr. President, I rise today to introduce the Arkansas Wild and Scenic Rivers Act of 1991. I am pleased to have Senator PRYOR join me as an original cosponsor of this legislation.

Congress enacted the National Wild and Scenic Rivers Act in 1968 in order to establish a system for the recognition and preservation of outstanding free-flowing rivers. As defined by the act, a National Wild and Scenic River must be free of impoundments and must have at least one outstandingly remarkable resource attribute such as recreation, scenery, wildlife habitat, history, or geology.

The act allows for three classifications of rivers. "Wild" rivers are unpolluted, free-flowing rivers, generally accessible only by trail, with surrounding mostly undisturbed by man. Scenic rivers have no dams, largely undeveloped shorelines and watersheds, and are accessible in some places by roads. Recreational rivers are readily accessible by road or railroad, and they may have been dammed or diverted in the past. Over the years approximately 123 streams in 33 States have been designated as "wild, scenic or recreational" rivers under this act.

In general hydroelectric projects and federally supported water resource projects are permanently banned on wild and scenic rivers. Conservation of riverside land is also an important goal of the act. Typically a land management plan is adopted for a corridor of approximately ¼ mile on each side of a designated river. Condemnation of private land is prohibited if more than 50 percent of the land in a river corridor is federally owned, as is the case for each of the Arkansas rivers included in this legislation. Land acquisition on a willing seller basis is allowed within the river corridor, however the number of acres that can be acquired is limited. Mining is prohibited on wild river segments and restricted on scenic and recreational rivers.

The legislation I am introducing today would designate segments of eight rivers in Arkansas as components of the National Wild and Scenic Rivers System. Two of the rivers flow through the Ouachita National Forest and six are located in the Ozark National Forest. All have been studied by the Forest Service and have been found suitable for designation under the Wild and Scenic Rivers Act. The Forest Service study process included environmental impact statements with an opportunity for extensive public comment.

The following river segments are included in the Arkansas Wild and Scenic Rivers Act of 1991:

First, Big Piney Creek: A 41.3-mile segment from the headwaters to the Ozark National Forest boundary would be classified as scenic. The Piney is considered a classic Ozark stream and ranks among the best float streams in the Nation. Located in the heart of the Ozarks, this stream flows in a twisting course over ledges and rapids past bluffs, alongside gravel bars, and under overhanging hardwoods. The creek and adjacent public lands provide an ideal setting for floating, fishing, camping, hiking, hunting, swimming, rock-skipping, and relaxing.

Second, Buffalo River: The entire Buffalo River is renowned for spectacular scenery, recreational floating and fishing. Most of the 150-mile-long Buffalo River was designated as the country's first National River and is managed by the National Park Service. This legislation would affect 15.8 miles of river outside of the park, within the Ozark National Forest. The headwaters area of the Buffalo is challenging for serious paddlers. Hikers through the area can expect to see caves, bluffs, waterfalls, old cabin sites, and wildlife. A 9.4-mile segment of the river located within the Upper Buffalo Wilderness area would be designated as a wild river. The 6.4-mile segment from the head of the river to the boundary of the wilderness area would be classified as scenic.

Third, Cossatot River: The Cossatot River is one of Arkansas' most scenic streams and is probably the most challenging whitewater in the State, with class III, IV, and V rapids. The river begins in the Ouachita Mountains near Mena and flows south to Gillham Lake. Four segments of the mainstem and certain tributaries totaling 20.1 miles would be designated by this legislation. Two segments within the Ouachita National Forest would be administered by the Forest Service as scenic rivers, a third segment managed by the Forest Service as recreational. The Army Corps of Engineers would administer a 4.6-mile segment as scenic. In addition, a 10.4-mile segment of the Cossatot from the Forest boundary to the intersection of Highway 4 and the 0.3-mile segment of Brushy Creek would become components of the National Wild and Scenic Rivers System to be managed by the State of Arkansas. Nothing in the legislation would interfere with the Secretary of the Army's operation of Gillham Lake or the establishment of a public use area for float trip termination at the confluence of the Cossatot with Gillham Lake.

Fourth, Hurricane Creek: Sharp ridges and high cliffs characterize the 15.5 mile Hurricane Creek which flows from south of the small, rural community of Deer to its confluence with Big Piney Creek. The river flows through the Hurricane Creek Wilderness Area in the Ozark National Forest. Two segments of the river would be designated as "scenic"; one 2.4-mile segment as wild.

Fifth, Little Missouri River: The Little Missouri flows through the Ouachita Mountain country of southwest Arkansas, descending over 1,000 feet between steep pine-covered ridges during its 29-mile journey to Lake Greeson. Chief attractions of the river include the Little Missouri Falls and Winding Stair rapids. An 11.3-mile segment would be administered by the Forest Service as scenic and a 4.4-mile segment would be administered as wild.

Sixth, Mulberry: The legislation would add 56 miles of the Mulberry River to the Wild and Scenic Rivers System. Two segments would be designated as scenic and one as recreational. The Mulberry flows 62 miles over ledges, through canyons, tree-lined bluffs and dense woods from the Ozark Mountains near Fallsville into the Arkansas River. The designated segments of the river are entirely within the Ozark National Forest boundaries. During the spring, the Mulberry is a popular whitewater float stream rated class II/III. In drier months, the river is a fine choice for fishing, swimming, and wading.

Seventh, North Sylamore Creek: The legislation would add 14.5 miles of the North Sylamore—from Clifty Canyon botanical Area to its confluence with the White River—to the Wild and Scenic Rivers System. North Sylamore Creek receives the greatest amount of recreational use of the the rivers included in this legislation. Much of the use is concentrated in the Blanchard Springs Caverns Recreation Complex with hiking, swimming, and camping being the most popular activities and canoeing and kayaking during high flow levels. The creek is home to numerous fish species and is a very productive smallmouth bass fishery. Endangered Indiana and Gray bats forage in the river corridor. This portion of the North Sylamore would be designated as recreational.

Eighth, Richland Creek: Richland Creek, known as one of the major smallmouth bass streams in Arkansas, flows northeast 29.3 miles through Newton and Searcy counties to the Buffalo River. A total of 16.5 miles located within the Ozark National Forest would be added to the Wild and Scenic Rivers System by the legislation. Fishing, as well as hiking, picnicking, swimming, canoeing and kayaking are the primary forms of recreation on Richland Creek. The numerous long rapids and high and irregular waves during high flow times contribute to Richland Creeks' class III/IV white water rating. A segment within the Richland Creek wilderness, which include Richland Creek Falls and Twin Falls, would be designated as wild. Two other segments would be administered as scenic.

In conclusion Mr. President, the Arkansas Wild and Scenic Rivers Act of 1991 presents us with the opportunity to preserve for the future segments of eight outstandingly remarkable rivers in their free-flowing natural condition. The protection of these river segments will preserve plant communities and fish and wildlife, protect water quality, provide public recreation and enhance the State and local tourism economy. I look forward to working with my colleagues on the Energy and Natural Resources Committee to expedite the consideration of this important river protection initiative.●

By Mr. HATCH:

S. 1744. A bill to provide for the Commissioner of Labor Statistics to be classified as Executive Level IV, and for other purposes; to the Committee on Labor and Human Resources.

DEPARTMENT OF LABOR EXECUTIVE LEVEL CONFORMING AMENDMENTS OF 1991

Mr. HATCH. Mr. President, I am pleased to introduce the Department of Labor executive level conforming amendments. This is a bill to correct a problem with the Labor Department's executive level organization. The bill would simply establish the Commissioner of Labor Statistics as an executive level IV positive instead of an executive level V. This would give this important position its proper status and would increase the pay about $7,000.

Secretary of Labor Lynn Martin has described the bill and its rationale very well in a letter transmitting the measure to the Senate, and I ask unanimous consent to have the text of that letter printed in the RECORD at the end of my statement.

I commend Secretary Martin for calling this organizational glitch to our attention. But, it is regrettable that the problem was not discovered and corrected years ago; the current Commissioner of Labor Statistics, Dr. Janet Norwood, will not benefit from this correction and from the nominal difference in salary.

Dr. Norwood is finishing her third term as Commissioner of Labor Statistics. She was first appointed in 1979 by President Carter and was reappointed twice by President Reagan in 1983 and 1987. She has religiously guarded the reputation of the Bureau of Labor Statistics for accuracy and reliability; and, while the temptation to involve BLS in partisan battles is always great, Dr. Norwood effectively resisted pressure to do so. We owe Janet Norwood a debt of gratitude for her service over these 12 years.

The bill I am introducing today will not elevate the Commissioner of Labor Statistics to its rightful standing in time to promote Dr. Norwood, but perhaps we will be able to recruit an equally dedicated and expert economist and statistician to succeed her at the Department of Labor.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, March 26, 1991.

Hon. DAN QUAYLE,
President, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill entitled "Department of Labor Executive Level Conforming Amendments of 1991". The bill upgrades the position of Commissioner of Labor Statistics from an Executive Level V to an Executive Level IV.

The Proposed legislation would eliminate an anomaly which has occurred among the Executive Level positions at the Department of Labor with respect to classification. The position of Commissioner of Labor Statistics requires Presidential appointment and Senate confirmation. In this regard, it is equivalent to Assistant Secretary of Labor positions which are classified as Executive Level IV. It is also the equivalent of a Assistant Secretary of Labor position with respect to the level of responsibilities. The Commissioner of Labor Statistics administers one of the major program areas of the Department which includes responsibility for developing, issuing, and interpreting major sensitive economic indicators. In carrying out these responsibilities, the Commissioner, like the Assistant Secretaries, reports directly to the Secretary of Labor.

In addition, the bill would bring the level of the Commissioner of Labor Statistics level into conformity with the level of the heads of other major Federal statistical agencies. The Commissioner of the National Center for Education Statistics, Director of the Bureau of Justice Statistics, and the Administrator of the Energy Information Administration are all Executive Level IV positions. Furthermore, the Director of the Bureau of the Census was upgraded from an Executive Level V to an Executive Level IV in the recently passed Federal Pay Reform Legislation.

We request that this legislation be given prompt and favorable consideration.

The Office of Management and Budget advises that there is no objection to the submission of this bill from the standpoint of the Administration's program.

Sincerely,

LYNN MARTIN.

By Mr. DANFORTH (for himself, Mr. CHAFEE, Mr. COHEN, Mr. DURENBERGER, Mr. HATFIELD, Mr. JEFFORDS, and Mr. SPECTER):

S. 1745. A bill to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes; by unanimous consent, placed on the calendar.

CIVIL RIGHTS OF 1991

• Mr. CHAFEE. Mr. President, I am pleased to join Senator DANFORTH and five of my colleagues in reintroducing our civil rights legislation. We have come a long way since June 4, the day we introduced the first set of bills. After weeks of discussions, we revised those measures to address concerns expressed by the administration. On June 27, we introduced the revised versions of the bills.

Yet despite our revisions, disagreement remains centered on one major point: that of business necessity—the justification given by an employer for the use of a particular hiring practice. If the definition is too strict, many warn that employers will forget about trying to defend their practices and simply hire by quota; if it is too weak, others argue that employers will use the flimsiest of excuses to keep whole classes of persons out of their workplace. This is the crux of the debate. As small or as technical as it may seem, the business necessity issue has been by far the stickiest wicket in this whole 2-year debate.

My colleagues and I now have spent months trying to find common ground, to find the correct balance, on this business necessity provision. In the revised bills we introduced at the end of June, we came up with language that we think embodies the meaning of business necessity as used in the landmark 1971 Griggs case. But it became clear that our language would not bridge our differences with the administration. It didn't do the trick.

Today, we think we have language that will do the trick. Throughout this debate there has been much mention of the newly enacted and highly popular Americans With Disabilities Act: how comprehensive it is and yet how fair, how it doesn't promote hiring by quota, and how it should be a model for future civil rights legislation. So we looked at the ADA. And we realized that it spells out how to justify neutral employment practices that have a disparate impact on persons with disabilities—in other words, the business necessity issue.

We have done the obvious: we have taken business necessity language from the ADA and adopted it in our bill.

I think we are close now. I think the bill that we are introducing today is truly a fair compromise. We have made change after change and I think we are now down to bare bones. If any bill is right in the middle, this is it.

In preparation for upcoming Senate consideration, the legislation is crafted as one bill rather than three. I think we can pass this bill, and pass it quickly.

Civil rights and civil rights legislation have changed since 1964. Blatant discrimination still exists. But in many ways, discrimination now is more subtle, and more difficult to define. Compared to the legislation of 20 years ago, this civil rights bill may seem to some to be an exercise in semantics; but that is not the case. These not-so-sexy terms, such as business necessity and particularity, over which there has been heated debate involve the tools used to combat discrimination—subtle or otherwise—in today's world. And that is very important to all Americans.

It is time to let cooler heads prevail. Let's pass this legislation.•

• Mr. DURENBERGER. Mr. President, today I am pleased to join Senator JACK DANFORTH and six of my Republican colleagues in taking the next step in pressing toward meaningful civil rights legislation. In this legislation, we are setting forth, in combined form, with one significant modification, the previous civil rights bills S. 1407 S. 1408, and S. 1409.

In the bill that I am cosponsoring today, we borrow language from the Americans With Disabilities Act [ADA]. That act, hailed by the administration, civil rights groups, political leaders on both sides of the aisle, and the media, contains a section that addresses the issue of discrimination in the absence of intent, that is, disparate impact cases.

The ADA prohibits discrimination against individuals with disabilities, and defines the term "discriminate" as including the use of:

> Qualification standards, employment tests or other selection criteria that screen out or tend to screen an individual with a disability or a class of individuals with disabilities unless that standard, test or other selection criteria . . . is shown to be job related and is consistent with business necessity. 42 USC Sec 12112(b)(6).

Thus, under the ADA, qualification standards, employment tests, and other selection criteria must be job-related and consistent with business necessity if those practices screen out or tend to screen out disabled individuals.

The civil rights bill we are introducing today uses the same trigger in disparate impact analysis. Once plaintiffs demonstrate that neutral practices such as qualification standards, employment tests or other selection criteria, adversely impact the plaintiffs, or in ADA terminology, "screen" them out, then the employer must justify the use of the practice under the business necessity standard.

Mr. President, I understand that Evan Kemp, chairman of the Equal Employment Opportunity Commission, issued a statement this past weekend that suggested that the Americans With Disabilities Act cannot be compared with title VII of the Civil Rights Act of 1964, and therefore, the ADA language is inappropriate for the Danforth bill. As I understand his argument, Chairman Kemp believes that the ADA allows persons with disabilities to sue based on a neutral practice that screens out a single individual, while title VII of the Civil Rights Act of 1964 requires a plaintiff to challenge a neutral practice only when that practice screens out a statistically significant number of minorities.

Chairman Kemp's argument has at least three flaws. The first is that the plain language of the ADA allows individuals with disabilities to sue when a neutral practice screens out a "class of individuals." And I would note that it is a fundamental principle of statutory interpretation to first examine the words of the statute to determine congressional intent.

The ADA states that the term "discriminate" as used in the Act includes:

> Using qualifications standards, employment tests or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the standard, test or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity. 42 USC Sec. 1211(b)(6).

Thus, the Americans With Disabilities Act does allow a plaintiff to successfully maintain a cause of action against an employer when the employer utilizes a neutral practice that screens out "a class of individuals with disabilities." Chairman Kemp is simply wrong when he states that title VII allows a suit based on numbers, while the ADA does not.

Second, Mr. President, if Chairman Kemp believes that Griggs-type disparate impact analysis does not apply under the ADA, then I believe that the chairman is mistaken. The legislative history makes clear that the ADA's employment discrimination provisions were based on the Rehabilitation Act of 1973. And numerous Federal court decisions make clear that the Rehabilitation Act allowed disparate impact suits.

Mr. President, given numerous statements by our Federal judiciary, it seems indisputable to me that disparate impact analysis does apply to Rehabilitation Act, and therefore to ADA claims. Any contention otherwise simply does not seem plausible.

Finally, Mr. President, the point that we the cosponsors are trying to make is that under the ADA, employment practices that constitute "qualification standards, employment tests, or other selection criteria" that "screen out" an individual or class of individuals must be "job-related and consistent with business necessity."

Whether the challenged qualification standard, employment test or other selection criteria screens out one or one thousand individuals, the employer's defense remains the same: The employer must show job-relatedness and business necessity. The numbers do not make any difference at all in rebutting the assertion that under the ADA, qualification standards, employment tests and selection criteria must be job related. By adopting the ADA language, we simply impose the same requirements under title VII of the Civil Rights Act.

Chairman Kemp states that the ADA focuses on the question of whether an individual's disability, which often is relevant, actually prevents the individual from doing the job, while the whole premise of title VII is that race, sex, and religion is irrelevant. Therefore, the ADA spotlights the need to accommodate individuals with disabilities who can perform the job in question.

Mr. President, Chairman Kemp admits that employers should not be able to use qualification standards, employment tests or other selection criteria to screen out disabled individuals when those standards, tests, or criteria are not job related. Under the ADA, if the challenged practices are job-related, then the parties must attempt to find a reasonable accommodation.

Similarly, under the Danforth bill, those same standards, tests, and criteria should not be used to screen out minorities, and if they screen out minorities, then we think the employer should demonstrate that the challenged practices are job-related or relevant to job performance. Why is it that under the ADA, employers must demonstrate that challenged practices that screen out disabled individuals are job related, while under title VII of the administration bill, employers can use non-job-related—for example, irrelevent—criteria that screen out minorities?

It seems to this Senator that, as Chairman Kemp states, race and sex are irrelevant to the performance of almost all jobs, and therefore if practices screen out minorities and women, then employers should justify those practices by showing that the practices are relevant to performing the job.

Mr. President, the Danforth initiative contains language that the Senate has already overwhelmingly voted for. Congress expressed a policy in the ADA that non-job-related qualifications and selection criteria should not be permitted.

I am proud to cosponsor this legislation. As the ranking member of the Disability Policy Subcommittee on the full Labor and Human Resources Committee, and the leading Republican cosponsor. I was heavily involved in drafting the Americans With Disabilities Act. In my view, the ADA was much needed legislation that will integrate qualified individuals into our work force, making them productive members of society and the source of education for all of us.

The Danforth civil rights bill will do the same. In adopting the ADA language, we assure that all Americans, whether they be disabled, minorities, male or female, compete on an equal playing field.•

By Mr. STEVENS (for himself and Mr. D'AMATO):

S. 1746. A bill to designate Federal Office Building No. 9, located at 1900 E Street NW., in the District of Columbia, as the "Theodore Roosevelt Federal Building"; to the Committee on Environment and Public Works.

THEODORE ROOSEVELT FEDERAL BUILDING

• Mr. STEVENS. Mr. President, today I am introducing a bill to designate Federal Office Building No. 9 as the "Theodore Roosevelt Federal Building." I am pleased that Senator ALFONSE D'AMATO has joined me in cosponsoring this bill. This designation is logical—the Office of Personnel Management occupies building No. 9 and the naming of this building will mark the 100th anniversary of Theodore Roosevelt's service as a Civil Service Commissioner.

Roosevelt served in that capacity from 1889 to 1895, the formative years of the current Federal civil service. Many of the innovations which occurred during his watch set the tone for the competitive civil service we see today. As the only Civil Service Commissioner who went on to become President of the United States, Theodore Roosevelt knew the importance and the value of Federal employees.

Mr. President, I am pleased to join the distinguished ranking member of the House Committee on Post Office and Civil Service, Congressman GILMAN, in support of this proposal and ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1746

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Federal Office Building Number 9, which is occupied by the Office of Personnel Management and is located at 1900 E Street, Northwest, in Washington, DC, is hereby designated as the "Theodore Roosevelt Federal Building". Any reference to such building in a law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "Theodore Roosevelt Building."•

• Mr. D'AMATO. Mr. President, I am pleased to join my friend, Senator STEVENS, in cosponsoring legislation to designate the home of the Office of Personnel Management, currently known as Federal Office Building No. 9, as the "Theodore Roosevelt Federal Building." This recognition would mark the 100th anniversary of Theodore Roosevelt's term as a civil service commissioner and honor a man who worked diligently for equality in the civil service system.

During his 6-year term in office, Theodore Roosevelt sought to reform the civil service by eliminating the spoils system through the implementation of the more fair merit system. Seeking an end to the corrupt spoils system, Roosevelt wrote that, "to appoint, promote, reduce, and expel from public service is as foolish and degrading as it is wicked."

Through his efforts at furthering the merit system, those entering the civil service were afforded the ability to compete fairly for a position. Testing improved and the civil service itself became enhanced.

Roosevelt understood and respected Federal employees. He appreciated their dedication and grasped their value to the republic. When he later became President, the knowledge gained from his time as Civil Service Commissioner guided him in the extension of the Federal Government through agencies designed to care for the safety and welfare of all Americans.

Therefore, the naming of the building housing the Office of Personnel Management is a fitting gesture honoring the man who served our Nation in so many capacities and did so with honor and grace. I commend the Senator from Alaska for introducing this bill, and I urge my colleagues to join me in cosponsoring this measure.•

By Mr. SIMON:

S. 1747. A bill to amend the Higher Education Act of 1965 to establish programs for minority Foreign Service professional development; to the Committee on Labor and Human Resources.

MINORITIES IN THE FOREIGN SERVICE

• Mr. SIMON. Mr. President, I rise today to introduce a bill to establish the Minority Foreign Service Professional Development Program.

A recent GAO study concluded that minorities remain vastly underrepresented in the Foreign Service work force. African Americans, Hispanic Americans, Asian Americans, and American Indians together occupy less than 4 percent of the senior Foreign Service officer and specialist positions.

To correct this underrepresentation, the bill would help minority students prepare for Foreign Service careers through international policy courses, foreign language study, summer internships, and academic studies abroad. These programs would be available through a consortium of institutions of higher education which are historically and predominantly black or which enroll significant numbers of Asian, Hispanic, or Native American students. The consortium's programs would be directed by the newly created Institute for International Public Policy at Howard University.

I urge my colleagues to support this measure to encourage minorities to enter the Foreign Service.•

By Mr. BAUCUS:

S. 1748. A bill to amend various provisions of the Internal Revenue Code of 1986 relating to the taxation of regulated investment companies; to the Committee on Finance.

INVESTMENT COMPETITIVENESS ACT

• Mr. BAUCUS. Mr. President, I have for some time now been keenly interested in the competitiveness of U.S. firms in global markets. As we look to the 21st century, there can be no doubt that the future growth of the U.S. economy depends to a very large extent on the ability of U.S. companies to integrate manufacturing, distribution, and marketing across international borders. The unification of the European Community market, the development of market economies in Eastern Europe, and the rapid growth of the Pacific rim economies create enormous opportunities and great challenges for U.S. companies in the 1990's.

In view of the growing importance of international sales and operations to the U.S. economy, I have been particularly concerned about various aspects of U.S. tax rules which cause U.S. firms to operate at a competitive disadvantage as compared to their foreign counterparts. In this regard, I introduced the Foreign Tax Simplification Act of 1991 in April of this year to simplify taxation for U.S. companies with international operations.

I am also concerned about the competitiveness of the financial services sector. For example, America is the world leader in mutual fund products, management, and marketing: Yet penetration of foreign markets has been negligible because of existing securities and tax barriers. Foreign shareholders account for less than one-half of 1 percent of U.S. fund shares.

In response, I am today introducing the Investment Competitiveness Act of 1991. This legislation would remove the impediments faced by foreigners who invest in U.S. mutual funds by providing that a foreign investor would receive the same tax treatment investing in a U.S. mutual fund that a foreign investor receives investing in a foreign fund. This would allow the U.S. mutual fund industry to compete in foreign markets on a more equal footing with their foreign-based competitors. The purpose of this legislation is to make ownership of U.S. mutual funds as attractive to foreign investors as ownership of foreign funds. This legislation is not designed, nor is it expected, to have any significant revenue loss. The current tax rules effectively have precluded foreign investment in U.S. mutual funds and, consequently, are not a source of significant revenues.

The two specific requirements that make U.S. mutual funds an unattractive investment for the foreign investor are the current withholding and distribution requirements. My bill would address each of these barriers.

Under current law, U.S. funds are disadvantaged by tax withholding provisions that do not apply to foreign funds. Specifically, while interest income and capital gains realized by foreign investors are generally exempt from U.S. withholding tax, foreign investors in U.S. funds are subject to withholding on their interest income and short-term capital gains. This occurs because, as a technical matter, interest income and short-term capital gains realized by U.S. funds lose their character as such and are converted to dividend income, which is subject to U.S. withholding tax when distributed to foreign investors.

My bill would correct this treatment and put U.S. funds on competitive footing with foreign funds by not treating interest income and short-term capital gains paid to foreign investors as dividends.

Second, U.S. funds are disadvantaged when competing with foreign funds by the current distribution requirements of U.S. tax law, which effectively result in foreign investors paying tax in their own countries on the U.S. fund's income on a current basis. In contrast, foreign investors in many foreign funds pay tax in their own countries on such gain only when the fund shares are sold.

My bill would correct this inequitable tax treatment by permitting the creation of a U.S. corporation, an International Regulated Investment Company [IRIC], which will invest only in the shares of a single mutual fund and which can be owned only by foreign investors. The IRIC will have no distribution requirement of its own, but will pay U.S. tax on a current basis on any distributions from the mutual fund that would have been subject to U.S. withholding tax had the foreign investor held the mutual fund shares directly. This tax will be collected at the same rate as the otherwise applicable U.S. withholding tax.

The benefits of encouraging foreign investment through U.S. mutual funds are many. One significant benefit of selling U.S. funds abroad is the capital formation that would result from the inflow of investment dollars into U.S. securities markets. This in turn could reduce interest rates, increase the pool of equity capital needed to expand existing American businesses and promote the creation of new business ventures. Another significant benefit of encouraging foreign investment through U.S. mutual funds is that our capital markets can be expanded without leading to the kind of foreign control of U.S. businesses that can result from direct foreign investments. Finally, increasing demand for U.S. fund shares will have a ripple effect as it increases the demand for ancillary fund service providers located in the United States.

In introducing this legislation, I hope to continue to focus attention on the effects of tax policy on the competitiveness of the U.S. economy. I welcome comments and dialog on this subject including specific suggestions regarding the provisions of my bill.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis of the provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) This Act may be cited as the "Investment Competitiveness Act of 1991."

(b) AMENDMENT OF 1986 CODE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. FLOW-THROUGH OF INTEREST.

(a) Subsection (b) of section 852 is amended by adding at the end thereof the following new paragraphs:

"(10) TAXABLE-INTEREST DIVIDENDS.—

"(A) DEFINITION.—For purposes of this part, a taxable-interest dividend is any dividend, or part thereof, which is designated by the company as a taxable-interest dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year.

"(B) LIMITATION.—The aggregate amount designated as a taxable-interest dividend with respect to a taxable year of the company (including taxable-interest dividends paid after the close of the taxable year as described in section 855) shall not exceed

"(i) the interest ratio for such taxable year multiplied by

"(ii) the total dividends paid with respect to such year by the company other than long-term capital gain dividends and short-term capital gain dividends; except that if there is an increase in the limitation computed under this subparagraph which results from a determination (as defined in section 860(e)), a designated under subparagraph (A) of this paragraph may be made with respect to such increase at any time before the expiration of 120 days after the date of such determination.

"(C) INTEREST RATIO.—For purposes of subparagraph (B), the interest ratio of a regulated investment company shall be determined by dividing the amount of interest earned (other than interest excludable from gross income under section 103(a)) net of foreign taxes thereon by the sum of—

"(i) its gross income (net of foreign taxes thereon) calculated without regard to gains from the sale or other disposition of stock or securities, and

"(ii) interest excludable from gross income under section 103.

"(D) TREATMENT OF TAXABLE-INTEREST DIVIDENDS BY SHAREHOLDERS.—A taxable-interest dividend shall be treated by a receiving shareholder for all purposes of this subtitle as interest.

"(E) For purposes of this paragraph (and paragraph (11)), the term 'interest' shall include amounts recognized as ordinary income in respect of original issue discount, market discount or acquisition discount under part V of Subchapter P and such other amounts as regulations may provide.

"(11) QUALIFYING-INTEREST DIVIDENDS.—

"(A) DEFINITION.—For purposes of this part, a qualifying-interest dividend is any taxable-interest dividend or part thereof, which is designated by the company as a qualifying-interest dividend in a written notice mailed to shareholders not later than 60 days after the close of its taxable year.

"(B) LIMITATION.—The aggregate amount designated as a qualifying-interest dividend with respect to a taxable year of the company (including qualifying-interest dividends paid after the close of the taxable year as described in section 855) shall not exceed—

"(i) the qualifying-interest ratio for such taxable year, multiplied by

"(ii) the total dividends paid with respect to such year by the company other than long-term capital gain dividends and short-term capital gain dividends;

except that if there is an increase in the limitation computed under this subparagraph which results from a determination (as defined in section 860(e)), a designation under subparagraph (A) of this paragraph may be made with respect to such increase at any time before the expiration of 120 days after the date of such determination.

"(C) QUALIFYING-INTEREST RATIO.—For purposes of subparagraph (B), the qualifying interest ratio of a regulated investment company shall be determined by dividing the amount of interest earned (other than interest excludable from gross income under section 103(a)) that would not be subject to taxation under section 871 if earned by a nonresident alien individual (including foreign-source interest net of any foreign taxes thereon) by the sum of—

"(i) its gross income (net of any foreign taxes thereon) calculated without regard to gains from the sale or other disposition of stock or securities, and

"(ii) interest excludable from gross income under section 103."

(b) RELATED AMENDMENTS.—

(1) Paragraph (2) of section 871(i) is amended by adding at the end thereof the following new subparagraph:

"(D) Qualifying-interest dividends (as defined in section 852(b)(11))."

(2) Section 6049(b)(2) is amended by striking "and" at the end of subparagraph (C) and the period at the end of subparagraph (D) and by inserting ", and" at the end of subparagraph (D) and adding after subparagraph (D) the following new subparagraph:

"(E) taxable-interest dividends (as defined in section 852(b)(10)."

(3) Section 2105 (relating to property without the United States for estate tax purposes) is amended by adding at the end thereof the following new subsection:

"(d) STOCK IN A RIC.—

"(1) IN GENERAL.—For purposes of this subchapter, stock in a regulated investment company (as defined in section 851) owned by a nonresident not a citizen of the United States shall not be deemed property within the United States in the proportion that, at the end of the quarter of such investment company's taxable year immediately preceding a decedent's date of death (or at such other time as the Secretary may designate in regulations), the assets of the investment company that were qualifying assets with respect to the decedent bore to the total assets of the investment company.

"(2) QUALIFYING ASSETS.—For purposes of this subsection, qualifying assets with respect to a decedent are assets that, if owned directly by the decedent, would have been—

"(i) amounts, deposits or debt obligations described in subsection (b) of this section,

"(ii) debt obligations described in the last sentence of section 2104(c), or

"(iii) other property not within the United States."

SEC. 3. FLOW-THROUGH OF SHORT-TERM CAPITAL GAINS.

(a) Subsection (b) of section 852 is amended by adding at the end thereof the following new paragraph:

"(12) SHORT-TERM CAPITAL GAIN DIVIDEND.—

"(A) DEFINITION.—For purposes of this part, a short-term capital gain dividend is any dividend, or part thereof, which is designated by the company as a short-term capital gain dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year.

"(B) LIMITATION.—If the aggregate amount so designated with respect to a taxable year of the company (including short-term capital gain dividends paid after the close of the taxable year described in section 855) is greater than the excess of the net short-term capital gain of the taxable year over the net long-term capital loss of the taxable year, the portion of each distribution which shall be a short-term capital gain dividend shall be only that portion of the amount so designated which such excess bears to the aggregate amount so designated; except that, if there is an increase in such excess for such taxable year which results from a determination (as defined in section 860(e)), a designation under subparagraph (A) of this paragraph may be made with respect to such increase at any time before the expiration of 120 days after the date of such determination. For purposes of this subparagraph, the excess of the net short-term capital gain for a taxable year over the net long-term capital loss for a taxable year (to which an election under section 4982(e)(4) does not apply) shall be determined without regard to any net capital loss or net short-term capital loss attributable to transactions after October 31 of such year, and any such net capital loss or net short-term capital loss shall be treated as arising on the 1st day of the next taxable year. To the extent provided in regulations, the preceding sentence shall apply also for purposes of computing the taxable income of the regulated investment company.

"(C) TREATMENT BY SHAREHOLDERS OF SHORT-TERM CAPITAL GAIN DIVIDENDS.—

(i) GENERAL RULE.—Except as provided in clause (ii), a short-term capital gain dividend shall be treated by shareholders as a dividend includable in gross income under section 301.

(ii) FOREIGN SHAREHOLDERS.—A short-term capital gain dividend shall be treated by shareholders that are non-resident alien individuals or foreign corporations and with respect to which the dividend is not effectively connected with the conduct of a trade or from the sale or exchange of a capital asset held for not more than twelve months.

(b) RELATED AMENDMENT.—Paragraph (2) of section 871(i) is amended by adding at the end thereof the following new subparagraph:

"(E) Long-term capital gain dividends (as defined in section 852(b)(3) and short-term capital gain dividends (as defined in section 852(b)(12)."

(c) CLERICAL AMENDMENTS.

(1) Paragraph 1 of section 852(a) is amended by deleting "capital gain dividends" and inserting "long-term capital gain dividends".

(2) Paragraphs (2) and (3) of section 852(b) are amended by striking "capital gain dividend" and "capital gain dividends" each place they appear and inserting "long-term capital gain dividend" and "long-term capital gain dividends", respectively.

(3) Paragraph (3) of section 852(b) is amended by striking "CAPITAL GAINS" in the heading and inserting "LONG-TERM CAPITAL GAINS".

(4) Subparagraphs (B) and (C) of section 852(b)(3) are amended by striking "CAPITAL GAIN DIVIDENDS" and "CAPITAL GAIN DIVIDEND" in the heading and inserting "LONG-TERM CAPITAL GAIN DIVIDENDS" and "LONG-TERM CAPITAL GAIN DIVIDEND", respectively.

(5) Subparagraph (A) of section 852(b)(4) is amended by striking "CAPITAL GAIN DIVIDEND" in the heading and inserting "LONG-TERM CAPITAL GAIN DIVIDEND".

(6) Subparagraph (A) of section 852(b)(5) is amended by striking "capital gain dividend" and inserting "long-term capital gain dividend".

(7) Subparagraph (a) of section 854 is amended by striking "CAPITAL GAIN DIVIDEND" in the heading and "capital gain dividend" and inserting "LONG-TERM CAPITAL GAIN DIVIDEND" and "long-term capital gain dividend", respectively.

(8) Paragraph (1) of section 860(d) is amended by striking "capital gain dividends" each place it appears and inserting "long-term capital gain dividends".

(9) Subparagraph (A) of section 860(f)(2) is amended by striking "capital gain dividends" each place it appears and inserting "long-term capital gain dividends".

(10) Subparagraph (B) of section 860(f)(2) is amended by striking "CAPITAL GAIN DIVIDENDS" in the heading and "capital gain dividends" each place it appears and inserting "LONG-TERM CAPITAL GAIN DIVIDENDS" and "long-term capital gain dividends", respectively.

SEC. 4. INTERNATIONAL REGULATED INVESTMENT COMPANIES.

(a) GENERAL RULE.—Chapter I of subtitle A is amended by inserting between subchapter Q and subchapter S the following new subchapter:

"Subchapter R—International Regulated Investment Companies

"Sec. 1355. Definition of International Regulated Investment Company.

"Sec. 1356. Taxation of International Regulated Investment Companies and Their Shareholders.

"SEC. 1355. DEFINITION OF INTERNATIONAL REGULATED INVESTMENT COMPANY

(a) IN GENERAL.—For purposes of this subtitle, the term 'international regulated investment company' means any domestic corporation that at all times during the taxable year—

"(1) is registered under the Investment Company Act of 1940, as amended,

"(2) holds only permitted assets (as defined in subsection (b)),

"(3) permits its stock to be owned only by qualified foreign persons (as defined in subsection (c)), and

"(4) has in effect the election prescribed in subsection (d).

"(b) PERMITTED ASSETS.—

"(1) IN GENERAL.—For purposes of this section, the term 'permitted assets' means permitted securities, permitted cash and incidental assets.

"(2) PERMITTED SECURITIES.—For purposes of this section, the term 'permitted securities' means stock of a single regulated investment company (as defined in section 851) or a single registered investment company (as defined in the Investment Company Act of 1940, as amended).

"(3) PERMITTED CASH.—For purposes of this subsection, 'permitted cash' means:

"(A) cash,

"(B) deposits with financial institutions with maturities of not more than 30 days, and

"(C) debt securities with remaining maturities of not more than 30 days

that are reasonably necessary or appropriate for the corporation to conduct its normal affairs, which shall include, without limitation, the registration, issuance and redemption of its stock, the purchase and sale of permitted securities, and the payment of its expenses.

"(4) INCIDENTAL ASSETS.—For purposes of this subsection, the term 'incidental assets' means

"(A) such assets as are incidental to the corporation's conduct of its normal affairs, and

"(B) such other assets as the Secretary may prescribe in regulations.

"(c) QUALIFIED FOREIGN PERSONS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'qualified foreign persons' means persons (as defined in section 7701(a)(1)) that certify, in a form satisfactory to the Secretary, that they are either—

"(A) nonresident alien individuals (as provided in section 7701(b)),

"(B) foreign persons (within the meaning of sections 7701(a)(5) and (31)) that have at least one class of ownership interests that is regularly traded on an established foreign securities market,

"(C) foreign persons more than 80 percent of the interests in which (by voting power and by value) are owned (after application of section 318(a)) by foreign persons that have at least one class of ownership interests that is regularly traded on an established foreign securities market, or

"(D) other foreign persons no more than 10 percent of the interests in which (by voting power or by value) are owned (after application of section 318(a)) by United States persons (as defined in section 7701(a)(30)).

"(2) RELIANCE ON CERTIFICATION.—

"(A) INITIAL RELIANCE.—A person that certifies to a corporation, as provided in subsection (c)(1), that it is a qualified foreign person shall be a qualified foreign person with respect to that corporation unless the corporation has actual knowledge that the certification is false.

"(B) TERMINATION OF RELIANCE.—If a corporation obtains actual knowledge that the certification made by a person who is currently a shareholder of the corporation was false or is no longer true, that shareholder will cease to be a qualifying foreign person with respect to the corporation upon the later of—

"(i) the tenth day following the day the corporation obtained such actual knowledge, or

"(ii) the second day after the day it first becomes reasonably practicable for the corporation to redeem the shares of its stock owned by or for the shareholder.

"(3) CERTIFICATION BY CERTAIN INSTITUTIONS.—For purposes of this subsection, a certification with regard to a person that is made by an institution described in section 871(h)(4)(B) in a form satisfactory to the Secretary shall be deemed to be a certification by such person.

"(d) IRIC ELECTION.—

"(1) TIMING OF ELECTION.—A corporation must elect to be treated as an international regulated investment company, in such manner as the Secretary may prescribe, not later than the due date (determined with regard to extensions) for the return of the tax imposed by this subchapter for the corporation's first taxable year. Such election shall be effective as of the first day of such taxable year.

"(2) REVOCATION OF ELECTION.—An election to be treated as an international regulated investment company is revocable only with the consent of the Secretary.

"(e) ADMINISTRATIVE RELIEF.—The Secretary may treat as an international regulated investment company a domestic corporation that substantially satisfies the criteria for such status set forth in this section but fails fully to satisfy these criteria if such failure is or was either—

"(1) de minimis,

"(2) inadvertent, or

"(3) beyond the control of the corporation.

"(f) TREATMENT OF START-UP CAPITAL.—For purposes of subsection (a)(3), any shares attributable to an investment in the corporation (not exceeding $250,000) made in connection with the organization of such corporation shall not be taken into account.

"SEC. 1356. TAXATION OF INTERNATIONAL REGULATED INVESTMENT COMPANIES AND THEIR SHAREHOLDERS.

"(a) TAXATION OF INTERNATIONAL REGULATED INVESTMENT COMPANIES.—

"(1) IN GENERAL.—Except as provided in this section, an international regulated investment company shall not be subject to any tax imposed under this title.

"(2) IRIC TAX.—An international regulated investment company shall be subject to a tax at the rate provided in section 871(a)(1) on its IRIC taxable income for the taxable year (which, for purposes of this title, shall be its taxable income for such year).

"(3) IRIC TAXABLE INCOME.—

"(A) IN GENERAL.—For purposes of this subsection, 'IRIC taxable income' means the excess of—

"(i) income earned by a corporation on which a foreign person described in subparagraph (C) would be subject to tax under section 871 if such person received the income directly, over

"(ii) permitted deductions allocable to such income.

"(B) PERMITTED DEDUCTIONS.—For purposes of this subsection, 'permitted deductions' means deductions allowable to a corporation under this title (without regard to this Subchapter) other than the deduction for dividends received.

"(C) FOREIGN PERSON.—A foreign person is described in this subparagraph if such person—

"(i) is described in section 1355(c)(1)(A);

"(ii) is not described in section 871(a)(2), 871(h)(3)(B), or 877(a);

"(iii) is not engaged in a trade or business within the United States; and

"(iv) has made the statement described in the first sentence of section 871(h)(4).

"(b) TAXATION OF SHAREHOLDERS.—Except as provided in section 2104(a) (relating to the definition of property within the United States for purposes of the estate tax), owners of stock in an international regulated investment company shall be subject to the same rules applicable to owners of stock in other domestic corporations.

"(c) REPORTING OBLIGATIONS.—An international regulated investment company shall file such returns as the Secretary may require and, except as the Secretary otherwise provides, shall be subject to the same shareholder reporting requirements as other domestic corporations."

"(d) TREATY COUNTRIES ELECTION.—

"(1) IN GENERAL.—A corporation that makes the election provided in section 1355(d)(1) may, in conjunction with that election or as the Secretary may otherwise permit, make the election provided in this subsection.

"(2) CONSEQUENCES OF ELECTION.—If a corporation makes the election provided in this subsection—

"(A) the tax rate applicable under section 1356(a)(2) shall be one half the rate provided in section 871(a)(1), and

"(B) a person shall be a qualified foreign person with respect to such corporation only if the person's certification under section 1355(c)(1) includes a statement that such person is a resident of a country that is a party to a tax treaty with the United States pursuant to which such person would, by reason of section 894(a), be subject to tax under section 871(a)(1) or 881(a)(1) on dividends paid by a domestic corporation at a rate no higher than the rate applicable pursuant to subparagraph (A).

"(3) REVOCATION OF ELECTION.—An election under this subsection is revocable only with the consent of the Secretary."

(b) RELATED AMENDMENT.—

(1) The table of subchapters for Chapter 1 is amended by inserting after subchapter Q and before Subchapter S the following new item:

"Subchapter R. International regulated Investment Companies."

(2) Subsection (a) of section 2104 (relating to property within the United States for purposes of the estate tax) is amended by inserting after "domestic corporation" and before the period the words "other than an international regulated investment company (as defined in section 1355)".

SEC. 5. EFFECTIVE DATES.

The amendments made by sections 2, 3 and 4 shall apply to taxable years beginning after the date of enactment.

LEGISLATIVE PROPOSAL: INVESTMENT COMPETITIVENESS ACT OF 1991

SUMMARY

Section 1: Amendment of 1986 Code

Section 1 of the bill states that, unless otherwise indicated, all references to a section or other provision shall be considered to be made to the Internal Revenue Code of 1986.

Section 2: Flow-Through of Interest

Section 2 of the bill provides a statutory mechanism by which regulated investment companies ("RICs") may distrubute to shareholders as taxable interest the taxable-interest income received by the RIC. To accomplish this objective, section 2 adds two new paragraphs to section 852(b) and two related amendments.

Proposed new section 852(b)(10) defines the term "taxable-interest dividend", sets forth the limitations in the amount that may be designated as a taxable-interest dividend and provides that shareholders shall treat taxable-interest dividends as interest. A "taxable-interest dividend" is any dividend or part thereof which is designated by the company as a taxable-interest dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. The maximum amount that may be dsignated by the company as a taxable-interest dividend shall be determined by (i) dividing the amount of taxable interest earned net of any foreign taxes thereon by (ii) the sum of (a) its gross income (net of foreign taxes thereon) from sources other than the sale or other disposition of stocks or securities and (b) its tax-exempt interest, and (iii) multiplying this amount (referred to as the "interest ratio") by the total dividends paid with respect to such year by the company other than long-term capital gaindividends and short-term capital gain dividends.

Proposed new section 852(b)(11) defines the term "qualifying-interest dividend" (which dividends are to be exempt from withholding tax imposed on nonresident aliens and foreign corporations) and sets forth the limitation in the amount that may be designated as a qualifying-interest dividend. The same

60-day written notice requirement contained in new section 852(b)(10) for taxable-interest dividends is applicable to qualifying-interest dividends. The limitation used in calculating the amount of qualifying-interest dividends is determined by (i) dividing the amount of interest earned that would not be subject to tax under section 871 if received by a nonresident alien, net of any foreign taxes thereon, by (ii) the sum of (a) gross income (net of foreign taxes thereon) from sources other than gains on the sale or other disposition of stocks or securities and (b) its tax-exempt interest, and (iii) multiplying this amount (referred to as the "qualifying-interest ratio") by the total dividends paid with respect to such year by the company other than long-term capital gain dividends and short-term capital gain dividends.

The first related amendment adds a new subparagraph (D) to section 871(i)(2) to include qualifying-interest dividends among the items upon which no tax is imposed under section 871(a)(1)(A) and 871(a)(1)(C). The second related amendment adds a new subparagraph (E) to section 6049(b)(2) to clarify that taxable interest dividends will be reported to shareholders on Form 1099–DIV, as other RIC distributions are reported, rather than as interest income (which is reported on a Form 1099–INT). The third related amendment adds a new subsection to section 2105 to deem RIC stock owned by nonresident aliens as property not within the United States (for estate tax purposes) in the proportion that the RIC's assets would be treated as property not within the United States if owned directly by the nonresident alien investor. The determination of the proportion of RIC stock deemed not within the United States is made at the end of the quarter of the RIC's taxable year immediately preceding the decedent's date of death.

Section 3: Flow-Through of Short-Term Capital Gains

Section 3 of the bill provides a new section 852(b)(12) which defines the term "short-term capital gain dividend," sets forth the limitation on the maximum amount that may be designated as a short-term capital gain dividend and provide that shareholders who are nonresident alien individuals or foreign corporations shall treat such dividends as short-term capital gains. Section 3 also includes one related amendment and several clerical amendments.

Proposed new section 852(b)(12) defines "short-term capital gain dividend" as any dividend, or part thereof, which is designated by the company as a short-term capital gain dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. A special limitation is provided, which is similar to that included under current law in section 852(b)(3)(C) for long-term capital gain dividends, whereby if the aggregate amount designated as short-term capital gain dividends is greater than the excess of the net short-term capital gain of the taxable year over the net long-term capital loss of the taxable year, the portion of each distribution which shall be a short-term capital gain dividend shall be only the proportionate amount of each distribution so designated.

Clerical amendments would change the current term "capital gain dividend" to "long-term capital gain dividend" every place that change is appropriate in sections 852 and 854 (relating to the taxation of RICs) and section 860 (relating to deficiency dividends).

A related amendment would amend section 871(i)(2) to add a new subparagraph (E) to clarify that neither long-term capital gain dividends nor short-term capital gain dividends paid to nonresident alien individuals are subject to tax under section 871(a)(1)(A) or 871(a)(1)(C). This would codify the IRS' position with respect to dividend distributions of long-term capital gain and apply the same rule to distributions of short-term capital gain.

Section 4: International Regulated Investment Company (IRIC)

Section 4 of the bill creates a new investment vehicle—the International Regulated Investment Company ("IRIC")—which may be owned only by foreign shareholders and which will not be subject to the current distribution requirements applicable to RICs. The IRICs will pay current U.S. tax, however, on amounts which would be subject to withholding if received directly by nonresident alien investors. Section 4 accomplishes this objective by adding two new sections to the Code. Proposed new section 1355 defines international regulated investment company. The manner of taxing IRICs and their shareholders is provided in proposed new section 1356.

An international regulated investment company is defined in section 1355(a) as a domestic corporation registered under the Investment Company Act of 1940, which makes an election to be taxed as an IRIC, which holds only "permitted assets," and which has as its shareholders only "qualified foreign persons."

The permitted assets of an IRIC would be limited by section 1355(b) to stock of a single registered investment company or a single regulated investment company ("permitted securities"), cash and certain debt instruments having a remaining maturity of not more than 30 days, but only in such amounts as are reasonably necessary for the company to conduct its normal business affairs ("permitted cash"), and certain other assets which are incidental to the company's conduct of its normal affairs ("incidental assets").

IRIC shares would be held only by "qualified foreign persons." Section 1355(c) would define that term "qualified foreign person" as persons who certified, in a form satisfactory to the Secretary, that they are either nonresident alien individuals or foreign entities that, under various tests, are determined to be owned by non-United States persons. IRICs would be permitted to rely upon the certification provided by the foreign person to the IRIC unless or until the IRIC has actual knowledge that the certification is false. Special rules are provided for terminating the qualified foreign person's investment in the IRIC when the IRIC obtains actual knowledge that the certification made by a current shareholder is false or is no longer true. Certain financial intermediaries would be permitted to make the required certification on behalf of actual purchasers of IRIC shares.

Section 1355(d) provides that a corporation shall not be considered to be an IRIC for a taxable year unless it files or has filed with its return for its first taxable year an election to be an IRIC. Once made, an IRIC election may be revoked only with the Secretary's consent.

Section 1355(e) grants the Secretary administrative relief authority to treat as an IRIC any domestic corporation that substantially, but not completely, satisfies the criteria for such status if such failure to satisfy the criteria is or was de minimis, inadvertent or beyond the control of the corporation.

Section 1356 provides for the taxation of IRICs and their shareholders. Pursuant to section 1356(a), the only tax paid by an IRIC is a tax equal to 30 percent of its IRIC taxable income. Section 1356(a)(3) defines IRIC taxable income as the income received by the IRIC on which a nonresident alien individual would be subject to tax under section 871 if he received such income directly. Under section 1356(d), an IRIC could elect to market its shares only to residents of countries with which the United States has a tax treaty. If the IRIC made such an election, it would be taxed at a rate of 15 percent of its IRIC taxable income.

IRIC shareholders would generally be treated for tax purposes under section 1356(b) just like shareholders in other domestic corporations. Thus, any distribution from the IRIC would be taxable as a dividend. Sales or other dispositions of IRIC stock would result in capital gain or loss. The only exception to this parallel treatment is that IRIC stock would not be deemed property within the United States for purposes of the estate tax. This exception is consistent with the tax treatment afforded foreign investors in foreign funds that invest in the United States, where the foreign funds shares are not deemed property within the United States even though the value of those shares could be attributable solely to investments within the United States.

Section 1356(c) grants the Secretary broad authority to impose shareholder reporting requirements on IRICs.

Section 5: Effective Date

The provisions of this bill would be effective for taxable years beginning after the date of enactment.•

By Mr. INOUYE (for himself, Mr. Akaka, Mr. Baucus, Mr. Bradley, Mr. Brown, Mr. Byran, Mr. Bumpers, Mr. Grassley, Mr. Burdick, Mr. Cochran, Mr. DeConcini, Mr. Dodd, Mr. Garn, Mr. Graham, Mr. Hatch, Mr. Heflin, Mr. Hollings, Mr. Lautenberg, Mr. Levin, Mr. Reid, Mr. Sasser, Mr. Seymour, Mr. Thurmond, Mr. Coats, Mr. Cranston, Mr. Dixon, Mr. Gore, Mr. Nunn, and Mr. Specter):

S.J. Res. 202. Joint resolution to designate October 1991, as "Crime Prevention Month"; to the Committee on the Judiciary.

CRIME PREVENTION MONTH

• Mr. INOUYE. Mr. President, I am pleased to introduce today along with Senators Akaka, Baucus, Bradley, Brown, Bryan, Bumpers, Grassley, Burdick, Cochran, DeConcini, Dodd, Garn, Graham, Hatch, Heflin, Hollings, Lautenberg, Levin, Reid, Sasser, Seymour, Thurmond, Coats, Cranston, Dixon, Gore, Nunn, and Specter, a commemorative resolution designating the month of October 1991 as Crime Prevention Month.

The purpose of this resolution is to encourage local partnerships between law enforcement, schools, and businesses to effectively prevent crime, and properly nurture our communities.

During the month of October, people across this Nation will highlight local crime prevention needs, concerns, and activities. Cooperation among national, state, and local groups will be enhanced. Individuals, neighborhoods, and communities will spotlight their successes and take pride in their accomplishments. For this purpose, the National Crime Prevention Council has produced and distributed to 20,000 organizations a booklet called "Partnerships for the 90's: Celebrating October, Crime Prevention Month."

This commemorative commends the successes of ongoing crime prevention partnerships, and encourage year-round continuation of these efforts.

On May 29 of this year, I had the privilege of participating in an event in Hawaii which serves as a good example of the type of activity which Congress should promote by designating October 1991 as Crime Prevention Month.

The event, at the Waimalu Elementary School in Honolulu, HI, brought together 900 students to learn about crime and drug abuse prevention. The Honolulu Police Department and the Hawaii attorney general's office have been working at schools such as Waimalu to establish crime and drug abuse education programs. These programs, which use McGruff the Crime Dog, are well received by the students and highly effective.

My role in this event was to recognize the local organizations involved in teaching elementary school children how to protect themselves, their friends, and their families from crime and drugs. I was pleased to be part of an initiative which brought together law enforcement, school administrators, students, and parents to achieve the shared goal of a crime and drug-free community.

In addition to the fine work of the law enforcement community and the school system, local Hawaiian utility companies also participate in crime prevention through the McGruff Truck Program, a fleet of utility trucks bearing the McGruff symbol which aid children in distress. At the May 29 event,3 the Waimalu students were introduced to some of the participating drivers, and shown the actual utility vehicles used in the program. This program is already credited with saving one young Hawaiian girl from assault.

I urge my colleagues to join me in cosponsoring this resolution to designate October 1991 as Crime Prevention Month. In addition, I urge my colleagues to participate in local events during October to celebrate the crime and drug abuse prevention achievements of the individuals and communities which they represent. We must continue to spread the word that, working together, people can take a bite out of crime.•

By Mr. STEVENS:

S.J. Res. 203. Joint resolution designating the week beginning November 3, 1991, as "American Magazine Week"; to the Committee on the Judiciary.

AMERICAN MAGAZINE WEEK

• Mr. STEVENS. Mr. President, this year, 1991, marks the 250th anniversary of the publication of the first magazine in America. Andrew Bradford published the American Magazine in Philadelphia, February 1741. Bradford was a competitor for the more-noted Philadelphia publisher, Benjamin Franklin, who had earlier that year announced his intention to begin publication of the General Magazine. Bradford simply beat him to it—by 3 days.

In the early years of American magazine publishing, printing presses were still primitive and circulation was necessarily limited by hand-operated presses. Nevertheless, passed from hand to hand until dog eared and tattered, magazines flourished. They acquired and retained a permanent place in the intellectual, social, cultural, and political life of America.

In Revolutionary times, Thomas Paine's Pennsylvania Magazine was a persistent voice for independence, a companion to his more famous pamphlet, Common Sense. During the Civil War, Harper's Weekly was particularly important in reporting war news.

In the 1880's, the invention of the high-speed printing press and lower postal rates for magazine mailings made it possible to circulate not hundreds or even thousands, but millions of copies of magazines.

In the 1920's, of some of the great writers of the 20th century, including Ernest Hemingway and Scott Fitzgerald, found their voices in magazine writing.

Magazines were a source of personal gratification for myself at a very young age, not only because I appreciated what they contained but, like many young boys in the 1930's, I found delivering magazines a way to earn spending money. I still remember the days of delivering the Saturday Evening Post door to door.

Today, some 16,000 regularly issued magazines are delivered to more than 100 million subscribers, and millions more are sold at newsstands. Magazines are published in nearly 40 States of the Union, the District of Columbia, and Puerto Rico providing employment for thousand of editors, writers, reporters, publishing, and printing employees.

A few weeks ago, when the hard-line Communists attempted to crush fledgling democracy in the Soviet Union, their first act was to shut down independent newspapers, magazines, and broadcasting.

Here in America, Jefferson and Madison knew that a free press is the bulwark of freedom. That precious heritage, deserves recognition. I invite my colleagues to commemorate 250 years of magazine publishing in America by supporting this resolution to designate "American Magazine Week."

Mr. President, I ask unanimous consent that the text of this proposal appear at the end of my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 203

Whereas 1741 was the year in which the first magazine was published in the United States;

Whereas, since then, magazines have played an integral role in this Nation's political, economic, and social development; and

Whereas magazines have also played a significant role in the education of the American people, and contributed to the richness of this Nation's culture: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 3, 1991 is hereby designated "American Magazine Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.•

By Mr. D'AMATO (for himself, Mr. DECONCINI, Mr. LAUTENBERG, and Mr. STEVENS):

S.J. Res. 204. Joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States; to the Committee on the Judiciary.

PROCLAIMING CHRISTOPHER COLUMBUS AS A HONORARY CITIZEN OF THE UNITED STATES

• Mr. D'AMATO. Mr. President, I rise today to introduce a joint resolution proclaiming Christopher Columbus to be an honorary citizen of the United States. This resolution was introduced in the House of Representatives by the Honorable THOMAS FOGLIETTA.

Christopher Columbus was a man of great vision, talent, and persistence who overcame insurmountable odds to embark on a journey that would lead him to a new world. Since the year 1992 will mark the quincentennial of this historical voyage to the Americas, I can think of no better time to honor and pay tribute to the founder of our home by giving him honorary citizenship.

During this quincentennial of this historical voyage, a reenactment of his trip will take place in that year. Spain has invested $4 million to construct models of the *Nina*, *Pinta*, and *Santa Maria*; which are scheduled to land in America on Columbus Day, 1992. The passage of this resolution will amplify interest in this simulation, and pay a deserved tribute to the man who linked Europe with the Americas.

Christopher Columbus overcame obstacles—his plan was rejected by France, England, and Portugal and it was 6 years before Spain would fund his journey. The four expeditions he eventually led spurred the immigration that made our country what it is today. His persistence and talent made him an indelible part of our heritage, and we should pay tribute to this great explorer by giving him honorary citizenship status.•

ADDITIONAL COSPONSORS

S. 24

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 24, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion from gross income of educational assistance provided to employees.

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 24, supra.

S. 152

At the request of Mr. COATS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption to $4,000.

S. 349

At the request of Mr. BUMPERS, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 349, a bill to amend the Fair Labor Standards Act of 1938 to clarify the application of such Act, and for other purposes.

S. 401

At the request of Mr. DOMENICI, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 401, a bill to amend the Internal Revenue Code of 1986 to exempt from the luxury excise tax parts or accessories installed for the use of passenger vehicles by disabled individuals.

S. 451

At the request of Mr. D'AMATO, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 451, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion for amounts received under qualified group legal service plans.

S. 463

At the request of Mr. HATFIELD, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 463, a bill to establish within the Department of Education an Office of Community Colleges.

S. 474

At the request of Mr. DECONCINI, the names of the Senator from New Mexico [Mr. DOMENICI] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 474, a bill to prohibit sports gambling under State law.

S. 493

At the request of Mr. KENNEDY, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 493, a bill to amend the Public Health Service Act to improve the health of pregnant women, infants and children through the provision of comprehensive primary and preventive care, and for other purposes.

S. 542

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 542, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 567

At the request of Mr. SANFORD, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 567, a bill to amend title II of the Social Security Act to provide for a gradual period of transition (under a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 734

At the request of Mr. GRAHAM, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 734, a bill to permanently prohibit the Secretary of the Interior from preparing for or conducting any activity under the Outer Continental Shelf Lands Act on certain portions of the outer continental shelf off the State of Florida, to prohibit activities other than certain required environmental or oceanographic studies under the Outer Continental Shelf Lands Act within the part of the Eastern Gulf of Mexico Planning Area lying off the State of Florida, and for other purposes.

S. 736

At the request of Mr. GRAHAM, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 736, a bill to amend the Outer Continental Shelf Lands Act.

S. 844

At the request of Mr. DOMENICI, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 844, a bill to provide for the minting and circulation of one dollar coins.

S. 846

At the request of Mr. PRYOR, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 846, a bill to amend title XIX of the Social Security Act to establish Federal standards for long-term care insurance policies.

S. 891

At the request of Mr. MACK, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from Texas [Mr. GRAMM], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of S. 891, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit for qualified cancer screening tests.

S. 1289

At the request of Mr. BIDEN, the names of the Senator from Iowa [Mr. HARKIN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 1289, a bill to amend the provisions of the Higher Education of 1965 relating to treatment by campus officials of sexual assault victims.

S. 1305

At the request of Mr. DOMENICI, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1305, a bill to amend the Internal Revenue Code of 1986 to encourage consumer participation in energy efficiency, conservation and cost-effective demand-side management by excluding from gross income payments made by utilities to customers for purchasing qualified energy conservation appliances and for taking energy conservation measures, and for other purposes.

S. 1357

At the request of Mr. BREAUX, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1357, a bill to amend the Internal Revenue Code of 1986 to permanently extend the treatment of certain qualified small issue bonds.

S. 1358

At the request of Mr. GRAHAM, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1358, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans.

S. 1398

At the request of Mr. REID, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 1398, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from certain rules for determining contributions in aid of construction.

S. 1424

At the request of Mr. CONRAD, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1424, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a mobile health care clinic program for furnishing health care to veterans located in rural areas of the United States.

S. 1426

At the request of Mr. BUMPERS, the names of the Senator from Maine [Mr. COHEN], the Senator from Nevada [Mr. BRYAN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1426, a bill to authorize the Small Business Administration to conduct a demonstration program to enhance the economic opportunities of startup, newly established, and growing small business concerns by providing loans and technical assistance through intermediaries.

S. 1441

At the request of Mr. COCHRAN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1441, a bill to provide disaster assistance to agricultural producers, and for other purposes.

S. 1505

At the request of Mr. DECONCINI, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1505, a bill to amend the law relating to the Martin Luther King, Jr. Federal Holiday Commission.

S. 1565

At the request of Mr. GRAHAM, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1565, a bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with routine transfers.

S. 1574

At the request of Mr. RIEGLE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1574, a bill to ensure proper and full implementation by the Department of Health and Human Services of medicaid coverage for certain low-income medicare beneficiaries.

S. 1578

At the request of Mr. THURMOND, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1611

At the request of Mr. SARBANES, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1611, a bill to provide for a Federal Open Market Advisory Committee, and for other purposes.

S. 1623

At the request of Mr. DECONCINI, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

S. 1641

At the request of Mr. BREAUX, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1641, a bill to amend section 468A of the Internal Revenue Code of 1986 with respect to decutios for decommissioning costs of nuclear powerplants.

S. 1661

At the request of Mr. SARBANES, the name of the Senator from Michigan [Mr. RIEGLE] was withdrawn as a cosponsor of S. 1661, a bill to simplify the tariff classification of certain plastic flat goods.

S. 1672

At the request of Mr. KENNEDY, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1672, a bill to require the Secretary of the Treasury to mint coins in commemoration of James Madison and the Bill of Rights.

S. 1712

At the request of Mr. BROWN, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 1712, a bill to provide an annuity to certain surviving spouses and dependent children of Reserve members of the Armed Forces who died between September 21, 1972, and September 30, 1978.

S. 1726

At the request of Mr. DIXON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1726, a bill to amend the Immigration and Nationality Act to restore authority in courts to naturalize persons as citizens.

S. 1731

At the request of Mr. MCCONNELL, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1731, a bill to establish the policy of the United States with respect to Hong Kong after July 1, 1997, and for other purposes.

SENATE JOINT RESOLUTION 18

At the request of Mr. THURMOND, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 18, a joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget.

SENATE JOINT RESOLUTION 39

At the request of Mr. THURMOND, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 39, a joint resolution to designate the month of September 1991, as "National Awareness Month for Children with Cancer".

SENATE JOINT RESOLUTION 96

At the request of Mr. RIEGLE, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Maryland [Mr. SARBANES], the Senator from Indiana [Mr. LUGAR], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Joint Resolution 96, a joint resolution to designate November 19, 1991, as "National Philanthropy Day".

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day".

SENATE JOINT RESOLUTION 124

At the request of Mr. BRADLEY, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 139, a joint resolution to designate October 1991, as "National Lock-In-Safety Month".

SENATE JOINT RESOLUTION 145

At the request of Mr. CRANSTON, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Joint Resolution 145, a joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week".

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the names of the Senator from Virginia [Mr. ROBB], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 164, a joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week".

SENATE JOINT RESOLUTION 174

At the request of Mr. GRAHAM, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 174, a joint resolution designating the month of May 1992, as "National Amyotrophic Lateral Sclerosis Awareness Month".

SENATE JOINT RESOLUTION 188

At the request of Mr. LAUTENBERG, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Florida [Mr. GRAHAM], the Senator from Arizona [Mr. DECONCINI], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Joint Resolution 188, a joint resolution designating November 1991, as "National Red Ribbon Month".

SENATE JOINT RESOLUTION 189

At the request of Mr. GORE, the names of the Senator from Virginia [Mr. WARNER], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. CRAIG], the Senator from Illinois [Mr. DIXON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. HATCH], the Senator from Vermont [Mr. JEFFORDS], the Senator from Michigan [Mr. RIEGLE], the Senator from New York [Mr. MOYNIHAN], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of Senate Joint Resolution 189, a joint resolution to establish the month of October, 1991, as "Country Music Month".

SENATE JOINT RESOLUTION 190

At the request of Mr. MOYNIHAN, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 190, a joint resolution to designate January 1, 1992, as "National Ellis Island Day".

SENATE JOINT RESOLUTION 195

At the request of Mr. DECONCINI, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. DIXON], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 195, a joint resolution providing that the United States should support the Armenian people to achieve freedom and independence.

SENATE JOINT RESOLUTION 198

At the request of Mr. AKAKA, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

SENATE RESOLUTION 78

At the request of Mr. LUGAR, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Resolution 78, a resolution to disapprove the request of the President for extension of the fast track procedures under the Omnibus Trade and Competitiveness Act of 1988 and the Trade Act of 1974.

SENATE RESOLUTION 178

At the request of Mr. LUGAR, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Resolution 178, a resolution expressing the sense of the Senate on Chinese political prisoners and Chinese prisons.

AMENDMENTS SUBMITTED

EMERGENCY UNEMPLOYMENT COMPENSATION

DOLE (AND OTHERS) AMENDMENT NO. 1185

Mr. DOLE (for himself, Mr. DOMENICI, Mr. ROTH, Mr. LUGAR, Mr. DURENBERGER, and Mr. SIMPSON) proposed an amendment which was subsequently modified, to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, as follows:

At the end of amendment 1188, insert the following:

SEC. 11. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereafter in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title, or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
5-percent period	10
Other period	6.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after September 30, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or

ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this title for any week—

(A) beginning before the later of—

(i) October 1, 1991, or

(ii) the first week following the week in which an agreement under this title is entered into, or

(B) beginning after June 30, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes June 30, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this title.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following September 30, 1991 (or, if later, the week following the week in which the agreement under this title is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following September 30, 1991,

such individual shall be entitled to emergency unemployment compensation under this title in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this title.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of an individual who has received amounts of emergency unemployment compensation under this title to which he was not entitled, the State shall require such individual to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the emergency unemployment compensation to which he was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this title:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this title and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 107. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after September 30, 1991.

TITLE II—COLLECTION OF NONTAX DEBTS

SEC. 201. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) IN GENERAL.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

SEC. 301. CREDIT CHECKS; COSIGNERS.

(a) IN GENERAL.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this title referred to as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) CONFORMING AMENDMENT.—Section 428(b)(1) of the Act is amended—

(1) in subparagraph (U), by striking "and" at the end thereof;

(2) in subparagraph (V), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. BORROWER INFORMATION.

(a) IN GENERAL.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) CONFORMING AMENDMENT.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 303. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

"(1) by striking the subsection heading and inserting "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 305. WAGE GARNISHMENT.

(a) IN GENERAL.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"SEC. 488A. (a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Section 428(c)(6) of the Act is amended by striking subparagraph (D).

SEC. 306. DATA MATCHING.

Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SEC. 401. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act;

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this title for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 405(b)(2) (A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act over the course of fifteen years after the enactment of this title;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 45 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 45 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures.

(B) The Department of Commerce shall make available to the Federal Communications Commission 45 megahertz of electromagnetic spectrum for allocation of land-mobile services. Notwithstanding section 553 of the Administrative Procedure Act and title III of the Communications Act, the Federal Communications Commission shall allocate such spectrum and conduct competitive bidding procedures to complete the assignment of such spectrum in a manner which ensures that the proceeds from such bidding are received by the Federal Government no later than September 30, 1992. From such proceeds, Federal agencies displaced by this transfer of the electromagnetic spectrum to the Federal Communications Commission shall be reimbursed for reasonable costs directly attributable to such displacement. The Department of Commerce shall determine the amount of, and arrange for, such reimbursement. Amounts to agencies shall be available subject to appropriation Acts.

(C) Within twelve months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section.

(D) Within twenty-four months after the date of enactment of this title, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 45 MHz previously designated under subsection (d)(1)(A)).

(E) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this title, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(C);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(D); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 404.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 405(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector adviser committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than 12 months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(D), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this title, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 406(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within three months after receipt of the Secretary's report under section 404(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 45 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 404(d)(1)(D), by the effective dates recommended pursuant to section 404(e) (except as provided in subsection (b)(4) of this section), withdraw or limit the assignment to a United States Government station of any frequency which that

report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 405(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 404(d)(1)(A), and within six months after receipt of the Secretary's report under section 404(d)(1)(D), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 404(d)(1)(D) unless the substituted frequency also meets each of the criteria specified by section 404(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 404(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 406, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation Acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 45 MHz to be reallocated from United States Government to non-United States Government use under section 404(d)(1)(A), not later than twenty-four months after enactment of this title, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 408, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 404(e), not later than two years after issuance of the report required by section 404(d)(1)(D), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this title. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 404(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection:

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, except that any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 407 of the Emerging Telecommunications Technologies Act of 1991.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2).

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2), except that the notification required by section 405(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended by adding the following new subsection:

"(j)(1)(A) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, subject to the exclusions listed in paragraph (2).

"(B) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subparagraph (C), the Commission shall grant a permit or license.

"(C) No construction permit or license shall be granted to an applicant selected pursuant to subparagraph (B) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and subsection (a) of this section, on the basis of the information contained in the first- and second-stage applications submitted under subparagraph (B).

"(D) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of this Act.

"(E) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(F) The Commission, in designing the competitive bidding procedures under this subsection, shall study, and if appropriate, include procedures—

"(i) to extend the holding period for winning bidders awarded permits or licenses, and

"(ii) to expand review and enforcement requirements to ensure that winning bidders continue to meet their obligations under this Act.

"(G) The Commission shall, within 6 months after enactment of the Emerging Telecommunications Technologies Act of 1991, following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 45 MHz reallocated from United States Government to non-United States Government use under section 404(d)(1)(A) of the Emerging Telecommunications Technologies Act of 1991, to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to—

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, over-the-air terrestrial radio and television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the Emerging Telecommunications Technologies Act of 1991;

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption, and

"(G) small business as defined by Sec. 3(A) and 5(b)(6) of the Small Business Act of XXXX.

"(3) In implementing this subsection, the Commission shall ensure that current and future rural telecommunications needs are met and that existing rural licensees and their subscribers are not adversely affected.

"(4) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury.".

(b) Random Selection Not To Apply When Competitive Bidding Required.—Section 309(i)(1) of the Communications Act is amended by striking the period after the word "selection" and inserting ", except in instances where competitive bidding procedures are required under subsection (j).".

(c) Spectrum Allocation Decisions.—Section 303 of the Communications Act is amended by adding the following new subsection:

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in this title:

(1) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(2) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(3) The term "Commission" means the Federal Communications Commission.

(4) The term "Communications Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(5) The term "Secretary" means the Secretary of Commerce.

TITLE V—DISLOCATED WORKERS

SEC. 501. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the State of Washington.

TITLE VI—DEFICIT REDUCTION REQUIREMENT

SEC. 601. DEFICIT REDUCTION REQUIREMENT.

(a) Congressional Finding.—The Congress finds that the provisions contained in titles I, II, III, IV, and V of this amendment would lead to a reduction in the deficit and, pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts (both increases and decreases) provided by such titles I through V of this amendment (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Presidential Determination.—None of the provisions contained in this amendment shall take effect unless the President makes a determination and notifies the Congress that this Act would reduce the deficit cumulatively for fiscal years 1991 through 1996; and, notwithstanding any other provision of law or any other provision of this amendment, none of the sections contained therein shall take effect unless the President submits a written designation of all direct spending amounts (both increases and decreases) provided by such titles I through V (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985. Such a determination by the President shall preclude any provisions of this Act, other than the provisions contained in this amendement section 11 and titles I through V from taking effect.

Alternatively, such a determination by the President with regard to the provisions of this Act (as contained in section 10(b)) not contained in this amendment shall prevent the provisions of this amendment from taking effect and put into effect those provisions not contained in this amendment.

Definitions: "this amendment" includes "Titles I, II, III, IV, and V" as originally offered on the Senate floor.

HATCH AMENDMENT NO. 1186

(Ordered to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1722, supra, as follows:

Beginning on page 20, line 23, strike all through page 21, line 16, and insert the following:

SEC. 10. INCREASE IN PERSONAL EXEMPTION FOR DEPENDENTS.

(a) Increase in Personal Exemption.—Paragraph (1) of section 151(d) of the Internal Revenue Code of 1986 (defining exemption amount) is amended to read as follows:

"(1) In general.—Except as otherwise provided in this subsection, the term 'exemption amount' means—

"(A) $2,000 in the case of a taxpayer or spouse described in subsection (b), or

"(B) $4,300 in the case of a dependent described in subsection (c)."

(b) Cost-of-Living Adjustment.—

(1) Section 151(d)(4)(A) of such Code is amended by striking "paragraph (1)" and inserting "paragraph (1)(A)".

(2) Section 151(d)(4)(B) of such Code is amended—

(A) by striking "paragraph (3)(C)" and inserting "paragraphs (1)(B) and (3)(C)", and

(B) by inserting "dependent exemption and" before "threshold" in the heading thereof.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 11. EMERGENCY DESIGNATION.

(a) Emergency Designation.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and all receipts reductions provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Effectiveness.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts and all receipts reductions provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

GRAMM (AND OTHERS) AMENDMENT NO. 1187

Mr. GRAMM (for himself, Mr. Kasten, Mr. Wallop, Mr. Mack, Mr. Smith, Mr. Craig, Mr. Hatch, Mr. Dole, Mr. Simpson, Mr. Helms, Mr. Brown, and Mr. Seymour) proposed an amendment which was subsequently modified, to the bill S. 1722, supra, as follows:

At the appropriate place, insert:

TITLE —EMERGENCY ECONOMIC GROWTH ACT

SECTION 00. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) Short Title.—This Act may be cited as the "Emergency Economic Growth Act of 1991".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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Subtitle A—Investment and Job Creation Incentives

PART I—REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS

SEC. 01. REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
5-year gain	10
5-year gain	20
3-year gain	50.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after April 15, 1991.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1933.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS AFTER APRIL 15, 1991, AND BEFORE 1992.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning in April 15, 1991, and ending on December 31, 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1992.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

"(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 1 is hereby repealed.

(2) Section 12 is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(3) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(4) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(5)(A) Section 170(e)(1)(B) is amended by inserting "(or, in the case of a taxpayer other than a corporation, the nondeductible percentage of the amount of gain)" after "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b)."

(6)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(7)(A) Section 221 (relating to cross reference) is amended to read as follows:

SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gain, see section 1201.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(8) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(9) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(10) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)" before the period at the end thereof.

(11) Paragraph (4) of section 691(c) is amended by striking "1(h),".

(12) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(13)(A) Subparagraph (B) of section 904(b)(2) is amended by striking out so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULES WHERE CORPORATE CAPITAL RATE GAIN DIFFERENTIAL.—In the case of a corporation, for any taxable year for which there is a capital gain rate differential—".

(B) Subparagraphs (D) and (E) of section 904(b)(3) are amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if any rate of tax imposed by section 11, 511, or 831(a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).

"(E) RATE DIFFERENTIAL PORTION.—The rate differential portion of foreign source net capital gain, net capital, or the excess of net capital gain from sources within the United States over net capital gain, as the case may be, is the same proportion of such amount as—

"(i) the excess of the highest rate of tax specified in section 11(b)(1) over the alternative rate of tax under section 1201(a), bears to

"(ii) the highest rate of tax specified in section 11(b)(1)."

(14) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Deduction for capital gains."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after April 15, 1991.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after April 15, 1991.

(B) SPECIAL RULE FOR 1991 TAXABLE YEAR.—In case of any taxable year which includes April 15, 1991, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(h) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. 02. PREVENTION OF EXCESSIVE DEDUCTION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188 (as in effect before its repeal by the revenue Reconciliation Act of 1990), 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Economic Growth and Jobs Creation Incentives Act of 1991", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Economic Growth Act of 1991)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of section 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and.

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Economic Growth and Dividend Act of 1991)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after April 15, 1991, in taxable years ending on or after such date.

PART II—INFLATION ADJUSTMENT FOR INVESTMENTS

SEC. 11. INDEXING OF CERTAIN INVESTMENTS AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF INVESTMENTS ACQUIRED AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(B)) and the holding period of which begins after April 15, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO. The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(i) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(ii) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(ii). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of investments acquired after April 15, 1990 for purposes of determining gain."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dispositions of any property the holding period of which begins after April 15, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after April 15, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

PART III—ENTERPRISE ZONES

Subpart A—Designation

SEC. 21. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1991.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban Development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) Procedural Rules.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) Nomination process for Indian reservations.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) Time Period for Which Designation Is in Effect.—

"(1) In general.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) Revocation of designation.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) Area and Eligibility Requirements.—

"(1) In general.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) Area Requirements.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) Eligibility requirements.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

"(E) the area meets at least one of the following criteria :

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) Eligibility requirements for rural areas.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) Required State and Local Commitments.—

"(1) In general.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) Course of action.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) Later modification of a course of action.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) Priority of Designation.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) Geographic Distribution.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) Definitions.—For the purposes of this title—

"(1) Governments.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) State.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) Local government.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

"(h) Cross References for—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394.".

(b) Clerical Amendment.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"Subchapter D. Designation of enterprise zones.".

SEC. 22. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. 23. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) Coordination With Relocation Assistance.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this Act) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) Coordination With Environmental Policy.—Designation of an enterprise zone under section 7880 of such Code shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Subpart B—Federal Income Tax Incentives

SEC. 31. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) General Rule.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.
"Sec. 1392. Credit for enterprise zone employees.
"Sec. 1393. Enterprise zone capital gain.
"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) Enterprise Zone.—

"(1) In general.—For purposes of this subchapter, the term 'enterprise zone, means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) Termination of enterprise zone.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) Enterprise Zone Business.—

"(1) In general.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprises zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) Related activities taken into account.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) Special rules.—

"(A) Rental real property.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and is not subject to paragraph (1)(B).

"(B) Termination of enterprise zone business.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) Enterprise Zone Property.—

"(1) In general.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) Termination of enterprise zone.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) Related Persons.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) Regulatory Authority.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of subtile C of title II of the Economic Growth Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal Government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) General Rule.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) Definitions.—For purposes of this section—

"(1) Enterprise zone employee.—The term 'enterprise zone employee' means as individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) Wages.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) Qualified wages.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) Limitations.—

"(1) Phase-out of credit.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) Partial taxable year.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) Reduction of Credit to Taxpayers Subject to Alternative Minimum Tax.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) Credit Treated as Subpart C Credit.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) General Rule.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) Definition.—For purposes of this section—

"(1) In general.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) Limitations.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collection (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) Basis.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) General Rule.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) Limitations.—

"(1) Ceiling.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) Excess amounts.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) Related person.—

"(A) In general.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) Excess amounts.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with the respective purchases of enterprise zone stock.

"(3) Partial taxable year.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata (based upon the number of days).

"(c) Dispositions of stock.—

"(1) Gain treated as ordinary income.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) Interest charged if disposition within 5 years of purchase.—

"(A) In general.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) Additional amount.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) Disqualification.—

"(1) Issuer or stock ceases to qualify.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) Special rules.—

"(A) Liquidation.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) Termination of enterprise zone.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) Partial disqualification.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated amount enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) Additional amount.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate application under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) Definitions.—For purposes of this section—

"(1) Enterprise zone stock.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months following issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) Qualified issuer.—

"(A) In general.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) Limitation on total issuances.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) Aggregation.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) Amount paid.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidence of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) Issuances in Exchange for Property.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchaper C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) Basis Adjustment.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) Limitations on Assessment and Collection.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCES.—

"For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a).".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 32. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income.".

(b) INDIVIDUALS.—Section 56(b) (relating to adjustments to the alternative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e)).".

SEC. 33. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (14) the following new paragraph:

"(15) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394.".

SEC. 34. EFFECTIVE DATE.

The amendments made by this subpart shall apply to taxable years ending after December 31, 1990.

Subpart C—Regulatory Flexibility

SEC. 41. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code).".

SEC. 42. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request or waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 of the following new item:

"611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611)" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 43. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local cordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Subpart D—Establishment of Foreign Trade Zones in Enterprise Zones

SEC. 51. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Subpart E—Repeal of Title VII of the Housing and Community Development Act of 1987

SEC. 61. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

PART IV—HEALTH INSURANCE COSTS OF SELF-EMPLOYED

SEC. 65. DEDUCTION FOR HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS MADE PERMANENT.

(a) IN GENERAL.—Section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking paragraph (6).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1991.

PART V—RESEARCH AND EXPERIMENTATION CREDIT EXTENDED

SEC. 71. RESEARCH AND EXPERIMENTATION CREDIT EXTENDED.

(a) IN GENERAL.—Section 41(h) of the Internal Revenue Code of 1986 (relating to termination) is amended—

(1) by striking "1991" each place it appears and inserting "1992", and

(2) by striking "1992" each place it appears and inserting "1993".

(b) CONFORMING AMENDMENT.—Section 28(b)(1)(D) of the Internal Revenue Code of 1986 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking "1991" and inserting "1992".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle B—Savings Incentives

PART I—INDIVIDUAL RETIREMENT PLUS ACCOUNTS

SEC. 81. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be acceped as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

PART II—PRIME ACCOUNTS

SEC. 82. ESTABLISHMENT OF PRIVATE RETIREMENT INCENTIVES MATCHED BY EMPLOYERS.

(a) IN GENERAL.—Section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) PRIME ACCOUNTS.—

"(1) IN GENERAL.—For purposes of this title, the term 'prime account' means an individual retirement plan—

"(A) with respect to which the requirements of paragraphs (3), (4), and (5) are met; and

"(B) with respect to which the only contributions allowed are contributions under a qualified salary reduction arrangement.

"(2) QUALIFIED SALARY REDUCTION ARRANGEMENT.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'qualified salary reduction arrangement' means a written arrangement of an eligible employer under which—

"(i) an employee may elect to have the employer make payments—

"(I) as elective employer contributions to the prime account on behalf of the employee, or

"(II) to the employee directly in cash,

"(ii) the amount which an employee may elect under clause (i) for any year is required to be expressed as a percentage of compensation and may not exceed a total of $3,000 for any year, and

"(iii) the employer—

"(I) is required to make a matching contribution to the prime account for any year in an amount equal to so much of the amount the employee elects under clause (i)(I) as does not exceed 3 percent of compensation, and

"(II) may make no other matching contribution.

"(B) ELIGIBLE EMPLOYER.—For purposes of this subsection, the term 'eligible employer' means an employer who normally employs fewer than 100 employees on any day during the year.

"(C) ARRANGEMENT MAY BE ONLY PLAN OF EMPLOYER.—

"(i) IN GENERAL.—An arrangement shall not be treated as a qualified salary reduction arrangement for any year if the employer (or any predecessor employer) maintained a qualified plan with respect to which contributions were made, or amounts were accrued, for any year in the period beginning with the year such arrangement became effective and ending with the year for which the determination is being made.

"(ii) SERVICE CREDIT.—A qualified plan maintained by an employer shall provide that, in computing the accrued benefit of any employee, no credit shall be given for service during a year for which such employee was eligible to participate in a qualified salary reduction arrangement of such employer.

"(iii) QUALIFIED PLAN.—For purposes of this subparagraph, the term 'qualified plan' means a plan, contract, pension, or trust described in subparagraph (A) or (B) of section 219(g)(5).

"(D) NO FEE OR PENALTY ON EMPLOYEE'S INITIAL INVESTMENT DETERMINATION.—An arrangement shall not be treated as a qualified salary reduction arrangement unless it provides that no fee or penalty will be imposed on an employee's initial determination with respect to the investment of any contribution.

"(3) VESTING REQUIREMENTS.—The requirements of this paragraph are met with respect to a prime account if the employee's rights to any contribution to the prime account are nonforfeitable. For purposes of this paragraph, the rules of subsection (k)(4) shall apply.

"(4) PARTICIPATION REQUIREMENTS.—The requirements of this paragraph are met with respect to any prime account for a year only if, under the qualified salary reduction arrangement, all employees of the employer who are reasonably expected to work at least 1,000 hours during such year are eligible to make the election under paragraph (2)(A)(i).

"(5) ADMINISTRATIVE REQUIREMENTS.—The requirements of this paragraph are met with respect to any prime account if, under the qualified salary reduction arrangement—

"(A) an employer must make the elective employer contributions under paragraph (2)(A)(i) and the employer matching contributions under paragraph (2)(A)(iii) not later than the close of the 30-day period following the last day of the month with respect to which the contributions are to be made,

"(B) an employee may elect to terminate participation in such arrangement at any time during the year, except that if an employee so elects, the employee may not elect to resume participation until the beginning of the next year, and

"(C) each employee eligible to participate—

"(i) may elect, during the 60-day period before the beginning of any year, to participate in the arrangement, or to modify the amounts subject to such arrangement, for such year, and

"(ii) may elect, within 30 days of commencing employment during any year, to participate in the arrangement.

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) EMPLOYEE.—The term 'employee' includes an employee as defined in section 401(c)(1).

"(B) YEAR.—The term 'year' means the calendar year."

(b) PRIME ACCOUNTS NOT TREATED AS PENSION PLANS.—Notwithstanding any other provision of law, a prime account or qualified salary reduction arrangement under section 408(p) of the Internal Revenue Code of 1986 shall not be treated as an employee benefit plan or pension plan for purposes of the Employee Retirement Income Security Act of 1974.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1991.

SEC. 83. TAX TREATMENT OF PRIME ACCOUNTS.

(a) DEDUCTIBILITY OF CONTRIBUTIONS.—

(1) Section 219(b) of the Internal Revenue Code of 1986 (relating to maximum amount of deduction) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL RULE FOR PRIME ACCOUNTS.—This section shall to apply with respect to any amount contributed to a prime account established under section 408(p)."

(2) Section 219(g)(5)(A) of such Code (defining active participant) is amended by striking "or" at the end of clause (iv) and by adding at the end thereof the following new clause:

"(vi) any prime account (within the meaning of section 408(p)), or".

(b) CONTRIBUTIONS AND DISTRIBUTIONS.—

(1) Section 402 of such Code (relating to taxability of beneficiary of employees' trust) is amended by adding at the end thereof the following new subsection:

"(k) TREATMENT OF PRIME ACCOUNTS.—The rules of paragraphs (1) and (3) of subsection (h) shall apply to contributions and distributions with respect to a prime account under section 408(p)."

(2) Section 408(d)(3) of such Code is amended by adding at the end thereof the following new subparagraph:

"(G) PRIME ACCOUNTS.—This paragraph shall not apply to any amount paid or distributed out of a prime account (as defined in section 408(p)) unless it is paid into another prime account."

(3) Clause (i) of section 457(c)(2)(B) of such Code is amended by striking "section 402(h)(1)(B)" and inserting "section 402(h)(1)(B) or (k)".

(c) PENALTIES.—

(1) EARLY WITHDRAWALS.—Section 72(t) of such Code (relating to additional tax in early distributions) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULES FOR PRIME ACCOUNTS.—In the case of any amount received from a prime account (within the meaning of section 408(p)) during the 3-year period beginning on the date such individual first participated in any qualified salary reduction arrangement maintained by the individual's employer under section 408(p)(2), paragraph (1) shall be applied by substituting '25 percent' for '10 percent'."

(2) FAILURES TO REPORT.—Section 6693 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) PENALTIES RELATING TO PRIME ACCOUNTS.—

"(1) EMPLOYER PENALTIES.—An employer who fails to provide 1 or more notices required by section 408(l)(2)(C) shall pay a penalty of $100 for each day on which such failures continue.

"(2) TRUSTEE PENALTIES.—A trustee who fails—

"(A) to provide 1 or more statements required by the last sentence of section 408(i) shall pay a penalty of $100 for each day on which such failures continue, or

"(B) to provide 1 or more summary descriptions required by section 408(l)(2)(B) shall pay a penalty of $100 for each day on which such failures continue."

(d) REPORTING REQUIREMENTS.—

(1)(A) Section 408(l) of such Code is amended by adding at the end thereof the following new paragraph:

"(2) PRIME ACCOUNTS.—

"(A) NO EMPLOYER REPORTS.—Except as provided in this paragraph, no report shall be required under this section by an employer maintaining a qualified salary reduction arrangement under subsection (p).

"(B) SUMMARY DESCRIPTION.—The trustee of any prime account established pursuant to a qualified salary reduction arrangement under subsection (p) shall prepare, and provide to the employer maintaining the arrangement, each year a description containing the following information.

"(i) The name and address of the employer and the trustee.

"(ii) The requirements for eligibility for participation.

"(iii) The benefits provided with respect to the arrangement.

"(iv) The time and method of making elections with respect to the arrangement.

"(v) The procedures for, and effects of, withdrawals from the arrangement.

"(C) EMPLOYEE NOTIFICATION.—The employer shall notify each employee immediately before the period for which an election described in subsection (p)(5)(C) may be made of the employee's opportunity to make such election. Such notice shall include a copy of the description described in subparagraph (B)."

(B) Section 408(1) of such Code is amended by striking "An employer" and inserting—

"(1) IN GENERAL.—An employer".

(2) Section 408(i) of such Code is amended by adding at the end the following new flush sentence:

"In the case of a prime account under subsection (p), only one report under this subsection shall be required to be submitted to the Secretary (at the time provided under paragraph (2)) but, in addition to the report under this subsection, there shall be furnished, within 30 days after each calendar quarter, to the individual on whose behalf the account is maintained a statement with respect to the account balance as of the close of, and the account activity during, such calendar quarter."

(e) CONFORMING AMENDMENTS.—

(1) Section 280G(b)(6) of such Code is amended by striking the "or" at end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", or" and by adding after subparagraph (C) the following new subparagraph:

"(D) a prime account described in section 408(p)."

(2) Section 402(g)(3) of such Code is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by adding after subparagraph (C) the following new subparagraph:

"(D) any employer contribution under section 408(p)(2)(A)."

(3) Subsections (b) and (c) of section 414 of such Code are each amended by inserting "408(p)," after "408(k),".

(4)(A) Section 415(a)(2) of such Code is amended by striking "or" at the end of subparagraph (B), by inserting "or" at the end of subparagraph (C), and by adding after subparagraph (C) the following new subparagraph:

"(D) a prime account described in section 408(p),"

(B) Section 415(a)(2) of such Code is amended—

(i) by striking "or pension" and inserting "pension, or account", and

(ii) by striking "or 408(k)" and inserting "408(k), or 408(p)".

(C) The second last sentence of section 415(c)(2) of such Code is amended—

(i) by inseting a comma after "408(d)(3))", and

(ii) by inserting ", and without regard to contributions to a prime account which are excludable from gross income under section 408(p)" after "408(k)(6)".

(D) Section 415(e)(5) of such Code is amended by inserting "or prime account" after "simplified employee pension".

(E) Section 415(k)(1) of such Code is amended by striking "or" at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting ", or", and by inserting after subparagraph (F) the following new subparagraph:

"(G) a prime account described in section 408(p)."

(5) Section 4972(d)(1)(A) of such Code is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding after clause (iii) the following new clause:

"(iv) any prime account (within the meaning of section 408(p))."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle C—Homeownership Incentives

PART I—FIRST-TIME HOMEBUYERS TAX CREDIT

SEC. 86. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitie for such taxable year an amount equal to $1,000.

"(b) INCOME LIMITATIONS.—

"(1) IN GENERAL.—No credit shall be allowed under subsection(a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) PHASE-DOWN OF CREDIT.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' has the meaning given to such term by section 408A(e)(3)(E)(ii).

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) TREATMENT OF MARRIED INDIVIDUALS.—The adjusted gross income of any individual for any taxable year shall include the adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase."

(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.
"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

PART II—PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS

SEC. 87. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by title II) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) DISTRIBUTIONS FROM IRA ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and—

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(I) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distribution to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle D—Work Incentives

PART I—REDUCTION IN SOCIAL SECURITY PENALTY ON WORKING ELDERLY

SEC. 91. PHASED-IN INCREASES IN THE EARNINGS TEST OVER THE PERIOD 1992–1997 FOR INDIVIDUALS WHO HAVE ATTAINED NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Subparagraph (D) of section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended to read as follows:

"(D)(i) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be—

"(I) for each month of the taxable year ending after 1991 and before 1993, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000.

"(II) for each month of the taxable year ending after 1992 and before 1994, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(III) for each month of the taxable year ending after 1993 and before 1995, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(IV) for each month of the taxable year ending after 1994 and before 1996, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(V) for each month of the taxable year ending after 1995 and before 1997, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(VI) for each month of the taxable year ending after 1996 and before 1998, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(ii) For purposes of subparagraph (B)(ii)(II), the increase in the exempt amount provided under clause (i)(VI) shall be deemed to have resulted from a determination which shall be deemed to have been made under subparagraph (A) in 1996.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after 1991.

SEC. 92. TRANSFERS TO TRUST FUNDS.

(A) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in social security benefits payable from such fund which is attributable to the amendment made by section 401.

(b) TRANSFERS.—The amounts appropriated by subsection (a) to a payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such subsection. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) DEFINITIONS.—For purposes of this section—

(1) PAYOR FUND.—The term "payor fund" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(2) SOCIAL SECURITY BENEFITS.—The term "social security benefits" means any amount received by a person by reason of entitlement to monthly benefits under title II of the Social Security Act.

(d) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services on—

(1) the transfers made under this section during the year, and the methodology used in determining the amount of such transfers and the payor funds to which made, and

(2) the anticipated operation of this section during the next 5 years.

SEC. 93. STUDY TO DETERMINE IMPACT OF TOTAL REPEAL.

(a) STUDY.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall undertake in 1997 a study for the purpose of determining whether further amendments relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act are necessary or appropriate. Such study shall be conducted in full consultation with the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce shall provide the Secretary with such appropriate assistance and information requested by the Secretary as the Secretary considers necessary and appropriate to carry out the study under this section.

(b) SPECIFIC MATTERS TO BE STUDIED.—

(1) IN GENERAL.—The Secretary, in carrying out the study provided for in this section, shall address, analyze, and report specifically on various effects—

(A) which have resulted from the amendment made by section 401, and

(B) which would reasonably be expected to result from repeal, effective with respect to taxable years ending after calendar year 1997, of the provisions relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act.

The Secretary shall include in the report any other information which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to deductions on account of work and the exempt amount.

(2) EFFECTS TO BE INCLUDED IN STUDY.—The effects referred to in paragraph (1) shall include—

(A) the effect on numbers in the workforce, by category of income;

(B) the effect on the purchasing power of members of the workforce, expressed in constant dollars;

(C) the effect on the working elderly with wage or salary income at or below the national average wage level;

(D) the short-term and long-term effect on the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund;

(E) the effect on the Federal budget; and

(F) the effect on the national economy.

(c) REPORTS.—The Secretary shall submit to each House of the Congress, not later than November 1, 1997, a final report of the findings of such study.

PART II—ECONOMIC GROWTH DIVIDEND

SEC. 94. USE OF ECONOMIC GROWTH DIVIDEND.

(a) GENERAL RULE.—If the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, such dividend shall be used to increase the amount of the personal exemptions as provided in section 412.

(b) ECONOMIC GROWTH DIVIDEND.—For purposes of this Act—

(1) there is an economic growth dividend for any fiscal year if the Secretary determines that the real growth in the gross national product during such fiscal year was at a rate in excess of 3 percent, and

(2) the amount of the economic growth dividend for such fiscal year is the amount which the Secretary estimates will be the annual increase in Federal tax receipts resulting from the real growth in the gross national product during such fiscal year at a rate in excess of 3 percent.

Determinations under the preceding sentence shall be made before the close of the calendar year in which the fiscal year ends.

(c) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, subsection (b) shall be applied by substituting for "3 percent" each place it appears the estimated rate of real growth in the gross national product for such fiscal year as set forth in the President's budget submission for such fiscal year under section 1105 of title 31, United States Code.

SEC. 95. INCREASE IN AMOUNT OF PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—If the Secretary determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, the amount of the exemption amount for taxable years beginning after the close of the calendar year in which such fiscal year ends shall be increased by an amount which the Secretary estimates will reduce Federal tax receipts for taxable years beginning in the following calendar year by an amount equal to 100 percent of the amount of such economic growth dividend.

(b) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, 50 percent of the economic growth dividend shall be used in accordance with subsection (a), and 50 percent of the growth dividend shall be used to make a downward adjustment in the maximum deficit amount of section 250(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) EXEMPTION AMOUNT.—For purposes of this section, the term 'exemption amount' means the amount which would otherwise be the exemption amount under section 151(d) of the Internal Revenue Code of 1986 before the application of paragraphs (2) and (3) thereof.

(d) INFLATION ADJUSTMENTS.—Any increase determined under this section shall be adjusted for increases in the cost of living under procedures similar to those provided in section 151(d)(4) of such Code.

Subtitle E—Emergency Designation

SEC. 99. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) all appropriations authorized by this Act (for all fiscal years), and all receipts legislation provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years), all appropriations authorized by this Act (for all fiscal years), and all receipts legislation provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. . PARTS OR ACCESSORIES INSTALLED FOR USE OF PASSENGER VEHICLES BY DISABLED INDIVIDUALS EXEMPT FROM LUXURY TAX.

(a) IN GENERAL.—Paragraph (3) of section 4004(b) of the Internal Revenue Code of 1986 (relating to separate purchase of article and parts and accessories therefor) is amended—

(1) by striking "or" at the end of subparagraph (A),

(2) by redesignating subparagraph (B) as subparagraph (C),

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) the part or accessory is installed on a passenger vehicle to enable or assist an individual with a disability to operate the vehicle, or to enter or exit the vehicle, by compensating for the effect of such disability, or".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 11221(a) of the Omnibus Budget Reconciliation Act of 1990.

BENTSEN AMENDMENT NO. 1188

Mr. BENTSEN proposed an amendment to the bill S. 1722, supra, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period or other period	7

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) Repayment.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) Recovery by State Agency.—

(1) In general.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) Opportunity for hearing.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) Review.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) In general.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) Eligibility period.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) Rate of total unemployment.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) Repeal of Certain Limitations.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) Reduction in Length of Required Active Duty by Reserves.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) Effective Date.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"Sec. 908. (a) Establishment.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) Function.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) Members.—

"(1) In general.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) Qualifications.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) Vacancies.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) Chairman.—The President shall appoint the Chairman.

"(d) Staff and Other Assistance.—

"(1) In general.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) Assistance from Secretary of Labor.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) Compensation.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) Report.—

"(1) In general.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) Report of first council.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) Emergency Designation.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Effectiveness.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. . ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

BROWN (AND OTHERS) AMENDMENT NO. 1189

Mr. BROWN (for himself, Mr. Metzenbaum, Mr. Mack, and Mr. Symms) proposed an amendment to amendment No. 1188 proposed by Mr. Bentsen to the bill S. 1722, supra, as follows:

At the appropriate place in the amendment add the following new section:

SEC. . INTERNATIONAL COFFEE AGREEMENT.

Since the International Coffee Agreement (ICA) and its administrative arm, the International Coffee Organization (ICO), were born in 1983 to stabilize global coffee trade, by establishing an export quota system;

Since the ICO members control 95 percent of coffee exports and 86 percent of coffee imports and act much like a cartel by restricting the amount of coffee that can be sold on the world market;

Since an export quota system for coffee acts directly against the interests of American consumers by keeping prices at artificially high levels;

Since the negative effect of ICA quotas on consumers has been demonstrated from April 1989, when it appeared the agreement would lapse, to June 1991, by a 46.1 percent drop in the price of coffee;

Since the agreement lapsed in 1989, United States imports of coffee increased by 26 percent in 1990 over 1988 levels, at a total cost savings of $1.27 billion due to lower prices;

Since a World Bank study found quota benefits for members of the ICA come at the expense of the consumer and mid-level producing countries;

Since the International Coffee Organization, of which the United States is a member, began meetings on September 23, 1991, to establish a new coffee agreement and to again limit exports and control world coffee prices;

Since the proposals for a new coffee agreement discriminate against the coffee producers of Central America;

Since on July 29, 1991, the Senate unanimously agreed to an amendment that would prevent further United States participation in the International Coffee Organization;

Therefore, it is the Sense of the Senate that the United States should not be party to any coffee agreement which will increase the price of coffee to the American consumer.

McCAIN AMENDMENT NO. 1190

Mr. McCAIN proposed an amendment to amendment No. 1188 proposed by Mr. Bentsen to the bill S. 1722, supra, as follows:

At the end of the bill, add the following section:

SEC. . TAX FAIRNESS AND ACCOUNTABILITY.

(a) Supermajority Requirement in the Senate.—In the Senate, any bill or amendment increasing the tax rate, the tax base, the amount of income subject to tax; or decreasing a deduction, exclusion, exemption, or credit; or any amendment of this provision shall be considered and approved only by an affirmative vote by three-fifths of the Members of the Senate, duly chosen and sworn.

(b) Amendment to the Congressional Budget Act of 1974 Striking 60-Vote Requirement for Revenue Reduction.—Section 311(a) of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following: "Notwithstanding any other provision of this Act or any other law, a bill, resolution, or amendment that reduces the tax rate, the tax base, the amount of income subject to tax; or increases a deduction, exclusion, or credit shall be considered and approved by a simple majority of the Senate: *Provided however*, That a bill, resolution or amendment that reduces the tax for Social Security may only be considered and approved by an affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn.

TECHNICAL AMENDMENTS TO VARIOUS INDIAN LAWS

INOUYE AMENDMENT NO. 1191

Mr. FORD (for Mr. Inouye) proposed an amendment to the amendment of the House to the bill (S. 1193) to make technical amendments to various Indian laws, as follows:

In lieu of the language inserted by the House amendment, insert the following:

(b) Reauthorization of Appropriations for the National Indian Gaming Commission.—Section 19(b) of the Indian Gaming Regulatory Act (25 U.S.C. 2718(b)) is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of section 18, there are authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for each of the fiscal years beginning October 1, 1991, and October 1, 1992.".

At the end of the bill, add the following new section:

SEC. 4. AMENDMENT TO THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT TO PROVIDE AUTHORITY FOR THE PROVISION OF ASSISTANCE UNDER TITLE IX OF THE ACT TO PROGRAMS ADMINISTERED BY THE STATE OF HAWAII UNDER THE ACT OF JULY 9, 1921.

(a) Title IX of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) is amended by adding at the end of subtitle D the following:

"SEC. 962. AUTHORIZATION FOR THE PROVISION OF ASSISTANCE TO PROGRAMS ADMINISTERED BY THE STATE OF HAWAII UNDER THE ACT OF JULY 9, 1921.

"The Secretary of Housing and Urban Development is authorized to provide assistance under this title to the State of Hawaii, including the responsibilities with which the State has been charged under the provisions of the Act of July 9, 1921.".

(b) Subsections (a) and (b) of section 958 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) are repealed, and subsections (c) and (d) are redesignated as subsections (a) and (b).

ARMED FORCES IMMIGRATION ADJUSTMENT ACT

KENNEDY (AND SIMPSON) AMENDMENT NO. 1192

Mr. FORD (for Mr. Kennedy, for himself, and Mr. Simpson) proposed an amendment to the amendment of the House to the bill (S. 296) to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably—or are enlisted to serve—in the Armed Forces of the United States for at least 12 years, as follows:

In lieu of the matter proposed to be inserted by the amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1991".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) In General.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking "or" at the end of subparagraph (I),

(2) by striking the period at the end of subparagraph (J) and inserting "; or", and

(3) by adding at the end the following new subparagraph:

"(K) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

"(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or

"(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,

and the spouse or child of any such immigrant if accompanying or following to join the immigrant, but only if the executive department under which the immigrant serves or served recommends the granting of special immigrant status to the immigrant.".

(b) Numerical Limitations.—Section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)), as inserted by section 121(a) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(6) Special rules for 'K' special immigrants.—

"(A) Not counted against numerical limitation in year involved.—Subject to subparagraph (B), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in a fiscal year shall not be subject to the numerical limitations of this subsection or of section 202(a).

"(B) Counted against numerical limitations in following year.—

"(i) Reduction in employment-based immigrant classifications.—The number of visas made available in any fiscal year under paragraphs (1), (2), and (3) shall each be reduced by ⅛ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K).

"(ii) Reduction in per country level.—The number of visas made available in each fiscal year to natives of a foreign state under section 202(a) shall be reduced by the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(iii) Reduction in employment-based immigrant classifications within per country ceiling.—In the case of a foreign state subject to section 202(e) in a fiscal year (and in the previous fiscal year), the number of visas made available and allocated to each of paragraphs (1) through (3) of this subsection in the fiscal year shall be reduced by ⅛ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(C) Application of separate numerical limitation.—

"(i) In general.—Subject to clause (ii), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in any fiscal year (other than as a spouse or child described in such section) may not exceed—

"(I) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in clause (iii)), 2,000, or

"(II) in the case of aliens who are nationals of any other state, 100.

"(ii) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of clause (i) shall not apply to individuals who meet the requirements of section 101(a)(27)(K) as of the date of the enactment of this subparagraph.

"(iii) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In clause (i), the term 'numerical limitation treaty or agreement' means a treaty or agreement in effect on the date of the enactment of this subparagraph which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States.".

(c) ADJUSTMENT OF STATUS.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended—

(1) in subsection (c)(2), by striking "or (I)" and inserting ", (I), or (K)", and

(2) by adding at the end the following new subsection:

"(g) In applying this section to a special immigrant described in section 101(a)(27)(K), such an immigrant shall be deemed, for purposes of subsection (a), to have been paroled into the United States.".

(d) EFFECTIVE DATE.—This section shall take effect 60 days after the date of the enactment of this Act.

SEC. 3. DELAY UNTIL APRIL 1, 1992, IN IMPLEMENTATION OF PROVISIONS RELATING TO O AND P NONIMMIGRANTS.

Section 214(g)(1)(C) of the Immigration and Nationality Act shall not apply to the issuance of visas or provision of status before April 1, 1992. Aliens seeking nonimmigrant admission as artists, athletes, entertainers, or fashion models (or for the purpose of accompanying or assisting in an artistic or athletic performance) before April 1, 1992, shall not be admitted under subparagraph (O)(i), (O)(ii), (P)(i), or (P)(iii) of section 101(a)(15) of such Act, but may be admitted under the terms of subparagraph (H)(i)(b) of such section (as in effect on September 30, 1991).

SEC. 4. CONTINUATION OF DERIVATIVE STATUS FOR SPOUSES AND CHILDREN OF THIRD AND SIXTH PREFERENCE IMMIGRANTS; DEEMED CONTINUED EFFECTIVENESS OF CERTAIN EMPLOYMENT-BASED PETITIONS.

Effective as if included in the Immigration Act of 1990, section 161(c) of such Act is amended by adding at the end the following new paragraphs:

"(3) In the case of an alien who is described in section 203(a)(8) of the Immigration and Nationality Act (as in effect before October 1, 1991) as the spouse or child of an alien described in section 203(a)(3) or 203(a)(6) of such Act and who would be entitled to enter the United States under such section 203(a)(8) but for the amendments made by this section, such as alien shall be deemed to be described in section 203(d) of such Act as the spouse or child of an alien described in section 203(b)(2) or 203(b)(3)(A)(i), respectively, of such Act with the same priority date as that of the principal alien.

"(4)(A) Subject to subparagraph (B), any petition filed before October 1, 1991, and approved on any date, to accord status under section 203(a)(3) or 203(a)(6) of the Immigration and Nationality Act (as in effect before such date) shall be deemed, on and after October 1991 (or, if later, the date of such approval), to be a petition approved to accord status under section 203(b)(2) or under the appropriate classification under section 203(b)(3), respectively, of such Act (as in effect on and after such date). Nothing in this subparagraph shall be construed as exempting the beneficiaries of such petitions from the numerical limitations under section 203(b)(2) or 203(b)(3) of such Act.

"(B) Subparagraph (A) shall not apply more than two years after the date the priority date for issuance of a visa on the basis of such a petition has been reached.".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR REFUGEE RESETTLEMENT PROGRAMS FOR FISCAL YEAR 1992.

Subsection (a) of section 414 of the Immigration and Nationality Act (8 U.S.C. 1524) is amended to read as follows:

"(a) There are authorized to be appropriated for fiscal year 1992 such sums as may be necessary to carry out this chapter.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. WIRTH. Mr. President, I would like to announce for my colleagues and the public that an oversight hearing has been scheduled before the Energy Regulation and Conservation Subcommittee of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on implementation of the Department of Energy's joint venture program for renewable energy.

The hearing will take place on October 17, 1991, at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building, First and C Streets NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Leslie Black.

For further information, please contact Leslie Black of the Subcommittee staff at 202/224-9607.

AUTHORIZATION FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Employment and Productivity of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, September 24, 1991 at 3 p.m., for a hearing on S. 516, Privacy for Consumers and Workers Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 24, at 2 p.m. to hold a hearing entitled "Consolidating Free-Market Democracy in the Former Soviet Union."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Tuesday, September 24, 1991 at 10 a.m. to conduct a hearing on the nomination of William Taylor to be Chairman of the Board of Directors of the Federal Deposit Insurance Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., September 24, 1991, to receive testimony on the status of the Department of Energy's research and development on the atomic vapor laser isotope separation technology and the outlook for transfer of that technology to the private sector for commercial development.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERAN'S AFFAIRS

Mr. FORD. Mr. President, the Committee on Veteran's Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs in order to receive a legislative presentation by the American Legion. The hearing will be held on Tuesday, September 24, 1991, at 9 a.m. in Cannon 334.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, September 24 at 10:30 a.m. to hold a hearing on the annual refugee consultation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, September 24, 1991, at 9:30 a.m. to hold an open hearing on the confirmation of Robert M. Gates to be Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Tuesday, September 24 at 9:30 a.m., for a hearing on the subject: National Science Foundation Grants Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 24, at 10 a.m. to hold a hearing entitled, "Command and Control of Soviet Nuclear Weapons: Dangers and Opportunities Arising From the August Revolution."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 24, at 7:30 p.m. to hold a business meeting.

The committee will consider and vote on the following business items:

NOMINATIONS

Mr. Arnold Kanter, of Virginia, to be Under Secretary of State for Political Affairs.

Mr. Edward P. Djerejian, of Maryland, to be Assistant Secretary of State for Near East and South Asian Affairs.

Mr. Thomas M.T. Niles, of Washington, DC, to be Assistant Secretary of State for European and Canadian Affairs.

Mr. C. Payne Lucas, of Washington, DC, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1933.

Foreign Service Officers' promotion list, Mr. Clark, and others, dated September 11, 1991.

LEGISLATION

Senate Resolution 180, calling on the President to begin immediate withdrawal from the U.S. facility at Subic Bay.

Senate Resolution 182, commending Hong Kong for successfully holding the first direct elections to its Legislative Council.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO NORMAN TANZMAN

• Mr. LAUTENBERG. Mr. President, I rise today to honor a good friend and devoted community leader, Norman Tanzman. On October 27, 1991, he will be honored at a testimonial dinner sponsored by the Central New Jersey Jewish Home for the Aged.

Over the years, Norman Tanzman has contributed an enormous amount of time, effort, and dedication to many important facets of the New Jersey community. Despite his responsibilities as a partner in his real estate firm, Jacobson, Goldfarb & Tanzman Associates, Norman finds time not only to volunteer for various charitable activities but to serve as an informal adviser to those who seek his advice. He is known by his friends and colleagues as a man of impeccable character and integrity and is widely respected as a community leader. Mr. President, Norman's dynamic presence has been felt throughout the community, and is so wide-ranging that describing all of his activities is nearly impossible.

Norman Tanzman has dedicated almost a decade of his life to public service. In 1960, he was elected to the New Jersey General Assembly and was reelected in 1961, 1963, and 1965. In 1967, Norman served as assistant majority leader. He was elected to the New Jersey State Senate in 1967 and was reelected the following term.

Health care has been one of Norman Tanzman's main legislative interests, he has endeavored to improve health care for the public. He was the founding director, former chairman of the board, and former president of the Central New Jersey Jewish Home for the Aged and is currently president of the Geriatric Services Corp., a parent corporation of the home. Norman is a member of the board of governors of the Raritan Bay Health Services Corp. and has served in various capacities in that organization.

Mr. President, Norman's philanthropic involvement has touched nearly every sphere of the community. He has served on the board of trustees of the Barron Free Public Library Woodbridge, as vice chairman of the board of trustees to Middlesex County College, as a member of the board of directors of the Anti-Defamation League of B'nai B'rith, and has received the 1988 Distinguished Citizen Award from the Thomas A. Edison Council Boy Scouts of America. He is active with the Northern Middlesex County Regional YMHA, the Jewish Federation of Northern Middlesex County, and has served as former vice president of both organizations. Norman is now acting lifetime director of Northern Middlesex County Regional YMHA. He served as a member of the Woodbridge Township Planning Board from 1954 to 1963 and was chairman of the board from 1955 to 1990.

I join Norman's wife Marion, the entire Tanzman family, his many friends and colleagues as they gather to honor a special man who has set an example of service to others and has committed himself to bettering Middlesex County and the State of New Jersey.•

TRIBUTE TO ROBERT NORMAN DUNHAM

• Mr. WALLOP. Mr. President, I rise to pay special tribute to a native of Wyoming, Mr. Robert Norman Dunham. He retires today after an incredible 56½ years working on behalf of the Nation's security, first in the uniform of the U.S. Navy, and then as a Navy Department civilian.

As you know, Mr. President, Wyoming has the smallest population of any State in the Union, with just under 500,000 souls. Yet Wyoming's sons and daughters have a remarkable record of service to this country, out of all proportion to our small population. Perhaps there is something in our wide expanse of sky and prairie, something in the majesty of our rivers and mountains, that breeds a special quality in the blood and bone of our people. Wyoming's children have a rugged courage, a spirit of independence, and a love of adventure. Bob Dunham is typical of the breed.

Born in Cheyenne in 1917, Bob enlised in the Navy in 1934, and rose quickly through the ranks to become a chief petty officer. He entered naval aviation through the enlisted Naval Aviation Pilot Program, and held a wide array of assignments which carried him through two wars and from the Canal Zone to Korea. He took part in the great campaign at Midway in 1942, and in the Berlin airlift in 1948. A few years later he was back in a war zone, flying carrier operations in Korea, by which time he had become a commissioned officer.

Retiring after 20 years honorable service, Bob joined the Navy Department as a civil servant, and put his valuable experience and expertise to work in support of naval aviation. He served as a maintenance expert, engineering technician, and logistics management specialist in a variety of increasingly responsible positions for over 36 years, receiving numerous citations and awards for outstanding service.

Mr. President, we in the Congress often fall into the error of looking at Government in the abstract. We see only buildings and agencies, budgets and man-hours. But Bob Dunham's retirement after 56 distinguished years not only leaves a gap in the ranks impossible to fill, it also reminds us what Government is really made of—people. The Nation can be exceedingly grateful we have people like him—men and women whose skill, hard work, and dedication have kept the ships and aircraft manned and flying, whose commitment to liberty have kept our Nation free and strong.

As Bob Dunham enters a well-earned retirement, he takes with him my thanks, and the appreciation of a grateful nation.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Richard Kaufman, a member of the staff of Senator SARBANES, to participate in a program in Nova Scotia, Canada, sponsored by the Russian Research Center of Nova Scotia, Dalhousie University, from August 11-17, 1991.

The committee has determined that participation by Mr. Kaufman in the program in Nova Scotia, at the expense of the Russian Research Center, Dalhousie University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Senator ROTH to participate in a program in Singapore, sponsored by the Government of Japan, from August 24-27, 1991.

The committee has determined that participation by Senator ROTH in the program in Singapore at the expense of the Japanese Government and the U.S. Government, is in the interest of the Senate and the United States.•

RECOGNITION OF NATIONAL PHYSICAL THERAPY WEEK, OCTOBER 7-13

• Mr. DURENBERGER. Mr. President, America has reached a point where it's generally accepted that genuine health system reform is needed. The debate over how to get the best health care for the money and the effort is just beginning to heat up in earnest, but both sides understand that important components of maintaining a healthy nation are safety and wellness.

It is appropriate, Mr. President, that the theme of the 1991 National Physical Therapy Week is "Physical Therapy: Pro-Active Health Care." I rise today to applaud the physical therapists' commitment to helping people lead active and injury-free lives through planning and prevention.

As we look at reforming our health care system, we must consider redefining health in proactive terms. Making people better after they are sick is only one phase of health care, and it is an expensive and painful route. A better guarantee of our national commitment to health should be wellness and prevention.

Physical therapists fulfill this goal for their clients by motivating, teaching, and helping them to be responsible for their health. Today's physical therapists deliver quality care throughout the community, in hospitals, nursing homes, residences, private physical therapy offices, industry, sports, and in research facilities to provide effective patient care.

Best wishes to this Nation's physical therapists as they make Americans aware of how physical mobility affects their health and well-being. The dedication and enthusiasm of over 51,000 physical therapists, physical therapist assistants, and students nationwide energizes patients to enjoy and appreciate an excellent bill of health. Thank you, physical therapists, for your care.•

BUDGET SCOREKEEPING REPORT

•Mr. SASSER. Mr. President, I hereby submit to the Senate the most recent budget scorekeeping report for fiscal year 1991, prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(B) and section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.4 billion in budget authority, and under the budget resolution by $0.4 billion in outlays. Current level is $1 million below the revenue target in 1991 and $6 million below the revenue target over the 5 years, 1991-95.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $326.6 billion, $0.4 billion below the maximum deficit amount for 1991 of $327 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 23, 1991.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1991 and is current through September 20, 1991. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Budget Enforcement Act of 1990 (Title XIII of P.L. 101-508). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated September 16, 1991, there has been no action that affects the current level of spending and revenues.

Sincerely,
ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 1ST SESS., AS OF SEPT. 20, 1991

[In billions of dollars]

	Revised on-budget aggregates[1]	Current level[2]	Current level +/− aggregates
On-budget:			
Budget authority	1,189.2	1,188.8	−0.4
Outlays	1,132.4	1,132.0	−.4
Revenues:			
1991	805.3	805.4	(3)
1991-95	4,690.3	4,690.3	(3)
Maximum deficit amount	327.0	326.6	−.4
Direct loan obligation	20.9	20.6	−.3
Guaranteed loan commitments	107.2	106.9	−.3
Debt subject to limit	4,145.0	3,529.8	−615.2
Off-budget:			
Social Security outlays			
1991	234.2	234.2	
1991-95	1,284.4	1,284.4	
Social Security revenues			
1991	303.1	303.1	
1991-95	1,736.3	1,736.3	

[1] The revised budget aggregates were made by the Senate Budget Committee staff in accordance with section 13112(f) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101-508).

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. In accordance with section 606(d)(2) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101-508) and in consultation with the Budget Committee, current level excludes $45.3 billion in budget authority and $34.6 billion in outlays for designated emergencies including Operation Desert Shield/Desert Storm; $0.1 billion in budget authority and $0.2 billion in outlays for debt forgiveness for Egypt and Poland; and $0.2 billion in budget authority and outlays for Internal Revenue Service funding above the June 1990 baseline level. Current level outlays include a $1.1 billion savings for the Bank Insurance Fund that the committee attributes to the Omnibus Budget Reconciliation Act (Public Law 101-508), and revenues include the Office of Management and Budget's estimate of $3.0 billion for the Internal Revenue Service provision in the Treasury-Postal Service appropriations bill (Public Law 101-509). The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[3] Less than $50,000,000.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1991 AS OF CLOSING OF BUSINESS SEPT. 20, 1991

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			834,910
Permanent appropriations	725,105	633,016	
Other legislation	664,057	676,371	
Offset receipts	−210,616	−210,616	
Total enacted in previous sessions	1,178,546	1,098,770	834,910
II. Enacted this session:			
Extending IRS deadline for Desert Storm troops (H.R. 4, Public Law 102-2)			−1
Veterans' education, employment and training amendments (H.R. 180, Public Law 102-16)	2	2	
Dire emergency supplemental appropriations for 1991 (H.R. 1281, Public Law 102-27)	2,823	1,401	
Higher education technical amendments (H.R. 1285, Public Law 102-26)	3	3	
OMB domestic discretionary sequester	−2	−1	
Emergency supplemental for humanitarian assistance (H.R. 2251, Public Law 102-55)	(1)		
Total enacted this session	3,826	1,405	−1
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in revised on-budget aggregates	−8,572	539	

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1991 AS OF CLOSING OF BUSINESS SEPT. 20, 1991—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
VI. Economic and technical assumption used by committee for budget enforcement act estimates	15,000	31,300	−29,500
On-budget current level	1,188,799	1,132,014	805,409
Revised on-budget aggregates	1,189,215	1,132,396	805,410
Amount remaining:			
Over budget resolution			
Under budget resolution	416	382	1

[1] Less than $500,000.

Note.—Numbers may not add due to rounding.•

COMMENDING PAT AND RICHARD KONGSHAUG, RECIPIENTS OF DISTINGUISHED SERVICE AWARD

• Mr. DURENBERGER. Mr. President, today, I rise to commend Pat and Richard Kongshaug, who are the 1991 recipients of the Region 9 Minnesota Social Services Distinguished Service Award. Pat and Dick are being recognized for the love they selflessly give as foster parents.

For the past 25 years, the Kongshaugs have shared their home with newborn babies and toddlers with special needs. Along with three of their biological children, Steven, Phillip, and Ann, this couple has opened their home and created a family life for 150 foster children. All of these children have required extra care and attention because they have disabilities, or they have been removed from abusive and dysfunctional environments.

Time and sacrifices were made to provide all of their children a strong beginning. Pat changed her career from that of elementary teacher to one of infant and toddler special-needs foster care. Dick helps maintain stability and continuity for the children in his family. These parents make a team that has learned how to care for children who suffer from cerebral palsy, blindness, seizures, and a variety of other disorders.

Pat and Dick do not view their lives as particularly noteworthy. Their philosophy is simple and has been expressed through their actions, "All children need love, security, and nurturing." Their love is unending and their family continues to grow, as their grandchildren come and visit new foster brothers and sisters.

The Kongshaug family is deserving of our recognition. We are thankful for the contributions that they have made to the quality of life for children with special needs and to the quality of life in Mankato, MN. Pat and Dick have enriched many lives, and their lives exemplify the value of family. This outstanding family knows that their strength grows through work, support, love, and care. These are values that make all American families strong.•

S. 1736, TO REFORM THE PROCUREMENT OF DURABLE MEDICAL EQUIPMENT BY THE MEDICARE PROGRAM

• Mr. GRASSLEY. Mr. President, I am the lead cosponsor of S. 1736, the Medicare Durable Medical Equipment Patient Protection Act of 1991, which was introduced by Senator SASSER, myself, Senator DOMENICI, and Senator CONRAD last Friday. I was happy to collaborate with Senator SASSER on this legislation, because it was clear to me that this program is fraught with waste and fraud.

I was alerted to a problem in Medicare's durable medical equipment program some time ago by an Iowan who came to me to complain that excessive, even outrageous, profit margins were being made on durable medical equipment. Durable medical equipment includes such things as wheelchairs, hospital beds, crutches, and prosthetics and orthotics such as catheters, urinary collection systems, and ostomy supplies. There are probably thousands of separate items paid for by the Medicare program in this category.

The person in question was able to demonstrate to me that some purchasers were clearing as much as 100 percent on some of these items, and that the 100 percent was realized after paying for the item in question and paying a processing fee. This person was upset at the thought that Federal Medicare moneys were being wasted so blatantly. This person, who is well informed about how the marketing and reimbursement for these items works, concluded that there was enough profit involved in the typical transaction for three purchasers. When my staff discussed this material with the Office of the Inspector General and staff of the Health Care Financing Administration, both in the Department of Health and Human Services, it was clear that they were concerned about these problems and making an effort to address them. It was also clear that they thought that legislation could help them in their efforts against waste and fraud in the program.

Then, earlier this year, I was an active participant in hearings called by Senator SASSER in his capacity as chairman of the Budget Committee. In two Washington hearings and one field hearing in Tennessee, the committee heard testimony indicating beyond any doubt that the program has not been tightly enough designed to avoid waste and fraud, and that some participants in the program were abusing it. Some of these were abusing it to the point of fraud. We heard very compelling testimony from the inspector general of the Department of Health and Human Services about his efforts to investigate and prosecute instances of fraud in the program.

Senator SASSER described these practices in some detail in his statement last Friday. The committee took testimony about carrier shopping, a practice in which a supplier of equipment filed for reimbursement in an area of the country in which the reimbursement was very high, even if the patient was being provided the equipment in another part of the country. Unbuilding is a procedure in which Medicare is billed for the component parts of a piece of equipment, rather than the entire item. Needless to say, the unbundled bill is bigger than the bill for the single item would be. Currently, there appears to be very little control over provider numbers, which identify a supplier to the Medicare Program. Now, in the event that a supplier gets in trouble with Medicare or the inspector general of the Department of Health and Human Services, they just apply for a different provider number, perhaps under a different name. The committee also found evidence of kickbacks or cash inducements paid by some suppliers to some nursing homes as an incentive to solicit their business.

The bill we introduced on Friday, Mr. President, contains provisions designed to get at some of these problems. I am also pleased that the bill instructs the Secretary to conduct a study to determine the reasonableness of current reimbursement rates for parenternal and enternal supplies and services. Currently, the payment levels for such products are set historically. That is, the current reimbursement levels reflect the historical billing experience of those who supply these products. Such a reimbursement setting methodology may establish prices with very little reasonable relationship to what it costs to produce and market particular products.

Mr. President, I know that many suppliers and purchasers of durable medical equipment who participate in the Medicare Program are honest people trying to do the best they can to provide a reasonable service to Medicare beneficiaries. Unfortunately, there are bad actors out there, Mr. President, and we just can't stand idly by while these rip-offs continue.

I also believe that both the Health Care Financing Administration and the inspector general of the Department of Health and Human Services support this initiative. In testimony before the committee, the inspector general and the Administrator of HCFA stated that they are aware of these problems and have been making efforts to address them. They support this initiative because of the additional tools it will give them to fight waste and fraud in this program.

Mr. President, if there is one thing we cannot tolerate it is fraud in any of our Federal programs. In my years in the Senate, I have had a lot of experience in trying to stop waste in our defense procurement programs, so I am not naive when it comes to ways the Federal dollar can be wasted. But it is especially disturbing to find flagrant waste, fraud, and abuse in Medicare—one of our most important human services programs—and one which has been under severe financial pressure in recent years. Medicare spending increased 26 percent in the first 10 months of the current fiscal year compared to the first 10 months of fiscal year 1990. We need every dollar in this program to be well spent, Mr. President.

I think the bill that we introduced last Friday will help cure the worst of these abuses.●

MATTERS OF RACIAL EQUALITY

● Mr. HATFIELD. Mr. President, of all the matters debated and discussed on this floor, few are as difficult, or spark as much emotion, as matters of racial equality. We have seen this emotion down through the decades—and indeed, down through the centuries—in our debates on legislation designed to insure that all Americans enjoy equal civil rights, regardless of the color of their skin.

We have seen this emotion bubble up in the recent outbreak of so-called antiquota amendments. We have seen it in the current debate over the nomination of Clarence Thomas to the Supreme Court. And, of course, Mr. President, we could not help but have it spill over into our political campaigns.

It is an issue upon which everyone, political or not, has an opinion. And, of course, it is an issue with many sides.

Once again, the Senate is the forum for this debate. Earlier today, I was privileged to join a number of my Republican colleagues, led by Senator DANFORTH, in introducing a comprehensive civil rights bill. It is our hope that this bill, which is a consolidation of three bills introduced by this same group in July, will be a positive step toward eliminating discrimination in the workplace.

From the outset, we must recognize the political landscape upon which we operate. First, we have a President committed to civil rights, who wants very much to sign a civil rights bill. He has submitted a bill that might be labeled a more conservative proposal. We also have the House of Representatives, which is equally committed to civil rights, which, not too many months ago, passed its own rather progressive civil rights bill.

The administration opposes the House bill, and Congress has yet to take up the President's bill. The two sides are separated by a narrow ideological gulf. Within this gulf, we can either engage in a battle that will continue to injure this Nation, or we can resolve our differences and reach a historic agreement. It is my sincere hope that we can avoid battle.

Being what could be called moderate Republicans, we have come forward to try to bridge the gap that currently exists between the administration and Congress. We are confident that a balanced, and fair, civil rights law is possible during this session, and it is our hope that we can resolve these sensitive issues here, with the aid of calm, rational debate.

Mr. President, we must understand that the terms involved in this debate are as difficult to interpret as the human feelings involved. While I have great respect for the members of our Supreme Court, I believe that many of their recent decisions in this area fail to correctly interpret the intent of Congress.

Our legislation would restore the well-established rule of Griggs versus Duke Power. Once a plaintiff proves that an employment practice has a disparate impact, the defendant must justify the practice by showing it is based on business necessity, a term that is defined by using language directly out of the Griggs decision. Only if the plaintiff satisfies the court that the individual elements of a decisionmaking process are incapable of separate analysis, will these practices be considered as a whole.

The definition of business necessity is also bolstered by language taken from the Americans With Disabilities Act, legislation which received bipartisan support. This addition represents the significant change in this legislation since it was introduced as three bills in July.

These changes are necessary due to the Supreme Court's decision in Wards Cove versus Atonio. By putting the full burden of disproving business necessity upon the plaintiff in disparate impact cases, the Wards Cove decision imposes an almost insurmountable obstacle for plaintiffs attempting to prove discrimination. I am not alone in my belief that this case is contrary to the congressional intent embodied in title VII of the 1964 Civil Rights Act and interpreted by the Burger Court in Griggs.

More women and minorities are interested in entering the competitive American work force each year. It is our responsibility to see that they can do so an on even playingfield, as free of the ugly obstacles of discrimination as it is our power to legislate.

In 1964, Congress made it very clear that arbitrary barriers to employment should fall whenever they serve to discriminate on the basis of race or sex. This legislation will ensure that ordinary principles of fairness govern these suits.

Contrary to what many believe, the concepts we are discussing here are not new or untried. They are concepts long supported and repeatedly scrutinized by this body, State governments, and the public. In fact, one of this country's first employment discrimination laws are enacted in the State of Oregon.

What we are talking about here are fundamental principles of fairness that have been put to the test. We must now recommit ourselves to these fundamentals that are the right of all citizens—but sadly are not yet enjoyed by all.

Mr. President, let us resist playing the politics of race. We must, as a nation, get beyond this pettiness of racial hatred and ethnic suspicion.

It takes only a moment's reflection to realize that we are who we are merely by chance, and certainly not by choice. We are citizens, first or second class, rich or poor, black or white, of a majority or a minority—all merely by chance.

How can we be a Nation at peace—with ourselves or with other nations—when we continue to perpetuate this sad, age-old tradition of inequality?

When approaching the question of civil rights, our minds immediately leap to the problems of blacks—problems confronted in education, living conditions, jobs, and other opportunities in pursuit of what we like to call the American dream. But, like a volcano, the problem is much deeper than what we see on the surface. I believe the greater problem lies bubbling below the surface in the declining value each of us place on human life.

True, legislative measures can effect social change. That is precisely what we attempt to do here today by offering, a civil rights bill that we believe deserves the Senate's unanimous support. However, the true impetus for change, and the change itself, must come from within each of us. It must come from our awareness of our own humanity, for the problem is one of minds and attitudes, not codes and rules.

Again, I encourage my colleagues and officials in the administration to study this bill carefully. I believe that they will find legislation which merits serious consideration and support.●

GOD, COUNTRY, NOTRE DAME

● Mr. COATS. Mr. President, it is my pleasure to congratulate the University of Notre Dame as it begins its sesquicentennial celebration. Over the last 150 years, this outstanding academic institution, located near South Bend, IN, has established itself as one of the finest in the world. The university's motto, "God, County, Notre Dame," reflects its dedication to values of faith in the God who created us, service to our fellow man, and pursuit of freedom and intellectual excellence. As Senator from Indiana, I am proud to recognize the many contributions the University of Notre Dame has made to my State as well as to the Nation.

Since it was founded in 1842 by Rev. Edward Sorin of the Roman Catholic Congregation of the Holy Cross, Notre Dame has grown from a small country college to a world-renowned university with a reputation for excellence in academics and athletics and dedication to the service of others. During the past 150 years of its existence, it has contributed much to the betterment of society. Among the university's many assets are its instructors and researchers who have advanced our knowledge of the world and inspired us to improve it. These include such scientists as Albert Zahm, founder of modern aeronautical science and designer of the first wind tunnel and the first successful helicopter, and Rev. Julius A. Nieuwland, an outstanding research scientist, who developed synthetic rubber. Those who have made progress in the protection of society through the law include Prof. G. Robert Blakey, who drafted the Racketeer Influenced and Corrupt Organizations Act in 1969 when he served as chief legal counsel of the U.S. Senate Subcommittee on Criminal Laws and Procedures, and Prof. Charles Rice, author of the original human life amendment. The university can proudly claim these and many other exceptional scholars who conduct their intellectual quests under the Golden Dome.

In addition to its reputation for the academic excellence of its students and faculty, the University of Notre Dame is known for its efforts to promote justice and relieve suffering in Indiana and throughout the world. Through the leadership of Rev. Theodore Hesburgh, during his 35-year term as president, the university expanded its realm of influence to include the pursuit of world peace and the promotion of civil rights. Father Hesburgh is recognized internationally as a leader in these fields as evidenced by his service as a member of the International Atomic Energy Agency and a charter member of the U.S. Commission on Civil Rights. He founded the Hesburgh Center for International Studies, as well as Notre Dame's Peace Institute, and was responsible for the university's original involvement in the Peace Corps when it was established in 1961. In fact, Notre Dame has produced more Peace Corps volunteers then any other Catholic university in the world, and alumni serve as Peace Corps directors in several countries.

Rev. Edward A. "Monk" Malloy, the university's president since 1987, has carried on the tradition of Notre Dame's involvement in efforts to eliminate some of the problems that plague our society. Father Malloy is a member of President Bush's Advisory Council on Drugs, as well as our Governor's Commission for a Drug-Free Indiana. In addition, he is a trustee of the National Citizens Commission on Alcoholism and a founding director of the Points of Light Initiative. His commitment to service is evidenced by his role as a founding director of Indiana Campus Compact, an organization which promotes volunteerism among college students.

For Notre Dame students, sharing their gifts and time with those less fortunate is a fundamental part of their education. Students take time out from the pursuit of their own goals to participate in such programs as "Christmas in April," "Big Brothers/Big Sisters," and "Habitat for Humanity." They tutor children in local elementary and middle schools, visit nursing home residents, participate in recreational activities with clients of a nearby center for the mentally disabled, and live in a home with former prison inmates who are working to rebuild their lives. In 1989, the university donated to St. Joseph County the Center for the Homeless where at least 80 students per year help serve food and spend time with those seeking shelter. Both South Bend and Notre Dame are to be commended for their ability to work together to address the needs of those among them.

Certainly not the least of the university's contributions to Hoosier and American life is its tradition of excellence in athletics. Most notably, its football program has provided Americans of all ages with such heroes as Knute Rockne, George Gipp, the Four Horsemen, and more recently, Joe Montana, Lou Holtz, and Raghib "Rocket" Ismail. With a string of national championships to its name, the most recent in 1989, the Fighting Irish have been a source of Hoosier pride and American entertainment during the 104-year history of the football program's existence.

In the last 150 years, the University of Notre Dame has had a tremendous impact on the South Bend community, the State of Indiana and, indeed, the Nation. I congratulate Father Malloy and the administration, faculty, alumni, students and all members of the Notre Dame community as they celebrate the university's sesquicentennial. I am proud of their many accomplishments and contributions and wish them continued success as they fulfill their mission of serving God, Country, and Notre Dame.•

A TRIBUTE TO ED NOVAK

• Mr. WIRTH. Mr. President, I want to take just a brief moment in today's proceedings to acknowledge a fellow Coloradan, Ed Novak, who recently received the Community Leadership Award from the Metro Denver Chapter of the Alzheimer's Association, for his outstanding volunteer work in fighting Alzheimer's disease.

Ed Novak is well known in Colorado—not only for his voluntarism and civic leadership—but also because he is one of Denver's premier entrepreneurs.

After receiving a degree in business administration from the University of Nebraska, Ed migrated to Colorado and was part of the retail management team that launched the highly successful Villa Italia shopping mall, one of the first of its kind in the Nation.

With considerable courage, Ed left the security of a successful retail management position and started in the restaurant business. Learning this business from top to bottom, he took another great leap by plunking down all of his available capital, a mere $900, and bought the Downtown Broker Restaurant. Anyone who has visited Denver will know the Downtown Broker; it is a famous restaurant and a city landmark of great distinction.

I have had great pleasure of breaking bread and enjoying conversation with Ed Novak. He is active with the Colorado Restaurant Association and a variety of other worthwhile causes, but I think one of his greatest achievements is that he happens to be one of Colorado's most engaging hosts.

Mr. President, I am pleased to recognize Ed Novak for his spirit as an entrepreneur, his dedication to the people of Denver and for his unfailing good humor and grace as a human being.•

TRIBUTE TO NEW CASTLE

• Mr. McCONNELL. Mr. President, I rise today to highlight the small town of New Castle situated in northern Kentucky.

Like many communities in this area, New Castle is primarily a farming town. Most of the land is passed down from generation to generation, thus keeping farming traditions within the local families.

Fred Taylor, a small farmer from New Castle, is a perfect example of this tradition. He inherited part of his land when he married, and was later able to purchase more, bringing his total number of acres up to 150. Through this farm, and plenty of hard work, he was able to put two of his sons through college. Now he and several of his sons run the farm together.

With Henry County being one of the leading burley tobacco producers in Kentucky, farmers in New Castle are doing exceedingly well, despite the general decline of small farms around the Nation. In fact, farming still dictates the way of life in New Castle, as the town still shuts down on Wednesday afternoons and opens for half days on Saturday when the farmers come to town.

New Castle does not stray far from the traditions of American small towns. It is remarkably calm, and strangers seeing it for the first time might even consider it boring. However, the residents like the peacefulness of their town, and would not change a thing. Some residents even feel the most profitable business and the future of New Castle is its tranquility.

The peacefulness of New Castle also allows the residents to feel remarkably safe in their town. There has not been a murder committed there in the last 10 years. Crime is such a rare occurrence in New Castle that a murder which dates back to 1937 is still the main topic of crime conversation. "I don't even lock my home. I never lock my car," Mary Golden stated proudly of her town. This statement, in itself, says more about a town in these times of increasing crime then about anything else.

Finally, New Castle is a simple town, with little to attract tourists. It has only a little old-fashioned peace and quiet to offer. But these are the characteristics of which the residents are so proud. While New Castle may not seem special to outsiders, most residents born there choose to stay.

Mr. President, I ask to print the following New Castle article from the Louisville Courier-Journal in the RECORD.

The article follows:

NEW CASTLE

(By Jay Blanton)

Population: Henry County (1988), 13,400; New Castle, 850.

Per capita income: (1987) $10,461, or $1,536 below the state average.

Largest non-Government employers in Henry County (1989); Brunswick Corp; Eminence Plant, 185; Lake Jericho Veneer, 83; Safety Kleen Enviro-Systems, 65, Education: Eminence independent school system 548; Henry County school system 1,897.

Communications: Newspapers: The Henry County Local, weekly. Topography: At 825 feet, New Castle is the highest point in Henry County. Transportation: CSX Transportation provides rail service to Henry County at Campbellsburg, 10 miles north of New Castle, Air: Capital City Airport, one mile west of Frankfort, 29 miles southeast of New Castle; Standford Field in Louisville, 42 miles southwest of New Castle, Truck Service; Twenty-four common carrier trucking companies provide interstate and/or intrastate service in Henry County.

FAMOUS FACTS AND FIGURES

In a population of 850, New Castle has about 15 attorneys. That's nearly one lawyer for every 55 people in the city.

New Castle has been highly political. It has sent two people to the state Senate; John Berry Jr., who was Senate majority leader; and Lt. Peniston, the only man to serve in the state legislature in six decades—the 1940s, 50s, 60s, 70s, 80s and 90s, William S. Pryor was chief justice of the state Court of Appeals, and the first Confederate appointed to the court following the Civil War.

Pryor himself was the center of intrigue. John Hunt Morgan, a Confederate leader, was hidden by Pryor while trying to escape Union troops. New Castle was the site of some Civil War activity. On Sept. 21, 1862, Confederate Maj. George M. Jessee, a Henry County native, attacked provost marshal Robert Morris' home guard, forcing them to surrender. But on Dec. 13, 1864, Jesse and his Confederate defenders were defeated in a skirmish with state troops and home guards.

New Castle is the state's third-oldest city, incorporated in 1817. It was named for the home of Thomas Jefferson's sister in Charlottesville, Va. Henry County was the state's 31st county. It was founded in 1798 and named for Patrick Henry, the Virginia governor famous for saying, "Give me liberty or give me death."

"I still had a deep love for the place I had been born in, and liked the idea of going back to be part of it again. And that, too, I felt obligated to try to understand. Why should I love one place so much more than any other? What could be the meaning or use of such love?"—Wendell Berry.

Like many farmers in these parts, Fred Taylor inherited part of his land.

When he and his wife were married they started out with 56 acres. Later he bought 100 acres, where he raised dairy cows and tobacco about four miles outside of New Castle.

Farm life has been good to Taylor. It has helped him put two sons through college. "I wouldn't want to change anything as far as I know," said Taylor, who is 69.

He has moved only once in his life. When his oldest son got married about 20 years ago, he and his wife built a house across the road from where he was born.

Today, two of his sons run the farm. Taylor owns a little more than 150 acres. Taylor and two of his sons together own another 150 acres.

Each morning at 5:30 his sons are up milking cows; most nights, they quit working about 8:30, Taylor said.

In Henry County, such family farms—and the sense of continuity that they cultivate—have been handed down for generations.

This is some of the best farmland in the state. Henry County is one of the leading burley tobacco producers in Kentucky (and therefore the world).

And farming dictates the pace of life. The courthouse in New Castle, as in many other rural county seats, is the center of activity—and it operates under the old farm schedule, closing down Wednesday afternoons, and opening for half days on Saturdays when farmers come to town for business.

Besides farming, there is no real industry to speak of—unless you want to count lawyers. "It's a town of lawyers," according to retired physician Wyatt Norvell. "We have a plethora of lawyers . . . there must be an awful lot of business."

Actually, New Castle has always been something of a legal center. When John Berry Jr., a lawyer and former state Senate majority leader, started practicing nearly 30 years ago, there weren't many lawyers in Oldham, Owen, Trimble or Shelby counties. Some New Castle lawyers did most of their business in those counties. Some still do.

New Castle is a quiet place, but an active one, even though the fitness craze never hit the city. The people out walking at night are getting a different kind of exercise. "You start out with the intention of doing it for your health," says New Castle Mayor Gregory McCarty. But people don't get very far, because they're always getting stopped by somebody who wants to talk. It might not be the greatest cardiovascular workout, but, McCarty says, "it always makes you feel better after you get back."

People here take great pride in their placid life. "They're such caring people in here," said Peggy McCarty, the mayor's mother. "If something happens in your family—happiness or sadness—the community is there to support you."

It is a sentiment echoed throughout New Castle, a town that hasn't had a murder in at least 10 years, according to Tommy Pollard, the New Castle police chief.

"I don't even lock my home. I never lock my car. I can walk on a street at night from church without being afraid," said Mary Golden, the city's clerk. "I think that says a lot. Nothing ever happens."

"When you do a story on New Castle," agreed Berry, "I really don't know what to tell you to write about. New Castle is just a pleasant, congenial, contented little rural community. So there haven't been a lot of great developments and that kind of thing."

Of course, big news does break in New Castle. Take 1937, for instance.

Brig. Gen. H.H. Denhardt, a former lieutenant governor and adjutant general of Kentucky, was charged with murdering his beautiful fiance, Verna Garr Taylor.

The trial garnered national media attention, and banner headlines ran in The Courier-Journal. Correspondents from as far away as Chicago came to cover it. An old newspaper picture shows that people who didn't want to leave the courtroom and lose their seats would hoist their lunches by rope from the ground to a courthouse window.

The "only way The Courier-Journal could find out what was going on, they said, was (that) somebody would holler out the window and tell them because they couldn't get in," according to Martha Vaughn, a city councilwoman.

The trial ended in a hung jury. And before Denhardt could be tried again, he was murdered in Shelby County by Taylor's brothers.

It's not known if the entire town was in the courtroom, but that possibility exists; it seems as if everybody knows what happened, in detail. Maybe that's because it's still the only "news" to talk about.

The tranquility that New Castle offers may be its most profitable business in the future.

Already, many New Castle residents travel to Louisville, Shelbyville, Frankfort or Carrolton for work. And more may be on the way.

"This is the bedroom of Louisville," Norvell said. A few apartment complexes and subdivisions have been built or are being planned, McCarty said. The expansion in Oldham County—on the edge of metropolitan Louisville—could spread into Henry County—although people here don't really seem to be counting on it.

For instance, Rex Prather, a retired chemical company executive, has lived in New Castle for more than 40 years, although he worked for a company based in Grand Rapids, Mich. He turned down the company's presidency four times, he said, because he didn't want to move to Michigan.

Prather lives on a farm of about 400 acres on the edge of New Castle. His beautiful brick home was built in 1953 and was owned by former state Appeals Court Chief Judge W.S. Pryor.

"My wife and I decided that we wanted to raise our children in a small-town atmosphere," said Prather, a city council member. "I wouldn't change it for anything in the world."

And to McCarty, the mayor, who works in Louisville for Capital Holding, such a respite represents a portrait of history, tradition and values.

New Castle is about "small-town America," McCarty said. It's kind of like a Norman Rockwell portrait of the past." And the background of the portrait is farmland.

In a business increasingly dominated by size, farms here remain relatively small—on average about 150 to 200 acres, Berry said. Farms that, in many respects, resemble the ones John Berry's brother, Wendell Berry, writes about in his poetry, fiction and essays.

Wendell Berry, the University of Kentucky professor who lives on a small farm in nearby Port Royal, laments the dying of small farms in America. Such farms, according to Berry, are the fabric of American community life—but the sense of place and continuity they provide is lost as family farms become too expensive to operate.

Taylor agrees that times have become tougher for farmers. A lot of young people don't want to go into farming, he said. In particular, dairy farming has fallen on hard times as prices have dropped.

"It's definitely a losing proposition with milk right now," Taylor said. The only thing that keeps them going, he said, is beef cattle and tobacco.

"Do away with tobacco and the bills wouldn't get paid to anybody."

John Berry says that, as long as the 1941 federal tobacco program is in place to manage supplies and support prices the farms will be safe.

But, he warns, "if the current national administration farm policy or their efforts in that regard succeed, then those farmers will all be gone.

"And of course, if you eliminate the small farmers, you eliminate communities whose economic survival originates with those farms."

Meanwhile, most problems in New Castle can be solved by just talking them to death at Becky's Midnight State Restaurant, the town's one diner.

It doesn't officially open until 6 a.m. But by 5:30 a.m., people are already showing up to drink coffee and talk about the world, the county, or themselves.

People eat sausage, eggs and biscuits for $2, and "do a lot of lying about what they used to do," according to Lee Southworth, a regular at the diner. "(I) have to listen to all that bull. That's part of why they come up here."

"Probably the unique characteristic of New Castle," John Berry said, "is that nothing sticks out very much."

And that suits most folks fine.•

A TRIBUTE TO BEN LEWIS

• Mr. WIRTH. Mr. President, over the years I have occasionally risen to pay tribute to fellow Coloradans who have struck me as exemplary citizens by their personal achievements, outstanding community service, or public work for one reason or another.

Today, I rise to pay tribute to a man who will no doubt dispute any claim I may make for him of personal achievement, outstanding community service, or public work. Nevertheless, for those of us who live in Colorado, Ben Lewis, the executive director of the Aurora Chamber of Commerce, is a man who deserves public recognition—and I am delighted to use this forum to acknowledge his good work for the business community of Aurora, and for his reputation of community service.

Ben Lewis has worked with my office, the Samsonite Corp., and VetNet, a veteran support organization in Colorado, to launch a Welcome Home Fund for Colorado veterans and their families who were displaced or suffered financial hardship as a result of the Persian Gulf war. Ben devoted considerable energies toward making this fund a success—and I am pleased to report that this worthy project is responsible for assisting hundreds of Colorado veterans and their families. It is just one example of Ben's commitment to Colorado and to the many service men and women who live and work in Colorado.

This has been a very difficult year for the Aurora Chamber of Commerce. The impending closure of Lowry Air Force Base is just one of the many economic challenges faced by the Aurora business community—and Ben's leadership in dealing with this issue has won the admiration of many fellow Coloradans, including Republicans and Democrats in the Colorado congressional delegation.

Ben has also worked hard to support and develop other economic opportunities in Aurora, including many hours devoted toward bringing the United Maintenance Facility to Colorado. It is one of many projects that occupy his time.

My staff and I have a great deal of respect and affection for Ben Lewis. He is not impressed by the trappings of public life, and has no difficulty getting right to the heart of a problem. He is a modest man, but has a wonderful wry and piercing sense of humor—and I know everyone in the Colorado congressional delegation who has worked with him, has great admiration for his honesty and judgment.

Ben would not want me to be saying these things about him, and that is just one more reason we are lucky to have a business leader like Ben Lewis in Colorado.•

TECHNICAL AMENDMENTS TO VARIOUS INDIAN LAWS

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1193.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1193) entitled "An Act to make technical amendments to various Indian laws", do pass with the following amendment:

Page 3, strike out lines 5 through 13 inclusive, and insert:

(b) Reauthorization of Appropriations for the National Indian Gaming Commission.—Section 19(b) of the Indian Gaming Regulatory Act (25 U.S.C. 2718(b)) is amended to read as follows:

"(b) Notwithstanding the provisions of section 18, there is authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for the fiscal year beginning October 1, 1991.".

AMENDMENT NO. 1191

Mr. FORD. Mr. President, on behalf of Senator INOUYE, I move to concur in the amendment of the House with the following amendments.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. INOUYE, proposes an amendment numbered 1191.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language inserted by the House amendment, insert the following:

(b) Reauthorization of Appropriations for the National Indian Gaming Commission.—Section 19(b) of the Indian Gaming Regulatory Act (25 U.S.C. 2718(b)) is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of section 18, there are authorized to be appropriated such sums as may be necessary to fund the operation of the Commission for each of the fiscal years beginning October 1, 1991, and October 1, 1992.".

At the end of the bill, add the following new section:

SEC. 4. AMENDMENT TO THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT TO PROVIDE AUTHORITY FOR THE PROVISION OF ASSISTANCE UNDER TITLE IX OF THE ACT TO PROGRAMS ADMINISTERED BY THE STATE OF HAWAII UNDER THE ACT OF JULY 9, 1921.

(a) Title IX of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) is amended by adding at the end of subtitle D the following:

"SEC. 962. AUTHORIZATION FOR THE PROVISION OF ASSISTANCE TO PROGRAMS ADMINISTERED BY THE STATE OF HAWAII UNDER THE ACT OF JULY 9, 1921.

"The Secretary of Housing and Urban Development is authorized to provide assistance under this title to the State of Hawaii, including the responsibilities with which the State has been charged under the provisions of the Act of July 9, 1921.".

(b) Subsections (a) and (b) of section 958 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) are repealed, and subsections (c) and (d) are redesignated as subsections (a) and (b).

Mr. INOUYE. Mr. President, I am today proposing two amendments to S. 1193, a bill to make technical amendments to various Indian laws. S. 1193 was reported by the Select Committee on Indian Affairs, passed by the Senate, and amended by the House.

The first amendment I propose would restore the Senate proposal to extend authority for full Federal support of the operation of the National Indian Gaming Commission and the Commission's responsibility to implement and administer the provisions of the Indian Gaming Regulatory Act.

Mr. President, at the time the Indian Gaming Regulatory Act was being considered in the Congress, it was contemplated that by the end of fiscal year 1991, the activities of the Commission would be funded in part by the assessment of fees to Indian gaming operations, and that a matching Federal share for each dollar of assessed fees would support the operation of the Commission.

However, there was a 2-year delay in the appointment of Commissioners, and the Commission has just begun full operation within the last several months. The Commission has promulgated regulations to provide a process for the assessment of fees, but this funding mechanism may not be fully in place any time in the near future.

In the meantime, our colleagues in the House of Representatives are reluctant to appropriate funds for the operation of the Commission for fiscal year 1992, until we have acted to adjust the authority contained in the Indian Gaming Regulatory Act, to reflect that at this time, fees are not being assessed.

The Senate provision of S. 1193 would have extended the authority for full Federal support for the Commission for 2 years, with the understanding that if the Commission were operating in part with the assessment of fees in fiscal year 1993, the Federal appropriation could be reduced to reflect the collection of fees.

The House amended this provision to provide for a 1-year extension of authority, and I must respectfully disagree with the action taken in the House.

The National Indian Gaming Commission was authorized to assure a comprehensive regulatory framework for the conduct of gaming activities on Indian lands, and the work of this Commission is absolutely critical in this regard. As the primary sponsor of the Indian Gaming Regulatory Act in the Senate, I believe that we must send a strong signal to those that might have designs on infiltrating Indian gaming operations, and I speak here of criminal elements in our society, that the Congress of the United States will not shirk its responsibilities to provide tribal governments with the Federal regulatory framework that is designed to assure the integrity of tribal gaming operations.

Accordingly, I propose that the Senate adopt an amendment to S. 1193 to restore the 2-year authority for full Federal support of the National Indian Gaming Commission.

Mr. President, my second amendment is designed to address a unique situation in which native Hawaiians are currently being excluded from Federal programs that are designed to benefit all Americans, because the county governments in the State of Hawaii are precluded from providing Federal program services to lands that have been set aside under Federal law for the benefit of native Hawaiians.

Mr. President, as you know, in his signing statement accompanying the Cranston-Gonzalez National Affordable Housing Act, the President of the United States directed the Attorney General and the Secretary of the Department of Housing and Urban Development [HUD] to prepare remedial legislation for submission to the Congress to address sections 911 and 958 of the act.

In an effort to expedite the development of such legislation, my committee staff, staff of the Committee on Energy and Natural Resources, representatives of the Hawaii congressional delegation, and the State of Hawaii have held a series of meetings with staff of the Department of Justice and staff of the Office of HUD General Counsel.

The language to which the President's statement refers was apparently added to the National Affordable Housing Act by the House of Representatives, but unfortunately, it fails to resolve the problem that it was designed to address. Accordingly, my amendment proposes the repeal of sections 911 and 958, and proposes that a new section be added to title IX of the act which I believe will accomplish the objective that we seek .

Hawaii is one of apparently only two States in the Union for which funds appropriated to carry out the provisions of title IX of the act are allocated on a county government basis. These funds are not allocated to the State of Hawaii, despite the fact that there is one program responsibility for which the State is charged with exclusive responsibility to administer under the provisions of Federal law.

Because the requirements of Federal law preclude the delegation of the State's responsibility under the act to the counties, authority for the HUD Secretary to allocate funds directly to the State of Hawaii is required so that the State might implement the provisions of the act of July 9, 1921, the Hawaiian Homes Commission Act, 42 Stat. 108.

My amendment provides that authority, and also replaces the authority that was provided in section 958 for HUD to provide mortgage insurance covering property on lands set aside under the act of July 9, 1921, upon which there is located a multifamily residence, provided that the State of Hawaii is the mortgagor or comortgagor and guarantees reimbursement to the Secretary for any payment of a mortgage insurance claim. As I have indicated, the amendment proposes to repeal section 958 (a) and (b) and redesignates subsection (c) and (d) as subsections (a) and (b) of section 958 of the Cranston-Gonzalez National Affordable Housing Act.

Mr. President, I seek the unanimous consent of the Senate to agree to the amendments I propose to S. 1193.

The PRESIDING OFFICER. Without objection, the motion to concur with the amendment is agreed to.

Mr. FORD. Mr. President, I move to reconsider and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR—S. 1745

Mr. FORD. Mr. President, I ask unanimous consent that S. 1745, introduced earlier today by Senator DANFORTH, and others, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON THE CALENDAR—S. 611

Mr. FORD. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of S. 611, and that the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARMED FORCES IMMIGRATION ADJUSTMENT ACT

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 296

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 296) entitled "An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1991".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) IN GENERAL.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking "or" at the end of subparagraph (I).

(2) by striking the period at the end of subparagraph (J) and inserting "; or", and

(3) by adding at the end the following new subparagraph:

"(K) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

"(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or

"(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,

and the spouse or child of any such immigrant if accompanying or following to join the immigrant, but only if the executive department under which the immigrant services or served recommends the granting of special immigrant status to the immigrant.".

(b) NUMERICAL LIMITATIONS.—Section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)), as inserted by section 121(a) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR 'K' SPECIAL IMMIGRANTS.—

"(A) NOT COUNTED AGAINST NUMERICAL LIMITATION IN YEAR INVOLVED.—Subject to subparagraph (B), the number of aliens granted status as special immigrants described in section 101(a)(27)(K) in a fiscal year shall not be subject to the numerical limitations of this subsection or of section 202(a).

"(B) COUNTED AGAINST NUMERICAL LIMITATIONS IN FOLLOWING YEAR.—

"(i) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS.—The number of visas made available in any fiscal year under paragraphs (1), (2), and (3) shall each be reduced by ⅓ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K).

"(ii) REDUCTION IN PER COUNTRY LEVEL.—The number of visas made available in each fiscal year to natives of a foreign state under section 202(a) shall be reduced by the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(iii) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS WITHIN PER COUNTRY CEILING.—In the case of a foreign state subject to section 202(e) in a fiscal year (and in the previous fiscal year), the number of visas made available and allocated to each of paragraphs (1) through (3) of this subsection in the fiscal year shall be reduced by ⅓ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(C) APPLICATION OF SEPARATE NUMERICAL LIMITATION.—

"(i) IN GENERAL.—Subject to clause (ii), the number of individuals who may be granted special immigrant status under section 101(a)(27)(K) in any fiscal year (other than as a spouse or child described in such section) may not exceed—

"(I) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in clause (iii)), 2,000, or

"(II) in the case of aliens who are nationals of any other state, 100.

"(ii) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of clause (i) shall not apply to individuals who meet the requirements of section 101(a)(27)(K) as of the date of the enactment of this subparagraph.

"(iii) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In clause (i), the term 'numerical limitation treaty or agreement' means a treaty or agreement in effect on the date of the enactment of this subparagraph which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States.".

(c) ADJUSTMENT OF STATUS.—The Attorney General may adjust to the status of lawful permanent residence any alien—

(1) who qualifies for the status of a special immigrant described in section 101(a)(27)(K) of the Immigration and Nationality Act,

(2) who is otherwise admissible for permanent residence, and

(3) who is physically present in the United States at the time of approval of an application for a visa for admission as a special immigrant described in section 101(a)(27)(K) of the Immigration and Nationality Act,

in the same manner as if the alien had been previously inspected and admitted or paroled into the United States.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1991.

AMENDMENT NO. 1192

Mr. FORD. Mr. President, on behalf of Senators KENNEDY and SIMPSON, I move that the Senate concur in the amendment of the House with an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD] (for Mr. KENNEDY, for himself, and Mr. SIMPSON) proposes an amendment numbered 1192.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Resolved, That the Senate agree to the amendment of the House to the bill (S. 296), to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years, with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1991".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) IN GENERAL.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking "or" at the end of subparagraph (I),

(2) by striking the period at the end of subparagraph (J) and inserting "; or", and

(3) by adding at the end the following new subparagraph:

"(K) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

"(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or

"(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,

and the spouse or child of any such immigrant if accompanying or following to join the immigrant, but only if the executive department under which the immigrant serves or served recommends the granting of special immigrant status to the immigrant.".

(b) NUMERICAL LIMITATIONS.—Section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)), as inserted by section 121(a) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR 'K' SPECIAL IMMIGRANTS.—

"(A) NOT COUNTED AGAINST NUMERICAL LIMITATION IN YEAR INVOLVED.—Subject to subparagraph (B), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in a fiscal year shall not be subject to the numerical limitations of this subsection or of section 202(a).

"(B) COUNTED AGAINST NUMERICAL LIMITATIONS IN FOLLOWING YEAR.—

"(i) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS.—The number of visas made available in any fiscal year under paragraphs (1), (2), and (3) shall each be reduced by ⅛ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K).

"(ii) REDUCTION IN PER COUNTRY LEVEL.—The number of visas made available in each fiscal year to natives of a foreign state under section 202(a) shall be reduced by the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(iii) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS WITHIN PER COUNTRY CEILING.—In the case of a foreign state subject to section 202(e) in a fiscal year (and in the previous fiscal year), the number of visas made available and allocated to each of paragraphs (1) through (3) of this subsection in the fiscal year shall be reduced by ⅛ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(C) APPLICATION OF SEPARATE NUMERICAL LIMITATION.—

"(i) IN GENERAL.—Subject to clause (ii), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in any fiscal year (other than as a spouse or child described in such section) may not exceed—

"(I) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in clause (iii)), 2,000, or

"(II) in the case of aliens who are nationals of any other state, 100.

"(ii) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of clause (i) shall not apply to individuals who meet the requirements of section 101(a)(27)(K) as of the date of the enactment of this subparagraph.

"(iii) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In clause (i), the term 'numerical limitation treaty or agreement' means a treaty or agreement in effect on the date of the enactment of this subparagraph which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States.".

(c) ADJUSTMENT OF STATUS.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended—

(1) in subsection (c)(2), by striking "or (I)" and inserting ", (I), or (K)", and

(2) by adding at the end the following new subsection:

"(g) In applying this section to a special immigrant described in section 101(a)(27)(K), such an immigrant shall be deemed, for purposes of subsection (a), to have been paroled into the United States.".

(d) EFFECTIVE DATE.—This section shall take effect 60 days after the date of the enactment of this Act.

SEC. 3. DELAY UNTIL APRIL 1, 1992, IN IMPLEMENTATION OF PROVISIONS RELATING TO O AND P NONIMMIGRANTS.

Section 214(g)(1)(C) of the Immigration and Nationality Act shall not apply to the issuance of visas or provision of status before April 1, 1992. Aliens seeking nonimmigrant admission as artists, athletes, entertainers, or fashion models (or for the purpose of accompanying or assisting in an artistic or athletic performance) before April 1, 1992, shall not be admitted under subparagraph (O)(i), (O)(ii), (P)(i), or (P)(iii) of section 101(a)(15) of such Act, but may be admitted under the terms of subparagraph (H)(i)(b) of such section (as in effect on September 30, 1991).

SEC. 4. CONTINUATION OF DERIVATIVE STATUS FOR SPOUSES AND CHILDREN OF THIRD AND SIXTH PREFERENCE IMMIGRANTS; DEEMED CONTINUED EFFECTIVENESS OF CERTAIN EMPLOYMENT-BASED PETITIONS.

Effective as if included in the Immigration Act of 1990, section 161(c) of such Act is amended by adding at the end the following new paragraphs:

"(3) In the case of an alien who is described in section 203(a)(8) of the Immigration and Nationality Act (as in effect before October 1, 1991) as the spouse or child of an alien described in section 203(a)(3) or 203(a)(6) of such Act and who would be entitled to enter the United States under such section 203(a)(8) but for the amendments made by this section, such as alien shall be deemed to be described in section 203(d) of such Act as the spouse or child of an alien described in section 203(b)(2) or 203(b)(3)(A)(i), respectively, of such Act with the same priority date as that of the principal alien.

"(4)(A) Subject to subparagraph (B), any petition filed before October 1, 1991, and approved on any date, to accord status under section 203(a)(3) or 203(a)(6) of the Immigration and Nationality Act (as in effect before such date) shall be deemed, on and after October 1991 (or, if later, the date of such approval), to be a petition approved to accord status under section 203(b)(2) or under the appropriate classification under section 203(b)(3), respectively, of such Act (as in effect on and after such date). Nothing in this subparagraph shall be construed as exempting the beneficiaries of such petitions from the numerical limitations under section 203(b)(2) or 203(b)(3) of such Act.

"(B) Subparagraph (A) shall not apply more than two years after the date the priority date for issuance of a visa on the basis of such a petition has been reached.".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR REFUGEE RESETTLEMENT PROGRAMS FOR FISCAL YEAR 1992.

Subsection (a) of section 414 of the Immigration and Nationality Act (8 U.S.C. 1524) is amended to read as follows:

"(a) There are authorized to be appropriated for fiscal year 1992 such sums as may be necessary to carry out this chapter.".

Mr. KENNEDY. Mr. President, I am pleased that we have now reached the final stages of consideration of the Armed Forces Immigration Adjustment Act. This legislation is long overdue in providing special immigrant status to foreign nationals who have served honorably in our Armed Forces for at least 12 years.

This bill passed the House of Representatives in the last Congress, was approved by our Subcommittee on Immigration and Refugee Affairs as well as the Judiciary Committee and was cleared on all sides for final action by the Senate. But regrettably, for reasons completely unrelated to the substantial merits of this legislation, the clock ran out in the waning days of the Senate last October before final action could be taken.

So I was pleased that the Senate saw fit earlier this year to make this bill among the first we passed when we reconvened in January.

Mr. President, this bill is similar to provisions already in our immigration laws which grant permanent residence to foreign nationals who have served with distinction in our embassies abroad. It will reward those who honorably serve in our military for at least 12 years.

This bill will principally affect Filipino servicemen in the United States Navy, which has indicated that about 400 foreign nationals enlist in our Armed Forces each year. So the number of persons encompassed by this legislation is quite small, but is an appropriate step in assuring those who have made a career of service to the U.S. Armed Forces that we appreciate their contribution.

Mr. President, the House Judiciary Committee made some appropriate technical improvements to the legislation, with which Senator SIMPSON and I are in agreement.

In addition, Mr. President, Senator SIMPSON and I have additional amendments to this legislation which were already adopted by the Senate on August 1, which are of a technical, but urgent, nature. These items are part of S. 1620. But on October 1—just a few days away—the major immigration reforms enacted last year go into effect. As it appears unlikely at this time that the House will act on S. 1620 before that date, we include in our amendment today three urgently needed technical changes from S. 1620 which are essential to meeting the October 1 startup date.

Also, our amendment includes a simple 1-year reauthorization of the refugee resettlement provisions of the Refugee Act of 1980. Resettlement funding for the coming fiscal year is under discussion now in the conference on the Labor-HHS appropriations bill. And it is important that this basic reauthorization be adopted prior to completion of their deliberations.

In the meantime, Senator SIMPSON and I will continue our efforts to develop broader legislation which will revise and improve the refugee resettlement process. I am disturbed that while the need to resettle refugees remains high, the resources available for resettlement have declined significantly in recent years. So I intend to introduce soon a long-term resettlement reauthorization bill which will provide cost-saving improvements to refugee resettlement.

Mr. President, I join Senator SIMPSON in urging the Senate to adopt these amendments.

Mr. SIMPSON. Mr. President, I support this package of amendments to S. 296, legislation to provide immigrant status to foreign nationals who have enlisted and served—or promised to serve—12 years in the U.S. Navy.

Let me explain the purpose of these amendments. First, some needed technical changes to S. 296 are made, as suggested by the State Department and Immigration Service.

Second, certain urgent technical amendments to the Immigration Act of 1990 are included, so that the appropriate agencies may administer this act with maximum efficiency when it takes effect—on October 1, 1991.

Finally, the "O" and "P" visa categories—for foreign artists, entertainers, and athletes—are suspended for 6 months, until April 1, 1992, so that needed changes to the substance of those rules may be worked out by interested Members of the House and Senate.

I thank the chairman of the Immigration Subcommittee, Senator KENNEDY, for his cooperation and assistance, and I commend these amendments to my colleagues.

Mr. GRAHAM. Mr. President, as the Senate prepares to approve legislation today providing a 1-year reauthorization of the Refugee Act of 1980, I am pleased to have this opportunity to discuss with the distinguished chairman and ranking member of the Judiciary Committee's Subcommittee on Immigration and Refugee Affairs a few of my primary concerns in this area.

Let me say at the outset that I am pleased we are turning our attention to this landmark statute. The Refugee Act has brought order to a once chaotic process and, most importantly, has clearly established this country's policy of humanitarian treatment of persons desperately fleeing persecution and strife in their homelands in search of freedom here in America.

Nevertheless, Mr. President, the law Congress enacted 11 years ago is in need of revision. I am disappointed that so much time has passed without an authorized refugee statute and am eager to see a comprehensive review of the Refugee Act address some of its shortcomings.

Mr. President, the area in which I take greatest issue with our immigration policy—and not just the Refugee Act—is our failure to recognize that along with the Federal Government's sole authority to control immigration flows comes the primary financial responsibility to pay for the domestic impact of the Government's admission policies.

Is it my colleagues' shared belief that the Federal Government should shoulder the primary burden of the costs of immigration?

Mr. SIMPSON. I thank the Senator for his insight on matters of immigration policy and am glad he has raised these issues here today. Surely the power to control immigration creates a primary responsibility for the financial ramifications of those decisions.

Mr. KENNEDY. If the Senator will yield, I can say as the chief sponsor of the Refugee Act of 1980, that was clearly a fundamental provision of the legislation.

Mr. GRAHAM. I thank the Senator. Even though this responsibility exists—one which the two prominent leaders in the Senate on immigration policy recognize—time after time we see the Federal Government backing out on the partnerships it has forged with the Sates to cover the costs of immigration.

I stood before the Senate just a week ago to call my colleagues' attention to the $1.12 billion still owed to States impacted by the amnesty program Congress enacted in 1986. No money was included in the fiscal year 1992 Labor-HHS bill for this program. Congress has unilaterally chosen to walk away from the table and leave the States with the bill for the SLIAG Program.

Mr. President, I am sorry to say that much of the same is true for our refugee resettlement programs. In the last 5 years, the number of refugees admitted to the United States has nearly doubled, from 62,440 in 1986 to 122,328 in 1990. The funding level, which should be linked as closely as possible to the number of incoming refugees, has been erratic. In fact, the Federal dollars available per refugee in 1990 were just 42 percent of the support available in 1986; that figure does not even account for inflated dollars. I know my colleagues share my dismay at the lack of sufficient funding to cover the Federal share of refugee programs.

The problem, it seems to me, is that there is simply no cohesion between fiscal planning and policy making on refugee issues. At the beginning of each calendar year, as my colleagues know well, the President submits his budget to Congress, which includes his requests for Federal refugee programs. Several months later, at the end of the fiscal year, he presents to Congress his projected per country and overall ceilings on refugee admissions for the coming fiscal year.

But there is often no connection, and certainly none is required, between the level of refugee admissions and the level of funding requested to pay the costs of their resettlement. To me this is preposterous and a glaring effort to pass rightful Federal costs onto State and local governments.

Mr. President, it is my understanding that Senator KENNEDY intends to introduce legislation to revise the Refugee Act in the next 2 or 3 weeks. Is that the case?

Mr. KENNEDY. Yes, it is.

Mr. GRAHAM. It is also my understanding that the reauthorization bill will include a provision which will require the President, if his refugee estimates exceed the funding levels included in his budget, to submit to Congress a plan for paying these excess costs. Is my understanding correct?

Mr. KENNEDY. Yes, Mr. President, I intend to include such a provision in the legislation I am drafting for introduction soon. I share my colleague from Florida's concern in this area and want to ensure that some real connection be made between the number of refugees who come to America and the dollars the Federal Government allocates to provide adequate services for them upon their arrival.

Mr. GRAHAM. Does the Senator from Wyoming share this concern and also support the inclusion of such a provision in the reauthorizing legislation?

Mr. SIMPSON. Yes, I would support requiring the executive branch to submit a funding plan to Congress in two cases: First, whenever emergency refugee admissions under section 207(b) of the INA are authorized, and second, whenever the President's budget proposal early in the calendar year contains a lower refugee admissions estimate than is requested in September during the annual refugee consultation, unless Congress has provided funding for the higher admissions level in the interim.

Mr. GRAHAM. On a related issue, Mr. President, current refugee law allows the President of the United States to declare a refugee emergency and thus exceed the per country caps he sets for each fiscal year. This important provision allows us to be flexible to the rapid global changes like those we are witnessing today. Nevertheless, current law also expects State and local governments to pay the full cost of resettling refugees brought here under any such emergency unless Congress acts midyear to provide Federal resources.

With this in mind, I inquire of my colleagues whether they will support during the upcoming reauthorization the creation of a refugee emergency fund, with say $50 million, which will sit in the Treasury until such time as a refugee emergency is declared and necessitates the use of that money.

Mr. KENNEDY. I know the Senator from Florida has gone to great lengths to ensure that the Federal Government is prepared for an immigration emergency. I appreciate his foresight and would be happy to work with him to incorporate that provision into the legislation.

Mr. SIMPSON. I promise to work closely with Senator GRAHAM and Senator KENNEDY to accommodate his interests regarding the funding of emergency refugee admissions, while paying attention to recent budget agreements which attempt to control the budget deficit.

Mr. GRAHAM. Mr. President, these issues are of great importance to States such as mine, which are most heavily impacted by immigration flows. I want to thank my colleagues Senator KENNEDY and Senator SIMPSON for indulging me on my questions. Throughout my service in the Senate, they have shown me great courtesy and consideration as Congress forged new immigration policies under their leadership. I look forward to continuing this cooperative tradition as the Immigration Subcommittee, and later the full Senate, formulates major revisions to the Refugee Act of 1980.

Mr. KENNEDY. I know I speak for my colleague from Wyoming in expressing my appreciation to Senator GRAHAM for his diligence.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the motion was agreed to and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT OF ADDITIONAL CONFEREES—H.R. 1415

Mr. FORD. Mr. President, I ask unanimous consent that the Chair be authorized to appoint additional conferees on the part of the Senate for H.R. 1415, the State Department authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair appointed the following additional conferees on the part of the Senate: For title X only, Mr. RIEGLE, Mr. SARBANES, and Mr. GARN.

NATIONAL FAMILY WEEK

Mr. FORD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 23, designating National Family Week; that the Senate proceed to its immediate consideration; that the joint resolution be deemed read a third time and passed and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the joint resolution (H.J. Res. 23) was deemed read a third time and was passed.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:45 a.m. on Wednesday,

September 25; that following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each; and that at 10 a.m., the Senate resume consideration of H.R. 2521, the Department of Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. FORD. Mr. President, if there is no further business to come before the Senate today—and I see no Senator seeking recognition—I now ask unanimous consent that the Senate stand in recess under the previous order until 9:45 a.m., Wednesday, September 25.

There being no objection, the Senate, at 8:50 p.m., recessed until Wednesday, September 25, 1991, at 9:45 a.m.

EXTENSIONS OF REMARKS

HISPANIC HERITAGE MONTH

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ORTIZ. Mr. Speaker, on Monday, September 16, 1991, U.S. Surgeon General, Antonia Novello, delivered an inspired address at the Second Annual Congressional Hispanic Caucus Hispanic Heritage Month Kick-off Ceremony. Her remarks captured the spirit of Hispanic Heritage Month.

I would like to share her comments with my colleagues and ask that her address be inserted in the RECORD:

ADDRESS BY ANTONIA C. NOVELLO, M.D., M.P.H.

Buenos Dias. This is Hispanic Heritage Month. A time to look to the past as well as to the future. We have come together here to celebrate our Hispanic/Latino heritage and traditions, our new-found growth and development, and our cultural diversity.

As you have already heard many times over, we have been experiencing a phenomenal rate of growth. In fact, the Hispanic/Latino population is increasing at a rate estimated to be five times that of the rest of the country. By the year 2000, the 19 million Hispanics of today will almost double to 31 million. This rapid growth is mostly due to our high birthrate and a steady rate of immigration.

Already, we are well on the way to becoming the single largest—and the youngest—minority group in the United States. This is truly something to celebrate—for we can derive a great deal of strength in knowing that there are so many people, just like you and me, who are eager to move forward to become an integral part of this country's labor force.

We know that we come from many countries, a diverse population made up of many peoples with ties to Spain, Latin America, both South and Central America—and the Spanish-speaking Caribbean. We tend to concentrate in different geographic areas—there are Mexican Americans in California and Texas, Puerto Ricans in New York, New Jersey, and Philadelphia, and Cubans in Florida. We have families who are rooted in this country, as far back as 100 years ago, as well as families who immigrated yesterday.

In the District of Columbia, where many of us live and work, we have seen a tremendous influx in the last 10 years of people from Guatemala, El Salvador, Nicaragua, Honduras, and Peru—to name just a few. Their rich history, traditions, customs, and cultural traits has added new pieces to the colorful mosaic of our heritage.

America is being Latinized, from New York to Los Angeles, Little Havana to San Antonio. Our zest for life, our love of family, culture, and traditional values are spreading to the mainstream. Just as America has blessed us with its dream, we must return something of our hearts and souls to this country.

What would America be like without Hispanic influences? You want to know? We are more than Chiquita Banana and Juan Valdes. Then let me talk to you about our real heritage. Let's talk about food, for example. There would be no chili, no tacos, no "chips," no "Spanish Rice," no tamales, guacamole, jambalaya, chocolate, no cornbread, no flan, no paella, no sangria to name a few. In a phrase—without Hispanic food influence, it is a—no nothing, mister!

There are also many esteemed writers, artists, musicians, politicians, and scientists from our countries of origin. For writers, think of Borges, Garcia Marques, for artists, Salvador Dali, Pablo Picasso, Botello, and Botero, and the Mexican muralists Rivera, Orozoo and Siqueiros. Think of the impact that Mexican artist Frida Kahlo is making on American women and American art. Think of Don Quijote, and Cervantes, Pablo Neruda, and his Soneto, Garcia Marguez and "Love in the Time of Cholera," and "One Thousand Years of Solitude."

In my field of medicine, we can also find many important scientists from Spanish-speaking countries. For example, did you know that in 1906, Santiago Ramon Y Cajal of Spain shared the Nobel Prize for Medicine and Physiology with Dr. Camilo Golgi of Italy, and that Dr. Bernardo Houssay of Argentina received it in 1947, and Dr. Cesar Milstein in 1982?

Our 1980 Nobel laureate Dr. Baruj Benacerraf, now President of the Dana Farber Cancer Institute in Boston, won the Nobel Prize for Medicine and Physiology for his work on cellular immune reactions. He was born in Caracas, Venezuela, to Jewish parents.

Let's not forget our two Hispanic astronauts: Ellen Ochoa and Sidney Gutierrez.

And how can we forget the impact of Cesar Estrada Chavez of the United Farm Workers of America in this country.

How about some of the entertainment personalities of today? Think of the Hispanic names that every American knows: singer and peace activist Joan Baez; singers Vikki Carr, Gloria Estefan, Linda Ronstadt, and Julio Iglesias. Remember Damaso Perez Prado, without him we would have never had the mambo! Think of Placido Domingo and Faustino Diaz, Jose Carreras, when you think of beautiful voices and the opera.

And when you think of ballet, remember the grace and beauty of Alicia Alonzo, and Fernando Bujones and "Hispanic by marriage" Dame Margot Fonteyn.

Think of musicians, such as Tito Puente (trained at the Juilliard Conservatory of Music and dominating the field of jazz). Carlos Santana and his rock band, Ruben Blades, Damiron y Chapuseaux, Pedro Vargas, Carlos Gardel, Libertad Lamarque and el maestro Agustin Lara.

When you talk about designers, think about Paloma Picasso, Oscar de la Renta, Carolina Herrera and Fernando Pena to name only a few. When you talk about actors think about Martin Sheen and his sons Charlie Sheen and Emilio Estevez. Erik Estrada, Elizabeth Pena, Cantinflas, Desi Arnas, Ricardo Montalban, Raquel Welch, Cesar Romero, Raul Julia, Edward Olmos, and Jimmy Smits.

Triple-threat actor, director, and producers such as Jose Ferrer, and Jose Quintero, whose productions of the plays of Eugene O'Neill are the most honored in the world. Dancers like Rita Moreno and Chita Rivera. Sports figures such as Lee Trevino, Juan Marichal, and ChiChi Rodriquez, Roberto Clements and Jose Canseco.

Politicians—there are too many to mention, but everyone recognizes the name of Herman Badillo, don Luis Ferre, Dona Felisa Rincon de Goutier, Dennis Chavez of New Mexico, and today's leaders: Jose E. Serrano, Solomon P. Ortiz, Matthew G. Martinez, Ileana Ros-Lehtinen, Edward R. Roybal, (Kika) de la Garza, Esteban E. Torres, Albert G. Bustamante, and Jaime B. Fuster. And let's not forget our own Secretary of the Interior, Manuel Lujan, our treasurer Cathy Villalpando and our drug czar Governor Bob Matinez.

The growing power and influence of Hispanics is gratifying. I believe that this positive influence will benefit not only the Hispanics of today, but the Hispanics of the future as well.

I see Hispanics in an excellent position to make a positive statement about this country. I am forever mindful of being the first Hispanic Surgeon General, but I cannot be the Surgeon General of just Hispanics. To serve the Hispanic cause best, I have to be the Surgeon General of all Americans.

I see by my appointment, that America is still an open society, and that anyone can become what they want to be, given the right opportunity. But we know, that this opportunity foes not come from the sky—we must find it, demand it, and then secure it.

As we continue to grow and diversify, we must work to bridge our differences and unite in a common bond and voice: This will be needed if we are going to be able to help improve the health and well-being of our families, our communities, and most importantly the vast, nationwide family of Hispanic/Latinos that each of us belongs to.

No matter where we live, from the barrios of East Los Angeles, to the villas of Miami Beach, there is a role for each one of us to play. For, like it or not, we have all been swept into the unfolding drama of life and death, of courage and fear, and of comfort and pain that has brought us here today.

As Surgeon General, I have the responsibility for the health of the people of this Nation. As an Hispanic woman, I have a special concern for my community. I must be honest, I am very worried about the health and welfare of our community.

Although this great country of ours has given so much to our different communities, we as Hispanics still face many ongoing difficulties and challenges. These challenges might be different from what other communities are experiencing, but no less difficult.

What goals and guidelines, you may ask, should we take on and follow in the months and years ahead? What should we—as Hispanics, as Americans, as part of a minority group, as professionals in our diverse fields—strive for?

To start, we need the best of education to obtain the benefits that this country has to offer. It is known that at least 51 percent of Hispanic students do not earn a degree within 12 years of entering college. When dealing

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

with the facts about education, we have to use real data—not confusing terms—and we must present the information no matter how painful it may be. It is the only real way to start dealing with the issue. In order to help our people prevent illness, we must find the right moment and the right educational level and then use it accordingly.

As our president has said . . . "We must help education to help Hispanic children enter the 21st century prepared to take their rightful place at the American table of opportunity." After all, ours is a history strong in education. In 1551, our Hispanic ancestors founded the first universities in the new world—85 years before Harvard.

Progress toward a healthier America will depend substantially on improving the health of our population especially those at high risk.

Women, the aged, the children, all our families therefore, are going to need our help. Families will have to understand that when the health of the mother collapses, the health of the family collapses as well.

As Hispanics, we want to maintain our strong cultural heritage in America's pluralistic society. We want to contribute to society, and also, to take from it what is positive, noble and constructive. But to be accepted we don't need to emulate what is negative in today's society.

As you are aware, a large part of the alcohol and other drug problems come from our cultural dislocation and assimilation into mainstream American life.

It is also useful to note that among Hispanics, frequent heavy drinking is highest for those of us who are relatively affluent. Of course, we want affluence and education for our people, but not in the context of drinking.

At the very age when our people are conceiving their children, loving them, nurturing them, and bringing them up to carry the traditions of our culture and our country, we are at our highest use rates for alcohol and other drugs!

Remember that each of us is the ultimate expert on our own lives and that it is up to us to find culturally relevant, culturally sensitive, and acceptable methods of addressing problems in our own community.

To start, we must teach ourselves to assume a little bit of more responsibility for our own health and the health of our families. The government alone cannot do it for us.

Our only hope for solving some of our ever-present problems lie in returning to, rebuilding and where we can, maintaining essential institutions and values.

To be the best we can be as a community, and as a Nation, will require addressing a broad range of societal and health-related issues with sensitivity and sensibility.

It will require many things from the system, yet it will also require a commitment from each and every one of us.

As for me, although I am the Surgeon General for *all* Americans, when it comes to Hispanic health, I will be as involved and concerned as all of you expect me to be. And my agenda will continue to include issues which concern us all.

I know that all of you are because of your love of heritage and community and also because you want to help. Well, I'll tell you what you can do to help me. For those of you in the trenches, I urge you to share your savvy about the way you can get the government, the private sector, and the industry to work together in our behalf, and then share this information with the community.

Translate for those who cannot read English. Take someone to a clinic. Help someone fill out a welfare form, drive an elderly person to an appointment.

Take a child to be vaccinated. Take more time to try to teach the needy and those less fortunate of our people. We must not give up on them. If necessary, each of us must talk to one more person each day, take on one more task.

Ultimately, no government, no community organization alone can save us. We have to take command in saving ourselves.

We all must talk to young people and tell them to dream their dreams and to work at their education in order to make the most of themselves. I hope my appointment encourages them to dream and to study.

We must also tell them that, whatever path they choose, they must never forget their heritage. It gives dignity and makes life precious. We owe this not only to ourselves, but to those who expect us to lead the way.

My challenge to you is to learn everything you can about healthy choices in your own life and encourage those you love to make healthy choices as well. Without our good health, we will have very little to offer to this country in the year 2000.

The Hispanic community is diverse, very family-oriented, very strong and yet vulnerable. Hispanics have succeeded against tremendous odds in many cases. As a group, we have contributed to making this country strong and diverse. We must not stay behind now when we are so close to the finish line.

I was asked recently by a magazine to name my heroes. I like this idea because today, we need to find our heroes and our heroines to help us keep our heads up and our hopes high. I must be honest, despite all the important people that I know and admire, I would say that my mother, Ana Delia Flores, is my finest role model. She is, in truth, not just my mother, but my heroine. She taught me as a child that hard work, an honest life, and the motivation to do my very best would not show me the easiest way, but would give me a sure path to being a good and honest human being and member of society.

Why do I mention this? I mention it because it is known that we all need encouragement, but we all need to encourage as well. Let us remember that not only do we need role models, but all of us can be role models as well.

In our communities, parents, uncles, aunts, grandparents, and friends can be heroes and role models to our children. Anyone that loves, nutures and helps being the traditions of our culture to life is a hero and role model.

We must never let the children lose our Hispanic heritage; our traditions honoring family, and our passionate appreciation for life. Everything that needs to be done to improve our lives and that of future generations must be done with great care for traditional values.

We have brought great richness and variety into the American dream, and as we continue our integration into all that America offers, let America not forget about us. We are hard working, proud people who need to be integrated into the American main stream by what we do best—and that is hard work and love of family and country.

We all know that part of the Hispanic heritage is the capacity for hard, dedicated work. That capacity has always been perceived, but not always recognized. We must continue the hard work, but it is time to step forward for some of the well deserved rewards.

Let us make the commitment, as we leave here today, to move forward, adelante con confianza, and to foster the twin values of dignidad and respeto which have held our families together for centuries and generations.

Together, but not alone, we can make the difference. As a Hispanic, and a member of that wonderful mosaic that is the Latino community, I urge you to care, but also to continue to think clearly, and to act decisively to obtain the benefits that our community needs so much and rightfully deserves. As Surgeon General, I stand with you all!

God Bless You.

Dios los bendiga.

CHILDHOOD HUNGER IS A NATIONAL ISSUE

HON. RICK SANTORUM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. SANTORUM. Mr. Speaker, due to short notice I was unable to submit a prepared statement for the Select Committee on Hunger's special order on childhood hunger in July. I would like to submit my statement for the RECORD at this time.

Recently I had the pleasure of visiting the North Hills Food Pantry, in Pittsburgh's north suburbs, with a truckload of breakfast cereal. The cereal was a shipment my distinguished colleague from Minnesota, Congressman RAMSTAD, owed to Pittsburgh as the result of a friendly wager on the Penguins-North Stars Stanley Cup hockey finals.

My visit to the North Hills Food Pantry reminded me that hunger is not an inner-city issue in America today; it is a national issue. This food pantry, one of many such services within my suburban congressional district, serves 250 families a month. And the largest single category of persons served is single mothers with children. In fact, half the mouths this food pantry helps to feed are mouths of children.

It is at locations like this one that the startling statistics on childhood hunger in America become more than numbers.

I asked the North Hills Food Pantry's director, Bob Crawford, to discuss the role of WIC, the Federal Government's Special Supplementary Food Program for Women, Infants, and Children, in addressing this problem. He reconfirmed my belief that WIC is an efficient, smoothly operating program that delivers nutritious food, nutrition education, and health services to women and their young children during the years of their greatest need.

I was not surprised to learn that WIC, by promoting healthy living and healthy eating among pregnant women, leads—as documented in a 1990 study—to a substantial savings in Medicaid costs for newborn children and their mothers, a savings that exceeds WIC's investment in serving these women.

But I was surprised to learn that, according to the U.S. Department of Agriculture—which administers WIC—only about 60 percent of eligible families are being served. In my own county, the percentage is somewhat higher—an estimated 70 percent being served—but the county's WIC office indicates that it has had to turn away eligible mothers during the past year and limit its recruitment of new cases due to lack of funds.

I am pleased that the Bush administration has requested, for fiscal year 1992, the largest increase in WIC funding in 8 years. I will fully support this increase. But beyond this, I will continue to make childhood hunger an issue of concern within my congressional district. We as a Congress cannot eliminate hunger in America, but we must do our part—both collectively as a legislative body and individually in our own districts; through WIC, school lunch and breakfast programs, and other means at our disposal—to make sure that our Nation does not sit by idly while young children in our midst wonder where their next meal will come from.

I am grateful for the volunteers, many of them retired senior citizens, who enable the North Hills Food Pantry and thousands of food banks across the United States to carry out their much-needed work. I am also grateful to the members of the Select Committee on Hunger for their work in keeping the issue of hungry American children in the forefront of our attention.

A TRIBUTE TO ARLAN VAN LEEUWEN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding dedication of Arlan Van Leeuwen who has recently been named Dairyman of the Year by the Chino Chamber of Commerce. Arlan, a leading member of the community, will be honored at the annual dairy awards dinner in early October.

The Van Leeuwen family has been in the dairy business in the United States for the past 60 years and migrated to Chino in 1959. Arlan's involvement in the dairy industry goes back 16 years but interestingly enough, he never really planned on being a dairyman.

Arlan began his professional life working as international district sales manager with Sunkist Growers in Ontario. Coincidentally, his wife, Joan, went to work in the same building for the Berkeley Bank of Cooperatives. A year later, Arlan and Joan returned to Chino to live in a house on the Van Leeuwen Dairy Farm. After a year of commuting to and from work, they decided it was time to return to their roots. "I hated coats and ties and being inside all the time," Arlan said. "We had gotten away from dairying and were slowly drawn back to it."

In 1974, Arlan and his dad joined forces and went about modernizing and remodeling the family dairy business. Three years later, Arlan and his brother-in-law, Danny Vanderham, merged operations with a combined 660 cows. In 1982, Dan moved into his own dairy and Arlan expanded his herd to 700 head.

With his continuing success. Arlan began to take on a greater leadership role in the dairy community. He entered the Ag Leadership Program in 1985, taking him to Washington, DC, New York, and Brazil and giving him not only confidence, but what he describes as "a broader picture of the world and a broader perspective."

Arlan's agricultural leadership activity led him naturally to greater involvement with other nondairy and community activities. Today, he is an active member in the Rotary and the Chino Chamber and serves on the Producer Review Board for Pooling and the Alliance of Western Milk Producers. In addition, he is chairman of the Santa Ana Dairy Environmental Task Force, second vice president of California Milk Producers Cooperative, as well as a former deacon and elder at the Chino Valley Reform Church.

Mr. Speaker, I hope that you will join me and our colleagues in paying tribute to this dedicated professional as he is recognized by the Chino Chamber for his many contributions to the dairy industry. Without question, his achievements are worthy of recognition by the House today.

IN PRAISE OF ARMENIA'S INDEPENDENCE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. LANTOS. Mr. Speaker, I invite my distinguished colleagues to join me in celebrating Sunday's historic vote in Armenia in which the people of Armenia overwhelmingly voted for independence from the Soviet Union. The Parliament of the Republic of Armenia unanimously implemented the results of the Republic's referendum yesterday.

Mr. Speaker, the pace of events in the Soviet Union continues to shock and amaze. One by one, the Republics of that artificial union have set a course toward pluralism and democracy. With each Republic's declaration of independence, the illegitimacy of Soviet communism is further revealed. Sunday, it was Armenia's turn to shed the yoke of Soviet and Communist repression.

Armenia's independence has not come easy. It was achieved with great sacrifice and loss. Hundreds of Armenians have died and thousands have been left homeless in longstanding conflicts and problems that have plagued this troubled region in recent years.

In the last several months, the resolve of freedom-loving Armenians was stiffly challenged when Soviet and Azerbaijani forces stepped up their violent tactics in an attempt to thwart Armenia's drive toward democracy. But history will show that the spirit of democracy has prevailed.

Mr. Speaker, Armenia is now an independent Republic, free of the Soviet stranglehold and free to pursue its own national aspirations. We are most fortunate to witness this historic event. On the occasion of their independence, I pay tribute to the strength and the integrity of the Armenian people—both those in Armenia and their fellow Armenians in the United States and around the world who have supported the independence struggle of the homeland. I invite my colleagues to join me in celebrating this momentous day.

POLLUTERS UNDERMINE THE SUPERFUND

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. KOSTMAYER. Mr. Speaker, on September 5, the Philadelphia Inquirer published an article by our colleague, BOB TORRICELLI. In his article, BOB makes the point that industrial polluters are attempting to undermine the Superfund Program by suing local governments.

I would like to share the article with all my colleagues. There is clearly something going wrong when people who have only used a landfill for ordinary household trash are forced to pay as much to clean up toxics as the industry responsible for disposing of hazardous waste.

I hope you all read this and agree that it's time to fix this flaw in the law.

[From the Philadelphia Inquirer, Sept. 5, 1991]

POLLUTERS UNDERMINE THE SUPERFUND

(By Robert G. Torricelli)

Imagine you're a resident of Maple Shade, a township of 19,000. You've always demonstrated great concern for the environment. You separate your trash for recycling, you take your household hazardous waste to a special collection center, and you've installed low-flow showerheads in your bathrooms.

Then imagine your surprise when your town, with an annual budget of $6.2 million, gets hit with multiple lawsuits charging that it is liable for millions of dollars of contributions to five different Superfund cleanups. The suits imply that you, as well as town officials, are personally responsible because you sent your household trash to landfills that have become polluted with toxic chemicals.

The above scenario is being played out not only in southern New Jersey, but also at 14 different sites in 10 states. Corporate polluters are suing cities and towns for contributions to Superfund cleanups even though the polluter has been identified by the Environmental Protection Agency as the entity that sent toxic waste to the site, and even though the city or town's sole contribution was household trash or sewage sludge.

One of the five suits in which Maple Shade has been named involves the GEMS landfill, a 63-acre site ranked 12th on the EPA's National Priorities List. Industrial chemicals were dumped into pits at the landfill between 1970 and 1974. These chemicals have contaminated groundwater, surface water and the air, and they are a particular menace to the 38,000 people who live within three miles of the site, many of whom depend on private wells.

The private companies that have been accused by the EPA of polluting the site have settled with the agency for $20.5 million. However, to recoup their costs, the companies brought a third-party suit against 70 local governments, including Maple Shade, who used the GEMS landfill to dispose of municipal solid waste. The companies argue that the municipalities should pay $10 million of the $52.5 million it will cost to clean up the site. But that argument ignores the fact that it is the industrial chemicals that caused the landfill to be declared a Superfund site, and that it was the clear intention of Congress in creating the Superfund program to make those who contributed the hazardous waste responsible for the cleanup.

The "third-party" lawsuits are being launched under a provision of the Superfund statute that allows polluters named by the EPA to spread the cleanup costs equitably among all persons who legitimately contributed to environmental contamination at a site. This provision was enacted to help accused polluters, but it is now being abused by them not only as a means of delaying cleanups and recouping costs, but also as part of a larger strategy aimed at discrediting the entire Superfund program. As far as these polluters are concerned, the more outrageous the lawsuit the better. That explains why a corporate consortium has threatened to sue the Girl Scouts of America because garbage from a summer camp ended up at a Michigan Superfund site.

While household garbage or sewage sludge can contain hazardous substances such as nail polish remover and paint thinner, studies show that such substances only account for one-half of 1 percent of municipal solid waste. It is clearly ridiculous, therefore, to ask local governments to pay the same to clean up a ton of garbage as a Fortune 500 chemical company pays to clean up a ton of concentrated toxic chemicals.

I recently introduced legislation that would solve this problem with the Superfund statute while maintaining the overall sanctity of the "polluter pays" principle. Entitled the Toxic Cleanup Equity and Acceleration Act, this bill would block third-party suits over ordinary garbage and sewage sludge. It would, however, preserve the EPA's ability to bring suits against municipalities in instances where they clearly acted irresponsibly, or where their household waste or sludge contains unusually high levels of toxicity.

The Superfund law is not scheduled to be reconsidered until 1995, but we cannot wait that long to plug this loophole. Even though they may be defeated in the courts, these lawsuits cost hundreds of thousands of dollars to defend and pose an insurmountable financial burden for many cash-starved cities and towns. One small city in California, for example, has laid off two police officers and nearly doubled trash-hauling fees to pay bills that will exceed $125,000 this year for a third-party suit.

With one simple clarification of the Superfund statute, we can free our cities and towns from the financial strains of unwarranted lawsuits and allow them to devote their tax dollars to real environmental protection and the job of providing essential public services. Liability under Superfund was never meant to apply to those who simply generated or hauled solid waste, and those who are now asserting in court that it does are simply trying to undermine the entire program.

NORMAN TANZMAN HONORED

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. DWYER of New Jersey. Mr. Speaker, it is with a great deal of joy and pleasure that I share with my colleagues the story of a man who has been a vital force in Middlesex County, NJ, for many years.

On October 27, the Central New Jersey Jewish Home for the Aged will honor Norman Tanzman at a testimonial dinner for the work he has done for the home. Mr. Tanzman has been involved with the home since its beginning and has worked tirelessly to make it the success it is today. He has served as both its president and chairman of the board and has been involved with its annual fundraising efforts.

Norm has also been an inspiration as a community leader. As a partner in the real estate firm of Jacobson, Goldfarb & Tanzman Associates, located in Perth Amboy, Norm has been involved in many aspects of the growth and development of our county. He has been a public servant, with terms of service in both the New Jersey General Assembly and the New Jersey Senate.

He has served as a member, or chairman, on the boards of over a dozen community service organizations, including the Raritan Bay Health Services Corp., the Barron Free Public Library, the Jewish Federation of Northern Middlesex County, the Middlesex County Blue Badge Association, and the Woodbridge Lions Club. I am certain that everyone would agree that Norm is a rare public servant.

He has given generously of his time and considerable talents to help his fellow man. The honor that will be bestowed upon Norm by the Central New Jersey Jewish Home for the Aged is deserved by Norman Tanzman. He has been, and continues to be, the best example of one helping his friends, his neighbors, and his community.

TRIBUTE TO ST. MARY BAY VIEW ACADEMY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate St. Mary Bay View Academy for its recognition as a blue ribbon school. Each year the U.S. Department of Education selects schools from around the country that exemplify academic excellence and diversity.

This year, Bay View was one of 53 private schools to receive this honor, an honor less than 1 percent of the schools across the Nation receive. Being the only all-girls school in New England to be honored, Bay View makes its intentions clear: "Bay View is more than a school. It is a community of women working to define who they are intellectually, socially, physically, and spiritually in a very unique environment."

I send my warmest congratulations to the students, faculty, and administrators of St. Mary Bay View. You clearly deserve the honor that the blue ribbon school award brings.

HONORABLE MATTERS: A GUIDE TO ETHICS AND LAW IN FUND-RAISING

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. PORTER. Mr. Speaker, I would like to draw the Members attention to an important booklet entitled, "Honorable Matters: A Guide to Ethics and Law in Fund Raising" prepared by the National Society of Fund Raising Executives [NSFRE].

This booklet comes at a very crucial time, a time when many questions have been asked and eyebrows raised regarding the practices of numerous fundraising organizations. This book helps answer those questions. It does so by putting forth a clear cut agenda for the solicitation of funds by nonprofit organizations. It addresses these issues, not from a hypothetical standpoint, but rather bases its solutions on concrete laws, guidelines, and precedents.

One of the reasons this booklet is so successful is because it separates an organization's legal obligations from its ethical obligations. Whereas the legal bounds have been set for some time, this booklet discusses the more far reaching ethical bounds which must govern the fiduciary process. It helps answer ethical questions concerning such issues as the compensation of staff members, and the propriety of quid pro quo relationships. It helps to strike a balance in the ongoing debate between State regulation and a charity's right to freedom of speech in soliciting funds. At a time when the fundraising industry has reached an all time high, it is essential that these issues be clarified and addressed.

Mr. Speaker, I commend NSFRE for its efforts and hope that other fundraising organizations consider adopting the agenda they have so courageously set forth. It is truly needed to lend credence to a practice that is so crucial and beneficial to our society.

FEDERAL GOVERNMENT CANNOT USURP STATE TAX AUTHORITY

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ERDREICH. Mr. Speaker, today I am introducing a concurrent resolution protesting a decision of the Secretary of Health and Human Services which will severely restrict State Medicaid revenue raising authority.

Currently, Medicaid is a vital program serving nearly 27 million Americans, half of whom are children. Many other Medicaid beneficiaries are older Americans living in nursing homes. The HHS interim final regulations, prohibiting the use of provider specific taxes to meet the States' obligation for Federal matching funds, would cost the Alabama Medicaid

Program an estimated $795 million out of a projected budget of $1.6 billion. This loss of revenue would devastate a very successful program that is directly responsible for reducing our infant mortality rate and improving the health of our most vulnerable citizens.

States have the constitutional authority to determine State taxing policy. It is unquestionably and undeniably a State's right to levy user taxes, as demonstrated by gasoline taxes for State highways. The Federal Government should not be telling individual States what they can and cannot do to take care of our most vulnerable citizens, our infants, and our elderly.

Health care costs are increasing at twice the rate of inflation. State options for financing mandated Medicaid expansions are limited. Rather than undermining the States' attempts to finance health care for low-income individuals, HHS should be working in partnership with State Medicaid Programs to expand services to ensure the health and well-being of our citizens.

I urge my colleagues to join me in protesting this decision by cosponsoring this concurrent resolution expressing the sense of Congress that it is not appropriate for the Federal Government to take actions that preempt the tax decisions of State governments.

IN SOLEMN REMEMBRANCE AND RECOGNITION

HON. RICK SANTORUM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. SANTORUM. Mr. Speaker, I rise today to honor and recognize those men who still remain POW/MIA in Southeast Asia.

This past Friday, September 20, 1991, marked the 12th anniversary of National POW/MIA Recognition Day. I want to take this opportunity to draw attention to the 58 men from western Pennsylvania currently missing in action in Southeast Asia.

It is through the tireless efforts of their fellow soldiers that hope for safe return of POW/MIA's endure. I praise the persistent work of Aaron Zeff, president of Vietnam Veterans Inc., and Tom Fitzgerald, president of Vietnam Veterans Leadership Program, and Scott Township Commissioner Dick Fallon, whose brother Pat is listed as missing in action. These gentlemen, in conjunction with dozens of veterans' activists, have kept this issue alive in the hearts and minds of veterans in southwestern Pennsylvania for 10 years now, remembering those unaccounted for the past decade.

For we, as a nation, will never be able to say in good conscience that the Vietnam conflict is resolved until we can explain to the families and fellow soldiers of these men one thing: We have dedicated our best efforts to finding and bringing them home, including redoubling our efforts at the Federal level for sightings, tracking, and any other intelligence activities.

Having held a flag of honor of these men at the 10th annual POW/MIA vigil held this weekend at Point State Park in Pittsburgh, I took occasion to solemnly reflect on the service these men offered and the price they and their families pay for their dedication to this country. Unfortunately, the expense being paid by the families is much like the status of the POW/MIA. It is unknown. The families, the friends, and the fellow servicemen have suffered far too long. Let's make this POW/MIA Recognition Day worthy of it's name. Let's recognize the service these men gave for us and remember them, lest they be forgotten.

A TRIBUTE TO DOLORES MULLINGS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine dedication and outstanding contributions of Dolores Mullings, the 1991 recipient of the Chino Valley Chamber of Commerce's Contribution to Industry Award. For 36 years, this remarkable woman has made a mark on the dairy industry with a take charge attitude that does not recognize defeat.

Dolores was born in Duquesne, PA, grew up in Oklahoma, and returned to Pittsburgh at the age of 14. After attending Brentwood High School, she studied journalism at the University of Pittsburgh. Her early writing career began in Pampa, TX, as an editorial writer, general assignment reporter, and feature writer for the Pampa Daily News.

A cross-country trek landed Dolores at the Santa Ana Register in the early 1950's. It was in Santa Ana that Dolores dabbled in politics long enough to aid in the successful effort to incorporate the city of Lakewood—and meet Jack Miller, whom she later married. After a brief stint at the Ontario Daily Report, she began seeking a 9 to 5 job with regular hours so she could care for her newborn daughter. It was then that she first came into contact with "The Dairyman."

Dolores began as a "girl Friday" in 1955 making coffee and, within a period of a few months, began taking on more responsibility. After little more than a year, she became the driving force behind the magazine and was responsible for its growth from a southern California magazine to a nationwide magazine. Her goal has always been to run a gutsy magazine with principles, never backing down from an issue if dairymen would benefit from addressing the subject.

Through her work with the "Dairyman," Dolores has been politically active in efforts to help the dairy industry. Her efforts include championing the Milk Pooling Act, the Dairy Merit Program, and increased funding for the Dairy Council of California and the California Milk Advisory Board.

Dolores has demonstrated tremendous resolve and inner strength as well, having overcome a life-threatening medical situation in the 1960's. Even as she faced this personal challenge, Dolores remained committed to her work with the magazine. "What else was I going to do?" she said. "We had a magazine to put out and there wasn't much else I could do in the hospital."

Mr. Speaker, I ask that you join me and our colleagues in recognizing Dolores Mullings for her personal courage and the many contributions to the southern California and western dairy industry. Her achievements and this award by the Chino Valley Chamber of Commerce is certainly worthy of recognition by the House today.

IN MEMORY OF MELVIN "MEL" MELLO, SR.

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. LANTOS. Mr. Speaker, the community of Half Moon Bay, CA, mourns the loss of Melvin Mello, Sr., who died following emergency heart bypass surgery on August 29. He was 61.

Mr. Mello, known to all as "Mel," was a loved and respected resident of Half Moon Bay for 34 years. A dedicated public servant who served on the city council for 18 years and who served as mayor of the city in 1975, 1978, 1984, and 1988, Mel devoted himself to bringing a bright future to Half Moon Bay.

Mel spent much of his youth on area ranches and one of his earliest jobs was that of a bareback rodeo rider. He also worked a stint as a rodeo clown. Although Mel eventually became a biologist with the San Mateo County Department of Agriculture, many feel that he was a cowboy deep at heart.

Mel was extremely involved in community events, including the popular Half Moon Bay Pumpkin Festival, an annual pumpkin weighoff and parade which he planned.

In addition to his work on the festival, Mel sat on the San Mateo County Fair Board, the San Mateo County Farm Bureau Association, and was a charter member of the Half Moon Bay Grange. He was also chairman of the annual Farm Day Recognition Luncheon.

Mel also served as a member of the League of California Cities, the local Chamber of Commerce, the North County Council of Mayors, the Half Moon Bay Fire Protection District, and Our Lady of the Pillar Men's Club, which he helped organize.

In a funeral procession through the streets of Half Moon Bay, hundreds of mourners paid their last respects to Mel. During services attended by nearly 500 friends and neighbors, he was eulogized as a man deeply committed to the community and as a friend to those in need of help.

Mr. Speaker, Mel was a man who made a lasting impression on those lucky enough to have known him. I was proud to call him my friend. While he will be greatly missed, his personal warmth, leadership, and dedication to the community will not be forgotten. I invite my colleagues to join me in paying tribute to Mel and in extending condolences to his family.

BELINDA MASON, REST IN PEACE

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. KOSTMAYER. Mr. Speaker, Belinda Mason, a mother, a wife, and a member of the President's National Commission on AIDS, died of the disease earlier this month.

The Washington Post described her in its obituary as "an activist who was the only member of President Bush's National Commission on AIDS who was infected with the virus . . ."

She lived in Utica, KY, and became infected with the virus in January 1987 while receiving a blood transfusion during the birth of her second child. She was diagnosed as having AIDS in October 1988. Ms. Mason was president of the National Association of People with AIDS and the founder of Kentuckiana People with AIDS, the first group in Kentucky dedicated to finding a cure for the dreaded disease.

She distinguished herself, Mr. Speaker, on two counts. First, though a member of the National Commission on AIDS, she was critical of the Bush administration for treating AIDS as a moral issue rather than a health issue. In fact, in August she wrote to the President asking him to use his influence to keep people with AIDS from being stigmatized, advice he has so far not heeded.

Ms. Mason distinguished herself not only in her policy positions, but also in her personal approach to others with AIDS. Explaining, this past summer, why the President chose her for the Commission, she said, "I was perfect, I was southern, I was white, I was articulate, and I got AIDS in a 'nice' way." Yet, in the words of Carisa Cunningham of the AIDS Action Council, "She never tried to separate herself from every other person with AIDS who got it through drug use or sexual activity." She tried, Mr. Speaker, to change the face of AIDS and to some small degree she succeeded.

She refused to distinguish people by the way they contracted the disease and she urged that it not be a cause for prejudice and discrimination, but rather for love and compassion and understanding.

Her death was tragic not only because she was a mother and a wife and a daughter and a sister, but because, in spite of her own tragic personal circumstances, she chose compassion over cruelty and understanding over prejudice. What an extraordinary person she must have been.

TRIBUTE TO LA SALLE ACADEMY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MACHTLEY. Mr. Speaker, I rise to you today to congratulate La Salle Academy for its recognition as a blue ribbon school. Each year the U.S. Department of Education selects schools from around the country that exemplify academic excellence and diversity.

This year La Salle was one of 53 private schools to receive this honor, an honor less than 1 percent of the schools across the Nation receive. La Salle has made a commitment to achieve high academic standing and to educate students from all socioeconomic strata. It also should be praised for its value centered approach to education. In 1984, La Salle became a coeducational institution, creating an opportunity for girls as well as boys to receive a top notch education.

I send my sincerest congratulations to the students, faculty, and administrators of La Salle Academy. Your efforts in reaching academic excellence have not gone unnoticed.

BLACK FORUMS WORTHWHILE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. CLAY. Mr. Speaker, recently the Congressional Black Caucus conducted its 21st Annual Legislative Weekend. The success of this program is of tremendous value to the members of the Black Caucus and to black Americans across our Nation. I would like to take this opportunity to share Mr. Vernon Jarrett's insightful reflections on this important event. The following appeared in the Chicago Sun Times, September 8, 1991:

BLACK FORUMS WORTHWHILE

(By Vernon Jarrett)

Rest assured that before the conclusion of the 21st Congressional Black Caucus Issue Forums, which open Wednesday in Washington, a few of my colleagues will have blasted the three-day event as "just another big waste of time and money."

Once more I shall disagree.

Despite the many purely social events scheduled, these annual examinations of the state of African America seem to me useful for several good reasons, including the content of the discussions.

But further significance can be cited when it is understood that these seriously focused seminars are sponsored by the country's largest number of ranking black elected officials, the 26 black men and women in the Congress of the United States.

Despite criticism that can be leveled at them individually or collectively, they have, for the most part, earned the respect of their constituencies for at least one seminal reason, to wit:

The Congressional Black Caucus, as a whole, has refused to participate in or give approval to the disintegration of the legal and statutory gains made by blacks over the last 37 years.

Despite many an invitation to undo the hard-won gains of the modern civil rights era, the caucus has stood fast on key principles that protect the broad masses of African-Americans.

One of those principles is bolstered by a lesson learned from the political history of this country. In every historical instance when black leaders decided that it was best to "temporarily" compromise certain principles by coalescing with the proven enemies of their people, *the black masses always become the heavy losers.* And the losses have been rather "permanent."

One classic example is the invitation to self-destruct that the Northern and Southern compromisers offered black leaders in the last decade of the 19th century. Beginning with the "Mississippi Plan" of 1890, Southern politicians concocted a scheme to cut down on black voting strength—strength that had been unleashed by the 15th Amendment—by demanding property ownership and literacy as preconditions for the right to vote.

The schemers promised that such restrictions would apply equally to poor, ignorant whites as well as the newly freed blacks.

The tragedy of that era is that some of the South's prominent black state legislators agreed to the high-sounding idea that the governance of state and nation should not be awarded to the propertyless and the unlettered of any race.

Even a few black leaders of the North were suckered into consideration of the idea. They presumed that such restrictions would calm frightened whites who feared the black vote.

One of the more famous black names in Mississippi's history permitted himself to be tricked into such a deal.

Isaiah T. Montgomery, founder of the all-black town of Mound Bayou, voted in favor of property and literacy restrictions when he served as a member of the Mississippi Constitutional Convention of 1890.

Montgomery felt that a reduction in the size of the black vote until blacks gained more education and wealth would cause Southern whites to voluntarily award blacks their rights without a need for governmental protection.

Montgomery kept his side of the bargain, but racists in Mississippi and throughout Dixie marched violently stronger with the Bible, their Constitutions and the Supreme Court in one bag and the lyncher's rope, shotgun and torch in the other.

By sticking to its mission, today's Congressional Black Caucus is in the tradition of its role model, Rep. Robert Smalls of South Carolina, who in 1890 insisted that blacks be secured by the "organic law of the country."

INTRODUCTION OF LEGISLATION AFFECTING THE TAXATION OF FOREIGN INSURANCE COMPANIES

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. LEVIN of Michigan. Mr. Speaker, today I am introducing, along with Mr. VANDER JAGT, a bill to amend section 842(b) of the Internal Revenue Code which affects the taxation of foreign companies carrying on insurance businesses within the United States. This legislation is intended to correct certain technical problems and inequities in the current section 842(b).

Section 842(b) was added to the Internal Revenue Code as part of the Omnibus Budget Reconciliation Act of 1987 to address a concern that foreign insurance companies were able to minimize the amount of net investment income subject to U.S. taxation. Section 842(b) sets up rules for calculations of "required U.S. assets" and "minimum effectively connected net investment income." Under section 842(b), the net investment income of a foreign insurance company that is effectively connected with the conduct of an insurance business in the United States may not be less than the required U.S. assets of the company multiplied by the domestic investment yield applicable to the company for the taxable year. "Required U.S. assets" is the product of the foreign insurance company's U.S. insurance liabilities and the domestic asset/liability percentage. Once this mimimum amount of effectively connected net investment income is calculated, the insurance company pays tax under the regime set out in subchapter L of the Internal Revenue Code—but using the greater of this minimum amount or the company's actual amount of effectively connected net investment income as the amount of its net investment income.

The amending legislation does not change the fundamental concept set out in the 1987 amendments but simply corrects certain technical problems and inequities. The amending legislation modifies current section 842(b) in three mechanical ways. In addition, the amending legislation allows a foreign insurance comany to elect to incorporate its own U.S. dollar-denominated assets' yield in the calculation of the minimum effectively connected net investment income.

The first two problems with current section 842(b) are due to the fact that Treasury has been using 2-year-old financial statement data from the annual statements of the domestic insurance companies—the so-called NAIC annual statements—as the representative domestic company data to determine the domestic asset/liability percentage and domestic investment yield. The domestic asset/liability percentage and the domestic investment yield are then used by the foreign insurance companies to calculate their minimum effectively connected net investment income. The amending legislation requires that Treasury use domestic company tax return data (to the extent possible) from the same taxable year as the year for which the section 842(b) calculations are being done. Since foreign insurance companies are taxed on the basis of the domestic asset/liability percentage and the domestic investment yield calculated under section 842(b), it seems only fair and reasonable that the domestic ratios be calculated using the same year tax return data rather than the 2-year-old financial statement data. Furthermore, the use of domestic insurance company tax return data changes the calculation of the minimum amount of effectively connected net investment income so that it is based upon amounts of net investment income on which domestic companies have been taxed.

The third problem with current section 842(b) is that it does not take into consideration year-to-year investment yield fluctuations which are due to normal trading practice differences. The amending legislation provides for a carryover account to account for ordinary year-to-year differences in portfolio trading practices from company to company. Finally, current section 842(b) is inconsistent with our international obligations. The amending legislation provides for an individualized company yield election under which a foreign insurance company can elect to use the yield on its own U.S. dollar-denominated assets in place of the domestic yield to calculate the minimum effectively connected net investment income, subject to the following restrictions:

First, the yield used in calculating the minimum can never be less than 80 percent of the domestic investment yield; second, if the amount of the foreign company's mean U.S. dollar-denominated assets is less than 80 percent of required U.S. assets for a year, the minimum will be calculated under the existing section 842(b) formula; and third, if the foreign company's U.S. dollar-denominated assets fall between 80 percent and 100 percent of required U.S. assets, the company will have 105 percent of the domestic investment yield applied to its shortfall in required U.S. assets in calculating the minimum. Once this individualized company yield election is made, it will apply to all subsequent years unless revoked with the consent of the Secretary.

The use of 2-year-old data from domestic insurance companies to calculate the domestic asset/liability percentage and the domestic investment yield creates a serious distortion in calculating the appropriate tax liability for foreign insurance companies. The 2-year lag has created a particularly serious problem given the effective date of section 842(b). The first taxable year for which section 842(b) is applicable is 1988. Thus, 1986 investment yields will be used under existing section 842(b) to calculate the minimum which will be compared with the foreign insurance company's 1988 actual effectively connected net investment income. Investment yields for 1986 were much higher than the investment yields earned by both domestic and foreign companies in 1988. The 1986 domestic investment yield, as calculated by Treasury, was 10 percent. The comparable domestic investment yield for 1988 is 8.8 percent, a difference of 120 basis points. This problem can reoccur from year to year as yields fluctuate.

A second problem with current section 842(b) involves the source of the data being used by Treasury to calculate the domestic asset/liability percentage and the domestic investment yield. In both Notice 89–96 and Notice 90–13, Treasury stated that it utilized NAIC annual statement data to determine both the domestic asset/liability percentage and the domestic investment yield. Tax return net investment income can vary significantly from NAIC annual statement net investment income. Congress recognized this point in section 56(f)(1) which provides that, for taxable years 1987, 1988, and 1989, a corporation must increase its alternative minimum taxable income by 50 percent of the difference between financial statement income, as adjusted, and alternative minimum taxable income computed without regard to section 56(f)(1). Using NAIC annual statement data for section 842(b) purposes has the effect of taxing foreign life insurance companies based upon the financial statement net investment income of domestic life insurance companies even though there is no assurance that the domestic life insurance companies have been or will be actually subject to tax on that amount of net investment income.

Perhaps the most significant difference between NAIC annual statement data and tax return data is in the calculation of net capital gains and losses. For NAIC annual statement purposes, gains and losses are calculated using NAIC asset values, not actual tax costs. NAIC asset values are subject to write-downs and write-ups, with conservative guidelines mandated for use in the preparation of the NAIC annual statement dictating more write-downs than write-ups. This results in a book value which is generally less than tax cost and therefore NAIC annual statement capital gains greater than capital gains on a tax basis. Such overstatements inflate the domestic investment yield. This inflation of domestic investment yield is inappropriate since the U.S. insurance companies are not being taxed on the gains calculated in this manner.

A third problem with section 842(b) which is addressed by this legislation involves the whipsaw effect of section 842(b)'s year-by-year comparison of the required minimum amount of effectively connected investment income and the company's actual net investment income.

Under current law section 842(b), in any taxable year, a foreign insurance company is subject to tax on the greater of first, its actual effectively connected net investment income and second, its minimum being calculated using domestic company financial statement data from 2 years previous to the current year. This greater-of approach will result in the foreign insurance company being subject to tax on net investment income greater than either it or a representative domestic insurance company earns over any measured period of time.

For example, if foreign company investment yields over time are identical to domestic company investment yields during the same period but differ on a year-by-year basis, under current section 842(b), because of the greater-of approach of section 842(b), exacerbated by the 2-year lag and data collection problems, the foreign company will be subject to tax on a greater cumulative yield over the period than either it or the representative domestic companies earned during that period. A small difference in investment yield can create large distortions in the calculated minimum under section 842(b). This distortive impact can create a U.S. tax liability for a foreign insurance company that exceeds its U.S. net income.

A carryover account is needed even though the amending legislation eliminates the use of 2-year-old data. The carryover account is needed to account for year-for-year differences in trading practices, year-to-year investment performance portfolio mix, and the timing of realization of capital gains and losses between a foreign insurance company and the representative domestic insurance company which can result in significant year-by-year differences between the domestic and foreign yields, even where the yields are identical on a cumulative basis over time.

The use of a carryover account is necessary to ensure that trading differences and timing issues do not result in a foreign insurance company being subject to income tax on a cumulative amount of net investment income that exceeds both what the foreign insurance company and the representative domestic insurance company actually earned over that period of time. The carryover account would keep track, on a yearly basis, of the cumulative difference between actual effectively connected net investment income and minimum effectively connected net investment income. The intent of the carryover account is to ensure that a foreign insurance company will be subject to tax on the greater of its cumulative actual effectively connected net investment income and the cumulative minimum effectively connected net investment income. The greater-of concept is measured on a cumulative basis, not an annual basis.

While current section 842(d)(2) provides that Treasury shall issue regulations that provide for adjustments in future years where actual effectively connected net investment income in a year exceeds minimum effectively connected net investment income for that year, no regulations have been issued on this point. The amending legislation clarifies that adjustments would be made so that the foreign company will be subject to tax over the cumulative period on the greater of what it actually earns over that period and what the average domestic company earns over that same period. If, due to poor investment performance, the foreign company earns less than the cumulative required minimum over the period, the foreign company would be subject to tax on the cumulative minimum. If the foreign company earns more than the cumulative required minimum over the period, the foreign company would be subject to tax on its cumulative actual.

Finally, in addition to the problems laid out above, current section 842(b) may violate the nondiscrimination articles found in many of our income tax treaties in that section 842(b) taxes a foreign insurance company less favorably than domestic insurance companies are taxed because, under current section 842(b), foreign insurance companies are not taxed based upon their own investment results but instead are taxed based upon the investment results of their competitors. The individualized company yield election, along with the modifications described above, are intended to make section 842(b) work in a manner that is both fair and consistent with our international obligations.

I have requested a revenue estimate from the Joint Committee on Taxation for this legislation and am awaiting a response. There is an argument that, since the current section 842(b) is inconsistent with most of our existing income tax treaty obligations, amending section 842(b) to make it consistent with those obligations will actually raise tax revenue. However, whenever Members of Congress propose a change to the Internal Revenue Code, those changes are often viewed as bearing some cost. Of course, in these times of fiscal austerity, the revenue consequences of any proposal, even one firmly grounded in good tax policy as I believe this one is, may constrain the Congress in addressing a problem in the Tax Code. However, I strongly feel that revenue costs alone should not prevent us from seeking to implement our Tax Code fairly. Finally, it should be noted that during markup of last year's reconciliation bill, a proposal similar to this one, was included in a list of 28 tax proposals the Joint Committee on Taxation determined were good tax policy and were relatively noncontroversial. For all these reasons, I urge the House to give serious consideration to these important reforms.

NCOA SALUTES JIM SLATTERY

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. HEFNER. Mr. Speaker, for nearly two decades the 160,000-member Non Commissioned Officers Association of the USA [NCOA] has honored one of our colleagues with its prestigious L. Mendel Rivers Award for Legislative Action. This year's recipient will be JIM SLATTERY from the Second District, Kansas.

As a past recipient of the award, I'm privileged to announce JIM's selection as the 1991 honoree and ask that the following article from the NCOA Journal be printed in the RECORD for all to share:

REPUBLICAN JIM SLATTERY TO RECEIVE NCOA'S HIGHEST CONGRESSIONAL HONOR

"I am always willing to do anything I can for enlisted personnel in the U.S. armed forces," says Representative Jim Slattery, Member of Congress from Kansas' Second District.

It was this attitude and his active follow-up that gave the fifth-term congressman a home-run in the game of selecting an honoree to receive the Association's most prestigious award. According to NCOA Executive Vice President, C.R. (Chuck) Jackson, there wasn't another candidate even close in the selection process. So, this month, the former National Guard Lieutenant will receive the Association's Annual "L. Mendel Rivers Award" for 1991. The award will be presented by NCOA President Walter W. Krueger at the Association's gala annual congressional reception held on Capitol Hill in Washington, D.C.

The award was named appropriately in honor of the late L. Mendel Rivers of South Carolina. Mr. Rivers was a Chairman of the U.S. House of Representatives' powerful Committee on Armed Services. He was widely revered for his interest and concern for the military constituency, particularly the enlisted troops. Much of the improvements in military benefits prior to the All Volunteer Force era can be attributed to "Chairman" Rivers.

Although not in a similar position to influence military issues, Slattery has done well in emulating the late Mr. Rivers. Slattery has worked inside and outside his committee responsibilities to insure than enlisted personnel have a strong voice in the House of Representatives.

Prior and subsequent to an appointment to the House Budget Committee, he served as a member of the House Veterans Affairs Committee. It was here that he gathered greater insights into the plight of veterans and their military service as enlisted members. As a former enlisted National Guardsman himself, he would be shocked to learn from a military constituent that junior enlisted personnel serving overseas were being unfairly treated by the Social Security Administration. As a result Slattery introduced legislation in the 101st Congress (1989-90) to amend the social security law establishing eligibility for the receipt of supplemental security income (SSI) payments. SSI is provided to eligible citizens for the care of "exceptional children." Although a servicemember could qualify for SSI while serving stateside, the eligibility terminated when assigned overseas and accompanied by his or her family.

NCOA learned of the Slattery proposal and immediately offered its support. The bill was adopted later that year and signed into law. Meanwhile, NCOA brought the congressman's attention to other inequities; denial of receipt of Earned Income Tax Credits (EITC) to junior enlisted personnel serving overseas, restrictions on the receipt of unemployment compensation to separating servicemembers (UCX), and the denial of separation pay to involuntarily-separated career enlisted personnel.

Slattery tackled each of these concerns with a fervor, particularly the separation pay issue. Although not a member of the Committee on Armed Services, the Kansan stalked its membership for action. Today, because of his initial struggle to insure equality for enlisted personnel, separation payments are now authorized for eligible men and women in the enlisted grades and in all components; active, reserve, and national guard.

The congressman is still fighting to make right the EITC and UCX issues. He appears to be making headway with the latter as the chairmen of the tax oversight committees in both Houses of Congress now are working on expanding unemployment compensation benefits for ex-servicemembers. Perhaps, by the time Slattery receives his award from NCOA President Walter W. Krueger, the UCX issue will be behind him. Then he can claim another success in his relentless march for equity on behalf of his enlisted troops.

Cohosting the Association's tribute to Slattery will be a previous recipient of the award, Rep. William "Bill" Hefner of North Carolina. Hefner is chairman of the Appropriation's Subcommittee on Military Construction and a member of that committee's Defense Subcommittee.

Mr. Speaker, as a footnote, JIM will receive his award this evening in the Cannon Caucus Room, about 6:45 p.m. All Members are in receipt of an invitation to join NCOA and its guests, 6 p.m. to 8 p.m. for the presentation. I hope to see most of you there.

DEDICATION OF THE ADDITION AND RENOVATION OF THE DR. SAMUEL L. BOSSARD MEMORIAL LIBRARY, GALLIPOLIS, OH

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MILLER of Ohio. Mr. speaker, I rise today to give recognition to the Dr. Samuel L. Bossard Memorial Library of Gallipolis, OH. I had the distinct privilege and pleasure to join more than 300 Gallia countians and other local and State officials to dedicate the expansion and renovation of the Bossard Memorial Library on Sunday, September 8.

The board of trustees of the Gallia County District Library began the establishment of the first phase of the Bossard Library in 1976, with the proceeds of a trust fund left to the trustees by the late Mrs. Bossard for the purpose of building and equipping a new library to be named the Dr. Samuel L. Bossard Memorial Library.

This last year, the Federal Library Services and Construction Act made possible the second phase of the expansion and renovation through a grant in the amount of $295,745.

The library director, Jonathan E. Louden, has been instrumental in the development of the Bossard Library. The significant progress made under his leadership has greatly enhanced the work of this notable library. Director Louden made a statement which made an impression on me, and I quote, "Three things make up every library—materials, people and a building. Each library has a choice of how to distribute its funds among the three categories. Bossard Library stands out from the crowd because it has always put people first."

Today the challenges that face the Nation and our library and information resources are many. Information is becoming our country's most important national resource as the technology revolution takes hold. During the 21st century our ability to access, understand, and use information will be critical to government, industry, educators, consumers, voters, parents—all Americans. Policymakers at all levels of government must deal with this explosion in information services.

The importance of library and information services has long been recognized by leaders in the field. As public officials, we need to focus our attention on issues critical to our Nation; such as, a literate populace, a work force with the productivity skills necessary to compete in the global marketplace of the 21st century, and a citizenship fully equipped to participate in the democratic system.

The problem of illiteracy, the absence of the ability to read and write, is one of the most vexing in the United States today. Our Nation possesses one of the highest standards of living in the world; yet of the 159 countries belonging to the United Nations, the United States ranks 48th in literacy. As many as 26 million adult Americans are functionally illiterate, lacking basic skills beyond a fourth-grade level. Another 35 million are semiliterate, lacking skills beyond an eighth-grade level.

Productivity is defined as the output of an average worker over a specific period of time in relation to the use of a given resource or input, such as raw materials. Today, that definition must expand to include information as a resource or raw material.

Since the end of World War II, the growth of productivity in the United States has slowed. During the 1980's, some in both the public and private sector considered this declining productivity a serious challenge to America's status in global economy. The information era has created a new type of worker—the knowledge worker—whose tools are information and the ability to access and apply it. The approaching 21st century brings with it a multitude of new technologies and new demands on the work force. Today's knowledge worker has to possess lifelong learning habits, for it is estimated that he or she will have to learn new skills every 3 years. As the providers of information, libraries and information services are critical participants in a community's economic development.

In his day, Thomas Jefferson warned that the success of a democratic society depended upon an "informed and educated" populace. Today, information is power. Access to information and the skills to apply it is how power is exercised. Accurate information is the foundation upon which society can make informed judgments and good laws. Information has become so important to America that a large and growing part of the U.S. Government and private sector work force is engaged in information-related services. This national information delivery system includes more than 115,000 public, academic, special, and school libraries.

Historian Henry Steele Commager wrote that "ignorance is slavery and that free States are those which provide their people the right of inquiry and the means to make that inquiry meaningful. Literacy and information access are a strong foundation for a democratic society. They allow people to be independent seekers of truth, to build their own arguments and opinions and to verify or refute expert opinion."

Society's ability to foster lifelong learning and deliver information to people when they need it depends on our library and information services.

I joined a number of public officials who hailed the board of trustees, director Jonathan Louden, his staff and library supporters for their work and dedicated services to the Dr. Samuel L. Bossard Library.

In closing, I quote Alan Hall, president-elect of the Ohio Library Association, who said "Each time a library is dedicated, the people are the winners."

TRIBUTE TO LAUREL FIRE COMPANY NO. 1 ON ITS 90TH ANNIVERSARY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. RITTER. Mr. Speaker, I rise today to pay tribute to the volunteers and supporters of the Laurel Fire Company No. 1 of Cementon, Whitehall Township, PA, on the occasion of its 90th anniversary.

The tradition of volunteer fire companies in our great Commonwealth of Pennsylvania began in the time of the American Revolution, through a suggestion by Benjamin Franklin. Like so many of the ideas formed by that great statesman, scientist, and community leader, the concept of the volunteer fire company has grown into a vital part of our way of life. On November 13, 1901, 16 men met at the Laurel Hotel in Cementon to address the question of protecting the town's citizens and property from fire. They chose three of their number—James Rumsey, James Everett, and Harvey Bartholomew—to be trustees of the new Laurel Fire Company No. 1.

From that start at the Laurel Hotel, the Laurel Fire Company No. 1 has grown to a current membership of more than 600 citizens, under the leadership of President Jeffrey Erie. The members support a corps of 20 volunteer firemen, currently commanded by Fire Chief Robert Benner and Assistant Fire Chief Russell Peters. At various times in its history, the company has provided fire protection for the towns of Fullerton, West Catasauqua, Hokendauqua, and Egypt as well as its current territory of Cementon.

In 1913, the company moved into the former Lodge Hall and O.E. Gruvers Department Store on Third Street in Cementon. This building has served as the company's home ever since, and extensive remodeling has helped to make it not only a comfortable set of quarters for the fire company, but also a central meeting point for the community as a whole.

The company's operating costs are met through donations, and by proceeds from the Cementon Belt Fair. This annual event has been a Lehigh Valley tradition since 1949, helping to support both the Laurel Fire Company and the Cementon Athletic Association. It is staged each June through the efforts of dedicated volunteers such as Edward Galgon, one of the founders of the fair who has been a part of the Laurel Fire Company No. 1 for more than 40 years.

One of the company's first acts back in 1901 was to buy its very own hand-drawn firefighting apparatus called a gig—which is still in the company's possession as a reminder of how far both it and firefighting has come. Through its arrangement with Whitehall Township, the company has added to its collection of equipment by obtaining a pumper, a reconditioned engine with a 1,000-gallon-a-minute capacity, and a four-wheel-drive rescue truck.

Mr. Speaker, through its efforts over the past nine decades, the Laurel Fire Company No. 1 has earned the respect and admiration of citizens of Whitehall Township and across the Lehigh Valley. Please join me in congratulating its members, friends, and supporters as they celebrate its 90th anniversary, and in thanking these volunteers for their spirit and dedication to the people of the Lehigh Valley.

TRIBUTE TO NAVAJO GENERATING STATION

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. STUMP. Mr. Speaker, among the spectacular portions of Arizona's Third Congressional District, and certainly the best known, is the Grand Canyon, and it has been my privilege to represent the area during my tenure in Congress. I rise today to recognize the Navajo generating station participants for their outstanding leadership in reaching a resolution on the issue of Grand Canyon visibility impairment.

For the past 2 years, a great deal of public and media attention has focused on the issue of haze at the Grand Canyon. While most of the attention has centered on emissions from the clean, coal-fired powerplant, the Navajo generating station, scientific research suggests that natural and industrial sources in the region also contribute to the visibility impairment. Included are natural sources such as dust, pollen, and forest fires and some industrial sources including copper smelters and auto emissions sources from the Los Angeles area.

In an effort to improve what can be seen at the canyon, the Environmental Protection Agency [EPA] issued a proposed rule earlier this year to require a 70-percent sulfur emission reduction over a 30-day average at the Navajo generating station.

The EPA proposal was met with a great deal of criticism within the utility industry and the scientific community. In addition to the fact that EPA's proposal offered considerably higher utility rates for the citizens of Arizona, many argued that the Agency's policy could lead to little or no improvement to visibility at the canyon.

Recognizing the criticism and uncertainty, I joined three of my colleagues from Arizona, Representatives KOLBE, KYL, and RHODES in writing to the President questioning the EPA's proposed policy.

We stated:

> While we believe some action is imperative to protect visibility at the Grand Canyon, we also believe the evidence is inconclusive as to what action should be taken to address visibility impairment.
>
> We are not at all sure that the EPA proposal is the prudent or appropriate course of action. This proposed rule would not only have an additional detrimental impact on our already depressed State economy, but according to the studies, may do virtually nothing to improve what can be seen at the Grand Canyon.

Mr. Speaker, I am pleased to report that, under the leadership of the Salt River Project, the participants of the Navajo generating station and interested environmental organizations crafted a more prudent alternative policy.

With support from the White House, the EPA, and the State of Arizona, an agreement was reached to reduce Navajo generating station sulfur dioxide emissions by 90 percent over a more flexible annual averaging system. It offers considerable emission reduction at the Navajo plant at a more reasonable price for the ratepayers of the Southwest. On Wednesday, September 18, 1991, I was honored to be among the 200 or so who were with the President at the south rim of the Grand Canyon to witness the signing of the agreement.

I commend the Navajo generating station participants and the Salt River project for their strong leadership in resolving this issue which protects both the ratepayers and Arizona's most celebrated wonder.

FEDERAL FACILITY ENERGY EFFICIENCY AND ENVIRONMENTAL IMPROVEMENT ACT OF 1991

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. SCHEUER. Mr. Speaker, today, I am introducing the Federal Facility Energy Efficiency and Environmental Improvement Act of 1991, a bill to reduce energy consumption in Federal buildings and facilities.

The need for this bill is clear. The Federal Government is the Nation's single largest energy consumer and provides a significant opportunity to establish leadership in energy efficiency and adoption of advanced technologies. The Office of Technology Assessment has recently reported that commercially available cost effective measures can cut energy use by 25 percent in Federal buildings. This level of savings translates to nearly $1 billion a year once the measures are installed. These opportunities are simply too large to be ignored.

The legislation I am introducing today offers strong and positive leadership in making the Federal Government a model for demonstrating emerging and advanced commercially available technologies in its facilities. The bill recognizes the importance of innovative ideas and technologies that the private sector can provide to the Federal Government. In providing funding for demonstration programs at Federal facilities, the bill requires that Federal agencies that participate in demonstration programs of advanced commercially available energy efficiency and renewable technologies also make a commitment to adopt the technology to meet at least 10 percent of its needs.

The bill also establishes other longer term research and development efforts that will promote innovative construction technologies and practices that will result in advanced Federal buildings that minimize energy consumption and environmental degradation during the next 10 to 15 years. Working with industry in the development of these advanced buildings provides the opportunity for increased technology transfer and adoption of new products by the private sector.

The bill promotes procurement of products using recycled materials by establishing new procurement procedures.

The bill encourages Federal shared energy savings contracting by establishing simplified procedures to reduce the administrative effort. The bill also requires that each major energy using Federal agency conduct at least one demonstration of a shared energy savings contract using the simplified procedures, and requires DOE to provide technical assistance to each major energy using agency to expedite the adoption of these contracts.

Recognizing the opportunity that the numerous utility rebate programs offer Federal agencies to reduce energy consumption, the bill explicitly allows Federal agencies to participate in such utility rebate programs.

Congress can also set an example by adopting cost effective technologies and practices. The bill establishes a demonstration program that will expedite consideration of advanced technologies in the Capitol buildings.

A summary of the bill follows. I urge my colleagues to support the bill.

SUMMARY OF THE FEDERAL FACILITY ENERGY EFFICIENCY AND ENVIRONMENTAL IMPROVEMENT ACT OF 1991

Sec 1. Short Title. The Act is cited as the Federal Facility Energy Efficiency and Environmental Improvement Act of 1991.

Sec 2. Presents findings that support legislative action to improve Federal efficiency.

Sec 3. Definitions.

Sec 4. Establishes a near term technology demonstration program at Federally owned buildings and facilities for advanced commercially available energy efficiency and renewable energy technologies.

Sec 5. Establishes a mid term technology demonstration program at Federally owned buildings and facilities for emerging, but not yet commercially available, technologies that have been developed by DOE.

Sec 6. Establishes a long term research and development program for Federal buildings that have minimal energy consumption ("low emission, low energy buildings") by 2005.

Sec 7. Establishes requirements for procurement of energy efficient products that are life cycle cost effective by Federal agencies and provides that each agency contracting officer shall certify that procurements of energy using equipment is the best available alternative in terms of life cycle cost effectiveness.

Sec 8. Establishes a requirement for Federal agencies to review and revise procedures to expedite acquisition of goods which use recycled materials.

Sec 9. Directs the Inspector General in each agency to report annually to the head of each agency and the Congress on agency progress in meeting energy goals established by Section 543(a) of the National Energy Conservation Policy Act and agency procurement of life cycle effective energy using equipment.

Sec 10. Establishes a demonstration program for shared energy savings at Federal facilities to demonstrate advanced analytical methods and simplified methods of contracting for shared energy savings contracts. This section also establishes a demonstration of advanced methods for assessing and implementing shared energy savings contracting and participation in utility rebate programs at the U.S. Capitol. This section also provides incentives for agencies to undertake shared energy savings contracts and encourages federal participation in utility rebate programs.

Sec 11. Requires that Federally leased buildings meet energy performance standards established under the Energy Conservation Standards for New Buildings Act of 1976 or the Energy Conservation in Existing Buildings Act of 1976.

FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION AMENDMENTS

HON. TIMOTHY J. ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ROEMER. Mr. Speaker, today, I am introducing legislation to reauthorize and expand the Fund for the Improvement of Postsecondary Education also known as FIPSE which is authorized under title X of the Higher Education Act.

FIPSE provides grants to colleges, universities, and other public and private nonprofit educational institutions and agencies for the purpose of supporting innovative projects that will encourage the reform and improvement of postsecondary education and equal educational opportunity for all. Projects may be directed at a broad range of innovative reform activities related to postsecondary education opportunities.

The Fund for the Improvement of Postsecondary Education makes awards under four distinct programs. The principal program is known as the Comprehensive Program with the other three being the Lectures Program, innovative projects for student community service, and final year dissemination grants. The Comprehensive Program supports a variety of improvement projects including the expansion of educational access, successful integration of education and work, the initiation of partnerships between schools and businesses, and education for a changing economy and educational technology.

The Lectures Program promotes discussion of significant issues affecting higher education among experts in the field, policymakers, faculty, and students. Under the Innovative Projects for Student Community Service Program, grants are awarded to encourage student participation in community service activities. In exchange for this service, they receive financial assistance in reducing educational debt. The Final Year Dissemination Grants Program promotes the findings and dissemination of information about projects that are judged to be of particular value, thus increasing the effectiveness of grants in encouraging education reforms. In addition, the 1991 appropriations bill earmarks funds for a Minority Teacher Training Pilot Program to increase the number of Hispanics, blacks, and minorities in the teaching profession.

The FIPSE Program was first established in 1972 and funded at a level of $10 million. Throughout the years, FIPSE's funding has remained relatively modest with the fiscal year 1991 appropriation reaching $14.6 million. My bill would increase the appropriation to $25 million for fiscal year 1993 and establish a new National Needs Program with a separate authorization of $5 million.

The National Needs Program will provide for grants that will help resolve issues of national and international concern without disrupting the other programs funded by FIPSE. This new program will include international exchanges, campus climate and culture, and evaluation and dissemination. In the area of international exchanges, FIPSE will fund demonstration projects supporting student and faculty exchanges across all academic disciplines. The objective of grants under the campus climate and culture program will be targeted at reducing dropout rates that are caused by inhospitable campus attitudes and actions. As FIPSE approaches its 20th anniversary, success stories in each of its areas of concentration need to be replicated on campuses throughout the Nation. Grants under the evaluation and dissemination program will enhance dissemination practices of FIPSE.

Since its inception in 1972, FIPSE has supported the following important national goals: improving students' educational opportunities and achievements; improving the quality of programs offered to students; ensuring high quality instruction, and supporting math and science education. Throughout the years, evaluation reports indicate that the Fund for the Improvement of Postsecondary Education has consistently and effectively met its legislative objective and appears to have had a significant and far reaching impact within the postsecondary education community. FIPSE funds peer-group and tutoring projects at more than 30 institutions. It continues to be an important source of funding for assessment projects run by State agencies, associations, colleges, and universities and its grants have been instrumental in moving our society toward computer literacy.

The Fund for the Improvement of Postsecondary Education has had a remarkable record of success. The program promotes innovative reform, encourages wider dissemination of educational improvement, and responds rapidly to the needs of American postsecondary education. Thus, the program has demonstrated its effectiveness and should be reauthorized and expanded. I urge my colleagues to support this unique opportunity to encourage the reform and improvement of postsecondary education across America.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PLANNING GRANTS.

Section 1001 of the Higher Education Act of 1965 is amended—

(1) by inserting "(a)" before "Subject";

(2) by striking "postsecondary" and inserting "higher";

(3) by adding at the end of the section the following:

"(b)(1) The Secretary is authorized to make planning grants to institutions of higher education for the development and testing of innovative techniques in postsecondary education.

"(2) Grants under this subsection shall not exceed $20,000."

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 1005 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 1005. (a) There are authorized to be appropriated to carry out this part (except for section 1001(b)), $25,000,000 for fiscal year 1993 and such sums as may be necessary for the four succeeding fiscal years.

"(b) There are authorized to be appropriated to carry out section 1001(b), $1,000,000 for fiscal year 1993 and such sums as may be necessary for the four succeeding fiscal years."

SEC. 3. REVISION OF PART C.

(a) RELOCATION OF PROGRAM.—Part C of title X of the Act is amended—

(1) by redesignating such part as part E of title XI;

(2) by redesignating sections 1061, 1062, and 1063 as sections 1141, 1142, and 1143 of such title XI.

(b) ESTABLISHMENT OF NEW PART C.—Title X of the Act is further amended by adding at the end the following new part:

"PART C—SPECIAL PROJECTS IN AREAS OF NATIONAL NEED

"SEC. 1061. (a) The Secretary is authorized to make grants to institutions of higher education, or consortia thereof, and such other public agencies and nonprofit organizations as the Secretary deems necessary for innovative projects concerning one or more areas of particular national need identified by the Secretary and the Director of the Fund.

"(b) No grant shall be made under this part unless an application is made at such time, in such manner, and contains or is accompanied by such information as the Director may require.

"(c) Areas of national need shall initially include, but shall not be limited to the following:

"(1) International exchanges.

"(2) Campus climate and culture.

"(3) Evaluation and dissemination.

"(d) There are authorized to be appropriated to carry out this part $5,000,000 for fiscal year 1993 and such sums as may be necessary for the four succeeding fiscal years.".

RULE ON S. 1722, THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic Caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of S. 1722, the Emergency Unemployment Compensation Act of 1991.

CELEBRATION OF THE 25TH ANNIVERSARY OF THE VOTERS LEAGUE OF GREENWOOD, MS

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ESPY. Mr. Speaker, I rise today to pay tribute to an organization which epitomizes the grassroots struggle for change that has transformed Mississippi and the South in the last 25 years. The Voters League of Greenwood, MS, recently celebrated its 25th anniversary. For a quarter of a century, the organization, and its president, David Jordan, have been a powerful and progressive voice for freedom, justice, and equality in the heart of the Mississippi Delta.

In 1955, David Jordan was a 20-year-old student, the same year that Emmett Till, a 14-year-old black youth visiting from Chicago, was dragged from his relative's home by a mob near Greenwood, killed, and tossed into the Tallahatchie River allegedly for whistling at a white woman.

In 1962, students from the Student Non-Violent Coordinating Committee [SNCC] who came to Greenwood to set up a voter registration project were forced to flee armed mobs in fear for their lives. Twenty-five years ago, few blacks were registered to vote in Leflore County, even though blacks were the overwhelming majority of the population. In the segregated South, a black registering to vote was an act of defiance, and economic and physical reprisals were swift.

But despite the risks, David Jordan and the Greenwood Voters League have made the sacrifices. In the courts, and in the streets, the Voters League has worked tirelessly to break down the walls of segregation and disenfranchisement in Leflore County.

In 1977, the lawsuit, Jordan versus Greenwood, challenged the at-large election of city commissioners which kept blacks from serving in city government, even though Greenwood was 52-percent black. Seven years later, the Federal courts ruled that the election scheme violated the 1965 Voting Rights Act. In 1985, David Jordan was one of the first blacks elected to Greenwood's board of aldermen since Reconstruction.

Over the years, several other pathbreaking lawsuits have been won by David Jordan and the Voters League—each challenging the racist practices of Mississippi's past, each opening the door to a more just future. The lawsuit which forced Mississippi to redraw congressional lines so that a black could have a chance to be elected in the Second Congressional District bears his name.

Over the years, the Voters League has been the giant shoulders on which many of today's younger generation of black elected officials stand. Mississippi today has more black elected officials than any other State except Alabama. Where racial exclusion and segregation were once the norm, blacks in Mississippi today are moving ever closer towards becoming equal players in the political process. They have access to jobs and positions which only a few years ago would have been impossible.

Over the years, many organizations devoted to the struggle for equality and justice have come, made important contributions, and gone. Many former activists are no longer active. But the Greenwood Voters League continues. Twenty-five years later, David and the league are still registering voters, still electing candidates, still addressing issues, still working to ensure that the promise of democracy is real for everyone in Mississippi.

SUPPORT LOWER PRICES FOR CONSUMERS AND GREATER U.S. COMPETITIVENESS

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ARMEY. Mr. Speaker, today I'm introducing the Consumer Price Reduction Act of 1991 which will provide for a remedy to one of the most vexing problems facing our country: Runaway tort liability costs.

In addition to the sizable consequences of overtaxing our justice system with all manner of suits, irrational liability laws also pose a substantial cost on consumer goods. In fact, if liability costs were a tax, it would be one of the most ubiquitous taxes that Americans face. It is now levied on virtually everything we buy or sell. It accounts for more than 95 percent of the cost for childhood vaccines and more than 30 percent of the cost of the common stepladder. Some analysts estimate that upward of one-third of the price of small airplanes can be attributed to irresponsible tort liability laws across the Nation. If America is serious about regaining our competitive edge, then we must see a change in our Nation's tort laws.

The standard response to this problem has been legislation which overruled the patchwork of statutes from State to State and instead imposed one uniform standard. Such an approach has been opposed because although well-intentioned it fundamentally thwarts the principle of federalism and States rights.

For this reason, my bill recognizes the right and freedom of States to craft tort laws as they see fit, but at the same time provides incentives for States to voluntarily reform their laws. Such an approach does not threaten constitutional federalism and also it will result in experimentation among the States to develop more reasonably tailored liability laws.

The Consumer Price Reduction Act only covers cases in which the jurisdiction of the plaintiff differs from that of the defendant, whether a suit is brought at the Federal or State level. For instance, the Consumer Price Reduction Act would apply to a case in which a resident of New Hampshire sued a manufacturer in Louisiana.

The bill has three basic provisions. The first provides that in suits covered by this legislation, the victor—plaintiff or defendant—is eligible to recover attorney's fees. A second provision would require that in these same cases the jurisdiction for a civil suit is to be determined by the original place of purchase. The final provision requires that punitive damage awards in covered cases are to be deposited in the Federal Crime Victims Fund.

VICTOR RECOVERS ATTORNEYS' FEES IN CIVIL SUITS

The first provision would allow courts to award costs and reasonable attorneys' fees to the prevailing party. In many jurisdictions, only the plaintiff can receive attorney's fees. In those States there is a great incentive to bring cases to court, even frivolous ones, without any regard to the costs involved because plaintiffs bear little of the immediate costs of a lawsuit. As provided for by the Consumer Price Reduction Act, in diversity jurisdiction cases, whoever wins the suit can receive attorneys' fees from the loser. This will ensure that the plaintiff bringing the case will be scrupulous in bringing the truly meritorious cases to court rather than playing the lottery by bringing a case just to see what might happen.

APPLICABLE TORT RULE ESTABLISHED AT TIME OF PURCHASE

Another provision would establish the applicable tort rule when the consumer purchase occurs. As I see it, one of the basic problems with product liability laws is that too many lawsuits occur in cases where the purchaser brings suit in a jurisdiction other than the original place of purchase or manufacture. An example of this would be a New Mexico resident buying an iron in New Jersey and filing suit while visiting in California. Today, once the California court has ruled, the judge has effectively imposed California's liability level on residents from another jurisdiction, persons who are not represented in the legislature or otherwise unable to influence public policy in the State.

The Consumer Price Reduction Act would enact new rules in diversity jurisdiction cases authorizing courts at the Federal and State level to enforce the law applicable to a product at the time in which it was first sold. The benefits of such an approach are clear.

First, ambiguity is eliminated by having the applicable liability law established immediately when the purchase occurs. When a consumer makes a purchase of a lawn mower in Dallas, TX the applicable product liability law—Texas—is immediately established for the duration of the life of the product, and no matter how many subsequent owners acquire the lawn mower, or where they move Texas will retain jurisdiction.

Second, consumers will receive lower prices. Presently, since manufacturers don't know which jurisdiction's law ultimately will be applicable in their case, they have every incentive to adjust their costs as high as possible in order to guard against a major judgment. This significant increase in costs provides very little benefit to the consumer, and threatens our ability to compete internationally. Under my proposal manufacturers can know in advance which jurisdictions will have the authority to determine their liability level and thus they can discount goods in those jurisdictions with sensible liability laws. On the other hand, the price of goods sold in jurisdictions with irresponsible liability laws will reflect the associated risk. The effect of such pricing disparities is that the States themselves will get a clearer view of the costs of their product liability laws. Citizens will insist that State legislatures promulgate more reasonable statutes so that they can benefit from price reductions that their neighbors do. As the prices go down on goods and services, our industries can regain a competitive edge over international competitors.

Third, citizens of one jurisdiction won't be penalized when they go to court in another jurisdiction. Today, since nonresidents have very little influence on the political process of a given State, their is no incentive to insure that the liability costs imposed upon them is no excessive. It is true that most States do provide manufacturers and other members of the business community who reside within their jurisdiction an opportunity to be heard from when drafting liability legislation. This is because they understand the impact that this legislation has on tax revenue and employment within the confines of the State. Unfortunately, very little attention is given to the interest and well-being of businesses and manufacturers outside the State jurisdiction. In fact, there is every incentive to penalize those businesses and manufacturers which reside outside of a given jurisdiction, since it is thought that the costs will thus not have to be borne by those inside a given jurisdiction. For example, if as a result of a large settlement, a nonresident manufacturer has to lay off employees, shut down plants or raise prices, the residents who live in the manufacturers' jurisdiction may suffer through lower local tax revenues and/or higher unemployment. What isn't understood is that these costs are not solely borne locally. When a manufacturer pays an unnecessarily large award, spill-over effects occur creating greater unemployment and higher prices across the country, including the jurisdiction in which the suit was filed.

The laws of most States do not reflect this simple truth, and their policies of trying to stick it to the nonresident inevitably result in their own citizens getting stuck as well.

Once States realize there are no benefits to trying to structure their laws in such a way as to extract the maximum from nonresidents, they will recognize the need to reformulate their laws so as to attract nonresidents. Determining product liability at the point of purchase would inevitably lead to this reform.

PUNITIVE DAMAGE AWARDS ARE DEPOSITED IN CRIME VICTIMS FUND

The final provison would require that any punitive damages awarded in these cases be deposited in the Federal crime victims fund. Since punitive damages exist to punish the defendant and not to enrich the plaintiff, sending punitive damage awards to the crime victims fund would be an inexpensive way to help assist crime victims without creating an undue burden on the American taxpayer while at the same time insuring that guilty defendants continue to receive the punishment they deserve.

Together these three provisions help to create a neutral ground which favors neither the plaintif nor the defendant, help lower costs on manufactured goods, protects States' rights, discourages frivolous suits, and gives States an incentive to structure their product liability laws competitively.

Mr. Speaker, I urge my colleagues to support the Consumer Price Reduction Act of 1991. This legislation will help eliminate the spiraling costs associated with irrational liability laws, end the injustice of one-way attorneys' fee awards and provide increased funding for the Federal crime victim's fund without jeopardizing the commitment to States' rights and constitutional federalism. This bill includes vital reforms that are instrumental to aggressively tackling the problem of tort legislation gone awry and I hope my colleagues will join me in moving this legislation forward.

TRIBUTE TO SISTER CITY

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. CAMP. Mr. Speaker, it is with great pride that I rise today to welcome to the United States a delegation from Zigong, China. Zigong is the sister city to my hometown, Midland, MI. This is their first trip to our country as an official sister city delegation.

In September of 1987, representatives from Zigong came to Midland, MI, to request that the two cities join together in a sister city relationship. Later, in October of 1990, seven representatives from Midland visited Zigong. An alliance was formed and now both cities benefit by promoting trade, culture, and friendship.

We can learn a lot from this relationship with Zigong. Because the population of the city reaches 2.8 million people, Zigong has developed an effective and efficient recycling program. Paper, metal, and tires have been recycled since the 1950's.

Mr. Speaker, please join me in welcoming this delegation from Zigong. Because of this sister city relationship, both of our cities will benefit and prosper economically, educationally, and culturally for many years to come.

SALUTE TO REAR ADM. JAMES E. ECKELBERGER

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. KOLBE. Mr. Speaker, Rear Adm. James E. Eckelberger, Supply Corps, U.S. Navy will be retiring on October 1, 1991. He does so after completing 31 years of faithful naval service for his country. I want to take this opportunity to recognize him and his accomplishments. Culminating a distinguished naval career, Jim is currently serving as the commanding officer of the Navy Aviation Supply Office.

Mr. Speaker, before I make these remarks, I have a confession to make. I'm biased about Jim Eckelberger. We both went to the same school, Northwestern University; we both received our commission from the NROTC unit there; we shared a common source of encouragement and intellectual stimulation from our mutual professor Dick Leopold; we both love the U.S. Navy. I consider Jim Eckelberger a very close friend.

Hailing from New Castle, PA, he was a member of the NROTC program at Northwestern and was commissioned an ensign in the supply corps in 1960. After completing training at the Navy Supply Corps School in Athens, GA, Jim served as supply officer aboard the destroyer, U.S.S. *Rooks* (DD–804). He later served on the Secretary of the Navy's staff.

In 1965, Jim returned to school for post graduate work, graduating in 1967 with an M.B.A. degree from the Harvard Business School. As an alumnus of Stanford University Graduate School of Business, I forgive Jim this one transgression in an otherwise distinguished career. After graduate school, he reported to the Naval Supply Depot, Guam, where he gained experience as the quality assurance officer and the inventory control officer. Upon completion of this tour, Jim was assigned as financial director at the Fleet Material Support Office. In 1972, Jim volunteered and served as the senior adviser to the commanding officer, Vietnamese Naval Supply Center, Saigon.

From 1973 to 1976 Jim served as comptroller, then assistant supply officer of the Naval Air Station, Alameda, CA. He returned to duty afloat as supply officer aboard the aircraft carrier, U.S.S. *Constellation* (CV–64). Jim later served as comptroller and operations officer at the Navy Aviation Supply Office.

From 1982 to 1984, Jim was the commander of the Naval Supply Center, San Diego, CA and later served as the deputy commander for inventory and information systems development at the Naval Supply Systems Command. Following a demanding 3-year tour as executive director for supply operations at the Defense Logistic Agency, he assumed his present duties as commanding officer of the Navy Aviation Supply Office.

While serving in his present assignment, Jim's hard work and skilled management resulted in the highest possible aviation readiness even through 5 years of declining budgets. More importantly, during Operations Desert Shield and Desert Storm, 9 out of every 10 Navy and Marine Corps aircraft were fully mission capable. Additionally, over the past 5 years, the prices for aviation spares decreased by 20 percent.

Those accomplishments are ones that Jim Eckelberger can be justifiably proud of. They are accomplishments all of us—the Navy community, the Congress, and taxpayers—can be greateful for.

In the last several years, Jim has shared his unique, unmatched knowledge of defense acquisition by personally participating in numerous congressionally sponsored procurement seminars.

His career decorations include the Defense Distinguished Service Medal, the Distinguished Service Medal, the Legion of Merit with Gold Star, the Meritorious Service Medal with Gold Star, the Navy Commendation Medal, and the Vietnamese Armed Forces Honor Medal, First Class.

No naval officer could ever achieve so much without the support of his family. Jim Eckelberger has been fortunate to have at his side for 26 years Kathleen Eckelberger, and three wonderful children, Todd, Chad, and Leah.

A man of Rear Adm. Jim Eckelberger's talent and integrity is a rare find, indeed. Although his service to the U.S. Navy will be genuinely missed, it gives me great pleasure today to recognize his accomplishments for my colleagues. I know they, as well as I, wish him "fair winds and following seas" as he brings to close a long and distinguished career in the U.S. naval service.

NRIIA PRACTICAL CONFERENCE IN MOSCOW

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. DREIER of California. Mr. Speaker, our distinguished colleague, the gentleman from California, Mr. LAGOMARSINO has just returned from a very important mission in the Soviet Union. In his key position as chairman of the National Republican Institute for International Affairs he delivered a powerful message.

Following is an outline of the NRIIA's Conference program and Chairman LAGOMARSINO's speech. I commend it to my colleagues as it is a superb blueprint for the future.

PROMOTING POLITICAL PLURALISM IN THE SOVIET UNION: NRIIA PRACTICAL CONFERENCE IN MOSCOW, SEPTEMBER 20–22, 1991

The National Republican Institute for International Affairs [NRIIA], a Washington based, international political development firm will be sponsoring a practical conference, "Building Foundations of Political Pluralism," in Moscow, September 20–22, 1991. The conference will bring political leaders and grass-roots activists from across the Soviet Union together with political consultants and elected officials from the United States to discuss the practical means of securing and safeguarding political pluralism.

With the advent of glasnost, political pluralism emerged not only in terms of an individual's freedom of conscience and expression, but also at an institutional level, in the form of alternative organizations: political parties, civic organizations, public policy institutes, and an independent press. Democratic institutions are not limited to organizations, however, but also include traditions. The events of the week of August 19, 1991 demonstrated the importance of consolidating democratic institutions to ensure their existence over time.

The aim of the NRIIA conference is to enhance the organization, management, mobilization, and communication capacity of political organizations, as well as to promote a greater understanding of democratic institutions. Such a forum will also provide an excellent opportunity to foster communication and mutual understanding between the American, Baltic, and Soviet people.

Issues which are to be addressed at the conference are: political party education, comparative electoral law, public speaking, mass communication, public opinion polling, volunteers and get out the vote, party financing, economics, organization and management, party development at the local level, campaign preparedness, party platform and rules, issues of elected officials, principles of governance, East European political campaigns, and coalition building in parliament. This will be a practical rather than an academic, conference, featuring a "hands-on," interactive approach designed to draw participants into actual processes, such as conducting a public opinion poll, holding a press conference, and making a televised statement or participating in televised interviews.

The NRIIA first became involved in the Soviet Union in 1990, when it conducted in-country analyses of the rapidly changing political environment and assessed the prospects for implementing political development programs. Many of the ideas for this conference surfaced during an NRIIA mission, led by Congressman Lagomarsino (R-Ca), to Moscow last December. Congressman Lagomarsino will be presenting opening remarks at the conference.

Since December, the NRIIA has conducted political assessments in Estonia, Latvia, Lithuania, and Ukraine. For the past several months, the NRIIA, in conjunction with the Democratic Russia Fund, has been organizing this event, which will bring together political activists from Russia, Estonia, Latvia, Lithuania, Ukraine, Georgia and Mongolia. In the future, the NRIIA plans to undertake a series of political education and training seminars in several republics and the Baltic States. In addition to its activities in the Soviet Union and the Baltics, the NRIIA has provided assistance in the forms of parliamentary training, party building, political education, and election observation, to political groups in Central and Eastern Europe, Central and South America, Africa, Asia, and the Middle East.

THE SECRETARY OF STATE,
Washington, DC, September 8, 1991.
Hon. ROBERT J. LAGOMARSINO,
House of Representatives, Washington, DC.

DEAR BOB: On behalf of the President and the American people, I would like to extend our best wishes and hopes for success to the participants in your conference on political party building.

Now is truly democracy's season. The winds of freedom have swept across Central and Eastern Europe, the Baltic States, and Mongolia. Now they have reached the Soviet Union, and the opportunities have never been greater to consolidate democracy and free markets.

The work of freedom is not easy, but do not be diverted from your task. As you work together to build a multi-party democracy, take democratic values as your guide and you will be rewarded in the wonderful realities of political and economic freedom.

Sincerely,

JAMES A. BAKER III.

OPENING REMARKS BY CONGRESSMAN ROBERT J. LAGOMARSINO AT THE MOSCOW CONFERENCE

As chairman of the board of the National Republican Institute for International Affairs, I would like to formally welcome all of the participants in this "first-of-a-kind" ever conference promoting political pluralism in the Soviet Union Baltic States, various republics, and Mongolia. From the outset, I'd like to say a special thank you to our sponsor who helped make this conference a reality, the Honorable Sergei Stankevich, the vice-mayor of Moscow. His assistance has been extremely valuable and we very much appreciate it.

There's an ancient Chinese saying, actually it is a curse, "may you live in interesting times". The incredible events here in the Soviet Union over the past month have been very interesting to say the least. If, a year or 2 ago, you had told me that I would be here in Moscow opening a conference sponsored by the American Republican Institute to assist political party representatives and grass-roots activists enhance the democratic reform process, I would not have believed you, but maybe former President Ronald Reagan would have.

The recent changes through Eastern and Central Europe, now including the Soviet Union and Baltic States have indeed been incredible. I believe they are a testament to the power of freedom, liberty, and democracy. It is natural for man (and by man I mean, of course, mankind, obviously including women) to want to help guide his future and shape his destiny * * * to have a say in how the society in which he lives is governed. Democracy, based on real freedom—like the freedoms of assembly, speech, press, worship, labor, and so on—is the means for such participation. As one of America's greatest presidents, Abraham Lincoln said in summarizing what democracy is all about, it is "government of the people, by the people, for the people."

Democracy is not the simplest or easiest form of government. It is very complicated often requiring participants to make hard decisions that could adversely affect themselves, their families, and their friends. Democracy and political pluralism are not only realized in term's of an individual's freedom of conscience and freedom, but also at an institutional level, in the form of alternative organizations: political parties, civic organizations, public policy institutes, and of course an independent and free press.

Getting started and taking advantage of new opportunities—like those presenting themselves today throughout the Soviet Union, Baltics, and the various republics—can be a real challenge, especially after 74 years of Communist domination. Concepts taken for granted in Washington, London, and Bonn, like private property and the economic principle of competitive advantage, may seem alien to some in Moscow, Petersburg, and Kiev. This is particularly true in the field of politics where the Communist Party has enjoyed a formerly legal monopoly.

Helping you successfully meet these numerous challenges is the goal of this conference and future NRIIA programs. We aim to help you enhance the management, mobilization, and communication capacity of Soviet and Republic Democratic groups, as well as promote a greater understanding of democratic institutions. I also believe in this new era of Soviet-American relations, this forum will also provide an excellent opportunity to foster communication and mutual understanding between the American, Baltic, Mongolian, and Soviet people.

I also think it is very befitting that the Republican Institute has taken the lead in organizing this historic conference. While the credit for democratic change in the Soviet Union, the Republics, the Baltics and Mongolia goes to you and your colleagues, the brave men and women who actually made them happen, these efforts have been successful, I believe, because of the policies and international leadership of Presidents Reagan and Bush. They created the positive environment in which the seed of democracy could grow. They not only fought totalitarianism but on the positive side created the economic, political, and moral challenges against which Communists and others could not compete. For example, I believe that Soviet President Gorbachev's glasnost and peristroika initiatives—which greatly benefitted the emerging democratic movement—were a reaction to the Reagan-Bush challenge. And, like a ball that picks up speed as it rolls down hill, President Gorbachev's liberalizing actions helped others around the globe.

The results have been almost unbelievable. Eastern European countries have transformed from one-party police states into democracies making the formerly tense, armed camp of Europe into a more peaceful, free, and cooperative continent. Settlements in Angola, Namibia, and Nicaragua are bringing peace, freedom, and democracy to these troubled lands. I'm optimistic that similar success will occur in El Salvador, Afghanistan, and Cambodia, and ultimately in Cuba, North Korea, and even China.

I recently led an NRIIA assessment mission along with NRIIA president Jack Buechner to Mongolia, the first central Asian country to move from Communism to democracy. I welcome the Mongolian delegates, some of whom I met in Ulan Baator, here to this conference. They face many of the same challenges as the others participating. Due to Mongolia's proximity to China, successful democratic transition in Mongolia is paramount to providing an example for China.

The unprecedented international reaction to Saddam Hussein's illegal and brutal invasion and occupation of Kuwait signalled that the world is no longer tolerating new terror and oppression. Might does not make right. Just as it was proven by the failed coup attempt here in the Soviet Union, freedom is a very powerful force. Our success in the gulf would not have been as quick and thorough as it was without the support the United States and the United Nations received from the Soviet Union. This event clearly underscores just how far reaching changes have gone. Again, I believe we can trace the origins back to the Republican Reagan and Bush policies.

Because of these limited, but positive changes in the Soviet Union and the Baltics, the NRIIA was able to first become involved in the political reform process in 1990 when it conducted in-country analyses of the rapidly changing political environment and assessed the prospects for implementing political development programs. Many of the ideas for this conference surfaced during the NRIIA mission I led along with the institute's general counsel David Norcross who is here with us again today to Moscow last December. Again, I want to thank Vice-Mayor Stankevich for officially sponsoring that mission. He truly has made this whole program a reality.

The aftermath of the failed coup has definitely accelerated the reform process to a speed none of us outside the Soviet Union ever envisioned. While this conference was planned before the recent events, it is extremely timely today. There is very little time to learn about political institutions—you're literally getting on the job training.

I've said that there are many challenges ahead and that the process of building a new democracy—whether in an individual republic or as part of a larger union—has its triumphs and its failures. Always remember to learn from your experiences—build upon ideas that worked and avoid repeating those that did not. Over 200 years ago, the United States declared its independence from the British Empire. Like you, we faced many struggles. Our first union from 1781-1789, created under the Articles of Confederation, was a failure. But, by carefully analyzing why we failed and separating the good from the bad, we were able to craft a new, superior Constitution. The history books say it wasn't easy, and based on today's experiences in other parts of the world, I can believe that it wasn't.

That Constitution is still in effect today. The heart of the Constitution and American democracy is the Bill of Rights which protect the individual freedom of each and every American * * * for in a democracy, a primary business of Government is to protect freedom and liberty.

Always keep this in mind. It is not in the interests of the people to replace a Communist dictatorship with some other kind of totalitarian government—regardless of the ideology or nationalistic makeup. With the tough economic and social challenges ahead, some may find this path tempting.

From looking around at all of you attending this conference, I am optimistic that the Soviet Union, independent republics, and free neighbors, like Lithuania, Latvia, Estonia, and Mongolia, have a brighter future ahead. Our goal over the next 3 days is to provide you, the new democratic leaders, with some of the skills to help you take advantage of today's new political opportunities in order to lay the foundation for a better, more prosperous future. Good luck.

1991 VERDANT AWARD PRESENTED TO JAMES TRUNCER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. PALLONE. Mr. Speaker, on Saturday, September 28, the Monmouth Conservation Foundation will present its 1991 Verdant Award to Mr. James Truncer, secretary-director of the Monmouth County, NJ Parks System.

The Verdant Award is presented annually to an individual, public, or private organization, companies or corporations or municipalities in Monmouth County for open space conservation. Clearly, Jim Truncer is a most deserving recipient of this award.

Mr. Speaker, sadly, many of my colleagues in this House may have a rather unfavorable—and I might add inaccurate—image of New Jersey as a crowded State with little breathing room. While we are the most densely populated State in the Union, residents and visitors to New Jersey know why it's called the Garden State. One of the greenest areas in our State is Monmouth County, thanks to the thousands of acres of protected county parks all over the county. A large measure of the credit for that unique quality of life belongs to Mr. Truncer.

In his 25 years of running Monmouth County's Parks System, under the direction of a seven-member commission, Mr. Truncer has demonstrated expertise and vision in the areas of planning, land acquisition, developing, organizing, staffing, financing and administering a comprehensive county park and recreation system in the rapidly developing central Jersey region. He has received numerous citations and awards from parks and recreation organizations across the Nation.

Jim Truncer's national prestige has been enhanced not only by his excellent performance on the job, but also through numerous papers that he has published and presented to government and academic forums. He has also held several academic posts and served on numerous advisory boards and legislative and administrative committees. His current affiliations include the chairmanship of the New Jersey Natural Lands Trust, and the green acres committee of the New Jersey Recreation & Park Association; treasurer of the American Academy of Park & Recreation Administration, and membership on the land use committee of the New Jersey Department of Environmental Protection, board of directors of the National Association of County Park & Recreation Officials, the Governor's Council on New Jersey Outdoor, the National Recreation & Park Association, and the New Jersey Recreation & Park Association.

A TRIBUTE TO JOHN KREHBIEL, SR.

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. FAWELL. Mr. Speaker, I would like to take this opportunity to honor a friend and one of the most accomplished businessmen in my congressional district, John Hammond Krehbiel, Sr. John is chairman of the board of Molex, the world's second largest maker of interconnecting products. He joined Molex in the early 1940's and moved the company from making plastic toys and clocks into the electrical/electronic field. He designed and then sold the company's first interconnecting products to manufacturers of home appliances, automobiles, and later televisions. He saw the possibility for Molex connectors to help manufacturers lower their assembly and service costs and to help them improve the quality of their end products. His work helped to create what is today a $12 billion industry.

John has long been recognized for his dedication and service to his community. John's sense of responsibility does not stop at community lines. I had an opportunity to work with John on an international project and can speak personally to the fact that he responds to a need wherever it may be.

In June 1988, Walter Palucho, a young boy from the war-torn country of El Salvador, was playing with five friends in a schoolyard when a land mine exploded. All of Walter's friends died in the explosion. Emergency medical treatment resulted in amputations of both Walter's legs and his right arm. Local doctors contacted Project HOPE when it became apparent that U.S. assistance would be necessary in this case. John was the backbone of a group from the 13th Congressional District that responded to Walter's needs.

As a result of John's involvement in establishing a trust fund entitled "Ninosa Con Esperanzo (Children With Hope)," Walter has been fitted with prosthetics, received physical therapy, and is today able to walk, attend school and hopes to one day return to the United States for a college education.

John Hammond Krehbiel, Sr., was born in Chicago, IL, on August 14, 1906, the son of Frederick August Krehbiel and Lucille Pemberty Krehbiel. He graduated from Hinsdale High School, Hinsdale, IL, in 1924. His father gave him the funds for his 4 years of college, telling him that managing this money over the 4 years was part of the growing up and maturing process. John took the money and within 6 weeks lost it in commodities speculation. This resulted in "about 17 years of night school" while he worked days at a wide variety of jobs. John admits that he was not interested in a degree, but instead pursued specific subjects which enabled him to learn more about fields relevant to his business interests. He studied mechanics, electrical science, chemistry, materials, and even industrial psychology. In the late 1930's John started a chemical company producing nitroglycerin. However, production had to be discontinued after two major plant fires and the reluctance of an insurance company to accept future responsibility. Next came a ready-mix concrete and tile business and several other ventures before he joined Molex. During John's 50-year career at Molex, he has been granted 14 patents.

John's philosophy is explained as follows:

> I believe in some very old and basic ideas such as working hard and finding people who also have a strong work ethic. Surround yourself with people who are better than you. Give them the opportunity to "run with the ball" and don't second guess what they do. I believe in a sound financial foundation, in making a good profit, and I am against highly leveraging the company and always have been. I believe it's necessary to spend heavily on research and development and to keep your technology up to date. * * * The company's management should come from people who have been with the company and who worked their way into positions of responsibility.

At age 85, John still puts in a full day at Molex. With Molex operating 50 manufacturing facilities in 20 countries, he is also a frequent business traveler. John plays a strong game of golf and spends a lot of time working in the woods and grounds around his house.

In 1989, John Krehbiel was honored by the International Institute of Connectors and Interconnection Technology as a pioneer in the electronics industry. He also received the first Midcon Midwest Electronics Pioneer Award in 1989. He was recognized as an Illinois High Tech Entrepreneur by Peat Marwick & Associates in 1990 and was named Electronic Component Executive of the Year in 1988 and 1989 by Electronic Buyers News.

TRIBUTE TO ST. MICHAEL'S PARISH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to St. Michael the Archangel Slovak Catholic Parish of Lansford, PA. This year, the congregation celebrates the parish's 100th anniversary and I would just like to take a moment to point out St. Michael's as a symbol of dedication to worship.

The early beginnings of St. Michael's goes back to 1891 when its founders built a place of worship where they could practice their faith and foster their Slovakian heritage. As one of the twelve oldest Slovak Catholic parishes in the United States, St. Michael's has helped to build a sense of community among its worshipers, bringing families, friends, and neighbors together for the common good. As the church moves into the next century, St. Michael's will continue to offer guidance and inspiration to those of Lansford and fulfill its aniversary motto of "Faith and Heritage."

I believe my colleagues will agree that St. Michael's deserves our commendation on the floor of the House as it celebrates 100 years of worship. I would also like to extend my warmest wishes to each and every congregation member on the occasion of St. Michael's 100th anniversary.

RECOGNIZING JOSEPH R. HEMS, NATIONAL COMMANDER, MILITARY ORDER OF THE PURPLE HEART

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mrs. ROUKEMA. Mr. Speaker, I rise today to call the attention of my colleagues to a most distinguished resident of my home State of New Jersey, Joseph R. Hems, who was recently elected national commander of the Military Order of the Purple Heart. Dedication, diligence, and selflessness have characterized every facet of Mr. Hems' life, first in the wartime service he gave our Nation, and beyond, as an active and effective leader in bringing the concerns of all veterans—but especially those honored with the Order of the Purple Heart—to national attention. The honor and responsibility of national commander could not go to a more deserving candidate, and every resident of New Jersey is proud of our native son.

Born in Bayonne, NJ, in 1932, Joseph R. Hems joined the U.S. Army in 1949, and received his basic training at Fort Dix. After further training at leadership school, he served at Forth Eustis, VA, assigned to a post engineering company.

At the outbreak of the Korean war, Corporal Hems was airlifted to Japan, and then on to Korea, where he served as a member of E Company 8th Cavalry Regiment at the Walled City engagement. On Hill 570, September 14, 1950, advancing on the enemy, Corporal Hems was firing at a machinegun emplacement when a mortar exploded, causing a severe head wound. He was air-evacuated to Chelsea Naval Hospital in Boston, where he would begin 18 months of grueling recovery.

The personal sacrifices Joseph Hems made for his country and his fellow servicemen did not stop with his retirement from active service, however. Indeed, Joseph Hems' activities on behalf of veterans could employ an entire regiment. Among his affiliations, Mr. Hems is a life member of the Military Order of the Purple Heart, Disabled American Veterans, Veterans of Foreign Wars, Korean War Veterans Association, American Legion, and Catholic War Veterans. In past years, Mr. Hems has served as National Senior Vice Commander for the MOPH, as well as the Korean War Memorial Fund Chairman of the New Jersey VFW. Hems was instrumental in the creation of the NJ Purple Heart license plate for combat wounded veterans through the New Jersey Division of Motor Vehicles.

Joseph Hems' election to national commander of the Military Order of the Purple Heart is yet another chapter in a long and full book of service. Yet in looking back on his past accomplishments, I have every confidence that this record of good works will only continue to grow.

I urge every one of my colleagues to join me in saluting National Commander Joseph R. Hems, who shares this pride and honor with his lovely wife Harriet, and their children Bernice, Harriet, Christine, and Peter. Through his strength and hard work, Mr. Hems has made his life into an example for all Americans of true patriotism and service to his country.

UKRAINIAN INDEPENDENCE

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. DWYER of New Jersey. Mr. Speaker, we have all witnessed the unexpected dissolution of the Soviet Union resulting from the failed coup attempt last month.

The Balkan nations, who have fought so long for their lost independence, have been recognized by the Soviet Union as independent nation-states. Other Republics within the Soviet Union quickly followed suit and issued declarations of independence.

Our attention must remain focused on those Republics as they continue their struggle for true independence. Perhaps none more so than Ukraine. We marked the 73d anniversary of the Declaration of Ukrainian Independence earlier this year. Some of us spoke in support of the efforts of the Ukrainian people at that time.

The events of late summer in the Soviet Union have given new hope for the Ukrainian people and, now that their goal seems reachable, it is important for us in the United States to stand with them during these exciting days in the hope that Soviet officials will recognize their independence—as we have maintained to have been doing for years.

Last Sunday, demonstrations were held in major cities across the Nation urging the United States to officially recognize Ukraine. The Ukrainian Government is seeking diplomatic relations with 23 states and has stated its intention of opening an embassy in Washington. Until full independence is recognized, I'm afraid that the struggle will go on.

CALIFORNIA DISTRICT ATTORNEYS ISSUE UNANIMOUS CALL FOR HABEAS CORPUS REFORM

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. CUNNINGHAM. Mr. Speaker, I rise today to once again call for action on H.R. 1400, the omnibus anticrime bill, and, in particular, habeas corpus reform. There is a crying need for tough, anticrime legislation and I am distressed that months have passed since the introduction of this bill and the President's call for action.

The courts in California are being literally overwhelmed with crime. Throughout the State, in urban, suburban, and rural counties alike, there has been a dramatic increase in the burdens placed upon the judicial system.

Now, as my colleagues are aware, California is a diverse State politically. I think it is remarkable, then, that the attorney general of California, Dan Lungren, a Republican, has been joined by all 58 of California's district attorneys, Republican and Democrat alike, in calling for the habeas corpus provisions of H.R. 1400.

Mr. Speaker, I ask my colleagues to review the letter I am inserting in the RECORD. There is a clear, unequivocal, and unanimous demand for action. Congress should pay heed to the men and women who are in the trenches in the battle against crime. I urge prompt consideration of H.R. 1400 and adoption of the habeas corpus reform language it contains.

STATE OF CALIFORNIA,
OFFICE OF THE ATTORNEY GENERAL,
September 20, 1991.

Congressman RANDY "DUKE" CUNNINGHAM,
1017 Longworth House Office Building, Independence & New Jersey Aves., SE, Washington, DC.

DEAR CONGRESSMAN CUNNINGHAM: Collectively, as the Attorney General and as District Attorneys from each of the 58 counties in California, we handle every aspect of a criminal case, including the trial, appeal and habeas corpus proceedings in state and federal court. Because of the effect federal habeas corpus reform has on our operations and the State of California, we are sending you this joint letter to stress the urgency of congressional action and to request your support for meaningful federal habeas corpus reform.

It is now beyond any doubt that the habeas corpus process is in dire need of reform. Unnecessary delay and repetitious litigation permitted under our habeas corpus process has resulted in a lack of finality in our criminal justice system. In turn, this has caused a loss of public confidence in the ability of our criminal process to impart fair and certain justice. Further, under the current process, reasonable state court determinations are not accorded due deference in federal court and the deterrent effect of the death penalty and other criminal punishment has been blunted.

It is no wonder that the calls for federal habeas corpus reform have been heard from all levels of state and federal government. On March 13, 1991, President George Bush asked that within 100 days, Congress pass his omnibus crime bill, which contains habeas corpus reforms. Former U.S. Supreme Court Justice Lewis F. Powell, Jr., has chaired a committee, consisting of other federal judges, which proposed specific reform recommendations which now provide the primary framework for congressional legislation. In his last Year-End Report of the Federal Judiciary, Chief Justice William H. Rehnquist asked Congress to "give serious attention to badly needed reforms in this area, with a view to assuring counsel to capital defendants and assuring to the states the necessary degree of finality, in federal habeas proceedings." California Supreme Court Chief Justice Malcolm M. Lucas has stressed the need for reform as co-chairman of the American Bar Association Task Force on Death Penalty Habeas Corpus and in other statements. In March of this year, former state legislator and judge and now U.S. Supreme Court Justice Sandra Day O'Connor noted the need for reform in a speech at the Crime Summit in Washington, DC. California Governor Pete Wilson emphasized reform in his State of the State Address and, more recently, made it the subject of his weekly radio address. On May 23, 1991, and July 29, 1991, the California District Attorneys Association Board of Directors unanimously adopted three resolutions urging the California congressional delegation to adopt habeas corpus reforms similar to those included in H.R. 1400, Titles II & X, and S.1241, Title XI & §4923. On June 17, 1991, more than half the state Attorneys General sent a joint letter to members of the U.S. Senate Judiciary Committee supporting the reform provisions contained in these measures. Also on June 17, 1991, the Ninth Circuit State Attorneys General Association, consisting of state Attorneys General from the nine western states, also adopted a unanimous resolution urging Congress to adopt habeas corpus reforms and supporting these bills. On July 11, 1991, the Senate adopted meaningful habeas corpus reforms by a substantial, bipartisan vote in S.1241 Title XI & §4923.

With so much agreement on the need for reform, the key public policy question before the House of Representatives is what specific reform provisions should be adopted. At a minimum, we believe meaningful habeas corpus reform should include:

(1) An appointment of counsel mechanism which preserves the California unitary review process and permits states to determine competent counsel standards for post-conviction review;

(2) Provisions which retain and build upon the rational limits of successive petitions recently recognized by the U.S. Supreme Court;

(3) A standard of federal court review which respects "full and fair adjudications" in state courts;

(4) Reasonable time limits for the filing of a habeas petition and for the determination of a petition in federal court; and

(5) General habeas corpus reforms (similar to H.R. 1400, Title II(A), and S. 1241, Title XI(A)).

These reforms are required because they restore reasonableness to our criminal justice process. Further, the deterrent effects of criminal punishment can be reinstated by these reforms which ensure finality to state court judgments.

Significantly, relief under the statutory writ of habeas corpus is not eliminated by the adoption of these reforms. Instead, a state prisoner is guaranteed one full, fair and adequate round of post-conviction review. Any subsequent review will be permitted whenever a showing of factual innocence is made. Appropriate time limits also ensure that federal review will not be unduly postponed by the filing or judicial consideration of the petition.

We oppose legislation which would add or promote unnecessary delay and repetitious litigation to the criminal justice system. We are also against any measure which would effectively abolish the death penalty, such as H.R. 2851, The Fairness in Death Sentencing Act (formerly entitled the "Racial Justice Act"). This legislation would permit a claim of discrimination based upon a statistical showing on the prosecutor. We believe this statistical approach is unsound and detracts from the traditional criminal justice focus on the particular circumstances of whether the individual committed the charged crime. Finally, we oppose any effort to undermine the non-retroactivity of Teague v. Lane, 489 U.S. 288 (1989). Newly established judicial rules are and should be applied during direct review; they should not be applied for the first time on collateral review, as the U.S. Supreme Court has repeatedly recognized.

We also wish to stress that the current habeas corpus reform proposals do not affect the Great Writ in the Constitution. To the contrary, as Justice Powell and others have noted, the reforms involve the non-constitutional post-conviction remedy first adopted by the Congress in 1867. Since habeas corpus reform is a statutory matter, we look to Congress to adopt these reasonable and long overdue reforms. Concomitantly, only Congress has the power to restore reasonableness to and public confidence in our criminal justice system. We urge your action and support for meaningful habeas corpus reform along the lines of the reform provisions contained in H.R. 1400 during this session of Congress.

Sincerely,

Daniel E. Lungren, Attorney General of California; Mike Nail, President, Calif. District Attorneys Assn and District Attorney, Solano County; John J. Meehan, Alameda County; Henry G. Murdock, Alpine County; Larry Dixon, Amador County; Michael L. Ramsey, Butte County; John E. Martin, Calaveras County; John R. Poyner, Colusa County; Gary T. Yancey, Contra Costa County; William A. Cornell II, Del Norte County; Walter J. Miller, El Dorado County; Edward Hunt, Fresno County; Robert Holzapfel, Glenn County; Terry R. Farmer, Humboldt County; William E. Jaynes, Imperial County; L.H. Gibbons, Inyo County; Edward R. Jagels, Kern County; Garry R. Gonsalves, Kings County; Steve Hedstrom, Lake County; Mark Nareau, Lassen County; Ira Reiner, Los Angeles County; David Minier, Madera County; Jerry Herman, Marin County; George Griffith, Mariposa County; Susan Massini, Mendocino County; Gordon Spencer, Merced County; Ruth Sorensen, Modoc County; Stan Eller, Mono County; Dean Flippo, Monterey County; Anthony Perez, Napa County; Mike Ferguson, Nevada County; Michael Capizzi, Orange County; Paul Richardson, Placer County; Mike Crane, Plumas County; Grover C. Trask II, Riverside County; Steve White, Sacramento County; Harry J. Damkar, San Benito County; Dennis Kottmeier, San Bernardino County; Edwin L. Miller, San Diego County; Arlo Smith, San Francisco County; John Phillips, San Joaquin County; Barry LaBarbera, San Luis Obispo County; James P. Fox, San Mateo County; Thomas W. Sneddon, Jr., Santa Barbara County; George Kennedy, Santa Clara County; Arthur Danner, Santa Cruz County; Dennis Sheehy, Shasta County; Wesley Travis, Sierra County; Pete Knoll, Siskiyou County; Gene L. Tunney, Sonoma County; Donald N. Stahl, Stanislaus County; Carl V. Adams, Sutter County; Thomas Hilligan, Tehama County; David L. Cross, Trinity County; Gerald F. Sevier, Tulare County; Eric Du Temple, Tuolumne County; Michael Bradbury, Ventura County; David C. Henderson, Yolo County; Charles O'Rourke, Yuba County.

BASF COMMUNITY ADVISORY PANEL (CAP) PROGRAM IN WEST VIRGINIA

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. RAHALL. Mr. Speaker, one of the major challenges currently confronting the chemical industry in the United States is the need to increase communication with the public. More than ever before, the public expects to know and be involved in the decisions and actions that have impact on the environmental and the general quality of life.

In recognition of these circumstances, the chemical industry has increased efforts to communicate about issues of public interest through an initiative known as responsible care. Members of the Chemical Manufacturers Association are required to become more accountable for their actions by subscribing to the tenents of responsible care. It is particularly important that companies work with and respond to citizens in communities where their actual manufacturing takes place.

BASF Corp. is one company doing just that. As a member of the Chemical Manufacturers Association, BASF's Huntington, WV facility in my congressional district has responded with great sensitivity to public concerns. Shortly after becoming site manager in 1983, Mr. Thomas M. Boggs began seeking opportunities to involve the public by seeking input and advice from interested members.

As a result, the Huntington site of BASF Corp. became the home of the company's very first community advisory panel. Established in 1989, the CAP has 13 very active members. Meetings of the CAP are held approximately every other month. Members receive detailed safety and environmental information, go on plant tours and participate in discussions about emergency response and preparedness. All members are not only free to communicate thoughts or concerns about chemical manufacturing going on in their own backyards, but are encouraged to do so.

Membership in BASF Corp.'s first CAP represents a diverse public. Marshall University is heavily represented on the CAP, and other members represent the city council, the business community, the League of Women Voters, the medical profession, and the local transit authority.

BASF in Huntington has broadened its communication with the public in other ways. For example, late last year, the Huntington plant initiated the corporations first site newsletter, sent to local residents, plant neighbors, and chamber of commerce members, the newsletter communicated current and future plans and activities anticipated at the manufacturing site. The newsletter also introduced the plant's management and invited response. The newsletter was well received in the community and has since been pointed to as another way in which chemical manufacturers can become more open and more responsive to the interests of the general public.

I commend BASF for its efforts to enhance public awareness through its community advisory panels, newsletters and community participation. These are outstanding opportunities for reaching out to interested citizens and for demonstrating an adherence to the highest ethical standards. Getting to know each other on a personal, firsthand basis is the best way to operate within any community.

I believe, and I know that BASF joins me, that our future success depends on sound, ethical practices and that working as closely as possible with people in their communities is the utmost importance. BASF in Huntington is well on its way, and I am proud to have a corporate citizen like BASF in my congressional district.

TRIBUTE TO MS. KATHERINE PLUNGE

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mrs. KENNELLY. Mr. Speaker, it gives me tremendous pleasure to share with you the story of one of my constituents who is this year's recipient of the Peter J. Salmon Award for National Blind Worker of the Year presented by National Industries for the Blind. An outstanding employee of the Board of Education and Services for the Blind [BESB], Ms. Katherine Plunge is the well-deserved winner of this national award which selects one American who is blind who exemplifies independence, determination, and a commitment to improve the quality of life for other blind people.

Ms. Plunge became blind 30 years ago as a result of permanent damage to her optic nerve during surgery. After contacting the Board of Education and Services for the Blind, a full service State rehabilitation agency in my district, she received training in various mobility and job skills. After several years of working from her home in conjunction with BESB, Ms. Plunge started working at BESB Industries in 1981. Although totally blind, she mastered skills in sewing and packaging. With her own sense of self-esteem and motivation, Ms. Plunge sought to improve the ability of her blind coworkers to succeed more fully in their employment and in their everyday lives. She arranged for central pickup locations for employees needing transportation, scheduled a coffee truck to make daily stops at the agency and encouraged coworkers to become involved in outside activities.

Ms. Plunge lives by the philosophy that she instills in others. She serves as president of the Independent Blind Workshop Alliance of Connecticut, a group established to enhance communications between employees and staff at BESB Industries. She was instrumental in forming Visually Impaired Exchange of Wethersfield, a support group for people who are blind. In addition, Mrs. Plunge is active in fundraising through the Franco-American War Veterans and is frequently a guest speaker at Lions Club meetings.

Since 1987, Ms. Plunge has worked as a receptionist at BESB Industries. It is a job which Ms. Plunge taught herself and which involves the use of an IBM-compatible computer to record telephone messages and type letters.

Katherine Plunge exemplifies a commitment to meet challenges and to help others live independently. Please join me in applauding her and her wonderful work resulting in the receiving of the 1991 Peter J. Salmon National Blind Worker of the Year Award.

STAYING ON IN GOULD

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. CARDIN. Mr. Speaker, I commend to my colleagues the following article that appeared in the Catholic Health World. This article chronicles the inspiring success of a clinic outreach center operated by the Daughters of Charity National Health System in rural Arkansas. In addition to providing low cost, quality medical care to the residents of Gould, AR, the St. Elizabeth Health Center has offered this town hope.

As this Congress considers reforms to our Nation's health-care delivery system, we should look to build upon successful models that expand access to vital primary health care in areas that have traditionally been difficult to serve. The following article describes one such success story.

STAYING ON IN GOULD

GOULD, AR.—The railroad tracks neatly divide this Mississippi Delta town. The blacks live on one side, the whites on the other.

The sign on U.S. 65 puts the population of Gould at 1671, but the townsfolk say it's dropped below 1500. The Mississippi River lies 11 miles to the east, Little Rock, 75 miles to the north. Cotton, rice, and soybeans are the staples of the economy here, but flooding has postponed the March planting. So in mid-May the people who make their living planting sit at home and wait while the land lies fallow.

The Greyhound bus used to stop in Gould. But the route wasn't profitable this far south of Little Rock, so the bus no longer runs through here. There's not much to do in Gould. The town has four groceries, two bank branches, and 15 churches, give or take a few. Many of the well-to-do families moved out when the school was forced to integrate in 1967. Those that remain send their children elsewhere to school. Gould is 80% black. And poor, very poor. Nearly half of its residents are 65 or older. Chronic unemployment, drugs, and teen pregnancy plague the town.

In the sweltering Delta summer, the only pool in town, which is owned by a private club, does not allow blacks. Or rather, it is open only to members, and there are no black members. J.P. Failla proposed some blacks for membership a few years ago. He resigned when their applications were rejected.

The people in town remember a time when things were better. There used to be two pharmacies, and for a time there was even a doctor.

But one pharmacy closed and the other burned down and the doctors have come and gone—mostly gone.

Ernest Bradshaw, senior vice president, Bank of Star City and a leader in the community, tells how a few years back a group of concerned citizens fixed up a home for a doctor who was interested in coming to a rural community with his wife, also a doctor. But at the last minute another town made the couple a better offer.

Jearlene Williams is a cook in nearby Grady, a town that boasts a grocery store and a post office. At 57, she takes home $132 a week for 37 hours of work. She earns too much money at her minimum wage job to qualify for Medicaid.

When Jearlene Williams gets sick, she can't afford to pay the $70 or $80 for a visit to the doctor in Dumas, about 15 miles from Grady. A visit to the clinic in Star City would cost less, but she can't afford to lose a day's wages waiting at the clinic.

So, until recently, she did what many Americans in her situation do: she went without healthcare.

But today Jearlene Williams blesses her good fortune. She has come to Gould for an appointment at a new facility that has made healthcare accessible to the people of this rural Arkansas area. A complete physical and a Pap smear cost her $41; a routine office visit, $5. And she is finished by 9:30, in time for work.

St. Elizabeth Health Center—named by the people of Gould and run by the Daughters of Charity—is an attempt not only to provide healthcare to the folks of this underserved community, but to breathe new life into the town of Gould.

It is healthcare in the broadest sense of the word.

Located on the "black" side of the tracks next to a bank branch, the center is in a building that has served many purposes through the years: barbecue shack, dry cleaner, even a doctor's office. The Daughters took it over from a man who sold junk. The renovation was extensive.

To some, Gould might seem a strange place for a clinic sponsored by a Catholic organization. Arkansas is four percent Catholic, and rural Arkansas is less than one percent Catholic. In Gould there are only two Catholic families.

Yet the community has opened its arms to the new healthcare center, and perhaps that is in large part because of Srs. Mary Walz and Joan Pytlik.

For the last three years, the two sisters have assessed the healthcare needs in various communities in the United States. When the Daughters' regional office expressed a desire to look at a rural area, some Vincentian priest friends invited Sr. Mary and Sr. Joan to come to the Arkansas Delta.

They quickly ascertained that certain criteria had to exist for a health center for an underserved population to work. The area had to have a significant percentage of its population below 150 percent of the federal poverty level. The site should not duplicate services of another health center. There had to be a shortage of primary care providers who served the poor, yet there had to be the capability for physician support. Last and perhaps most important, the community had to be supportive.

As Srs. Mary and Joan studied rural Arkansas, Gould, it seemed, met their criteria. And after three years of doing assessments for the Daughters, it was time, once again, they realized, to touch the flesh.

In establishing St. Elizabeth Health Center, they realized that attracting a physician to Gould was impossible. So the center is run on a nurse practitioner model.

Last summer, while Sr. Joan brushed up on her nurse practitioner skills at the University of Arkansas, Sr. Mary arrived in Gould, where she set about visiting the folks.

In her blue car, we cross the tracks to the black part of town. The brick houses and manicured lawns of the white homeowners give way to tangled shrubbery and potholed roads. The houses are close together, small, and run down, their paint chipped away by the Delta rains and the scorching Arkansas sun. The rambling roses are in bloom, a striking red against the gray houses.

At every house we visit, Sr. Mary is greeted enthusiastically. "Sister, come in. Sit awhile and visit." On the porch of Miles Harper and his sister-in-law Merless Harper, a lifelong friend and next-door neighbor tells of his visit to 22 of the 50 states. Both men are now in their 80s and both walk shakily even with canes.

They know Sr. Mary because last summer out of the blue she knocked on their door to tell them about the health center and to learn about their troubles and their needs. She sought their help and the help of many others to put together a focus group of members of the community so the center could be responsive to the needs of the people. And when the day approached for the center to the dedicated, she asked the community to prepare food for the celebration. On the big day, she was overwhelmed by the abundance of homemade food in this town of scarcity.

It was during the focus group meetings that Sr. Mary, who is the social services coordinator, learned that many people in town cannot read. They are also, she realized, good at hiding that fact.

The focus group was attempting to name the new center and had come up with about 10 suggestions. She handed around the list and asked members of the group to vote for the one they liked best. "I forgot my glasses," one woman told her. "Could you read it for me?" Sr. Mary quickly caught on.

She realized that people are embarrassed to admit they can't read. But her energy is amazing to behold. She quickly signed up for a course that teaches reading to adults and before long had encouraged other members of the community to sign up to teach. Regularly in the evenings, little groups of tutors and their students gather at the center, often under the guise of "improving spelling."

Estella Jackson works in maintenance at the high school during the day. A few years ago she earned her GED, and when Sr. Mary was looking or volunteer tutors, she volunteered. Tutoring, she feels, helps her give back "a little something to help somebody else.

"At the end of the day, this body be tired," says Estella Jackson. "It took me all my life to get in a position to help somebody. I enjoy helping them. But it's more than that. When I watch my four students read a book, I'm inspired by them."

"I just love Sr. Mary," says Lee Doris Smith, a student at the center. "She's helping me with my reading. I always wanted to improve it, but I never did. Now if I get a letter, no one else has to read it to me; I can read it myself. My letters are nobody else's business."

"Excuse me," she says. "I chew tobacco." She spits. "The best thing is I can read a book to my little niece here. She can write and she's only four years old. Go on, girl, show the lady how you can write."

One of the greatest needs in the area is transportation. Many people don't have cars, so when they need to go somewhere, they pay a neighbor to take them. A visit to the doctor can cost not only the doctor's fee, but a hefty fee for transportation.

"When you're 15 miles away from what you need and you have no transportation, you might as well be 150 miles away," says Marva Bradshaw, administrator for the Lincoln County Department of Human Services.

"There's a mindset of hopelessness here," she says. "People just accept the hardships because this is the way life is."

"If I want to go to Little Rock tonight, I get in my car and go. But if you don't have a car there's no way to get away."

The St. Elizabeth Health Center van has been made available to people in the area. There is a minimal charge, depending on where the person wants to go. Visits to Little Rock or Pine Bluff for specialty care are free.

Teen pregnancy is another problem. "It's accepted here that if you haven't had a child by the time you're 17, something's wrong with you," says Marva Bradshaw. "It's babies having babies."

"It's not that the kids in Gould don't have dreams," says Sr. Mary. "It's that their dreams are so easily traded for a short-term fix. A baby means food stamps, which represents freedom to them. But over time, their self-esteem decreases."

Lisa Bass, who administers health education for a several-county region for the Department of Health, wants to join with St. Elizabeth Health Center to seek a grant to prevent sexually transmitted diseases that are widespread among youth. "Just last night a friend of mine was at my house." she says, "and we were trying on clothes. My friend saw some petroleum jelly on my bureau and asked me what it was for. I told her for chapped lips. 'Oh, no,' my friend said. 'It's to keep from getting pregnant.' Can you imagine? That was a girl I've known all my life!"

The need for education is obvious. Sr. Mary suggests that in applying for the grant they propose a collaborative effort among St. Elizabeth Health Center, the local high school, and the Department of Health. It is critical, she emphasizes, to involve the students.

They agree to ask the principal to appoint five to seven high school students to a committee to plan programming for the rest of the student body. Sr. Mary agrees to contact the principal.

"We've got to start believing again," she declares. "We've got to change the mindset of hopelessness."

In another attempt to change the mindset, St. Elizabeth Health Center has leased a building on main street for $1 a year for 8 years. It is falling apart, but Sr. Mary has already worked with four youths to clean out the years of "stuff" that had accumulated in it. She has been promised $2500 if she can get matching funds, which she is attempting to get through bake sales and other community endeavors.

With the money and with the community's help, the building will be renovated as the site of Lend-A-Hand, a store for donated clothing and goods. Sr. Mary wants the building to make Gould proud. She hopes it will look like a boutique and be the first of many buildings on main street to be revitalized.

"In a place like this where there are no professionals, there's not much you can do about the economic conditions," says Ernest Bradshaw. "You can't put a price on what Sr. Mary and Sr. Joan give this town.

"Our people are as good here as they are anywhere." he says. "But pride comes when people feel good about themselves. A lot of the folks here can't afford healthcare. And since they can't afford it, they don't get it. And if they feel bad, they don't want to do things for the community."

Through the years Ernest Bradshaw has made a lot of bank loans to people who could not afford healthcare. "A person comes in here and says, 'I got to have money or the doctor won't see me.' Seems like it kinda defeats the purpose of the Hippocratic oath," he muses.

"Rural America is in a bad state; you read about it all the time. But Srs. Mary and Joan, they're slipping up on this town. They just may be demonstrating something here that will catch on in this country.

"They invigorate this community. God didn't just put us here to satisfy our wants. He put us here for service. I'll be 65 in August and I think I'm more excited about this town than I ever was."

Sr. Joan feels the nurse practitioner model is particularly effective in places such as Gould that cannot attract physicians. Nurse practitioners can handle between 75 and 80 percent of the cases in a family practice setting. A physician comes to St. Elizabeth Health Center from nearby Dumas for three hours on Tuesday afternoons.

In addition to just being there, nurse practitioners spend time with patients and give personal hands-on care. "For folks who always feel like nobody has time for them or who aren't skilled at describing symptoms, this type of care is a godsend," according to Sr. Mary. "A lot of healing happens just in the process of being heard," she smiles.

The Daughters of Charity Fund for the Poor has provided a sizable amount of funding, and the state indigent healthcare fund came up with $60,000. The hope is that the center will become self-sufficient, supported by patients and by outside grants.

St. Vincent Infirmary in Little Rock has been wonderful in its support of the center, according to the sisters. A phone call from Sr. Joan or Sr. Mary to the mission coordinator has resulted in free care and free stays for patients who otherwise would not have gotten the specialty care they needed.

Providing healthcare in Gould is not without its legislative challenges. Arkansas law prohibits nurse practitioners from prescribing drugs. All prescriptions Sr. Joan writes are faxed to the pharmacy nine miles away in Dumas. The pharmacist calls the medical director of St. Elizabeth Health Center for permission to fill the prescriptions. Each day, in the late afternoon, someone from the pharmacy travels to Gould, where he must wait until the patients pick up their prescriptions.

An attempt to change the law failed in the legislature earlier this year, but St. Elizabeth Health Center executive director George Muse is optimistic that the legislature will eventually expand the role of the nurse practitioner to include basic prescriptive authority. "It's a turf battle," he asserts. "The Arkansas Medical Association doesn't want to surrender any of its turf." Thirty-five other states have granted such authority to nurse practitioners.

Martha Jennings worked as a nurse's assistant for many of her 56 years. Now she is in constant pain and incapacitated by health problems. She has had no income since she left her job in December. In March, she underwent surgery at St. Vincent Infirmary. Everything at the hospital was free, including her month-long stay.

She has been denied Social Security Disability because on paper it would seem that she can work. Yet she has no transportation and Gould does not offer any opportunities for employment. "I get by on the grace of God and people's hearts," she says. Sr. Mary is helping her make an appeal to the Social Security office.

"It's easy to want to make big changes," say Sr. Mary. "But here the smallest effort has an impact. If you can just help some of the people cope, you feel like it's been worthwhile."

"We hopin' and prayin' that the sisters will stay," says Lee Doris Smith. "A few years ago some folks started a daycare center, but it didn't stay. Nothin' stays here."

Martha Jennings calls Sr. Mary when she gets depressed, "I don't know what I'd do without her," says the longtime Gould resident. "The sisters are a blessing," she sighs wiping away tears of pain and frustration. "I hope they can stay here forever."

A GET WELL GREETING FOR GEORGE RUSSELL

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MFUME. Mr. Speaker, I rise today to send my best wishes to the family and friends of Mr. George Russell. For the last 17 years George has been with the Office of the Official Reporters of Debate. George has worked everyday that the House is in session to produce the voluminous CONGRESSIONAL RECORDS for this great body and the Nation.

On Wednesday, September 18, 1991, George Russell suffered a heart attack while driving from the Capitol to his home in Baltimore, MD. George has been in a coma in Baltimore's Bon Secours Hospital ever since.

George Russell first came to the Hill from the Government Printing Office in 1974 upon the recommendation of my predecessor Parren J. Mitchell. Congressman Mitchell recommended George for a position in the Official Reporters Office to then Speaker of the House Carl Albert. Speaker Albert accepted the recommendation and George has been a welcomed addition ever since.

I am sure that all Members will agree that George is one of the best loved and well respected persons in the well of the house. George has observed and recorded many historic debates of this august body. His knowledge of the floor and the invaluable assistance that he has provided my office makes me especially proud to be his Member of Congress.

In closing, I extend my prayers and best wishes to George, his daughter Diane Tolbert—a staffer with Representative TIM VALENTINE—and his entire family during their time of concern and need.

George, please hurry up and get well because there is a strong bipartisan coalition that already misses you.

THE CHILDREN AND PREGNANT WOMEN'S HEALTH INSURANCE ACT OF 1991

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MATSUI. Mr. Speaker, today I am introducing the Children and Pregnant Women's Health Insurance Act of 1991 to provide universal access to health care for all pregnant women and children up through age 21.

One out of every eight dollars that Americans spend now goes to health care. Despite this expense, one-seventh of the population goes uninsured. We all are familiar with the ofter repeated statistic of 37 million Americans with no health insurance.

What is most tragic about the numbers is the fact that one-quarter of the uninsured population is children under the age of 18; that is 8.3 million children under 18 years old who have no health insurance coverage. Add to this figure another 6.4 million youths between 18 and 24 years old who lack health insurance. Thirteen percent of the Nation's children go without adequate health care.

Today I am introducing legislation that would dramatically change these facts. The Children and Pregnant Women Health's Insurance Act of 1991, which is modeled after a proposal by the American Academy of Pediatrics, would provide comprehensive health care services to all pregnant women and children up through age 21, regardless of their employment or economic status.

I adopted this approach because it is realistic. Let's face it, no one piece of legislation will solve the health care crisis. The problem is too big, and the Bush administration refuses to enter into the debate with its own solution. But every journey begins with a single step and today I am taking that step. My bill is but a part of the solution to an enormous problem, but it is at least a start.

It is our responsibility as leaders to give all children the very basic gift of being born healthy by making sure their mothers receive adequate prenatal care. It is also our responsibility to ensure that all children stay healthy throughout their youth by providing them with basic health care services, such as immunization against childhood disease.

The United States is among the wealthiest of nations, yet when it comes to providing basic health care to pregnant women and children, our Nation fails miserably. The United States ranks 21st in the world in preventing infant deaths. Each year, 40,000 babies born in America die before their first birthday. These deaths can be prevented through making available basic prenatal care to pregnant women.

Unfortunately, things do not get much better for American children once they are born. Nearly 20 percent of all children have not been to the doctor in the past year. This means these children are not receiving immunizations to prevent diseases like mumps or measles. It also means that minor conditions may go undetected and untreated. While this may seem unimportant, it is not. An ear infection, left untreated, can result in a significant loss of hearing.

In 1990, 30 percent of children were not immunized against childhood diseases such as measles, mumps, or rubella. As a result we have seen the incidence of these preventable diseases jump dramatically in recent years to epidemic proportions in some areas.

This crisis in the delivery of health care services is not experienced only by low-income children. Almost two-thirds of uninsured children have at least one parent who works full-time, while another 13 percent have a parent who works part-time. Only 20 percent of uninsured children live in families in which neither of their parents works. Today you will be hearing from two families who live every day with the consequences of the health care crisis.

This is why this legislation is so critical. Any reforms in the provision of health insurance coverage must build upon the current system and must occur through a partnership between the public and private sectors. Federal and State governments must join together with business to ensure that health of the Nation's children.

For this reason, I have based the Children and Pregnant Women's Health Insurance Act of 1991 on the "pay or play" model. It builds upon the current employer-based health insurance model by requiring employers to extend health insurance coverage to pregnant women and children. Employers can accomplish this by either purchasing a qualified insurance plan or by paying into public fund that would purchase health insurance for pregnant women and children.

The public plan would be administered through the States. Each State would be required to establish a state children and pregnant women health plan to contract with private insurers to provide health care services to pregnant women and children not covered under an employer-sponsored plan. By providing insurance-based coverage for both the public plan and the employer-sponsored plans this legislation provides a measure of equality, and eliminates much of the stigma attached to receiving health care coverage through a public plan.

All insurance plans, under both employer-sponsored health plans and State plans, would be required to provide a standard package of benefits, consisting of preventive, major medical, and extended medical care. Preventive care applies to routine preventive care for infants and children, such as immunizations and dental care, as well as prenatal care for pregnant women. Major medical care services include physician and hospital care, as well as the services of other health care professionals. Extended medical services include such services as mental illness and substance abuse treatment, speech, occupational, or physical therapy, and hospice or respite care.

One of the major problems facing smaller employers is their inability to afford health insurance coverage for their workers. The Children and Pregnant Women's Health Insurance Act of 1991 would correct this problem by instituting insurance reforms for small employers. Federal standards would be put into place to prohibit insurers from denying or limiting coverage based on health status, claims experience, medical history, or lack of evidence of insurability of an individual. Insurers also would be prohibited from applying a pre-existing condition exclusion. The bill also would provide small employers with guaranteed renewability of health insurance plans.

Cost is also a major issue in the current health care reform debate. While this legislation does not seek to answer the larger cost containment questions, I have tried to apply the lessons learned throughout the 1980's as we worked to contain costs under Medicare. This legislation takes the methodology for reimbursing providers under Medicare and adjusts those payment rates to take into account differences in the services provided to the Medicare population and the services to be provided to pregnant women and children.

We must seize the opportunity to invest in the future of our Nation's children. For the dollars spent on prenatal services and preventive health care for children, many more are saved in long-term health care and societal costs. The future competitiveness of the United States depends on the investment that is made now in the health and well-being of the Nation's children. The steps taken today can make the America of the 21st century even stronger and healthier than the America of today. The Children and Pregnant Women's Health Insurance Act of 1991 takes a significant step toward ensuring this future.

A SALUTE TO DR. PAUL V. CAVALLI OF THE MEADOWLANDS HOSPITAL MEDICAL CENTER

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. GUARINI. Mr. Speaker, I would like to take this opportunity to salute Dr. Paul V. Cavalli of the Meadowlands Hospital Medical Center, who has dedicated his life to improving medical services in Hudson County and northern New Jersey.

The Meadowlands Hospital Medical Center and the medical community of New Jersey this Sunday will celebrate Dr. Cavalli's achievements and his 15 years of service as president and chief executive officer of the hospital. This acknowledgement of his work will coincide with his move from president of the medical center to chairman of its board of trustees.

Dr. Cavalli was the force behind the creation of the hospital in the early 1970's. Opened in 1976 and originally named Riverside General Hospital, the medical center helped spur growth and development in its home of Secaucus, NJ.

The impetus for this medical center was Dr. Cavalli's belief that northern New Jersey and especially Secaucus needed more medical services to keep pace with the growth of the region. Dr. Cavalli's foresight was proven as Secaucus grew during the 1980's into a major corporate and retail center.

Since opening Riverside General, Dr. Cavalli has been its guiding force through many changes and expansions. In 1986, a prominent California health care system, Unihealth America, acquired the hospital and the name was changed to Meadowlands Hospital Medical Center to reflect the growing importance of the Meadowlands in the region.

While Dr. Cavalli was able to transform his vision into a hospital through his personal will and determination, he also created a lasting facility by banding together numerous health care professionals. Dr. Cavalli founded Riverside General along with 130 partners. Three of his closest friends and partners—the late Dr. Joseph Colonna, Dr. Henry Molinari, and Dr. Anthony Lopresti—deserve special recognition for the role they played in this effort. Also deserving of recognition in the creation of the hospital is Helen Kennedy, executive vice president, who has worked with Dr. Cavalli for 27 years.

Dr. Cavalli's desire to create and run a first-rate medical facility in Hudson County came as no surprise to those who have known and worked with him through the years. He has looked to improve medical services in his home county, which is my congressional district, ever since he performed his internship during the 1950's at the Jersey City Medical Center.

A native of Union City, NJ, Dr. Cavalli returned to Hudson County and the Jersey City Medical Center after receiving his doctor of medicine degree in 1956 from the University of Turin. After finishing his internship, Dr. Cavalli served his residency in obstetrics and gynecology at the Margaret Hague Maternity Hospital in Jersey City.

In 1957, Dr. Cavalli entered private practice. In the middle and late 1960's, he formed partnerships with other doctors and founded the first medical professional association in the State of New Jersey. Such partnerships led to the eventual creation of Riverside General.

While working in private practice and throughout his time at Riverside, Dr. Cavalli continually displayed his dedication to the residents of New Jersey and the medical profession.

Dr. Cavalli served as the police and fire surgeon for Union City. Through this position he became a member of the Criminal Justice Planning Committee in Union City. He was also a member of the International Narcotic Enforcement Officers Association, a sheriff of Hudson County, and was an elected member of the Union City Board of Education.

Dr. Cavalli has also served on the board of directors of the New Jersey Hospital Association, the Hudson County United Way, and the Harmony Early Learning Center. He is an active member on the American Hospital Association and the Working With Hospitals to Influence Policy Committee.

In other charitable endeavors, Dr. Cavalli is involved with the American Cancer Society, the Girl Scouts of Bergen County, and the Columbians. He has also remained active in the Boy Scouts, after being active as a youth and achieving the rank of Eagle Scout, the highest honor a scout can earn. Dr. Cavalli has also served as president of the Hudson Hamilton Council Boy Scouts of America. In 1990, he was awarded the highest award a volunteer can receive from the council—the coveted Silver Beaver Award.

Clearly, Dr. Cavalli's contributions to Hudson County, the State of New Jersey and America are numerous. It is only fitting that the medical community of Meadowlands Hospital Medical Center and New Jersey praise this great man.

And it is with great pride that I ask you Mr. Speaker and my distinguished colleagues to join me in honoring Dr. Paul V. Cavalli.

A CONGRESSIONAL SALUTE TO GORDON JONES BOUTILIER

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. OLVER. Mr. Speaker, I rise today to pay tribute to Gordon J. Boutilier, a man who served as Scoutmaster of the South Hadley Falls Boy Scout Troop 302 for two decades. A picnic will be held on September 28, 1991 honoring the many contributions and years of service that Mr. Boutilier has made to scouting in the town of South Hadley.

The number of young men that benefited from Mr. Boutilier's dedication to scouting is great. Mr. Boutilier has given his time unselfishly to young scouts and the town of South Hadley.

"Gordy", as he is known to his friends and loved ones, is a model of selfless dedication, who captures the very spirit of volunteerism in this Nation. His family and friends should be very proud of his contribution to his community.

Mr. Speaker, I hope that you and the members of the U.S. House of Representatives will join me in saluting Mr. Gordon Jones Boutilier for his many years of dedicated service to his community and to Scout Troop 302.

1991 WORLD REFUGEE SURVEY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. WOLF. Mr. Speaker, the U.S. Committee for Refugees [USCR] has recently published its authoritative "World Refugee Survey," a moving and carefully documented report on the plight of the world's refugees and internally displaced people. USCR is one of this country's most respected humanitarian agencies, and this publication is an example of the high quality of its reporting on the need to protect and assist the world's uprooted people.

My own experience with the USCR has been on behalf of Sudanese civilians trapped in that country's vicious civil war. As USCR director Roger Winter says in his "Year in Review," the opening chapter of the Survey, this was a year of substantial deterioration in that country's tradedy, with the potential for "hundreds of thousands to starve to death."

In his article, which I recommend to my colleagues as an excellent summary of the conditions facing uprooted people worldwide, Mr. Winter lists the elements of a common agenda the United States and other nations should pursue to strengthen the world's response. He calls upon us to: "First, strengthen the multilateral humanitarian institutions; second, advance and institutionalize international protection and assistance for internally displaced people; third, promote successful repatriation and reintergration of refugees and internally displaced people, and fourth, ensure that victims of human conflict in the poorest, least strategically important countries of the world don't continue to be ignored."

I commend USCR for its vigilance and compassion, and urge my colleagues to read carefully the Survey's "Year in Review," an excerpt from which I ask to be reprinted below:

> There is increasing evidence that the apparent demise of the Cold War and the fear of collapse in the Soviet Union have combined to cost most refugees and displaced people whatever strategic value they may once have had. Several observers have suggested with respect to refugees and displaced people that, because the conceptual structure that defined "our interests" has changed, so too has our will to respond. It is increasingly clear that for many in the best-off nations of the world, the humanitarian needs of the poorest of the poor, those of least strategic importance, are fading from the even miniscule view they were formerly afforded.
>
> For most of us, the plight of Africa's victims, for example, is just not an issue, just as the gassing of the Kurds was not when it first came to world attention in 1988.
>
> Refugees worldwide—but especially in the less visible spots—have seen their actual level of care degraded, education of their children eliminated, their dependency deepened.
>
> It is critically important for those interested in humanitarian concerns generally, and humanitarian concerns in the third and fourth worlds specifically, to fight back, to organize to ensure that whatever "new world order" emerges from today's confusion and change adequately responds to the vulnerable uprooted victims of human conflict.

INTRODUCTION OF LEGISLATION TO ESTABLISH A SEPARATE PAYMENT FOR THE INTERPRETATION OF ELECTROCARDIOGRAMS UNDER MEDICARE

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to introduce legislation for myself, and 10 other Members of Congress, to establish a separate payment for the interpretation of electrocardiograms [ekg's] under the Medicare Program.

Last year, as part of the Omnibus Budget Reconciliation Act of 1990 [OBRA], the Congress enacted a provision which prohibited a separate Medicare reimbursement payment for the interpretation of routine ekgs that are ordered or performed during an office visit or consultation. Through the rulemaking process the Health Care Financing Administration added a relative value unit to each office or hospital visit to compensate for the elimination of the separate payment. I am concerned that these new payment regulations will adversely affect patient care. Clearly, the individuals who worked on OBRA 1990 had good reason to address the ekg situation. Ekg interpretation services have been significantly over-valued by the Medicare Program and there is little doubt that these high reimbursements set-up an incentive for over utilization. However, the provisions in OBRA 1990, I fear, have swung too far in the other direction. As the law currently stands, I believe there is an incentive not to perform an ekg.

The American Heart Association has stated that "* * * prohibiting reimbursement for ekg interpretations will reduce the appropriate utilization of this important diagnostic tool, particularly on behalf of the elderly. There are circumstances where skilled ekg interpretation is vital to the interests of these patients." Medicare beneficiaries should not be placed in this position. This is particularly troubling when you consider that heart diseases and strokes are the leading cause of death of older Americans—the very people the Medicare Program serves. Nor should physicians be placed in the position of having to perform a skill intensive procedure without being fairly compensated, or risk a malpractice suit because they have decided not to perform the service.

The other problem with the existing payment method is that it creates an inequity among specialties. There are certain types of physicians, such as cardiologists, who by the nature of their specialty perform more ekg interpretations than other physicians. They are more severely impacted by the new law because the small component which was added to office visits cannot possibly compensate them adequately for the number of ekgs they perform. In contrast, other physicians will be receiving compensation for a procedure they didn't even perform. Fair and rational payment for physician services is what the new Medicare fee schedule is designed to accomplish. It is wrong to pick out certain procedures and exclude them from the fair and rational standard which Congress has set. Such action undermines the entire process.

My proposal for correcting this situation is relatively simple. This legislation would re-establish a separate payment for ekg interpretations under the Medicare Program. This would be accomplished by splitting-off the relative value units that have been assigned by HCFA to office and hospital visits and consultations. In this way, separate payments can be made while maintaining budget neutrality. In addition, this prevents inequity among specialties, because the physician who performs the procedure is reimbursed for it, rather than all physicians receiving compensation regardless of whether they provide the service or not.

This legislation has several other provisions as well. First, it would require the creation of usage guidelines for ekgs, in order that physicians will know when it is appropriate to perform the procedure and have a means for gauging their actions. In addition, this legislation directs HCFA to evaluate the new value of ekg interpretations—as created by this legislation—to assure that it is a resource-based-relative value—the standard that all procedures under the fee schedule are required to meet. Finally, this legislation would mandate that a study be completed 2 years after this bill is put into practice to determine the trend in ekg use, as well as the cost of ekgs to the Medicare Program. This will yield concrete data for reexamining this payment system to judge if it is accomplishing the intended goal; to create an incentive neutral, fair reimbursement payment for ekg interpretation services.

I believe that this is a reasonable solution to a problem which a large portion of the medical community, your constituents, and other Members of Congress have recognized. I encourage my colleagues to join me in this effort by supporting this legislation.

TRIBUTE TO MR. ERNEST L. ALBANESE

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. APPLEGATE. Mr. Speaker, I rise today to pay tribute to a distinguished resident of Belmont County, OH, Mr. Ernest L. Albanese, who has been selected by the Flushing Masonic Lodge No. 298 to receive their "service to the community" award.

Ernie has been a dynamic leader in Belmont County educational circles for the past 60 years. He began his career in 1931 as a teacher and coach of athletics in Lafferty, OH. He went on to serve as superintendent of schools for the Lafferty School District from 1932–52. In 1943 he left this post to serve with the U.S. Navy. He returned to the position in 1946. He spent 8 years as an administrative coordinator in which he earned the title of "Mr. Consolidation" due to his district reorganization efforts. In 1958 he returned to the post of superintendent of schools for the Union local school district. In his next role as president of the Belmont County Board of Education, Ernie, played a key role in obtaining the funds necessary to employ school psychologists, speech and hearing therapists, secondary and elementary supervisors and explored new territory in education for the handicapped.

Over the years, Ernie's contributions to the life of the community have been extensive. He served on the board of directors of the American Red Cross, was chairman of the Belmont County Children's Board, as well as the campaign director for the Belmont County March of Dimes. These are just a few of the many leadership positions that he has held throughout his lifetime.

Ernie's many years of service have not gone unnoticed. His extensive list of awards and citations include: the Good Conduct Service Award for his service in the Navy, the honor citation award for 25 years active service as an Ohio school administrator, and was dubbed "the man responsible for the Union local school district" in their yearbook supplement.

Ernie is a man who gives his all to everything that he attempts. He has been a community leader, strong family man, and a recognized authority in areas of public administration, school law, and finance.

Mr. Speaker, it is my distinct privilege and honor to ask my colleagues to join with me in acclamation of Ernest L. Albanese, a leader in the community and a role model for us all.

COMMON LANGUAGE IS COMMON SENSE

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. EMERSON. Mr. Speaker, the Language in Government Act now has 100 cosponsors in the House. We are well on our way to knocking down language barriers and establishing the language of opportunity as the official language of the Federal Government.

The success of the American Dream of a good life for all our people depends on the unity and stability we enjoy under our unique system of Government. Common language plays a powerful role in this system. Why? Because our democratic Government depends on communication. It's our common language that keeps folks in touch with the representatives they elect. It's our common language that keeps the discussion lively in our marketplace of ideas.

The hopes and aspirations for a better life—better known as the American Dream—have motivated millions of people to immigrate to the United States. They come from every corner of the globe. They maintain their language, culture, and heritage; they meet new neighbors from many foreign lands, and they adjust to their new country. In a word, they become Americans.

Some folks are bent on redefining us not as a united nation of individuals, but as members of separate ethnic or cultural groups. They are right to point out that we are Mexican-American, German-American, African-American, and Chinese-American, but they seem to forget that we are all Americans. The majority of Americans reject this fragmented vision of our country. The majority of Americans look at America as a whole, a rich and colorful fabric bound by the thread of a common language.

It is time for Americans to speak to the Congress about this issue, and for the Congress to respond. It is time to tell our Congressmen and Senators that we support a united America bound by the secure tie of a common language. It is time to let the Congress know that our vision of America is one Nation, indivisible, not splintered by language or race or ethnic fragmentation.

As Americans, we cannot allow our Nation to be segregated along language lines. We must include every race, every ethnic group, and every culture in our democratic Government. We must respect the rights of each individual to maintain his or her cultural heritage. But our Nation's unity must also be respected.

The English language has served as a bond for a people who have little else in common, who share neither a common religion, nor ethnic heritage, nor race. We live together in peace because our unity provides a framework for diversity. We must not sacrifice the common strengths of our Nation on the altar of linguistic diversity. We must not let our language differences tear us apart.

Common language is common sense. Ninety-nine of my colleagues and I are taking that message to Congress as we work to pass common language legislation. I urge each of my colleagues to join us in this effort by cosponsoring H.R. 123.

By advocating a common language, we are not advocating uniformity. We are a united nation of individuals exercising individual rights and freedoms passed down to us by our forefathers. Our country is a glorious mosaic held together by common values, common goals, and common language. We inherited this precious Nation from our forefathers, and we will leave it, united and strong, for generations to come.

SUPPORT FOR H.R. 1300

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. YATES. Mr. Speaker, the health of our people is basic to the Nation's strength and security and today I am pleased to join in the effort to build support for H.R. 1300 and a national health program.

All of us are familiar with the awful fact that more than 30 million Americans have no health insurance, but it is equally important to know that the number continues to grow and for millions of our people the health insurance coverage that they have is now much less comprehensive and is much more costly. It is time for action and that is what H.R. 1300 is designed to accomplish and that is why I am a sponsor. This is a critical issue and I can tell you that the public wants us to proceed with a Universal Health Care Act.

I wish the Bush administration, with its persistent talk about national security, could recognize that the continuing decline in health care is weakening the United States. The humane, practical and necessary course of action is to support national health insurance and I urge our President and his administration to join us.

HONORING CENTER POINT ALCOHOL AND DRUG ABUSE SERVICES OF MARIN COUNTY, CA

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mrs. BOXER. Mr. Speaker, I would like to recognize a very special organization, Center Point Alcohol and Drug Abuse Services, of Marin County, CA. Center Point is celebrating its 20th year anniversary of providing alcohol and drug abuse services to Marin County and the surrounding San Francisco Bay Area.

Center Point was founded in 1969 by two recovering addicts who rented a house and opened their doors to others in need. Working on an extended family model, the few people with jobs supported those without.

In 1971 the organization was incorporated, a board of directors was selected, and a tax-exempt status was established.

In the 20 years since incorporation Center Point has provided critical drug and alcohol abuse services to the community. In the 1989–90 fiscal year alone Center Point served nearly 6,300 clients in its residential, detoxification, drop-in counseling, sober hotel, day treatment, assessments and outreach programs. In the same year Center Point responded to over 10,000 telephone requests for information and referral. Much of this was made possible by the maintenance of an active volunteer pool which provided over 13,000 hours of volunteer services in 1989–90.

Milestones include the purchase of a 40-bed residential facility in 1989 with a conventional bank loan and no Government or foundation support, and the attainment of five Federal grants in 1989 and 1991, with an aggregate value of over $3.8 million.

Finally, Center Point has successfully implemented the first comprehensive perinatal outreach/treatment drug and alcohol program for women and their children in the county, a program funded by the U.S. Department of Health and Human Services.

Mr. Speaker, on Saturday, October 5, 1991, Center Point Alcohol and Drug Abuse Services will celebrate its 20th anniversary of service to Marin County and the surrounding bay area community. I ask my colleagues to join with me in saluting this outstanding organization and in wishing Center Point continued success in years to come.

HONORING BRONX PSYCHIATRIC CENTER PATIENT RECOGNITION DAY

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. ENGEL. Mr. Speaker, for the third year in a row, the board of visitors of the Bronx Psychiatric Center is holding a "Patient Recognition Day" to honor those who have significant progress on their path toward eventual discharge back to the community.

Patient Recognition Day actually honors the efforts of many people whose dedication have contributed to the recovery process. There are the staff and professionals at BPC, who put great care into and take great pride in their work. There are the board of visitors, led by president Sylvia Lask, who oversee the center on behalf of the Governor of New York State. There are, of course, the family and friends of the patients, who lend so much support and understanding.

The greatest honor, however, is reserved for the patients who have trusted and worked with all the people I mentioned above. As its name suggests, Patient Recognition Day is the time we set aside to applaud them for the great strides they have made and encourage them to continue on their path to recovery.

It is my honor to pay tribute to all the people who make this day something special in my district.

UPPER SALFORD TOWNSHIP MARKS 250TH ANNIVERSARY

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. SCHULZE. Mr. Speaker, I would like to extend my hearty congratulations to the Upper Salford Township in the Commonwealth of Pennsylvania. 1991 marks the 250th anniversary of Upper Salford Township.

Upper Salford Township was originally established in 1741 upon the partitioning of the provincial colonial township of Salford, PA. While it has undergone many changes, it has remained essentially an area of open spaces with several village centers comprising the bulk of the population. The township has retained much of its village spirit and warmth since its inception. Upper Salford, primarily residential, endeavors to retain its rural atmosphere and is today known for its stability as a close-knit community.

It is with great pride that I congratulate the residents of the Upper Salford Township upon their 250th anniversary. It is my wish that their October celebration will be a great success and they will continue to enjoy peace and prosperity in the next 250 years.

INTRODUCTION OF TRIBAL SELF-GOVERNANCE LEGISLATION

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. MILLER of California. Mr. Speaker, today I am introducing with my collegue from Arizona [Mr. RHODES] the "Tribal Self-Governance Demonstration Project Act."

This bill amends the Indian Self-Determination and Education Assistance Act to extend the period of time and the number of tribes for the self-governance demonstration projects authorized under title III of that act. These demonstration projects allow tribes to establish spending priorities and enter into compacts directly with the Secretary of the Interior.

These projects hold great promise for improving the future of Indian affairs. The demonstration projects reflect a true exercise of tribal self-determination and serves as an example of how a government-to-government relationship can, and should, work. It allows the United States and the tribes to negotiate and enter into agreements as governments.

Although these demonstration projects were authorized in 1988, the first compacts were not negotiated until 1990 when seven tribes entered into these historic agreements.

Initially, this authority was to only last 5 years. However, given the delays in implementation, the projects only became a viable last year. In order to have a true demonstration project these tribes must be given additional time so that we can fairly evaluate this approach.

It is similarly important that we examine a larger number of projects with a variety of Indian tribes to determine the project's effectiveness across the country. There is a growing interest among Indian tribes in pursuing self-governance agreements. This interest is based on the strong conviction among Indian leaders that tribes must take control of programs administered by the Bureau of Indian Affairs.

This bill is a companion to S. 1287 introduced by Senator MCCAIN. It extends the demonstration project authority 3 additional years and opens up the program to 10 additional tribes.

Mr. Speaker, I urge my colleagues to support this bill.

TSIMOURIS WINS NATIONAL HERITAGE FELLOWSHIP AWARD

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. BILIRAKIS. Mr. Speaker, I am proud to announce that one of my constituents will receive the National Heritage Fellowship Award from the National Endowment for the Arts. Nikitas Tsimouris is one of 16 people to receive the award this year and the first Floridian to ever win this prestigious award. Other recipients this year include blues guitarist B.B. King and Mexican-American singer, guitarist and composer Eduardo Guerrero. I applaud Mr. Tsimouris' skill and artistry.

The awards ceremony will be held on Thursday, September 26, 1991. This special day will be capped off by honorees performing in a NEA concert at the Lisner Auditorium. the concert will be hosted by CBS newsman Charles Kuralt.

Nikitas Tsimouris was born on the Greek island of Kalymnos—the island where my parents were born—and emigrated to the United States in 1968. He settled in Tarpon Springs, FL, where he owned and operated a contracting business. However, Nikitas' special gift is his mastery of the tsabouna or Greek bagpipe.

The tsabouna is a traditional Greek instrument made of a goatskin. The bag is filled with air blown in through the mouthpiece and the player hugs the bag in his arms squeezing the sound out through the chanter. The music was traditionally played by goat and sheep herdsmen on Kalymnos.

Mr. Tsimouris is considered the only expert tsahouna player in the United States. In 1989, Mr. Tsimouris received the Florida Folk Heritage Award and he recently participated as a teaching folk artist in the Florida Folklife Master-Apprentice Program.

Mr. Speaker, I am pleased to have the opportunity to honor this outstanding citizens. Mikitas Tsimouris is a talented artist who has breathed life into a little known aspect of Greek culture which many had considered extinct.

THE PUBLIC HEALTH CLINIC PRUDENT PHARMACEUTICAL PURCHASING ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1991

Mr. WYDEN. Mr. Speaker, earlier this month, the Bureau of Labor Statistics released the Consumer Price Index data for the month of August. For the most part, the report holds generally good news regarding inflationary trends in our economy. But health care inflation was running at four times the general inflation rate. For all Americans are being pounded by exploding health care costs, this is especially distressing news. Once again leading the pack were pharmaceutical manufacturers. Prescription drug prices jumped up 1.3 percent in August alone, an annual rate of almost 16 percent, over 50 percent faster than health care price increases.

Last year, Congress took action to secure the lower pharmaceutical prices for the $5 billion Medicaid prescription drug insurance program. Under that provision of last year's budget reconciliation bill, drug manufacturers must give Medicaid programs the "best price" they offer anyone in the U.S. marketplace. That legislation, initiated by Senator PRYOR, Representative COOPER, and myself, will save Medicaid over $3 billion in the next 5 years.

The new program is working well for financially strapped States. My home State of Oregon, for example, has submitted invoices to manufacturers for drug price rebates totaling over $1 million for the first quarter of this year. Because of the new law, they are looking forward, for the first time, to receiving big checks from manufacturers instead of always writing them.

But, Mr. Speaker, others are not so happy. The Veterans Administration, hospitals, and health maintenance organizations all report that drug manufacturers have been rapidly raising their prices to limit the amount of rebate payments they owe to State Medicaid programs. It is no coincidence that those hardest hit by price increases are those who formerly enjoyed the "best prices" in the U.S. marketplace.

I think it is clear what is going on here, Mr. Speaker: Some very large drug companies are "gaming" the new system. The stakes are high and the losers are the U.S. Government, veterans, and community clinics serving the homeless, the chronically ill, and those with low incomes. According to a report released September 19 by the General Accounting Office, the VA has been hit especially hard by drug price hikes. GAO found that on average, manufacturers raised prices to the VA at a rate double the already very high rate of drug price inflation in 1990. For 12 of the top 50 drug products that the Veterans Administration uses most often, GAO found that manufacturer prices' leap up exceeded 300 percent.

I agree that we need to help the Veterans Administration regain lower drug prices, and I am working with Chairman MONTGOMERY to find a way to do this without undoing the very successful program that is saving Medicaid billions of dollars.

But there is one group of health care providers who we can help right now: the community clinics. These clinics include black lung clinics, alcohol and drug treatment clinics, clinics that treat sexually transmitted diseases, and other community health centers funded through the Public Health Service. Prices for critically important drugs like methadone have doubled this year, on top of a 40-percent price hike last year, according to the National Association for State Alcohol and Drug Abuse Directors. Family planning clinics have been hit hard by oral contraceptive prices, which one manufacturer raised from $3.50 per month to over $22 per month—a 530-percent increase. This kind of price inflation is going to directly affect the number of people which can be served by these clinics and reduce the effectiveness of Federal public health spending.

I am pleased to be able to introduce a bill today which will help save these clinics some $30 million a year simply by giving them access to the same drug prices earned by Medicaid in last year's budget bill. This bill is companion legislation to a bill introduced on September 19 by Senator KENNEDY, who has worked long and hard with the community clinics to find a solution to this problem.

Mr. Speaker, I urge my colleagues to join Representative COOPER and me in providing some relief to these clinics, who have been burdened by unanticipated cost increases as a result of drug companies playing games with the Federal Government. I hope you will agree that these important community clinics deserve to be included in the prudent purchasing program enacted by Congress last year, and that you will support this legislation.

HOUSE OF REPRESENTATIVES—*Wednesday, September 25, 1991*

The House met at 10:00 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember in this our prayer those people who face the struggles of life and whose days are filled with illness or the anxiety of loneliness or despair. We pray, gracious God, that all people will realize a sense of hope and the prospect of better days. May each of us do what we can to encourage other people in their need, to support them by our prayers and with our resources, so that all your people will know they are accepted by Your grace, and also are surrounded by a circle of support in their daily lives. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New Hampshire [Mr. ZELIFF] please come forward and lead the Members in the Pledge of Allegiance.

Mr. ZELIFF led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed without amendment a joint resolution of the House of the following title:

H.J. Res. 23. Joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, and November 22, 1992, as "National Family Week."

The message also announced that Mr. RIEGLE, Mr. SARBANES, and Mr. GARN be appointed conferees, on the part of the Senate, on the bill (H.R. 1415) "An act to authorize appropriations for fiscal years 1992 and 1993 for the Department of State, and for other purposes" for the consideration of title X only.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1722. An act to provide emergency unemployment compensation, and for other purposes.

UNEMPLOYMENT COMPENSATION ISN'T GARBAGE, MR. BUSH

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, according to the Associated Press, last night President Bush referred to our unemployment compensation bill as "garbage."

Imagine the scene: A $1,000-a-plate fundraiser, a million-dollar political event, a room filled with people in fancy dress. To thrill the crowd, the President called our bill to help the unemployed "garbage."

Have you ever noticed, Mr. Speaker, that when the President dons a tuxedo, the press never calls it a photo opportunity? That is because this is the President's domestic agenda: Mingling with millionaires, raising campaign funds, calling the recession "no big deal," and referring to unemployment benefits as "garbage."

This President, Mr. Speaker, is out of touch with the way average working families live. Unemployment compensation is not "garbage," Mr. President, and neither are the people who need it. Helping people feed their families is not "garbage," and helping average families pay their bills is not "garbage."

RESTRICTION SOUGHT ON ENTRY OF CANADIAN SOLID WASTE

(Mr. PAXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, for 8 years the Department of Agriculture restricted Canadian solid waste entering the United States. For 8 years the practice worked, and it worked well.

All that changed, however, on July 16. That is when Agriculture's lawyers said the practice was not authorized by the regulations.

Mr. Speaker, this was a case where the lawyers tried to fix something that was not broken. Unfortunately, the consequences could turn the Northern United States into an international garbage dump. Buffalo produces 187,000 tons of solid waste a year, for example. But our neighboring city, Toronto, produces 4 million tons. And the cost? In western New York and northern Pennsylvania, the landfill costs are $35 a ton, and in Ontario, $150 per ton.

Clearly, if action is not taken soon, we will be looking at mountains of Canadian garbage coming across our borders. I am calling on the Agriculture Department to review this ruling. If the regulations do not allow restrictions, maybe those regulations should be changed.

As Congress takes up the Resource Conservation and Recovery Act this session, as we look at ratification of the Basel Convention, and as we extend the United States-Canadian Bilateral Agreement on Hazardous Waste, we had better address this very serious problem.

Mr. Speaker, let the United States take care of American waste, and let Canada take care of theirs.

PRESIDENT CALLS BILL TO HELP THE UNEMPLOYED "GARBAGE"

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, yesterday New Jersey Republicans paid $1,000 a plate to hear the President call our attempt to help out-of-work Americans "garbage."

Garbage.

I am not surprised.

After all, he was accompanied by the Secretary of the Treasury, who once said this recession was "no big deal."

Maybe from a $1,000-a-plate dinner you cannot see the emergency for hard-working Americans.

But I guess you can see the emergency for Kurds and Turks and people from Bangladesh.

Why this crazy double standard? Help for those overseas, neglect for those at home?

Mr. Speaker, the President says helping hard-working Americans is garbage.

I say can the rhetoric. Let us pass the bill.

SMALL BUSINESS PARTICIPATION IN THE SUPERCONDUCTING SUPER COLLIDER PROGRAM

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, last month the President signed a law appropriating funds for the construction of the superconducting super collider laboratory.

The super collider will be the world's largest instrument for high-energy physics research. Construction and operation of the super collider will insure our Nation's continued preeminence in science and technology.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

This new law provides that at least 10 percent of Federal funding for the super collider be made available to small minority businesses. As a result of this law, minority-owned firms that otherwise would have been closed out of the Super Collider Program will have the opportunity to compete for Federal contracts.

Small businesses are our greatest source of job growth. By opening the door for these businesses to participate in the Super Collider Program, Congress and the President struck a blow for small and minority firms—and for the country as a whole.

Mr. Speaker, I would ask my colleagues to remember, it is easy to say that you are all for small and minority business, but it is how you vote that really counts.

DOMESTIC AGENDA NEGLECTED BY THE ADMINISTRATION

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NAGLE. Mr. Speaker, today there are 9 million unemployed workers looking for a job in America.

Nearly 6 million Americans who want full time work are only able to find part time work.

Another 1 million workers have been looking for a job—without success—for so long they have simply given up.

I think many Americans—after hearing all the speeches and watching the TV commercials back in 1988 were pretty much convinced that George Bush and those around him shared our commitment to—and our belief in the value of—the work ethic.

But how can that be: When his Treasury Secretary reviews those same numbers and pronounces the situation "no big deal;" when his Budget Director sees those numbers and pronounces the recession over; and when the President himself formally declares the situation is "no emergency" and continues to concentrate on foreign affairs to the near exclusion of everything here at home.

Mr. Speaker, the Constitution clearly gives the President domestic as well as foreign responsibilities. He should attend to them.

□ 1010

VOTE AGAINST FLINT HILLS PRAIRIE NATIONAL MONUMENT

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, today the Committee on Interior and Insular Affairs begins marking up H.R. 2369, the bill that would establish a Flint Hills Prairie National Monument in Chase County, KS, in the heart of my district.

While I fully support developing the land privately, there is no role for the Federal Government in this project. The people of my district, in a survey with over 15,000 votes returned, actually oppose this by more than a 2-to-1 margin.

The surrounding landowners do not want Uncle Sam taking their land at some point in the future as he surely would. The National Park Service does not want the land, and the Federal Government cannot afford to maintain the parks it already owns.

There is nothing more beautiful than the gentle rolling slopes of the Flint Hills of Kansas. Under the superb stewardship of the farmers and ranchers of Kansas, the Z-Bar Ranch and surrounding land has actually improved over the last 30 years.

Mr. Speaker, it is time the Federal Government learned to say no. We can neither care for nor afford the Flint Hills Prairie National Monument. Vote for private enterprise and against wasteful Government spending. Vote against the Flint Hills Prairie National Monument.

STOP SADDAM HUSSEIN RIGHT HERE AND RIGHT NOW

(Mr. EDWARDS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Texas. Mr. Speaker, it is time for the United States to give Saddam Hussein an ultimatum: Either you release the United Nations hostages in Baghdad within 24 hours and comply with all United Nations resolutions, or we are coming after you. If possible, we will take you alive and try you for war crimes. But if you refuse, we will take you dead.

Mr. Speaker, 500,000 American citizens put their lives on the line for the world to rid us of the menace of Saddam Hussein and his weapons of mass destruction. Yet today Saddam is still in power and he is still hiding his weapons, his nuclear, chemical, and biological weapons.

We do injustice to all peace-loving nations in the world and to our American citizens who fought in Desert Storm if we do not rid the world of the menace of Saddam right here and right now.

LIFE, LIBERTY, AND THE PURSUIT OF MOSQUITOS

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, at the founding of our country over 250 years ago, our Founding Fathers drew their political philosophies from the writings of great thinkers of the time. Parts of our Declaration of Independence and our Constitution directly reflect the thoughts of great philosophers. It was from John Locke that Thomas Jefferson borrowed the great phrase, "life, liberty, and the pursuit of happiness."

What many Americans do not know is that Locke actually said, "life, liberty, and property." Jefferson made this change partly because he assumed that each American would always be able to secure his own property.

Obviously, Jefferson did not foresee the problem of wetlands.

If lands are actually wetlands, most people would not choose to purchase them, anyway. When I think of wetlands I think of a swamp, marsh, bog, or river edge. I certainly do not think of my backyard or a puddle, cornfield, or garden as a wetland. Yet, if there is standing water in my yard or on my land, then our Government would not even let me plant a rosebush or garden if I so desired. It sounds crazy, I know, but it is happening right now.

I urge Congress to clarify the definition of a wetland, so that ecologically valuable wetlands are protected, while land with puddles owned by farmers, builders, and citizens can be farmed and developed freely. Most importantly, we need to protect the principle of private property which was the foundation on which this country was built.

CALL FOR ADMINISTRATION TO RECOGNIZE INDEPENDENCE OF YUGOSLAV REPUBLICS

(Mr. SWIFT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWIFT. Mr. Speaker, Congress and the administration have watched events unfold in Yugoslavia and have perhaps too patiently—let the Government of Yugoslavia and the European Community attempt to bring peace to the region. But the recent attacks by the Yugoslav Army against Croatia, and their military movements into Bosnia, convince me that we have been patient and silent far too long. The violence we now see threatens to engulf the entire nation of Yugoslavia.

Thus I am calling on the administration to recognize the independence of the Yugoslav Republics, and quickly take measures to end the fighting. I commend the attempts by the European Community to broker a peaceful solution, but the time has come for decisive administration action to gain prompt U.N. intervention. In the past the United Nations has proven to be an effective peace-keeping and peace-enforcing body, and they should be called upon to carry out that role in this increasingly tragic circumstance.

Certainly there are ancient cultural differences at work in Yugoslavia, but this is not, as some would assert, simply an ethnic feud; rather, it is a fight of communism versus democracy. Democracy is being born in Yugoslavia, as it has been throughout the world, yet the Government of Yugoslavia fails to heed the lessons learned from events in the former Soviet Union; that is, individual republics should be granted their freedom and a plan for peaceful coexistence of all the Republics worked out. This is the only solution that will lead to a lasting peace, and the United Nations is the one that can best facilitate that peace.

ARE WITCH HUNTS AND DOG AND PONY SHOWS AVAILABLE FOR DEMOCRATS ONLY?

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, dig deep and you will find that Iran-Contra was really about releasing American hostages in the Middle East, and saving Central America from Communist dictatorship. Those were not bad motives. Yet scores of innocent people have been dragged through the mud in legal quagmires to satisfy an insatiable desire for partisan congressional investigation.

More recently, liars and fanatics have spread rumors of an alleged Republican conspiracy to hold Americans hostage in Iran in 1980, and again, we, or you, rush to judgment by way of an investigation. "The people have a right to know," you say.

Well, now just last week we have the sworn testimony of a trusted CIA chief to the effect that Members of Congress were openly negotiating and consulting with the Communist leadership in Nicaragua in contravention of United States foreign policy. Now, that is something worth investigating.

How about it, Mr. Speaker? Or are the dog and pony shows only available for Democratic witch hunts?

ROBERT GATES: I KNOW NOTHING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Robert Gates, the nominee for CIA Director, testified that he knows nothing about arms sales to Iran. Gates says he knows nothing about Oliver North. Gates says he knows nothing about Contras. Gates says he knows nothing about Swiss bank accounts. Furthermore, Gates says he knows nothing about October surprise.

Tell me, Mr. Speaker, how can Congress confirm a Director for the CIA that admits the only thing he really knows is nothing?

Mr. Speaker, the CIA is so screwed up that Congress cannot even return to the seniority system, because the most senior CIA official we have is Manuel Noriega, and when Mr. Gates was asked about Mr. Noriega, he says, "I know nothing."

SERVICE A THING OF THE PAST IN POSTAL SYSTEM

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BROOMFIELD. Mr. Speaker, you know all those red, white, and blue mailboxes? The ones placed conveniently on street corners so the sweet little old lady up the block doesn't have to walk 2½ miles through rain, sleet, or snow to mail a letter to her sister in Abilene?

Those convenient mailboxes are vanishing, and it's not the local vandals that are ripping them out of the sidewalks. It's the management of the U.S. Postal Service.

In an interview with the Detroit News, a Postal Service spokesman said this about the boxes: "I think they are really becoming a thing of the past."

It's not just the convenient post boxes that have become a thing of the past. Thanks to postal management, service is now a thing of the past.

I hope more of my fellow Members will sign on as cosponsors of my resolution that would create a commission to study the postal system. That's the only way we'll ever get postal management to restore the concept of service to the U.S. Postal Service.

Mr. Speaker, under permission to include extraneous matter, I insert an article from the Detroit News which appeared on September 20, 1991, regarding the removal of local collection boxes into the CONGRESSIONAL RECORD:

[From the Detroit News, Sept. 20, 1991]

MAILBOXES DWINDLE AS POSTAL SERVICE CUTS CORNERS

(By Rebecca Powers)

What's red, white and blue and everywhere?

The answer used to be mailboxes, but no more.

The once commonplace U.S. Mail bins slowly are vanishing from Metro Detroit.

Since April, postal authorities have repossessed more than 400 boxes in Oakland, Macomb, Livingston and Lapeer counties. Nationally, the number of bins has dwindled by thousands in the past decade.

Saving money is the motive.

"I think they really are becoming a thing of the past," said Howard Byrne, a U.S. Postal Service spokesman in Royal Oak.

That's riled local residents, including some who live in Southfield's Whitehall Apartments.

"I've got 344 apartments and no place for people to put their mail," said Whitehall manager Shirley Bennetts.

The elderly at Whitehall relied on the box that once stood beside their guard shack.

The Postal Service has advised customers to stick outgoing letters in their own mailbox for the regular carrier to pick up. That limits the number of mail trucks needed to empty corner collection boxes.

But many apartment dwellers said that doesn't always work and leaving mail on top of boxes isn't safe.

"The door opens, the wind blows and the mail is gone," Bennetts said.

The flap began about four months ago when residents, particularly in the Royal Oak-Southfield area, noticed their bins had disappeared.

Postal officials said they constantly monitor the contents of collection boxes. Those that routinely have fewer then 25 letters are relocated or relegated to storage. The Postal Service, which is self-supporting and does not depend on taxpayer dollars, says 24 letters or less doesn't justify paying a driver to make a pickup.

The service mandates that a collection box must be located every two miles.

Whitehall resident Gilbert Levine said removing the box hasn't saved a dime.

"The only thing they've achieved is to inconvenience elderly people," Levine said.

Levine said he can walk to a collection box outside a nearby office building. But, he said, snow in the winter makes that walk tough.

"I mailed a letter to my congressman to complain," Levine said.

THE ADMINISTRATION DOES NOT CARE ABOUT PROTECTION OF WOMEN AND MINORITIES

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, it now seems perfectly clear. This administration had no intention of passing a civil rights bill last time it passed in this body, and they have no intention of passing one this time.

But frankly, this time they have gone too far. Last night, Senator JOHN DANFORTH, a Republican, acknowledged that his latest attempt to modify a civil rights bill which would win White House support had failed. His latest attempt to appease included adopting language from the Americans With Disabilities bill which would require employers to prove that qualifications that tend to screen out minorities and women are job related. Need I remind anyone that the disabilities bill is one of the few things that the administration holds up as a domestic accomplishment.

And why did this attempt at a compromise fail? Because the administration believes that the same civil rights protections available to the disabled should not be available to minorities and women. This is absolutely incomprehensible to me.

I ask you, just how can the administration justify this rationale? Do they think we just won't notice? Do they think just because minorities and women have been discriminated against all their lives, they will continue to sit back and take it? Do they think we somehow feel we're not worthy of the same protections as the disabled? To all these questions, I say no, no, no.

Let me say this loud and clear to all those who are listening at the White House: We, in Congress, care very much about the protections of women and minorities as we do about the disabled. Think twice before you slam the door on this Nation's women and minorities.

CONGRESS MUST SCRUTINIZE INDEPENDENT COUNSEL POLICY

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, a chapter in our Nation's history was closed last week. All of the felony convictions against Lt. Col. Oliver North were dropped ending a 4½-year, multimillion dollar prosecution of the former White House adviser.

Frankly, I think this even should make Congress reexamine our current independent counsel policy. After 5 years, Lawrence Walsh has spent an unprecedented $40 million of taxpayer money. Even former attorneys for Mr. Walsh say it is not necessary to spend that kind of money, $40 million.

It was mentioned in the Washington Times by Marc Gottridge, a former deputy to Walsh who said, "The probe seems very hydraheaded and open ended."

Mr. Speaker, with our Nation's deficit escalating almost daily, we can't afford to waste a dime, let alone $40 million. Congress must carefully scrutinize such probes in the future to protect the taxpayer.

PASSIVE LOSS

(Mr. STALLINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STALLINGS. Mr. Speaker, I rise today in support of H.R. 1414, a piece of legislation that will help a few, who, in turn, can help the country as a whole. Allow me to explain.

The real estate industry is in a shambles. Prices have plummeted and there is a glut on the market of unsalable units.

The Resolution Trust Corporation is in possession of far too many parcels of real estate, and it can only expect to receive more. The Congress will soon be asked to provide an additional $80 billion to the RTC to continue its mission.

The FDIC is in trouble. Bank failures, due to bad real estate loans, have tapped out the FDIC. Congress will soon be asked to loan a huge amount to the FDIC too.

These problems directly and indirectly affect every American, because it is taxpayers who are paying the price. And not just todays' working men and women, but their children's and possibly grandchildren's tax dollars will be used to pay this debt.

Certainly a step in the right direction would be to get this real estate out of the hands of the RTC and banks and into private ownership. We need for this real estate to be in the hands of experienced and knowledgeable realtors, developers, managers who can make these properties work for us.

Return to a fair and equitable tax of passive losses will encourage these professionals to continue their business of productive property management, and hopefully save taxpayer dollars.

THE POLICE CORPS BILL

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Madam Speaker, later today I intend to offer as an amendment in the full Committee on the Judiciary during the markup today of the crime bill, legislation cosponsored in this House by the gentleman from Missouri [Mr. GEPHARDT], the majority leader, and the gentleman from Illinois [Mr. MICHEL], the minority leader, which would establish a Police Corps. This bill has been brought to us as well thanks to the leadership of the gentleman from Oklahoma [Mr. MCCURDY] who has long been interested in this subject, and the gentleman from California [Mr. DORNAN].

Let me describe for you the Police Corps. The Police Corps provides 4-year scholarships to young men and women in America who are willing to commit to serve 4 years with their local police department after graduation from college.

It is modeled on our successful, time-tested ROTC programs in which I participated as a high school and college student.

We all know that violent crime is dramatically increasing in America. Indeed, in the last 30 years violent crime has increased tenfold. We need to strengthen the quality of our police departments around the country.

Simply put, our citizens are becoming prisoners of crime. This proposal has broad support around the country and has had for many years.

If it is adopted by the Committee on the Judiciary today, it will become one of the finest and most promising aspects of this year's crime bill.

A DEFINITION OF GARBAGE FOR THE ADMINISTRATION

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Madam Speaker, I cannot believe that last night at a black tie $1 million, $1,000 Republican fund-raising dinner that the President called efforts to help people who lost their jobs by extending unemployment compensation as being garbage.

The American people want to work. The American people have a right to work. Some Americans need help in looking for work.

More than 1 out of 10 families sometime in this coming year will have somebody in their family who is out of work.

What is garbage is the idea that we need more tax breaks for the wealthy. What is garbage is that we need to give more power to big banks along with a $30 billion bailout, while ignoring the needs of middle class Americans.

My advice to the President and all other politicians who feel that way is to get out of the limousines, quit going to $1,000 a plate, $1 million dinners. Get on main street and listen to the average middle class American who is trying to struggle to make ends meet, some with a job and some without. They will have a different idea of what garbage is if they do that for a while.

IN SUPPORT OF THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Madam Speaker, I urge my colleagues to support the Emergency Unemployment Compensation Act. This bill seeks to provide a small measure of relief to many Americans who have worked hard all their lives. They have paid their taxes and now they are caught in a tough recessionary climate.

These are men and women from all walks of life and every part of our country. They are just trying to keep their heads above water financially, put food on the table and provide for their families.

Just yesterday I received a letter from a couple in Grundy County, TN, and I quote:

> My husband and I are both out of work. I'm on unemployment now, but he has drawn his out. We were hoping that President Bush would sign the extension, but I reckon he just thinks about the people overseas. I worked for 31 years at Altamant Shirt Factory and he has worked for TVA for 21 years. This is the first time we have both been out of work at the same time. See if you can help us out.

These are people who lost their jobs through no fault of their own. We must have some compassion and understanding about what it is like to face mortgage foreclosure and not be able to put clothes on your children's backs because your factory had been shut down or your company has experienced massive layoffs.

We have helped nations around the world. Now let us put America first.

I urge my colleagues to support the Emergency Unemployment Compensation Act. It is a vital lifeline for hundreds of thousands of jobless Americans.

A CALL FOR CONGRESS TO STAND UP FOR THE PEOPLE

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Garbage is it? I cannot believe the President of the United Sates looks at the unemployment compensation bill to help millions of Americans as a piece of garbage.

The real garbage is what caused them to be unemployed. Bad trade policy and taking American tax dollars and giving it to the rich to make them super rich. I think it is time to show the people of this country that Congress has guts and quit bowing to the President of the United States and start standing up for the people.

We can do that by overriding the expected Presidential veto, and I tell my colleagues this, for those who will not do that, they may become eligible for unemployment benefits next year.

□ 1030

WHAT IS WRONG WITH THE DEMOCRATS?

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Madam Speaker, we have heard a lot this morning from some of my good friends over on the other side of the aisle criticizing one of the greatest Presidents ever to serve in that capacity. But now where were the Democrats last Monday when the appropriations process should have been working on the business of the people? All these Democrat leadership people were out in California raising millions of dollars, and yet they criticize President Bush.

Yesterday, up in the Rules Committee, the Democrat leadership blocked our economic growth program that would have provided economic incentives, like the establishment of enterprise zones, to help all of the inner cities in America. Our Republican program would have established a permanent research and development tax credit, creating hundreds of thousands of jobs and making American business and industry competitive with foreign industry.

Our program would have increased the individual retirement account for all Americans with tax-free withdrawals for first-time home purchasers and for educational and medical expenses. It would have increased a first-time homebuyer tax credit of $1,000 for those with incomes of up to $41,000, something the young people in America really need today.

Most of all, it would have increased the Social Security earnings limit to $17,700 to help senior citizens who want to go to work, and yet the Democrats blocked it.

What is wrong with you Democrats?

Are you more interested in posturing than in solving the problems of the Nation? The Republican program would provide the American people with an employment check, not another unemployment check. Our program looks to the future; the Democrats are evidently stuck in the past.

What is wrong with you Democrats?

CONTINUING APPROPRIATIONS, 1992

Mr. WHITTEN. Madam Speaker, pursuant to the order of the House of yesterday, I call up the joint resolution (H.J. Res. 332) making continuing appropriations for the fiscal year 1992, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 332 is as follows:

H.J. RES. 332

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1992, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1991 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1991 and for which appropriations, funds, or other authority would be available in the following appropriations Acts:

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1992;

The Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992, notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 201 of Public Law 99-64 and section 701 of the United States Information and Educational Exchange Act of 1948;

The Department of Defense Appropriations Act, 1992, notwithstanding section 504(a)(1) of the National Security Act of 1947;

The District of Columbia Appropriations Act, 1992;

The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992, notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956;

The Department of the Interior and Related Agencies Appropriations Act, 1992;

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1992;

The Military Construction Appropriations Act, 1992;

The Department of Transportation and Related Agencies Appropriations Act, 1992;

The Treasury, Postal Service, and General Government Appropriations Act, 1992; and

The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992: *Provided*, That whenever the amount which would be made available or the authority which would be granted in these Acts is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this section as passed by the House as of October 1, 1991, is different from that which would be available or granted under such Act as passed by the Senate as of October 1, 1991, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, and under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1991: *Provided*, That where an item is included in only one version of an Act as passed by both Houses as of October 1, 1991, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1991.

(c) Whenever an Act listed in this section has been passed by only the House as of October 1, 1991, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the House, at a rate for operations not exceeding the current rate or the rate permitted by the action of the House, whichever is lower, and under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1991: *Provided*, That where an item is funded in applicable appropriations Act for the fiscal year 1991 and not included in the version passed by the House as of October 1, 1991, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by applicable appropriations Acts for the fiscal year 1991, at a rate for operations not exceeding the current rate and under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1991.

SEC. 102. No appropriation or funds made available or authority granted pursuant to section 101 for the Department of Defense shall be used for new production of items not funded for production in fiscal year 1991 or prior years, for the increase in production rates above those sustained with fiscal year 1991 funds, or to initiate, resume, or continue any project, activity, operation, or organization which are defined as any project, subproject, activity, budget activity, program element, and subprogram within a program element and for investment items are further defined as a P-1 line item in a budget activity within an appropriation account and an R-1 line item which includes a program element and subprogram element within an appropriation account, for which appropriations, funds, or other authority were not available during the fiscal year 1991, except projects, activities, operations, or organizations relating to "Operation Desert Shield/Desert Storm": *Provided*, That no appropriation or funds made available or authority granted pursuant to section 101 for the Department of Defense shall be used to initiate multi-year procurements utilizing advance procurement funding for economic order quantity procurement unless specifically appropriated later.

SEC. 103. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 104. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1991.

SEC. 105. No provision which is included in an appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1991, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution.

SEC. 106. Unless otherwise provided for in this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) the enactment of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) October 17, 1991, whichever first occurs.

SEC. 107. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 108. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 109. No provision in any appropriations Act for the fiscal year 1992 referred to in section 101 of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this joint resolution.

SEC. 110. Appropriations and funds made available by or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provisions of law governing the apportionment of funds.

SEC. 111. Notwithstanding any other provision of this joint resolution or any other law, the amendments made by sections 8012 and 8013 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) shall remain in effect through the period covered by this joint resolution.

SEC. 112. Notwithstanding any other provision of this joint resolution, except section 106, activities funded in the National Science Foundation's United States Antarctic Logistical Support Activities account shall be maintained at the current rate of operations.

SEC. 113. Notwithstanding any other provision of this joint resolution, except section 106, activities funded in the Federal Communications Commission's Salaries and Expenses account shall be maintained at the current rate of operations.

The SPEAKER pro tempore (Mrs. KENNELLY). Pursuant to the order of the House of Tuesday, September 24, 1991, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Madam Sepaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of House Joint Resolution 32, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Madam Speaker, I yield myself such time as I may require.

Madam Speaker, fiscal year 1992 begins next Tuesday. We began hearings on the fiscal year 1992 appropriation bills on February 4, 1991, the day the President's budget was submitted to Congress. Our committee took testimony from over 5,200 witnesses on 271 hearing days, which was printed in 89 hearing volumes, over 98,300 pages.

All 13 bills passed the House by July 25 by substantial margins. These bills are all within the committee's allocation pursuant to the concurrent budget resolution.

The committee's action continues to result in reduced spending. Since 1945, the committee has held the total of all appropriation bills $180.8 billion below the total requested by Presidents.

Two bills have been signed into law and conferees were appointed on eight bills yesterday.

The Senate has added almost 1,400 amendments to these eight bills.

The staff has been working with our Senate counterparts to work out the differences for the past weeks, and conferees have begun meeting. We expect to have agreements ready for floor consideration next week.

Obviously we need a short-term continuing resolution to keep the Government operating. This goes to October 17. It continues programs under 1991 terms and conditions at: First, the lower of House or current rate for bills passed only by the House; or

Second, the lower of House, Senate, or current rate for bills passed by both the House and the Senate.

No extraneous issues are included in this resolution. The provisions of this continuing resolution apply only until October 17, 1991, or until the regular annual appropriation bills are enacted into law, whichever one comes first.

I recommend the adoption of this resolution so that the Government does not have to close. And I might add, a few years ago the administration let the Government lapse at a cost of about $5 million. We must not let that happen again.

Madam Speaker, I reserve the balance of my time.

Mr. MCDADE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of this legislation, which is a short-term, stop-gap continuing resolution to keep the Government operating through October 17.

The summer heat has broken, Madam Speaker, and soon we will be picking those last red tomatoes off the vine.

For those who spend too much time around Washington, they know it is also the season for the annual struggle to finish the 13 annual appropriations bills that fund the Federal agencies and programs for the new fiscal year that starts next Tuesday.

The good news is that we are quite far along in the process. Two bills, energy and water, and legislative, are signed into law. A third, the District of Columbia, is quite close. After the actions we took in the House yesterday, eight more are now at the stage of resolving the differences between the House and the Senate in conference, and Defense will soon be joining that list.

The bad news is that this process will not be completed by next Tuesday, the start of the new fiscal year and so we must take action to keep the Government operating on an interim basis until the remaining bills are completed.

That is what this legislation does, pure and simple, no more and no less. Believe me, I am no defender of the need for this kind of legislation, which is known as a continuing resolution [CR].

I would much rather have our work done at the beginning of the fiscal year. But so far as this continuing resolution is concerned, it meets the test and is acceptable. Let me tick off a few of the major elements:

It is first of all short-term, through October 17.

Second, it requires a restrained level of spending.

In fact, it adopts a formula that was offered by my good friend, the Republican leader, Mr. MICHEL, last year. Every program can spend at the lowest level of spending provided either last year, or in the House-passed bill, or the Senate-passed bill, if there is one. But whatever the level, it is the lowest level.

If you annualized the rate of spending in this CR, total spending would be something like $40 billion below the total we will ultimately appropriate for fiscal year 1992.

It requires that programs operate under the terms and conditions provided in last year's bills, so that no major policy changes can go into effect prior to completion of the regular bills.

And it contains no extraneous provisions at all. There is no mischief in this.

The administration, no happier than any of us are about the need for a CR is prepared to accept it in its current form.

On that basis, I am prepared to support it, and publicly to thank the distinguished chairman of the committee for his work and his cooperation in putting together a clean, short-term CR.

I want to close by expressing a cautionary note. We need to be working on completing our bills. If the Senate should decide to go out of session for an extended break around the Columbus Day holiday, it will be difficult to complete work on conference reports. And it would be a mistake, a grave mistake, if we come back here on October 17 with little to show in the way of progress.

I know there is talk about this Congress staying in session through October, November, and some say even beyond. But I hope this Appropriations Committee will not be the excuse for a prolonged session. We need to be working, and working hard. For if we dally now at completing our appointed rounds, it will get harder and harder to reach agreement on the need for any further CR's.

Madam Speaker, I support this measure, and I urge my colleagues to do likewise. But I also call on my colleagues, and the leadership, on both sides of the aisle, to push toward rapid completion of the remaining appropriations bills.

We have got a job to do, Madam Speaker. We can do it. Let us do it.

Mr. PEASE. Mr. Speaker, today I rise in strong opposition to House Joint Resolution 332. We are considering this resolution only because Congress has not dispensed with its business in a timely manner. There is no justifiable reason that Congress has not passed the appropriations bills in time for the beginning of the new fiscal year.

Mr. Speaker, the American people expect Congress to be able to handle its normal business. Congress considers appropriations bills every year, and it should be able to arrange its affairs so that they can be completed on time. This is particularly true this year, since last year's budget agreement has removed much of the debate that has surrounded prior years' bills.

Mr. Speaker, we in the House have met our responsibilities. All of the 13 appropriations bills have been passed by this body. In fact, 12 of these bills were passed before the Fourth of July recess. We should not be forced to consider this continuing resolution solely because the Senate has failed to meet its responsibilities.

Mr. McDADE. Madam Speaker, I yield back the balance of my time.

Mr. WHITTEN. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, September 24, 1991, the previous question is ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1040

THE DOLE-MICHEL-SOLOMON UNEMPLOYMENT COMPENSATION BILL

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore (Mrs. KENNELLY). Without objection, the gentleman from New York is recognized for 1 minute.

There was no objection.

Mr. SOLOMON. Madam Speaker, I would just inform the membership that the unemployment insurance bill will be coming before the House for the third time sometime later this morning or early in the afternoon.

I just want the membership to know that last night the Senate, the other body, defeated the Dole-Michel-Solomon proposal that would have extended unemployment benefits to the unemployed throughout America for another 10 weeks. That proposal, Madam Speaker, if accepted on the floor here today, is a bill that the President could and would sign. It provides a two-tier system of federally funded benefits that provides 6 weeks of benefits to all States, and an additional 4 weeks in States whose insured unemployment rate, adjusted to include exhaustees, is at 5 percent or greater.

Madam Speaker, that would certainly help your State. It would certainly help my State. Moreover, the bill provides a mechanism to finance these additional 10 weeks of benefits by the auctioning of frequencies on the electromagnetic spectrum for communications uses, a provision that would raise some $1.2 billion alone.

The Dole-Michel-Solomon bill does not bust the budget. It does not increase taxes and it does not increase the deficit. But it does give up to 10 weeks of extended benefits to unemployed Americans, and it guarantees that they will get these benefits starting today. You can all guarantee that they will get those benefits starting today if you defeat the previous question on the rule coming up on unemployment insurance later on today.

And let us also enact a program of economic growth initiatives that will give Americans a paycheck. A paycheck is more important than an unemployment check and infinitely more preferable.

GOVERNMENT-SPONSORED HOUSING ENTERPRISES FINANCIAL SAFETY AND SOUNDNESS ACT OF 1991

Mr. MOAKLEY. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 226 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 226

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2900) to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by title instead of by section, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Madam Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only. At this time, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from California [Mr. DRIER]; pending which I yield myself such time as I may consume.

Madam Speaker, House Resolution 226 is an open rule providing for the consideration of H.R. 2900, the Government-sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs.

House Resolution 226 also makes it in order to consider an amendment in the nature of a substitute now printed in the bill as an original bill for purposes of amendment to be considered by titles instead of sections, with each title considered as read.

Finally, the rule provides for one motion to recommit with or without instructions.

Madam Speaker, H.R. 2900 establishes reforms for three Government-sponsored enterprises which operate in the secondary mortgage market: The Federal National Mortgage Association, commonly known as Fannie Mae, the Federal Home Loan Mortgage Corporation, otherwise known as Freddie Mac, and the Federal Home Loan Bank System.

Fannie Mae and Freddie Mac are congressional chartered, privately owned corporations whose primary purpose is to provide stable, efficient credit on the secondary mortgage market in order to improve rental and home ownership opportunities.

The dual purpose of this legislation is to preserve the important home financing role Fannie Mae and Freddie Mac play while minimizing any financial risk to the Nation's taxpayers. In an effort to minimize financial risks, H.R. 2900 establishes three new capital requirements for Fannie Mae and Freddie Mac and creates the Office of Secondary Market Examination and oversight for Government-Sponsored Enterprises.

Madam Speaker, H.R. 2900 is the product of long hours of hard work and deliberation. I commend the Members of the Banking Committee for their efforts. House Resolution 226 is an open rule which provides for the consideration of this legislation. I encourage my colleagues to support the rule.

Madam Speaker, I reserve the balance of my time.

Mr. DREIER of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of House Resolution 226, which provide for consideration of H.R. 2900.

This legislation will, for the first time, establish a firm regulatory structure and capital standards for Fannie Mae, Freddie Mac, and the Federal Home Loan Bank System.

This is an open rule, and I want to commend Chairman GONZALEZ and the gentleman from Ohio [Mr. WYLIE], the distinguished ranking member of the Committee on Banking, Finance and Urban Affairs, for their continued commitment to a fair and open process.

Madam Speaker, H.R. 2900 is a step in the right direction. For that reason, I support the bill. The three GSE's affected by the legislation have over $800 billion in contingent liabilities. If any one of them goes bankrupt, it will be the American taxpayer who ends up paying the tab. Today these GSE's are financially strong, and if there is one thing we have learned from the savings and loan crisis, it is that we need to act now to protect the taxpayers from future market changes.

There is another fundamental problem not addressed in H.R. 2900, Madam Speaker. That is, are Fannie Mae and Freddie Mac Government agencies, or are they private financial institutions? If they are Government agencies, why did former Fannie Mae Chairman David Maxwell earn $27 million this year when the top pay of virtually every other Government executive is below $139,000? If they are private institutions, why are Fannie Mae and Freddie Mac allowed to maintain a virtual duopoly over the secondary mortgage market aided by nearly $4 billion in taxpayers' subsidies? These subsidies include a Federal guarantee against losses which allows the GSE to raise funds below market rates, a line of credit with the U.S. Treasury, exemptions from Federal securities laws, and exemptions from State taxes.

Madam Speaker, in other words, private investors and top executive reap all the rewards, approximately $1.2 billion last year alone, while the taxpayers assume all of the risk. There seems to be something wrong with this picture.

In fact, it appears that we socialize debt and privatize profit.

It is my understanding that our colleague, the gentleman from Iowa [Mr. LEACH], offered a series of amendments in the Committee on Banking, Finance and Urban Affairs that would plant these GSE's firmly on one side of the fence. Unfortunately, those amendments that would have required Fannie Mae and Freddie Mac to compete on a level playing field with other secondary-market players were not adopted.

☐ 1050

Madam Speaker, I urge my colleagues on the Banking Committee to take a closer look at this "you lose, we pay" proposition that the taxpayers must continue to shoulder. Certainly these GSE's have served and continue to serve a very useful purpose in our efforts to provide affordable housing to working families. It is time to bring a little glasnost to our secondary mortgage market and to provide some semblance of market discipline and competition.

In that regard, Madam Speaker, H.R. 2900 should be viewed as a good first step. I urge support of the rule and for H.R. 2900.

Mr. WYLIE. Madam Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Madam Speaker, I thank the distinguished gentleman for yielding to me.

Madam Speaker, I would just associate myself with the comments of the distinguished gentleman from California and suggest that I do support the rule as wholeheartedly as I know how to say.

H.R. 2900 has very strong bipartisan support, as evidenced by the final vote in the Banking Committee which was 49 to 1.

The bill is an excellent bill. It is timely. As the gentleman from California has suggested, this time we are acting ahead of a possible crisis. There is no crisis. GSE's are operating smoothly right now but we want to secure the fiscal and financial responsibility of these institutions. We provide for capital standards in this bill which I think everyone agrees is desirable.

As a matter of fact, I would point out that the administration favors the bill, as do the GSE's themselves.

Whereas Congress in the past has been criticized for not addressing issues of financial safety and soundness, this time we are ahead of the curve, and I urge adoption of the rule.

Mr. DREIER of California. Madam Speaker, I will include in the RECORD at this point the administration's statement of policy on this issue.

The statement is as follows:

STATEMENT OF ADMINISTRATION POLICY

The Administration supports the capital provisions (Title II and certain sections of Title I) of H.R. 2900. These provisions put in place for the first time a comprehensive approach to help ensure the financial safety and soundness of the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC). H.R. 2900 would implement major principles proposed in the Administration's legislation earlier this year by establishing: (1) a separate, arms-length Office of Secondary Market Examination and Oversight within the Department of Housing and Urban Development (HUD); (2) a three-part capital standard (including risk-based); and (3) authority for the Director of the new Office to take enforcement actions when capital is at unacceptable levels.

H.R. 2900 is not consistent with a major principle proposed by the Administration: that the HUD Secretary's current general regulatory authority must not be eroded. Because of the serious consequences of potential insolvency of the government-sponsored enterprises (GSEs), the Administration, through HUD, must retain programmatic authority over the GSEs. Accordingly, the Administration will support enactment of H.R. 2900 only if it is ultimately amended to address the following concerns by:

RESTORING CURRENT PROGRAM AUTHORITY

Reaffirming the Secretary's current authority to approve new programs, including the right to set terms, criteria, and conditions as part of approval.

Clarifying that the Secretary's authority to require that certain portions of mortgage activity be secured by properties in central cities is not modified.

Restoring the Secretary's authority to examine the books and records of the GSEs.

Deleting sections 121(a) and 122(a)(1), which limit the Secretary's new program approval authority by allowing FNMA and FHLMC to purchase mortgages on nursing homes and congregate care facilities. The Secretary's approval is especially necessary in light of the Federal Housing Administration's (FHA) experience of very high foreclosures and losses on such properties.

Restoring the Secretary's authority to establish low- and moderate-income housing objectives. H.R. 2900 appears to undercut HUD's current and proposed regulatory requirements that FNMA and FHLMC devote 30 percent of their mortgage purchases ($35 billion in 1990) to low- and moderate-income housing by establishing a lower goal for low-income housing and making it contingent on the availability of other Federal subsidies.

OTHER ISSUES

Deleting section 201(d), which exempts from the bill's risk-based capital requirement assets related to low- and moderate-income housing. There is no compelling reason to exclude such assets from that capital requirement.

Expanding the Director's authority to restrict dividend payouts to other forms of capital disbursements, including share repurchases.

Allowing HUD to collect fees to cover all of the costs of regulation and supervision of FNMA and FHLMC, as proposed in the President's 1992 Budget. Other financial regulators have comparable authority.

Requiring FNMA and FHLMC to act if they have evidence of discrimination by lenders or appraisers, rather then waiting for their regulator to inform them officially of such discrimination. The GSEs should also be required to ensure that their underwriting and appraisal criteria do not lead to discrimination.

Deleting the exclusion of employees of the new Office of Secondary Market Examination and Oversight from the normal Federal employment provisions in title 5, United States Code. The Federal Employees Pay Comparability Act of 1990 provides sufficient pay flexibilities to ensure that the Office would be able to recruit and retain the caliber of employees it needs within the regular personnel system.

Amending section 123 so that the positions of Director and Deputy Director of the new Office are placed at Level III and IV, respectively, instead of Levels II and III of the Executive Schedule. This would be consistent with the Executive Schedule levels of the heads of other financial institution regulatory agencies.

Adding the Secretary of HUD, along with the Director, as a financial institutions regulator for Freedom of Information Act exemption purposes for the same examinations and records. It would otherwise be difficult for the Secretary to obtain information from the GSEs and to protect the information from disclosure.

Amending section 201(f) to clarify that FNMA and FHLMC must provide to any individual the data necessary to run the risk-based capital test model. This would allow an individual other than the director to apply the test in the same manner as the Director.

SCORING FOR THE PURPOSES OF PAY-AS-YOU-GO

OMB's preliminary scoring estimates of this bill are presented below. Final scoring of this legislation may deviate from these estimates. If H.R. 2900 were enacted, final OMB scoring estimates would be published within five days of enactment, as required by the Omnibus Budget Reconciliation Act of 1990 (OBRA). The cumulative effect of all enacted legislation on direct spending and receipts will be issued in monthly reports transmitted to the Congress.

ESTIMATES FOR PAY-AS-YOU-GO

[Receipts in millions of dollars]

	1991	1992	1993	1994	1995	1991–95
Total	....	[1]+	+1	+1	+1	+3

[1] Less than $500,000.

Mr. DREIER of California. Madam Speaker, I have no further requests for time, but a rumor has circulated throughout the floor that our Democratic colleagues are going to be asking for a recorded vote on this open rule, and I would like to congratulate them for that bold action they are taking. They obviously want to underscore the fact that we are having this very rare occurrence of an open rule to consider legislation on the House floor, so I congratulate them.

Madam Speaker, I yield back the balance of my time.

Mr. GORDON. Madam Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mrs. KENNELLY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GORDON. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 405, nays 0, not voting 27, as follows:

[Roll No. 275]

YEAS—405

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli

Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—27

Boxer
Callahan
Carper
Dymally
Edwards (OK)
Ford (MI)
Ford (TN)
Gingrich
Guarini
Holloway
Hopkins
Hunter
Ireland
Levine (CA)
Lewis (CA)
Lipinski
McCollum
Michel
Myers
Rangel
Slaughter (VA)
Stokes
Tallon
Vander Jagt
Weber
Wilson
Wise

□ 1115

Messrs. SCHEUER, REED, and CRANE changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mrs. KENNELLY). Pursuant to House Resolution 226 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2900.

□ 1116

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2900) to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes, with Mr. GORDON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, H.R. 2900, the bill before us, is one that has been very carefully crafted by the Banking Committee, and we have reached a point where there is as total a consensus as we will ever get on any legislation.

Mr. Chairman, the harmony and the ease with which the bill coursed through the hearings, the subcommittee markup, and the full committee markup should not deceive us into thinking that this is an inconsequential bill. This is probably one of the most important bills that will be forthcoming from the Banking Committee.

It has to do with the so-called Government-sponsored enterprises, which I think is a misnomer. We have always called these the secondary mortgage institutions, and to call it a Government-sponsored enterprise, I think exaggressive the nature of the Government's responsibility. I would say that these are quasi-public, mostly privatized agencies.

□ 1120

Their history is very interesting. They are the main source today for the allocation of national credit for the housing sector.

What this bill does is more or less codify what has been a historically disaggregated consideration statutorily speaking of the secondary mortgage institutions. There are actually three, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System. But you also have Ginnie Mae, the Government Mortgage Association. That has been a totally Government-sponsored institution and has been under the jurisdiction of HUD since the emergence of HUD as a department of the Government.

Fannie Mae actually was structured in 1938, because an attempt was made then, as it has been all along, to have our Nation committed to the question of affordable housing for every citizen, the poor, very poor, moderate income, low income, and affluent, as the FHA, which was contemporaneous with Fannie Mae. Because when the attempt was made in the thirties to structure the housing acts, the mortgage bankers, as always, were hesitant to come in.

So there was born Fannie Mae, in order to give that little modicum of Government recognition, in order to enable it to go to market and afford the credit that would in turn give affordable housing.

This bill will bring both Freddie Mac and Fannie Mae within the jurisdiction of HUD. The main purpose and thrust of this action is to guarantee that adequate capital standards adhere, so there will be no such thing as a Government bailout, either direct or indirect, as understood under the traditional modicum advantages given these institutions in order to go to market and compete.

They have not replaced the private mortgage banking sector. They have afforded the line of credit in that segment of our Nation's economy that would respond if we are going to have housing at all on any level.

Mr. Chairman, I want to acknowledge first of all the great help both from the majority side, our members on the Subcommittee on Housing and Community Development, and very particularly the ranking minority leader, the gentlewoman from New Jersey [Mrs. ROUKEMA], who has been a stalwart and great person and quite a pleasure to work with.

Mr. Chairman, I would also like to acknowledge our distinguished minority leader of the full Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE].

On the full committee level when we reached the markup, being that 70 percent of the total membership of the 52 Members of the House are members of the Subcommittee on Housing, I want to express my gratitude to the ranking members on both sides. Even though they are not members of the subcommittee, they have been very cooperative and helpful, like the gentleman from Illinois [Mr. ANNUNZIO].

Briefly, I will sum up by saying in essence this guarantees the capital standards that will be adequate to meet the risks inherent in interest rate aberrations and fluctuations and in the risk inherent in mortgage lending. I think it is a product that we can all be proud of. It receives the good will and the help of the administration, from the Treasury Department. The administration favors this. The Treasury worked through Mr. Glauber, day and night, with our staffs. I would like to recognize our staffs on the majority and minority sides, because they pitched in and worked with the chief executive officers and administrators of these entities, Freddie Mac, Fannie Mae, and in between. So essentially that is what this amounts to.

Mr. Chairman, we are here today to consider H.R. 2900, the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.

This bill provides for a new regulatory framework for the Government-sponsored housing enterprises commonly known as the National Mortgage Association [Fannie Mae] and the Federal Home Loan Mortgage Corporation [Freddie Mac]. This bill also makes certain changes to the Federal Home Loan Bank system to ensure that the system continues to operate in a sound financial manner.

At the outset I would like to acknowledge the contribution that my colleagues MARGE ROUKEMA, the ranking minority member on the subcommittee, and CHALMERS WYLIE, the ranking minority member on the full committee made to this bill. Because of the time constraints imposed by the Omnibus Reconciliation Act of 1990, the committee was required to develop and act on this complex and detailed legislation between the end of May and mid-September. Effectively, the committee had to act on this legislation during a 2-month period when it was also considering H.R. 6, the banking bill. We were able to meet this schedule with time to spare because of the cooperation displayed by my colleagues and by the administration, and I again want to thank Mrs. ROUKEMA and Mr. WYLIE for their assistance.

I also want to acknowledge the work of Under Secretary Glauber at the Department of

Treasury and his staff. Both devoted considerable time and energy to ensuring that the process proceeded smoothly to an outcome that we could all support. And, I want to emphasize that this bill does have the support of the administration. Secretary Glauber has assured me that the administration will support the capital standards established in this bill for Fannie Mae and Freddie Mac through conference. This support was reflected in the Statement of Administration Policy that was sent to the rules committee yesterday.

I will not go into all the details of the legislation, but I would like to outline the most significant features of the bill. H.R. 2900 establishes a new regulatory system for Fannie Mae and Freddie Mac by providing for these entities an independent safety and soundness regulator within HUD. This regulator would oversee the financial activities of the enterprises and enforce the capital standards established for the enterprises.

The heart of the bill is these capital standards. To ensure that the enterprises have adequate capital to withstand severe financial conditions the bill requires that enterprises maintain capital sufficient to meet a risk-based capital requirement. This requirement is very innovative in that it requires the enterprises to capitalize against the risks inherent in the owning and holding mortgages: Credit risk, interest rate risk and management, and operations risk. If the enterprises fall below this standard they will be subject to enforcement actions by the regulator and the lower their capital, the more enforcement powers the regulator has at its disposal.

The risk-based capital standard, the highest capital standard in the bill test would require each enterprise to maintain an amount of regulatory capital sufficient to enable it to maintain positive capital during a 10-year period in which very stressful credit risk and interest rate risk scenarios occur.

The credit component of the test would require that each enterprise withstand a repetition, on a nationwide basis, of the economic conditions that accompanied the worst mortgage default losses experienced in any region of the country for which reliable data on loan performance exist.

The interest rate component allows the Director to assume that the interest rates on the Treasury obligations change by no more than the lesser of 600 basis points or 50 percent. The Director would then use these interest rate changes to develop one or more yield curves that would, in turn, be used to predict how the enterprises' financial position would be affected by these interest rate changes.

H.R. 2900 also includes an affordable housing program that requires Fannie Mae and Freddie Mac to establish affordable housing goals by January 15, 1992, and annually thereafter. For 1992 and 1993, the goals require Fannie Mae to make low income mortgage purchases of not less than $2 billion and Freddie Mac of not less than $1.5 billion. In 1994 the goal for each enterprise will be to purchase mortgages for low income families in an amount equal to 1 percent of the total amount of mortgages that the enterprise purchased in 1993.

This new regulatory structure will ensure that Fannie Mae and Freddie Mac continue to operate in a financially safe and sound manner. It will also ensure that mortgage credit remains broadly available and at the lowest possible price; a consideration as important as the financial safety and soundness of these enterprises.

With respect to the Federal Home Loan Banks, H.R. 2900 makes the financial safety and soundness of the Bank System the primary goal of the Federal Housing Finance Board. Further, the bill changes the provisions limiting the amount that any Bank can loan to nonqualified thrift lenders, which is currently limited to 30 percent of the Bank's outstanding advances and applies that limit system wide.

I urge adoption of this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 2900 is a good bill and represents a lot of thoughtful, hard work by a considerable number of people. I would associate myself with the remarks of the distinguished gentleman from Texas [Mr. GONZALEZ] in that regard.

The gentleman from Texas [Mr. GONZALEZ], with his diligent helping hand on this legislation, has helped us fulfill our responsibility to report out GSE reform legislation in a timely fashion. I would congratulate the gentleman from Texas [Mr. GONZALEZ], as well as the ranking member of the Housing Subcommittee, the gentlewoman from New Jersey [Mrs. ROUKEMA], for the leadership role which they exercised in bringing this legislation to the floor today in the face of many obstacles.

Chairman GONZALEZ has brought an excellent bill to the floor. As the gentleman said, I think at no time in our history has there been more of a total consensus on a bill brought from the Committee on Banking, Finance and Urban Affairs as there is on this bill which we have here on the floor today.

Mr. Chairman, I strongly support the public missions which have been so capably fulfilled by Fannie Mae and Freddie Mac. Without their link between the housing markets and the capital markets, which has been formed through these housing-related GSE's, there would be far fewer homeowners in the United States today. There is no question about that.

We certainly do not want to in any way impair that capability. But because of the tremendous size of their borrowings, it is incumbent upon the Congress to carefully consider the need for increased Government oversight and surveillance, and to make absolutely sure there will never be any loss to the taxpayer.

I believe the President in his budget message expressed this sentiment quite clearly when he said:

> Taxpayers are safe as long as Fannie and Freddie operate as efficiently, profitably, and safely as they have in the past. But this qualification is the reason why effective regulatory oversight is needed in the future.

The studies required by last year's Budget Act and FIRREA concluded that significant changes to the financial safety and soundness regulation of these GSE's is necessary.

Mr. Chairman, this piece of legislation is very timely. As I have suggested, in the past, the Congress and the administration have been criticized for not acting as timely and as quickly on issues of financial safety and soundness as they should have, and not until a crisis was upon us.

H.R. 2900 takes strong action to assure the future fiscal security of the housing-related GSE's before a crisis arises by imposing strict capital requirements.

As the gentleman from Texas [Mr. GONZALEZ] has pointed out, the time to act is now, while the GSE's are quite healthy and profitable, so in the future the taxpaying public will not be at any risk. In order to safeguard the taxpayer, H.R. 2900 creates a system of capital standards and enforcement levels, along with an arm's-length regulator at HUD.

More specifically, H.R. 2900 sets up four enforcement levels, separated by three capital standards which act as trip wires between each level. These enforcement levels and capital standards work hand-in-hand to ensure that, as the GSE begins to lose capital, the regulator is given increasing authority to deal with the problem.

□ 1130

With respect to the regulator, and the chairman alluded to this, the Treasury's proposed bill created an arm's length agency within HUD which would oversee the safety and soundness of the housing-related GSE's. H.R. 2900 has adopted this regulatory structure and added some additional measures to ensure balance between regulatory authority and the GSE's public mission.

The GSE's, the administration, our House Committee on Banking, Finance and Urban Affairs, all concerned or related to this problem have signed on and have supported this resolution and supported the resolution that we have come to with respect to H.R. 2900.

It is a hard-fought compromise. I strongly believe that the end result is a progressive, forward-looking piece of legislation which deserves passage by the House of Representatives today.

Again, I want to congratulate the gentleman from Texas [Mr. GONZALEZ] for all his hard work on this piece of legislation.

As I noted in previous remarks, the administration has expressed its concerns about several problem areas in H.R. 2900. I would like to touch on a few of the problem areas about which I share in the administration's concerns. In particular, I am concerned with the provisions in the new affordable housing programs established by H.R. 2900 which would seriously impair HUD's new program approval and general regulatory authority over how the enterprises undertake activities and devote resources in meeting the affordable housing goals under these programs.

I am concerned because one of HUD's primary and historic missions is to assist in the development of affordable housing for low and moderate income families. Part of the reason HUD was initially chosen as regulator for Fannie Mae and later as regulator for Freddie Mac is because of this mission, as well as for the expertise and knowledge HUD brings to this area. Moreover, both Charter Acts currently provide HUD with specific authority to require that a reasonable portion of Fannie Mae's and Freddie Mac's mortgage purchases be related to the national goal of providing housing for low and moderate income families. It therefore seems questionable to remove HUD's new program approval and general regulatory authority over Fannie Mae's and Freddie Mac's affordable housing activities at a time when the need for affordable housing is becoming an ever more pressing issue. I believe that HUD has much to offer in this area, and should be in a position to ensure that Fannie Mae and Freddie Mac strive to meet their responsibilities of helping to provide housing for low and moderate income families. I would strongly recommend and support a reconsideration of this area at conference.

Further, section 201(d) of H.R. 2900 exempts the new affordable housing program from the requirements of the risk-based capital standard. This exemption undermines the purpose of this legislation—namely, to ensure the financial safety and soundness of Government-sponsored housing enterprises. This is especially troubling since these new affordable housing programs would not be subject to HUD's new program approval and general regulatory authority. This combination of an exemption from the risk-based capital standard and no regulatory oversight could allow the introduction of some very risky programs, as well as programs unrelated to the enterprises' public mission, all under the guise of affordable housing. I would expect the members of the conference to look closely at these issues.

Finally, I wonder if the goals established for the new affordable housing programs go far enough. HUD has indicated that it believes that the affordable housing goals in H.R. 2900 are actually less than what Fannie Mae and Freddie Mac are currently achieving. I understand that it is not easy to measure the amount of Fannie Mae's and Freddie Mac's low and moderate income housing activity. This is because this activity is measured by comparing the value of a mortgaged residence in a given area with median income for that area, and not on the actual income of the purchaser of the residence. H.R. 2900 would require the collection of this data in the future. I would support allowing HUD additional authority as currently provided under section 309(h) of the Fannie Mae Charter Act and section 303(b)(2) of the Freddie Mac Charter Act to establish increased goals for the purchases of mortgages on housing for low and moderate income families, so long as these purchases allow each enterprise reasonable economic return. I understand that HUD and the two enterprises are currently in discussions over this issue and I would expect them to come to some reasonable compromise.

I also believe that the section of the committee report which discusses the HUD's new program approval authority needs to be reappraised. The report language states that HUD's new program approval authority is generally limited to new conventional mortgage program proposals, and that a new mortgage program represents a broad and general plan or course of action for purchasing or dealing in mortgages that is materially and significantly different from activities previously approved. The report goes on to say the Fannie Mae and Freddie Mac are expected and encouraged to develop a range of specific products under the umbrella of the new program, and that the HUD's new program approval authority does not extend to the introduction of new products under and approved program.

With the exception of language under the new affordable housing programs, H.R. 2900 would do nothing to modify or revise HUD's new program approval authority under the Charter Acts. Nevertheless, the report language provides a fairly extensive discussion of what constitutes HUD's new program approval authority. That said, it should be noted that a committee report should normally not seek to interpret or clarify law which was enacted by a prior Congress. Moreover, I believe that the committee report language is plainly wrong where it attempts to remove the HUD's authority to review new products which are developed under the umbrella of a previously approved program. Here again, I believe HUD has the authority to review a new product, if it is materially and significantly different from other products under a program, in order to determine if the product is consistent with the purposes under the relevant Charter Act. Since H.R. 2900 does not intend to alter the HUD's new program approval authority under the Charter Acts, I am not sure that this is an issue that should be addressed at conference. However, I do want to ensure that the proper standard for new program approval authority is used.

Mr. GRADISON. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Ohio.

Mr. GRADISON. Mr. Chairman, I thank the gentleman for yielding to me.

As the gentleman knows, I planned to offer an amendment to section 3(7)(B) of the bill that would clarify the definition of regulatory capital. I understand that the committee will oppose all capital-related amendments, so as to improve the orderly consideration of the bill, and I respect that judgment.

However, I would like to engage in a colloquy with the gentleman from Ohio [Mr. WYLIE] in the hope of clarifying this section of the bill.

Mr. WYLIE. Mr. Chairman, I thank the gentleman. I want to commend my colleague from Ohio [Mr. GRADISON] for his longstanding attention to this very important issue. He is certainly very knowledgeable on the issue of financial safety and soundness for GSE's, and I would be glad to engage him in a colloquy on the issue of GAAP accounting for capital.

Mr. GRADISON. Mr. Chairman, it is my understanding that H.R. 2900 in section 3(7)(B) defines the term "regulatory capital," which determines compliance with the risk-based stress test in H.R. 2900. The definition of regulatory capital includes discretion for the regulator to include "any other amounts from sources of funds available to absorb losses incurred by the enterprise, that the director, by regulation, determines are appropriate to include in determining regulatory capital."

I would just like a clarification on what these other amounts are. It would be my hope that the regulator should adhere to generally accepted accounting principles, GAAP, in his definition of these other amounts.

Could the gentleman from Ohio [Mr. WYLIE] clarify this issue for me?

Mr. WYLIE. Mr. Chairman, it would be my position that the gentleman's hope is a reality, and that the gentleman is correct in his observation with respect to the risk-based stress test as a basis of regulatory capital.

It is my understanding that H.R. 2900 suggests to the director that any other amounts that the director allows to be counted as regulatory capital shall be included only to the extent that such amounts would become, and remain, available to absorb losses if core capital falls below the minimum capital requirement in section 202 for the enterprise.

In that sense, I believe that the director should utilize generally accepted accounting principles, GAAP accounting principles, and take into account the stress test, as the gentleman has suggested.

Mr. GRADISON. I thank the gentleman for his clarification.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield myself 2 minutes, pending the arrival of a member of the committee that indicated he wanted to be heard. I think he is on his way now.

I wanted to compliment the gentleman from Ohio [Mr. GRADISON] for making this very important legislative history with respect to the regulatory accounting principles as differentiated to the accepted.

This, I might say, was the point that motivated my opposing the so-called deregulatory acts of 1980 and the Garn-St. Germain bill of 1982, because I noticed that they specifically provided for regulatory accounting practices, which I felt would endanger the safety and soundness, and would threaten the adequacy of capital.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I believe H.R. 2900 is a very strong and sensible approach to the issue of GSE modernization, and I urge all my colleagues to give it their support.

I especially want to emphasize the importance of H.R. 2900 to sustain this outreach and innovation made possible by Fannie Mae and Freddie Mac. The genius of these companies, as Government-sponsored enterprises, is the combined synergy of public purpose and entrepreneurship. The private sector incentives, talent, and efficiencies of these companies are harnessed to a very tight focus on supporting and improving home finance. Through their large scale operations, they have a dependable, nationwide market presence. That in turn allows them to nurture new products and more standardized approaches to give home buyers better, less costly avenues to home ownership.

In the last decade, these companies have given tremendous support to the development of the adjustable rate mortgage and a whole range of other new mortgages. Many of their products are designed specifically to overcome affordability issues for low- and moderate-income families. For example, Fannie Mae has created the 3/2 option that allows home buyers to make a lower downpayment; almost all the families that have used it so far have never had homes before and were previously unable to afford one. They've also made a commitment to help employers and employees in high cost areas through the magnet employer assisted housing products. Employers can use these to help employees by providing funds for downpayments, closing costs, or monthly housing expenses.

These are the types of programs at which the GSE's excel, the types that leverage their unique strength to tap the capital markets to help those in greatest need. And they've done this while creating a solid financial foundation. Every report we've had has emphasized that they have talented and efficient management, and that both companies are highly profitable.

So our purpose in enacting any reforms should be to preserve the flexibility of the GSE's to innovate, and to serve the widest possible array of low- and moderate-income home buyers, consistent with financial integrity.

H.R. 2900 ably blends these two goals. It provides a highly sophisticated capital test that will dynamically react to shifting risks. Yet it also specifies the boundaries for the capital test—in effect, making sure that Congress itself, sets the policy for how risk and housing should be balanced. Under H.R. 2900, the GSE's must capitalize their business safely, but they retain the power to adapt and answer quickly changing needs among lenders and home buyers.

Once again, I ask all of you to support this very effective and creative bill.

Mr. WYLIE. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, I thank the gentleman for yielding time to me.

Let me just say, to begin with, that the chairman of the committee is exactly right in saying that this bill does have overwhelming support from the committee. It is also supported by the administration.

There was, however, one lone dissenting vote in committee, and that was mine. And it is based, quite frankly, on the thesis that the committee went a little further than it itself knows.

Let me just begin by quoting from HUD itself, and here is an internal HUD memo about the bill.

> There are reasons to believe that the effects of this legislation would be to weaken HUD's authority as a regulator.

Mr. Chairman, several years ago when the Banking Committee was considering the Financial Institutions, Reform, Recovery and Enforcement Act [FIRREA], I offered an amendment that would have required HUD to promulgate risk-based capital standards for both Fannie Mae and Freddie Mac. The committee turned down that approach and instead adopted as a compromise a study on how to establish prudential standards on housing's two GSE's.

Two years and five studies later, the Banking Committee in this bill has unfortunately approved an approach which, if enacted, ensconces, indeed stultifies the regulatory status quo.

Government-sponsored enterprises today have more than a trillion in obligations which are implicitly guaranteed by the Federal Government. The securities of Fannie and Freddie comprise three-quarters of these obligations. They have grown more than two and one-half times in the last 5 years. This growth is attributable to the fact that traditional savings and loans have encountered solvency and liquidity difficulties and to the fact that Fannie and Freddie have been allowed to become two of the most leveraged institutions on the financial landscape.

On safety and soundness grounds, the bellwether of sound financial regulation is firm capital standards; and on equity grounds, competitive equality. When a GSE holds assets similar to those held by a federally insured depository institution, it should be required to maintain comparable capital. In this context it is noteworthy that, utilizing unusual statutory language implying one thing but in effect doing something very different, the committee in this bill has established maximum rather than minimum capital standards—2.5 percent for on-balance sheet and 0.45 percent for off-balance sheet assets—and statutorily defined loan-loss reserves as capital for regulatory purposes. All to be reached 3 years down the road.

There is little doubt that in the past decade, particularly the last few years, Fannie and Freddie have played a useful role in keeping interest rates down and in making the home lending market more liquid. Given, however, the fast-changing nature of the financial market, the future may not mirror the past. Governmental institutions designed to service the private sector by packaging loans for resale to a secondary market have overnight become the biggest primary market competitors of the institutions they were created to help, with Fannie alone holding over $120 billion of mortgages in its own portfolio.

The danger is real that the duopoly of power Fannie and Freddie had developed in the secondary financing market at the beginning of this decade will become a duopoly of direct mortgage holding by the beginning of the next.

It is the very success of Fannie and Freddie that puts their competitors and thus the taxpayers at risk. As traditional thrifts lose market share because of the legislated ability of GSE's to take advantage of higher leveraging ratios, lower taxes, and lower costs of funds, the liabilities of the S&L industry increase. The currently projected half-trillion dollar cost of the S&L bailout could explode further if thrifts aren't allowed to compete equitably in the one market they were created to serve.

If there is a singular lesson of the 1980's it is that prudential capital ratios are critical not only for providing a cushion between an institution's liabilities and the taxpayer's pocketbook, but they ground institutional decisionmaking in less risky behavior. Where there is minimal private capital at risk there is always an inordinate incentive to bet the bank on speculative investments or interest rate moves. From a competitive perspective, a level playing field can only be established if there are level capital ratios. If one kind of institution is allowed excessive leveraging, the taxpayer can too quickly be put on the line for management stupidity, foul play, or bad luck.

The privatization of profit coupled with the socialization of cost and risk of these two GSE's underscore that what is at issue is not only the safety and soundness of Fannie and Freddie, but competitive fairness and the safety and soundness of depository institutions which become financially jeopardized because of the legal privileges provided GSE's.

As it now stands, these behemoth GSE's do not have to meet the same Community Reinvestment Act [CRA] standards as their commercial bank and thrift competitors. Such a privilege position is analogous to the Federal Government not applying OSHA standards to its own operations or to Congress not apply EEOC criteria to itself. The only difference is that the GSE's are no longer primarily public enterprises. They may serve a public purpose, as do banks and thrifts, but from a profit perspective they have been fully privatized. While their privileged status benefits their stockholders, it reduces credit availability in poorer neighborhoods because as the market share for GSE's increases, the market share for institutions that have to meet CRA standards decreases.

Unfortunately, the committee's judgment in the housing provisions of H.R. 2900 was clouded by the endorsement of the approach favored by Fannie and Freddie by a variety of putative consumer groups which, without acknowledging conflicts of interest, tarnished their reputations by accepting well-timed contributions from the two GSE's. The question is moot whether the pocket change they received during committee consideration of the bill was small in comparison with the dollars lost for the cause they presume to advocate.

In fact and in deed Fannie and Freddie are beginning to exhibit the characteristics of an arrogant duopoly, a two-headed monopoly controlling 90 percent of the market.

Such market dominance allows for heavy-handed approaches—to competitors, to financial intermediaries, and to consumers. Competitors such as community-based savings and loan associations and commercial banks are also users of GSE services. They are understandably apprehensive about expressing reservations about GSE practices in fear of retaliation. Likewise, would-be competitors such as securities firms run market risks if they object to attempt to compete with Fannie and Freddie. These two institutions distribute billions of dollars of business on Wall Street and have a reputation of not cottoning to challengers of the status quo.

As for consumers, market dominance allows price latitude, if not manipulation. Earlier this year, for instance, both enterprises raised the fees they charge for guaranteeing mortgages despite impressive profit generation that allowed Fannie to earn $1.2 billion last year—an annual 25 percent return—and to provide its departing chairman a $27 million retirement package. Such profit capacity and compensatory arrogance underline the need for more private-sector competition, as well as public-sector scrutiny.

The judgmental question Congress must face in the 1990's is whether to maintain the legal status quo and competitive advantages of Fannie and Freddie or to fully privatize the institutions.

As John Locke, the philosophical godfather of Jefferson, once warned, nothing is more dangerous than a Good Prince. Society is too prone to put too much power in his hands. Hence, the need for dilution of power and checks and balances.

In this context, I hope this House will recognize there may be some merit to certain amendments this gentleman will be offering later today. Privileged status should not be accorded to two institutions when fairness is at stake as well as safety and soundness.

□ 1140

I thank the gentleman from Ohio, and I thank him also for allowing me a full 10 minutes as I am the only speaker in opposition.

Mr. Chairman, I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield 6 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of H.R. 2900, a bill to provide for the safety and soundness and regulation of the Government-sponsored enterprises [GSE] known as Fannie Mae and Freddie Mac. I was pleased to join the Banking Committee chairman and distinguished ranking Republican as a sponsor of this legislation.

H.R. 2900 is as much of a compromise bill as can ever be developed. The provisions of this bill were the product of a long number of negotiating sessions between our committee, the Treasury, HUD, and the GSE's themselves. It is a strong and rational approach to the regulation of these GSE which is lacking at this point in time.

Freddie Mac and Fannie Mae were chartered by the Congress as stockholder-owned, privately managed corporations to provide an affordable and adequate supply of mortgage credit to those citizens seeking the American dream of home ownership.

We continue to support this objective.

When our committee began the process of developing legislation for the GSE's, I was one who looked at the immediate past and current performance of both Fannie and Freddie and concluded that perhaps the old adage, "if it ain't broke, don't fix it" should apply.

Clearly, Freddie and Fannie are working. Recent highly impressive quarterly earnings reports by both organizations, especially in light of the general state of our real estate and mortgage markets, and the troubles our banks, thrifts, and now some of our insurance companies, are having with their real estate portfolios, is a great credit to the leadership of these entities.

Given their impressive performance, and if it were not for the requirement of the Budget Reconciliation Act to do so, this Member may not have seen any need for legislative action.

However, and despite this impressive record, it cannot be denied that the newly revived interest and debate over the future of the GSE's comes as a direct result of the S&L debacle; the problem of FHA solvency; the recent decline in our commercial banks; and the just completed adoption of banking reform legislation.

The large losses to the American taxpayer by way of the S&L and banking industries; the size of the GSE's and their ever growing importance to the mortgage market; and the implicit guarantee that the Federal Government would not allow either corporation to suffer extensive losses, required our committee to examine the safety and soundness of these organizations; the risk to which the Federal Government has been exposed by the activities of these entities; and the changes that may have been necessary to meet the public expectation that the taxpayer will not incur yet another financial burden.

Let me assure my colleagues, the lessons learned from the thrift debacle were not lost on the committee as we developed this legislation.

Clearly, the two most important of those lessons were the need for capital, which many of the S&L's did not have and didn't think they needed and the need for strong and effective regulation, which at the time, was nonexistent.

In the case of the GSE's, we have active with a cautionary note in mind and have established a preemptive position. The capital levels and regulatory changes addressed in this bill were developed with great care. I will discuss them in more detail.

Overall, Mr. Chairman, I believe this legislation represents constructive progress toward a more adequate and responsive regulatory framework within which Fannie Mae and Freddie Mac can effectively and efficiently carry out their important housing finance mandate.

While improving capital and more precisely defining regulatory responsibility, this bill does guard against the adoption of provisions which could seriously impact the overall housing mission of both Fannie and Freddie—the maintenance of stability and liquidity in the secondary market for residential mortgages.

CAPITAL LEVELS

Now with respect to capital, the primary purpose of this bill is to ensure that the GSE's are operated in a safe and sound manner. This objective is accomplished through a tightly integrated set of capital standards and enforcement provisions.

No issue proved to be more contentious as to the levels of capital the GSE's would have to hold, and more importantly the manner in which those levels were to be determined.

In H.R. 2900, we created three levels of capital and a variety of enforcement activities which would come into play as capital levels are determined to be inadequate. H.R. 2900 sets the capital at levels the Treasury felt were necessary to protect the safety and soundness of the GSE's.

A critical capital level was established which requires that core capital be an amount equal to the sum of 1.25 percent of on-balance sheet assets and 0.25 percent of the value of outstanding MBS's. Both the GSE's currently meet these levels but if either of them fell below these levels, they would be taken over by the Government.

The second level is the minimum capital level. This level requires that minimum capital be an amount equal to the sum of 2.50 percent of the aggregate on-balance sheet assets, and 0.45 percent of the outstanding MBS's.

Mr. Chairman, I am happy to report that as of the date of enactment, both Fannie Mae and Freddie Mac will be in capital compliance.

In addition to these traditional levels of capital which closely resemble the capital requirements established in the S&L reform bill and the banking reform legislation pending before the Congress, the bill sets forth guidelines for the creation of a risk-based capital standard.

Such a standard will be an economic model that will test enterprises' financial position under stressful economic situations. This stress test, combined with effective regulatory monitoring, will provide protection from the varying risks to which the GSE's are exposed: credit risk; interest rate risk; and management and operations risk.

The model, or stress test, will generate a number for each enterprise which will become the risk-based capital requirement for that enterprise. And, the enterprise will be required to hold actual capital to meet or exceed this requirement.

Now while the committee bill sets forth the parameters for the risk-based capital test in statute, the bill does give the new Director the discression to determine the worse regional experiences for losses and default rates and to develop the final capital test through regulation.

I am satisfied that the provisions outlined in the bill with respect to the stress test will be adequate to meet any long-term, general economic depression without any threat to the enterprises or, ultimately, the taxpayer.

Although we did meet the concerns of the GSE's on the explicit conditions under which risk-based capital is set, the new regulator will retain the ability to adjust those levels if conditions not now anticipated arise.

REGULATOR

At the outset of our legislative effort, I expressed concern for the Treasury recommendation for an arm's length organization within HUD to oversee the safety and soundness issues. I felt HUD was not prepared to take on this new task and felt an independent regulator, modeled along the lines of FDIC, might be preferable.

However, I am comfortable with the status of the new regulator we have created within HUD and the independence we have given that office. This will allow for the proper interaction of opinions which will permit the GSE's to continue their housing mission while doing it in a safe and sound manner.

Clearly, there have been some concerns expressed that given the complications surrounding the recent case of a Wall Street company, HUD may be ill-equipped to accomplish this task properly.

However, our intention is that HUD fill this new office with someone with experience and expertise in financial and business operations and management as well as audit experience.

AFFORDABLE HOUSING

Finally, the legislation before us provides for a new affordable housing initiative.

It was felt that the benefits of the Federal charter enjoyed by the enterprises should place certain responsibilities on these entities. One of these responsibilities is to use the resources and expertise of the enterprises to invest in and encourage investment in housing that benefits low-income families.

This is not to say that the enterprises have not been responsive to the needs of the low-income community. In fact, both Fannie and Freddie have over the years developed substantial investment programs utilizing the low-income housing tax credit program.

Nevertheless, the bill includes a carefully crafted program to encourage the further investment in low-income housing.

Under this program, Fannie and Freddie would be required to establish affordable housing goals which would require Fannie Mae to make mortgage purchases of not less than $2 billion over the next 2 years and Freddie Mac to make purchases of $1.5 billion over the same period. The purchases would be equally divided between single and multifamily housing and would target, by percentage, those individuals with incomes not exceeding 60 percent of the area median income or 80 percent of area median income.

This compromise, which was worked out by the GSE's and the housing advocate groups, represents a positive step in the right direction for the provision of affordable housing for all.

In conclusion, Mr. Chairman, I want to say to my colleagues that I would have never guessed that the issue of the regulation of two Government-sponsored enterprises would have proven to be such a complex and difficult problem.

Nevertheless, the legislation before us is a reasonable approach to balance the needs to protect the American taxpayer and the need to permit two very critically needed enterprises, which are working very well, to continue to do their job.

I urge support for this legislation.

□ 1150

Mr. GONZALEZ. Mr. Chairman, I yield 6 minutes to the gentleman from Minnesota [Mr. VENTO], a distinguished member of the subcommittee.

Mr. VENTO. Mr. Chairman, I want to commend at the outset the chairman of the committee and the ranking members that have worked on this measure.

Mr. Chairman, candidly the reason that we are here today is because of concerns that have been stated by numerous members of the Committee on Banking, Finance and Urban Affairs over the past sessions of Congress and have delivered to the Congress a number of studies dealing with Fannie Mae and Freddie Mac as they have become known in the common terminology, of Government-sponsored enterprises, but I think that term belies the association that really exists between Fannie Mae, Freddie Mac, and the U.S. Government.

Such studies that were requested and demanded by Congress, now, were brought before us, and what they reported is that these secondary-market institutions for selling housing credit, for selling the loans in the secondary market, were working and working well, that they did not have any major problems, but they did make some recommendations as they looked at potential weaknesses in the future which could cause the demise of Freddie Mac or Fannie Mae.

There is no direct Government guarantee or assurance of any of the activities engaged in by Fannie Mae or Freddie Mac. They are operating in the free enterprise system, in the marketplace, and I think that many of the concerns we have is that the day that the Congress begins to, or some agency of Government, begins to enun-ciate a policy which would undermine the effect of presentation of loans in the market, in the secondary market, by these agencies is the day that I think we will begin to see the failure, the lack of confidence, the unpredictability and the lack of certainty which is essential to the sale in the secondary market by Fannie Mae and Freddie Mac of the loans and instruments. Congress has to be very careful.

Here we are dealing with something that is becoming an overwhelming success. Initially there was no national secondary market for loans in S&L's to in fact sell the mortgages that they place or that they take in our local communities. Fannie Mae and Freddie Mac have created this secondary market—a very significant market—which has really provided them with liquidity, but most importantly which serves the constituents that we represent. It has permitted and helped enormously in terms of the placement of loans for homeownership, which all of us, I think, revere as being a very desirable, very desirable outcome in this Nation, the attainment of the American dream. That goal of homeownership is really what this debate is about.

Over the last decade, we have seen a lot of activities in this Congress, some by necessity, some because of philosophy, which undercut that, which take away and eliminate or prevent national Government activities which facilitate homeownership. We have seen the demise of, for instance, the mortgage revenue bonds at the State levels which had become very important to our State and local governments to provide homeownership opportunities. We have seen other types of assisted and nonassisted programs change in philosophy and emphasis. There have been some suggestions about the mortgage interest deduction and other types of tax benefits that exist.

I just would sound a note of caution and concern as Members begin to try to impose various types of requirements on the two secondary-market institutions that are working. The Congress asked tough questions, and we came back with the necessary response.

The committee brings before us today a new regulatory structure. We bring before the House today capital standards for on balance of 2.50 and off balance of 0.45 for these two secondary-market facilities. We bring before the House a commitment by these two secondary institutions to provide help to low-income Americans who want to attain homeownership, a pledge of $3.5 billion in a given year to provide those with 80 percent below the median income with assistance in terms of homeownership.

I think that this is workable. One of the reasons that we are able to do this is because there has been cooperation. Fannie Mae and Freddie Mac sensed the issue and concerns and noted the experience of Congress in dealing with the S&L's, and the current banking crisis problems, and recognized that they were going to have to provide some give and take in the establishment of this law.

We put HUD in a position where they should be able to create a special office within the agency and do a much better job of regulation in this area in oversight than would be possible by simple the committees of Congress writing this in the policy.

We do provide in this legislation some certainty, some predictability. We require substantial care capital.

The main issue is left to the agency, and must be left ultimately to the market, the representations and warrants that occur with regard to paper that is purchased. We do leave appropriately to the market, the market test, which we think is going to make certain, and, of course, we have to leave that to the discretion of the secondary-market institutions, those warrants and representations.

Many of us, and you have heard the numbers thrown around about the tens of billions of dollars of outstanding Fannie Mae and Freddie Mac paper; indeed, that is true, but what is behind that paper is the value of the properties that are being financed, the homes and the dwellings of people across this country that stand behind that.

The residential marketplace obviously has had its problems in the past. It is going to have them in the future. But it is the criteria and qualifications that Fannie Mae and Freddie Mac have demanded in these loans that has provided a very solvent and valued paper.

The stress test in this bill says that you take the worst years that we had in terms of foreclosures and delinquencies, you multiply that and have to run for 10 years, and at the conclusion, Fannie Mae and Freddie Mac still have to be in business, still have to be solvent. That is the type of stress test that is already in this bill that the secondary market institutions are subject to.

□ 1200

Some are saying, "Let's add more to it." It think if we add more to it, we may sink a good idea that has helped home ownership. We may well defeat the purpose of this important measure and these important activities that have been chartered by the National Government.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. BARNARD], the ranking senior member of the Committee on Banking, Finance and Urban Affairs.

Mr. BARNARD. Mr. Chairman, while I am not on the subcommittee that is bringing this bill to the floor today, I rise in strong support of H.R. 2900, as reported by the Banking Committee, and I certainly urge my colleagues to support this legislation and also to oppose unnecessary amendments that affect the integrity of the committee bill.

The bill is the culmination of 2 full years of hearings as well as studies and presentations by the GAO, the Treasury, the Congressional Budget Office, the Secretary of Housing and Urban Development, and the OMB.

This exhaustive process determined that Fannie Mae and Freddie Mac are basically well-run enterprises that have provided a highly liquid and efficient mortgage market that has provided unparalleled access to mortgage funds, especially for middle and lower income borrowers. Fannie Mae and Freddie Mac provide some of the only genuine assistance to the middle class, as much lip service as we pay to that goal in Congress.

H.R. 2900 makes the necessary changes in regulation to ensure that these organizations continue to be well run and meet the needs of borrowers.

The bill establishes tough new capital requirements that will protect the GSE's from even the most severe economic downturns. I urge my colleagues to oppose any further amendments on capitalization as these would simply result in overcapitalization with no additional safety and soundness benefits. It is always easy to require more, but H.R. 2900 already requires more than enough.

The committee bill preserves a single regulator and provides for annual assessment by Congress of Fannie Mae and Freddie Mac's performance in meeting affordable housing needs, a priority for all of us. Additionally, the committee bill ensures equal access to mortgage finance for all people. It has always been a priority of Chairman GONZALEZ and the members of the Housing Subcommittee to oppose practices or policies that deny mortgage credit to any prospective homeowner.

Again, I urge my colleagues to support the committee bill and oppose all amendments. These amendments go beyond what is in H.R. 2900 and hinder the overriding functions of the GSE's without providing the benefits claimed for them.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. BARNARD. Yes, I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I commend the gentleman for his statement and concur in it.

I just wanted to point out that under the GSE's with Fannie Mae and Freddie Mac there is no guarantee by the National Government. We do not have any deposit insurance system. If anything, there is an indirect association at best. We started these institutions out, we chartered them. They are enormously successful in establishing the secondary market.

The fact of the matter is they have a draw on the Treasury for credit, but that has never been used.

Mr. BARNARD. Mr. Chairman, I concur in the gentleman's statement, and I thank him very much.

Mr. GONZALEZ. Mr. Chairman, I yield 6 minutes to my fellow Texan, the gentleman from Texas [Mr. PICKLE].

Mr. Speaker, will the gentleman yield before he begins?

Mr. PICKLE. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I would like the record to show that the gentleman from Texas [Mr. PICKLE] is a member of the Ways and Means Committee and has for some time demonstrated considerable interest in this question of the GSE's from the standpoint of the safety and soundness and the degree that Government responsibility of guarantee would be involved.

I might say that the gentleman was the author of the amendment in the act that the Budget Committee accepted that provided for this legislation to be developed in our committee. We have done that promptly and therefore I wanted to recognize the fact that even though the gentleman is a member of the Ways and Means Committee, he has had a great hand in what has happened here today.

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this measure. I commend the chairman of the Committee on Banking, Finance and Urban Affairs for advancing this bill. It is an improvement over our present situation and it represents a considerable change of attitude on the various committees involved with this question over the last year or two. I think this is progress and we ought to accept it and be pleased with it.

Now, I do have some strong concerns. May I express them to you with all sincerity.

No. 1, I continue to wonder whether the regulator ought to be within the Department of Housing and Urban Development. We have blown hot and cold on this question in this committee and other committees, Should there be a regulator, who should it be, and where it should be.

Fannie Mae and Freddie Mac at one time did admit that some limited regulation might be appropriate in HUD, but HUD has changed it's position so much that the GSE's are not happy about it, and at least want some suggestion made as to the extent of the enforcement authority of the regulator.

Today, the Deputy Secretary of HUD, Mr. Albert Dellibovi, has said that HUD does not wish to see the regulator put under HUD. They have serious questions about it, and they even said that Congress should consider whether they want to have an independent regulator.

The regulator under this legislation is under HUD, and HUD is not totally happy about it, but that is where it resides under this legislation.

Now, I think this change has come about perhaps because of the Salomon Brothers trading manipulations, as well as the question of capitalization. This has entered into HUD's concern, because I imagine that HUD now feels they will have all the responsibility and very little authority to do much about it.

But Mr. Chairman, I think Congress ought to recognize that though this is an improvement, you will now have capital standards under HUD. We should recognize that this is the first time that there has ever been any kind of meaningful capital standards with respect to GSE's. That is important and that is an improvement; but the standards that you have to meet under this legislation could mean very little additional capitalization for Fannie Mae or Freddie Mac.

As a matter of fact, I think if you measure what it really means, it means that they would have to have a capitalization of about 1 percent, not 3 percent as required for savings and loans or even higher for banks, but about 1 percent. So it is terribly important that the conference, as it goes forward, considers requiring the use of general accounting practices, as suggested by the gentleman from Ohio [Mr. GRADISON], and as I understand approved by the gentleman from Ohio [Mr. WYLIE]. That should be given consideration, because if you only have 1 percent capitalization, that is mighty small. That is not overcapitalization, as somebody has said, just the opposite.

Now, we have $1 trillion of obligations that the Federal Government can be responsible for if these GSE's fail, and ever since we passed Gramm-Rudman these GSE's are increasing by leaps and bounds and the amount of indebtedness against the Federal Government just gets higher and higher. So it is terribly important that the Congress and the committees involved come up with good strong standards. That would mean standards within the jurisdiction of whoever the regulator is. I think the regulator ought to be independent and the capital standards should be considered in accordance with good accounting principles, and lastly, that there be good enforcement required by Congress.

Now, I do not think that all these requirements have been met, but this bill is an advancement. It is a beginning. It is not the end of this question by any means. Our own Ways and Means Committee has advanced legislation that says at least with respect to new GSE's, no GSE can come to Congress and automatically borrow up to $2 billion just because somebody 35 or 40 years ago said they could do it.

We need to look at this question broadly and we ought not to say to ourselves that this is the end of the proposition, because it is not.

I commend the chairman for this much progress, but I am not certain that the regulator ought to be within HUD, particularly when HUD does not want it, and I am certain that the regulator should be independent.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield on that point?

Mr. PICKLE. Yes, I yield to the gentleman from Texas.

Mr. GONZALEZ. Let me say, Mr. Chairman, that the gentleman refers to the Deputy Secretary, Mr. Dellibovi, announcing as of yesterday or day before yesterday that he did not favor HUD being the regulator. What that amounts to is that he is in mutiny against his own administration and leadership in the Treasury Department, and the reason is, as I understand it, and I think the RECORD ought to show it, is that he just found out a few days ago that the newly created regulator in HUD will be earning as much money as he is, and he is mad about it. That is the main reason.

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Mr. PICKLE. Perhaps that is a reason for it, I would agree with that. But I do not think that that is the primary reason. You will remember that the Treasury is not endorsing this with full enthusiasm, because a year ago the Treasury had recommended that you have to measure up to standards established by rating agencies such as Standard & Poor's. The GSE would have to have a AAA rating. The Treasury has been much, much stronger in advancing recommendations for this, for the improvement in safety and soundness regulation, than what this committee has come up with. And now the Treasury has backtracked a little bit because they are trying to find some way to move it forward. It is not just a question of salary. That ought to be looked into, but that is not the sole question about it. The question is can Congress establish a regulator who will be independent and shall Congress establish enforcement principles? Until we do that, we are all going to be thrashing about about this responsibility. In the meantime the obligation of the Federal Government gets higher and higher. Well over $1 trillion, and it is growing. So we should do something about it.

Mr. Chairman, I rise today in support of H.R. 2900, and I commend the members of the Committee on Banking and Urban Affairs for the efforts to ensure the future financial safety and soundness of the three housing related Government-sponsored enterprises.

As my colleagues well know, I have been concerned about the lack of administrative oversight that these agencies have received in the past, and the lack of any meaningful capital standards for these very large financial institutions. I have been deeply concerned that this lack of meaningful controls and standards has left the Treasury and the taxpayer vulnerable to the enormous financial risks that these enterprises undertake in the course of their operations.

I believe that H.R. 2900 recognizes two very important principals, that GSE's should meet specific risk-based capital standards which reflect the financial conditions of each corporation, and that GSE's should be supervised by an independent regulator whose primary mission is to ensure the safety and soundness of each GSE. Under the provisions of H.R. 2900 these principles, for the first time, will be applied to Fannie Mae, Freddie Mac, and the Federal home loan banks, the housing GSE's. In light of the many billions of dollars which the Treasury and the taxpayer have been called upon to spend in order to bail out the thrifts and now the banks because of their failed real estate ventures, the adoption of these principles is well justified and long overdue.

While I do support the passage of H.R. 2900 and commend the Banking Committee for their work on this important legislation, I remain deeply concerned about the committee's decision to establish the regulator as an office within the Department of Housing and Urban Development. I am afraid that this will represent an inherent conflict of interest for the Secretary and will inevitably create strains and divisions within HUD. Indeed, the Department has already recognized this problem. Members should be aware that in recent weeks Mr. Alfred A. DelliBovi, the Deputy Secretary of HUD, has publicly stated that HUD has neither the skill nor the clear authority to police the financial operations of the housing GSE's, and that the Department would not object if Congress were to vest oversight of the mortgage agencies in a new, fully independent regulator.

I know from my personal discussions with the Department that this represents a significant change from their position earlier this year. I believe this change is in part based on the continuing revelations stemming from the Salomon Brothers scandal, and the possibility that there has been widespread wrongdoing in the marketing of the obligations of so-called Federal agency obligations of various GSE's. Because these developments and the shift in the position by HUD have come so recently, I recognize that the members of the Banking Committee have not had the opportunity to give them full consideration. However, as this bill is considered in conference, I would hope that Chairman GONZALEZ, Mr. WYLIE, and the other House conferees would give careful consideration to placing the responsibility for the supervision of the housing GSE's in a truly independent regulator, as well as using good GAAP accounting procedures.

Finally I would simply observe that the statutory capital standards imposed by H.R. 2900, while commendable, are in no way onerous for the GSE's. They would require only a slight increase in capital for Freddie Mac, and would result in about a 1 percent level of capitalization for both Fannie Mae and Freddie Mac. This compares with the 3 percent level of capital that applies to thrift institutions. The additional risk-based capital standards in H.R. 2900 may require additional capitalization of the GSE's, but this will depend heavily on the willingness and ability of the regulator to impose and enforce. Quite frankly, this is another strong argument for ensuring that the regulator is fully independent, and primarily, if not solely, charged with ensuring the financial safety and soundness of the housing GSE's.

Let me just conclude, Mr. Chairman, by repeating that on balance H.R. 2900 is a good piece of legislation. It is the result of long debate and considerable compromise. It will improve the safety and soundness of the GSE's and better protect the American public. I commend the committee for their hard work on this legislation and urge its adoption.

Mr. WYLIE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. I thank the gentleman for yielding.

Mr. Chairman, I cannot answer all the assertions of the gentleman from Texas. But I do want to make one observation. None of us here can speak for Secretary DelliBovi, but it is my understanding that his quotes in the current periodical were misstated and misinterpreted. I do not know whether or not they were. But I do know we have been given by our Republican leadership as the HUD position, the administration position which makes no mention of those concerns about the regulator, except to the extent that they would impinge on programmatic changes. So that is not the regulatory question, it is a programmatic question.

Referring back to my opening statement during general debate, I made a particular point of this question of the relationship of the arms's-length regulator within HUD, pointing out that there have been some concerns maybe they did not have the expertise. Our intention, as I stated there, and I think it is certainly clear, that it is consistent with the deliberations of the committee that our intention was although it be in HUD it not be one of those present people but it be a person hired with full expertise, both auditing experience and financial management experience.

I do know that the concerns expressed by Mr. DelliBovi and others came after the events of the problem on Wall Street with a Wall Street brokerage house and so they were properly open for question. But I do not think they represent a withdrawal of either HUD or Treasury from this bill. I want that to be clearly on the record.

Mr. LEACH. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Iowa.

Mr. LEACH. I thank the gentlewoman for yielding.

Mr. Chairman, just so there is no misunderstanding, the context of the quote of the gentleman from HUD was that, if this bill passes, he would like to have little to do with regulating this institution, the implication being that this bill hamstrings HUD regulators. I will go into that later. But I want it understood as to the context of the quote.

Mr. GONZALEZ. Mr. Chairman, I yield the remaining time, 3 minutes, to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, the purpose of my speaking is not really to throw much new light directly upon this bill but rather to have some questions answered.

In the first place, I do understand from the gentleman from Texas [Mr. PICKLE] and others that new regulation is here provided for. I want everybody to understand throughout the United States that Congress does not really regulate anybody. We make the laws that the executive branch carries out. But the main reason I am inquiring at this point is because in my town meetings I have had great enthusiasm expressed about the idea of more affordable housing opportunities. I would like to ask the chairman, if I could address the question, does this bill address that question?

Mr. GONZALEZ. If the gentleman would yield.

Mr. Chairman, I think the record ought to show that the gentleman from Florida [Mr. BENNETT] has manifested consistent interest in affordable housing. This bill would provide the mandates that FNMA, FHLMC establish affordable housing goals by January 15 of this next year, 1992.

On top of that we mandate that for 1992 and 1993 the goals would require them to purchase not less than $2 billion in mortgages for single family and multifamily housing that is affordable to those at 80 percent of the median and below.

I might say, in all fairness, that even as of last year and beginning the year before last, FNMA particularly has gone very extensively into the affordable-housing business and, in fact, I believe it was Mrs. ROUKEMA who stated it was this program that has afforded many thousands of American families that are low- and moderate-income to be homeowners at this time.

But our bill does pinpoint it. We fix the goals for 1992, 1993; we have the limits. I have no reason to think that it will not be complied with.

During the same period, Freddie Mac's goal will be to purchase $1.5 billion of such mortgages in 1994. The goal requires the purchase of low-income mortgages in an amount not less than 1 percent of the total volume of mortgages purchased in 1991.

Mr. BENNETT. I thank the chairman, and I thank the committee for addressing this question because I think it is one of the greatest questions before our country today.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the interest of the gentleman from Florida. This bill is in agreement between the major housing advocacy groups and Fannie Mae and Freddie Mac to accomplish this particular goal.

I might also add there was an expression of concern here that the figure of $1 trillion came up in terms of the total secondary market exposure of Fannie Mae and Freddie Mac. There is no Government guarantee either directly or indirectly with regard to that. The only thing that we deal with is the charter that set up these Government-sponsored enterprises. They have the right to borrow a couple of billion dollars from the national Government if the needs arise. But there is no exposure.

What we are trying to do is improve the regulation, to improve the enhancement and to help the public in terms of home ownership, including the low-income residents and others that the gentleman has discussed in his colloquy with the chairman.

I thank the gentleman.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 2900, the Government-Sponsored Enterprises Financial Safety and Soundness Act.

The two housing Government-sponsored enterprises—Fannie Mae and Freddie Mac—together account for more than $800 billion in contingent liabilities to the taxpayer.

The financial instruments issued by these GSE's receive what Wall Street calls the "implicit backing" of the Federal Government.

What that means in everyday language is that if things go right, investors reap the profits.

If things go wrong, taxpayers are expected to pick up the tab.

If taxpayers are on the line, we need strict rules about how Government-sponsored enterprises conduct their business.

We also need to remind Fannie Mae and Freddie Mac, which were established and chartered by the Congress, that they must meet the housing needs of low- and moderate-income Americans.

This bill makes some modest steps in that direction.

For the first time, these multibillion corporations, backed by the taxpayer, would be required to meet minimum capital standards.

The bill creates within the Department of Housing and Urban Development a new Office of Secondary Market Examination and Oversight. This office is intended to enforce capital standards and to ensure the enterprises are operated in a safe and sound manner.

While having an oversight office is a victory of sorts for those of us who advocate increased Federal control of Fannie Mae and Freddie Mac, having the office in HUD is one of the weaker points of the bill.

Since the bill was approved by the Banking Committee, HUD has acknowledged that it is not up to the job of regulating sophisticated bond market transactions, such as those used by Fannie and Freddie.

As we are finding out in the Salomon Brothers scandal, those transactions can be very sophisticated indeed.

HUD has proven unable to regulate FHA, a program which it directly controls. Adding new responsibility to an agency which has not demonstrated regulatory ability may be unwise. This provision should be reexamined once the bill reaches conference.

I am pleased H.R. 2900 requires the appointment of a consumer representative to the Board of Directors of both Fannie Mae and Freddie Mac. This provision is identical to one I offered successfully to the FIRREA bill, which requires such representation on the various Federal home loan banks. I hope consumer representation on governmental decisionmaking boards becomes a regular occurrence.

Finally, this legislation breaks new ground by requiring Fannie and Freddie to purchase a total of $3.5 billion in mortgages for low and moderate income families in a specially targeted program.

The committee report includes language which reflects the concerns of Mr. VENTO and myself that this commendable initiative does not allow Fannie Mae or Freddie Mac to disregard existing statutory requirements which require additional commitments to low and moderate income housing.

Mr. Chairman, this bill is overdue. It makes changes in the law which will benefit taxpayers while increasing the supply of low and moderate income housing. I urge a "yes" vote on final passage.

Mr. WYLIE. Mr. Chairman, I yield myself the remaining time.

In closing debate on this side, I would suggest that H.R. 2900 is a forward-looking piece of legislation which represents many months of difficult negotiations and hard-fought compromises. I strongly believe that the end result is a progressive, forward-looking piece of legislation that is well deserving of the support of this House of Representatives, and I hope Members will support the committee bill as reported out and pass the bill here today.

Mrs. KENNELLY. Mr. Chairman, I rise in strong opposition to H.R. 2900. It seems to me that in the wake of the S&L bailout and our looming banking problems that we ought to take this issue much more seriously.

The 1990 Treasury report made four basic recommendations to assure the safety and soundness of the GSE's: First, each GSE should be adequately capitalized; second, each GSE should be required to obtain a rating equivalent to triple A from at least two nationally recognized private credit rating agencies; third, the program regulator should be different from the implementer of financial safety and soundness standards; fourth, the value of the Government's financial support should be disclosed. But not only do we appear to be virtually ignoring these recommendations, it now appears as if we may consider three, if not four, separate GSE bills rather than sit down and try to solve this problem once and for all so we don't find ourselves back here at some point in the future like we have so often on the S&L issue.

The GAO recommended that "an independent Federal Enterprise Regulatory Board oversee the activities of the GSE's" and the 1990 Treasury report recommended that the program regulator should be different from the implementer of financial safety and soundness standards. Are we going to find ourselves here three or four times in the coming months asking why we didn't follow these commonsense suggestions?

The total credit market debt plus mortgage pools of the five GSE's is greater than total deposits of all insured S&L's and one-third the size of the deposits of all insured commercial banks. Further, we already bailed out the Farm Credit Administration in 1987 to the tune of $4 billion. In addition, the potential taxpayer exposure from GSE's, rather than being dispersed among thousands of institutions, is dependent on the managerial abilities of the officers of a relatively small group of entities. Isn't this all the more reason for solving this problem once and for all!

This bill would provide for continued HUD regulation of certain GSE's. Well the GAO told the Oversight Subcommittee of the Ways and Means Committee that at one point in 1981 HUD eliminated the staff with responsibility for oversight of Freddie Mac and Fannie Mae. In addition, while HUD has had the authority to audit the GSE's, they have never done so. Further, the CBO report said:

> Although HUD has created the Financial Institutions Regulatory Board to articulate supervisory issues and options for the Secretary and has allocated staff positions to support the board, the department does not have sufficient institutional capacity to conduct examinations of the GSE's or to monitor their activities effectively.

The GSE's ought to have a single regulator and that regulator ought to be the Treasury. Otherwise safety and soundness are never going to be top priority.

In addition, the bill actually loosens existing restrictions on advances to banks and credit unions and allows Fannie Mae and Freddie Mac to expand their activities into the purchase and sale of mortgage for congregate nursing, and health care facilities. This is safety and soundness bill—this is not the place to expand GSE authority.

Mr. Chairman, I oppose the bill.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the reported bill is considered as an original bill for the purpose of amendment, and each title is considered as read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 2900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Congressional findings.
Sec. 3. Definitions.

TITLE I—SUPERVISION AND REGULATION OF FNMA AND FHLMC

Subtitle A—Establishment of Financial Safety and Soundness Regulator

Sec. 101. Establishment of Office of Secondary Market Examination and Oversight.
Sec. 102. Director.
Sec. 103. Authority of Director.
Sec. 104. Personnel.
Sec. 105. Funding.
Sec. 106. Annual reports.
Sec. 107. Information, records, and meetings.
Sec. 108. Regulations and orders.

Subtitle B—Amendments to Other Acts

Sec. 121. Amendments to Federal National Mortgage Association Charter Act.
Sec. 122. Amendments to Federal Home Loan Mortgage Corporation Act.
Sec. 123. Amendments to title 5, United States Code.
Sec. 124. Amendment to Department of Housing and Urban Development Act.

Subtitle C—Miscellaneous Provisions

Sec. 131. Implementation.
Sec. 132. Review of underwriting guidelines.

TITLE II—REQUIRED CAPITAL LEVELS FOR FNMA AND FHLMC AND SPECIAL ENFORCEMENT POWERS

Sec. 201. Risk-based capital levels.
Sec. 202. Minimum capital levels.
Sec. 203. Critical capital levels.
Sec. 204. Enforcement levels.
Sec. 205. Mandatory supervisory actions applicable to enterprises within level II.
Sec. 206. Supervisory actions applicable to enterprises within level III.
Sec. 207. Mandatory appointment of conservator for enterprises within level IV.
Sec. 208. Conservatorship.
Sec. 209. Capital restoration plans.
Sec. 210. Judicial review of Director action.
Sec. 211. Examinations.

TITLE III—CEASE-AND-DESIST ORDERS AND CIVIL MONEY PENALTIES AGAINST FNMA AND FHLMC

Sec. 301. Cease-and-desist proceedings.
Sec. 302. Temporary cease-and-desist orders.
Sec. 303. Hearings.
Sec. 304. Judicial review.
Sec. 305. Enforcement and jurisdiction.
Sec. 306. Civil money penalties.
Sec. 307. Notice of service.
Sec. 308. Subpoena authority.

TITLE IV—REGULATION OF FEDERAL HOME LOAN BANK SYSTEM

Sec. 401. Primacy of financial safety and soundness for Federal Housing Finance Board.
Sec. 402. Advances to nonqualified thrift lender members.
Sec. 403. Study regarding Federal Home Loan Bank System.

TITLE V—PRIVATIZATION STUDY

Sec. 501. Study of impact of privatization of FNMA and FHLMC.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Banks have important public missions that are reflected in the statutes establishing the enterprises;

(2) because the continued ability of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to accomplish their public missions is important to providing housing in the United States and the health of the Nation's economy, more effective Federal regulation is needed to reduce the risk of failure of the enterprises;

(3) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Banks currently pose minimal financial risk to the Federal Government;

(4) such enterprises are not backed by the full faith and credit of the United States;

(5) the entity regulating the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation should have sufficient autonomy from the enterprises and special interest groups;

(6) the entity regulating such enterprises should have the authority to establish capital standards, require financial disclosure, prescribe adequate standards for books and records and other internal controls, conduct examinations when necessary, and enforce compliance with the standards and rules that it establishes; and

(7) while the Federal Housing Finance Board has the authority necessary to effectively regulate the financial safety and soundness of the operations of the Federal Home Loan Banks, the Federal Home Loan Bank Act should be amended to emphasize that providing for financial safety and soundness is the primary mission of the Board.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) COMPENSATION.—The term "compensation" means any payment of money or the provision of any other thing of current or potential value in connection with employment.

(2) CORE CAPITAL.—The term "core capital" means, with respect to an enterprise, the sum of the following (as determined in accordance with generally accepted accounting principles):

(A) The par value of outstanding common stock.

(B) The par value of outstanding preferred stock.

(C) Paid-in capital.

(D) Retained earnings.

(3) DIRECTOR.—The term "Director" means the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development.

(4) ENTERPRISE.—The term "enterprise" means—

(A) the Federal National Mortgage Association and any subsidiary thereof; and

(B) the Federal Home Loan Mortgage Corporation and any subsidiary thereof.

(5) EXECUTIVE OFFICER.—The term "executive officer" means, with respect to an enterprise, the chief executive officer of the enterprise, chief financial officer of the enterprise, president of the enterprise, vice chairman of the enterprise, any executive vice president of the enterprise, and any senior vice president of the enterprise in charge of a principal business unit, division, or function.

(6) OFFICE.—The term "Office" means the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development.

(7) REGULATORY CAPITAL.—The term "regulatory capital" means, with respect to an enterprise—

(A) the core capital of the enterprise plus a total allowance for foreclosure losses (including an allowance for portfolio mortgage losses, an allowance for nonreimbursable foreclosure costs on government claims, and any liability reflected on the balance sheet for the corporation for estimated foreclosure losses on mortgage-backed securities); plus

(B) any other amounts from sources of funds available to absorb losses incurred by the enterprise, that the Director by regulation determines are appropriate to include in determining regulatory capital.

(8) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(9) STATE.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

TITLE I—SUPERVISION AND REGULATION OF FNMA AND FHLMC

Subtitle A—Establishment of Financial Safety and Soundness Regulator

SEC. 101. ESTABLISHMENT OF OFFICE OF SECONDARY MARKET EXAMINATION AND OVERSIGHT.

Effective January 1, 1992, there shall be established in the Department of Housing and Urban Development the Office of Secondary Market Examination and Oversight, which shall be an office within the Department.

SEC. 102. DIRECTOR.

(a) IN GENERAL.—The Office shall be under the management of a Director, who shall be appointed by the President by and with the advice and consent of the Senate from among individuals who are citizens of the United States and have experience in financial management or oversight. An individual may not be appointed as Director if the individual has served as an executive officer of an enterprise at any time during the 5-year period ending upon the appointment of such individual.

(b) TERM.—The Director shall be appointed for a term of 5 years.

(c) VACANCY.—A vacancy in the position of Director shall be filled in the manner in which the original appointment was made under subsection (a). Any Director appointed to fill a vacancy occurring before the expiration of the term for which the Director's predecessor was appointed shall be appointed only for the remainder of that term.

(d) SERVICE AFTER END OF TERM.—A Director may serve after the expiration of the term for which the Director was appointed until a successor Director has been appointed.

(e) DEPUTY DIRECTOR.—

(1) IN GENERAL.—There shall be in the Office a Deputy Director who shall be appointed by the President from among individuals who are citizens of the United States and have experience in financial management or oversight. An individual may not be appointed as Deputy Director if the individual has served as an executive officer of an enterprise at any time during the 5-year period ending upon the appointment of such individual.

(2) TERM.—The Deputy Director shall be appointed for a term of 5 years.

(3) FUNCTIONS.—The Deputy Director shall have such functions, powers, and duties as the Director shall prescribe. In the event of the death, resignation, sickness, or absence of the Director, the Deputy Director shall serve as acting Director until the return of the Director or the appointment of a successor under subsection (c).

SEC. 103. AUTHORITY OF DIRECTOR.

(a) EXCLUSIVE AUTHORITY.—The Director shall make determinations and take actions that the Director determines necessary with respect to each enterprise regarding—

(1) examinations of the enterprises under section 211;

(2) decisions to appoint conservators for the enterprises;

(3) enforcement actions under titles II and III, including any final decisions in contested administrative enforcement proceedings; and

(4) approval of payments of dividends by the enterprises under section 303(c)(2) of the Federal National Mortgage Association Charter Act and section 303(b)(3)(B) of the Federal Home Loan Mortgage Corporation Act.

The authority of the Director under this subsection shall not be subject to the review or approval of the Secretary.

(b) AUTHORITY SUBJECT TO APPROVAL OF SECRETARY.—Any authority of the Director not referred to in subsection (a), including the authority to issue rules and regulations, shall be subject to the review and approval of the Secretary, but the Secretary may delegate the authority to review to other officers and employees of the Department of Housing and Urban Development.

(c) DELEGATION OF AUTHORITY.—The Director may delegate to officers and employees of the Office any of the functions, powers, and duties of the Director, as the Director considers appropriate.

SEC. 104. PERSONNEL.

The Director shall appoint and fix the compensation of such officers and employees of the Office as the Director considers necessary to carry out the functions of the Director and the Office. Officers and employees shall be appointed without regard to civil service laws and their compensation fixed without regard to the provisions of title 5, United States Code.

SEC. 105. FUNDING.

(a) ASSESSMENTS AND FEES.—The Director may establish and collect from the enterprises such assessments, fees, and other charges that the Director considers necessary so that the amount collected is an amount sufficient to provide for reasonable costs and expenses of the Office of Secondary Market Examination and Oversight, including the expenses of any examinations under section 211.

(b) FUND.—There is established in the Treasury of the United States a fund to be known as the Secondary Market Examination and Oversight Fund. Any assessments, fees, and charges collected pursuant to subsection (a) shall be deposited in the Fund. Amounts in the Fund shall be available, to the extent provided in appropriations Acts—

(1) to carry out the responsibilities of the Director relating to the enterprises; and

(2) for necessary administrative and nonadministrative expenses of the Office to carry out the purposes of this Act.

SEC. 106. ANNUAL REPORTS.

The Director shall submit to the Congress, not later than April 15 of each year, a written report, which shall include—

(1) a description of the actions taken, and being undertaken, by the Director to carry out this Act;

(2) a description of the financial safety and soundness of each enterprise, including the results and conclusions of the annual examinations of the enterprises conducted under section 211(a)(1); and

(3) any recommendations for legislation to enhance the financial safety and soundness of the enterprises.

SEC. 107. INFORMATION, RECORDS, AND MEETINGS.

For purposes of subchapter II of chapter 5 of title 5, United States Code (5 U.S.C. 551 et seq.), the Office shall be considered an agency responsible for the regulation or supervision of financial institutions.

SEC. 108. REGULATIONS AND ORDERS.

Subject to the approval of the Secretary (as provided in section 103(b)), the Director shall issue any regulations and orders necessary to carry out the duties of the Director and to carry out this Act. The regulations under this section shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (b)(B) and (d)(3) of such section).

Subtitle B—Amendments to Other Acts

SEC. 121. AMENDMENTS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT.

(a) PURCHASE OF CONGREGATE CARE AND NURSING HOME MORTGAGES.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended by inserting after the 5th sentence the following new sentence: "For purposes of this title, the term 'conventional mortgages' shall include mortgages on congregate care, nursing home, and other group housing facilities that provide housing and other specialized medical and health care services to occupants.".

(b) CAPITALIZATION.—Section 303 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1718) is amended—

(1) in subsection (a), by inserting after the period at the end the following new sentence: "The corporation may issue shares of common stock in return for appropriate payments into capital or capital and surplus.";

(2) by striking subsection (b) and inserting the following new subsection:

"(b)(1) The corporation may impose charges or fees, which may be regarded as elements of pricing, with the objective that all costs and expenses of the operations of the corporation should be within its income derived from such operations and that such operations should be fully self-supporting.

"(2) All earnings from the operations of the corporation shall annually be transferred to the general surplus account of the corporation. At any time, funds of the general surplus account may, in the discretion of the board of directors, be transferred to reserves.";

(3) by striking subsection (c) and inserting the following new subsection:

"(c)(1) Except as provided in paragraph (2), the corporation may pay to holders of its common stock such dividends as may be declared by the board of directors. All dividends shall be charged against the general surplus account of the corporation.

"(2) The corporation may not make any payment of dividends that would decrease the regulatory capital of the corporation (as such term is defined in section 3 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991) to an amount less than the risk-based capital level for the corporation established under section 201 of such Act or that would decrease the core capital of the corporation (as such term is defined in such section 3) to an amount less than the minimum capital level for the corporation established under section 202 of such Act, without prior written approval of the payment by the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development.

"(3) The Director of the Office of Secondary Market Examination and Oversight may require the corporation to submit a report to the Director after the declaration of any dividend by the corporation and before the payment of the dividend. The report shall be made in such form and under such circumstances and shall contain such information as the Director shall require."; and

(4) in subsection (f)—

(A) by striking "to make payments" and all that follows through "such capital contributions,"; and

(B) by striking "additional shares of such stock," and inserting "shares of common stock of the corporation".

(c) RATIO OF OBLIGATIONS.—

(1) IN GENERAL.—Section 304 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719) is amended—

(A) in subsection (b), by striking the semicolon in the first sentence and all that follows through end of the second sentence and inserting a period; and

(B) in subsection (e), by striking the fourth sentence.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect upon the expiration of the 18-month period beginning on the date of the enactment of this Act.

(d) STATEMENT IN SECURITIES.—Section 304(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(d)) is amended by inserting after the period at the end the following new sentence: "The corporation shall insert appropriate language in all of the securities issued under this subsection clearly indicating that such securities, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than the corporation.".

(e) ASSESSMENTS FOR OFFICE OF SECONDARY MARKET EXAMINATION AND OVERSIGHT.—The first sentence of section 304(f) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(f)) is amended by inserting after "section 309(g)" the following: "of this Act and section 105(a) of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991".

(f) BOARD OF DIRECTORS.—

(1) IN GENERAL.—Effective on the date of the enactment of this Act, the second sentence of section 308(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended—

(A) by striking "and" after the second comma; and

(B) by inserting before the period at the end the following: ", and at least one person chosen from organizations with more than a 2-year history of representing consumer or community interests or the interests of residents of low-income housing".

(2) IMPLEMENTATION.—The amendments made by paragraph (1) shall apply to the first annual appointment by the President of members to the board of directors of the Federal National Mortgage Association that occurs after the date of the enactment of this Act.

(g) COMPENSATION.—Section 309(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(d)) is amended—

(1) in the first sentence of paragraph (2) by striking "as it may determine" and inserting the following: "as the board of directors determines reasonable and comparable with compensation for employment in positions in other similar businesses (including other major financial services companies) involving similar duties and re-

sponsibilities, except that a significant portion of potential compensation of all executive officers (as such term is defined in paragraph (3)(C)) of the corporation shall be based on the performance of the corporation"; and

(2) by adding at the end the following new paragraph:

"(3)(A) Not later than June 30, 1992, and annually thereafter, the corporation shall submit a report to the Congress on (i) the comparability of the compensation policies of the corporation with the compensation policies of other similar businesses, (ii) in the aggregate, the percentage of total cash compensation and payments under employee benefit plans (which shall be defined in a manner consistent with the corporation's proxy statement for the annual meeting of shareholders for the preceding year) earned by executive officers of the corporation during the preceding year that was based on the corporation's performance, and (iii) the comparability of the corporation's financial performance with the performance of other similar businesses. The report shall include a copy of the corporation's proxy statement for the annual meeting of shareholders for the preceding year.

"(B) After the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991, the corporation may not enter into any agreement or contract to provide any payment of money or other thing of current or potential value in connection with the termination of employment of any executive officer of the corporation, unless such agreement or contract is approved in advance by the Secretary of Housing and Urban Development. The Secretary may not approve any such agreement or contract unless the Secretary determines that the benefits provided under the agreement or contract are comparable to benefits under such agreements for officers of other public and private entities involved in financial services and housing interests who have comparable duties and responsibilities. For purposes of this subparagraph, any renegotiation, amendment, or change after such date of enactment to any such agreement or contract entered into on or before such date of enactment shall be considered entering into an agreement or contract.

"(C) For purposes of this paragraph, the term 'executive officer' has the meaning given the term in section 3 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

(h) GENERAL REGULATORY POWERS.—Section 309(h) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(h)) is amended to read as follows:

"(h)(1) Except for the authority of the Director of the Office of Secondary Market Examination and Oversight pursuant to section 103(a) of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991, the Secretary of Housing and Urban Development shall have general regulatory power over the Federal National Mortgage Association and shall make such rules and regulations as shall be necessary and proper to ensure that the purposes of this title are accomplished.

"(2)(A) The Secretary shall require that a reasonable portion of the corporation's mortgage purchases be related to the national goal of providing adequate housing for low- and moderate-income families, but with reasonable economic return to the corporation.

"(B) For purposes of this paragraph, the term 'low-income family' means a family or individual whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary, and the term 'moderate-income family' means a family or individual who is not a low-income family and whose income does not exceed 100 percent of the median income for the area, as determined by the Secretary; except that the Secretary may establish income ceilings for low- and moderate-income families higher and lower than 80 and 100 percent of the median for the area, respectively, if the Secretary determines that such variations are necessary because of prevailing levels of construction or rental costs or unusually high or low family incomes.

"(3) The Secretary may require the corporation to make reports on its activities as the Secretary deems advisable. The Secretary shall, not later than June 30 of each year, report to the Congress on the activities of the corporation under this title.

"(4) The Secretary shall, by regulation, prohibit the corporation from purchasing mortgages from any mortgage seller that discriminates on the basis of race, religion, national origin, ethnic background, sex, marital status, or age in connection with the origination of a mortgage. The Secretary shall determine when a mortgage seller has discriminated as provided in this section and shall consider violations of the Fair Housing Act, the Equal Credit Opportunity Act (relating to mortgage credit), or any other Federal, State, or other law prohibiting similar discriminatory practices, as evidence of discrimination under this paragraph. The Secretary shall notify the Corporation when a mortgage seller has been found to have discriminated and shall notify the Corporation of the duration of the suspension under this paragraph.".

(i) REQUESTS FOR APPROVAL.—The first sentence of section 309(i) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(i)) is amended by striking ", after the date of the enactment of the Secondary Mortgage Market Enhancement Act of 1984,".

(j) GAO AUDITS.—The first sentence of section 309(j) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(j)) is amended to read as follows: "The programs, activities, receipts, expenditures, and financial transactions of the corporation shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General.".

(k) REPORTS TO DIRECTOR.—Section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a) is amended by adding at the end the following new subsection:

"(k)(1) The corporation shall submit to the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development quarterly reports of the financial condition of the corporation which shall be in such form, contain such information, and be submitted on such dates as the Director of the Office of Secondary Market Examination and Oversight shall require.

"(2) Each report of condition shall contain a declaration by the president, vice president, treasurer, or any other officer designated by the board of directors of the corporation to make such declaration, that the report is true and correct to the best of such officer's knowledge and belief.

"(3) The Director of the Office of Secondary Market Examination and Oversight may require the corporation to submit additional reports of financial condition, which shall be in such form, contain such information, and be submitted on such dates as the Director may require. The Director may also require the corporation to submit special reports whenever, in the judgment of the Director, such reports are necessary to carry out the purposes of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991. The Director may not require the inclusion in any such special report of any information that is not reasonably obtainable by the corporation. The Director shall notify the corporation, a reasonable period in advance of the date for submission of any report, of any specific information to be contained in the report and the date for the submission of the report.".

(l) REPORT REGARDING MORTGAGE AND BORROWER CHARACTERISTICS.—Section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a), as amended by the preceding provisions of this section, is further amended by adding at the end the following new subsection:

"(l)(1) With respect to residential mortgages for which information is or was required to be made available under the Home Mortgage Disclosure Act of 1975, the corporation shall, for each year, submit a report to the Secretary of Housing and Urban Development containing information describing the characteristics of such mortgages purchased by the corporation during the year and the borrowers under such mortgages, including the number and dollar amounts of such mortgages, the incomes, racial characteristics, and gender of the borrowers under such mortgages, and any other information that the Secretary may require.

"(2) The report under this subsection shall be itemized in a manner sufficient to disclose the information and characteristics required under paragraph (1) by area, as required by the Secretary. For purposes of this paragraph, the term 'area' means (A) census tracts, for mortgage loans secured by property located within any county with a population of more than 30,000, within a primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas, or (B) counties, for mortgage loans secured by property located in any other location.

"(3) The Corporation shall make the first report under this subsection after issuance of regulations implementing this subsection pursuant to section 131 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

(m) STOCK ISSUANCES.—The second sentence of section 311 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723c) is amended by striking "and all issuances of stock, and debt obligations convertible into stock, by the corporation".

(n) HOUSING IMPACT GOALS AND PERFORMANCE.—The Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.) is amended by inserting after section 312 the following new section:

"HOUSING IMPACT GOALS AND PERFORMANCE

"SEC. 313. (a) FINDINGS.—The Congress finds that—

"(1) as a government-sponsored secondary mortgage market enterprise, the corporation has an affirmative obligation to promote affordable housing for low- and moderate-income families, consistent with the corporation's overall mission;

"(2) the corporation should establish annual affordable housing goals and report to the Congress annually on the achievement of the goals; and

"(3) the ability of the corporation to meet affordable housing goals is dependent upon the availability of public subsidies provided under Federal law to assist very low-income and low-income families afford decent rental housing and homeownership.

"(b) ESTABLISHMENT AND REPORTING OF HOUSING IMPACT GOALS.—

"(1) REQUIREMENT.—Not later than January 15, 1992, and annually thereafter, the corporation shall establish, in writing, and submit to the Congress, the corporation's affordable housing goals under this subsection for the year.

"(2) MORTGAGE PURCHASES.—For 1992, 1993, and 1994, the affordable housing goals shall in-

clude mortgage purchases in the following volumes and characteristics:

"(A) 1992 AND 1993.—During the 2-year period consisting of 1992 and 1993, mortgage purchases of not less than $2,000,000,000, with one-half of such purchases directed to 1- to 4-family housing and one-half to multifamily housing satisfying the requirements under subsection (c).

"(B) 1994.—For 1994, mortgage purchases of not less than 1 percent of the total amount of mortgage purchases of the corporation during 1993, with 40 percent of such purchases directed to 1- to 4-family housing and 60 percent to multifamily housing satisfying the requirements under subsection (c).

"(c) INCOME CHARACTERISTICS.—

"(1) MULTIFAMILY MORTGAGES.—Purchases of multifamily housing mortgages under subsection (b)(2) shall be directed in the following proportions:

"(A) 45 percent for multifamily housing affordable to families whose incomes do not exceed 80 percent of the median income for the area; and

"(B) 55 percent for multifamily housing in which—

"(i) at least 20 percent of the units are affordable to families whose incomes do not exceed 50 percent of the median income for the area; or

"(ii) at least 40 percent of the units are affordable to families whose incomes do not exceed 60 percent of the median income for the area.

"(2) SINGLE FAMILY MORTGAGES.—Purchases of 1- to 4-family housing mortgages under subsection (b)(2) shall be directed in the following proportions:

"(A) 45 percent for mortgages for families whose incomes do not exceed 80 percent of the median income for the area and who live in census tracts in which the median income does not exceed 80 percent of the area median; and

"(B) 55 percent for mortgages for families whose incomes do not exceed 60 percent of the median income for the area.

"(d) ADVISORY COUNCIL.—The corporation shall appoint an Affordable Housing Advisory Council to advise the corporation regarding possible methods for achieving the affordable housing goals established under this section. The Council shall consist of 15 individuals, who shall include representatives of community-based and other nonprofit and for-profit organizations and State and local government agencies actively engaged in the promotion, development, or financing of housing for low-income families.

"(e) OTHER REQUIREMENTS.—In working to meet the affordable housing goals under this section, the corporation shall—

"(1) design programs and products that facilitate the use of assistance provided by the Federal Government and State and local governments;

"(2) develop partnerships with nonprofit and for-profit organizations that develop and finance housing and with State and local governments, including housing finance agencies;

"(3) take affirmative steps to help primary lenders make housing credit available in areas with concentrations of low-income and minority families and to assist such lenders in meeting their obligations under the Community Reinvestment Act of 1977;

"(4) undertake financings in both rural and urban areas, geographically dispersed across all regions of the United States;

"(5) develop the institutional capacity to serve as an efficient financing partner in helping to finance low- and moderate-income housing; and

"(6) in undertaking activities to meet such goals, maintain prudent underwriting and servicing, operate in a manner consistent with the principle that investments earn a reasonable return for risks assumed, and provide that all activities of the corporation shall be consistent with the safe and sound operation of the corporation.

"(f) REPORT ON ACHIEVEMENT OF HOUSING IMPACT GOALS.—Not later than March 15, 1993, and annually thereafter, the corporation shall submit to the Congress a written report setting forth the activities of the corporation in the preceding calendar year that serve low- and moderate-income families, including—

"(1) the dollar volume of homeownership and rental housing business related to each of the specific mortgage purchase goals adopted under the affordable housing goals, including the number of families served, the income, race, and gender of homebuyers served, the income of tenants of rental housing (based on available information), and the geographic distribution of the housing financed;

"(2) any barriers to achieving the goals, including the unavailability of public subsidies necessary to serve low- and very low-income families;

"(3) any targeted underwriting features adopted in order to promote affordable housing;

"(4) any actions identified by the management of the corporation as appropriate to enhance the organization of the corporation to achieve the affordable housing goals and implementation of such actions;

"(5) any actions taken affirmatively to help primary lenders make housing credit available to areas with concentrations of low-income and minority families;

"(6) any partnerships developed with nonprofit and for-profit organizations and with State and local governments and housing finance agencies, including how the corporation's activities support the objectives of local comprehensive housing affordability strategies; and

"(7) the extent to which the mortgage purchases of the corporation have been used in conjunction with public subsidy programs under Federal law, including the programs under titles II, III, IV, VI, and VII of the Cranston-Gonzalez National Affordable Housing Act (and the amendments made by such titles), the community investment and affordable housing programs of the Federal Home Loan Banks under section 10 of the Federal Home Loan Bank Act, the affordable housing provisions applicable to the Resolution Trust Corporation under section 21A(c) of the Federal Home Loan Bank Act, and special lending activities conducted in support of the Community Reinvestment Act of 1977.

The corporation shall make the reports under this subsection available to the public at the principal and regional offices of the corporation.

"(g) COLLECTION OF DEMOGRAPHIC DATA.—To facilitate the ability of the corporation to report on the demographic characteristics of families served, the corporation shall collect from mortgage sellers, with respect to each owner-occupied single family mortgage purchased, information collected by the seller on the income, race, and gender of the mortgagor. The corporation shall also make its best efforts to collect information with respect to the income of residents of rental properties financed by the corporation.

"(h) AUTHORIZATION OF ACTIVITIES.—Notwithstanding any other provision of law, the corporation may undertake activities and devote resources in support of the affordable housing goals under this section without the prior approval of the Secretary of Housing and Urban Development. The general regulatory power of the Secretary under section 309(h)(1) shall not apply to this section. During the period that the corporation is required to establish affordable housing goals, the Secretary may not establish mortgage purchase requirements under section 309(h)(2) for housing benefiting families in the income groups served by the affordable housing goals.

"(i) DEFINITIONS.—For the purpose of this section—

"(1) the term 'median family income' means the unadjusted median family income for an area, as determined and published annually by the Secretary of Housing and Urban Development; and

"(2) the term 'mortgage purchases' includes mortgages purchased for portfolio and securitization.".

(o) TECHNICAL AMENDMENTS.—

(1) Section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)) is amended—

(A) in paragraph (2)—

(i) in the first sentence following subparagraph (F), by striking "him" and inserting "the trustor"; and

(ii) in the last sentence, by striking "his" each place it appears and inserting "the trustor's"; and

(B) in paragraph (3), by striking "he" each place it appears and inserting "the trustor".

(2) Section 304(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(c)) is amended—

(A) by striking "his" each place it appears and inserting "the Secretary's"; and

(B) in the fourth sentence—

(i) by striking "he" and inserting "the Secretary"; and

(ii) by striking "him" and inserting "the Secretary".

(3) Section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a) is amended—

(A) in subsection (d)(2)—

(i) in the third sentence, by striking "his employment" each place it appears and inserting "the employment of such officer or employee"; and

(ii) in the last sentence, by striking "his basic pay" and inserting "the basic pay of such person"; and

(B) in subsection (e), by striking "he or it" and inserting "the individual, association, partnership, or corporation".

(p) EFFECTIVE DATE.—Except as otherwise provided in this section and the amendments made by this section, the amendments made by this section shall take effect on January 1, 1992.

SEC. 122. AMENDMENTS TO FEDERAL HOME LOAN MORTGAGE CORPORATION ACT.

(a) DEFINITIONS.—Section 302 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451) is amended—

(1) in subsection (h), by inserting after the period at the end the following new sentence: "The term 'residential mortgage' also includes a loan or advance of credit secured by a mortgage or other lien on congregate care, nursing home, and other group housing facilities that provide housing and other specialized medical and health care services to occupants."; and

(2) by adding at the end the following new subsections:

"(m) The term 'low-income family' means a family or individual whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary, except that the Secretary may establish income ceilings higher and lower than 80 percent of the median for the area if the Secretary determines that such variations are necessary because of prevailing levels of construction or rental costs or unusually high or low family incomes.

"(n) The term 'moderate-income family' means a family or individual who is not a low-income family and whose income does not exceed 100 percent of the median income for the area, as determined by the Secretary, except that the Secretary may establish income ceilings higher and lower than 100 percent of the median for the area if the Secretary determines that such

variations are necessary because of prevailing levels of construction or rental costs or unusually high or low family incomes.".

(b) BOARD OF DIRECTORS.—

(1) IN GENERAL.—Effective on the date of the enactment of this Act, the second sentence of section 303(a)(2)(A) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2)(A)) is amended—

(A) by striking "and" after the second comma; and

(B) by inserting before the period at the end the following: ", and at least 1 person chosen from organizations with more than a 2-year history of representing consumer or community interests or the interests of residents of low-income housing".

(2) IMPLEMENTATION.—The amendments made by paragraph (1) shall apply to the first annual appointment by the President of members to the Board of Directors of the Federal Home Loan Mortgage Corporation that occurs after the date of the enactment of this Act.

(c) GENERAL REGULATORY POWERS.—Section 303(b) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(b)) is amended—

(1) in paragraph (1), by striking "The" and inserting the following: "Except for the authority of the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development pursuant to section 103(a) of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991, the";

(2) in paragraph (2), by striking "may require" and inserting "shall require";

(3) by striking paragraph (3) and inserting the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), the Corporation may pay to holders of its common stock such dividends as may be declared by the Board of Directors.

"(B) The Corporation may not make any payment of dividends that would decrease the regulatory capital of the Corporation (as such term is defined in section 3 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991) to an amount less than the risk-based capital level for the Corporation established under section 201 of such Act or that would decrease the core capital of the Corporation (as such term is defined in such section 3) to an amount less than the minimum capital level for the Corporation established under section 202 of such Act, without prior written approval of the payment by the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development.

"(C) The Director of the Office of Secondary Market Examination and Oversight may require the Corporation to submit a report to the Director after the declaration of any dividend by the Corporation and before the payment of the dividend. The report shall be made in such form and under such circumstances and shall contain such information as the Director shall require.";

(4) in paragraph (4), by striking "may examine and audit the books and financial transactions of the Corporation and"; and

(5) by striking paragraph (6) and inserting the following new paragraph:

"(6) The Secretary shall, by regulation, prohibit the Corporation from purchasing mortgages from any mortgage seller that discriminates on the basis of race, religion, national origin, ethnic background, sex, marital status, or age in connection with the origination of a mortgage. The Secretary shall determine when a mortgage seller has discriminated as provided in this section and shall consider violations of the Fair Housing Act, the Equal Credit Opportunity Act (relating to mortgage credit), or any other Federal, State, or other law prohibiting similar discriminatory practices, as evidence of discrimination under this paragraph. The Secretary shall notify the Corporation when a mortgage seller has been found to have discriminated and shall notify the Corporation of the duration of the suspension under this paragraph.".

(d) RATIO OF CAPITAL AND OBLIGATIONS.—Effective upon the expiration of the 18-month period beginning on the date of the enactment of this Act, section 303(b) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(b)) is amended by striking paragraph (5).

(e) COMPENSATION.—Section 303 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452) is amended—

(1) in clause (9) of the first sentence of subsection (c), by inserting after "agents" the following: "as the Board of Directors determines reasonable and comparable with compensation for employment in positions in other similar businesses (including other major financial services companies) involving similar duties and responsibilities, except that a significant portion of potential compensation of all executive officers (as such term is defined in subsection (h)(3)) of the Corporation shall be based on the performance of the Corporation"; and

(2) by adding at the end the following new subsection:

"(h)(1) Not later than June 30, 1992, and annually thereafter, the Corporation shall submit a report to the Congress on (A) the comparability of the compensation policies of the Corporation with the compensation policies of other similar businesses, (B) in the aggregate, the percentage of total cash compensation and payments under employee benefit plans (which shall be defined in a manner consistent with the Corporation's proxy statement for the annual meeting of shareholders for the preceding year) earned by executive officers of the Corporation during the preceding year that was based on the Corporation's performance, and (C) the comparability of the Corporation's financial performance with the performance of other similar businesses. The report shall include a copy of the Corporation's proxy statement for the annual meeting of shareholders for the preceding year.

"(2) Notwithstanding the first sentence of subsection (c), after the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991, the Corporation may not enter into any agreement or contract to provide any payment of money or other thing of current or potential value in connection with the termination of employment of any executive officer of the Corporation, unless such agreement or contract is approved in advance by the Secretary of Housing and Urban Development. The Secretary may not approve any such agreement or contract unless the Secretary determines that the benefits provided under the agreement or contract are comparable to benefits under such agreements for officers of other public and private entities involved in financial services and housing interests who have comparable duties and responsibilities. For purposes of this paragraph, any renegotiation, amendment, or change after such date of enactment to any such agreement or contract entered into on or before such date of enactment shall be considered entering into an agreement or contract.

"(3) For purposes of this subsection, the term 'executive officer' has the meaning given the term in section 3 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

(f) CAPITAL STOCK.—Section 304 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1453) is amended—

(1) by striking subsections (b), (c), and (d);

(2) in subsection (a)(1), by striking "(1) The common stock" and all that follows and inserting the following: "The common stock of the Corporation shall consist of voting common stock, which shall be issued to such holders in the manner and amount, and subject to any limitations on concentration of ownership, as may be established by the Corporation."; and

(3) in subsection (a)(2)—

(A) in the first sentence, by striking "nonvoting common stock and the";

(B) by striking the last sentence; and

(C) by striking the paragraph designation and inserting "(b)".

(g) MORTGAGE SELLERS.—Section 305(a)(1) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(1)) is amended—

(1) in the first sentence, by striking "from any Federal home loan bank" and all that follows through the end of the sentence and inserting a period; and

(2) in the second sentence, by striking ", and the servicing" and all that follows through the end of the sentence and inserting a period.

(h) OBLIGATIONS AND SECURITIES AND ASSESSMENTS FOR OFFICE.—Section 306 of the Federal Home Loan Mortgage Corporation (12 U.S.C. 1455) is amended—

(1) in subsection (h)—

(A) by inserting "(1)" after "(h)"; and

(B) by adding at the end the following new paragraph:

"(2) The Corporation shall insert appropriate language in all of the obligations and securities of the Corporation issued under this section and section 305 clearly indicating that such obligations and securities, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than the Corporation."; and

(2) in the first sentence of subsection (i), by striking "section 303(c) or 306(c)" and inserting the following: "sections 303(c) and 306(c) of this Act and section 105(a) of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991".

(i) GAO AUDITS.—The first sentence of section 307(b) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456(b)) is amended to read as follows: "The programs, activities, receipts, expenditures, and financial transactions of the Corporation shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General.".

(j) REPORTS TO DIRECTOR.—Section 307 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456) is amended by adding at the end the following new subsection:

"(c)(1) The Corporation shall submit to the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development quarterly reports of the financial condition of the Corporation which shall be in such form, contain such information, and be submitted on such dates as the Director of the Office of Secondary Market Examination and Oversight shall require.

"(2) Each report of condition shall contain a declaration by the president, vice president, treasurer, or any other officer designated by the Board of Directors of the Corporation to make such declaration, that the report is true and correct to the best of such officer's knowledge and belief.

"(3) The Director of the Office of Secondary Market Examination and Oversight may require the Corporation to submit additional reports of financial condition, which shall be in such form, contain such information, and be submitted on such dates as the Director shall require. The Director may also require the Corporation to submit special reports whenever, in the judgment of the Director, such reports are necessary

to carry out the purposes of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991. The Director may not require the inclusion in any such special report of any information that is not reasonably obtainable by the Corporation. The Director shall notify the Corporation, a reasonable period in advance of the date for submission of any report, of any specific information to be contained in the report and the date for the submission of the report.".

(k) REPORT REGARDING MORTGAGE AND BORROWER CHARACTERISTICS.—Section 307 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456), as amended by the preceding provisions of this section, is further amended by adding at the end the following new subsection:

"(d)(1) With respect to residential mortgages for which information is or was required to be made available under the Home Mortgage Disclosure Act of 1975, the Corporation shall, for each year, submit a report to the Secretary of Housing and Urban Development containing information describing the characteristics of such mortgages purchased by the Corporation during the year and the borrowers under such mortgages, including the number and dollar amounts of such mortgages, the incomes, racial characteristics, and gender of the borrowers under such mortgages, and any other information that the Secretary may require.

"(2) The report under this subsection shall be itemized in a manner sufficient to disclose the information and characteristics required under paragraph (1) by area, as required by the Secretary. For purposes of this paragraph, the term 'area' means (A) census tracts, for mortgage loans secured by property located within any county with a population of more than 30,000, within a primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas, or (B) counties, for mortgage loans secured by property located in any other location.

"(3) The Corporation shall make the first report under this subsection after issuance of regulations implementing this subsection pursuant to section 131 of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

(l) HOUSING IMPACT GOALS AND PERFORMANCE.—The Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.) is amended by adding at the end the following new section:

"HOUSING IMPACT GOALS AND PERFORMANCE

"SEC. 311. (a) FINDINGS.—The Congress finds that—

"(1) as a government-sponsored secondary mortgage market enterprise, the Corporation has an affirmative obligation to promote affordable housing for low- and moderate-income families, consistent with the Corporation's overall mission;

"(2) the Corporation should establish annual affordable housing goals and report to the Congress annually on the achievement of the goals; and

"(3) the ability of the Corporation to meet affordable housing goals is dependent upon the availability of public subsidies provided under Federal law to assist very low-income and low-income families afford decent rental housing and homeownership.

"(b) ESTABLISHMENT AND REPORTING OF HOUSING IMPACT GOALS.—

"(1) REQUIREMENT.—Not later than January 15, 1992, and annually thereafter, the Corporation shall establish, in writing, and submit to the Congress, the Corporation's affordable housing goals under this subsection for the year.

"(2) MORTGAGE PURCHASES.—For 1992, 1993, and 1994, the affordable housing goals shall include mortgage purchases in the following volumes and characteristics:

"(A) 1992 AND 1993.—During the 2-year period consisting of 1992 and 1993, mortgage purchases of not less than $1,500,000,000, with one-half of such purchases directed to 1- to 4-family housing and one-half to multifamily housing satisfying the requirements under subsection (c).

"(B) 1994.—For 1994, mortgage purchases of not less than 1 percent of the total amount of mortgage purchases of the Corporation during 1993, with 40 percent of such purchases directed to 1- to 4-family housing and 60 percent to multifamily housing satisfying the requirements under subsection (c).

"(c) INCOME CHARACTERISTICS.—

"(1) MULTIFAMILY MORTGAGES.—Purchases of multifamily housing mortgages under subsection (b)(2) shall be directed in the following proportions:

"(A) 45 percent for multifamily housing affordable to families whose incomes do not exceed 80 percent of the median income for the area; and

"(B) 55 percent for multifamily housing in which—

"(i) at least 20 percent of the units are affordable to families whose incomes do not exceed 50 percent of the median income for the area; or

"(ii) at least 40 percent of the units are affordable to families whose incomes do not exceed 60 percent of the median income for the area.

"(2) SINGLE FAMILY MORTGAGES.—Purchases of 1- to 4-family housing mortgages under subsection (b)(2) shall be directed in the following proportions:

"(A) 45 percent for mortgages for families whose incomes do not exceed 80 percent of the median income for the area and who live in census tracts in which the median income does not exceed 80 percent of the area median; and

"(B) 55 percent for mortgages for families whose incomes do not exceed 60 percent of the median income for the area.

"(d) ADVISORY COUNCIL.—The Corporation shall appoint an Affordable Housing Advisory Council to advise the Corporation regarding possible methods for achieving the affordable housing goals established under this section. The Council shall consist of 15 individuals, who shall include representatives of community-based and other nonprofit and for-profit organizations and State and local government agencies actively engaged in the promotion, development, or financing of housing for low-income families.

"(e) OTHER REQUIREMENTS.—In working to meet the affordable housing goals under this section, the Corporation shall—

"(1) design programs and products that facilitate the use of assistance provided by the Federal Government and State and local governments;

"(2) develop partnerships with nonprofit and for-profit organizations that develop and finance housing and with State and local governments, including housing finance agencies;

"(3) take affirmative steps to help primary lenders make housing credit available in areas with concentrations of low-income and minority families and to assist such lenders in meeting their obligations under the Community Reinvestment Act of 1977;

"(4) undertake financings in both rural and urban areas, geographically dispersed across all regions of the United States;

"(5) develop the institutional capacity to serve as an efficient financing partner in helping to finance low- and moderate-income housing; and

"(6) in undertaking activities to meet such goals, maintain prudent underwriting and servicing, operate in a manner consistent with the principle that investments earn a reasonable return for risks assumed, and provide that all activities of the Corporation shall be consistent with the safe and sound operation of the Corporation.

"(f) REPORT ON ACHIEVEMENT OF HOUSING IMPACT GOALS.—Not later than March 15, 1993, and annually thereafter, the Corporation shall submit to the Congress a written report setting forth the activities of the Corporation in the preceding calendar year that serve low- and moderate-income families, including—

"(1) the dollar volume of homeownership and rental housing business related to each of the specific mortgage purchase goals adopted under the affordable housing goals, including the number of families served, the income, race, and gender of homebuyers served, the income of tenants of rental housing (based on available information), and the geographic distribution of the housing financed;

"(2) any barriers to achieving the goals, including the unavailability of public subsidies necessary to serve low- and very low-income families;

"(3) any targeted underwriting features adopted in order to promote affordable housing;

"(4) any actions identified by the management of the Corporation as appropriate to enhance the organization of the Corporation to achieve the affordable housing goals and implementation of such actions;

"(5) any actions taken affirmatively to help primary lenders make housing credit available to areas with concentrations of low-income and minority families;

"(6) any partnerships developed with nonprofit and for-profit organizations and with State and local governments and housing finance agencies, including how the Corporation's activities support the objectives of local comprehensive housing affordability strategies; and

"(7) the extent to which the mortgage purchases of the Corporation have been used in conjunction with public subsidy programs under Federal law, including the programs under titles II, III, IV, VI, and VII of the Cranston-Gonzalez National Affordable Housing Act (and the amendments made by such titles), the community investment and affordable housing programs of the Federal Home Loan Banks under section 10 of the Federal Home Loan Bank Act, the affordable housing provisions applicable to the Resolution Trust Corporation under section 21A(c) of the Federal Home Loan Bank Act, and special lending activities conducted in support of the Community Reinvestment Act of 1977.

The Corporation shall make the reports under this subsection available to the public at the principal and regional offices of the Corporation.

"(g) COLLECTION OF DEMOGRAPHIC DATA.—To facilitate the ability of the Corporation to report on the demographic characteristics of families served, the Corporation shall collect from mortgage sellers, with respect to each owner-occupied single family mortgage purchased, information collected by the seller on the income, race, and gender of the mortgagor. The Corporation shall also make its best efforts to collect information with respect to the income of residents of rental properties financed by the Corporation.

"(h) AUTHORIZATION OF ACTIVITIES.—Notwithstanding any other provision of law, the Corporation may undertake activities and devote resources in support of the affordable housing goals under this section without the prior approval of the Secretary of Housing and Urban Development. The general regulatory powers of the Secretary under section 303(b)(1) shall not apply to this section. During the period that the Corporation is required to establish affordable housing goals, the Secretary may not establish mortgage purchase requirements under section 303(b)(2) for housing benefiting families in the income groups served by the affordable housing goals.

"(i) DEFINITIONS.—For the purpose of this section—

"(1) the term 'median income' means the unadjusted median family income for an area, as determined and published annually by the Secretary of Housing and Urban Development; and

"(2) the term 'mortgage purchases' includes mortgages purchased for portfolio and securitization.".

(m) EFFECTIVE DATE.—Except as provided in this section and the amendments made by this section, the amendments made by this section shall take effect on January 1, 1992.

SEC. 123. AMENDMENTS TO TITLE 5, UNITED STATES CODE.

(a) DIRECTOR AT LEVEL II OF EXECUTIVE SCHEDULE.—Section 5313 of title 5, United States Code, is amended by inserting at the end the following new item:

"Director of the Office of Secondary Market Examination and Oversight, Department of Housing and Urban Development.".

(b) DEPUTY DIRECTOR AT LEVEL III OF EXECUTIVE SCHEDULE.—Section 5314 of title 5, United States Code, is amended by inserting at the end the following new item:

"Deputy Director of the Office of Secondary Market Examination and Oversight, Department of Housing and Urban Development.".

(c) DEFINITION OF AGENCY.—Section 3132(a)(1)(D) of title 5, United States Code, is amended by inserting "the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development," after "Farm Credit Administration,".

SEC. 124. AMENDMENT TO DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ACT.

Section 5 of the Department of Housing and Urban Development Act (42 U.S.C. 3534) is amended by adding at the end the following new subsection:

"(d) Notwithstanding any other provision of this Act, the Secretary may not merge or consolidate the Office of Secondary Market Examination and Oversight of the Department, or any of the functions or responsibilities of such Office with any function or program administered by the Secretary, unless specifically provided by a reorganization plan pursuant to chapter 9 of title 5, United States Code.".

Subtitle C—Miscellaneous Provisions

SEC. 131. IMPLEMENTATION.

(a) IN GENERAL.—The Secretary of Housing and Urban Development and the Director of the Office of Secondary Market Examination and Oversight of the Department of Housing and Urban Development, as appropriate, shall issue final regulations providing for the implementation of the provisions of this title and the amendments made by this title not later than the expiration of the 18-month period beginning on the date of the enactment of this Act. Such regulations shall clearly delineate the responsibilities and authority of the Secretary and the Director pursuant to the provision of and amendments made by this title. Any regulations issued by the Director pursuant to this section shall be issued under the authority provided in section 108.

(b) NOTICE AND COMMENT.—The regulations under this section shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (b)(B) and (d)(3) of such section).

SEC. 132. REVIEW OF UNDERWRITING GUIDELINES.

(a) STUDY.—Each of the enterprises shall conduct a study to review the underwriting guidelines of the enterprise. The studies shall—

(1) examine the extent to which the underwriting guidelines prevent or inhibit the purchase or securitization of mortgages for housing located in mixed-use, urban center, and predominantly minority neighborhoods and for housing for low- and moderate-income families;

(2) examine the standards employed by private mortgage insurers and the extent to which such standards inhibit the purchase and securitization by the enterprises of mortgages described in paragraph (1); and

(3) consider the implications of implementing underwriting standards that—

(A) establish a downpayment requirement for mortgagors of 5 percent or less;

(B) allow the use of cash on hand as a source for downpayments; and

(C) approve borrowers who have a credit history of delinquencies if the borrower can demonstrate a satisfactory credit history for at least the 12-month period ending on the date of the application for the mortgage.

(b) REPORT.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, each of the enterprises shall submit to the Secretary and to the Congress a report regarding the study conducted by the enterprise under subsection (a). The reports shall include any recommendations of the enterprises for better meeting the housing needs of low- and moderate-income families.

TITLE II—REQUIRED CAPITAL LEVELS FOR FNMA AND FHLMC AND SPECIAL ENFORCEMENT POWERS

SEC. 201. RISK-BASED CAPITAL LEVELS.

(a) RISK-BASED CAPITAL TEST.—The Director shall, by regulation, establish a risk-based capital test under this section for the enterprises. When applied to an enterprise, the risk-based capital test shall determine the amount of regulatory capital for the enterprise that is sufficient for the enterprise to maintain positive capital during a 10-year period in which both of the following circumstances occur:

(1) CREDIT RISK.—With respect to mortgages owned or guaranteed by the enterprise and other obligations of the enterprise, losses occur throughout the United States at a rate of default and severity (based on any measurements of default reasonably related to prevailing industry practice in determining capital adequacy) reasonably related to the rate and severity that occurred in contiguous areas of the United States containing an aggregate of not less than 5 percent of the total population of the United States that, for a period of not less than 2 years (as established by the Director), experienced the highest rates of default and severity of mortgage losses, in comparison with such rates of default and severity of mortgage losses in other such areas for any period of such duration, as determined by the Director.

(2) INTEREST RATE RISK.—Interest rates on Treasury obligations of varying terms increase or decrease over the first 12 months of such 10-year period by not more than the lesser of (A) 50 percent (with respect to the average interest rates on such obligations during the 12-month period preceding the 10-year period), or (B) 600 basis points, and remain at such level for the remainder of the period. This paragraph may not be construed to require the Director to determine interest rate risk under this paragraph based on the interest rates for various long-term and short-term obligations all increasing or all decreasing concurrently.

(b) CONSIDERATIONS.—In establishing the risk-based capital test under subsection (a), the Director shall take into account appropriate distinctions based on various types of mortgage products, varying terms of Treasury obligations, differences in seasoning of mortgages, and any other factors the Director considers appropriate.

(c) RISK-BASED CAPITAL LEVEL.—For purposes of this title, the risk-based capital level for an enterprise shall be equal to the sum of the following amounts:

(1) CREDIT AND INTEREST RATE RISK.—The amount of regulatory capital determined by applying the risk-based capital test under subsection (a) to the enterprise, adjusted to account for foreign exchange risk.

(2) MANAGEMENT AND OPERATIONS RISK.—To provide for management and operations risk, 30 percent of the amount of regulatory capital determined by applying the risk-based capital test under subsection (a) to the enterprise.

(d) EFFECT OF HOUSING IMPACT GOALS.—Notwithstanding any other provision of this section, if the capital held by an enterprise against any on- and off-balance sheet assets and obligations resulting from purchases undertaken pursuant to section 313 of the Federal National Mortgage Association Charter Act or section 311 of the Federal Home Loan Mortgage Corporation Act, as applicable, is equal to or greater than the minimum capital level for the enterprise set forth for on- and off-balance sheet assets and obligations under section 202, then in determining the risk-based capital level for the enterprise the Director shall disregard any such on- and off-balance sheet assets and obligations.

(e) DEFINITIONS.—For purposes of this section:

(1) SEASONING.—The term "seasoning" means the change over time in the ratio of the unpaid principal balance of a mortgage to the value of the property by which such mortgage loan is secured, determined on an annual basis by region, in accordance with the Constant Quality Home Price Index published by the Secretary of Commerce (or any successor index of similar quality, authority, and public availability that is regularly used by the Federal Government).

(2) TYPE OF MORTGAGE PRODUCT.—The term "type of mortgage product" means a classification of one or more mortgage products, as established by the Director, which have similar characteristics from each set of characteristics under the following subparagraphs:

(A) The property securing the mortgage is—

(i) a residential property consisting of 1 to 4 dwelling units; or

(ii) a residential property consisting of more than 4 dwelling units.

(B) The interest rate on the mortgage is—

(i) fixed; or

(ii) adjustable.

(C) The priority of the lien securing the mortgage is—

(i) first; or

(ii) second or other.

(D) The term of the mortgage is—

(i) 1 to 15 years;

(ii) 16 to 30 years; or

(iii) more than 30 years.

(E) The owner of the property is—

(i) an owner-occupant; or

(ii) an investor.

(F) The unpaid principal balance of the mortgage—

(i) will amortize completely over the term of the mortgage and will not increase significantly at any time during the term of the mortgage;

(ii) will not amortize completely over the term of the mortgage and will not increase significantly at any time during the term of the mortgage; or

(iii) may increase significantly at some time during the term of the mortgage.

(G) Any other characteristics of the mortgage, as the Director may determine.

(f) REGULATIONS.—The Director shall issue final regulations establishing the risk-based capital test under this section not later than the expiration of the 2-year period beginning on the date of the enactment of this Act. Such regulations shall contain specific requirements, definitions, methods, variables, and parameters used under the risk-based capital test and in implementing the test (such as loan loss severity, float income, loan-to value ratios, taxes, yield

curve slopes, default experience, and prepayment rates). The regulations shall be sufficiently specific to permit an individual other than the Director to apply the test in the same manner as the Director.

(g) Availability of Model.—The Director shall make copies of the statistical model or models used to implement the risk-based capital test under this section available for public acquisition and may charge a reasonable fee for such copies.

SEC. 202. MINIMUM CAPITAL LEVELS.

(a) In General.—For purposes of this title, the minimum capital level for each enterprise shall be an amount of core capital equal to the sum of—

(1) 2.50 percent of the aggregate on-balance sheet assets of the enterprise, as determined in accordance with generally accepted accounting principles; and

(2) 0.45 percent of the unpaid principal balance of outstanding mortgage-backed securities and substantially equivalent instruments issued or guaranteed by the enterprise and other off-balance sheet obligations of the enterprise, excluding commitments to purchase mortgages or issue securities, as determined in accordance with generally accepted accounting principles.

(b) Transition.—Notwithstanding subsection (a), for the period beginning upon the date of the enactment of this Act and ending upon the expiration of the 18-month period beginning upon such date of enactment, the minimum capital level for each enterprise shall be an amount of core capital equal to the sum of—

(1) 2.25 percent of the aggregate on-balance sheet assets of the enterprise, as determined in accordance with generally accepted accounting principles; and

(2) 0.40 percent of the unpaid principal balance of outstanding mortgage-backed securities and substantially equivalent instruments issued or guaranteed by the enterprise and other off-balance sheet obligations of the enterprise, excluding commitments to purchase mortgages or issue securities, as determined in accordance with generally accepted accounting principles.

SEC. 203. CRITICAL CAPITAL LEVELS.

For purposes of this title, the critical capital level for each enterprise shall be an amount of core capital equal to the sum of—

(1) 1.25 percent of the aggregate on-balance sheet assets of the enterprise, as determined in accordance with generally accepted accounting principles; and

(2) 0.25 percent of the unpaid principal balance of outstanding mortgage-backed securities and substantially equivalent instruments issued or guaranteed by the enterprise and other off-balance sheet obligations of the enterprise, excluding commitments to purchase mortgages or issue securities, as determined in accordance with generally accepted accounting principles.

SEC. 204. ENFORCEMENT LEVELS.

(a) In General.—The Director shall classify the enterprises, for purposes of this title, according to the following enforcement levels:

(1) Level I.—An enterprise shall be classified as within level I if the enterprise—

(A) maintains an amount of regulatory capital that is equal to or exceeds the risk-based capital level established for the enterprise under section 201; and

(B) equals or exceeds the minimum capital level for the enterprise established under section 202.

(2) Level II.—An enterprise shall be classified as within level II if—

(A) the enterprise—

(i) maintains an amount of regulatory capital that is less than the risk-based capital level established for the enterprise; and

(ii) equals or exceeds the minimum capital level for the enterprise; or

(B) the enterprise is otherwise classified within level II under subsection (b) of this section.

(3) Level III.—An enterprise shall be classified as within level III if—

(A) the enterprise—

(i) does not equal or exceed the minimum capital level for the enterprise; and

(ii) equals or exceeds the critical capital level for the enterprise established under section 203; or

(B) the enterprise is otherwise classified within level III under subsection (b) of this section.

(4) Level IV.—An enterprise shall be classified as within level IV if the enterprise—

(A) does not equal or exceed the critical capital level for the enterprise; or

(B) is otherwise classified within level IV under subsection (b) of this section.

(b) Discretionary Classification.—If at any time the Director determines in writing that an enterprise is taking any action not approved by the Director that could result in a rapid depletion of core capital or that the value of the property secured by mortgages held or securitized by the enterprise has decreased significantly, the Director may classify the enterprise—

(1) as within level II, if the enterprise is otherwise within level I;

(2) as within level III, if the enterprise is otherwise within level II; or

(3) as within level IV, if the enterprise is otherwise within level III.

(c) Quarterly Determination.—The Director shall determine the classification of the enterprises for purposes of this title on not less than a quarterly basis (and as appropriate under subsection (b)). The first such determination shall be made for the quarter ending March 31, 1992.

(d) Notice.—Upon determining under subsection (b) or (c) that an enterprise is within level II or III, the Director shall provide written notice to the Congress and to the enterprise—

(1) that the enterprise is within such level;

(2) that the enterprise is subject to the provisions of section 205 or 206, as applicable; and

(3) stating the reasons for the classification of the enterprise within such level.

(e) Implementation.—Notwithstanding subsection (a)(1), during the period beginning on the date of the enactment of this Act and ending upon the effective date of section 205 (as provided in section 205(d)), an enterprise shall be classified as within level I if the enterprise equals or exceeds the applicable minimum capital level for the enterprise under section 202.

SEC. 205. MANDATORY SUPERVISORY ACTIONS APPLICABLE TO ENTERPRISES WITHIN LEVEL II.

(a) Capital Restoration Plan.—An enterprise within level II shall, within the time period provided in section 209(b) and in consultation with the Director, submit to the Director a capital restoration plan that complies with section 209 and, after approval, carry out the plan.

(b) Restriction on Dividends.—An enterprise within level II may not make any payment of dividends that would result in the enterprise being reclassified as within level III or IV.

(c) Reclassification From Level II to Level III.—The Director shall immediately reclassify an enterprise within level II as within level III (and the enterprise shall be subject to the provisions of section 206), if—

(1) the enterprise does not submit a capital restoration plan that is substantially in compliance with section 209 within the applicable period or the Director does not approve the capital restoration plan submitted by the enterprise; or

(2) the Director determines that the enterprise has failed to make, in good faith, reasonable efforts necessary to comply with the capital restoration plan and fulfill the schedule for the plan approved by the Director.

(d) Effective Date.—This section shall take effect upon the expiration of the 1-year period beginning on the date of the effectiveness of the regulations issued under section 201(f) establishing the risk-based capital test.

SEC. 206. SUPERVISORY ACTIONS APPLICABLE TO ENTERPRISES WITHIN LEVEL III.

(a) Mandatory Supervisory Actions.—

(1) Capital Restoration Plan.—An enterprise within level III shall, within the time period provided in section 209(b) and in consultation with the Director, submit to the Director a capital restoration plan that complies with section 209 and, after approval, carry out the plan.

(2) Restrictions on Dividends.—

(A) Prior Approval.—An enterprise within level III may not make any payment of dividends that would result in the enterprise being reclassified as within level IV. An enterprise within level III may make any other payment of dividends only if the Director approves the payment before the payment.

(B) Standard for Approval.—The Director may approve a payment of dividends by an enterprise within level III only if the Director determines that the payment (i) will enhance the ability of the enterprise to meet the risk-based capital level and the minimum capital level for the enterprise promptly, (ii) will contribute to the long-term safety and soundness of the enterprise, or (iii) is otherwise in the public interest.

(3) Approval of Activities.—An enterprise within level III may undertake an activity subject to the approval of the Secretary under the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act only with the additional approval of the Director.

(4) Reclassification From Level III to Level IV.—The Director shall immediately reclassify an enterprise within level III as within level IV (and the enterprise shall be subject to the provisions of section 207), if—

(A) the enterprise does not submit a capital restoration plan that is substantially in compliance with section 209 within the applicable period or the Director does not approve the capital restoration plan submitted by the enterprise; or

(B) the Director determines that the enterprise has failed to make, in good faith, reasonable efforts necessary to comply with the capital restoration plan and fulfill the schedule for the plan approved by the Director.

(b) Discretionary Supervisory Actions.—In addition to any other actions taken by the Director (including actions under subsection (a)), the Director may, at any time, take any of the following actions with respect to an enterprise within level III:

(1) Limitation on Increase in Obligations.—Limit any increase in, or order the reduction of, any obligations of the enterprise, including off-balance sheet obligations.

(2) Limitation on Growth.—Limit or prohibit the growth of the assets of the enterprise or require contraction of the assets of the enterprise.

(3) Prohibition on Dividends.—Prohibit the enterprise from making any payment of dividends.

(4) Acquisition of New Capital.—Require the enterprise to acquire new capital in any form and in any amount sufficient to provide for the reclassification of the enterprise as within level II.

(5) Restriction of Activities.—Require the enterprise to terminate, reduce, or modify any activity that the Director determines creates excessive risk to the enterprise.

(6) Conservatorship.—Appoint a conservator for the enterprise pursuant to section 208.

(c) Effective Date.—This section shall take effect upon the expiration of the 18-month period beginning on the date of the enactment of this Act.

SEC. 207. MANDATORY APPOINTMENT OF CONSERVATOR FOR ENTERPRISES WITHIN LEVEL IV.

(a) NOTICE.—Upon determining that an enterprise is within level IV, the Director shall provide written notice to the Congress and to the enterprise—

(1) that the enterprise is within level IV;

(2) that a conservator shall be appointed for the enterprise pursuant to this section.

(b) APPOINTMENT.—If the Director determines that an enterprise is within level IV, the Director shall, not later than 30 days after providing notice under subsection (a), appoint a conservator for the enterprise. A conservator appointed pursuant to this section shall have the authority, in the discretion of the conservator, to take any actions under sections 205 and 206 not inconsistent with the authority of the conservator and to take any other actions authorized under section 208.

(c) APPROVAL OF ACTIVITIES.—The conservator of any enterprise within level IV may undertake an activity subject to the approval of the Secretary under the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act only with the additional approval of the Director.

(d) EFFECTIVE DATE.—This section shall take effect on January 1, 1992.

SEC. 208. CONSERVATORSHIP.

(a) APPOINTMENT.—

(1) DISCRETIONARY AUTHORITY.—The Director may, after providing notice under paragraph (2), appoint a conservator for an enterprise upon a determination—

(A) that the enterprise is not likely to pay its obligations in the normal course of business;

(B) that—

(i) the enterprise has incurred or is likely to incur losses that will deplete all or substantially all of its core capital; and

(ii) there is no reasonable likelihood that the enterprise will replenish its core capital without Federal assistance;

(C) that the enterprise has concealed books, papers, records, or assets of the enterprise that are material to the discharge of the Director's responsibilities under this title, or has refused to submit such books, papers, records, or information regarding the affairs of the enterprise for inspection to the Director upon request; or

(D) that the enterprise is classified within Level III.

(2) NOTICE.—Upon making a determination under paragraph (1) to appoint a conservator under this section for an enterprise, the Director shall provide written notice to the Congress and to the enterprise—

(A) that a conservator will be appointed for the enterprise under this section;

(B) stating the reasons under paragraph (1) for the appointment of the conservator; and

(C) identifying the person, company, or governmental agency that the Director intends to appoint as conservator.

(b) JUDICIAL REVIEW.—

(1) IN GENERAL.—

(A) TIMING AND JURISDICTION.—An enterprise for which a conservator is appointed (pursuant to this section or section 207) may bring an action in the United States District Court for the District of Columbia, for an order requiring the Director to terminate the appointment of the conservator. The court, upon the merits, shall dismiss such action or shall direct the Director to terminate the appointment of the conservator. Such an action may be commenced only before the expiration of the 20-day period beginning upon the appointment of the conservator.

(B) STANDARD.—A decision of the Director to appoint a conservator may be set aside under this paragraph only if the court finds that the decision was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with applicable laws.

(2) STAY.—

(A) IN GENERAL.—A conservator appointed pursuant to this section or section 207 may request that any judicial action or proceeding to which the conservator or the enterprise is or may become a party be stayed for a period not exceeding 45 days and commencing upon the appointment of the conservator. Upon petition, the court shall grant such stay as to all parties.

(B) FEDERAL AGENCY AS CONSERVATOR.—In any case in which the conservator appointed for an enterprise is a Federal agency or an officer or employee of the Federal Government, the conservator may make a request for a stay under subparagraph (A) only with the prior consent of the Attorney General and subject to the direction and control of the Attorney General.

(3) ACTIONS AND ORDERS.—

(A) LIMITATION ON JURISDICTION.—Except as otherwise provided in this subsection, no court may take any action regarding the removal of a conservator or otherwise restrain or affect the exercise of powers or functions of a conservator.

(B) ENFORCEMENT OF ORDERS.—The Director, with the prior consent of the Attorney General and subject to the direction and control of the Attorney General, may apply to a court which shall have the jurisdiction to enforce an order of the Director relating to—

(i) the conservatorship and the enterprise in conservatorship; or

(ii) restraining or affecting the exercise of authority or functions of a conservator.

(c) APPOINTMENT BY CONSENT.—Notwithstanding subsection (a), the Director may appoint a conservator for an enterprise if the enterprise, by an affirmative vote of a majority of its board of directors or by an affirmative vote of a majority of its shareholders, consents to such appointment.

(d) EXCLUSIVE APPOINTMENT AUTHORITY AND LIMITATION.—The Director shall have exclusive authority to appoint a conservator for an enterprise. The Director may not appoint as a conservator for an enterprise the Office of Secondary Market Examination and Oversight, the Department of Housing and Urban Development, or any officer or employee of such Office or Department.

(e) REPLACEMENT OF CONSERVATOR.—The Director may, without notice or hearing, replace a conservator with another conservator. Such replacement shall not affect the right of the enterprise under subsection (b) to obtain judicial review of the decision of the Director to appoint a conservator.

(f) EXAMINATIONS.—The Director may examine and supervise any enterprise in conservatorship during the period in which the enterprise continues to operate as a going concern.

(g) TERMINATION.—

(1) DISCRETIONARY.—At any time the Director determines that termination of a conservatorship pursuant to an appointment under subsection (a) is in the public interest and may safely be accomplished, the Director may terminate the conservatorship and permit the enterprise to resume the transaction of its business subject to such terms, conditions, and limitations as the Director may prescribe.

(2) MANDATORY.—The Director shall terminate a conservatorship pursuant to this section or section 207 upon a determination by the Director that the enterprise equals or exceeds the minimum capital level for the enterprise established under section 202. The Director may not impose any terms, conditions, or limitations on the transaction of business of an enterprise whose conservatorship is terminated under this paragraph.

(h) POWERS AND DUTIES.—

(1) GENERAL POWERS.—A conservator shall have all the powers of the shareholders, directors, and officers of the enterprise under conservatorship and may operate the enterprise in the name of the enterprise, unless the Director provides otherwise.

(2) LIMITATIONS BY DIRECTOR.—A conservator shall be subject to any rules, regulations, and orders issued from time to time by the Director and, except as otherwise specifically provided in such rules, regulations, or orders or in subsection (i), shall have the same rights and privileges and be subject to the same duties, restrictions, penalties, conditions, and limitations applicable to directors, officers, or employees of the enterprise.

(3) PAYMENT OF CREDITORS.—The Director may require a conservator to set aside and make available for payment to creditors any amounts that the Director determines may safely be used for such purpose. All creditors who are similarly situated shall be treated in a similar manner.

(4) COMPENSATION OF CONSERVATOR AND EMPLOYEES.—A conservator and professional employees (other than Federal employees) appointed to represent or assist the conservator may be compensated for activities conducted as conservator. Compensation may not be provided in amounts greater than the compensation paid to employees of the Federal Government for similar services, except that the Director may provide for compensation at higher rates (but not in excess of rates prevailing in the private sector), if the Director determines that compensation at higher rates is necessary in order to recruit and retain competent personnel.

(5) EXPENSES.—All expenses of a conservatorship pursuant to this section (including compensation under paragraph (4)) shall be paid by the enterprise and shall be secured by a lien on the enterprise, which shall have priority over any other lien.

(i) LIABILITY PROTECTIONS.—

(1) FEDERAL AGENCIES AND EMPLOYEES.—In any case in which the conservator is a Federal agency or an officer or employee of the Federal Government, the provisions of chapters 161 and 171 of title 28, United States Code, shall apply with respect to the liability of the conservator for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship.

(2) OTHER CONSERVATORS.—In any case where the conservator is not a conservator described in paragraph (1), the conservator shall not be personally liable for damages in tort or otherwise for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship, unless such acts or omissions constitute gross negligence, including any similar conduct or any form of intentional tortious conduct.

(3) INDEMNIFICATION.—The Director, with the approval of the Attorney General, may indemnify the conservator on such terms as the Director considers appropriate.

SEC. 209. CAPITAL RESTORATION PLANS.

(a) CONTENTS.—Each capital restoration plan submitted under this title shall set forth a feasible plan for the enterprise to equal or exceed the minimum capital level for the enterprise and for restoring the level of regulatory capital of the enterprise subject to the plan to not less than the risk-based capital level for the enterprise. Each capital restoration plan shall—

(1) specify the level of capital the enterprise will achieve and maintain;

(2) describe the actions that the enterprise will take to equal or exceed the minimum capital level for the enterprise and to restore the regulatory capital of the enterprise to not less than the risk-based capital level for the enterprise;

(3) establish a schedule for completing the capital restoration plan;

(4) specify the types and levels of activities in which the enterprise will engage during the term of the capital restoration plan; and

(5) describe the actions that the enterprise will take to comply with any mandatory and discretionary requirements imposed under this title.

(b) DEADLINES FOR SUBMISSION.—The Director shall, by regulation, establish a deadline for submission of a capital restoration plan, which may not be more than 45 days after the enterprise is notified in writing that a plan is required. The regulations shall provide that the Director may extend the deadline to the extent that the Director determines necessary. Any extension of the deadline shall be in writing and for a time certain.

(c) APPROVAL.—The Director shall review each capital restoration plan submitted under this section and, not later than 45 days after submission of the plan, approve or disapprove the plan. The Director may extend the period for approval or disapproval for any plan for a single additional 45-day period if the Director determines necessary. The Director shall notify any enterprise submitting a plan in writing of the approval or disapproval of the plan (which shall include the reasons for any disapproval of the plan) and of any extension of the period for approval or disapproval. The Director shall provide by regulation for resubmission and review of any plans disapproved.

SEC. 210. JUDICIAL REVIEW OF DIRECTOR ACTION.

(a) JURISDICTION.—

(1) FILING OF PETITION.—An enterprise within level I, II, or III, that is the subject of a mandatory or discretionary supervisory action taken under this title by the Director (other than action under section 207 or 208) may obtain review of the action by filing, within 10 days after receiving written notice of the Director's action, a written petition requesting that the action of the Director be modified, terminated, or set aside.

(2) PLACE FOR FILING.—A petition filed pursuant to this subsection shall be filed in the United States Court of Appeals for the District of Columbia Circuit.

(b) SCOPE OF REVIEW.—An action taken by the Director under this title (other than under section 207 or 208) may be modified, terminated, or set aside only if the court finds, on the record on which the Director acted, that the action of the Director was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with applicable laws.

(c) UNAVAILABILITY OF STAY.—The commencement of proceedings for judicial review pursuant to this section shall not operate as a stay of any action taken by the Director. Except with respect to any enterprise within level I or II that has not been reclassified to level III under section 204(b) or 205(c), no court shall have jurisdiction to stay, enjoin, or otherwise delay any action taken by the Director under this title pending judicial review of the action.

(d) LIMITATION ON JURISDICTION.—Except as provided in this section, no court shall have jurisdiction to affect, by injunction or otherwise, the issuance or effectiveness of any action of the Director under this title (other than action under section 207 or 208) or to review, modify, suspend, terminate, or set aside such action.

SEC. 211. EXAMINATIONS.

(a) TIMING.—

(1) ANNUAL EXAMINATION.—The Director shall annually conduct an examination under this section of each enterprise to determine the condition of the enterprise for the purpose of ensuring its financial safety and soundness.

(2) OTHER EXAMINATIONS.—Whenever the Director determines that an examination is necessary to determine the condition of an enterprise for the purpose of ensuring its financial safety and soundness the Director may conduct an examination under this section.

(b) EXAMINERS.—The Director shall appoint examiners to conduct examinations of the enterprises under this section. The Director may, in the discretion of the Director, request assistance from the Board of Governors of the Federal Reserve System for examinations and utilize the services of examiners employed by the Federal Reserve Board to conduct such examinations. The Director shall reimburse the Board of Governors of the Federal Reserve System for any costs of services provided under this subsection by the Federal Reserve Board, from amounts available under this Act.

(c) TECHNICAL EXPERTS.—The Director may obtain the services of any technical experts the Director considers necessary and appropriate to provide temporary technical assistance relating to examinations to the Director and officers and employees of the Office of Secondary Market Examination and Oversight. The Director shall describe, in the public record of each examination, the nature and extent of any such temporary technical assistance.

(d) OATHS, EVIDENCE, SUBPOENA POWERS.—In connection with examinations under this section, the Director may—

(1) administer oaths and affirmations;

(2) take and preserve testimony under oath; and

(3) issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence.

The attendance of witnesses and the production of evidence may be required from any place within any State at any designated place where a hearing relating to an examination is conducted.

(e) SECOND EXAMINATION BY GAO.—Upon a determination by the Director that an examination of an enterprise is necessary under this subsection, the Comptroller General shall conduct an examination of the enterprise solely to provide an independent determination regarding the safety and soundness of the enterprise. The examination shall be conducted at a time and in a manner that results in minimal disruption to the normal business activities of the enterprise. The Comptroller General may obtain the services of technical experts in the same manner as the Director may obtain such services under subsection (c), except that any entity that assists the Director in examining an enterprise may not concurrently assist the Comptroller General to examine the enterprise under this subsection.

TITLE III—CEASE-AND-DESIST ORDERS AND CIVIL MONEY PENALTIES AGAINST FNMA AND FHLMC

SEC. 301. CEASE-AND-DESIST PROCEEDINGS.

(a) GROUNDS FOR ISSUANCE.—The Director may issue and serve upon an enterprise or any executive officer of an enterprise a notice of charges under this section if, in the determination of the Director, the enterprise or executive officer—

(1) is engaging or has engaged, or the Director has reasonable cause to believe that the enterprise or executive officer is about to engage, in any activity that could result in a rapid depletion of the core capital of the enterprise; or

(2) is violating or has violated, or the Director has reasonable cause to believe that the enterprise or executive officer is about to violate—

(A) any law, rule, or regulation; or

(B) any written agreement entered into by the enterprise with the Director.

(b) PROCEDURE.—

(1) NOTICE OF CHARGES.—Each notice of charges shall contain a statement of the facts constituting the alleged violation or violations or the activity that could result in a rapid depletion of the core capital of the enterprise, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist from such violation or activity should issue against the enterprise or executive officer.

(2) DATE OF HEARING.—A hearing pursuant to a notice under paragraph (1) shall be fixed for a date not earlier than 30 days nor later than 60 days after service of the notice unless an earlier or a later date is set by the Director at the request of the enterprise or executive officer served.

(3) FAILURE TO APPEAR.—Unless the enterprise or executive officer served appears at the hearing through a duly authorized representative, the enterprise or executive officer shall be deemed to have consented to the issuance of the cease-and-desist order.

(4) ISSUANCE OF ORDER.—In the event of such consent, or if, upon the record made at any such hearing, the Director finds that any violation or activity specified in the notice of charges has been established, the Director may issue and serve upon the enterprise or executive officer an order requiring the enterprise or executive officer to cease and desist from any such violation or activity and to take affirmative action to correct the conditions resulting from any such violation or activity.

(c) AFFIRMATIVE ACTION TO CORRECT CONDITIONS RESULTING FROM VIOLATIONS OR ACTIVITIES.—The authority under this section and section 302 to issue any order which requires an enterprise or executive officer to take affirmative action to correct or remedy any conditions resulting from any violation or activity with respect to which such order is issued includes the authority to require such enterprise or executive officer—

(1) to make restitution or provide reimbursement, indemnification, or guarantee against loss if the violation or activity involves a reckless disregard for the law or any applicable regulations or prior order of the Director or the enterprise or executive officer was unjustly enriched in connection with such violation or practice;

(2) to restrict the growth of the enterprise;

(3) to dispose of any asset involved;

(4) to rescind agreements or contracts;

(5) to employ qualified officers or employees (who may be subject to approval by the Director at the direction of the Director); and

(6) to take such other action as the Director determines appropriate.

(d) AUTHORITY TO LIMIT ACTIVITIES.—The authority to issue an order under this section or section 302 includes the authority to place limitations on the activities or functions of the enterprise or any director or executive officer of the enterprise.

(e) EFFECTIVE DATE.—A cease-and-desist order under this section shall become effective upon the expiration of the 30-day period beginning on the service of the order upon the enterprise or executive officer concerned (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided in the order, except to the extent that the order is stayed, modified, terminated, or set aside by action of the Director or otherwise as provided in this title.

SEC. 302. TEMPORARY CEASE-AND-DESIST ORDERS.

(a) GROUNDS FOR ISSUANCE AND SCOPE.—Whenever the Director determines that any violation, threatened violation, or activity that could result in a rapid depletion of the capital of the enterprise, specified in the notice of charges served upon the enterprise or executive officer pursuant to section 301(a), or the continuation thereof, is likely—

(1) to cause insolvency of the enterprise, or

(2) to weaken the condition of the enterprise prior to the completion of the proceedings conducted pursuant to section 301(b),

the Director may issue a temporary order requiring the enterprise or executive officer to cease-and-desist from any such violation or practice and to take affirmative action to prevent or remedy such insolvency or condition pending completion of such proceedings. Such order may include any requirement authorized under section 301(c).

(b) EFFECTIVE DATE.—An order issued pursuant to subsection (a) shall become effective upon service upon the enterprise or executive officer and, unless set aside, limited, or suspended by a court in proceedings pursuant to subsection (d), shall remain in effect and enforceable pending the completion of the proceedings pursuant to such notice and shall remain effective until the Director dismisses the charges specified in the notice or until superseded by a cease-and-desist order issued pursuant to section 301.

(c) INCOMPLETE OR INACCURATE RECORDS.—

(1) TEMPORARY ORDER.—If a notice of charges served under section 301(a) specifies that the books and records of the enterprise served are so incomplete or inaccurate that the Director is unable, through the normal supervisory process, to determine the financial condition of the enterprise or the details or the purpose of any transaction or transactions that may have a material effect on the financial condition of that enterprise, the Director may issue a temporary order requiring—

(A) the cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

(B) affirmative action to restore the books or records to a complete and accurate state, until the completion of the proceedings under section 301.

(2) EFFECTIVE PERIOD.—Any temporary order issued under paragraph (1)—

(A) shall become effective upon service; and

(B) unless set aside, limited, or suspended by a court in proceedings pursuant to subsection (d), shall remain in effect and enforceable until the earlier of—

(i) the completion of the proceeding initiated under section 301 in connection with the notice of charges; or

(ii) the date the Director determines, by examination or otherwise, that the books and records of the enterprise are accurate and reflect the financial condition of the enterprise.

(d) JUDICIAL REVIEW.—Within 10 days after an enterprise or executive officer has been served with a temporary cease-and-desist order pursuant to this section, the enterprise or executive officer may apply to the United States District Court for the District of Columbia for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of the order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the enterprise or executive officer under section 301(a). Such court shall have jurisdiction to issue such injunction.

(e) ENFORCEMENT BY ATTORNEY GENERAL.—In the case of violation or threatened violation of, or failure to obey, a temporary order issued pursuant to this section, the Director may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for an injunction to enforce such order. If the court finds any such violation, threatened violation, or failure to obey, the court shall issue such injunction.

SEC. 303. HEARINGS.

(a) VENUE AND PROCEDURE.—Any hearing under section 301, 302, or 306—

(1) shall be held in the Federal judicial district or in the territory in which the home office of the enterprise is located unless the enterprise consents to another place; and

(2) shall be conducted in accordance with the provisions of chapter 5 of title 5, United States Code.

(b) ISSUANCE OF ORDER.—

(1) IN GENERAL.—After any such hearing, and within 90 days after the Director has notified the parties that the case has been submitted to the Director for final decision, the Director shall render the decision (which shall include findings of fact upon which the decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this title.

(2) MODIFICATION.—Except as provided in section 302(d), judicial review of any such order shall be exclusively as provided in section 304. Unless such a petition for review is timely filed as provided in section 304, and thereafter until the record in the proceeding has been filed as so provided, the Director may at any time, modify, terminate, or set aside any such order, upon such notice and in such manner as the Director considers proper. Upon such filing of the record, the Director may modify, terminate, or set aside any such order with permission of the court.

SEC. 304. JUDICIAL REVIEW.

(a) COMMENCEMENT.—Any party to a proceeding under section 301 or 306 may obtain review of any final order issued under such section by filing in the United States Court of Appeals for the District of Columbia Circuit, within 30 days after the date of service of such order, a written petition praying that the order of the Director be modified, terminated, or set aside. The clerk of the court shall transmit a copy of the petition to the Director.

(b) FILING OF RECORD.—Upon receiving a copy of a petition, the Director shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code.

(c) JURISDICTION.—Upon the filing of a petition, such court shall have jurisdiction, which upon the filing of the record by the Director shall (except as provided in the last sentence of section 303(b)(2)) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Director.

(d) REVIEW.—Review of such proceedings shall be governed by chapter 7 of title 5, United States Code.

(e) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, such court shall have the authority in any such review to order payment of any penalty imposed by the Director under this title.

(f) NO AUTOMATIC STAY.—The commencement of proceedings for judicial review under this section shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Director.

SEC. 305. ENFORCEMENT AND JURISDICTION.

(a) ENFORCEMENT.—The Director may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of any effective notice or order issued under this title, and the court shall have jurisdiction and power to order and require compliance herewith.

(b) LIMITATION ON JURISDICTION.—Except as otherwise provided in this title, no court shall have jurisdiction to affect, by injunction or otherwise, the issuance or enforcement of any notice or order under section 301 or 302, or to review, modify, suspend, terminate, or set aside any such notice or order.

SEC. 306. CIVIL MONEY PENALTIES.

(a) FAILURE TO SUBMIT REPORTS.—The Director may impose a civil money penalty, in accordance with the provisions of this section, on any enterprise that fails to make any report required under section 309(k) of the Federal National Mortgage Association Charter Act or section 307(c) of the Federal Home Loan Mortgage Corporation Act within the period of time established by the Director for submission of the report (except in the case of a report submitted minimally late). The amount of the penalty, as determined by the Director, may not exceed $5,000 per day for each day during which such failure continues.

(b) UNINTENTIONAL VIOLATIONS.—The Director may impose a civil money penalty, in accordance with the provisions of this section, on any enterprise that, without knowledge—

(1) violates any law, rule, or regulation;

(2) violates any final order or temporary order issued pursuant to section 301 or 302; or

(3) violates any written agreement between an enterprise and the Director.

The amount of the penalty, as determined by the Director, may not exceed $5,000 for each day during which such violation continues.

(c) INTENTIONAL VIOLATIONS.—The Director may impose a civil money penalty, in accordance with the provisions of this section, on any enterprise that—

(1) submits to the Director any false or misleading report or information with actual knowledge of inaccuracy, deliberate ignorance of inaccuracy, or reckless disregard for accuracy; or

(2) knowingly commits any violation described in subsection (b).

The amount of the penalty, as determined by the Director, may not exceed, for each day during which such violation, practice, or breach continues, the lesser of (A) $1,000,000, or (B) one percent of the total assets of the enterprise.

(d) PROCEDURES.—

(1) ESTABLISHMENT.—The Director shall establish standards and procedures governing the imposition of civil money penalties under subsections (a), (b), and (c). The standards and procedures—

(A) shall provide for the Director to make the determination to impose the penalty;

(B) shall provide for the imposition of a penalty only after the enterprise has been given notice of, and opportunity for, a hearing on the record; and

(C) may provide for review by the Director of any determination or order, or interlocutory ruling, arising from a hearing.

(2) FINAL ORDERS.—If an enterprise does not request a hearing within 20 days after receipt of a notice of opportunity for hearing, the imposition of a penalty shall constitute a final and unappealable determination. If the Director reviews the determination or order, the Director may affirm, modify, or reverse the determination or order, and shall state with reasonable specificity the basis upon which any such affirmation, modification, or reversal is made. If the Director does not review the determination or order within 90 days after the issuance of the determination or order, the determination or order shall be final.

(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (a), (b), or (c), the Director shall give consideration to such factors as the gravity of the violation, any history of prior violations (including violations occurring before the date under subsection (i)), the effect of the penalty on the safety and soundness of the enterprise, any injury to the public, any benefits received, and deterrence of future violations, and any other factors the Director may determine by regulation.

(4) REVIEW OF IMPOSITION OF PENALTY.—The determination or order of the Director imposing a penalty under subsection (a), (b), or (c) shall not be subject to review, except as provided in section 304.

(e) ACTION TO COLLECT PENALTY.—If an enterprise fails to comply with a determination or order of the Director imposing a civil money penalty under subsection (a), (b), or (c), after the determination or order is no longer subject to review as provided under subsection (d)(1) and section 304, the Director may request the

Attorney General of the United States to bring an action in the United States District Court for the District of Columbia to obtain a monetary judgment against the enterprise and such other relief as may be available. The monetary judgment may, in the discretion of the court, include any attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the determination or order of the Director imposing the penalty shall not be subject to review.

(f) SETTLEMENT BY DIRECTOR.—The Director may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

(g) AVAILABILITY OF OTHER REMEDIES.—Any civil money penalty under this section shall be in addition to any other available civil remedy and may be imposed whether or not the Director imposes other administrative sanctions.

(h) DEPOSIT OF PENALTIES.—The Secretary shall deposit any civil money penalties collected under this section into the general fund of the Treasury.

(i) APPLICABILITY.—This section shall apply only to violations under subsections (a), (b), and (c) occurring on or after January 1, 1992.

SEC. 307. NOTICE OF SERVICE.

Any service required or authorized to be made by the Director under this title may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Director may by regulation or otherwise provide.

SEC. 308. SUBPOENA AUTHORITY.

(a) IN GENERAL.—In the course of or in connection with any administrative proceeding under this title, the Director shall have the authority—

(A) to administer oaths and affirmations;

(B) to take or cause to be taken depositions;

(C) to issue subpoenas and subpoenas duces tecum; and

(D) to revoke, quash, or modify subpoenas and subpoenas duces tecum issued by the Director.

(b) WITNESSES AND DOCUMENTS.—The attendance of witnesses and the production of documents provided for in this section may be required from any place in any State at any designated place where such proceeding is being conducted.

(c) ENFORCEMENT.—The Director may request the Attorney General of the United States to bring an action in the United States district court for the judicial district in which such proceeding is being conducted, or where the witness resides or conducts business, or the United States District Court for the District of Columbia, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this section. Such courts shall have jurisdiction and power to order and require compliance therewith.

(d) FEES AND EXPENSES.—Witnesses subpoenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this section by an enterprise may allow to any such party such reasonable expenses and attorneys fees as the court deems just and proper. Such expenses and fees shall be paid by the enterprise or from its assets.

TITLE IV—REGULATION OF FEDERAL HOME LOAN BANK SYSTEM

SEC. 401. PRIMACY OF FINANCIAL SAFETY AND SOUNDNESS FOR FEDERAL HOUSING FINANCE BOARD.

Section 2A(a)(3) of the Federal Home Loan Bank Act (12 U.S.C. 1422a(a)(3)) is amended to read as follows:

"(3) DUTIES.—

"(A) SAFETY AND SOUNDNESS.—The primary duty of the Board shall be to ensure that the Federal Home Loan Banks operate in a financially safe and sound manner.

"(B) OTHER DUTIES.—To the extent consistent with subparagraph (A), the duties of the Board shall also be—

"(i) to supervise the Federal Home Loan Banks;

"(ii) to ensure that the Federal Home Loan Banks carry out their housing finance mission; and

"(iii) to ensure that the Federal Home Loan Banks remain adequately capitalized and able to raise funds in the capital markets.".

SEC. 402. ADVANCES TO NONQUALIFIED THRIFT LENDER MEMBERS.

Section 10(e)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1430(e)(2)) is amended by striking the second sentence and inserting the following new sentence: "The aggregate amount of the advances by the Federal Home Loan Bank System to members that are not qualified thrift lenders shall not exceed 30 percent of the total advances of the Federal Home Loan Bank System.".

SEC. 403. STUDY REGARDING FEDERAL HOME LOAN BANK SYSTEM.

(a) IN GENERAL.—The Federal Housing Finance Board, the Comptroller General of the United States, the Director of the Congressional Budget Office, and the Secretary of Housing and Urban Development shall each conduct a study regarding the following topics:

(1) The appropriate capital standards for the Federal Home Loan Bank System.

(2) The relationship between the capital standards for the Federal Home Loan Bank System and the capital standards under this Act for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(3) The relationship between the capital standards for savings associations and the capital standards under this Act for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, including determining why such enterprises are not subject to the same capital requirements as savings associations for similar kinds of on-balance sheet and off-balance sheet assets and obligations.

(4) The desirability of expanding credit products and services for member institutions of the Federal Home Loan Bank System, including a determination of the feasibility of Federal Home Loan Banks (A) purchasing housing-related assets from member institutions and (B) providing credit enhancements and other products to members in addition to advances.

(5) The feasibility of expanding eligible collateral for advances by removing the limits on the amount of housing-related assets that member institutions can use to collateralize advances.

(6) Recommendations for further measures to expand the role of the Federal Home Loan Bank System as a support mechanism for community-based lenders and to reinforce the overall role of the System in housing finance.

(7) Recommendations for further measures to increase membership in, and increase the profitability of, the System by modifying—

(A) restrictions on membership and stock purchases of nonqualified thrift lenders;

(B) the overall advance limit imposed on the Federal Home Loan Bank System to nonqualified thrift lenders; and

(C) the membership requirement for qualified thrift lenders.

(8) The competitive effect of the mortgage activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation on the home mortgage activities of federally insured depository institutions and the cost of such activities to such institutions, the Savings Association Insurance Fund, and the Resolution Trust Corporation.

(b) REPORTS.—Not later than 6 months after the date of the enactment of this Act, the Federal Housing Finance Board, the Comptroller General, the Director of the Congressional Budget Office, and the Secretary of Housing and Urban Development shall each submit to the Congress a report on the studies required under subsection (a) containing any recommendations for legislative action based on the results of the studies.

(c) COMMENTS.—The Secretary of the Treasury, the Director of the Office of Secondary Market Examination and Oversight, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association shall submit to the Congress any recommendations and opinions regarding the studies under subsection (a), to the extent that the recommendations and views of such officers differ from the recommendations and opinions of the the Federal Housing Finance Board, Comptroller General, the Director of Congressional Budget Office, and the Secretary of Housing and Urban Development.

(d) DEFINITION.—For purposes of this section the term "housing-related assets" means residential mortgages, residential mortgage-related securities, loans or loan participations secured by residential real estate, housing production loans, and warehouse lines of credit for residential mortgage banking activities.

TITLE V—PRIVATIZATION STUDY

SEC. 501. STUDY OF IMPACT OF PRIVATIZATION OF FNMA AND FHLMC.

(a) IN GENERAL.—The Comptroller General of the United States, in consultation with the Secretary of Housing and Urban Development, shall conduct and submit to the Congress, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, a study regarding the effect of repealing the Federal charters of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation and allowing the enterprises to continue to operate as fully private entities.

(b) REQUIREMENTS.—In evaluating the effect of such action, the study shall particularly examine the impact on—

(1) the availability and supply of housing;

(2) the availability of financing for residential mortgages and the interest rates for such mortgages in the primary and secondary markets;

(3) the size, liquidity, and stability of the market for mortgage-backed securities; and

(4) the overall banking and financial system.

The study shall also examine the direct and indirect monetary benefits that accrue to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation from their quasi-governmental status.

(c) INFORMATION.—The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall provide full and prompt access to the Comptroller General and the Secretary of Housing and Urban Development to any books, records, and other information requested for the purposes of conducting the study under this section.

The CHAIRMAN. Are there any amendments to the bill?

AMENDMENTS OFFERED BY MR. LEACH

Mr. LEACH. Mr. Chairman, I offer several amendments. I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa.

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. LEACH:

Page 6, line 13, strike the dash and all that follows through page 7, line 2, and insert "the core capital of the enterprise.".

Page 11, strike lines 6 through 12 and insert the following new subsection:

(a) ASSESSMENTS AND FEES.—The Secretary may impose and collect assessments, fees, and other charges that the Secretary considers necessary or appropriate to carry out the responsibilities of the Director and the Office and the regulatory responsibilities of the Secretary with respect to the enterprises. Such assessments, fees, and other charges shall be established in amounts sufficient so that the amount collected provides for the full cost to the Federal Government of carrying out such responsibilities of the Director and the Secretary.

Page 33, after line 5, insert the following new subsections:

(o) REPEAL OF TREASURY AUTHORITY TO PURCHASE OBLIGATIONS.—

(1) IN GENERAL.—Section 304 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719) is amended by striking subsection (c).

(2) TRANSITION.—Notwithstanding the amendment made by paragraph (1), the Secretary of the Treasury may hold and, at any time, sell (upon such terms and conditions and at such price or prices as the Secretary may determine) any obligations acquired by the Secretary under section 304(c) of the Federal National Mortgage Association Charter Act before the effective date of the amendment under paragraph (1). All redemptions and sales by the Secretary of any such obligations shall be treated as public debt transactions of the United States.

(p) REPEAL OF STATE AND LOCAL TAX EXEMPTION.—Section 309(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(c)) is amended—

(1) in paragraph (1), by striking the paragraph designation; and

(2) by striking paragraph (2).

Page 33, line 6, strike "(o)" and insert "(q)".

Page 34, line 19, strike "(p)" and insert "(r)".

Page 54, after line 10, insert the following new subsections:

(m) REPEAL OF STATE AND LOCAL TAX EXEMPTION.—Section 303 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452) is amended by striking subsection (e).

(n) REPEAL OF TREASURY AUTHORITY TO PURCHASE OBLIGATIONS.—

(1) IN GENERAL.—Section 306 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455) is amended by striking subsection (c).

(2) TRANSITION.—Notwithstanding the amendment made by paragraph (1), the Secretary of the Treasury may hold and, at any time, sell (upon such terms and conditions and at such price or prices as the Secretary may determine) any obligations acquired by the Secretary under section 306(c) of the Federal Home Loan Mortgage Corporation Act before the effective date of the amendment under paragraph (1). All redemptions and sales by the Secretary of any such obligations shall be treated as public debt transactions of the United States.

Page 54, line 11, strike "(m)" and insert "(o)".

Page 60, strike lines 1 through 3, and insert the following:

(c) RISK-BASED CAPITAL LEVEL.—For purposes of this title, the risk-based capital level for an enterprise shall be an amount, determined by the Director, that is not less than the sum of the following amounts:

Page 60, after line 13, insert the following new paragraph:

(3) OTHER RISKS.—The amount of regulatory capital that the Director determines appropriate to provide for other market risks not provided for under paragraphs (1) and (2).

Page 63, lines 7 and 8, strike "the expiration of the 2-year period beginning on the date of the enactment of this Act" and insert "January 1, 1992, and the regulations shall take effect on such date".

Page 63, strike line 23 and all that follows through page 64, line 11, and insert the following:

(a) IN GENERAL.—For purposes of this title, the minimum capital level for each enterprise shall be an amount of core capital, determined by the Director, that is not less than the sum of—

(1) 4.0 percent of the aggregate on-balance sheet assets of the enterprise, as determined in accordance with generally accepted accounting principles; and

(2) 0.75 percent of the unpaid principal balance of outstanding mortgage-backed securities and substantially equivalent instruments issued or guaranteed by the enterprise and other off-balance sheet obligations of the enterprise, excluding commitments to purchase mortgages or issue securities, as determined in accordance with generally accepted accounting principles.

Page 64, line 13, strike "upon" and all that follows through "enactment" in line 15, and insert "on January 1, 1992 and ending at the end of December 31, 1994".

Page 64, line 18, strike "2.25 percent" and insert "3.0 percent".

Page 64, line 21, strike "0.40 percent" and insert "0.75 percent".

Page 68, strike lines 15 through 21.

Page 69, strike lines 23 through 25, and insert "on January 1, 1992.".

Page 72, strike lines 23 and 24, and insert "on January 1, 1992.".

Mr. LEACH (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

□ 1220

Mr. LEACH. Mr. Chairman, let me just begin with the premises upon which the committee is considering this bill. The name of Alfred DelliBovi has been raised previously in earlier discussion. To help the committee, he is the Deputy Secretary of HUD. He is the single individual most accountable for understanding the problems of the GSE's. Let me read from an August 8, 1991, internal HUD memo from Alfred DelliBovi. This is Secretary DelliBovi, and I quote:

> In May, the administration submitted a legislative proposal to strengthen regulation of Fannie Mae and Freddie Mac. This proposal was not

I repeat;

> not adopted. Instead, the bill approved recently by the House Banking Committee would seriously erode the government's authority to regulate these GSEs.

Continuing:

> The congressional charters gave the GSEs special privileges. In recent years, the profitability of the GSEs has far exceeded average returns by other companies throughout the economy. At the same time, competition from the GSEs reduced profitability of banks and thrifts and may have added to the costs of the S&L bailout.

Mr. Chairman, I alert this Congress to this concept. The cost of the S&L bailout, according to the Department of HUD, may be increased because of this bill.

Further quoting Secretary DelliBovi:

> Fannie and Freddie essentially comprise a duopoly raising the possibility of collusion * * *. In short, the operations of the GSEs in the secondary mortgage markets raise important issues of competition that have received far too little attention from policymakers.

What my amendment does, at least the principal provisions are: First, it addresses the capital standards of the GSE's. This bill sets maximum, not minimum, capital standards. It is unprecedented in the history of regulation that Congress should do such a thing. It sets the maximum standards at 2.5 percent for held assets, 0.45 percent for passed-through assets. It gives the GSE's 3 years to meet these criteria. My amendment does set a 3-percent capital standard for held assets, 0.75 percent for passed-through assets to be achieved by the end of this year, and a full 4-percent capital ratio in a 3-year period. The issue is safety and soundness. It is also competitive equality.

Second, the amendment also excises the provision which allows loan loss reserves to be considered as capital. I know of no nuttier regulatory concept than that loan loss reserves should be counted as real capital.

Third, it gives the regulator flexibility in adjusting to circumstances. It does not hamstring the regulator.

Fourth, it repeals two special privileges these two GSE's have. The $2.5 billion line of credit with the Treasury is excised, as is their exemption from payment of State taxes. Everybody in this body knows that a cost of doing business is taxes. These two institutions are, in a profit sense, now private. They have been privatized by this Congress in the last 3 or 4 years, yet we have done nothing with the tax policy at the State level.

Let me tell my colleagues what the implications of that are for the District of Columbia, and here the gentlewoman from the District of Columbia [Ms. NORTON], their distinguished Representative, has told me she supports this amendment on this ground: If Fannie Mae alone has to pay State taxes, this Congress would not have to appropriate more money for the District of Columbia. It would, in effect in 1990, have provided $160 million to the District, which is $40 million more than the District's deficit, one-third of last year's Federal payment.

For the State of Virginia we are talking about an institution in Freddie Mac that earned $400 million last year. It would also be required to pay State income taxes, and so I would alert Members of this Congress from the State of Virginia that, if they vote against this amendment, they will be denying their State's budget approximately $25 million in revenue next year. For the sake of protection of the taxpayer, and fairness of competition, it is time these privileges are repealed.

Finally my amendment—and this is the least important part, although it symbolized the egregiousness of the statute—would allow the Government to assess the full cost of regulating these entities on the entities. That is the way all other regulation is done, but Freddie and Fannie have a privileged status even in that regard. I know of no other financial institution which does not have to pay the full cost of its regulation. Entities which can give their own leadership, one individual, a $27 million retirement package can surely afford to pay their own cost of regulation. They do not have to stick that tab on the taxpayer.

Mr. Chairman, for those reasons I would urge, in the strongest possible way, that this amendment be adopted. For the sake of the taxpayer in terms of prudence for these institutions, for the sake of the taxpayer in terms of the enormous increased cost to the S&L bailout that is likely to unfold, because of the competitive advantage this Congress is considering giving these institutions, I would hope that we would come to our senses and pass a legislative package that makes more common sense.

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendment. I do so respectfully, knowing that the gentleman from Iowa [Mr. LEACH] is very knowledgeable on this subject, and he has worked very, very hard. We just have what I would hope is an honest disagreement on the thrust of his amendment.

As I said a little earlier, H.R. 2900 represents the product of many months of difficult negotiations and hard-fought compromises, and I strongly believe that the end result is a forward-looking piece of legislation which will serve everyone concerned, and the country as well.

I would suggest that the issue of capital is a tough one. I would agree with the gentleman from Iowa [Mr. LEACH] on that score. The GSE's felt that the proposal by the administration was in the first instance too flexible and could in application become too restrictive and too repressive and, therefore, reduce their capability of providing money for the housing market.

What is an adequate capital standard? If it is too severe, as I have suggested, money would not be made available for housing through the secondary market. If it is not restrictive enough, then of course the taxpayers might be exposed, although, as was pointed out by the gentleman from Minnesota [Mr. VENTO], the full faith and credit of the Federal Government is not technically behind these GSE's. There is some implication that, if there were losses in magnitude, that we would step forward and try to help them out. But we think we have drafted a proposal here which would suggest that at no time would there be any risk to the taxpayers.

Mr. Chairman, H.R. 2900 has embraced the combination of risk-based and traditional capital standards recommended by Treasury's GSE bill. The gentleman from Iowa has said that loan loss reserves are counted as capital. That is not technically correct in that, for the minimum capital standard, loan loss reserves are not counted. For risk-based standards, they are counted. Reserves can be counted over a 10-year period, and we did that to encourage the GSE's to hold these loan loss reserves in their portfolio and not dump them. We think that we have drafted a good compromise in that regard.

Mr. Chairman, I think that this amendment, if adopted, could jeopardize the GSE's fulfillment of their public purpose of putting more money into the marketplace for housing and could reduce their financial viability in that regard. So, for those reasons, I do oppose the amendment of the gentleman from Iowa [Mr. LEACH] and hope that it will be defeated.

Mr. GONZALEZ. Mr. Chairman, I rise to oppose the amendment of the gentleman from Iowa [Mr. LEACH].

Of course I second what the gentleman from Ohio [Mr. WYLIE] has just stated, and I think he has pointed out the basic elements involved here.

I think one other thing ought to be brought to the attention of the Members, and that is that this amendment was considered in the committee and overwhelmingly defeated. This question of adequacy of capital is something we have been dealing with a couple of years. In fact last year we had Treasury, and this is where I think the allusion was made to the rating organizations like Standard & Poors, and Treasury was asking for a blue-ribbon type of adequacy calling for AAA.

□ 1230

Well, it was not long before the very markets and the rating agencies themselves were contradicting and criticizing that, saying it was impossible in this case. If the amendment offered by the gentleman from Iowa [Mr. LEACH] were, through some untoward possibility, to be enacted, two things would happen immediately: First, the credit markets would be thrown into immediate turmoil because he would mandate that by the end of this year excessive capital standard requirements be in place.

I cannot begin to illustrate verbally to my colleagues what that would mean immediately if there was even a possibility that this amendment would be enacted. This idea that if this were done as he wants, the States and the District of Columbia would have these plums, is illusory, for the main and simple reason that his very draconian requirement would prevent that goose from laying that golden egg. It would be a leaden egg, and it would be nothing that you could promise to deliver to the States. This would be merely a mirage that I think would be unfair to propose as one of the benefits if this amendment were to be adopted.

There is no question it would destroy the underpinning of what we have developed as we have labored long in this committee and even before, in prior years when we had hearings on the adequacy of standards of capital on these GSE's. Our interest in this committee has not just been in this Congress. It antidated at least three, four, or five Congresses. We have gone through all this. It was presented, and it was considered. The arguments of the gentleman from Iowa [Mr. LEACH] were presented in the committee.

Mr. Chairman, I must uphold the action of the majority of the Banking Committee, and, therefore, I urge my colleagues to vote against the amendment.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I suppose in a world in which there was an endless amount of profit in terms of the secondary market, it would be desirable to have higher and higher capital standards and to put in place the standards that my colleague, the gentleman from Iowa [Mr. LEACH], has proposed.

The fact is that there is a limit to what can be done and an adverse impact on the secondary market paper. I think what we have to bear in mind is that the reason Fannie Mae and Freddie Mac were chartered by the National Government in the first instance was to benefit the individual who is the prospective home buyer, so that when they make the loan, the consumer could obtain a reasonable rate of interest so that the consumer could afford to purchase the home and fulfill the American dream.

That is the benefit. The homeowner is the principal beneficiary. I do not think anyone would argue that Fannie and Freddie are not playing a vital and important role in that particular instance in the providing of liquidity and underwriting standards. The real safety and soundness of these secondary market institutions is in the requirements and the value of the property they are lending the money upon and consequently issuing the paper based upon the same. That is really where the safety and soundness must be based.

We could not begin to write into law the type of capital standards in any instance for these secondary market institutions that would make up for the bad underwriting that might occur and the bad judgment that might occur with regard to Fannie Mae and Freddie Mac. If housing dramatically drops in terms of value on the excessive fraudulent underwriting of loans, for example, there is not any amount of capital we could put in the law that would deal with such extreme circumstances.

So what we are trying to do is strike a balance in terms of the amounts of capital that are required, and I would say that there are minimal standards, not maximum standards, as has been implied, I think, by my colleague is incorrect in his reading of such language. There are minimum capital standards surely as the law states, and that further capital as the market quality of the paper determines which has driven Fannie Mae and Freddie Mac up to this point. I think that this relies upon the wisdom of the market in terms of selling their paper and the interest rates that occur as a sequence. That is really what has driven the markets.

So that is really what we have to have in terms of what is going on. The secondary market institutions must have a specific freedom and access to the market that is not overly controlled by the regulators and that the charter permits today, and Congress must recognize in the first instance that that is the genius of the success of Fannie Mae and Freddie Mac.

Obviously there are some concerns. This bill begins to address them. It puts the National Government in a more rigorous role with regard to regulation. Hopefully we will get some tough regulators based on this law that would act and will provide regulation that is effective and fair.

Mr. Chairman, I would just suggest that we reject the capital standard amendment before the House. The current policy mandates minimum capital standards and a phase-in because one of the secondary market institutions does not immediately attain the capital standards in the bill, but they surely will.

Mr. LEACH. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield briefly to my colleague, the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, just because the gentleman has referred a point of difference, not in judgment but of fact, I would cite page 17 of the statute before us. What it does is, it states that the risk base capital of the enterprise shall be equal to the sum of the following circumstances. What that has the effect of doing is set maximum standards, not minimum. I would stress this with the gentleman. I have gone over this carefully with legislative counsel, and I know precisely the effect it has on this bill.

Mr. VENTO. Mr. Chairman, I understand the gentleman's point, but let me just reclaim my time.

The gentleman from Minnesota was not describing not risk base capital but the primary capital standards, care capital standard and the pass-through capital standards, and, of course, there is no limitation in that particular sense in the bill.

Mr. LEACH. Mr. Chairman, will the gentleman yield on that point?

Mr. VENTO. Yes, I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, I would state this because again there is an issue of fact here. On page 63 of the bill they are talking about minimum capital levels. It says that "the minimum capital level for each enterprise shall be an amount of core capital equal to the sum of—" and then it relates what the sum is. It has the effect of setting a maximum, not a minimum standard.

Mr. VENTO. Mr. Chairman, reclaiming my time, I would suggest that by the gentleman's language he in fact states in writing that that it was a minimum standard. I think there is a difference of opinions, according to this gentleman. I do not think the concern is with the Congress or the charter or the regulator. I think the concern here is, of course, to provide certain requirements.

Mr. LEACH. Mr. Chairman, will the gentleman yield further?

Mr. VENTO. No, the gentleman will not yield further. The gentleman has made his point. I have given him an opportunity to do that, and I have additional points I want to make concerning this amendment.

The National Government over the last decade, has been involved in an effort by some with a ideological viewpoint to limit the National Government, not provide various benefits regarding the cability to achieve home ownership and in a number of other veins.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. VENTO] has expired.

(By unanimous consent, Mr. VENTO was allowed to proceed for 1 additional minute.)

Mr. VENTO. Mr. Chairman, I would say my concern here, as I look at some of the effects of what the proposed provision is that this would have an effect on the ability and the impact of shrinking the role of Fannie Mae and Freddie Mac. That may fit with some philosophical view of how the housing market should work and what the National Government's role should be in terms of assisting people with regard to home ownership. It does not fit my view of what the National Government ought to do. That is why I am concerned with the imposition of State taxes, because they happen to be located in Virginia, or the unlimited allocation of regulatory costs as envisioned in the Leach amendment.

Mr. Chairman, I think the gentleman maybe putting these forth in good faith, but I think the effect of these types of provisions would be to put in the hands of those who are adverse to these programs the ability to regulate these programs out of business or into a shrunken size, and as a consequence we would have the inability to serve the home ownership goals that were initially envisioned in the charters of these two secondary market institutions.

Mr. NEAL of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to comment briefly on this matter of capital standards, if I may.

As I read this, the capital standards that we have in the bill as it comes out of the committee now represent an unparalleled level of capital for these institutions. I think the gentleman from Ohio [Mr. WYLIE] touched on this briefly a little while ago, but I want to take another minute to detail just what is in the bill.

□ 1240

There are several kinds of risks any financial institution is subject to. One of these is interest rate risk. That is, what happens to the loan portfolio if the interest rates in the marketplace go up or down?

In the bill as reported by our committee Fannie Mae and Freddie Mac must be able to withstand interest rate movements of up to plus or minus 600 basis points, that is 6 full percentage points, up or down, a spread of 12 percent. It could go 600 basis points below or 600 basis points above the current level.

Fannie Mae and Freddie Mac would have to withstand interest rate movements of up to plus or minus 6 full points, 6 full interest rate points, and sustain this for 9 years, a situation without precedence in U.S. history.

Mr. LEACH. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, first, it is not without precedent. Under the last Democratic President, and I do not mean to be partisan, but I do think there is the question of whether this bill can withstand another Democratic President. In the 1970's it went up much more than 6 percent.

Mr. NEAL of North Carolina. Mr. Chairman, reclaiming my time, let me clarify what I said. The point I am making here is not that it cannot go up more or less than that. Certainly interest rates have moved more than that. The requirement in this bill is that

Freddie Mac or Fannie Mae be able to withstand such a change for 9 years. That is what is unprecedented in U.S. history.

The gentleman from Iowa [Mr. LEACH] is referring to a brief period in time when interest rates shot way up because of inflationary policies that were very foolish, I will agree with the gentleman. But then once we started pursuing sensible monetary policy again, we drove inflation down, and interest rates came down.

Mr. Chairman, I would ask, did I answer the question of the gentleman from Iowa [Mr. LEACH]?

Mr. LEACH. Mr. Chairman, if the gentleman will yield further, the gentleman from North Carolina [Mr. NEAL] certainly did. I would only emphasize that there are other judgments that apply. The Deputy Secretary of HUD says that this bill would prevent the regulator from testing for the kinds of stressful conditions that have occurred in the past. That is the judgment of HUD.

Mr. NEAL of North Carolina. Mr. Chairman, reclaiming my time, let me run down the list then, if I may. We are talking about interest rate risk. Now, there is another kind of risk that any financial institution must incur, and that is credit risk.

Under our bill, the companies must be able to handle all the loans, loans they either own in their portfolio or guarantee, default rates at least as severe as those experienced on their 1982–83 portfolios in Texas.

In other words, this is the worst period of the recession, the worst period in Texas, and we are taking that body of loans and saying that for credit risk, Fannie Mae and Freddie Mac must be able to handle all the loans they have, either guarantee or loan, in these kinds of conditions that they experienced in Texas in 1982 and 1983. That was the worst experience in this country, the worst default experience in this century, since the end of World War II.

There is a third kind of risk, and that is management risk. That is just whether we have good management or not.

By the way, we are going to speak to an amendment a little later, but Fannie Mae had some management that was not up to par not too long ago. They lost some money. They brought some new management in. They were able to attract good management. They paid good salaries. They got good management, and good management turned the situation away.

Mr. Chairman, in any event, there is a management risk. For that the bill says that they must hold capital equal to 30 percent of the capital required for credit and interest rate risk, which is higher than any other institution that I am aware of.

Mr. Chairman, I want to say to anyone interested in this debate, the capital requirements in the bill as reported from the Committee on Banking, Finance and Urban Affairs are incredibly responsible and strong, and I would certainly urge that we not do something now that would not let these institutions do what they are intended to do.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. NEAL] has expired.

(By unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 1 additional minute.)

Mr. NEAL of North Carolina. Mr. Chairman, I must urge that we not do something now that would not let these institutions do what they are intended to do, which is provide home ownership for the American public, at all income levels of the American public.

Mr. Chairman, I heard a comment about low-income housing not long ago. These institutions make credit available for low-income housing. That is one of the main things they do.

Mr. LEACH. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, just a brief point: The gentleman from North Carolina [Mr. NEAL] is partly right on everything he said, and I respect him very much. I would stress an unusual feature of this bill is that when looking at stress tests, the committee has designed a methodology that only allows regulators to look at one kind of group of circumstances. It does not look to the future. It does not look for other circumstances that exist today. It is nutty to take that type of restrictive approach in setting forth that methodology. I just want to again alert this body to that fact.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. NEAL] has expired.

(By unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 1 additional minute.)

Mr. NEAL of North Carolina. Mr. Chairman, talking about looking forward, it is my understanding that the way this is written is that we would consider taking the worst of these situations and applying them to the institutions for 10 years forward, and require the kind of capital requirements I suggested for that entire period.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I think the gentleman made this argument in the full committee, and I must say I was never able to understand the argument of the gentleman. Could the gentleman provide me with an example of what he is talking about?

Mr. LEACH. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, one of the aspects in the committee was that we outlined very precisely what the regulator could look at, but we said he could not look at anything else. This is unprecedented. No other regulator has that kind of circumstance.

Mr. Chairman, financial markets are changing dramatically. New instruments come into play. For example, one is risk that relates to foreign exchange. The committee finally had to accept that, after some badgering.

The CHAIRMAN. The time of the gentleman from Carolina [Mr. NEAL] has expired.

(By unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. NEAL of North Carolina. Mr. Chairman, I yield to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, another circumstance is simply new programs, new financial kinds of instruments are designed every day. The regulator cannot look at them in new ways for looking at new kinds of risk.

In addition, again I would stress the regulator is bound by different kinds of capital levels. It cannot raise beyond them. The regulator is bound to consider loan loss reserves as capital. It is unprecedented in lashing the hands of the regulators. It is no accident that the top HUD official who has looked at this had objected strenuously. It is no accident that the top HUD official has said this is a very different statute than was originally proposed by the administration, and weakens the current circumstance of regulation. It not only weakens it, it ensconces it and stultifies it.

Mr. NEAL of North Carolina. Mr. Chairman, reclaiming my time, may I partially respond to this? It is my understanding that the risk base capital changes whenever the risk to the enterprise changes. That is, if anything in the external environment changes, the requirements change. Were Fannie Mae or Freddie Mac to take on more interest rate or credit risk, their capital requirements rise automatically. If home price inflation slows, for example, then capital requirements increase.

Mr. Chairman, the bill requires quarterly calculation of both the risk base and minimum capital levels for each of the enterprises. If the risk base capital levels are not met, Fannie Mae and Freddie Mac must file capital restoration plans acceptable to the regulator quarterly.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the gentleman is making a point very well indeed. In a risk base capital test we talk about taking into account credit risk and we define that on page 58.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(At the request of Mr. WYLIE and by unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 1 additional minute.)

Mr. NEAL of North Carolina. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, on page 59 we talk about the interest rate risk. On page 60 we talk about business risk and management and operation risk. I do not know what else we can include. That is the point I would like to make when we are talking about required capital standards for risk base capital.

Mr. LEACH. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, very precisely certain risks are laid out, rather thoughtfully. The gentleman from Ohio [Mr. WYLIE] indicated them. But also very precisely this statute prohibits regulators from looking at other things, new risks that may develop in new environments. The regulator is specifically prohibited by this statute from looking at it.

Mr. Chairman, all my amendment does on this score is say the regulator can look at other risks as they develop in new programs and in new circumstances.

□ 1250

The CHAIRMAN. The time of the gentleman from North Carolina Mr. NEAL has again expired.

(By unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 1 additional minute.)

Mr. NEAL of North Carolina. Mr. Chairman, may I respond to what the gentleman just said by reading from the committee report.

> As experience changes, as evidenced by objective data on defaults and losses, the director should, through the regulatory rulemaking process, modify the test to reflect any changes in the worst case scenario. If events are happening too fast to modify the test, the director should notify the Secretary and Congress and work with the enterprises to increase the enterprises' actual capital to meet the rapidly changing circumstances.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, continuing on page 67,

> The director would have the ability to make reasonable assumptions about how rates of default and severities of loss in a Nationwide experience would differ from the regional experience and how rates of default and severities of loss for types of mortgage products for which reliable data do not exist differ from rates of default and losses on products for which there is reliable data.

Mr. NEAL of North Carolina. It seems to me there is almost total flexibility to change. These capital requirements are a floor, not a ceiling. There is enormous ability to change.

Mr. WYLIE. Mr. Chairman, I think we have addressed this.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Iowa [Mr. LEACH].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LEACH. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The Chair will announce this is a regular quorum call followed by a 5-minute vote.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 276]

ANSWERED "PRESENT"—413

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

□ 1313

The CHAIRMAN. Four hundred thirteen Members have answered their name, a quorum is present, and the Committee will resume its business.

RECORDED NOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Iowa [Mr. LEACH] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 119, noes 298, not voting 15, as follows:

[Roll No. 277]

AYES—119

Andrews (NJ)
Andrews (TX)
Archer
Armey
Bacchus
Ballenger
Barrett
Barton
Beilenson
Bereuter
Broomfield
Camp
Cardin
Chandler
Clinger
Coleman (MO)
Coleman (TX)
Combest
Cox (IL)
Crane
Dannemeyer
DeLay
Dickinson
Dingell
Dorgan (ND)
Dornan (CA)
Duncan
Early
English
Evans
Fawell
Fields
Fish
Gallegly
Gekas
Gingrich
Glickman
Gradison
Grandy
Hancock
Hastert
Hefley
Henry
Herger
Hobson
Hughes
Hyde
Inhofe
Johnson (SD)
Kennedy
Kennelly
Kleczka
Klug
Kolbe
Kostmayer
Kyl
Lagomarsino
Lantos
Leach
Lehman (FL)
Lewis (CA)
Lightfoot
Lipinski
McDade
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mink
Morrison
Murphy
Nussle
Obey
Olin
Orton
Packard
Pallone
Panetta
Pease
Penny
Peterson (MN)
Petri
Pickle
Porter
Pursell
Regula
Rhodes
Ritter
Roemer
Roth
Russo
Sangmeister
Santorum
Schroeder
Sensenbrenner
Sharp
Shaw
Shays
Skaggs
Smith (IA)
Smith (NJ)
Smith (TX)
Solomon
Studds
Stump
Sundquist
Swett
Tanner
Thomas (CA)
Upton
Vander Jagt
Visclosky
Vucanovich
Walker
Waters
Waxman
Wyden
Yates

NOES—298

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Barnard
Bateman
Bennett
Bentley
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Carper
Carr
Chapman
Clay
Clement
Coble
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Doolittle
Downey
Dreier
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Ewing
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kildee
Kolter
Kopetski
LaFalce
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Lewis (FL)
Lewis (GA)
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Michel
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Olver
Ortiz
Owens (NY)
Owens (UT)
Oxley
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Perkins
Peterson (FL)
Pickett
Poshard
Price
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Richardson
Ridge
Riggs
Rinaldo
Roberts
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Sabo
Sanders
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schulze
Schumer
Serrano
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (OR)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Swift
Synar
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Volkmer
Walsh
Washington
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Boxer
Callahan
DeFazio
Guarini
Hansen
Holloway
Hopkins
Jefferson
Levine (CA)
McGrath
Slaughter (VA)
Smith (FL)
Stokes
Tallon
Torricelli

☐ 1321

Messrs. CAMPBELL of Colorado, TAYLOR of North Carolina, SKELTON, DOWNEY, and EWING, Ms. SLAUGHTER of New York, Mr. SCHAEFER, and Mr. STAGGERS changed their vote from "aye" to "no."

Messrs. MFUME and SHARP changed their vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KANJORSKI

Mr. KANJORSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KANJORSKI: Page 11, line 1, strike "Officers" and all that follows thereafter through line 4 and insert the following: "Officers and employees may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.".

Mr. KANJORSKI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KANJORSKI. Mr. Chairman, this amendment makes a technical change in section 104. It should be noncontroversial because it merely clarifies and tightens the overly broad language in section 104.

Section 104 authorizes the director of this new agency to appoint and pay employees without regard to civil service laws and without regard to all of the provisions of title 5 of the United States Code. It does not have to be so broad to accomplish the author's intent, which is to allow the employees of this new agency to receive salaries comparable to those received by other financial regulatory agencies.

The language I offer tracks language in other laws dealing with the authority of financial regulatory agencies to pay their employees. I believe that is the author's intent. I believe my amendment will accomplish that end, but will do so in a more precise and narrow manner.

Mr. Chairman, may I state that we have the unanimous consent of the majority and the minority and the approval of the gentlewoman from Ohio [Ms. OAKAR], who is on the Subcommittee on Compensation and Employee Benefits of the Committee on Post Office and Civil Service in regard to this particular type of civil service legislation.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I thank the gentleman for yielding to me.

Our distinguished chairman is here. I want to commend the gentleman for catching that in the bill. I think it is the right thing to do. It tightens it up and it keeps the laws in civil service intact. I think that is the intent of the amendment.

Mr. Chairman, I also want to take the opportunity to tell my colleagues who were in the subcommittee markup on International and Trade Policy that we are coming back in to mark up that bill at 3 o'clock.

I want to again commend the gentleman and tell him that I hope it is not controversial. It is a very important amendment that is right to the point.

Mr. KANJORSKI. Mr. Chairman, I thank the gentlewoman from Ohio.

Mr. Chairman, I ask and urge the approval of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KANJORSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KENNEDY

Mr. KENNEDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY: Page 20, line 19, after the period insert the following new sentence: "In carrying out this paragraph, the Secretary shall determine the portion of the corporation's mortgage purchases relating to low- and moderate-income families based on family incomes (as defined in subparagraph (B)), and may not determine such portion based on the loan amount for, or purchase price of, housing subject to mortgages purchased.".

Page 37, strike lines 11 and 12, and insert the following new paragraph:

(2) in paragraph (2)—

(A) by striking "may require" and inserting "shall require"; and

(B) by inserting after the period at the end the following new sentence: "In carrying out this paragraph, the Secretary shall determine the portion of the Corporation's mortgage purchases relating to low- and moderate-income families based on family incomes (as defined in subsections (m) and (n) of section 302) and may not determine such portion based on the loan amount for, or purchase price of, housing subject to mortgages purchased.";

Mr. KENNEDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KENNEDY. Mr. Chairman, this is purely a technical change requiring that Fannie Mae and Freddie Mac use family incomes to determine if they are serving low- and moderate-income families, rather than the size of the loan and the value of the property, as is the current GSE practice.

Current law and HUD regulations allow the GSE's to use loan size and property value to determine whether or not they are serving low- and moderate-income families. However, loan size and property value are at best imperfect proxies. For example, it is entirely possible that a high-income family would take out a relatively small mortgage loan from a bank, yet this loan because it might be considered affordable to a low or moderate person could be characterized by the GSE's as complying with the affordable housing targets set by HUD. Family income is the standard used in virtually all other housing programs to determine whether or not programs are serving the families that they are supposed to serve. The section 8 program, Public Housing, Home and HOPE programs all measure their success based on the incomes of the people receiving assistance.

We should seek a common standard to measure success. Family income is the best to ensure that taxpayer backed housing resources are reaching those that they are supposed to reach. Loan size is a lousy standard. It would allow small loans to wealthy people to be put in the affordable category just because the loan might be affordable to a low- or moderate-income person.

We should not allow an $80,000 loan to Leona Helmsley to be classified as affordable to low- and moderate-income people. Borrower income is the best way to ensure that scarce government resources go to those who need it the most.

This amendment opposes no additional reporting requirements on the GSE's. Under the bill they will have to collect data on borrower income anyway. All we are asking is that they use this data to tell us whose mortgages they are really buying.

This amendment will not force Fannie Mae or Freddie Mac to become unprofitable. If existing low- and moderate-income targets become unrealistic under a borrower income standard, HUD retains the power to change the target.

Mr. WYLIE. Mr. Chairman, we regard this as a technical amendment. What the gentleman does is strike out "may require" and inserts "shall require."

The gentleman does provide for another test. He says:

> In carrying out this paragraph, the Secretary shall determine the portion of the corporation's mortgage purchases relating to low- and moderate-income families.

I think that is a significant provision in the bill the way the bill was drafted.

I will have to say that was a little oversight. For example, if Donald Trump purchased a $50,000 house, that would be regarded as low-income housing under the way HUD currently looks at Fannie Mae and Freddie Mac's low-income mortgage activity. I do not think that is really what we wanted to do; so the purchase has to relate to low- and moderate-income families based on family income.

Mr. Chairman, we support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KENNEDY

Mr. KENNEDY. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY: Page 58, after line 2, insert the following new section (and conform the table of contents accordingly):

SEC. 133. SENSE OF CONGRESS REGARDING COMPENSATION FOR FNMA CHAIRMAN AND CEO.

It is the sense of the Congress that the salary and compensation provided to the most recently retired chairman and chief executive officer of the Federal National Mortgage Association was excessive, and the Congress hereby encourages the Federal National Mortgage Association to reallocate future salary and compensation proposals that are in excess of reasonable compensation for similar positions in other government-sponsored enterprises for use in strengthening the capital position of the Federal National Mortgage Association and providing affordable housing for low- and moderate-income families.

□ 1330

Mr. KENNEDY. Mr. Chairman, I offer this amendment with my good friend and colleague, the gentleman from California [Mr. DREIER]. It simply expresses the sense of Congress that the top pay packages of Fannie Mae are excessive and unreasonable compared to similar packages at other Government-sponsored enterprises. It also encourages Fannie Mae to redirect parts of future compensation into strengthening capital and expanding affordable housing opportunties.

In the last several years we have witnessed a disturbing trend in corporate America: Runaway multimillion-dollar pay packages; this unrestrained money grab has occurred despite the fact that our country is in the midst of a terrible recession, a recession that has put millions out of work, eroded the earnings power of millions more, and sent corporate profits reeling.

Just last year, corporate profits dropped by 7 percent. Yet corporate executives gave themselves an average wage increase of 7 percent as well. That demonstrates more of a commitment to self than a commitment to the company.

Today the average executive earns 85 times more than the average man or woman working on the shop floor. That is a staggering segregation of wealth. This explosion of executive salaries is nowhere better illustrated than at Fannie Mae and, to a lesser extent, at Freddie Mac.

Last year, Fannie Mae's retiring CEO took home $26 million, including about $6.5 million in compensation.

Mr. DREIER of California. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield to the gentleman from California.

Mr. DREIER of California. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from Massachusetts [Mr. KENNEDY] to repeat that figure again. I was struck when I heard that. Would the gentleman share that again with our colleagues?

Mr. KENNEDY. The figure was $27.5 million for a person running a Government-sponsored enterprise involved in providing affordable housing; $27.5 million. I hope the Members of this House understand exactly what is going on with this bill. We see people working in these agencies making millions upon millions of dollars at the same time they are supposed to be carrying out a public purpose.

Mr. Chairman, I had hoped to offer a tougher amendment, a much tougher amendment, today. But given the way that the PAC—and I should point out to people in this Chamber that the same Government-sponsored enterprise that paid an individual $27.5 million last year also has a PAC, and that PAC makes contributions to people in this House. And those contributions make a difference when we come to asking this Congress to begin to rein in the unwarranted efforts by these individuals who work at these organizations to pay themselves millions of dollars.

I would like to perhaps read, if I may, some of the salaries that exist at Fannie Mae. Last year, the retiring CEO took home $27.5 million. This is just the tip of the green iceberg.

Of the 30 people in the Washington area who pocketed $1 million last year, 6 out of the top 30 work at GSE's, and of the top 10 highest paid executives in the Washington area 3 of them work at Fannie Mae. It is time that we in this House of Representatives begin to stand up to some of those individuals who are taking so much money out of the organizations that are supposed to serve a public purpose. And if these organizations in fact need additional capital, then let us put the money back into the capital or, better yet, let us put it back into the low- and moderate-income housing programs that this country so desperately needs.

We have four or five executives at these companies that are earning millions of dollars in salaries; they earn much more in terms of the stock options that they get. And if you read the fine print in the contracts, the fundamental fact is that they can receive bonuses at time-and-a-half of their base pay.

So I very much want to thank the gentleman from the fine State of California [Mr. DREIER] for his tremendous efforts on this initiative. As I say, I would much prefer to have the Congress rein in these salaries, but that is probably all we can get passed here, a sense-of-the-Congress resolution.

Mr. KLECZKA. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. I thank the gentleman for yielding.

Mr. Chairman, could the gentleman from Massachusetts [Mr. KENNEDY] please restate for the benefit of the Members in the House now how he actually restricts the salary? Does he put a dollar amount in there? What means does he use in his amendment to provide some sanity to paying for salaries to these officials?

Mr. KENNEDY. As the gentleman is aware, I had an amendment that was defeated very, very roundly, despite the fact that I had Mr. KLECZKA's support in the committee.

Mr. KLECZKA. That is probably why it got defeated.

Mr. KENNEDY. The fact is that this amendment has been watered down to a point where we are now simply calling on the sense of the Congress that those individuals who are getting paid more than the other individuals in Government-sponsored enterprises ought to return their funds for the purposes of fulfilling low- and moderate-income housing purposes.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(On request of Ms. OAKAR and by unanimous consent, Mr. KENNEDY was allowed to proceed for 3 additional minutes.)

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Chairman, I want to thank the gentleman for his contribution both in the committee and on the floor today. I think the gentleman, by offering a sense-of-Congress resolution, is a good way to go. It is nonbinding, but it sets a tone.

Mr. Chairman, I think it complements what we did in committee, which was to have my amendment passed. It was a bipartisan effort. I want to thank the distinguished minority leader, my friend, the gentlewoman from New Jersey [Mrs. ROUKEMA], for her good work on this, and my chairman, the gentleman from Texas [Mr. GONZALEZ], and others. But, basically, in the committee we did change the Fannie Mae and Freddie Mac charters, the charters, to require that the corporations' boards of directors set compensation policies reasonable and comparable to similar companies and that when they give raises and so forth, they are based strictly upon performance. And that, in addition, they report back to Congress by June 30 of each year on the comparability of compensation policies, and so forth.

I think that is a fair way to do it. I think with this sense-of-Congress resolution and also the fact that the gentleman from New York [Mr. SCHUMER]—whom I see standing—offered an amendment as well that related to HUD having better oversight over all of this, I think that is the right balance in this.

I want to compliment the gentleman; support his sense-of-Congress resolution. I think it is the right balance.

Mr. KENNEDY. Reclaiming the balance of my time, although I appreciate the kind words, I must say with the top executives taking home, respectively, $6.5 million this year, $3.5 million for the second highest paid executive, $1.5 million for the third highest paid executive, another Fannie Mae executive earned $1.1 million this year, I certainly do not think that the appropriate action on behalf of this Congress is simply a sense-of-Congress resolution. I much prefer to see a tougher amendment that I had hoped to offer with Mr. SCHUMER of New York. But, given the influence of these GSE's around the Congress, it is very difficult to get an amendment like this passed.

I do offer the amendment with some regret, given the tremendous salaries that these individuals are taking, in this particular environment.

Mr. DREIER of California. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, the Kennedy-Dreier amendment is simply a resolution expressing the sense of Congress that the $27 million salary and compensation package recently received by the former head of Fannie Mae is excessive. It encourages Fannie Mae to limit future compensation packages to no more than that of other GSE executives, and to use that money to further strengthen the capital position of the association as well as provide affordable housing for low- and moderate-income families.

It seems to me, Mr. Chairman, that if executives at Fannie Mae want market salaries, the association should be subject to market discipline. If they want to maintain their identity as a public institution, executives should be paid a salary commensurate with other top Government executives. They should not be allowed to have it both ways.

Some will argue that the current compensation package provided to Fannie Mae's Chairman is necessary to attract and retain high-quality staff and management. A half a million a year salary is nothing to sneeze at and, I can assure you, it will attract high-quality management. Others may argue that, if compensation packages are capped, Fannie Mae might be encouraged to sever its ties to the Government. This would require Fannie Mae to give up its dominant control over the secondary mortgage market which may not be bad. It would also save the U.S. taxpayers nearly $4 billion a year in implicit subsidies and several hundred billion dollars in contingent liabilities.

Mr. Chairman, the Kennedy-Dreier amendment is simply a nonbinding resolution that illustrates our dismay with this abuse of the public trust. All we ask is that compensation of executive officers be reasonable and comparable to that of similar positions in the Government.

□ 1340

Mr. SCHUMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I first want to compliment both the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from California [Mr. DREIER], my colleagues, for putting in this amendment. Like my colleague from Massachusetts, I regret that this is not an actual amendment with teeth because I will tell my colleagues it is called for.

The GSE's have done a relatively good job, and one of the reasons they have been successful is that they combine the best of our public and private. On the one hand, in the public sense, they have some compassion, a sense of mission, a sense that their job is not just to maximize profits, but also to do some good for the public. On the other side, they did have much more efficiency, and they are able to do a whole lot more things, private sector things, that Government cannot do. But at times they forget and they fall between the cracks of public and private, and then there is a fiasco.

The gentleman from Massachusetts [Mr. KENNEDY] mentioned the departing salary of the former CEO of Fannie Mae: $27½ million. That is an obscenity, and I, like him, think he did a good job, but he ought to return some of that money because the money he is getting is doing damage to the GSE's and the mission they can do.

And then we look at the salaries. Here is the worst aspects of public and private, private because they think they can command enormous salaries, public because there is no check on them of stockholders or anybody else, and what do we have, Mr. Chairman? Of the 30 largest salaries in Washington, DC, 6 are from the GSE's. Why should the Chairman make $6½ million when the chairman of Mobil, and the chairman of MCI, and the chairman of U.S. Air and the chairman of Gannett, companies as difficult to run as Fannie Mae, get so much less in salary? Why is it that the second person at Fannie Mae makes $3½ million more than all but three other people, one of whom is his boss at Fannie Mae in the Washington, DC, area?

Mr. Chairman, I do not like getting up and bashing about salaries. It is done to us, Lord knows, at $125,000, but sometimes it gets excessive. Sometimes it gets so bad that it is just pushed in our faces, and we have to stand up, and these salaries are such an example.

It detracts, I would say to the people who are running these agencies, who, as I said, I think do a good job; it detracts from their mission, it detracts from their credibility. It detracts from the ability to run the agency properly and correctly.

So, Mr. Chairman, I had hoped that we would actually have an amendment on the floor to require them to do what was done in the committee bill put together by our chairman, simply to go to the level of Freddie Mac, which has very high salaries, but not obscene salaries like these. Unfortunately it is a sense-of-Congress resolution, and all I can say is I plead to the leaders of Fannie and Freddie, of Sallie Mae, where the salaries only start at $1.2 million. I plead with them to listen to this sense-of-the-Congress resolution, to pay themselves good salaries, fair salaries, but not absurdly high and obscene salaries, and restore some of the credibility that these agencies and the hard-working people in them deserve.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. Mr. Chairman, I am happy to yield to the gentleman from Texas, our distinguished chairman, and I must say he and the gentlewoman from Ohio [Ms. OAKAR] have led this bill extremely well.

Mr. GONZALEZ. Mr. Chairman, in that respect the gentlewoman from Ohio is on the Committee on Post Office and Civil Service and has given the expertise on salary matters and the like which come up under her jurisdiction. However the gentleman did have an amendment that was adopted by the committee and is in the bill.

Mr. Chairman, I wonder if the gentleman from New York [Mr. SCHUMER] could give us a little summary of what it does.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman from Texas [Mr. GONZALEZ], the chairman of the Committee on Banking, Finance and Urban Affairs.

There is an amendment in the bill which the chairman supported and is there about golden parachutes, and it greatly limits the $27½ million that the former Chairman of Fannie Mae got. It was a golden parachute. This is in the bill, and we can say that the level of golden parachutes, these huge bonuses that people get when they depart, will not happen again, and I think that is a good part of the bill, and it is one of the reasons I am supportive of the bill.

Mr. Chairman, I thank the gentleman from Texas [Mr. GONZALEZ] for pointing that out. In my modesty I forgot to mention it, rare and uncharacteristic though it may be.

(On request of Mr. VENTO and by unanimous consent, Mr. SCHUMER was allowed to proceed for 1 additional minute.)

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I want to commend the gentleman from Massachusetts [Mr. KENNEDY] for his amendment, and I think it is an effective amendment to deal with some of the problems that have existed in the past. I think the essence here is one of balance in trying to find a balance between a Government-chartered entity, which really is operating in the marketplace, and trying to attract people. I think, all too often, the characteristic of the national Government is we have a hard time finding the proper people to take roles because of the limitations in terms of compensation. It is great if people will work for a lot less than what is in the marketplace, and that is clearly the case with many of our scientists, and engineers, and others that are working in various capacities, but I think the real fear here is that the concern would be the types of restrictions which would really cause the demise of the organizations. I would not get here and defend, get up on the floor and defend, any type of outrageous salaries we are talking about. None of us would. But I think the lowest common denominator would hardly be acceptable to these Government entities.

So, Mr. Chairman, I am pleased today to support the sense-of-Congress resolution of the gentleman from Massachusetts [Mr. KENNEDY] which I think is the right type of effort by Congress, rather than trying to specifically set ceilings and other types of requirements.

(On request of Mr. KENNEDY and by unanimous consent, Mr. SCHUMER was allowed to proceed for 1 additional minute.)

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. Mr. Chairman, I think we ought to clear up the notion that somehow these GSE's are paying themselves just what the market will bear. The fundamental fact is that they are paying themselves. Just take the major corporations inside of Washington. These are Mobil Oil, these are the major corporations, corporate 500 companies, in the country that are headquartered here in Washington. Three out of the top 10 all work for Fannie Mae.

I mean, my goodness, this is not to suggest for 1 second that these people are just simply paying themselves Government salaries or what some quasi-government agency is being paid. This is out-and-out greed that we are talking about, and that is what is going on here.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. KENNEDY]. He makes a good point. These are far and above market salaries. These are not market salaries for any private sector companies.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise because I think one thing I am sensitive about is any allusion, direct, indirect insinuation, as to the integrity of the motives and the actions of the members of this committee. This, of course, can be debated with great indignation and, of course, great popularity. There is nobody that can accept some of these horror stories that we have been reading about.

What I do want the RECORD to show, particularly after what has been said in connection with this sense-of-Congress resolution, is that the committee did act within its limits in trying to control such things as salary or pay scales. I have already brought out that the amendment of the gentleman from New York [Mr. SCHUMER] definitely will give the secretary the power to determine the retirement or pension packages. The other was debated in the committee. As a matter of fact, in the committee print I had a proviso that I myself had to accept, could not stand the test of viability. What I wanted to do was peg those salaries at a certain level, and we soon found out that this is a far more intricate and complicated matter than first meets the eye, because we are talking about entities that are in a very, very specific field and in a field of competition.

I also want to stress that we have done something, also, by accepting the amendment of the gentlewoman from Ohio [Ms. OAKAR] having to do with the directors now in this bill mandated in setting the pay limits, compensation, that they do so on the basis of comparability, which should give us a handle in the future because we have amended the charter of these institutions to provide this for the first time. And it should give us control to determine this comparability, yelling that we have heard about where we have all of these other big corporate bigwigs receiving this, and then these GSE CEO's receiving this.

So, I think that I must, as a matter of duty, and as chairman of this committee—respecting the integrity of the action of the majority of this committee—say that we have addressed these issues in full debate in the committee, nobody was denied participation and that this was the best distilled majority judgment as to what could be done at this time.

□1350

We addressed both issues in this bill. On top of that, I resent it strongly when a statement is made, like the one the gentleman from Massachusetts [Mr. KENNEDY] just made, that because of the influence of these entities, this is what happened. He is saying that the majority of this committee acted out of obedience to fear of the influence of these committees, and I take strong resentment to that statement.

That simply is not true. I think it ought to be challenged, and I am doing that now on the record.

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Sure, I will yield to the gentleman from Massachusetts.

Mr. KENNEDY. The fact is that it has been gone over several times. It was $27.5 million last year, it was $6.5 million this year, and it is $3.5 million next year for the second part, and——

Mr. GONZALEZ. We know all that. It is self-evident, and I know that. The gentleman is not telling me anything new.

All I am saying is that we addressed those issues. The majority addressed itself to the issue.

Mr. KENNEDY. But the gentleman's answer to it was in this study——

Mr. GONZALEZ. I do not yield to the gentleman. I cannot help it if the gentleman lost overwhelmingly in the committee. He was not supported in the committee, and I cannot help that.

Mr. KENNEDY. I certainly was not, and you know why.

Mr. GONZALEZ. For the gentleman to imply that these two basic issues were not addressed in this bill is simply not true. They are mendacious, and they are not in full truth of what is contained in this bill.

Mr. KLECZKA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, let me, first of all, indicate my strong support of the chairman of the Banking Committee and my ultimate respect for his actions. I think he has led the committee on major legislation this year. The banking reform bill is one where he and I agreed probably 99 percent of the time on the major issues, and we were not always successful in the committee on those major issues.

As we look at the GSE's and Fannie Mae and Freddie Mac, I would say that I do not think there is any imminent problem with these organizations, but the chairman of the committee wanted to act instead of waiting around to react, and I think we have before us a responsible product which amends the charters of these congressionally sponsored or Government-sponsored entities.

I think the committee, in almost all respects, did a commendable job, but I say to my friends that the committee is not the last word on this matter. These bills are brought out of the individual committees around here and brought to the full House, and because an issue was negatively decided in the committee does not preclude any Member of this body from bringing up the issue again and letting all of us look at it and letting all of us discuss it, not just the 52 members of the Banking Committee. I think that is proper, and that is why I join my colleague, the gentleman from Massachusetts [Mr. KENNEDY] and my colleague, the gentleman from California [Mr. DREIER], in supporting this amendment.

I would love to see the file cabinets or computer disks in our offices to see how the Members of this body respond to the Maxwell golden parachute. How many in this body told their constituents that they thought that was just fine and dandy, and that the nice gentleman who ran the committee did such a good job was worth $27 million? Well, I say to my friends that there is not one in this body who, I believe, supported that payment to that one individual.

Now, do we want, in the next couple of years, to answer another slew of correspondence the next time this happens? I am not referring to the Allis-Chalmers Corp. or the Allen-Bradley Corp. or GE Medical; those are private enterprises. Let them pay what they want to pay as long as their stockholders agree to that. But we just had the opportunity with the Leach amendment to make a decision here that Fannie Mae will be private or it will be private and government. Now, we know full well the latter is the best of all worlds. If we are making money and things are going well, we will benefit. However, if there is a downturn and we start losing money, we will call in the taxpayers.

The gentleman from Iowa [Mr. LEACH] said, "Let's make a decision. Let's fish or cut bait." My amendment or the Leach amendment provided that they be totally private. This House rejected that. We continue to draw on the Treasury some $2.5 billion. But when it hits the fan, I say to my friends, like it did for the S&L's or like it could for the banks, Ma and Pa taxpayer, constituents of ours, will be there bailing them out.

But the decision is made. The decision is that they are going to be private and public, and if they are going to be public, I think we have a say about what goes on there. One of the amendments I produced in the committee that was adopted provides for GAO audits. That was unheard of prior to this legislation. They were private when it came to government audits.

In fact, I asked about the golden parachute issue in 1989 when we were talking about the S&L reform bill. I asked Fannie Mae for the provisions of Mr. Maxwell's parachute, should there be any. They refused to give it to me. Then I asked the GAO to look into it. They did not have the authority to find out anything about it, and lo and behold, a short year and a half later, boom, $27 million was paid out to this gentleman.

Mr. Chairman, I say to my colleagues that I wish the Kennedy amendment were stronger. I think we have a right to legislate in this area, not just to provide something called the sense of Congress. But being realistic as to what is doable in this House, I think it is the best we are going to get today.

So I ask my colleagues to support the Kennedy amendment and put some type of lid on this, even though we can argue that it is not the strongest lid around, put some type of lid on these types of individuals who are working for us, for the taxpayers and for the private market. They have the best of both worlds. Let us not give them the best salary in the world either.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to stand and compliment the chairman of the committee, because basically what I think he was saying to us was that his problem is not with the Kennedy amendment but his problem is with the impugning of individual reputations.

I for one feel the chairman of the committee worked out what was a positive compromise. That is, it includes something I believe in very strongly, comparable pay, and that they would in addition give us extensive information about the compensation of their top five executives who have become notorious in the press, and, in addition, report to Congress by June 30 so that then, after they have done some reforms, which they know they have to do, we would be able to make an intelligent decision.

In the FIRREA bill I did all the amendments at the request of the committee chairman, my former chairman, the gentleman from Michigan [Mr. FORD], relative to compensation, because I did at one time chair the Compensation Subcommittee. I really believe very strongly that while it is very easy to go off and talk about these things and to provide the proper checks, we have to do it in a way that does not penalize other people. There are thousands of people who work for these agencies who frankly have not had the opportunities to have upward mobility, although I must say that Fannie Mae does a fairly good job in compensating some of the women in terms of the top executive areas, and also for minorities represented in the executive area. That to me was something that was positive, something I think they could build on.

They also do give performance. They have a plan whereby the employees, not the corporate leaders, but the employees can in fact get bonuses if the company does well in making a profit. I do not think it is wrong to have the secretaries and the clerks and the individuals who do the audits have an opportunity to be benefited by their hard work.

So I think we have struck a happy balance. We also adopted, as the chairman of the committee said, the Schumer amendment, which would never again permit these golden parachutes, because we would once again have the scrutiny that we never had before from the Director of HUD.

□ 1400

I just think that sometimes, because I know that all Members feel strongly about these issues, sometimes we say things that we may not be happy with.

Mr. KENNEDY. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. Mr. Chairman, I in no way meant to impugn the reputation of anyone on the committee. But the fundamental fact is we are talking about an agency here that receives, according to GAO, $2 billion a year.

Ms. OAKAR. Mr. Chairman, reclaiming my time, I was talking about the impugning of the reputation of Members when the gentleman said in fact we are controlled by special interests and whatever. That was it.

Mr. KENNEDY. Mr. Chairman, I did not say that.

Ms. OAKAR. That is the way my chairman and others interpreted it.

Mr. KENNEDY. If the gentlewoman is going to impugn my reputation, might I have a chance to respond?

Ms. OAKAR. Mr. Chairman, reclaiming my time, I was simply going to say that I really have the deepest respect for the chairman of the committee and my fellow and sister committee members. I do not think for 1 minute that any one member on that committee has acted without integrity. I really believe strongly that that is the case.

Mr. KENNEDY. Mr. Chairman, if the gentlewoman will yield further, what I would like to do is just engage in a debate. But I cannot do that, because the gentlewoman cuts me off.

Ms. OAKAR. Mr. Chairman, I am not trying to cut the gentleman off. I feel there are some things in the bill complemented by the sense of Congress resolution of the gentleman from Massachusetts, and that they will get the message loud and clear. But I do not think we have to go into dialog that impugns the reputation of people. Frankly, that is the way I did interpret it.

Mr. BARNARD. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Georgia.

Mr. BARNARD. Mr. Chairman, I think that possibly for the benefit of Members, some of the aspects of Fannie Mae and Freddie Mac should be identified. I would like for the gentlewoman to respond to some questions that I have that might clear this up.

No. 1, we are dealing in private corporations, are we not?

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(At the request of Mr. BARNARD, Ms. OAKAR was allowed to proceed for 3 additional minutes.)

Ms. OAKAR. Mr. Chairman, Fannie Mae and Freddie Mac are very unusual creatures, because they are creatures of Congress, just like the Federal Reserve is. So while they are private corporations, we have congressional oversight.

Mr. BARNARD. Mr. Chairman, if the gentlewoman will yield further, they have stockholders. They do have private stockholders.

Ms. OAKAR. That is right, they do.

Mr. BARNARD. They are part of the private sector.

Ms. OAKAR. They have a board of trustees that makes recommendations and votes on issues, yes.

Mr. BARNARD. These private corporations also vote on these particular salaries, is that not also true?

Ms. OAKAR. Mr. Chairman, yes.

Mr. BARNARD. So, consequently we are not dealing strictly with a pseudo public utility or public function. We are dealing with the private sector.

Mr. Chairman, I think that this debate has been very good, and I think we ought to be mindful of the fact that they are Government sponsored, and that we should have some consideration in it. But we cannot ignore the fact that we are in a very, very sensitive area.

Mr. Chairman, I resent possibly what aircraft manufacturers make on the sale of these tremendously expensive planes, but we do not go there and try to tell Rockwell or tell Northrop or tell Boeing how much they can pay their chief executives. Yet where do they get most of their money? They get it from Federal contracts.

But I am not saying that this is right or wrong. I am just saying that we are emerging into some very sensitive areas in the private sector that we should be mindful of.

We have followed Fannie Mae with great, great care. One has to give Fannie Mae credit. In the last 10 years they have pulled their company out of possible bankruptcy into a very profitable enterprise.

Mr. Chairman, these companies pay taxes, both Fannie Mae and Freddie Mac. They pay billions of dollars of income taxes. So we are emerging into the private sector to the degree we ought to be very, very careful in how we are now trying to control the compensation of chief executives.

Ms. OAKAR. Mr. Chairman, reclaiming my time, I would just add that there is going to be reform, thanks, frankly, to the points of view of the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Wisconsin [Mr. KLECZKA], and others, and thanks to the actual amendments that passed in the committee print.

Mr. Chairman, I think the chairman was trying to say loud and clear that there are provisions in the committee print that mandate and change the charter. I believe strongly that we will certainly revisit this, and we will also get to reform. I think these corporations, hopefully, have gotten the message.

Mr. Chairman, I just want to tone down the rhetoric a little bit. I think possibly things have been said that otherwise might not have been said.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(At the request of Mr. KENNEDY and by unanimous consent, Ms. OAKAR was allowed to proceed for 2 additional minutes.)

Ms. OAKAR. I yield to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I would like to respond to some of the issues raised. First and foremost, I just want to again point out that the corporation that we are talking about has a subsidy to the tune of, according to the GAO, some $2 to $4 billion a year.

With regard to the point of the gentleman from Georgia [Mr. BARNARD], this is not a completely private corporation. The shareholders and stockholders of this corporation only serve because of the fact they have a monopoly power that the Federal Government of this country provides to them. This is the only GSE, the only Government-sponsored enterprise, that does have a PAC.

Mr. Chairman, I did not mean to impugn the reputations of those members of the Committee on Banking, Finance and Urban Affairs. But, my goodness, the purpose of a PAC, it seems to me, is pretty straightforward. If it is not to influence the decisions of the people on the committee, then I do not know exactly what the purpose of the PAC is. They themselves have indicated that the compensation issue is one of the issues of critical importance to them.

So when I say that they are trying to influence votes, it seems to me it is pretty straightforward that that is what they are trying to do.

Mr. Chairman, I certainly did not mean to impugn the reputation of the chairman, who, after all, was one of the sponsors of an amendment to try to limit the compensation to these individuals. I hope Members are clear on that issue.

Ms. OAKAR. Mr. Chairman, reclaiming my time, that is a very good point. I think the gentleman will recall in the committee he himself said he had gotten PAC money from them, and yet that did not persuade the gentleman from Massachusetts [Mr. KENNEDY] to not introduce these amendments. So I think the very point the gentleman is making to the chairman now is well stated, and I thank him for making it, because I think it deserved to be said.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is unfortunate that some of the words that were taken were misconstrued, because I do not believe, knowing the gentleman from Massachusetts [Mr. KENNEDY], that he meant to impugn anybody, especially this chairman, the gentleman from Texas [Mr. GONZALEZ], who is a real standup guy, and we love him.

Mr. Chairman, most of the American public does not understand Freddie Mac and Fannie Mae. They do not even understand Ronald McDonald. But here is one thing they do understand. I would like to say this, because I think the bill of the gentleman from Massachusetts [Mr. KENNEDY] goes not far enough.

Mr. Chairman, we do not work for the railroad and we do not send messages; we pass legislation.

The people in my district have lost their jobs. Their pensions are underfunded. Many times their pensions are stolen. Bill collectors are all over their backs.

Mr. Chairman, let me tell you what they understand about the debate in Congress today. They understand that we have a quasi-public/private organization, a financial institution, where a guy left and got $27.5 million total.

They are saying, meanwhile the bill collectors are all over my back, my pension is underfunded, you are raising and increasing my premiums on Medicare, and I am bailing out savings and loans. You told me 3 years ago they were doing a good job.

Now, I want someone to tell me where David Maxwell has done such a good job. I do not know. I am not on that committee.

Mr. Chairman, I have got an amendment coming. I do not want to get anybody mad at my amendment here, I do not believe it is as good as everybody says it is. I do not believe that Congress should be allowing people to be leaving these types of jobs with $27 million.

For us to sit back and leave it up to the whims of the marketplace, let me tell you what the marketplace will do. It started out at $12 billion, the first bill on the savings and loans. Now west coast economic analysts are saying it will cost taxpayers $1.5 trillion to bail out savings and loans.

Mr. Chairman, my little amendment coming up is more than just technical in nature. It says the examiners and regulators under this new regulatory group are subject to disclosure law and have to give us an annual report that there is no conflict of interest or collusion in the private sector.

If we are going to have regulators and examiners, let us not have collaborators. I hope Members will support my amendment. I believe the gentleman from Massachusetts [Mr. KENNEDY] should have gone for his amendment. He should have had a vote up or down. Congress should have had an opportunity to vote on this issue.

Mr. Chairman, I am hoping this chairman is fair, and they will look in the future, as the gentleman has indicated, at this particular matter.

□1410

Mr. MFUME. Mr. Chairman, I move to strike the requisite number of words.

I will not use the entire amount of time. Let me just say a couple of things as we come to the close of this debate, the first of which I think ought to be said about the chairman of this committee. I have served on, sat on, and been a part of a lot of committee deliberations. I have not found a more fair individual than the gentleman from Texas [Mr. GONZALEZ]. The commitment and the level of personal passion he brings to issues, I think is something that is rare and something that this body ought to find ways to appreciate more.

I understand as many others do the intentions of the gentleman from Massachusetts. I am going to support the sense of Congress resolution, and I understand those who will oppose it.

However, let me just say this: One of the most important things about this body is that we are a deliberative body where differing views and differing opinions ought to be aired and have a chance to be talked about and debated.

What we have done must do that on this issue. It is time now to get to a vote because there are even more greater issues that are awaiting us as it relates to the passage of this legislation.

I would ask Members of Congress to keep that in mind as we try to close debate on this, to vote their conscience on the matter. That is all we are to do anyway. That is why we are here, and then let us move on and get to the real crux of this bill and the issues that also affect people throughout this country such as discrimination and other things.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 12, after line 13, insert the following new section (and redesignate subsequent sections and references to such sections and conform the table of contents, accordingly):

SEC. 107. DISCLOSURE.

The Director of the Office, the Deputy Director, and any officers and employees of the Office, and any conservators and examiners under title II, shall each submit to the Secretary of Housing and Urban Development annually during such individual's tenure in such position—

(1) a statement disclosing personal income and finances, which shall be consistent with Federal financial disclosure laws relating to Federal employees; and

(2) a statement certifying that no conflict of interest exists with the position occupied by such individual and describing any circumstance which may reasonably be perceived as a conflict of interest, which shall be consistent with Federal laws relating to conflict of interest.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, about a half hour ago this House dealt with the amendment of the gentleman from Pennsylvania [Mr. KANJORSKI] that was technical in nature that made employees and directors of the new office providing regulatory oversight for Freddie Mac and Fannie Mae that they would be subject to Federal financial disclosure laws.

My amendment does go a step further. The Traficant amendment says that conservators, regulators, and examiners as well must submit and be subject to Federal financial disclosure laws as are other employees of the Federal Government, No. 1.

I wish that the leaders would listen, if this is to be contested.

No. 2, it also states that if any of these examiners or regulators, they will have to submit an annual statement that they have absolutely no conflict of interest in the private sector and, if they have any relationships that appear to be a conflict, they must explicitly give details to the Congress of those relationships and assure there are no conflicts.

Let me say this to the Congress, we got involved in the savings and loan mess because we did not really provide the oversight we should have. If we are going to have examiners and regulators, we should have examiners and regulators, not collaborators.

The language is straightforward. I am hoping that the Congress will support the legislation. We do not have to have a vote, I would hope.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Ms. WATERS:

Page 21, line 14, after "(4)" insert "(A)".

Page 21, line 19, after "determine" insert ", on the record after opportunity for a hearing,".

Page 22, line 3, strike the quotation marks and the last period.

Page 22, after line 3, insert the following:

"(B) The regulations under this paragraph shall include provisions—

"(i) prohibiting the purchase by the corporation of any mortgage originated after the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991 by any mortgage seller who is subject to the Community Reinvestment Act of 1977, the Equal Credit Opportunity Act, or the Fair Housing Act, and is not in compliance with such Act;

"(ii) establishing procedures for coordination and collection of data among the Federal agencies responsible for enforcing such Acts; and

"(iii) establishing procedures for the Secretary to terminate the suspension of a mortgage seller suspended under this paragraph upon a determination and certification by the Secretary that the mortgage seller is not discriminating and is in compliance with the Acts referred to in clause (i), which procedures shall provide an opportunity for public comment and participation.".

"(C) For purposes of this paragraph, the term 'not in compliance' means—

"(i) with respect to the Community Reinvestment Act of 1977, any substantial noncompliance; and

"(ii) with respect to the Equal Credit Opportunity Act and the Fair Housing Act, 2 or more violations of the Act within any 12-month period.

"(D) The Secretary shall issue the regulations under this paragraph not later than the expiration of the 180-day period beginning upon the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

Page 38, line 19, after "(6)" insert "(A)".

Page 38, line 24, after "determine" insert ", on the record after opportunity for a hearing,".

Page 39, line 8, strike the quotation marks and the last period.

Page 39, after line 8 insert the following:

"(B) The regulations under this paragraph shall include provisions—

"(i) prohibiting the purchase by the Corporation of any mortgage originated after the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991 by any mortgage seller who is subject to the Community Reinvestment Act of 1977, the Equal Credit Opportunity Act, or the Fair Housing Act, and is not in compliance with such Act;

"(ii) establishing procedures for coordination and collection of data among the Federal agencies responsible for enforcing such Acts; and

"(iii) establishing procedures for the Secretary to terminate the suspension of a mortgage seller suspended under this paragraph upon a determination and certification by the Secretary that the mortgage seller is not discriminating and is in compliance with the Acts referred to in clause (i), which procedures shall provide an opportunity for public comment and participation.".

"(C) For purposes of this paragraph, the term 'not in compliance' means—

"(i) with respect to the Community Reinvestment Act of 1977, any substantial noncompliance; and

"(ii) with respect to the Equal Credit Opportunity Act and the Fair Housing Act, 2 or more violations of the Act within any 12-month period.

"(D) The Secretary shall issue the regulations under this paragraph not later than the expiration of the 180-day period beginning upon the date of the enactment of the Government-Sponsored Housing Enterprises Financial Safety and Soundness Act of 1991.".

Ms. WATERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Mr. Chairman, this amendment strengthens and clarifies language that is already contained in H.R. 2900. As we all know, Fannie Mae and Freddie Mac are congressionally chartered institutions. While, currently, there are laws designed to prohibit discrimination on the basis of race, sex, religion, and age for financial institutions, there is no law specifying that Fannie Mae and Freddie Mac should not do business with violators of these antidiscrimination statutes.

Fannie and Freddie have said that they do not want to do business with banks or other lending institutions which discriminate. They were concerned, however, that without specific designations of what constitutes discrimination, they would be in a difficult position of following such a policy. This amendment states directly what constitutes discrimination, and instructs HUD to inform the GSE's which institutions have not complied with antidiscrimination laws.

We have worked with Fannie Mae and Freddie Mac in developing this amendment. The amendment was crafted to specifically address their concerns. Both Fannie Mae and Freddie Mac support the amendment.

The criteria for determining an institution's noncompliance with current antidiscrimination law is as follows; two or more violations of the Fair Housing Act in 1 year's time; or two or more violations of the Equal Credit Opportunity Act in 1 year's time; or a rating of substantial noncompliance with the Community Reinvestment Act, the lowest possible rating.

If an institution is not in compliance, Fannie Mae and Freddie Mac will be prohibited from doing business with the discriminating institution.

Let us be clear what this amendment says, Mr. Chairman. This amendment only keeps Fannie and Freddie from doing business with multiple violators of antidiscrimination statutes. This amendment would not affect institutions which discriminate by mistake. It would only affect institutions which repeatedly fall short of compliance with basic antidiscrimination laws.

The amendment further directs HUD to establish regulations that will allow institutions determined to be discriminatory to challenge, or appeal this finding. Thus, if an institution believes it has been unfairly labeled, it will have the ability to appeal the decision. Again, only egregious violators of the law will be affected by this provision.

In addition, once an institution has been forbidden from doing business with Fannie Mae and Freddie Mac, HUD will determine a method whereby those institutions will be allowed to do business after certifying compliance with antidiscrimination laws.

This amendment is fair to lending institutions. It properly eliminates the involvement of Fannie Mae and Freddie Mac in discriminatory lending practices. This is a goal shared by Congress, Fannie Mae and Freddie Mac. This amendment incorporates the efforts of the Banking Committee and Fannie Mae and Freddie Mac themselves. I believe it belongs in the bill. I ask my colleagues for their support.

Mr. BAKER. Mr. Chairman, I rise in opposition to the amendment.

Although I certainly share the concerns of the amendment of the gentlewoman from California [Ms. WATERS] in that we provide opportunities for everyone to have access to housing, I am concerned that the impact of the amendment as proposed in its current form will be exactly the opposite of the author's intent.

Specifically as the language is now applied, a lender who is found to have had two violations of either the Equal Credit or Fair Housing Acts over any period of time for which they have been in existence, the way in which the amendment is now constructed it is two such violations during any 12-month period, so that if any institution has been engaged in lending practices for 30 or 40 years, one could read this language in order to determine that any violation of more than two occurrences during any 12-month period would lead to the disqualification of the sale of those mortgages to the secondary market.

Regrettably, the bulk of low- and moderate-income mortgages, which are originated by savings and loans and banks, have only Freddie Mac and Fannie Mae as an eligible sales location for disposal of those loans.

□ 1420

The result of this, although well intended amendment I think, would be to discourage the acquisition of such loans for fear of penalties which the act provides.

Are we ignoring the issue of discriminatory practices? In my judgment, the penalty now contained in the Fair Housing Act and the Equal Credit Opportunity Act go to the problem correctly. We go directly to the institution which is engaged in the discriminatory act. Neither Freddie Mac nor Fannie Mae, when they acquire these loans, have participated in the discriminatory act. They simply are acquiring large bundles of mortgages without really knowing anything other than the lender or the originator is certifying that their practice conformed to the underwriter's requirement. That means someone acting in good faith, who is buying large bundles of mortgages, will find themselves penalized for unknowingly buying a mortgage package which contains a loan from a bank in a community which may have engaged in two or more such violations of fair credit or equal housing activities many years ago.

The question then becomes what happens to the owner of the home whose title then becomes clouded, because there is this violation, an illegal act to finance, and the homeowner's title to the property is put in serious question? In the committee we deliberated this issue at length, and in the context of that debate I suggested to the gentlewoman that there may be alternative ways by which we could attain concerns about discriminatory acts and be more responsive in meeting the marketplace needs without bringing about the debilitating effects of this particular amendment. Although well intended, and although I share her desires and concerns about everyone having access to credit, I must point out that fact.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I am happy to yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I would like the Members of this Congress to not be confused about the length of time the gentleman has referenced on more than one occasion now. On page 4 of the legislation, line 7, with respect to the Equal Credit Opportunity Act and the Fair Housing Act it says two or more violations of the act within any 12-month period. That is the operative language.

Mr. BAKER. I agree with the gentlewoman and she is correct. It would be two violations of either act during any 12-month period.

Ms. WATERS. Not over the life.

Mr. BAKER. During any 12-month period, period is my point. If we were to amend it to say the immediate preceding 12-month period prior to acquisition of the loan portfolio, or there are a number of ways by which perhaps this information could be provided, but what I am suggesting is that the method by which the gentlewoman is suggesting this information be acquired, and the severe penalties which will be imposed under circumstances of her provisions, I think it would be unwise to adopt this amendment in its current form.

Ms. WATERS. I think it should be clear that the gentleman's interpretation is simply that, his interpretation rather than any specific language that he is referencing. The bill specifically relates to a 12-month period of time. That which the gentleman is claiming would cause it to go back to any period of time during the life of the act simply is not in the bill.

Mr. BAKER. Reclaiming my time, if I may, I would simply read from the act. It says during any 12-month period, and I think it is very clear that the intent is for the regulator to look at the past history and performance of the institution during any 12-month period and come to a conclusion that this lender has acted inappropriately.

But that is not the only reason for my dispute with the amendment. Second, it is the concern that although Fannie Mae and Freddie Mac may be well intended and operate in good faith and ask an originator of a loan if all of their lending activities are in accord with fair housing and equal credit, what happens if the originator of the loan is not acting in good faith? It then becomes the problem of Fannie Mae and Freddie Mac that they become penalized, although they are acting in good faith, by the actions of someone they have no control over.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

(On request of Ms. WATERS and by unanimous consent Mr. BAKER was allowed to proceed for 2 additional minutes.)

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I am happy to yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I am mindful of the gentleman's concern about Fannie Mae and Freddie Mac and their ability to operate with this amendment. I have letters in support where they have no problems with this amendment. They do not see any impediment to their ability to run their agency because of this amendment.

I would suggest to the gentleman that they do not have any problems as they say they do not have.

Mr. BAKER. If I may reclaim my time to respond, I certainly appreciate that information. However, I have great concern for the people I represent in Louisiana who are low- and moderate-income individuals who are trying to get credit in a tough housing market where underwriting standards are getting much more stringent. If we place this burden on Fannie Mae and Freddie Mac, it is simply going to make it tougher for the people of Louisiana, the poor people of Louisiana to be able to buy a home, and that is what the gentlewoman does not intend and neither do I. I am simply suggesting that there may be better ways to accommodate the gentlewoman's concerns. I would not oppose an alternate method. But I simply think what is proposed today is unreasonable and simply will not work.

Mr. Chairman, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to express my support of the amendment offered by the gentlewoman from California. I supported it when it came up in committee. It is a difficult concept at first, but not, I think, when Members think about it.

In the first place, it ought not to impose any obstacle whatever to the extension of credit. All we are asking is that financial institutions live up to the basic precepts of the law.

We run into a consistent problem with laws against discrimination in this country in that they are inherently difficult to enforce. That becomes especially the case when the enforcers show a degree of enthusiasm for the laws they are being asked to enforce that is widely varying.

The financial regulators are the ones who have primary responsibility for many of these laws. I do not think I do an injustice to the Federal Reserve, or to the Federal Deposit Insurance Corporation, or the Office of the Comptroller of the Currency when I say that worrying about community reinvestment and minority hiring are not their highest priorities. They are not even their meagerest priorities. We are lucky when they are their priorities at all. It is not that they are insensitive people, although they are insensitive people everywhere, but that is not the problem. The problem is that the institutional thrust of those offices puts their attentions and energies elsewhere.

As I understand what the gentlewoman is doing, she does not change substantive law one iota. There is nothing in this amendment that tightens or increases any requirements with regard to the law. What it says is we are providing another enforcement mechanism, and I want Members very clearly to understand this.

Mr. Chairman, the gentlewoman is not, as far as I can tell, increasing a burden that one might have. She is not saying you have to hire more women, or you have to work with more minority groups, or do more lending into community areas.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Louisiana.

Mr. BAKER. I thank the gentleman for yielding.

Mr. Chairman, I simply want to reflect on the committee consideration of the proposed amendment. I thank the gentleman and I had a conversation on the subject of the amendment at the time of its consideration, and there was some mutual concern at that point, I believe, as to the real operative effect of the gentlewoman's suggested language. And I in committee suggested perhaps between committee and floor we could get together and work out some alternatives, and I am still willing to work.

Mr. FRANK of Massachusetts. I thank the gentleman. I would say to him that he is right, and things slip, and we get busy. But to my knowledge, this is not in the Senate version of this bill, and it is, therefore, going to be an item to be worked on in conference if we adopt this. So we have an alternative of putting it in here.

I regret nobody called me. Maybe I should have called the gentleman. The gentleman should have called me. Nobody called each other. We appear to be mutually guilty of having a lot of other things on our plate. I do not think any of us ignored the other, but I do not want to be stopped by that from proceeding at this point with the understanding that we will have a conference and things can be refined.

I would like to just finish by saying I want Members to understand they are not here being asked to toughen any substantive law. If Members think that the pattern in this country has been to over enforce community reinvestment, to force banks to make too many loans, if they think there are communities awash in mortgage money where low- and moderate-income people live, if they think there is an excess of hiring of minorities or women in their dealing, then the amendment is unnecessary. In my view, because of the institutional structure of enforcement mechanisms, we need more enforcement. I know that Fannie Mae tells me they find this a perfectly reasonable amendment which they look forward to being able to work with, and the gentlewoman tells me Freddie Mac as well.

The point is we are simply giving these entities another tool.

□ 1430

What we are saying to the banks and the others is, "If you have complied with laws already on the books, this will do you no damage." I think that is perfectly reasonable.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I am happy to yield to the gentleman from Louisiana.

Mr. BAKER. I just wish to question further with regard to the process for getting the interpretation of the 12-month period and when two violations might have occurred, although I have some concern about that language. The more important aspect is that when Freddie and Fannie buy large bundles of mortgages, they really do not know at the time of the trade what really they are acquiring. They are not engaging in discriminatory practices, because they are not capable at that point of a discriminatory act.

What we do with this language is to force the responsibility for discrimination by the originator and place it in the hands of the secondary market, and the end result may well be the very people we are trying to help will find credit drying up.

Mr. FRANK of Massachusetts. There might even be a short-term thing on that, but I do not think so. Fannie Mae and Freddie Mac, and I know I have spoken directly to the Fannie Mae people, who say they can work this out.

The CHAIRMAN pro tempore (Mr. MCNULTY). The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

(By unanimous consent, Mr. FRANK of Massachusetts was allowed to proceed for 1 additional minute.)

Mr. FRANK of Massachusetts. What would happen would be they could require a certification of anyone who was seeking to participate in their secondary offerings that this institution complies, and I think we can work out procedures whereby they could get a valid certification, and if there were a problem, they would be protected, but it would be a problem for those who falsely certified. I think that we can certainly work out procedures, for Fannie Mae and Freddie Mac do believe that they can work out these procedures. It is not the case of Fannie Mae and Freddie Mac have to buy everything offered to them. They have a capacity to discriminate in good sense, and I agree this needs some work. We will have a conference in which to do it.

I do want to say in defense of the gentlewoman, it is in better shape than a lot of other things I have seen going into conference, and I think with some refinement, we can work it out.

Mr. BAKER. If the gentleman will yield further, I simply wish to make the observation that the credit crunch which we all now complain about in the commercial marketplace where small businesses cannot get access to credit will simply be expanded by the adoption of this amendment.

Mr. FRANK of Massachusetts. I disagree. It is not the people who live in redlined communities or minorities or women who have caused the credit crunch, and I do not think enforcing the law would exacerbate it.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

I think the gentleman from Louisiana [Mr. BAKER] asked a question which needs to be reemphasized, and that is how this amendment be applied.

Could two violations of the Fair Housing Act by a branch of a major institution, no matter how many branches, result in the suspension of the entire institution including its branches? I am more worried about the mortgage sellers with respect to this amendment than I am Fannie Mae and Freddie Mac.

The Waters amendment was brought up in committee, and I opposed it there, so I know it comes as no surprise that I oppose it here. The bill, which we reported out, H.R. 2900, already provides strong language against discrimination by mortgage sellers.

In particular, H.R. 2900 requires HUD to issue regulations to prohibit Fannie Mae and Freddie Mac from purchasing mortgages from any mortgage seller that has discriminated in the origination of a mortgage. It also requires HUD to consider violations of the Fair Housing Act, the Equal Credit Opportunity Act, or any other Federal, State, or other law prohibiting discrimination. Further, HUD must also notify the GSE's if there is discrimination and provide for a period of suspension.

The problem I have with the Waters amendment is that it may create a statutory framework that is not practical. I believe that it could result in a reduction of housing credit available to entire communities because of as little as two inadvertent violations within 1 year, and I think the gentleman from Louisiana [Mr. BAKER] makes the point appropriately that it says any 12-month period. That does not mean the 12-month period beginning back from today necessarily. It could be a 12-month period in 1990 or a 12-month period in 1989, 1987, 1986.

The Equal Credit Opportunity Act and Fair Housing Act also provides against this kind of discrimination, so it seems to me that we ought to leave the antidiscrimination provision that we provide for in the bill, H.R. 2900, intact.

We ought to, I think, allow the committee to work its will here and allow the agencies to determine how they can effectively deal with the issues of discrimination on the part of mortgage sellers. I want to reemphasize this, that I am more concerned about the mortgage sellers, because they are, after all, the ones that are providing the money for housing in the ultimate.

I would ask the gentlewoman who is on her feet: How would this amendment be applied? Could two violations of the Fair Housing Act by a branch of a major institution, no matter how many branches, result in the suspension of operations of the institution itself and all its branches so that none of them could act as mortgage sellers to Fannie Mae or Freddie Mac for purposes of secondary mortgage market activity?

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I am happy to yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I think the gentleman knows that when Fannie Mae and Freddie Mac indicated they were in support of this amendment that they also indicated that they could work out within their agencies a way by which to administer it.

We have everything from an appeals process and a hearing in the bill that would enhance their ability to work out how they administer it. So they see no problem with being able to administer fairly. I think that is where the answer lies on that question.

Mr. WYLIE. I thought in the amendment that it required HUD to work it, so to speak.

Ms. WATERS. That is absolutely true. HUD is involved in the process.

Mr. WYLIE. So how can Freddie Mac and Fannie Mae work it out then? I think HUD has the responsibility of working it out.

Ms. WATERS. That is true.

Mr. WYLIE. I thank the gentlewoman for her response.

Mr. MFUME. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and members of the committee, I take to the floor this afternoon to support the Waters amendment and to take just a moment to speak as a member of the committee about some of the things that it is and some of the things that it is not so we are absolutely clear about where we are.

I want to thank the gentleman from Louisiana for his statements opposing discrimination and his concern about the availability and the opportunity for his constituents to get mortgages through the secondary market or any other market. I share that concern. I have a great deal of respect for the gentleman and appreciated his comments in that regard.

I want to just, if I might, talk a bit about what we are dealing with in terms of the effect and intent and go back to the heart of something that the chairman said earlier when this discussion began under general debate.

He said that perhaps it is a misnomer to refer to Fannie Mae and Freddie Mac as GSE's, that, in fact, they are secondary-mortgage-market corporations, and perhaps we ought to start looking at them in that regard, so that in terms of pure semantics we do not sort of lull ourselves in the wrong sense of thinking as it relates to these agencies.

But during the committee markup of 2900, I introduced an amendment that would help determine whether or not Fannie Mae and Freddie Mac were, indeed, meeting the diverse needs of eligible families. The Mfume amendment, as adopted, which was incorporated into the GSE Financial Safety and Soundness Act, subjects the secondary-mortgage corporations to the same HMDA requirements that others are subjected to, and requires that we have a collection of data as to whether or not the characteristics of the mortgages being purchased by Fannie and Freddie are, in fact, proper, that they are not discriminatory. Someone said earlier in the debate that the two Government-sponsored enterprises, again using that term, purchase these mortgages in bundles and are not aware of any problems with the institutions from which they are purchasing. The Mfume amendment provides the data. The Waters amendment takes it one step further and puts in place a way to bring about compliance.

So while their intent is in good faith, the effect is de facto discrimination by dealing with institutions that refuse to comply with the Community Reinvestment Act, and the Community Reinvestment Act, Mr. Chairman, really is the purpose of why we are here arguing this today.

We have to find a way to enforce it. Since 1987, over 50,000 applications and requests have been filed by institutions who want to do all sorts of things, based on CRA compliance. In that period of time, less than 50 have been denied, and yet it is clear, and I doubt if there is any Member of this body that would object to the fact that we know that that is not reflective of what is happening as it relates to discrimination with these agencies.

If we believe that CRA has to be enforced and if we understand, as I think most of us do today, I hope, that this is a way of doing that which does not change existing law, I would hope members of this committee and Congress would bring themselves to support the Waters amendment.

Fannie Mae and Freddie Mac, by the way, who are most affected by the amendment, have said in writing to the gentlewoman from California [Ms. WATERS] and to this Congress that they are not opposed; and so if they are not opposed and they believe they can comply and they have the wherewithal to see through the effects of the amendment, why is it then that the Congress cannot understand and go along with that?

I would hope that when the vote is called for that we will move to pass the Waters amendment, and I would hope also that the concerns of the gentleman from Louisiana, which I respect, are dealt with in a conference committee so that, as the gentleman from Massachusetts suggested, we can then really work out and fine-tune the matters of difference.

□ 1440

So, Mr. Chairman, I would again ask Members to support this amendment.

The CHAIRMAN pro tempore (Mr. MCNULTY). The question is on the amendment offered by the gentlewoman from California [Ms. WATERS].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there other amendments to the bill? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LEWIS of Georgia) having assumed the chair, Mr. MCNULTY, Chairman pro tempore of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2900) to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes, pursuant to House Resolution 226, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GONZALEZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 412, nays 8, not voting 12, as follows:

[Roll No. 278]

YEAS—412

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—8

Crane
Dorgan (ND)
Kennelly
Leach
Miller (CA)
Penny
Sensenbrenner
Walker

NOT VOTING—12

Boxer
Callahan
Coble
Guarini
Holloway
Hopkins
Levine (CA)
McGrath
Parker
Slaughter (VA)
Stokes
Tallon

□ 1505

Messrs. PENNY, DORGAN of North Dakota, and MILLER of California changed their vote from "yea" to "nay."

Mr. DERRICK changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2900, the bill just passed.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced, that the Senate agrees to the amendment of the House to the bill (S. 296) entitled "An Act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years" with an amendment.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. RES. 194

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor from House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(By unanimous consent, Mr. FOLEY was allowed to speak out of order for 5 minutes.)

THE HOUSE BANK—CHANGES IN CHECK CASHING PROCEDURES

Mr. FOLEY. Mr. Speaker, I take this unusual action to explain to the House what I, as Speaker, have initiated in the way of changes in the procedures of the House bank within the last 24 hours.

As Members are well aware, a September report of the General Accounting Office discloses that a practice by the House bank of covering checks drawn by Members having insufficient funds to back them up has been continued despite what I thought had been made clear instructions to the contrary 6 months ago following a previous review of the General Accounting Office. At that time, I discussed the matter with a majority of the Republican leaders of the House and obtained their strong consensus with mine that no Member of this House should be permitted to cash checks with insufficient funds, an opportunity not afforded to citizens of the country generally. It was our intention that there be appropriate lines of credit arranged, with interest paid, for any such checks honored.

□ 1510

I must tell you that I am distressed to learn that communications problems apparently developed and that that message was not clearly understood by those who are operating the House bank. As a consequence, I have made it clear through private communication, and am now using this means, to spread the word that no such action will be tolerated in the future, and that immediate steps have been initiated to ensure that Members will have the same rights, no more and no less, as any other member of the public in dealing with check cashing privileges in the House bank.

I am satisfied from consultations with both the Democratic and Republican leadership that this has the strong approval of the leadership and trust that it also has the support of Members of the House on both sides of the aisle.

What is commonly referred to as the House bank has been a convenience to Members and staff for many years. In reality, however, to call it a bank is a misnomer since it does not make loans or carry on usual banking activities; makes no income from its deposits; and, it should be noted, pays no interest to Members who deposit in the bank, unlike most other depository organizations today that at certain levels of deposit do. So, in that sense Members are not receiving what they would in a normal bank or depository institution. This bank's primary function is to serve as a payroll office and a check cashing facility for Members and staff. No federally appropriated money has ever been lost, nor has any other obligation of the public been made to provide for any failure of any Member to promptly pay checks that are cashed. The taxpayer has lost nothing; and, in effect, Members who have positive balances have covered those who have occasionally not had adequate balances. It is not a matter of the public or the American taxpayers losing any money. None has been lost.

But the perception that Members have a special privilege, which is not accorded to the general public, is one that I do not believe should be countenanced by the House, in either appearance or substance. So the instructions I gave yesterday were that procedures be immediately undertaken that will permit Members, if they are creditworthy, to obtain from the Credit Union rather than this bank the kinds of lines of credit typical in other institutions, which will bear interest, as other such accounts do, to give protection to Members for any inadvertent insufficient checks. Otherwise checks with insufficient funds to cover them will be returned, at the close of business on the day they are received.

Members should be on notice that I have told the bank that there will be no exceptions to this rule, which will go into effect within a matter of a few hours. Furthermore, I have made it clear that for those members of the bank's staff who take it upon themselves to make exceptions, I will seek their discharge from the employment with the House of Representatives.

This is now a matter that is over and done with. I pledge to the House on both sides that it will not be allowed to reoccur. Accordingly, I do not feel that there is a need for any additional resolution of the House unless it is one which will state the House's approval, which I hope it will give, for the actions I have taken as Speaker in this matter. I do not believe we need another committee or further review of past practices. They are not going to be continued but have been replaced by those provisions I have mentioned, in accordance with the practice of any Federal depository institution with respect to its customers—no more and no less.

I wish to say to the House that I thought this matter had been concluded some months ago, and the distinguished Republican leader and the distinguished majority leader shared that view. It is now definitively concluded, and I hope that under the new procedures it will be clear that there are no special privileges to any Member of Congress under any circumstances other than those which would be accorded to any citizen under similar circumstances.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Speaker, I deeply appreciate your taking to the well and stopping what has been a media firestorm, with a very small issue when there are so many other problems in the world and here. But there is one issue of unfinished business, and that is that the media in general had fun by taking the number of floated checks, somewhere over 8,000, and dividing it by 435 Members, and then they said, "That comes out to about 20 checks per Member."

So I had a press person say to me, "Are you average? Did you float 20 rubber checks?"

My answer was: "I am going to go to our Sergeant at Arms and ask for a letter saying that in 15 years I have never bounced one, not one," because this is a privilege and not a bank, as you say, and it is a different system. It is just the sheer embarrassment or mortification of doing something that is open to the majority, and as a minority Member it never even occurred to me, plus I think we are pretty well paid, certainly as of last January.

Could I ask that it be in order that our friend, Jack Russ, prepare a letter so as not to identify the transgressors but to free the innocent? Could I ask for a letter to each Member who has never floated a check, just going back 2 years, to say that I have never done it, so I can show this to the media and do that little piece of unfinished business? I ask you that.

Mr. FOLEY. Mr. Speaker, I think the Member's word in this matter is trustworthy, and the Members can say whatever they wish to the press. I do not think it is useful to be going back over a practice which currently is no longer allowed. I have taken steps to end past practice, and think that ought to end the matter. Going over the past and past practices when, very frankly, it was not against the rules of the House and not against the procedures of the House for there to be occasional courtesies issued to Members would in my opinion, serve little purpose. The effect of this, we should remember, was that those Members who had accounts without overdrafts—and there were numerous Members who had perfect records—were in effect assuring that there was no loss to the taxpayers, no loss to the country.

The important thing, it seems to me, is to make it perfectly and finally clear that this practice has ended, and that Members will henceforth be treated without exception as they would be in a private depository institution. That is what the public expects and has a right to expect. I think the matter ought to be closed.

□ 1520

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I did have a privileged resolution I was going to bring up, but after the assurances the gentleman has given the House, and after the assurances that our minority leader, [Mr. MICHEL] evidently has given us, too, I think the gentleman is right. I think that should pretty well address the issue, and I am sure it will.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Arizona.

Mr. KYL. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I would ask the gentleman from Washington [Mr. FOLEY] a question: The gentleman indicated he did not believe that at the time the overdrafts constituted a violation of the rules of the House.

Mr. FOLEY. I did not.

Mr. KYL. Mr. Speaker, I am sorry if I misunderstood or misspoke. Perhaps the gentleman from Washington [Mr. FOLEY] could simply relate as to the notion that it may well be that this could be a subject that the Committee on Ethics will take under consideration, in which case none of us would want to prejudge it.

Mr. FOLEY. I would certainly say if there is any evidence that a Member has violated the rules of the House, that is a matter for the Committee on Ethics, and I would not prejudge that. My personal view is that this practice has gone on for many, many years. This is a practice by which Members who have accounts there would perhaps sometimes inadvertently have an overdraft. That would be notified to the Member and, within a reasonable time, most Members came and corrected the situation.

In any case, what I insist on, and what I hope Members will support me in insisting on, is adherence to absolutely the same rules for anyone cashing a check in this institution that would apply if they or any other citizen cashed a similar check in a place where they maintained deposits if you have an overdraft, you have to pay a fee. Second, if there are not sufficient funds available or you do not have a line of credit which is interest bearing, the check is returned. Those are the standards that I have asked the bank to institute immediately.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I have a couple of questions about the policy. I thank the gentleman from Washington [Mr. FOLEY] and appreciate what he has done. I think it is extremely important to settle the matter and to move on.

Do I understand correctly that under the new regulations the Speaker has set down, that those who have abused the privilege in the past will continue to have the privilege of the use of the House bank?

Mr. FOLEY. No, they have the privilege of the use of the bank, but they will not have the privilege of any checks being covered for them, unless they are covered by an interest-bearing line of credit.

The gentleman from Pennsylvania [Mr. WALKER] knows that any bank in the country will provide a depositor with interest bearing payments a line of credit, so that if that customer exceeds his deposits in the bank, there is an automatic loan in effect advanced, and that loan is interest bearing. I see no reason why Members should not be protect in that way against inadvertent insufficiently funded checks when it is interest bearing and exactly in accordance with standard rules throughout the country.

Mr. WALKER. Mr. Speaker, as the gentleman knows, most banks in the country are also charging service charges at this time for accounts like that we run through the Sergeant at Arms, something which the Members are not required to do.

Mr. FOLEY. As I explained earlier, most banks, if you maintain a minimum balance, provide either interest free or charge free services for checking, or, in the case of certain minimum balances, pay interest on those deposits.

Mr. WALKER. Mr. Speaker, I would remind the gentleman from Washington [Mr. FOLEY] that evidently there are a number of instances here where people are not maintaining a minimum balance. They are not maintaining any balance at all.

Mr. FOLEY. It does not make any difference how large the balance is. No interest is paid by this bank.

Mr. WALKER. I understand that.

Mr. FOLEY. I think that ought to be in the RECORD, because it is a fact.

Mr. WALKER. I am somewhat concerned we are kind of developing a no harm/no foul rule here, that even those people who have abused this privilege to an extent of many, many thousands of dollars, I am told, are really under no penalty under this action at all.

Mr. Speaker, I think it is important to move to reform the system, but I am just wondering what the recourse is on those people who have obviously abused the system, well beyond a problem of insufficient funds at the end of the month.

Mr. FOLEY. We are instituting new procedures, and every Member of the House is being notified by letter from the Sergeant at Arms to that effect. That letter went out yesterday and should be in Members' offices today, the latest by tomorrow.

We are giving all Members fair notice that whatever practices or procedures were followed in the past, new and unexceptioned procedures will be followed in the future.

At this time it seems to me that there should not and cannot be the kind of abuse that the gentleman thinks is taking place, because it will not be tolerated. It will not be given an opportunity to take place. No such insufficient funds will be carried. If a Member presents an inadequately funded check and does not have the appropriate line of credit, his checks or her checks will be returned.

I am taking these actions to ensure that the abuses cannot exist in the future. In that sense, I think all Members should start now with a clean slate, and the institution and the Members will be held to ensure that it remains clean.

Mr. WALKER. One further question, if I might, Mr. Speaker. The Speaker indicated in his address to the House that he had a similar intent in mind when he issued orders a year ago.

Mr. FOLEY. Not a year ago, about 6 months ago.

Mr. WALKER. Six months ago. And that has not been followed. Is there going to be disciplinary action taken against those Members who did not follow the orders of 6 months ago?

Mr. FOLEY. No. I have made it clear, as I said a few minutes ago, that everyone is starting afresh here, and that if it comes to my attention that any member of the staff of the House bank acts against the instructions which have been issued to make an exception or to violate these rules, I will seek very serious disciplinary action against that employee, including dismissal. I hope I will have the support of the House in that effort.

We are starting here with a new policy. I want everybody to be perfectly clear about it. There will be no exception for any Member on either side of the aisle, regardless of seniority. The rules are to be followed absolutely.

Any staff person or others that do not carry out the rules or do not think they should carry them out, should let us know now.

We are starting afresh in the case of both Members and bank staff, but it is going to be abundantly clear to everybody what the consequences of violating these standards will be in the future.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, let me say to the Members of the House, because I have only had the conversation with the distinguished gentleman from Wisconsin [Mr. ROTH], and I thank the gentleman for his consideration and know full well the deep-seated feelings he has about what is right around here and what is wrong and what ought to be corrected.

But the Speaker's outline of events, the way I understand them, is absolutely perfect. I could not add to nor detract from that.

When we first heard about it, jointly, both of us were very distressed that this was taking place here in our own House. The Speaker is correct. It was our understanding, along with the gentleman from Missouri [Mr. GEPHARDT], that machinery was in motion to change it.

Bear in mind, what the Speaker has said today comes from the Speaker, and is fully endorsed by the minority leader.

We have administrative offices around here that are obliged to do our bidding. When they are in consultation or conversation with Members, there is an inclination sometimes for Members to say, "I am the Member, and you are the staff."

Let it be abundantly clear that what our Speaker has said and what I am saying is this is the law of the House, and it is going to be carried out. So there will not be any gray area in between, such as, "Well, I am not going to be bound by something that one of the House officers told me I ought to be doing."

This comes straight from the Speaker, and, yes, for the time I am here, straight from me.

Mr. Speaker, I thank you for making the position ultimately clear.

There is only one other further comment, and I have said it before when we had our discussion of ethics in the House and all the rest. Any indiscretion or anything of that nature or something that sets the House above normal citizens with special privileges, engaged in by even one Member or several, is a blot on the whole House. So it rankles those who like to walk the straight and narrow around here and do what is right. I can fully understand and appreciate the deep-seated feelings of the gentleman from Wisconsin [Mr. ROTH], who does not want to have his character besmirched back home by the indiscretions or stretching of the rules around here by others.

□ 1530

I am happy to have this thing resolved as we think we have it resolved now once and for all. I hope there will not be any others that we will have to be dealing with during our tenure in office.

APPOINTMENT OF CONFEREES ON H.R. 972, MAKING PERMANENT LEGISLATIVE REINSTATEMENT OF POWER OF INDIAN TRIBES TO EXERCISE CRIMINAL JURISDICTION OVER INDIANS

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 972) to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, reserving the right to object, our side has not been notified.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I have no reservation. We have agreed on this conference, and let us go forward.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees and, without objection, reserves the right to appoint additional conferees: Messrs. MILLER of California, RICHARDSON, and RHODES.

There was no objection.

PROVIDING FOR CONSIDERATION OF S. 1722, EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 227 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 227

Resolved, That upon adoption of this resolution it shall be in order to consider in the House, any rule of the House to the contrary notwithstanding, the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes. An amendment striking all after the enacting clause of S. 1722, and inserting in lieu thereof the provisions contained in the report of the Committee on Rules accompanying this resolution shall be considered as having been adopted. The bill and amendment shall be debatable for not to exceed thirty minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the bill as amended to final passage without intervening motion except one motion to commit with or without instructions. Upon passage of the bill, the motion to insist on the House amendment to S. 1722 and to request a conference with the Senate shall be considered as having been adopted.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume. During the consideration of this resolution all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday Republicans paid $1,000 a plate to hear the President call our attempt to help out-of-work Americans "garbage."

Actually: "a bunch of garbage."

I'm not surprised.

After all, he was accompanied by the Secretary of the Treasury, who once said this recession was "no big deal."

No big deal?

It's a big deal if you're one of the millions of hard-working Americans who, through no fault of their own, have been laid off.

It's a big deal, all right.

Why can't the President see the emergency?

He's declared an emergency to help the Kurds. He's declared an emergency to help the Turks. He's declared an emergency to help the people of Bangladesh.

Why won't he help Americans take care of our own?

Why turn his back?

Why apply this crazy double standard: Help for those overseas, neglect for those at home?

Mr. Speaker, since this bill first hit the floor we've had nothing but delay from the other side. Phony alternatives. Irrelevant arguments. Veto threats.

We need to get this bill moving. We need to get it to conference. We need to get it to the President. We need to pass this rule. Not next week. Not tomorrow. Today.

That's why we're here.

Oh, the President's men say, it's too bad about all those people, but we really need to take the long-term view. We need economic growth.

I agree.

U.S. expansion during the first 3 years of this administration is the slowest since World War II.

Of course we need economic growth.

The way to do that is with a middle-class tax cut.

Democrats want to stimulate the economy by putting more money back in the pockets of the middle class.

That is not how the other side sees it. They have trotted out the oldest and most outdated play in their playbook: capital gains.

That's the solution they offer the unemployed. A tax cut for those making $200,000 a year.

Only the sequel to "Gone With the Wind" is trashier fiction.

Mr. Speaker, Democrats don't want to give money to the rich, hoping a little will trickle down.

We say give money back to the much squeezed middle class and let it bubble up.

Mr. Speaker, some say my colleagues on the other side of the aisle are so insensitive on this issue because they don't know anyone who's unemployed.

Not true. Republicans in this House know.

They know because they have a district to go back to. They have constituents to talk to.

And this is an issue that's affected everyone. Democrats. Middleclass. Even executives.

Only the President doesn't know.

Maybe he needs a district. Maybe he needs to spend some time with average Americans.

Maybe then he wouldn't offer such a woefully inadequate alternative. It's paltry. It's timid. It's a temporary fix—a bandaid instead of a cure.

It's putting out a forest fire with a water pistol.

I agree with my colleagues on the other side of the aisle. Let's get America moving again after the failures of the last 11 years.

But before we do anything, Mr. Speaker, let's help those who—through no fault of their own—have no income now for their family.

They can't pay bills.

They can't pay rent.

They can't pay mortgages.

They can't feed or clothe young kids.

So, Mr. Speaker, I urge my colleagues to support this legislation.

It's not garbage. It is a big deal.

Don't turn your backs on hard-working Americans who need help. Don't sacrifice those who built America on the phony altar of capital gains.

Support this legislation. Get it off our desks and onto the President's desk. Support these Americans who want nothing more than a job.

Mr. Speaker, House Resolution 227 makes it in order to consider in the House the bill S. 1722, legislation to provide emergency unemployment compensation. The rule would have the effect of striking the text of the Senate bill and replacing it with the bill as approved by the House last week, with the exception that all revenue provisions contained in the House-passed bill would be removed.

The rule provides for 30 minutes of debate and one motion to commit the bill, with or without instructions.

Finally, the rule provides that, upon passage of the resolution, a motion to insist on the House amendment to S. 1722—and to request a conference with the Senate—shall be considered as having been adopted.

Mr. Speaker, I urge my colleagues to reject efforts to slow this legislation down—vote for the previous question and for the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the partisan rhetoric we have just heard from the partisan majority whip illustrates the very reason why President Bush's domestic policies have been blocked at every turn. The Democrats will stop at nothing to try to bring down the President of the United States, and that is a disgrace.

Mr. Speaker, I want to welcome my colleagues to round 3 of the unemployment insurance debate. And yes, we will probably be back here next week and the week after and the week after that with rounds 4 and 5 and 6.

If it seems like only last week that we voted on the second such bill, but that bill, Mr. Speaker H.R. 3040, was referred to the Senate Finance Committee, and instead the Senate has now sent us S. 1722.

□ 1540

And lo and behold, it is virtually identical to the first bill that was signed into law back on August 17.

So what this rule proposes to do is to substitute for the Senate language the House-passed language of last week all over again, minus a few little revenue provisions here and there.

Some of you may remember having rejected an attempt to take certain nonprofessional school employees out of last week's bill. Indeed, that vote was overwhelming—84 to 325, with a majority on both sides of the aisle voting to keep it in.

And yet, despite that overwhelming sentiment in favor of retaining coverage for school employees, this rule would self-execute those deserving individuals right out of the House-passed bill and self-execute House adoption of a substitute.

Mr. Speaker, I appreciate that the purpose of this rule, with its self-executing provisions, is to expedite going to conference with the Senate without replowing old ground. But the problem is, we are plowing some new ground by this rule without being given use of the plow.

Instead, this rule automatically plows all those school employees under without the benefit of another vote which you are depriving the House of today. The overwhelming will of this House is being reversed by the stroke of a pen of either you, Mr. Speaker, or you, the chairman of the Rules Committee, but certainly carried on by the majority in the Rules Committee. Try to explain that version of democracy to some of your folks back home—especially if they are schoolworkers.

But beyond that issue, Mr. Speaker, this rule is just one further example of legislative wheel-spinning and tail-chasing. We still have the same budgetary problems; we still have the same veto threat; and we still have not moved one step closer to really solving the unemployment problem by stimulating real economic growth and by providing real incentives to create real jobs and real prosperity in this country.

I am referring, of course, to the Rules Committee's refusal once again to make in order the Gingrich-Gramm Economic Growth Act of 1991—a package of tax incentives that would create over 1 million real jobs.

Real incentives like:

The establishment of enterprise zones, so badly needed in the inner-core cities today;

A permanent research and development tax credit, which our American business and industry needs so desperately to compete with foreign industries;

An individual retirement account for all Americans, and tax free withdrawals for first-time home purchases, and educational and medical expenses;

A first-time home buyer tax credit of $1,000 for those with incomes of up to $41,000, something really needed for young Americans today; and

An increase in the Social Security earnings limit to $17,700 to help senior citizens who want to work.

Mr. Speaker, on just three of those provisions alone, Washington Post housing columnist Kenneth Harney wrote the following on August 24 of this year:

> In its donor capacity, the Gingrich-Gramm bill could jump-start the depressed home building industry. That jolt, in turn, would stimulate housing-related manufacturing and service industries, and help lead the economy out of recession.

You know, Mr. Speaker, I get a little tired of hearing Members on the other side of the aisle complaining about the recession and unemployment day after day after day, but not lifting a finger to do anything about it.

Let me just advise Members that we are not going to end the recession with unemployment checks. The time has come to take actions to stimulate the economy, to jump start the ailing housing industry and related sectors, to create jobs, and to put the unemployed back to work and give them an employment check.

That's what the Gingrich-Gramm bill is all about. And yet this is the second time in just 2 weeks that the Democrats have refused to let the House even consider that jobs package. Mr. Speaker, it seems obvious to me that the Democrats are more interested in keeping the country in recession than they are in bringing it out. That is a damn shame.

Mr. Speaker, last week we attempted to make the Gingrich growth package in order under the rule, both in committee and on the floor of this House, and we also tried to offer it in the motion to recommit, and it was ruled nongermane.

I will therefore today, and I hope Members are listening to this back in their offices, and certainly people back home, I will make an initial attempt to defeat the previous question to make in order the so-called, and please listen, the so-called Dole alternative which was introduced last night by the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL], and myself.

This is a bill the President can and will sign. It provides a two-tier system of federally funded benefits that provides 6-weeks of benefits to all States and an additional 4-weeks in States whose insured unemployment rate, adjusted to include exhaustees, is at 5 percent or greater.

Moreover, the bill provides mechanisms to finance these additional 10 weeks of benefits by auctioning frequencies of the electromagnetic spectrum for new communications use—a provision that would raise some $1.2 billion alone without raising taxes at all. It is carrying on the auctions we have today.

Mr. Speaker, the Dole-Michel-Solomon bill does not bust the budget, it does not increase taxes, and it does not increase the deficit, but it does give up to 10 weeks of extended benefits to unemployed Americans, and it guarantees they will get those benefits starting tomorrow.

Let me simply conclude by saying this is the fiscally sound and responsible way to go. And just as importantly, it is a bill the President will sign tomorrow and bring immediate relief to thousands of unemployed people who have exhausted their benefits.

Let us vote now for a bill that will be signed into law rather than further prolong all this political bickering. Let us vote down the previous question, and your unemployed people and mine will get their checks tomorrow.

Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on its merits the provision that the gentleman from New York has suggested that we accept is paltry, it is inadequate, it is an insult to the working people of this great country of ours. And beyond that, beyond that, it perpetrates the same type of what I call a less than honest government when the President signed the bill last August but would not release the funds.

Under their proposal, no money would be released unless the President separately declares an emergency. We have tried that before, last August, when the President cynically signed the bill and refused to declare the emergency, and we sat through the hot months of August and September and we watched 300,000 people a month go off the roll while nothing was done for them.

The gentleman from New York says President Bush would sign this bill. Does that mean the President is prepared to declare an emergency for the unemployed? Does the President now agree with us that this is a real emergency? I do not think so.

Mr. Speaker, it seems to me that the minority is merely attempting to continue this hope to tie up this bill in unending parliamentary maneuvers. It is time to get on and get some help for these people. It is not time to continue to play parliamentary games with an issue that is so important to the very livelihood and the existence of people.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. DOWNEY].

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I want to commend the gentleman for his leadership on this issue. He has been a strong and a forceful advocate, long before, I might add, many of our colleagues in this institution realized the depth of this recession and the potential devastation it had on many of our constituents.

Mr. DOWNEY. I thank the gentleman for yielding time to me.

The issue is quite clear here. The Democrats here in the House and some of the Republicans want to see the 2.5 million people who have exhausted their unemployment benefits receive unemployment benefits, and the President and the majority of the Republicans do not want to see that happen. So we are treated today to a smorgasbord of growth packages that will increase the deficit in a mischievous attempt to try and delay the process.

The gentleman from New York, my good friend [Mr. SOLOMON], suggests that the Republican Party has been the historic defender of seasonal employees, apparently ignoring the fact that it was a Republican in 1983 in the other Chamber that decided seasonal employees should not be covered by unemployment benefits.

□ 1550

It was my amendment, I would tell my colleagues, that tried to put seasonal employees in this bill, and the only reason it is being stripped, and you know why it is being stripped, is because the other body unfortunately operates in the 19th century, and we need to be able to expedite the process of unemployment issurance by not encumbering it with a revenue measure.

You are not interested in seasonal employees. You have never been interested in seasonal employees. The only interest you have in cafeteria workers and bus workers is to delay the benefits that would go to millions of other Americans. Shame on you.

The reality is that when this bill passes, it will go to the Senate. We will have a speedy conference, and the millions of Americans who need benefits will receive them.

I urge my colleagues to vote with the Democratic leadership, to reject the importunings of our Republican friends to delay this process, and to get on with the business of helping the good hard-working men and women who for no reason of theirs are out of work with a few additional weeks of unemployment insurance. They desperately need it, and they deserve it.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Let me remind the gentleman from New York that it was the Democrats in the Committee on Rules who voted unanimously yesterday to knock out the school employees. It was the Democrats unanimously who would not allow the amendment offered by the gentleman from Montana [Mr. WILLIAMS] which would include railroad workers.

I think we know where the problems lie.

He speaks about an expedited procedure in the Senate dealing with this issue. There is a Senate rule which says that any new bill that is coming over there, which this will be by striking out all of the Senate language, has to go first to their Budget Committee. It cannnot be brought on the floor if it bursts the budget, which this one does. Getting it to the floor requires approval by 60 out of the 100 Senators, which they will never get. You are trying to kill your own bill, and the public knows it out there.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. MICHEL], the Republican leader.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, some, I believe, in the majority have criticized the President for his characterization of their unemployment benefit scheme. I believe such attacks these days might be called Democratic populism. This is not altogether unique from that side of the aisle. A better name would be Democratic poppycock.

The President did not show insensitivity to the umemployed as his critics suggest. To the contrary, he correctly criticized irresponsible schemes to exploit the pain of the unemployed. There are various ways of saying that and making that point.

I think the majority would be better served in its own interests by cooperating with us in creating a responsible, workable program and stop these silly inaccurate attacks on a very great President. I do not think it will bring credit to even an opposition party in the Congress.

Mr. Speaker, as we go to conference on unemployment compensation legislation, we have before us two costly measures passed by the House and the Senate, both of which currently are unacceptable in the President's eyes. He has made that abundantly clear. Even if the two bodies reconcile the differences and send a bill similar to either the House or Senate version to the President, he has said it would be unacceptable and a veto is to be expected. That eventuality will not help these individuals in need who have exhausted their unemployment benefits.

The real question before us is: Do we want a veto, or do we want to help the unemployed without adding an additional $6 billion to the deficit?

Maybe there are some who would prefer a veto, because they think there is political mileage in it for them. Personally, I would like to see a modest bill passed that will be signed into law by the President.

As the distinguished gentleman from New York said, last night he and I introduced H.R. 3400, which provides up to 10 weeks of additional unemployment benefits with the financial resources to pay for those benefits.

I remind my colleagues again that under our budget agreement we are obliged, if we are proposing new programs, to either "x" out an obsolete program or find the kind of resources that will fund a new program.

The proposal that we have introduced has the endorsement of the President. It could very well be signed into law if presented to him.

If we are serious about helping the unemployed, it seems to me that we ought to begin a dialog on that proposal.

In this business of taking as a matter of fact another $6 billion to exacerbate the deficit, I wonder sometimes whether or not we have lost sight of the fact that we are immune to a deficit figure now ranging in the neighborhood of $350 billion a year, which is the OMB estimate for the fiscal 1992 deficit.

We cannot help those without jobs through policies, quite frankly, that destroy jobs.

The additional benefits of H.R. 3400 are paid for by auction of additional frequencies of the electromagnetic or radio spectrum, and by enhanced debt-collection procedures for the Government. Of course, under the budget agreement, again, if we can show by OMB or CBO estimates that over a 5-year period it is revenue neutral, then ours is a good, sound proposition.

What we are trying to do here, what the President is trying to encourage, is that we do not simply resort to the mechanism that is written into the Budget Act, to declare an emergency—then all bets are off. This would be just the very first that would fall in that category, and then every other program would be added to the list of emergencies.

I implore my colleagues to do as the gentleman from New York asked us to do, vote down the previous question, open up the opportunity for us to consider our proposal. Let a dialog begin on what we consider to be a much more palatable proposal to deal with the serious problem of extended unemployment benefits.

I personally resent, coming from a highly labor-oriented district as I do, to have myself characterized as being completely insensitive to the needs of those who have lost their jobs for whatever reason. Let us face it, maybe only half of our workers these days are covered under the unemployment system.

I know of many whose benefits have expired, so I am not oblivious to the problem that does exist. However, it is not nearly as profound as it was back in the 1980's when, incidentally, by the time we got down to an employment level of what we have today we said there is no need for supplemental benefits.

There are questions here, serious ones, that ought to be asked and, yes, answered. So I would implore my colleagues, again, to vote down the previous question and give us that opportunity to explore this issue further.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I rise today in support of the rule providing for the consideration of S. 1722, the Emergency Unemployment Compensation Act of 1991.

Under this rule, the Senate-passed provisions of S. 1722 would be stricken and the text of the House-passed H.R. 3040 would be substituted, minus all sections that include amendments to the Internal Revenue Code. I want to assure my colleagues that we decided to delete these revenue provisions only to preserve the prerogatives of the House of Representatives to originate revenue legislation, and only after extensive consultations with the House leadership and Parliamentarian.

I also want to assure my colleagues that I am as concerned as they are about one particular provision that would be deleted—providing optional benefits between academic years or terms to school bus drivers, crossing guards, and other nonprofessional school employees. This provision has now passed the House on three separate occasions. I find it particularly ironic that many of my Republican colleagues opposed this provision before, when the House passed it as part of the Omnibus Budget Reconciliation Act of 1989. Yet on the vote last week on H.R. 3040, they seemed to have a change of heart. I look forward to their continued strong support for this provision when we bring it back to the House later this year.

Mr. Speaker, I want to emphasize that the school employee provision is deleted only for the purpose of expediting the conference with the Senate on the extension of unemployment benefits, and only to preserve the House's constitutional prerogatives. Despite this action, I want to assure the House that I will do all in my power to facilitate inclusion of this provision in an appropriate House-originated revenue bill at the earliest opportunity.

I strongly urge my colleagues to support the rule, support the bill, and support providing much needed unemployment benefits to millions of Americans who have waited long enough for their Government to act.

□ 1600

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from South Carolina [Mr. DERRICK], the chief deputy whip.

Mr. DERRICK. Mr. Speaker, I rise in support of the rule to consider S. 1722, the Emergency Unemployment Insurance Act of 1991.

We have 9 million Americans who are unemployed today. The figures of this administration indicate that the unemployment benefits of 3½ million people will run out for citizens of this country. These are people out there who are going down for the third time, and what our folks across the aisle want us to believe is that we can go and tell them that we are going to come back later and get you.

Well, let me tell you, later they will not be there to get. They will be like the Lott family in Barnwell, SC, that I represent. Mr. Lott lost this job at a textile mill back at the first of this year. He has looked everywhere to try to find a job. He has even gone out of State looking for a job. He cannot find a job. He has two college-age children. He is about to lose his home.

This man is not a bum. This is not a man who will not work. This is a man who has worked hard all his life to support his family, but he finds that his unemployment benefits have run out.

What are we to say to Mr. Lott? "Mr. Lott, we are going to give you some supply aide economics, and come back and get you later. We are going to give you some of those same economics that gave us the largest debts in the history of this Nation. We are going to give you the same supply side economics that turned this country from the larget creditor nation in 1980 to the largest debtor nation in the world in 1991."

I ask you, do not be misled. People out there are hurting. This is not a budget buster. This money comes out of a trust fund of $8½ billion that has been paid into by people who are workers and employers for this very purpose to help them when they need help. Our citizens need help. Let us help them today.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

We have just heard from the gentleman from South Carolina, a member of the Rules Committee, who wants to know what to say to his constituent back home who is out of a job. I would like to say to that gentleman that Mr. DERRICK BUTLER has just voted against an economic package which is not a nonsense package. We are going to give now the gentleman from Georgia [Mr. GINGRICH] a chance to tell you how we can put that gentleman back to work with a great plan. We will put a million workers back to work.

Mr. DERRICK. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Speaker, I say to the gentleman from New York [Mr. SOLOMON] to prove that he does not know what he is talking about, the gentleman served with me for a number of years on the committee. My name is BUTLER DERRICK, not DERRICK BUTLER.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I just want to say that it is wonderful to know that the distinguished gentleman from South Carolina knows his own name, and now we are going to work to get him to understand the rest of this bill.

The fact is, the gentleman has said what are we to say to Mr. Lott?

Well, let me tell you, Mr. Lott is faced with a Democratic bill today which every Democratic leader knows is going to be vetoed and which if they paid attention to the other body last night, every Democrat leader knows the veto is going to be sustained.

What we are going to say to Mr. Lott is, "You are going to get a letter from your Congressman. You are not going to get a check. You are going to get a letter. The Congressman will say, 'oh, I'm on your side. I want to help you. Oh, I wish only the President signed this bill.'"

Now, the fact is that Senator DOLE last night and the gentleman from Illinois [Mr. MICHEL] today are offering 10 weeks of checks, 10 weeks of extension paid for, unlike the Democratic bill, actually paid for, 10 weeks of extension that the President would sign tomorrow night. If we got it through the House and got it through the Senate and got it down there, it will be signed this week, and Mr. Lott would not have to get any kind of letter from the Congressman telling him how sorry he was. Mr. Lott would get a check.

The choice is real simple. The Democratic leadership does not want 10 weeks of unemployment checks, because they want the veto so they have the issue.

The Democratic leadership is not prepared to pass a bill which meets the budget deal which they cut, because they would rather break the budget deal and have the press conference. The Democratic leadership is caring less about the unemployed Americans who need a check and a whole lot more about the folks they hope might vote their way next year.

I think frankly that is very unfortunate. So first, I would say to every one of my colleagues, I hope you will vote no on the previous question and give us a chance to make in order the alternative of the gentleman from Illinois [Mr. MICHEL] which is signable by the President, has a 10-week extension, keeps the budget deal, and in fact would mean the checks would go immediately to Americans across the country instead of having to wait 2 or 3 more weeks while the Democratic leadership does its dance.

Let me say, second, we ought to say to Mr. Lott, "We want to get you more than a check. We want to help you get a job."

I came to the Rules Committee twice and I said to the Rules Committee that we have an economic growth act that economists believe will create 1,100,000 new jobs. We have an economic growth act that economists believe will lead to 220,000 additional home sales a year.

The Washington Post, August 24, "Gingrich-Gramm bill might pump up housing markets"—not be a conservative, as the very distinguished gentleman from South Carolina [Mr. BUTLER DERRICK] noted yesterday in the Rules Committee, not by somebody on my staff, but in fact by Kenneth Harney, who is the real estate columist of the Washington Post, hardly a Republican clone.

And what does the real estate columnist of the Washington Post say? He says, "Here is a bill which generates revenue, which creates jobs, which could jump-start the depressed home industry out of its deep slump."

And by the way, when you build homes, you put textiles in the home. When you put textiles in the home, you reopen the textile mill in South Carolina. When you reopen the textile mill in South Carolina, Mr. Lott has a job again; and yet what has the Democratic leadership said? They say, "Not now. We don't need to create jobs now. We'll come back later on."

I thought the final grand irony last week was the Speaker when I moved to amend the unemployment bill, the Speaker said the following:

> The amendment proposed in the motion offered by the gentleman from Georgia contains provisions to provide incentives for work, savings and investments, in order to stimulate economic growth and job creation opportunities. These provisions range beyond matters of unemployment compensation.

Now, let me just suggest, if creating jobs is not directly related to unemployment compensation, whether or not you can figure out that it is BUTLER DERRICK or DERRICK BUTLER, you can sure figure out this place is being run in a pretty weird way.

The fact is that when you have a situation where you are not willing to put in order a bill to create jobs, but you are so concerned about the poor that you want to make sure that you can only vote on a bill the President will veto, there is just something wrong.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Michigan.

Mr. BONIOR. Well, Mr. Speaker, the gentleman from Georgia says the President would sign the bill that he alludes to, the one that the gentleman from New York [Mr. SOLOMON] and the gentleman from Illinois [Mr. MICHEL] introduced.

Does this mean now that the President is prepared to declare an emergency for the unemployed? Because he will have to do that. Or is the gentleman suggesting to us that we do not have an emergency right now?

Mr. GINGRICH. No, he does not have to do that under the Budget Act, because unlike the gentleman's bill, the Dole bill pays for itself.

Mr. BONIOR. It does not pay for anything the first year. THe gentleman knows it, DOLE knows it, and SOLOMON knows it. He has to declare an emergency, and he will not declare an emergency, and we will be back to the same hoax that we engaged in last August.

Mr. GINGRICH. That is not true.

Mr. SOLOMON. That is absolutely not true.

Mr. BONIOR. Read title VI.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. SOLOMON. Mr. Speaker, I yield 30 additional minutes to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I want to say to my colleague, the gentleman from Michigan——

Mr. BONIOR. A little south of Georgia.

Mr. GINGRICH. I just want to say to my colleague from Michigan, Mr. Speaker, the fact is, which we cannot clutter up, the fact is that the President of the United States is prepared this week to sign and send 10 additional weeks of checks to the unemployed.

□ 1610

You do not have the capacity to override in the Senate, and you know it. Therefore, your choice today is to join us, send 10 additional weeks of checks, or deliberately set up the President to veto a bill, knowing that none of the poor will get a dime of the money but your side will get the press conference.

I think that would be a very unfortunate policy decision.

Mr. COLEMAN of Texas. Good. If the gentleman will yield on that point, of course he will not.

Mr. BONIOR. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

I think for the gentleman from Georgia to come out here and promise a check, promise a check to people that are unemployed, is the height of hypocrisy. The Republican President of the United States——

Mr. WALKER. Mr. Speaker, I demand the gentleman's words be taken down, Mr. Speaker, I demand the gentleman's words be taken down.

The SPEAKER pro tempore. (Mr. LEWIS of Georgia). The gentleman will suspend. The clerk will report the words objected to.

Mr. TRAFICANT. Mr. Speaker, regular order, regular order.

Mr. WALKER. Mr. Speaker, this is the regular order.

THE SPEAKER pro tempore. The Chair will await the words of the Clerk.

The Chair recognizes the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, let me suggest that in fact it was not my intention to suggest that the gentleman from Georgia's promise was the height of hypocrisy, but that in fact the problem is that the Republican position has been consistently to not permit that the declaration of an emergency on behalf—excuse me, I am explaining it——

Mr. WALKER. Mr. Speaker, this is not regular order.

The SPEAKER pro tempore. The gentleman is not recognized for an explanation.

Mr. COLEMAN of Texas. I will be more than happy to withdraw the words, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The words are withdrawn.

Mr. BONIOR. Mr. Speaker, I continue to yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Speaker, I want to point out to my colleagues on the Republican side of the aisle that what has happened is that this President, as a Republican President, has refused to declare an emergency to permit the unemployed to receive a check. And now to suggest that automatically there is promise that we are going to get a check, I think is wrong, it is not true. There will be no check guaranteed, because who can guarantee the signature of this President on any unemployment bill? He refuses to believe that it is an emergency in this country. We can spend $1.14 trillion on foreign aid, declaring all that an emergency, but when it comes time to spending money on Americans, he is not willing to do it.

Mr. BONIOR. I thank my colleague for his very good remarks.

Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished majority leader.

Mr. GEPHARDT. Mr. Chairman and Members of the House, let us once again understand what is going on in this debate. Many, if not most, Republicans have consistently had the position that these extended unemployment benefits should not be paid to the people that are unemployed, and their view is shared and led by the President.

Other Republicans and most Democrats share the view that these benefits, extended benefits, should be paid and are needed and have been earned by the people who are unemployed. That is what this debate is about. The gentleman from Georgia says that we could have a bill now that does 10 extended weeks, the Dole bill, the gentleman from the other body.

If the gentleman from Georgia and others on the Republican side were for that, why did they not bring that bill up many weeks ago when the original debate on unemployment went on? And they we are told, then we are told, that this particular approach would not violate the budget. It would not. It would call for a tax, a new tax, a fee on spectrum fees to be paid by the media and advertising industry. But clearly that could have been done.

Second, we are told that the plan we are talking about today would break the budget. Well, if we were so concerned about the budget, a few weeks ago the President could have signed the bill, as he did, but then go on and let the benefits flow. It did not violate the budget. Everybody agreed that that did not violate the budget.

So, if we were concerned about violating the budget, last August the President could have gone ahead after he signed the bill, as he did, and let the benefits flow and it would not have violated the budget.

Finally, the gentleman from Georgia and the Republicans say they have a better plan. They call it a growth plan. I asked the Joint Tax Committee to give us an estimate of the cost of that growth plan. Over 5 years, it is $20 billion. It is a growth plan, OK, it is a growth plan for the deficit. It is not a growth plan for the country.

And I would end by reminding us all of what we are talking about. We are talking about people who are unemployed, who tonight cannot figure out how to stay out of the welfare lines, who are asking to be given exactly what they have earned, which are unemployment benefits. And they look to us, their Representatives, tonight to do the right thing and pass this bill the Democrats have put forward and put money on their table that they have earned and that they deserve.

Let us stop the bickering about growth, and let us do what is right for the people who are unemployed.

□ 1620

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT], whom I have great respect for, asked why we Republicans did not bring our alternatives to the floor. We Republicans tried time and again, and I say to the gentleman, "We were blocked by you Democrats. By using the rules of the House you refused to let it on the floor."

Here is the letter of the gentleman from Illinois [Mr. ROSTENKOWSKI] asking for a closed rule, and I say, "You Democrats voted down my motion to give us an open rule." That was on July 30.

Here is another such letter from the gentleman from Illinois [Mr. ROSTENKOWSKI] on September 24. And here we are, back here now on this date, and we will be back here again next week, and next week, and next week, and we still are going to keep trying to offer our alternatives.

I ask, "Does that answer your question, Mr. Majority Leader?"

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding.

Just to correct the record here a little bit, the gentleman from Texas [Mr. COLEMAN] indicated in his speech that we spent $1.4 trillion on aid. I would like to remind the House that is the entire budget. It is not all spent on foreign aid.

Mr. COLEMAN of Texas. If the gentleman will yield, I will correct the number.

Mr. WALKER. I will not yield at this time.

Mr. COLEMAN of Texas. The gentleman misquoted me.

Mr. WALKER. I think the gentleman from Texas will check the record.

Mr. Speaker, this is the unemployment bill of the week. We seem to have one out here each week. The problem with each of them is that none of them get enacted, and so, while we have a great debate and headlines are generated all across the country, the fact is people end up with no money in their pocket, and here we have another example of the same thing.

I think the gentleman from New York [Mr. SOLOMON] mentioned earlier, and I just want to follow up with him, that this bill also will end up being delayed and will go nowhere because of a point of order that exists against it in the Senate; is that correct?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, Senate rules require that any measure which affects the budget, the Deficit Control Act, is to be referred to the Committee on the Budget where it could languish for weeks. It cannot be brought to the floor of the Senate without a 60 percent vote, and they know what is going to happen to it. It is dead.

Mr. WALKER. So, instead of doing something that is real and can get passed, once again we have something which is going to be and will be buried by other Democrats in the Senate on procedural grounds while we revel in the headlines that come out of the House. It does not seem to me that that is particularly productive. Even if it passes that test, as the gentleman from Georgia [Mr. GINGRICH], my colleague, pointed out a few moments ago, we are also faced with a Presidential veto, and the Democrats know the President is going to veto the bill, and they know it is going to be sustained, so once again this will be an exercise where no money will flow to the deserving unemployed.

Now we have mentioned it before. It needs to be mentioned again. The President will sign the Dole bill. That does guarantee 10 weeks of real checks rather than political hot air, and it seems to me that that is something that we ought to consider, at least have it on the floor as an amendment, and that is the reason why we are asking the previous question to be defeated.

Mr. Speaker, let us at least consider that. Let us see whether or not the

House would like the option of real checks going to the unemployed rather than headline grabbing going to the unemployed. The fact is that that is what the unemployed are asking for, something real, and we have a chance to do something real here today, and we are going to be blocked by this rule.

Now the majority leader, the gentleman from Missouri [Mr. GEPHARDT], a couple of moments ago said that the Republicans are not for benefits going to the unemployed. No, that is not what we have said, Mr. Majority Leader. What we have said is: "If you're going to pay benefits to the unemployed, those benefits should be paid for within the budget process. Somehow we ought not add to the deficit by what we do."

The Dole bill accomplishes that role. I think that that is the right approach to take.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, the gentleman from Pennsylvania [Mr. WALKER] is incorrect. The Dole bill does not raise any money in the first year, and the President would be required to declare an emergency in order for the benefits to flow. the gentleman knows that we are not going to go out and sell spectrums and raise the money to pay for this bill.

Mr. WALKER. Mr. Speaker, let me reclaim my time because I have limited amounts of it and the gentleman from Michigan [Mr. BONIOR] has his own time.

Let me say to the gentleman that our understanding is that this does meet the test of the Budget Act, and the President would not have to declare an emergency, and so we simply have a disagreement on that. But I am prepared to vote for that kind of bill that will assure 10 weeks of unemployment benefits.

Let us understand how the Democrats are going to get the money for their bill. They are going to borrow it from the Japanese. That is where the money comes from. We put the bonds out into the marketplace, and we have foreign purchasers. So, the Democrats are going to pay for theirs by going out borrowing more money from the Japanese in order to pay for the deficits that they are racking up in the Congress.

Mr. Speaker, I think that is irresponsible, and I think it is high time we begin to have some responsibility in what we do.

The fact is that we, this year, are going to spend more on interest payments than we spend on the total of domestic discretionary programs in the budget. It is known that that is how irresponsible we have become. All of the discretionary programs that we have in the budget are now exceeded by the amount we pay in interest on the debt. Somewhere it has got to stop, my colleagues, and I suggest that this is the place where we have got to start. Let us pay the unemployed their benefits, but let us do it in a way that is paid for.

Finally, the gentleman from Michigan [Mr. BONIOR] earlier today talked about the failure of the economy for the last 11 years. The fact is we have had the longest period of economic growth in the history of the country over those last 11 years, and the Democrats killed it off. The Democrats are attempting with the bill we have on the floor today to kill it off further. They have decided that they are better off if the recession continues. They are better off politically if the recession continues than if it stops. They are going to continue to try to kill the economy.

Mr. Speaker, the fact is that last year's budget killed the economy. The fact is the actions we have taken since killed the economy. I do not think that is the right approach.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL], the distinguished chairman of the Committee on Energy and Commerce.

Mr. DINGELL. Mr. Speaker, this is the same old, tired, hackneyed approach that my colleagues on the other side of the aisle have carried forward at the behest of a bunch of unthinking dunderheads in the Office of Management and Budget. Frankly, I would be embarrassed to come to the House with a proposal of this kind. They have come to the conclusion that the radio spectrum should be sold off without any appreciation of what the needs for spectrum are, or the benefits which that wise spectrum decisions can achieve for the benefit of all this country.

Now what is the first thing wrong with this proposal? First, they cooked the figures. OMB has presented my Republican colleagues with a collection of falsehoods. Two weeks ago the estimate was that this spectrum was worth $4 billion. Today the estimate is that it is worth $6 billion. The real answer is OMB does not know what it is talking about, and so we ought not to rely on them on that.

Second of all, the determination is being made in the wrong place. The Radio Act of 1927 and Communication Act of 1934 require that spectrum allocation decisions be made in the public interest. Here my Republican colleagues would sell one of the greatest treasures of this Nation, the radio spectrum, as the prodigal son sold his birthright, for a mess of pottage without the vaguest appreciation of the benefits that could be achieved or the good that could be accomplished.

In addition to this, the proposal would have a devastating offset on police, fire, and other public safety agencies, which desperately needs additional spectrum. Rather, it would assure that a bunch of high-bidding high fliers would be able to come in and bid for spectrum desperately needed for important public services, such as police, fire, and public safety, where there is a desperate shortage.

Last of all, it would have a disastrous long-term impact of wise planning with regard to spectrum use. This country has enormous opportunity to develop new manufacturing, new technologies and new uses of spectrum to develop new jobs, and regain our competitiveness in wireless technologies. This proposal would turn it all into a political decision which this body, without the vaguest knowledge and without the vaguest appreciation of the facts, would make today. There would be no consideration of the public interest. The only thing we have is a lying revenue estimate which has been sent to us by the Office of Management and Budget.

Mr. BONIOR. Mr. Speaker, I yield a minute and a half to the distinguished gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I rise in support of the bill to extend jobless benefits for those persons who have exhausted their benefits and in support of this rule.

□ 1630

Opponents tell us that this would bust the budget. They are quick to invoke the Budget Act, but they ignore two inconvenient facts. One is that these are dedicated funds. These are funds that have already been collected. These are funds in surplus by over $8 billion. It is simply unconscionable to hold back these funds to offset expenditures in other areas.

The also ignore the fact that the Budget Act has emergency provisions. In fact, we have declared emergencies for hardships overseas. In effect, the President has asked us to declare emergencies for the savings and loan cleanup, putting the costs off budget. So we have these provisions for emergencies, and we have funds that have been collected for just such a time as this.

And, Mr. Speaker, this is an emergency. Every day more Americans are joining the ranks of the unemployed. They are exhausting their unemployment benefits as they struggle to stay afloat in this recession. Right now almost 9 million Americans are unemployed. Two million of these have lost their jobs in the last year. Another 2 million have lost their jobless benefits this year, including 400,000 in the month of July alone. And these are people who want to work, people who are seeking work and whose families are in desperate circumstances.

So we have the funds, dedicated funds, funds in surplus, and we certainly have the need. Now we need the vision and the leadership to use these funds, for their intended purpose, to help unemployed American working people and their families.

Mr. Speaker, I urge my colleagues to support this rule and to support the bill tomorrow. Let us send a message to the White House and to this country that America's working families come first.

Mr. BONIOR. Mr. Speaker, I regret that I do not have as much time as I would like, so I will ask the indulgence of my colleagues in the limited amount of time I will be able to yield.

Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, it is obvious that you cannot say much in 1 minute. In this time that I have allotted to me, I would like to at least raise the issue that takes us out of partisan politics.

This is a human issue that is involved. My position is probably different from any other in this House of Representatives, because I have been unemployed. I have drawn unemployment compensation to support my family, and God knows, people out of a job do not want to see us up here sparring with one another. If I had the money, I could fill up this gallery with unemployed people from my district who need a job, who want a job, and who are willing to work. And yet we are here sparring with one another as to whether or not we are going to extend the unemployment compensation benefits.

Mr. Speaker, 10 or 20 weeks is not enough, and it is not going to cure the problem. We need to do something about jobs as a Congress and provide a way for people to work and earn a living. That is what democracy is all about, and we should begin to move in that direction.

The SPEAKER pro tempore (Mr. SWIFT). The gentleman from Michigan [Mr. BONIOR] has 7 minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 3 minutes remaining.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to my colleague, the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, on September 11, a woman who lives in Lathrup Village wrote the President. She is 60 years old. She has worked for 41 years. She worked for a company for 18 years, and, boom, she was laid off. Here is what she said:

> I have been seeking employment since I lost my job, but to no avail. time is fast approaching to the end of my unemployment benefits, at which time I will have no weekly income to support myself. People need extended benefits not only to survive but to give them additional time which is needed to obtain employment. As a displaced worker, I feel that my future and the future of thousands of other American citizens is, Mr. President, in your hands.

We had better respond, and I think he should. In the Dole bill it is not 10 weeks; it is 6 weeks, plus 4 weeks, under the same old tired formula.

Mr. Speaker, let no one say that we will not override the veto of the President if it comes. I think we must, and we will.

Mr. BONIOR. Mr. Speaker, I thank my colleague for his eloquent remarks.

Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, this legislation is about the well-being of American families. It is about millions of individuals and their families who are in serious, serious trouble, most of whom, through no fault of their own, lost their jobs, most of whom went to work every day, every year, and never thought they would be put in this position, and through a series of events over which they had no control, they now find themselves among the ranks of the unemployed.

These families are going through daily trauma. These families are going through daily stress. These families are trying to survive. The least we can do is provide them some financial help.

Mr. Speaker, I ask the President, do these families have to lose their spouses, do they have to engage in violence and substance abuse, do they have to lose their homes before this Congress and this country will help them? That is the issue here today.

How much must they suffer? How much must they suffer before this Congress will lift a hand to help them? These are good, decent American families. They have not asked for help. They went to work like we asked them to do, like this society has demanded, and now they are saying, "Don't let me spiral down a sinkhole," from which we know they will not recover. That was the story of the 1981 recession, and it will be the history of this recession.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, this is the biggest jobs bill of the year. Unemployment compensation is now America's biggest employer. But this is more than a debate about unemployment; this is a debate about the Democratic Party.

President Bush is telling us: "You're not organized. You don't even have a program."

And you know what? The people who are unemployed voted for us Democrats, and many Democrats in this House voted for the supply side "suffer" programs. They voted for these free-trade giveaways. Now we are seeing the result. It might be unemployment today, but what is it tomorrow?

I want something done for the nonprofessional school workers, and I want a bill to help people in my area, because my area is there and we got screwed.

Mr. Speaker, we have had Gramm-Latta, we have had Gramm-bankrupt, and I make this prediction: Democrats will vote for Gramm-Gingrich tomorrow because they are Gramm-dumb.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, what happened to us in this country? What happened? This country was built on compassion, built by a group of people, many diverse people, who cared enough about each other to come together in times of crisis and emergency.

Is it so hard for the President of the United States to admit that we have an emergency? Is it so difficult for him to say the word, that he cannot bring himself to say it because he fears that somehow there is a stigma attached to saying that we have a real recession on our hands?

Is that what this is all about, not about the people who are out there who cannot pay their bills, not the children who cannot attend their colleges, not the mortgages that will go unpaid, not the foreclosures that will occur, but that there is no emergency here? The word can be said.

What happened to America? What happened to the people we care about that make up this country, all those people we are talking about in this Chamber, none of whom are here on the floor, who are the backbone, the bread and butter, the strength of this country? We are treating them as if they were truly what the President said—garbage.

Well, for us they are not garbage. They are Americans, and they deserve better than they are getting from the President of the United States.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, the Congress of the United States of America considers hundreds of pieces of legislation each year, and I have to say in all honesty that when I go back home each weekend to my district, very few of my constituents have any idea what we are doing here. They cannot understand why we spend all this time debating, and they wonder if we will ever do anything that will affect their lives.

Last weekend when I was home and went by the grocery store in my neighborhood, a fellow standing behind the counter said, "Congressman, thanks for that unemployment compensation bill. I've been there. I know what it is like. I sat there with my family on unemployment searching for a job for months during a recession. My alternative was food stamps and welfare. Unemployment compensation kept me alive, kept my family going."

□ 1640

That is what this debate is all about. There are lots of theories about growth of the American economy and where we are going to go over the next several years. What that man was concerned about was what he was going to feed his family that night, what his children would have to wear tomorrow; the kind of hope that this country ought to be about, the kind of issue the Democrats should be fighting for, and should be joined by the Republicans.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. McEWEN], a member of the Committee on Rules.

Mr. McEWEN. Mr. Speaker, we are about to vote on the rule. Let us look at why we are here.

Much has been talked about on this side and that side, and who wants unemployment and who does not.

Here are the facts: In July they came through with a bill that the President said, "Unless you fund it, I will veto it." But there was a provision in there that said that it did not go into effect unless he declared an emergency. So he went ahead and signed it.

All the Democrats went around all in August and said, "Dag-nab-it." We gave him a bill he said he was going to veto; he didn't. We missed our issue all during August. Let's come back with another bill, but let's be sure we write it this time so he absolutely has to veto it."

We went to the Committee on Rules and we said, "The President will sign an unemployment bill if it is paid for. We have some provisions we want to add."

So then the Committee on Rules, controlled 9 to 4 by the Democrats, said, "We will write it only in such a manner that only our bill comes to the floor, the Republicans cannot amend it, because if they do amend it, the President will sign it, and we will lose our issue."

Now, here is talk about the cynicism. Here is talk about whatever those words were being used here. Here is where it is. If you care about the unemployed, if you want to get them a check, then the Democrats will permit the Republicans to amend it to make it possible for them to go into effect. If you want the veto, then continue what you are doing, and then you will have your issue, and the unemployed will be hurt in the process.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The gentleman from Michigan [Mr. BONIOR] has 2 minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 2 minutes remaining.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. DREIER], a member of the Committee on Rules.

Mr. DREIER of California. Mr. Speaker, I would first like to associate myself with the remarks of my two Rules Committee colleagues, the gentleman from Ohio [Mr. McEWEN] and the gentleman from New York [Mr. SOLOMON], who have done a superb job here.

Mr. Speaker, I deeply resent the arguments which have been made by the other side, trying to claim that there is a lack of caring on the Republican side.

I think that the gentleman from Illinois [Mr. HAYES] gave the greatest case in the world for our growth package. He said the democratic process is what is designed to create jobs and opportunity.

Well, we have got to recognize that the Government policy has tragically played a role in preventing jobs opportunities because of the fiscal burdens and the constraints which we have imposed with taxes and other regulations on the private sector.

The Gingrich-Gramm growth package is something which will do exactly what the gentleman from Illinois [Mr. HAYES] wants us to do. We have got to recognize that once again, Mr. Speaker, this is a political ploy. The unemployment rate is 6.8 percent. Following the 1982 recession the decision was made that we would see the package of extended unemployment benefits dropped when the unemployment rate went from 10.8 percent down to 7.2 percent.

Mr. Speaker, it is 6.8 percent today, nearly half a percentage point below what it was when the extension dropped off in 1982.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just say I really am upset that we do get into such terrible partisan arguments over this tremendously important issue.

Last year, this Congress foisted on the American people a $165 billion tax increase, the largest in the history of this Nation. We promise the American people we would live by that Deficit Control Act.

Right off the bat, here we are with a Democrat proposal busting the budget. And, worse than that, we are foisting on small businessmen across this Nation another severe tax increase, because they will have to pay for these increased unemployment benefits through more operating costs on their own.

Mr. Speaker, the Dole package does not do that. I do not agree with my good friend, the gentleman from Michigan [Mr. DINGELL], about too much, but I agree with him about OMB.

Mr. Speaker, CBO just said, 5 minutes ago, that the Dole package is revenue neutral. It is revenue neutral. It does not increase anybody's taxes, but it gives the same benefits you want to give.

Live by your promises; I am going to. I am going to vote to defeat the previous question so we can.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have heard all these arguments before. I would remind Members that this is the crowd who voted against minimum wage. They voted against notification on plant closings. They voted against protection of people who went on strike from being fired. This is the same group of people who, when working men and women needed them, were not there, Mr. Speaker.

Mr. Speaker, this bill have been paid for once already. It has already been paid for by the employer, and indirectly, by the employee. Now they want to tax them again.

Let me remind Members what this debate is about. It is not about statistics. As someone said, statistics do not bleed.

This debate is about individual Americans, people who have worked all their lives. It is about people who, through no fault of their own, are called in by the boss one day and told they are out of a job. That is it.

The President, on one of his rare forays into domestic issues, said yesterday that extending unemployment benefits, the Democratic package was a bunch of garbage.

The real garbage has been this cruel hoax he has attempted to foist off on families that are in deep agony in this country.

Mr. Speaker, my friends on the other side of the aisle have done nothing but delay since the moment this bill hit the floor. They delayed with phony alternatives; they delayed with irrelevant arguments; they delayed with a veto threat designed to force compromise.

I say to them, and I say to the President, come home, Mr. President. Forget about the gimmicks, forget about the set of alternatives, forget about these tax cuts for the rich. You helped the Turks, you helped the Kurds, you helped the people of Bangladesh. Now help some Americans. Help us take care of our own. Help working people get back to work again.

Mr. Speaker, I urge Members to vote for the previous question, for the rule, and to stay with the leadership on subsequent votes on the bill.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Member.

The vote was taken by electronic device, and there were—yeas 257, nays 163, not voting 12, as follows:

[Roll No. 279]

YEAS—257

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Hall (OH)
Hall (TX)
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—163

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hamilton
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Boxer
Callahan
Ford (MI)
Guarini
Holloway
Hopkins
Johnson (TX)
McGrath
Parker
Pickle
Slaughter (VA)
Stokes

□ 1707

The Clerk announced the following pair:

On this vote:

Mr. Stokes for, with Mr. Johnson of Texas against.

Mrs. BENTLEY changed her vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

□ 1710

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to House Resolution 227, I call up the Senate bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, and I ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore, pursuant to the rule, the amendment in the nature of a substitute printed in the House Report 102–220 is considered as adopted.

The text of S. 1722 and the amendment in the nature of a substitute printed in House Report 102–220 are as follows:

S. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual

during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
8-percent period	20
7-percent period	13
6-percent period or other period	7

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to

States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 11. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

SEC. 12. INTERNATIONAL COFFEE AGREEMENT.

(a) Since—

(1) the International Coffee Agreement (ICA) and its administrative arm, the International Coffee Organization (ICO), were born in 1983 to stabilize global coffee trade, by establishing an export quota system;

(2) the ICO members control 95 percent of coffee exports and 86 percent of coffee imports and act much like a cartel by restricting the amount of coffee that can be sold on the world market;

(3) an export quota system for coffee acts directly against the interests of American consumers by keeping prices at artificially high levels;

(4) the negative effect of ICA quotas on consumers has been demonstrated from April 1989, when it appeared the agreement would lapse, to June 1991, by a 46.1 percent drop in the price of coffee;

(5) the agreement lapsed in 1989, United States imports of coffee increased by 26 percent in 1990 over 1988 levels, at a total cost savings of $1,270,000,000 due to lower prices;

(6) a World Bank study found quota benefits for members of the ICA come at the expense of the consumer and mid-level producing countries;

(7) the International Coffee Organization, of which the United States is a member, began meetings on September 23, 1991, to establish a new coffee agreement and to again limit exports and control world coffee prices;

(8) the proposals for a new coffee agreement discriminate against the coffee producers of Central America; and

(9) on July 29, 1991, the Senate unanimously agreed to an amendment that would prevent further United States participation in the International Coffee Organization: Therefore

(b) It is the sense of the Senate that the United States should not be party to any coffee agreement which will increase the price of coffee to the American consumer.

Amendment in the nature of a substitute offered pursuant to H. Res. 227:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Unemployment Insurance Reform Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

Subtitle A—Establishment of Program

Sec. 101. Federal-State agreements.
Sec. 102. Federal supplemental compensation account.
Sec. 103. Supplemental benefit periods.
Sec. 104. Payments to States having agreements for the payment of Federal supplemental compensation.
Sec. 105. Definitions; special rules.
Sec. 106. Fraud and overpayments.

Subtitle B—Repeal of Extended Program

Sec. 111. Repeal of extended unemployment compensation program.

TITLE II—PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES

Sec. 201. Payments of unemployment compensation to former members of the armed forces.

TITLE III—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

Sec. 301. Demonstration program to provide job search assistance.
Sec. 302. Job search assistance program.
Sec. 303. Administrative provisions.

TITLE IV—FINANCING REFORMS

Sec. 401. Modifications to Federal unemployment accounts.
Sec. 402. Report on method of allocating administrative funds among States.
Sec. 403. Advisory Council on Unemployment Compensation.

TITLE V—BUDGET COMPLIANCE PROVISIONS

Sec. 501. Cost estimate.
Sec. 502. Treatment under pay-as-you-go procedures.
Sec. 503. Exemption of Federal supplemental compensation from sequestration.

TITLE I—FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

Subtitle A—Establishment of Program

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) GENERAL RULE.—Any State which desires to do so may enter into and participate in an agreement with the Secretary under this subtitle. Any State which is party to an agreement under this subtitle may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of Federal supplemental compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law,

(B) have no rights to compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and is not paid or entitled to be paid any additional compensation under any such State or Federal law), and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada,

(2) for any week of unemployment which begins in the individual's period of eligibility.

(c) EXHAUSTION OF BENEFITS.—For purposes of this subtitle, an individual shall be deemed to have exhausted his rights to regular compensation under a State law—

(1) when no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period, or

(2) when his rights to such compensation have terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this subtitle—

(1) the amount of the Federal supplemental compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to him during his benefit year under the State law for a week of total unemployment, and

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for Federal supplemental compensation and the payment thereof; except where inconsistent with the provisions of this subtitle or with the regulations of the Secretary promulgated to carry out this subtitle.

SEC. 102. FEDERAL SUPPLEMENTAL COMPENSATION ACCOUNT.

(a) GENERAL RULE.—

(1) ESTABLISHMENT OF ACCOUNT.—Any agreement under this subtitle with a State shall provide that such State will establish, for each eligible individual who files an application for Federal supplemental compensation, a Federal supplemental compensation account with respect to such individual's benefit year.

(2) LIMITATION ON BENEFIT PAYMENTS.—The amount of Federal supplemental compensation payable to an eligible individual with respect to any benefit year shall not exceed the amount in such individual's account established under this section for such benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in any Federal supplemental compensation account shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

(B) the applicable limit times his average weekly benefit amount for his benefit year.

(2) APPLICABLE LIMIT.—For purposes of this subsection—

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	15
6-percent period	10.

(3) SPECIAL RULE.—In determining whether Federal supplemental compensation is payable to any individual for any week, the applicable limit in effect under paragraph (2) for such week shall be taken into account; except that an individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which Federal supplemental compensation was payable to the individual from the account involved.

(4) DETERMINATION OF PERIODS.—

(A) IN GENERAL.—For purposes of this subsection, the terms "8-percent period", "7-percent period", and "6-percent period" mean, with respect to any State, the period which—

(i) begins with the month after the 1st month for which the applicable trigger is on, and

(ii) ends with the month after the 1st month for which the applicable trigger is off.

(B) APPLICABLE TRIGGER.—In the case of any 8-percent period, 7-percent period, or 6-percent period, as the case may be—

(i) the applicable trigger is on for any month if the rate of total unemployment in the State (seasonally adjusted) for the most recent 3 months for which data are available (as of the close of such month) falls within the applicable range, and

(ii) the applicable trigger is off for any month if the requirements of clause (i) are not satisfied.

(C) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.

(5) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) COORDINATION WITH TRADE ACT OF 1974.—

(1) Except as provided in paragraph (2), the maximum amount of Federal supplemental compensation payable to an individual shall not be reduced by reason of any trade readjustment allowance to which the individual was entitled under the Trade Act of 1974.

(2) If an individual received any trade readjustment allowance under the Trade Act of 1974 in respect of any benefit year, the maximum amount of Federal supplemental compensation payable under this subtitle in respect of such benefit year shall be reduced (but not below zero) by the aggregate amount of trade readjustment allowances payable in respect to such benefit year.

SEC. 103. SUPPLEMENTAL BENEFIT PERIODS.

(A) GENERAL RULE.—For purposes of this subtitle, in the case of any State, a supplemental benefit period—

(1) shall begin with the month after the 1st month for which there is a State "on" indicator, and

(2) shall end with the month after the 1st month for which there is a State "off" indicator.

(b) SPECIAL RULES.—

(1) MINIMUM PERIOD, ETC.—In the case of any State—

(A) no supplemental benefit period shall last for a period of less than 3 consecutive months, and

(B) no supplemental benefit period may begin before the 4th month after the close of a prior supplemental benefit period with respect to such State.

In the case of weeks beginning during any extension of a supplemental benefit period under subparagraph (A), 10 shall be treated as the applicable limit for purposes of section 102(b); except that, if such period began by reason of subsection (e), 5 shall be treated as the applicable limit for purposes of section 102(b).

(2) NOTIFICATION BY SECRETARY.—When a determination has been made that a supplemental benefit period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(3) TRANSITIONAL RULE.—No supplemental benefit period shall begin before the later of—

(A) the month following the month in which this Act is enacted, or

(B) the month following the month in which the agreement under this subtitle is entered into.

(c) ELIGIBILITY PERIOD.—For purposes of this subtitle, an individual's eligibility period shall consist of the weeks in his benefit year which began in a supplemental benefit period and, if his benefit year ends within such supplemental benefit period, any weeks thereafter which begin in such supplemental benefit period. In no event shall an individual's period of eligibility include any weeks after the 26th week after the end of the benefit year for which he exhausted his rights to regular compensation.

(d) STATE "ON" AND "OFF" INDICATORS.—For purposes of this section—

(1) "ON" INDICATOR.—There is a State "on" indicator for a month if—

(A) for the period consisting of the most recent 3 months for which data are available as of the close of such month, the rate of total unemployment in such State (seasonally adjusted) equals or exceeds 6 percent, and

(B) the rate of total unemployment in such State (seasonally adjusted) for the 3-month period referred to in subparagraph (A) equals or exceeds 120 percent of the average of such rates for the corresponding 3-month periods ending in each of the preceding 2 calendar years.

(2) "OFF" INDICATOR.—There is a State "off" indicator for a month if either the requirements of subparagraph (A) or (B) of paragraph (1) are not satisfied.

(e) TEMPORARY NATIONAL TRIGGER.—

(1) IN GENERAL.—For purposes of determining eligibility for Federal supplemental compensation for weeks beginning before October 1, 1992—

(A) if the requirements of paragraph (2) are met for any month—

(i) a State "on" indicator shall be deemed to be in effect in all States for such month, and

(ii) a State "off" indicator shall not be treated as in effect in any State for such month, and

(B) in the case of weeks beginning during any supplemental benefit period which would not have been in effect but for subparagraph (A), 5 shall be treated as the applicable limit for purposes of section 102(b).

(2) NATIONAL TRIGGER.—The requirements of this paragraph are met for any month if the rate of total unemployment for all States (seasonally adjusted) for the period consisting of the most recent 3 months for which data are available as of the close of such month equals or exceeds 6 percent.

(f) TRANSITIONAL RULE.—In determining whether there is a State "on" or "off" indicator under this section (or whether there is an applicable trigger under section 102) for any month before the Secretary has established a system for making seasonal adjustments on a State-by-State basis, determinations under subparagraphs (A) and (B) of subsection (d)(1) of this section and under section 102(b)(4)(B) shall be made—

(1) as if such provisions did not include the phrase "(seasonally adjusted)", and

(2) by substituting "6" for "3" each place it appears.

SEC. 104. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF FEDERAL SUPPLEMENTAL COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this subtitle an amount equal to 100 percent of the Federal supplemental compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this subtitle or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this subtitle in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this subtitle shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this subtitle for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency of the State involved.

(d) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subtitle. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the supplemental compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(e) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are authorized to be appropriated from the general fund of the Treasury, without fiscal year limitation, to the supplemental compensation account such sums as may be necessary to make payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code, and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 105. DEFINITIONS; SPECIAL RULES.

(a) GENERAL RULE.—For purposes of this subtitle—

(1) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(2) COMPENSATION.—The term "compensation" means cash benefits payable to individuals with respect to their unemployment.

(3) REGULAR COMPENSATION.—The term "regular compensation" means compensation payable to an individual under any State unemployment compensation law (including compensation payable pursuant to chapter 85 of title 5, United States Code), other than additional compensation.

(4) ADDITIONAL COMPENSATION.—The term "additional compensation" means compensation payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors.

(5) BENEFIT YEAR.—The term "benefit year" means the benefit year as defined in the applicable State law.

(6) BASE PERIOD.—The term "base period" means the base period as determined under applicable State law for the benefit year.

(7) STATE.—The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(8) STATE AGENCY.—The term "State agency" means the agency of the State which administers its State law.

(9) STATE LAW.—The term "State law" means the unemployment compensation law

of the State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1986.

(10) WEEK.—The term "week" means a week as defined in the applicable State law.

(11) RATE OF TOTAL UNEMPLOYMENT.—

(A) IN GENERAL.—Determinations of the rate of total unemployment in any State for any period (and of any seasonal adjustment) shall be made by the Secretary.

(B) SPECIAL RULES FOR VIRGIN ISLANDS.—

(i) The rate of total unemployment in the Virgin Islands for any period shall be a rate which bears the same ratio to the rate of insured unemployment in the Virgin Islands for such period as—

(I) the rate of total unemployment in all States for such period, bears to

(II) the rate of insured unemployment in all States for such period.

(ii) The provisions of section 103(f) shall apply to the Virgin Islands for all periods whether or not the Secretary has established a system for making seasonal adjustments on a State-by-State basis.

(iii) Determination of the rate of insured unemployment shall be made as provided in the Federal-State Extended Unemployment Compensation Act of 1970 (as in effect before its repeal by subtitle B of this title).

(b) REACHBACK PROVISIONS.—If any individual exhausted his rights to regular compensation under the State law after December 31, 1990, and before the month following the month in which this Act is enacted (or, if later, the month following the month in which the agreement under this subtitle is entered into), such individual shall be entitled to supplemental compensation under this subtitle in the same manner as if his benefit year ended no earlier than the last day of the first week of such following month.

(c) COORDINATION WITH REPEALED EXTENDED PROGRAM.—If an individual received extended compensation under the Federal-State Extended Unemployment Compensation Act of 1970 (as in effect before its repeal by subtitle B of this title) in respect of any benefit year, the maximum amount of Federal supplemental compensation payable under this subtitle in respect of such benefit year shall be reduced (but not below zero) by the aggregate amount of extended compensation so received.

SEC. 106. FRAUD AND OVERPAYMENTS.

(a)(1) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of Federal supplemental compensation under this subtitle to which he was not entitled, such individual—

(A) shall be ineligible for further Federal supplemental compensation under this subtitle in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2)(A) In the case of individuals who have received amounts of Federal supplemental compensation under this subtitle to which they were not entitled, the State may require such individuals to repay the amounts of such Federal supplemental compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(i) the payment of such Federal supplemental compensation was without fault on the part of any such individual, and

(ii) such repayment would be contrary to equity and good conscience.

(B) The State agency may recover the amount to be repaid, or any part thereof, by deductions from any Federal supplemental compensation payable to such individual under this subtitle or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the Federal supplemental compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(C) No repayment may be required, and no deduction may be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(3) Any determination by a State agency under paragraph (1) or (2) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

Subtitle B—Repeal of Extended Program

SEC. 111. REPEAL OF EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM.

(a) GENERAL RULE.—The Federal-State Extended Unemployment Compensation Act of 1970 is hereby repealed.

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—

(1) Section 905 of the Social Security Act is amended—

(A) by striking "extended unemployment compensation account" each place it appears and inserting "supplemental compensation account",

(B) by striking "EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT" in the heading of such section and inserting "SUPPLEMENTAL COMPENSATION ACCOUNT",

(C) by striking "EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT" in the heading of subsection (d) and inserting "SUPPLEMENTAL COMPENSATION ACCOUNT",

(D) by striking "section 204(e) of the Federal-State Extended Unemployment Compensation Act of 1970" in subsection (c) and inserting "section 104(d) of the Unemployment Insurance Reform Act of 1991", and

(E) by striking "the Federal-State Extended Unemployment Compensation Act of 1970" in subsection (d) and inserting "subtitle A of title I of the Unemployment Insurance Reform Act of 1991".

(2) Sections 901(c)(3)(A), 901(f)(3), 902 (a) and (c), and 903(a) of such Act are each amended by striking "extended unemployment compensation account" each place it appears and inserting "supplemental compensation account".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to weeks of unemployment beginning after the month in which this Act is enacted.

TITLE II—PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES

SEC. 201. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

TITLE III—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

SEC. 301. DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE.

(a) GENERAL RULE.—The Secretary of Labor shall carry out a demonstration program under this title for purposes of determining the feasibility of implementing job search assistance programs. To carry out such demonstration program, the Secretary shall enter into agreements with 3 States which—

(1) apply to participate in such program, and

(2) demonstrate to the Secretary that they are capable of implementing the provisions of an agreement under this section.

(b) SELECTION OF STATES.—

(1) IN GENERAL.—In determining whether to enter into an agreement with a State under this section, the Secretary shall take into consideration at least—

(A) the size, geography, and occupational and industrial composition of the State,

(B) the adequacy of State resources to carry out a job search assistance program,

(C) the range and extent of specialized services to be provided by the State to individuals covered by the agreement, and

(D) the design of the evaluation to be applied by the State to the program.

(2) REPLICATION OF PRIOR DEMONSTRATION PROJECT.—At least 1 of the States selected by the Secretary under subsection (a) shall be a State which has operated a successful demonstration project with respect to job search assistance under a contract with the Department of Labor. The demonstration program under this title of any such State shall, at a minimum, replicate the project it operated under such contract in the same geographic areas.

(c) PROVISIONS OF AGREEMENT.—Any agreement entered into with a State under this section shall—

(1) provide that the State will implement a job search assistance program during the 1-year period specified in such agreement,

(2) provide that such implementation will begin not later than the date 1 year after the date of the enactment of this Act,

(3) contain such provisions as may be necessary to ensure an accurate evaluation of the effectiveness of a job search assistance program, including—

(A) random selection of eligible individuals for participation in the program and for inclusion in a control group, and

(B) collection of data on participants and members of a control group as of the close of the 1-year period and 2-year period after the operations of the program cease,

(4) provide that not more than 5 percent of the claimants for unemployment compensation under the State law shall be selected as participants in the job search assistance program, and

(5) contain such other provisions as the Secretary may require.

SEC. 302. JOB SEARCH ASSISTANCE PROGRAM.

(a) GENERAL RULE.—For purposes of this title, a job search assistance program shall provide that—

(1) eligible individuals who are selected to participate in the program shall be required to participate in a qualified intensive job search program after receiving compensation under such State law during any benefit year for at least 6 but not more than 10 weeks,

(2) every individual required to participate in a job search program under paragraph (1) shall be entitled to receive an intensive job search program voucher, and

(3) any individual who is required under paragraph (1) to participate in a qualified intensive job search program and who does not satisfactorily participate in such program shall be disqualified from receiving compensation under such State law for the period (of not more than 10 weeks) specified in the agreement under section 301.

(b) ELIGIBLE INDIVIDUAL.—For purposes of this title—

(1) IN GENERAL.—The term "eligible individual" means any individual receiving compensation under the State law during any benefit year if, during the 3-year period ending on the last day of the base period for such benefit year, such individual had at least 126 weeks of employment at wages of $30 or more a week with such individual's last employer in such base period (or, if data with respect to weeks of employment with such last employer are not available, an equivalent amount of employment computed under regulations prescribed by the Secretary).

(2) EXCEPTION.—Such term shall not include any individual if—

(A) such individual has a definite date for recall to his former employment,

(B) such individual seeks employment through a union hall or similar arrangement, or

(C) the State agency—

(i) waives the requirements of subsection (a)(1) for good cause shown by such individual, or

(ii) determines that such participation would not be appropriate for such individual.

(c) QUALIFIED INTENSIVE JOB SEARCH PROGRAM.—For purposes of this section, the term "qualified intensive job search program" means any intensive job search assistance program which—

(1) is approved by the State agency,

(2) is provided by an organization qualified to provide job search assistance programs under any other Federal law, and

(3) Includes—

(A) all basic employment services, such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview, and

(B) additional services, such as ongoing contact with the program staff, followup assistance, resource centers, and job search materials and equipment.

(d) INTENSIVE JOB SEARCH VOUCHER.—For purposes of this section, the term "intensive job search voucher" means any voucher which entitles the organization (including the State employment service) providing the qualified intensive job search assistance program to a payment from the State agency equal to the lesser of—

(1) the reasonable costs of providing such program, or

(2) the average weekly benefit amount in the State.

SEC. 303. ADMINISTRATIVE PROVISIONS.

(a) FINANCING PROVISIONS.—

(1) PAYMENTS TO STATES.—There shall be paid to each State which enters into an agreement under section 301 an amount equal to the lesser of the reasonable costs of operating the job search assistance program pursuant to such agreement or the State's average weekly benefit amount for each individual selected to participate in the job search assistance program operated by such State pursuant to such agreement. Funds in the supplemental compensation account (as established by section 905 of the Social Security Act) shall be used for purposes of making such payments.

(2) PAYMENTS ON CALENDAR MONTH BASIS.—There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency.

(3) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the supplemental compensation (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(4) SPECIAL RULE.—Notwithstanding any other provision of law, amounts in the account of a State in the Unemployment Trust Fund may be used for purposes of making payments pursuant to intensive job search vouchers provided pursuant to an agreement under this title.

(b) REPORTS TO CONGRESS.—

(1) INTERIM REPORTS.—The Secretary shall submit 2 interim reports to the Congress on the effectiveness of the demonstration program carried out under this title. The 1st such report shall be submitted before the date 2 years after operations under the demonstration program commenced and the 2d such report shall be submitted before the date 4 years after such commencement.

(2) FINAL REPORT.—Not later than the date 5 years after the commencement referred to in paragraph (1), the Secretary shall submit a final report to the Congress on the demonstration program carried out under this title. Such report shall include estimates of program impact, such as—

(A) changes in duration of unemployment, earnings, and hours worked of participants,

(B) changes in unemployment compensation outlays,

(C) changes in unemployment taxes,

(D) net effect on the Unemployment Trust Fund,

(E) net effect on Federal unified budget deficit, and

(F) net social benefits or costs of the program.

(c) DEFINITIONS.—For purposes of this title, the terms "compensation", "benefit year", "Secretary", "State", "State agency", "State law", "base period", and "week" have the respective meanings given such terms by section 105.

TITLE IV—FINANCING REFORMS

SEC. 401. MODIFICATIONS TO FEDERAL UNEMPLOYMENT ACCOUNTS.

(a) TREATMENT OF STATES MAINTAINING ADEQUATE BALANCES.—Section 904 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"INCREASE IN QUARTERLY CREDITS FOR STATES WITH ADEQUATE BALANCES

"(h)(1) If a State's high-cost multiple exceeds 0.5 for any calendar quarter, the Secretary of the Treasury shall transfer (as of the close of the succeeding calendar quarter) from the general fund of the Treasury to the account of such State in the Unemployment Trust Fund an amount equal to the applicable percentage of the portion of the earnings of the Fund which are credited under subsection (e) to such account as of the close of such succeeding calendar quarter.

"(2) For purposes of paragraph (1)—

"If the State's high-cost multiple:	The applicable percentage is:
Exceeds 0.5 but does not exceed 1.0	5 percent
Exceeds 1.0 but does not exceed 1.5	10 percent
Exceeds 1.5	15 percent.

"(3)(A) For purposes of this subsection, the high-cost multiple of any State for any calendar quarter is the amount obtained by dividing the fraction set forth in subparagraph (B) by the fraction set forth in subparagraph (C). Such multiple shall be determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury before the close of the calendar quarter following the quarter for which the multiple is being determined.

"(B) For purposes of subparagraph (A), the fraction set forth in this subparagraph with respect to any State for any calendar quarter is a fraction—

"(i) the numerator of which is the account balance of the State as of the close of the quarter determined after any reduction provided in subsection (e) and by taking into account any transfer under this subsection as of the close of such quarter, and

"(ii) the denominator of which is the total amount of wages (determined without regard to any limitation on amount) subject to contributions under the State unemployment compensation law for the most recent 4 calendar quarters for which data are available.

"(C) For purposes of subparagraph (A), the fraction set forth in this subparagraph with respect to any State for any calendar quarter is the following fraction determined for the preceding calendar year for which such fraction is the highest for the State: A fraction—

"(i) the numerator of which is the total amount of compensation paid under the State law during the calendar year, and

"(ii) the denominator of which is the total amount of wages (determined with regard to any limitation on amount) subject to contributions under the State unemployment compensation law for the calendar year."

(b) TRANSFERS TO FEDERAL UNEMPLOYMENT ACCOUNT.—

(1) IN GENERAL.—Section 902 of the Social Security Act is amended—

(A) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively, and

(B) by inserting after the section designation the following new subsection:

"(a)(1) Except as provided in paragraph (2), the Secretary of the Treasury shall transfer (as of the close of October 1992 and each month thereafter), from the employment security administration account to the Federal unemployment account, an amount determined by the Secretary to be equal to 10 percent of the amount by which—

"(A) transfers to the employment security administration account pursuant to section 901(b)(2) during such month, exceed

"(B) payments during such month from the employment security administration account pursuant to subsections (b)(3) and (d) of section 901.

If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.

"(2) The Secretary of the Treasury shall make no transfer pursuant to paragraph (1) as of the close of any month if the Secretary determines that the amount in the Federal unemployment account is equal to (or in excess of) the limitation provided in subsection (b).".

(2) REDUCTION OF CEILING.—Paragraph (2) of section 902(b) of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "five-eighths of 1 percent" and inserting "0.375 percent".

(3) CONFORMING AMENDMENTS.—

(A) Subparagraph (A) of section 901(f)(2) of such Act is amended by striking "902(b)" and inserting "902(c)".

(B) Subparagraph (c) of section 902 of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "subsection (a)" and inserting "subsection (b)".

(C) Subsection (d) of section 902 of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "section 902(a)" and inserting "subsection (b) of this section".

(D) Paragraph (1) of section 903(a) of such Act is amended by striking "902(a)" and inserting "902(b)".

(E) Section 1203 of such Act is amended by striking "902(a)" and inserting "902(b)".

(c) INCREASE IN CEILING ON SUPPLEMENTAL COMPENSATION ACCOUNT.—Subparagraph (B) of section 905(b)(2) of such Act is amended by striking "three-eighths of 1 percent" and inserting "0.625 percent".

(d) BORROWING BETWEEN FEDERAL ACCOUNTS.—Title IX of such Act is amended by adding at the end the following new section.

"BORROWING BETWEEN FEDERAL ACCOUNTS

"SEC. 910. (a) IN GENERAL.—Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that—

"(1) the amount in the employment security administration account, Federal unemployment account, or supplemental compensation account, is insufficient to meet the anticipated payments from the account during the next 3 months,

"(2) such insufficiency may cause such account to borrow from the general fund of the Treasury, and

"(3) the amount in any other such account exceeds the amount necessary to meet the anticipated payments from such other account during the next 3 months,

the Secretary shall transfer to the account referred to in paragraph (1) from the account referred to in paragraph (3) an amount equal to the insufficiency determined under paragraph (1) (or, if less, the excess determined under paragraph (3)).

"(b) TREATMENT OF ADVANCE.—Any amount transferred under subsection (a)—

"(1) shall be treated as a noninterest-bearing repayable advance, and

"(2) shall not be considered in computing the amount in any account for purposes of the application of sections 901(f)(2), 902(c), and 905(b).

"(c) REPAYMENT.—Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that the amount in the account to which an advance is made under subsection (a) exceeds the amount necessary to meet the anticipated payments from the account during the next 3 months, the Secretary shall transfer from the account to the account from which the advance was made an amount equal to the amount so advanced.".

(e) REPEAL OF EXPIRED PROVISIONS.—

(1) Paragraph (2) of section 901(f) of such Act is amended—

(A) by striking "(A) Except as provided in subparagraph (B), the" and inserting "The", and

(B) by striking subparagraph (B).

(2) Section 901 of such Act is amended by striking subsection (g).

(3) Subsection (g) of section 904 is amended by striking all of such subsection that follows the 1st sentence.

(4) Paragraph (1) of section 905(b) of such Act is amended by striking ", in the case of any month before April 1972, to one-fifth, and in the case of any month after March 1972, to one-tenth," and inserting "to 10 percent".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1992.

SEC. 402. REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES.

(a) IN GENERAL.—The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth a proposal for revising the method of allocating grants among the States under section 302 of the Social Security Act.

(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act,

(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

(4) ways to simplify the method of allocating such grants among the States,

(5) ways to eliminate the disincentives to productivity and inefficiency which exist in the current method of allocating such grants among the States,

(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act for allocating grants among the States under section 302 of the Social Security Act, until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.

SEC. 403. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than December 31 of 1991 (and of every 5th year thereafter), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the countercyclical effectiveness, benefit adequacy, solvency, and administrative efficiency of the program.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 17 members as follows:

"(A) The Secretary of Labor, who shall be the chairperson.

"(B) 8 members appointed by the President.

"(C) 8 members appointed by the Congress.

"(2) QUALIFICATIONS.—Of the members appointed under subparagraph (B) or (C)—

"(A) ¼ shall be Members of the Congress,

"(B) ¼ shall be representatives of the interests of business,

"(C) ¼ shall be representatives of the interests of labor, and

"(D) ¼ shall be representatives of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each Council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor may provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at rates fixed by the Secretary of Labor (but not exceeding $100) for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—Not later than October 1 of the year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(g) TERMINATION.—Each Council shall cease to exist after the date on which the Council submits its report under subsection (f)."

TITLE V—BUDGET COMPLIANCE PROVISIONS

SEC. 501. COST ESTIMATE.

The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

For fiscal year:	Increase in Outlays:	Increase in Receipts:
1992	$5,515,000,000	$0
1993	$392,000,000	$0
1994	$120,000,000	$0
1995	$120,000,000	$0

SEC. 502. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

Notwithstanding section 501—

(1) the provisions of (and amendments made by) this Act shall be treated as provisions designated as emergency requirements by the President and the Congress under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, and

(2) any amount of new budget authority, outlays, or receipts resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 503. EXEMPTION OF FEDERAL SUPPLEMENTAL COMPENSATION FROM SEQUESTRATION.

Payments under title I of this Act (relating to Federal supplemental compensation program) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal year 1992 or any succeeding fiscal year.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 15 minutes, and the gentleman from Texas [Mr. ARCHER] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on S. 1722, as amended, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last week the House passed H.R. 3040, the Unemployment Insurance Reform Act of 1991, by an overwhelming vote of 283 to 125. However, the House rejected a Committee on Ways and Means amendment to strike a revenue provision that would have provided optional unemployment benefits to nonprofessional school employees between terms or academic years. As a result, H.R. 3040 was sent to the Senate as a revenue bill. Since this opens the door for all sorts of revenue amendments in the Senate, the Senate has decided to pass a new unemployment compensation extension bill, S. 1722, in lieu of H.R. 3040.

Mr. Speaker, under the rule that the House has just adopted, the Senate-passed provisions of S. 1722 have been stricken and the text of the House-passed H.R. 3040, minus all sections that include amendments to the Internal Revenue Code, have been adopted. I proposed to delete these revenue provisions only after consultation with the House leadership, in order to preserve the prerogatives of the House of Representatives to originate revenue legislation. If the House approves the pending bill, the House and Senate will be able to quickly appoint a conference committee to resolve the differences between the House-passed and Senate-passed bills. I would then expect the conferees to quickly conclude the conference and send the President a bill that will provide much needed benefits to millions of unemployed Americans.

I know there are many Members who are concerned about deletion of the provision that would give States the option of providing benefits between academic years or terms to school bus drivers, crossing guards, and other nonprofessional school employees. I fully share their concern. This provision has now passed the House on three separate occasions. Unfortunately, we were required to delete this and other revenue provisions in order to expedite the conference with the Senate. I want to assure the House, however, that I will do all in my power to facilitate inclusion of this nonprofessional school employee provision in an appropriate House-originated revenue bill at the earliest opportunity.

Mr. Speaker, I realize this may be an unusual procedure, but I agree with the leadership that it is the best way to proceed and expedite a conference with the Senate and send the President a bill to help unemployed workers who are running out of their benefits at record levels. For these reasons, I strongly urge my colleagues to support S. 1722, as amended by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, some things improve with age. Others do not. This seemingly endless debate on unemployment clearly falls into the latter category.

We ought to be concentrating on getting a bill to the President that he can sign—not one that will simply keep the political fires simmering as this one is designed to do.

During last week's debate on unemployment benefits, a number of us offered a host of reasons why a new, permanent, costly extended benefits program is uncalled for at this time.

While it may be politically expedient for Democrats to declare today's 6.8-percent unemployment rate an emergency—the history of the majority's view on employment emergencies renders their protestations suspect.

Today's unemployment rate is only two-tenths of a percent higher than the average level of unemployment during the Carter Presidency—and lower than in 2 years of his Presidency.

In case anyone has forgotten, Democrats controlled the House, the Senate, and the White House during that period. We didn't hear any emergency declarations.

I think the American people sense that the real emergency here may be the awkward position our colleagues on the other side of the aisle are in.

Without credible challengers to a popular President, the Democrats have a significant political leadership vacuum—and desperately are attempting to identify and define issues which may, or may not, prove fruitful in the election year. I do not envy them that responsibility—particularly with respect to this issue.

Like Democrats, we Republicans recognize, and deplore, the individual suffering that is induced by unemployment. Unlike Democrats, however, we believe that a major part of the answer lies in job creation and helping people find those jobs—not simply helping people cope with economic adversity as a substitute for a real solution.

Throughout consideration of this issue, Democrats have steadfastly refused to allow the House even to consider Republican economic growth and job creation proposals. They have also rejected a proposal to provide for a temporary increase in extended benefits—paid for in accordance with last year's budget agreement.

They do not seem to want a solution. They want a Presidential veto to keep a perceived political issue alive.

In order to accomplish that, they've run roughshod over both the letter and spirit of last year's budget agreement. Not only would they increase the deficit by over $6 billion—they would by brute force deny the President's equal responsibility with the Congress to invoke the emergency provisions of the Budget Act.

At the end of this debate, I intend to offer a motion to commit the bill to the Ways and Means Committee.

In my opinion, it is time to put an end to this political debate, go back to the drawing board, draft a bill the President can sign, and get to work immediately on a jobs-creation package which will put unemployed Americans back to work.

Ms. SNOWE. Mr. Speaker, people in Maine need help. Over 47,000 Mainers are unemployed, 10,000 jobs have been lost already this year, and another 7,000 more will likely be lost by year's end.

So what is the U.S. Congress doing? Playing the same old, tired political games. Unemployed people around the country need assistance, and Congress seems more interested in scoring political points, not solving the problem.

Frankly, unemployed workers in Maine could care less if it's a Republican bill, a Democratic bill, or whether a Presidential veto will be overridden. They want a solution.

This is not the most difficult legislative problem to solve if Members will put aside the partisan shenanigans. It is not unreasonable for Republicans to suggest that we should provide funds sufficient to pay for these benefits—without crushing small business with more taxes during a recession or adding to the existing skyscraper deficit.

What is so objectionable to the Democrats about allowing a Republican alternative on the most significant domestic problem we face?

It is not unreasonable to compromise—remember that concept, compromise?—to produce a bill that the President will sign into law. Actually, it is only unreasonable if macho partisan strutting is your priority, not helping American workers.

Mr. Speaker, I will support this bill, because my constituents need this help and deserve this help. What they do not need is an institution so paralyzed by trivial bickering that it can't solve the basic problems we face.

□ 1720

Mr. ARCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Under the rule, the previous question is ordered.

The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

MOTION TO COMMIT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Speaker, I offer a motion to commit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ARCHER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to commit.

The Clerk read as follows:

Mr. ARCHER moves to commit the bill, S. 1722, to the Committee on Ways and Means.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to commit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to commit.

The motion to commit was rejected.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROSTENKOWSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 294, nays 127, not voting 11, as follows:

[Roll No. 280]

YEAS—294

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Herger
Hertel
Hoagland
Hochbrueckner
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Horton
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Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
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LaFalce
Lancaster
Lantos
LaRocco
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Lehman (CA)
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Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
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Poshard
Price
Pursell
Rahall
Rangel
Ravenel
Reed
Regula
Richardson
Ridge
Rinaldo
Ritter
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schumer
Serrano
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stearns
Studds
Swett
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Zimmer

NAYS—127

Allard
Archer
Armey
Ballenger
Barnard
Barrett
Barton
Bereuter
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Bunning
Burton
Campbell (CA)
Chandler
Coble
Combest
Cooper
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Ewing
Fawell
Fields
Gallegly
Gingrich
Goss
Gradison
Grandy
Green
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Hobson
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lent
Lewis (CA)
Lightfoot
Livingston
Lowery (CA)
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moorhead
Morrison
Myers
Nichols
Nussle
Olin
Orton
Oxley
Packard
Parker
Penny
Petri
Porter
Quillen
Ramstad
Ray
Rhodes
Riggs
Roberts
Rohrabacher
Roth
Rowland
Santorum
Sarpalius
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Skeen
Smith (TX)
Solomon
Spence
Stenholm
Stump
Sundquist
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Wolf
Wylie
Young (FL)
Zeliff

NOT VOTING—11

Baker
Bateman
Boxer
Callahan
Guarini
Holloway
Hopkins
McGrath
Sharp
Slaughter (VA)
Stokes

□ 1743

The Clerk announced the following pairs:

On this vote:

Mr. Stokes for, with Mr. Baker against.

Mr. MCGRATH for, with Mr. Bateman against.

Mr. GOODLING changed his vote from "nay" to "yea."

So the Senate bill was passed.

The result of the vote was announced as above recorded.

The title of the Senate bill was amended so as to read: "An Act to provide a program of Federal supplemental compensation, and for other purposes."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON SENATE 1722, UNEMPLOYMENT INSURANCE REFORM ACT OF 1991

The SPEAKER. Pursuant to the rule, a motion to insist on the House amendment to the bill, Senate 1722, and to request a conference with the Senate is considered as adopted.

The SPEAKER. The Chair appoints the following conferees and reserves the right, without objection, to appoint additional conferees: Messrs. ROSTENKOWSKI, DOWNEY, and FORD of Tennessee, Mrs. KENNELLY, and Messrs. ANDREWS of Texas, ARCHER, VANDER JAGT, and SHAW.

There was no objection.

ANNUAL REPORT ON MINE SAFETY AND HEALTH ACTIVITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. LEWIS of Georgia), laid before the

House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of today, Wednesday, September 25, 1991.)

ANNUAL REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. ROEMER), laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service:

(For message, see proceedings of the Senate of today, Wednesday, September 25, 1991.)

ANNUAL REPORT OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES FOR FISCAL YEAR 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs:

(For message, see proceedings of the Senate of today, Wednesday, September 25, 1991.)

WE NEED TO PUT AMERICA FIRST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, today in a subcommittee of the House Banking Committee, I offered an amendment to stop a proposed $12 billion increase in the U.S. share of the International Monetary Fund.

This amendment was defeated, as I had expected but I intend to continue to speak out about this.

This is not a good investment—in fact, it is a very bad investment for the American taxpayer.

It is expected that most of this $12 billion increase will be used to make loans to Russia.

But, in reality, most of it will be going to bail out big banks in Tokyo, Paris, London, and Frankfurt for bad loans made to the Russians.

B.J. Cutler, foreign affairs columnist for the Scripps Howard newspaper chain, said in a column published 2 days ago:

> The plan, which won't be spelled out to the public, goes like this: for "humanitarian reasons" the Soviet people must be aided. So the International Monetary Fund and the World Bank will make massive loans to Moscow. But most of the money will be recycled to repay banks in London, Paris, Frankfurt, Tokyo, etc.

Mr. Cutler is no right winger, or even a leading conservative. He is a factual reporter and columnist who has found something most Americans would be very upset about if they knew about it.

As Mr. Cutler said:

> To be blunt, the scheme consists of shifting the cost of bankers blunders to American and foreign taxpayers, which they wouldn't tolerate if they knew about it.

No one wants to see the Russians or anyone else starving in the streets. But this is not money for food or money for relief work by the International Red Cross. This is money which apparently will be used to bail out big banks in Japan, Germany, and other countries.

Pat Buchanan, the syndicated columnist and TV commentator, also wrote about this earlier this week. He listed $41 billion in money owed by Moscow to private banks around the world.

Then he said this:

> What should the United States do? Quite simply, get out of the way and let the market work. Let Moscow go into default; let the governments who hold Soviet loans give Moscow a moratorium on debt repayment (but no new loans); and let the private banks who made foolish loans take their debts.
>
> With no new Western capital to subsidize socialism, the new Russia will have no choice but to begin acting in its economic interest.

Pat Buchanan ended by saying:

> Someday an American Congress will say to the IMF and World Bank: We are not guaranteeing any higher loan levels than present. On that day, the game will be over. One Third World nation after another will default. The IMF and World bank will come to the U.S. Treasury for payment. The Treasury will have to borrow to pay, and pile that borrowing on top of the U.S. national debt. And our children will work decades to pay it off.

The amendment I offered would not have closed the World Bank.

It would not have cost one penny from the International Monetary Fund.

The IMF would still have billions of American money.

All I am saying is that now is not the time to increase the U.S. share of this fund by $12 billion.

Our own Government is $4 trillion in debt. We are losing approximately $1 billion more each day.

We are in no shape to loan money to anyone—especially severely depressed Third World countries which in all probability can never repay these loans.

Those who support this $12 billion increase say that it has no budgetary impact.

They will tell you that we get assets back, that we get special drawing rights [SDR's] that are interest bearing and liquid.

But, most respectfully, in my opinion, they are wrong. These assets are not liquid at all.

No country would purchase these assets if our economy were to run into serious difficulty. These assets, after all, are primarily loans that cannot be repaid, especially if times get tougher.

I think most people would support humanitarian food aid. They do not want to see people starve or go hungry.

But the overwhelming majority of Americans do not want their tax dollars used to bail out bankers for bad loans they made to Russia—and especially banks in Japan, Germany, France, and Great Britain.

Cort Kirkwood, in a book called "The Economics of Liberty," says:

> The World Bank, the IMF's sister institution, is supposed to spur development in less-developed countries. It has not fulfilled that mandate. It is not a bank in the usual sense, it is an international welfare agency manned by government bureaucrats—whose high salaries are exempt from all taxes—whose purpose is to increase their "lending" portfolio to whatever country they work with. Their success isn't measured by the profitability of the loans they make, but by the amount of money they lend and the amount of power they accrue. In that respect, they are like government bureaucrats everywhere.
>
> The World Bank is only a slick way for fat cats in the United States and corrupt despots in the Third World to fleece American and Western taxpayers under the guise of promoting economic development. Instead of expanding funding for the World Bank, . . . the United States should get out.

Doug Bandow, a senior fellow at the Cato Institute, said in a recent column in the Washington Times:

> Today, naturally, the Bank and Fund proclaim their commitment to free markets. But the IMF regularly renegotiates its loans after buyers fail to meet the previous conditions. And evaluations by the Banks own personnel reveal that staffers, whose promotions largely depend upon their ability to move out loans, are far more interested in disbursing than in cutting credit. Thus, loans continue to be made irrespective of the borrower's economic policies.
>
> Nevertheless, Washington policymakers, allegedly conservative Republicans as well as liberal Democrats, continue to shovel American funds into the multilateral banks. The administration is presently pushing Congress to approve $12 billion in authority as America's part of, a 50-percent increase in the IMF's capital.

This is not the time to vote for a $12 billion increase in the U.S. share of IMF funds.

We need to put America first. We need to start doing more for our people here at home. I would guess that 90 to 95 percent of our constituents would not vote for this $12 billion increase if they knew about it.

NOTES COMING DUE ON FOREIGN LOANS TO SOVIETS

(By B.J. Cutler)

When it comes to bankers, American taxpayers are used to getting fleeced. They continue to pay out countless billions of dollars to protect depositors in savings and loans that failed because of executives' incompetence or crookedness.

Soon, as more commercial banks go under and the Federal Deposit Insurance Corp. runs out of money, citizens will be tapped for yet another bailout.

And, a bit later, the same long-suffering people will be asked to save large, rich foreign banks from the consequences of imprudent lending.

Now, these taxpayers are easy-going but not stupid, and they would never agree to rescue non-American bankers. So the matter will be presented to them in a complicated way, in hopes they do not fathom the scam.

The root cause of the coming raid on pocketbooks is the economic collapse of the Soviet Union, whose foreign debt is somewhere between $60 billion and $70 billion and is unpayable.

Fortunately, due to blind luck and a national policy of anticommunism, American banks are not much at risk. They loaned nothing to such places as Cuba and North Korea, which have defaulted, and little to Moscow, which is about to default, though the action won't be called that.

When the Soviets don't pay, American banks stand to lose about $500 million. That is roughly what they lose when two or three large real estate development deals go bad, and thus no great cause for worry.

But European and Japanese banks are threatened. According to figures compiled by Melanie Tammen of the Washington-based Cato Institute, Moscow owes $22 billion to German banks, $5.6 billion to French banks, $4.5 billion to Japanese banks, $4.4 billion to Italian banks and $3.4 billion to British banks.

In many cases, governments urged the banks to make the loans—and guaranteed repayment. Britain and Germany stand behind 80 percent and 65 percent, respectively, of their banks' loans.

Since no government wants to admit that it poured cash down the Russian rathole, Prime Minister John Major and Chancellor Helmut Kohl will try to persuade President Bush that their problem is one for the "world community" to solve.

The plan, which won't be spelled out to the public, goes like this: For "humanitarian reasons" the Soviet people must be aided. So the International Monetary Fund and the World Bank will make massive loans to Moscow. But most of the money will be recycled to repay banks in London, Paris, Frankfurt, Tokyo, etc.

That will hardly help Russians, Ukrainians and others. They will grow more and more indebted, as did Latin Americans during the debt crises of the 1980s. However, the Eurobankers and their government masters will save their faces and bottom lines.

This process isn't free. The IMF doesn't print money, it gets it from member governments, with the U.S. providing one-fifth. The administration has just asked Congress for $12 billion more for the IMF, which would allow stepped up lending.

To be blunt, the scheme consists of shifting the cost of bankers' blunders to American and foreign taxpayers, which they wouldn't tolerate if they knew about it.

There is a better way: Let Moscow and its creditors work out their own headaches. Some loans would be written off, others repaid at less than face value. As bank profits shrink, their officials would get lower bonuses and have to ride in smaller limousines, a thought most people could live with.

WELL-EARNED PAY INCREASE AT IMF?

(By Doug Bandow)

World Bank President Barber Conable and International Monetary Fund Executive Director Michel Camdessus each are paid $225,000 annually, a nice sum for jobs that involve giving away other people's money. Indeed, most Americans would probably be satisfied with just a couple of months of work at what comes out to more than $4,300 a week.

But it's not enough for Mr. Camdessus. It seems that Jacques Attali, the Frenchman who heads the European Bank for Reconstruction and Development (EBRD), collects $290,000 a year. Even worse, the governor of the Bank of France also makes more than Mr. Camdessus, a Frenchman.

In a fit of Gallic envy, Mr. Camdessus recently demanded the same amount. After all, in his view, the IMF, which makes loans all over the world and not just in Eastern Europe, is obviously a more important organization.

And, naturally, it would be unseemly if the head of the World Bank—soon to be Lewis Preston, who is taking over from the retiring Mr. Conable—earned less than the IMF's executive director. Thus, members of that organization's board proposed the necessary 28.8 percent raise to ensure pay parity.

Media attention caused embarrassed board members to trim $5,000 off the raise, so the World Bank president's salary will now rise to only $285,000 on Sept. 1. And when Mr. Camdessus' contract comes up for renewal in 1992, he, too, is expected to collect a $60,000 pay increase.

Unfortunately, this lavish use of international taxpayers' money will not stop at the organizations' top officials. The pay ceiling for other staffers at both the Fund and Bank will now rise $36,000, to $190,000, all tax-free for foreigners.

One might have expected some representatives of Third World states to oppose these increases, but they feared retaliation when they applied for new loans. Anyway, the United States is the largest single contributor to the IMF and World Bank, so the Third World countries won't be paying the bill.

To even talk about lavish salaries and expenses at the multilateral institutions is considered tacky in Washington. Yet the ready willingness of the organizations' directors to loot the world's taxpayers to pacify one man's envy demonstrates how corrupt these groups have become.

Indeed, prodigality in relatively small things—salaries—is merely symptomatic of the much larger waste in the overall loan programs. Between 1986 and 1990 alone, the World Bank loaned $73.7 billion and essentially gave away, through the so-called International Development Association, another $21.5 billion. The IMF provided some $26 billion over the same period.

What good has this money, along with vast sums of other foreign assistance funds, done? The Third World has never had trouble borrowing commercially; indeed, it now owes the West roughly $1.3 trillion. Several of the former communist states, particularly Poland, also gorged themselves on Western credit. The reason there is a debt crisis is that most of this money was wasted.

And that should come as no surprise, since most international loans have gone to governments that almost uniformly were busy strangling their economies. That some of them are now trying to adopt reforms is a testament not to billions in subsidies from the multilateral institutions, but the gross failure of borrowers' policies despite all the aid.

Perhaps most obscene has been World Bank funding of massive social engineering programs, such as Tanzania's forced collectivization, an immoral policy that devastated agricultural production. The bank also indirectly backed Ethiopia's murderous relocation of millions of peasants in the late 1970s.

The IMF has regularly sparked riots in foreign capitals by pressuring governments to adopt debilitating currency devaluations, tax increases and import controls. Moreover, its client list reads like a who's who of despots and statists.

Similarly, the World Bank has underwritten projects in numerous countries where it admitted that the borrowing governments' economic policies were perverse. Instead of causing recipients, such as Tanzania, once the showcase of Julius Nyerere's "African Socialism," to adopt market-oriented reforms, the generous Western aid made borrowers more intransigent by ameliorating the harmful effects of their policies.

Today, naturally, the Bank and Fund proclaim their commitment to free markets. But the IMF regularly renegotiates its loans after buyers fail to meet the previous conditions. And evaluations by the Bank's own personnel reveal that staffers, whose promotions largely depend upon their ability to move out loans, are far more interested in disbursing than in cutting credit. Thus, loans continue to be made irrespective of the borrowers' economic policies.

Nevertheless, Washington policymakers, allegedly conservative Republicans as well as liberal Democrats, continue to shovel American funds into the multilateral banks. The administration is presently pushing Congress to approve $12 billion in authority as America's part of a 50 percent increase in the IMF's capital.

In fact, Mr. Camdessus originally proposed a doubling of his organization's resources, proclaiming that doing so would be "the cheapest way for taxpayers in the richer countries to come to the aid of the poor." But the poor never seem to be in attendance at the lavish receptions held in Washington during the annual IMF/Bank meetings. And the poor certainly won't be collecting any of the $60,000 salary increase soon to be received by Mr. Camdessus.

The sight of bureaucrats looting taxpayer-financed organizations is hardly a new one. But the latest episode is peculiarly gross. It's time for Congress to tell these institutions: no more cash.

□ 1750

A TRIBUTE TO MILES EDUCATION COMMITMENT

The SPEAKER pro tempore (Mr. McNULTY). Under a previous order of the House, the gentleman from Indiana [Mr. ROEMER] is recognized for 5 minutes.

Mr. ROEMER. Mr. Speaker, among the problems and crises facing the United States today, there appear at times to be few solutions. There is, however, one universal solution that can, over time, solve the majority of our national ills. That solution is education.

One of the premier solutions to expanding our use of education as a tool to benefit our society and our future is forming a partnership between our educational system and the business community. Intelligent industry has become aware that their own future access to a competitive labor pool is intimately entwined with the success of American schools, and that the subjects of math and science need particular attention.

Mr. Speaker, today I would like to recognize the efforts of one such business, Miles, Inc., of Elkhart, IN, which I have the honor of representing.

Miles has established a presence in Elkhart area schools through their Science Mentorship Program, the Miles Speakers Bureau, and the Magic With Miles Demonstration Program. This outreach into the community school system sparks the imagination of students to the possibilities of careers in the sciences.

Through a series of local science fairs, Miles' own scientists act as judges and counselors with the students, encouraging them to use scientific methods to investigate, research, and conduct their projects.

Mr. Speaker, the Miles staff has given countless hours of their time and energy to make presentations to our students, to judge in the science contests, and to teach the young people of Elkhart of the fantastic possibilities that science offers in terms of education and career possibilities.

The beneficial ramifications of the Miles outreach program are almost endless. By teaching the children of today to care about the needs of tomorrow, they are not only providing opportunities to young people that previously did not exist, but also preserving and protecting our Nation's economy and ability to compete in a global market by maintaining and expanding our labor pool. Miles recognizes that the needs of our work force are to be filled by the young Americans in our classrooms today, and also recognizes that it is not too early to begin grooming them to become leaders in their chosen fields.

Mr. Speaker, we have the advantage of knowing that the necessary technical skills of tomorrow's work force must be increasingly advanced, yet have not, as a nation, prepared ourselves for this need by preparing our children. Clearly, the leadership that Miles is showing in this area should be a model for us all.

The effort of Miles to join our schools and parents to provide our young folks the required hands-on experiences that they need is not only commendable, but inspiring. Our country must have qualified engineers, mathematicians, and scientists. Recognizing this need is worthless if we do not act. Mr. Speaker, Miles has acted.

Since 1984, Miles has been involved in partnerships with our Third District schools. By making the student's contact with science an experience-based one, they assure themselves a qualified talent pool for the future, and create new and exciting occupational prospects for American young people.

Mr. Speaker, many people, many organizations, talk about our future needs. Miles has "put their money where their mouth is," and dedicated time, energy, and a very human commitment. Leadership like this deserves our recognition, our support, and our gratitude.

I would like to recognize the superior leadership of Miles in these endeavors—the contributions of President and CEO Klaus H. Risse, vice president for human resources; John Schulz, director of organizational development, Randy McAlister, senior staff research and development engineer; Al Brunstig, and the rest of the Miles team.

Mr. Speaker, leadership such as this needs to be emulated around the country, and I hope these words today will inspire other companies in other communities to follow this shining example. I am proud to share this moment with Miles, and will be even more proud to watch the next generation of scientists mature to greatness, knowing that their success was inspired and encouraged by the foresight of organizations like Miles.

□ 1800

IN HONOR OF THE YORK SCHOOL—BLUE RIBBON AWARD IN EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today in recognition of the achievements of the York School of Monterey, CA. Today, their outstanding dedication to education is being acknowledged with the Blue Ribbon Award. This award will be given to 52 independent schools nationwide by the U.S. Department of Education, and I am proud to be the congressional Representative of the York School and its community.

The York School, established in 1959, is an independent, coeducational college preparatory day school, grades 8 through 12, with a student body numbering 202 and a faculty of 24. The school, located in Monterey, CA, enrolls students of exceptional ability from the Monterey Peninsula, Salinas, the north county and the Santa Cruz and Watsonville areas, regardless of their ability to pay. The York School is one of the few private high schools in this Nation to admit students entirely on the basis of their merits, regardless of background or need. They admit students from 37 different schools, from every socioeconomic, racial, ethnic, and religious background. The school has an extensive scholarship program, with 43 percent of the student body receiving financial assistance, which is twice the national average. The York School graduates more national merit honored students than any school in central California.

The time and energy that both the faculty and students display is an ideal example of the way education should be. Most of the faculty spend hours outside of the classroom delighted in helping the students in whatever way they can. It is clear that the faculty sees the development of the students as a common goal, both in academics and as individuals. There is a great deal of diversity among the teachers and students, yet they have established a strong community based on their hard work, dedication, and desire to learn.

Mr. Speaker, I ask my colleagues to join me now in congratulating the staff, students, and surrounding community of the York School. I am not surprised that their efforts are receiving national acknowledgment. We on the Monterey Peninsula are well aware that the York School is one of the outstanding models in educational achievement. It is reassuring to have the Department of Education agree with us. I and the entire community are extremely proud of this award to the York School, their achievements, and their continued excellence in education.

GETTING THE GOODS ON JAPAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, we have heard from American apologists for the last few years that Americans need to learn how to manufacture and be more efficient from the Japanese.

Today, the Senate Finance Committee chairman, LLOYD BENTSEN, exploded that myth with the announcement of his GAO report on Japanese firms withholding advanced equipment or critical materials from American firms. The Senator's report is yet another example of how the Japanese and American firms play by different rules.

According to a Washington Post article, the GAO surveyed 61 U.S. companies and Government laboratories and that "22 of them cited 59 instances in which they were either unable to obtain the equipment or were put off for at least 6 months."

One company reported that "its inability to obtain the latest technology cost it $1.4 billion in lost sales over several years." Reported in the story were delays up to 2 years in receiving parts or equipment, and three companies were unable to manufacture products because of the delays.

By now the story is familiar, but Senator BENTSEN's study confirms what many companies have been reporting to their elected officials. Included in the report was the practice of tying which forces a company to buy parts they do not want—or the withholding of critical chips so Japanese companies can gain a head start on their American competition.

This reminded me of the article after Desert Storm when the Japanese boasted that Japan's chip made the Patriot missile operate so effectively in the gulf. They claimed that 92 of 93 of the critical chips in our weapons systems in the gulf were Japanese.

Now the Pentagon, according to Japan Digest, is seeking direct participation of some reluctant Japanese electronics firms in military technology projects which includes ducted rocket engines for missiles and ceramic engines for tanks. The Digest reports,

> The Pentagon is very interested in Japanese semiconductor and image-processing technology, and wants the Japanese Defense Agency to encourage particular firms to cooperate. The Defense Agency has maintained that it is up to the companies to decide, and some companies with relevant technology are reluctant to get involved in military projects.

I am sure, given the findings of Senator BENTSEN's study that the Pentagon will find the Japanese firms being true reluctant debutants in giving up their technology and knowledge.

Mr. Speaker, from time to time on this floor I have pointed out certain American firms which have been squeezed down to almost nothing because the Japanese would not sell them certain parts that they needed to produce their products. One of these, of course, is the double deck VCR which Go Video of Arizona has been producing. They could not produce it here because Japan would not sell them those critical parts. They wanted to be the first one with a double deck VCR. Go Video has been in court on that case, and now is producing the double deck VCR in Korea, because that is where they were able to get those parts.

Another firm that was squeezed out was our Keystone Camera up in New Jersey, who were squeezed out because they were not sold the parts and because there was some questionable dealing with the International Trade Commission.

Mr. Speaker, the Senator's report comes at a very good time. I do congratulate him on his report, and I request a Justice Department investigation on this whole matter of withholding critical technology and parts to American firms.

Mr. Speaker, these actions by Japanese firms help aggravate an already difficult problem that we are having with our industrial economy in the United States. Successful industry, of course, means jobs for Americans, and lesser payment of unemployment benefits, about which we have all been very concerned in this present downturn of our economy.

Mr. Speaker, it behooves us all to be very concerned about this game of cat and mouse playing with critical components, that could mean the life or death of industry in this country.

Mr. Speaker, for the RECORD I include the September 25, 1991, article from the Washington Post concerning Japanese firms withholding high-technology goods.

JAPANESE FIRMS WITHHOLD HIGH-TECH GOODS, GAO SAYS—BENTSEN TO ASK JUSTICE TO INVESTIGATE

(By Evelyn Richards)

PALO ALTO, Calif., Sept. 24—Nearly two dozen U.S. electronics companies have told government investigators that Japanese firms have withheld advanced equipment or critical materials from them while making the goods available to their own domestic companies, according to a General Accounting Office study released today.

Without naming specific U.S. or Japanese firms, the GAO reported that a survey of 61 U.S. companies and government laboratories found that 22 of them cited 59 instances in which they were either unable to obtain the equipment or were put off for at least six months. Most of the cases arose after 1987.

However, 19 companies said they had no trouble buying state-of-the-art Japanese products, the GAO reported. The remaining companies either had other kinds of problems, couldn't provide specifics or weren't regular customers of Japanese equipment.

Senate Finance Committee Chairman Lloyd Bentsen (D-Tex.), whose panel oversees trade issues, commissioned the GAO study. He said in a prepared statement that he would ask the Justice Department to investigate some of the allegations. A GAO official said U.S. companies, fearful of retaliation by their Japanese suppliers, had agreed to cooperate only if they were not identified.

One such company estimated that its inability to obtain the latest technology cost it $1.4 billion in lost sales over several years. Companies cited delays of up to two years in getting parts or equipment from Japan, with three claiming the delays left them unable to manufacture certain products and two claiming they we forced to introduce products a year after their Japanese competitors.

The nation's growing dependence on foreign technology drew increased attention during the Persian Gulf War. The GAO study focused on the computer and semiconductor industries, which increasingly rely on parts from Asia.

Japanse firms have repeatedly denied discriminating against U.S. customers. It is widely acknowledged, however, that both U.S. and Japanese makers of sophisticated equipment for making computer chips often deliver it first to customers in their home country so that problems can be ironed out before shipment abroad.

The GAO report said seven U.S. firms complained they were pressured by Japanese suppliers to buy parts they did not want in order to obtain other technology or equipment, a practice known as "tying."

A U.S. telecommunications firm official told investigators that his company has been unable to buy a critical chip because the Japanese supplier insists it buy other circuitry.

In an interview today, Jim Hurd, chief executive officer of Planar Systems Inc., an Oregon maker of flat panel electronic screens, said he has been unable to introduce products on time because of delays in getting chips and specialized glass from Japan.

But Hurd said he didn't know whether the delays were because of "intentional withholding," and he pointed out that it is "human nature" for any company to supply nearby customers first.

Executives from Xerox Corp. and Motorola Inc., previously have cited instances in which they could not obtain the most advanced Japanese manufacturing equipment.

CONCERNS REGARDING NORTH AMERICAN TRADE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 60 minutes.

Ms. KAPTUR. Mr. Speaker, I rise today to raise some key concerns regarding the ongoing trade negotiations with Mexico and the potential North American Trade Agreement that may result. Conceptually, the idea of a free North American unified market with Mexico-Canada and the United States in trade partnership makes sense for the long haul. After all, Mexico is the United States' third largest trading partner. But, I am less concerned with the ultimate end of free trade than I am with the nearer term means that must be taken to achieve that end. I am suggesting gradual integration with safeguards in order to achieve the right deal for a new North American order.

Thus, as 1 of the 192 Members who did not support granting the President unlimited fast-track negotiating authority for the United States-Mexico NAFTA and GATT trade agreements, I, along with over four dozen of my colleagues, have formed the fair trade caucus to monitor these negotiations. One of our first activities of the caucus will be a dialog with Ambassador Carla Hills this Thursday. As the negotiations race forward, let me reiterate those critical issues of special priority to Congress that are not being adequately addressed. For the record, I hope Ambassador Hills will finally address these matters tomorrow. After all, we know the Mexican Parliament will not be allowed to debate this proposed agreement. Thus, it is our responsibility to speak out on behalf of the people of both nations.

PARALLEL NEGOTIATIONS MUST BE LINKED

On May 1, the Bush administration released its response to congressional inquiries regarding the proposed United States-Mexico free trade agreement going forward under fast track. The President's report makes clear that key congressional concerns will not be incorporated into the body of the proposed agreement. Broadly, congressional concerns on worker rights and the environment are relegated to second status. More specifically, none of the following issues will be incorporated in the body of the agreement: worker rights and fair labor standards; human rights; election reform; the rights of workers to freely organize and collectively bargain; workplace health and safety standards; environmental standards and protection; debt repayment, investment and repatriation of Mexican capital; and enforcement and dispute resolution mechanisms.

All that is being negotiated is the reduction of tariff and nontariff barriers, rule of origin, services and investment, intellectual property and government procurement. While the administration's action plan acknowledges that with respect to labor rights, "there are a number of labor areas where Mexico and the United States could benefit from cooperation," it provides no means in the negotiations for these matters to be specifically linked to the reduction in trade barriers and enforcement provisions of the FTA.

Parallel agreements and memorandums of understanding are not the way to assure that these congressional concerns are addressed. For example, memorandums of understanding are what the United States has had in the past in our trade negotiations with Japan. Yet, America holds huge and constant bilateral trade deficits with Japan. If the administration were really serious about addressing this issue, it would address it as part of the trade agreement. We should know from past experience that memorandums of understanding and parallel negotiations offer little hope for ensuring adherence because no enforcement mechanism exists. Instead, we should include in the agreement itself North American worker standards as a means for increasing employment opportunities and fair wage levels, eradicating child labor, and ensuring that workers are not inhibited from obtaining effective and freely organized union representation, as already exist in the United States and Canada.

The administration proposes to protect environment and health and safety in an FTA by excluding any products that do not meet our health and safety requirements and by initiating parallel negotiations with Mexico.

But relying on a parallel agreement gives us no guarantees that America's high environmental and health and safety standards will not be averted by companies moving to Mexico. Often our own country, where standards are high, does not have adequate resources nor the enforcement ability to keep pesticides from showing up on our dinner tables. So who will assure Mexican compliance?

Look at the facts. Mexico passed an environmental law in 1988. The problem is that it is not enforced. Fewer than 100 Mexican officials earning only $150 a week are responsible for enforcing Mexico's environmental agreements.

Further, Mexico requires toxic materials to be exported by maquiladora plants to the United States. But a 1986 survey of 772 maquiladora plants found that only 20 had notified the EPA that they were returning toxic waste to the United States, as required by law. Of these 772 plants, 86 percent used some sort of toxic chemicals. Mexico lacks adequate tracking of hazardous waste origins and disposal and as a result hazardous waste is routinely dumped into sewer systems and rivers. Without including environmental standards in the agreement itself, Mexico's lax environmental regulation will continue unabated.

PLANT CLOSING AND JOBS

Ambassador Hills claims that there will not be job losses as a result of a North American Trade Agreement. I must continue to point out to her that every single company in my district that has a Mexican affiliate has either closed its doors completely or significantly downsized. In Ohio alone, 100,000 jobs have been lost to Mexico. How can she continue to say that jobs are not moving to low wage Mexico when workers in Mexico earn only 57 cents an hour and the national minimum wage in 1989 stood at about $5 per day?

It is our responsibility as elected Members of Congress to insist that Carla Hills tell us and the American people how this agreement protects their rights. If it does not carry the necessary provisions to do so, then we will be forced to reject it.

Do not forget that this agreement is truly unique in establishing an FTA with a nation whose income levels are one-tenth of our own. Mexican workers earn an average manufacturing wage of 57 cents per hour: United States workers earn an average manufacturing wage of $10.47 per hour. Key provisions must be incorporated in the body of the agreement, not in memorandums of understanding nor parallel agreements. Again, who will enforce those?

Let's set the record straight on the facts in this debate. I want to quote some figures today for the RECORD, I hope Carla Hills is listening. Net job losses in the United States to Mexico have been estimated at 405,000—912,000 jobs by 1999 as a result of trade deficits the United States will mount with Mexico as a result of this agreement. Of those, 500,000 United States manufacturing jobs will be lost to Mexico. Just how does the administration plan to address these facts?

Congress, after much insistence finally got the administration to acknowledge that worker adjustment programs in the United States will be needed since U.S. jobs will be lost as a result of this potential agreement. Thousands of good American jobs have already been shifted to Mexico from the United States—IBM, Kodak, Zenith Electronics, Hewlett-Packard, Apple—these are only a few of the Fortune 500 companies that have moved factories to Mexico. As I stated earlier, Ohio alone has already lost over 100,000 jobs to Mexico according to a study released by California State University—Fresno. The United States automotive industry has relocated over 75,000 jobs to Mexico. Quite simply, why wouldn't companies move to Mexico to take advantage of $1-dollar-an-hour workers?

The administration's worker adjustment proposal for U.S. workers thrown out of work does not specify how U.S. job displacement will be adequately addressed. Worker adjustment provisions are not funded up front nor are provisions built directly into the FTA itself as they should be. Why should a Member of Congress trust this administration to pay attention to those that lose their jobs as a result of an agreement with Mexico, especially if it is negotiated in a parallel agreement and not linked to the NAFTA? This is the same administration that has consistently zeroed out the budget line item for Federal trade adjustment assistance which provides funds to help displaced workers thrown out of work due to imports. It is the same administration that is not willing to fund unemployment benefits to our long-term unemployed, and the same administration that tells 6 million unemployed workers in our country "The answer to unemployment is a job." I ask, where are the jobs?

Congress must insist that the Bush administration address this issue by establishing a special fund for worker adjustment up front and as a part of the body of the agreement to accommodate all U.S. workers who will be affected, much as the European Common Market did in its reconstruction fund.

I believe the administration cannot continue to ignore critical social, economic and political issues inherent in such a precedent-setting trade agreement between two nations with vastly different standards of living. Individual and labor rights, decent standards of living, and environmentally safe working and living conditions are fundamental precepts to any workable United States-Mexico FTA. I urge the USTR to construct a negotiating agenda that moves beyond its current, narrow focus on tariff and nontariff barriers, rule of origin, services and investment, intellectual property, and government procurement.

Without Mexican workers having the right to freely organize, Mexican productivity will continue to rise as a result of foreign investment and economic development but Mexican wages will remain low. This means there can't be a consumer buying binge of United States goods in Mexico. Rather, it will create an unfair competitive advantage which will place a huge strain on the future ability of the United States to compete with its southern neighbor in the future, not to mention the downward pull it will exert on wages in the United States.

Let me ask—what measures will the trade agreement set in place to assure improvements in standards of living on both sides of the border. Will adoption of an FTA assure proper treatment of Mexican workers? Will Mexican workers earn sufficient money to purchase the fruits of their own production? Or, will they be exploited? Will United States high standards in environment and safety, worker health and retirement benefits, and the right to freely and collectively bargain be encouraged in Mexico? Or will North American standards simply be lowered as the vast labor pools of Mexican workers become poorer in a system over which they have no control. Hopefully this is not what is meant by a free trade agreement.

What type of work force will be created in Mexico? If current trends continue and low paying, labor intensive jobs are transferred to Mexico, Mexican workers will continue assembling products for export—essentially to meet debt payments but not to improve their consumer society. Rather than learning skilled, manufacturing processes and management practices which can spur economic development, the Mexican people then would still operate as a low-wage economy. There is no evidence to show that the investment that has occurred to date has helped raise their standards of living to purchase the very consumer products they are assembling.

No Member of Congress can put blinders on and support an initiative to expand trade and investment between Mexico and the United States without assessing short and long term impacts on the work forces of these two nations. The final agreement must include specific provisions guaranteeing United States and Mexican worker rights as cross border trade expands.

TARIFF EXCHANGE OFFER AND THE SENSITIVITY OF CERTAIN INDUSTRIES

On September 18, NAFTA negotiators exchanged tariff offers for eliminating tariff and nontariff barriers. Tariffs were divided into three categories for phaseout: Immediate, intermediate, and longer term phaseout. Even though a number of American industries including glass, auto parts, fruit and vegetables, textiles, cut flowers, brooms, and many others, are at great risk if their tariffs are negotiated away, the administration is resisting their requests for special attention. Unless this agreement is negotiated correctly, we know for a fact more U.S. firms will close. For example, Libbey Glass in my district and its 1,300 workers will be out on the street. In addition, there will be serious ripple effects upon the economic and social fabrics of the communities where glassware plants now exist.

American workers should not be punished because they make a fair wage and Mexican workers are exploited. Just in the glass industry 18,000 jobs have been moved to Mexico in the last 12 years, while glass imports from Mexico have doubled and now account for 46 percent of the United States market. How does the Bush administration plan to address the situation of key industries that will be greatly impacted by this agreement?

EXPORT PLATFORM

This trade agreement will not set the stage for the Mexican market growing as a real export opportunity for United States goods. Rather, it is more likely Mexico will become a cheap manufacturing platform for foreign companies to back door their goods into the United States market, as so many maquiladora plants do now. This is why the average wage of the Mexican worker during the 1980's has been cut in half at the same time as the maquiladora plants have multiplied. Low-wage Mexican labor is being exploited by foreign firms in Mexico that take advantage of export proximity to the United States market. We already see the trend of companies from Japan, Taiwan, South Korea, Hong Kong, and even China racing to Mexico to set up assembly shops. These shops are perfectly situated at the border to export their goods directly into the U.S. market with low or nonexistent tariffs.

It is highly probable that future inputs to Mexican production will not be sourced from the United States but rather from the even lower wage economies of Central and South America, and Asia. United States workers, 80 percent of whom have seen their real wages fall in the last decade, will lose ground again as trade deficits with Mexico grow.

How will the administration ensure that the benefits of a NAFTA do not flow to mere passthrough operations exporting third-country products to the United States with only minimal assembly in Mexico. Rules of origin are not a strong deterrent to keeping out third-country products from the United States if the tariffs on products that fail to meet the rule do not harshly penalize the offender. In Mexico's case, most tariffs on exports are relatively low, such as the 2½-percent tariff on automobiles. For example, Japan's auto manufacturing companies are flush with capital to invest in Mexico. There is nothing stopping them from opening plants in Mexico, importing parts from Japan and shipping a finished vehicle to the United States. The 2½-percent tariff is not sufficient to deter them from meeting the local content rule.

The United States could suffer major losses from an FTA that fails to take into account the structural impact on the United States economy of export-oriented foreign investment in Mexico. Another approach to United States-Mexico economic relations—and to the NAFTA—is urgently needed. I hope that Ambassador Hills will have a good plan to share with us on Thursday.

One promising model or framework is the Japan-Thailand economic relationship. As in the case of the United States and Mexico, the two countries are divided by large gaps in overall development levels and incomes. But Japan has been able to use its sizable and growing foreign investments to turn its low-wage neighbor into an export platform to the rest of the world for Japanese companies' products, thereby improving the competitiveness of both countries. Thus, both economies have enjoyed healthy economic growth rates and substantial global trade surpluses, as well as large bilateral surpluses with the United States. Japan, moreover, is running a large and growing trade surplus with Thailand itself.

If in its relations with Mexico, the United States could borrow from Japan's example—and take advantage of Mexico's low-cost labor to make the American industrial structure more competitive—the results would be good for both North American countries.

CAPITAL FLIGHT

One of the key aims of any FTA is to attract foreign investment capital. Yet, for many years Mexican capital has been fleeing that nation at record rates. The fact that Mexican investors are placing their funds outside of Mexico is most curious. Any FTA must be conditional on the return of Mexican capital back home where it is desperately needed. The United States cannot jump start an economy when the battery has no fuel cells. Mexican industry and its financial leaders must be encouraged to repatriate capital and this agreement should condition some of its benefits on that goal.

FRAUDULENT ELECTIONS

"The proposed United States-Mexican free trade agreement could be a great opportunity, but only if the Mexican people have enough money to be a significant market for United States products," says author and Latin American scholar Jerry Hagstrom.

> The best way to be sure of their purchasing power is to be sure of their exercise of democracy. The only way I know to do that is to insist upon international observer teams at the next Mexican elections.

Concerns regarding the conduct of Mexico's midterm elections take on increasing significance in light of the negotiations with Mexico for a North American Free-Trade Agreement. As the Journal of Commerce correctly observed, "without free and fair elections, Mexico cannot achieve the political stability on which long-term economic success must be built."

Though distant observers can only speculate about the election in Mexico, enough questions have been raised about their legitimacy to warrant serious concern on the part of all democracy-loving peoples. The recent national midterm elections prove that Mexico is far from a democracy. The results of the August elections have been seriously called into question by the controversy surrounding them.

While the PRI won in a landslide victory, the election has been challenged by almost every opposition party. Findings of foreign observers of the election campaign included:

Withholding of voter identification cards from localities known to favor the opposition;

Delaying disclosure of voter registration lists until well after legally-mandated dates, making verification virtually impossible;

Preventing Mexican nationals living abroad from voting, because of presumed sympathies for the opposition; and

Permitting the ruling party to enjoy a near-monopoly of television and radio time;

Foreign observer documentation of election fraud:

Polls were administered exclusively by members of the ruling party.

Evidence of systematic fraud including in 123 precincts the number of votes cast exceeded the number of persons registered to vote. In 63 of those, an effort had been made to compensate for the overenthusiasm of the ballot-stuffers, by subsequently annulling enough ballots to fall beneath the number of registered voters. In another 43, generally urban, locations where the opposition National Action Party [PAN] is strong, there had been massive annulments—sometimes more than 50 percent—of ballots, resulting in PRI landslides.

Additional accounts of fraud included thousands of people being turned away from the polls because their names could not be found on the registrar. Why does the administration not see the link between democracy and free markets? If the Mexican Government is controlling and manipulating their own elections, the press and everything else, how can the administration expect to conduct free trade with them through a free trade agreement? And when democracy is rising around the world, why aren't we promoting it next door by insisting on international election observer teams to verify Mexican elections?

SUMMARY

What North America needs is a comprehensive development agreement rather than a narrow trade agreement. For our nations to reap the mutual benefits of trade expansion despite our different national histories, trade must be a part of a larger strategy for growth and change in Mexico, and for adjustment in the United States and Canada. Further, general and sectoral trade provisions should be negotiated. And, key congressional concerns should be negotiated and incorporated in the body of the agreement, including worker rights and labor standards, human rights and election reform, debt repayment, the rights of workers to freely organize, workplace health and safety standards, environmental standards and protection, investment and repatriation of capital, and enforcement and dispute resolution mechanisms.

Ambassador Hills has many questions to respond to this Thursday. Our hope is that she will not evade these hard questions but address them head on.

□ 1830

Mr. TAYLOR of Mississippi. Mr. Speaker, will the gentlewoman yield?

Ms. KAPTUR. I am happy to yield to the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. I would say to the gentlewoman from Ohio [Ms. KAPTUR] that I certainly am in agreement with everything that she said thus far.

There is an additional point that I think is being missed on the American public that I hope the gentlewoman will bring to Ms. Hills' attention tomorrow, and that is that under the budget agreement passed last fall that if a revenue source is cut, then the people proposing that cut have to show where they will either decrease spending or increase revenues in another area to make up for it.

Under the free-trade agreement, we will go from charging a tariff on goods coming from Mexico to no tariff. That is a revenue cut.

Our Nation already has a $100 billion trade deficit with a good portion of that coming from Mexico. Our Nation is already $3.4 trillion in debt, and spending about $500 million a day on interest on that debt.

Has Ms. Hills told you where they propose to cut spending? Is it on veterans? Is it on Medicare? Or what taxes will be increased to make up for this? Because under the provisions of the bill that passed last fall, that should be part of it.

□1840

Quite frankly, looking at what happened during the eighties where the wealthiest 1 percent of America had their taxes cut something like 68 percent down to 28 percent, while the average citizen saw his Social Security tax go up, while they saw their gasoline taxes go up, alcohol and tobacco taxes, in addition to a number of other taxes.

I am just curious if Ms. Hills has a response for those who are a bit concerned that if we are going to be cutting taxes for wealthy Mexicans now, who is going to pay for that? I do not see any spending proposals coming down the line. I think it is only fair that the American public be made aware of the entire proposal that is being made by the administration.

The gentlewoman has certainly pointed out that we are fast tracking the decline of the American industry. We have already given away our maritime rights. We had to go out and rent 80 foreign flagships to resupply our troops during Desert Storm.

It is the purpose of all this to give away our industrial might as well, and to turn around and tax the American citizen while we take his job away?

Ms. KAPTUR. You know, Mr. Speaker, the gentleman from Mississippi, our respected colleague, always raises extremely important questions, and I know what a standard bearer the gentleman has been to be strict in terms of spending and balancing this budget.

Ms. Hills has not addressed the issue of who is going to compensate for the loss of tariff receipts once those are dropped. She has not addressed who is going to pay for all the unemployed Americans who will lose their jobs as these companies move into Mexico.

They have not guaranteed us anything in terms of a reconstruction fund or an adjustment fund in this country. So I think I would definitely share the gentleman's concerns; I say to the gentleman from Mississippi [Mr. TAYLOR], and if the gentleman is available tomorrow afternoon at 3:30, we certainly would invite the gentleman to the meeting as well. The gentleman is hitting on some very important points that our people are going to have to subsidize the export of their own jobs.

Mr. TAYLOR of Mississippi. Well, one last thing at the end; I commend the gentlewoman for what she is doing. I hope someone is listening out there. I really see this as devastating to the American economy. I know it is going to hurt States like Mississippi. I think it is going to hurt every State.

I just do not think it makes any sense to encourage people to take their businesses out of America.

The last question I hope you will ask Ms. Hills is that our taxpayers pay for the channels to be dredged. They pay for the wharfs. They pay for the airports. They pay for highways. And all these things make it easier for someone to bring a product from overseas and put them out of business, like the Zenith Radio Corp., or as the gentlewoman from Maryland [Mrs. BENTLEY] mentioned earlier, we all know about the VCR's. There are no American-made FAX machines, even though they were invented in America.

So I hope that Ms. Hills gives an adequate explanation of why the American taxpayer should be subsidizing ports, highways, and airports, for the sole purpose of bringing in products that are going to help put them out of work. I hope the gentlewoman will ask that question tomorrow.

Ms. KAPTUR. Well, Mr. Speaker, I thank the gentleman for his leadership on so many of these economic questions that are before the Nation. I want to compliment the gentleman for his studious work in a complicated area like this one. I think the gentleman raising the budget issue—I think the administration has not addressed this in the least. It has been very difficult to get specific answers from Ambassador Hills. I will certainly take the gentleman's questions into the meeting, and if the gentleman is able to be there himself, perhaps he will be able to help me try to get her to answer more specifically.

One of the reasons we are asking her to come up here is because the platitudes that are put out to the American public tend to sound good, but then in reality never pan out.

One of the good things about this special order time is that we can take the opportunity to explain things in more detail to the American public, and I hope some people are listening, too. There are costs to what we are talking about here that are significant.

Mr. TAYLOR of Mississippi. Well, Mr. Speaker, I thank the gentlewoman for yielding to me.

Ms. KAPTUR. Mr. Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TALLON (at the request of Mr. GEPHARDT), for today, on account of official business in district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. BROOMFIELD, for 60 minutes, on October 1.

Mr. DUNCAN, for 5 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. MAZZOLI, for 5 minutes, today.

Mr. ROEMER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Ms. KAPTUR, for 60 minutes, on September 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. MACHTLEY.
Mr. GALLEGLY.
Mr. OXLEY.
Mr. SHUSTER.
Mr. BAKER in two instances.
Mr. GILMAN in two instances.
Mr. YOUNG of Alaska.
Mr. PACKARD.
Mr. BROOMFIELD.
Mrs. BENTLEY in two instances.
Mr. DORNAN of California.
Mr. ZIMMER.
Mr. WEBER.
Mr. LOWERY of California.
Mr. SOLOMON.
Ms. ROS-LEHTINEN.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. STARK.
Mr. TRAFICANT in five instances.
Mr. ECKART in two instances.
Mr. FAZIO.
Mr. HAMILTON in two instances.
Mr. KOSTMAYER.
Mr. BARNARD.
Mr. SKELTON.
Mr. PEASE.
Mr. YATRON.
Mr. BONIOR in two instances.
Mr. LANTOS.
Mr. RAHALL.
Mr. MILLER of California.
Mr. NEAL of Massachusetts.
Mr. EDWARDS of California.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 23. Joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, and November 22, 1992, as "National Family Week."

ADJOURNMENT

Mr. TAYLOR of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, September 26, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2130. A letter from the Commissioner, Rehabilitation Services Administration, transmitting a report on the accomplishments of the supported employment programs for fiscal year 1990, pursuant to 29 U.S.C. 777a; to the Committee on Education and Labor.

2131. A letter from the Secretary of Education, transmitting a copy of final regulations for the Guaranteed Student Loan and Plus Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2132. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the annual report on royalty management and delinquent account collection activities for Federal and Indian mineral leases during fiscal years 1989 and 1990, pursuant to 30 U.S.C. 237; to the Committee on Interior and Insular Affairs.

2133. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior; transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2134. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior; transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2135. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend subsection 31(e) of the Mineral Leasing Act, and for other purposes; to the Committe on Interior and Insular Affairs.

2136. A letter from the National Treasurer, Gold Star Wives of America, transmitting activities of the Corporation for the period ending June 30, 1991, pursuant to 36 U.S.C. 1611; to the Committee on the Judiciary.

2137. A letter from the Secretary of Energy, transmitting the 12th annual report on the use of alcohol in fuels; to the Committee on Ways and Means.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ASPIN: Committee on Armed Services. H.R. 3039. A bill to reauthorize the Defense Production Act of 1950, and for other purposes; with amendments; referred to the Committee on Government Operations for a period ending not later than September 26, 1991 for consideration of such provisions of the bill and amendment recommended by the Committee on Banking, Finance and Urban Affairs as fall within the jurisdiction of that committee pursuant to clause 1(j), rule X (Rept. 102–208, Pt. 2). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X the following action was taken by the Speaker:

H.R. 534. Referral to the Committee on Ways and Means extended for a period ending not later than October 18, 1991.

H.R. 2837. Referral to the Committees on Education and Labor and Ways and Means extended for a period ending not later than October 18, 1991.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRANK of Massachusetts (for himself, Mr. STARK, Mr. TOWNS, Mr. DELLUMS, Mr. ROSE, Mr. MOAKLEY, Mr. DICKS, Mr. BROWN, Mr. SMITH of Florida, Mr. EVANS, Mr. HUGHES, Mr. CONYERS, Mr. BERMAN, Mr. EDWARDS of California, Mr. BUSTAMANTE, Mr. FEIGHAN, Mr. MATSUI, Mrs. SCHROEDER, Mr. OWENS of Utah, Mr. OWENS of New York, Mr. CLAY, and Mr. HOYER):

H.R. 3407.. A bill to amend chapter 171 of title 28, United States Code, to allow claims against the United States under that chapter for damages arising from certain negligent medical care provided members of the Armed Forces; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 3408. A bill to amend the Consolidated Farm and Rural Development Act to lengthen the period in which a Governor or Indian Tribal Council may request the Secretary of Agriculture to determine that a natural disaster has occurred; to the Committee on Agriculture.

By Mr. FASCELL (for himself, Mr. Broomfield, and Mr. Berman):

H.R. 3409. A bill to prevent the proliferation of biological and chemical weapons; jointly, to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, Public Works and Transportation, and Ways and Means.

By Mrs. KENNELLY (for herself and Mr. Gejdenson):

H.R. 3410. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to improve access to, and the affordability of, health care in the United States today; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BARRETT:

H.R. 3411. A bill to amend the Higher Education Act of 1965 to preclude the consideration of nonliquid assets in the determination of Federal student financial assistance; to the Committee on Education and Labor.

By Mr. BORSKI:

H.R. 3412. A bill to provide an 8 percent pay increase for General Schedule employees within the Philadelphia-Wilmington-Trenton PA-NJ-DE-MD Consolidation Metropolitan Statistical Area; to the Committee on Post Office and Civil Service.

By Mr. DeFAZIO (for himself, Mr. Vento, Mr. AuCoin, Mr. McDermott, and Mrs. Unsoeld):

H.R. 3413. A bill to authorize the States to impose an export tax on unprocessed timber from private lands, to allow a credit against income taxes for domestically processed timber, and for other purposes; jointly, to the Committees on the Judiciary Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Education and Labor, and Foreign Affairs.

By Mr. OLIN (for himself, Mr. Volkmer, and Mr. Morrison):

H.R. 3414. A bill to amend the National Forest management Act of 1976 to require the Secretary of Agriculture to proceed with a timber sale on National Forest System lands only if an estimate of the revenues to be obtained by the Federal Government from the sale exceed the costs to be incurred by the Federal Government and to ensure that annual revenues exceed annual costs for each unit of the National Forest System; to the Committee on Agriculture.

By Mr. SKELTON:

H.R. 3415. A bill to amend the Federal Credit Reform Act of 1990 to exempt the disaster loan program of the Small Business Administration from its provisions; jointly, to the Committees on Small Business and Government Operations.

By Mr. THOMAS of Wyoming;

H.R. 3416. A bill to amend the Uniform Time Act of 1966 to alter the time period for daylight savings time; to the Committee on Energy and Commerce.

H.R. 3417. A bill to amend the Internal Revenue Code of 1986 to provide for a 50 percent-of-occupancy rule with respect to the valuation of seats on corporate aircraft on legitimate business flight when those seats would have otherwise gone unoccupied; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 3418. A bill to regulate fishing and other maritime activities in certain waters of Alaska, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. MAVROULES (for himself, Mrs. Johnson of Connecticut, Ms. DeLauro, Mr. Zeliff, Mr. Kennedy, Mr. Shays, Mr. Neal of Massachusetts, Mr. Olver, Mr. Frank of Massachusetts, Mr. Donnelly, Mr. Machtley, Mr. Andrews of Maine, Mr. Atkins, Mr. Swett, Mr. Gejdenson, Mr. Franks of Connecticut, and Mr. Reed):

H.R. 3419. A bill to authorize the Small Business Administration to participate in the purchase of eligible securities issued by qualified commercial banks or qualified mutual savings banks; jointly, to the Committees on Small Business and Banking, Finance and Urban Affairs.

By Mr. SCHUMER:

H.J. Resolution 336. Joint resolution designating August 10 through August 16, 1992, as "National Parents of Murdered Children Week"; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD (for himself, Mr. Fascell, Mr. Gilman, and Mr. Yatron:

H. Con. Res. 209. Concurrent resolution congratulating the Government and people of Greece, and the municipal government and the people of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens; to the Committee on Foreign Affairs.

By Mr. FASCELL (for himself, and Mr. Broomfield):

H. Res. 229. Resolution commending the U.S. Arms Control and Disarmament Agency, its current and former employees, on the 30th anniversary of the establishment of that agency; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. Hansen.

H.R. 74: Mr. Vander Jagt, Mr. Smith of Texas, Mr. Boucher, Mr. Horton, Mr. Houghton, and Mr. Sawyer.

H.R. 187: Mr. Nagle, Mr. Annunzio, Mr. Reed, and Ms. Slaughter of New York.

H.R. 213: Mr. Moody.

H.R. 251: Mr. Edwards of California and Mr. Yates.

H.R. 252: Mr. Wolpe and Mr. Hughes.

H.R. 261: Mr. Shays, Mr. Kopetski, Mr. Swift, Mr. Anthony, Mr. Sangmeister, Mr. Aspin, Mr. Weldon, Mr. Slattery, Mr. Pursell, Mr. Bonior, Mr. McCloskey, and Mr. Washington.

H.R. 413: Mr. Rowland, Ms. Horn, Mr. Nowak, Mr. Chandler, Mr. Wilson, Mr. Huckaby, Mr. Hutto, Mr. McMillen of Maryland, Mr. Cooper, Mr. Livingston, Mr. Smith of Oregon, and Mr. Lantos.

H.R. 560: Mr. Peterson of Florida, Mr. Yates, Mr. Serrano, and Mr. Martinez.

H.R. 565: Mr. Campbell of Colorado and Mr. Parker.

H.R. 608: Mr. Ravenel, Mr. Gingrich, Mr. Perkins, Mr. Darden, Mr. Tauzin, Mr. Applegate, and Mr. Synar.

H.R. 856: Mr. Pallone and Mr. Schumer.

H.R. 906: Mr. Mineta, Mr. Johnson of South Dakota, and Mr. Condit.

H.R. 907: Mr. Riggs.

H.R. 917: Mr. Conyers, Mr. Lehman of Florida, Mr. Petri, Mr. Borski, Mr. Glickman, Mr. Ewing, Mr. Hansen, Mr. Neal of Massachusetts, Mr. Coughlin, Mr. Parker, Mr. Vento, Mr. Duncan, Mr. Rogers, Mr. Weiss, Mr. Marlenee, Mr. Smith of Oregon, Mr. Edwards of Oklahoma, Mrs. Lowey of New York, Ms. Pelosi, Mr. Campbell of California, and Mr. Cunningham.

H.R. 1197: Mr. Andrews of Maine, Mr. Bacchus, and Mr. Jefferson.

H.R. 1199: Mr. Kostmayer.

H.R. 1239: Mr. Traficant, Mr. Sisisky, Mr. Horton, and Mr. Neal of North Carolina.

H.R. 1293: Mr. Johnson of South Dakota and Mrs. Roukema.

H.R. 1305: Mr. Oberstar.

H.R. 1346: Mr. Roemer.

H.R. 1360: Mr. Neal of North Carolina.

H.R. 1367: Mr. Green of New York.

H.R. 1398: Mr. Johnston of Florida.

H.R. 1414: Mr. Flake And Mr. Scheuer.

H.R. 1446: Mr. Berman.

H.R. 1483: Mr. Sangmeister.

H.R. 1547: Mr. Condit.

H.R. 1602: Mr. Sarpalius and Ms. Pelosi.

H.R. 1628: Mr. Barrett, Mr. Cardin, Mr. Taylor of North Carolina, Mr. Leach, Mr. Hoagland, Mr. Kostmayer, Mr. Blaz, Mr. Jontz, Mr. Dingell, and Mr. Conyers.

H.R. 1643: Mr. LaFalce.

H.R. 1745: Mr. Peterson of Florida.

H.R. 1774: Mr. Vento and Mr. Richardson.

H.R. 1777: Ms. Norton.

H.R. 1969: Mr. Porter, Mr. Torricelli, and Mrs. Patterson.

H.R. 2012: Mr. Hughes, Mr. Bruce, and Mr. Spence.

H.R. 2056: Mr. Kopetski and Ms. Snowe.

H.R. 2092: Mr. Evans, Mrs. Boxer, and Mr. Vento.

H.R. 2106: Mr. Price, Mr. Brown, Mr. Neal of Massachusetts, Mrs. Unsoeld, and Mr. Payne of New Jersey.

H.R. 2149: Mr. McEwen, Mr. Feighan, Mr. Espy, Mr. Slaughter of Virginia, Mr. Valentine, and Mr. Shays.

H.R. 2248: Mr. Spence and Mr. Chapman.

H.R. 2330: Mr. Frost.

H.R. 2385: Mr. Bereuter and Mr. Hutto.

H.R. 2390: Mr. Cooper.

H.R. 2528: Mr. Sensenbrenner, Mr. Franks of Connecticut, Mr. Zimmer, Mr. Lewis of Florida, Mr. Gillmor, Mr. Hastert, Mr. McMillan of North Carolina, Mr. Packard, Mr. Lagomarsino, Mr. Duncan, Mr. Smith of Oregon, Mr. Hammerschmidt, Mr. Herger, Mrs. Meyers of Kansas, Mr. Hobson, Mr. Clinger, and Mr. Lowery of California.

H.R. 2645: Mr. Payne of Virginia.

H.R. 2672: Mr. Neal of North Carolina.

H.R. 2767: Mr. Hughes and Mrs. Roukema.

H.R. 2782: Mr. Vento and Ms. Pelosi.

H.R. 2817: Mr. Neal of North Carolina.

H.R. 2860: Mr. Lancaster.

H.R. 2863: Mr. Armey.

H.R. 2876: Mr. Solomon.

H.R. 2890: Mr. Kolter, Mr. Boehlert, Mr. Lagomarsino, Mr. Lewis of California, Mr. Ravenel, and Mr. Ireland.

H.R. 2929: Mr. Jefferson, Mr. Levin of Michigan, Mr. Poshard, Mr. Roe, Ms. Norton, Mr. Bruce, Mr. Matsui, Mr. Dymally, Mr. Sikorski, Mr. Jones of Georgia, Mr. Hayes of Illinois, Mr. Neal of North Carolina, Mr. Gordon, Mr. Mfume, Mr. Bilbray, Mr. Espy, Mr. Studds, Mr. Towns, Mr. Dwyer of New Jersey, Mr. Conyers, and Mr. McMillen of Maryland.

H.R. 2936: Mr. Ravenel, Mr. Thornton, Mr. Olver, Mr. McHugh, Mr. Kopetski, Mr. Stallings, Mr. Nagle, Mr. Aspin, and Mr. Mineta.

H.R. 2958: Mr. Armey.

H.R. 3049: Mr. Skaggs.

H.R. 3070: Mr. Pease, Ms. DeLauro, Mr. Allard, Mr. Dooley, Mr. Bereuter, Mrs. Morella, Mrs. Patterson, Mr. Derrick, Ms. Ros-Lehtinen, Mr. LaRocco, Mr. Johnson of

South Dakota, Mr. DYMALLY, Mr. OWENS of New York, Mr. HOCHBRUECKNER, Mr. ATKINS, Mr. HATCHER, Mr. McHUGH, Mr. LEWIS of Georgia, Mr. PETERSON of Florida, Mr. CUNNINGHAM, Mr. TALLON, Mr. SWETT, Mr. HOLLOWAY, Mr. PICKLE, and Mr. DIXON.

H.R. 3071: Mr. ROSE.

H.R. 3107 Mr. CONYERS, Mr. ESPY, Mr. HAYES of Illinois, Ms. LONG, Mr. MFUME, Ms. NORTON, Mr. SAVAGE, Mr. SHARP, Mr. WASHINGTON, and Ms. WATERS.

H.R. 3122: Mr. SMITH of Texas.

H.R. 3143: Mr. MARTINEZ and Mr. PAYNE of Virginia.

H.R. 3176: Mr. YATES.

H.R. 3216: Mr. CLEMENT, Mr. MARTIN, Mr. NICHOLS, Mr. QUILLEN, Mr. TAUZIN, Mr. HANSEN, Mr. STUMP, Mr. SUNDQUIST, Mr. THOMAS of California, Mr. HAMMERSCHMIDT, Mr. DANNEMEYER, Mr. OXLEY, Mr. VANDER JAGT, Mr. INHOFE, Mr. TAYLOR of Mississippi, Mr. YOUNG of Alaska, Mr. BALLENGER, Mr. HUNTER, Mr. DORNAN of California, Mr. MICHEL, Mr. RIDGE, Mr. RHODES, Mr. CONDIT, Mrs. BENTLEY, Mr. HATCHER, Mr. BROWN, Mr. JONES of North Carolina, Mr. MOORHEAD, Mr. SPENCE, Mr. PAXON, Mr. WEBER, Mr. BREWSTER, Mr. LEWIS of Florida, Mr. ANTHONY, Mr. KASICH, Mr. WALKER, Mr. GILLMOR, Mr. GINGRICH, Mr. FIELDS, Mr. HOUGHTON, Mr. MARLENEE, Mr. SMITH of Oregon, Mr. ENGLISH, Mr. HUCKABY, Mr. VOLKMER, Mr. PENNY, Mr. WALSH, Mr. CAMP, Mr. ALLARD, Mr. NUSSLE, Ms. LONG, Mr. SARPALIUS, Mr. ESPY, Mr. TALLON, Mr. GUNDERSON, Mr. COMBEST, Mr. SKEEN, Mr. HOBSON, Mr. KYL, Mr. LIGHTFOOT, Mr. IRELAND, Mr. HEFLEY, Mrs. VUCANOVICH, Mr. McCRERY, Mr. BARTON of Texas, Mr. DeLAY, Mr. DUNCAN, Mr. COBLE, Mr. BATEMAN, Mr. GILCHREST, Mr. ARMEY, Mr. GRANDY, Mr. HANCOCK, Mr. HAYES of Louisiana, Mr. BAKER, Mr. THOMAS of Wyoming, Mr. ROGERS, and Mr. EDWARDS of Oklahoma.

H.R. 3236: Mr. DWYER of New Jersey.

H.R. 3282: Mr. JONES of North Carolina, Mr. DAVIS, Mr. ACKERMAN, Mr. SISISKY, Mrs. BENTLEY, Mr. SCHAEFER, Mr. PICKETT, Mr. SCHIFF, Mr. YATRON, Mr. BUSTAMANTE, Mr. VANDER JAGT, Mr. TRAFICANT, Mr. PETERSON of Minnesota, Mr. DUNCAN, Mr. PALLONE, Mr. DONNELLY, Mr. APPLEGATE, and Mr. RAVENEL.

H.R. 3313: Mr. DORNAN of California, Mr. TRAXLER, Mr. BEREUTER, Mr. SMITH of New Jersey, Mr. CRANE, Mr. GUARINI, and Mr. CHANDLER.

H.R. 3314. Mr. PAYNE of Virginia, Mr. KOLTER, Mr. FAZIO, Mr. JOHNSON of South Dakota, Mr. VENTO, and Mr. NEAL of Massachusetts.

H.R. 3344: Mr. SABO and Ms. SLAUGHTER of New York.

H.R. 3372: Mr. PENNY and Ms. WATERS.

H.R. 3400: Mr. ZELIFF, Mr. WALKER, Mr. RHODES, Mr. LIGHTFOOT, Mr. LAGOMARSINO, Mr. GINGRICH, Mr. KLUG, and Mr. DREIER of California.

H.J. Res. 67: Mr. LEVINE of California, Mr. GEREN of Texas, and Mr. ASPIN.

H.J. Res. 123: Mr. MOODY, Mr. LEWIS of California, Mr. CARDIN, Mr. BLAZ, Mr. STENHOLM, and Mrs. BENTLEY.

H.J. Res. 177: Mr. KOSTMAYER, Ms. LONG, Mr. COUGHLIN, Mr. SISISKY, Mr. WEBER, Mr. STARK, Mr. RUSSO, Mr. MARTINEZ, Mrs. MEYERS of Kansas, Mr. HUBBARD, Mr. GEKAS, Mr. ASPIN, and Mr. DINGELL.

H.J. Res. 189: Mr. ATKINS, Mrs. BENTLEY, Mr. BEVILL, Mr. McCOLLUM, Mr. DeLAY, Mr. DICKS, Mr. EVANS, Mr. IRELAND, Mr. LEHMAN of Florida, Mr. MANTON, Mr. NEAL of North Carolina, Mr. SMITH of New Jersey, Mr. SLAUGHTER of Virginia, Mr. SABO, Mrs. MORELLA, Mrs. COLLINS of Illinois, Mr. JACOBS, Mr. SCHAEFER, Mr. PICKETT, Mr. MOORHEAD, Mr. KILDEE, Mr. LAUGHLIN, Mr. DOWNEY, Mr. SCHIFF, Mr. SARPALIUS, Mr. KOLTER, Mr. HUTTO, Mr. TANNER, Mr. CONYERS, Mr. RUSSO, and Mr. COUGHLIN.

H.J. Res. 232: Mr. JEFFERSON and Mr. SMITH of Florida.

H.J. Res. 261: Mr. BUSTAMANTE, Mr. ESPY, Mr. EVANS, Mr. JOHNSON of South Dakota, Mr. JONES of Georgia, Mr. KILDEE, Mr. LEACH, Mr. McHUGH, Mr. McMILLEN of Maryland, Mr. ROSE, Mr. SANDERS, Mr. SHAYS, Mr. SYNAR, Mr. TRAXLER, Mrs. UNSOELD, and Mr. ZIMMER.

H.J. Res. 271: Mr. LEWIS of California, Mr. OBEY, Mr. MOODY, Mr. McHUGH, and Mr. DIXON.

H.J. Res. 284: Mr. HUTTO, Mr. CARDIN, Mr. DOWNEY, Mr. DAVIS, Mr. DOOLITTLE, and Mr. GALLO.

H.J. Res. 321: Mr. de la GARZA, Mr. de LUGO, Mr. DICKS, Mr. DIXON, Mr. ECKART, Mr. ENGEL, Mr. HERTEL, Mr. HUGHES, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. MRAZEK, Mrs. ROUKEMA, and Mr. SLATTERY.

H.J. Res. 324: Mr. WYLIE, Ms. OAKAR, Mr. McEWEN, Mr. EMERSON, Mr. LAUGHLIN, and Mr. MARTINEZ.

H.J. Res. 325: Mr. JONES of Georgia, Mr. RINALDO, Mr. HUBBARD, Mr. ORTIZ, Mr. STUMP, Mr. CONDIT, Mr. ANNUNZIO, Mr. LEWIS of Florida, Mr. THOMAS of California, Mr. HAMMERSCHMIDT, Mr. ARMEY, Mr. SCHAEFER, Mr. HENRY, Mr. EARLY, Mr. MOAKLEY, Mr. LaROCCO, Ms. HORN, Mr. ANTHONY, Mr. BROWN, Mr. FRANKS of Connecticut, Mr. WYLIE, Mr. COSTELLO, Mr. LIGHTFOOT, Mr. MILLER of Washington, Mr. TAYLOR of Mississippi, and Mr. EDWARDS of Oklahoma.

H. Con. Res. 107: Mr. SHAW.

H. Con. Res. 156: Mr. HUGHES, Mr. EVANS, Mr. NEAL of North Carolina, Mr. STUDDS, Ms. SLAUGHTER of New York, Mrs. UNSOELD, and Ms. SNOWE.

H. Con. Res. 163: Mr. YOUNG of Florida.

H. Con. Res. 177: Mr. McCLOSKEY.

H. Con. Res. 192: Mr. BARRETT, Mr. BOEHNER, Mr. BARNARD, Mr. WALSH, Mr. THOMAS of California, and Mr. LUKEN.

H. Con. Res. 208: Mr. CALLAHAN and Mr. DICKINSON.

H. Res. 108: Mr. SMITH of New Jersey, Mr. STENHOLM, Mr. COX of California, and Mr. McMILLAN of North Carolina.

H. Res. 115: Mr. BROWN, Mr. FISH, and Ms. HORN.

H. Res. 224: Mr. STUMP, Mrs. MEYERS of Kansas, Mr. SHAYS, Mr. BILBRAY, Mr. JOHNSTON of Florida, Mr. COBLE, Mr. LUKEN, Mr. MARTIN, Mr. ROTH, and Mr. GUARINI.

SENATE—*Wednesday, September 25, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *ye shall know the truth, and the truth shall make you free.*—John 8:32.

Eternal God, true and righteous in all Your ways, forgive us when we subordinate truth to expediency or convenience, and help us all to realize that error is destructive, truth is redemptive.

We pray today for the press and media. Thank You for their hard work, the risks they often take, and the availability of their product every minute of every day. Thank You for a free press. We accept the policy of adversarial journalism—but deliver them from preoccupation with digging for dirt. We thank You for their zeal to inform, and we pray that You will save them from sacrificing truth for bylines and facts for opinion.

Gracious Father, forgive us for our too easy, unfair criticism of the fourth estate. Help them to be aware of their responsibility and opportunity to influence leadership and people in constructive ways for a better world. Grant them grace to comprehend their enormous power for good or evil—to heal alienation or to create it. Grant that truth will be their motivation, not personal vendettas. Encourage and guide them in their indispensable role for a strong and free America.

In His name who is Truth incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 25, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERREY thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Missouri is recognized.

SUPPORT FOR CLARENCE THOMAS

Mr. DANFORTH. Mr. President, I am pleased to note that yesterday at least four Members of the Senate announced their intention to vote in favor of the nomination of Clarence Thomas for the U.S. Supreme Court. On the Republican side, Senator GORTON and Senator KASSEBAUM both came to the floor of the Senate and announced their intended vote for Judge Thomas. On the Democratic side, in their home States, Senator SAM NUNN, of Georgia, and Senator HARRY REID, of Nevada, both stated their intention to vote for Judge Thomas.

It is good news, indeed, that support in the Senate is building for such an admirable and well qualified nominee for the U.S. Supreme Court. I look forward to later in the week when the Judiciary Committee is expected to vote on the nomination and then, hopefully in a week or so, the issue will come onto the floor of the Senate and we will have the opportunity at that time to vote on the Thomas confirmation.

CIVIL RIGHTS LEGISLATION

Mr. DANFORTH. Mr. President, on a different subject, yesterday seven Republican Members of the Senate introduced S. 1745, which is the most recent and final version of the proposed civil rights legislation.

We are ready for floor action on that bill. We have spent a year-and-a-half making every effort to come to an accommodation with the President on the civil rights issue. Obviously, it would be better to have White House approval for the bill than White House opposition to the bill. I regret to say that despite herculean efforts to reach an accommodation with the White House, that effort has failed.

We introduced on June 4 a package of bills that were designed to be balanced and to split the difference between where the White House was last year and where Congress was last year. Then we entered into lengthy negotiations and made 22 different changes in the legislation to accommodate the administration. All of that failed. So we really have no alternative now but to go to the floor of the Senate, hopefully in the near future, to pass a bill. Unfortunately, it will almost certainly come to the question of whether or not we have the votes to override a Presidential veto.

I want to state to the Senate that the major issue before us is a very profound issue and a philosophical issue. We have been hearing lawyers talk for so long that it is easy to mistake the civil rights question as being merely a matter of wording or something that can be solved by fine tuning the phraseology of legislation. I wish that were the case, Mr. President. Believe me, if that were the case, we would have solved this problem a year ago.

But the difference is not simply verbiage and the difference is not simply legalistic. It is a narrow difference but a very deep difference. And it has to do with whether an employer can use selection criteria, that is hiring or promotion criteria, which have the practical effect of screening women or minorities from jobs but which have no relationship to the ability of an employee to do the job.

This is an issue that has already been resolved. It was resolved by the U.S. Supreme Court in 1971 in the case called Griggs versus the Duke Power Company. That case, unfortunately, was overruled by the Supreme Court in 1989 which put us in our present quandry.

Last year, the Congress overwhelmingly passed the Americans With Disabilities Act, and the President in a Rose Garden ceremony with much fanfare signed the ADA into law. The Americans with Disabilities Act provides, among other things, that selection criteria which have the effect of screening out the disabled must be related to the ability of an employee to perform the job. That is precisely the same issue that will be before the Senate as early as next week. Should the same standard which applies to the disabled apply to blacks and women and

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Hispanics and other minorities? Or should a tougher standard, as far as the disadvantaged groups are concerned, apply to women and minorities than apply to the disabled?

We decided in the Americans with Disabilities Act, for example, that height and weight requirements which screen out the disabled cannot be used if those people are able to perform the job. How can we argue that the same standards should not apply to blacks or to women? Why should it be right to screen out women from job opportunities when under the ADA, an employer cannot screen out disabled people? That is the issue before us.

Mr. President, I want to state finally that this is not a quota issue. Unfortunately, the White House in its statement yesterday used the word "quota" three times in four lines of print to describe the bill. I had hoped to avoid a contentious battle on the floor of the Senate because I think race politics is not only bad for my political party, I believe it is bad for the country. We have been unable to do that. I am sorry that yet again this word "quota" is being bandied about wrongly as a way to try to characterize this legislation.

Mr. PRESSLER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

JUDGE CLARENCE THOMAS

Mr. PRESSLER. Mr. President, I rise today to state that I shall vote to confirm the nomination of Judge Clarence Thomas to serve on the U.S. Supreme Court. I have known Clarence Thomas since the time he worked for Senator DANFORTH. In fact, my wife and he have been friends since those days, and I feel that I know him. I respect him and admire him.

The conformation of Supreme Court nominees has become a political football. The way the Senate does its work on these confirmation hearings greatly troubles me. Public witch hunts are conducted to find some little flaw in the nominee's background that can be blown out of proportion. No such flaw was found in Judge Thomas' background.

It has been my philosophy that a President, generally speaking, deserves to have his judicial nominees confirmed. I stood in this Chamber when Jimmy Carter was President and announced I would vote to confirm Abner Mikva for the Court of Appeals. We had a great battle over his confirmation. He is now a Court of Appeals judge. During his confirmation, the battle was over his stand on certain issues. At that time, the Democrats were in control of the White House and of the Senate. The Republicans wanted to ask him certain questions about gun control. Judge Mikva said he would have to weigh the issues of each case and make his decision. I voted for him because I felt the President of the United States deserved his man, barring some ethical problem.

It is my general philosophy that the people of the United States elect the President with the understanding that he is going to appoint judges sharing his philosophy. Our system works to provide our people with a balance in government. Presently, they have elected a Democratic Congress and a Republican President. Over time, they swing back and forth.

Arthur Schlesinger has written about this swing back and forth between the two parties that occurs periodically in American political history. Somehow we are blessed, we are lucky enough to have a system that provides for changes in popular sentiment. I have just returned from a trip to some of the Republics of the Soviet Union and other countries where they do not have a political system where the people are lucky enough, wise enough, or blessed enough by the Almighty to have this swing back and forth to accommodate change in popular sentiment.

In any event, soon we will vote on the nomination of Judge Clarence Thomas. I shall vote for him. I do not know if he is going to be as conservative a judge as everybody says. In fact, he may serve 30 years and turn out to be a liberal judge before he is done.

Hugo Black, who was a former member of the Ku Klux Klan, had a fairly conservative voting record in this Chamber. I remember sitting in a class at Harvard law school and one of the professors, having seen Justice Black on television the night before with the Constitution in his hands, said what a great Justice Hugo Black would be. He said he liked a liberal interpretation—what we call liberal nowadays; it used to be conservative—of the Constitution. He noted what a great transition Judge Black had made from his days as a member of the Ku Klux Klan to the present.

There are no analogies here. My point is once a judge gets on the bench, he is there for life and he might rule any number of ways. I think we should be careful not to characterize judges so closely on a philosophical basis. I hope that Members of the Senate would not vote against him on a philosophical or partisan basis. I believe Supreme Court nominations are too important for that.

Mr. President, I shall vote with pride to confirm the nomination of Judge Clarence Thomas to serve as an Associate Justice on the Supreme Court of the United States. I yield the floor.

Mr. DIXON. Mr. President, I understand that morning business concludes at 10 a.m. May I have unanimous consent to proceed in morning business for a brief period of time that will not be in excess of 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOMINATION OF CLARENCE THOMAS

Mr. DIXON. Mr. President, may I first say that I congratulate my friend, the senior Senator from South Dakota, on his remarks.

While I have not yet announced and will not announce what I intend to do in respect to the Clarence Thomas confirmation vote in the Senate, I think my colleague is correct in observing that what a Justice may do on the Supreme Court is not really known to us. I would think that Judge Thomas' testimony indicates he is not the dedicated conservative some may suspect.

I really do share the view of my friend from South Dakota that should Mr. Thomas be confirmed for a position on the U.S. Supreme Court, he might surprise a good many people in the administration with respect to a good many of the decisions he will render. I predicate some of that upon the information I have received evaluating this judge by Chief Justice Abner Mikva, who is an old friend of mine that I served with in the Illinois legislature and the Congress, who has indicated to me in private conversations that he believes this judge has a broader view than some in the administration might suspect.

I thank my friend from South Dakota.

(The remarks of Mr. DIXON pertaining to the submission of Senate Resolution 184 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. DIXON. Mr. President, I yield back my time.

AM RADIO STEREO STANDARDS

Mr. PRESSLER. Mr. President, recently I introduced S. 1101, the AM Radio Improvement Act. This legislation would direct the Federal Communications Commission [FCC] to initiate a rulemaking for the adoption of AM stereo radio transmission equipment standards. Many radio broadcasters, equipment producers, the top radio industry commentators, and I believe that such action by the FCC is long overdue.

While the technology for stations to broadcast in AM stereo exists, not many broadcasters do so. With the current recession, many broadcasters cannot afford to invest in the necessary AM stereo technology in the absence of a national standard.

The FCC decided in 1981 not to choose a standard AM stereo system. Their assumption was that the marketplace would quickly make that decision. The market, however, has failed to decide between competing systems. This has left consumers, equipment producers, and broadcasters in limbo. It is important for the FCC to prevent further confusion in this area by taking action now.

Earlier this summer, Japan abandoned its policy of allowing the marketplace to decide on one system and adopted a national AM stereo radio transmission equipment standard. Japan joins Canada, Australia, Mexico, and Brazil in having adopted a national AM stereo standard. In addition, the United Kingdom currently is conducting its own government standards testing. It is time for America to take similar action.

I would like to bring to the attention of our colleagues an article and editorial that recently appeared in the radio industry's most respected journal, Radio World. In their lead editorial, the Radio World editors state quite simply that—

> (Broadcasters) are looking to the FCC for an official statement. it's time the U.S. joined the ranks of the other nations that have backed a single standard. AM Stereo may not save the band, but without a national standard, broadcasters are seeing a potential enhancement of the AM service slip through their fingers.

I ask unanimous consent that these articles be placed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Radio World, July 24, 1991]

NEW AM STEREO BILL INTRODUCED

(By John Gatski)

WASHINGTON.—Citing a need to boost AM quality in rural areas such as his home state of South Dakota, Sen. Larry Pressler (R-S.D.) has proposed a bill that would require the FCC to select an AM stereo standard.

If approved, the bill would require the FCC to initiate a rulemaking to select an AM stereo standard within 60 days. The Commission would then have to enact the standard within 180 days.

Although the bill does not specify either Motorola's C-QUAM or Leonard Kahn's ISB system, Pressler's recent statement on the bill indicated that C-QUAM is the strongest contender for selection as a standard.

The C-QUAM system is used by the majority of those U.S. stations that broadcast in AM stereo. Pressler also pointed to Japan's recent selection of C-QUAM as an example of the Motorola system's popularity.

DO AS JAPAN DOES

"One only needs to look at Japan to understand how much this legislation is needed here. The Post Ministry of Japan decided to abandon its policy of allowing the marketplace to settle on one system and adopt . . . Motorola's C-QUAM. This decision will provide uniform AM stereo throughout Japan. America needs to act now to avoid falling further behind in the development of AM stereo."

In 1981, the FCC declined to select an AM stereo standard, believing that it was better left to the marketplace. According to industry analysts, the marketplace has not been kind to AM stereo for several reasons, including the FCC's hands-off policy, the band's inferior fidelity when compared to FM, and lack of AM stereo receivers. Today, only 30 percent of AMs are broadcasting in stereo.

Pressler put heavy emphasis on the FCC's decision to let an AM stereo standard emerge from the marketplace. "The inability of the market to decide between competing systems has left consumers, equipment producers and broadcasters in limbo," he said. "It is important for the FCC to prevent further confusion in this area by taking action now."

The senator stressed that rural states such as South Dakota have numerous AMs, and these stations stick with the band because of its greater transmission distance.

"The thousands of farmers and ranchers in rural South Dakota, many of whom are without AM stereo, want to receive better quality sound. AM stereo is the solution because it can broadcast greater distances than FM stereo."

At a meeting with members of the press June 21, FCC Chairman Al Sikes disagreed with the notion that the lack of a standard has left AM stereo at a standstill in the U.S. He maintained that broadcasters and receiver manufacturers have already demonstrated a preference for one system over the other.

Sikes said that if he had been on the Commission when AM stereo was first being considered, he "would have moved to set a standard," acknowledging that the FCC's inaction may have "set back the cause of AM stereo." However, he added that reopening the issue "would be to raise a question where no question today exists."

HERE WE GO AGAIN

The Pressler bill was introduced with little fanfare and discussion (the NAB declined to even comment on the matter). Legislation has been introduced in the past to require an AM stereo standard, but such bills have usually gotten lost among other, higher-profile legislation.

One bill, introduced by Rep. Matthew Rinaldo in 1989 would have required AM stereo in FM stereo-equipped receivers; but again, the bill did not specify which system should be the standard.

A spokesman for Rinaldo's office said the bill has not been resurrected in Congress because stereo is likely to be addressed in the FCC's pending AM improvement package.

The Commission's AM action will take into account a multitude of problems that AM has faced in recent years, not just lack of a stereo standard, according to the FCC.

Those problems include bandcrowding—which has led to narrower receiver bandwidths and poorer sound quality—as well as continuing problems with electrical interference and a public perception that the band is inherently inferior to FM.

Some AM stations in Pressler's home state said even if a standard is selected, it may be a long time before they benefit from a move to stereo.

Acknowledging the better quality of AM stereo, Jim Lowe, GM at KSOO in Sioux Falls, South Dakota, tempered his optimism with economic reality. He said stations still have to purchase stereo equipment, taking a large bite out of a station that may be barely surviving.

The overall economic health of AMs is not as good as FMs, according to NAB surveys. Fewer of them turn a profit, and are therefore less likely than their FM counterparts to invest in new equipment immediately.

Lowe also pointed out that in rural, less affluent areas such as South Dakota, AM listeners are less likely to plunk down extra money for an AM stereo-equipped receiver or drive an expensive car that has one.

AM stereo equipment manufacturers, who were not overtly optimistic because similar legislation has been introduced before, said they would like to see the U.S. finally adopt a standard.

"We are the only country (that has taken a position on AM stereo) to take a free market approach, and we wonder why it has failed," Broadcast Electronics' Manager of Product Management Bill Harland said.

[From Radio World, July 24, 1991]

EMBRACING AM STEREO

AM stereo has a new champion in Congress, whose efforts may finally force the FCC to take an official stand on the technology.

South Dakota Senator Larry Pressler recently introduced a bill that would require the FCC to select an AM stereo standard within 180 days of approval of the legislation.

Pressler's reasoning for proposing the bill is simple: For his constituents, the AM band is a vital link with the world beyond their farms, and improved sound quality in AM is still significant to them.

While that point is not lost on FCC Chairman Al Sikes, his off-the-cuff remarks about AM stereo have shown that he feels an FCC-approved standard is unnecessary.

According to Sikes—who as administrator of the National Telecommunications and Information Administration decreed that AM stereo already had a "de facto" standard—manufacturers and broadcasters have stated their preference for one of the two competing systems.

True, most of those broadcasters willing to go out on a limb to support a new technology have chosen Motorola's C-QUAM over Kahn's ISB system. But those pioneers represent a mere handful of the total number of AM broadcaster.

The remaining stations are not fence-sitting because they see no benefit in AM stereo. To the contrary, many more would probably adopt the technology if they were certain that the direction they chose was federally mandated.

The fact is, implementing an AM stereo system is a costly proposition for broadcasters who are already suffering from declining revenues; without a standard, the financial risk may seem too great.

As for receiver manufacturers, it is true that a few companies have introduced AM stereo radios, most of which decode only the C-QUAM system. But these firms will not spend the promotional dollars needed to launch an effective marketing campaign for a technology that still has a vocal competitor on the sidelines.

Broadcasters are still interested in AM stereo. But it will take more than a minority to make AM stereo a success, and the majority are looking to the FCC for an official statement.

It's time the U.S. joined the ranks of the other nations that have backed a single standard. AM stereo may not save the band, but without a national standard, broadcasters are seeing a potential enhancement of the AM service slip through their fingers.

THE KRALICEKS' BUFFALO

Mr. PRESSLER. Mr. President, for some months now I have been engaged in an effort to have our Food and Drug Administration adjust its rules to permit wider commercial distribution of buffalo meat. In this regard, I noticed two recent newspaper articles from the

Yankton Press & Dakotan and the Sioux City Journal which discuss the increasing interest in buffalo.

On a personal note, the articles also profile the Kralicek families near Yankton, SD. Let me say, Mr. President, I have sat at Dorothy Kralicek's kitchen table and feasted on meals that included her now famous buffalo dishes, along with healthy quantities of her homegrown corn, potatoes, jams, and breads. I can attest to the delicious taste of buffalo meat dishes, and I will trust the scientists' assurances that buffalo meat is healthy and nutritious.

I would like to commend the Kraliceks for these fine articles. Don and Dorothy, Frank and Jolene, and their families are excellent representatives of the honest, hardworking and good people of South Dakota. I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Yankton Daily Press & Dakotan, Sept. 21, 1991]

KRALICEK RAISES BUFFALO TO ENJOY

(By Sue Ivey)

UTICA.—With buffalo meat becoming the "new" health food of the '90s, there's lots of good reasons to raise the animals.

They are low in cholesterol and low in fat. Buffalo burger sells anywhere from $2 a pound to $7 a pound—depending on the area of the country—and steaks have sold as high as $25 per pound, said Kim Dowling, administrative director of the National Buffalo Association based in Ft. Pierre. Packing plants and their customers cannot seem to get enough.

But Donald Kralicek's reasons aren't quite so business-like.

"We used to go out to the (Black) Hills and see them out there. I kind of liked them," he said.

He likes it when a bus full of senior citizens stops on the road to watch the herd grazing, when area school children come to his home northwest of Yankton for a visit, and when the animals race across the field.

"Especially in the spring. Man, they'll take off and they'll really go," he said.

As a boy, Kralicek used to drive a wagon pulled by mules on occasion and he enjoys having unusual animals around. He has Belgian horses, burros, Shetland ponies, turkeys, geese, his buffalo and more.

Kralicek began thinking about buying buffalo about six years ago. Two years later he went to an exotic animal sale in Chamberlain and brought home a few.

Now Kralicek and his son, Frank, have about 25 buffalo.

In early spring, right on the farm they butcher a few two-year-old bulls for their families to use and then sell the rest to R.C. Western Meats in Rapid City.

"They (the packing plant) butcher one day a week and still can't get enough," he said.

Kralicek said buffalo have their advantages. The animals eat less feed and the only vaccination needed is for Brucellosis.

Buffalo are curious animals and not as docile as cattle, however, he said. They de-horn the heifers for easier handling.

"They're a little hard to handle when they have babies. They are very protective," he said.

Only once did one of the beasts charge at him. A barbed wire fence stopped the bull, but Kralicek hid behind a tree outside the fence just in case, he said.

"They'd take you if you go out there and try to fool with them," said his son, Frank.

Each year the Kraliceks buy calves at the Custer State Park sale in late November. It's one of several trips out west each year.

This year, Kralicek will be heading out Highway 18, across the southern tier of South Dakota counties, just as he has several times a year since 1956. This year he'll be going for the Sept. 30 fall roundup at Custer State Park, just for fun.

The United States has approximately 112,000 buffalo or American Bison, according to Dowling. In South Dakota, the association membership includes 27 producers raising the animals for slaughter or as breeding stock, she said.

[From the Sioux City Journal, Sept. 19, 1991]

THEY GIVE THEM HOME WHERE BUFFALO ROAM

(By Loretta Sorensen)

YANKTON, SD.—The sight of a buffalo herd roaming the range northwest of Yankton might not have been unusual 100 years ago. Today, however, that scene is anything but usual.

But Jolene Kralicek says she believes neighbors and passersby have finally become accustomed to the sight of 25 cows, bulls and calves her husband, Frank, and inlaws, Don and Dorothy Kralicek, have built up over the last eight years.

"At first I think they were worried that they might have (the buffalo) visiting," she says with a laugh. "But now that they've been here awhile, I think they're more comfortable with it."

Frank says some people have expressed the idea that they're glad to see the buffalo around because they were facing extinction. A few, he says, even consider the idea of raising some of their own.

"One neighbor said if he had the place to keep them he'd have them around just to watch. He thinks they're fascinating." Frank says.

When Don purchased his first-heifers in 1983 at an exotic animal sale in Chamberlain, S.D., he says he did it "just for a hobby."

"I always saw them out at the (Black) Hills and I liked them. The heifers we brought from Chamberlain were small, they'd come up to the gate and the (grand) kids fed them hay," he says.

In 1984, Don bought a cow and a bull from Ralph Mahoney in Mittchell, S.D., who has a sizable herd of two to three hundred. He started raising his own calves, Frank purchased some buffalo, and both men kept all their heifer calves and have continued to breed and build up their herd.

A lot of people, Don says, believe buffalo are wild and hard to raise. Although the cows are very protective of new calves, they really aren't much different than any other breed of cow, he says.

"They say if they get started going over fences, you'll have trouble keeping them in. We had trouble with one who got out a few times. He ended up in the freezer."

The purchase price of a buffalo is considerably higher than a cow, but the Kraliceks enjoy the meat and butcher a couple of them every year.

"We butcher some and sell the bulls to the packing plant. There's not much fat in the meat, it's low in cholesterol. If you didn't know it was buffalo when you eat it, you'd think it was beef," Don says.

Don's wife, Dorothy, says there's very little waste when a buffalo is butchered because no tallow is discarded and the bones are small.

"The neck is really good eating. You would think it would be all bones, but it isn't," she says.

"The hump," Jolene adds, "is nothing. There's no meat there. When you cook (ground buffalo) in a skillet, you have to add oil or it will crumble and stick to the pan."

Although buffalo cows will not breed until they're two years old and will not produce a calf until they're three, their natural hardiness proves to be an advantage at calving time.

"They don't calve 'til late May or the first part of June. We don't vaccinate for anything but bangs," Frank says. "We dehorn the cows. They're easier to handle and when they're in close quarters in pens during the winter they won't horn each other."

"The calves always look runty when they're born; they look like they're sick," Jolene says. "They're all hunched up and the long hair makes them look scruffy. Then in a couple of weeks they look good."

The Kraliceks say they have respect for the buffalo, but have never found themselves in a lifethreatening position with a charging animal.

"(Our son) Frankie took pictures one year, just before (an older cow) calved. The noise of the camera must have agitated her and she charged the fence and we ran away from the fence. One other time a cow followed us when we took some friends out in a pickup to see the buffalo. (Our friends) were pretty shook, but the cow was really just letting us know that we were intruding on her territory," Jolene says.

Don says he's been asked about raising the buffalo and sold a few calves to people who wanted to start their own herd. Basically, he says, they're easy to take care of.

"We run them with the cattle. They don't mix, though. The buffalo are in one spot and the cows in the other. If you feed them in the bunk, the buffalo will take over. That's their feed," he says.

"Some of our friends in town, when they get company they bring them out to see the buffalo. A lot of people stop on the road to watch them. The senior citizens come out, too. A lot of people know we have them and they drive out and take a look.

"Sometimes the buffalo will come out to the fence. They're curious; they want to know what's going on," Don says.

The Kraliceks say they will probably continue to add to the size of their buffalo herd. Some breeders west of the Missouri River are expanding and someday the buffalo may be more popular as a domestic animal, they say.

COL. GEORGE G. JACUNSKI

Mr. INOUYE. Mr. President, on September 30, 1991, Col. George G. Jacunski will retire from active service with the U.S. Army. His retirement will take place at Fort Shafter, Hawaii, a short distance from Schofield Barracks, HI, where he began his military career over 27 years ago.

Colonel Jacunski is presently assigned as the staff judge advocate of U.S. Army Pacific, a command whose jurisdiction includes Alaska, the Pacific and Indian Oceans, and extends to the east coast of Africa. Colonel

Jacunski acts as general counsel for the command and supervises seven subordinate legal offices. He principally deals with international, environmental, fiscal and administrative law matters, and has been responsible for development of a highly successful intergovernmental relations program which advocates Pacific military issues in the Congress, with State government and with the governments of associated Pacific nations.

Colonel Jacunski was born at West Point, NY, and was raised in Gainesville, FL. He received his bachelor of science degree from the U.S. Military Academy, and his juris doctor from the University of Florida. He is admitted to practice in both Florida and Hawaii.

Following graduation from West Point, Colonel Jacunski was assigned as an infantry officer with the 25th Infantry Division in Hawaii and served in combat in the Republic of Vietnam.

After law school and a year of postgraduate legal work, Colonel Jacunski returned to Hawaii and served in a variety of legal positions to include chief prosecutor for U.S. Army Hawaii. Subsequent assignments were as legislative counsel in the Office of the Secretary of the Army, deputy counsel for Army forces in Japan, deputy counsel for the U.S. Military Academy, and legislative counsel and director of Senate affairs in the Office of the Secretary of Defense.

Colonel Jacunski is airborne and ranger qualified and has received numerous awards and decorations to include the Combat Infantryman's Badge, the Defense Superior Service Medal, and the Bronze Star.

Colonel Jacunski, in his three tours in Hawaii and especially during the last 4 years, has made a significant contribution to the State both as the focal point for governmental affairs and in his service to the community. Colonel Jacunski is a member of the Government Affairs Council of the Hawaii Chamber of Commerce, the Hawaii Law Enforcement Officials Association, and the West Honolulu Rotary Club, and was a delegate to the Governor's Congress on Hawaii's International Role. He lives on St. Louis Heights in Kaimuki, HI.

Mr. President, I am pleased to note Colonel Jacunski's contributions to the Army and to his country. I wish him well on whatever road he chooses to follow in the future.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,384th day that Terry Anderson has been held captive in Lebanon. And I ask unanimous consent that the New York Times article reporting the release of Briton Jack Mann be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 25, 1991]

BRITISH HOSTAGE, 77, FREED IN LEBANON

(By Ihsan A. Hijazi)

BEIRUT, LEBANON, September 24.—Pro-Iranian kidnappers released a British hostage here today, the fourth Western captive to be released in Lebanon in the last six weeks.

Security officials in Beirut said that the freed hostage, Jack Mann, was handed over to Syrian security officers in Beirut, and that they drove him to Damascus to be handed over to British officials there.

[From Damascus, The Associated Press reported that Mr. Mann, 77 years old, appeared gaunt and tired at the brief ceremony in which he was handed over to British Embassy officials. Mr. Mann said that he was chained and forbidden to talk during much of his "dreadful" captivity.]

Within minutes of the Briton's release, Hussein Musawi, a member of the 11-man executive of the Party of God, announced that an American hostage would be freed within a month. Sheik Musawi said the American, whom he did not name, would be let go regardless of whether Israel granted the kidnappers' main demand, the release of Lebanese prisoners.

LINKED TO DEAL WITH ISRAEL

The Party of God is widely thought to be an umbrella for underground factions holding the remaining Western hostages—five Americans, two Germans, one Briton and one Italian. The kidnappers had linked their hostages' freedom to the release of an estimated 300 Lebanese inmates at a prison in Al Khiyam inside the Israeli-controlled strip of southern Lebanon that it calls its "security zone." The 300 are held on charges of engaging in violent activity against Israel.

Mr. Mann, a retired airline pilot who ran an English-style pub called the Pickwick Club in Beirut, was kidnapped in West Beirut on May 12, 1989, by a group called itself the Cell of Armed Struggle, but his release was announced in the name of another of the kidnappers' groups, the Revolutionary Justice Organization.

In a statement, the group ignored an earlier insistence that Israel release 20 Arab prisoners first, and said it had acted because efforts by the United Nations Security General, Javier Pérez de Cúellar, were making progress. It did not elaborate.

Mr. Pérez de Cuéllar has been involved in contacts for arranging a swap of Western hostages in Lebanon and Lebanese prisoners held by Israel. Israel has demanded that the exchange also include an accounting of six Israeli servicemen missing in Lebanon over the past nine years.

SHOT DOWN SIX TIMES

Mr. Mann, a World War II fighter pilot and Battle of Britain veteran who was shot down six times, had lived in Lebanon with his wife, Sunny, for more than 40 years, working as a pilot for the Lebanese national carrier, Middle East Airlines, until he retired in the 1960's to manage a pub in a Beirut hotel.

His kidnappers had kept total silence about Mr. Mann until earlier this month, with the Revolutionary Justice Organization released a photograph of him. The Revolutionary Justice Organization also claims to be holding an American hostage, Joseph Cicciplo, who was acting comptroller of the American University of Beirut when he was abducted five years ago. Security officials here said that Mr. Ciccipio, who was kidnapped in September 1986, was most likely to be freed next.

A security official credited Iranian pressure for bringing about Mr. Mann's freedom. "Teheran must have twisted R.J.O.'s arm to let the elderly Briton out," the official said.

The security officials here said they believed the process for ending the hostage drama was in full swing. Two long-held Western hostages, John McCarthy and Edward Austin Tracy, were released last month, as was a Frenchman, Jérôme Leyraud, who was held for only three days.

Security officials said that they expected that Terry A. Anderson, the American who is the longest-held of the Western hostages, and Terry Waite, an envoy of the Church of England, will be the last to be released.

Rounding out the list of nine Westerners believed held hostage in Lebanon are the Americans Thomas Sutherland, Alann Steen and Jesse Turner, the Germans Heinrich Strübig and Thomas Kemptner, and the Italian Alberto Molinari.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of H.R. 2521. which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2521) making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

The Senate resumed consideration of the bill.

Mr. DIXON. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

Mr. INOUYE. Mr. President, pursuant to clearance by both sides of the Senate, I ask unanimous consent that with the exception of, first, an amendment on page 4, line 5; second, the amendment on page 33, line 23 through 1990/1991 on line 25; the amendment on page 34, line 2 through line 10; the amendment on page 43, line 1; the amendment on page 43 line 2 through line 25 on page 44; the amendment on page 100, line 4 through line 9; the amendment on page 146, line 10 through line 23; the amendment on page 171, line 24 through line 9 on page 172; the amendment on page 63, line 4 through line 19; and the amendment on page 130, line 16 through line 22; that the committee amendments be agreed to en bloc; that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection? Without objection, all of the committee amendments with exception of those listed by the Senator will be considered and agreed to en bloc.

The committee amendments were considered and agreed to en bloc except:

The amendment on page 4, line 5; second, the amendment on page 33, line 23 through 1990/1991 on line 25; the amendment on page 34, line 2 through line 10; the amendment on page 43, line 1; the amendment on page 43 line 2 through line 25, on page 44; the amendment on page 100, line 4 through line 9; the amendment on page 146, line 10 through line 23; the amendment on page 171, line 24 through line 9 on page 172; the amendment on page 63, line 4 through line 19; and the amendment on page 130, line 16 through line 22.

EXCEPTED COMMITTEE AMENDMENT PAGE 4, LINE 5

Mr. INOUYE. Thank you, Mr. President. As the Senate is aware, Tuesday last, we laid down the bill, and I believe we are ready to offer amendments. Is that the pending business?

The PRESIDING OFFICER. The Senator is correct. The first excepted committee amendment will be the first order of business.

The clerk will report.

The assistant legislative clerk read as follows:

On page 4, line 5, strike "$18,905,500,000," and insert in lieu thereof "$18,838,800,000."

AMENDMENT NO. 1193

(Purpose: To reduce the amount provided for the B-2 aircraft program, to reduce the amount provided for the rail garrison MX missile program, and to reduce the total amount provided for the Strategic Defense Initiative and the Theater Missile Defense Initiative)

Mr. SASSER. Mr. President, I have an amendment that I wish to send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. SASSER], for himself, Mr. BYRD, Mr. LEAHY, and Mr. JOHNSTON, proposes an amendment numbered 1193, to the committee amendment on page 4, line 5.

Mr. SASSER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment on page 4, line 5, insert the following new section:

SEC. . (a) Notwithstanding any other provision of this Act, the total amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE" is the amount provided under that heading minus $1,010,000,000.

(b) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" is the amount provided under that heading minus $225,000,000.

(c)(1) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" is the amount provided under that heading minus $225,000,000.

(c)(1) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the headings "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES" is the total amount provided under those headings minus $1,100,000,000.

(2) Of the total amount appropriated by title IV under such headings after the reduction required by paragraph (1), not more than $3,500,000,000 may be expended for the Strategic Defense Initiative and the Theater Missile Defense Initiative.

Mr. SASSER. Mr. President, I offer this amendment to the fiscal year 1992 Defense appropriations bill, one which I think acknowledges both our responsibility to the budget agreement, that becomes more demanding as time goes on, and the opportunity we now have to bring our defense budget into line with the security needs posed by what the President has defined as the new world order.

Mr. President, I want to also, before getting into a discussion of this amendment, pay tribute to the splendid work that has been done on the Defense appropriations bill this year by the distinguished chairman of the Defense Appropriations Committee, our colleague, Senator INOUYE of Hawaii.

This is an enormous bill which requires a great deal of time and expertise, which the distinguished chairman has exhibited in full measure in bringing this bill to the floor.

I want to express my appreciation to Senator INOUYE and his fine staff and also to the distinguished ranking member, Senator STEVENS, for the efforts that he has made to bring this really very complex piece of legislation to the floor for consideration by the full Senate today.

Mr. President, a detailed letter describing the amendment which I am offering has gone out to every Senator. The subject is somewhat technical, but I think the core message should be very clear. We will not reach the $490 billion in deficit reduction that we agreed to, and that we promised the American people, in our budget summit without making some additional cuts in the coming years, cuts in both the defense and domestic sides of the ledger.

This may be a revelation to some observers. It is certainly contrary to the mythology of the budget summit that says we are on automatic pilot for the next 5 years. We are not. I have done my best to alert our colleagues, with statements on the floor of the Senate, to the problem that we had when we were considering the defense authorization bill, indicating at that time that we were going to have a serious problem in the outyears if we continued to fund all of the so-called big ticket items that start out slowly but build up very rapidly in the outyears with regard to outlays.

I also made a similar statement on the floor of this body when we were considering the space station and also the super collider. I did so in an effort to alert our colleagues that we were heading for a train wreck on the domestic side as well—if we continued to fund these very expensive projects that start out with a modest fiscal requirement but that build up in a geometric ratio in the outyears to the point where these projects, taken with the defense procurement items, simply push us over the top and beyond the caps of the budget summit agreement.

In the area of discretionary spending, the most difficult decisions lie before us. They have not yet been made. Let me stress here that this problem was understood, I think, by all of us who participated in the summit negotiations. We knew we were going to have to get additional savings in the outyears, and we all understood that was going to be extraordinarily difficult.

The Congressional Budget Office recently confirmed just how difficult it will be. The fiscal 1994 and 1995 caps on discretionary spending—which includes defense, international, and domestic discretionary—will require substantial cuts below the path that we are following right now. In other words, we are staring straight at a massive savings gap beginning modestly in fiscal year 1993 but totaling some $54 billion by fiscal year 1995—a gap between where we are supposed to be at the end of the budget agreement in 1995 and where our current policy is leading us.

Let me try to present this issue graphically and with as much clarity as I can bring to it. I have attempted to compress the rather technical concepts involved into a few, I hope, relatively simple charts. The numbers that we use on these charts are the most up to date available. They incorporate all of the adjustments for nonpolicy-related changes that are mandated under the budget agreement.

Our first chart here, Mr. President, indicates that, starting as early as next fiscal year, 1993, we will fall short of the discretionary savings we are committed to, and this will build to some $54 billion by fiscal years 1993 through 1995.

The calculations assume the President's defense budget for 1992 through 1995 and they assume a simple inflation growth level for domestic and international spending. There is no real growth included in this chart for either domestic spending or for discretionary spending. The resulting savings gap must be filled in either with cuts in defense, real cuts in domestic discretionary, or some combination of the two.

Mr. President, the chart shows the discretionary caps in the yellow here. The red indicates the savings gulf that we will encounter if we continue on the policy that we are presently embarked upon. We see that a relatively modest shortfall of slightly over $9 billion occurs in fiscal 1993 and continues to build in 1994 and 1995 for a total of $54 billion below the savings that were promised in the budget summit agreement.

Mr. President, chart 2 is simply the numerical counterpart of chart 1. It also shows in a numerical fashion the problems that we face year by year in terms of outlays. In fiscal year 1992, we see that current policy has us at $534.5 billion, hitting the caps on discretionary spending of $534.5 billion right on the nose. It is something I think we are to be commended for.

The distinguished chairman of the full Appropriations Committee is here. He, working with his subcommittee chairmen, I think has done a marvelous job at having us hit these particular caps right on target.

We find in 1993 that, if we follow the present policy that we are embarked upon—a policy that limits domestic discretionary spending to only inflation growth, no real growth, and follows the President's spending pattern for defense—we find that we are exceeding the caps in 1993 by $9.4 billion. Continuing current policy as it presently is, we find that the gap grows in the outyears. By 1994, current policy is exceeding the discretionary caps by $19.8 billion. In 1995, the growth continues and we exceed the caps by $24.8 billion, for a total of $54 billion.

Now bear in mind, Mr. President, with regard to domestic discretionary spending, there are no real increases here. This simply allows domestic discretionary spending to keep up with inflation. It does have defense spending coming down in real terms following the proposal that was advanced by the President and it allows growth in international spending only to keep up with inflation.

I might say that I think these first two charts indicate the depth of the hole that we are digging ourselves into if we do not begin this year to make appropriations decisions for the future, decisions that will lead us toward the outyear goals set by the budget agreement. Which, I think, brings to mind one of the real problems that we have here in this Chamber, in the other Chamber, and probably a problem that haunts every legislative body in this country; that is, the difficulty of a legislative body in doing long-term planning.

But here I think it is absolutely imperative that we do some long-term planning if we are to avoid the fiscal train wreck that we will be seeing coming down the line.

In my view, our best and only acceptable chance to close the savings gap is to begin right now to cut the big-ticket items—items that cost enormous sums, sometimes growing well above the rate of inflation, but which spend out very slowly at the outset in the near term. It should be evident to all of us that big-ticket programs are on a collision course with our budget agreement. If we simply wait for this train wreck to occur, we are going to face, I think, very unacceptable and very unpalatable choices in the future. If we keep buying year after year these large ticket items, we radically limit our ability to make rational, sensible, policy decisions in the future. We lock ourselves into almost an autopilot glide path that makes it exceedingly difficult to deviate from in the outyears.

Mr. President, we must remember in the final and most demanding 2 years of the agreement, big-ticket spending will compete directly with funding for priorities that everybody in this body believes in, priorities like education, priorities like the environment, priorities like the infrastructure, priorities like scientific research, priorities like investing in some of the emerging democracies that we hear the administration talking about. In truth, when the walls come down after 1993, big-ticket defense spending in those years will compete with the personnel accounts and operation and maintenance accounts in the defense budget itself.

For those who lament the fact that we do not want to go to a hollow military, I would say that if we continue down the line of some of these large procurement programs, we are preparing the field for a so-called hollow military in the outyears when we have to make the savings in operation and maintenance accounts or personnel accounts. If we fail to begin today to make a downpayment on the savings that are required tomorrow, this body will be reduced to cutting programs that generate savings very quickly.

No matter what mix of additional cuts we agree to, they are going to include cuts of the kind that we have rejected, indeed that we recoiled from, in the past. As I said earlier, cuts in defense personnel, cuts in training, and cuts in our already strained and starved domestic discretionary investments. We can prevent this scenario entirely if we start preparing now for the years when the caps are going to be the tightest.

This amendment asks of the defense accounts less than half, less than half of the savings required from the discretionary budget in the last 2 years of the agreement, $9.6 billion of the $45 billion needed to close the savings gap, all of which would go directly to deficit reduction.

Now specifically, this amendment would halt B-2 production at 15 airplanes. It would provide the strategic defense initiative with $3.5 billion, a $600 million increase over last year's level. It would cancel the R&D funding for the MX rail garrison, a program I am advised is scheduled to be mothballed shortly after completion of the testing program. These measures would produce budget authority savings of $2.3 billion in 1992 and nearly $25 billion between 1992 and 1995.

Now, let me demonstrate to my colleagues how modest these proposed cuts really are in the overall view of our defense budget.

When you view these cuts that are being proposed here in the context of the larger procurement picture, they are only a sliver, not a piece, but only a sliver of a very large procurement pie.

According to the General Accounting Office, the Pentagon is currently pursuing over 100 major weapons acquisition programs that carry a total price tag of half a trillion dollars. Now that sounds remarkable. Some would say it sounds unfathomable considering the world that we are presently living in.

To satisfy my own curiosity, I selected just nine of these big-ticket programs and simply added them up. The third chart that I have here shows quite plainly that these nine systems alone carry procurement costs totaling at least $367.5 billion.

The estimates for 1992 are from the Senate reported defense appropriations bill and those for 1993 and beyond are from the President's own fiscal year 1992 budget.

As you can see, we will spend $20.6 billion in 1992 for these nine systems. They consist of a light helicopter, $500 million; aircraft experimental, for which we spend nothing in 1992 but will spend $71.7 billion beyond 1995; a DDG-51 destroyer, $4.2 billion in 1992; SSN-21 submarine, $2.4 billion in 1992; ATF, advanced tactical fighter, $1.6 billion in 1992; the B-1 bomber, $4.8 billion; C-17 transport, $2.2 billion; MX rail garrison, $300 million, SDI tactical missile initiative, $4.6, a total of $20.6 billion in 1992.

But the problem we get into is in the period 1992-95, spending for these systems totals $97.6 billion. In the outyears, it totals $269.9 billion. One system alone, the advanced tactical fighter, is expected to cost nearly $90 billion, making it the most expensive procurement program in our history. And the actual cost could well exceed that amount.

Now the fact is, a compelling argument can be made for reducing our investment in each of the systems on this chart. But I want to make it clear that the systems that are targeted by my amendment—the B-2, the SDI, the rail MX—were not selected at random. They were selected because in prior years this body has exhibited some reservations about these particular systems. And I think those are reservations that could be well taken.

Opponents of the systems argue that these systems no longer have merit. I would say we simply have to begin somewhere and I am proposing we begin here because these three systems have not enjoyed overwhelming support in this body. Some would say that all three are anachronisms, they are cold war relics that we keep trying to readapt to a world that will no longer have need for them. We continue to spend mind-boggling sums, and it just does not make fiscal sense in the final analysis.

I am not going to argue the respective merits of the B-2 and the SDI at this particular time, or the rail mobile MX. Those have been argued in times past by others who are more knowledgeable than this Senator about these particular systems. But clearly, spending on the magnitude of the B-2 and SDI will crowd out other strategic and domestic investments across the board—investments that we need to make right now in roads and bridges and health and education and crime prevention; investments in military personnel and investments in keeping the operation and maintenance budgets up in our Defense Department. Make no mistake, opting to buy expensive cold war systems will require a real sacrifice on the part of the American people and will have a real and negative influence on the quality of life in this country.

Perhaps in the darkest days of the cold war we had no choice but to make that sacrifice. But today I would submit there is no threat in the world that justifies that. No less an authority than the President of the United States has said that changes in the Soviet Union offer "an opportunity for a vastly restructured national security posture." So says the President of the United States.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. SASSER. Let me finish my statement and then I will be pleased to yield.

Secretary of Defense Cheney himself has added, "There just isn't any way that the Soviets are going to be able to insulate their military-industrial complex from the collapse of the economy."

Given the changes in the past year, given the changes even in the past few weeks, I think the absurdity of continuing with some of these systems speaks for itself in light of the desperate needs we have here in this country, even if we did not have the fiscal problems of this budget agreement which I am bringing before the body today. To the administration's credit, the collapse of the Warsaw Pact caused Secretary Cheney to produce a defense plan that reduces our force structure by 20 percent between 1990 and 1995. But now that is a 2-year-old event that produced that defense plan. Changes have occurred that are as dramatic, perhaps even more dramatic than those that occurred 2 years ago. Meanwhile, the administration seems to be saying that the collapse of the Soviet Union should produce no deficit cuts, no reevaluation.

Mr. President, I disagree.

But in the final analysis what this amendment is all about is an appeal to fiscal responsibility. It is not, I emphasize, an effort to take a pound a flesh out of defense. It is not an attempt to cull a peace dividend from defense and then turn around and spend it on domestic programs.

We are facing a very real problem with respect to the tightness of the caps on discretionary spending. That is the case that I bring to my colleagues today. And any solution to this problem must maintain a balanced military force that is capable of defending our Nation, and a solution must protect our existing level of investment in our own country and our own people from further erosion.

If we fail to begin now to rein in the rapidly expanding big ticket programs, we are going to face essentially two choices. In the outyears we can try to make massive cuts in military personnel and domestic investment. I frankly think that is a choice that my colleagues would shrink from. I can assure you that this Senator would not want to be faced with that kind of draconian decision. Or we can simply say the budget agreement did not amount to anything, go ahead and break the caps and open the floodgates on our deficits once more. I do not think this body wants to do that either.

I believe neither of these alternatives is acceptable and I think we have a responsible approach that we can take right here, and that is to make some modest cuts in the defense budget on some programs that are controversial and on some programs that our colleagues have expressed substantial reservations in past years.

Mr. President, I ask that the majority leader, Mr. MITCHELL, be added as an original cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. And, Mr. President, I offer this amendment on behalf of myself, the distinguished chairman of the Appropriations Committee, Mr. BYRD, the Senator from Vermont, Mr. LEAHY, and the distinguished chairman of the Energy Committee, Mr. JOHNSTON, the Senator from New Jersey, Mr. BRADLEY, the Senator from Illinois, Mr. SIMON, and also, Mr. President, the majority leader, Mr. MITCHELL, who I had just asked be made a cosponsor.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, I just ask if the Senator would answer a couple of questions. I do not want to get in front of the Senator from West Virginia, but I do want to ask a couple of questions without getting into debate on the merits of these systems, just on the arithmetic. If I could pose these questions to my friend from Tennessee, and I see the Senator from New Mexico is also on the floor, who would also be able to answer these questions.

Do the defense spending levels in the administration's fiscal 1992 5-year defense plan provide the required $182 billion in discretionary outlay savings from 1991 to 1995?

Mr. SASSER. I think to answer the distinguished chairman's question, I think the answer would be in the affirmative. But I will say to my friend from Georgia that, as he will recall in the outyears, in 1994 and 1995, there are no caps with regard to defense and no caps with regard to domestic discretionary or international. It is simply one big sum of money.

The point is that at the rate we are moving we are simply going to break those caps.

Mr. NUNN. But the point I would like to make—and the Senator can correct me if I am wrong—it is not the defense numbers that are breaking the caps. The defense numbers have been met and will be met for the 5 years.

What the Senator is doing is anticipating, as I see it, that the discretionary spending is going to break the caps—that is nondefense discretionary spending—and therefore now making the cuts in defense, if this amendment passed, so that those discretionary spending nondefense caps would not ever have to be met.

Mr. SASSER. If I can respond to my friend from Georgia, in the budget summit agreement and in the discussions, it was, I think, widely perceived and understood that there were going to have to be additional cuts to be made in discretionary spending in the outyears. In 1994 and 1995, how those cuts were to be apportioned, would be determined by the appropriators and in conjunction with the administration. But we understood that in the outyears 1994 and 1995 that there was going to have to be some mixing and matching and some reductions if we were to hit the caps in those 2 years. That is one of the reasons why the fences came down in 1994 and 1995 between defense spending, international spending, and domestic discretionary spending so mixing and matching could take place.

What I am saying to my colleagues today is to put them on warning that unless we start making some of these reductions now, when we get to the mixing and matching, we are going to find that not only is domestic discretionary going to be under an irresistible pressure to be cut, but we are also going to find that the defense budget is going to be in jeopardy in the items that the distinguished chairman of the Armed Services Committee has been so concerned about in years past, and that is personnel, the level and quality of personnel, and also in operations and maintenance.

Mr. NUNN. If I could just complete the question, the long and short of it is, what the Senator is saying is, the defense 5-year number is being met.

Mr. SASSER. What I am saying to the Senator is there was really, in my view, no solid agreement on what any 5-year number was. There was an agreement there would be caps for 3 years, but those caps were caps and they were not floors.

Mr. NUNN. But there was at least a minimum level of defense expenditure cuts that had to be made in order for domestic nondefense to be able to continue to protect its real growth; in other words, to stay even, there was a projected $180 billion to $182 billion defense number that had to be made.

I am not saying that was all that could possibly be cut because it was always anticipated this was going to be opened up in 1993 and 1994. My question directly to the Senator is the minimum floor of $182 billion that was anticipated for defense is being met and the Senator has already answered that affirmatively.

Mr. SASSER. I think that is correct, but the caps do not allow the President's defense budget to continue as it is even though in real terms it is coming down and does not allow any real growth for domestic discretionary. So something is going to have to give.

Mr. NUNN. I understand the Senator's point, but my point is this: The defense number for 5 years is being met, the minimum floor. The Senator is saying we can cut more, and let us for the sake of argument understand that. The Senator from Tennessee is saying that overall the numbers are not going to be met and we are going to meet a crunch come 1993, 1994; is that correct?

Mr. SASSER. I may have misunderstood the Senator from Georgia. There was no floor anticipated under any spending.

Mr. NUNN. There had to be a minimum amount of cuts made in defense in order for any 5-year plan conceivably to make the budget cuts that were anticipated. Defense had to save at least $182 billion.

Mr. SASSER. In order to hit the caps in the 3 years, yes.

Mr. NUNN. Right. If defense is meeting that number and we are not going to meet the overall number, including defense and discretionary and international, then that means that some other part of the budget is not meeting its numbers. Otherwise, the arithmetic would have to work out. Then you can argue about whether we ought to be doing that as a matter of policy. But there is no conceivable way that the defense budget can be blamed for not meeting the outyear numbers that were anticipated in the budget summit. The only conceivable way, based on the Senator's own answer, that could possibly be the case is if other categories were exceeding theirs.

What the Senator from Tennessee and the cosponsors of this amendment are doing—and I think everybody ought to understand it—is they are anticipating that the other categories are not going to meet theirs and they are saying, wait a minute, let us get out in front and cut defense another billions and billions of dollars so we can then proceed as we plan to proceed and not cut other categories. That is what the Senator is doing.

I am not saying that is a violation of the 1993 and 1994 numbers because the Senator is correct on that. But there should be no misunderstanding when people vote that the defense numbers are being met. This is anticipatory excessive spending beyond what was anticipated in the other agreement. That is what this is.

If I could ask the Senator one other question.

Mr. SASSER. Mr. President, before I yield another question——

Mr. NUNN. I thought I had the floor.

The PRESIDING OFFICER. The Chair reminds the Senators the Senator from Georgia was recognized to propound questions to the Senator from Tennessee.

Mr. NUNN. I will be glad to yield to the Senator.

Mr. SASSER. What we are saying, Mr. President, is that we agreed on defense caps for 3 years. We agreed on fences for 3 years. But what we are also saying is that if we embark on these large procurement programs with minimum outlays in the first 2 or 3 years, then we reap the whirlwind of that in 1994 and 1995. We simply have to do some planning now.

Mr. NUNN. If my friend will yield, if the other categories of the budget were meeting their ceilings in 1993, 1994, and 1995, there would not be any problem with defense.

What the Senator is saying is, look, folks, we are not meeting our numbers in discretionary and international and we better do something about defense right now because if we do not, we are not going to be able to overspend in these other areas. That is what this message is.

Mr. DOMENICI. Will the Senator from Georgia permit me to respond?

Mr. SASSER. If I can just respond to the Senator.

Mr. NUNN. Let me give the Senator from Tennessee a chance to respond, and then I will yield to my friend from New Mexico.

Mr. SASSER. What I am saying to my friend from Georgia is that in 1994 and 1995, all of the discretionary money, whether it be domestic, international, or defense, goes into one large pot. If we are going to continue to fund these programs in defense at the rate we are going, then there are going to have to be either draconian cuts in domestic discretionary spending, substantial cuts in international spending——

Mr. NUNN. That were anticipated to begin with.

Mr. SASSER. Or substantial cuts in the defense budget.

Mr. NUNN. Those are the cuts that were anticipated to begin with at the summit that are not being made.

Mr. SASSER. No, my point is this: If we were proceeding down the line at the summit of guaranteeing certain basic defense spending over 5 years, then we would have had the caps in place over 5 years. It was known and perceived and understood that in 1994 and 1995 that then we would have to made choices between domestic discretionary and defense spending and international spending, and we would not have to rely on the caps.

Mr. NUNN. What the Senator is saying is those choices have already been made in the other areas and the other areas are exceeding their budgets. And in anticipatory fashion, therefore, we have to made sure we do not wait until 1993 and 1994 to have the debate. We have to cut defense right now so we can go right ahead and overspend in domestic and international. That is exactly what the Senator's message is. This is anticipatory overspending in the other areas.

The only part of the budget that is on target right now is the defense cuts. That is the only part of the budget that is on target. Everything else is sort of coming out of whack. So everybody says let us just march in here and get out in front of the defense cuts again.

Could I ask the Senator one other question?

Mr. SASSER. If I could just respond to what the Senator just said for one moment.

I made the point on the floor of this Senate on two occasions that we were going to get into trouble if we continued to finance some of these large projects that ballooned in the outyears. We were not just talking about defense. I made the same case on the question of the space station. I made the same case on the question of super collider. We were overruled on that.

So I am here trying to make the case on the question of some of the defense projects.

We are not just picking on defense. We are asking defense to take less than

50 percent of the cuts that are anticipated will be necessary if we are to meet the caps.

(Mr. LIEBERMAN assumed the chair.)

Mr. NUNN. When the Senator says we are not just picking on defense, the absolute truth of the matter is if the other categories had met their targets, we would not have a budget problem on the spending side.

Mr. BYRD. Mr. President, will the Senator yield? I am either misunderstanding what the distinguished Senator from Georgia is saying—and I do not think I am. The other areas of the budget have not exceeded their caps. We have lived within our caps on domestic discretionary spending and we have lived within our caps on foreign ops, although I carry no brief for foreign ops. But for these years we have been very careful and I have insisted that our subcommittees stay within their caps, stay within their allocations, and those allocations and caps have not been one time exceeded.

Mr. NUNN. I believe the term I used, if I may say to my friend from West Virginia, is "anticipatory." What is happening here is an anticipatory exceeding of the ceilings in the other categories and cutting defense now so that can be accommodated. That is the point I was trying to make.

Could I yield to my friend from New Mexico.

Mr. BYRD. May I just make one point. We are not anticipating breaking any caps in the outyears. There are no caps in the outyears.

Mr. NUNN. There is an overall cap.

Mr. BYRD. There is an overall cap.

Mr. NUNN. What I am saying to my friend from West Virginia is there is anticipation that the overall cap is going to have a problem if defense only cuts what it originally was anticipated it would cut over the 5-year period, which was $182 billion. What I am saying is that our friends on the Budget Committee and some of our friends on the Appropriations Committee are now saying we cannot meet the overall cap unless we cut defense more than the 5-year commitment of $182 billion or if we do not exceed that $182 billion in cuts for defense, what we are going to have to do then is cut the discretionary and international more than we want to cut them.

Mr. BYRD. I thank the Senator for yielding.

Mr. NUNN. I thank the Senator.

I yield to my friend from New Mexico.

Mr. DOMENICI. Mr. President, I did not write down the Senator's questions, but in a couple minutes I could address most of them, as I would have, had the Senator propounded them to me.

First, the defense appropriations bills and this one, carried on with its normal expenditures, will accomplish the savings contemplated by the budget 5-year agreement. It does all of the savings that are required.

Second, you can read this budget inside out and you will not find anything that says you should not have big procurement items. It could not be that big procurement items were not contemplated. As a matter of fact, the B-2 and the SDI program were in the President's budget, and their funding is in compliance with the budget agreement. This amendment would say I have a new budget and this new budget will not accommodate certain programs. Of course it will not accommodate those programs that you determine in advance should be taken out. So if you say it is these big ticket items that you do not want—and the Senator is the proponent of this amendment on the floor—you will go to the CBO and say how much does it cost in the first year and how much in 3 or 4 years, and then you will say we cannot afford it because it is going to be bigger in the outyears.

But, I say to the Senator from Georgia, there are 15 or 20 items, big procurement items that get bigger in the outyears. Which is next as we draw a new budget each year and decide that we are going to set some new path that was not agreed to in the summit.

There is another issue here. Do we rely on the military, I ask the Senator from Georgia, to give us their ideas of what they want in a 5-year military plan?

I assume the Senator from Georgia looks at it carefully when they send it to him. When they ask them to do a new one, I assume the Senator looks at it. When and how are they going to get a chance to take a look at the new budget that is being developed here on the floor? This is a new budget. Should they not have an opportunity, I ask my friend, the chairman of Armed Services, should not the Joint Chiefs have an opportunity under a new budget line to tell the Senator whether they would put the B-2 in or not?

It seems to me they ought to be given a new budget by the Senate. I think the Budget Committee should go back in session and say we have a new budget; say that we do not want to spend as much as was allowed in the summit, and then let us let the Defense Department tell us which programs they would cut. And maybe we should suggest which big-ticket items we think they should cut because we have an aversion to big-ticket procurements.

Mr. NUNN. I would agree with my friend from New Mexico on that. I think they should be given—if the 5-year defense plan they have is out the window, if that is the message we are going to send them today, then certainly they ought to have a chance to go back and make tradeoffs and decide which items are more important. We would make the final decisions, of course, but at least we should hear from the Department of Defense. I would agree with the Senator's point on that.

Could I ask both my friend from New Mexico and my friend from Tennessee this question again without debating the B-2 and SDI. We have had essentially 1 week of debate on those items already this year. I guess, the way our process works, we have to debate everything twice every year. My friend from Alaska says three times. But that is the way it works.

If this amendment is adopted, may I ask my friend from Tennessee, would not this bill then be open for further amendments adding this same money back in defense?

Mr. SASSER. Well, of course, it would be open for further amendment. But we would resist that. We would resist it vigorously. Because the whole thrust of this amendment is to reduce spending and to try to reduce the deficit.

Mr. NUNN. If somebody came back, and added F-14's on the floor to take up this money, or added more personnel, more money for the National Guard, and so forth, the Senator would make the argument then that, look, we have saved this money and therefore we are not going to spend it on any defense item; is that right?

Mr. SASSER. I would make that argument, but the argument would not be as persuasive if the program that was offered was one that could be satisfied in fiscal year 1992 and one that would not swell the outyear fiscal problems. If it were a program that spent out fast, then I think the argument would not be as convincing if it were offered on this bill, let me just say this to my friend from Georgia.

On the question of the $182 billion defense savings that he asked me about a moment ago, the $182 billion defense savings was a figure that was advanced by the administration and by the distinguished chairman of the Armed Services Committee, and that figure was merely illustrative. That figure was not chiseled in stone at the summit. If those savings had been part of the summit agreement—and that is all that defense was going to be asked to do—then we would have just extended the caps on out into 1994 and 1995, and we would have safeguarded that particular savings number. That was a number advanced by the administration and my friend from Georgia that was discussed but was never formalized in the summit agreement itself.

Mr. NUNN. May I ask my friend from Tennessee this question. Does not that same argument also apply to domestic and international?

Mr. SASSER. Indeed.

Mr. NUNN. So, in effect, we do not have to save $182 billion; all we have to do is meet the first 3 years. In fact, in the outyears we could add more B-2's in here; is that right?

Mr. SASSER. Certainly. We could just dismantle the Department of Health, Education, and Welfare and buy 1,000 B-2's, if we wanted to. I really doubt that this body would want to do that.

Mr. NUNN. I would be astounded, if we went over that track, if both the CBO and chairman of the Budget Committee were not out here on the floor saying you are not meeting your 5-year commitment. The Senator is basically saying we did not have a 5-year commitment. Every number I have seen indicated there was a minimum expectation from defense for 5 years. Every number I have seen says it. The Senator from Tennessee I think has said it several times. But what we are saying now is, look, it is wide open after 3 years. You did not have any commitment in 1994-95.

We have programmed and made big ticket cuts with tremendous pain in defense in order to meet those outyears. The Senator is making the outyear argument as if we are not going to meet it and the B-2 and these other programs are not going to meet that.

The whole track is to meet the $182 billion.

What it amounts to is there are a whole lot of people, maybe a majority—and if there are, we will abide by it. If there are a majority that want basically to anticipate that we are not going to meet the ceilings in 1993 and 1994 on discretionary, nondefense and on international and therefore we better get out in front and change the budget agreement on an appropriations bill, that is fine. But it would seem to me that the chairman of the Budget Committee would want to change the budget agreement on a budget bill and not do it on an individual appropriations bill.

We do not have a chance here to join the issue. We do not have a chance to debate whether this particular area is more important than another one. Are we going to weigh it against some international expenditure? That is the problem of the budget process.

What we are basically doing now, make no mistake about it, is we are changing the 5-year budget deal. If that is what we are doing, fine. I expect to revisit this issue next year. I expect to take into account the changed threat in the world in defense.

It may very well be we can lower defense numbers in 1993, 1994, and 1995. I would hope so. If the threat continues to diminish, I would be the first one to say we should. I was the one who led the way to say the threat had changed, and we could reduce defense expenditures by 20 to 25 percent.

But it was based on a changed threat, a changed threat of assessment, and an orderly process. It was joined on the budget resolution. And now what we have is the chairman of the Budget Committee basically saying change the budget agreement; do it on a defense appropriations bill, on two items. I do not think that is the way the budget process was intended to work.

Mr. DOMENICI. Might I answer the question? Let me first say there is no question that if this amendment is adopted then somebody can come to the floor on the Defense appropriations bill and add $2.3 billion in fiscal year 1992. There will be no point of order because this amendment would have reduced the bill by that amount off the cap set in the budget agreement.

Second, might I suggest that the question of bow waves in the out years are not exclusively a problem with defense spending. I want to suggest that the House, in its appropriations bills—the Senator should know this—has $6.5 billion in bow wave items. The House includes budget authority for various programs in their appropriations bills, but delays the obligation of these funds until the next year by making them available on the last day of the fiscal year. By putting these items at the end of the year, obligations are delayed to the next year, making a bow wave of expenditures.

Although these are not a big-ticket items as are being discussed here, they are significant. It amounts to $6.5 billion already appropriated, in the House, of which $3.2 billion is for domestic programs. Surely, they will have to take more out of defense in 1994 and 1995 if they do this every year, for they will already have that amount coming out of the discretionary spending caps.

In our body, in spite of the Budget Committee chairman coming to the floor and objecting on two items, and in spite of the chairman of Appropriations Committee coming to the floor and objecting on two or three items, nothing was done to strike this practice of delaying obligations. The delay creates an undesirable bow wave. In fact, $4.3 billion worth of delayed obligations are in our bills here—by far more than is being saved in the first year under the Sasser amendment.

Mr. NUNN. I thank my friend from New Mexico. I add one other question to my friend from Tennessee. If this amendment goes through and there is no other amendment adding back defense money on this bill which would be within order—it could happen, no point of order against it—then the conference committee goes in.

The House has all sorts of add-ons. They have added on, and they have added on. They have projects that we have opposed on the floor of the Senate several different years in a row, led by Senator DANFORTH from Missouri, basically taking certain set-asides out of R&D money and specified different universities around the country. They have museums, all sorts of things.

Basically, under the Sasser amendment, this conference committee could come back, fill up all the money that is being taken out, still be in total compliance with the budget agreement, and simply change the defense priorities. Is that correct?

Mr. SASSER. Of course, in conference, I would assume that the distinguished chairman of the Defense Appropriations Committee would want to stick very strongly by the Senate's position. If the Senate spoke here in such a way that it wished to make savings and come in under the defense caps, then I would assume that the Defense appropriations negotiators, committee negotiators—I might be one of them—would stand very strongly for the Senate's position.

In theory, I think the Senator from Georgia is correct. We could revisit the whole issue when the conference report came back before the Senate. The Senate would have an opportunity then to once again express its will.

Let me just respond on another item. My friend from Georgia indicated that this amendment would do damage to the budget agreement. Quite the contrary. This amendment is offered to uphold the budget agreement. We are offering an opportunity to allow our colleagues to make the choice to uphold the budget agreement and keep us within the caps in the outyears.

My friend from New Mexico is quite right. There is nothing in the budget agreement that prohibits going down the road of embarking on these procurement programs. There is nothing in the budget agreement that says we cannot have a B-2 or an SDI or anything else.

But the point we are making is if we go with the B-2, if we have enhanced SDI spending, something is going to have to give. If it is going to give in defense, I do not want to see it give in the personnel and operations and maintenance. I certainly do not want to see it give in domestic discretionary spending, which in my judgment has been starved in this country for the past 10 or 12 years.

So we are simply trying to uphold this budget agreement.

Mr. NUNN. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I will close out my remarks and yield the floor.

Mr. WARNER. If I could ask the Senator a question before he closes, at the appropriate time.

Mr. NUNN. Yes.

I am here to make the point that this is not a legitimate debate on B-2 and SDI. We have had a lot of debates. There should be a lot of debates. These are billing programs. They are expensive programs; they are important programs. That is not the point.

We had a long, lengthy debate on SDI and on B-2, and a very substantial majority of this body decided that the committee position was the right position on that, which by the way, is a considerable amount of cuts below the administration's request in both areas.

Mr. President, what we are not deciding this morning, in my view properly, is a rewriting of the budget agreement. If someone wants to vote to cut the B-2; fine. I am sure if this amendment is not adopted, we will have another one.

If somebody wants to vote to cut SDI; fine. But do not do it in the name of basically upholding the budget agreement. The budget agreement is being upheld. It is being upheld by our Defense Committee. The Senator from West Virginia says it is being upheld by discretionary nondefense. I know he knows, and I take his word for that.

But what we are saying here—it is clear as day; everybody knows it—is we are saying that we anticipate in the years ahead that basically defense budgets need to come down, and the discretionary is going to go up. This is not basically the original budget agreement. This a change in the budget agreement.

If the Senate of the United States wants to start changing the basics of the budget agreement on the floor of the Senate on an appropriations bill with an amendment on two specific defense programs, then we are changing the way we do business here. I do not think that is the argument that ought to be made.

If we are voting on the B-2/SDI merits, fine. But I think the arguments on budget matters ought to come in a framework when you have overall debate, and decide overall what is the right course, balancing one expenditure versus the other, and certainly from my point of view taking into account the basic threat on defense.

I would just add one argument on the merits here. I will probably come back and speak on the merits. I do not know how long this debate will go on.

But the threat change has not been the nuclear threat. These programs that are on this amendment relate to the strategic nuclear program. If you want to have a defense budget responsive to the threat, the threat change has gone down in the conventional area. It has gone down in the Warsaw Pact and NATO confrontations in Europe; it has gone down in regional conflicts around the world; it has gone down in naval deployments by the Soviet Union.

It has not gone down in the strategic nuclear area. That is the area where the Soviets have continued to produce. I hope they change. I hope a year from now we can have a debate that will say the nuclear threat has gone down. But to come out and basically change the 5-year budget agreement, and to do it in an area saying the changes have taken place in the world, and therefore we need to change, 1 month after we have had this debate before, and the area you pick out to change is the very area where the threat has not changed, that is standing both the budget agreement on its head and it is standing any logical analysis of how you come about defense expenditures and priorities on its head.

I yield to the Senator from Virginia.

Mr. WARNER. Mr. President, I would like to follow up on what was said by the distinguished chairman.

Look at the threat at this very hour facing the world when we are trying to determine what is happening in Iraq. If the decision were to be made by those in support of the U.N. resolution that you had to go in and take out a certain facility, it is the quality of the B-2, if we had it in inventory, that would be used.

As we speak, Patriot missiles are being shipped to Saudi Arabia, again missile defense.

So I join my chairman in saying the seriousness of the threat to the world as it relates to these two programs, if anything, has been enhanced and not diminished.

Mr. President, I have serious concerns about the impact of this amendment on the budget agreement and on our national security.

Mr. President, the amendment before the Senate today threatens to unravel the many months of work undertaken by this body throughout this session of the Congress. The amendment not only violates the spirit of the year-old bipartisan budget summit agreement between the Congress and the President, but it rejects the best judgments of the Armed Services Committee, which were endorsed by the full Senate less than 2 months ago, as well as the recommendations of the Appropriations Committee about the current and future requirements for our national security. The amendment would cut almost $25 billion from the defense budget by eliminating funding for new B-2 bomber production, severely reducing the budget for SDI and theater missile defense programs, and canceling the MX Rail Garrison Program. I strenuously oppose the amendment, both because of its implications for the budget agreement as well as its negative implications for national security, and I urge my colleagues to oppose its adoption.

BUDGET AGREEMENT WEAKENED

Last year, Congress put in place a budget agreement which, among other things, set enforceable limits on the defense, international, and domestic discretionary spending in the hopes of controlling annual Federal deficits. Senator SASSER played a key role in negotiating the terms of the agreement among the House, Senate, and the President. While I would venture to say that none of the participants in the negotiations came away completely satisfied with the outcome, most believed that the laborious negotiations and intricate agreements contained in the final agreement could actually improve the budget process and achieve the goal of reducing Federal deficits.

The Senate has been asked three times this year to waive the restrictions of the budget agreement because of poor performance in the U.S. economy. Each time, the Senate has rejected this approach, and by substantial votes each time. The most recent vote, taken just last week, not to waive the requirements of the budget agreement was an overwhelming 88 votes against the proposal. I believe this is an indication that most of my colleagues are reluctant to reopen the overall agreement reached just last year.

The author of the amendment claims that "This amendment compels no more from defense than from domestic accounts." But the amendment requires no reductions at all from domestic accounts, only from defense.

The Sasser amendment arbitrarily assigns a greater reduction to the defense budget than was agreed in last year's negotiations. Inasmuch as the amount of cuts in defense programs are tied to restrictions on other discretionary spending and a host of additional provisions in the summit agreement, the Sasser amendment would weaken the entire framework of the agreement. Adoption of this amendment could lead to repudiation of the entire agreement and renegotiation of all the difficult issues—taxes, spending, and deficit limits—that we worked so hard to settle equitably last fall.

BUDGET STABILITY ELIMINATED

In setting enforceable caps on discretionary spending categories, the budget agreement also provided needed stability for the entire Federal budget process, particularly defense spending. Stable, topline budgets allow Pentagon planners to buy the most defense for every taxpayer dollar appropriated to the Department of Defense. The result of this long-term stability are evident in the fiscal years 1992-97 future years defense plan recently submitted to Congress, which reflects a more complete and accurate budgetary plan for the DOD.

The cap on defense spending in fiscal year 1992 allowed the Congress, and especially the Budget Committee which Senator SASSER chairs, to avoid a long, acrimonious, and generally unproductive debate on the total amount of the defense budget, as has been required in the past. Instead, both the Armed Services and Appropriations Committees were able to focus their attention on the priorities within the defense budget and use their expertise to assess the content and balance of the President's Defense Program in light of new and continuing threats to our national security.

After less than a year of experience with the summit agreement, the Sasser amendment would eliminate another $25 billion from the defense budget and would seriously disrupt the long-term defense budget planning process, causing inefficiency and waste in the Defense Program.

The budget agreement also provided stability in topline funding for international and domestic discretionary programs. The advantage of certainty in the level of available funds for many years in the future is immeasurable to budget planners in all agencies of the Government as well as to the congressional oversight process. And most importantly, the budget agreement put in place a process designed to gain control of the annual appropriations process and limit runaway discretionary spending. By slashing the defense budget below the agreed level, the Sasser amendment would remove an important element of the delicate framework of the budget summit agreement and could set in motion the dismantling of this important process.

DEFENSE SPENDING IS NOT THE PROBLEM

The author of the amendment has said that "in the context of the budget agreement * * * we simply do not have the option to forgo seeking defense reductions." I am amazed that he has so quickly forgotten the facts and figures of the budget agreement.

Under the terms discussed in the budget summit, defense spending was to be reduced by $182 billion over the 5-year period, fiscal years 1991–95. As a result of the final agreement, the defense budget for fiscal year 1991 was cut by more than 11 percent in real terms in 1 year. The President's multiyear defense budget plan submitted in February of this year complies with the summit agreement through fiscal year 1993 and continues the decline of defense spending at an average rate of 3 percent in real terms each year through fiscal year 1996—even though no specific defense caps were agreed in the outyears. And finally, the DOD appropriations bill reported to the Senate is in complete compliance with the budget summit agreement and includes funding for fiscal year 1992 defense programs at the budget authority and outlay caps in that agreement.

In offering his amendment, Senator SASSER now estimates that, in fiscal years 1993, 1994, and 1995, the agreed caps on total discretionary spending will be exceeded. Since defense spending steadily declines under the agreement, to a level in fiscal years 1996 that is the lowest since World War II, 3.8 percent of GNP, then I must assume that some other part of the budget is increasing beyond the limits contemplated in the agreement. Why, then, does the Senator not offer an amendment to reduce that portion of the budget which is causing the problem?

In particular, Senator SASSER notes that the overall discretionary spending cap for fiscal year 1993 will be exceeded by $9.4 billion. In that year, the budget agreement specifically sets out separate caps for defense, international, and domestic discretionary spending. The Senator knows that the President's budget plan for fiscal year 1993 complies with the caps for that year in each category. He also knows that the procedures of the summit agreement require sequesters of excess appropriations in any category. Why, then, does the Senator expect that the caps will be exceeded in that year?

NO REAL SAVINGS IN THE AMENDMENT

The proponents of the amendment claim that its adoption is crucial if we are to adjust our budgetary priorities to reflect the new world order. But the amendment does nothing to ensure that funds remain available for other priorities, nor does it attempt in any way to measure the need for defense this year or in the future against specific domestic spending needs.

If adopted, the Sasser amendment will not likely result in any savings from the defense budget, either this year or in the outyears. The amendment does not change the defense spending caps, nor does it prevent the expenditure on other defense programs of the amounts his amendment would cut from the vital defense programs set forth in his amendment. It merely eliminates three high-visibility defense programs from this year's budget.

As we all know, defense industries and other interest groups throughout the country have been adversely affected economically by the steady decline in defense spending since 1985, and we have all been contacted by constituents asking for some assistance in mitigating the hardships on local communities and individuals.

If the amendment is adopted, I predict that, when this bill returns from conference with the House, every dollar permitted to be spent under the existing defense caps will be spent for programs which cost just as much or more in the outyears as do the programs the Senator seeks to eliminate. In short, the amendment will, in no way, contribute to altered Federal budget priorities.

POSSIBLE IMPACT ON NATIONAL SECURITY

The funding constraints of last year's budget agreement forced the Department of Defense to make difficult decisions about the size and composition of our Armed Forces and our military strategy in preparing the fiscal year 1992–97 FYDP. The guiding principle in these decisions was to ensure our national security based on an assessment of the new and continuing threats to our national security. But Secretary Cheney has repeatedly cautioned that the size and shape of our Defense Program must be reassessed periodically based on the constantly changing world situation. I agree with his cautionary statements, and would like to point out some of the many changes, both positive and negative, in the world in the past year.

As the author of the amendment has stated, the "evil empire" may be in its death throes, but a successor government has not yet emerged in its place. In the past month, we have witnessed the fall of the hard-line Communist leadership of the central Soviet Government; the emergence of the three Baltic Republics, Georgia, and Moldova as independent nations; and the beginnings of a wholly different economic and political union among some of the diverse republics of the former Soviet Union. However, the success of the new Russian revolution is still uncertain and should cause us to think seriously about the future relationship of the United States with the successor central government organization and with the other emerging nations in that region of the world.

I believe it is imperative to remember that there still exists a massive nuclear arsenal, both intercontinental and tactical, in the territory of the former Soviet Union. While we have received assurances from officials in the former Soviet Union that these weapons are under the control of central authorities, leaders in other Republics, such as the Ukraine, have asserted that they will retain possession and control of these weapons in the foreseeable future. I wrote to the President on August 30 expressing my concerns about the heightened risk of an accidental or unauthorized launch of these weapons from that region, as well as the threat of technology from this arsenal, or the missiles or warheads themselves, being diverted into the hands of other nations. Mr. President, I ask that a copy of that letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, August 30, 1991.

The President,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As you know, the Senate-passed version of the Fiscal Year 1992 Defense Authorization bill contains a provision, known as the Missile Defense Act of 1991, which is designed to make a reality of our common goal of providing the United States and its forces overseas, as well as our allies and friends, with defenses against theater, accidental, unauthorized, or Third World missile attacks. The current Senate provision is modeled from a proposal which I and other Senators discussed with you in May and which subsequently became public in June. I had initially raised the concept of that proposal during debate on the Senate floor in March, noting that the Persian Gulf War provided dramatic evidence of the need for defenses for our forward-deployed forces against missile attacks.

The recent coup attempt in the Soviet Union has properly refocused the Nation's attention on the massive nuclear missile arsenal, intercontinental as well as tactical, in the Soviet Union. While that arsenal poses a substantial threat to the United States even during periods of stability in the Soviet Union, the present upheavals have heightened concerns regarding the command and control of that arsenal, especially as demonstrated by the reported temporary loss of control over nuclear weapons release codes into the hands of the coup leaders. As the several Soviet Republics assert more independence and greater control over military forces, we must also be concerned about ballistic missile proliferation, as well as the threat of technology from this arsenal leaving Soviet territory.

These facts, along with the existing but ever-growing presence of ballistic missiles in Third World countries, make even more evident the need for the United States to expedite our efforts to develop and deploy defenses against theater and limited ballistic missile attacks, whatever their source. At present, the Missile Defense Act of 1991 is the best available avenue for reaching Congressional-Executive consensus to begin providing for such defenses.

The upcoming Senate-House conference on the Defense Authorization bill promises to be one of the most difficult in a number of years. The Missile Defense Act will be a major issue of debate among the conferees, as the provisions in the House and Senate bills are widely divergent with respect to both policy and funding for missile defenses. If those of us who believe that we must act now in order to provide our Nation with defenses in the near future (and there exists in the Senate a growing bipartisan consensus to do so) are to prevail in this conference, it is vital that we have your continued leadership and support in this endeavor.

The purpose of this letter is to initiate now, before the conference begins, consultations with you and your national security staff as to how we might further strengthen the present Senate provisions. While many complex questions surrounding existing and possible future treaties involving the Soviet Union cannot be answered today in view of the changing political situation, the security interests of our Nation must be addressed now to meet the widest possible range of circumstances that could emerge from the unstable situation unfolding daily in the Soviet Union.

I commend you and thank you for your strong and thoughtful leadership in the very difficult circumstances of the past two weeks. I look forward to continuing to work closely with your Administration to provide for our national security during this time of transition in the world.

Respectfully,

JOHN W. WARNER.

Mr. WARNER. Mr. President, these facts, along with the existing and ever-growing presence of ballistic missiles in Third World countries, make even more evident the need for the United States to expedite our efforts to develop and deploy defenses against theater and limited ballistic missile attacks, whatever their source, rather than cut funding for these vital programs, as proposed by the Sasser amendment.

Other disturbing developments in that region of the world include the stated intentions of two Republics, Georgia and the Ukraine, to develop independent military forces under their sole control, and Tajikstan has reportedly fallen under the control of a new Communist regime. These issues illustrate the rapidly changing political situation in the former Soviet Union, and the difficulty of predicting the future course of that region of the world.

The dissolution of the central Soviet Government also highlights the issue of ratification of the CFE Treaty which is now pending before the Senate. Possible reallocation of treaty-limited equipment, enforceability of destruction provisions, ratification procedures, and other questions relating to the ability of the former Soviet Government to carry out the terms of the treaty should be addressed before the United States proceeds to make further reductions in defense spending which are based partly on the premise of arms control treaties in force.

Several of our colleagues and others have called on the United States to provide humanitarian, economic, and technical assistance to the Soviet Union in order to assist in the process of democratization of a society ruined by 70 years of Communist control. Former Soviet Foreign Minister Eduard Shevardnadze is quoted in recent press reports as saying, "If we fail to improve [by] at least a minimum the living conditions of the people, then we have to face this reality, and it is quite possible that another attempt at a coup would be made." I believe that humanitarian or technical assistance may be useful in avoiding a return to totalitarian control over the Soviet Union. The Congress will doubtless be asked to consider many such proposals over the coming months and years, and I do not doubt that the defense budget will be tapped for funds to provide some measure of assistance. Our responsibility is to judge these proposals as to their effectiveness in light of the disarray in the former Soviet Union, but more importantly, as to whether they serve our own national interests and actually reduce the threat now facing the United States.

In the past year, the United States led a successful multinational coalition of forces in the Persian Gulf to restore the independence of Kuwait following the Iraqi invasion. The success of this effort would not have been possible without the substantial investment of dollars over the past decade and more which produced the exceptional military forces we saw in the Persian Gulf conflict.

Yet even today, Iraq refuses to permit inspections in compliance with postwar U.N. resolutions requiring the elimination of weapons of mass destruction and associated technology in that country, despite their stated intentions to cooperate fully with this international effort. The President continues to work to convene a peace conference next month in the hopes of resolving the long-standing conflicts in this region of the world. It is my hope that large numbers of United States forces will not again be needed to ensure Iraq's compliance with U.N. resolutions. However, already it has been necessary for us to return Patriot missiles and 1,300 United States troops to Saudia Arabia to help ensure compliance and guard against the threat of new Scud attacks.

Because of the highly unstable situation in the former Soviet Union, continuing uncertainty in the Middle East, the continuing proliferation of ballistic missile and weapons of mass destruction technology to Third World countries, and the unpredictability of world events in general, it is essential that we maintain our military capabilities, which have served us so well over the past 45 years generally and most recently in the Persian Gulf, in order to ensure that our Nation is prepared, if necessary, to defend our interests and the interests of our friends and allies around the world.

Mr. President, the Sasser amendment would have devastating long-term effects on the defense budget and our national security, as well as on our ability to control the Federal deficit. It would eliminate three important defense programs without assessing the possible implications for our national security, and it would effectively break the promise made by the Congress and the President to control the growing Federal deficit. It is ill-conceived and misleading. I urge my colleagues to oppose its adoption.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I yield the floor unless the Senator from West Virginia has a question.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, let me begin by saying that I have always taken the position that the distinguished Senator from Georgia [Mr. NUNN] is the preeminent expert on defense in this body. I think he has had no closer follower over the years than this Senator from the hill country of West Virginia. Our State's motto is "Mountaineers are always free." I would not presume to attempt to match my very limited knowledge on defense matters against that of the distinguished Senator from Georgia.

I have many times said that he has no peer, as far as I am concerned, in the defense realm. And it is, as Wellington said of Napoleon, that the presence of Napoleon on the field was equal to 40,000 men. As far as I am concerned, the presence of Senator NUNN on the field of national defense is equal to 40,000 Robert C. Byrds from West Virginia.

But I say this, that we are on a different field today, and in this field I do not count myself below the equal of Senator NUNN, and that is the field concerning the budget agreement. And that is what we are talking about here today.

It has been said repeatedly by Senator NUNN and others—and he knows I respect him, he knows he has always been one of my favorites in this body—but he has said repeatedly and others have said that this amendment breaks the budget agreement. I do not agree with that. I disagree with that. I was at the summit. I have stood on this floor repeatedly and protected the budget agreement. So I thoroughly, absolutely, positively, and indubitably disagree with any statement—I do not yield yet; I will be glad to yield later—that what we are about to do today is to break the budget agreement. I do not agree with that statement.

What I say we are doing here is what I said at the budget summit. At the budget summit we took out our little pencils, we sharpened them, and we had our green eyeshades on. We subtracted here and added there and talked about formulas, this formula, that formula, and another formula. What I said was, "Gentlemen, we are here, of course, to try to work out a package that will lead in time to a lowering of the Federal deficits and to a balanced budget. But I also point out that we have another deficit and that is the investment deficit. We have the Federal deficit, yes, we have the trade deficit, and we have an investment deficit."

Now, I have to say with the greatest respect that in the years fiscal year 1981–fiscal year 1990 the defense budgets of this country, the defense spending, increased $569 billion over baseline over those 10 years. Entitlements increased $599 billion, but defense increased $569 billion over inflation. Whereas, on the other hand, domestic discretionary spending for education, for law enforcement, for scientific research, for parks, for forests, for highways, for bridges, for mass transit, for health services, decreased under inflation over those 10 years $326 billion.

Domestic discretionary took the cuts. And, whereas in fiscal year 1981, of the total budget, $678 billion, domestic discretionary was $157 billion, or 23 percent of the total budget. We are talking about this year's total budget that is $1.574 trillion, and domestic discretionary has grown by $42 billion to a total of $199 billion, and is only 12.6 percent of the total budget. So, domestic discretionary, nondefense has decreased from one-fourth of the budget to one-eighth between 1981 and now.

I said to our friends there at the summit, let us take off our green eyeshades. We are really talking about a 3-year plan or a 5-year plan or whatever it works out to be for the Nation. We are not just talking about dollars and cents and balancing the budget. We are talking about a 5-year plan for this Nation. And if we hope to compete in the world, if we hope for our young people to be able to compete, if we hope to raise our standard of living, we are going to have to talk about this investment deficit.

We did not anticipate then that we were going to have a recession. We did not anticipate then what was going to happen in world affairs. We did not anticipate what was going to happen in the Soviet Union. We did not anticipate what was going to happen with respect to the Warsaw Pact. We did not anticipate any of that. But the point we are overlooking here today is that the world has changed since the summit. I think we have to look at the future needs of our Nation in the light of this changed world.

We cannot continue to put our budget on automatic pilot, fold our arms and go home, and say we have done our job.

Defense cannot continue to be sacrosanct. That is what I am saying. The world has changed. But our friends would want us to stay on an automatic pilot.

At the summit, we set caps for 3 years, and I insisted that those caps be protected against incursion by the other categories—protect defense, and protect domestic discretionary.

We have those ceilings for 3 years. But as to the 2 outyears, we recognized then that they were going to be different in that there would be no caps in those 2 outyears. It would be everybody's choice when we get to that point. I anticipated then, and do now, there will probably be another budget summit when we get to that point. But as of then and as of now we have caps for 3 years. We have lived within those caps up to now. I would like to see us continue to live within them this year and next year. I am not sure that we can.

But we are not here today changing the budget agreement. We are not doing that.

If any Senator wishes me to yield at this point, I shall be happy to yield.

Mr. NUNN. Mr. President, if I could pose——

Mr. BYRD. Mr. President, I retain the right to the floor.

The PRESIDING OFFICER. The Senator retains his right to the floor.

Mr. NUNN. Mr. President, if I used the term "breaking the budget agreement," I did not think I did.

Mr. BYRD. The Senator may not have.

Mr. NUNN. I thought I used the term "rewriting." I would like to make it clear that there are arguments on the B-2, SDI, that these programs are expensive. There are arguments on the merits. We can debate that. But the presentation that I basically saw this morning was one that was based on cutting these programs. Otherwise, the budget agreement will not be able to meet its cap. And that was the point I was addressing.

If that is the argument on which people are voting for this amendment, then I believe the Senate is rewriting the budget agreement, because the budget agreement is being met by defense. In other words, what I am saying to my friend from West Virginia and to my friend from Tennessee, it is fine to argue SDI, B-2, super collider, any of those programs. Super collider is not in this budget, but it seems to me that it is the wrong argument to say that we have to do this in order to meet the budget summit agreement. If that is the argument on which Senators are voting, then I stand by my statement that this is a rewriting of the budget agreement, because—and the Senator from Tennessee agrees—we in defense have met every obligation we assumed as one committee under that budget agreement.

So it is the nature of the argument that I believe will, in effect, become tantamount to rewriting the budget agreement. I do not think it breaks the budget agreement, because there was nothing in the agreement that said you could not cut in any of these programs more and reduce the deficit more. The caps, which I think the Senator from West Virginia was so instrumental in and which I think were wise caps, and I agree with him on that, were basically to prevent transfers from one program to another.

I repeat that the way I view this is basically saying that we are going to start transferring now before we rethink the budget in 1993 and 1994, and we are going to get ready to have some very big transfers in 1993 and 1994. That I consider to be rewriting the budget agreement. That is the context I wanted my friend to understand.

Mr. BYRD. Mr. President, I thank my friend. I do not accept the argument, however, and the distinguished Senator has very skillfully transferred the force of the presentation here to a different argument. I do not agree. I do not agree that what the Senator from Tennessee is attempting to do with this amendment is to make shifts from defense to nondefense domestic discretionary now. That is where the distinguished Senator from Georgia would like to leave us. I am not going to let the argument be left there. We are not attempting to do that.

I thought I heard the distinguished Senator from Tennessee very carefully say that when we get out into the outyears, 1994 and 1995, we are going to be faced with an overall total discretionary budget of $518 billion in 1994, and a budget baseline of $525 billion in fiscal year 1995. That is the baseline. We are not changing that today. But that is going to be the baseline. And if we continue to lock ourselves in on high-cost defense procurement items, in the light of the changed world situation, we will not be able to cut those items when we get into 1994 and 1995.

I have not heard the Senator from Tennessee argue that. I have heard him argue that that is the total cap, but if we lock ourselves in today on high-cost defense procurement items, we can only do one of two things when we get to 1994 and 1995: Either cut defense in items, such as personnel; or cut nondefense domestic discretionary.

I maintain that we cannot continue to bleed nondefense domestic discretionary. That is the train wreck that the Senator from Tennessee is trying to avoid. So I do not accept the argument of the Senator from Georgia. I do not accept the premise, and I do not accept his result from that premise—namely, that we are breaking the budget agreement today.

Mr. NUNN. Again, I do not think I said "breaking the budget agreement." If I did, I already made it clear to my friend.

Mr. BYRD. I am sorry, the Senator has indeed made it clear.

Mr. NUNN. I said, "rewriting" the budget agreement.

Mr. BYRD. I maintain that we are not rewriting the budget agreement today.

Mr. SASSER. Will the Senator from West Virginia yield?

Mr. NUNN. May I ask one other question?

Mr. BYRD. Yes, I yield for a question.

Mr. NUNN. I guess my major point is that if we are going to basically have certain numbers to meet in the outyears, then, as the Senator from New Mexico indicated, it seems to me that the way to do it is for those numbers to be given as soon as possible, and let those of us in the defense committees—the Senator from Hawaii, the Senator from Alaska, and those in the Pentagon and other places—try to determine what are the right priorities, instead of basically doing this on the Defense appropriations bill and picking out one or two programs that happen to be controversial programs, and assuming that this is the right way to meet anticipated outyear cuts. As I mentioned a moment ago, this is the very area where the threat has not gone down.

When the Senator mentions the personnel situation, you basically cannot continue to have the levels of pesonnel we have now and reduce defense spending in any significant way. Personnel dominates the Defense budget. When we look at the high cost of these items, if I showed you a chart on how much we spent on personnel, it would even make this look very, very small. That is where your big money is.

Interesting by enough, one of the items that is being basically cut here in the Sasser amendment would be the biggest personnel saver, which is the B-2. The B-2 has tremendous personnel implications because of the savings, not only in terms of the number of people operating the aircraft, but more important, two B-2's are equal to 56 normal aircraft. You do not have to have the base structure overseas.

All I am saying is that there are huge considerations that go into here. What we have is an amendment being presented in a budgetary context that selects two items in the defense budget to make the whole point on the budget. What I am saying is, I welcome a revisiting of the overall numbers. I am not saying they are sacred; I am not saying defense spending is sacred, but it ought to be in the threat-related context. It ought to be driven by the threat. What threat has changed? Primarily, it has been in the conventional area. This is where the committee structure—which I know the Senator from West Virginia has been the No. 1 champion of—is so important.

I repeat that I believe what we have here, based on the arguments I have heard, is a rethinking and rewriting of the budget agreement, rather than a substantive amendment that is an amendment on the basis of defense expenditures and priorities and threat-related environment. I thank the Senator from West Virginia.

Mr. BYRD. I thank the Senator. I agree with a point he has made, when he said he would be willing to sit down and take a new look and try to determine what areas could most appropriately and wisely be reduced.

I know I am not saying it exactly as he said it. The Senator made a good point. Again, I say that we are not rewriting the budget agreement. I have said that enough, and I will not repeat it. I will tell you what the distinguished Senator has said, and I think he has a point, that we are attempting here to make cuts when the subject of such cuts should probably and more appropriately be the subject of more heads than one or two: The Department of Defense, those key persons on the Budget Committees and Defense and Appropriations Committees in the Senate and House, and so on.

I think that is a good idea. I will tell Senators what the Senator from Tennessee is faced with. The distinguished Senator from Georgia is saying that the Senator from Tennessee is forcing a decision here when it ought not be forced here, it ought rather to be the conclusion of discussions among experts—we are forcing an issue here, wrong time, wrong place, and using the wrong approach.

Here is what forces the issue, not what the Senator from Tennessee is doing. When the President sends up his budget, he has to send up a projected budget for each of the ensuing 4 years, I believe it is. According to the table that I hold in my hand, a table of August 1991, The Economic and Budget Outlook, an Update, the President has presented his scenario. In 1994, his assumed budget authority for defense would be $295.5 billion and the baseline is $303.9 billion. That would be a cut in real dollars of $8.4 billion. As a percentage reduction, it would be 2.7 percent. In fiscal year 1995, his assumed budget authority request for defense would be $298.5 billion and the baseline is $316.9 billion, a cut of $18.4 billion, or 5.8 percent.

But for domestic—now these are the projected figures for the outyears 1994 and 1995. For domestic, it would be $200.4 billion budget authority for 1994 and $204.3 billion for 1995, from a baseline of $215.3 billion and $226.2 billion, respectively, for those years.

In other words, there would be a cut for domestic of $14.9 billion in fiscal year 1994, or 6.9 percent; and in fiscal year 1995, the cut in domestic would be $21.9 billion, or 9.7 percent. So there we have the percentages.

Let me repeat them in a different way. For defense, the President's assumed request would be a cut of $8.4 billion in 1994, and $18.4 billion in 1995, but in domestic, $14.9 billion in 1994, and $21.9 billion in 1995. Percentagewise, the President's projections would call for a cut in defense of 2.7 percent in 1994 and 5.8 percent in 1995. On the other hand, domestic would suffer higher cuts, 6.9 percent in 1994 and 9.7 percent in 1995.

So what the Senator from Tennessee and I are doing, we are looking at the President's projections in these outyears. The President is cutting some in defense, but he is cutting more in domestic discretionary. Now perhaps we all ought to sit down if we are going to do what the distinguished Senator from Georgia has suggested and say, "Well, let's carefully look at the whole picture, and make logical and wise decisions." And that is not a bad point.

But we start with a set of givens in the President's projected budgets that does not give us any chance to sit down and talk about domestic discretionary and reach considered judgments. He has already made his projected cuts, he has already taken his givens, and they are here on this table, which I ask unanimous consent, Mr. President, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II–4.—MEETING THE DISCRETIONARY BUDGET AUTHORITY CAPS IN FISCAL YEARS 1994 AND 1995

[In billions of dollars]

Spending category	1993 Cap	Scenario 1: Assume President's defense request		Scenario 2: Assume nondefense at baseline	
		1994	1995	1994	1995
Defense:					
Assumed budget authority	291.5	295.5	298.5	279.0	274.1
Baseline		303.9	316.9	303.9	316.9
Cuts required:					
In dollars		−8.4	−18.4	−24.9	−42.8
As a percentage		−2.7	−5.8	−8.2	−13.5
International:					
Assumed budget authority	22.9	22.2	22.3	23.8	24.7
Baseline		23.8	24.7	23.8	24.7
Cuts required:					
In dollars		−1.6	−2.4	0	0
As a percentage		−6.9	−9.7	0	0
Domestic:					
Assumed budget authority	207.4	200.4	204.3	215.3	226.2
Baseline		215.3	226.2	215.3	226.2
Cuts required:					
In dollars		−14.9	−21.9	0	0
As a percentage		−6.9	−9.7	0	0
Total discretionary:					
Assumed budget authority	521.7			518.1	525.0
Baseline		543.0	567.8	543.0	567.8
Cuts required:					
In dollars		−24.9	−42.8	−24.9	−42.8
As a percentage		−4.6	−7.5	−4.6	−7.5

Notes.—The caps shown are those the budget resolution assumes.

The baseline projections for 1994 and 1995 are based on 1993 appropriations that are assumed to be equal to the 1993 caps.

The CBO reestimate of the President's defense request assumes no change in pay dates or in accounting for the accrued cost of military retirement.

Source: Congressional Budget Office.

Mr. STEVENS. Will the Senator yield to me for a question?

Mr. SASSER. Will the Senator yield to me for a question?

Mr. BYRD. I yield to the Senator from Tennessee and then I will yield to the Senator from Alaska.

Mr. SASSER. I thank the distinguished Senator from West Virginia.

As the distinguished Senator from West Virginia has indicated, he was one of the primary participants in the budget negotiations that went on for days and days, weeks and weeks, and it seemed to this Senator at a time years and years. The Senator will recall that there was conversation and statements made that over 5 years the defense savings would be $182 billion a year. But the Senator will recall also that that was the minimum amount of savings that was to come out of defense. That was not a maximum amount. That was not a guarantee to defense that they would not have to cut any more than $182 billion over 5 years. As the Senator will recall, it was well-known to the negotiators that when we got to the outyears in 1994 and 1995, there was very likely to be some competition between defense, domestic discretionary, and international spending in an effort to meet these caps.

Now, what we are seeking to do today—and I ask my distinguished friend from West Virginia if he agrees with me—is to present an opportunity to make a rational judgment in order that we may maintain the budget agreement in the outyears. If we do not make these rational judgments now, then we find ourselves in the outyears locked into a scenario where we cannot make the kind of rational judgments that the distinguished Senator from Georgia wishes to make, and I sympathize with him.

The same argument that we are hearing now, that the threat now is a nuclear threat and if we are going to cut anywhere we ought to be cutting conventional, I fear that when we get to the outyears, if we do not cut the nuclear end of it now, they will be telling us in the outyears, "Oh, no, we cannot make the personnel cuts that quickly. That is where you have to make a quick savings, and we cannot make the savings that quickly. We cannot make the personnel cuts." That is what they were telling us last year.

I do not want to force that decision on the Defense Appropriations Committee or on the Armed Services Committee, so ably chaired by the Senator from Georgia. It appears to this Senator that we are embarked on a course of trying to make a rational judgment today so that we can make assigned priorities that are rational in the outyears. Would the Senator agree with that?

Mr. BYRD. Yes, I do. That certainly is the view that I take of our amendments. We never at any point said that these caps, that we had to appropriate up to the caps. They are not floors. They are ceilings. And we can reduce them below.

Mr. STEVENS. Will the Senator yield to me?

Mr. BYRD. Yes.

Mr. STEVENS. I say to the Senator I know the Senator from Hawaii wants to make a statement on this amendment. I do not intend to make mine yet. I wonder if I could ask the Senator from Tennessee if he could pick up the big ticket blues chart, just so I can make a point?

Mr. BYRD. I yield for that purpose, with the understanding that I do not lose my right to the floor.

Mr. STEVENS. I am not seeking the floor. I am just trying to ask the Senator from West Virginia a question.

(Mr. KOHL assumed the chair.)

Mr. STEVENS. My question is—I take the point of view that the budget chairman, as is his right, is presenting on this bill, a Defense appropriations bill, a budget determination for the future. He has, for instance noted these are the big ticket blues. He looks ahead to what decisions we have to make in the future. As I am sure the Senator knows, I have a chart here showing the decisions we have made so far, here on this side of the aisle, if I could call my friend's attention to it.

We have terminated in this bill the Bradley fighting vehicle, the Trident submarine, the LHD amphibious ship, the P–7 antisubmarine warfare aircraft, F–14D remanufacture, the naval advanced tactical fighter, A–12 aircraft, Air Force advanced tactical aircraft, the F–16, the Mark XV combat identification system, BSTS warning system and Tacit Rainbow.

We did that based upon hearings in the Armed Services Committee, and in the Defense Appropriations Committee. This is the judgment of those people in the Senate, some 40 of us, who have spent our lifetimes trying to assist, to defend, and formulate a defense policy for the United States.

This amendment is a budget policy for the United States. I am not going to get into an argument with my good friend as to whether or not it violates the budget summit agreement or whether it affects it at all. But this is budget policy.

Let me suppose tables were turned and we had someone who was coming in from the other side of the spectrum, who was saying the nondefense programs are growing too much. And we have another bill, the Health and

Human Services bill, and we project that and show what it is going to do to the system. It is going to require increased taxes. And we have an amendment that comes in that cuts across the board.

This cuts across the board. This cuts across the base closure policy, it cuts across the policy of eliminating some of these aircraft. We could not have presented this bill unless we planned the B-2. It cuts across the whole system of ballistic missile defense, which is a key to the nonnuclear defense against nuclear attack in this country.

I take the position that using budget policy, this amendment, is attempting to so modify the defense policies that we are defending, that both the Armed Services Committee bill that is in conference and this bill should be withdrawn and sent back to the committee.

Does the Senator realize the depth of our feeling in that regard? This is what the Senator from Georgia, I believe, was saying. And I think the appropriators on the Defense Subcommittee would make the same statement. We cannot survive in terms of defense planning based upon budget considerations alone. We have to survive on the basis of defense planning itself to be the basis for both the policy coming from the Armed Services Committee and the recommendations for spending coming from this subcommittee.

Does the Senator see what our umbrage is about this amendment?

It is not that it is improper to have the debate on a budget policy consideration. But at this stage of the game to put us in a position where both the Armed Services Committee bill and this bill, in my judgment, have to go back to committee if this amendment passes—I think is just wrong procedure.

I am trying to appeal to my friend as the chairman of the committee to understand, we must go back to the drawing table if this amendment passes, as far as this Senator is concerned. I will not vote for this bill. I will do everything to prevent it being passed if this amendment is agreed to because it destroys defense planning. Not because it is not good budget policy, mind you. If the Senate wishes to limit us in terms of budgets—and it did, by the way. At the beginning of the year it limited us and it forced these considerations. We have recommended this to the Senate. And I believe rightfully.

But this is a change in basic budget policy and it tells us you must go back and rescramble this whole defense alignment to meet our needs with this budget, this money limitation. My friend is telling us this is not an attack on B-2, it is not an attack on SDI, it is not an attack on the ballistic missile defense, but it is an attack on the amount of money being spent. If that amount is limited, we ought to have a right to come back with a recommendation as to what we think should be built under those limitations.

I urge my friend—my question is, does my colleague understand both the Armed Services Committee and the Defense Appropriations Subcommittee position on this amendment?

Mr. BYRD. Well, I can understand the umbrage which is being taken. I do not think I misunderstand it at all. But the distinguished Senator says perhaps they ought to go back and take a look, and defeat this bill.

Well, is that the argument, that we should not proceed at this point, which may be our only point at which we can really do something about these items? Let us call it defense as against domestic discretionary. This may be the only opportunity. Is that an argument that we should not proceed here? What are we going to wait for? What future date? When are we going to be able, in the future, to do something that will rectify the mistakes that may result from our action here?

The distinguished Senator from Alaska, when he was talking, reminded me of that scene in the second part of Henry IV, after the insurgents against King Henry IV had been defeated at the battle of Shrewsbury. The first runner had brought back good news to the Earl of Northumberland and some of the other insurgents. But immediately upon his heels there came another runner, saying: No. The Earl of Northumberland's son, Hotspur, has been killed. And the insurgents lost the battle, and King Henry IV is preparing now to march into the north and attack the rebels. So the insurgent leaders were discussing what they should do next. Bardolph—I can remember the name easily because of my good friend and former colleague, Senator Randolph—Bardolph said to the Archbishop of York, whose name was Scroop—and that, too, is an easy name to remember—and the others who were gathered, Mowbray and Hastings.

They were talking about regrouping and fighting again. As I recall, Lord Bardolph said to his fellow conspirators:

> When we mean to build,
> We first survey the plot, then draw the model;
> And when we see the figure of the house,
> Then must we rate the cost of the erection;
> Which if we find outweighs ability,
> What do we then but draw anew the model.
> In fewer offices, or at least desist.
> To build at all?

That is exactly what we are up against here. We keep overlooking the fact that we are facing a changed world from that which we faced at the summit—if I may just finish and I will then yield——

Mr. STEVENS. Yes, sir——

Mr. BYRD. We are facing a changed world from that which we faced at summit and I think we have to take a new look now and "redraw the model," perhaps, and reduce it to "fewer offices," to fewer dollars.

What the Senator from Georgia has said is perhaps what we ought to do. But we are trying to use the opportunity here, the only opportunity which I see before the year is out, to call attention to the changed world, to be able to do something about the defense line on the graph and protect ourselves against those future domestic contingencies with which we are going to be faced by the squeezing down of domestic discretionary initiatives in the outyears.

Mr. STEVENS. Will the Senator yield right there?

Mr. BYRD. Yes, I will.

Mr. STEVENS. Will my friend uncover his big ticket blues chart again? I want to make a point right there. The Senator from Tennessee, may we see that chart again?

I have no problem whatsoever if the Senate were to have an amendment from the Budget Committee chairman brought before it to say this defense bill is too large and the Budget Committee, acting in behalf of the budget process, offers this amendment and direct the Defense Appropriations Committee to report back a bill that eliminates x dollars.

But if you look at the big ticket blues, chant, if we have to cut something, I want a chance to argue whether it should be the light helicopter or the destroyers that are coming or the SSN-21's—which, incidentally, will cost more apiece than the B-1 bombers—or the C-17, or a few other things that are in this bill that I know are not even on that big ticket blues list.

This bill is under the 602(b) allocation. It complies with the direction that came from the full committee and it gives the best recommendations we can make based upon the judgments of the Armed Services Committee and the advice that we received from the Department of Defense in a series of hearings that included General Schwarzkopf and Gen. Colin Powell, with his force structure analysis. The Secretary of Defense innumerable times came before us this year because we were very careful and said we have to come in under the 602(b) allocations. I view the budget process to be the proper process. What is being said is that you have too much money here; because we see a bow wave coming, we believe that the Senate ought to cut now more from defense so that we can prepare for that bow wave, prepare for that 1993-94 period. This attacks us on three systems—and I will explain this later in my statement—which, in this Senator's judgment, are the key to the defense of this country in the next century. I still ask my friend to assist us in getting back to the instruction.

I will accept and I am sure the chairman of the subcommittee and the chairman of the Armed Services Committee will accept any instruction the Senate gives us on the limitation of defense spending. But we urge that those instructions not come at us clothed in a way to attack three systems that have been under attack on this floor every year for the last 5 years. This is a budget process now that is going to make a defense decision that, in this Senator's judgment, will affect the credibility of America's defenses for the future.

Mr. BUMPERS. Will the Senator yield?

Mr. JOHNSTON. Will the Senator yield?

Mr. BYRD. Mr. President, I wonder if I may finish the statement and then I will yield the floor. I do not want to monopolize the floor. I have been a supporter of the Stealth bomber from the beginning. In December 1981, I offered an amendment to the Defense Appropriations Act for fiscal year 1982 adding $250 million of funding for the Stealth bomber. The amendment failed on the Senate floor 51 to 40, on a tabling motion. I offered an amendment adding $200 million for the same purpose, and the amendment failed on the Senate floor 53 to 36, on a tabling motion.

My amendments were offered in an effort to ensure that the administration at that time kept its promise to fund this critical new technology at a level which would bring an operational squadron of the aircraft on line at the earliest feasible date. This date was judged by experts to be around 1990. The $250 million add on would have restored the administration's original request which was slashed by the President in the previous September and up to the level presently at that time contained in the House bill.

It was recognized the Stealth was the only bomber which would be able to penetrate Soviet air defenses with assurance in the 1990's and into the next century.

On July 12, 1983, I offered an amendment to the Defense Authorization Act for fiscal year 1984 prohibiting the funding for the Stealth bomber from being used for any other purpose, and the amendment was accepted on the Senate floor.

On November 7, 1983, I offered an amendment to the Defense Appropriations Act for fiscal year 1984 to protect the funding for the Stealth bomber from being obligated or expended for any other purpose. I withdrew the amendment upon assurances from the bill managers, one of whom was Mr. STEVENS, that the Department would not divert the money, and so we established legislative history.

On June 7, 1984, I offered an amendment to the Omnibus Defense Authorization Act for fiscal year 1985 prohibiting funds for the advanced technology bomber and the advanced cruise missile programs from being used for any other purpose. That amendment was accepted on the Senate floor.

Likewise, I have been a strong supporter of the SDI. On two occasions I cast the deciding vote, one of which was when the distinguished Senator from Louisiana [Mr. JOHNSTON] offered an amendment cutting the SDI appropriations—he lacked one vote—I voted with the distinguished Senator from Georgia.

There was another occasion when there was a one-vote difference, I believe. I again voted with those who were supporting the SDI.

So I have been a supporter of the SDI. I have been a supporter of the B–2 over the years. But I think that as far as the B–2 is concerned, I have been, as I said in the full committee the other day, I have been disturbed about some of the stories that are continuing to appear indicating that the B–2 bomber is not meeting the test.

I ask unanimous consent to print in the RECORD a news item dated the 9th month, 13th day of 1991, in the Washington Post entitled "B–2 Bomber Fails Test of Stealthiness."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

B–2 BOMBER FAILS TEST OF STEALTHINESS

(By R. Jeffrey Smith)

The Defense Department expressed uncertainty yesterday that a problem with the radar-evading capability of the B–2 strategic bomber can be fixed, calling into question the ability of the $865 million plane to fulfill all its potential military missions.

A Pentagon spokesman confirmed that the unique, bat-winged plane had failed a recent test of its "stealth" features, which were designed to help shield the aircraft from detection by radar.

The revelation amounted to a new blow against the embattled aircraft, on which the government has already spent roughly $30.8 billion under plans approved during the Carter administration. Last week, the Air Force disclosed that cracks had appeared in the aft decks of the three planes built so far, necessitating an estimated $200 million in repairs for the planned B–2 fleet.

The B–2, which the Air Force has billed as the premier long-range bomber of the next century, is already the subject of a tug-of-war between House members willing to build only the 15 planes already ordered and senators who have voted to proceed toward production of the 75 planes desired by the Bush administration.

As one of the most expensive items in the administration's proposed defense budget, the B–2 has become a lightning rod for criticism from legislators who maintain its mission and cost belong to another era in U.S.-Soviet relations, particularly in the wake of the recent Soviet upheavals. Advocates of the plane, in turn, have maintained it represents a triumph of technology that can be used in future conventional wars as well as any nuclear conflict. The F-117A, a tactical fighter that shares some of the B–2's stealth characteristics, was successfully flown against Iraqi targets in the Persian Gulf War.

Defense Department spokesman Pete Williams, briefing reporters at the Pentagon yesterday, said Air Force officials had learned from a July 26 flight test that B–2 can be picked up by radar more readily than expected. "The plane does not meet the desired level of performance at this point in time." he said.

Williams said the Air Force officials he spoke with are not certain if the stealth deficiency of the B–2 can be corrected, how long repairs might take and how much this might cost. He added, however, that defense officials had determined there was no reason to halt production of the aircraft.

"If [the B–2] continues to have this problem, then it's a major problem," he said. "But for now, it's a cause of concern" rather than a "show-stopper."

Several congressional sources, who spoke on condition they not be named, expressed amazement that such a revelation would come after the Air Force had spend so much to develop and build several B–2 bombers. The high cost, special composition and unusual shape of the plane were meant to ensure that its radar "cross-section," or ability to be detected by radar, would be as low as possible.

Williams said the revelation that the plane had failed its first inflight, radar-detection test was considered serious enough to warrant prompt notification of senior Air Force officials and Secretary of Defense Richard B. Cheney. Cheney, in turn, authorized the Air Force to notify senior legislators and aides on Capitol Hill this week, several of whom differed yesterday in describing the immediate significance of the test failure.

Air Force Secretary Donald B. Rice, who spent two days on Capitol Hill this week briefing senior legislators on the secret test results, said in a prepared statement Wednesday night that "testing has confirmed the fundamental soundness of the B–2's stealth design." Rice also said the Defense Science Board had endorsed adhering to the existing production schedule following its own review of the latest testing results. Rice noted that a number of defects in the plane's stealth features have already been corrected, but did not assert that the new problem could be solved.

Defense officials and congressional sources, citing secrecy restrictions surrounding the advanced stealth technology, provided few details about the precise nature of the deficiency. Williams said that "it's not the shape of the plane" or a defect in manufacturing. He also said the Air Force had guessed that the cost of making the repairs would be less than the financial penalties incurred if the government were to temporarily halt the B–2's production.

A declassified excerpt of a Defense Science Board report on the B–2 last February referred cryptically to the need for "mods," or modifications, to the surface of the plane to ensure that it could absorb radar energy at certain frequencies.

Senate Armed Services Committee Chairman Sam Nunn (D-Ga.), a major supporter of the B–2; said in a statement last night that he does not view the new test results as "a permanent setback for the B–2 program" and cautioned against a "pile-on mentality" against the troubled plane.

Sen. John W. Warner (Va.), the committee's senior Republican, said after a closed Air Force briefing yesterday, "I think this can be fixed over a period of time." House Armed Services Committee member William L. Dickinson (R-Ala.), who was briefed separately, said he has "no idea how long it will take to fix" the plane because officials have not determined what repairs are needed.

Mr. BYRD. Mr. President, I have been a supporter of both programs. But as a member of the Appropriations

Committee, as a Member of the Senate, as one who has supported the B-2, I have reached the breaking point on it. I have reached the end of the line.

Regarding the B-2, I feel a little like that man in the Bible who went out to his garden and called the gardenkeeper to him and said, "Behold, I come these 3 years looking for fruit on this fig tree and find none. Cut it down!" Wordsworth said, "The world is too much with us; late and soon, getting and spending, we lay waste our powers." We ought to think about that. We are spending, spending, spending, and laying waste our powers. If we are going to be a strong nation militarily, we first have to be strong economically, and we surely are having some problems in that area.

Mr. President, the distinguished chairman of the Budget Committee, Senator SASSER, has made a very compelling case for reducing the defense budget below the caps provided in the Budget Enforcement Act [BEA]. As Senators are aware, under the BEA there are separate caps for defense, domestic, and international appropriations for fiscal years 1991, 1992, and 1993. For fiscal years 1994 and 1995, there will be only one cap for all discretionary appropriations. This means that for those years—fiscal years 1994 and 1995—defense spending will have to compete with international and domestic discretionary spending in budget resolutions and in the Appropriations Committee's 602(b) allocations.

The single cap for fiscal years 1994 and 1995 will be extremely tight. Pages 59-62 of the August 1991 report by the Congressional Budget Office entitled "The Economic and Budget Outlook: An Update," points out just how tight the cap will be. A table on page 60 of this CBO report sets forth two scenarios. The first scenario assumes the President's requests for defense for fiscal years 1994 and 1995. The budget authority would be $295.5 billion for fiscal year 1994 and $298.5 billion for fiscal year 1995. This amounts to a reduction below baseline of $8.4 billion, or 2.7 percent, in 1994 and $18.4 billion, and 5.8 percent, in 1995.

In order to meet the President's requests for defense, both international and domestic discretionary appropriations would have to be cut 6.9 percent below baseline in fiscal year 1994 and 9.7 percent in fiscal year 1995. For domestic discretionary, the cut would be $14.9 billion in fiscal year 1994 and $21.9 billion in fiscal year 1995 below baseline. Mr. President, I am not in favor of cutting domestic discretionary spending below inflation by $14.9 billion in fiscal year 1994 and by $21.9 billion in fiscal year 1995. But, that is the direction we are headed if we adopt the President's defense requests.

CBO goes on to point out in their report that if we wait until fiscal years 1994 and 1995 to cut defense, "very large cuts in military operations and investment would be inevitable." A CBO analysis, in fact, concludes that there would be no orderly way to achieve the defense outlay targets that will be necessary in fiscal years 1994 and 1995 if we are to keep domestic discretionary at baseline for those years—unless we start before 1994. That is, unless we appropriate less for defense than the caps allow in 1992 and 1993.

The amendment of the Senator from Tennessee [Mr. SASSER] recognizes these facts. It is a responsible approach that will cut B-2 spending by $15 billion over fiscal years 1992 through 1995. It will cut SDI by $9.1 billion and MX rail train by $370 million over the same period. These three programs are not the only ones that should be reduced. We should take a very hard look at the superconducting super collider next year, as well as the space station. These are all interesting and potentially beneficial programs. But, when we have no room for growth in higher priorities—for example, for infrastructure, for education, and other investments in our children, for environmental cleanup—all of which are crucial to our future as a nation, I can no longer support these big-ticket items that seem to have a life of their own, even when the justification for them is proven to be outdated and even when the programs have hugh cost overruns and, in many past cases, just plain do not work.

So, I compliment the distinguished chairman of the Budget Committee for bringing this amendment to the Senate floor. I urge my colleagues to keep in mind, as they decide how to vote on the amendment that if we do not start cutting defense now, in 1994 and 1995 it will be too late. At that point, only massive personnel cuts will achieve the savings that will be necessary in order to avoid real cuts in domestic discretionary programs. I, for one, signed up for last year's summit because it offered us an opportunity to reverse the devastating cuts of the last decade in domestic discretionary spending. For fiscal year 1991 and fiscal year 1992, we have had real growth in these critical programs—not enough, not as much as I would have liked, but at least we have not had real cuts. If we are to be in a position to at least keep up with inflation in fiscal years 1994 and 1995, we must start now by cutting unnecessary, large ticket items such as those in this amendment.

During the period 1981-85, I offered amendments every year to either add to the budget for the Stealth bomber, as it was known then, or to protect its funding from raids within the Pentagon. In that period, the program was so highly compartmentalized that no strong outside constituency was available to protect it, and DOD was constantly afraid that the funding for its preferred system, the B-1 bomber, would be drained in favor of the more promising and advanced new Stealth bomber. I was among those who believed that we needed to protect our advanced technology development, and so was a very strong supporter of this new bomber. However, Mr. President, times have changed dramatically. We have learned a great deal through the technology development we experienced in the B-2 program. Now we are talking about nearly a billion dollars for each airplane, a sum which just staggers me. The use of the system, for extended nuclear war, has become more and more remote, and, indeed, the whole concept of some orderly extended nuclear "exchange" or series of "exchanges" is highly questionable. So this is just one of a number of very expensive systems that we could certainly forego in a changed environment, systems which have just served the purpose of gilding the edge of our security lily. We frogs are safe on our lily without the B-2, and without some of the other big items I have mentioned, along with a couple of other programs which are still classified.

In regard to the MX rail train, I put that in the same category—more glitz, gild and greenbacks on the edge of our already fulsome security lily. We ought to can it.

And as for the funding for the SDI, I have been a strong supporter of that system, but there are certainly some savings, as expressed in this amendment that can be had without jeopardizing the value of it.

Mr. President, this amendment says it is time to start the process of reordering our priorities in light of a changed world environment. Gone are the days when this Nation could afford to do nearly everything it wanted with ease. The realities of a decade of huge budget deficits changed all of that. Now the realities of a changed world, where competitiveness in world trade markets has superseded the arms race in importance make it necessary for us to examine our priorities again. We must start that process now if we are to avoid savaging our potential. We must not continue blindly down the path of funding big-ticket defense items that have either become dinosaurs or threaten to drain the national treasury. I commend the distinguished Senator for trying to focus the attention of the Senate on this matter. We must begin to look ahead and adjust our spending priorities now.

Let me close, Mr. President, by saying apologetically to my friends, Senator NUNN, Senator WARNER, Senator STEVENS, and Senator INOUYE, that I respect their viewpoints. Their viewpoints are not without merit. I know how strongly they feel, and I know how well prepared they are to argue the merits of the systems which we are discussing.

I only have injected myself into this matter for two reasons: One, as I have just stated, I have lost faith in the B-2 bomber. As one of the key participants—and I do not wish to appear to be immodest in saying that, or modest either—I think I was a key participant in the budget summit, I have to say again that we are not rewriting the budget agreement here. But we are confronting a problem, which in light of changed conditions in this world, is going to come back to haunt us like Banquo's ghost in the outyears 1994 and 1995, and perhaps even next year, 1993, in nondefense domestic needs areas.

The amendment of the Senator from Tennessee is one which is attempting to foresee and provide for that day in the future when those domestic needs are not going to be met; they are going to be squeezed by the big-ticket items that are being laid in concrete today and which we will not be able to reduce on that future day of judgment when there is going to be a great deal of weeping and gnashing of teeth with respect to the shortage of funds for health services, education, and all of the other domestic needs of the country.

I congratulate Senator INOUYE and Senator STEVENS. I have watched them every year. They work hard. They are very knowledgeable Members. I come with some trepidation into this field, because I am not skilled in combat in this subject area. But I do bring these views from the standpoint of the budget agreement and the problems that we are going to be confronted with in the outyears of the agreement.

Mr. President, I thank Senators for listening, and I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, one of the most indelible impressions of my youth was watching the movie, "The Wizard of Oz." We all remember that great scene when the wizard was finally brought out from behind the curtain. The curtain was pulled back and all those fearful sounds, all of the sound and fury that had come from the wizard was finally revealed to be just from a weak old man who was not threatening to anyone.

Mr. President, at the time I saw that as a very young boy, it was hard for me immediately to accept what I had seen, that this fearsome thing we had seen suddenly was no longer fearsome anymore. There was a period of time in watching that movie when I could not accept emotionally what my eyes were seeing.

Mr. President, I think there is sort of a lesson in that with respect to the Soviet Union, because the whole organizing principle of our lives, at least those of my generation, has been the red menace, the terrible, fearsome, dangerous, organized, hostile, imperialistic, powerful hegemonistic Soviet Union, which was out there threatening the freedoms of every American, threatening the lives of every American.

In my own case, if I count the 4 years that I spent in high school ROTC, I wore the uniform of this country for 8 years. I was lucky I did not have to fight at that time. Many of my colleagues fought in various proxy wars against the Soviet Union.

But, Mr. President, the Soviet Union, like the "Wizard of Oz," is now no more. Mr. President, it is just not the same threat. All of the Eastern European satellites are gone. They have probably joined us. All of the cohesion is gone. They do not even call it the Union of Soviet Socialist Republics anymore. It is now called, I believe, the Union of Sovereign Soviet Republics, to the extent they can get a union at all. What it is is some kind of confederation, or it may turn into some kind of collection of Third-World powers which are not threatening to anybody, except perhaps for the internal fights which they have among their own people. Their economy is devastated. Their once vaunted technology, Mr. President, is no more.

Now, we know those things intellectually. We have seen them unfold on the television day by day by day, and yet somehow we cannot reorganize our lives, and we cannot reorganize the budgets that have defended against those fearsome possibilities in an intelligent way.

What this amendment says, Mr. President, is that, yes, we do have the sense in this Senate to reorganize priorities based on what now is reality.

I guess if there was one vision to come from all of this which really convinced me, which finally made me realize emotionally what I was seeing intellectually was that statue of the founder of the KGB—what was his name, Dzerzhinsky, I think—that huge, monumental statue, which over a period of, I think, a couple of days, was finally toppled there in Moscow, signifying not just the end of Soviet military power, not just the end of Soviet communism, but the end of the Soviet police state. With the toppling of that statue, Mr. President, goes, in effect, the danger of the Soviet Union.

Mr. STEVENS. Will the Senator yield for just one question?

Mr. JOHNSTON. Not yet, Mr. President. I will in a moment.

Which leads me to the B-2 bomber, Mr. President. I have been a supporter of the B-2 bomber as long as the Senator from West Virginia. I voted with him on every one of those votes. As a matter of fact, earlier this very year, I reexamined my conscience and I reexamined my logic, and I supported the B-2 again. We had invested so much in it I thought we are going to need a bomber, so let us go with the B-2; it is the only thing we have.

But, Mr. President, as I have watched that statue of the KGB founder topple, and really looked at what the B-2 is designed to do, and looked at what it is we are defending against, there is no mission for the B-2 bomber. There is no need for a triad against the Soviet Union. There is no need for a penetrating bomber.

Now, my friend, the Senator from Georgia, says that the threat of Soviet thermal nuclear war is undiminished. Mr. President, it is probably true that they have as many warheads as they did, although I have no doubt they will do away with those warheads, or a large number of them, in some kind of treaty which we will put together with them, because they did not need them. They are a menace to them to have them scattered all over the country.

I have no doubt they are going to do away with some of those. I cannot prove it. I know they continue the momentum of that manufacturing, and they still continue to produce some. But that is only because those people have no jobs; it is not because Gorbachev or Yeltsin or anybody else wants more nuclear weapons. They have 25,000 or thereabouts right now, as do we.

Now, what the B-2 is about is penetration, and the one threat that is going to be less is the ability of the Soviet Union to put up radar, which would prevent, say, the B-1 bomber from penetrating.

One of the reasons I opposed the B-1 bomber back when we were going to build it with all the advanced funds was because it would not penetrate, as I recall, into the next century; that it would penetrate through the 1990's, but by the next century Soviet radar would be improved enough so that the B-1 could no longer penetrate.

Mr. President, the B-1 bomber ought to be able to penetrate today, but penetrate what? Tadzhikistan, Uzbekistan, Moldavia, Yeltsin's Russia? Mr. President, we do not need a penetrating bomber. To the extent that we have a threat against us, and it is a dangerous situation to have that many warheads, we have more than enough terror to inflict upon them right now.

I had occasion a couple of years ago, Mr. President, to take a cruise on the U.S.S. *Nevada*, and when we boarded that submarine, the Commander said, "Senator, we have on this submarine enough nuclear power to destroy half the industrial might of the Soviet Union." They did not even have the D-5 missile at that time. With the D-5 missile, one Trident submarine will have, as I recall, 240 warheads—I believe it is 240 warheads—at, as I recall, about 450 kilotons apiece, which is many, many orders of magnitude bigger than the bombs we dropped on Hiroshima and Nagasaki. We have multiple Trident submarines, and that is just one system.

Mr. SASSER. Will the Senator yield for just one question here?

Mr. JOHNSTON. Yes.

Mr. SASSER. The Senator was discussing the merits of the penetrating bomber. I might say facetiously that one way we could save money is just buy a fleet of Cessna 110's.

You will recall the young German student who flew a Cessna 110 from Germany across Eastern Europe and landed in Red Square in Moscow. That was quite a penetrating bomber there. Surely we have aircraft that can penetrate it as successfully as a Cessna 110 without buying a whole fleet of B-2's at about $600 million a copy.

Mr. JOHNSTON. Mr. President, the Senator makes a good point. It is very clear that in the basket case economy of the Soviet Union they are not going to be spending the billions of dollars they will have to spend in order to improve their radar system.

Mr. STEVENS. Will the Senator yield for one question?

Mr. JOHNSTON. Yes.

Mr. STEVENS. Does the Senator have the information about the number of production lines still going on in the Soviet Union despite the toppling of the Lenin statues? How many lines are closed that are making missile submarines, attack submarines making their bombers, making their ships, which last year they produced 10 to our 1? Does the Senator know how many of those have been closed and what the comments have been coming out of Russia about why they are not closing?

Mr. JOHNSTON. Mr. President, I am aware that they continue to produce some of these weapons just as Czechoslovakia, for example, under Vaclav Havel, the great poet, continues to produce tanks. The reason is they do not have jobs for those people. There is this momentum that just under the Soviet system takes a while to roll down.

But if the Senator is telling me that Yeltsin and Gorbachev have the same idea about a possibility of an attack on the United States that the Soviet Union had under Brezhnev and before that, he simply is not going to be successful in convincing me of that.

I just really believe that the symbolic toppling of that statue brings with it all of that hostile imperialistic intent of the Soviet Union. I believe that. I believe it to the soles of my feet. I just think the Soviet Union is no problem anymore except perhaps with civil war and some errant commander out somewhere. But in terms of an attack on the United States, I just do not believe it. I do not believe it. I hear what the Senator says. I know about those production lines, but it scares me not one whit.

Mr. STEVENS. Did the Senator hear Shevardnadze repeat the statement he made to a group in Washington just a month ago that the great power of the pro-military group still exists, that he warned the world again that if this winter is as bad as they believe it will be, 40 million unemployed, that the strength of the Soviet Union is still in the pro-military forces, in those that would use those weapons? That does not impress my friend from Louisiana at all?

Mr. JOHNSTON. I have read Shevardnadze's statement, and the Senator will recall that Shevardnadze accurately predicted the last Soviet revolution. He also predicted it would not be successful, but he predicted it would happen, and he continues to warn about the powers or about the intentions of the right wing.

I understand that. I also do not think for a minute that they could be successful, or, if they were successful, I think it would take them so long to put the Soviet Union back together as a threatening power to the United States that we would have plenty of time to reconvene all kinds of lines whether we produced B-2's or cruise missiles. We would have plenty of time to do that. We would have plenty of time to get a lot more troops over to Europe.

I understand what the Senator is saying. I have read it all. I think one can make a plausible argument out of it. I just do not believe it. I do not think Senators in their heart of hearts will believe it either.

A much bigger threat to this country is the budget deficit. A much bigger threat to this country is the amount of interest we are paying, the amount of the infrastructure that we are not renewing, the quality of the education that is slipping behind international competition. The Japanese understand this game very well. They do not worry themselves with spending for defense. They are hiding behind their Constitution, and they are gearing up the civilian sector. They are outproducing us and grabbing our markets away from us. We can continue to build B-2 bombers and SDI's—and I understand the argument for SDI too, that some commander out there is going to shoot some missiles over here and we have to defend ourselves against that.

So we are going to spend billions upon billions upon billions of dollars to do that. I just do not think it is a plausible threat. It is a possible threat. We can conjure up all kinds of scenarios. Qadhafi gets hold of an intercontinental ballistic missile, gets a warhead, puts it on it—that is possible, but it is not plausible.

Mr. STEVENS. Why are we building those destroyers? Why are we building the things in the Senator's State we are building? Why are we ordering all of this ammunition we are ordering and building these missiles that are going to be shot from submarines? If the threat has totally evaporated, why do we not send the bill back to committee and say, give us enough money, as the Senator from Hawaii says, to keep the people at West Point, Annapolis, the Air Force Academy, and in the embassies around the world, and let us forget about the military?

Mr. JOHNSTON. I did not say that.

Mr. STEVENS. What is the threat there for these things that are built in Louisiana or other places where we are procuring so many systems for that list that my friend had, the big-ticket items? Why do we build destroyers? Why do we build Seawolf? Why do we build the F-15's? We just ordered 36 of them—48 of them, as a matter of fact. Why do we build all of these systems if there is absolutely no threat against the United States?

Mr. JOHNSTON. I did not say that. What I said was the Soviet Union as a threat against the United States has ceased to exist. Simply it has. That which the F-15 defends against, such as Iraq, has not ceased to exist. That which fast sealift would take our troops to has not ceased to exist. As a matter of fact, if I had my way, we would build a lot more fast sealift and bring some more of those troops home from Europe and Korea and elsewhere.

I heard General Powell the other day say we are still going to have a corps in Germany. I think by a corps he means two divisions with all the associated troops, plus all the support troops, plus all the hundreds of thousands of civilians. We are gong to have that as late as 1995 or 1996. If anybody can tell me why we need that to defend against what? East Germany, Czechoslovakia, Russia? I am sorry. I do not see the threat.

With respect to the Senator's statement that this is not the place to argue this, Senator SASSER was prepared to bring up his amendment in the committee and was prevailed upon by many who said that this is a more appropriate argument for the floor and not for the committee. The Senator remembers that.

Mr. STEVENS. If the Senator will yield, I did not say it should have been decided in committee. I said if the Senate wishes to have a cut in total amount of defense money, they should so instruct us. They did instruct us. They gave us a 602(b) allocation. This is not an attack, I am told, against SDI or the B-2 or the MX or the ballistic missile defense. No. No. The chairman of the committee has said, no, this is budget reality we are looking at. We are not going after systems. Do not vote because of these systems. Vote to cut the money. That is a budget decision.

Mr. JOHNSTON. I am saying they are right on both scores. They are right on the systems and they are right on the cuts in money. It seems to me we have to face up to the reality of our threat.

Another one of those events which happened that I find very convincing, was that the CIA analysis which they used to put out year after year, and in which they put a great deal of research, and put slick covers on, and sent out to all the press and everybody else, called I think, "The Soviet Military Threat," which was the subject matter of it; this year, Mr. President, they are no longer publishing that document. I guess they cannot pass the straight-face test with that, or maybe they realized that they have been telling us in the CIA all this time that the Soviet Union was this huge, strong economic power that suddenly evaporated like the Wizard of Oz behind his curtain. Maybe that is the reason.

The fact of the matter is, Mr. President, the Soviet Union is gone. All of that organizing principle which has directed our lives, which has directed the appropriations we have made, which has sent people off to fight and to serve and to be in the Army, which has directed our national priorities, is gone. I might say, Mr. President, that the politics behind those priorities have also gone.

I have been a hawk all my life. I have felt instinctively that we needed to be strong, and that that is the only thing the Soviet Union understood. As I look back at history, strength begot peace and not vice versa. All of us can cite that history.

Mr. President, that has now changed, and the politics of it has changed, too. The American people understand this. They understand you do not need a B-2 bomber at almost $1 billion a copy or $½ billion a copy, whatever the figure is, to penetrate Soviet air space. Yeltsin is just not going to put up those radars. Yeltsin is not a threat to us, nor is Gorbachev, nor Shevardnadze, nor those who might follow.

It is time for us to reassess, both intellectually and emotionally, that which is driving our policy in this country. Based on that, I am supporting the Senator from Tennessee in his amendment.

Mr. INOUYE. Mr. President, I have listened to the learned words of my colleagues, but, most respectfully, I still believe that this amendment is wrong. It is wrong on procedural grounds. It is wrong in substance. It is offered at the wrong time. And above all, Mr. President, it is wrong for America because, in one stroke, this amendment would seek to overturn major recommendations which the Subcommittee on Defense Appropriations has made, after we conducted a thorough review of the President's budget request.

I realize that is our job, and that is what we are supposed to do. I believe we have done that. The committee system around which the work of the Senate is organized is supposed to work this way. This subcommittee began its hearings on the fiscal year 1992 budget in March 1991, and we carried on for week after week until the end of May. There were 19 separate hearings. I cannot think of any other appropriations subcommittee that has held at least half of these hearings. We held 19, sir. The subcommittee heard testimony from representatives of the Department of Defense, naturally, and from many other Federal departments and agencies, and from the general public.

One thousand seven hundred fourteen pages of testimony were taken. We now have a five-volume public record on this budget request. That is just the unclassified portion. There are volumes of classified testimony, which is available in S-407 for the Members of the Senate.

So, Mr. President, we did not arrive at our recommendations by happenstance. These recommendations do not reflect whim or caprice. These recommendations represent the findings of hundreds of hours of work, of thoughtful reflection and conscious decision, and I believe that the subcommittee has done it work.

Mr. President, this amendment that we are considering at this moment is not some minor modification, some modest adjustment to the subcommittee's recommendation. It is an amendment which will profoundly affect the future of the Defense Department and our national security for the next 30 years.

Mr. President, this amendment is a major departure from the course set for our defense programs by the administration and the Congress over the past several yeas and, most specifically, in the budget summit of last fall.

Mr. President, are we now to tear the very fabric of that grand compromise? Are we going to do so in the heat of this floor debate? Are we going to overturn an omnibus multiyear budget agreement through a defense appropriations bill? I hope not. Mr. President, I say that this amendment is wrong on procedural grounds. It is also wrong on substantive grounds.

The author of the amendment expresses a concern that we are building a bow wave of procurement spending. He is concerned that those charged with the responsibility for defense spending are not managing the defense drawdown properly, and that this will lead to a sharp reduction in military personnel in order to meet the budget requirements of fiscal year 1994 and 1995.

But, Mr. President, the facts do not sustain that argument. The defense appropriations bills that were enacted over the past 3 years, and the bill which is now before the Senate, have reduced this bow wave of procurement.

These are not my words; I am not making this up, because I believe that the numbers are there for all of us to see. The bow wave would come from the second- and third-year outlays of a spending measure enacted in the base year.

What do we find when we look at the second-year outlays of the fiscal years 1989, 1990, and 1991 acts, and the fiscal year 1992 bill before us? We find the second-year outlays have decreased from $66.4 billion in 1989, $61.6 billion in 1990, $54.1 billion in 1991, and $47.8 billion in the current bill. These are the numbers that were provided by the Budget Committee. It demonstrates a steady path of reduction by the Department of Defense.

What about third-year outlays? We find the same pattern here: $28.5 billion in the 1989 act; $26.4 billion in 1990; $25.4 billion in 1991. And in this bill, $24.1 billion.

Clearly, Mr. President, the defense appropriations are acting to bring down procurement spending. As I also noted in my opening remarks of Tuesday last, I said that we are not unaware of the budget. Defense budgets will decline, and will decline sharply in the next 3 years. So accordingly, we have been careful to avoid initiation of R&D programs, which are unaffordable in the future.

This year, Mr. President, in acting upon the budget request of the President of the United States, as it related to research and development, we cut $2.4 billion below the budget request and $2.6 billion below the amount authorized in the recently passed authorization bill.

These were ratified by the full committee and so we are acting to reduce outyear defense spending.

It is also quite obvious, Mr. President, that the Secretary of Defense is concerned with the so-called bow wave of procurement and with the high cost of operating Defense Department installations in the United States and overseas.

As my colleague from Alaska pointed out, the 1992–93 budget submitted by the President of the United States terminates, it stops funding for 81 separate programs, and my colleague has listed 15 of the 81 programs. We have cut them out. Oh, yes, you heard gnashing of teeth throughout this floor because these procurement projects came from different States but a decision had to be made and this committee made that decision. It was not easy.

The termination of these programs will save $11.877 billion in 1992, $16.6 billion in 1993, $18.5 billion in 1994, and $20 billion in 1995.

Mr. President, we have done our job. It was not easy. It was painful. And these projects represent jobs. There are many hundreds and thousands of men and women out of work because of our decision. And yesterday we passed a monumental bill to cover the contingency of unemployment caused by these activities. That is not a peace dividend. It is a painful dividend. The Pentagon is doing its part.

Mr. President, the costs of worldwide operations of defense installations are also being reduced. In the 1988 Base Closure and Realignment Commission we closed 16 major bases and closed or realigned 84 others. In the 1991 Commission recommendation we closed 34 major bases and we realigned 48 others.

These were in the continental United States. Since 1988, the Department of Defense has closed over 300 bases and installations overseas. The Pentagon is reducing operating costs. It is not just talk. These are deeds. We are responding to the facts of this day.

So, Mr. President, to those who say otherwise, may I say that as chairman of this subcommittee I am convinced that defense spending is coming down. You can use all the statistics you want but we have our statistics, also.

The force structure is being reduced. Army divisions which numbered 28 in fiscal year 1990 will number 18 in fiscal year 1995. We have 15 aircraft carriers now, within a year we will have 12; with carrier air wings reduced from 15 to 13 in the same time period. Our ships of the Navy will be reduced from 545 to 451. Our tactical fighter wings will come down from 36 to 26. And our strategic bombers from 268 to 181.

It may be interesting to note at this juncture that we will have 12 carriers in a year. In Desert Storm six carriers were operating in the adjacent waters, six carriers were involved in our conflict in the desert. As you know, Mr. President, out of 12 carriers, 1 would always be in drydock. There were only five other carriers involved. Six were in the operation. Of the brave marines we have, 85 percent of the combat troops were in Desert Storm. Six divisions were fighting there, and it was considered a small war, just against a little country called Iraq. It was not against the Soviet Union. And we used over half of our carrier force, 85 percent of our marines, and 23 are lucky because we had the technical edge.

Yes, Mr. President, defense spending is coming down. We have reduced our active duty end strength. Two years ago we had 1,174,000 men and women in uniform. That will be reduced by 521,000. It will go down to 1.6 million. In this bill alone 106,358 men and women will receive their pink slips and they will join in many cases the unemployment ranks. Hopefully, not too many but some will join the welfare ranks. It will not be a happy time for many of them.

Even the Reserves are declining. Two hundred forty-five thousand will come out of the Reserves in fiscal year 1995. Even our civilian forces will come down. They will be reduced by 193,000. A lot of men and women are going to receive pink slips.

This amendment, Mr. President, is wrong on substantive grounds. Force structure, base operations, military personnel, end strength, procurement programs, R&D expenditures are all being reduced. This is wrong for America.

Mr. President, at this juncture just a footnote, this exercise I presume is to reduce our defense spending. I am certain all Members of this body agree that the cost of Government should come down. But while your subcommittee was doing its best to bring down the cost of Government, bring down the cost of defense, holding 19 hearings, we received requests from 79 Senators, for add-ons, and some of the very ones who are advocating cuts were coming forth with add-ons, add-ons that were not approved by the Defense Department, add-ons that would not have helped the national security of this country.

Mr. President, in a recent special briefing before the Appropriations Committee, Gen. Colin Powell, the distinguished Chairman of the Joint Chiefs of Staff, spoke rather frankly and candidly about his fears for the future of America's Armed Forces. He was concerned that measures to keep the Guard and Reserve at current levels, or to prohibit the managed reduction of the regular force, will lead to a topheavy structure of aging military personnel. He expressed his concern that reductions in procurement and research and development could erode the qualitative edge our service men and women have on the battlefield.

And, as we all know, that made the difference in Desert Storm. He expresses concern that, as we have in the past on many, many occasions, we would build a hollow force without modern equipment and overaged soldiers.

Mr. President, we must not let this happen. We must manage reductions in force levels and defense spending. We all know that these reductions will come about. And, as I have tried to convince my colleagues, we on the Appropriations Committee have begun to make them.

And so, Mr. President, I implore the Senate to choose the course of patience and wisdom. We have seen on too many occasions what happens when America is unprepared.

In a few months, we will observe the 50th anniversary of Pearl Harbor. I realize that is ancient history, that is 50 years ago. For most Americans, Pearl Harbor is a harbor somewhere in Hawaii.

But how many Americans remember that when General Patton took over the Tank Corps, he had 325 tanks at Fort Benning. And over half of these tanks were not operational. They needed nuts and bolts. He sent an application for parts to the U.S. Army and it came back rejected. Why? Because we had none.

Imagine General Patton going to Sears Roebuck and buying nuts and bolts. That is how he put the U.S. Tank Corps together. Sometimes it makes me wonder how we won the war.

Gen. George C. Marshall, who commanded the largest military force in the history of mankind, 12½ million men and women, when he took over the command of Fort Leavenworth, you would think that he had thousands of men and women around him. He had 200—cooks and clerks. That was the Army, the Army that used broomsticks for rifles and placards for tanks. Fortunately, we won the war.

But then, when we won the war, we decided that the millennium had arrived, peace was upon us. And so we began slashing the military might of 12½ million, and within 3 years, it came down to 600,000. The North Koreans decided that the United States had lost its stomach for warfare. Americans have had enough. So they crossed the 38th Parallel.

Something had to be done to hold back the onslaught. The only thing we had in Japan were cooks, stevedores, and clerks of the 8th Army. And that is what we sent as the initial force—men who were not trained for combat, men who were not equipped for combat. And now experts tell us that the first 10,000 casualties were not necessary. It was due to the lack of preparation, lack of equipment.

So let us not repeat that again.

Mr. President, this amendment is wrong.

In the debate of the first 3 hours, I have heard that we are now in a changed world; that with the basket-case economy of the Soviet Union, we have no fear. One of my colleagues said, "The Soviet Union is gone."

I know that it is tiresome and tedious to hear about history, but I think it is well to reflect upon history. And, if I may, Mr. President, just as a reminder, not of the history of 300 years ago or 200 years ago, but just 1989.

In 1989, the wall came tumbling down. The Warsaw Pact was shattered. There was jubilation all over. The stock market rose. People cheered. The millennium had arrived. And as part of this euphoria, a few months later, in January of 1990, the Government of the United States decided that the time had come to do away with the Central Command, to terminate its operations, to hang its flag.

Mr. President, just to remind ourselves, Central Command is the command that took charge of Desert Shield and Desert Storm. In January of 1990, we were all set to put it in pasture. We were prepared to retire General Schwarzkopf because the man was not needed. The services of General Schwarzkopf was not necessary, not necessary at all. The millennium had arrived. Peace was upon us. The Middle East was clam and stable.

In fact, we were so convinced that we provided Saddam Hussein $4.2 billion in agriculture assistant. We provided Saddam Hussein with $200 million in Export-Import Bank credits. And in the same month, January 1990, the Department of Commerce of this Government laid out plans to have a trade fair in Baghdad, a trade fair to sell the Iraqis aerospace technologies, ballistic missile technology and computer technology.

Your committee called upon the Secretary of Defense and complained, first, about General Schwarzkopf and the Central Command, and second, about this Baghdad business. And, Mr. President, I am certain all of us recall the months following that when some of my colleagues here stood up and spoke about Saddam Hussein as the possible mediator of peace; that he was one that we should listen to.

Mr. President, you will recall in June of 1990, I submitted a bill to impose economic sanctions on Iraq. And at that time, I was told in no uncertain terms by the administration and by my colleagues, "Don't do that. He's our friend."

Why do I say all of this? Mr. President, yes, we are in a changed world, but very likely in a much more dangerous world than what we found 3 years ago because of two worlds—"uncertaintly" and "instability."

Yes, we were certain that there was peace in the Middle East, but then we had to send thousands of men and women there.

Have we achieved peace there? Today, as I speak, thousands of men are going there with Patriot missiles.

As my colleague from Alaska tried to point out to the Senate, 2 years ago when we built one submarine, the Soviets built nine. A year ago, when the Soviets built 10 submarines we built 1. In this bill we build one submarine and the Soviets are continuing to build nine more. While we speak, the assembly lines on the construction of tanks and artillery pieces goes along unabated. As we speak, work is being done on their first aircraft carrier.

Aircraft carriers are always used for power projection.

The assembly lines on nuclear warheads continue. And while we debate the advisability of having mobile missiles—while we debate, they have already put into operation over 250 of them.

The Pacific fleet of the Soviet Union is much more lethal today than it was before Gorbachev's days.

Mr. President, these are the facts. I wish I could tell you the future of Mr. Gorbachev and Mr. Yeltsin. I do not know. A few ago, Mr. Yeltsin had some chest pains. It could have been overeating, for all I know. But when that happened, the stock market came down. That is how concerned we were—and should be concerned.

Can anyone tell me the future of Mr. Gorbachev? Where will he be 24 hours from now? Or, for that matter, 24 days from now?

Before this turmoil in Moscow we dealt with one super nuclear power, the Soviet Union. Now, with this apparent breakdown, we do not deal with 1; we deal with 11. They have nuclear warheads. What are they going to do with them? Who has the key? Who has the code? Who has possession? I do not know. Will they keep them? Will they sell them? There are many countries that would give much to get hold of some of these tactical nuclear warheads.

So, most respectfully, I say to my colleagues, this amendment is wrong. It is wrong, as I have tried to convince all of you, on procedural grounds. It is wrong in substance. But most important, Mr. President, and most respectfully, I contend that this amendment is wrong for America.

I yield the floor.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise in strong opposition to the amendment to reduce the funding for the strategic defense initiative. We recently defeated a series of similar amendments to the authorization bill. Since that time, of course, many things have changed and some may believe that we should immediately modify our defenses to reflect the threat as we see it today.

Mr. President, Congress is not now, and must never be like a weather vane, changing directions to face the day's prevailing winds. If today was August 19, the day of the Soviet coup, should we vote for a massive increase in our defenses? If today was just 3 days after that, August 21, when the coup fell apart, should we then vote for a massive cut? And if we had just now found out that the nuclear missile launch codes had been taken from Gorbachev by the coup leaders, should we today double the funds for SDI?

If ever there was a perfect application of the old saying that an ounce of prevention is worth a pound of cure, it is strategic defenses. At this point, the odds of an accidental launch from the Soviet Union are small, I do not deny that. But when you consider the catastrophic consequences should the worst occur, the situation cries out for some type of insurance policy, some type of protection for our people.

We are protected from other types of nuclear threats. Could a terrorist come to the United States with a nuclear bomb in a suitcase, or place one in a ship and sail into our harbors? The Chief of the CIA's Counter Terrorism Center will answer this question with a strong "no." The billions of dollars we invest every year in intelligence programs are spent to protect us from just this type of terrorist threat.

Mr. President, without SDI there is a window of vulnerability in our defenses that can be pierced by the Soviet Union and, in the days to come, by the Third World. The plan devised by Senators NUNN and WARNER is a rational one, providing a defense against accidents and limited attacks. It does not provide the grandiose protection envisioned by Ronald Reagan, but instead gives us the level of protection we now need, at a price we can afford with today's limited budgets. In these days of uncertainty I appeal to my colleagues to act with caution, lest we hamstring a program that may one day prove vital to our continued survival.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to join those in opposition to the Sasser amendment, which would delete funding for the B-2 program, and reduces funding for the SDI and the MX-Rail Garrison Program. This amendment represents yet another attempt by those who oppose the modernization of our Nation's strategic forces to cut the funding for programs that will provide this nation the flexibility to meet our defense needs for the next several decades. The Senate has previously rebuffed their efforts, and I urge my colleagues to do so again by defeating this amendment.

Mr. President, the Senate has previously indicated its support for the B-2 program. This support has been demonstrated in the deliberations of the Senate Armed Services Committee, the Appropriations Committee, and during numerous votes here on the Senate floor. The Senate's support is based on the capabilities and need for the B-2, neither of which have diminished due to the temporary set back in the testing program. Both Secretary of Defense Cheney and the Secretary of the Air Force have assured us that despite the anomaly in the B-2's stealthiness during a recent test, the B-2 is still far less detectable than the F-117 stealth fighter which performed so magnificently during Operation Desert Storm.

Mr. President, I have addressed the capabilities of the B-2 on several occasions here on the Senate Floor and will not reiterate those arguments here today. Suffice it to say that terminating the B-2 program would deny this Nation the ability to modernize its aging nuclear and conventional bomber fleet. We would enter the next century with a major flaw in our defense posture—the inability to react quickly to a crisis in any part of the globe. In my judgment, neither this Congress nor the American people should condone such a weakness in our Nation's military preparedness.

Mr. President, one of the most important lessons of the Persian Gulf war is that we must develop an effective defense against ballistic missile attacks, for the protection of both our forward deployed forces and our citizens here in the United States. Iraq was only one of many Third World countries that possess or have the ability to develop ballistic missiles. The Director of Central Intelligence estimates that, by the end of the century, between 15 and 20 developing countries will have acquired ballistic missile capabilities; at least 6 developing countries will have ballistic missiles with ranges of up to 1,800 miles; and at least 3 of these countries may develop missiles with ranges up to 3,000 miles that could directly threaten the United States.

To illustrate the threat, I direct my colleagues to a quote from a speech by Colonel Qadhafi, the terrorist ruler of Libya:

> If they (the United States) know that you have a deterrent force capable of hitting the United States, they would not be able to hit you. If we had possessed a deterrent—missiles that could reach New York—we would have hit it at the same moment.
>
> Consequently, we should build this force so that they and others will no longer think about an attack.

Colonel Qadhafi's threat was in response to the United States' reprisal raid on Libya in 1986. The threat is not yet credible, but Libya is known to be developing such a missile capability.

Mr. President, in the Defense authorization bill, the Senate has set a goal to deploy an antiballistic missile system, including one or an adequate additional number of ABM sites and spaced based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles. To support this goal, robust funding for continued research and development of Brilliant Pebbles space-based interceptors and other follow-on technologies necessary to provide future options for protecting the security of the United States and our allies, the committee authorized $4.6 billion for fiscal year 1992.

For the past 8 years, taxpayers have spent approximately $22 billion on SDI research without a clear concept of where the program was heading. We have now taken the bull by the horns and recommended a blueprint and timetable for developing a cost effective and operationally effective defense against accidental or unauthorized missile launches or ballistic missile attacks by a terrorist government. Senator SASSER's amendment would gut the bipartisan plan and preclude the Nation from deploying the missile defense it needs to protect its citizens.

Finally, Mr. President, the amendment before us would cancel the procurement of the test rail cars for the MX-Rail Garrison Program. The Congress, in the fiscal year 1991 Defense authorization, directed the Air Force to test the MX-rail garrison concept. We did that to ensure that this Nation had the capability to quickly deploy a rail mobile system in the event that the political and military climate in the Soviet Union changed for the worse. In my judgment, that criteria is still valid and we must continue to develop and test what is considered to be the most effective missile system in our nuclear arsenal.

Mr. President, We are living in a rapidly changing world. Every day there is a new revelation that most of us would have previously thought impossible. In this era of constant transition, we must be prepared to meet all possibilities; especially when it comes to the protection of our Nation, its friends and allies. The amendment before us would eliminate our flexibility to respond to all these contingencies as we enter the next century. We would neglect our constitutional responsibility if we allow that to happen. I urge my colleagues to vote against this amendment and support a strong defense for this Nation.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I ask unanimous consent that the Senator from Arkansas [Mr. PRYOR] be added as an original cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I listened carefully to the statement made by my friend, the distinguished senior Senator from South Carolina. I would remind my colleagues that the amendment presently pending funds the strategic defense initiative at $600 million over the funding level for fiscal year 1991.

In other words, if this amendment, sponsored by myself, Senator BYRD, Senator LEAHY, Senator JOHNSTON, and others should become law, the strategic defense initiative would still be funded at a significantly high level. The funding for fiscal year 1992 would be $3.5 billion for this so-called missile defense system, or star wars, or whatever you want to call it.

In listening to all of these statements made this morning about the perils in the world and the threats that this country faces, I am reminded of the old saying that the wicked fleeth where no man pursueth.

Just as recently as a few weeks ago, the Chairman of the Joint Chiefs of Staff, a very distinguished American, Gen. Colin Powell, said, in all seriousness, that he was down to only two threats: Kim Il Swng and Castro. It appears that Mr. Castro's days are numbered.

But how in the world do little countries like North Korea and Cuba really pose any threat to this country of 250 million people, with twice the gross national product of any other nation? No, I do not see that our citizens are threatened by Castro or Kim Il Swng. They do not perceive that they are threatened by that. But they do perceive that they are threatened by other things, and you can see it in their faces.

I was in New York City just a few weeks ago. Mr. President, it broke my heart to walk down the streets of this great American city. It literally looked like a city in a Third World country. The infrastructure in that city is decaying. In some of the best sections of New York City, panhandlers were standing on the streets asking for handouts. It might as well have been at the height of the Great Depression in the 1930's.

Yes, there was fear on the faces of the citizens of that great city when nightfall came, but it was not fear from external threats. It was fear from internal threats, as they walked down the streets looking over their shoulders to see if someone was approaching them. They were apprehensive. They walked out close to the curbs away from the shadows of the buildings because they were afraid. They were not afraid of an external threat represented by Mr. Sung or Mr. Castro or any other tinhorn tyrant around this world. They were frightened about what was happening in their own country. They could not walk the streets of this great American city without fear, and as you looked around this great American city you saw decay and you saw what appeared to be, at least I saw what appeared to be, the decay of a great power, indeed the decay of a culture.

That has to be reversed, and if we are going to reverse it, we are going to have to start making greater investments in our own people.

The amendment I am offering today continues to fund the strategic defense initiative at an adequate level, a level that I, quite frankly, think is too high. But we are going to continue to fund it at $3.5 billion. Think what $3.5 billion could do for the city of New York or Nashville, TN, or Birmingham, AL, or Juneau, AK, the great cities of this Nation. They are the ones that need the funds, and there is where I think you find the threats to the citizens of this country.

But we are going to go ahead under this amendment and fund the strategic defense initiative at a level that is adequate, a level that will allow them to continue to carry out the research and development to the point that they can produce a system that might be deployable if we need to deploy it in future years.

The amendment we are offering today seeks to spare this body from the agony in another year or two—indeed, another year—of making the choices between these domestic needs that we all agree are necessary to be satisfied or making really draconian cuts in the muscle of the defense budget. When I say draconian cuts, we are talking about cuts of personnel, cuts in operation and maintenance. That is what makes a military establishment work, people, skilled people, to have the necessary funding to carry out the maneuvers and exercises to be able to perform their jobs. It does not do them any good to be surrounded by sophisticated weapons if there is nobody there who knows how to operate them.

So we are simply trying to get a handle on some of these procurement programs if we have a chance to do it. If we do not do it now, I think we are going to be foreclosed from doing it in the outyears.

That is the thrust of the amendment I am offering here today, not to emasculate the Defense Department. Nothing could be further from the truth and nothing could be further from my wishes. It is simply allowing ourselves now, hopefully, to make a rational choice at a time when we have the opportunity to do so with minimal problems for the defense establishment and with minimal tension developing in the outyears between our needs for domestic discretionary funds, funds in the international area, and also funds in the defense area.

Mr. President, I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I think it is important to keep in mind what is before the Senate. Before the Senate is a recommendation on the B-2 and SDI and the MX. The B-2 is the unique one because the money that is in this bill is not available. It is what we call "fenced" until an act of Congress is passed following a certification by the Secretary of Defense that the B-2 has, in fact, met its testing requirements.

I was reminded about these testing requirements when I started thinking about this amendment and what we are doing. We have just come through the gulf war, and the most used munition in that war was the Maverick antitank missile that was used on the A-10's and F-16's. It was a missile that had a great deal of trouble in development. At one time the GAO issued a report critical of the Maverick.

When I was managing this bill in 1982, an amendment was offered to delete the Maverick missile. The same arguments we are hearing today—and I am glad to see my friend here from Tennessee because the Senator from Tennessee voted to kill the Maverick in 1982 on the basis of testing. GAO looked at it and said, "Oh, this missile can't work." I think anyone who would look at the recent performance in the war would realize that it was the elimination of the tanks by the A-10's and the F-16's that really was the turning point of the war. There is a good example of a system that everybody at the time said was totally flawed: it failed a test.

I can remember several other items—some of them are classified—that went through similar, what I call glitches.

The B-2 right now has a glitch, and it is a testing glitch. We are not even sure whether the test itself was wrong or whether the way the test was applied to the system was wrong or whether the system was given a greater expectancy through the predictions of what it would do. In other words, since it is a new system and we are testing it against projected potential threats, the question of whether the threats have been properly stated, whether the system is properly applied, is such a confused matter that it is hard to understand.

The thing that should be understood is this: The B-2 today is the best bomber in the world. It has the capability and it has passed its test against any known threat in the world today and the projected threats of what might be developed out in the next century. They are classified. I think it is going to look like Yorick pretty soon if people do not take some classifications off what we are doing with this system. But as a practical matter, the projections were based upon what were the estimates of the threat that could be developed by some foreign power in the next century. Those estimates were cranked into the contract specifications and then they were quantified down into how this bomber should perform right now.

In a series of tests, it did not meet one cryptical element. It is critical if the estimates are right, and the assumption that a foreign power could create a system, provided the threat is right, then this must be corrected. In any event, it must be corrected because it was agreed to by the company that they would make these corrections, and ultimately it must be fixed, as the Maverick was fixed. I come back to where I started. The Maverick was considered to be defective.

There was a committee, as a matter of fact, that was formed to review the Maverick because of a series of test failures. The program was restructured. The production design decision was delayed. And the committee concluded—this is the special committee—that "procurement of the Maverick at this time is unjustified," and recommended no funds.

Those of us who are familiar with the system at the time reported to the Senate—for anyone who wants to look it up it was on December 16, 1982—we made the case. Senator RUDMAN made the case very strongly, and I must say very effectively. He had been assigned that missile system in our committee process. And the Senate rejected that; rejected that connection that the Maverick be discontinued.

It did so on the basis of the advice of those of us who, as I said before on the floor today, have spent a considerable part of our lifetimes following the Department of Defense. The Senator from Hawaii and I now have been on the Defense Appropriations Committee for 22 years. We come before the Senate now with a recommendation that these systems should not be cut in the interest of budgetary control.

As I have stated before, if the Budget Committee tells us now, even at this late date, that we have been allocating too much money, the 602 allocation is too large and we must cut money from the budget, and the Senate votes that, we will take the bill back to committee. And we will bring back to the floor a bill that complies with the Senate's decision. That is our job. We have allocated moneys. We have complied with that allocation.

Part of our recommendation is that in the interest of the defense of this country we need the B-2, we need the SDI, and we need the MX—the production that we have scheduled under this, which is a very limited production. It is really not a significant portion of the Senator's amendment.

During his opening remarks on this amendment the distinguished Senator from Tennessee remarked about budget caps and pressure. We still have one of the charts of the Senator from Tennessee still up. But the pressure on the budget caps in 1994-95 are not caused by this bill. This bill complies with the budget agreement. The pressure comes from significant increases in domestic, nondefense spending, measures that the Senate has already adopted, and many of which I have supported along with many others.

We know we have problems in the outyears in terms of nondefense ceilings, but it is not brought about by overspending on defense.

I think it is important to note that the study relied upon by the Senator from Tennessee, the chairman of the Budget Committee, from the Congressional Budget Office, states this very clearly. That paper is dated June 1991, and the Congressional Budget Office reports that caps for fiscal year 1991 required that the defense budget authority be reduced by 8 percent in real terms below the 1990 appropriations level, and that the international budget authority be reduced by 5 percent. Domestic discretionary budget authority in 1991 was permitted to increase by 7 percent above the inflation-adjusted 1990 levels.

The CBO study goes on to state in 1992 and 1993 the discretionary spending limits in the Budget Enforcement Act require substantial further reductions only in the defense category. The budget authority limits for international and domestic discretionary spending in those years exceed the real 1991 appropriations by small amounts.

Mr. President, my contention is we are complying with the Budget Act, and I do not really know what the Budget Committee is doing out here on the floor asking us to change the budget, as far as defense is concerned in this manner. But it is not only asking us to change. It is doing something which is contrary to the Budget Act itself; it is including in its amendment a direction to terminate three specific programs. I know that there are many, many others that will be involved in this.

I want to come back again to a chart that I used before on this matter. It is defense as a share of Federal outlays. In this 5-year agreement, by the end of fiscal year 1995, as we enter 1996, the defense share of Federal outlays will be its lowest in 50 years. We started in 1950 with about 28 percent of the total Federal outlays, went as high as 57 percent during the Korean war, as high as 43 percent during the Johnson administration, and 27 percent during the Reagan administration. We will be down to 18 percent, two-thirds of the amount that we spent from our Federal budget in 1950.

The chairman of the Budget Committee says that has to be reduced even further in order to accommodate nondefense spending in 1994 and 1995, and he wants to do it now. But I really think that this is a wolf in sheep's clothing because the people who are supporting this amendment have opopsed the B-2 all the time, they have opposed the SDI all the time, and they opposed the Maverick all the time. Now they are coming in under the Budget Act, and saying are you not spending too much money for defense?

Well, I tell you, I do not think we ought to spend one more dime for defense than we need to carry out our constitutional responsibilities. As I have said before time and time again, the Constitution gives us the responsibility to provide for the common defense. We are saying if you project our needs out into the next century when, by definition they will be even lower—I project that 18 percent is going to come down to somewhere around 10 percent in the peacetime era, I hope and pray it will at the end of the century, on into the first part of the next century—what will we need? We will need a force structure that can maintain our presence in terms of conventional threats, and we will need the ability to protect our sea lanes.

We are an island nation. We are the most heavily involved in foreign trade of any nation in the world. We have to be able to insist that our vessels be able to travel wherever they must travel on the seas. We have to protect air commerce, the air lanes of this world for our own good. We have to have the ability to deliver the systems that will be necessary to protect us against the high technology future. That one system, by the way, that is most essential is the B-2. We have to suppose and assume that the Senator from Louisiana is correct and the Senate will say, the Congress will say, bring our forces back to the United States. We will not have bases overseas. We will not have large squadrons of F-15's and F-16's stationed around the world.

As the Senator from Georgia has said, the B-2 is the equivalent of a great many smaller airplanes. It has the range, it has the capacity, it has the ability to deliver a real punch if it is necessary. God knows, I hope it will never be necessary. But it is a system that has been designed for the future. I will be in my grave probably when the country will need it. But I hope to God someone is listening now to help us be sure it is there, just as the Maverick was necessary in the Persian Gulf war. Without it, we would have lost many men in the tank warfare. It was the system that killed those tanks.

This is the system that can maintain our presence throughout the world, and the very knowledge that it is there, the very knowledge that the B-2 is such an effective system, will be a deterrent in and of itself, a system that can be controlled and it can be recalled. It does not have to be a MAD system, a mutual assured destruction concept that if someone is doing something wrong, we know they are going to do it, and we have to fire off a missile in order to prevent it. That is the way to start World War III. We are trying to get away from that in this bill.

We are saying to the Senate, fund SDI, a ballistic missile defense system, so that can we can have a nonnuclear response to a potential nuclear attack against this country. We have the potential threat even today of an accidental launch, a terrorist launch, an unauthorized launch of a missile in the Soviet Union.

Under the circumstances we have no defense. We do not have a Patriot missile. We just do not have a concept of being able to handle the intercontinental missiles.

I cannot believe that we would abandon all the progress we have made to date in terms of being able to design a system that could provide that protection that our people need, just like the people of Saudi Arabia and Israel against the Scud missiles from Iraq.

Mr. President, I oppose this amendment because I think it is an improper use of the Budget Committee's authority to try and determine defense policy. And I oppose it because I firmly believe that we have gone into this matter very deeply over a period of years, and we have authorized this system; we have spent $38 billion on the B-2 so far. This amendment would just completely abandon that investment, abandon it.

As a matter of fact, as I pointed out before, we have other systems that are much more expensive. If the Senator wishes to deal with expensive systems, he ought to look to them. The big ticket blues are the blues of the appropriators, too. We know what these systems cost. I wish they did not cost so much. But the question is: Can they do the job, and will they protect the men and women in the armed services as they have to represent our country throughout the world? I believe they will. I mentioned briefly the report of the Senator from Louisiana on military production over the last 3 years.

I ask unanimous consent to have printed in the RECORD this table of the Soviet Union's military production during that period of time.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MISSILE PRODUCTION: U.S.S.R. AND U.S.[1]

Equipment type	1988		1989		1990	
	U.S.S.R.	U.S.	U.S.S.R.	U.S.	U.S.S.R.	U.S.
ICBMs	150	12	140	9	125	14
SLBMs	75	0	75	10	65	77
SRBMs	600	0	600	0	600	86
Long-Range SLCM[2]	175	[3]199	175	[3]394	175	[3]391
Short-Range SLCMs[2]	1,100	[3]497	1,100	[3]228	1,000	[3]311
ABMs	15		35		20	
SAMs (nonportable)	15,000	2,986	14,200	3,581	13,000	2,840

[1] Total military production, including exports.

[2] SLCMs divided at 600 kilometers.

[3] Data adjusted to reflect new information.

As of September 1991.

PRODUCTION OF GROUND FORCES MATERIEL: U.S.S.R. and U.S.[1]

Equipment type	1988		1989		1990	
	U.S.S.R.	U.S.	U.S.S.R.	U.S.	U.S.S.R.	U.S.
Tanks	3,500	784	1,700	720	1,300	718
Other armored fighting vehicles	5,250	1,109	5,700	659	4,400	627
Towed field artillery	1,100	47	800	62	700	155
Self-propelled field artillery	900	170	750	41	400	0
Multiple rocket launchers	500	48	300	47	250	49
Self-propelled antiaircraft artillery	100	0	100	0	100	0

[1] Total military production, including exports.

As of September 1991.

PRODUCTION OF AIRCRAFT: U.S.S.R. AND U.S.[1]

Equipment type	1988		1989		1990	
	U.S.S.R.	U.S	U.S.S.R.	U.S	U.S.S.R.	U.S.
Bombers	45	22	40	0	40	0
Fighters/fighter-bombers	700	534	625	473	575	456
Antisubmarine warfare (ASW) fixed-wing	5	6	3	9	1	5
AWACS	5	8	5	7	2	11
Military helicopters	300	337	[2] 225	273	175	307

[1] Total military production, including exports.

[2] Data adjusted to reflect new information.

As of September 1991.

PRODUCTION OF NAVY SHIPS: U.S.S.R. AND U.S.[1]

Equipment type	1988		1989		1990	
	U.S.S.R.	U.S	U.S.S.R.	U.S	U.S.S.R.	U.S.
Ballistic missile submarines	1	1	2	1	1	1
General purpose/attack submarines	7	[2] 2	7	[2] 3	10	5
Other submarines	1	0	0	0	1	0
Aircraft carriers	0	0	1	0	0	1
Cruisers	1	3	1	[2] 4	0	1
Destroyers	3	0	3	0	2	0
Frigates and corvettes[3]	5	0	7	1	7	1

[1] Total military production, including exports.

[2] Data adjusted to reflect new information.

[3] Includes paramilitary ships.

As of September 1991.

Mr. STEVENS. These lines are ongoing. This is strange. We are told that in a Communist world it is not possible to stop building items of mass destruction. Despite the apparent collapse of their system, they continue to build.

Did you know, Mr. President, in 1990, which is the last total figure we have, although we are informed the lines are still going, the Soviet Union produced 13,000 surface-to-air missiles? We produced 3,000. We used part of them, I am sure, in the war. In terms of tanks, they produced 13,000 again; 4,400 armored fighting vehicles. Mr. President, they produced 40 bombers in the Soviet Union last year. We produced none, in terms of new bombers, last year.

All of those lines are ongoing, and we are told to just assume that since there is this change in their system, that what comes out of this change is not going to be any kind of command and control over all of that armed force that is over there and all of the basic systems that they have. I think it is premature to make that judgment. But I do say that this bill reduces our production down even lower than theirs; our comparisons last year were down, and again this year we are at a lower figure.

This is one other thing to keep in mind. I think it is important to ask the people of the United States, is it proper to use 3.6 percent of our total gross national product for our defense? In 1950, we used 4.4. In the total aftermath of World War II, we were down to that level, 4.4. At the end of this 5-year period that we are working on now, we will be down to 3.6 of our total gross national product that will be involved in defense. That is manpower, new production, and R&D; all expenses for the Department of Defense will be only 3.6 percent of our total outlay.

How much do you have to pay to maintain peace? What are we willing to pay to maintain the defenses of this country? I think that is a legitimate question to ask the Budget Committee, and I asked them before, if they follow that chart of theirs and they fill up the gap which appears in red on the chart of the Senator from Tennessee, by cutting down defense now, in 1993 and 1994, in order to spend it in 1995 and 1996, what is he going to cut in 1997?

Mr. SASSER. Will the Senator yield for a question?

Mr. STEVENS. Yes.

Mr. SASSER. In response to the statement as to what the Budget Committee is willing to pay for the defense of the country, we paid $289 billion this year, as my friend from Alaska knows. That is hardly what I would classify as unilateral disarmament.

Mr. STEVENS. I answer that by saying you are unwilling to let us continue that. Our bill shows it further. We go down another 12 percent in the next 2 years on our charts. But you say you want to change the budget agreement now. You want to say the budget mix is not going to be as we projected, as the Senator from Georgia indicated, and we cannot deal with those numbers. What is the number the Senator would like us to deal with? What is the total amount he would like to make available, as chairman of the Budget Committee, for 1992?

Mr. SASSER. Well, the Senator from Alaska has asked me a question, and with regard to what is to be available for fiscal year 1992, it is satisfactory with this Senator if we just stick with the 602(b) allocation. The problem we have with it——

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. STEVENS. I will be glad to answer the questions. I will give up the floor in a minute when I am finished.

As far as the Senator's position is concerned, that again accentuates what the Senator from Georgia [Mr. NUNN] was trying to say. This is not a budget amendment. As the Senator from Tennessee has indicated, he is willing to live by the 602(b) allocation which we have lived by. He wants to cut off the B-2, SDI, and the MX, which means we are going to face the amendments we have already rejected.

Mr. President, I alone—I do not know how many the Senator from Hawaii received—received in my office requests from other Members of the Senate to add $6 billion to this bill. A great many of the people who asked for me to support their amendments are the people supporting the amendment of the Senator from Tennessee now, and what is going to happen to the amendments we rejected? We are going to see them here on the floor.

It is not a question of saving the money the Senator says he wants to save. It is the B-2, SDI, and the MX. We ought to get those three wolves out of this one wrap of sheep's clothing here.

I do not believe that it is fair for the Budget Committee to say, on the one hand, that the budget has to be reduced in order to take care of 1994, 1995, and 1996, but, by the way, you can still have your 602(b) allocation, which is what we have lived up to. It means we will come back and consider all of those amendments, amendments to add the F-14, to ramp up the tank lines again. All of the amendments that were on that list of items we terminated. Let us look at them. How many more do we want to build? That is just a portion of them. We terminated 81 systems. Those are the largest ones that we modified or terminated.

I say, Mr. President—and I am still looking for another item—I believe the Patriot was under similar attack. At one time, we had to ramp up the Patriot moneys in this committee, the Defense Appropriations Subcommittee, in order to keep it under production, because of complaints that had been heard here and in the other body about the testing of the Patriot. It was still being tested when it was shipped over to the Persian Gulf, but it worked.

When the time comes for the B-2, it will work. It will work. The ones we have right now, if they had to be sent off, would work against any threat in the world.

I want the Senate to realize what we are up against here right now. We have a difficulty in dealing with this amendment, primarily because it is couched in budget terms. It implies that, somehow or other, we have not complied with the budget.

That is the thing that the Senator from Tennessee ought to be clear about stating to the Senate and to the country. This bill is in compliance with the budget agreement. This bill is in compliance with the allocations we got under the budget agreement. This bill is in compliance with the Senate authorization bill, which was passed previously by this Senate this year.

Here, at the last minute, we are faced with a philosophical argument based upon the amount of money we are going to be needing in 1994 and 1995 and the balance of the budget summit agreement which—whether this modifies it or anything else—I am not going to argue with the Senator from West Virginia over the semantics about it. But as far as this Senator is concerned, if this amendment passes, that agreement is gone. That agreement has no real validity in terms of the allocation between defense and nondefense spending because this amendment would be contrary to the best planning that we have had in terms of the future of our country.

I will close by saying this. I asked the other day my good friend, Gen. Tony McPeak, who is chairman of the Air Force, what his feeling was about the B-2. And he said, in effect—I wish I could quote him precisely—he said when the time comes that the U.S. Air Force has been reduced as many people believe it will be in the future, and we are called upon to defend this country and defend our interests abroad, the key to that defense at that time will be the B-2. It is the plane of the future as far as defense is concerned.

I has a multiple role, and I wish we had the capability to explain the greater detail what some of its real merits are. They are still so highly classified, we cannot talk about them. And I am critical of over classification, but I am not critical of classification in this sense because that system, in my opinion, will be able to defend our interests anywhere in the world, with a minimum number of pilots, with a minimum amount of support based worldwide. I really think it is the system that is vitally needed in the country.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The pending business is the Sasser amendment.

Mr. LEAHY. Is there a time agreement on that?

The PRESIDING OFFICER. No time limit.

Mr. LEAHY. Mr. President, I do not intend to speak long.

Mr. SASSER. Mr. President, will the Senator from Vermont yield?

Mr. LEAHY. I yield to the Senator from Tennessee.

Mr. SASSER. I thank the Senator from Vermont.

Mr. President, the Chair responded a moment ago that the pending amendment is the Sasser amendment. The pending amendment is the Sasser-Leahy-Byrd-Johnston et al. amendment, and I want to pay tribute to the fine work that the Senator from Vermont has done over a period of years on one or two facets of the pending amendment. He has been a leader in this field. He particularly called this body's attention to some of the problems with the B-2 bomber. I want to just pay tribute to the leadership that he has shown on this particular issue at this time.

(Mr. FOWLER assumed the chair.)

Mr. LEAHY. Mr. President, I thank the distinguished Senator from Tennessee and chairman of the Senate Budget Committee. He has, in many ways, the most difficult job in this body and that is trying to hold the desires of many within the realities of the budget. He does it very well. That is why I am pleased to join as a cosponsor to the amendment that the Senator has offered with the distinguished chairman of the Appropriations Committee.

The reason I was pleased to join with him is that the amendment incorporates the efforts of myself, Senator COHEN, and others to halt the B-2 bomber as well as to make deep cuts in the strategic defense initiative and the MX rail garrison system.

Last year, I supported the budget agreement reached between Congress and the White House to reduce the Federal deficit by $500 billion over the next 5 years. That agreement took many weeks of negotiations and was an important step in limiting our ballooning Federal deficit.

I thought if there was one thing I might do for my children and eventually for their children it is to try to take those dramatic and drastic and sometimes draconian steps to lower our budget.

The recent dramatic changes in the Soviet Union has prompted many calls for renegotiation of the budget agreement. I support efforts to mandate lower defense spending below the levels reached in last year's negotiations.

But today, Senator SASSER, who played a leading role in those negotiations, is warning that before we can consider changes to last year's agreement, we are going to have trouble living up to the current rules. And the distinguished senior Senator from Tennessee makes a very valid point. You might say a very sobering point. If the defense and domestic budgets proposed by the administration are enacted at current levels, Congress is going to be required to cut $25 billion from the Federal budget by fiscal year 1995.

For over 40 years, our defense spending has been based on preparing for a conflict with the massive forces of the Warsaw Pact and the Soviet Union. That threat is vanishing today right before our eyes. The Warsaw Pact has been disbanded. The Soviet Union no longer exists.

The Sasser amendment proposes to reduce three big ticket programs whose justification is based on threats from an era that lives now in the history books. The savings from canceling the B-2, cutting SDI and eliminating research for the MX rail garrison would cut the $25 billion gap in 1995 and cut it in half. Here is an opportunity that goes beyond symbolism. It goes to substance. It goes beyond rhetoric. It goes to reality. It cuts the defense budget and allows us to shift priorities to meet our current needs.

The greatest threat to our Nation today is red ink and not the Red Square leaders. The deficit continues to spread its cancer through our economy despite last year's efforts. The Congressional Budget Office recently announced the deficit is now over $300 billion. Taxpayers of this country spend $545 million every single day on what? Not to build new bridges or new schools, not for health care, not for law enforcement, not for environmental protection. We spend $545 million every single day on interest payments alone.

I, for one, would rather see our tax dollars spent on educating our young, providing health care of our old, homes for our people, improved roads and bridges, and better research and development.

Every million dollars spent on interest is a million less available for building a strong economic base that is going to properly feed, educate, and employ the American people. The Treasury is spending more time worrying about bringing in foreign capital to service the deficit than they are setting monetary policy that will assist American firms to compete against the European Community, the Japanese, and other nations in the rapidly expending Pacific Basin.

Our massive debt has prevented our leaders from paying attention to domestic problems that are going to be a far greater threat to our security than any foreign military force. The roads and bridges that provide our national infrastructure are crumbling. And despite being the wealthiest nation on Earth, we do not provide shelter and food to our poor. We have the finest health care in the world but only for those who can afford it. The United States ranks 13th among industrial nations in the maternal mortality rate. Seventeen industrial nations are ahead of us in the infant mortality rate. We have to start making choices in this country.

I am convinced that the American people will pay any price to defend our country. As threats change, however, so must our priorities. Today, the U.S. Senate has an opportunity to make choices with foresight and not hindsight.

Continuing to prepare for threats that no longer exist exhausts resources to care for the very Nation that all of us have sworn to protect.

Mr. President, I urge my colleagues to vote for the Sasser amendment. I salute Senator SASSER for his leadership as chairman of the Budget Committee. I am pleased to serve with him on the Defense Appropriations Subcommittee.

Mr. President, I yield the floor.

Mr. SASSER. Mr. President, I wish to thank and commend the distinguished Senator from Vermont for the remarks that he has just made. The Senator from Vermont, as my colleagues know, has been a leader over a period of years in calling this body's and indeed the country's attention to what he eloquently described as the shortcomings of the B-2 bomber and the need to reallocate those resources to more critical needs of the country. He has reinforced that argument on the floor here this afternoon, and I want to indicate to the Senator from Vermont that I very much appreciate his arguments and the kind comments he made regarding this Senator.

I will be very brief, Mr. President, because I see the distinguished Senator from Arkansas on the floor, and I would not attempt to try to match his eloquence on the issue before us, or any other issue for that matter.

But an attempt was made, I think, on the floor of this body a short time ago to characterize this amendment as a Budget Committee amendment. Mr. President, that is not an accurate characterization.

Yes, this amendment does have as one of its chief sponsors the chairman of the Budget Committee, but it also has as one of its chief sponsors and most powerful advocates the chairman of the Senate Appropriations Committee, the distinguished Senator from West Virginia [Mr. BYRD]. It also is cosponsored by a number of Senators who sit on the Defense Appropriations Committee, including the Senator from West Virginia, the Senator from Vermont, the Senator from Tennessee, and others, including the distinguished senior Senator from Arkansas [Mr. BUMPERS]. So to characterize this simply as a Budget Committee amendment I think is a mischaracterization.

This is an amendment, I think, that expresses the profound concern of the appropriators themselves as they view the cruel choices that they will be called upon to make in the outyears should the amendment before us fail.

I sought to raise this issue and did raise the issue, but sought to bring the amendment to a conclusion in the Appropriations Committee itself when the defense appropriations bill came before the full committee. At that time, I was discouraged from doing so by the chairman of the Defense Appropriations Subcommittee, the distinguished Senator from Hawaii, and it is my practice of long standing to defer to the requests of the distinguished Senator from Hawaii in these matters. But there is no other way to dispose of this problem now, save to discuss it on the floor. And that is what we are doing.

I will freely concede that this is an issue which would have been better resolved in the Appropriations Committee itself by the appropriators because they are going to be the ones who are going to be called upon to make the choices in 1994 and 1995. It is going to be the Appropriations Committee that makes the choices about how in the world we are going to make up the difference between the caps that are in place and the $54 billion that we are going to go over.

It is going to be the Appropriations Committee and the appropriators who are going to have to determine whether we cut domestic discretionary spending, education programs, health and human service programs, infrastructure, environmental programs, or whether or not we cut defense. And if we cut defense, how are we going to cut it? Are we going to cut manpower? Are we going to cut operations and maintenance?

By the time we get to 1994 and 1995, if we are going to take any of the necessary savings out of defense, all there is going to be left to cut will be the muscle, the sinew of operations and maintenance and personnel. And these are going to be very, very cruel choices indeed, very difficult choices, choices that Senators have recoiled from in times past—and are going to have to be made in the Appropriations Committee unless we deal with the issue here today.

It is not a budget Committee issue. In the final analysis, it is an Appropriations Committee issue, because we agreed and enacted into law caps for discretionary spending. And it is the Appropriations Committee that is going to have to determine the priorities within those caps. That is why you find out here on this floor today great concern being expressed by appropriators, including the chairman of the Appropriations Committee, because we see rational decisions and ordered priorities being foreclosed if we go ahead today with some of these systems that spend slow on the front end but spend very rapidly in the outyears. We find that other very necessary investments are going to be squeezed out or we are going to have to make some unpalatable and unsatisfactory choices.

Mr. President, I see the distinguished Senator from Illinois here who has been waiting patiently to get the floor, so I yield the floor at this point.

Mr. SIMON. Mr. President, I will just take a couple of minutes here. I rise in strong support of this resolution. The reality is we have to get spending under control. We are going to have to do more on the domestic side. We are also going to have to get that deficit down. The faster growing item in the Federal budget by far is not defense spending. It is not discretionary domestic spending. It is not entitlements. It is interest because of this deficit.

If you were to take a poll of the people in the gallery right now, what is the great threat to this Nation? I think they know it is that our economy is not moving ahead as it should be. And it will not move ahead unless we get revenue and spending in balance.

What the Sasser amendment does for fiscal year 1992 is to simply say we are going to cut this a little less than 1 percent. That is hardly a drastic cut, in view of what has happened in the world in the last 4 weeks. The world has changed dramatically. Are we not going to do anything in terms of military spending as a result of that?

The request in the amendment of the Senator from Tennessee is a modest one indeed. I think we ought to be going along with it. For example, we have spent 12 years at least, the Presiding Officer can remember, arguing about the B–1. In the Middle East, we had the Iraq-Kuwait situation. How many B–1 bombers did we use in the Middle East? Not a single one, because it is not designed for that.

The B–1 is not designed for the kind of military problems we are going to have in the future. The B–2 is designed to escape Soviet radar. There is a technical question whether it can even do it today. But that is what it is designed for. The Soviet threat has disintegrated, and we ought to recognize the military realities in the world in which we live today.

My hope is that we will adopt the Sasser amendment. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I tell my friend and colleague from Alabama, I will be very brief because I know he has been on the floor, and my colleague from Arkansas as well.

I urge my colleagues to oppose the Sasser amendment. I just heard my friend from Illinois say that the Soviet threat has distintegrated. I wonder if he said that about a month ago, when we had the coup that ousted Mr. Gorbachev for a few days? Had the Soviet threat disintegrated at that time?

I would say just the opposite. Many people would say it increased because of the instability in the Soviet Union. The threat is real. The threat is very real, because we do not know who is going to be in charge in the Soviet Union next month or next year. It may be the wrong people. I hope and pray not, but it could be the wrong people will be in charge in the Soviet Union.

The Soviet Union is a third-rate economic power, but they have first-class strategic weapons. Many of those weapons are aimed at the United States.

So for some of our colleagues to come out and say, well, the threat is not there, therefore we do not need SDI, therefore we do not need the B–2 bomber, I think they are missing the point. I hope and pray that those weapons will never need to be used. But the fact is, we better have some capability of destroying incoming missiles. Right now, we do not have that.

I think if the Persian Gulf war proved anything, it proved the success and need for stealth technology. The Stealth fighter plane did an outstanding job and basically enabled us to win the war within the first 24 hours. So stealth technology worked. And we need it not only in a fighter plane which was used during the gulf war in a bombing role, but we also need it in a long-range bomber.

One other thing the Persian Gulf war proved is the need for missile defense. Somebody said, well, we have Patriots. The Patriots worked OK against the so-called Scuds, which are somewhat of an obsolete and inefficient missile. But really all they did was destroy the Scuds just as they were about to hit the target.

If you are talking about a chemical weapon or if you are talking about a nuclear weapon, that is not good enough. You do not want to destroy those weapons right over the city or right over the target, or they will achieve their objective. So we need to stop them before they get into our own backyard.

So we need SDI and we need stealth technology. The Sasser amendment guts SDI, and it eliminates the B–2. I think that is a serious mistake.

The Senator from Illinois mentioned we did not fly the B–1 during the Persian Gulf war. We were flying the B–52. Many of those are quite old. Many are quite obsolete. You might remember, some of those same B–52's were being shot down in Vietnam.

It just so happens the Stealth planes did such a great job knocking out some of the radar and knocking out some of the antiaircraft defenses that those defenses were not successful in knocking down the B–52's. The B–52's also had to fly very high.

I do not think we can continue to rely on the B–52 for decades to come. That would be a serious mistake.

The Senator mentioned the B–1. We limited the purchase order on B–1's to 100, the idea being we would follow up with a long-range Stealth bomber. That is exactly what we are trying to do.

I think if our colleagues kill that bomber, if they radically reduce SDI, they are making a serious mistake that jeopardizes the lives and the health and the safety of Americans. We do not want to do that. I think that is a serious mistake.

Then, a couple of final comments, I heard some of my colleagues say we want to save this money. It is interesting to note why many of the proponents of this amendment want to save this money. They want to save it so they can spend it elsewhere.

If we read the Constitution and what our Federal Government's purpose is, it is protection of our liberty, protection of our freedom. Frankly, if we do not have the capability to destroy incoming missiles, we are making a serious mistake. If we do not have the capability to have a long-range bomber—and yes, a stealthy bomber—I think we are making a serious mistake.

I do not see peace at hand, as some people would say, just because the Soviet Union is disintegrating. I would say quite the opposite. I think the threat is more real because of the instability, and in fact—hopefully, this will not be the case—somebody could get into power in the Soviet Union who could be very hostile to the United States, or very irresponsible with the control of those enormously powerful weapons.

So we need a B-2. And we need the SDI program. We should not be gutting it on the floor.

Again, I urge my colleagues to defeat this amendment. This is probably one of the most serious amendments that we have had before us. It is one of the strongest—in my opinion—antidefense amendments we have considered in the Senate in my 11 years in the Senate.

I hope this Sasser amendment will be soundly defeated.

The PRESIDING OFFICER. The Senator from Alabama [Mr. SHELBY].

Mr. SHELBY. Mr. President, I rise today to speak in opposition to the amendment offered by the senior Senator from Tennessee. While I share his concern over cuts already programmed in future Defense budgets and overall budget deficits I cannot support this attempt to derail programs of such importance to our national security.

The issues before us this afternoon are certainly not new. The Senate, earlier this year has already rejected, by significant margins, similar amendments to the Defense authorization bill. We have also rejected the argument of using defense dollars to reduce the budget deficit. This is not a budget resolution that we are today debating. The allocation for defense has already been debated. The overall funding level for defense has been set. Cuts in defense spending for the outyear have also been set. In 3 years defense spending will only be 3.5 percent of the gross national product, the lowest it has been since shortly after the second world war.

Overall budget arguments aside, I believe that these programs, SDI, B-2, and MX rail garrison can be supported based on merit alone. These are systems that continue to be vital to our national security. They provide strategic deterrence, protection against limited ballistic missile attacks, and are on the cutting edge of technology that we all know.

In debate over the SDI provision included in the Defense authorization bill the Senate rejected no less than five amendments that would have either revised the direction of the program or cut funding. The Senate rejected an amendment by the junior Senator from Tennessee, Senator GORE, by a vote of 39 to 60. The Senate rejected Senator BINGAMAN's amendment by a vote of 43 to 56. The Senate tabled two amendments offered by Senator HARKIN by votes of 60 to 38 and 64 to 34. And finally, the Senate rejected an amendment from the senior Senator from Arkansas, Senator BUMPERS, by a vote of 46 to 52.

Time after time the Senate defeated attempts to alter the program designed by the Senate Armed Services Committee. It is a bipartisan effort. It is a major breakthrough for the strategic defense initiative. A cut of $1.1 billion from this program is a step backward, not forward on SDI.

Supporters of this amendment, the Sasser amendment, have stated the world events can now lead to lower defense spending. While this argument is true in a general sense it does not apply to the strategic defense initiative. The dissolution of the Soviet Union has left the world with the possibility that some of the Soviet Republics could very well become sovereign nations with nuclear arsenals at their disposal. In addition, so-called world events have not changed the fact that by the year 2000, it is estimated that 24 nations will have a ballistic missile capability.

As this proliferation continues, the trend will be toward missiles with longer ranges and greater accuracy. It is possible that within a decade the continental United States could be in range of the ballistic missiles of several Third World nations. We need to protect the citizens of the United States from this threat. The Sasser amendment will derail any change for the United States to provide a limited defense against ballistic missile attack by the end of this decade.

As with SDI, the Senate has already voted to reject by a vote of 42-57 to deny procurement funding for an additional four B-2 bombers. Despite the recent changes in the Soviet Union, strategic nuclear deterrence remains the primary mission of the B-2 bomber. The maintenance of the manned bomber leg of the nuclear triad is vital to this strategy. The B-2 will contribute the strategic nuclear deterrence by providing the operational capability to penetrate enemy airspace and deliver any of a variety of nuclear weapons to enemy targets with great accuracy. Unlike a land or submarine launched ballistic missile or a cruise missile, the B-2 can be called back once it has been launched. It also has the flexibility to attack relocatable targets.

This stabilizing influence is best reflected by the START Treaty which reduces nuclear arsenals by one-third, and was recently signed by President Bush and President Gorbachev in Moscow. This treaty favors bombers over all other delivery vehicles. All warheads on ICBM's and SLBM's will count toward the warhead limits under start. Each U.S. bomber carrying cruise missiles will be counted as 10 warheads. However, in the current START structure, manned penetrating bombers will only count as one warhead regardless of how many gravity bombs or short-range nuclear missiles they carry. The termination of B-2 production at 15 aircraft would significantly weaken the U.S. deterrent position. Neither the B-1 nor the B-52 can be depended on to serve in the role of the penetrating bomber.

The Desert Storm experience also foreshadows the development of nuclear and chemical weapons by Third World nations. Nuclear deterrence is evolving from a bipolar phenomenon to a more complicated multipolar one. This problem will only get more complex over time. The more tools we have to provide deterrence, the better. I believe that 75 B-2 bombers provide the flexibility necessary to meet these challenges that await us.

The provision of this amendment cutting funding for the rail garrison MX is also a rerun of debate on the Defense authorization bill. On August 2, the Senate rejected an amendment to cancel the final phase of the Peacekeeper Rail Garrison Program. The Senate decided that it was essential that all the rail garrison research, development, and testing be completed as a hedge against an uncertain world. This issue and arguments for and against remain the same. The MX rail garrison deserves a logical termination.

Mr. President, we live in an uncertain world. We cannot predict what will ultimately rise from the collapse of the Soviet Empire. Nor can we predict where the next Third World crisis might be located. However, what we can predict is that nuclear weapons are here to stay. We will continue to maintain a large inventory of nuclear missiles into the foreseeable future, as will the various Soviet Republics. You can be sure that by the year 2000 additional nations will join the nuclear weapons community. We must have these strategic systems to offset this horrible threat. We must reject this amendment.

Mr. BUMPERS. Mr. President, unlike my colleagues who get up and say, "I will be very brief," I will tell you I am not going to be brief. I am not going to be long, but it is not going to be brief. Because this is a very important subject, and it should be treated in a very important way.

I do not know whether what any Senator has to say on the floor is going to change anybody's thinking or not. But in the Cloakroom in the past couple of weeks I heard a few Senators who in the past have been supporting SDI and the B-2 bomber, expressing considerable trepidation and reservation about whether we should go forward with it or not.

I have been here most of the day, and I heard very good arguments on both sides of the issue. I come down strongly on the side of the amendment presented by my distinguished colleague, Senator SASSER, for a host of reasons.

We are debating two things which coalesce. You cannot separate one from the other. We are debating the strategic need for the B-2 bomber in light of the considerably reduced threat of the Soviet Union, I might say almost the extinction of the threat from the Soviet Union. We are debating about the desirability of continuing to spend $3 to $4 billion a year on SDI, and I freely confess and believe that we ought to have research in SDI, but not as much as is in this bill.

Finally, Mr. President, the debate is about the budget. As a matter of fact, I think the question ought to be presented squarely: What do you think is the biggest threat to the future of this country, to the economic, social, and political well-being of your children and grandchildren? What do you think is the biggest threat? Is it the strategic threat from the Soviet Union, which is almost nonexistent, or is it the fact that at the pace we are going right now, it will not be very many years before the United States Government will not be able to service the interest on its debt?

In 1981, Mr. President—that is not totally relevant but it is an interesting statistic—in 1981, interest on the national debt represented 45 percent of the defense budget, and the defense budget was $145 billion. Let that soak in just a minute. The defense budget was $145 billion, and interest on the national debt was 45 percent of that figure. The bill we have before us is essentially—it is not quite this much—but the defense budget for 1992, 10 years later, is $291 billion; $291 billion, and in 1992, interest on the national debt will exceed 100 percent of the defense budget. In 1992, interest will easily be, for the first time in the history of this great Nation, the biggest single item in the budget. It will be bigger than Social Security. It will be bigger than defense. And not only will it be bigger next year, it will be bigger than any other item in the budget forever. Forever. What does that say about the will and the courage of both bodies of the Congress?

So I repeat the question, Mr. President: What is most likely the thing that is going to make this country a Third World nation, the Soviet threat or the insatiable appetite of the Congress, and, yes, Mr. President, to spend far beyond our means to pay for it?

Do you know what the tragedy is? We have reached the point where we do not debate very much whether we are going to pay for something or not. We just vote for it. No political will to raise taxes, no political will to cut spending, and those two things are a prescription for disaster and the demise of this Nation.

I remember the debate on the B-1 bomber. President Carter, as you will recall, had killed the B-1 bomber. I thought it was a wise decision. In 1980, I became privy to some information which at that time essentially only members of the Armed Services Committee had, and that was that we had this new totally different concept of a strategic bomber, not only in research but well on the way to development. Bill Perry was Director for Research and Engineering and a man in whom I had great confidence both as a person and as a person who knew what kind of weapons we needed, and so on, in the Defense Department. So he came to my office and he gave me a briefing on the B-2 bomber. He assured me that he had great confidence in our ability to build the bomber. There were still plenty of skeptics at the time, but the truth of the matter is, what we now know as the F-117, if I am not mistaken, we already had a squadron of those bombers operational, or did shortly thereafter, flying at night from Nellis Air Force Base in Las Vegas, NV, so that the Soviets could not see them with their satellites. That is how secret that whole thing was.

Of course, as you know, nothing is very secret around here for very long. But in any event, because of Bill Perry and my confidence in him and Harold Brown, who was Secretary of Defense at the time, I became a supporter of that bomber.

But then Ronald Reagan was elected President and he had run on a lot of things. One was to balance the budget—and I am not going to belabor that promise—and another that we would build the B-1 bomber.

The American people had been led to believe and did actually believe that somehow or another Jimmy Carter was weak-willed and had allowed our Nation's defenses to drop to the point that the Soviet Union was prepared to come up the Potomac River and get us. It sold like hot cakes across America. So when candidate Reagan became President, he immediately began to lobby the Congress for the B-1 bomber, even though he had been thoroughly briefed on where we were on the B-2.

I will never forget an amusing thing. Secretary Weinberger, Secretary of Defense, held a press conference one day, and he was sort of touting Soviet air defenses. He said that he would never send a mother's son into the Soviet Union in the B-1 bomber. It would be a suicide mission. He got back to the Pentagon and his handler said, "Mr. Secretary, you have just torpedoed the B-1 bomber." He quickly rushes out to call a press conference and say, "I may have misspoke myself, but I did not intend to say it the way it sounded. The truth of the matter is, this B-1 is hotter than a depot stove, and we want it and we have to have it."

And so they received it. And it has been grounded too much of the time ever since we completed it. But for all of those years until 2 years ago, I had been an ardent proponent of the B-2 bomber, not only because I thought it would penetrate Soviet defenses but because I thought the cost was acceptable, even though we already had 100 B-1's, now 97. I think the birds flew into the engines and took down two or three of them. We spent $30 billion on that bomber, but you never heard from it during Desert Storm.

So here we are now, and the reason I have turned against it, as I say, No. 1, the threat is totally different. I was surprised to hear my distinguished colleague and very good friend from Georgia, Senator NUNN, say this morning that the conventional threat has changed but the strategic threat has not; that the Soviet strategic factories are still operating.

Well, I will tell you, they quit making the Typhoon submarine, which is their largest nuclear ballistic missile submarine. They have quit making the Blackjack bomber, an intercontinental bomber. They have invited us to come to the Soviet Union and help them convert their defense industries to civilian uses. The defense minister says we should start negotiating immediately a new nuclear agreement, START II, and let each side have 1,000 warheads. What a blow for sanity that would be.

And they say, whatever you do, we are declaring a unilateral discontinuance, a unilateral moratorium on nuclear testing for two reasons: No. 1, we do not want it. No. 2, it is environmentally devastating to our country.

This is not just DALE BUMPERS, Senator from Arkansas, country lawyer, telling you this. Here is what the SAC commander says, quoted in Defense News. General Butler became commander of the Strategic Air Command in January of this year:

> Butler, who assumed command of the Offutt Air Force Base in Nebraska, Strategic Air Command, in January said he has ordered an internal study to examine options

> of how and when to reduce his fleet of about 200 nuclear alert bombers.
>
> "It's time we start thinking about loosening the leash on those bombers," Butler told Defense News last Tuesday. "It's a new world order and that requires a sweeping reassessment of the way we have traditionally done business."
>
> Retired General Michael Dugan, former Air Force Chief of Staff—

That is the top Air Force officer in the country.

> told Defense News last week that the Soviet Union no longer keeps bombers on alert.

They do not even keep bombers on alert anymore.

> And that U.S. interests would be better served by making better use of the strategic bomber for conventional war fighting.

Now, how do you square the statements that the Soviet Union is as great or greater a strategic threat to us than they have been in the past with those statements from the SAC commander and the former Air Force Chief of Staff?

Sometimes I think we are like children at a Saturday night slumber party where somebody tells a scary story and it is everybody else's obligation to tell one a little scarier.

Well, we have spent about $2.5 trillion on defense in the last 10 years with that slumber party mentality. And we have also gone from a $1 trillion debt, national debt, that it took this Nation 200 years to accumulate—think of that. It took us 200 years to get to a $1 trillion debt and 10 years to triple it, to $3.5 trillion.

One of the great economists of this country—I believe it was Professor Tobin—said it is the greatest act of irresponsibility and profligate spending in the history of the world.

I heard the Senator from Alaska [Mr. STEVENS], say this morning—and I was not quite sure what he meant by it—this amendment is wrong because it interferes with defense planning. That instead of saying to the subcommittee, which is chaired by the one of the very best friends I have ever had in my life, the Senator from Hawaii [Mr. INOUYE], the most accommodating and fine man I have ever known—I sit on that committee, the Senator from Hawaii is the ranking member. He said this morning, this interferes with defense planning because you are trying to pick out the weapons to meet these budget goals, and that is unfair. Send it back to the committee and let us decide.

His argument is not totally without merit. If somebody were to make a motion to recommit this thing to the committee and say come back with sufficient defense cuts to meet the objections of the chairman of the Budget Committee, Senator SASSER, and say we have cut enough now, maybe the B-2 would survive in committee and maybe it would not. That is foolish. Of course it would survive in the committee. And as I say that argument is not totally without merit.

But I can tell you what is really meritorious, and that is killing a program that has no future and the cost of which is absolutely out the roof.

I will never forget, in this subcommittee from which this bill came, when the Air Force came over and told us that the cost of this bomber could go as high as $500 million each. God, I gasped for breath. The B-1 had cost $300 million and I almost choked to death on that one. They said this thing could cost as much as $500 million and everybody gasped. But they said, well, you know, Brezhnev is still in power, or maybe Gorbachev—I guess Gorbachev was in power then, but he had not consolidated his position. And you know the rest of the story. It is now reaching almost twice that amount.

Why, one B-2 bomber will almost run my State for a year.

And so you have all kinds of reasons, the least of which is the fact that the B-2 failed one of the tests. I can tell you that if that were my only consideration in this debate, I would not be standing here, Mr. President. I do not know whether the Air Force will be able to overcome this problem of the failed test. It is one failure. We have all been up, most of us on this subcommittee, to S-407, and we have watched the briefings. They are very persuasive about the fact that this is not the end of the world and that the problem can be resolved, and so on.

That is not the reason I came here. I do think this. I think the failed test precipitated a lot of the thinking of people around here about whether you want to go forward with a bomber that is now up to $850 million a copy, whether you want to go forward with that in light of the fact that you have had one failure and, while the promise of correcting it looks fairly good, it is not inconceivable you will have more. But, Mr. President, I am just saying that is not persuasive with me.

One thing that is sort of interesting. I find when people talk about the B-2 bomber and why we have to have it anymore, it has had more missions. When we first started, it was going to be a high-low-high operation, in and out of the Soviet Union. It was going to be so stealthy, their radar would never pick it up. Then they said, well, maybe that is not a good enough mission. We can use it because we can call it back. It is a fail-safe airplane.

Then they said, no, we will use it to look for Soviet mobile missiles that are hiding in the woods.

Somebody said they cannot find them. We are down now to where the proponents of this will freely admit that you are not getting a strategic weapon at all. You are getting a conventional bomber. I promise you. You can build a conventional bomber, three of them, for the cost of this plane.

This plane has had more missions than Elizabeth Taylor has had husbands. Every time somebody challenges the mission they change the mission. There is nothing new about that. It does not just apply to this bomber. It happens all the time.

You know, Mr. President, I want to make one other observation. The suggestion has been made by the Senator from Oklahoma that if you vote against this you are voting to weaken our defenses. I submit you are voting to strengthen not only our defenses but our Nation.

The debate on defense around here is invariably not about the $300 billion defense budget. It very seldom is on more than 3 percent of that amount. We all vote for defense budgets around here because we all want the security interests of this country intact. We want our vital interests here and around the world protected.

When I went on the Armed Services Committee many years ago one of my colleagues said, "You know, if you are going to be on Armed Services, there is a book out you ought to read called "How Much Is Enough?" So I read it.

After reading that book I can summarize it for you, and it has been my philosophy ever since. That is what are your interests? What is your foreign policy? What kind of a defense structure do you have to have to carry out your foreign policy? Once you make that decision, if you spend a dollar more than you need to do that, it is wasteful. If you spend a dollar less than that, it is dangerous.

So I have tried to pick and choose what I thought fit what we needed, what was vital, what was necessary to carry out those missions. Now instead of talking about a B-2 bomber that will penetrate the Soviet Union, fly around Moscow, the Soviet Union, undetected, the believers do not talk about Moscow anymore. They talk about Baghdad and Tripoli.

I submit I cannot imagine spending $865 million for a bomber to bomb Baghdad. Those old 30-year-old B-52's did an accurate job. They did not lose one. We lost one to mechanical failures down here at Diego Garcia in Desert Storm. But those planes were flying over Iraq from all over the world, B-52's which everybody likes to make fun of—about how the plane is older than the pilot. The truth of the matter is it performed magnificently. You ask any Air Force general how the B-52 did.

So now they say we need an $865 million bomber to bomb Baghdad? I think the B-1 would penetrate the Soviet Union. I think the B-52 would probably penetrate the Soviet Union if that is all you are looking for today. If a 25-year-old kid from Germany can fly a Piper 150 and land it on the grounds of the Kremlin, the parade yard of Red Square, it seems awfully foolish to spend $865 million for a plane to do that.

I have always said the thing about SDI that is flawed is SDI is directed at only one dimension of the Soviet threat. That is missiles coming in from space will not protect you against a chartered airplane out of Havana. Good Lord, a Cuban pilot had to circle Homestead Air Force place in Florida for 30 minutes before he could get permission to land, and he was trying to defect. They did not even pick him up down there. We do not have air defenses in this country.

So the strategic defense initiative is not going to protect you against some charter pilot out of Havana. It is not going to protect you against a nuclear weapon concealed inside a bale of marijuana. We do not have much luck finding those planted at the base of the Washington Monument. It will not protect you against the Soviet bomber force.

Yet here we are headed toward $100 billion to $1 trillion, God knows how much on SDI, to deal with only one portion of this perceived threat.

That brings me to SDI. And we should all be cognizant of the fact that the amendment of the Senator from Tennessee cuts SDI from the $4.5 billion to $4.6 billion to $3.5 billion. Does anybody here believe that the concept of SDI that we are talking about that we have to have to defend ourselves against the Soviet Union—does anybody here really believe that if we only give them $3.5 billion instead of $4.5 billion and do something about this deficit, very responsible thing about the deficit, does anybody believe for a minute that we have really lost anything?

I believe in a limited SDI. I believe that accidental launches are possible. I believe that a renegade launch is possible. I do not think either one of those things are nearly as great a threat as the things I mentioned a moment ago, such as introducing nuclear weapons in the country.

There is one thing I forgot a moment ago. Think about this. The Soviet Union has all kinds of cruise missiles loaded with nuclear warheads on ships, and this $100 billion to $1 trillion we are spending on SDI is useless against a cruise missile. It is useless.

So why are we putting all of our eggs in one basket and saying somehow or other we are protected when cruise missiles could be launched by the hundreds right over the coast of the United States?

Incidentally, there is another thing the Soviet Union used to do. They used to keep two Yankee submarines off the east coast and two Yankee submarines off the west coast. They quit doing that years ago.

Mr. President, I listened to our senior Senator from West Virginia, the distinguished chairman of the Appropriations Committee, this morning, who always speaks so eloquently. He quotes Shakespeare, Wordsworth.

It is a very fascinating thing to sit in awe—how Senator BYRD can put all of that into this computer and extract it at just the right moment to make the point he wants to make. What a fascinating story about Henry IV this morning. He told it with the actual quotes from the players.

I wanted to jump up and say, you know, Senator, there are a lot of children in this country who will never know anything about Shakespeare, who will never know anything about Henry IV, Hamlet, Macbeth, or anything else, because we have slurped up all the education money in the defense budget, and in entitlements and so on.

The other night, Mr. President, I was with a former Member of this body, a man who is revered internationally as a statesman, a thinker. And in the course of the conversation I told him about the figures that Senator BYRD had recited on this floor a number of times; that since 1980, defense spending has gone up well over 100 percent; entitlements have gone up over 100 percent; foreign aid has gone up about 40 percent. And the money we spend on ourselves for education, health care, law enforcement, the very things that identify us as a people, we have increased, in 10 years, by three-quarters of 1 percent.

Nondefense domestic discretionary spending has gone from 24 percent of the budget to 12.6 percent of the budget, and we ask ourselves, why are 38 million people without health care insurance? Why are our children dead last in education? Why is the violent crime rate in this country continuing to go up 10 percent a year?

Those figures Senator BYRD gave are precisely the reason. And one of the reasons the children in this country will never get to hear about Henry IV, one of the reasons they will not have courses in civility, manners, how to dress, how to act, how to be civilized, one of the reasons they will never get that is because we have neglected education in this country.

I wish every child in this country had to take a course on the Civil War before they graduate from high school. And then I would like to see "Battle Cry of Freedom," by Prof. James McPherson up at Princeton, the textbook. The Civil War is the defining event in the history of this Nation. So far as I am concerned, that magnificent book, "Battle Cry of Freedom," is the definitive book on the Civil War.

But if you speak to some of these youngsters and ask them just a few questions about the most important event in the history of this country, they do not know. Again, the reason they do not know is because nobody told them. The reason nobody told them is because we have neglected education.

Mr. President, I said I would not be brief, and I have not been, but I will ease your minds by telling you that I am coming to the conclusion of this little tome.

This subcommittee has fenced this money so that it cannot be spent until the subcommittee is assured that the problem has been met and dealt with successfully. I applaud the subcommittee chairman for doing that. That may have produced enough votes here to defeat the amendment of the Senator from Tennessee.

But the other point I want to make is that I do not think I can ever remember money being fenced in the defense budget where the fence did not come down. It ultimately was spent. It gives you a temporary respite, a temporary feeling of satisfaction, but the money will be spent—make no mistake about that. The fence will come down, and the money will be unfenced.

Mr. President, this is not the last debate on these charts. Back on January 1, I asked myself, while sitting around the living room of my house with my children, "what are you doing to protect their future? What are you going to do in 1991?" I made up a list. Some of you know that I have almost kept full faith with my list, namely, trying to torpedo the superconducting super collider, the space station, SDI, B-2 bomber, brilliant pebbles, SRAM-T missile, the MX missile.

I have to confess to you that I think, in all of those amendments, 37 votes was my high watermark, except for my SDI amendment, where I received 46. I had a number of people come up to me after the debate on the space station and say: Senator, I have always thought I was hot for the space station, but I did not know that. I did not know that. I did not know that. I had no idea that the Congressional Budget Office says—or GAO, I forget which—said, just to get the space station up there was going to cost $40 billion. That is not a scientific feat. That is a simple engineering feat. We know we can do that if you are willing to spend $40 billion to do it.

When you ask the great proponents what is the big scientific payoff once you get it up there, the answer is: I do not know. That is what science is all about. We have to find that out.

My answer to that is, I am not willing to spend $40 billion just betting on the come. As a matter of fact, regarding the superconducting super collider in Texas, it is no fun for me to go up against my good friend, LLOYD BENTSEN. But it is no fun to go home and tell the folks in my State that just the interest on the space station for next year—not the $40 billion—or what we will spend over the next 6 or 7 years, not the interest on the $118 to $200 billion it is going to cost to keep it up there 27 years, but just the interest on what we are going to spend on the space station next year alone will be, on the magnitude of $200 billion, $150 million. Within 10 to 15 years, interest will have more than compensated for the total amount. We are going to spend $2.1 billion next year, and we have to borrow every nickel of it, every dime of it.

You know how long you are going to pay that $150 million a year just for this profligate waste in 1992? Forever. Forever. You will not; your children and grandchildren will. It is an interesting thing. I made this statement once before on the floor, but it is worth repeating. I went down and did MacNeil/Lehrer with the staff director of the American Physical Society, which is composed of 40,000 physicists in America, virtually every one of whom think the space station is the biggest boondoggle ever invented.

So I was in good company with Dr. Park. I had two very good friends on the other side—our in-house astronaut, JAKE GARN, and our all-American hero, JOHN GLENN, both of whom were hot for the space station. But I made this observation, which is worth repeating. I had been sitting in appropriations all day long trying to find $20 million more so we could have an effective immunization program for our children next year. Betty Bumpers and Rosalynn Carter have been touring Pennsylvania for the last 2 days—New Jersey this afternoon, Kansas tomorrow—trying to alert the mothers and fathers of this country of the dangers of a deadly disease—not a childhood disease—called measles. We now have vaccines that prevent liver cancer, of all things.

The National Institutes of Health reported earlier this year that we now have a vaccine to prevent hepatitis B, to give children shortly after birth, and that hepatitis B is the cause of 25 percent of the liver cancer cases in America; totally preventable.

As far as haemophilus influenza, there is a brandnew vaccine that you can give children to protect them against meningitis. A woman in Batesville, AR, a wonderful woman, bright, intelligent schoolteacher, is lying in a coma and will be in a coma for the rest of her life. It is totally preventable today.

There I was all day long trying to find $20 million to tailor that program out, and we are spending $2.1 billion on a space station and incurring more debt, more interest forever. And our priorities remain, as Senator BYRD so eloquently stated this morning, away from the things that make us a great nation.

I say to our colleagues, "It is my firm belief—and I do not exclude myself—that when I leave the U.S. Senate, sit in my living room around the fireplace, or out on my farm, and I reflect about my tenure in the Senate, I promise you I am going to be filled with remorse and regret about a lot of my votes. I will be filled with remorse because on occasion I have voted for something I knew in my heart was basically a political vote and not necessarily what I really believed."

There will be enough remorse over the votes that I voted for in good conscience that did not turn out so well.

I think about my 4 years as Governor of my great State. I was very popular when I left the Governor's office. And I will also tell you I never thought I would be as smart as I was the day I moved off the mansion grounds, only to come to Washington and find out I did not know anything.

But my point is, as well as I was perceived to have done as Governor of my State, I would be so much better a Governor now than I was then. But only if you are willing to bite the bullet and do what you know is right, as best you know on what you have gleaned, information you have.

To close, I was thinking about Harry Truman, one of my all-time heroes, who could not be elected justice of the peace today with that little plastered-down hairdo, with Vasoline hair oil, little old wire-rimmed glasses, nasal twang voice. Can you feature Harry Truman on television? For that matter, can you feature Abe Lincoln on television?

We do not elect Abe Lincolns and Harry Trumans in this country anymore. But Harry Truman, as one of his biographers said, took polls; he took polls to find out how hard his job was going to be to bring the American people along to what he believed was right. Today we take polls to find out what is popular right now so we know how to vote.

I can tell you this vote is not going to cost anybody anything. If you choose to support Senator SASSER's amendment and you want to go home and tell the folks it is high time we start getting serious about the deficit, I do not care how hawkish they are, how strong they are on defense; if you like applause, that is the way to get it.

So, Mr. President, I strongly support and cosponsor this eminently sensible, rational amendment by the Senator from Tennessee and say to my good friend from Hawaii and my distinguished chairman, who is a great Senator, I do not know of anything that pains me as much as to be on the opposite side of an issue. But that is what makes the mare go in this country, honest intellectual difference.

Mr. President, last year's Department of Defense appropriations conference report contained report language concerning the Air Force's plans for the B-52 bomber. This language asked the Air Force to address the requirement for B-52's, the numbers and kinds of capabilities needed for the future, remaining lifetime, and feasible upgrades that might be considered.

I ask unanimous consent that the text of last year's Defense appropriations conference report concerning B-52 life expectancy be reprinted at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[101st Congress, 2d Session, House of Representatives, Report 101-938]

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

B-52 LIFE EXPECTANCY

The conferees urge the Air Force to provide the Committees on Appropriations of the Senate and House of Representatives a comprehensive overview of its plans for the B-52 bomber fleet. This overview should address requirements for B-52's, the numbers and kinds of capabilities planned for the future, useful military lifetime remaining, and options for upgrades, including reengining with modern fuel-efficient high-bypass ratio turbofan jet engines, for any B-52 aircraft which may remain in the active force structure beyond the year 2000. The overview also should address the affordability and cost effectiveness of any upgrade options and examine the pace and extent of decreasing B-52 survivability in both conventional and nuclear roles against improving threats in the future, and the impact of this decreasing survivability on the cost-effectiveness of any identified upgrade options.

Mr. BUMPERS. It has been nearly 1 year since that report was requested, but Congress has yet to receive it. A few months ago I asked the Air Force when we could expect it and was told it would be August. Here it is late September and still there is no report. I believe Congress needs the information that this report would contain and am disappointed that the Air Force is so late in providing us with this information. Quite apart from the debate on the B-2 bomber, we will be keeping at least some of the B-52's in the inventory for many years, and it make sense to at least consider cost-effective upgrades to them. As this body knows, I have championed the idea of putting new jet engines on the B-52's, which would significantly improve their range and decrease their tanker dependence while saving large amounts of aviation fuel. Does the distinguished chairman of the Appropriations Subcommittee share my concern over the excessive length of time the Air Force is taking to get back to us on this matter?

Mr. INOUYE. Mr. President, I say to my esteemed colleague that I do share his concern. We know that the Air Force plans to maintain B-52 aircraft in the inventory for conventional purposes, as well as some additional number of B-52H aircraft as cruise missile carriers. It is important for us to know what the Air Force has in mind for these aircraft, which will remain in the inventory and play an important role in our combat capabilities, as our Desert Storm experience has shown.

Mr. BUMPERS. I appreciate the remarks of the Chairman on this, and I hope that the Air Force will move quickly to report to us on this important matter, certainly before mid-October.

I thank the chairman of the Defense Appropriations Subcommittee, and I thank the Chair.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have listened with very keen interest to my long-time and dear friend and colleague, the senior Senator from Arkansas and, as usual, he makes some very, very excellent points and I, for one, never take lightly what the Senator from Arkansas has said.

The fact of the matter is I have agreed with him on many of the cuts that I felt were necessary in the overall defense budget.

We also have had the opportunity to listen to the individual that at least this Senator and many others believe to be the best orator in the U.S. Senate. He was an accomplished trial lawyer before he served as Governor of his State, at the same time that I served as Governor of Nebraska, and he has all of the skills, and the perfect delivery of a trial lawyer and, in addition to that, he makes a great deal of sense from time to time. But I think when we look at the measure before us today, the amendment offered by the chairman of the Budget Committee, I think we had better stop, look, and thoughtfully listen to what we are doing and take a look at the facts.

The amendment offered by the Senator from Tennessee does three things. No. 1, it halts the MX experimental train. It so happens that I agree completely with point No. 1. As the backer of the MX, for a long, long time I led the Senate just before we broke in August, and failed by one vote to knock out the MX rail garrison train that is going to have a total cost of about $100 billion. And when we build such a train, after it is built we will run it on the rails. We will do no test firing of an MX missile from it. And then we will put it in storage. That sounds like a likely fairy tale, but those are the facts. And how the House of Representatives, who are supposed to be tight, supposedly, with defense dollars, funded fully the $255 million requested by the President for this needless, worthless program, is more than I can imagine.

I must, though, ask the Senate to take a careful look, without a lot of passion, about what the other two parts of the amendment offered by the chairman of the Budget Committee, Senator SASSER, from Tennessee, would do. I ask the Senate to look at this, Mr. President, because from my reading of the mood of the Senate I think that the measure that we are going to vote on, that the Senator from Tennessee has authored, will be a close vote in the U.S. Senate.

I want to say to the Senate, though, that anyone that is considering voting for the amendment offered by the Senator from Tennessee, basically on the grounds that they agree with the Senator from Tennessee on striking the MX train money, as has this Senator in the past, will have another opportunity on this bill to make a separate and clearly defined chance to express their opinion once again on the MX train.

I think probably this time, Mr. President, we have the votes. We lost by one vote. There were two Senators absent at that time. One of them has told me that he certainly will support my position of canceling the MX train, and I think we are very likely to get the other Senator who was absent at that time. Plus, the excellent talk on this subject canceling the MX rail garrison that has been delivered by the Senator from Arkansas may help our cause in that regard.

But I do not believe that we should vote for or against the amendment offered by the Senator from Tennessee on the matter of the MX train, because I assure all that you will have a separate chance to vote against that on an amendment that will be offered, cosponsored by the Senator from Michigan [Mr. LEVIN] and the Senator from Illinois [Mr. SIMON].

Stopping the B-2 aircraft with only 15, as the House has already voted to do, I think is not wise, it is not prudent, and it should not be done at this juncture.

Likewise, I, too, have been one of those who have continually insisted on pushing down the amount of spending on the Strategic Defense Initiative as advanced by the previous administration and this one. And I am going to talk a little bit this afternoon about what the SDI Program is, as envisioned and restructured by the Armed Services Committee, and how that fits in almost exactly with what the Senator from Arkansas I think was saying with regard to SDI. And in a nutshell, that is that we should give up the grandiose plan of shooting down any and all incoming missiles, or the threat of incoming missiles in the future, and have a more conventional system that probably is needed at this point in time with regard to a threat from a Third World country, and not necessarily the Soviet Union.

I certainly commend the Appropriations Subcommittee, and the Senator from Hawaii, who has been a stalwart leader and a thoughtful person on a whole series of matters that have come before this body in the Appropriations Committee in the last several years. Likewise, the Senator from Alaska.

The Senator from Alaska and the Senator from Hawaii have had an excellent grasp looking into the future and not know with emotionalism as to what we should do to best secure the interests of the United States in the future. I especially want to salute those two individuals and their Subcommittee on Appropriations and the full Appropriations Committee for their wise decision in zeroing out the SRAM-T missile. Suffice to say, the SRAM-T missile is a nuclear-tipped missile that was built and designed to attack enemy forces in Eastern Europe.

Well, the Eastern Europe that that missile was designed to attack is East Germany, Poland, and Czechoslovakia, and probably the Baltic States. If ever there was a weapons system without a mission, it is the SRAM-T.

Likewise, this Senator tried in August on the Defense authorization bill to knock out the SRAM-T. We lost by four votes. I am delighted to see the Appropriations Committee and the subcommittee have clearly indicated that they are not buying every piece of weaponry that comes down the pike just because it pops. And your selective decision to eliminate the SRAM-T from your appropriations, which I think will not be challenged on the floor of the U.S. Senate, is a step in the right direction. And since the House of Representatives, in their bill, have already zeroed out the SRAM-T missile, then that will be the end of it because it will simply not be a conferenceable item.

I do wish that my friends on the Appropriations Committee that I have saluted for their leadership would have provided just a little bit more leadership in zeroing out the MX rail garrison missile that both the Senator from Hawaii and the Senator from Alaska know has not received the support of this chairman of the Strategic and Theater Nuclear Defense Forces in the Armed Services Committee.

I say this vote is going to be very close. I listened with great interest, as did my friend and colleague from Arkansas, to the thoughful words expressed by Senator BYRD, the chairman of the Appropriations Committee, and a long-time supporter of the B-2 program.

In fact, Senator BYRD's influence and his thoughtfulness and his standing in the U.S. Senate deals with one more blow to the credibility of the B-2 program. And if there are many more defections like that, then very likely the B-2 may be eliminated by the Senate, since its production future has already been eliminated and voted on in the House of Representatives.

I say that, Mr. President, because we are taking a very important step in this regard, and I just hope that we would not vote without equivocation to kill the B-2 at this time when all of the facts are not in yet on the B-2, as to its future.

I heard the statements that have been made by many on the floor today in opposition to the B-2. Indeed, it was this Senator only last week who raised some doubts about the B-2, as I have from time to time. It was this Senator who had a key part in erecting the fences for the funding of the program.

Once again, the fence that has been erected by the Appropriations Committee with regard to B-2 funding is exactly on point. Regardless of the statements that have been made with regard to fences never working, fences do indeed work. I can assure all, as a member of the authorizing committee, that unless the B-2 can meet its tests, then it will not be funded, and we will not be making any large buy of the B-2 in the future.

I hope that is not the case. Because one thing that I think is being overlooked in all of this discussion, Mr. President, is what is the future of the bomber force in the United States in the future if the B-2 program does not jump through its hoops, meet it stealthiness, or for some other reason never becomes a working part of our Air Force?

No one really believes that the B-52 bomber, which is the heart and soul of our bombing force today, can go on forever. The B-52 aircraft is over 30 years old. That is the youngest one. It is the only plane around today, I suggest, in the military, and very few in the private sector, that is being flown by pilots that were not even born when the aircraft was made.

How many people, Mr. President, in the United States today, who are frequent fliers or just occasional fliers, would be happy to get on an aircraft to travel from point A to point B, knowing that aircraft had been flown for over 30 years? Yes, it has been kept up well, and it is still a good airplane. But it is old, and it is getting older.

The point I am making, Mr. President, is that if the B-2 is killed by the Congress, or if the B-2 fails by killing itself, not living up to its expectations, then 10 to 12 years from now, essentially, the total bomber force of the United States of America will be 97 B-1 aircraft.

I will not go into the details of the difficulty that we have had with the B-1 aircraft, but they are well known to the Appropriations Committee, they are well known to the Armed Services Committee, and I think generally they are well known to many of the Senators who have worked on these programs for a long, long time.

We have no bomber program on the drawing board today. If the B-2 is killed, then we will be wasting $33 billion. Let me repeat that, Mr. President. If the will of those who would kill the B-2 program prevails now, at a time when we are just beginning to see whether or not it is going to be part of our system, we would be throwing away essentially $33 billion in research and development that has gone into this aircraft.

When an $800 million price tag is placed on a plane, that is sticker shock. But the facts of the matter are we can buy whatever number of these planes we want in the future for about $350 million because the $33 billion that we have already expended for the research and development is gone, which is half of the cost of any workable or effective weapons system.

I also caution that there are some—and I am not saying all those people who have spoken against the programs that are scheduled for either cuts or elimination in the amendment offered by the Senator from Tennessee fall into this category—but there were many over the years who did not seem to have the foresight with regard to weapons systems that served well in Desert Storm. I will only mention one which is most prominent, and that is the Patriot Missile. I hope the public at large will recognize there was a very solid movement at one time, to save money, to cancel the Patriot program. The Patriot and many of the other smart weapons systems served the United States of America well in Desert Storm and saved a great many American lives.

Let me just say something about the comments that have been made today about cutting back on defense expenditures. If you look at the figures that have been cited, you will see the authorizing committee and the Appropriations Committee have indeed been cutting back substantially, by billions of dollars, the amount of money we are putting into defense. The Armed Services Committee just last year held a series of evaluation sessions, called in all the experts, and it was very clear that the threat had been reduced. There is certainly not the threat, obviously, as has been highlighted here this afternoon, from the Soviet Union.

I say, though, that the amount of money that was spent during the defense buildup, when you look back at it, as expensive as it was, was probably a price that we should recognize as a good investment. I think most would agree that the deterrent value of that defense, above and beyond anything else, was one of the principal reasons for the demise of the evil empire, as it was once referred to by President Reagan. The Soviet Union today is nowhere near the military threat that it once was. As had been mentioned here, had the coup of August in the Soviet Union gone the other way, we would not have the calls for cuts that we are having today.

So, I simply say the advance money that was provided up and down the line for effective weapons systems and the structuring of strategic deterrence played the key part, if you will, in the near end of the cold war.

I touch once more on the B-2 bomber. The B-2 bomber, it is true, was originally designed as a penetrating bomber against Soviet air defenses. But if one will take the time to look at the record, one will also find not only was the B-2 built and designed to be a penetrating bomber, it was also built and designed as a very low-level fast-attack bomber that can be used for other than nuclear missions.

I hope Americans and Senators will remember the vast armada of naval ships, naval airplanes, Army forces, Army airplanes that all took part in that raid a few years ago on Libya. We have done a lot of research on this, and we are convinced that the Air Force is right, that had we had two operational B-2 bombers at that time, those two bombers, launched from the United States with the risk of life of only two pilots in each plane, a risk of four, could have done everything better than that vast array of ships and airplanes that we were forced to deploy to carry out that mission ordered by the Commander in Chief.

Let us not be pennywise and pound foolish. Let us take a look at things and make sure we know what we are doing and where we are going. There has been a lot of talk about SDI. I made a comment a few minutes ago that I believed the program fashioned by the Armed Services Committee is exactly the type of an SDI program that the Senator from Arkansas thinks we should have; yet, much of the talk that we have heard today is that we do not need SDI because we are not likely to have an all-out assault from the Soviet Union with ICBM's. I subscribe to that.

I never did subscribe to the overall umbrella feature that was advanced by the former administration when they first brought forth this new concept to be wrestled with. We have spent too much money on SDI, and we are cutting down dramatically what the President requested in this regard. I may have to stand corrected on the figures, but I believe the President asked for about $5.5 billion for SDI, and in the authorizing committee we cut that down $1 billion. Now they are trying to take another $1 billion out. I suggest on that program it would be well for those who are criticizing the amount of money that would be spent to see what the new proposal authored by the Armed Services Committee would really do.

What it would do is eliminate, at least for the present time, any star-wars approach. It could be better described as being converted to a ground-based system, based probably in Grand Forks, ND, that would not violate any treaties that we have at the present time with the Soviet Union. This kind of system would not be designed to, nor would it be intended to, nor could it, for that matter, protect this Nation from any massive assault from ICBM's by the Soviet Union or anyone else.

What it would do would be to give the Commander in Chief, this one or the Presidents to follow, hopefully 95 to 98 percent assurance that we would have ground-based capacity that could be best described, I suggest, as a highly advanced Patriot-type system. I only use that because I think most people know the role that the Patriot played. It would be a highly advanced system, not the Patriot, but based on the way the Patriot operated. And it would be in a position, hopefully, with a 95- to 98-percent guarantee, of being able to take out limited attacks on the United States, as might be possible from a Third World dictator at some time in the future.

I do not want any President to have to pick up a telephone from a Qadhafi-type character with a threat that I have an ICBM or I have a missile on a boat off the shores of the United States, and if you do not do this or that, I am going to launch it.

The Senator from Arkansas did make a very good point. He talked about the fact that an airplane of a potential enemy could not land because we did not know it was coming in. The statement was made that we do not have air defenses in the United States. That is absolutely true. We have no air defenses of any significant amount, radarwise, for the United States of America. That is why I think it would be wise at least to pursue the possibility of some type of a limited SDI program, ground based, that would not violate treaties.

I may have more to say on this subject at some later time, Mr. President. I simply want to say that I support, again, point No. 1, the elimination of the MX train, but I happen to feel—although I am sure it is very sincere and very well intentioned by the Senator from Tennessee, I urge my colleagues to vote against the proposition for what I think it does to items 2 and 3 as I have referenced and, therefore, should be defeated.

Mr. SASSER. Will the Senator from Nebraska yield for a question?

Mr. EXON. I yield the floor.

Mr. DOMENICI addressed the Chair.

Mr. SASSER. I want to ask the Senator a question, if I may.

Mr. EXON. Do I still have the floor?

The PRESIDING OFFICER. The Senator from Nebraska has the floor and may not yield the floor except for a question.

Mr. EXON. I yield for a question.

Mr. SASSER. I want to ask the Senator from Nebraska, on the question of rail-mobile MX, I remember the Senator making a very eloquent and convincing argument on the floor in opposition to the rail-mobile MX. As I understand it, we are going to build a rail-mobile MX missile and then immediately put it into mothballs?

Mr. EXON. The facts of the matter are, and I know as a member of the Budget Committee and a member of the Appropriations Committee, the Senator knows as well, the MX missile was originally produced to be a mobile missile. After it was produced, we did not have anything with which to make it mobile, so we put it right back in the silo of the Minuteman II. The only reason we built it is we said the Minuteman II was so vulnerable to a Soviet attack that we had to make it mobile.

The MX missile has been a good missile and the tests on the MX have been excellent. What then came about was a system of moving it around the country on trains. They would be garrisoned in an airbase or some other government facility and if the Commander in Chief felt there was any threat of an all-out attack, he could order these out on the rails.

That program, basically, was dropped some time ago and the Air Force and the administration have now come down with a program that provides $225 million in next year's budget and follow-on money for a total of $600 million over the next 2 years to build a train on which an MX missile would be placed to test it riding around on the rails. There would be no test firings. After we took it out and drove it around, the $600 million monster would then go right back into storage.

I know that the Senator from Tennessee supported my motion to knock that out, but I hope I have answered his question. Yes, it is a train that would run and then be mothballed.

Mr. SASSER. So in essence, if I may pursue this just for one brief moment, what the Senator from Nebraska, who is an expert on the subject—and I must confess I know very little about it—what the Senator from Nebraska is telling us, as I understand it, is we are going to spend $600 million to build a train to haul an MX missile around and then, once the train is constructed, we sort of are going to put it in storage or a warehouse?

Mr. EXON. Put the brandnew train in storage.

Mr. SASSER. Then we would not be in a position to access the train on short notice to make the missile mobile; is that an accurate statement?

Mr. EXON. If the train were in storage and the Commander in Chief felt that there was a threat, which he could, in a short period of time, I would say—I do not know. I never asked the Air Force how long it would take. I suppose 10 days to get it out and get it greased, put an MX missile on it and start rolling it around the country. But you would only have one of them and you would also have the problem that normally we would not want to go into battle conditions with a system that had never been tested from the bed of a train.

Mr. SASSER. I thank the Senator from Nebraska. That is a very illuminating bit of information that he has given the body.

Mr. President, I wonder if I might be recognized for the purpose of modifying my amendment?

Mr. EXON. At this time, I think it only appropriate that I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico was first to seek recognition.

Mr. DOMENICI. I will be pleased to yield to the chairman of the Budget Committee if his purpose is to modify the amendment.

Mr. SASSER. I thank my distinguished friend from New Mexico.

AMENDMENT NO. 1193, AS MODIFIED

Mr. SASSER. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment and the amendment is so modified.

The amendment, as modified, is as follows:

At the end insert the following new section:

SEC. . (a) Notwithstanding any other provision of this Act, the total amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE" is the amount provided under that heading minus $3,200,396,000.

(b) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" is the amount provided under that heading minus $225,000,000.

(c)(1) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the headings "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES" is the total amount provided under those headings minus $1,100,000,000.

(2) Of the total amount appropriated by title IV under such headings after the reduction required by paragraph (1), not more than $3,500,000,000 may be expended for the Strategic Defense Initiative and the Theater Missile Defense Initiative.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. DOMENICI. Mr. President, the chairman of the subcommittee, Senator INOUYE, asked the Senator from New Mexico if I would yield 30 seconds for the purpose of making an announcement. I am delighted to do that. I ask unanimous consent I be permitted to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. I was not aware of the modification, so it may change everything.

Mr. LEAHY. Will the Senator yield to me for another 30 seconds for a request?

Mr. DOMENICI. Mr. President, I am delighted. I have been waiting a long time to talk a little bit about this amendment.

Mr. LEAHY. I will take 30 seconds, Mr. President. I request that the Sasser amendment currently pending be divided between line 6 and 7 on page 1.

Mr. STEVENS. Reserving the right to object to that, is that a unanimous-consent request?

Mr. LEAHY. No.

The PRESIDING OFFICER. Any Senator has the right to request a division of the pending question at that place and the amendment is, therefore, so divided.

Mr. LEAHY. I thank the Chair.

Mr. STEVENS. Parliamentary inquiry. Is not that amendment also divisible in one other place?

The PRESIDING OFFICER. Further division of the amendment is still possible.

Mr. INOUYE addressed the Chair.

Mr. STEVENS. It is still possible.

The PRESIDING OFFICER. The Senator from New Mexico retains the floor.

Mr. DOMENICI. Does Senator INOUYE desire some time?

Mr. STEVENS. Parliamentary inquiry. Did the Senator divide the amendment as modified, or the amendment that was pending?

Mr. LEAHY. No. Mr. President, if the Senator will yield, I waited until the amendment had been modified.

The PRESIDING OFFICER. The amendment, as modified, has been divided.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. DOMENICI. I understand Senator INOUYE desires to request something of the Chair, and I yield for that purpose.

RECESS FOR 5 MINUTES

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes to look over the parliamentary situation and study the modification, and when the Senate reconvenes, the Senator from New Mexico be recognized.

There being no objection, the Senate, at 3:48 p.m., recessed until 3:55 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. EXON].

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized.

Mr. INOUYE addressed the Chair.

Mr. DOMENICI. Mr. President, I want to yield without losing my right to the floor to the distinguished chairman who wants to propound something to the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask for the yeas and nays on the Sasser amendment as divided into two parts.

The PRESIDING OFFICER. At this time only the first division is before the Senate which would be on the question of the yeas and nays.

Mr. INOUYE. That is fine.

The PRESIDING OFFICER. Are the yeas and nays requested on the first division?

Mr. LEAHY. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. Parliamentary inquiry. The Senator from Vermont.

Mr. LEAHY. Mr. President, by the first part, what is it referring to? Is the Chair referring to what we would colloquially refer to as the B-2 amendment? I ask it for the edification of all.

The PRESIDING OFFICER. The Chair cannot comment on the amendment, except it is lines 1 through 6, page 1.

Mr. LEAHY. I thank the Chair. It is the amendment I was thinking it was.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the way the amendment is now structured, I believe it is fair to say that the first part of this amendment on the B-2 program, was voted on by the Senate in August, and the Senate voted 57 in favor of the B-2 program and 42 against.

Now, it seems to me, Mr. President—and I hope the Senate will listen carefully and try to understand what has happened—I do not think anything transpired to change anyone's mind with reference to the need for the B-2. If anyone is concerned about the few announcements that occurred regarding testing—clearly that is taken care of in the fencing language in the bill before us, and the fencing language in the Defense authorization bill. In other words, if those tests would ever be a problem—and I have listened attentively, attended every meeting. I do not believe they are—then obviously we would not make the procurement.

So it seems to me the vote recurs before the Senate that occurred in August when the defense authorization committee of the Senate brought their bill to the Senate and the same proponents of this amendment sought to delete the B-2 and were defeated. The defeat this year, even with what has happened in the Soviet Union, was one of the largest defeats that they have suffered in the last 2 or 3 years. It was not even close—57 to 42; 57 for, 42 against.

Now, Mr. President, what really is happening—and I have worked budgets as long as anyone here. Only Senator Muskie, had he stayed in the Senate from the starting point of the budget process, would have had more days and more weeks and more years on budgets than this Senator. I contend that we now have a new budget device to get rid of the B-2 bomber, to get rid of the SDI Program, or tailor it so it is no longer what the President of the United States wants.

Let me assure Senators—Senators SAM NUNN and JOHN WARNER, Senators DAN INOUYE and TED STEVENS, who brought an authorization bill and an appropriations bill before this Senate sequentially, as is normal that both of those bills meet every single budget requirement laid down by the Budget Act, by the 5-year economic summit, by the substantive laws that were adopted in accordance therewith. The defense bill before us today meets the budget agreement.

So we have a new device; a whole new idea—I was trying to figure out what it was. The best I can say is device. A device was brought here. And we even hear Senators saying if you vote for this amendment you can go home and tell your people that you saved money, that you reduced the budget deficit, and that you will not have to borrow so much money. Let me say you will get away with that only if there is not somebody there to tell your voters that is not true.

Is there anyone that is going to come to this floor and say we want to go home and tell our voters come 1994-95 we are going to spend less discretionary appropriated moneys—that is all those moneys that go for defense, foreign affairs, and domestic programs—we are going to cut that total and spend less than the economic summit agreed would be the total for 1994 and 1995? Have you heard anybody say that, I ask? Are you going to reduce that? Of course not.

If there is any savings, what is being said is that we want to spend it for something else. In fact, the whole argument is that there may not be enough for domestic discretionary programs. So let us cut out this, so there will be more—all of it hypothetical, speculative at this point in time.

In fact, the argument is being made that the B-2 program is a big outyear spender, a big outyear procurement item. It is. But how do you build and pay for a defense if you do not have any big outyear procurement? How do you buy battleships? I am not an expert, but it takes a few years—you spend more 3 or 4 years out than you did the first year.

So there is not anything wrong under budget practices to buy items that cost money in the outyears. It is just that today those who offer this amendment choose to take on a program they do not like. That is why it is here. They do not want the B-2. And because they do not, they found a new device to bring the issue and talk about it as if it were a budget issue.

Frankly, I hope the Senators will agree and believe the Senator from New Mexico. There is nothing in this appropriation bill that violates the economic summit, the 5-year agreement. There is nothing that violates the 1992 budget, 1993 budget, or the expected 1994-95 budgets. It is just that these two items—maybe, I will use plain old language that I hear back home—these two programs stick in the craw of a few Senators. So, since it does, they will find a new approach and tell everybody it is going to really help balance the budget when they full well know they are going to spend every single cent on something else.

That leads to the 1992 appropriations process since this amendment would cut programs by as much as $4.5 billion, if all of it goes through. I hope when the vote is finished, if they win, and scale back or cancel this programs on budgetary grounds that someone will come forth with a resolution, joint resolution, to be signed by the President, that says the $4.5 billion will be applied to the deficit of the United States. That will be a real test.

In fact, somebody ought to introduce that and say let us take that $4.5 billion that they claim they are saving, and since it is below the target and the cap on defense let us put it on the deficit. I can almost assure the Senate that before the year is out, in fact, before 6 weeks pass, that the $4.5 billion would be spent on something else. We will go to conference and they will spend it on something else. If we do not spend it then, we will come back in a supplemental and we will say let us spend it on something else for defense or let us split it between defense and some other expenditure, and it will be used with no budget savings.

Mr. President, I am going to argue a little bit in favor of doing things reasonably and rationally. I hope I can prove shortly that this is not a reasonable and rational way to develop a defense budget—and it is unfair to the Defense Department, unfair to the Joint Chiefs, unfair to Colin Powell, and unfair to the President.

But before I do that, let me say I listened attentively for the time I was here when my good friend, Senator BUMPERS, addressed the issues here. I, obviously, cannot ignore nor do I choose to answer in detail the contentions that he made regarding domestic needs. Obviously, there are things we always need. But I would like to dispose of one issue only. And it has to do with defense spending as compared with spending on health care by the U.S. Government. So let me just do two comparisons for you.

How much did Medicare go up in the U.S. budget since 1985 though 1990? If anyone wants to guess, it went up 48 percent. Medicaid, its sister program, went up 92 percent.

Well, if we are worried about defense, let me suggest to the Chair that in the same timeframe the defense budget went up 18 percent. So health care is rising and rising rapidly.

If there is anyone wondering why we cannot pay for it, it is not because we have not spent the money. It is the fastest growing program in the budget of the United States, the fastest growing social expenditure in America. It is now at about $750 billion a year, the largest portion of gross national product, GNP, of any country in the free would going to health care.

So I do not think one ought to take comparisons that, if we were to cut the bomber, we could pay for certain health care for young people. Frankly, we cannot pay for health care because we do not know how to cut the spiraling costs of health care. That is it in a nutshell. Until we find a way to do that, we will leave some people out.

Let me close by giving you my version of the 5-year economic summit agreement as it pertains to defense and try to convince the Senators that it is not fair to those who have directed, those who have built, those who have been leaders in putting America's defense in the position that it is of the finest in the world. I believe we finally found out that it was our generals. It was people like Colin Powell and their predecessors who have led this country and suggested the right things to us.

Frankly, I do not think it is right for the U.S. Congress to go to an economic summit, come back and ratify a 5-year plan, come back, ratify and put in place, in statute law, the number, the dollar number, that you could spend on defense in 1991, the actual dollar in 1992, the dollar number in 1993, and then say in 1994 and 1995 we will have to sort of slug it out. But tell us how you will revamp the defense of the United States for those 5 years. They do it. They send us their best thought-out approach to big weapons systems and to manpower and everything in between. And they get rid of half a million troops, they cancel innumerable weapons systems, and we agree on most of them. Those are the experts telling us how they would spend the money we allocated to them.

Well, that seemed to be turning out pretty well for America and pretty fair for those who are experts, who built the greatest military machine the world has ever seen. And, today, we come in here with a new device to get rid of the bomber, to get rid of SDI, and we say, well, we want to change the direction of the defense budget, because in 1994 and 1995 we do not think we can afford to pay for it.

You know, in doing this we take the Colin Powells of the world for granted. They ought to be angry about this, and they ought to say, how will we ever know what you are talking about down there, if you do not at least sit still for 1 year at a time while we try to give you our best judgment on a defense plan.

I submit that if we gave new numbers to the Defense Department and said that you can spend less because we have changed our mind, in fact, we want you to spend $4.5 billion less in the first year, and whatever this amendment does in the outyears, but you give us your recommendations—let me tell you what I think. I think they would recommend that we still buy the B-2 bomber. I think they would yield on other systems, and they would say we want that; and I think they would yield on other systems and say they want SDI.

We do not have to give them that, but we do not even ask them. We come down here to the floor with a device to change the budget, hypothetically, speculatively, the idea being to meet some goal we do not even know about, we have not even yet agreed to and, in the process, you scale back these two weapons systems.

I have not argued, nor will I, that strategic weapons are more of what America needs, as compared to conventional weapons and conventional military force structure. But I have heard respected Senators argue this point. Senator NUNN argued this point and I asked him later, and he said that there is no question about it. Clearly, if you are preparing for what we know is a problem in the world, you would not cut the major strategic weapon system, because they address one of the most serious remaining problems that America and her friends find in the world.

That leads me to think that if you handle the military fairly and sent back the budget top line and asked what they would cut, they would not cut this B-2 bomber, even with a new budget. But today, we are going to do that if we vote for the Sasser amendment, and we are going to do it in the name of some kind of budget that has never been approved by anyone, and that is totally speculative.

I submit that it is so willy-nilly in terms of where it takes us that it is not the last one you will see. You will find Senators of the same ilk next year who will come along and find three or four more programs that do not fit the budget. But they will say it is the budget idea to spend more in domestic in the outyears, so let us cut them out.

Frankly, I do not believe that is fair to those who worked so hard to design this structure to meet the economic summit numbers. I hope the Senate will turn it down and say it is precisely what we already voted on, because you should cast aside all of the paraphernalia of budgetry and vote yes or no, as you did in August on the B-2.

I yield the floor.

Mr. INOUYE. Mr. President, I have been advised that three colleagues wish to be heard on this amendment: The Senator from Vermont [Mr. LEAHY]; the Senator from Michigan [Mr. LEVIN]; and the Senator from Colorado.

Mr. SASSER. It is my understanding that the Senator from Colorado wishes to speak on the amendment. I see that the Senator from Vermont is on his feet. I anticipate that he will speak at some length. I might have a few concluding remarks, Mr. President, and I think that will be the extent of the debate on our side.

Mr. INOUYE. Senator WALLOP also wishes to be heard.

I wish to advise my colleagues that, at or about 5:30 this afternoon, I will be making a motion to table the amendment.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I wish the B-2 bomber flew half as well as its supporters speak in its favor. The eloquent words of disguise fly better than the B-2 does. I will not make any parallel between the stealthy nature of either. But we have heard so many plans about reducing the budget lately that the simple realism that we could actually cut $30 billion from the budget right here, today, seems to leave some of the vocal chords of the budget cutters paralyzed.

Where are the guardians of the purse when the opportunity is squarely before them? Every one of us can give the speeches to the service clubs and the chambers of commerce, and everything else, back home about how we are going to cut the budget. I have not heard a Senator go out and say, "I am there to increase budget deficits." Every one of us speaks about how we are going to cut the budget deficit.

Is it not amazing how the determination to cut spending always flies in the face of specific opportunities to do so? Right here and now, we can vote American taxpayers a $30 billion peace dividend. All those who want peace dividend, and all those who say they want to cut the budget, here is your chance to do it—$30 billion. Not many times does somebody get that kind of a bite out of the budget apple.

Any Senator can now vote down the B-2 that took so long to design and manufacture that its mission became obsolete by the time the first prototype hit the tarmac. The world changed faster than the ability of the B-2 to meet performance deadline. After more than a decade, the plane finally appears just as the Soviet Union disappears. We have a plane with no mission.

Today, Senators COHEN, SASSER, MCCAIN, myself, and others, are urging the Senate to halt production of the B-2 bomber at 15 planes for a savings of $3.2 billion in fiscal year 1992, and $30 billion over the life of the program. And we do it because there are no longer any good arguments for the B-2.

Since I offered a similar amendment in August, world events have made it more likely that the Air Force will deliver humanitarian aid rather than thermonuclear weapons to the Soviet Union. We are talking about how we can airlift food to the Soviets in the winter.

The President has brushed aside calls to reduce defense spending and transfer $1 billion to feed the Soviet people. But the fact that such a proposal is given serious consideration is a reflection of the changing threat to our Nation.

We all know that over the past 40 years, since I was 11 years old, United States defense spending has been directed toward preparing for a conflict against huge Warsaw Pact and Soviet conventional and nuclear forces. But the Warsaw Pact is now defunct; and for that matter, the Soviet Union no longer exists.

Today's debate over the defense budget is between those planning with foresight and those who are spending in hindsight. The B-2 is a plane that was designed when the cold war was hot and the defense budget was sacrosanct.

Times have changed.

World events and a massive Federal deficit have brought our Nation to a crossroad. We can no longer afford the luxury of spending billions of dollars on a plane to defeat a diminished threat and ignore our problems here at home.

Incredibly, Air Force officials still frozen in the nuclear ice age insist that we must spend $65 billion on a plane that is designed to bounce the rubble in the Soviet Union during a prolonged nuclear exchange.

Mr. President, proceeding with the B-2 would be questionable even if world events had not made this plane an anachronistic symbol of the cold war.

The B-2's only mission is to stealthily pick taxpayers' pockets for as long as it can.

The Air Force plans to buy 75 B-2 aircraft at a cost of $65 billion. Incidentally, that was more than was originally planned to buy 132 aircraft only 2 short years ago. The program's cost has risen $4 billion in just the past year alone and threatens to climb even higher if manufacturing and management does not improve.

There is nothing out there that looks very good in the B-2 picture.

The Air Force recently announced that cracks in the aft section of the plane will cost an additional $200 million. Planes delivered late and incomplete have caused the flight test program to slip 3 years. Less than 10 percent of flight testing is complete and will not be finished until 1996, when more than 70 percent of the 75 planned B-2's will be purchased. We learned the hard way from the B1-B that making fixes on completed aircraft is expensive. We are not going to know enough about the B-2 until it is too late.

We buy them and find out afterward if they work. We are already finding they are not working anywhere near as well as predicted.

On July 27, the B-2 failed a low observability test. According to press reports, the Air Force claims that the B-2 will still reach 80 percent of its projected low observability capability, if we spend enough money to fix the problems already identified.

Mr. President, if the threat from the Soviet Union is vanishing before our eyes, why should American taxpayers build a less capable aircraft for more money? Why not finally just face the tough decision and cancel the program now?

Even more cost problems loom ahead. Last year, Senator COHEN and I offered an amendment to suspend production of the B-2 for 1 year to review test results and determine if manufacturing could improve. That amendment was defeated by critics who argued that the suspension would add $5 billion to the program cost.

Well, Mr. President, here we are 1 year later. No planes were produced in the past 12 months. The money was instead used to cover cost overruns. And now a provision in the appropriations bill further prohibits the release of any money until next spring.

Well, it is hard sometimes to take too seriously the arguments for the B-2 that are being made here today because the arguments change as the debate changes. Arguments used for the B-2 1 year, will be no good the next year.

The B-2 program has undergone a de facto 1 year suspension regardless of the vote that defeated the Cohen-Leahy amendment last year. I do not hear too many B-2 supporters telling the American people that the most expensive plane in the history of the world just went up $5 billion.

So we vote not to suspend it. It turns out we suspend it anyway. The billions we approved went to cost overruns, screwups, and mistakes, and have nothing to show for it.

The B-2 is a revolutionary aircraft. I will grant you that. Just looking at it you know it is different than anything we have ever seen before. The fact it is revolutionary does not mean it is affordable. Just because something might conceivably be built does not mean that we can afford it. We can put a four-lane interstate highway past my farm house in Middlesex, VT, instead of the dirt road that goes by there. It can be done. That does not mean it makes any sense to do it. We can spend tens of billions of dollars more, and we can build a B-2 bomber, although it will never do all the things that the Air Force has solemnly sworn it would do. It certainly would not do all the things that the Air Force has piously told me in closed and open briefings it will do. We might go ahead and get something out of it, but that does that mean that we should. Does it mean it is affordable?

There is much to learn from the program, in avionics, steadiness, and the materials used to build the plane. My amendment will allow for the completion of research, development, and flight testing. We can take the knowledge gained from the B-2 so far, both the successes and the failures, and apply it to future programs.

It is fascinating, Mr. President. In 17 years here, I have served on both the

Armed Services Committee and on the Appropriations Committee. Most of my time on the Appropriations Committee, I have been on the Defense Appropriations Subcommittee. And every year, just before budget time, we hear the same speech. You can change the dates and a few numbers—numbers always go up, incidentally—about the Red threat. And we are told, both in open and closed briefings, about the terrible Red threat. We are going to spend all this money to defeat that threat. So we spend all the money and the threat goes away until the next budget hearing.

I used to ask the Secretary of Defense and the Joint Chiefs when they testified, "We have all these terrible problems, and the Soviets have this enormous defense build up." I said, "Would you trade our army for their army?" They said, "No, we will not do that." "Would you trade their navy for our navy?" "No, we will not do that." "Would you trade our air force for their air force?" "No." "Would you trade our command and control for their command and control?" "No." "Would you trade our training for their training?" "No, we would not do that."

What is so much better about them than us? Now, we found out. The Soviet Union was made up of Potemkin village including the military.

The greatest threat from the Soviet Union that faces us is hunger, mismanagement, and a coming Russian winter.

The biggest secret about the B-2 Stealth bomber is where Congress will be told it is going to be used next. That changes all the time. Today, B-2 proponents will herald the potential conventional capability of the Stealth bomber. At the rate we are going, tomorrow the Air Force may announce that the B-2 will be able to deliver overnight mail faster than any plane in the world.

Mr. President, the gulf war demonstrated that tactical aviation constitutes the core of our conventional bombing capability. Congress is enhancing these assets. This bill includes funding for 24 new battle-tested F-117's and improvements to many other aircraft.

The argument that the B-2 will save the taxpayers money is a cruel hoax. At least $35 billion will be needed to finish the program. Air Force comparisons indicating the B-2 is a B-52 version of the F-117 are misleading. The F-117 is battle tested and on alert. The B-2 is in the embryonic stage and has years of testing and billions of dollars to go before becoming operational.

Not only is the B-2 plagued with cost and manufacturing problems but it may lack the same precision capabilities of the F-117. The Air Force announced last week that the only precision weapon planned for the B-2 in the late 1990's is plagued with problems.

Mr. President, the Senate put its faith and trust in the B-2 as recently as August. We considered the mission and the cost, we gauged the threat and, in the end, a majority of the Senate said the cost was worth it.

The distinguished Senator from New Mexico [Mr. DOMENICI] made this point earlier.

The world has changed remarkably since I offered the first amendment in 1989 to kill the B-2. It seems impossible, the number of times I came down here, that it was only 1989. But look how the world has changed. The mission of the plane no longer makes sense. The costs are always changing, never downward, always upward. And the defects that plagued the program through its history are still here today.

The B-2 is a matter of national security. I think we all agree on that. But continued funding for this program acknowledges that the Congress has failed to recognize that our security means much more than raw nuclear might. The sum total of our security is not just military power. America must look beyond military threat if we want to remain a superpower.

Stopping the spending hemorrhage on the B-2 will put the American people on notice that Congress is keeping up with world events. As threats which have required so much of our limited resources diminish, we can begin to realign our priorities and rebuild the society our military is pledged to protect.

So I hope that we will adopt this amendment. We have seen it before. Senators have voted against it in the past, but I would urge those Senators who voted against it in the past to look at not only how the world has changed, but just read the newspapers. See how the B-2 has changed. See the problems that are before us.

I understand, of course, we spent billions on it. But must we continue? It is like building that four-lane highway and saying we built all this highway, we cannot stop now. But if that road is a road to nowhere, why should we continue? And if this is a plane to nowhere, why should we continue? Americans need so many things. Why not give ourselves a peace dividend? Why not join the rest of the world in understanding that times have changed.

America still remains the number one superpower of the world, but our superpower status depends on our ability to take care of ourselves as a nation.

Mr. BRYAN. Mr. President, I rise today to support limiting the B-2 fleet to the 15 aircraft currently authorized, and halt the funding for new production of B-2 bombers. I do so for several reasons.

Although I have, in prior debates on this issue, supported the administration's and committee's position to build 75 B-2 bombers, I am no longer able to justify building more than the 15 aircraft already authorized. The increasing cost of the program, the technical questions that will not be resolved until flight testing has progressed significantly, and the changing international dynamics we face as communism fades in the twilight of the century, all indicate that the full B-2 program is a luxury we simply can no longer afford. I am convinced the defense needs of the country can be satisfied without a large fleet of B-2's.

Within the next year, interest on our national debt will be the largest Federal expenditure. The debt burden saps funds which otherwise could meet our social, environmental, educational, and defense needs. Unless major spending reductions are achieved, I do not think the deficit problem will ever receive adequate attention.

The B-2 bomber is an enormously costly weapons system with an increasingly obsolete and obscure mission that we simply cannot afford during this time of severe budgetary constraints. I believe it is necessary at this time to reevaluate our spending priorities, and I believe that changing international circumstances allow us to reduce spending on very high-cost weapons systems, and use our limited fiscal resources to address the deficit and the many human needs in our country. This action will save $1.03 billion in fiscal year 1992, and $30 billion over the remaining course of the program. A fleet of 15 B-2 bombers will comprise a significant strategic asset, allow the proving of the stealth technology, and is a responsible course for the Nation to pursue.

Each additional B-2 strategic bomber would cost the American taxpayer $860 million, and this cost could rise even higher if the delays and cost overruns that have plagued this program continue. Recent concerns over the stealth capabilities of the B-2 are only one of a series of problems that have caused the cost of the B-2 program to rise $4 billion in just the last year. By terminating production of new B-2 bombers now, we will still produce 15 usable strategic bombers, and can save the American taxpayers over $30 billion—money that can be used to reduce the tremendous deficit burden.

The F-117A—the Stealth fighter—proved to be a vital asset in the recent conflict in the Middle East. The bill before us appropriates funds to acquire 24 additional F-117A's—an already proven weapons system. The combination of 15 B-2 bombers, additional F-117A's, and the existing fleet of 97 B-1A's, a nearly new supersonic manned bomber, will be adequate for our foreseeable future defenses.

The importance of the B-2 strategic bomber to our Armed Forces has significantly decreased within the past year. With the dramatic changes in the Soviet Union, we have been given the opportunity to restructure our Armed Forces in a way that realistically meets the threats we might face in the future.

We know from the gulf war that we will likely face regional conflicts requiring smaller, more mobile conventional forces—the F-117A has a more appropriate role in this type of conflict than the B-2. To the extent that the capabilities of the B-2 are needed, the 15 aircraft authorized will suffice. The gulf war also demonstrated the importance of pinpoint bombing by smart conventional weapons. In this area, the B-2 has only limited capabilities and only after modifications that would add even more to the bomber's cost.

The effective defense of the United States and American interests must not be compromised. A strong defense is as important as ever with the potential for further military action in the Middle East and the continued ethnic unrest in the Soviet Union.

However, at this time of economic difficulty for so many Americans, we need to remember that an improved economy and a reduced deficit are also vital to our country's national security. By limiting the B-2 program now, we will have taken a major step in renewing our ailing economy and reordering our national priorities.

Mr. SASSER. Mr. President, I ask unanimous consent that the vote in relation to division one of the amendment occur at 5:30 p.m., with the time remaining divided equally between myself and the distinguished chairman of the subcommittee.

Mr. LOTT. Mr. President, reserving the right to object. May I inquire about how many speakers do we have prepared to speak? I would like to get just a few minutes. I heard two or three names mentioned earlier. I have been in and out several times this afternoon. I would like to get just a few minutes wedged in here to get some remarks on the RECORD. Do we have any information about that, I ask the distinguished chairman of the Budget Committee?

Mr. SASSER. Mr. President, in response to my friend from Mississippi, we have perhaps only one more speaker on our side as proponents of the amendment. I do not know how many speakers might be on the side of the opponents. The distinguished Senator from Hawaii a moment ago indicated he wished to make a motion to table at 5:30, and I simply sought to get unanimous consent so that we could nail that time down.

Mr. LOTT. Reserving the right to object.

I yield to the distinguished ranking member of the Defense Appropriations Subcommittee.

Mr. STEVENS. Mr. President, I am all in favor of having the vote as soon as possible, but I object just temporarily, if I could ask the Senator to withhold for a minute. We are checking one thing out here.

Mr. LOTT. Reserving the right to object, I would like to inquire, am I going to have an opportunity to speak, I ask the Senator from Alaska, or perhaps the Senator from Hawaii could give me more information about the time involved here. Unlike most of my colleagues that have been speaking, I am not going to need 30 minutes or an hour. If I could get 10 or 12 minutes, I would be satisfied. I just want to make sure my time is going to be protected here.

The PRESIDING OFFICER. Does the Senator object?

Mr. LOTT. I have not objected yet, but I am going to continue to reserve until I know whether or not I am going to get a chance to speak here.

The PRESIDING OFFICER. Is there objection to the request?

Mr. STEVENS. Reserving the right to object, would not the time be divided equally in accordance with the usual form?

Mr. SASSER. That was in the unanimous-consent request.

Mr. STEVENS. I can assure my friend he will get some time.

Mr. LOTT. I withdraw my reservation.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Who yields time?

The Chair understands time is to be controlled by the Senator from Tennessee and the Senator from Hawaii.

Mr. INOUYE. How much time does the Senator from Mississippi desire?

Mr. LOTT. Mr. President, I think 15 minutes.

Mr. INOUYE. I am pleased to yield 15 minutes to the Senator from Mississippi.

Mr. LOTT. I thank the Senator for yielding me this time. I will try to be brief. There are a few points I would like to touch on that may not have been hit sufficiently to this point.

First, I want to begin by a quote from "A Tale of Two Cities" by Charles Dickens. It says: "It was the best of times, it was the worst of times, it was the age of wisdom."

Now, I think we are at that point here in the Senate today. It is perhaps the best of times, because some of the threats we worried about may be changing, perhaps even diminishing. It is the worst of times, because some of the threats are still there, just as we have seen this very day with Saddam Hussein and with the Iraqis not cooperating with our inspectors in Iraq.

But, most of all, it is the age that needs wisdom. We need to be careful how we make these decisions here today. We need to be careful not to make decisions here on the floor of the Senate in the heat of the passion of debate, but make sure we think this through very carefully and that we have a planned, orderly change, if it is called for, in our defense structure.

I think the distinguished chairman from Hawaii and our ranking member have been making this point very effectively. But it worries me when we start doing this sort of thing on the floor of the Senate when at this very time the House and Senate Armed Services Committees are supposed to be meeting in conference to hammer out some of these very issues. The strategic defense initiative certainly is going to be debated in that conference, the B-2 bomber, and a lot of other issues.

The appropriators in our body have made some difficult decisions here in this bill. They have come forward with a good bill. They made specific recommendations with regard to the B-2 and the MX rail garrison as well as SDI. Then it gets to the floor, and we try to make a dramatic change in the numbers, based on not the defense needs now or in the future, but on budgetary considerations. I understand that.

I worry about the budget. I am intrigued by those who say, let us get the budget cuts, they always say let us do it on defense. They never want to talk about so-called mandatory programs, they never want to talk about the discretionary spending programs that continue to go up.

The way we are doing this is not orderly. It is not the type of serious thought-out decision I think we should make.

I will give you an example. We started off debating an amendment that included about a $1.1 billion cut in the B-2, a $1 billion cut in the SDI, and $225 million cut in MX. That is what the vote was going to be on. But for some reason all of a sudden, that has changed.

Now we have an increased cut in B-2 and the issue has been divided. We will have a vote on B-2 and then we will have a vote on SDI and MX.

So right in the middle of the debate the parameters have been changed. I just feel very strongly that that is not the way to do this sort of serious business. I confess I have some doubts about a couple of these programs and I expressed them in the Armed Services Committee.

I think we really ought to look at what the threat is. But I ask my colleagues, what has really changed since we had a vote here in the Senate on the B-2? The vote on the last week of July was 42 against the B-2, 57 for it.

You say the cold war is over, Russia is gone, communism is gone, we do not have to worry about the Soviet Union anymore. Is that true? Do we really know what is happening over there? What is happening with their military weaponry? Who is in charge? Who has the finger on the trigger? Will the republics have nuclear weapons? How much has changed? Do we even understand it yet? I have the answer: No.

Also, during this whole time when we have been committed to a budget agreement that set caps for defense and foreign affairs and domestic spending, we have been fighting over sticking with those caps at a time when we have seen tremendous changes take place all over the world and we have the Iraqi situation.

When will we learn? They had the Scuds. We had the Patriot missile, thank goodness, to combat the Scuds. But we continue to have real needs, in my opinion, for strategic defenses; a defensive capability. It makes good sense.

We do not have to worry just about the Soviet Union. We have to wonder, will there be other Saddam Husseins? Will there be other Qadhafis? What about all these Third World countries that are developing this long-range ballistic missile capability? Are we going to have some ability to defend ourselves against a renegade commander or an accidental launch?

I think these very serious questions need to be debated in the Armed Services Committee, in the Defense Appropriations Subcommittee, yes, even in the Budget Committee. I was pleased to get on the Budget Committee this year because I thought we had serious policy debate about what the parameters would be in defense and domestic discretionary spending and all these other programs. Then I found out this amendment proposes we make budget decisions here on the floor of the Senate.

This is an irresponsible way to do this business. I urge my colleagues in the Senate on both sides of the aisle, think about this. You may want to change your vote or vote against one or two or all three of these programs. But do you want to do it like this? In a way where 1 minute we have a billion dollar cut in B-2, and the next minute a $3 billion cut? Based on what?

Overnight, or over a few minutes, we had a tremendous change in the funding levels we are talking about.

I have some other questions. Where do the savings do? What happens to it? Are we cutting these numbers now so we will have more money to spend later on domestic programs? What is to keep some other Senator from coming in here now and filling this glass back up with expenditures in the defense area? Somebody may walk in here and say, "I want more planes built in my State," or more trucks built in my State.

Mr. STEVENS. Will the Senator yield?

Mr. LOTT. I will be happy to yield on that.

Mr. STEVENS. I think that is the problem with this amendment. I call my friend's attention to the way this is drafted. It reduces the funds available for aircraft procurement for the Air Force but it does not specify the B-2 now. It says nothing about the B-2, the way this amendment is drafted now.

What is really does is it reduces aircraft procurement for the Air Force. That is reduced by $3.2 billion. It could be the C-17. It could be the F-15. It could be anything now.

Let me just make this comment to my friend. The House level is $7.4 billion. The level in this bill now will be $7.1 billion. For the first time, the allowance of the Senate for aircraft procurement for the Air Force will be lower than that of the House.

As the Senator knows, in conference we could do anything with that money. It does not say you cannot have the B-2. It is a rather—it is a budget amendment now; a device, as the Senator from New Mexico has said.

Mr. LOTT. So there certainly is not any clarity about what would be the final result with regard to the B-2 or Air Force expenditures this year, let alone any kind of understanding or clarity about what would happen with this money if, in fact, we do not commit it somewhere now.

I will tell you where it is going to wind up. It is very clear to me what is happening here. Members are anticipating in the fourth year of the budget agreement, a collision between the need to spend more money, they think, for domestic programs and defense programs. So they are trying to cut defense now so they will have more money to spend in the outyears.

If my colleagues put this in such a way, one or part of it, "we will take this money and it will absolutely go to reducing the deficit, it will not be spent in some other area," then I would have to think about that a little longer. I know the budget aspects of this are taken very seriously by the sponsor of the amendment. But we need to know what is going to happen to this money. I think I know. I think the Senate will take it and try to spend it in myriad other ways in fiscal year 1994.

One final point I want to emphasize here today. What is really going to happen with this bill, and with these issues after we vote today? If we vote for these amendments as now divided, this bill could be in jeopardy. It may not even get out of the Senate.

But let us take it beyond that. Suppose it gets out of the Senate, what is going to happen? Do you think the President of the United States will sign a bill with these cuts? I am not authorized to say this, but I would be absolutely astounded if he signed this defense bill without these three programs sufficiently funded.

So we are going to have an Armed Services authorization conference that will break down and nothing will happen. We are not going to have a Defense appropriations bill. We are going to wind up with total chaos in what is the future for the military of our country at a time when the age of wisdom is so called for.

Let us not proceed with this amendment or these amendments in this way. Let us do them through the normal committees, the normal process. Let us understand what is going to happen with the money, let us understand what our needs are for the future.

Right now I submit we do not know. We do not know exactly whether or not we are going to need even a conventional long-range bomber. One Senator today said Jimmy Carter was right when he canceled the B-1. Great. What if we did not have the B-1, and now we come along and not have the B-2? We are going to depend on the B-52's? They may be great old planes, but how stealthy are they? How capable are they?

I think we should do this in an orderly fashion. We should stick with the committee. We have some of the most competent people in this body who serve on the Defense Appropriations Committee. We are trying to work it out in the Armed Services Committee conference. Let us let the people who are in these areas fight these out and make the decisions. Let us not base it on some haphazard budget considerations at the time we are saying, oh my God, utopia is here. It is not utopia. We are going to need SDI, and we are going to need the B-2, expensive though they may be.

I thank the distinguished leaders of the committee for allowing me this brief time to put in a few remarks. I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I ask how much time I have remaining.

The PRESIDING OFFICER. The Senator has 26 minutes.

Mr. SASSER. Mr. President, so there will be no misunderstanding here with my colleagues, if this amendment prevails there will still be a B-2 Program. There will be 15 B-2's built under this amendment. That will be enough to provide one squadron of B-2 bombers, with spares. So we will have access to a modest number of B-2's.

The proponents of the B-2 bomber indicate and tell us that the B-2 can carry the bomb load of 10 F-117's; the so-called Stealth fighter.

If we have 15 B-2's, then that would be the equivalent of 150 F-117 Stealth fighters.

I remind my colleagues that we subdued the world's fourth largest military power—at least that is what some of the experts were telling us—using no more than 45, more likely 40 F-117's.

So there will be some B-2 bombers available for those who seem to think it is the end of the world that we do not have the full B-2 bomber fleet of 75, or 100 aircraft.

And we do have the fallback position of that splendid weapon, the B-1. This is one Senator who voted for the B-1. I wish that were a vote that I could rescind here today. I noted in the war in the Middle East, that was one weapon that nobody ever saw or heard anything about, the B-1 bomber.

Yet, it was the single most expensive weapons system that we had at that particular time.

Mr. President, some of our colleagues will say, we had a vote on this a few months ago and it was defeated; it was defeated by 8 or 9 votes out of 100 or 97 cast. What has changed?

Mr. President, a lot has changed. For example, the superpower that the B-2 was slated to engage is now no more. There is no longer a Union of Soviet Socialist Republics. That country has simply come apart.

We see the Soviets, or the Russians, or Uzbeks, or whoever they are, are now pulling their troops out of Afghanistan. We see that they are negotiating and have announced unilaterally they are going to pull all of the Russian or Soviet troops out of Cuba, to the extreme agitation of Fidel Castro. The Soviets are actually supporting our efforts to disarm Saddam Hussein.

The Soviet Union, or what is left of the Russian empire, is in a state of total disarray, verging on total economic collapse. The truth is that we are about 10,000 times more likely to be providing the Soviets with emergency food aid than we are to engage them in any sort of nuclear conflict.

I ask you then where is the threat? Are we afraid that one of the independent Russian Republics or Soviet Republics is going to launch a nuclear assault against those of us in the United States, the last remaining superpower? Is the President of Uzbekistan going to say, "Ah ha, let us nuke the Americans?" I doubt that very seriously. And if he would be mad enough to do that, is a B-2 bomber that is under development going to dissuade him at all?

I would say we would be more likely to dissuade an individual like that by saying if you do not behave yourself, we are going to cut off your economic aid. You can bet your bottom dollar the President of the United States is going to be proposing some economic aid to the Soviet Union in the very near future.

We have to change our mindset. We have to release our hold on cold war rhetoric and a cold war world view. I say to the unreconstructed cold warriors among us, it is all over. Forty-five years and it is all over. The Communist scare is gone. The red threat has evaporated. We are going to have to find something else to satisfy our paranoia.

Why should we wait until next year to act on accomplished facts? I am simply making the case, Mr. President, that we cannot afford to wait. We do not need to wait.

This morning there was some discussion about this whole amendment being anticipatory, as if that were a term of contempt. I am reminded of the Greek mythology figure, Cassandra, who could foresee catastrophe but was powerless to prevent it.

Mr. President, we do not have Cassandra's excuse. We can see a fiscal collision coming in fiscal year 1994 and 1995. Here it is for everyone to see. These are not my figures. These are not the figures of the Senate Budget Committee. These are not the figures of the Appropriations Committee. They are the figures of the nonpartisan Congressional Budget Office which is simply giving us a warning: You have a problem, you have to deal with it. We ought to deal with it while we have the power to do so.

The B-2 has been debated over and over again on this floor. We know its purported weaknesses, and we know its purported strengths, and I am here to say that it has both. It has weaknesses and it has some strengths.

But I tried to put this issue today in a different context, in the context of what the B-2 investment subtracts from our ability to deal with our fiscal problems, and what it will probably subtract from us in our ability to invest in America. This is the context and the priorities that are forced on us by the budget summit agreement, and we ought to welcome that because it makes us make choices. That is all I am asking my colleagues to do today is to make choices.

I came to this floor when the military authorization bill was on the floor, and I indicated to my colleagues then that we could not have all these weapons systems and conform to the budget summit agreement in the outyears without making draconian cuts in personnel, and in the operation and maintenance accounts of the Department of Defense, which nobody wants to do and we ought not to be called upon to do.

When the HUD and independent agencies bill was on the floor, I came here and told my colleagues as much as I would like to have a space station, which I had supported in times past, a portion of which will be made in my own State, we simply could not afford it at this time. We had to assign some priorities. That advice was rejected.

I came to the floor when the energy and water development bill was up. I told my colleagues at that time that we could not have the super collider, as commendable as that project was, because we simply would not be able to meet the caps if we got started down that path. My advice was rejected at that time.

So I come back now and say we have a last chance and let us try to get the defense military appropriations bill to take at least one-half of the load and the problem that we are going to see in 1994 and 1995.

Mr. President, if that is being anticipatory, if that is planning ahead, if that is trying to avoid a fiscal train wreck, then I plead guilty, because that is precisely what this whole amendment is about.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 16 minutes, 30 seconds.

Mr. SASSER. I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 15 minutes, 30 seconds.

Mr. INOUYE. Mr. President, I am pleased to yield 5 minutes to the Senator from Texas [Mr. GRAMM].

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I thank the distinguished chairman for yielding time to me.

There are two relevant points on this amendment. One has to do with the argument about the bow wave on the budget. The other has to do with the need for the B-2 and SDI. This amendment is fundamentally wrong on both those points.

Let me start with the budget bow wave. First of all, whenever we are looking down the road to see how much money we are going to spend, we are doing the Lord's work. We do not do it enough. But I am struck by an incredible paradox: Here we are, when we have already cut defense by 25 percent over a 5-year period, when defense spending is actually $15 billion less in this bill than we spent last year, when we have a 9-percent real cut in defense in 1 year with this bill, when every other appropriations bill is up in dollar terms, talking about a bow wave problem in the future with exploding spending and cutting the one bill that is actually declining.

If we have a bow wave, it is in the nondefense budget where there have been no cuts. In fact, we not only have spent the increases that are allowed, but we have cheated by spending $5 billion to create new programs that go into effect on the last day of the fiscal year, creating exactly the problem that the Senator from Tennessee is talking about.

The second issue is: Do we need SDI and do we need the B-2? Even if we were going to cut defense by 50 percent next year, I argue that we desperately need SDI and we desperately need the B-2. No rational defense bill, even with a 50-percent cut, would eliminate them.

I ask my colleagues, in this time of euphoria when our colleague from Tennessee tells us that the superpower we defended against is no more, I would like to know what happened to all those nuclear weapons. Did they evaporate? Are they gone? Have they been given to us? Have they been destroyed?

The answer to all those things is no. There is one overriding threat to the security of the United States of America, and that threat today is not conventional force. There is no conventional force on the face of the Earth that represents any peril to the United States of America, none whatsoever.

The one underlying threat to the security of this country and the life of our people is an intercontinental ballistic missile. The Soviet Union has thousands of them, and I think one of the concerns we must have is that if the Soviet Union follows the pattern that China did, with the collapse of the emperor and break up into warring factions under warlords, we have a very real threat of being blackmailed by nuclear weapons. If that happens, we have to have SDI and we have to have the B-2 to go in and destroy mobile missiles.

The second threat is a subset of the first. The second real threat that faces America today and threatens our lives is that with the development of missiles, somebody like Saddam Hussein is going to have a missile which will reach the United States of America. We should not now be cutting funds for SDI. What happened in Israel ought to be a stern lesson to all of us. The one weapon that can go in, penetrate airspace, locate missiles, and destroy them is the B-2.

So, Mr. President, first of all, if you are interested in cutting the budget, you need to look at nondefense spending, not defense spending.

Second, if we are going to cut defense, we ought to cut it in the areas where we do not face a real threat. We need B-2, and we need SDI. If we were spending half as much money, I believe we would still be funding both of these programs.

So I urge my colleagues to reject this amendment because, A, the problem it trys to solve does not exist, and B, because we desperately need SDI and the B-2.

I ask my colleagues to imagine 5 or 10 years in the future—or maybe next month—if a republic in the Soviet Union is taken over by a military faction and has mobile rockets. Imagine America being faced with the threat that Israel was faced with during the war in the Middle East. Do we not want some defense of the American homeland? I say, yes, and that is why this amendment should be rejected.

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator's 5 minutes has expired.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I am pleased to yield 3 minutes to the Senator from Washington [Mr. GORTON].

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, I think the message we have just received from the Senator from Texas is clear and convincing, and I want only to repeat one portion of that message.

The defense share of our national budget has been cut dramatically in real terms since 1985. It is down $15 billion in real numbers this year. It is on a program for a 25 percent cut by 1995. Does that mean it is absolutely sacrosanct; that there is nothing we should do about it; that we should not ever debate it again? It does not, Mr. President. But it certainly does mean we should not debate it in this context.

If we are trying to reduce the defense budget by any greater number of dollars, we should, at the very least, have a debate over where our defense priorities should lie, and we should, at the very least, ask the contributions of the Department of Defense and the administration.

I agree totally and completely with the Senator from Texas that the last place in which we should take those cuts is in the very weapons systems which can protect us from the only threat to the security of the United States which remains in existence, and that threat is in the dissolution of the Soviet Union, the uncertain nature of the control over thousands of missiles, the fact that we do not know from 1 day to another what government has authority in a given part of the Soviet Union and what individuals have a part in that government.

To provide for defenses against the single threat against the United States is vitally important to our future. If we are to have additional cuts, they will almost certainly be in manpower. They will be in popular political constituencies such as the National Guard and our Reserve Forces, but they cannot be with respect to the security of the United States either from a threat from a dissolving Soviet Union or the potential of Third World missiles. These are the areas we should concern ourselves with, No. 1.

We should not be engaged in a debate in this Chamber today late in the session after all of the basic decisions on defense have been made and without considering at all how we should cut our defense budget if, indeed, we should cut it below the 25 percent line on which it already finds itself as a result of the budget summit last year.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, the distinguished Senator from Vermont wishes just a couple of minutes, and then I want to yield to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I will be very brief.

There has been some question, I notice in going around the cloakrooms and outside talking with Senators, about just exactly what this is. Senator COHEN and I and others have sent "Dear Colleague" letters out on the B-2. This is the B-2 vote. This is it.

I understand the distinguished Senator from Hawaii would make a motion to table, or somebody on his behalf would make a motion to table. In case anybody is wondering, if you have taken a position for or against the B-2 bomber, this will be the B-2 vote.

I yield back to the Senator from Tennessee.

Mr. SASSER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 minutes 27 seconds.

Mr. SASSER. Mr. President, I yield 5 minutes, if I may, to the distinguished Senator from Washington, and then I would like to yield to the majority leader.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. ADAMS. Mr. President, I would like to thank my colleague from Tennessee for his amendment. This amendment not only makes important changes in our military structure, but provides us with an opportunity to reexamine our Nation's priorities at a critical juncture in modern history. With the national debt hovering near $3.7 trillion, and a deficit close to $300 billion, this opportunity comes none too soon.

As George Bush is so fond of saying, there is a new world order. If we are going to take a leadership position in this new world order, we need to begin to take care of our own, by reducing the deficit, investing in our infrastructure, and funding essential domestic programs like housing and education. Leadership in a new world order cannot be based on old world policies and attitudes.

This body not only has a legitimate desire but a responsibility to protect the American people from foreign military threats. Let me say, unequivocally, that I share that desire. But where, I ask would ask my colleagues, does this protection start? Do we begin by protecting against the remote threat of an intercontinental ballistic missile attack? Or do we work to cut the deficit and focus on the essential services that have and will continue to provide the backbone of our nation?

With the changes we face internationally, and the national deficit we face at home, we cannot do both. Our debt is hurting us, badly and across the board. We do not have the resources to address our most pressing domestic programs, or deal with our gridlock. By cutting the debt, we pave the way towards protecting the rights held most sacred to the people of this Nation, like a woman's right to feed her children and the right of all Americans to adequate housing and education. Furthermore, scrimping on education and other fundamental programs, not to mention critical technological research and development, is killing our international strength and competitiveness.

For the future, these problems can only get worse.

If we are to address the domestic priorities that all of the Members of this body profess to want to address, we cannot afford a 50-percent increase in SDI spending from last years level, and we cannot continue to pour billions of dollars into B-2 production. This amendment would allow us to achieve savings of $25.7 billion through 1995. These savings, which my colleague from Tennessee has addressed so eloquently here today, will reduce the deficit and protect the kinds of programs that will ensure a leadership position for this Nation into the future.

In fiscal years 1994 and 1995, domestic, international and defense spending will be lumped together under a single discretionary spending cap. As a result, programs under each of spending categories will begin to compete for fund. The Congressional Budget Office has confirmed that spending under each of these caps, taken together and permitted to grow at baseline from their fiscal 1993 levels will substantially exceed the budget cap for fiscal years 1994 and 1995.

On the surface, the amendment addresses three defense programs which cry out for reexamination: the B-2 bomber program, the strategic defense initiative, and the MX rail garrison missile. However, a number of my colleagues have addressed the specific merits of these programs, in great detail and with greater eloquence, and I will not add to that debate.

What I am talking about here is the changing nature of the international environment and the direction we as a Nation should take to best meet those changes now and into the future. Simply put, the people of this country, and our international position and competitiveness, depend on the long-term financial health of the United States.

Given this fact, I am not prepared to commit myself, nor more importantly the budget of the U.S. Government, to full production of the B-2 at this time; $30.8 billion have already been spent on the bomber, and we have very little to show for that incredible investment. As the world's largest debtor Nation we cannot afford to go ahead with the Air Force's plan to buy 75 of these planes at a total cost of $65 billion.

Nor am I prepared to keep pouring money into SDI, a program which has already absorbed a staggering $20 billion into SDI research and development. I am astounded by the amount of additional moneys which have been authorized for an SDI system which could, if expanded along the guidelines set forth by the committee, rival the original SDI proposal. It is incumbent on this body to cut this proposal. This amendment offers an exceptional compromise that will ensure protection that is fiscally sound.

Let's work realistically toward a limited, single-site defense system that will not throw the ABM treaty to the wind. Let's limit the B-2 to the 15 airplanes already authorized and terminate the remainder of the program. Let's put the MX on the shelf, where it is headed anyhow whether or not we put it in a new train. Finally, let's begin to allocate the resources that our current domestic crises are crying out for.

When my constituents in Washington State ask me, and they do ask me in hundreds and sometimes thousands of letters and phonecalls each day, why their schools are underfunded and why their health care and other benefits have been cut off, they don't want to hear about the national debt and the threat of the "Evil Empire." They want to know what I am doing to help them and to help the country. This amendment, which I support wholeheartedly, helps us to reexamine our priorities, cut the deficit, and help the people and the country prepare for the modern world.

The "Evil Empire," such a longstanding and convenient rationale for big-ticket military items, no longer exists. Our economy and deficit, as a result of our competition with the Soviet Union for military superiority, are in shambles. The amendment offered by my colleague Senator SASSER is not only a positive but critical step toward bringing this Nation in line with current events and leading the world in the future. The new realities of the real world in which we live demands an honest and prudent assessment of our actual defense needs. This amendment puts us firmly on course in the proper direction. I urge my colleagues to support this important measure.

Mr. SASSER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining, and the Senator from Hawaii has 6 minutes and 59 seconds.

Mr. INOUYE. I yield 30 seconds to the Senator from Missouri.

Mr. BOND. Mr. President, throughout the time I have served in this body, Members have been debating whether or not to go forward with the B-2 bomber program. I cannot even remember the number of times we have come to the floor to debate the program and to vote on cancellation. Fortunately, reason has prevailed each time.

The arguments that B-2 opponents have raised have changed over the years as opponents attempt to find the one silver bullet that will finally kill the program. At first, of course, we heard that we could not afford the B-2—that it was just simply too expensive to deploy. Then we were told that we do not need the plane because other weapons such as cruise missiles, ballistic missiles and older bombers would do just fine. After that the argument focused on the fact that the world has changed and that the role of the B-2 has been eliminated. And now we are being told that will not work—that it will not live up to its stealth claims.

Mr. President, I think it is worth taking a few minutes to examine these arguments and explore how they hold up to the facts.

First, can we afford the B-2?

There is no denying the fact that the B-2 is an expensive weapon—the most expensive single aircraft to be deployed in our history. It is not, however, the most expensive program now planned by the Pentagon—the advanced tactical fighter, for example, will cost much more.

Further, when compared to the costs of past strategic bombers, the B-2 is not out of line. As a percentage of the total defense budget, the cost of the B-2 is less than the cost of the B-1B; and it similar to the cost of the B-52.

It is also important to keep in mind that the Government has caused much of the price increase through constant changes in budgeting as well as the decision to reduce the size of the aircraft buy.

More important, however, in considering the cost of the B-2 program is to take into account what we will get for our investment. When we do that it is clear that the B-2 will save not only countless dollars, but lives as well.

The main role of the B-2 will be to serve as a deterrent—not only to whomever ends up controlling the tens of thousands of nuclear weapons now aimed at our Nation, but also to the Saddam Husseins and Mu'ammar Qadhafis of the world who might be tempted to strike the United States or its allies. If only one conflict is avoided because an aggressor fears retaliation by U.S. B-2's, then our investment will have been worthwhile.

If, however, we are forced to use these planes in combat; and history teaches that we are likely to have to do so—whether it is to stop a Saddam Hussein from overturning a defenseless neighbor or to put a stop to the terrorist attacks of a Mu'ammar Qadhafi or to protect the United States against a full-scale nuclear attack—then our investment in the B-2 will be proven even further.

We have all seen the charts that have been presented by Air Force briefers showing how two B-2 could be used to replace the 75 aircraft now needed for a conventional air strike or even the 10 aircraft needed for an F-117 strike. The savings in operations and maintenance of the B-2's is reason enough for procuring them. More important, however, is the fact that dozens fewer servicemen and women would have to put their lives at risk if we had the B-2 available. That is where the real savings are realized.

A second argument that we hear in support of terminating the B-2 program is that we can perform its mission with other weapons—we can meet our nuclear needs by using submarines and missiles, and we can meet our conventional needs with cruise missiles and older bombers.

This simply is not the case.

Our nuclear missile and submarine forces are critical. In fact, I would argue that our submarine force is really the backbone of our nuclear arsenal. However, it would be a mistake to give up the ability to deploy a manned, recallable nuclear component. And that is what we will be doing if we vote for this amendment. Our B-52's are approaching retirement age and that leaves only a very small B–1 force.

On the conventional side, weapons such as the Tomahawk cruise missile proved that they play a critical role in our defense operations, but they are not suitable for all missions. For example, there would be no way to deploy a cruise missile—which must be preprogrammed prior to launch—to attack mobile missile platforms such as those used by Iraq to launch Scuds against Israel and Saudi Arabia.

We proved the versatility of stealth in the gulf war. The F–117 was the star of that conflict. Other weapons such as the Tomahawk are important, but they cannot be relied upon to fulfill all missions.

A third argument that we are hearing more and more in the wake of the failed coup in the Soviet Union, is that the changed world situation has obviated the need for the B–2—that with the demise of the Soviet Union, we no longer need a stealthy, long-range bomber.

That, I would argue, is shortsighted and dangerous thinking.

If anything, Mr. President, the breakup of the Soviet Union and other changes that we are seeing throughout the world increase the need for the B–2. The end of the cold war, though a major victory for the United States and the West, means it is more not less likely that we will be faced with conflicts around the globe. The gulf war is the perfect example of the type of unexpected conflict we could face at any time, and the changes in Eastern Europe and the Soviet Union greatly increase the number of possible flashpoints.

The United States, as the only remaining superpower in the world, will need to be prepared to deal with these conflicts when they arise, and the B–2 bomber is one weapon that is well suited for responding.

In the gulf, we were fortunate that a network of high-quality airbases and ports were available to our Air Force and that our aircraft carriers could get close enough to join in the battle. We were lucky that time. Unfortunately, we are unlikely to be so lucky in the future.

Our network of overseas bases is constantly shrinking. The recent loss of Clark Air Base in the Philipines and the likely loss of Subic Naval Station as well, are just the most recent illustrations of this problem. Furthermore, the problems the Navy is experiencing in deploying a new attack aircraft throw into question the ability of our aircraft carrier fleet to serve as the sole platform for projecting air power around the world.

What this means is that we need a long-range bomber that can be deployed from the United States or its territories, evade the sophisticated air defense networks that many Third World nations now have, drop its bombs and return to base.

The B–2 is that aircraft.

Finally, Mr. President, in the past week we have had to endure countless calls for cancellation of the B–2 because of a shortfall in one low observable test recently. The short answer to this argument is, baloney.

The B–2, unlike many procurement programs, has and will continue to undergo extensive testing on all aspects of its performance. It is safe to say that the B–2 is the most tested aircraft in history.

The test in question was just one in a long line of ongoing tests, all of which have been met without problem. Many of us attended classified briefings last week in which senior Pentagon officials explained to us just how insignificant the shortfall is.

The bottom line is that the B–2 is the stealthiest airplane that has ever been built by a wide margin. To argue otherwise is simply disingenuous. The report on the recent test was simply an example of the Air Force attempting to be responsible by keeping us advised on an ongoing program. For us to over react and blow the issue far out of proportion is truly irresponsible.

I will end my comments here because I know that many more of my colleagues wish to speak on this issue. We should reject this amendment. The Appropriations Committee, under the excellent leadership of the Senator from Hawaii and the Senator from Alaska has crafted a compromise that ensures we will have an opportunity to consider this issue again before procurement continues, and there is simply no reason to rush to act today. The consequences of a mistake are just too great.

I hope Senators will cut through the obvious political posturing that is taking place in this debate and instead consider the critical underlying national security issues at stake in this debate. If they do so, there is no question that they will oppose the amendment before us.

Mr. President, stealth worked. The B–2 is the stealthiest aircraft. It is our best deterrent and it will be our best conventional weapons against another terrorist like Saddam Hussein or a Mú'ammar Qadhafi.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, is there anyone, I ask the distinguished chairman of the Defense Appropriations Committee, who wishes to speak?

Mr. INOUYE. Mr. President, I yield 5 minutes to the Senator from California [Mr. SEYMOUR].

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. SEYMOUR. Thank you, Mr. President. My thanks to the distinguished chairman.

Mr. President, I rise in opposition to the pending amendment to terminate production of the B–2 advanced technology bomber. The distinguished Senator from Vermont reminded us all that this is a vote on the B–2. Mr. President, I remind the Members, my colleagues, that we had that vote. We had the vote on the B–2. We had it barely 6 weeks ago when this Chamber addressed exactly the same amendment during consideration of the Defense Authorization Act. At that time, barely 6 weeks ago, we rejected this amendment on a solid majority vote, 57–42.

So what is new about this issue that would compel the Senate to reconsider it a second time within barely 67 weeks? The answer, Mr. President, is nothing.

Let me mention what has not changed since we spent an entire day debating the future of the B–2 bomber on August 1 of this year.

The B–2 is still the most tested military aircraft in history. Its components, systems, and subsystems have endured more than 868,000 hours, or a century's worth of rigorous testing, the B–2 still gives the American people the most flexible, accurate, and survivable strategic air system ever developed.

Despite wild assertions to the contrary, Mr. President, the B–2 remains affordable.

The President has made this aircraft his top acquisition priority for the Air Force even though the defense budget will decrease by 25 percent over the next 4 years.

The President has made the B–2 the most prominent example of the type of weapons system we can buy now and will need later, precisely at the same time the budget goes down and the threats to the U.S. security change.

In addition, although many of my colleagues do not want to hear the simple economics lesson, it is an indisputable fact that the B–2 will become cheaper if the program goes into full production. Opponents of the B–2 have held the goal of reducing the unit cost of this aircraft hostage to their own rhetoric about phantom billion dollar weapons draining the Treasury and eroding our competitiveness. In fact, Mr. President, the B–2 had made an enduring contribution to the viability of the American aircraft industry, perhaps the sector of our economy most vulnerable to the innovations and competition overseas.

Over 900 new materials and manufacturing processes have emerged from the B-2 production line.

Furthermore, the B-2 heavily depends upon composite materials, a technology that holds the key to the future of America's commercial aviation industry. None of these circumstances have changed in the last few weeks since the Senate last expressed its will on this issue.

Today the proponents of this amendment want Senators to believe that a recent test of the B-2 stealthiness represents an erosion of the aircraft's ability to evade enemy radars and penetrate enemy air defenses. Yet, as we seem obligated to do all too often on this matter, we must plow through the inflated claims to grasp the truth.

No military aircraft ever passes all of its capability tests during the early stages of production and the most recent example of this fact also happened to become the success story of the skies during Operation Desert Storm.

Had we substituted the F-117 tactical stealth fighter for the B-2 in this amendment, the F-117 would never have flown so successfully over Baghdad. Sixty of these aircraft hit 3,000 targets in the Persian Gulf.

Several years ago the Air Force found dramatic differences between the F-117's performance and the initial expectations of its stealthiness. The F-117, representing only 2 percent of all of the air assets used in Operation Desert Storm, eliminated more than one-third of the Iraqi military targets. But once upon a time the Defense Department had to cancel the flight testing program for this system because of defects in its operation.

As Secretary of the Air Force Donald Rice stated just last week in a speech at the Air Force Association:

> Though the F-117 test program couldn't be talked about at the time because stealth was revolutionary and shrouded in secrecy, much worse problems occurred in its development. Both prototype vehicles crashed but full-scale development proceeded. The first production aircraft crashed, and all flight testing was halted. What if we had stopped the stealth program back then? The F-117's successes in the skies over Baghdad would never have happened.

To give up the B-2 now would be to give up on the best technology America has created to meet the full spectrum of military threats. None of us wants to enter this Chamber years from now and blame each other for losses in some future Desert Storm war. The risk of this potential tragedy lies in the future, but our capacity to avoid it comes today.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I yield 1 minute to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I think it is time for the U.S. Senate to catch up with events, and events in the world are such that the Soviet Union simply is not a threat for which you need a penetrating bomber. It is just not, Mr. President.

The B-2 is not a bomber designed for a conventional role. Can you bomb Panama, or Grenada, or Iraq, or any other imagined country, with the B-2? Sure, you can. But you can also bomb it with that big fleet of B-1's which are supposed to still be able to penetrate the Soviet Union—they were sold to us as that—and with that huge flock of B-52's we have, Mr. President. We can save $30 billion which is badly needed, if we agree to this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, the distinguished majority leader wishes to speak on this matter, and I do not see him in the Chamber at the moment. If the distinguished chairman of the subcommittee has nobody else to speak, then I will suggest the absence of a quorum while we await the majority leader's arrival.

Mr. LEVIN. Will the Senator withhold that request?

Mr. SASSER. I am pleased to withhold it.

Mr. LEVIN. I am wondering if the floor managers would yield 1 minute to me for a comment and a question?

Mr. INOUYE. We have no time.

The PRESIDING OFFICER. The manager has 32 seconds remaining. The proponent has 7 minutes 47 seconds.

Mr. INOUYE. I ask unanimous consent for 5 additional minutes, which I will yield to Senator LEVIN.

The PRESIDING OFFICER. The request is for 5 additional minutes.

Is there objection? Without objection, it is so ordered.

The Senator from Michigan is recognized.

Mr. LEVIN. I wonder if the manager will yield to me for a comment and a question of him and the Republican manager.

Mr. STEVENS. I will be happy to do so.

Mr. INOUYE. Please do.

Mr. LEVIN. I am someone who has supported the B-2 in the past. Recently, we were able to add an amendment on the authorization bill that would restrict the obligation of funds unless the B-2 was able to prove, through flight testing, that it could meet certain tests.

However, the announcement recently of its failure to meet a low observability test raised a question as to whether or not meeting that test was included in the prior language. I am afraid that it is not included in the prior language, and so I will be sending an amendment to the desk which would add that requirement, before any of the B-2 funds could be obligated.

I am wondering whether or not the managers of the bill can give me their comments as to whether or not they will support an amendment on this bill which would require that before any funds can be obligated for the procurement of the B-2, that the certification, which is referred to in the proviso in the appropriations bill, contain an assurance that the original radar cross-section performance objectives of the B-2, have been successfully demonstrated from flight testing?

Mr. INOUYE. Mr. President, if the Senator will yield, I am, as a Member of the Senate, prepared to accept that. But I cannot speak for every Member here.

Mr. LEVIN. I understand. I am wondering if the Senator from Alaska could comment on whether or not he would support that amendment.

I will also ask Senators NUNN and WARNER, who are not here; I will ask them, privately, whether or not they also can support this amendment. It is a very important question in my deliberation as to whether or not I vote to terminate the program now, or whether or not we wait until a later point when there is that affirmative vote that the appropriations bill provides for to provide for the obligation of this funding.

I wonder if the Senator from Alaska can comment?

Mr. STEVENS. I have the statement by Secretary Rice saying no one is saying the airplane is less stealthy than it was going to be. They ran one flight test, and got a measurement and one element did not show improvement. That is the sum total of the information available.

The Senator is saying we should add to the certification requirements in the Armed Services Committee bill a requirement that says these moneys cannot be spent unless the Secretary certifies that this aircraft would meet 100 percent of the——

The PRESIDING OFFICER. The Senator is advised that the additional time that was agreed to by unanimous consent has now expired.

Mr. STEVENS. I ask unanimous consent for 1 more minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Unless the Secretary can certify that it would meet 100 percent of the estimated projected requirements for the ultimate year of its life; is that what the Senator means? If the Senator means that, I will agree to it.

Mr. LEVIN. I understand.

Mr. STEVENS. Does it meet its military objectives as originally outlined in the negotiations that were conducted between the Department of Defense and the contractor in 1981? Then I would agree.

Mr. LEVIN. My amendment is very clear on that point. It says that in order to obligate these funds without further approval of the Congress, the Secretary would have to give assurance that the original radar cross-section performance objectives of the B-2 bomber have been demonstrated from flight testing.

Mr. STEVENS. I am advised that that is the 1981 approach. I would have no objection. If the Senator is now saying the projections that were made last year now cranked in some new information, then I could not agree.

We are getting very close to really going over a line I do not like to start with, and that is the classification line. But if it is the original objectives the Senator seeks, I am advised that it is acceptable.

The PRESIDING OFFICER. The additional minute has expired.

Mr. LEVIN. I thank the Chair.

The PRESIDING OFFICER. The proponents of the amendment have an additional 7 minutes and 22 seconds.

Mr. SASSER. Mr. President, I yield such time as he may consume to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I have just come from a meeting with Senator DOLE and several other Senators, with the President of the Ukrainian Parliament, President Kravchuk. He spent an hour telling us, forcefully, and in unmistakable terms, that the Ukraine is independent, will be legally and formally independent, and is and will be a separate nation.

He confirmed what we have read and heard, that the Soviet Union, as we have known it for the past three-quarters of century, no longer exists. The second largest of the Soviet republics, with 52 million people, the presence of several hundred nuclear weapons, the industrial and agricultural heart of much of the Soviet Union, is not a part of the Soviet Union, according to the President of that Republic.

Yet here just a few feet from where we met we debate policy as though his words had not been uttered, as though the Ukraine had not previously declared its independence, as though the Soviet Union still exists in the form in which it existed 2, 20, 40 years ago. The most difficult thing for human institutions to do is to change the assumptions on which they act and to change the policies based upon those assumptions.

Continuation with this program as proposed by the proponents of the B-2 program is a continuation of policy based upon assumptions and facts which no longer exist. It is unwise and wasteful in the extreme.

Over the past several months we have heard a lot of debate and there has been a lot of publicity about the base-closing process through which we went, a necessary exercise, although painful to many in this Chamber. I wonder how many Senators and how many Americans realize that the total net savings, the total net savings for 5 years from all of the base closings in this country will be $800 million, less than the cost of one B-2 bomber—less than the cost of one B-2 bomber. We are talking about aircraft which now costs $865 million apiece.

And we are told that 15 are not enough, we must have 75. For what? To penetrate the air space of Uzbekistan? Or penetrate the air space of Armenia? The Soviet Union no longer exists. They are telling us it no longer exists, and the events confirm their words. And we continue with a wasteful policy that will cause the expenditure of some 75 or more billions of dollars at a time when we have desperate needs in our society. The total costs of the elementary and secondary education package, which will shortly be presented to the Senate, is less than $850 million. Does anyone here believe that the United States will be better off if we have 75 B-2 bombers instead of 74 and devote the cost of one of them to improving schools in our society? I believe to ask the question is to answer it.

All across this world events are occurring at a rapid rate which are changing the reality of the threats which we face, and yet our policy remains as though in a deep freeze, unwilling to let in and consider the reality of the world around us. Those who talk about the budget, those who talk about spending, ought to consider the extraordinary cost of what we are discussing in relation to the perceived benefit. Let us for once let the real world into this Chamber. Let the realities that exist in the world into our deliberations. Let the realities in the Soviet Union be part of our consideration, and let us for once take an action that looks to the future not to the past.

I urge my colleagues to support the amendment of the Senator from Tennessee. Not only is it wise, not only is it right, it has the ultimate benefit, and we all know it, of representing that most uncommon of qualities, common sense. Everybody here knows that we do not need 75 B-2 bombers to penetrate Soviet air space, and everybody here knows that we cannot afford $75 billion and who knows how many more dollars in the future for this exercise. Even if this amendment is approved, there will be a compliment of 52 B-2 bombers to meet whatever perceived threat exists. Let us get our priorities straight. Let us devote our resources where they are needed. Let us have a strong and secure defense but not a wasteful one. I urge my colleagues to support the distinguished Senator from Tennessee. His amendment makes common sense.

Mr. SASSER. Mr. President, May I inquire how much time is remaining?

The VICE PRESIDENT. The Senator from Tennessee has 4 minutes and 3 seconds.

Mr. SASSER. Mr. President, I express my appreciation to the distinguished majority leader for the very eloquent address he has made to the Senate this evening.

I find it very persuasive, although I might say I was already persuaded, but I have the impression that many of our colleagues who heard it here in this Chamber found it very persuasive.

Mr. SANFORD. Mr. President, since it was first made public in the fall of 1988, the B-2 bomber program has been one of the most controversial issues before the Senate. In the past, I voted for continued development of the B-2 bomber. I did so because I believe that we must have a strong defense; that many useful research results could come from the B-2; and that, if it performed as advertised, it would serve a very important purpose in addressing a Soviet nuclear threat.

However, in voting for the B-2 in the past, I have always expressed strong concerns about the plane's ability to meet the specifications required of it. Indeed, on August 2, 1990, I said on the floor of the Senate that "I may very well by next year have adequate new information to cause me to vote against additional authorization." Well Mr. President, I have adequate new information and the time is now to vote against the B-2.

The progression of events that have led me to this position is clear. While the airplane has gone through an aggressive testing program, it is far from completing its testing schedule. The recent reported failures in the low observable testing have caused me great concern as to the results of further testing. I realize that every test will not be successful. However, I am concerned that there will be substantial costs involved in fixing the problems associated with test failures and that the plane will never function as advertised.

The dual role of the B-2 in a conventional and nuclear conflict were strong points in its favor made by the Air Force. Given that the nuclear role would involve a war with the Soviet Union, it is fair to say that the chances of that happening have been drastically reduced. The B-1 was cancelled in 1977 when the cold war was still hot. That was a wise decision. Unfortunately, the B-1 program was brought back during the Reagan years but has proved such a disappointing failure that even its strongest supporters are now saying the bomber system should have remained cancelled. Are we making a similar mistake here?

The main threat for which the plane was designed has been severely diminished over recent months. We simply cannot afford to spend excessive billions of dollars for a plane which no longer has a clear mission. The B-2 is expensive and will only get more expensive. Therefore, I will support the amendment offered by the chairman of the Budget Committee, Mr. SASSER, that would save $16 billion in fiscal years 1994 and 1995 by cutting the B-2, funding SDI with increases for inflation only, and cancelling the MX Rail Garrison Program. I will also support the amendment offered by Senator LEAHY that would halt production of the B-2, leaving us with the full 15 airplanes that are already built or in the pipeline.

The budget agreement adopted last year attempts to limit what we spend by capping categories of spending over a 5-year period. This is the first year we are actually moving through the normal appropriations process, from start to finish, under these caps.

But there is a hitch in the plan. For whatever reason, the cost estimates for defense spending in the outyears of the budget agreement were on the low side. Our defense spending was not put on automatic pilot, and in fact, unless we take some action now to further reduce what is already in the pipeline, we will exceed our capped defense spending by as much as $100 billion in the last years of the budget agreement. A vote to further reduce defense spending, to avoid breaching this discretionary spending cap, is a vote to live within the budget agreement. If we continue on our current defense spending path, we limit our options in future years. We will either be forced to make very hard choices that will include substantial cuts in active duty military personnel, or we can break the budget agreement and add substantially more to the debt.

We cannot vote to waste money. I believe in spending for defense but not wasting for defense. We are neglecting our children. We need money for so many things. We cannot afford waste.

Mr. President, I am firmly convinced that it is in the best interest of the country to halt the production of the B-2 bomber. While the technical matters surrounding the B-2 are complicated, the concept of getting your money's worth is not. If something is expensive, does not work as advertised, and serves no useful purpose, the American consumer will not buy it. It is a simple concept that should be applied to the B-2.

Mr. DOLE. Mr. President, I commend my colleagues on the Appropriations Committee and particularly the chairman and ranking Republican of the Defense Subcommittee, Senators INOUYE and STEVENS, for their hard work and thoughtful consideration in crafting this important bill.

This bill fully recognizes the world in which we live. It recognizes the changes that have occurred in Eastern Europe. It reflects the fiscal realities we face, and respects the budget agreement. But most importantly, this bill does not entertain wishful thinking—it recognizes the realities of this dangerous and uncertain world.

Ironically, the cold war offered a level of stability that we no longer enjoy. The so-called new world order presents us with even greater challenges because it tests our commitment and vigilance in new ways. We must now maintain our security against undefined contingencies and less certain threats—but threats nonetheless. Thus, I urge caution against any rush to cut U.S. defense dollars in the wake of the postcoup Soviet Union. We cannot know the future. And our actions here today should not be based on a guess or a hope of what might happen tomorrow, or next week, or next year. Our responsibility is to ensure that America is secure against any outcome or any challenge that may arise.

There are those here who assume that the disintegration of communism in the Soviet Union eliminates the need for U.S. strategic programs. Their crystal ball tells them that the future is so secure that we can kill the B-2 bomber, gut SDI, and melt down our defenses.

Well, it seems to me that the case for SDI and the B-2 bomber is stronger now than before the Soviet coup. Developments in the Soviet Union argue clearly and strongly in favor of these systems. To put it very simply, there is more uncertainty now than before. As the Soviet Union decentralizes, we move into a situation in which more than one government in the Soviet Union could share authority over its nuclear weapons. We need to keep in mind that three Republics, in addition to Russia, have strategic weapons on their territory—Byelorussia, Kazakhstan, and the Ukraine. Moreover, should decentralization lead to severe and widespread destabilization, the threat of accidental or unauthorized launches could increase significantly.

Now, I am not trying to create panic, but this evolving and uncertain situation needs to be addressed—in addition to the increasing proliferation of ballistic missiles and nuclear weapons technology around the globe. We simply must have a more flexible deterrent, and we simply must have the ability to defend America against the threat of ballistic missiles.

It seems to me that we have in our reach the insurance policy we need to protect ourselves—namely ballistic missile defenses. We cannot afford to put SDI on the backburner at this time.

These same threats demand that our strategic posture be far more flexible than any time in history. And the B-2 bomber is the only system that can provide that flexibility.

We have debated the merits of the B-2 time and time again. In my view, the need for the B-2 bomber has not been diminished by the changes in the world. If anything, it has increased.

To be sure, America has domestic needs. But the budget agreement provides for those needs. And it provides for our security in this changing world. I urge my colleagues to reject these transparent attempts to gut our defenses to pay for budget-busting pet programs. And I caution my colleagues not to base their decisions on wishful thinking. The world is not safer—just more uncertain.

Mr. THURMOND. Mr. President, I rise to join those who speak in opposition to the amendment which would terminate the B-2 bomber program.

Mr. President, our Nation is currently reformulating its military strategy. We are doing this not because of our past failures, but because of our recent successes. Communism, along with its expansionist threat, has all but disappeared thanks to this Nation's nuclear deterrence and strong military capabilities. The emerging threat, sometimes unexpected as the conflict in the Persian Gulf, stems from the rise in power of Third World countries. To meet this threat we must adjust our thinking and our military force structure.

The B-2 bomber, whose genesis stemmed from the ever-increasing sophistication of the Soviet air defense systems, will play a major role in this new strategy. The Soviet Union is not the only nation that has modernized its air defense systems—virtually every nation has. Iraq's sophisticated air defense system initially precluded us from using our B-52's. We succeeded in rendering this system useless primarily because of our Stealth technology. Only after the F-117 Stealth fighters knocked out strategic air defense headquarters and communication sites were our conventional fighters and B-52's able to operate in the theater with relative immunity.

Mr. President, as everyone will acknowledge, Operation Desert Storm was a glorious success. A key factor in our success was the fact that our forces had bases available in Saudi Arabia and Turkey. In future conflicts, we may not have the luxury of such bases. We may have to build bases to receive our forces, or in a worst case scenario assault across the beaches. In either case, we will lose precious response time.

Our only option to quickly react to a crisis in these circumstances is the Nation's long range bombers, which devastated the Iraqi forces after the destruction of the Iraqi air defense systems. Currently, our only long range conventional bomber is the B-52, which first flew in the early 1950's and the last of which came off the assembly line in the mid-1960's. The B-52, despite its upgrades and sophisticated electronic jammers, cannot survive the future air defense threat—it is very doubtful that any conventional aircraft could.

Mr. President, the only aircraft that will provide this Nation with the capability to deliver conventional bombs, on short notice, over a long distance, with relative immunity is the B-2 bomber. Its proven stealth capability will allow it to penetrate any known air defense systems and deliver a bomb load that exceeds that of any bomber in the free world.

The critics say that the B-2 was not designed for a conventional role and that the Air Force is changing its mission because it no longer has a nuclear role. I say that the critics are wrong on both counts.

Chairman ASPIN of the House Armed Services Committee, which advocated stopping the production of the B-2, stated in a speech to members of the Electronic Industries Association:

> Buying the B-2 for conventional missions makes sense. Ten B-2's could have delivered twice the payload of the 42 F-117's we used in the gulf war. That is a total of 160 precision guided 2,000-pound bombs as opposed to the 84 weapons carried by the 42 F-117's. And that is a pretty big silver bullet.

In terms of the nuclear mission I would like to quote from a Rand Corp. briefing on the B-2:

> * * * given that the lifetime of bombers is about 30 years, it would be foolhardy to assume that deterrence of Soviet nuclear attack need no longer be motivation in our bomber force planning. The Soviet Union remains capable of devastating us with a nuclear attack. The 30-year political outlook for the U.S.S.R. is, to say the least, uncertain.

Mr. President, terminating the B-2 program would deny this Nation the ability to modernize its aging nuclear and conventional bomber fleet. We would enter the next century with a major flaw in our defense posture—the inability to quickly influence a crisis in any part of the globe. In my judgment, neither this Congress nor the American people should condone such a weakness in our Nation's military posture. I urge my colleagues to vote against this amendment and provide continued funding for the B-2 bomber, to protect this great Nation we all love.

Mr. SASSER. Mr. President, I am prepared to yield back the remainder of my time, if the distinguished chairman of the subcommittee is prepared to yield back the remainder of his time.

We yield back our time, Mr. President.

The VICE PRESIDENT. All time is yielded back. The question is on division No. 1 of the amendment of the Senator from Tennessee. The yeas and nays have been ordered.

Mr. INOUYE. Mr. President, I move to table.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Hawaii to lay on the table division 1 of the amendment of the Senator from Tennessee. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nebraska [Mr. KERREY], is necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 48, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—51

Akaka
Bentsen
Bingaman
Bond
Boren
Brown
Burns
Chafee
Coats
Cochran
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Fowler
Garn
Gore
Gorton
Gramm
Hatch
Heflin
Helms
Inouye
Kassebaum
Kasten
Levin
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Nunn
Pressler
Robb
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—48

Adams
Baucus
Biden
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Cohen
Conrad
Cranston
Daschle
DeConcini
Ford
Glenn
Graham
Grassley
Harkin
Hatfield
Hollings
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Lieberman
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NOT VOTING—1

Kerrey

So the motion to lay on the table division 1 of amendment No. 1193, as modified, was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The Senator from Hawaii, the manager of the bill, is recognized.

Mr. INOUYE. Mr. President, I move to divide the pending amendment at line 3 of page 2. In other words, dividing SDI and MX.

The VICE PRESIDENT. The Senator has the right to divide the amendment. The request has been made?

Mr. INOUYE. I so request it.

The VICE PRESIDENT. The amendment is divided.

The Senate is not in order. Those Senators that desire conversation, please retire from the Chamber. The Senate is not in order.

The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I ask unanimous consent that section C, that is the SDI provision, be taken up first, and section B, the MX be taken after that.

The VICE PRESIDENT. Is there objection?

Mr. BUMPERS. Reserving the right to object.

The VICE PRESIDENT. The Senator from Arkansas reserves the right to object.

Mr. BUMPERS. I should defer to the Senator from Tennessee. Can the distinguished Senator tell us what the meaning of this is?

Mr. INOUYE. We have been advised that this would be the most important amendment, and I was about to propound another unanimous-consent request; that on the SDI, we have a 1-hour debate—it has been cleared by the leadership—equally divided, and on the MX, 30 minutes equally divided.

Mr. BUMPERS. Further inquiring of the Senator, is this the second division of the amendment of the Senator from Tennessee? Is that what we have done?

Mr. INOUYE. That is right.

Mr. BUMPERS. I have no objection, Mr. President.

The VICE PRESIDENT. Is there objection?

Mr. EXON. Reserving the right to object.

The VICE PRESIDENT. The Senator from Nebraska reserves the right to object.

Mr. EXON. The motion before the Senate is to divide the issue, or is the motion before the Senate on the time agreements that you just stated?

The VICE PRESIDENT. The issue has already been divided. The unanimous-consent request is to have the SDI vote first.

Mr. INOUYE. SDI first, 1 hour equally divided; MX second, half hour equally divided.

Mr. STEVENS. Reserving the right to object.

The VICE PRESIDENT. The Senator from Nebraska reserves the right to object.

Mr. EXON. I do reserve the right to object. I do not know who is controlling time. If the Senator from Nebraska could have 10 minutes on each of these amendments, I would not object.

The VICE PRESIDENT. Is there an objection?

Mr. INOUYE. I can assure him 10 minutes.

Mr. SASSER. Reserving the right to object.

The VICE PRESIDENT. There is a unanimous-consent request by the Senator from Hawaii.

Is there objection?

Mr. SASSER. I object, Mr. President.

The VICE PRESIDENT. Objection is heard.

Mr. SASSER. I will withdraw the——

The VICE PRESIDENT. Does the Senator from Tennessee seek recognition?

Mr. SASSER. Yes, I seek recognition.

The VICE PRESIDENT. The Senator from Tennessee is recognized.

Mr. SASSER. Let me propound a question to the Senator from Hawaii. There was confusion around and I could not hear. Is the Senator proposing we debate—the SDI portion of my remaining amendment first?

Mr. INOUYE. The Senator is correct.

Mr. SASSER. An hour equally divided.

Mr. INOUYE. The Senator is correct.

Mr. SASSER. And then following the disposition of the SDI amendment, we would turn to the rail mobile amendment.

Mr. INOUYE. The Senator is correct.

Mr. SASSER. At 30 minutes equally divided on that.

Mr. INOUYE. Equally divided.

Mr. SASSER. I have no objection.

Mr. STEVENS. Reserving the right to object, if the Senator from Hawaii will repropose his agreement.

Mr. INOUYE. Mr. President, I ask unanimous consent that the SDI amendment, section C, be taken up first, after debate of 1 hour equally divided; following the disposition of that amendment, section B be taken up, the rail garrison MX, 30 minutes discussion equally divided.

Mr. STEVENS. Reserving the right to object.

Mr. DOLE. Mr. President, I have no objection except after the 30 minutes, I understand they are going to debate the second amendment and have that vote in the morning.

Mr. STEVENS. That was my request also. That is the understanding and I want to make sure it is——

Mr. INOUYE. I so amend my unanimous-consent request.

Mr. STEVENS. I want it understood the vote on section B would occur tomorrow morning at a time determined by the majority leader.

The VICE PRESIDENT. Is there an objection?

Mr. BUMPERS. Reserving the right to object.

The VICE PRESIDENT. The Senator from Arkansas reserves the right to object.

Mr. BUMPERS. Are we going to vote on SDI tonight and then MX in the morning?

Mr. INOUYE. Yes.

Mr. BUMPERS. Are we quitting then, may I ask the majority leader?

Mr. MITCHELL. Mr. President, as I understand the suggestions made in the aggregate by the Senator from Hawaii, the Senator from Alaska, and the distinguished Republican leader, it is that we have 1-hour debate on SDI and we vote on that.

Mr. STEVENS. On or in relation to it.

Mr. MITCHELL. On or in relation to the SDI amendment, so you can make a motion to table if the Senator so chooses; that there would then ensure 30 minutes of debate on the MX, and the vote on that would occur tomorrow morning at a time to be set by the majority leader following consultation with the managers and the Republican leader. I would expect 10 o'clock would be a reasonable time for that, although I have not discussed it.

Mr. WALLOP. Reserving the right to object and I shall object unless the motion on SDI is to table.

Mr. STEVENS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Is there objection?

Mr. STEVENS. The way the amendment is drawn, it would not be subject to amendment. The tabling motion is a device which might give us an opportunity to offer another amendment. But I am advised by the Parliamentarian the way the amendment is drawn, it would not be subject to amendment or further debate in any event. But there would be an opportunity to have another amendment to protect our rights. That is the way the amendment is drawn. It is in the second degree.

Mr. WALLOP. Mr. President, I direct the question, there would in fact therefore be an opportunity to amend it?

Mr. STEVENS. Not to amend his amendment but to amend the bill to protect the interest of the parties who seek to preserve this system.

The VICE PRESIDENT. Is there an objection to the unanimous-consent request made by the Senator from Hawaii?

Mr. SYMMS. Reserving the right to object, may I ask a question?

Mr. STEVENS. Parliamentary inquiry, Mr. President, so the Parliamentarian will respond. It is the understanding of the Senator from Alaska that if the motion to table fails, there would be required a vote on the pending amendment but that it is possible to offer a separate amendment to deal with the same issue and reach a different conclusion without the right to amend this amendment.

The VICE PRESIDENT. That opportunity would not be precluded. Is there an objection?

Mr. STEVENS. Again, the Senator wishes to note, and the parliamentary inquiry is, this amendment would not be subject to any further debate and amendment in the event a motion to table fails?

Mr. SYMMS. Reserving the right to object.

The VICE PRESIDENT. The Senator is correct.

Mr. WALLOP. Would the Chair be so forthcoming as to explain why no further debate would be permitted after a tabling motion?

Mr. SYMMS. How are the rights of those of us who are for SDI protected if the motion is not——

The VICE PRESIDENT. The Chair would like to respond to the Senator from Wyoming. It is the interpretation of the Chair that would not be allowed under the unanimous-consent request as stated.

Mr. WALLOP. Could the Chair be more specific as to what portion of the unanimous-consent request will require that no further debate be permitted?

Mr. SYMMS. Reserving the right to object.

The VICE PRESIDENT. The interpretation is that when a unanimous-consent agreement like this is agreed to and a motion to table is offered, that when time limit is agreed to, that is the final time limit, and the proposition must therefore be disposed of.

Mr. STEVENS. Another inquiry, please.

Mr. SYMMS. Mr. President, I will object to that.

Mr. STEVENS. May I make an inquiry first?

If this agreement were changed to be an hour equally divided prior to a motion to table this SDI section, would that then be subject to debate following that if the motion was not agreed to?

The VICE PRESIDENT. Yes, it would.

Mr. STEVENS. I ask my friend to make that change.

Mr. INOUYE. I so change my unanimous-consent request.

Mr. WALLOP. I withdraw my objection.

Mr. SYMMS. I withdraw my objection.

The VICE PRESIDENT. Is there an objection?

Hearing no objection, it is so ordered.

Mr. Leahy addressed the Chair.

The VICE PRESIDENT. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I just note for everybody, on the preceding vote, 51 to 48, it was the vote on the B-2 amendment, again, so there would be no confusion. It is basically the same issue that Senator COHEN and I and Senators MCCAIN, GLENN, and others had brought up before.

I would suggest to my colleagues, without prolonging the debate, that there were far more votes to stop the B-2 today than there were just a few weeks ago. This reflects the extreme concern people of our country have for a program which no longer seems to have a mission but continues to have the same escalating costs.

Mr. INOUYE addressed the Chair.

The VICE PRESIDENT. Who yields time? The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask that on this debate the chairman of the Budget Committee and the chairman of the Defense Appropriations Subcommittee be authorized to allot time.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I am pleased to——

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. I yield 4 minutes to the Senator from Mississippi [Mr. COCHRAN].

The VICE PRESIDENT. The Senator from Mississippi [Mr. COCHRAN] is recognized for a total of 4 minutes.

Mr. COCHRAN. Mr. President, I thank the distinguished managers of the bill for yielding time to me on this SDI amendment.

Let me just make a couple of observations. As a member of the Defense Appropriations Subcommittee, I was pleased to see the funding provided in this bill for many of the important aspects of a strategic defense initiative. It seems to me that if we looked at the entire defense appropriations bill and tried to identify the most important part of that bill, we would have to conclude a ballistic missile defense system is the most important. It is clearly essential if we are serious about protecting our Nation's security under the current situation in the world today.

I include in that observation the fact that we have conclusive evidence of a proliferation of ballistic missile systems throughout the world. We know of the manufacture and the exportation of the capability, the technology, to deliver weapons of mass destruction, with warheads, including biological, chemical, even nuclear warheads, over large distances, over distances never before imagined in this hemisphere, as well as in the Middle East and in Asia.

The examples are available to any Senator who would like to have a briefing from the intelligence community about the numbers of countries that are now capable of manufacturing, or acquiring through purchase, Scud-type missiles that were used in the war in the Persian Gulf or other similar systems. They would readily see the need, in order for us to protect ourselves against attacks from such systems, of a ballistic missile defense capability. And we do not now have that capability.

Those who assume the Patriot system is all we need to protect ourselves are, of course, inaccurate and erroneous in that assumption. The fact is we need to take advantage of the emerging technologies we are working on now in the strategic defense initiative research program to help ensure that we have the capability to defend against attacks from those kinds of systems.

If you look at the Soviet Union, which continues to modernize its strategic missile systems, in spite of the changes there that are very encouraging, some of which are caused by the economic decline and fall of the Soviet system, we are still confronted with a very real threat from intercontinental ballistic missiles against which we have absolutely no defense. The research and development program that is funded in this part of the defense appropriations bill is absolutely critical if we are to develop such a missile defense system.

I hope the Senate will carefully analyze the risk that we take, the jeopardy in which we put our American citizens, if we fail to proceed in a very committed way to look into the research possibilities, to develop and deploy a ballistic missile defense system which fully protects our citizens.

I hope, Mr. President, we will not vote for the Sasser amendment that has been divided on this issue but that we will reject it and say to the American people we take very seriously the obligation we have under the Constitution to provide for the common defense of the United States of America and make sure in so doing we fully explore the technologies that are available for us to deploy a system to achieve that goal.

Mr. McCAIN addressed the Chair.

The VICE PRESIDENT. Who yields time?

Mr. SASSER addressed the Chair.

The VICE PRESIDENT. The Senator from Tennessee.

Mr. SASSER. Mr. President, I yield myself 5 minutes.

The VICE PRESIDENT. The Senator is recognized for 5 minutes.

Mr. SASSER. Mr. President, the amendment that is before the Senate this evening would provide $3.5 billion for ballistic missile defense activities. Now, that is a $600 million increase over last year. Both this funding level and its allocation would be virtually identical to the amendment offered by the distinguished Senator from Arkansas [Mr. BUMPERS] in his amendment that received 46 votes earlier this year prior to the dramatic developments in the Soviet Union.

The Senator from Arkansas has been a leader in this area, and we simply incorporated his amendment into our overall amendment before it was divided earlier this evening.

Now, the $3.5 billion is identical to the amount provided by the House in its defense authorization and appropriations bills.

The SDI funding level contained in this amendment would be sufficient to provide for a robust research program on so-called limited ground-based antiballistic missile systems. That is the system which has been touted in this Chamber at great length by the chairman and ranking member of the Armed Services Committee.

The committee's recommended level of $4.6 billion represents a 50-percent—50-percent—increase over last year's level. Now, such an increase is unmatched in any other area of the budget and completely unjustified in light of fiscal and international realities. Fiscally, we face a $348 billion deficit and a budget agreement that is placing ever tightening constraints on discretionary spending. This is precisely the kind of program I have been talking about all day long. We have to start assigning some priorities.

Unless we can do that, I do not see how Senators can go home and make their speeches to the Rotary Club and say how much they detest these large budget deficits and talk about how they want to do something about them, and then come along and vote for every one of these large programs, knowing full well the outyears are going to enlarge the deficit and break the budget summit agreement caps.

Now, let us look at where we are in world history at the present time. There has been a collapse of the Warsaw Pact. There is no question about it. The Soviet Union is gone and there is a greatly reduced likelihood of Soviet attack with ballistic missiles.

The Congress must rank the threats that face this country in the order of the relative dangers they pose for this Nation.

How, I ask you seriously, does the threat of a rogue missile attack from the President of the Ukraine, the President of Izbekistan match the threat of the decay in the inner cities in this country where you cannot walk the streets in safety, where criminals control some of the streets of the greatest cities in the country? That is where the threat is. Or how about the collapsing roadways, bridges? Are we serious that the possibility of a missile from Libya, from Pakistan, from North Korea, really weighs equally in the balance with the dangers caused by cancer-causing pollutants in our environment, by crime in our neighborhoods, by a health care system that is bankrupting the people of this country?

Those are the dangers that are threatening not only our Government but they are threatening our very culture, our very democracy. Under these circumstances, I do not see how we can justify the nearly 20-percent increase that my amendment provides for for SDI, let alone the 50-percent increase requested by the committee bill.

Mr. President, the distinguished senior Senator from Arkansas knows much more about this subject and this weapons system than I. So at the appropriate time, I will defer to him, and I will yield the floor at this juncture.

The VICE PRESIDENT. Who yields time?

Several Senators addressed the Chair.

Mr. INOUYE. Mr. President, I yield 2 minutes to the Senator from Arizona.

The VICE PRESIDENT. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, this issue has been debated for many years at great length. I am just going to take 2 minutes.

I think it is important to respond to the statement just made by the Senator from Tennessee who said that he had no concern about Pakistan or North Korea launching a missile.

He should be worried, Mr. President. He should be deeply concerned because North Korea, Pakistan, India, Syria, and Iraq all have had those capabilities. And he should be deeply concerned because there are American troops within range of the missile capability that they have, and the nuclear warheads that they either have developed or are in danger of developing.

So I hope the Senator from Tennessee would be deeply concerned, and I will be glad to give him the information, including the latest that we found out about how very, very close Iraq was to the acquisition of a nuclear weapon which they could have put on a Scud missile. That would have changed the entire Persian Gulf war.

So I am sorry that the Senator from Tennessee is so ill informed on this issue about whether the——

Mr. SASSER. Mr. President, will the Senator yield?

Mr. MCCAIN. I would like to continue.

The VICE PRESIDENT. The Senator from Arizona has the floor.

Mr. MCCAIN. Mr. President, I am sorry the Senator from Tennessee is so ill informed about the greatest threat to world peace that exists today, the proliferation of weapons of mass destruction and the means to deliver them.

I would be more than happy to provide the Senator from Tennessee with the information that leads us to be convinced of the gravity and the absolute criticality that we have to devote our efforts on two tracks. One addresses the issue of proliferation, by exposure, by sanctions, and by elimination of the weapons of mass destruction, weapons of mass destruction and the means to deliver them; and have a viable defense so that we can protect American citizens, wherever they are throughout the world, including our fighting men and women who are deployed throughout the globe.

So I appreciate the Senator's concern about poverty, about crime in the streets, about homelessness, and all of those other issues.

By the way, we have heard for years and years of those who wanted to cut the defense budget—during the entire last decade. But the Senator should also be very concerned about the threat, the threat, the real one, that exists today of nuclear weapons of mass destruction and the means to deliver them.

I hope the Senator will take the time to gain the appropriate information on that issue.

Mr. President, I believe my time has expired.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. Mr. President, I yield 5 minutes to the Senator from Wyoming.

The VICE PRESIDENT. The Senator from Wyoming is recognized for 5 minutes.

Mr. WALLOP. Mr. President, I thank the Senator from Hawaii.

Mr. President, one of the most disheartening things about debates on the national interest is how little truly accurate information bothers to intrude itself on the process.

We have heard from the chairman of the Budget Committee essentially what amounts to disinformation about the threat to America, and about the capability that the United States has developed to confront those threats.

One of the things that Americans have told themselves, always promised themselves, is that whatever else the Soviets were, they were not irrational; they would not do anything foolish.

Now we find at the end of the coup that the coup plotters were themselves so intoxicated they could not make rational decisions. And only because the missile forces commanders had not engaged in this coup were the launch codes available to President Gorbachev, and not available to the coup plotters. Only because of that. That is too thin a margin of safety to pin the future of a nation on.

General Powell, Chairman of the Joint Chiefs, on September 22 of this year, I say to my friend, was asked this question in San Diego:

> Do you believe it is safe now to assume that the Soviet threat is gone forever?

General Powell answered:

> I feel threatened when somebody has capability and the intent to use that capability. What I have seen happen in the Soviet Union is that the intent has gone very far down, almost to nil. They want to be our friends. They're reaching out in ways that were unimaginable until recently.
>
> At the same time, however, they have a large military capability. Their Armed Forces are more than 3 million men strong. They have nuclear weapons that can destroy the United States in 30 minutes. They still have five brand new strategic weapons under development. Our responsibility is not to make judgments about intent, but about capability, and to make sure that we are never in an inferior position.

My statement to the Senate is that the chairman of the Budget Committee is making certain that we will always be in an inferior position.

The Senator from Arizona was also absolutely correct in saying that the only things that threaten Americans now, really and truly, are proliferating missiles of nuclear capability, and the capability to deliver them.

What happens when we put together a defense bill? For the first time, the Senate has gotten to the point where it has admitted that it is in the interest of America to deploy missile defenses.

I have quarrels with some of the constraints that we put on that. For instance, we would protect Americans if there is an accident. And we would protect Americans if the Third World launches a missile; God forbid that Saddam Hussein would kill an American. And we would protect Americans if the launch is unauthorized, though who is going to verify the authority of whoever ordered the launch while those missiles are coming is beyond this Senator. But the one thing we will not do is to protect people from threats that are delivered to us on purpose by the Soviet Union.

What the Senator from Tennessee is seeking to do is to make certain that we cannot protect ourselves even from the most minimal of those threats, or the most likely events to take place, the threat of the proliferation of missiles of nuclear capability in the Third World.

So what he will do is waste the technological advances that have come so far. How is it possible for any Member of this Senate to go to an American in his home and say: "We know how to protect you, but we have just made the decision that you are not worth protecting"?

That, in effect, is the consequence of the amendment that is offered to us. Knowing how to protect Americans, we are still about to tell them that we have made a decision that it is in their interest not to be protected; that it is somehow in their interest, because our wisdom says that even though an enemy can hit you with these missiles if we do not defend against them, we will allow you to carry that threat unconfronted; we will allow you, Americans, to be shot at at will by people who possess these capabilities because somehow or another it makes you safer to be vulnerable to missile shots than to be protected from them. Somehow or another, money spent instead for a domestic agenda will make you much happier, even though you are at a greater risk.

Mr. President, I thank the Chair.

The VICE PRESIDENT. Who yields time?

Mr. BUMPERS addressed the Chair.

The VICE PRESIDENT. Who yields to the Senator?

Mr. INOUYE. May I, in behalf of the Senator from Tennessee, yield whatever time he needs?

Mr. BUMPERS. Mr. President, Senator SASSER has left the floor, and asked me to control the time on this side. I ask unanimous consent that I be given permission to control the time while Senator SASSER is off the floor.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, how much time do the proponents of the amendment have?

The VICE PRESIDENT. Exactly 24 minutes, 26 seconds.

Mr. BUMPERS. Mr. President, I yield myself 10 minutes.

The VICE PRESIDENT. The Senator is recognized for 10 minutes.

Mr. BUMPER. Mr. President, this evening after the vote on the B-2, which was very close—it would have been closer if Senator KERREY had been here—49 to 51—I keep thinking about how bizarre, in this Senator's mind, this debate has become.

I was personally, and I think most of the world was, immensely gratified when the coup failed in the Soviet Union. All I could think about was how, if they democratize, if this thing goes well, it could save this country hundreds of billions of dollars over the next several years in defense spending. And now, all of a sudden, we hear what an ominous thing the coup is. We not only get no benefit; we have to prepare because the Soviet Union has shown itself to be so unstable.

Nobody is suggesting that this country unilaterally disarm. We are taking a page from the President's book when he said there is a new world order. That is what the President said, and the President said that before the coup.

I hear all these sorts of diversions and distractions about the Third World threat. I can tell you that, by the turn of the century, nobody outside of Israel, Brazil, and India would threaten this Nation with an ICBM. Who here believes that Brazil, or India, or Israel is going to be a threat to this country around the turn of the century?

Then I hear about these short-range missiles. General Monahan testified before this subcommittee in response to a question from Senator HARKIN as to whether a space-based interceptor system would be effective against a short-range missile. General Monahan said, no; Brilliant Pebbles, for example, is not effective against short-range missiles.

You know who the short-range missiles could affect—our allies in Europe. And they are not even asking up to go through with this. On the contrary, their primary concern has been the abolition, the violation of the ABM Treaty. And they are the ones who suffer the possible threat of short-range missiles.

Mr. President, let me make this crystal clear before I go any further. I favor a limited SDI. But having said that, I do not believe that we ought to give the family jewels away to build it, when it is not effective against the intercontinental bombers; it is not effective against cruise missiles; it is not effective against depressed trajectory missiles; it is not effective against the plane of a terrorist flying out of Cuba; it is not effective against the clandestinely introduced nuclear device concealed in this country, concealed in a bale of marijuana.

Why would we embark on something that could cost hundreds of billions of dollars, a system that is totally ineffective against many of those systems? And try as we might, I have never been able to get the Defense Department to tell us how they are going to deal with that threat. We only talk about missiles coming in from outer space. As the Senator from New York [Mr. MOYNIHAN] said, we never debate those missiles coming under the Brooklyn Bridge and, believe you me, a cruise missile with a 50-kiloton warhead will ruin your whole afternoon. The Soviet Union has hundreds of them on aircraft platforms, navy platforms. They can hit any coastal city in the United States. As a matter of fact, they can almost cover the entire continental United States and SDI is worthless against them.

Yet, we go headlong jeopardizing the future of this country with a debt that continues to soar. We all remember when Jimmy Carter was practically ready to be impeached, because it looked as though his deficit was going to run $50 billion. Well, the world was up in arms. The day before yesterday, the Post and the Times reports that this year's deficit is going to approach $300 billion.

Mr. STEVENS. Will the Senator yield for 1 second?

Mr. BUMPERS. One second. It is up.

Mr. STEVENS. Does the Senator realize that what he has just said is not correct—that the defenses against cruise missiles as part of the missile defense system, which is part of——

Mr. BUMPERS. A theater missile defense system, Mr. President.

Mr. STEVENS. It is in SDI. It is cut by this figure.

Mr. BUMPERS. Is the Senator telling me that the Patriot is good against the cruise missile?

Mr. STEVENS. A super Patriot might be, yes.

Mr. BUMPERS. SDI might be effective against it some day. But I am talking about right now. I am talking about what we spent in the past several years. We have spent over $24 billion. Do you know where we are? Almost where we started. In 1984, $1.2 billion; 1985, $1.6 billion; 1986, $2.9 billion; 1987, $3.7 billion; 1988, $3.9 billion; 1989, $3.95 billion; 1990, $3.8 billion; 1991, $3.1 billion; 1992, if this amendment fails, $4.6 billion.

You tell me what our technology is. I will tell you about the ones we tried that have failed. There were the early warning satellites, BSTS, and I do not know how many billions spent, which has been dropped; the space-based interceptor has been dropped in favor of Brilliant Pebbles. And the Defense Science Board 2 years ago said Brilliant Pebbles is so risky, we ought to hold onto the space-based interceptor for a couple more years. The SDI office ignored that. The midcourse sensor satellites, SSTS's which would try to pick out the real warheads from the millions of decoys, that it could very well have to sort out, is gone, after many millions being spent on it. The command control communication systems are being changed, because Brilliant Pebbles relies on different systems.

The only system, Mr. President, that still is in SDI that was there in 1988 is the ground-based interceptor missile, and that has undergone two major conceptual changes since 1988. Brilliant Pebbles did not even exist in the middle of 1988. It was just hinted at in June 1988.

Now it is the rhetorical centerpiece of SDI. This is the same Brilliant Pebbles that General Monahan, head of SDIO, head of the whole Strategic Defense Initiative Office, said: It is not even a weapon. It was just a concept 2 years ago.

Even Doctors Edward Teller and Gregory Canavan state in a paper in an English journal, Nature, a good publication—I get that in my house and recommend it to you—Brilliant Pebbles may be vulnerable to nuclear ASAT's, that the Brilliant Pebbles might need their own decoys.

Let me ask you this.

Mr. WARNER. At some point will the Senator entertain a question?

Mr. BUMPERS. Let me finish the statement and I will be glad to.

SAM NUNN, our distinguished colleague from Georgia, told the Washington Post last year, "I see the Brilliant Pebbles as a program, as a program in search of some kind of rationale."

I will tell Senator NUNN this, you cannot kill it. You cannot kill anything around here. And next year the deficit is not going to be $300 billion, the deficit is going to be $362 billion and headed north. You cannot do anything about it around here.

These things take on a life of their own.

I yield myself 5 additional minutes.

The VICE PRESIDENT. The Senator is recognized for an additional 5 minutes.

Mr. BUMPERS. I have been supporting Secretary Cheney on the V-22. I am a marine, the Senator from Virginia is a marine, and the Senator from Tennessee is a marine. The Marine Corps wants the Osprey worse than they want to go to heaven. I want to support them. But I was so proud of Dick Cheney when he found something he could unilaterally do, I supported him.

People, especially on this side of the aisle, often browbeat him because they cannot kill anything. Lord knows, we cannot kill anything here. I applauded him when he killed the A-12. And, frankly, I thought he was wrong about the Osprey, but I voted with him just to prove that he had some support over here if he was willing to bite the bullet and occasionally try to cut something over there.

Mr. President, here we have spent $25 billion on SDI, and we are back virtually at square one. I do not know what it takes. I will submit this: I made a statement this afternoon, Mr. President. I am sort of proud that I thought of it because I thought it was so appropriate, about how Harry Truman used to take polls, not for the benefit of trying to figure out how to vote, but to figure out how much work he had to do to bring the American people along.

I think it was Arthur Vandenberg. When the President said we are going to spent $18 billion to rebuild Europe, Arthur Vandenberg said, "You are out of your cotton-picking mind. You are asking the taxpayers of America to put up $18 billion to rebuild, for example, Germany and Italy who have just killed hundreds of thousands of fine American young men?"

Harry Truman said, "That is exactly what I am saying. And if we do not do it, all of Western Europe is going to go Communist."

Do you think about the courage it took to do that? And he did not go out and throw his finger up in the wind and take a poll to find out how this would sit with the American people. He did it because he was absolutely convinced it was essential, essential to peace and stability in the world. And Arthur Vandenberg saw the light and joined him, and that was the sort of the beginning of the bipartisan foreign policy in this country which we have largely pursued since then.

Today we take polls, to say are we spending more or less, or about the right amount on defense? And back in your Cloakroom and back in my Cloakroom you hear people cite these polls. I saw a poll where 64 percent of the American people want this. That is tantamount to getting the vote, I can tell you.

So, Mr. President, I reiterate what I said this afternoon. We are not debating the entire $291 billion defense bill here. We have been debating 2 percent of it. I am going to vote for the bill. The debate all day long, including this debate, deals with less than 2 percent of the defense budget.

People say we are weak on defense. We are not committed to a strong defense. I am not only committed to a strong defense, I have another ace in the hole. I am committed to a sensible, strong defense, the biggest bang for the buck. Do not waste anything you do not need, and spend every dime you have to spend to protect your interest.

The Soviet Union is in disarray, could not fight their way out of a paper bag admittedly. Nobody is going to suggest unilateral disarmament or letting our guard down because there is instability in the Soviet Union. But that is no excuse to continue telling my 2-year-old grandson, "We are going to saddle you with a debt that will guarantee you live in a Third World nation."

That is what we continue to do here. And it is as Russell Long used to say on taxation: "Do not tax me; do not tax thee, tax that man behind the tree." Around here it is, do not cut SDI, do not cut the B-2, cut something else. So, we go merrily along not cutting anything and saddling this country with an apocalyptic future.

Here is a chance to do something. There is a mentality developed around here because of the magnitude of the deficits, $300 billion in the year ending this month, $362 billion next year, and people say what is a billion dollars? With a deficit of $300 billion what is $1 billion?

Well, as old Everett Dirksen used to say, it is a pretty good piece of change. Here is a chance to at least say to the American people we have not lost all of our faculties, we are taking $1 billion out of a $4.6 billion budget.

Do you think the SDIO Program is going to suffer because we cut them from $4½ to $3½ billion? Of course you do not.

I yield the floor, Mr. President.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. Mr. President, I yield 3 minutes to the Senator from Virginia.

The VICE PRESIDENT. The Senator from Virginia is recognized for 3 minutes.

Mr. WARNER. Mr. President, I would like to reply to my distinguished colleague. Many times we have gone toe to toe on this floor. I want to ask him a question but I want to lay a foundation.

He mentioned polls. Does the Senator realize that in 1987 a reputable polling company, at the request of the Committee on Present Danger, which is recognized by all of us as being one that is authoritive and reputable, ran the following questions to the American public: I would like to ask the Senator some questions about defense.

This is May 11, 1987, pages 11962–11963 of the CONGRESSIONAL RECORD. "I would like you to tell me if you think the statement is true or false. The United States currently has a system to defend against nuclear missile attack. Do you think that is true or false?" Sixty-four percent said it was true.

The American people tonight think we have in place that system. We do not. The best thing we have tonight is the Patriot System, a system that the Presiding Officer knows well and had a material hand in improving.

I say to my good friend we have been fortunate in this country, indeed throughout Europe and the Western World since the close of World War II, when the Soviet Union acquired this technology to the doctrine of mutual deterrence to avoid any, any firing of a single missile. That doctrine is predicated on the solid foundation that there exist persons in each country that possess those weapons, primarily in the Soviet Union and the United States, who can sit down and make a rational formulation, a sensible judgment to use or not use these systems, and it has worked.

But we saw in the recent coup where those who seized the reins of government in the Soviet Union for but a brief period at times were totally intoxicated, out of their minds. We saw that some of those people not only were out of their minds, they blew their minds away and committed suicide.

I say to my friend the doctrine of mutual deterrence learned a lesson.

Tonight the U.N. observer team is struggling to determine the extent to which Iraq possesses today and tomorrow and in the future a capability to use these weapons. I do not put Saddam Hussein or his lieutenants in the category of having a rational mind. I say to my friend, the time has come when the free peoples in this world have to move to defend themselves and initially against accidental attacks, unintended attacks, unintended fires. And that is precisely what the Armed Services Committee did over a period of time.

I ask the manager if I could have another minute and a half.

Mr. INOUYE. Yes.

The VICE PRESIDENT. The Senator is recognized.

Mr. WARNER. The Armed Services Committee carefully reviewed a program that this Senator and other Senators in a bipartisan way, joined by the chairman of the committee, carefully formulated over a period of time. It was the best debate, Mr. President, that any of us have seen in that committee in the period of a decade-plus that most of us have served on it. And finally a bipartisan consensus was reached, and that is what is before the Senate at this time.

The time has come when rational people here in the legislature of this country must make a decision to go forward, and that program is in place if it is properly funded. We ask that this decision by our committee and now endorsed by the Appropriations Committee, to let it stand.

Mr. BUMPERS addressed the Chair.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. Mr. President, how much time remains?

The VICE PRESIDENT. The Senator from Hawaii has 12 minutes and 26 seconds, and the Senator from Arkansas has 7 minutes and 20 seconds.

Mr. INOUYE. Mr. President, I yield 10 minutes to the Senator from Nebraska.

Mr. SASSER. Mr. President, if the Senator from Arkansas continues to control the time, I would ask him to reserve a period of time for the distinguished Senator from Ohio.

Mr. BUMPERS. Mr. President, I yield 5 minutes to the Senator from Ohio.

Mr. EXON. Mr. President, the Senator from Nebraska has been extremely patient.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. I yield 10 minutes to the Senator from Nebraska.

The VICE PRESIDENT. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair, and I thank the managers of the bill.

I say to the proponents of the amendment before us, I am also opposed to you on this amendment as I had indicated earlier. I am delighted to see that we have now divided this down and I hope that the Senator is not successful with this amendment.

But this Senator will be actively supporting the third division on the amendment on the MX rail garrison that is going to follow and I understand we are going to have a vote on in the morning. Certainly, as I have said before, I think that is a program that we should cut out, and I believe that the failure of the Appropriations Committee to take that action was the only mistake that I have seen so far in the deliberations that they have made. Overall, they did a good job.

Let me also say that, if I understand it correctly, the amendment that will be offered as the third part of the amendment is exactly the same amendment, word for word, that this Senator offered before the August recess to cut out the MX funding. Is that correct?

Mr. SASSER. I did not hear the Senator.

Mr. EXON. The question was, as I understand it, the following amendment, the MX amendment coming up next, is the same amendment that this Senator offered and lost by one vote on just before the recess, is that correct?

Mr. SASSER. Yes. I cannot vouch for the fact that it is word for word, but the thrust of the amendment is identical to the one that the Senator from Nebraska offered earlier, which I think failed by one vote.

Mr. EXON. That is right. I think it will not fail by one vote if we work on that in the morning.

The pending amendment to reduce research and development funding for the Strategic Development Initiative program I think is wrong. It has already been addressed by other Members. I just listened to my colleague from Virginia who outlined a very detailed discussion that we had and a compromise that we came to at that juncture in the authorizing committee.

As I said, in July of this year, the Senate Armed Services Committee approved a plan to develop and deploy by fiscal year 1996 a cost-effective, ground-based antiballistics missile defense system capable of protecting the United States against limited ballistic missile threats, including accidental or unauthorized launches and Third World attacks. This system would be deployed at Grand Forks, ND, and would be compliant with the 1972 ABM Treaty.

I would simply point out that some remarks that have been made tonight by opponents of the continuation of the funding level recommended by the appropriations and authorizing committees seem not to understand that what has been done in the appropriations and authorizing committees is exactly what they say they want; that is, a less expensive system that does not break out of treaties and gives us some ground-based protection for the future.

A funding level of $4.6 billion for the SDI Program was adopted and subsequently approved by the full Senate. The Senate Appropriations Committee has likewise funded at the same level.

The House figure, however, is $3.4 billion. This amendment would place the Senate figure at essentially the same amount. And since we usually compromise in conference on such figures, we can assume a final probably for SDI around $3.9 billion.

We would think, listening to the headed debate here tonight and the full-scale attack on the SDI Program, that really what the opponents want to do is kill the program outright. But, instead, we are arguing here about an amount of money of $300 million, one way or the other. So to put this in perspective, the amendment offered by the Senator from Tennessee is not a total strike. Maybe it would hurt the program, but it would certainly not totally derail it.

The limited SDI architecture approved by the Senate during consideration of the authorization bill in August is by no means set in stone. For that matter, the decision to actually field such a system has not been made, nor can it be made at this time. Not enough is known about the cost and technical capability of the Grand Forks system to make a final go-no go decision today. These questions can only be answered with continued research and development. But we do know enough about ground-based ballistic missile technology advances to know that the prospect of fielding such a limited system is promising. And, in light of the Persian Gulf war, we certainly know enough about the emerging Third World nuclear and ballistic missile threat to justify the future deployment of this SDI architecture. Even if present efforts to curb nuclear and ballistic missile technology proliferation are 100-percent successful from this point on—which of course, is highly unlikely—enough Third World nations have already gained the rudimentary capabilities necessary to hold at risk in the future the lives of Americans to missile attack.

As I said earlier on this subject, Mr. President, I think if we have this kind of a limited facility then we would certainly put a very valuable weapon in the hand of any future commander if that future commander should receive a threat from a Third World dictator. This program is designed to take care of some limited attacks, with 95- to 98-percent assurance.

The SDI Program funded in the appropriations bill looks to defend against an increasingly dangerous future where the Saddam Hussein's of the world do not act in accordance with rationality or international law.

It is important for my colleagues to understand that the Grand Forks SDI system is not designed to blunt a Soviet nuclear attack. Because of the limited number of missile interceptors and its single-site location, such a ground-based system cannot blunt or deter the strike force under the control of the Soviets even after full implementation of the START Treaty. The SDI architecture approved by the Senate is compliant with the ABM Treaty. It is not the unrealistic shield concept first proposed by then-President Reagan. To pursue such a system would violate the ABM Treaty and, most importantly, undermine the concept of nuclear deterrence by suggesting that the United States has the ability to destroy the Soviet Union without fear of retribution.

I have never supported such a destabilizing, irresponsible pursuit. In contrast, the Grand Forks system concept is designed to protect against accidental or unauthorized limited launches and Third World attacks. For this reason, Mr. President, the recent developments in the Soviet Union and the end of the cold war are irrelevant to the consideration of whether we should be funding a research and development plan to field an SDI system at Grand Forks by 1996. This is important for my colleagues to keep in mind in the flurry of debate over this program. The Soviet Union—which, parenthetically, has a fully operational ABM system, I would remind all, such as what is suggested at Grand Forks—is not the threat being defended against by the Senate SDI plan. A limited ground-based missile defense system will defend against an increasingly unstable, multipolar world where despots and dictators will have the ability to project death and destruction well beyond their borders. The appropriations funding level reported out of committee puts us on a path to meet this non-Soviet threat. It is an installment on an insurance policy, of sorts, for the protection of not only Americans today but those of the future, and gives any future Commanders in Chief some ability to maintain peace which they do not have and would not have without some such limited ground-based SDI system.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. GLENN. If the distinguished Senator from Arkansas would yield to me for 5 minutes.

The VICE PRESIDENT. The Senator from Ohio is recognized for 5 minutes.

Mr. GLENN. Mr. President, quite contrary to the last speaker, I am not trying to kill this program. But I do think we have to ask ourselves some very logical questions. When we come to SDI, what still needs research and what is truly ready for deployment at the present time? That is a question that we have faced ever since the beginning of the whole SDI concept.

If we review that concept going clear back, we were told at each step along the way we should start deploying some of this whole strategic defense initiative concept from its earliest days. And looking back, we know that at each step along the way that would have been absolute folly.

I have taken a particular interest in this whole SDI project, going back to where it was first proposed. I thought it had a lot of promise at one time. But when it got into the technical details of it, the original concept, the astrodome concept as it was called, and we had all the mirrors up there in space and they were going to reflect lasers and directed energy weapons were going to be in space and so on, the project became so complex I began to have doubts about it. There were people even at that time who wanted to go ahead with modest deployment. So we got started on the system.

I had real doubts about the technical ability to put up such a system. And because of that doubt I went out to the laboratories where the scientists were working on all these things—on directed energy weapons, on lasers, and on neutral particle beam projectors, on the weapons that were necessary to make that whole astrodome concept, that protection for the whole United States, for all our citizens—that would make it work.

I have gone out to those laboratories at least once a year, sometimes twice a year, and talked to the scientists working in those areas. When I went out first on the astrodome concept and I talked to them about the directed energy weapons and when they would be available so we would know when we could deploy them, the first thing they would say is, well, maybe 10 years, maybe 15. Some of them would even say, I do not know whether we can do it or not. We are not even sure.

That proved to be true. So it was not too long before we got off of that whole astrodome concept. Remember, then, we were going to have space-based interceptors. That was one of the other concepts.

Once again you go to the people out there in the laboratories and they technically were not sure whether that could be made to work or not.

Then we went to another one, the phase I. We were supposed to start deploying some things there even though we did not have them invented yet.

Then we went to Brilliant Pebbles, and some of the scientists had real questions about Brilliant Pebbles. Others think it is good. But others think the thousands upon thousands of them that would be required to give the real security that we need are more than we have the capability of doing right now.

So then we came back. At each step along the way the program was scaled back some. At each step along the way we still did not have the technology to make the whole thing work.

I am one who, at each step along the way, has supported every bit of research money for these programs. And I continue to support the research men for these programs. I think that is what is important. But I also am against these early deployment schemes that we have had at each step along the way and which we have now. Because that is the quickest way to lose a lot of money and get very, very little real protection, as I see it.

I think this $3.5 billion in here is adequate for more research that we need. We now went back. Then as another step, we went to theater-based defense. The President scaled that way back to where we are just going to have a small area instead of having something like the whole United States or a particular area of the world which we would target for our defense.

So now we are talking about going with a deployment of a really reduced system which, in effect, turns out to be sort of a big, super big Patriot-type thing in one little area of the country. We talk about that as giving us new increased security against accidential launch of the Soviets or unauthorized launch from the Soviets. I just do not think that is realistic because if this system we are talking about deploying that is going to protect the whole United States, we are talking about many, many hundreds of billions of dollars to place similar systems all over the United States. Even if we could afford it, we are not sure that the technology of it would work all that well.

I continue to support full research money for this program. That research money has been increased by some $600 million in what the distinguished Senator from Tennessee would propose. There is $3.5 billion.

The VICE PRESIDENT. The Senator's 5 minutes has expired.

Mr. BUMPERS. How much time do I have remaining?

The VICE PRESIDENT. Two minutes.

Mr. BUMPERS. I yield the Senator an additional 30 seconds.

Mr. GLENN. So the question to me is whether we deploy or whether we keep research dollars in there, which is what we should be doing and not waste them on a too early deployment, which is exactly what has been proposed through astrodome, space-based interceptors, phase I, Brilliant Pebbles, theater-based defense now partial deployment at Grand Forks.

What we need is the money in research. I support all that. I do not suppose money for deployment in any way, shape, or form at this point any more than I have in the past. That is the reason I will support this amendment and urge my colleagues to do the same.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. Mr. President, I yield 1 minute to the Senator from Texas.

The VICE PRESIDENT. The Senator from Texas is recognized for 1 minute.

Mr. GRAMM. Mr. President, I do not remember what night it was, what day of the week, or what day of the month, but I remember exactly the event that defeated this amendment. This amendment was defeated on CNN about 7:30 at night when Americans turned on their television and watched in horror as the people of Israel put up plastic around their windows and wet towels around their doors. They saw people killed with incoming Scud missiles, listened to babies cry, saw panic, and decided that as God is our witness, we are never going to let this happen to the United States of America.

If this amendment were adopted, we would face that threat in the future. We are not going to face that threat, because this amendment is going to be defeated. We are going to build and deploy not the astrodome concept, but the capacity to defend ourselves against limited attacks from Third World lunatics—and we have living proof they exist. We will also defend ourselves against the very real possibility that if the Soviet Union broke up into warring factions with war lords, that somebody might try to blackmail the West.

It is 2 percent of the budget, our colleague from Arkansas says. But it is a critical 2 percent.

I want the American homeland defended, and it is going to be defended because we are going to build SDI.

I yield back the remainder of my time.

The VICE PRESIDENT. Who yields time?

Mr. INOUYE. I yield 30 seconds to the Senator from South Carolina.

The VICE PRESIDENT. The Senator from South Carolina is recognized for 30 seconds.

Mr. THURMOND. Mr. President, I rise in opposition to the Sasser amendent. Senator SASSER's amendment would reduce funding for the SDI program by $1.1 billion at a time when we are about to make critical decisions on the deployment of an antiballistic missile system to protect the American people from missile attacks.

Mr. President, during the Persian Gulf conflict we saw live in our homes, the dramatic psychological and political impact a missile attack can have on a nation. Despite the success of the Patriot missile system and the dedication of vast resources to find the mobile Scud missile systems, we could not stop the Scud attacks on Israel and the forces in Saudi Arabia. Indeed, the greatest loss of life from a single event occurred during the Scud missile attack on a U.S. barracks, killing 28 Americans.

One of the most important lessons of the Persian Gulf war is that we must develop an effective defense against ballistic missile attacks, both for our forward deployed forces and for the protection of our citizens.

The Defense authorization bill for fiscal year 1992 set a goal to deploy an antiballistic missile system, including one or an adequate additional number of ABM sites and space based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles. To support this goal plus robust funding for continued research and development of Brilliant Pebbles space-based interceptors and other follow-on technologies necessary to provide future options for protecting the security of the United States and our allies, the bill authorized $4.6 billion for fiscal year 1992. The Appropriations Committee supported this request in the bill we are now considering.

Mr. President, as I stated in my previous statement on the Senate floor earlier today, for the past 8 years, taxpayers have spent approximately $22 billion on SDI research without a clear cencept of where the program was heading. The Defense authorization bill that the Senate passed last month takes the bull by the horns and recommends a blueprint and timetable for developing a cost effective and operationally effective defense against accidental or unauthorized missile launches or ballistic missile attacks by a terrorist government. Senator SASSER's amendment will gut this bipartisan plan and preclude the Nation from deploying the missile defense it needs to protect its citizens.

Mr. President, I urge my colleagues to vote against this amendent. The Nation needs a ballistic missile defense now, more than ever before.

Mr. INOUYE. Mr. President, I yield the remainder of my time to Senator STEVENS of Alaska.

The VICE PRESIDENT. The Senator is recognized for 1 minute and 6 seconds.

Mr. STEVENS. Mr. President, we made the Patriot missile from an antiaircraft missile into an antimissile missile. We now propose a Patriot upgrade which will be cut by this amendment. We propose a ballistic missile defense system. We have proposed an anticruise missile system. We have tried to provide the kind of urging for the Department of Defense to meet the challenges that we face.

I might say in closing I want to remind the Senate, my friends and I were in—there were four of us, as a matter of fact—in Israel when the last Scud attack took place. What the Senator from Texas just said is very vivid when you really witness it from the receiving end. I would not like to see that happen.

My friend from Arkansas has mentioned his children. I will mention my children and my grandchildren. This bill will affect them a great deal more than it will affect any of us, and I believe they should have the same defense that the people of Israel had and the people of Saudi Arabia had to unarm potential missiles fired against this country.

I hope this amendment is defeated.

Mr. BUMPERS. Mr. President, if somebody wants to offer an amendment that the Senate favors Patriot missiles, I will concede the vote. It will pass 100-zip. The $300 billion in SDI that will be left if this amendment passes is probably twice as much as we spent over the last 10 years developing the Patriot missile. Everybody favors a theater missile defense. Everybody favors Patriot. A Superpatriot. Whatever. That is not the debate.

Bill Crowe, a man of some military knowledge—at least President Reagan thought he had some knowledge—said he thought $3.5 billion was more than enough, and if this amendment were to be adopted, we would still have a 13-percent increase over last year's SDI budget. How many programs can you point to in this budget or the entire U.S. budget that has a 13-percent increase? That is what there is here if this amendment is adopted.

We keep appropriating money as though we are building SDI instead of groping around trying to find the technology to build it. We have spent $24 billion. We still do not know what we are going to do. We still have not settled on a technology—$3.5 billion "ain't" beanbags.

After all the weeping and wailing and gnashing of teeth in this body on base closing, all of that which devastated my State, $800 million, and here we are trying to cut $1 billion out of a $4.5 billion program. I promise the program will not be diminished.

Mr. SHELBY. Mr. President, I rise today to speak in strong opposition to the amendment offered by the Senator from Tennessee to cut SDI funding in fiscal year 1992 by $1.1 billion. Like the amendment that the Senate has just defeated, this issue has already been voted upon during the debate on the Defense authorization bill.

Time after time the Senate has defeated attempts to alter the program designed by the Senate Armed Services Committee. There were five separate votes on the Defense authorization bill. They were all defeated. They were defeated because this is a bipartisan effort. It is a major breakthrough for the strategic defense initiative. For the first time we have defined a program that will offer protection to the American people from nuclear missiles. A cut of $1.1 billion will gut this program. It will lead to a return to the status quo. A situation in which the American people have absolutely no defense against a nuclear attack.

Last year the Congress put the strategic defense initiative on the right path. We emphasized the need to move forward with a program that would emphasize limited protection systems and theater missile defenses. We funded programs and projects that could provide an early development option against limited attacks. We called for the development of programs and projects that take into consideration both the current numerical limitations of the 1972 ABM Treaty and modest changes to those numerical limitations. We foresaw the need for the development of deployable and rapidly relocatable anti-tactical ballistic missile [ATBM] defenses for forward deployed and expeditionary U.S. Armed Forces. The action taken by the Appropriations Committee is a logical extension of the decision made by the Congress last year.

Mr. President, lessons learned from the Gulf war taught us that strategic defenses are not only possible, but can be successful as well. Now more than ever, we need to deploy strategic defenses to guard the United States and our troops abroad against ballistic missile threats. The direction provided by the appropriations bill and Nunn - Warner - Cohen - Exon - Thurmond - Shelby amendment will ensure that a defense against limited ballistic missile attacks will be a reality this decade. It is a logical extension of our efforts last year to refocus SDI. We need to move forward, not backward on SDI. I urge my colleagues to reject this amendment.

The VICE PRESIDENT. All time has expired. The question is on agreeing to the third division of the pending amendment.

Mr. INOUYE. Mr. President, I move to table.

Mr. BUMPERS. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table division 3 of the amendment of the Senator from Tennessee amendment No. 1193. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nebraska [Mr. KERREY], is necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—50

Bentsen
Bingaman
Bond
Brown
Burdick
Burns
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Garn
Gorton
Gramm
Hatch
Heflin
Helms
Hollings
Inouye
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—49

Adams
Akaka
Baucus
Biden
Boren
Bradley
Breaux
Bryan
Bumpers
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Jeffords
Johnston
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NOT VOTING—1

Kerrey

So the motion to lay on the table division 3 of amendment No. 1193 was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE addressed the Chair.

The VICE PRESIDENT. The question now is on division 2 of the amendment in which there are 30 minutes of debate equally divided.

Mr. INOUYE. Mr. President, I request that the Senator from Tennessee manage 15 minutes, and I will manage the other 15 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Hawaii is recognized.

ORDER OF PROCEDURE

Mr. INOUYE. I ask unanimous consent that the debate on this amendment commence at 10 a.m. tomorrow and that the vote be held at 10:30.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending amendment be set aside temporarily to permit us to consider seven amendments.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 1197

(Purpose: To provide funding for the cleanup of uncontrolled hazardous waste contamination affecting the sale parcel at Hamilton Air Force Base, CA)

Mr. INOUYE. Mr. President, I send to the desk an amendment on behalf of Senator CRANSTON of California, and request its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. CRANSTON, proposes amendment numbered 1197.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add a new section as follows:

SEC. . (a) Within the funds made available to the Air Force under title II of this Act, the Air Force shall use such funds as necessary, but not to exceed $10,800,000, to execute the cleanup of uncontrolled hazardous waste contamination affecting the Sale Parcel at Hamilton Air Force Base, in Novato, in the State of California.

(b) In the event that the purchaser of the Sale Parcel exercises its option to withdraw from the sale as provided in the Agreement, dated September 25, 1990, between the Department of Defense, the General Services Administration, and the purchaser, the purchaser's deposit of $4,500,000 shall be returned by the General Services Administration, and funds eligible for reimbursement under the Agreement and Modification shall come from the funds made available to the Department of Defense by this Act.

(c) Notwithstanding any other provision of law, the Air Force shall be reimbursed for expenditures in excess of $15,000,000 in connection with the total cleanup of uncontrolled hazardous waste contamination on the aforementioned Sale Parcel from the proceeds collected upon the closing of the Sale Parcel.

Mr. CRANSTON. Mr. President, this amendment implements a September 25, 1990, agreement between the Department of Defense, the General Services Administration, and Hamilton Partners, a California partnership, which settled a dispute created by the 1985 sale of a parcel of land at Hamilton Air Force Base, CA, containing a contaminated landfill site. The contaminated site was known to the Department of Defense and the General Services Administration before the sale, but was not disclosed to Hamilton Partners.

Specifically, this amendment funds the cleanup of the landfill site and the withdrawal provision of the September 25, 1990, agreement. The withdrawal provision allows Hamilton Partners to withdraw from the sale at any time during the cleanup of the site and require DOD to reimburse Hamilton Partners for all development expenses incurred. The total to date is approximately $20 million.

The withdrawal provision was included and funded in the fiscal year 1990 Department of Defense appropriations bill and again in the fiscal year 1991 Defense appropriations bill. It is included in the House-passed fiscal year 1992 Defense appropriations bill, but not in the Senate version on the floor today.

Mr. President, the consequences of not having the provision in the Senate version are significant. Funding of the withdrawal provision lapses on September 30, regardless of whether or not there is a continuing resolution. Under the terms of the September 25, 1990, agreement, Hamilton Partners must exercise their rights to withdraw before the close of business tomorrow, Thursday, in order to preserve their rights to withdraw under the fiscal year 1991 Defense appropriations bill. Hamilton Partners have been advised by their attorneys that absent enactment of the fiscal year 1992 Defense appropriations bill or identical provisions in the House and Senate versions of the bill, they have a fiduciary responsibility to the financial partner's stockholders to exercise the withdrawal provision.

Withdrawal would be most unfortunate. All the work that Hamilton Partners have put into their development project over the past 6 years would come to an end. The future use of the former Hamilton Air Force Base property would be uncertain. The Department of Defense would have to reimburse Hamilton Partners approximately $20 million for its expenses to date. And the Defense Department would still have to clean up the site.

Mr. President, the managers of the bill have been most helpful on this matter in previous years. I hope the amendment can be agreed upon by the managers of the bill.

Mr. INOUYE. This matter has been cleared by both sides.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1197) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I believe that the distinguished chairman of the Appropriations Committee has an amendment.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

AMENDMENT NO. 1198

(Purpose: To provide a substitute for section 8018 relating to the purchase, storage, and use of petroleum products in Israel)

Mr. BYRD. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 1198.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 63, strike out lines 4 through 19, and insert in lieu thereof the following:

SEC. 8018. Funds made available by this Act shall be available to the Department of Defense for purchasing and storing petroleum products in Israel in order to meet emergency and other military needs of the United States as agreed to in a memorandum of agreement between the United States and Israel which should be concluded promptly on terms and conditions acceptable to the governments of both countries: *Provided*, That any memorandum of agreement entered into as described in this section shall be transmitted to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives and shall not take effect until 60 days after the date of the transmittal to such committees: *Provided further*, That in the event of a wartime emergency or a state of heightened military readiness on the part of Israel, all or part of the stock purchased pursuant to this section may be withdrawn and used by the armed forces of Israel (1) with the agreement of the governments of the United States and Israel as provided for in the memorandum of agreement, (2) with notification of the Congress in accordance with section 652 of the Foreign Assistance Act of 1961, and (3) subject to the requirement that the government of Israel promptly and fully reimburse the government of the United States for each such withdrawal in accordance with the terms of the memorandum of agreement: *Provided further*, That section 8110 of Public Law 101-511 is hereby repealed.

Mr. BYRD. Mr. President, the bill before us contains a provision which would allow the Secretary of Defense to use funds appropriated by this bill to establish a stockpile of petroleum products in Israel primarily for the use of U.S. Armed Forces in that region. The committee report states that the committee "believes that Israel is able to provide a secure, ready and well-maintained source of POL for deployed United States forces and should be developed as a secure logistical hub for United States forces operating in the Middle East and Europe." Furthermore, in the event of an emergency, the provision would allow Israel to tap into the United States supplies for its needs.

The purpose of this provision is straightforward and persuasive, but I am concerned that the original language submitted by the Department of Defense is unnecessarily vague. The Department according to the provision, is to negotiate the terms of the arrangement between the United States and Israel in a memorandum of agreement. I have been working with Senator INOUYE to insert some additional direction and certainly in the amendment, and offer a modification of it today. In essence, the modification would require that the stockpile be purchased by the United States for our uses in the region, and permit Israel to tap into the reserve under certain circumstances. However, it requires that Israel reimburse the United States for that stock that it withdraws. Otherwise, we would be establishing here a new foreign assistance program, which would normally be made through the Foreign Operations Subcommittee in its annual aid bill. It would be a program which would be of unknown but potentially very large dimensions, because the provision does not have any cap on it in terms of the amount of oil that is stockpiled nor the amount of money which is to be used to build the stockpile.

In addition, Mr. President, we have all experienced frustration over our inability to view and understand the terms of memoranda of agreement between the Department of Defense and other nations. In this case, then, the new provision requires that any MOA that is concluded be first submitted to the Congress and not be implemented until 60 days after such transmittal. In this way, the appropriate committees would have an opportunity to comment on the terms of the MOA if they had any concerns with them.

It is my understanding that the two managers are willing to accept the amendment; therefore, I will not take further time of the Senate.

Mr. INOUYE. Mr. President, the Senator is correct.

Mr. STEVENS. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1198) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1199

(Purpose: Study for joint military and civilian airport at Manhattan, Kansas)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mrs. KASSEBAUM, proposes an amendment numbered 1199.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, line 24, before the period, add: ": *Provided further*, That of the funds appropriated under this heading, $250,000 shall be available only for the conduct of a study on the need for and feasibility of a joint military and civilian airport at Manhattan, Kansas."

Mr. STEVENS. This is an amendment that we agreed to take in committee, which pertains to a request from the Senator from Kansas [Mrs. KASSEBAUM] and I ask that it be adopted as it was in the committee.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1199) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1200

(Purpose: Funds for the Submarine Laser Communications project)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. GORTON (for himself and Mr. SEYMOUR), proposes an amendment numbered 1200.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, under the heading, Research, Development, Test and Evaluation, Navy, add: ": *Provided further*, That of the funds appropriated under this heading, $10,000,000 shall be available only for the Submarine Laser Communications project".

Mr. STEVENS. This is an amendment to bring the account that is in the bill up to the authorized level as we thought it had been. It is a matter that pertains to a laser item in the bill.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1200) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1201

(Purpose: To clarify the definition relating to disadvantaged small business concerns by reason of their employment of severely disabled individuals)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. DOLE, proposes an amendment numbered 1201.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 93, line 22, insert "operated on a for-profit or non-profit basis" after "business entity".

Mr. STEVENS. Mr. President, this is a very technical amendment that carries out the intent of the Senator from Kansas [Mr. DOLE] that deals with a definition of a business entity and makes certain that it covers both profit and nonprofit entities, which was the original intent.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1201) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1202

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. FORD (for himself and Mr. MCCONNELL) proposes an amendment numbered 1202.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, line 6, insert the following: Insert before the period : *Provided*, That of the funds appropriated under this heading, $5,134,000 shall be available only for the Gun Weapon System Advanced Technology Program".

Mr. INOUYE. Mr. President, the amendment by my good friend, the senior Senator from Kentucky, restores $5,134,000 to the Navy's Gun Weapon System Advanced Technology Program. Our committee deleted these funds due to Navy information indicating the results of this research would not be available until the 21st century.

In view of increasingly tight defense budget constraints, the committee believed that higher priority programs with more near-term benefits should be funded, and that this program was premature.

Since our action, I am happy to report that the Navy has provided us with new information showing that this program also has the objective of developing immediate and near-term improvements in existing Navy gun weapons systems. This new information enables our committee to support this funding for fiscal year 1992.

The committee also has been able to identify a funding offset for this appropriation from within the existing amounts allocated for Navy research, development, test, and evaluation. The Navy has indicated a reduced funding requirement for the supersonic low altitude target [SLAT] project in the Target Systems Development Program element. In accepting this amendment, the committee directs that the funds provided to the Gun Weapon System Advanced Technology Program by this amendment shall be reallocated from the SLAT project.

The committee thanks our colleague for offering this amendment to fund this advanced naval gun technology initiative.

Mr. FORD. Mr. President, the amendment I am proposing today is a simple one which provides $5.134 million for the Navy's Gun Weapon System Advanced Technology Program, a research program created to prevent obsolescence in the Navy's gunfire capabilities. It is anticipated that the gun systems of the future may need to be capable of long ranges and use nonballistic projectiles, characteristics which have yet to be developed.

But the program would do more than develop technologies for the 21st century. It is also designed to develop immediate and near-term improvements in the existing gun weapon systems for naval surface fire support and ship defense missions.

To reduce development time and costs as much as possible, the Navy intends to take research from existing Army artillery and advanced gun programs—highly commendable thinking which I hope will be a trend setter for all services.

A final reason why the money in question should be restored is that the work on the program will be done at the Naval Ordnance Station [NOSL] in Louisville, KY. This is a first for the NOSL and it is a high compliment that the Navy would have such confidence in the facility. If I do say so myself, we have one of the most excellent work forces around at our ordnance station. These folks perform work done nowhere else in the Navy or in the world, for that matter. When the Navy guns run into trouble, who do they call?—the Louisville Naval Ordnance Station. It is only fitting that the people with the most experience with and knowledge of naval gun systems should be the ones to develop the systems of the future.

Mr. President, I thank the distinguished chairman and the ranking member of the Defense Subcommittee, my friends Senators INOUYE, and STEVENS, for their acceptance of my amendment.

Mr. MCCONNELL. Mr. President, for those of us who favor a strong defense, we are challenged by the task of maintaining a military force that is lighter and more lethal. For this reason, I am extremely pleased Senators INOUYE and STEVENS support the amendment the senior Senator from Kentucky and I offer, which restores funding for the Navy's Gun Weapon Systems Advance Technology Program.

As we draw down our naval ship strength, we must increase our firepower. This program guarantees that surface warships will meet tomorrow's challenges with more powerful guns and smarter munitions. The outstanding merits of this program were described in an August 1991 editorial for Defense News entitled "Smart Dollars for Guns."

I should also point out that the Gun Weapon System Advanced Technology Program received full funding by the Senate and House Armed Services Committees in the Defense authorizations bill, and by the House Appropriations Committee in its DOD bill. This unanimous support demonstrates the strength and need for this program.

Finally, let me say that the weapons, technology and the equipment are only as good as the people who operate and use them, and I am really proud of the team we have at the Station in Louisville. Thanks to their skills and performance, the men and women who serve our Nation at sea will be ready for any contingency of crisis, operating safe, effective weapons.

Mr. President, I ask unanimous consent that the editorial I referred to be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From Defense News, Aug. 12, 1991]

SMART DOLLARS FOR GUNS

Starting with about $5 million in the 1992 budget, the U.S. Navy is conducting a worthwhile project to significantly improve the firepower of its surface warship guns.

One notable aspect of this program is that the Navy intends to take advantage of existing technologies used by other services, making the Navy project a smart investment of research and development dollars.

The Advanced Gun Weapon System Technology Program will look at exotic 21st century technologies such as electrothermal or electromagnetic power sources for the Navy's guns as it retires its two remaining battleships, the USS Missouri and the USS Wisconsin.

The Navy, no longer envisioning a 600-ship fleet, must find creative ways to boost the punch of what remains.

Smart cruise missiles are one alternative that worked beyond expectation during the Persian Gulf war. But they are expensive.

Navy guns with a longer reach that can aim at air defense sites or enemy radar will be a valuable asset as battleships and aircraft carriers are retired in leaner times ahead.

Navy officials in charge of the program say they see future shipboard gun systems hitting enemy targets 80 miles to 100 miles ashore, compared with the roughly 15-mile range of the 5-inch Mk 45 gun system deployed aboard most Navy combat ships today.

One of the brightest spots in this new program is the commitment on the Navy's part to take as much research as possible from existing Army artillery and advanced gun programs.

Vice Adm. Robert Kihune, chief of surface warfare, says if another service has a system that can satisfy requirements, there is no reason why it cannot be used by the Navy.

It might seem like an obvious way to save money but that kind of thinking has been lacking in the past.

The Navy's Advanced Gun Weapon System Technology Program may lead the way to more approaches like that from the Navy and the other services.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1202) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT ON PAGE 33, LINE 23

Mr. INOUYE. Mr. President, I ask unanimous consent to consider and adopt the excepted committee amendment on page 33, line 23. As an explanation, this was the amendment which was excepted for Senator LEAHY. Senator LEAHY no longer wishes to withhold action on this amendment. This matter was taken up on the B-2 amendment.

The excepted committee amendment on page 33, line 23, was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1203

Purpose: To further limit the use of funds for the procurement of B-2 bomber aircraft until the Secretary of Defense assures Congress that the original radar cross section performance objectives of the B-2 bomber aircraft have been successfully demonstrated from flight testing

Mr. LEVIN. Mr. President, I send an amendment to the desk which I understand has been cleared.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 1203.

On page 34, line 10, before the period at the end insert the following: "*: Provided further*, That, none of the funds provided under this heading shall be available for procurement of the B-2 bomber unless the certification referred to in the first proviso contains the Secretary's assurance that the original radar cross section operational performance objectives of the B-2 bomber have been successfully demonstrated from flight testing".

Mr. LEVIN. Mr. President, this amendment would add a requirement to the B-2 certification provision in the Defense appropriations bill for fiscal year 1992, in order to address a recent problem which was disclosed relative to the B-2 testing.

We have recently learned that the B-2 suffered a test failure in July that related to low observability. In that test the bomber was more easily detected than originally anticipated and, more importantly, more detectable than the original performance specification required for the B-2's radar cross section.

I offered an amendment to the Defense authorization bill that was passed by the Senate on August 2, 1991, and which is incorporated by reference in the pending bill on page 34. My amendment requires that no funds for the fiscal year 1992 defense budget can be obligated for procuring new B-2 bombers until after the Secretary of Defense certifies that the B-2 has actually demonstrated its critical performance characteristics from flight testing and that it will be able to accomplish its original mission.

There is a problem that needs to be addressed since that flight test. First of all, the milestones set forth in the law first in 1989 and incorporated in a document known as the systems maturity matrix—and here I am referring to the unclassified one—do not require the B-2 specifically meet its required radar cross-section specification before we obligate funds for fiscal year 1992. The whole point of the B-2 bomber is its low observability and stealthiness. The small radar cross section is the hallmark of the B-2. If it cannot meet its required radar cross-section specification, we might very well not want to buy the B-2. In that case I do not think we ought to buy it. Even if it does meet the RCS specification and we proceed with the program, I tend to agree with Dr. William Perry, the father of the B-2 program, that we do not need more than 20 or 30 bombers for a final B-2 bomber force.

The second problem, Mr. President, is that it appears that one possible but unacceptable approach to addressing this low observability problem would be for the Air Force simply to lower the standards for B-2 performance—specifically the current radar cross-section specification—so that the plane can be certified to accomplish its mission.

In Defense Secretary Cheney's letter to the chairman and ranking minority member of the Appropriations Subcommittee on Defense, he suggests that the current B-2 performance may be sufficient. After describing the current B-2 problem, he says, "However, the test results conducted to date indicate that the B-2 is more survivable than any other airplane in the world."

That comment suggests that the Defense Department might accept lowered mission requirement or performance specification criteria for the B-2 program. I hope that is not true, and I am determined to do everything that I can not to permit the B-2 goalpost to be moved, or the original Senate radar cross-section operational performance objectives of the B-2 to be reduced.

So, Mr. President, this combination of problems represents a certification loophole which is large, and which should be closed, and that is why I offer the amendment, and that is why I urge our colleagues to support it.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, this amendment has been discussed with the managers of the bill and I find it acceptable.

Mr. STEVENS. Mr. President, I inquire from the Senator from Michigan, it is my understanding that the Senator as a proponent of this measure has discussed it with Senators NUNN and WARNER and they have approved.

Mr. LEVIN. The Senator is correct.

Mr. STEVENS. It is also my understanding that the Senator from Michigan had a discussion with the Air Force concerning modification; is that correct?

Mr. LEVIN. I did not. I believe that some of the Senator's staff may have had discussions with the Air Force. I did not.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BRYAN). The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I am indebted to the Senator from Michigan for his patience. This is the amendment we previously discussed. It is my understanding now that with the word "operational" in there, it is the standards that we previously discussed as being those that were the operational standards required in the original conferences on the B-2. I believe they date back as far as 1981; is that correct?

Mr. LEVIN. They are the original operational performance objectives which I believe do date to 1981.

Mr. STEVENS. I have no objection to the amendment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 1203) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. I thank the Chair and I yield the floor.

Mr. INOUYE. Mr. President, I believe my colleague from Alaska wishes to be recognized.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE AMENDMENT ON PAGE 63, AS AMENDED

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendment on page 63, as amended, be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment on page 63, as amended, was agreed to.

Mr. INOUYE. Mr. President, this was the amendment that was just submitted by Senator BYRD.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSPORT OF CHEMICAL WEAPONS TO JOHNSTON ATOLL

Mr. AKAKA. Mr. President, I would like to commend my colleague, Senator INOUYE, for his leadership in bringing forth this legislation we are considering today.

If I may, I would like to direct a question to the distinguished floor manager on an issue which is of utmost importance to the State of Hawaii and the Pacific.

As the senior Senator from Hawaii knows, the transport of chemical weapons to Johnston Atoll has raised great concerns in the Pacific. Last year, we worked together to protect the Pacific people and our environment by including a provision in the fiscal year 1991 DOD appropriations bill which prohibited future shipment of chemical weapons to Johnston Atoll. In addition, the bill restricted further studies on the transport and destruction of chemical weapons stored in the continental United States.

Mr. President, as the Senator is well aware, this concern is raised each time there is a decision to destroy additional chemical weapons. When the U.N. Security Council issued its cease-fire agreement calling for the destruction of all Iraq chemical and biological weapons, the people of the Pacific held their breath in fearful anticipation that their home would become the world's chemical weapons incinerator. However, we were protected by the provisions which we passed last year.

Unfortunately, the House has included a provision in the defense authorization bill which seeks to once again require the Army to reconsider its decision where to destroy U.S. chemical munitions.

Unfortunately, the House has included a provision in the defense authorization bill which seeks to once again require the Army to reconsider its decision where to destroy U.S. chemical munitions.

Mr. President, I would ask my dear friend and colleague whether provisions to ensure the safety of the Pacific have been included in the committee bill.

Mr. INOUYE. Mr. President, I am fully aware of the concerns raised by my friend from Hawaii. I want to assure him that the committee has included provisions which protect the Pacific from future shipments of chemical weapons and prohibits further studies regarding the transport and destruction of chemical munitions stored in the continental United States.

The committee provisions reaffirm the intent of the Department of Defense to destroy our chemical munitions in the safest manner possible and will block any effort to derail the Army's chemical demilitarization program.

Mr. AKAKA. I appreciate the concern expressed by the distinguished Senator and am pleased by his reply. I wish to express my heartfelt mahalo to him for his efforts in this matter.

LEGAL OPINION BY THE CONGRESSIONAL RESEARCH SERVICE ON THE PRESIDENT'S WAIVER AUTHORITY

Mr. AKAKA. Mr. President, I would like to take this opportunity to return, for a moment, to the issue of Iraq's chemical weapons and the exemption provision provided to the President in times of war.

It is the opinion of the American Law Division staff of the Congressional Research Service that the Johnston Atoll chemical agent disposal system [JACADS] site could not be used for the destruction of Iraqi chemical and biological weapons, and I kindly ask that the opinion issued by the American Law Division be printed in the RECORD following this statement.

Mr. President, this opinion will add to the legislative history of Congress' intent to protect the Pacific from becoming the world's chemical weapons dumping ground.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, April 16, 1991.

To Honorable Daniel K. Akaka.
From American Law Division.
Subject Effect of Cease-Fire Persian Gulf Conflict on President's Waiver Authority Under Section 8107 of Public Law 10-511.

This is in response to your request regarding the effect of the cease-fire in the Persian Gulf conflict on the President's waiver authority under Section 8107 of P.L. 101-511. More specifically, your question concerns whether, in the event the United States becomes responsible for demilitarizing Iraq's chemical and biological weapons, the President could still exercise his waiver authority under Section 8107(d) to use funds appropriated or made available by P.L. 101-511 to transport such munitions to Johnston Atoll for destruction.

Section 8107 provides in pertinent part as follows:

(a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions to the Johnston Atoll for the purpose of storing or demilitarizing such munitions.

Subsection (b) excepts from that limitation chemical munitions withdrawn from Germany and obsolete World War II chemical munitions found in the Pacific theater of operations. Subsection (c) makes clear that the limitation is not intended to apply to any court decision involving the President's authority to transport chemical munitions to Johnston Atoll under any other law. Finally, Subsection (d) of §8107 provides that "[t]he President may suspend the application of subsection (a) during a period in which the United States is a party."

Section 8107 was not part of the House-passed version of the Department of Defense Appropriations bill[1] but was added by the Senate Appropriations Committee[2] and subsequently accepted in conference by the House.[3] The only discussion of the provisions, other than a minor technical change noted in the report of the conference committee,[4] occurred in the report of the Senate Appropriations Committee, as follows.[5]

SEC. 8077. Transportation of chemical weapons.—Prohibits the expenditure of funds by the Department of Defense to Transport any additional chemical weapons to Johnston Atoll after the completion of the European retrograde program. The general provision affirms assurances by the Secretary of Defense that Johnston Atoll would not become a repository for the destruction of all U.S. chemical weapons. Waivers have been included in this provision which will allow the transportation of chemical weapons discovered in the Pacific region and further grants the President waiver authority in time of war.

Notwithstanding the paucity of legislative history, the scope of Section 8107 seems clear. It bars the use of any funds provided by the FY91 DOD appropriations act, except in specified instances, to transport chemical munitions to the Johnston Atoll for storage or demilitarization. The President may waive that restriction but only "during a period of war in which the United States is a party."

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[1] *See* H. Rept. 101-822 (Oct. 9, 1990) and 136 CONG. REC. H 9488-H 9522 daily ed. Oct. 12, 1990).

[2] S. Rept. 101-521 (Oct. 11, 1990), p. 265.

[3] *See* H. Conf. Rept. 101-938 (Oct. 24, 1990), *reprinted* at 136 CONG. REC. H 13556, 13563 (daily ed. Oct. 24, 1990) (amendment No. 351).

[4] *Id.*

[5] S. Rept. 10-521, *supra*, 265.

In Resolution 687 the Security Council on April 3, 1991, decided as a condition of a formal cease-fire in the Persian Gulf conflict that Iraq would have to "unconditionally accept the destruction, removal, or rendering harmless, under international supervision, of—all chemical and biological weapons and all stocks of agents and all related subsystems and components and all research, development, support and manufacturing facilities." Under the Resolution a Special Commission formed under the auspices of the Security Council is to carry out the task of destroying, removing, or rendering harmless Iraq's chemical and biological weapons capability. Except for a directive to "tak[e] into account the requirements of public safety," the Resolution is silent on the means by which that task is to be done. Iraq communicated its acceptance of Resolution 867 soon after its adoption, and the Security Council announced that a formal cease-fire was in effect as of April 11, 1991.

Thus, at this point it is not at all clear what role, if any, the United States will play in eliminating Iraq's chemical and biological weapons capability. Nonetheless, for purposes of determining whether the President's waiver authority could be exercised, the critical questions appear to be whether the United States involvement in the Persian Gulf conflict constituted a "period of war" within the meaning of §8107(d), and, if so, whether that "period of war" has been brought to an end. If it has, then by the terms of the limitation the President would no longer have the authority to waive the restriction of §8107(a).

The first question would appear to have an affirmative answer. Iraq instituted a war of aggression against Kuwait on August 2, 1990, and the international community responded with a host of measures, ultimately including the use of military force, to restore Kuwait's sovereignty. The United States clearly was a party to this conflict, even though it never formally declared war on Iraq.[6] That would seem sufficient to trigger the condition set for the President's waiver authority in §8107(d), *i.e.*, "a period of war in which the United States is a party."

Less clear is the answer to the second question. Iraq entered into a provisional cease-fire with the allied forces on February 28, 1991. The United Nations Security Council set forth the conditions of a formal cease-fire in Resolution 687 on April 3, 1991; Iraq accepted those conditions on April 8; and the Security Council declared a formal cease-fire to be in effect on April 11. The Security Council stated in Resolution 687 that it remained "seized of the matter [in order] to take such further steps as may be required for the implementation of this resolution and to secure peace and security in the area," and subsequent events have made clear that not all arrangements between the international community and Iraq have been finalized. But the military conflict itself appears to have been brought to an end.

If Section 8107(d) referred to a "state of war," then it is doubtful that it could be said to have been brought to an end. A state of war requires formal, explicit termination, and that event may not occur until some years after actual hostilities have ceased.[7] Under traditional rules of international law a cease-fire does not ordinarily terminate a state of war.[8]

But Section 8107(d) does not seem to use "period of war" in that sense. It does not, of course, use the phrase "state of war," nor does it condition the President's waiver authority on what might be considered the traditional formality of a war's inception, *i.e.*, a declaration of war. The phrase "period of war" seems to be used in a more pragmatic sense of a time of ongoing military hostilities.

Moreover, the Persian Gulf conflict does not fully fit traditional rules of international law concerning war. Rather, the response to Iraq's aggression has been conducted under the auspices of the United Nations Security Council. In accordance with the United Nations Charter, the Security Council determined that Iraq's invasion constituted "a breach of international peace and security" and decided what measures should be taken "to restore international peace and security." Ultimately, that involved the use of military force. But in accordance with the Charter the effort is to restore international peace and security, not to wage a war in the traditional sense. Indeed, the Security Council never referred to the conflict as a "war." Thus, it is doubtful that a formal peace treaty with Iraq will ever eventuate.

Consequently, although the matter is not certain, the better construction would seem to be to interpret the phrase "period of war" in §8107(d) in a pragmatic or colloquial sense as referring to a time of ongoing military hostilities. Given the conclusion of actual hostilities in the Gulf conflict, that construction would mean that the condition precedent to the existence of the President's authority to waive the restriction set in §8107(a) no longer is met. As a consequence, the waiver authority would not currently be available.

I hope the above is responsive to your request. If we may be of additional assistance, please call on us.

DAVID M. ACKERMAN,
Legislative Attorney.

COMBAT DF PROGRAM

Mr. RUDMAN. Mr. President, I would appreciate a few moments to turn the chairman's attention to a Navy program called Combat DF. This program, which is critical to battle group signal intelligence gathering, has proved to be invaluable to the Navy. The Combat DF system is integral to shipboard tactical data systems.

I am aware that the committee report has reduced this program in fiscal year 1992 due to delays in the procurement process. Indeed, Mr. President, this program has experienced delays in the past, but I am informed by the Navy that issues concerning this program have been resolved and that the program is back on track. It is imperative that funding be restored for the Combat DF Program. Installation of these systems revolve around the Navy's overhaul schedule which requires intricate timing for the installation and repair of countless shipboard systems in a very short timeframe so the ships can be returned to sea duty as quickly as possible to ensure our Nation's high level of operational readiness. If these funds are not restored, not only will the Navy not be able to field these critical systems, but it could also prove to be disruptive to the Navy's overhaul planning process which requires significant amounts of advance planning to ensure a smooth and timely overhaul. Both the chairman and I come from States that have a Navy base involved in the repair and overhaul of ships, and so, we both have firsthand knowledge of the complexity of the ship overhaul business and the disruption that occurs when needed equipments do not arrive on schedule at pierside for installation. I request that the Senator from Hawaii reconsider the committee's recommendation to reduce Combat DF funding.

Mr. INOUYE. I thank the Senator for raising this issue about the Combat DF Program. When the committee first considered this reduction, there was some apprehension at doing so due to the importance of this program to the Navy. In recommending this adjustment, I also directed staff to look into this program further to ascertain whether or not progress had been made in straightening out program difficulties. Since the time of our initial recommendation, my staff informs me through their sources in the Navy, that the program has recently received a detailed review and that it is sailing smoothly once more.

Mr. RUDMAN. Mr. President, in light of the program being back on track, is the chairman aware of any way to restore funding?

Mr. INOUYE. I can assure my distinguished colleague and good friend from New Hampshire that we have found a way to support the Combat DF Program without disrupting other programs which are also critical to the Navy. It has come to my attention that due to other program changes, the Navy has fiscal year 1991 funds available to apply toward the Combat DF Program. When this bill is finally approved and sent to conference, I will take action to realign $9,117,000 of prior year assets within the Navy to fully fund the Combat DF Program during fiscal year 1992. This will ensure that the program remains on track.

Mr. RUDMAN. I thank the distinguished Senator from Hawaii for his favorable consideration in this matter.

RED WATER CONTAMINATION TREATMENT

Mr. BUMPERS. Mr. President, I would like to inquire of the distinguished chairman of the Defense Appropriations Subcommittee if he would engage me in a colloquy concerning the red water contamination problem that the committee's report discusses in the section on environmental restoration.

Mr. INOUYE. I would be happy to accommodate my good friend from Arkansas.

Mr. BUMPERS. Mr. President, we have all heard of the serious dimensions of the problem of cleaning up our military facilities. The costs of decades of neglect of this problem are finally falling due, and I commend the chairman for his leadership in addressing this serious problem. It is important that we proceed with the Environmental Restoration Program and clean up our military installations.

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[6] *See* P.L. 102-1 (Jan. 12, 1991).

[7] *See, e.g.*, P.L. 181, 82d Cong., 2d Session (1951) terminating the state of war between the United States and Germany.

[8] Greenspan, *The Modern Law of Land Warfare* (1959), at 589.

One of the problems this program addresses is water and soil contamination arising from the production of TNT and related substances. This form of pollution is known as red water contamination. The committee report expresses concern over the slow pace the Army is taking in conducting pilot scale testing of the most promising technologies for red water remediation of the 30 it reviewed in a detailed study completed early last year, "Technology Evaluation for Treatment/Disposal of TNT Red Water."

Mr. INOUYE. My friend from Arkansas is correct. The committee took note of this study and recommends that the Army initiate during fiscal year 1992 a pilot scale test program on those top-ranked technologies identified in the secondary evaluation of the Army's study with the goal of optimum treatment and destruction of red water and subsequent sidestream effluents in order to comply with applicable State and Federal environmental regulations.

Mr. BUMPERS. I thank the distinguished chairman. It is my understanding that the elimination and destruction of nitrates, nitrites, amines, ammonia, and other nitrogen compounds which exist in the various waste streams of the various technologies is of particular importance in assessing those technologies. The elimination of these biologically active nitrogen compounds will assure that secondary pollution problems such as ground water contamination, No_X smog, algae bloom, and subsequent eutrophication do not occur as a result of restoration efforts.

Mr. INOUYE. It is my understanding that the elimination of these nitrogen compounds is an important consideration, as my colleague has said. It is my hope that the Army will conduct pilot scale testing of the four top technologies it has identified and proceed to pick the best one and get about the serious task of cleaning up the years' worth of red water contamination.

Mr. BUMPERS. Mr. President, I agree with my distinguished colleague from Hawaii and share his views about the need for action. I thank my good friend, and I thank the Chair.

ARTIFICIAL IONOSPHERIC MIRROR FOR SURVEILLANCE OF LOW OBSERVABLES (AIM-LO)

Mr. HOLLINGS. Mr. President, I am most concerned about the future cruise missile threat to our forces. I believe we must have the most rigorous and extensive anti cruise missile capability possible. Too little attention has been given to this type of missile defense. In this regard, the Air Force Geophysics Lab [AFGL] has done some preliminary conceptual work on a program to counter cruise missiles and other low observables. The system is referred to as the artificial ionospheric mirror for surveillance of low observables [AIM-LO]. The AIM concept involves the use of ground-based radio frequency units to create patches of ionization—mirrors—in the atmosphere—at about 70 km altitude—which can be used as reflectors of radar signals for over-the-horizon detection of cruise missiles and other airborne targets.

The concept is unique in that unlike conventional systems constrained by the ionosphere, AIM would seize control of the propagation environment and shape it to reflect properties to achieve desired surveillance requirements. Will it work? No one knows. But I think the Department of Defense should be given a chance to take a detailed look at the technology and make an evaluation of it.

To this end, I ask my chairman and good friend, and the distinguished Senator from Alaska if the upcoming conference could require that the appropriate Department of Defense agency conduct an assessment of this concept.

Mr. INOUYE. Mr. President, I thank the distinguished Senator from South Carolina for raising this issue to the attention of the committee. We have examined the concept embodied in the artificial ionospheric mirror for surveillance of low observables [AIM-LO] and think that it deserves further study by the Defense Department.

The Office of the Under Secretary of Defense for Acquisition has a joint service office responsible for overseeing and coordinating the development of technologies to counter the low observable capabilities of potential adversaries. This Joint Counter Low Observables Office is the appropriate organization to conduct this assessment of the AIM-LO concept.

In response to our good colleague's initiative, the committee will do its utmost in conference to obtain congressional direction that this office assess the AIM-LO concept from the perspectives of operational utility, cost-effectiveness, military effectiveness, technological risk, comparison with alternative technologies and systems for accomplishing this mission, and a review of previous and existing work to develop this technology. The committee furthermore will seek to direct that this assessment be submitted to the Congress no later than February 15, 1992.

Mr. STEVENS. I agree with the chairman, and will work with the Senator from South Carolina to ensure this matter is addressed during the conference on the bill. I understand this technology has a wide range of applications, and encourage its development.

Mr. HOLLINGS. Mr. President, I want to thank my distinguished friend and chairman, Senator INOUYE, and my good friend, Senator STEVENS, for their help on this matter and I want to commend them again for their strong leadership here in the Senate and the Congress on shaping Defense policy.

GAY MEN AND LESBIANS IN THE MILITARY

Mr. ADAMS. Mr. President, we are considering the Department of Defense's request for more than $270 billion in fiscal year 1992. This money will go toward force modernization and the purchase of the most technologically advanced equipment available.

DOD is intent on acquiring state-of-the-art weapons, so why does the Department cling to an antiquated and bigoted personnel policy? I am talking about the policy Secretary Cheney recently referred to as "a bit of an old chestnut": The exclusion of gay men and lesbians from military service.

This outdated position has denied our country outstanding talent. It has literally destroyed tens of thousands of careers and cost taxpayers millions of dollars in witch hunts. Unpublished studies for DOD have concluded that gays are a "negligible security risk," and indeed, gays are not banned from civilian Defense Department positions. A 1989 Gallup poll showed that 60 percent of the American public support the inclusion of gays in the military. But when the subject of gay soldiers is raised, DOD trots out the same old tired rationale it used to stonewall the admission of both blacks and women to the armed services.

This policy may cause Washington State to lose a truly outstanding officer, Col. Margarethe Cammermeyer. She has served since 1986 as the State chief nurse of the Washington State National Guard. She was in line to become chief nurse for the U.S. National Guard when she honestly replied to a question about her sexual orientation, prompting the 6th Army to begin discharge proceedings against her. I fear that despite the efforts of her superiors and colleagues to retain her and my own intervention with the Secretary of the Army, we will lose this exceptional officer.

Colonel Cammermeyer has served our Nation and all Americans with distinction for 26 years. She was awarded the Bronze Star for service in Vietnam, and has received the highest awards from the Surgeon General for her professionalism. Unfortunately, Colonel Cammermeyer is only one of many patriotic American soldiers who may witness an entire career ended simply because of her sexual preference. Witch hunts are going on at this very moment at military bases across the Nation, like Ft. Lewis in Tacoma, where investigators have bugged telephones and intimidated and threatened officers. All this for a policy that doesn't have a shred of concrete evidence to support it.

Mr. President, it is time for the Defense Department to discard this policy and recruit its personnel on the basis of performance and patriotism, not sexual preference.

REGARDING THE C-17

Mr. D'AMATO. Mr. President, more than 2 months ago, in a letter dated July 18, 1991, I raised some disturbing questions surrounding the C-17 with the Department of Defense [DOD] Under Secretary for Acquisition.

I informed the Under Secretary that the Air Force appeared to have waived C-17 specifications guaranteed by warranty in return for concessions at least three times since the McDonnell-Douglas Corp. signed a full-scale engineering development [FSED] contract in 1985. I noted that no explanation has been offered as to why these waivers were required and granted, what performance versus mission requirement tradeoffs were considered, and what concessions were gained for the relief granted.

I requested that the DOD provide me with information concerning the specific warranties provided in the original C-17 FSED contract and each specific modification to those warranties and the reason(s) therefore.

In closing, I reminded the Under Secretary that Congress has supported the C-17 on the basis of its unique mixture of capabilities, and that, if, in fact, those capabilities will not be achieved, or have been seriously compromised, it may behoove us to consider other options to C-17 production before we are in too deeply to pull out.

Time passed. My aides were assured on a number of occasions that a response was being staffed. As it turns out, however, that was not true. Only last week, after 2 months, and, coincidentally, after the C-17 had lumbered into the sky 19 months late, my letter was dropped into the lap of the Air Force for a response.

I cannot help but notice the double standard that has become all too common in the Pentagon. When I, as a member of the Defense Appropriations Subcommittee, attempt to responsibly pursue my oversight duties I am given to understand, in no uncertain terms, that I should mind my own business when the course of my investigation is at variance with the desires of the Pentagon. When, however, it is a Pentagon pet rock that is threatened, generals, admirals, and other high officials, have fallen all over themselves to brief me.

The message has not been lost on this Senator.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations and withdrawal received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT—PM 77

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

In accordance with the requirements of section 809 of the Housing and Community Development Act of 1974, as amended (12 U.S.C. 1701j-2(j)), I transmit herewith the fourteenth annual report of the National Institute of Building Sciences for fiscal year 1990.

GEORGE BUSH.

THE WHITE HOUSE, *September 25, 1991.*

ANNUAL REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 78

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with section 5347(e) of title 5 of the United States Code, I transmit herewith the 1990 annual report of the Federal Prevailing Rate Advisory Committee.

GEORGE BUSH.

THE WHITE HOUSE, *September 25, 1991.*

ANNUAL REPORT ON MINE SAFETY AND HEALTH ACTIVITIES—MESSAGE FROM THE PRESIDENT—PM 79

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 511(a) of the Federal Mine Safety and Health Act of 1977, as amended (30 U.S.C. 958(a)), I transmit herewith the fiscal year 1989 annual report on mine safety and health activities as submitted by the Secretary of Labor.

GEORGE BUSH.

THE WHITE HOUSE, *September 25, 1991.*

MESSAGES FROM THE HOUSE

At 11:13 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 73. Joint resolution designating October 1991 as "National Domestic Violence Awareness Month";

S.J. Res. 95. Joint resolution designating October 1991 as "National Breast Cancer Awareness Month"; and

S.J. Res. 125. Joint resolution to designate October 1991 as "Polish-American Heritage Month".

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2181. An act to permit the Secretary of the Interior to acquire by exchange lands in the Cuyahoga National Recreation Area that are owned by the State of Ohio;

H.R. 2370. An act to expand the boundaries of Stones River National Battlefield, Tennessee, and for other purposes;

H.J. Res. 303. Joint resolution to designate October 1991 as "Crime Prevention Month"; and

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 199. Concurrent resolution commending the people of the Union of Soviet Socialist Republics and their democratically elected leaders for the continuing courage and commitment to freedom.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 3 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1106. An act to amend the Individuals With Disabilities Education Act to strengthen such act, and for other purposes;

S.J. Res. 126. Joint resolution to designate the Second Sunday in October of 1991 as "National Children's Day";

S.J. Res. 151. Joint resolution to designate October 6, 1991, and October 6, 1992, as "German-American Day"; and

H.J. Res. 233. Joint resolution designating September 20, 1991, as "National POW/MIA Recognition Day", and authorizing display of the National League of Families POW/MIA flag.

The enrolled bill and joint resolutions were subsequently signed by the Vice President.

At 6:42 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, with an amendment; it insists upon its amendment to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ROSTENKOWSKI, Mr. DOWNEY, Mr. FORD of Tennessee, Mrs. KENNELLY, Mr. ANDREWS of Texas, Mr. ARCHER, Mr. VANDER JAGT, and Mr. SHAW as managers of the conference on the part of the Senate.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 972) to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. MILLER of California, Mr. RICHARDSON, and Mr. RHODES as managers of the conference on the part of the House

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2654. An act to require the clear and uniform disclosure by depository institutions of interest rates payable and fees assessable with respect to deposit accounts.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 23. Joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, and November 22, 1992, as "National Family Week."

The enrolled joint resolution was subsequently signed by the Vice President.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2370. An act to expand the boundaries of Stones River National Battlefield, Tennessee, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2654. An act to require the clear and uniform disclosure by depository institutions of interest rates payable and fees assessable with respect to deposit accounts; to the Committee on Banking, Housing, and Urban Affairs.

H.J. Res. 303. Joint resolution to designate October 1991 as "Crime Prevention Month"; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 199. A concurrent resolution commending the people of the Union of Soviet Socialist Republics and their democratically elected leaders for the continuing courage and commitment to freedom; to the Committee on Foreign Relations.

The following bill, received from the House of Representatives for concurrence on September 17, 1991, was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2967. An act to amend the Older Americans Act of 1965, to authorize appropriations for fiscal years 1992 through 1995; to authorize a 1993 National Conference on Aging; to amend the Native Americans Programs Act of 1974 to authorize appropriations for fiscal years 1992 through 1995; and for other purposes; to the Committee on Labor and Human Resources.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 25, 1991, he had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1106. An act to amend the Individuals with Disabilities Education Act to strengthen such act, and for other purposes;

S.J. Res. 126. Joint resolution to designate the Second Sunday in October of 1991 as "National Children's Day"; and

S.J. Res. 151. Joint resolution to designate October 6, 1991, and October 6, 1992, as "German-American Day."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1532. A bill to revise and extend the programs under the Abandoned Infants Assistance Act of 1988, and for other purposes (Rept. No. 102–161).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

John J. Easton, Jr., of Vermont, to be General Counsel of the Department of Energy.

(The above nomination was reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. EXON (for himself, Mr. BURDICK, Mr. DODD, and Mr. STEVENS):

S. 1750. A bill to amend title XIX of the Social Security Act to improve the provision and quality of services to individuals with mental retardation or related condition; to the Committee on Finance.

By Mr. ADAMS:

S. 1751. A bill to amend title III of the Public Health Service Act to provide for the establishment of a program regarding certain preventable cases of infertility, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself and Mr. MCCAIN):

S. 1752. A bill to provide for the development, enhancement, and recognition of Indian tribal courts; to the Select Committee on Indian Affairs.

By Mr. LIEBERMAN (for himself, Mr. DODD, Mr. CHAFEE, Mr. RUDMAN, Mr. SMITH, and Mr. PELL):

S. 1753. A bill to authorize the Small Business Administration to participate in the purchase of eligible securities issued by qualified commercial banks or qualified mutual savings banks; to the Committee on Small Business.

By Mr. SIMON (for himself and Mr. HATCH):

S. 1754. A bill to amend the United States Commission on Civil Rights Act of 1983 to reauthorize the Commission, and for other purposes; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DIXON:

S. Res. 184. A resolution to recommend that medical health insurance plans provide coverage for periodic mammography screening services; to the Committee on Labor and Human Resources.

By Mr. LUGAR:

S. Con. Res. 64. A concurrent resolution congratulating the Government and people of Greece, and the municipal government and people of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EXON (for himself, Mr. BURDICK, Mr. DODD, and Mr. STEVENS):

S. 1750. A bill to amend title XIX of the Social Security Act to improve the provision and quality of services to individuals with mental retardation or related condition; to the Committee on Finance.

MEDICAID COMMUNITY AND FACILITY HABILITATION SERVICES AMENDMENTS

Mr. EXON. Mr. President, I am joined today by my colleagues, Mr. BURDICK, Mr. DODD, and Mr. STEVENS in introducing legislation that will reform the Medicaid system with respect to payment for services for citizens with mental retardation and other developmental disabilities. It is the Medicaid Reform for Americans with Mental Retardation and Developmental Disabilities Act of 1991.

I have been concerned about this matter since my days as Governor of Nebraska. Many people have contacted me about this on both sides of this issue. I believe this legislation is a step toward compromise.

This legislation provides for community habilitation and supportive services as an optional, statewide service. This will allow us to assist individuals in acquiring, retaining and improving self-help, socialization and adaptive skills necessary to function successfully in a home or community-based setting and includes prevocational training education, supported employment, respite care, and other services as each State determines.

If your State is like the State of Nebraska, you have a waiting list for community-based services and institutional services as well. Currently, services for our citizens with mental retardation and other developmental disabilities are a have-or-have-not situation and this bill will help to alleviate that. This bill includes a quality assurance section for community programs and I have been told that this is an area which needs to be addressed.

The second part of this Medicaid Reform for Americans With Mental Retardation and Developmental Disabilities Act of 1991 concerns habilitation facilities, or large institutions for persons with mental retardation. Let me interject right here that many times I have visited Nebraska's State-operated institution, the Beatrice State Developmental Center, and have met many of the 467 residents and their families. From firsthand experience I can tell you that these sheltered residential facilities, where a completely trained staff is always available, are necessary for some persons with profound or severe retardation, the medically fragile, and those with severe behavior problems. We have a waiting list for this facility and several of those people are tube-fed.

This bill includes provisions to maintain these facilities and develops standards for admission, medical and dental services, recordkeeping, clients rights, licensing, life safety codes, and many other considerations, including an active treatment plan for each resident.

Community-based and habilitation facilities must develop individual programs which state specific objectives necessary to meet the individual needs. Each individual program plan shall be prepared by an appropriate interdisciplinary team and shall be periodically reviewed and revised by the team. Participation by the individual and parents is encouraged.

Families must be allowed to make decisions which are appropriate for them. Some persons are better served in large residential facilities, the majority are better served in community-based facilities or in their own homes. Appropriate services must be made available to all. The bill we are offering allows States to use their Medicaid money for both community-based and larger facilities.

Mr. President, I ask that following my remarks a copy of the bill be printed in the RECORD.

As I have stated before, I strongly support this measure which will go a long way toward solving the problem of inadequate services or the lack of services for Americans with mental retardation and other developmental disabilities.

I urge my colleagues to support this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Medicaid Community and Facility Habilitation Services Amendments of 1991".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—COMMUNITY HABILITATION AND SUPPORTIVE SERVICES

Sec. 101. Community habilitation and supportive services as optional, statewide service.
Sec. 102. Quality assurance for community habilitation and supportive services.
Sec. 103. Eliminating prior institutionalization requirement under waiver authority.
Sec. 104. Annual report.

TITLE II—QUALITY ASSURANCE FOR HABILITATION FACILITY SERVICES

Sec. 201. Requirements for habilitation facilities.
Sec. 202. Survey and certification process.
Sec. 203. Enforcement process.
Sec. 204. Effective dates.
Sec. 205. Annual report.

TITLE III—APPROPRIATE PLACEMENT FOR INDIVIDUALS WITH MENTAL RETARDATION OR RELATED CONDITION

Sec. 301. State preadmission screening and annual client review requirements.
Sec. 302. Revision of utilization review provisions.

TITLE IV—PAYMENT FOR COMMUNITY HABILITATION SERVICES AND HABILITATION FACILITY SERVICES

Sec. 401. Payment for community habilitation services.

TITLE V—EMPLOYEE PROTECTIONS AND MISCELLANEOUS

Sec. 501. Employee protections for closure and reductions in capacity.
Sec. 502. Use of State developmental disabilities agency in certain medicaid administrative functions.

TITLE I—COMMUNITY HABILITATION AND SUPPORTIVE SERVICES

SEC. 101. COMMUNITY HABILITATION AND SUPPORTIVE SERVICES AS OPTIONAL, STATEWIDE SERVICE.

(a) PROVISION AS OPTIONAL, STATEWIDE SERVICE.—Section 1905(a) of the Social Security Act, as amended by sections 4711(a) and 4712(a) of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 1396d(a)) is amended—

(1) by striking "and" at the end of paragraph (24),

(2) by redesignating paragraph (25) as paragraph (26), and

(3) by inserting after paragraph (24) the following newparagraph:

"(25) community habilitation and supportive services (as defined in section 1931(a)) for individuals with mental retardation or related conditions (as defined in subsection (q)) without regard to whether or not individuals who receive such services have been discharged from a nursing facility or habilitation facility; and".

(b) DEFINITION OF COMMUNITY HABILITATION AND SUPPORTIVE SERVICES.—Title XIX of such Act, as amended by sections 4401(a), 4711(b), and 4712(b) of the Omnibus Budget Reconciliation Act of 1990, is amended—

(1) by redesignating section 1931 as section 1933, and

(2) by inserting after section 1930 the following new section:

"COMMUNITY HABILITATION AND SUPPORTIVE SERVICES

"SEC. 1931. (a) COMMUNITY HABILITATION AND SUPPORTIVE SERVICES DEFINED.—In this title, the term 'community habilitation and supportive services'—

"(1) means services designed—

"(A) to assist individuals in acquiring, retaining, and improving self-help, socialization, and adaptive skills necessary to function successfully in a home or community-based setting,

"(B) to assist individuals in participating in community or other activities; and

"(2) includes (except as provided in paragraph (3)) such prevocational, education, supported employment, and other supportive services, including transportation, functional assistive technologies and devices, and respite care services, as the State determines to be necessary and effective in promoting the individual's capability to engage in major life activities with other individuals, including employment and participation in community activities; but

"(3) does not include—

"(A) special education and related services (as defined in paragraphs (16) and (17) of section 602 of the Education of the Handicapped Act (20 U.S.C. 1401 (16) and (17), respectively) which otherwise are available to the individual through a local educational agency, and

"(B) vocational rehabilitation services which otherwise are available to the individual through a program funded under section 110 of the Rehabilitation Act of 1973 (29 U.S.C. 730);

"(4) does not include room and board, consisting of nonpersonnel costs directly attributable to—

"(A) the purchase of food on behalf of clients,

"(B) the cost of property,

"(C) the purchase of household supplies not otherwise employed in the provision of covered services,

"(D) utility expenses, and

"(E) costs of facility maintenance, upkeep, and improvement, other than such costs for modifications or adaptations to a facility required to assure the health and safety of residents or to meet the requirements of the applicable life safety code, and

"(5) does not include payments made, directly or indirectly, to members of the family of the individual receiving such services.".

(c) INDIVIDUAL WITH MENTAL RETARDATION OR RELATED CONDITION DEFINED.—Section 1905 of such Act (42 U.S.C. 1396d) is amended by inserting after subsection (p) the following new subsection:

"(q) The term 'individual with mental retardation or related condition' means an individual with mental retardation or an individual who has a severe, chronic disability that—

"(1) is attributable—

"(A) to cerebral palsy or epilepsy,

"(B) to any other condition, other than mental illness, found to be closely related to mental retardation because such condition results in impairment of general intellectual functioning or adaptive behavior similar to that of mentally retarded persons, and requires treatment or services similar to those required for such persons;

"(2) is manifested before the person reaches age 22;

"(3) is likely to continue indefinitely; and

"(4) results in substantial functional limitations in 3 or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, and capacity for independent living.".

(d) CONFORMING AMENDMENTS.—

(1) Section 1905(d) of such Act (42 U.S.C. 1396d(d)) is amended—

(A) by striking "the mentally retarded or persons with related conditions" and inserting "individuals with mental retardation or related condition",

(B) by striking "mentally retarded individuals" in paragraph (1) and inserting "individuals with mental retardation", and

(C) by striking "the mentally retarded individual" in paragraph (2) and inserting "the individual with mental retardation or related condition".

(2) Section 1915(c) of such Act (42 U.S.C. 1395n(c)) is amended—

(A) in paragraph (4)(B), by striking "habilitation" and inserting "community habilitation and supportive", and

(B) by striking paragraph (5).

(3) Section 1919(e)(7)(G)(ii) of such Act (42 U.S.C. 1396r(e)(7)(G)(ii)) is amended by striking "mentally retarded or a person with a related condition (as described in section 1905(d))" and inserting "an individual with mental retardation or related condition".

(4) Section 1902(j) of such Act (42 U.S.C. 1396a(j)) (as amended by sections 4711(d) and 4755(c) of the Omnibus Budget Reconciliation Act of 1990)) is amended by striking "(21)" and inserting "(25)".

(5) Section 1902(a)(10)(C)(iv) of such Act (42 U.S.C. 1396a(a)(10)(C)(iv)) (as amended by section 4711(d)(2) of the Omnibus Budget Reconciliation Act) is amended by striking "through (21)" and inserting "through (25)".

(f) EFFECTIVE DATE.—The amendments made by this section apply to services furnished on or after January 1, 1992, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(g) NO ABROGATION OF FREEDOM OF CHOICE.—Nothing in this section shall be construed as abrogating the right of medicaid clients to freedom of choice, under section 1902(a)(23) of the Social Security Act, with respect to the providers from whom they can receive covered services.

SEC. 102. QUALITY ASSURANCE FOR COMMUNITY HABILITATION AND SUPPORTIVE SERVICES.

Section 1931 of the Social Security Act, as inserted by section 101(a) of this Act, is amended by adding at the end the following new subsections:

"(b) INDEPENDENCE, PRODUCTIVITY, AND INTEGRATION.—The objectives of community habilitation and supportive services are to expand opportunities for independence, productivity, and integration into the community for individuals with mental retardation and related conditions.

"(c) INDIVIDUAL SERVICE PLANS.—

"(1) REQUIREMENT.—Community habilitation and supportive services must be provided in accordance with an individual service plan (in this section referred to as an 'ISP') which states specific objectives necessary to meet some or all of the client's needs, as identified in the comprehensive functional assessment conducted under subsection (d). In addition, the ISP shall include a description of the medical care service needs of the client, as identified by the client's physician. Nothing in this paragraph shall be construed as requiring a State to make available medical assistance under this title for all types or elements of community habilitation and supportive services. If a State provides such medical assistance for some or all such types or elements and an ISP identifies such types or elements with respect to a client, the medical assistance shall be made available under this title for those types and elements for that client under the ISP.

"(2) PREPARATION.—Each ISP for a client shall be prepared, before the date community habilitation and supportive services are first provided to the client under this title, by an appropriate interdisciplinary team and shall be periodically reviewed and revised by such a team after each assessment under subsection (d).

"(3) REQUIRED PARTICIPATION IN DEVELOPMENT OF ISP.—In developing an ISP for a client, the team shall notify, and provide for and encourage the participation of, the client, the client's parents (if the client is a minor), and the client's legal guardian (if any).

"(4) PERMISSIVE PARTICIPATION OF PARENTS OF ADULT CLIENTS.—If a client is not a minor, a parent who is not a legal guardian of the client may participate in developing the ISP, unless the client has objected to the parent's participation.

"(5) AVAILABILITY.—A copy of each ISP must, consistent with the client's right to confidentiality described in section 1932(c)(1)(A)(iv), be made accessible to all relevant providers, including other providers who work with the client, and to the client's parents and legal guardian (if any).

"(d) COMPREHENSIVE FUNCTIONAL ASSESSMENT.—

"(1) REQUIREMENT.—The State must provide that each individual who receives community habilitation and supportive services under the State plan under this title must have had a comprehensive functional assessment and must have such an assessment periodically reviewed. Such an assessment and review must be conducted by an interdisciplinary team. Such an assessment and review must identify each client's developmental and behavioral management needs.

"(2) FREQUENCY.—

"(A) ASSESSMENTS.—Such an assessment must be conducted before the receipt of community habilitation and supportive services under this title.

"(B) REVIEWS.—A review of each such assessment shall be performed in no case less often than once every 12 months.

"(3) USE.—The results of such an assessment or review shall be used in developing, reviewing, and revising the client's ISP under subsection (c).

"(e) MINIMUM REQUIREMENTS FOR SERVICES.—Community habilitation and supportive services provided under this title must meet such requirements for clients' rights and quality, consistent with the objectives described in subsection (b), as are published or developed by the Secretary under subsection (i). Such requirements shall include—

"(1) minimum qualifications for personnel providing such services,

"(2) guidelines for such minimum compensation for personnel as will assure the availability and continuity of qualified personnel to provide such services for clients of various levels of impairment, and

"(3) a specification of clients' rights, including the rights described in clauses (i) through (iv), (vi), (vii), and (xi) of section 1932(c)(1)(A).

"(f) MINIMUM REQUIREMENTS FOR RESIDENTIAL SETTINGS.—

"(1) CLIENTS' RIGHTS AND ADMINISTRATION.—A residential setting in which one or more community habilitation or supportive services are provided must meet the requirements of—

"(A) section 1932(c)(1) (relating to clients' rights), and

"(B) section 1932(d) (relating to administration and other matters),

in the same manner as such requirements apply to habilitation facilities under such section; except that, in applying the requirement of section 1932(d)(2) (relating to life safety code), the Secretary shall provide for the application of such life safety requirements (if any) that are appropriate to the residential setting.

"(2) DISCLOSURE OF OWNERSHIP AND CONTROL INTERESTS AND EXCLUSION OF REPEATED VIOLATORS.—A residential setting—

"(A) must disclose persons with an ownership or control interest (including such persons as defined in section 1124(a)(3)) in the setting, and

"(B) may not have, as a person with an ownership or control interest in the setting, any individual or person who has been excluded from participation in the program under this title or who has had such an ownership or control interest in one or more residential settings which have been found repeatedly to have provided care of substandard quality in the setting.

"(3) CONTINUATION OF ACTIVE TREATMENT FOR CERTAIN CLIENTS UPON CONVERSION FROM A HABILITATION FACILITY.—If part or all of a facility converts from an habilitation facility to a residential setting, each client who was a resident of the portion of the facility so converted at the time of the conversion and who, under the client's individual program plan at such time, required continuous active treatment (as defined in section 1932(b)(2)(A)), the residential setting must continue to provide for (or arrange for the provision of) continuous active treatment (as so defined) so long as such client resides in the setting and continues to require such active treatment. Nothing in section 1902(a)(10)(B) shall be construed as requiring medical assistance made available under the previous sentence to be made available to individuals not described in such sentence.

"(4) DOCUMENTATION OF RECEIPT OF MEDICAL CARE SERVICES.—A residential setting must include, in the clinical records of each client, documentation of the provision of medical care services to the client. Nothing in this paragraph shall be construed as requiring a State to make available medical assistance under this title for all types or elements of medicare care services for such clients.

"(g) SURVEY AND CERTIFICATION PROCESS.—

"(1) RESPONSIBILITIES OF THE STATE.—

"(A) IN GENERAL.—Subject to paragraph (2), under each State plan under this title, the State shall be responsible for certifying the compliance of providers of community habilitation and supportive services, and of residential settings in which such services are provided, with the requirements of subsections (e) and (f).

"(B) EDUCATIONAL PROGRAM.—Each State shall conduct periodic educational programs for the staff and clients in residential settings in which community habilitation and supportive services are provided, and the parents (if the client is a minor) and legal guardians (if any) of such clients, in order to present current regulations, procedures, and policies under this section.

"(C) INVESTIGATION OF ALLEGATIONS OF CLIENT NEGLECT AND ABUSE AND MISAPPROPRIATION OF CLIENT PROPERTY.—The State shall provide, through the agency responsible for surveys and certification of providers of community habilitation and supportive services and residential settings under this subsection, for a process for the receipt, review, and investigation of allegations of client neglect and abuse (including injuries of unknown source) by personnel providing such services and of misappropriation of client property by such personnel. Such process shall provide for documentation of findings relating to such allegations with respect to an individual, for inclusion of any brief statement of the individual disputing such findings, and for inclusion, in any disclosure of such findings, of such brief statement (or of a clear and accurate summary thereof). The findings relating to such allegations shall be made available, on request, to the State protection and advocacy system established under part C of the Developmental Disabilities Assistance and Bill of Rights Act and to other appropriate agency or agencies with whom a client, parent, or guardian may file a complaint respecting client abuse and neglect and misappropriation of client property.

"(D) CONSTRUCTION.—The failure of the Secretary to issue regulations to carry out this subsection shall not relieve a State of its responsibility under this subsection.

"(2) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall be responsible for certifying the compliance of State providers of community habilitation and supportive services, and of State residential settings in which such services are provided, with the requirements of subsections (e) and (f).

"(3) FREQUENCY OF CERTIFICATIONS.—Certification of providers and settings under this subsection shall occur no less frequently than once every 12 months.

"(4) SURVEYS AND REVIEWS.—

"(A) SURVEYS OF RESIDENTIAL SETTINGS.—The certification under this subsection with respect to a setting must be based on a survey. Such survey for a residential setting must be conducted without prior notice to the setting. Any individual who notifies (or causes to be notified) a residential setting of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a). The Secretary shall review each State's procedures for scheduling and conduct such surveys to assure that the State has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

"(B) SURVEY PROTOCOL.—Surveys under this paragraph shall be conducted upon a protocol which the Secretary has provided for under subsection (i).

"(C) PROHIBITION OF CONFLICT OF INTEREST IN SURVEY TEAM MEMBERSHIP.—A State and the Secretary may not use as a member of a survey team under this paragraph an individual who is serving (or has served within the previous 2 years) as a member of the staff of, or as a consultant to, the provider or residential setting being surveyed (or the person responsible for such setting) respecting compliance with the requirements of subsections (e) and (f) or who has a personal or familial financial interest in the provider or setting being surveyed.

"(D) TRAINING REQUIRED.—No individual shall serve on or after January 1, 1994, as a member of a survey team under this paragraph or paragraph (5) unless the individual has successfully completed a training and testing program in survey and certification techniques that has been approved by the Secretary under subsection (i)(3).

"(E) REVIEWS OF PROVIDERS.—The certification under this subsection with respect to a provider (other than with respect to a residential setting) must be based on a periodic review of the provider's performance.

"(5) VALIDATION SURVEYS AND REVIEWS.—

"(A) IN GENERAL.—The Secretary shall conduct onsite surveys of a representative sample of residential settings in each State, within 2 months of the date of surveys conducted under paragraph (4) by the State, in a sufficient number to allow inferences about the adequacy of each State's surveys conducted under paragraph (4). In conducting such surveys, the Secretary shall use the same survey protocols as the State is required to use under paragraph (4). If the State has determined that an individual setting meets the requirements of subsection (e) and (f), but the Secretary determines that the setting does not meet such requirements, the Secretary's determination as to the setting's noncompliance with such requirements is binding and supersedes that of the State survey.

"(B) SPECIAL SURVEYS AND REVIEWS OF COMPLIANCE.—Where the Secretary has reason to question the compliance of a provider or setting with any of the requirements of subsections (e) and (f), the Secretary may conduct a survey of the setting or a review of the provider and, on the basis of that survey or review, make independent and binding determinations concerning the extent to which the setting or provider meets such requirements.

"(6) INVESTIGATION OF COMPLAINTS AND MONITORING HABILITATION FACILITY COMPLIANCE.—Each State and the Secretary shall maintain procedures and adequate staff to investigate complaints of violations of requirements by providers of community habilitation and supportive services or by residential settings in which such services are provided.

"(7) DISCLOSURE OF RESULTS OF INSPECTIONS AND ACTIVITIES.—

"(A) PUBLIC INFORMATION.—Each State, and the Secretary, shall make available to the public—

"(i) information respecting all surveys, reviews, and certifications made under this subsection respecting providers and settings, including statements of deficiencies and plans of correction,

"(ii) copies of cost reports (if any) of such providers and settings filed under this title,

"(iii) copies of statements of ownership under section 1124, and

"(iv) information disclosed under section 1126.

"(B) NOTICE TO PROTECTION AND ADVOCACY SYSTEM.—Each State shall notify the agency responsible for the protection and advocacy system for developmentally disabled individuals established under part C of the Developmental Disabilities Assistance and Bill of Rights Act of the State's findings of noncompliance with any of the requirements of subsections (e) and (f) with respect to a provider or setting in the State.

"(C) NOTICE TO FAMILY.—If a State finds that a provider or setting has provided services of substandard quality, the State shall notify the parent (if the client is a minor), or legal guardian (if any) of each client with respect to which such finding is made.

"(D) ACCESS TO FRAUD CONTROL UNITS.—Each State shall provide its State medicaid fraud and abuse control unit (established under section 1903(q)) with access to all information of the State agency responsible for surveys, reviews, and certifications under this subsection.

"(h) ENFORCEMENT PROCESS.—

"(1) IN GENERAL.—If a State finds, on the basis of a survey or review under subsection (f)(2) or otherwise, that a provider of community habilitation and supportive services or a residential setting in which such services are provided no longer meets the requirements of this section, and further finds that the provider's or setting's deficiencies—

"(A) immediately jeopardize the health or safety of its clients, the State shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(A)(iii), or terminate the provider's or setting's participation under the State plan and may provide, in addition, for one or more of the other remedies described in paragraph (2); or

"(B) do not immediately jeopardize the health or safety of its clients, the State may—

"(i) terminate the provider's or setting's participation under the State plan,

"(ii) provide for one or more of the remedies described in paragraph (2), or

"(iii) do both;

but in any case in which the Secretary has not provided for a civil money penalty under paragraph (3)(C)(i), the State shall provide for a civil money penalty under paragraph (2)(A)(i) for each day in which the State finds that the provider or setting was not in compliance with such requirements. Nothing in this paragraph shall be construed as restricting the remedies available to a State to remedy a provider's or setting's deficiencies. If the State finds that a provider or setting meets such requirements but, as of a previous period, did not meet such requirements, the State shall provide for a civil money penalty under subparagraph (C)(ii) for the days on which it finds that the provider or setting was not in compliance with such requirements.

"(2) SPECIFIED REMEDIES.—

"(A) LISTING.—Except as provided in subparagraph (B)(ii), each State shall establish by law (whether statute or regulation) at least the following remedies:

"(i) Denial of payment under the State plan with respect to any individual admitted to a residential setting involved after such notice to the public and to the setting as may be provided for by the State.

"(ii) A civil money penalty assessed and collected, with interest, for each day in which the provider or setting is or was out of compliance with a requirement of this section. Funds collected by a State as a result of imposition of such a penalty (or as a result of the imposition by the State of a civil money penalty for activities described in subsection (g)(4)(A)) shall be applied to the protection of the health or property of clients of providers of community habilitation and supportive services that the State or the

Secretary finds deficient, including payment for the costs of relocation of clients, maintenance of operation of a provider pending correction of deficiencies or closure, and reimbursement of clients for personal funds lost.

"(iii) The appointment of temporary management to oversee the operation of a residential setting and to assure the health and safety of the setting's clients, where there is a need for temporary management while—

"(I) there is an orderly closure of the setting, or

"(II) improvements are made in order to bring the setting into compliance with all the requirements of this section.

The temporary management under this clause shall not be terminated under subclause (II) until the State has determined that the setting has the management capability to ensure continued compliance with all the requirements of this section.

"(iv) The authority, in the case of an emergency, to close a residential setting, to transfer clients in that setting to other settings, or both.

The State also shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies. In addition, the State may provide for other specified remedies. No facility (public or private) providing medical assistance under this title for mentally retarded clients shall be subject to reduction or closure plans, other than for confirmed violations of approved standards, without prior review of such plans in a public hearing, conducted at least 6 months in advance of the submission of such plans, wherein full opportunity has been provided for staff, clients, parents, guardians, duly authorized representatives, and members of the public to express their views.

"(B) CLOSURE.—In the event that closure of a facility is determined, the State should provide advance notice of the proposed closure (90 days) to the staff, residents, their guardians, families, and duly authorized representatives. The State should assure that all residents being transferred are, in fact, being transferred or moved to a facility that is able to provide the required services and care. The facility should not be closed until all residents have been properly and satisfactorily located.

"(C) TRANSFER.—A facility may not transfer or discharge a client following prescribed procedures including advance notice to parents, guardians, or duly authorized representatives, until satisfactory arrangements have been made with the receiving facility and assurances have been obtained to the effect that the receiving facility is fully capable of providing the required care and services. In the event that the facility to which the client is transferred is unable to provide the required care and services, the client is to be returned to the transferring facility and retained at such facility until a satisfactory transfer is arranged.

"(D) DEADLINE AND GUIDANCE.—As a condition for approval of a State plan for calendar quarters beginning on or after January 1, 1992, each State shall establish the remedies described in clauses (i) through (iv) of subparagraph (A) by not later than January 1, 1992. The Secretary shall provide, through regulations or otherwise by not later than July 1, 1991, guidance to States in establishing such remedies; but the failure of the Secretary to provide such guidance shall not relieve a State of the responsibility for establishing such remedies.

"(E) ASSURING PROMPT COMPLIANCE.—If a residential setting has not complied with any of the requirements of this section within 3 months after the date the setting is found to be out of compliance with such requirements, the State shall impose the remedy described in subparagraph (A)(i) for all individuals who are admitted to the setting after such date.

"(F) FUNDING.—The reasonable expenditures of a State to provide for temporary management and other expenses associated with implementing the remedies described in clauses (iii) and (iv) of subparagraph (A) shall be considered, for purposes of section 1903(a)(7), to be necessary for the proper and efficient administration of the State plan.

"(3) SECRETARIAL AUTHORITY.—

"(A) FOR STATE PROVIDERS AND SETTINGS.—With respect to a State provider of community habilitation and supportive services and a State residential setting in which such services are provided, the Secretary shall have the authority and duties of a State under this subsection, including the authority to impose remedy described in clauses (i) and (ii) of paragraph (2)(A), except that the remedy described in subparagraph (C)(i) shall be substituted for the remedy described in paragraph (2)(A)(ii).

"(B) OTHER PROVIDERS AND SETTINGS.—With respect to any other provider of community habilitation and supportive services and any other residential setting in which such services are provided in a State, if the Secretary finds that a provider or setting no longer meets a requirement of this section and further finds that the provider's or setting's deficiencies—

"(i) immediately jeopardize the health or safety of its clients, the Secretary shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in subparagraph (C)(ii), or terminate the provider's or setting's participation under the State plan and may provide, in addition, for one or more of the other remedies described in subparagraph (C); or

"(ii) do not immediately jeopardize the health or safety of its clients, the Secretary may impose any of the remedies described in subparagraph (C);

but in any case the Secretary shall provide for a civil money penalty under paragraph (2)(A)(i) for each day in which the Secretary finds that the provider or setting was not in compliance with such requirements. Nothing in this subparagraph shall be construed as restricting the remedies available to the Secretary to remedy a provider's or setting's deficiencies. If the Secretary finds that a provider or setting meets such requirements but, as of a previous period, did not meet such requirements, the Secretary shall provide for a civil money penalty under subparagraph (C)(i) for the days on which the Secretary finds that the provider or setting was not in compliance with such requirements.

"(C) SPECIFIED REMEDIES.—If the Secretary finds that a provider or setting has not met an applicable requirement:

"(i) AUTHORITY WITH RESPECT TO CIVIL MONEY PENALTIES.—The Secretary shall impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(ii) APPOINTMENT OF TEMPORARY MANAGEMENT.—In consultation with the State, the Secretary may appoint temporary management to oversee the operation of a residential setting and to assure the health and safety of the setting's clients, where there is a need for temporary management while—

"(I) there is an orderly closure of the setting, or

"(II) improvements are made in order to bring the setting into compliance with all the requirements of this section.

The temporary management under this clause shall not be terminated under subclause (II) until the Secretary has determined that the setting has the management capability to ensure continued compliance with all the requirements of this section. The Secretary shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies.

"(4) EFFECTIVE PERIOD OF DENIAL OF PAYMENT.—A finding to deny payment under this subsection shall terminate when the State or Secretary (or both, as the case may be) finds that the provider or setting is in compliance with all the requirements of this section.

"(i) SECRETARIAL RESPONSIBILITIES.—

"(1) PUBLICATION OF INTERIM REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall publish, by January 1, 1992, an interim regulation that sets forth interim requirements, consistent with subparagraph (B), for the provision of community habilitation and supportive services, including—

"(i) the requirements of subsection (b) (relating to objectives), of subsection (c) (relating to ISP's), of subsection (d) (relating to comprehensive functional assessments), and of subsection (f) (relating to residential settings), and

"(ii) survey protocols (for use under subsection (g)) which relate to such requirements.

"(B) MINIMUM PROTECTIONS.—Interim requirements under subparagraph (A) and final requirements under paragraph (2) shall assure, through methods other than reliance on State licensing processes, that—

"(i) individuals receiving community habilitation and supportive services are protected from neglect, physical and sexual abuse, and financial exploitation;

"(ii) individuals or entities delivering such services are not unjustly enriched as a result of abusive financial arrangements (such as owner lease-backs); and

"(iii) individuals or entities delivering such services to clients, or relatives of such individuals, are prohibited from being named beneficiaries of life insurance policies purchased by (or on behalf of) such clients.

"(2) DEVELOPMENT OF FINAL REQUIREMENTS.—The Secretary shall develop, by not later than October 1, 1993—

"(A) final requirements, consistent with paragraph (1)(B), respecting the provision of appropriate, quality community habilitation and supportive services under this title, and including at least the requirements referred to in paragraph (1)(A)(i), and

"(B) survey protocols and methods for evaluating and assuring the quality of such services.

The Secretary may, from time to time, revise such requirements, protocols, and methods.

"(3) APPROVAL OF TRAINING PROGRAMS.—The Secretary shall provide, by not later than October 1, 1992, for the approval of comprehensive training programs of State and Federal surveyors in the conduct of surveys under paragraphs (4) and (5) of subsection (g).

"(4) NO DELEGATION TO STATES.—The Secretary's authority under this subsection shall not be delegated to States.

"(5) NO PREVENTION OF MORE STRINGENT REQUIREMENTS BY STATES.—Nothing in this section shall be construed as preventing States from imposing requirements that are more stringent than the requirements published or developed by the Secretary under this subsection.

"(j) DENIAL OF PAYMENT FOR SUBSTANDARD SERVICES.—In order for payments to be made to a State under section 1903(a) for community habilitation and supportive services furnished on and after January 1, 1994, including such services furnished under section 1915(c) or 1905(a)(25)—

"(1) the State must apply the protocols and methods developed under subsection (i)(2) to such services, and

"(2) the State must provide that payment will not be made for such services if such protocols and methods indicate that such services are substandard.

"(k) NONDUPLICATION OF PAYMENTS.—Payments made to a habilitation facility for providing community habilitation or supportive services shall not include payment for any services for which payment is otherwise made under this title to such facility.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to community habilitation and supportive services furnished on or after January 1, 1992.

(c) WAIVER OF PAPERWORK REDUCTION, ETC.—Chapter 35 of title 44, United States Code, and Executive Order 12291 shall not apply to information and regulations required for purposes of carrying out this title and implementing the amendments made by this title.

SEC. 103. ELIMINATING PRIOR INSTITUTIONALIZATION REQUIREMENT UNDER WAIVER AUTHORITY.

(a) IN GENERAL.—Section 1915(c)(5) of the Social Security Act (42 U.S.C. 1396n(c)(5)) is amended by striking ", with respect to" and all that follows through "retarded".

(b) STATEMENT OF PURPOSE.—The purpose of this section is to provide that all mentally retarded persons, as defined in this Act, shall receive all rights, benefits, standards, protections, and enforcements, relative to community habilitative and supportive services on a nondiscriminatory basis, without regard to present or past association by the client with any public or private institution, skilled nursing facility, intermediate care facility, or intermediate care facility for the mentally retarded; or with any present or past receipt of "waiver" services provided under the terms of section 1915(c) of the Social Security Act.

(c) EFFECTIVE DATE.—The amendment made by this section with respect to waivers approved or renewed on or after the date of the enactment of this Act, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

SEC. 104. ANNUAL REPORT.

The Secretary of Health and Human Services shall report to the Congress annually on the extent to which providers of community habilitation and supportive services and residential settings in which such services are provided are complying with the requirements of subsections (e) and (f) of section 1931 of the Social Security Act (as inserted by the amendments made by this title) and the number and type of enforcement actions taken by States and the Secretary under section 1931(h) of such Act (as inserted by this title).

TITLE II—QUALITY ASSURANCE FOR HABILITATION FACILITY SERVICES

SEC. 201. REQUIREMENTS FOR HABILITATION FACILITIES.

(a) SPECIFICATION OF FACILITY REQUIREMENTS.—Title XIX of the Social Security Act as amended by section 101(b) of this Act, is further amended by inserting after section 1931 the following new section:

"REQUIREMENTS FOR HABILITATION FACILITIES

"SEC. 1932. (a) HABILITATION FACILITY DEFINED.—In this title, the term 'habilitation facility' means an institution (or a distinct part of an institution) which—

"(1) is primarily engaged in providing to clients health or habilitation services to individuals with mental retardation or related condition, and is not primarily for the care and treatment of mental diseases; and

"(2) meets the requirements for an habilitation facility described in subsections (b), (c), and (d) of this section.

In this section, the term 'client' means an individual with mental retardation or a related condition.

"(b) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—

"(1) QUALITY OF LIFE.—An habilitation facility must care for its clients in such a manner and in such an environment as will promote maintenance or enhancement of the quality of life, independence, productivity, and integration into the community of each client.

"(2) SCOPE OF SERVICES AND ACTIVITIES UNDER INDIVIDUAL PROGRAM PLAN.—

"(A) IN GENERAL.—An habilitation facility must provide each client, in accordance with an individual program plan, with continuous active treatment (as defined in subparagraph (B)) which is coordinated and monitored by a qualified mental retardation professional.

"(B) ACTIVE TREATMENT DEFINED.—In this section, the term 'active treatment' means services directed towards—

"(i) the acquisition of behaviors and skills necessary for the client to function with as much self determination, independence, productivity, and integration as possible, and

"(ii) the prevention or deceleration of regression or loss of current optimal functional status.

Such term does not include services to maintain generally independent clients who are able to function with little supervision or in the absence of a continuous active treatment program.

"(3) INDIVIDUAL PROGRAM PLAN.—

"(A) DEVELOPMENT OF IPPS.—

"(i) IN GENERAL.—An habilitation facility must develop (or provide for the development of), not later than 30 days after the date of admission of each client, an individual program plan (in this section referred to as an 'IPP') which states specific objectives necessary to meet the client's needs, as identified in the comprehensive functional assessment conducted under paragraph (4).

"(ii) PREPARATION BY AN INTERDISCIPLINARY TEAM.—Each IPP shall be prepared by an appropriate interdisciplinary team and shall be periodically reviewed and revised by such a team after each assessment under paragraph (4). Such team shall include, in the case of a client who has a seizure disorder, a professional with expertise in the diagnosis and treatment of seizure disorders. Such team shall include, in the case of an IPP which provides for physical or chemical restraints, a person who has expertise in positive behavioral interventions.

"(iii) REQUIRED PARTICIPATION IN DEVELOPMENT OF IPP.—In developing an IPP for a client, the facility shall notify, and provide for and encourage the participation of, the client, the client's parents (if the client is a minor), and the client's legal guardian (if any).

"(iv) PERMISSIVE PARTICIPATION OF PARENTS OF ADULT CLIENTS.—If the client is not a minor, a parent who is not a legal guardian of the client may participate in developing the IPP unless the client has objected to the parent's participation.

"(B) AVAILABILITY.—A copy of each IPP must, consistent with subsection (c)(1)(A)(iv), be made accessible to all relevant staff, including staffs of other agencies who work with the client, and to the client's parents and legal guardian (if any).

"(C) MEDICAL CARE PLAN.—The IPP shall include a formalized plan for the provision of physician, licensed nursing care, and related medical care services if the client's physician determines that the client requires such a plan.

"(4) COMPREHENSIVE FUNCTIONAL ASSESSMENT.—

"(A) REQUIREMENT.—An habilitation facility must provide for comprehensive functional assessments, and review of such assessments, of each client by an interdisciplinary team. Such an assessment and review must identify each client's developmental and behavioral management needs.

"(B) FREQUENCY.—

"(i) ASSESSMENTS.—Such an assessment must be conducted promptly upon (but no later than 30 days after the date of) admission for each individual admitted on or after January 1, 1993, and by not later than January 1, 1994, for each client of the facility on that date.

"(ii) REVIEWS.—A review of each such assessment shall be performed in no case less often than once every 12 months.

"(C) USE.—The results of such an assessment or review shall be used in developing, reviewing, and revising the client's IPP under paragraph (3).

"(D) REQUIREMENTS RELATING TO PREADMISSION SCREENING FOR INDIVIDUALS WITH MENTAL RETARDATION OR RELATED CONDITION.—An habilitation facility must not admit, on or after January 1, 1993, any new client who is an individual with mental retardation or related condition (as defined in section 1905(q)) unless the State mental retardation or developmental disability authority has determined prior to admission, based on an independent evaluation performed by a person or entity other than the facility, that the individual requires the level of services provided by an habilitation facility.

"(5) PROVISION OF SERVICES AND ACTIVITIES.—

"(A) IN GENERAL.—To the extent needed to fulfill all IPPs described in paragraph (3), an habilitation facility must provide (or arrange for the provision of)—

"(i) physician services 24 hours a day;

"(ii) annual physical examinations (including vision and hearing examination, routine immunizations and tuberculosis control, and routine laboratory examinations);

"(iii) licensed nursing services sufficient to meet health needs of clients;

"(iv) comprehensive dental diagnostic services, including—

"(I) a complete extraoral and intraoral examination, not later than one month after the date of admission to the facility (unless such an examination was completed within 12 months before admission), and

"(II) periodic examination and diagnosis performed at least annually;

"(v) comprehensive dental treatment services, including—

"(I) provision of emergency dental treatment on a 24-hour-a-day basis by a licensed dentist, and

"(II) dental care needed for relief of pain and infections, restoration of teeth, and maintenance of dental health;

"(vi) routine and emergency drugs and biologicals for clients and procedures that assure the accurate acquiring, receiving, dispensing, and administering of all drugs and biologicals;

"(vii) professional program services needed to implement the active treatment plan defined in each client's IPP; and

"(viii) meal services, including at least 3 meals daily, and food and nutrition services that assure that the meals meet the daily nutritional and special dietary needs of each client.

The services provided or arranged by the facility must meet professional standards of quality. The facility may, to the extent permitted by State law, utilize physician assistants and nurse practitioners to provide services described in clauses (i) and (ii).

"(B) QUALIFIED PERSONS PROVIDING SERVICES.—Services described in subparagraph (A) must be provided by qualified persons in accordance with each client's IPP.

"(C) FACILITY STAFFING.—

"(i) IN GENERAL.—An habilitation facility must have, or arrange for the provision of, sufficient direct care staff to meet the needs of clients at the facility.

"(ii) NO DEPENDENCE ON VOLUNTEERS.—An habilitation facility may not use a client or volunteer to meet the requirements of this subparagraph.

"(iii) NO USE OF CERTAIN INDIVIDUALS.—An habilitation facility may not use individuals in the facility who have been convicted of child or client abuse, neglect, or mistreatment. The facility must take all reasonable steps to determine whether applicants for employment at the facility have histories indicating involvement in child or client abuse, neglect, or mistreatment and, if an applicant has such a history, not to use the applicant in the facility.

"(6) PHYSICIAN SUPERVISION.—An habilitation facility must—

"(A) require that the health care of every client be provided under the supervision of a physician; and

"(B) provide for having a physician available to furnish necessary medical care in case of emergency.

"(7) RECORDS.—An habilitation facility must maintain records on all clients, and such records shall include clinical records, IPPs (described in paragraph (3)), and the clients' comprehensive functional assessments (described in paragraph (4)), as well as the findings of any preadmission screen.

"(c) REQUIREMENTS RELATING TO CLIENTS' RIGHTS.—

"(1) GENERAL RIGHTS.—

"(A) SPECIFIED RIGHTS.—An habilitation facility must protect and promote the rights of each client, including each of the following rights:

"(i) FREE FROM ABUSE.—The right to be free from physical, verbal, sexual, or psychological abuse, corporal or psychological punishment, aversive stimuli, and involuntary seclusion.

"(ii) FREE FROM RESTRAINTS.—The right to be free from any physical or chemical restraints imposed for purposes of discipline or convenience of the staff or as a substitute for active treatment and not required to treat the client's medical symptoms. Restraints may only be imposed, in accordance with written policies and procedures as an integral part of the IPP to manage inappropriate client behavior, but only upon a recent showing, in the client's record, that less intrusive or more positive techniques have been tried, used appropriately, and proved unsuccessful.

"(iii) PRIVACY.—The right to privacy with regard to accommodations, medical treatment, written and telephonic communications, visits, and meetings of family and friends and of client groups.

"(iv) CONFIDENTIALITY.—The right to confidentiality of personal and clinical records.

"(v) ACCOMMODATION OF NEEDS.—The right—

"(I) to reside and receive services with reasonable accommodations of individual needs and preferences (including the right to retain and use personal possessions and clothing), except where the health or safety of the individual or other clients would be endangered, and

"(II) to receive adequate notice and explanation of the reasons therefor before the room or roommate of the client in the facility is changed and, other than in extraordinary circumstances, to disapprove such a change.

"(vi) DIGNITY.—The right to be treated with dignity in a manner consistent with the client's chronological age.

"(vii) GRIEVANCES.—The right to voice grievances with respect to treatment or care that is (or fails to be) furnished, without discrimination or reprisal (or threat of discrimination or reprisal) for voicing the grievances and the right to prompt efforts by the facility to resolve grievances the client may have, including those with respect to the behavior of other clients.

"(viii) PARTICIPATION IN CLIENT AND FAMILY GROUPS.—The right of the client to organize and participate in client groups in the facility and the right of the client's family to meet in the facility with the families of other clients in the facility. Nothing in this clause shall be construed as requiring a facility to provide for a room specifically designed to accommodate meetings under this clause.

"(ix) PARTICIPATION IN OTHER ACTIVITIES.—The right of the client to participate in social, religious, and community activities that do not interfere with the rights of other clients in the facility.

"(x) EXAMINATION OF SURVEY RESULTS.—The right to examine, upon reasonable request, the results of the most recent survey of the facility conducted by the Secretary or a State with respect to the facility and any plan of correction in effect with respect to the facility.

"(xi) FREE CHOICE WITH RESPECT TO MEDICAL CARE AND TREATMENT.—The right to choose a personal attending physician and to choose a qualified mental retardation professional or case manager, to be fully informed in advance about care and treatment, to be fully informed in advance of any changes in care or treatment that may affect the client's well-being, and to participate in planning care and treatment or changes in such care and treatment.

"(xii) VOLUNTARY SERVICES.—The right not to be compelled to perform services for the facility and, if the client chooses to perform such services, to be compensated for such services at prevailing wages commensurate with the client's productivity.

"(xiii) OTHER RIGHTS.—Any other right established by the Secretary.

Clause (v) shall not be construed as requiring the provision of a private room.

"(B) NOTICE OF RIGHTS.—A habilitation facility must—

"(i) inform each client, parent (if the client is a minor), or legal guardian (if any), orally and in writing at the time of admission to the facility, of the client's legal rights during the stay at the facility; and

"(ii) make available to each client, parent (if the client is a minor), or legal guardian (if any), upon reasonable request, a written statement of such rights (which statement is updated upon changes in such rights).

The written description of legal rights under this subparagraph shall include a description of the protection of personal funds under paragraph (6) and the mailing address, contact person, and telephone number of the State protection and advocacy system (established under part C of the Developmental Disabilities Assistance and Bill of Rights Act) or other appropriate agency with whom the client, parent, or guardian may file a complaint respecting client abuse and neglect and misappropriation of client property in the facility.

"(C) RIGHTS OF INCOMPETENT CLIENTS.—In the case of a client adjudged incompetent under the laws of a State, the rights of the client under this title shall devolve upon, and, to the extent judged necessary by a court of competent jurisdiction, be exercised by, a person appointed under State law to act on the client's behalf. For purposes of the previous sentence, the term 'person' includes an organization which is independent of a facility.

"(D) USE OF PSYCHOPHARMACOLOGIC DRUGS.—Psychopharmacologic drugs may be administered only on the orders of a physician and only as an integral part of a plan (included in the IPP) designed to eliminate or modify the symptoms or behaviors for which the drugs are prescribed and only if, at least annually, an independent, external consultant trained in the administration and interaction of psychopharmacologic drugs reviews the appropriateness of the drug plan of each client receiving such drugs.

"(2) TRANSFER AND DISCHARGE RIGHTS.—

"(A) IN GENERAL.—A habilitation facility must permit each client to remain in the facility and must not transfer or discharge the client from the facility unless—

"(i) the transfer or discharge is necessary to meet the client's welfare and the client's welfare cannot be met in the facility in the opinion of a qualified case manager, operating independently of the interests of any service provider;

"(ii) the transfer or discharge is appropriate because the client no longer requires continuous active treatment;

"(iii) the safety of individuals in the facility is endangered;

"(iv) the health of individuals in the facility would otherwise be endangered; or

"(v) the facility ceases to operate or the transfer or discharge is pursuant to a court order or under a reduction plan approved by the Secretary under subsection (i).

In each of the cases described in clauses (i) through (iv), the basis for the transfer or discharge must be documented in the client's clinical record. In the cases described in clauses (i) and (ii), the documentation must be made by a qualified mental retardation professional, with the concurrence of the Interdisciplinary Team and in the cases described in clause (iv) the documentation must be made by a physician. A facility may not transfer or discharge a client under clause (i) or (ii) unless the service needs of the client recommended under subparagraph (C)(ii) will be met in the client's new living environment. A facility may not transfer or discharge a client under clause (iii) or (iv) unless adequate arrangements have been made for an alternative placement.

"(B) PRETRANSFER AND PREDISCHARGE NOTICE.—

"(i) IN GENERAL.—Before effecting a transfer or discharge of a client (including such a transfer or discharge under a reduction plan under subsection (i)), a habilitation facility must—

"(I) notify the client, parent (if the client is a minor), or legal guardian (if any) of the transfer or discharge and the reasons therefor,

"(II) record the reasons in the client's clinical record (including any documentation required under subparagraph (A)), and

"(III) include in the notice the items described in clause (iii).

"(ii) TIMING OF NOTICE.—The notice under clause (i)(I) must be made at least 60 days in advance of the client's transfer or discharge except—

"(I) in a case described in clause (iii) or (iv) of subparagraph (A);

"(II) in a case described in clause (i) of subparagraph (A), where a more immediate transfer or discharge is necessitated by the client's urgent medical needs; or

"(III) in a case where a client has not resided in the facility for 60 days.

In the case of such exceptions, notice must be given as many days before the date of the transfer or discharge as is practicable.

"(iii) ITEMS INCLUDED IN NOTICE.—Each notice under clause (i) must include—

"(I) for transfers or discharges effected on or after January 1, 1993, notice of the client's right to appeal the transfer or discharge under the State process established under subsection (e)(5)(B); and

"(II) in the case of clients with developmental disabilities, the mailing address, contact person, and telephone number of the agency responsible for the protection and advocacy system for developmentally disabled individuals established under part C of the Developmental Disabilities Assistance and Bill of Rights Act.

"(C) SUMMARY, POST-DISCHARGE PLAN, AND ORIENTATION.—If a client is to be either transferred or discharged (including such a transfer or discharge under a reduction plan under subsection (i)), the facility must—

"(i) provide a final summary of the client's developmental, behavioral, social, health, and nutritional status and skills at the time for the discharge that is available for release to authorized persons and agencies, with the consent of the client, parent (if the client is a minor), or legal guardian (if any),

"(ii) provide recommendations relating to the service needs of the client in the client's new living environment; and

"(iii) provide the client with sufficient preparation and orientation (taking into account the client's length of stay at the facility) to ensure safe and orderly transfer or discharge from the facility.

"(3) ACCESS AND VISITATION RIGHTS.—A habilitation facility must—

"(A) permit immediate access to any client by any representative of the Secretary, by any representative of the State, by the protection and advocacy system described in paragraph (2)(B)(iii)(II), or by the client's physician or qualified mental retardation professional;

"(B) permit immediate access to a client, subject to the client's right to deny or withdraw consent at any time, by immediate family or other relatives of the client;

"(C) permit immediate access to a client, subject to reasonable restrictions and the client's right to deny or withdraw consent at any time, by others who are visiting with the consent of the client;

"(D) permit reasonable access to a client by any other entity or individual that provides health, social, legal, or other services to the client or that is a friend of the client, subject to the right of the client, parent (if the client is a minor), or legal guardian (if any) to deny or withdraw consent at any time;

"(E) permit representatives of the State protection and advocacy system (described in paragraph (2)(B)(iii)(II)), with the permission of the client, parent (if the client is a minor), or legal guardian (if any) and consistent with State law, to examine a client's records; and

"(F) permit representatives of such State protection and advocacy system to have access to any client and to examine the client's records, in the case of any client—

"(i) who, by reason of the client's mental or physical condition, is unable to authorize such examination,

"(ii) who does not have a legal guardian, conservator, or other legal representative, or for whom the legal guardian is the State, and

"(iii) with respect to whom a complaint has been received by such system or with respect to whom there is probable cause to believe that such client has been subject to abuse and neglect.

"(4) EQUAL ACCESS TO QUALITY CARE.—An habilitation facility must establish and maintain identical policies and practices regarding the admission, transfer, and discharge of, and the provision of services required under the State plan for, all individuals regardless of source of payment.

"(5) ADMISSIONS POLICY.—With respect to admissions practices, an habilitation facility must—

"(A)(i) not require individuals applying to reside or residing in the facility to waive their rights to benefits under this title, (ii) not require oral or written assurance that such individuals are not eligible for, or will not apply for, benefits under this title, and (iii) provide to such individuals (and their representatives) oral and written information about how to apply for and use such benefits and how to receive refunds for previous payments covered by such benefits;

"(B) not require a third party guarantee of payment to the facility as a condition of admission (or expedited admission) to, or continued stay in, the facility; and

"(C) in the case of an individual who is entitled to medical assistance for habilitation facility services, not charge, solicit, accept, or receive, in addition to any amount otherwise required to be paid under the State plan under this title, any gift, money, donation, or other consideration as a precondition of admitting (or expediting the admission of) the individual to the facility or as a requirement for the individual's continued stay in the facility.

"(6) MANAGEMENT OF CLIENT FUNDS.—

"(A) IN GENERAL.—The habilitation facility—

"(i) whether or not a client deposits personal funds with the facility, must allow individual clients to manage their financial affairs and teach them to do so to the extent of their capabilities, and

"(ii) upon the written authorization of the client, parent (if the client is a minor), or legal guardian (if any), must hold, safeguard, and account for such personal funds under a system established and maintained by the facility in accordance with this paragraph.

"(B) FACILITY MANAGEMENT OF PERSONAL FUNDS.—Upon a facility's acceptance of written authorization under subparagraph (A)(ii), the facility must manage and account for the personal funds of the client deposited with the facility as follows:

"(i) DEPOSIT.—The facility must deposit any amount of personal funds in excess of $50 with respect to a client in an interest bearing account (or accounts) that is separate from any of the facility's operating accounts and credit all interest earned on such separate account to such account. With respect to any other personal funds, the facility must maintain such funds in a noninterest bearing account or petty cash fund.

"(ii) ACCOUNTING AND RECORDS.—The facility must assure a full and complete separate accounting of each such client's personal funds, maintain a written record of all financial transactions involving the personal funds of a client deposited with the facility, and afford the client, parent (if the client is a minor), or legal guardian (if any) reasonable access to such record.

"(iii) NOTICE OF CERTAIN BALANCES.—The facility must notify each client receiving medical assistance under this title or the parent (if the client is a minor) or legal guardian (if any), when the amount in the client's account reaches an amount equal to $200 less than the dollar amount determined under section 1611(a)(3)(B) and the fact that if the amount in the account (in addition to the value of the client's other nonexempt resources) reaches the amount determined under such section the client may lose eligibility for such medical assistance or for benefits under title XVI.

"(iv) CONVEYANCE UPON DEATH.—Upon the death of a client with such an account, the facility must convey promptly the client's personal funds (and a final accounting of such funds) to the individual administering the client's estate.

"(C) ASSURANCE OF FINANCIAL SECURITY.—The facility must purchase a surety bond, or otherwise provide assurance satisfactory to the Secretary, to assure the security of all personal funds of clients deposited with the facility. In addition, the chairperson of the governing body of the facility, and the chairperson of any committee or organization representing the clients, and their parents and guardians, shall promptly be notified as to the content of any allegations and associated reports.

"(D) LIMITATION ON CHARGES TO PERSONAL FUNDS.—The facility may not impose a charge against the personal funds of a client for any item or service for which payment is made under this title.

"(E) NO FACILITY BORROWING OF PERSONAL FUNDS.—The facility may not borrow, or use as security for any indebtedness, personal funds deposited with the facility.

"(d) REQUIREMENTS RELATING TO ADMINISTRATION AND OTHER MATTERS.—

"(1) ADMINISTRATION.—An habilitation facility must be administered in a manner that enables it to use its resources effectively and efficiently to promote maintenance or enhancement of the quality of life, independence, productivity, and integration into the community of each client.

"(2) LICENSING AND LIFE SAFETY CODE.—

"(A) LICENSING.—An habilitation facility must be licensed under applicable State and local law.

"(B) LIFE SAFETY CODE.—An habilitation facility must meet such provisions of such edition (as specified by the Secretary in regulation) of the Life Safety Code of the National Fire Protection Association as are applicable to health care occupancies or residential board and care occupancies; except that—

"(i) the Secretary may waive, for such periods as the Secretary deems appropriate, specific provisions of such Code which if rigidly applied would result in unreasonable hardship upon a facility, but only if such waiver would not adversely affect the health and safety of clients or personnel, and

"(ii) the provisions of such Code shall not apply in any State if the Secretary finds that in such State there is in effect a fire and safety code, imposed by State law, which adequately protects clients of and personnel in habilitation facilities.

"(3) SANITATION AND INFECTION CONTROL AND PHYSICAL ENVIRONMENT.—An habilitation facility must—

"(A) establish and maintain an infection control program designed to provide a safe, sanitary, and comfortable environment in which clients reside and to help prevent the development and transmission of disease and infection, and

"(B) be designed, constructed, equipped, and maintained in a manner to protect the health and safety of clients, personnel, and the general public.

"(4) MISCELLANEOUS.—

"(A) COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND PROFESSIONAL STANDARDS.—An habilitation facility must operate and provide services in compliance with all applicable Federal, State, and local laws and regulations (including the requirements of section 1124) and with accepted professional standards and principles which apply to professionals providing services in such a facility.

"(B) OTHER.—An habilitation facility must meet such other requirements relating to the health and safety of clients or relating to the physical facilities thereof as the Secretary may find necessary.".

(b) STATE REQUIREMENT FOR PREADMISSION SCREENING AND CLIENT REVIEW.—For State requirement for preadmission screening and client review, see the amendment made by section 301 of this Act.

(c) FEDERAL RESPONSIBILITIES.—Section 1932 of the Social Security Act, as inserted by subsection (a) of this section, is amended by adding at the end the following new subsection:

"(f) RESPONSIBILITIES OF SECRETARY RELATING TO HABILITATION FACILITY REQUIREMENTS.—

"(1) GENERAL RESPONSIBILITY.—It is the duty and responsibility of the Secretary to assure that requirements which govern the provision of care in habilitation facilities under State plans approved under this title, and the enforcement of such requirements, are adequate to protect the health, safety, welfare, and rights of clients and to promote the effective and efficient use of public moneys.

"(2) OPERATIONAL DEFINITION OF CONTINUOUS ACTIVE TREATMENT.—The Secretary shall establish, by not later than January 1, 1993, an operational definition of continuous active treatment that promotes a consistent assessment of whether an habilitation facility is in compliance with the requirements of subsection (b)(2)(A).

"(3) FEDERAL GUIDELINES FOR STATE APPEALS PROCESS FOR TRANSFERS AND DISCHARGES.—For purposes of subsections (c)(2)(B)(iii) and (e)(5)(B), by not later than July 1, 1992, the Secretary shall establish guidelines for minimum standards which State appeals processes under subsection (e)(5)(B) must meet to provide a fair mechanism for hearing appeals on transfers and discharges of clients from habilitation facilities. The guidelines shall provide, upon the request of a client, parent (if the client is a minor), or legal guardian (if any), for the participation of a representative of the State protection and advocacy system (described in subsection (c)(2)(B)(iii)(II)) in the appeals process with respect to that client.

"(4) CRITERIA FOR ADMINISTRATION.—The Secretary shall establish criteria for assessing an habilitation facility's compliance with the requirement of subsection (d)(1) with respect to—

"(A) its governing body and management,

"(B) disaster preparedness,

"(C) laboratory and radiological services (if provided),

"(D) clinical records, and

"(E) client and advocate participation.".

(d) INCORPORATING REQUIREMENTS INTO STATE PLAN.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (13)(A) (as amended by section 4801(e)(1)(A) of the Omnibus Budget Reconciliation Act of 1990), by inserting "which, in the case of habilitation facilities, take into account the costs of complying with subsections (b) (other than paragraph (4)(D)), (c), and (d) of section 1932," after "State" the second place it appears; and

(2) in paragraph (28), by striking "and" at the end of subparagraph (C) and by adding at the end the following new subparagraphs:

"(E) that any habilitation facility receiving payments under such plan must satisfy all the requirements of subsections (b) through (d) of section 1932 as they apply to such facilities; and

"(F) for compliance (by the date specified in the respective sections) with the requirements of—

"(i) section 1932(e) (relating to preadmission screening and client review);

"(ii) section 1932(g) (relating to responsibility for survey and certification of habilitation facilities); and

"(iii) sections 1932(h)(2)(B) and 1932(h)(2)(D) (relating to establishment and application of remedies);".

(e) REVISION OF PREVIOUS DEFINITION.—Subsection (d) of section 1905 of such Act (42 U.S.C. 1396d(d)) is amended to read as follows:

"(d) For definition of the term 'habilitation facility', see section 1932(a).".

(f) CONFORMING AMENDMENTS.—(1) Section 1902 of such Act (42 U.S.C. 1396a) is amended—

(A) in subsections (a)(10)(A)(ii)(VI), (a)(10)(C)(iv) (as amended by section 4711(d) the Omnibus Budget Reconciliation Act of 1990), (a)(13), (a)(30)(B), and (e)(3)(B)(i), by striking "intermediate care facility for the mentally retarded" each place it appears and inserting "habilitation facility";

(B) in subsection (a)(13)(C), by striking "intermediate care facilities for the mentally retarded" and inserting "habilitation facilities";

(C) in subsection (e)(9)(A)(iii), by striking ", nursing facility, or intermediate care facility for the mentally retarded" and inserting "or nursing facility"; and

(D) in subsection (e)(9)(B), by striking ", nursing facilities, or intermediate care facilities for the mentally retarded" and inserting "or nursing facilities".

(2) Section 1905 of such Act (42 U.S.C. 1396d) is amended—

(A) in subsection (a)(15), by striking "intermediate care facility for the mentally retarded" and inserting "habilitation facility", and

(B) in subsection (a)(15), by striking "section 1902(a)(31)(A)" and inserting "section 1932(e)".

(3) Section 1915(c) of such Act (42 U.S.C. 1396n(c))—

(A) in paragraphs (1), (2)(C), (5), and (7)(B), by striking "intermediate care facility for the mentally retarded" each place it appears and inserting "habilitation facility",

(B) in paragraph (2)(B), by striking "services in an intermediate care facility for the mentally retarded" each place it appears and inserting "habilitation facility services", and

(C) in paragraph (7)(A), by striking "intermediate care facilities for the mentally retarded" and inserting "habilitation facilities".

(4) Section 1916 of such Act (42 U.S.C. 1396o) is amended, in subsections (a)(2)(C) and (b)(2)(C), by striking "intermediate care facility for the mentally retarded" each place it appears and inserting "habilitation facility".

(5) Section 1917(a)(1)(B)(i) of such Act (42 U.S.C. 1396p(a)(1)(B)(i)) is amended by striking "intermediate care facility for the mentally retarded" and inserting "habilitation facility".

(6) Section 1128B of such Act (42 U.S.C. 1320a–7b) is amended, in subsections (c) and (d)(2)(A), by striking "intermediate care facility for the mentally retarded" and inserting "habilitation facility".

SEC. 202. SURVEY AND CERTIFICATION PROCESS.

Section 1932 of the Social Security Act, as inserted by section 201 of this Act, is amended by adding at the end the following new subsection:

"(f) SURVEY AND CERTIFICATION PROCESS.—

"(1) STATE AND FEDERAL RESPONSIBILITY.—

"(A) IN GENERAL.—Under each State plan under this title, the State shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of habilitation facilities (other than facilities of the State) with the requirements of subsections (b), (c), and (d). The Secretary shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of State habilitation facilities with the requirements of such subsections.

"(B) EDUCATIONAL PROGRAM.—Each State shall conduct periodic educational programs for the staff and clients in habilitation facilities, and for the parents (if the client is a minor) and legal guardians (if any) of such clients, in order to present current regulations, procedures, and policies under this section.

"(C) INVESTIGATION OF ALLEGATIONS OF CLIENT NEGLECT AND ABUSE AND MISAPPROPRIATION OF CLIENT PROPERTY.—The State shall provide, through the agency responsible for surveys and certification of habilitation facilities under this subsection, for a process for the receipt, review, and investigation of allegations of client neglect and abuse (including injuries of unknown source) by staff and of misappropriation of client property by staff in an habilitation facility. Such process shall provide for documentation of findings relating to such allegations with respect to a staff member, for inclusion of any brief statement of the staff member disputing such findings, and for inclusion, in any disclosure of such findings, of such brief statement (or of a clear and accurate summary thereof). The findings relating to such allegations shall be made available, on request, to the State protection and advocacy system (described in subsection (c)(2)(B)(iii)(II)) and to other appropriate agency or agencies with whom a client, parent, or guardian may file a complaint respecting client abuse and neglect and misappropriation of client property in the facility. In addition, the chairperson of the governing body of the facility, and the chairperson of any committee or organization representing the clients, and their parents and guardians, shall promptly be notified as to the content of any allegations and associated reports.

"(D) Construction.—The failure of the Secretary to issue regulations to carry out this subsection shall not relieve a State of its responsibility under this subsection.

"(2) Annual surveys.—

"(A) In general.—Each habilitation facility shall be subject to an annual survey, to be conducted without any prior notice to the facility. Any individual who notifies (or causes to be notified) an habilitation facility of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of an amount not to exceed $2,000. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a). The Secretary shall review each State's procedures for scheduling and conduct of annual surveys to assure that the State has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

"(B) Contents.—Each annual survey shall include—

"(i) a review, based on a representative sample of clients and IPPs, of the quality, appropriateness, and effectiveness of active treatment provided, and

"(ii) a review of compliance with all requirements under this section.

"(C) Frequency.—Each habilitation facility shall be subject to an annual survey not later than 15 months after the date of the previous annual survey conducted under this subparagraph. The Statewide average interval between annual surveys of habilitation facilities shall not exceed 12 months.

"(D) Survey protocol.—Annual surveys shall be conducted—

"(i) based upon a protocol which the Secretary shall have developed, tested, and validated by not later than October 1, 1992, and

"(ii) by individuals, of a survey team, who meet such minimum qualifications as the Secretary establishes by not later than October 1, 1992.

The failure of the Secretary to develop, test, or validate such protocols or to establish such minimum qualifications shall not relieve any State of its responsibility (or the Secretary of the Secretary's responsibility) to conduct surveys under this subsection.

"(E) Consistency of surveys.—Each State shall implement programs to measure and reduce inconsistency in the application of survey results among surveyors.

"(F) Survey teams.—

"(i) In general.—Surveys under this subsection shall be conducted by a multidisciplinary team of professionals.

"(ii) Prohibition of conflicts of interest.—A State may not use as a member of a survey team under this subsection an individual who is serving (or has served within the previous 2 years) as a member of the staff of, or as a consultant to, the facility surveyed respecting compliance with the requirements of subsections (b), (c), and (d), or who has a personal or familial financial interest in the facility being surveyed.

"(iii) Training.—The Secretary shall provide for the comprehensive training of State and Federal surveyors in the conduct of annual surveys under this subsection, including the auditing of client assessments and IPPs. No individual shall serve as a member of a survey team unless the individual has successfully completed a training and testing program in survey and certification techniques that has been approved by the Secretary.

"(3) Validation surveys.—

"(A) In general.—The Secretary shall conduct onsite surveys of a representative sample of habilitation facilities in each State, within 2 months of the date of surveys conducted under paragraph (2) by the State, in a sufficient number to allow inferences about the adequacy of each State's surveys conducted under paragraph (2). In conducting such surveys, the Secretary shall use the same survey protocols as the State is required to use under paragraph (2). If the State has determined that an individual habilitation facility meets the requirements of subsections (b), (c), and (d), but the Secretary determines that the facility does not meet such requirements, the Secretary's determination as to the facility's noncompliance with such requirements is binding and supersedes that of the State survey.

"(B) Reduction in administrative costs for substandard performance.—If the Secretary finds, on the basis of such surveys, that a State has failed to perform surveys as required under paragraph (2) or that a State's survey and certification performance otherwise is not adequate, the Secretary may provide for the training of survey teams in the State and shall provide for a reduction of the payment otherwise made to the State under section 1903(a)(2)(D) with respect to a quarter in an amount equal to 33 percent multiplied by a fraction, the denominator of which is equal to the total number of clients in habilitation facilities surveyed by the Secretary that quarter and the numerator of which is equal to the total number of clients in habilitation facilities which were found pursuant to such surveys to be not in compliance with any of the requirements of subsections (b), (c), and (d). A State that is dissatisfied with the Secretary's findings under this subparagraph may obtain reconsideration and review of the findings under section 1116 in the same manner as a State may seek reconsideration and review under that section of the Secretary's determination under section 1116(a)(1).

"(C) Special surveys of compliance.—Where the Secretary has reason to question the compliance of an habilitation facility with any of the requirements of subsections (b), (c), and (d), the Secretary may conduct a survey of the facility and, on the basis of that survey, make independent and binding determinations concerning the extent to which the habilitation facility meets such requirements.

"(4) Investigation of complaints and monitoring habilitation facility compliance.—Each State and the Secretary shall maintain procedures and adequate staff to—

"(A) investigate complaints of violations of requirements by habilitation facilities, and

"(B) monitor, on-site, on a regular, as needed basis, an habilitation facility's compliance with the requirements of subsections (b), (c), and (d), if—

"(i) the facility has been found not to be in compliance with such requirements and is in the process of correcting deficiencies to achieve such compliance;

"(ii) the facility was previously found not to be in compliance with such requirements, has corrected deficiencies to achieve such compliance, and verification of continued compliance is indicated; or

"(iii) the State or the Secretary, respectively, has reason to question the compliance of the facility with such requirements.

"(5) Disclosure of results of inspections and activities.—

"(A) Public information.—Each State, and the Secretary, shall make available to the public—

"(i) information respecting all surveys and certifications made respecting habilitation facilities, including statements of deficiencies and plans of correction,

"(ii) copies of cost reports of such facilities filed under this title,

"(iii) copies of statements of ownership under section 1124, and

"(iv) information disclosed under section 1126.

"(B) Notice to protection and advocacy system.—Each State shall notify the agency responsible for the protection and advocacy system for developmentally disabled individuals established under part C of the Developmental Disabilities Assistance and Bill of Rights Act of the State's findings of noncompliance with any of the requirements of subsections (b), (c), and (d), with respect to an habilitation facility in the State.

"(C) Notice to family.—If a State finds that an habilitation facility has provided services of substandard quality, the State shall notify the parent (if the client is a minor), or legal guardian (if any) of each client with respect to which such finding is made.

"(D) Access to fraud control units.—Each State shall provide its State medicaid fraud and abuse control unit (established under section 1903(q)) with access to all information of the State agency responsible for surveys and certifications under this subsection.".

(b) Required Posting of Survey Results.—Section 1932(d)(4) of such Act, as inserted by section 201 of this Act, is amended by adding at the end the following new subparagraph:

"(C) Posting of survey results.—An habilitation facility must post in a place readily accessible to clients the results of the most recent survey of the facility conducted under subsection (g).".

SEC. 203. ENFORCEMENT PROCESS.

(a) In General.—Section 1932 of the Social Security Act, as inserted by section 201 and amended by section 202 of this Act, is further amended by adding at the end the following new subsection:

"(h) Enforcement Process.—

"(1) In general.—If a State finds, on the basis of an annual survey under subsection (g)(2) or otherwise, that an habilitation facility no longer meets a requirement of subsection (b), (c), or (d), and further finds that the facility's deficiencies—

"(A) immediately jeopardize the health or safety of its clients, the State shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(A)(iii), or terminate the facility's participation under the State plan, and the State may provide, in addition, for one or more of the other remedies described in paragraph (2); or

"(B) do not immediately jeopardize the health or safety of its clients, the State may—

"(i) terminate the facility's participation under the State plan,

"(ii) provide for one or more of the remedies described in paragraph (2), or

"(iii) do both.

Nothing in this paragraph shall be construed as restricting the remedies available to a State to remedy an habilitation facility's deficiencies. If a State finds that an habilitation facility meets the requirements of subsections (b), (c), and (d), but, as of a previous period, did not meet such requirements, the State may provide for a civil money penalty under paragraph (2)(A)(ii) for the days in which it finds that the facility was not in compliance with such requirements.

"(2) SPECIFIED REMEDIES.—

"(A) LISTING.—Except as provided in subparagraph (B)(ii), each State shall establish by law (whether statute or regulation) at least the following remedies:

"(i) Denial of payment under the State plan with respect to any individual admitted to the habilitation facility involved after such notice to the public and to the facility as may be provided for by the State.

"(ii) A civil money penalty assessed and collected, with interest, for each day in which the facility is or was out of compliance with a requirement of subsection (b), (c), or (d). Funds collected by a State as a result of imposition of such a penalty (or as a result of the imposition by the State of a civil money penalty for activities described in subsection (g)(2)(A)) shall be applied to the protection of the health or property of clients of habilitation facilities that the State or the Secretary finds deficient, including payment for the costs of relocation of clients, maintenance of operation of a facility pending correction of deficiencies or closure, and reimbursement of clients for personal funds lost.

"(iii) In cases where a correction or reduction plan has not been approved under subsection (i), the appointment of temporary management to oversee the operation of the facility and to assure the health and safety of the facility's clients, where there is a need for temporary management while—

"(I) there is an orderly closure of the facility, or

"(II) improvements are made in order to bring the facility into compliance with all the requirements of subsections (b), (c), and (d).

The temporary management under this clause shall not be terminated under subclause (II) until the State has determined that the facility has the management capability to ensure continued compliance with all the requirements of subsections (b), (c), and (d).

"(iv) The authority, in the case of an emergency, to close the facility, to transfer clients in that facility to other facilities, or both.

The State also shall specify criteria, as to when and how each such remedy is to be applied, the amounts of any fines, and the severity of each such remedy, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies. In addition, the State may provide for other specified remedies, such as plans of correction and reduction plans under subsection (i).

"(B) DEADLINE AND GUIDANCE.—As a condition for approval of a State plan for calendar quarters beginning on or after January 1, 1993, each State shall establish the remedies described in clauses (i) through (iv) of subparagraph (A) by not later than January 1, 1993. The Secretary shall provide, through regulations or otherwise by not later than July 1, 1992, guidance to States in establishing such remedies; but the failure of the Secretary to provide such guidance shall not relieve a State of the responsibility for establishing such remedies.

"(C) ASSURING PROMPT COMPLIANCE.—If an habilitation facility has not complied with any of the requirements of subsections (b), (c), and (d), within 3 months after the date the facility is found to be out of compliance with such requirements, and a reduction plan has not been approved with respect to the facility under subsection (i), the State shall impose the remedy described in subparagraph (A)(ii) and the remedy described in subparagraph (A)(i) for all individuals who are admitted to the facility after such date.

"(D) REPEATED NONCOMPLIANCE.—In the case of an habilitation facility which, on 3 consecutive annual surveys conducted under subsection (g)(2), has been found not to provide continuous active treatment of adequate quality and effectiveness, the State shall (regardless of what other remedies are provided)—

"(i) impose the remedies described in clauses (i) and (ii) of subparagraph (A), and

"(ii) monitor the facility under subsection (g)(4)(B),

until the facility has demonstrated, to the satisfaction of the State, that it is in compliance with the requirements of subsections (b), (c), and (d), and that it will remain in compliance with such requirements. Under clause (i), the remedy described in subparagraph (A)(ii) shall be applied with respect to each day of noncompliance covered under any of such 3 annual surveys.

"(E) FUNDING.—The reasonable expenditures of a State to provide for temporary management and other expenses associated with implementing the remedies described in clauses (iii) and (iv) of subparagraph (A) shall be considered, for purposes of section 1903(a)(7), to be necessary for the proper and efficient administration of the State plan.

"(3) SECRETARIAL AUTHORITY.—

"(A) FOR STATE HABILITATION FACILITIES.—With respect to a State habilitation facility, the Secretary shall have the authority and duties of a State under this subsection, including the authority to impose remedies described in clauses (i), (ii), and (iii) of paragraph (2)(A), except that the remedy described in subparagraph (C)(ii) shall be substituted for the remedy described in paragraph (2)(A)(ii).

"(B) OTHER HABILITATION FACILITIES.—With respect to any other habilitation facility in a State, if the Secretary finds that an habilitation facility no longer meets a requirement of subsection (b), (c), or (d), and further finds that the facility's deficiencies—

"(i) immediately jeopardize the health or safety of its clients, the Secretary shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in subparagraph (C)(iii), or terminate the facility's participation under the State plan and may provide, in addition, for one or more of the other remedies described in subparagraph (C); or

"(ii) do not immediately jeopardize the health or safety of its clients, the Secretary may impose any of the remedies described in subparagraph (C).

Nothing in this subparagraph shall be construed as restricting the remedies available to the Secretary to remedy an habilitation facility's deficiencies. If the Secretary finds that an habilitation facility meets such requirements but, as of a previous period, did not meet such requirements, the Secretary may provide for a civil money penalty under subparagraph (C)(ii) for the days on which the Secretary finds that the facility was not in compliance with such requirements.

"(C) SPECIFIED REMEDIES.—The Secretary may take the following actions with respect to a finding that a facility has not met an applicable requirement:

"(i) DENIAL OF PAYMENT.—The Secretary may deny any further payments to the State for medical assistance furnished by the facility to all individuals in the facility or to individuals admitted to the facility after the effective date of the finding.

"(ii) AUTHORITY WITH RESPECT TO CIVIL MONEY PENALTIES.—The Secretary may impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(iii) APPOINTMENT OF TEMPORARY MANAGEMENT.—In consultation with the State, the Secretary may appoint temporary management to oversee the operation of the facility and to assure the health and safety of the facility's clients, where there is a need for temporary management while—

"(I) there is an orderly closure of the facility, or

"(II) improvements are made in order to bring the facility into compliance with all the requirements of subsections (b), (c), and (d).

The temporary management under this clause shall not be terminated under subclause (II) until the Secretary has determined that the facility has the management capability to ensure continued compliance with all the requirements of subsections (b), (c), and (d).

The Secretary shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies.

"(D) CONTINUATION OF PAYMENTS PENDING REMEDIATION.—The Secretary may continue payments, over a period of not longer than 6 months, under this title with respect to an habilitation facility not in compliance with a requirement of subsection (b), (c), or (d), if—

"(i) the State survey agency finds that it is more appropriate to take alternative action to assure prompt compliance of the facility with the requirements than to terminate the certification of the facility,

"(ii) the State has submitted a plan and timetable for corrective action to the Secretary for approval and the Secretary approves the plan of corrective action, and

"(iii) the State agrees to repay to the Federal Government payments received under this subparagraph if the corrective action is not taken in accordance with the approved plan and timetable.

The Secretary shall establish guidelines for the approval of corrective actions requested by States under this subparagraph.

"(E) CONTINUATION OF PAYMENTS UNDER REDUCTION PLANS.—The Secretary may continue payments in the case of habilitation facilities under the terms and conditions of a reduction plan approved under subsection (i), but only with respect to services provided on or after the date of such approval.

"(4) EFFECTIVE PERIOD OF DENIAL OF PAYMENT.—A finding to deny payment under this subsection shall terminate when the State or Secretary (or both, as the case may be) finds that the facility is in compliance with all the requirements of subsections (b), (c), and (d).

"(5) IMMEDIATE TERMINATION OF PARTICIPATION FOR FACILITY WHERE STATE OR SECRETARY FINDS NONCOMPLIANCE AND IMMEDIATE JEOPARDY.—If either the State or the Secretary finds that an habilitation facility has not met a requirement of subsection (b), (c), or (d), and finds that the failure immediately jeopardizes the health or safety of its clients, the State or the Secretary—

"(A) shall notify the other of such finding, and

"(B) shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(A)(iii) or (3)(C)(iii), or terminate the facility's participation under the State plan.

If the facility's participation in the State plan is terminated by either the State or the Secretary, the State shall provide for the safe and orderly transfer of the clients eligible under the State plan consistent with the requirements of subsection (c)(2).

"(6) SHARING OF INFORMATION.—Notwithstanding any other provision of law, all information concerning habilitation facilities required by this section to be filed with the Secretary or a State agency shall be made available to Federal or State employees for purposes consistent with the effective administration of programs established under this title, including investigations by State medicaid fraud control units.

"(i) REDUCTION PLANS.—

"(1) IN GENERAL.—If there is a finding under subsection (h)(1)(B) (including a similar finding under subsection (h)(3)(A)) or (h)(3)(B)(ii) that an habilitation facility has any deficiency that does not immediately jeopardize the health or safety of its clients, the State may elect in accordance with this subsection to submit to the Secretary a written plan—

"(A) for permanently reducing the number of certified beds, within 36 months of the date of the findings, so that, by the end of such period, the facility no longer has such deficiency, and

"(B) for providing services to clients of the facility who will not continue to receive habilitation facility services at the affected facility after such reduction, including (for clients not in an habilitation facility) community habilitation and supportive services.

"(2) APPROVAL OF PLANS.—The Secretary may not approve a plan submitted under paragraph (1) unless—

"(A) the State has provided for a hearing on the plan at the facility involved at least 6 months before the date of submission of the plan, after reasonable notice thereof to the staff and clients of the facility, members of the clients' families, and the public,

"(B) the State demonstrates that, with respect to clients described in paragraph (1)(B), the State has successfully provided services similar to the services to be provided to such clients under the plan,

"(C) the plan meets the requirements of paragraph (3), and

"(D) the State has provided the assurances required under subsection (j).

"(3) REQUIREMENTS OF REDUCTION PLANS.—The requirements of this paragraph for a reduction plan with respect to a facility are as follows:

"(A) The plan must—

"(i) identify the clients described in paragraph (1)(B),

"(ii) describe each such client's needs for services described in that paragraph and a timetable for providing such services,

"(iii) provide for continuous active treatment for such clients under the clients' IPPs, and

"(iv) identify necessary safeguards (including adequate standards for provider participation) to be taken to protect the health and welfare of such clients;

however, individually identifiable information identified under this subparagraph and respecting a client shall be treated as confidential and not made available to the public.

"(B) The plan must permit each client of the facility who would continue to be eligible for medical assistance while a client of such a facility the option of remaining a client of such a facility or a similar facility.

"(C) The plan must specify the actions to be taken, including maintenance of adequate ratios of qualified staff to clients, (i) to protect the health and safety of clients who remain at the facility while the reduction plan is in effect and (ii) to provide for continuous active treatment for such clients under the clients' IPPs.

"(D) No facility (public or private) providing medical assistance under this title for mentally retarded clients shall be subject to reduction or closure plans, other than for confirmed violations of approved standards, without prior review of such plans in a public hearing, conducted at least 6 months in advance of the submission of such plans, wherein full opportunity has been provided for staff, clients, parents, guardians, duly authorized representatives, and members of the public to express their views.

"(E) In the event that closure of an habilitation facility is contemplated, the State should provide advance notice of the proposed closure (90 days) to the staff, residents, their guardians, families, and duly authorized representatives. The State should assure that all residents being transferred are, in fact, being transferred or moved to a facility that is able to provide the required services and care. The facility, or any part thereof, should not be closed until all residents have been properly and satisfactorily located.

"(F) An habilitation facility may not transfer or discharge a client following prescribed procedures including advance notice to parents, guardians, or duly authorized representatives, until satisfactory arrangements have been made with the receiving facility and assurances have been obtained to the effect that the receiving facility is fully capable of providing the required care and services. In the event that the facility to which the client is transferred is unable to provide the required care and services, the client is to be returned to the transferring facility and retained at such facility until a satisfactory transfer is arranged.

"(4) SEMIANNUAL REVIEW OF COMPLIANCE.—The Secretary shall, at 6-month intervals, review compliance of States with reduction plans approved under this subsection. If the Secretary determines in such a review that the State has failed to comply with the requirements of paragraph (3) or the assurances described in subsection (j), the Secretary shall—

"(A) terminate the facility's participation under the State plan, or

"(B) disallow, for purposes of Federal financial participation, an amount equal to 5 percent of the cost of care for all eligible individuals in the facility for each month for which the failure continues.

If the Secretary determines in such a review that the State has failed to comply with the requirement of paragraph (3)(C), the Secretary shall disallow, for purposes of Federal financial participation, the cost of care for all eligible individuals in the facility for each month for which the failure continues.".

(b) REPEAL OF PREVIOUS CORRECTION AND REDUCTION PLAN PROVISION.—Section 1922 of such Act (42 U.S.C. 1396r) is repealed.

(c) CONFORMING AMENDMENTS.—(1) Section 1902 of such Act (42 U.S.C. 1396a) is amended by striking subsection (i).

(2) Section 1903(i) (42 U.S.C. 1396b(i)) is amended—

(A) in paragraph (10) inserted by section 4401(a)(1)(B) of the Omnibus Budget Reconciliation Act of 1990, by striking all that follows "1927(g)" and inserting a semicolon;

(B) by redesignating paragraph (10) added by section 4701(b)(2) as paragraph (11), by transferring and inserting it after paragraph (10) inserted by section 4401(a)(1)(B) of the Omnibus Budget Reconciliation Act of 1990, and by striking all that follows "with respect to hospitals or facilities" and inserting a semicolon;

(C) by transferring and inserting paragraph (12) inserted by section 4752(a)(2) of the Omnibus Budget Reconciliation Act of 1990 after paragraph (11), as redesignated by subparagraph (B), and by striking the period at the end and inserting a semicolon;

(D) by redesignating paragraph (14) inserted by section 4752(e) of the Omnibus Budget Reconciliation Act of 1990 as paragraph (13), by transferring and inserting it after paragraph (12), and by striking the period at the end and inserting a semicolon;

(E) by redesignating paragraph (11) inserted by section 4801(e)(16)(A) of the Omnibus Budget Reconciliation Act of 1990 as paragraph (14), by transferring and inserting it after paragraph (13), and by striking the period at the end and inserting "; or";

(F) by redesignating paragraph (11) inserted by section 4801(e)(16)(A) of the Omnibus Budget Reconciliation Act of 1990 as paragraph (15) and by transferring and inserting it after paragraph (14) (as redesignated by subparagraph (E));

(G) by striking "; or" at the end of paragraph (14) (as redesignated by subparagraph (E));

(H) by striking the period at the end of paragraph (15) (as redesignated by subparagraph (F)) and by inserting "; or"; and

(I) by adding at the end of the subsection the following new paragraph:

"(16) with respect to any amount expended for medical assistance for habilitation facility services to reimburse (or otherwise compensate) an habilitation facility for payment of a civil money penalty imposed under section 1932(h).".

(3) Section 1910 (42 U.S.C. 1396i) is amended—

(1) by striking subsection (b), and

(2) in subsection (a), by striking "(a)(1)" and "(2)" and inserting "(a)" and "(b)", respectively.

SEC. 204. EFFECTIVE DATES; WAIVER; TRANSITIONAL RULES.

(a) NEW REQUIREMENTS AND SURVEY AND CERTIFICATION PROCESS.—Except as otherwise specifically provided in section 1932 of the Social Security Act, the amendments made by sections 201 and 202 (relating to habilitation facility requirements and survey and certification requirements) shall apply to habilitation facility services furnished on or after January 1, 1993, without regard to whether regulations to implement such amendments are promulgated by such date.

(b) ENFORCEMENT.—Except as otherwise specifically provided in section 1932 of the Social Security Act, the amendments made by section 203 of this Act shall take effect on the date of the enactment of this Act and shall apply to payments under title XIX of the Social Security Act for calendar quarters beginning on or after the date of the enactment of this Act, without regard to whether regulations to implement such amendments are promulgated by such date.

(c) TRANSITIONAL RULES.—In applying the amendments made by this title for services furnished before January 1, 1993—

(A) any reference to an habilitation facility is deemed a reference to an intermediate care facility for the mentally retarded, and

(B) with respect to such an habilitation facility, any reference to a requirement of subsection (b), (c), or (d), is deemed a reference to the provisions of section 1861(j) or section 1905(c), respectively, of the Social Security Act.

(d) WAIVER OF PAPERWORK REDUCTION, ETC.—Chapter 35 of title 44, United States Code, and Executive Order 12291 shall not apply to information and regulations required for purposes of carrying out this title and implementing the amendments made by this title.

(e) RELATION TO CURRENT REGULATIONS.—For any period before the effective date of the requirements established under this title, nothing in this title shall be construed as superseding the final regulations (published on June 3, 1988, 53 Federal Register 20448 and any subsequent regulations published before the effective date of such requirements) setting forth conditions for intermediate care facilities for the mentally retarded under the Medicaid program.

SEC. 205. ANNUAL REPORT.

The Secretary of Health and Human Services shall report to the Congress annually on the extent to which habilitation facilities are complying with the requirements of subsections (b), (c), and (d) of section 1932 of the Social Security Act (as added by the amendments made by this title) and the number and type of enforcement actions taken by States and the Secretary under section 1932(h) of such Act (as added by section 203 of this Act).

TITLE III—APPROPRIATE PLACEMENT FOR INDIVIDUALS WITH MENTAL RETARDATION OR RELATED CONDITION

SEC. 301. STATE PREADMISSION SCREENING AND ANNUAL CLIENT REVIEW REQUIREMENTS.

Section 1932 of the Social Security Act, as inserted by section 201 of this Act, is further amended by inserting after subsection (d) the following new subsection:

"(e) STATE REQUIREMENT FOR PREADMISSION SCREENING AND CLIENT REVIEW.—

"(1) IN GENERAL.—

"(A) STATE CONDITION OF PLAN APPROVAL.—As a condition of approval of its plan under this title, effective January 1, 1993, the State must have in effect a preadmission screening program, for making determinations (using any criteria developed under subsection (f)(8)) described in subsection (b)(3)(F) for individuals with mental retardation or related condition (as defined in section 1905(m)) who are admitted to habilitation facilities on or after January 1, 1993. The failure of the Secretary to develop minimum criteria under subsection (f)(8) shall not relieve any State of its responsibility to have a preadmission screening program under this paragraph or to perform client reviews under paragraph (2).

"(B) FEDERAL MINIMUM CRITERIA AND MONITORING FOR PREADMISSION SCREENING AND CLIENT REVIEW.—

"(i) MINIMUM CRITERIA.—The Secretary shall develop, by not later than July 1, 1992, minimum criteria for States to use in making determinations under subsection (b)(3)(F) and paragraph (2) of this subsection and in permitting individuals adversely affected to appeal such determinations, and shall notify the States of such criteria.

"(ii) MONITORING COMPLIANCE.—The Secretary shall review a sufficient number of cases to allow reasonable inferences about the adequacy of each State's compliance with the requirements of paragraph (3)(A) (relating to discharge and placement for active treatment of certain clients).

"(2) STATE REQUIREMENT FOR ANNUAL CLIENT REVIEW.—

"(A) IN GENERAL.—As of January 1, 1993, in the case of each client, of an habilitation facility, with mental retardation or related condition, the State mental retardation or developmental disability authority must review and determine (using any criteria developed under subsection (f)(8) and based on an independent evaluation performed on site by a person or entity other than the facility)—

"(i) whether or not the client requires the level of services provided by an habilitation facility; and

"(ii) whether or not the client requires community habilitation and supportive services.

Such independent evaluation shall take into account the comprehensive functional assessment under subsection (b)(4).

"(B) FREQUENCY OF REVIEWS.—

"(i) ANNUAL.—Except as provided in clauses (ii) and (iii), the reviews and determinations under subparagraph (A) must be conducted with respect to each client with mental retardation or related condition not less often than annually.

"(ii) PREADMISSION REVIEW CASES.—In the case of a client subject to a preadmission review under subsection (b)(3)(F), the review and determination under subparagraph (A) need not be done until the client has resided in the habilitation facility for 1 year.

"(iii) INITIAL REVIEW.—The reviews and determinations under subparagraph (A) must first be conducted (for each client not subject to preadmission review under subsection (b)(3)(F)) by not later than January 1, 1994.

"(3) RESPONSE TO PREADMISSION SCREENING AND CLIENT REVIEW.—As of January 1, 1993, the State must meet the following requirements:

"(A) CLIENTS NOT REQUIRING HABILITATION FACILITY SERVICES, BUT REQUIRING COMMUNITY HABILITATION AND SUPPORTIVE SERVICES.—In the case of a client who is determined, under paragraph (2), not to require the level of services provided by an habilitation facility, but to require community habilitation and supportive services, the State must, in consultation with the client's family or legal representative and care-givers—

"(i) arrange for the safe and orderly discharge of the client from the facility, consistent with the requirements of subsection (c)(2),

"(ii) prepare and orient the client for such discharge, and

"(iii) provide for (or arrange for the provision of) such community habilitation and supportive services for the mental retardation or related condition.

"(B) CLIENTS NOT REQUIRING HABILITATION FACILITY SERVICES AND NOT REQUIRING COMMUNITY HABILITATION AND SUPPORTIVE SERVICES.—In the case of a client who is determined, under paragraph (2), not to require the level of services provided by an habilitation facility and not to require community habilitation and supportive services, the State must—

"(i) arrange for the safe and orderly discharge of the client from the facility, consistent with the requirements of subsection (c)(2), and

"(ii) prepare and orient the client for such discharge.

"(4) DENIAL OF PAYMENT WHERE FAILURE TO CONDUCT PREADMISSION SCREENING.—No payment may be made under section 1903(a) with respect to habilitation facility services furnished to an individual for whom a determination is required under subsection (b)(3)(F) or paragraph (2) but for whom the determination is not made.

"(5) APPEALS PROCEDURES BOTH FOR PREADMISSION DETERMINATIONS AND CLIENT REVIEW AND FOR TRANSFERS AND DISCHARGES.—

"(A) PREADMISSION AND CLIENT REVIEW DETERMINATIONS.—Each State, as a condition of approval of its plan under this title, effective January 1, 1993, must have in effect an appeals process for individuals adversely affected by determinations under paragraph (1) or (2).

"(B) TRANSFERS AND DISCHARGES.—Each State, as a condition of approval of its plan under this title, effective January 1, 1993, must provide for a fair mechanism for hearing appeals on transfers or discharges of clients of habilitation facilities. Such mechanism must meet the guidelines established by the Secretary under subsection (f)(3); but the failure of the Secretary to establish such guidelines shall not relieve any State of its responsibility to provide for such a fair mechanism.".

SEC. 302. REVISION OF UTILIZATION REVIEW PROVISIONS.

(a) REVISION OF STATE PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (30)(B), by striking ", intermediate care facility for the mentally retarded," in clauses (i) and (ii)(II), and

(2) by striking paragraph (31), and

(3) in paragraph (44)—

(A) in the matter before subparagraph (A), by striking ", services in an intermediate care facility for the mentally retarded,",

(B) in subparagraph (A), by striking "(or, in the case of skilled" the first place it appears and all that follows through "a physician)",

(C) in subparagraph (A) by striking "or, in the case of" the second place it appears and all that follows through "in collaboration with a physician,",

(D) in subparagraph (A), by striking "(or, in the case of services" and all that follows through "every year)", and

(E) in subparagraph (B), by striking "or, in the case" and all that follows through "physician".

(b) REVISION OF PENALTY PROVISIONS.—Section 1903(g) of such Act (42 U.S.C. 1396b(g)) is amended—

(1) in paragraph (1)—

(A) by striking "or services in an intermediate care facility for the mentally retarded" each place it appears,

(B) by striking "and intermediate care facilities for the mentally retarded", and

(C) by striking "paragraphs (26) and (31)" and inserting "paragraph (26)";

(2) in paragraph (4)(B)—

(A) by striking "and intermediate care facilities for the mentally retarded",

(B) by striking "paragraphs (26) and (31)" and inserting "paragraph (26)",

(C) by striking "and facilities" and "or facility" each place it appears;

(3) in paragraph (5)—

(A) by striking "facility or institutional" and inserting "inpatient hospital", and

(B) by striking "facilities or institutions" each place it appears and inserting "hospitals"; and

(4) in paragraph (6)—

(A) by striking subparagraph (B), and

(B) by redesignating subparagraph (C) as subparagraph (B).

(c) CONFORMING AMENDMENTS.—(1) Section 1128(b)(12)(B) of such Act (42 U.S.C. 1320a-7(b)(12)(B)) is amended by striking "(26), (31), and (33)" and inserting "(26) and (33)".

(2) Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (33)(B), by striking "section 1919(g)" and inserting "section 1919 and section 1932", and

(B) in the third sentence, by striking "(9)(A), (31), and (33)" and inserting "(9)(A) and (31)".

(3) Section 1905(a)(15) of such Act (42 U.S.C. 1396d(a)(15)) is amended by striking ", in accordance with section 1902(a)(31)(A),".

(d) EFFECTIVE DATE.—The amendments made by this section shall not apply to a State until such date as of which the Secretary of Health and Human Services determines that the State has begun conducting annual surveys under section 1932(g) of the Social Security Act.

TITLE IV—PAYMENT FOR COMMUNITY HABILITATION AND SUPPORTIVE SERVICES AND HABILITATION FACILITY SERVICES

SEC. 401. PAYMENT FOR COMMUNITY HABILITATION AND SUPPORTIVE SERVICES AND HABILITATION FACILITY SERVICES.

(a) REASONABLE AND ADEQUATE PAYMENTS.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(13) (as amended by section 4711(c)(1)(A) of the Omnibus Budget Reconciliation Act of 1990)—

(A) by striking "and" at the end of subparagraph (E),

(B) by inserting "and" at the end of subparagraph (F), and

(C) by adding at the end the following new subparagraph:

"(G) for payment—

"(i) for community habilitation and supportive services (as defined in section 1931(a)) through rates which are reasonable and adequate (and which may not be established on a capitation basis or any other risk basis) to meet the costs of providing services, efficiently and economically, in conformity with applicable State and Federal laws, regulations, and quality and safety standards, and

"(ii) for habilitation facility services through rates which are reasonable and adequate (and which may not be established on a capitation basis or any other risk basis) to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide care and services in conformity with applicable State and Federal laws, regulations, and quality and safety standards;"; and

(2) in subsection (h) (as amended by section 4711(c)(1)(B) of the Omnibus Budget Reconciliation Act of 1990)—

(A) by striking "or to limit" and inserting ", to limit"; and

(B) by inserting before the period ", or to limit the amount of payment that may be made under a plan under this title for community habilitation and supportive services or for habilitation facility services".

(b) DENIAL OF FEDERAL PAYMENTS TO COMPENSATE FOR CIVIL MONEY PENALTIES.—Section 1903(i)(8) of such Act (42 U.S.C. 1396b(i)(8)) (as amended by section 4711(c)(2) of the Omnibus Budget Reconciliation Act) is amended—

(1) by striking "or" before (B);

(2) by inserting a comma after "legal ground for two provider's case"; and

(3) by inserting before the semicolon "; or (C) for community habilitation and supportive services or habilitation facility services to reimburse (or otherwise compensate) a provider of such services or habilitation facility for payment of a civil money penalty imposed under this title or title XI".

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a)(1) shall apply—

(A) to community habilitation and supportive services furnished on or after January 1, 1992, or, if later, 30 days after the date of publication of interim regulations under section 1932(i)(1), and

(B) to habilitation facility services furnished on or after January 1, 1993.

(2) The amendment made by subsection (a)(2) shall apply as though it was included in the enactment of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35).

(3) The amendment made by subsection (b) shall apply to civil money penalties imposed after the date of the enactment of this Act.

TITLE V—EMPLOYEE PROTECTIONS AND MISCELLANEOUS

SEC. 501. EMPLOYEE PROTECTIONS FOR CLOSURES AND REDUCTIONS IN CAPACITY.

(a) IN GENERAL.—Section 1932 of the Social Security Act, as inserted by section 201 and amended by sections 202 and 203 of this Act, is further amended by adding at the end the following new subsection:

"(j) EMPLOYEE PROTECTIONS FOR CAPACITY REDUCTIONS.—

"(1) IN GENERAL.—As a requirement of its State plan under section 1902(a), the State must provide that, in the case of any closure or reduction in capacity (whether through a reduction plan under subsection (i) or otherwise) of a habilitation facility in the State made on or after the date of the enactment of this subsection, the following fair and equitable arrangements have been made to protect the interests of employees of the facility affected by such closure or reduction:

"(A) The preservation of rights, privileges, and benefits (including continuation of pension rights and benefits), under applicable collective bargaining agreements.

"(B) The continuation of collective bargaining rights through any certified representative.

"(C) The protection of individual employees against a worsening of their positions with respect to their employment at the facility during the period of the closure or reduction.

"(D) Except as provided in the last sentence of this paragraph, assurance of employment of affected employees, with at least the same pay and same level of responsibilities.

"(E) The establishment of paid training or retraining programs for employment of affected employees in the provision of community habilitation and supportive services.

"(F) Provision of—

"(i) a grievance procedure (meeting the requirements of paragraph (2)) for affected employees to assure the preceding requirements have been met with respect to such employees, or

"(ii) another grievance procedure with respect to affected employees who have a certified bargaining representative, if such other grievance procedure has been agreed to by the State and by the certified bargaining representative.

Nothing in this paragraph shall be construed as entitling an affected employee to lifetime employment or as protecting an employee against a discharge for good cause.

"(2) REQUIREMENTS FOR GRIEVANCE PROCEDURE.—The grievance procedure under paragraph (1)(F)(i) shall include the following:

"(A) Informal resolution of the grievance, during the 60-day period beginning on the date of the filing of the grievance.

"(B) After such period, the affected employee shall be permitted, at the employee's election, the option of (i) submitting the grievance to binding arbitration before a qualified arbitrator who is independent of the interested parties, or (ii) a hearing on the grievance before a State agency.

"(C) An arbitration proceeding or hearing on the grievance, under subparagraph (B), shall be held within 45 days after the date of the request for such arbitration or hearing under such subparagraph.

"(D) A decision on the grievance shall be made within 30 days after the date of such proceeding or hearing.

"(E) Costs of the arbitrator shall be divided evenly between the affected employee and the State and costs of the hearing shall be borne by the State.

Costs of the State under subparagraph (E), and comparable costs of the State under another grievance procedure under paragraph (1)(F)(ii), shall not be considered, for purposes of section 1903(a), costs of administration of the State plan under this title.".

(b) PAYMENT FOR TRAINING AND RETRAINING COSTS.—Section 1903(b) of such Act (42 U.S.C. 1396b(b)) is amended by adding at the end the following new paragraph:

"(4) Federal reimbursement is available under subsection (a)(7) for reasonable expenses associated with training and retraining programs for habilitation facility employees pursuant to section 1932(j)(1)(E).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 502. USE OF STATE DEVELOPMENTAL DISABILITIES AGENCY IN CERTAIN MEDICAID ADMINISTRATIVE FUNCTIONS.

(a) IN GENERAL.—Section 1902(a)(5) of the Social Security Act (42 U.S.C. 1396a(a)(5)) is amended—

(1) by inserting "(A)" after "except that", and

(2) by inserting before the semicolon at the end the following ", and (B) nothing in this paragraph shall be construed as preventing a State plan from assigning, to a State agency

responsible for developmentally disabled individuals, specific management functions under the plan relating to provision of services under the plan to individuals with mental retardation or related condition".

(b) AVAILABILITY OF MATCHING FUNDS.—Section 1903(a) of such Act (42 U.S.C. 1396b(a)) is amended by adding at the end the following flush material:

"Payment shall be made available under paragraph (7) for amounts expended for reasonable administrative expenses of a State agency described in section 1902(a)(5)(B) in carrying out activities described in that section in the same manner as they are available for similar reasonable administrative expenses of the single State agency described in section 1902(a)(5).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

By Mr. ADAMS:

S. 1751. A bill to amend title III of the Public Health Service Act to provide for the establishment of a program regarding certain preventable cases of infertility, and for other purposes; to the Committee on Labor and Human Resources.

INFERTILITY PREVENTION ACT

• Mr. ADAMS. Mr. President, I rise today to introduce the Infertility Prevention Act of 1991 to redress an extremely important women's health issue: The alarming increase in sexually transmitted diseases, particularly chlamydia, and the serious health consequences that can result. During the past year, the Senate has moved quickly to close the gap in women's health research and the inadequate attention paid to women's health in the area of medical research at our Nation's major research institutes. We must now do the same in the area of preventative services, where we have the knowledge and the ability to prevent serious and costly health conditions that can have tragic consequences for women and their families.

Chlamydia has become a national public health care crisis. There are more than 4 million new infections each year, affecting more than 2.6 million women. More than 125,000 women become infertile as a result of pelvic inflammatory disease [PID] due to chlamydia and gonorrhea; almost one-third of all infertility in this country is due to past STD infection. Tragically, more that 50 percent of all ectopic pregnancy in the United States—a life threatening disease—can be attributed to chlamydia.

Yet, despite the existence relatively inexpensive screening tests, and the fact that chlamydia infections are easily treated with oral antibiotics, the majority of women in the United States do not get tested. The problem is that the majority of women—more than 75 percent of those infected with chlamydia—have no symptoms or clinical signs of infections. Without routine screening, much like is done to detect cervical cancer—women will continue to be put at unnecessary risk.

The problem is that the traditional way of delivering STD services in this country simply don't work for women. Women don't access existing STD clinics because unlike their male counterparts, it is more likely than not that a woman has no symptoms at all.

The solution is to ensure that chlamydia screening is part of the routine reproductive health care a woman receives where women most commonly receive services: In family planning clinics, community and migrant health centers, prenatal clinics and other appropriate settings.

This is the type of approach that works. Public health officials, family clinics, local STD programs in cooperation with the Centers for Disease Control have built a highly successful model in my State to deliver these essential health care services in settings where women receive primary health care. They have developed a broad spectrum of integrated, coordinated activities that provide diagnostic testing, treatment, risk-education, followup, and referral and treatment of partners. This bill will permit CDC to take this successful model nationwide.

Some may ask why a bill designed solely to address the problem of chlamydia. The answer is again tradition. STD programs have historically focused on syphilis and gonorrhea, and not done an adequate job of addressing "newer" STD's, such as chlamydia that can have devastating consequences for women. But chlamydia is 5 times more common than gonorrhea and 90 times more common than syphilis.

This bill will redress the lack of attention and resources our Nation's prevention agency has focused on this devastating disease. The Centers for Disease Control has long wanted to expand its chlamydia project. In fact, in 1985 then Centers for Disease Control Director, Dr. James Mason told the House Committee on Energy and Commerce Subcommittee on Health and the Environment that $60 million would be needed to mount a major effort to control chlamydia. Current funding is estimated to be less than one-third of that. And I know from our discussions with CDC officials that they are eager to meet this urgent health problem.

It is time, Mr. President for us to make a national commitment to screening and treating chlamydia. My bill will provide authority for the Centers for Disease Control to establish a national chlamydia screening program for low-income women. It will provide the necessary resources to see that the job is done properly. I urge my colleagues to support this effort.

I ask that a copy of the bill and a factsheet on chlamydia be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This subtitle may be cited as the "Infertility Prevention Act of 1991".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Chlamydia and gonorrhea are treatable sexually transmitted diseases that can cause infertility among women if treatment for the disease is not received.

(2) Effective treatments exist for such diseases, and cases of infertility arising from the diseases are therefore preventable.

(3) An estimated 125,000 women in the United States become infertile each year as a result of complications resulting from chlamydia, gonorrhea and other sexually transmitted diseases, and such infertility often occurs before the women have made the decision to begin or complete their families.

(4) Chlamydia is believed to be the most common sexually transmitted disease in the United States, with an estimated 4,000,000 new cases of the disease occuring each year. Women and sexually active teenagers are at particular risk for contracting the disease. In 1987, the disease resulted in $1,800,000,000 of direct and indirect costs to the taxpayers of the United States, and 75 percent of such costs were due to cases of the disease that could have been easily and successfully treated.

(5) Gonorrhea is the most commonly reported sexually transmitted disease in the United States, with approximately 1,000,000 new cases of the disease reported to public health officials each year.

(6) The failure to receive treatment for chlamydia or gonorrhea can have serious consequences for women in addition to infertility, including life-threatening complications in pregnancy.

(7) Women with chlamydia or gonorrhea are twice as likely to experience an ectopic pregnancy, and the occurrence of either of such diseases during pregnancy is associated with premature births, with stillbirths, and with low birth weight.

(8) Although chlamydia and gonorrhea are easily detected and treated, a majority of women with the diseases experience no symptoms, and therefore rarely seek routine screening and treatment for the diseases.

(9) The single most effective means of preventing infertility and serious complications in pregnancy is through routine annual screening for, and prompt treatment of, chlamydia and gonorrhea in women and their partners.

(10) Providers of gynecological services are particularly appropriate entities through which such routine annual screenings (and treatment, as appropriate) can be provided.

(11) As a result of insufficient funding, health clinics that provide gynecological care to low-income women are currently unable to provide screenings for chlamydia and gonorrhea as part of routine gynecological care.

SEC. 3. ESTABLISHMENT OF PROGRAM OF GRANTS REGARDING PREVENTABLE CASES OF INFERTILITY ARISING AS RESULT OF SEXUALLY TRANSMITTED DISEASES.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.), as amended by section 101(a)(1) of Public Law 101-616 (104 Stat. 3279), is amended by adding at the end the following new part:

"PART M—PREVENTABLE CASES OF INFERTILITY

"SEC. 399G. INFERTILITY ARISING AS RESULT OF SEXUALLY TRANSMITTED DISEASES.

"(a) IN GENERAL.—The Secretary may make grants to States, political subdivisions of States, and any other public or nonprofit private entities for the purpose of carrying out the nonprofit described in subsection (c) regarding any treatable sexually transmitted disease that can cause infertility in women if treatment is not received for the disease. The Secretary shall carry out this section acting through the Director of the Centers for Disease Control.

"(b) SPECIFICATION OF RELEVANT DISEASES.—

"(1) IN GENERAL.—For each fiscal year, the Secretary shall make a determination specifying all sexually transmitted diseases that are diseases described in subsection (a).

"(2) DISEASES APPLICABLE WITH RESPECT TO GRANTEE INVOLVED.—In making a grant under subsection (a) to an applicant for the grant, the Secretary shall make a determination in order to select, from among the diseases specified for purposes of paragraph (1) for the fiscal year involved, the particular diseases with respect to which the grant is to be made to the applicant. The Secretary may select, for purposes of the determination, any or all of the diseases so specified. The Secretary may not make such a grant unless the applicant agrees to carry out this section only with respect to the disease or diseases selected for the applicant through the determination.

"(c) AUTHORIZED ACTIVITIES.—With respect to any sexually transmitted disease described in subsection (a), the activities referred to in such subsection are—

"(1) providing counseling to women on the prevention and control of the disease, including, in the case of a women with the disease counseling on the benefits of locating and providing such counseling to any individual from whom the women may have contracted the disease and any individual whom the women may have exposed to the disease;

"(2) screening women for the disease and for secondary conditions resulting from the disease, and as appropriate, to provide pregnancy testing;

"(3) providing treatment to women for the disease;

"(4) providing referrals regarding the provision of other medical services to women screened pursuant to paragraph (2), including, as appropriate, referrals, for evaluation and treatment regarding acquired immune deficiency syndrome and other sexually transmitted diseases and referrals regarding pregnancy, childbirth, and pediatric care;

"(5) providing follow-up services to determine the outcomes of medical services;

"(6) in the case of any women receiving services pursuant to any of paragraphs (1) through (5), providing to the partner of the women the services described in such paragraphs, as appropriate;

"(7) providing outreach services to inform women of the fact that the services described in paragraph (1) through (6) are available from the grantee involved;

"(8) providing to the public information and education on the prevention and control of the disease, including disseminating such information;

"(9) providing training to health care providers in carrying out the counseling and screenings described in paragraphs (1) and (2);

"(10) in the case of services and activities described in this subsection, coordinating the services and activities in accordance with subsection (g); and

"(11) collecting, in accordance with subsection (k), data on the incidence and prevalence of the disease in order to assist in carrying out activities for the prevention and control of the disease, including activities to educate the public regarding the disease.

"(d) REQUIREMENT OF AVAILABILITY OF ALL SERVICES THROUGH EACH GRANTEE.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that each authorized service will be available through the applicant. With respect to compliance with such agreement, the applicant may expend the grant to provide any of the services directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entries provide the services.

"(e) REQUIRED PROVIDERS REGARDING CERTAIN SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, in expending the grant to provide authorized services, the services described in paragraphs (1) through (7) of subsection (c) will be provided only through entities that are grantees under section 329, 330, or 1,001 or are other public or nonprofit private entities that provide health or voluntary family planning services to a significant number of low-income women.

"(f) QUALITY ASSURANCE REGARDING SCREENING FOR DISEASES.—For purposes of this section, the Secretary shall establish criteria for ensuring the quality of screening procedures for diseases described in subsection (a). The Secretary may not make a grant under such subsection unless the applicant involved agrees, with respect to any disease selected in the determination made under subsection (b)(2) for the applicant, to carry out screenings for the disease in accordance with such criteria.

"(g) COORDINATION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees to coordinate all authorized services provided through the applicant for the purpose of ensuring efficiency in the provision of the services.

"(h) CONFIDENTIALITY.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees to maintain the confidentiality of information on individuals regarding screenings of the individuals for sexually transmitted diseases, subject to complying with applicable law.

"(i) LIMITATION ON IMPOSITION OF FEES FOR SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the individual involved; and

"(3) will not be imposed on any individual with an income of less than 150 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(j) LIMITATIONS ON CERTAIN EXPENDITURES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that—

"(1) in the case of the first fiscal year for which the applicant receives payments under the grant, not more than 20 percent of the grant will be expended for the purpose of carrying out paragraphs (8) through (11) and subsection (c); and

"(2) in the case of any subsequent fiscal year for which the applicant receives payments under any grant under subsection (a), not more than 15 percent of the grant will be expended for such purpose.

(k) REPORTS TO SECRETARY.—

"(1) COLLECTION OF DATA.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to any disease selected in the determination made under subsection (b)(2) for the applicant, to submit to the Secretary, for each fiscal year for which the applicant receives such a grant, a report providing—

"(A) the incidence of the disease among the population of individuals served by the applicant;

"(B) the number and demographic characteristics of individuals in such population;

"(C) the types of interventions and treatments provided by the applicant, and the health conditions with respect to which referrals have been made pursuant to subsection (c)(4);

"(D) an estimate by the applicant of the effect of the services provided under the grant on the community in which the services have been provided; and

"(E) providing such other information as is available to the applicant and determined by the Secretary to be relevant regarding the prevention and control of the disease.

"(2) UTILITY AND COMPARABILITY OF DATA.—The Secretary shall carry out activities for the purpose of ensuring the utility and comparability of data collected pursuant to paragraph (1). The Secretary may not make a grant under subsection (a) unless the applicant involved makes such agreements as the Secretary determines to be necessary for such purpose.

"(l) MAINTENANCE OF EFFORT.—

"(1) IN GENERAL.—With respect to activities for which a grant under subsection (a) is authorized to be expended, the Secretary may not, subject to paragraph (2), make such a grant for any fiscal year unless the applicant agrees to maintain expenditures of non-Federal amounts for such activities at a level than is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the first fiscal year for which the entity receives such a grant.

"(2) APPLICABILITY TO PRIVATE ENTITIES.—In the case of a nonprofit private entity making an agreement under paragraph (1), the Secretary may require the entity to comply with the agreement only to the extent of the amount of non-Federal amounts that are available to the entity for the activities to which the agreement applies.

"(m) SUBMISSION OF PLAN FOR PROGRAM OF GRANTEE.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the applicant involved submits to the Secretary a plan describing the manner in which the applicant will comply with the agreements required as a condition of receiving such a grant, including a specification of the entities through which authorized services will be provided and a specification of the manner in which such services will be coordinated purposes of subsection (g).

"(2) PARTICIPATION OF CERTAIN ENTITIES.—The Secretary may not make a grant under subsection (a) unless the applicant provides assurances satisfactory to the Secretary that the plan submitted under paragraph (1) has been prepared in consultation with an appropriate number and variety of—

"(A) representatives of entities in the geographic area involved that provide services for the prevention and control of sexually transmitted diseases, including programs to provide to the public information and education regarding such diseases; and

"(B) representatives of entities in such area that provide family planning services.

"(n) Requirement of Application.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary, the application contains the plan required in subsection (m), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(o) Duration of Grant.—The period during which payments are made to an entity from a grant under subsection (a) may not exceed 3 years. The provision of such payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments in such year. The preceding sentence may not be construed to establish a limitation on the number of grants under such subsection that may be made to an entity.

"(p) Technical Assistance, and Supplies and Services in Lieu of Grant Funds.—

"(1) Technical assistance.—The Secretary may provide training and technical assistance to grantees under subsection (a) with respect to the planning, development, and operation of any program or service carried out under such subsection. The Secretary may provide such technical assistance directly or through grants or contracts.

"(2) Supplies and services in lieu of grant funds.—

"(A) Upon the request of a grantee under subsection (a), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the grantee in carrying out such subsection and, for such purpose, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of the grant to the grantee involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(q) Evaluations and Reports by Secretary.—

"(1) Evaluations.—The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to subsection (a) in order to determine the quality and effectiveness of the programs.

"(2) Report to congress.—Not later than 1 year after the date on which amounts are first appropriated pursuant to subsection (t), and annually thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report—

"(A) summarizing the information provided to the Secretary in reports made pursuant to subsection (k), including information on the incidence of sexually transmitted diseases described in subsection (a); and

"(B) summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year.

"(r) Coordination of Federal Programs.—The Secretary shall coordinate the activities carried out under the program established in this section with any similar activities regarding sexually transmitted diseases that are carried out under other programs administered by the Secretary, including the coordination of such activities of the Director of the Centers for Disease Control with such activities of the Director of the National Institutes of Health.

"(s) Definitions.—For purposes of this section, the term 'authorized service' means any service or activity described in subsection (c).

"(t) Authorization of Appropriations.—For the purpose of carrying out this section other than subsections (q) and (u), there is authorized to be appropriated $80,000,000 for each of the fiscal years 1992 through 1995.

"(u) Separate Grants for Research on Delivery of Services.—

"(1) In general.—The Secretary may make grants for the purpose of conducting research on the manner in which the delivery of services under subsection (a) may be improved. The Secretary may make such grants only to grantees under such subsection and to public and nonprofit private entities that are carrying out projects substantially similar to projects carried out under such subsection.

"(2) Authorization of appropriations.—For the purpose of carrying out paragraph (1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992 through 1995.".

Background Facts on Chlamydia

Chlamydia is the most common STD in the United States, with more than 4 million new infections each year. Chlamydia trachomatis, the organism which causes chlamydial infections, is a bacteria which can be easily treated with oral antibiotics.

In men, chlamydia is the most frequent cause of nongonococcal urethritis, or infection of the urinary opening. In women, chlamydia infection is most common on the cervix, the opening of the uterus.

Chlamydia infections are the most frequent cause of pelvic inflammatory disease (PID) in women. PID results when chlamydia infection of the cervix moves up the genital tract to the upper uterus and Fallopian tubes. PID damages the Fallopian tubes, leading to tubal factor infertility as well as risk for other complications such as tubal (actopic) pregnancy and chronic pain.

More than 50% of all ectopic pregnancy in the U.S., a life threatening condition, can be attributed to past infection with STD such as chlamydia. Ectopic pregnancy is the most frequent cause of maternal mortality in the United States.

The Office of Technology Assessment issued a report on infertility in 1988. They found that each year $2 billion is spent in the United States on health care costs related to infertility. The most cost-effective way to address the problem of infertility is to implement primary prevention of infertility by diagnosing and treating sexually transmitted infections which may lead to infertility, rather than promote costly infertility treatments after tubal damage has already occurred.

As many as 125,000 women become infertile each year as a result of PID due to chlamydia and gonorrhea. An estimated $40 to $200 million is spent annually on infertility-related health care costs which result from past infections with chlamydia or other STD. As much as 30% of all infertility may be due to past STD infection. Infertility resulting from PID is the only preventable cause of infertility.

Although chlamydia infections are easily treated with oral antibiotics, many infections go unrecognized and are not treated because the majority of women—as many as 75% of those infected with chlamydia—have no symptoms or clinical signs of infections. These "silent" infections will not be detected without specific diagnostic testing but frequently progress to infections into the upper genital tract—the Fallopian tubes and uterus—causing tubal damage and risk for infertility.

Screening women in primary case settings, when they receive other health care services such as pap smears or examinations for family planning, and before symptoms occur, offers the best opportunity for prevention of infertility because these infections can be detected and treated early before tubal damage occurs.

Chlamydia cultures have been available over a decade, but are very expensive. Recently non-culture tests have been developed which are almost as sensitive as culture in detecting infection and which can be used easily in primary care settings. However, the cost of these non-culture tests, although less than culture, is still prohibitive in many primary care settings. Most public clinics do not have the resources to provide testing, even though their patients are at high risk for chlamydia infection.

Because knowledge about the clinical effects of chlamydia has been evolving over the past ten years, many clinicians in practice are not aware of the spectrum of diseases caused by chlamydia or the potential for complications from these infections in women. Routine testing of reproductive-age women is not common in practice, even though CDC has called for testing during routine examinations since 1985. Provider education about the nature of the chlamydia, and the diagnosis and treatment of infections will be essential to achieve an effective chlamydia control program in the United States.

Many individuals at risk for infection are likewise unaware of chlamydia and its complications. Patient outreach and education—along with screening—must be a component of any chlamydia control program.

A collaborative demonstration project for chlamydia control has been successfully implemented in Region X: Washington, Oregon, Idaho and Alaska. The project was designed to provide widespread, cost-efficient screening of chlamydia and treatment for infected women and their sex partners in primary care clinics. Jointly supported by the CDC and the regional Title X family planning program, the project used centralized data management and laboratory resources, and bulk purchase of non-culture chlamydia tests to maximize the cost-savings. Thus, more women were able to be screened for each program dollar. This project was remarkably successful in decreasing the incidence and prevalence of chlamydia among women receiving care at participating sites. The collaborative, integrated project—which included provider and patient education—should be the model for chlamydia control programs nationwide.•

By Mr. INOUYE (for himself and Mr. McCain):

S. 1752. A bill to provide for the development, enhancement, and recognition of Indian tribal courts; to the Select Committee on Indian Affairs.

INDIAN TRIBAL COURTS ACT

Mr. INOUYE. Mr. President, I am introducing a measure today that is intended to address, in a comprehensive way, the needs of Indian tribal courts. As chairman of the Senate Select Committee on Indian Affairs for almost 5 years, I have become educated on many matters that involve the exercise by Indian tribal governments of their inherent sovereignty. Fundamental to the exercise of sovereignty is the ability of the sovereign to enact laws and to enforce those laws through judicial forums. In my tenure as committee chairman, I have come to understand that, while tribal governments have made great strides in adapting their traditional judicial systems to conform to Anglo justice system models, much remains to be done. In fact, a dramatic change is needed in the manner in which the United States makes resources available to tribal governments and their court.

The bill I am introducing today, if enacted, will bring about a significant change from the current structure for the delivery of Federal resources to Indian tribal court systems. The bill provides for the establishment of an independent Tribal Judicial Conference, composed of the chief judges of all tribal courts, that would oversee the business of tribal courts, always keeping in mind the sovereignty and independence of each tribal government and its judicial system. Federal funds for the operation and support of tribal courts would be allocated on the basis of a formula developed by the Tribal Judicial Conference in consultation with Indian tribal governments.

I am pleased to note that the response of the Indian country to this approach has been very favorable. The committee held a hearing on this bill in draft form on September 10, 1991, and the bill now reflects many of the recommendations received at that hearing as well as other communications received by the committee from tribal government leaders.

Mr. President, the 1968 Indian Civil Rights Act requires tribal governments to provide protection of rights that reflect, with few exceptions, the rights protected in the Bill of Rights contained in the Constitution, as well as the rights protected in subsequent amendments to the Constitution.

Mr. President, the U.S. Commission on Civil Rights has just completed a 5-year study of the implementation of the Indian Civil Rights Act by tribal governments. The Commission found that there are two major factors that affect the implementation. One factor is the diversity of tribal court forums and tribal traditions; and another factor, cited in the Civil Rights Commission report is the "inadequacy of resources provided by the Federal Government since enactment of the ICRA to facilitate a consistent level of implementation."

The Indian Tribal Courts Act of 1991 proposes to provide comprehensive Federal support to Indian tribal courts and intertribal courts of appeal. Drawing from the framework of institutions that provide support to the Federal and State courts, the bill contains three titles.

Title I establishes the Tribal Judicial Conference which would be composed of the chief judge of each tribal court. The Conference would meet regularly to survey the needs of tribal courts and to give direction to the Office of Indian Tribal Courts. The Conference would appoint the Director of the Office who would also serve as secretary to the Conference.

Title I also establishes an Office of Indian Tribal Courts within the Conference. This office would provide basic support for tribal courts and would distribute funds to tribal courts in accordance with a formula developed by the Tribal Judicial Conference, in consultation with Indian tribal governments. In addition, the Office will have authority to make grants to tribal governments and tribal courts for enhancement and further development of the courts. The Office will have access to technical assistance and support, on a reimbursable basis, from the administrative office of the U.S. courts.

Title II establishes the Tribal Justice Institute which is modeled after the State Justice Institute, a federally funded organization devoted to education and development of innovative policies and programs to improve the administration of justice in State courts. The Institute would be directed by a 12-member board of directors appointed by the Tribal Judicial Conference and its primary function would be to make grants for purposes similar to those purposes for which grants are made to organizations serving State courts. These grants would be awarded to tribal, public, and private agencies for the improvement of tribal court programs including seminars, training, development of innovative programs, case flow and records management, research, and enhancing the communication between Federal, State, and tribal judicial systems.

Mr. President, the message in most of the testimony received by the Committee over the past year has been straightforward and unanimous—tribal courts need adequate resources to enhance their capacities to provide efficient adjudicatory systems. The findings of the U.S. Commission on Civil Rights support this view. The integrity of a tribal government is dependent upon not only upon the enforcement of laws enacted by that government but the degree to which the tribal court can efficiently address actions which require the interpretation of those laws. To date, the resources that have been afforded to tribal courts have been seriously inadequate to meet the requirements of ever-increasing case loads.

I believe that every member of the Senate would agree that we must provide tribal judicial systems with the same measure of assistance that is now made available to support the operations of the Federal courts and the State courts.

It is my hope that the bill I am introducing today will be considered in this context and that we will see early passage of this important legislation.•

By Mr. LIEBERMAN (for himself, Mr. DODD, Mr. CHAFEE, Mr. RUDMAN, Mr. SMITH, and Mr. PELL):

S. 1753. A bill to authorize the Small Business Administration to participate in the purchase of eligible securities issued by qualified commercial banks or qualified mutual savings banks; to the Committee on Small Business.

SMALL BUSINESS RECOVERY ACT

• Mr. LIEBERMAN. Mr. President, I rise today to introduce the Small Business Recovery Act of 1991—a measure I believe will provide some long-awaited and critically needed relief to the credit crunch which has plagued New England and the Nation over the past 18 months. I am pleased to be joined in this effort by Senators DODD, CHAFEE, RUDMAN, SMITH, and PELL.

Mr. President, Connecticut is suffering from one of the worst recessions in recent memory—unemployment continues to rise, businesses continue to fail, and the credit crunch has devastated hopes for any imminent recovery.

The facts are clear: First, in 1990, business failures in New England increased by 193 percent over 1989 levels. This compares to a nationwide increase in business failures of 14.5 percent. Second, during the past 2 years New England has lost 254,000 jobs, which accounts for fully 20 percent of the Nation's total job loss, in a region that accounts for only 5 percent of the population. Subsequently, as of April 1991, five of the six New England States had an unemployment rate significantly higher than the national average. Third, from the fourth quarter of 1988 to the fourth quarter of 1989 commercial and industrial loans dropped from 560.7 billion to 545.3 billion—a drop of 2.8 percent. New England dropped from 45.5 to 38.5 billion—a drop of 15.3 percent. Fourth, finally, on a regional basis, the loss of bank capital in New England is the most severe in the United States. According to Federal Reserve data, from the fourth quarter of 1988 to the fourth quarter of 1990, savings and commercial banks throughout New England experienced a 25-percent decline in capital, while nationally the decline averaged less than 3 percent.

Mr. President, in recent testimony before the Joint Economic Committee, Michael Boskin, Chairman of the President's Council on Economic Advisors stated—very clearly—that "the serious problem of the availability of credit in the United States is probably the single biggest threat to a sustained recovery."

If Mr. Boskin hasn't visited New England recently—he ought to—because he has hit the nail right on the head. The credit crunch is alive and well in New England and in the State of Connecticut. According to a survey conducted by the Connecticut Business and Industry Association this past March: 26 percent of the respondents said they had been turned down for a loan during the last 6 months; more than 10 percent had a loan called; and 81 percent believed there was a credit availability problem for their particular industry.

While these data are alarming, one additional fact is clear—the credit crunch is going to get worse before it gets better. As the economy begins to recover and as the demand for credit begins to increase, the availability of financing for creditworthy firms will become even more scarce. This impedes economic growth and job creation, and causes businesses to fail and unemployment to rise. The fact is that creditworthy businesses—particularly small businesses—are suffering and will continue to suffer unless we act soon.

Mr. President, over the past 18 months I have met with or written to Secretary Brady, Chairman Greenspan, Comptroller Clark, and Chairman Seidman. I have urged a reduction in interest rates, I have been supportive of open bank assistance, and I have discussed many regulatory initiatives, including proposals regarding net worth certificates and loan splitting. With the exception of reducing the discount rate, the administration has been completely unresponsive. As exemplified by Mr. Boskin's statement, the administration is simultaneously acknowledging the gravity of the credit situation and refusing to take any action. This reminds me of a line I once heard Professor Robert Michel use. He said: "Taking my economic theory course may not keep you off the bread lines, but at least you'll know why you're there."

Mr. President, simply stated, the Small Business Recovery Act serves two primary purposes. First, it would aid in the recapitalization of economically sound smaller banks—using private capital with a Federal guarantee—and therefore provide much-needed and long-awaited relief to one of the primary causes of the credit crunch—the lack of bank capital.

Second, this program focuses directly on lending to small firms. Small businesses are the most vulnerable in a tight credit market and are most affected by the credit crunch. Under this legislation, capital raised by security sales would be placed into a loan pool for the purposes of making small business loans. The multiplier effect of this capital investment would provide approximately 12 times the guaranteed portion of the investment—$60 million per bank—much of which will lead to small business lending.

Finally, this program is largely self-insured. Banks participating in the program are required to pay an origination fee of .5 percent and an annual premium of 1 percent. Over the 7-year life of the program these fees would grow into a $31 million reserve to protect against losses.

Mr. President, the credit crunch is strangling New England's economy and impeding New England's economic recovery. Without capital, banks cannot provide credit; without credit, businesses cannot grow; and without business growth, jobs cannot be created. It's as fundamental as that.

To conclude, let me thank Mr. Sheldon Pollack and the New England Council, who worked tirelessly on bringing this idea to fruition, and enabling us to introduce it today.•

• Mr. DODD. Mr. President, it is with a great sense of urgency that I rise today to join Senators LIEBERMAN, CHAFEE, and RUDMAN in introducing the Small Business Recovery Act of 1991.

Connecticut and the rest of New England have been decimated by a recession that shows little sign of loosening its stranglehold on the region's economy. The numbers speak for themselves. Business failures increased by 193 percent during 1990 in New England, compared to 14.5 percent nationwide, and over the past 2 years New England has lost 254,000 jobs, or 4 percent of all its jobs.

These numbers have real meaning for real people. At three hearings over the past 2 months I have listened to people who have been thrown out of work and are now struggling to find a job. Laborers and State employees, marketing executives and construction workers—all have told the same poignant tale of losing their job and with it many of their aspirations in life. For many, former dreams of a career and a better future for their children have turned into a nightmare of searching for some job, any job, that will simply pay for the basic necessities of life.

Mr. President, the legislation we are introducing today is a direct response to these problems. I favor other actions, including the extension of unemployment benefits for Americans whose benefits expire during their earnest search for work, but the only long-term solution is to get the economy moving and create jobs. Infusion of capital into banks is a key to this. Without capital, banks cannot lend. Without loans, businesses cannot thrive and jobs cannot be created.

In Connecticut during 1990, losses on loans gone bad ate away at bank capital, causing it to decline by 28.2 percent from 1989 levels. Declining capital in turn forced many banks to shrink their assets to meet required ratios—often by refusing to continue lines of credit to long-standing customers and by declining to make loans to creditworthy borrowers. This is reflected by the fact that loans by Connecticut banks shrank by 10.5 percent during 1990, and further shrunk at an annual rate of 9.8 percent during the first quarter of 1991. It is also reflected by a February survey by the Connecticut Business and Industry Association which found that 75 percent of those responding felt credit was more difficult to obtain than it had been the previous year.

The Small Business Recovery Act is designed to attract capital to banks. It would authorize the Small Business Administration to guarantee, for a period of 7 years, 85 percent of the original value of small amounts of stock issued by small banks. While the stock guarantee would be limited to $4.25 million per bank, even this small amount of capital gain can support as much as $42 million in loans.

It is particularly important that this bill singles out small banks, because small banks do the lion's share of lending to the thousands of small businesses that are the backbone of the New England economy. Whereas Fortune 500 companies have access to national—and now international—sources of credit, small businesses are not large enough to command the attention of these markets. Under the provisions of this bill, only banks with a history of lending to small businesses are eligible for the stock guarantee program, and banks that participate must make special provisions to continue their lending to small business.

Before closing, I would like to commend the New England Council for its hard work on this legislation. The Small Business Recovery Act is an innovative response to current problems, building upon the Small Business Administration's loan guarantee program, and upon the SBA's general expertise in promoting small business in this country. Its introduction today would not have been possible without the council's hard work and support.

Mr. President, I would hope we can take action on this bill quickly. The need is great. People in Connecticut and across New England are hurting because they have no job, and this bill is one way Government can help. While not a panacea, passage of the Small Business Recovery Act would offer a ray of hope to New Englanders that our region's difficulties may be on the wane. I would hope we will not pass up the opportunity to send such a strong and positive message to people who desperately need it.•

ADDITIONAL COSPONSORS

S. 68

At the request of Mr. McCAIN, his name was added as a cosponsor of S. 68, a bill to amend title 10, United States Code, to authorize the appointment of chiropractors as commissioned officers in the Armed Forces to provide chiropractic care, and to amend title 37, United States Code, to provide special pay for chiropractic officers in the Armed Forces.

S. 140

At the request of Mr. WIRTH, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 316

At the request of Mr. CRAIG, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 456

At the request of Ms. MIKULSKI, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Idaho [Mr. CRAIG], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 456, a bill to amend chapter 83 of title 5, United States Code, to extend the civil service retirement provisions of such chapter which are applicable to law enforcement officers to inspectors of the immigration and Naturalization Service, inspectors and canine enforcement officers of the United States Customs Service, and revenue officers of the Internal Revenue Service.

S. 581

At the request of Mr. BOREN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 581, a bill to amend the Internal Revenue Code of 1986 to provide for a permanent extension of the targeted jobs credit, and for other purposes.

S. 596

At the request of Mr. MITCHELL, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 684

At the request of Mr. FOWLER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 684, a bill to amend the National Historic Preservation Act and the National Historic Preservation Act Amendments of 1980 to strengthen the preservation of our historic heritage and resources, and for other purposes.

S. 964

At the request of Mr. MCCAIN, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 964, a bill to establish a Social Security Notch Fairness Investigatory Commission.

S. 1111

At the request of Mr. MITCHELL, the names of the Senator from North Carolina [Mr. SANFORD], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 1111, a bill to protect the Public from Health Risks from Radiation Exposure from Low-Level Radioactive Waste, and for other purposes.

S. 1185

At the request of Mr. GARN, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1185, a bill to disclaim or relinquish all right, title, and interest of the United States in and to certain lands conditionally relinquished to the United States under the Act of June 4, 1897 (30 Stat. 11, 36), and for other purposes.

S. 1227

At the request of Mr. MITCHELL, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. AKAKA], the Senator from Vermont [Mr. LEAHY], the Senator from California [Mr. CRANSTON], the Senator from Illinois [Mr. SIMON], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of S. 1227, a bill to amend the Public Health Service Act, the Social Security Act, and the Internal Revenue Code of 1986 to provide affordable health care of all Americans, to reduce health care costs, and for other purposes.

S. 1257

At the request of Mr. BOREN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1261

At the request of Mr. DOLE, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of S. 1261, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax.

S. 1273

At the request of Mr. FOWLER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1273, a bill to establish national standards for the manufacture and labeling of certain plumbing products in order to conserve and protect water resources, and for other purposes.

S. 1274

At the request of Mr. FOWLER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1274, a bill to provide for the improved management of the nation's water resources.

S. 1372

At the request of Mr. GORE, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1372, a bill to amend the Federal Communications Act of 1934 to prevent the loss of existing spectrum to Amateur Radio Service.

S. 1383

At the request of Mr. MCCAIN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1383, a bill to amend title 10, United States Code, to provide for payment under CHAMPUS of certain health care expenses incurred by members and former members of the uniformed services and their dependents who are entitled to retired or retainer pay and who are otherwise ineligible for such payment by reason of their entitlement to benefits under title XVIII of the Social Security Act because of a disability, and for other purposes.

S. 1423

At the request of Mr. DODD, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1426

At the request of Mr. BUMPERS, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1426, a bill to authorize the Small Business Administration to conduct a demonstration program to enhance the economic opportunities of startup, newly established, and growing small business concerns by providing loans and technical assistance through intermediaries.

S. 1505

At the request of Mr. DECONCINI, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1505, a bill to amend the law relating to the Martin Luther King, Jr. Federal Holiday Commission.

S. 1532

At the request of Mr. METZENBAUM, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1532, a bill to revise and extend the programs under the Abandoned Infants Assistance Act of 1988, and for other purposes.

S. 1673

At the request of Mr. HEFLIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1673, a bill to improve the Federal justices and judges survivors' annuities program, and for other purposes.

S. 1699

At the request of Mr. DODD, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 1699, a bill to prevent false and misleading statements in connection with offerings of government securities.

S. 1712

At the request of Mr. BROWN, the names of the Senator from Mississippi [Mr. LOTT], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 1712, a bill to provide an annuity to certain surviving spouses and dependent children of Reserve members of the Armed Forces who died between September 21, 1972, and September 30, 1978.

S. 1730

At the request of Mr. ADAMS, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1730, a bill to provide early childhood staff training and professional enhancement grants, and for other purposes.

S. 1742

At the request of Mr. LEAHY, the names of the Senator from Iowa [Mr. HARKIN], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1742, a bill to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, and to increase sales at the markets, and for other purposes.

SENATE JOINT RESOLUTION 6

At the request of Mr. JOHNSTON, the names of the Senator from Kansas [Mr. DOLE], the Senator from Indiana [Mr. LUGAR], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 6, a joint resolution to designate the year 1992 as the "Year of the Wetlands."

SENATE JOINT RESOLUTION 110

At the request of Mr. WOFFORD, his name was added as a cosponsor of Senate Joint Resolution 110, a joint resolution expressing the sense of the Congress that the United States and the Soviet Union should lead an effort to promptly repeal United Nations General Assembly Resolution 3379 (XXX).

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Joint Resolution 110, supra.

SENATE JOINT RESOLUTION 147

At the request of Mr. LEAHY, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Idaho [Mr. CRAIG], the Senator from Missouri [Mr. DANFORTH], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Ohio [Mr. GLENN], the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Maine [Mr. MITCHELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from California [Mr. SEYMOUR], the Senator from Illinois [Mr. SIMON], and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating October 16, 1991, and October 16, 1992, as "World Food Day."

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Joint Resolution 164, a joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week."

SENATE JOINT RESOLUTION 172

At the request of Mr. INOUYE, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Joint Resolution 172, a joint resolution to authorize and request the President to proclaim the month of November 1991, and the month of each November thereafter, as "National American Indian Heritage Month."

SENATE JOINT RESOLUTION 190

At the request of Mr. MOYNIHAN, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of Senate Joint Resolution 190, a joint resolution to designate January 1, 1992, as "National Ellis Island Day."

SENATE JOINT RESOLUTION 198

At the request of Mr. AKAKA, the names of the Senator from New York [Mr. D'AMATO], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUYE, the names of the Senator from New York [Mr. D'AMATO], the Senator from Missouri [Mr. DANFORTH], the Senator from North Carolina [Mr. SANFORD], the Senator from Massachusetts [Mr. KERRY], the Senator from North Dakota [Mr. CONRAD], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of Senate Joint Resolution 202, a joint resolution to designate October, 1991, as "Crime Prevention Month."

SENATE RESOLUTION 78

At the request of Mr. KASTEN, his name was withdrawn as a cosponsor of Senate Resolution 78, a resolution to disapprove the request of the President for extension of the fast track procedures under the Omnibus Trade and Competitiveness Act of 1988 and the Trade Act of 1974.

SENATE RESOLUTION 178

At the request of Mr. LUGAR, the names of the Senator from Wyoming [Mr. WALLOP], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Resolution 178, a resolution expressing the sense of the Senate on Chinese political prisoners and Chinese prisons.

At the request of Mr. KASTEN, his name was added as a cosponsor of Senate Resolution 178, supra.

SENATE CONCURRENT RESOLUTION 64—RELATIVE TO THE ANNIVERSARY OF DEMOCRACY IN GREECE

Mr. LUGAR submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 64

Whereas 2500 years ago, the ideals and institutions of democracy originated in the city of Athens;

Whereas Greece is recognized as the cradle of democracy;

Whereas Athenian democratic ideals inspired the founders of the United States to wisely establish democratic institutions for the perpetual benefits of the people of the United States;

Whereas the democratic ideals and institutions that originated in Athens now flourish not only in the United States and Greece but throughout the world;

Whereas the collapse of global Communist totalitarianism represents the greatest victory for democratic ideals since the end of World War II, guaranteeing liberty and happiness to hundreds of millions of people and enhancing the prospects for world peace; and

Whereas during September 26 through 28, 1991, the occasion of the 2500th anniversary of democracy will be celebrated in Athens: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress congratulates the Government and people of Greece, and the municipal government and people of Athens, on the occasion of the 2500th anniversary of the establishment of democracy in the city of Athens.

• Mr. LUGAR. Mr. President, I am very pleased to introduce a concurrent resolution commending and congratulating the people and Government of Greece, as well as the government and people of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens.

The dramatic transformation to democracy and political pluralism around the globe that have been taking place in the past few years can trace their origins and inspiration in good part to the bold and innovative democratic ideas and institutions established in Athens, Greece, 2,500 years ago.

The resolution I am introducing today is identical to a resolution just introduced in the House. September 26, is significant because the people of Athens, Greece, will begin celebrations commemorating the 2,500-year birthday of Athenian democracy. We should all share in that celebration just as we share in the inherent wisdom and fairness of democracy.•

SENATE RESOLUTION 184—RECOMMENDING THAT MEDICAL HEALTH INSURANCE PLANS PROVIDE COVERAGE FOR PERIODIC MAMMOGRAPHY SCREENING SERVICES

Mr. DIXON submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. RES. 184

Whereas one in nine women in the United States can expect to develop breast cancer in her lifetime;

Whereas breast cancer is the second leading type of cancer resulting in death among women in the United States;

Whereas it is estimated that 44,500 deaths in 1991 will be attributed to breast cancer;

Whereas if detected early, approximately 90 percent of breast cancer cases can be cured;

Whereas mammography screening has been determined to be the most reliable method for the early detection of breast cancer;

Whereas according to the American Cancer Society, mammography screening for breast cancer results in higher survival rates in younger women as well as in older women;

Whereas Congress has rightfully found that mammography screening can be low-cost and cost-effective;

Whereas the Breast and Cervical Cancer Mortality Prevention Act of 1990 provides grants to States to subsidize mammography screening for low-income women;

Whereas Medicare coverage includes mammography screening; and

Whereas CHAMPUS provides coverage for mammography screening: Now, therefore, be it

Resolved, That the Senate recommends and urges that all medical health insurance plans provide coverage for periodic mammography screening services as part of basic health care coverage for women.

Mr. DIXON. Mr. President, I rise to introduce a sense-of-the-Senate resolution which I believe is most essential to our health care delivery system. It urges insurance companies throughout this country to pay for the cost of screenings for early detection of breast cancer.

Specifically, the resolution recommends and urges that all medical health insurance plans offer periodic mammography screening services as part of basic coverage for women.

Mr. President, I had the privilege and the honor as chairman of the Subcommittee on Readiness, Sustainability and Supports of the Armed Services Committee in last year's Department of Defense authorization bill to authorize the funding in CHAMPUS for annual mammograms of all women in the military services and all wives of members of the military in the services.

Congress already provides coverage for mammograms to Medicare beneficiaries, and to military medical beneficiaries. Congress also provides assistance to States for mammography screenings for low-income women. This resolution is intended to have insurance companies follow the lead of the Federal Government and bring mammogram coverage to millions more women.

We know that there is about a 90-percent cure rate for early detection of breast cancer. We know that mammography screening is the most reliable method for early detection of breast cancer. We also know that preventive health care saves lives.

In addition, Mr. President, we know that preventive health care can be low cost, and is cost effective. Therefore, it appears to me that providing mammography screenings will benefit women and insurance companies.

The public and private health care sectors agree that today's runaway medical costs are forcing this country to reorder its health priorities. We can no longer turn our backs on measures that clearly demonstrate cost savings. Prevention must become a primary health priority.

I understand that today, a mammogram costs about $50, while the cost of a radical mastectomy and followup care can exceed $50,000. Common sense tells me that for every dollar we spend on early detection of breast cancer, we can substantially save on advanced patient care and treatment.

Mr. President, as you know, insurance companies are regulated by our States. Therefore, my resolution does not dictate to insurance companies what they must include in their health insurance plans. However, the advantages of providing mammography coverage are so compelling that it seems to me that we should take this modest step.

The resolution would raise the visibility of early detection of breast cancer with the hope and expectation that insurance companies will heed the message and act in their best interest, and in the best interest of women and other policyholders.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

SASSER (AND OTHERS) AMENDMENT NO. 1193

Mr. SASSER (for himself, Mr. BYRD, Mr. LEAHY, Mr. JOHNSTON, Mr. HARKIN, Mr. BRADLEY, Mr. SIMON, Mr. MITCHELL, and Mr. PRYOR) proposed an amendment, which was subsequently modified, to the bill (H.R. 2521) making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes, as follows:

At the end of the committee amendment on page 4, line 5, insert the following new section:

SEC. . (a) Notwithstanding any other provision of this Act, the total amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE" is the amount provided under that heading minus $3,200,396,000,000.

(b) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" is the amount provided under that heading minus $225,000,000.

(c)(1) Notwithstanding any other provision of this Act, the total amount appropriated by title IV under the headings "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES" is the total amount provided under those headings minus $1,100,000.

(2) Of the total amount appropriated by title IV under such headings after the reduction required by paragraph (1), not more than $3,500,000,000 may be expended for the Strategic Defense Initiative and the Theater Missile Defense Initiative.

SPECTER AMENDMENT NOS. 1194 THROUGH 1196

(Ordered to lie on the table.)

Mr. SPECTER submitted three amendments intended to be proposed by him to the bill H.R. 2521, supra, as follows:

At the appropriate place in the bill insert the following:

SEC. . LIMITATION ON OVERHAUL OF THE U.S.S. ENTERPRISE.

(a) LIMITATION.—No funds shall be obligated for the complex overhaul of the U.S.S. Enterprise (CVN-65), or any other nuclear aircraft carrier until the Secretary of the Navy, the Administrator of the Environmental Protection Agency, and the Secretary of Energy have jointly submitted a comprehensive plan, which includes annual cost estimates for the next 20 years, for the handling and disposal of all nuclear materials and radioactively contaminated materials of the nuclear-powered aircraft carriers. This plan shall include a list of the specific locations under consideration as disposal or reprocessing sites and shall be developed in consultation with the host states and affected states of any potential site. An unclassified report detailing such plans shall be provided to Congress to accompany the notice of certification.

(b) REPORT ON HEALTH EFFECTS.—Not later than September 30, 1992, the Secretary of Health and Human Services, acting through the Assistant Secretary of Labor for Occupational Safety and Health, shall transmit to Congress a report on the human health risks associated with overhaul work on nuclear-powered aircraft carriers.

AMENDMENT NO. 1195

Insert in the appropriate place:

(1) The Department of the Navy shall not take any action to close or consolidate any Department of the Navy Research and Development laboratory until:

(A) the Comptroller General of the United States issues a report which:

(i) evaluates cost data and methodology used in formulating the consolidation plan, and any new variables resulting from recommendations made by the 1991 Base Closure Commission;

(ii) evaluates the validity of all personnel relocation assumptions contained in the plan; and

(iii) evaluates the consolidation plan in light of changing force structure requirements;

(B) the Secretary of Defense provides a report to Congress on the findings set forth in the Comptroller General's report which shall include identification of inconsistencies between the Comptroller General's report and the findings and recommendations submitted by the Department of Defense to the 1991 Base Closure Commission.

(2) The Secretary of the Navy shall make available for review to the Comptroller General of the United States immediately upon enactment of this Act all documents including, but not limited to, any original written, recorded, transcribed, taped, filmed, photographed or graphic material, letters, correspondence, memoranda, hand-written notes, minutes of meetings, reports, studies analyses, notes, charts, diagrams, statistical records, computer print-outs, and fax materials generated after January 1, 1989, and prior to September 1, 1991, pertaining to or referencing the issue of consolidation of Department of the Navy Research and Development activities.

AMENDMENT NO. 1196

At the appropriate place in the pending bill, add the following:

(A) FINDINGS:

(1) The Defense Base Closure and Realignment Act of 1990 itself does not by its terms preclude judicial review of the agency actions involved in the base closure and realignment process; and

(2) The Administrative Procedure Act expressly permits judicial review of agency actions like those undertaken by the Commission and the Department of Defense pursuant to the Defense Base Closure and Realignment Act of 1990; and

(3) The Defense Base Closure and Realignment Act of 1990 was specifically designed to ensure a fair and open process of base closure; and

(4) The structure and objectives of the Defense Base Closure and Realignment Act of 1990 demonstrate the availability of judicial review of the procedural integrity of the base closure and realignment process; and

(5) Judicial review of the procedural integrity of agency actions is permitted under the Administrative Procedure Act under all circumstances, including where the relevant statute otherwise precludes judicial review; and

(6) Congress and the President rely on the federal courts to scrutinize the adherence of federal agencies like the Commission and the Department of Defense to the procedural mandates of the law; and

(7) The political question doctrine and separation-of-powers concerns do not alter the duty of the federal courts to review the procedural integrity of the base closure and realignment process; and

(8) Congress does not intend for administrative agencies to disregard clear statutory procedural commands;

(B) It is the sense of the Congress that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress is relying on the integrity of the base closure process, the Base Closure Commission, and the Department of Defense to ensure full compliance with the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply Congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the acceptance of the recommendations issued by the Base Closure Commission.

CRANSTON AMENDMENT NO. 1197

Mr. INOUYE (for Mr. CRANSTON) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the appropriate place in the bill, add a new section as follows:

SEC. . (a) Within the funds made available to the Air Force under title II of this Act, the Air Force shall use such funds as necessary, but not to exceed $10,800,000, to execute the cleanup of uncontrolled hazardous waste contamination affecting the Sale Parcel at Hamilton Air Force Base, in Novato, in the State of California.

(b) In the event that the purchaser of the Sale Parcel exercises its option to withdraw from the sale as provided in the Agreement, dated September 25, 1990, between the Department of Defense, the General Services Administration, and the purchaser, the purchaser's deposit of $4,500,000 shall be returned by the General Services Administration and funds eligible for reimbursement under the Agreement and Modification shall come from the funds made available to the Department of Defense by this Act.

(c) Notwithstanding any other provision of law, the Air Force shall be reimbursed for expenditures in excess of $15,000,000 in connection with the total clean-up of uncontrolled hazardous waste contamination on the aforementioned Sale Parcel from the proceeds collected upon the closing of the Sale Parcel.

BYRD AMENDMENT NO. 1198

Mr. BYRD proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 63, strike out lines 4 through 19, and insert in lieu thereof the following;

SEC. 8018. Funds made available by this Act shall be available to the Department of Defense for purchasing and storing petroleum products in Israel in order to meet emergency and other military needs of the United States as agreed to in a memorandum of agreement between the United States and Israel which should be concluded promptly on terms and conditions acceptable to the governments of both countries: *Provided*, That any memorandum of agreement entered into as described in this section shall be transmitted to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives and shall not take effect until 60 days after the date of the transmittal to such committees: *Provided further*, That in the event of a wartime emergency or a state of heightened military readiness on the part of Israel, all or part of the stock purchased pursuant to this section may be withdrawn and used by the armed forces of Israel (1) with the agreement of the governments of the United States and Israel as provided for in the memorandum of agreement, (2) with notification of the Congress in accordance with section 652 of the Foreign Assistance Act of 1961, and (3) subject to the requirement that the government of Israel promptly and fully reimburse the government of the United States for each such withdrawal in accordance with the terms of the memorandum of Agreement: *Provided further*, That section 8110 of Public Law 101-511 is hereby repealed.

KASSEBAUM AMENDMENT NO. 1199

Mr. STEVENS (for Mrs. KASSEBAUM) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 9, line 24, before the period, add: ": *Provided further*, That of the funds appropriated under this heading, $250,000 shall be available only for the conduct of a study on the need for and feasibility of a joint military and civilian airport at Manhattan, Kansas.".

GORTON (AND SEYMOUR) AMENDMENT NO. 1200

Mr. STEVENS (for Mr. GORTON, for himself and Mr. SEYMOUR) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the appropriate place in the bill, under the heading, Research, Development, Test and Evaluation, Navy, add: ": *Provided further*, That of the funds appropriated under this heading, $10,000,000 shall be available only for the Submarine Laser Communications project.".

DOLE AMENDMENT NO. 1201

Mr. STEVENS (for Mr. DOLE) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 93, line 22, insert "operated on a for-profit or nonprofit basis" after "business entity".

FORD (AND McCONNELL) AMENDMENT NO. 1202

Mr. INOUYE (for Mr. FORD, for himself, and Mr. MCCONNELL) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 41, line 6, insert the following: Insert before the period : *Provided*, That of the funds appropriated under this heading, $5,134,000 shall be available only for the Gun Weapon System Advanced Technology Program".

LEVIN AMENDMENT NO. 1203

Mr. LEVIN proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 34, line 10, before the period at the end insert the following: ": *Provided further*, That, none of the funds provided under this heading shall be available for procurement of the B-2 bomber unless the certification referred to in the first proviso contains the Secretary's assurance that the original radar cross section operational performance objectives of the B-2 bomber have been successfully demonstrated from flight testing".

GOVERNMENT SECURITIES OFFERING ENFORCEMENT ACT

DODD (AND OTHERS) AMENDMENT NO. 1204

Mr. INOUYE (for Mr. DODD, for himself, Mr. GRAMM, Mr. RIEGLE, and Mr. GARN) proposed an amendment to the bill (S. 1699) to prevent false and misleading statements in connection with offerings of government securities, as follows:

At the end of the bill, insert the following new section:

SEC. 3 EXTENSION OF SECRETARY'S AUTHORITY REGARDING GOVERNMENT SECURITIES BROKERS AND DEALERS.

Section 15C(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-5(g)(1)) is amended by striking "October 1, 1991" and inserting "October 1, 1992".

CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

BYRD AMENDMENT NO. 1205

Mr. INOUYE (for Mr. BYRD) proposed an amendment to the joint resolution (H.J. Res. 332) making continuing appropriations for the fiscal year 1992, and for other purposes, as follows:

On page 7, line 11, strike "October 17, 1991", and insert October 29, 1991".

AUTHORIZATION FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MEDICARE AND LONG-TERM CARE

Mr. INOUYE. Mr. President, I ask unanimous consent that the Subcommittee on Medicare and Long-Term Care of the Committee on Finance be authorized to meet during the session of the Senate on September 25, 1991 at 2 p.m. to hold a hearing on health benefits of retired coal miners.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. INOUYE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 25, 1991 at 9:30 a.m. to hold a closed hearing on the confirmation of Robert Gates to be Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. INOUYE. Mr. President, I ask unanimous consent that the Select Committee on POW/MIA Affairs be authorized to meet during the session of the Senate on Wednesday, September 25, 1991 at 12 noon for its organizational meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. INOUYE. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 25, 1991 at 9:30 a.m. to hold a hearing on disclosure of executive branch lobbying.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. INOUYE. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, September 25, 1991 at 2 p.m. to conduct a hearing on S. 1650, the Flood Insurance, Mitigations and Erosion Management Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. INOUYE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 25, 1991 at 10 a.m. to hold a hearing entitled the Soviet Democratic Revolution: Start and the Future of Arms Control.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ARIZONA'S SUPERINTENDENT OF BANKS SPEAKS OUT

• Mr. DECONCINI. Mr. President, in June, Arizona's superintendent of banks, William H. Rivoir testified before the Resolution Trust Corporation's regional advisory board for region 6. What he had to say to the members of the advisory board is instructive and useful. It is also very frightening.

Mr. Rivoir's 15 page statement is illuminating; I encourage my colleagues to read it and I ask that his entire statement be included in the RECORD at the end of my remarks.

Mr. Rivoir's statement opens by asserting that "the RTC's basic design, and virtually all of the policies and procedures that have emanated from it during its relatively short life, have only one truly underlying purpose—to shift blame." He goes onto say that "the RTC has reacted * * * by creating an enormous bureaucracy that is designed to ensure that it and its personnel never make a decision for which they could be held responsible." He concludes that this situation is serious "It is destroying our local real estate market, it is shrinking our property tax base, it is hindering the bonding ability of local jurisdictions, and, more to the point, it is causing the RTC to accomplish exactly the opposite of is stated goals * * *."

I am not an expert on the RTC, Mr. President, but Mr. Rivoir is an expert. I hope my colleagues, especially those on the House and Senate Banking Committees, will consider what he has to say. This statement should be must reading for anyone concerned about the RTC.

The statement follows:

STATEMENT OF WILLIAM H. RIVOIR III, SUPERINTENDENT OF BANKS, STATE OF ARIZONA

Mr. Chairman. Members of the Board. I appear before you today in the unenviable position of having to bring you bad news. Before I give it to you, however, I want you to remember that I am just the messenger. And no matter how emotionally satisfying it sometimes may be to lop off the head of the messenger, such an action will not eliminate the underlying problems that I am about to report on.

In addition, I want you to be assured that in compiling this testimony, I have personally investigated RTC's operations here in Arizona by talking with a wide range of market participants—realtors, appraisers, investors, developers, syndicators, accountants, and lawyers. Some of these participants negotiate with or litigate against the RTC, and some work and negotiate for, or litigate on behalf of, the RTC.

Finally, I want to solicit your assistance as you listen to my testimony today. It is not my intention to give offense, but it will be difficult to avoid, because I have some very direct things to say. They will probably be particularly hard for the RTC personnel present today to listen to, so perhaps I should emphasize something important here at the start.

My major complaints against the RTC are structural in nature, but they manifest themselves through the actions of people. Therefore, some of my testimony will necessarily be cast in terms of actions by RTC personnel. But I do not want to criticize the individual RTC employee. As I have said on previous occasions, the RTC has many competent and qualified employees who have the capability of doing a good job. It is the system within which he or she works, not necessarily the employee, that is at fault. With this as a preface, let me move to the substance of my testimony.

The overwhelming and consistent response from the parties I talked with is that the RTC process in Arizona is going poorly, and its ill effects are becoming more serious and widespread every day. The situation is so bad that I do not exaggerate when I say that the RTC's operations here are illegal, immoral, wasteful and downright stupid. Even worse, the problem lies at the very core of the RTC and it will take a complete overhaul of the system to rectify it. There are no quick or easy fixes.

Let me start with the fundamental problem. The RTC's basic design, and virtually all of the policies and procedures that have emanated from it during its relatively short life, have only one true underlying purpose—to shift blame. Congress and the previous administration created the savings and loan debacle, and then gave RTC the job of cleaning it up. This leaves the RTC to take the blame.

The RTC has reacted to this political reality by creating an enormous bureaucracy that is designed to ensure that it and its personnel never make a decision for which they could be held responsible. There is a policy or a procedure at every step in the process that requires either a mechanical application of a formula or the shifting of the decision to someone outside of the RTC. The result has been indecision on so massive a scale that words are inadequate to describe it.

This situation is serious. It is destroying our local real estate market, it is shrinking our property tax base, it is hindering the bonding ability of local jurisdictions, and, more to the point, it is causing the RTC to accomplish exactly the opposite of its stated goals, which are to manage the acquisition of assets from failed savings and loans and to dispose of those assets with the highest possible net recovery for the government and the taxpayer. Instead, the RTC is not managing anything, and it is squandering tens of millions of dollars that should be going to taxpayers.

These are, to put it mildly, strong charges. Now let me back them up. Let's start with asset dispositions.

Currently, the RTC is using two approaches to get rid of the assets it is forced to take back from failed savings and loans. They are (1) sales by private asset managers under the SAMDA program, and (2) direct sales by the RTC. I will discuss the SAMDA program first, because it is the centerpiece of the RTC's efforts to utilize the private sector to help dispose of these assets.

Simply stated, the SAMDA program is a bust and should be junked immediately. In its stead, the RTC should accelerate its bulk sales program. The assets the RTC owns must be totally free of the government as soon as possible. This is because, despite the high expectations and laudable intentions of using the private sector to dispose of the assets in an efficient fashion, the SAMDA program has simply created another unnecessary layer of bureaucracy.

In implementing the SAMDA program, the RTC has held back too much decision making power from its asset managers, while at the same time saddling them with unbelievable paperwork requirements. Asset managers start by wasting the first 90 days of their contract preparing lengthy Asset Management Disposition Plans, known as AMDPS, for each asset under their management. Then they have to follow up with one weekly report, 12 different monthly reports, and three different quarterly reports. There is no time left to actually manage the asset.

In addition, asset managers are apparently picked for every reason except competence and knowledge of the local market. National companies, many of which have highly knowledgeable and competent local offices, can only be listed in the RTC's data base in one location. This means that lists of eligible contractors for Phoenix will not list any companies who may happen to have their names in the Dallas or Atlanta computers. Also, competent local companies are virtually ignored. The result is that contracts are going to out of town companies.

The RTC's almost total refusal to hire anyone who actually knows anything about the market into which they are to sell assets has become comical. There have been instances where newly appointed out of town asset managers have come to take over portfolios of properties in Arizona and have had to ask where the city of Tucson is in relation to Phoenix, or where downtown Phoenix is. How can these people be knowledgeable enough about our market to manage and sell property here.

Finally, the estimated recovery values in the SAMDA contracts have been set so long ago and at such unrealistic prices that managers have an extremely strong disincentive to sell the properties. Instead, the only economically feasible action is to hold properties forever, receive the management fee, and not take on any more money losing work for the RTC. In addition, asset managers are left with little guidance or standardization for their work. The RTC does not provide asset managers with standardized forms for purchase and sale agreements, letters of intent, warranty deeds, limited representations and warranties, property management agreements, brokerage listing forms, office building leases, or triple net retail leases.

There is an alternative, however, for the asset manager, and that is to appeal the ERV. And how is that done? The asset manager gets to hire an appraiser to provide a new value. But guess what. That puts the asset manager in exactly the same position that the developers and speculators were vis a vis the savings and loans during the last decade. In other words, there's a big conflict of interest here. If an asset manager wants to sell property quickly, it pushes for an unrealistically low value. If it wants to manage the property for a long time, it pushes for an unrealistically high value.

The asset managers accomplish this by using appraisers who are chosen solely on the basis of lowest price. Asset managers are also hiring totally unqualified personnel to engage appraisers. These personnel don't have any idea what goes into a proper appraisal. Hence, bids for appraisals can have a differential of over 300 percent, ranging from fly by night companies on the low end to reputable firms at the higher end. And, as I said before, the lowest cost always wins. Quality is not even considered.

However, despite all this failure in the SAMDA program, the RTC has accomplished its underlying goals. First, it has shifted blame for the failure away from the RTC and onto the asset manager. Second, because of all the reports it requires, it can deflect charges of inaction because it has created a huge paper trail that offers well-documented process as a substitute for real progress. This substitution of paperwork for results is a continuing theme throughout all areas of RTC's asset disposition operations.

The other disposition method used by RTC is direct sales out of the conservatorships and receiverships. This program is also plagued by major structural problems. Once again, the major flaw is that no one at the RTC will make a decision. RTC personnel spend more time looking for ways that a deal won't work than in finding ways in which it will work. And when they run out of excuses and are forced to agree to a sale, no one will approve the deal to get it closed. That is different from saying that RTC local personnel don't have adequate delegated authority. In many instances, they do. They just won't use it.

This consistent indecision manifested by the RTC has produced a continuing lack of responsiveness. It takes forever to get a decision made, and when it is made, it is overruled later, or it turns out either that the person who made it is reassigned, or the asset is reassigned, or the person never had the authority to decide in the first place. In fairness, I must add that some market participants feel that the RTC's responsiveness has improved, but they are either dealing in residential real estate or with a conservatorship. For the rest of the RTC's asset disposition program, responsiveness remains dismal.

The next issue under asset disposition concerns appraisals. The appraisals the RTC is getting are of very low quality. On one recent appraisal of a multi-million dollar project, the appraiser didn't even bother to contact the borrower who was managing the project to find out the status of the current leases. Then, the appraiser just arbitrarily factored in future rent increases which have little hope of being realized. Also, some RTC contracting personnel have made it clear that appraisals must be ordered on the basis of race, sex and price, with price being the most important. The informed judgment of the person hiring the appraiser is explicitly excluded from the process.

In fairness, there are some exceptions to this. However, the process still requires that appraisal contracts, as well as legal work, property management, sales listings, etc., be given out to companies whose names are generated in a random fashion from a list of registered providers. At Southwest Savings, this random generation process consists of putting slips of paper in a shoebox and picking out names like awarding door prizes.

Secondly, the RTC is still a very slow pay, taking up to 120 days to settle its bills. Major reputable appraisal firms will not bid for RTC work because they are undercut by inexperienced firms who are desperate for the work, and they won't wait 120 days for payment. Experienced RTC personnel are frustrated by having to lower their standards for the quality of appraisal work they must accept. They know they are getting bad work, but they are powerless to contravene policy in order to get quality appraisals.

Finally, the RTC does not make the appraiser's life easy. RTC cannot provide its own appraisers with rent rolls, legal descriptions of the property, a list of recent offers, or listing information and offers on similar RTC property. Frankly, RTC should not even order an appraisal until it has the standard information available. Also, if it must bid out an appraisal without this information available, it should so inform the potential bidders. Otherwise a $2,000 bid could turn out to be a $10,000 job, and the result will be that the appraiser cannot afford to do a good appraisal.

Next, the RTC should substantially reduce its use of brokers' opinions. In one case, the RTC is paying $3,500 each for simple brokers' opinions on a package of mini-warehouses. Not only is this too much to pay, brokers' opinions are not independent estimates of value. Instead, they are opinions designed to facilitate a sale, a sale that might not be in the RTC's best interests. Frankly, brokers are telling the RTC what they want to hear: that the appraisal is much too high and that the property should be sold for much less. In other words, the broker wants his commission. The RTC should not rely on these parties whose interests conflict with the RTC's interests.

Of course, many people complain that appraisals take too long, but there is a collateral issue here that has received very little notice so far. That issue is environmental liability. Every piece of commercial property that the RTC wants to sell needs an environmental study. Once these studies are complete, they go to the Phoenix office's environmental section for approval.

This is where the bottleneck lies. Unless it is a major property, or a major environmental problem, the environmental study does not get approved. Its a simple lack of staff. And if the enviornmental study doesn't get approved, then the appraisal can't be completed. Hence, the property can't be sold. This backlog affects even clean sites, those where no environmental problem exists. They are all stacked up at the Phoenix office. This problem also affects loan workouts, which I will discuss below. The workout can't proceed because the appraisal can't be completed without an approved environmental study.

The next issue concerns the terms of a property sale. First of all, the RTC standard form purchase and sale contract is not a contract at all. It is totally illusory. It specifically states that the RTC has absolutely no duty to live up to its part of the contract. And when RTC does default, it does so with impunity. Under the contract, no damages can be assessed against RTC, regardless of how much damage its actions may have caused. And don't be mislead. The RTC is causing damage. And even if that exculpatory language in the contract could be overcome, it doesn't matter. Any judgment against an RTC receivership would be so far down the payment priority list that it would never get paid. RTC employees know this and they exploit it.

The RTC feels no compunction whatsoever about breaking deals in escrow simply because somebody else comes along and offers a dollar more. This practice is not only reprehensible, it is stupid. Knowledgeable buyers will not put up with this type of practice, and they will cease doing business with the RTC. Also, that same RTC contract allows the RTC to break the deal if it suddenly decides that it doesn't like you. It's called the "Identity of Purchaser" section. It allows absolute discretion in rejecting a buyer for any reason. Once again, the contract specifically prohibits any liability on the RTC's part for any damages it causes.

Next, when RTC sells personal property along with realty, it gives a quit claim bill of sale. In other words, it sells you the personal property, takes your money, and then won't tell you whether it actually owned what it just sold. The buyer is totally exposed. Next, the RTC requires the buyer if income property to collect back rent owed and pay it to the RTC. This means that the buyer might have to refuse to accept the rent currently due to it in order to apply any payments received to RTC arrearages. Instead, if there is back rent due, the RTC should preserve its claims and pursue them itself.

Next, there are no provisions for pro-ration of personal property tax. Next, there are no provisions for turning over deposits and prepaid rents, etc. Next, if there is a loss during escrow, the buyer can cancel the contract if it is a "substantial loss." But if it is less than a substantial loss, then the buyer must close at the full price, with RTC assigning over all rights to insurance proceeds. But here's the catch—RTC self insures. There are no insurance proceeds. So RTC just forces you to close at full price and you get stuck with the loss, despite the clear language of the contract that RTC assumes all such risks and liabilities. For all these reasons, this purchase agreement is worthless, and knowledgeable buyers will not deal in this fashion.

The next issue is the intrusion into the asset disposition process of political concerns, both real and perceived. No one wants to force the RTC to negotiate with people who were engaged in fraudulent activities. But the RTC has developed a paranoia about dealing with anyone who ever had anything to do with a property. In addition, the RTC Phoenix office has wrongly assumed the role of Lord High Executioner.

Instead of concentrating on how to obtain the highest net recovery on a particular asset, local RTC personnel are convinced that they have some sort of divine patriotic duty to reek moral retribution on everyone who was ever associated with a savings and loan, even an innocent borrower. The head of the Phoenix office and his subordinates told me this directly. They believe they must enforce moral obligations (as they see fit to define those obligations) even where there exists absolutely no legal obligation. Again, in fairness, I must point out that Mr. Koopmans was also present at that meeting, and to his credit, he recognized that this was an inappropriate posture for the RTC to take. But, unfortunately, nothing has changed.

The RTC must relax its conflict of interest standards and work with knowledgeable local players to get the highest net recovery. Unless there was fraud, don't blackball someone who caused a loss to the fund. He or she is mostly just another victim of federal tax and regulatory policy. Unfortunately, the RTC still annihilates everyone in its path, pursuing punitive litigation, forcing unnecessary bankruptcies, and deliberately destroying the lives and businesses of people whose only sin is that they borrowed from a savings and loan.

Why does the RTC do this? Two reasons. First, as stated above, because of their paranoia about perceived political ramifications, they insist on eliminating any chance that they could be accused of dealing with anyone who was even remotely involved in the savings and loan debacle, even as an innocent borrower. Second, and this goes back to that continuing theme I mentioned before, by litigating to the nth degree, RTC personnel can once again avoid having to make any rational business judgements for which they can be called to account. Now, the person to blame for all the decisions is the lawyer. He or she recommended all the litigation, for which, not coincidentally, they are paid handsomely from the government's bottomless trough. Also, RTC personnel can once again substitute documented process (such as foreclosure dates, deficiency judgment dates, and bankruptcy dates) for real progress.

It does not matter that the RTC now has even more stigmatized RTC property for which it must pay 18 to 20% a year in carrying costs. It does not matter that the borrower might have been willing and able to salvage the deal through renegotiation—a renegotiation which would have avoided RTC holding costs, management costs, appraisal fees, environmental assessment fees, environmental liabilities, sales commissions, *etc.* It does not matter that the money which the borrower might have paid in as a part of a renegotiation has now been spent on lawyers. It does not matter that yet another market player is in bankruptcy.

What matters is that RTC personnel never had to go out on a limb and make a reasonable business decision. What matters is that RTC personnel have shifted the blame for no recovery onto the lawyers and then onto the bankruptcy court. What matter is that RTC personnel shifted the blame to someone else, and in the process they created a documented paper trail to pretend that they achieved a worthwhile result.

The next thing the RTC is paranoid about is letting anyone make a profit from an RTC deal. RTC personnel have said so directly to potential buyers. In one case, RTC was willing to sell a piece of vacant land with two year financing. But a part of the deal was that the buyer could neither develop nor sell the land during the two years. Why? RTC said explicitly that they were afraid that the buyer would make a profit. Again, this is ridiculous and self-defeating. The only reason anyone will think of buying RTC properties is to make a profit. It's called capitalism.

Next, even if you strike a deal with the RTC, you have to worry about closing. Example #1. Buyer makes a bid for the property and is told he must pay cash. He goes out and raises the cash. He calls the RTC every day to make sure that the property is still available and is assured that it is. When he arrives with the cash, a new person is in charge of the file, and informs him that the property had been placed in escrow with someone else several weeks earlier. Example #2. Local RTC office puts a property in escrow. Buyer spends money for due diligence, etc. Then, unbeknownst to the local RTC office, the regional office sells the property to someone else. Example #3. buyer has an RTC property in escrow on a seller financing deal. Before closing, but after paying substantial due diligence costs, a new buyer offers a lower price but pays cash. RTC breaks the escrow and sells to new buyer. I don't think further comment is necessary on these examples.

Another aspect of the asset disposition process that must be junked is the arbitrary implementation of the "exposure to the market" concept. While it is certainly a good idea in many instances to ensure that a property is adequately exposed to the market (in order to obtain the highest price), the RTC is using this concept as yet another excuse to not make a decision. We are aware of a number of instances where the RTC will refuse to sell property, or even negotiate with a potential buyer, without arbitrarily delaying the entire process for endless months in order to "expose the property to the market."

Many of the RTC's properties are not particularly attractive, and the only reasonable expectation of sale is to the person who contacted the RTC—often because they have some unique interest or position that makes this property attractive to them. RTC should follow the oldest of cliches and recognize that a bird in a hand is worth two in the bush. But instead of negotiating a sale with the prospective buyer at a price which would require the RTC to make a business judgment about what constitutes a reasonable price, the RTC defaults on its responsibilities and "exposes the property to the market." Most times, the market ignores the property, and when the RTC returns to the first potential buyer, that person is either gone or offers less because of the market's response. In this way, RTC is losing millions of dollars through foolish consistency.

Next, when an offer is rejected by the RTC, that's all it does. It says "your offer is rejected. Good-bye." No reasons, no counter-offers, nothing. How does a buyer respond to such a message. First, with bewildered expletives. Second, by never dealing with the RTC again.

The next item is the RTC's timetable for lowering prices to meet the market. This policy must be eliminated immediately. The practical effect of this policy is to say to the world: "Don't buy now. This is not the bottom of the market. It will go much, much lower." The well intentioned idea behind this policy was to allow RTC personnel the flexibility to lower prices from potentially unrealistic appraised values down to real market values.

When the first version of this policy was implemented a year ago, we spoke in favor of it. We were wrong. By enforcing a mechanical racheting down, the effect is to turn the policy on its head. It actually forces the market lower and prevents sales from happening. Incidentally, while I acknowledge that the ostensible purpose of this policy was well intentioned, it is appropriate to point out that, once again, the effect of the policy is to allow RTC personnel to avoid making business judgments for which they could be criticized. If the property doesn't sell, the fault lies with the appraised value which was set, not coincidentally, by someone outside of the RTC. If the RTC drops the price by the stated percentage, the RTC employee is simply effectuating a mechanical application of a policy.

This mark down policy is having and will continue to have an extremely destabilizing effect on a vast amount of real estate. And instability is just not in the RTC's best interests. The only way RTC can ultimately obtain the highest net recovery is to sell into a stabilized market. Somehow, the RTC must convince the market that the bottom is here now.

The way for the RTC to achieve that is to give its personnel the ability to sell for what they, in their best judgment, believe represents a good deal for the RTC. The amount of money the RTC would probably lose through some bad judgments pales into insignificance in comparison to the money it will continue to lose because it is driving the market down, and because it can't or won't sell in a prompt and orderly fashion.

That inability or refusal to sell was recently illustrated by a case here in Phoenix. Although the asset was unusual, the RTC's handing of the case was typical. The asset in question is a 30 animal and two chariot merry-go-round—a perfect metaphor for the RTC. The RTC tried to sell the carousel recently. It got bids from around the country, after nationwide advertising. The RTC wanted $175,000—the highest of 10 bids was $89,000. This response was the market telling the RTC that the appraisal was wrong. But did RTC listen? No. Apparently they feel that the next time it is offered, someone will bid higher. I doubt it.

The point of this one small example is that RTC seems obsessed with trying to recoup value that doesn't exist. It probably never existed, it was just pumped up by the steroids of mid-80's tax policy. The RTC has to face reality and try to recoup what value is actually left in its assets. When the market tells you what the value is, sell at that value.

The next issue is auctions. In my previous testimony, I praised the RTC for its auction of 65 properties conducted by Grubb & Ellis. I strongly urged that the next auction occur as soon as possible to take advantage of the momentum the first auction established. David Cooke, the Executive Director of the RTC, was kind enough to write me about my previous testimony, and in part he said "Your insight into the marketing time of auction events is correct. The next auction in Phoenix should take place quickly."

Four months have already gone by, and no other auction has been held. This is not "quickly" by anyone's definition, and the precious momentum is likely lost. In addition, it is my understanding that only one third of the properties were sold at the auction, and that sales on only another third or so are expected to close this year. This is like repeatedly stepping halfway towards a wall—you never actually get to your goal. At the rate the RTC is taking back new properties, it can't afford to step only part way towards its goal by leaving a significant portion of an auction's properties unsold. RTC will get further behind with every event.

Next, we should discuss marketing strategies. The RTC is not physically capable of effectively marketing all of its properties at the same time. Therefore, some properties will have to remain off the market for the time being. RTC should carefully choose certain types of property to keep off the market. Foremost among these is raw land. The holding costs are the least here, and the market is the worst. You simply cannot force the market to buy product it doesn't want, even if you price it ridiculously low. Therefore, much of the raw land inventory of the RTC should be land banked simply to allow the market to absorb it at a sustainable rate and to allow the RTC to concentrate on selling other assets.

There is one major exception to the foregoing advice, however, and that is bulk sales of assets. All RTC assets, including raw land, should be included in bulk sales. It is always better to get the decision as to disposing of an asset completely into the hands of a private owner acting for his or her own private pecuniary interests.

The last issue I want to discuss under this asset disposition heading is the credit committee system. This process also seems to be a big bottleneck. My information is that only five to seven deals are even presented each week to each receivership's credit committee. Hardly a breakneck pace. What's worse is that only two or three of those cases get approved, so the backlog just gets bigger and bigger. Finally, and this ties in with the overuse of brokers' opinions, RTC's own personnel feel that much of the RTC's inventory is simply being given away. The sale personnel strike deals based upon brokers' opinions without even bothering to discuss value with their own in-house appraisal department. They then ask the appraisal personnel to rubber stamp the lower value suggested by the broker, and pass it on to the credit committee. This is not the case in the remaining conservatorship, Southwest Savings, but it does hold true for the receiverships. The receiverships could learn a lot from Southwest.

The next issue is loan restructuring. We have harped on this issue over and over again, and we continue to receive the same lip service from the RTC. Unfortunately, we don't see any results. Contrary to the RTC's public position, loan restructurings are not being pursued, and foreclosure is still the first and only resort. Of course, this practice does serve RTC's underlying purposes. RTC can never be criticized for being too easy on a savings and loan "kingpin" if it mindlessly litigates every troubled borrower into submission. But this is ultimately self-defeating for the RTC.

First, as we have stated over and over again, the RTC does not need any more property in its REO portfolio. The RTC should be desperately seeking ways to minimize its use of foreclosure, rather than using it in virtually every case. Again, I recognize that a file that shows trustee sale dates, deficiency suit filing dates, bankruptcy filing dates, etc., presents a superficial impression of progress. But as we have said before, this is false progress. It is process, and not results. The real results are that RTC is forcing out of business the very parties who could most effectively assist it in salvaging problem loans and problem projects. These people are the real estate professionals who are currently in the deal and are willing to work hard to save it, if only the RTC would take a realistic look at what is left to be saved.

When I made the same points at your last meeting, I followed up by meeting directly with the local RTC office on a particular case. A very well respected and reputable local builder took the courageous step of letting me use its loans from one of the conservatorships as a case study. In preparation for the meeting with the RTC, I met with the developer and reviewed the loans and the status of the property securing them. So that I would not be in the position of having listened only to a borrower's perspective, I also met with senior loan workout specialists at two of our major local banks. I discussed how they might structure a work-out on these loans if the loans belonged to their bank.

Armed with this information, I met with Mr. Koopmans, Mr. Porter and two of Mr. Porter's associates. After about two hours of what the diplomats call a candid exchange of views, the RTC agreed that the case study was indeed the type of transaction where a negotiated settlement would be in the best interests of the RTC (even though these loans had already been set for foreclosure). They agreed that the types of concessions on both sides that I discussed were the types that they would pursue, and they agreed that they would in fact pursue negotiations with this borrower.

Months have now gone by. The RTC has, in fact, had further negotiations with the borrower, but no resolution is in sight. The question I ask is, why not? There has been plenty of time. This case has been given specific prominence by the fact that I brought it to their attention through a personal meeting. They must have known that I would follow its progress to see if the RTC actually lives up to its fine sounding pronouncements. And yet, they have not even been able to renegotiate successfully in this one high profile matter.

This does not augur well for the hundreds of other cases that did not get special attention. RTC must somewhere find the strength of will to actually finalize a deal rather than keeping it going around and around and around. This case study should have been negotiated and closed a long time ago. The longer it festers, the worse the result will be to the taxpayer. RTC is shirking its legal duty by its inaction, and this must stop.

On a slightly more detailed level, the RTC should recognize that its success in realizing recovery on its problem loans is, in most cases, tied inextricably to the current borrower. To make the process work (and by work, I mean obtaining actual recoveries and resolving the outstanding work load. I do not mean creating more meaningless paperwork) the RTC must realize that it has to become partners with the borrower—a de, facto joint venturer. In other words, the RTC and the borrowers share a great deal—they both have interests in the project that is troubled. They both want the project to succeed so that they both get some money out of it. And they both should realize that the best way to achieve that is to work together, developing mutual goals and strategies.

In this context, working together requires several items. First, the RTC must get an accurate idea of what is really left of the value of the project. Forget about those appraisals done in 1986—they're worthless. Also, forget about the difference between the loan amount and the present value. That difference is already lost, and if RTC can't get past harping on this loss, and trying to blame the borrower for it, it will never face the reality of the situation and be able to achieve its statutory goals.

Next, it is clear that each side to these negotiations will start out at different points. That's what negotiations are for. But the point of the negotiations must be to finally strike a deal. Unfortunately, the RTC is not very interested in striking a deal. If it cannot dictate its own unrealistic terms, it takes its ball and goes home. Like the child that does the same thing at the playground, the RTC is ultimately the loser in this process. It then ends up with more and more property—property which it manages ineffectively and then sells at a liquidation price.

This method of operation must change. One step in that process would be for each side to disclose the basis for its position. In other words, each side should disclose its appraisal, or at least the assumptions and conclusions of the appraisal. Then, after both sides have had the opportunity to comment on the validity of the appraisal factors, the RTC should exercise its own business judgment to reach a negotiated settlement.

Lastly, the RTC must think about how it will divest itself of the pool of restructured loans it will obtain if it begins to do good faith restructurings. We suggest that these restructurings be accomplished with relatively uniform documentation and terms so that these loans can be sold in pools. If the restructurings are accomplished on realistic terms (particularly the new loan amounts), and the RTC otherwise improves its operations so that it stabilizes our real estate market, these loans will become better and better credits, and easier to sell.

The next issue I would like to discuss is property management. Once again, the RTC is shooting itself in the foot by relying on arbitrary policies that eliminate any requirement for the exercise of business judgment. First, RTC will not spend any money to improve its properties. This is taken to the ridiculous extreme of not even being willing to pay for tenant improvements for tenants who want to rent empty RTC space. Also, RTC will not spend money to enhance value. In one case, a developer asked the RTC for less than $25,000 as its share to master plan a parcel that belonged to the developer and which was surrounded on two sides by RTC property. As a result, the developer's property has now been master planned alone, and the majority of commercial, retail and multi-family housing will be on the developer's parcel. The probable loss to the RTC, which will now only get R–1–10 zoning, is about $2 million. That's a lot more than being penny wise and pound foolish.

Another important issue is the zoning on RTC land. Nothing is being done to preserve favorable zoning. That is viewed as the buyer's problem. But zoning does not last forever, and once it is gone, it might never be recovered. Neither will the value it conferred.

The final matters I would like to discuss are the RTC's practices regarding litigation. According to its own lawyers, the RTC is endlessly pursuing uncollectible claims, failing to respond to or rejecting reasonable settlement proposals, and pawning off on the lawyers all kinds of non-legal business decisions. The RTC's lawyers have found a perfect client—a client with endless amounts of money who is willing to litigate forever and who exercises no control over its counsel.

This situation has a number of causes, including the continuing theme of RTC passing decision making responsibility on to non-RTC personnel. But there is also a deeper, and more insidious, cause. We have already talked about how RTC personnel are a law unto themselves, unanswerable to anyone they damage. We have also talked about how the RTC's paranoia about political concerns, and their messianic compulsion to mete out justice, have caused them to reject reasonable settlements and restructurings. They prefer instead to litigate a borrower into submission without regard for the morality, let alone the cost effectiveness, of their actions. But into this mix we must now add the *D'Oench, Duhme* doctrine. This doctrine has made the RTC invincible, and the RTC has used this power with a vengence.

Until a very few years ago, *D'Oench, Duhme & Co.* v. *FDIC* was an obscure banking law case that had lain essentially fallow for almost 50 years. Decided in 1942, it says that when a regulatory body takes control of a depository institution, it is not bound to honor any claims or defenses unless the factors which created that claim or defense are a part of the official written records of the institution and are part of a transaction which has received official approval of the institution's board of directors, executive committee, loan committee or the like. Congress later codified certain applications of that doctrine into 12 U.S.C. 1823 (c).

From its beginning in 1989, the RTC has latched onto *D'Oench* as a weapon of formidable power. The result has been the creation of a bureaucratic agency whose self-concept is rivaled only by the Internal Revenue Service. The RTC has been abetted in this attitude by its outside attorneys who are never hesitant to push a procedural advantage to the limits of ethical conduct and sometimes beyond. For whatever reason, the RTC hires and, apparently, rewards those attorneys who are the most difficult to deal with on a reasonable basis.

As an example, in the litigation involving construction of Phoenician Hotel, after two years in state court, with trial coming close, the RTC suddenly removed the case to federal court just when state rules would require RTC to list its witnesses and exhibits. The subcontractors, who really did do the construction work, and have legitimate claims for payment, have had their claims bought out for a small percentage of their worth, with taxpayer money providing the funds. The same taxpayer funds have exhausted those subcontractors by two years of intensive state court litigation. The final straw is the moratorium which is then imposed in federal court by the RTC to push the trial date off even further. This is done, not in the interests of justice or morality, but solely because the RTC, under *D'Oench*, etc., has the power to unfairly bludgeon these people into unfavorable settlements. Thus, the unchecked excesses of government power have severely harmed innocent citizens simply because it had the power, and the lack of moral character, to do so.

We find ourselves now with a governmental agency intent not upon resolving a bad situation in the manner best for all of this country's citizens, but one focused on punishing all of the "participants" in the S&L disaster, even when those "participants" were, themselves, the victims of the collapse. We find ourselves with a governmental agency not striving to construct a long-term solution, but one satisfied with viciously attacking each individual problem with no thought for whether that attack forwards the legitimate goals of the RTC. And we find ourselves with a government agency where its agents have adopted a rigid moralistic attitude that stifles even rudimentary problem-solving techniques and attitudes.

Government has a duty to treat its citizens fairly. It must self-police since the powers we necessarily grant government are broad. The RTC has breached this covenant with our citizens, and some measure of control and justice must be restored.

Mr. Chairman, I could go on and on, but I believe that the major points have been made. The RTC is violating its own legal mandate by failing to obtain the highest net recovery on the assets it is taking back and by causing serious and unnecessary harm to our local real estate market. The RTC is acting in a morally reprehensible fashion by violating its own contracts and wontonly driving individuals and companies into bankruptcy. The RTC is wasting millions of dollars of taxpayer money on needless litigation, and it is acting stupidly when it ignores zoning issues, when it refuses to restructure problem assets, when it refuses to pay even modest amounts to significantly enhance the value of its assets, and when it refuses to make any decisions other than default decisions.

Your job, Mr. Chairman and members of this Board, is to make these problems clear to the Oversight Board. That Board, which wrote the Strategic Plan, and which sets the overall policies of the RTC, must take prompt action to see that the policies of the RTC are changed. The policies must be designed so that they encourage real results, rather than elaborate processes. They must be designed to encourage RTC line personnel to make the business decisions of which they are capable, rather than hobbling them with a stifling bureaucracy. They must be designed to ensure that the RTC operates in a just and equitable fashion.

Lastly, Mr. Chairman, I implore you to forcefully contradict the assertion by National Advisory Board Chairman Philip F. Searle in his May 15, 1991 remarks to the Oversight Board. Mr. Searle said that he has heard nothing about any discernible adverse impact on real estate markets arising out of RTC asset sales activities. Tell him that the RTC's activities in Arizona are destroying Arizona's real estate market, and they are destroying the RTC's ability to do it's legally mandated job. Mr. Chairman, make sure that Mr. Searles cannot make that same misstatement again.

Thank you for the opportunity to appear here today, Mr. Chairman. I apologize for the length of my testimony, and I thank you for your indulgence in letting me present it in full.•

NOT MADE IN JAPAN

• Mr. COHEN. Mr. President, my home State of Maine takes great pride in its fine heritage of skilled craftsmen, among them the men and women who build the boats that fish and sail along the stoned Maine coast.

For generations, Maine boat builders have been regarded as among the best in the world. To them, their craft is an art—and a precious legacy—to be passed from one generation to the next.

One such Maine boat builder, 62-year-old Ralph Stanley of Southwest Harbor, is profiled in an outstanding article that appeared recently in U.S. News and World Report magazine.

Ralph Stanley is described as so talented that he requires no blueprint to build his wooden-hulled boats. All the knowledge he needs is in his head. Mr. Stanley "does with pencil and paper, visualizing in his head, the curves most people in the business need computers or carved wooden models to grasp." In the tradition of "classic mold" boat builders, the modifications of each boat Mr. Stanley builds "are his own, based on decades of experience—an intuitive feel for the complex blend of beauty, performance and practicality that somehow must work together."

The article pays a wonderful tribute to Maine boat builders, Mr. President, and I would ask that the text of the article be entered into the RECORD.

The article follows:

[From U.S. News & World Report, Aug. 26–Sept. 2, 1991]

NOT MADE IN JAPAN

(By Stephen Budiansky)

The Industrial Revolution came to Maine 150 years ago, and left. Along the old highways that hug the course of rivers—rivers that were the highways before there were highways—one comes at unexpected turns upon the abandoned mills. Some are quite magnificent, with parapets and decorative brickwork, they were meant to be public statements of progress. Now they stand empty, decaying monuments to a revolution whose first victims were skilled craftsmen—men and women who, by dint of knowledge and deftness, once transformed wool into fabric, leather into shoes and wood into almost everything else.

Ralph Stanley is a craftsman who has not so much defied the Industrial Revolution as evaded it. There never was a mass market for the lobster boats and Friendship sloops that pack the boat sheds behind his house on the edge of Southwest Harbor, a centuries-old fishing village on Mount Desert Island. And the tools of mass production proved an awkward fit to the oak keels, split with an adz from massive timbers; the cedar planks, shaped in compound bevels and curves to match the hull's three-dimensional flows the carved eagle's heads that along with a gilded vine-leaf and the legend R. Stanley, adorn the bowsprits.

What Ralph Stanley does is part anachronism, part stubborn single-mindedness. Long after the Industrial Revolution was supposed to have left them extinct, America's small fraternity of craftspeople are producing some of the most respected work in the world. Boat builders, harpsichord makers, weavers, Western-saddle makers—what drives them is a preculiarly American blend of individualism and a refusal to believe that anything is impossible.

What Ralph Stanley does certainly looks impossible. In his small office, which doubles as a paint storage locker, there is a computer on the desk (along with a box of brass screws, stacks of dusty invoices and some miscellaneous bronze fittings), but it is clearly a token. "I could use it if I learned how to use it," Stanley says with a shrug. The line plans for his boats, deceptively simple drawings that define their complex shapes. Ralph does with pencil and paper, visualizing in his head the curves most people in the business need computers or carved wooden models to grasp. The basic designs are ones he has studied while growing up the son of a fisherman. The modifications are his own, based on decades of experience—an intuitive feel for the complex blend of beauty, performance and practicality that somehow must work together.

"The people who know how to do this like Ralph does are getting few and far between," says John Letcher, standing in the trim modern offices of AeroHydro, the small engineering firm he owns. It is down the road from Stanley's shop, in the center of Southwest Harbor. Ralph's son Edward, who has a degree in ocean engineering from MIT, works there. AeroHydro's specialty is developing computer software for designing boats and for effecting the mathematical transformations called "lofting"—plotting the cross section of the boat at various points along its keel—that Stanley does by hand.

Stanley's construction plans, which define where every timber and brace goes, are not even put down on paper. There's no point. A printed plan would not tell an experienced craftsman anything he didn't already know about putting a boat together nor tell an inexperienced worker how to handle an adz or how to make one plank fit another. There are no templates for that mystifying operation other than the boat itself: The shape of the last plank determines the shape of the next plank. The uninitiated always think you could pop off a plank from the side of a wooden-hulled boat and it would lie flat and straight. Instead it curves and tapers along its length and bevels in seemingly inexplicable ways.

TOOLS OF THE TRADE

The tools are simple—ordinary handsaws and planes, a cheap and not very sturdy looking Sears thickness planner, a portable drill press. The only tools even vaguely out of the ordinary are a heavy-duty bandsaw, some long auger bits and a lot—a whole lot—of big C-clamps.

It's what the tools do that is complicated. To build a traditional wooden boat, you build a series of phantom boats. The keel is the only thing at first that is real. Molds, a series of frames shaped to the correct cross section of the hull, are fastened at various points along the length of the keel. But they are only templates, to be removed later. To the molds are nailed strips of wood that run fore and aft, called ribbands, which define the shape of the hull. These, too, are templates: The frames, or timbers, strips of steam-bent oak, are clamped to the ribbands to hold their true shape. As the frames go in, the molds come out. Finally, planks are joined to frames—and as the planks go on, the ribbands come off.

Stanley learned the trade hanging around boatyards. "Boat builders guarded their trade very carefully. Some builders you could ask, but you had to be careful. Some might not know how to tell you; some might not want to tell you. It was best just to stand back and watch." He built his first boat in 1951, working on it in the winters and earning money summers to buy materials and an engine. "When it was done, I thought, boy am I glad," he recalls. "I didn't think I'd have the courage to do it again."

The word courage is significant. Building a boat takes more than know-how; it takes a knack, a drive, a fanaticism even. "It takes a special person to learn," says Stanley. "And in a yard like this you have to put them to work at what they can do; and what they can do is not always what they want to do." It may just be sanding bottoms or digging holes in the mud—to unstick the cradles of boats as they're launched.

It certainly doesn't hurt that someone continuing a 200-year tradition so completely looks the part. Born in 1929, the descendant of generations of fishermen and seamen, Stanley is of the classic mold—lank, self-contained, good-naturedly incompetent with the appurtenances of modern life ("He doesn't know how anything works," says his wife, Marion, as he fumbles to load a tape in the VCR to show a visitor), reserved except when he has a good story to tell.

He got tangled up in a messy lawsuit a few years ago when a local fisherman he built a boat for refused to pay $30,000 he owed. Ralph sued; the fisherman countersued, claiming poor workmanship and materials. The fisherman took to driving around town with a sign on his truck: "For information on poorly built boats call. . . ." He also spread the rumor that Ralph was able to make a living building boats only because the Rockefellers paid him $20,000 a year to be a "local character." Ralph won the lawsuit. The irony, he says, is that it was probably the best boat he ever built.

It also doesn't hurt that Stanley himself is a sailor. Amid the paint cans and boxes of marine hose and fittings in his office are dust-covered first-place trophies for the Friendship Sloop Regattas in 1984, 1985 and 1986; the 1990 trophy is at his home.

"Ralph is a traditionalist, and you could say a romanticist, in a way many builders are not," says Jonathan Wilson, editor of WoodenBoat magazine, one of the major forces in the wooden boat revival of the late 1960s and early 1970s. The revival was a reaction to the cheaper and more easily maintained fiberglass boats that were threatening traditional craftsmen with extinction. The wooden boat standardbearers spanned the spectrum from traditionalists like Stanley, who just did what they had always done, to dropouts who took to the Maine woods to get in touch with natural materials and handicrafts. (Wilson started out in the latter category himself. He began *WoodenBoat* in a cabin without electricity or running water; the phone was nailed to a tree a half mile away because he couldn't afford to string cable all the way to the house.)

One measure of the vitality of the wooden boat industry is the innovative designs and techniques that continue to be developed by small shops. The Brooklin Boat Yard in Brooklin, Maine, run by Joel and Steve White (son and grandson of the writer E.B. White), has been in the lead at "cold molded" designs—the hull is covered not with traditional planking but with thin, flexible sheets of veneer that are epoxied together in layers to form an ultralight body that can be formed into some unusual shapes.

Ralph says those are things he doesn't "even want to think about." His unwavering love for traditional designs and methods is simply his version of the obsession that grips all true craftsmen. "It's a trap that boat builders fall into," Ralph says. "Building the boat becomes more important than making money. You have to be awful careful or you can lose an awful lot." He tells a story on himself. He was putting blocks in the deck frame of one boat and discovered that one was an inch off. "If I had left them that way it wouldn't have hurt the boat a bit, and they would have been covered up and nobody would have ever noticed it. But I grabbed up a saw without hardly thinking, sawed them in two and knocked them out. Well, a fellow comes in and says 'What are you doing that for? You're wasting your time. It wouldn't hurt a thing.' And I says, 'Yes it would, because I know it's there, and I don't want it there.'"

CRAFT VERSUS CHEMISTRY

A film made a few years ago follows Stanley and Jarvis Newman, who runs a shop across the harbor, through the building of two Friendship sloops, one wood, one fiberglass. Newman's fiberglass boat is a fine piece of work, but the process is all rather impersonal, more industrial chemistry than craftsmanship.

The friction between the two is not hard to see in the film. It is probably personal, but it's also that Newman is the symbol of the changes that make it hard for the traditional craftsmen to make a living. From Stanley's shop, one can look out to the harbor and see the lobster boats he has built—more in that harbor made by him than by any other single builder, he says. But fishermen can't afford wooden boats anymore. His first lobster boats sold for $5,100; today they run $100,000 and up. Ralph now makes pleasure boats exclusively. He doesn't come right out and say it, but he doesn't seem to completely like it. "It's a real satisfaction seeing those boats out because they're real, they're working," he says of the lobster boats. And he tells with more than a trace of bitterness of the wealthy outsiders who have bought up the houses along the harbor. "They don't work they keep to themselves, and they don't want you." They are also the sort of people who can afford to buy $100,000 boats to have fun.

It's nothing new for Mount Desert Islanders to depend economically on the very people who are destroying their way of life. Rich people began spending summers in Bar Harbor, on the other side of the island, in the 1870s; tapping the wealth of outsiders has been an important part of the state's depressed economy ever since.

Ralph's father worked for summer people, as did Ralph when he was just starting to build boats. Ralph worked from March to November as "cook, captain, crew, the whole works" for a woman who had inherited a 43-foot schooner from her father. Ralph says he taught her how to steer well enough, but she never knew when to come about. So he would just walk down to the leeward side and pick up the jib sheet, and then she would realize it was time and would give the order: "Ready about, hard alee." Once, they were sailing with the woman's great-niece, who watched this act for a while and finally said. "Aunt, how come Ralph always knows every time you're going to come about." "Well," she retorted huffly, "Ralph and I have been sailing together a good long time. I should think he knows what I'm going to do."

Telling jokes on the summer people is an old Maine tradition, a way to draw the line against, servility toward the people one serves. But there is less joking these days. Ralph tried to build some new boat sheds so he wouldn't have to store some of his boats outdoors, the neighbors complained it would spoil their view and blocked approval.

"They'd be tickled to death if I were to pack up and leave," he says. "There were quite a number of boat builders around here, and I'm really not doing anything much different from what they did. But I'm about the last one left." His son and partner Richard stops planing for a minute and looks down from the catwalk alongside the boat where he's been working to add, "I can always sell out." It's a joke, barely.•

THERE THEY GO AGAIN

•Mr. KASTEN. Mr. President, I would like to bring to the attention of my colleagues a recurring issue regarding the impact of the Reagan-Bush economic policies on our Nation. On September 12, 1991, the Democrats released another distorted report to propagate "class warfare." I ask that the analysis by the Republican Conference Task Force on Economic Growth and Job Creation which refutes this report be printed in the RECORD.

The report follows:

THERE THEY GO AGAIN—DEFECTIVE CBO DATA REHASHED YET AGAIN TO SUPPORT CLASS WARFARE

The September 12, 1991 report released by the Citizens for Tax Justice (CTJ) and House Majority Leader RICHARD GEPHARDT manages to combine all of the misinformation and biased methodologies used to distort family income and tax trends during the Reagan-Bush years. For example, the report mixes President Jimmy Carter's Administration in the definition of the Reagan-Bush years; uses faulty Congressional Budget Office (CBO) data from the infamous and inaccurate "Green Book" published by the House Ways and Means Committee; attributes the impact of regressive payroll tax increases signed by President Carter to the Reagan-Bush income tax policies; and makes the highly unrealistic assumption that families remain in the same income class over a period of time.

Despite the dramatic political changes that have occurred in the former-Communist East Bloc, some in the West continue to espouse "class warfare" themes.

BASE YEARS INCLUDED PRESIDENT CARTER'S ADMINISTRATION

The Citizens' report combines the Carter (1977–80) and Reagan-Bush years (1981–1992) to hide the fact that most of the income declines occurred in the last few years the Carter policies were in effect. Including the Carter years in an analysis of the Republican policies of the 1980s is not only intellectually dishonest, but it biases the results. 1980 alone—the last full year of the Democratic control of both the Congress and the White House—was the worst single year for family income in post-war history, with real Middle American family income declining by $1,817. In contrast, the U.S. Census Bureau income data shows that since 1982—the year that the Reagan-Bush economic policies took effect—real income of the bottom fifth of families jumped 13 percent.

CBO FAMILY INCOME DATA ARE FLAWED

CBO's income data are fundamentally flawed because of the failure to adjust capital gains income for inflation. Increases in capital gains income due to inflation greatly exaggerate the real incomes of the affluent while the kinds of capital gains realized by middle-income families—such as the rise in the value of their homes—are omitted from the CBO income data, thus creating the illusion of greater income inequality. The Citizens' paper merely repeats CBO's error of including inflation in what is supposedly inflation-adjusted income. The report did not include CBO's $75 billion error in 1990 family income data which artificially increased the income attributed to the rich, thereby fueling last year's partisan class warfare attack on President Bush's effort to enact a job-creating capital gains tax cut.

1992 DATA FABRICATED BY THE CBO

The Citizens' report relies on CBO income projections for which empirical data are not yet available. No one really knows what the 1991 or 1992 income levels will be. Essentially, the 1992 data had to be fabricated by CBO because it is impossible to measure income which has yet to be generated. Thus the report's findings of growing income inequality could change should CBO's projections prove erroneous. As previously mentioned, CBO made a $75 billion error in estimating the amount of capital gains income in 1990. It is important to note that CBO never acknowledged this estimating error until Representative Dick Armey (R-TX) exposed it.

INCOME TAX PAYMENTS BY THE RICH SOARED IN THE 1980S

The Citizens' report contends that Reagan-Bush policies resulted in a heavier tax burden on low and middle-income taxpayers. The extent of the tax increases on lower-income families is entirely attributable to regressive payroll tax hikes enacted by the Democratic controlled Congress in 1977, and signed into law by then-President Carter. The report's findings are misleading because it fails to separate the effects of the payroll tax increases from other income tax changes.

As displayed below, Internal Revenue Service (IRS) data clearly show that the Reagan-Bush income tax rate cuts reduced the incentive for the rich to shelter or avoid the realization of taxable income, resulting in higher tax payments:

AVERAGE INCOME TAX PAYMENTS BY TAXPAYER (1988)

Year	Top 1 percent	Top 5 percent	51 to 95 percent	Lowest 50 percent
1981	$68,725	$27,415	$4,995	$583
1982	68,977	26,199	4,553	533
1983	68,899	25,272	4,187	486
1984	72,723	26,161	4,184	507
1985	76,750	27,296	4,227	504
1986	95,462	31,896	4,377	500
1987	88,685	31,022	4,068	438
1988	104,008	34,446	4,097	433

Source: IRS and 1991 JEC annual report.

The average income tax payments of the top 1 percent of wage earners (those with adjusted gross income (AGI) over $157,136), adjusted for inflation, increased 51.3 percent between 1981 and 1988. Average tax payments for the top 5 percent (with AGI over $72,735) increased as well. Conversely, tax payments of the middle and lower income levels (those with AGI under $72,735 to $18,367, and under $18,367) decreased by 18 percent and 25.7 percent respectively.

SHIFT IN INCOME TAX BURDEN FROM POOR TO WEALTHY IN 1980S

As a result of the Reagan-Bush tax cuts, the average American family will save about $1,500 in income tax payments every year. Since the 1981 tax cuts were enacted, the share of the personal income tax burden has shifted upward toward higher income taxpayers. Since 1981, the share of the income tax burden of the top 1 percent of earners has jumped by 56 percent. Consequently, with this rise in the share of the personal income tax burden of the higher income taxpayers, that of the middle and lower income percentiles has decreased. The lowest 50 percent of earners saw their income tax burden fall from 7.5 percent to 5.7 percent from 1981 to 1988. These figures do not include the 4 million low income taxpayers who were removed from the income tax rolls entirely during the 1980s. Given these facts, the Citizens' report is simply wrong in contending that lower income taxpayers have been saddled with a higher income tax burden during the Reagan-Bush era.

INCOME TAX BURDEN SHIFTS TOWARD WEALTHY

[Percent of burden]

Year	Top 1 percent	Top 5 percent	51 to 95 percent	Lowest 50 percent
1981	17.6	35.1	57.4	7.5
1982	19.0	36.1	56.5	7.4
1983	20.3	37.3	55.5	7.2
1984	21.1	38.0	54.6	7.4
1985	21.8	38.8	54.1	7.2
1986	25.0	41.8	51.6	6.6
1987	24.6	43.1	50.8	6.1
1988	27.5	45.5	48.7	5.7

Source: IRS and 1991 JEC annual report.

FAMILIES MOVE BETWEEN INCOME CLASSES OVER TIME

The comparison of income trends over time by quintiles of families is fundamentally meaningless because these quantiles do not comprise the same people. The common practice of freezing families into certain income class by quintile is a basic flaw in the liberal approach to public policy analysis. The fact of the matter is that the U.S. economy is "dynamic" not "static"—families move between the quintiles over time. In America, today's poor person could become tomorrow's rich person and vice versa. It is a well documented fact that over several years about half of the members of the bottom and top quintiles move to other income fifths. In any event, constant repackaging and repetition of bad information cannot make it more accurate.•

BLUE RIBBON SCHOOLS OF EXCELLENCE FOR 1990–91

• Mr. SASSER. Mr. President, I rise today to honor and congratulate five Tennessee schools—Dyersburg High School of Dyersburg, Science Hill High School of Johnson City, St. Cecilia Academy of Nashville, St. Mary's Episcopal School of Memphis, and Girls Preparatory School of Chattanooga—which have been named Blue Ribbon Schools of Excellence for 1990–91.

These five schools have been recognized for their success in furthering the intellectual, social, physical, and moral growth of all their students. They, along with the 217 other blue ribbon schools, were chosen from a pool of 490 nominees because of their outstanding commitment to quality education and their effectiveness in meeting local, State, and national education goals. These institutions, their teachers and their students provide a shining example of educational excellence for others to follow.

Each school has set high expectations and has lived up to these goals. They have displayed visionary leadership and a sense of shared purpose and direct involvement among faculty, students, parents, and the community. They have created a climate conducive to effective teaching which emphasizes that all students can learn. They have helped each student meet his or her potential, and their students have shown impressive academic achievement and responsible behavior. These schools also have shown an ongoing commitment to improvement and have met difficult problems with effective solutions.

I believe it important to recognize these schools not because of the number of students who are national merit scholars, not because of the number of faculty members who hold masters degrees or Ph.D.s, and not because of a school's expanding physical plant. Certainly, these qualities are commendable and desirable, and certainly, these results are good indicators of a school's quality. But they are not the real strength behind a blue ribbon school's success. Taken alone, these qualities lack a necessary element, and that is dedication—dedication on the part of the faculty, the students, their parents, and the entire community.

Mr. President, I believe we should honor these schools, instead, for their ongong commitment to educational excellence. At a time when the United States must produce students who participate actively and productively in society, at a time when our students are increasingly called upon to compete on a national and international level, and at a time when our schools must prepare our children for the opportunities of the 21st century and beyond, we need more blue ribbon schools. We need more schools that have fought to improve themselves and their students' lives and more schools that have shown great ability in adjusting to a changing world.

Mr. President, I join my fellow Tennesseans in congratulating Dyersburg High School, Science Hill High School, St. Mary's Episcopal School, St. Cecilia Academy, and Girls Preparatory School for being Blue Ribbon Schools of Excellence and in expressing our appreciation for their efforts to prepare young men and women for healthy, productive, and fulfilling lives.•

PARK COUNTY IS ANYTHING BUT HICKSVILLE

• Mr. WIRTH. Mr. President, some time ago I took a few minutes to defend my constituents in Park County, CO, from the distorted and incredibly poorly researched television movie, "The Chase."

The movie depicted Park County and the town of Bailey, CO, as a backwaters country of "hicks" and socially regressive people. To say that the movie was insulting is an understatement, and I am pleased to make an effort toward correcting the Nation's view of this part of Colorado—which happens to be one of the most scenic and socially progressive communities in our country—by inserting the following editorial by Steff Millard, the editor of the Park County Republican and Fairplay Flume.

The editorial follows:

[From the Park County Republican and Fairplay Flume]

WE JUST BE HICKS

(By Steff Millard)

We may live and enjoy a rural lifestyle, but we aren't 40 years behind the times as suggested in last Sunday's NBC movie, "The Chase".

It is ironic that NBC and the production company managed to badly distort the facts in this movie about a case that has to be one of the most thoroughly recorded and documented in recent history.

Particularly in dealing with Bailey and the county, NBC managed to come up with numerous distortions and outright fabrications in its "factual" presentation. All of which unnecessarily put Park County and Bailey in an extremely poor light.

Some of the more blatant falsifications depicted were that Phillip Hutchinson had a job in Bailey, was involved in towing vehicles for the sheriff, received money from a deputy and was a belligerent, antagonistic personality.

The NBC movie does send a message though, the Platte Canyon area and Park County may "benefit" from an influx of hardened criminals who think this is a "hick" county where they will be safe. At least it will improve the local cash flow as long as they commute into the big city to conduct their criminal activities as Hutchinson did.

Thanks for nothing NBC, we already have enough criminal elements such as the fencing and drug operations that have been busted in the last four months.

We are not located 40 miles from Denver up some dirt road and our county and community are not 40 years behind the times.

Everyone who watched "The Chase" and was upset by the way our county and community was portrayed on nationwide television should make a point to sign the petitions being circulated at county offices, the Bailey substation and various businesses throughout the county.

Then express your feelings by calling Channel 4 in Denver at 303–861–4444, or Channel 5 in Colorado Springs at 719–475–2555, or NBC in New York at 212–664–2333. Be sure to speak with a drawl and mispronounce a few words.•

HEALTH REFORM UNIVERSAL ACCESS AND COMPREHENSIVE COST CONTAINMENT

• Mr. AKAKA. Mr. President, there are over 35 million Americans who have no health insurance. Throughout the years, numerous national health care proposals have been offered, but none have been adopted. Today, I am pleased to cosponsor S. 1227, the comprehensive health reform proposal introduced on June 5, 1991 by our distinguished majority leader, Senator MITCHELL, and my colleagues, Senators KENNEDY, RIEGLE, and ROCKEFELLER.

This Democratic leadership bill would ensure universal access to health care for all Americans and bring down the runaway costs of health care. Our much-awaited proposal represents many long and difficult months of study, discussion, and decisionmaking by the bill's sponsors and their staffs, and incorporates recommendations from many areas of the health care community. The driving force behind this legislation is simple: We cannot continue to allow over 35 million Americans to be without basic health care coverage.

Fortunately, for the residents of Hawaii, our State is close to providing universal health care for all her citizens. Hawaii's far-reaching health care system includes the Prepaid Health Care Act of 1974 expanded Medicaid eligibility, and the State Health Insurance Program [SHIP].

The first component, the Prepaid Health Care Act, requires all of Hawaii's employers, except for some family-owned businesses and employers paying on a commission basis, to provide health insurance to their employees. The employee is not required to pay more than one-half the premium cost, which cannot exceed 1.5 percent of the employee's monthly wages. Eligible employees must work at least 20 hours per week and earn a minimum amount per month. Employers can offer either a fee-for-service health insurance plan with copayments and deductibles or membership in a health maintenance organization.

The second part of Hawaii's State health care system is the expansion of Medicaid eligibility to the maximum allowed under Federal options. With the employer-mandated health plan and the expanded Medicaid coverage, the number of Hawaii's uninsured population shrank from 17 percent of our nonelderly population in the early 1970's to 5 percent in 1989.

With only 5 percent of the population lacking health insurance, a third component, SHIP, was created to meet the health care needs of this gap group—mainly the unemployed, dependents of low-income workers and part-time workers unable to afford coverage.

Launched in April 1990, SHIP has served over 10,000 members in its first year. Nearly half, 46 percent, of these enrollees are children under 18, and more than half of the program participants, 55 percent, are women.

Depending on income, the sliding fee scale for enrollment under SHIP ranges from no payment to $60 per month for an adult and $20 per month for a child. Benefits under SHIP include full coverage for well-baby and well-child care; 12 physicians visits a year with a $5 copayment; 2 days of in-hospital maternity care; and 5 days of hospitalization with a $2,500 limit. Most SHIP enrollees would qualify for Medicare should they require more costly procedures.

Today, Hawaii has one of the lowest infant mortality rates in the Nation, and the death rates from chronic diseases such as cancer and heart disease are lower than those in other States. This is directly attributable to the fact that the Hawaii system emphasizes primary and preventive care. Also, the State's experience with mandated health benefits has shown that such a program can be implemented without a loss of jobs. Health insurance risks and costs must be shared by a large population group in order to keep insurance affordable and make mandated benefits work.

Mr. President, we are all aware that the road to universal health care coverage is often rocky. In Hawaii's case, the Federal Government has sometimes erected barriers rather than removed constraints to achieving maximum coverage. A case in point is the State's experience with the Hawaii Prepaid Health Care Act and the Employee Retirement Income Security Act of 1974 [ERISA].

In 1980, the Ninth Circuit Court of Appeals held that the preemption clause in ERISA prevented the State from enacting minimum health care requirements for employers governed by ERISA. The court determined that, in the absence of an expressed exemption for the Hawaii statute, Federal law governs. The U.S. Supreme Court affirmed the lower court ruling and concluded that relief could come only from Congress.

Soon thereafter, the Hawaii congressional delegation sponsored legislation to grant an exemption for the Hawaii statute and worked toward this end. After considerable debate, a limited ERISA exemption was signed into law on January 14, 1983. However, the exemption was not prospective and only permitted the State to require the specific benefits set forth in its 1974 statute.

An unfortunate consequence of this 1983 legislation is that the Hawaii Prepaid Health Care Act has been "frozen in time," with no amendments or changes allowed other than those that would enhance "effective administration."

After 17 years of experience with this pioneering statute, the State is prohibited from amending the program to be more responsive to Hawaii's changing needs. We need to allow a State that has been at the forefront of innovative approaches to health care to make changes which better reflect the needs of today's population and their employers.

To remedy that, I introduce S. 590 on March 7, 1991, to permit the State to address these issues and to fine-tune its successful health care programs for the 1990's. My bill would exclude the Hawaii Prepaid Health Care Act from ERISA.

Mr. President, I would like to bring to the attention of my colleagues another health care reform proposal unveiled this spring by the School of Public Health at the University of Hawaii. Universal Health Coverage for the American People, or UniHealthCAP for short, is a product of research, public outreach and discussion among members of the University of Hawaii faculty and graduate students, leaders in Hawaii's health care and political communities, and the general public. Former Massachusetts Gov. Michael S. Dukakis, a visiting professor at the university, and University of Hawaii Prof. Cyril Roseman served as the project directors.

There are basic similarities between the legislation being introduced today in the Senate and UniHealthCAP. Both proposals mandate employer-provided coverage, with assistance to small businesses, and contain important initiative focusing on prevention of health problems. They also address the problems of malpractice insurance, redesign the Medicaid program and attempt to reduce unnecessary administrative costs.

While the Senate bill would establish a National Health Care Expenditure Board to setup voluntary annual targets for national health care expenditure totals, UniHealthCAP would use a single payer authority employing a global budgeting process involving regional advisory boards. Under UniHealthCAP, there would be freedom of choice of health providers with patients being required to select a primary physician or health maintenance organization as a gatekeeper.

I would like to insert in the RECORD, at this point, a summary of UniHealthCAP, as well as appendix I of the position paper, which provide more details on this plan and the comprehensive mandated health insurance system in Hawaii.

Mr. President, I look forward to working with my Senate colleagues to advance health care reform—to pull together the best features of the leadership and UniHealthCAP proposals and elements of Hawaii's current health care system. Although Hawaii is perceived as being so different from most other States, I believe our experience in implementing our health care system can be instructive.

The summary follows:

[University of Hawaii at Manoa, School of Public Health]

SUMMARY

A comprehensive plan for universal access to health care in America was unveiled troday at the School of Public Health of the University of Hawaii.

The plan is the product of months of research, public outreach and discussion involving members of the University of Hawaii faculty and graduate students, leaders in Hawaii's health care and political communities, and the general public.

School of Public Health Dean, Dr. Jerrold M. Michael and former Massachusetts Governor Michael S. Dukakis, a vising Professor at the university, called the proposed plan "a major contribution to the debate which is about to begin in the Congress of the United States."

"The United States today is spending far more on health care than any other advanced industrial nation in the world, and thirty-five million of our fellow citizens still don't have any form of health insurance. The State of Hawaii has demonstrated that it is possible to provide all of the citizens with quality health care at reasonable cost. If Hawaii can do it, so can the Nation," they said.

The new plan, dubbed UniHealthCAP (Universal Health Coverage for the American People), would guarantee basic health insurance to all Americans and would include the following:

1. Health insurance would be provided by all employers to their employees and employees' dependents. Coverage would be phased in over five years, beginning with the largest employers.

2. Basic benefits would include all hospital and physician services, diagnostic tests, certain mental health services, and important preventive services like well-child care and mammograms as well as health promotion programs.

3. Both employers and employees would contribute to the cost of premiums on a fifty-fifty basis, but employees would not be required to contribute more than 3.5% of their gross income. There would be a 20 per-

cent co-payment and modest deductibles, but no individual or family would pay more than $3,000 per year in out-of-pocket costs. Employers would not, however, be precluded from paying a greater share of the premium or offering expanded coverage to their employees.

4. A Public Insurance Trust fund would be created to provide coverage for the approximately ten million Americans who would still be without health insurance after the phase-in of the employer mandate. The cost of the trust fund would be fully offset by projected savings in existing health care spending. *No new taxes would be required.*

5. UniHealthCAP would substantially reform the Nation's current malpractice insurance laws by eliminating duplicate payments, putting limits on lawyer's contingency fees as the amount of damages increases, and limiting awards for pain and suffering to $500,000 except in cases of wanton and reckless misconduct by a provider.

6. There would be significant changes in medical practices designed to improve the quality of health care and reduce unnecessary expense. While there would be full freedom of choice of health providers, patients would be required to select a primary physician or health maintenance organization. That primary provider would be responsible for the patient's primary care and for referring the patient to specialists. Specialists would not be reimbursed at the specialist rate unless there was a documented referral from the primary physician.

7. The U.S. Department of Health and Human Services would be required to implement system-wide controls over all health spending in the United States. This annual "global budget" would then be allocated to regions on a population basis with appropriate adjustments for regional cost-of-living variations and other relevant factors. Hospitals, physicians' associations, and other provider organizations would join with consumers in helping to implement these regional spending ceilings.

8. Providers would be reimbursed through a single-payer system operated by the Health Care Financing Administration (HCFA) of the U.S. Department of Health and Human Services. All insurance premiums, would be transferred to HCFA and paid to providers through a new, streamlined electronic billing system, thus saving billions of dollars in administrative expenses currently incurred by the present multi-payer system.

9. Insurers and health maintenance organizations would be encouraged to offer supplemental coverage which could be purchased by employers and/or employees at their option. UniHealthCAP would continue to encourage health competition among insurers and HMOs.

10. All policies would be "community-rated." Discrimination by insurance companies against small businesses would no longer be permitted. Persons with preexisting conditions could no longer be shut out of the insurance market.

Dukakis said that "Today we have the worst of all possible worlds. Life expectancy and infant mortality in America are below many of our competitor nations. In some cases we pay double what other countries are paying for health care. Inflation in health costs is now running at three times the general inflation rate.

"No wonder that so many Americans are increasingly unhappy with our health care system. In a recent survey, nearly ninety percent said that the system was in need of fundamental change, and six out of ten said that they would actually prefer something like the Canadian system.

"We can provide universal access to quality health care in America without new taxes by using the nearly seven hundred billion dollars we are currently spending on health care much more wisely and effectively than we are today."

University of Hawaii President Albert Simone called the new plan "a superb example of what an academic institution can do when they work closely with government, health care and community leaders and the general public.

"The University of Hawaii's School of Public Health has played a key role in bringing better health care to the people of the Pacific and of Asia. We have always been proud of the role we have had in helping to make Hawaii 'The Health State.'"

Dean Michael noted that "We all believe it is now time for Hawaii to serve as the model for universal access to health care across America. Our Prepaid Insurance Act of 1974 has provided working people with health insurance for seventeen years. The State Health Insurance Program which was approved by the Hawaii Legislature in 1989 is now well on its way to providing all those not covered by employer-employee coverage with basic health insurance.

"UniHealthCAP builds on Hawaii's experience; and in that sense Hawaii is doing exactly what Justice Brandeis said the states were uniquely equipped to do; to serve as laboratories for social change in America."

Dean Michael and Governor Dukakis said that both Hawaii Governor John D. Waihee and members of the Hawaii Congressional delegation have expressed interest in taking the plan to Washington and actively involving themselves in the upcoming debate over universal health care in the nation's capital.

"We look forward to working with them and with good people all across America to solve the single most important domestic issue we face in this Country—how to guarantee our citizens full access to quality health care at a cost that they—and we—can afford."

APPENDIX I—THE HAWAII CONTRIBUTION

Hawaii has made a special contribution to the process of consideration of universal or uniform health insurance coverage in America. The State occupies a special geography, culture, and commitment to health, and deserves to be viewed as a special opportunity model for future explorations, policy refinements, and demonstration project evaluation as part of this proposal. Hawaii highlights one dimension of the UniHealthCAP proposal—the concept of "State as a Region" which would permit a state that has a comprehensive mandated health insurance system in place to operate as a separate unit under UniHealthCAP.

CONTRIBUTIONS TO STATE HEALTH INSURANCE OPTIONS

Hawaii is recognized as a leader in health care among the fifty states. Hawaii's Prepaid Health Care Act of 1974[1] created an employer mandate, the first of its kind of the United States. In 1989, Hawaii enacted the State Health Insurance Program Act,[2] the first gap group[3] coverage in the nation. Hawaii is the only state that can successfully claim near universal health coverage and access to health care. As of March 1991, all but 20-30,000 of its people had some kind of insurance coverage. That amounts to approximately 98% of the population.

Assets

In addition to the employer insurance mandate and the State Health Insurance Program (SHIP), Hawaii has other assets of significance to this issue.

Hawaii: The Health State

The State of Hawaii has many public health initiatives, which include the intensive use of care homes for the elderly,[4] a comprehensive health survey, diverse family programs, and a large array of alcohol and substance abuse programs operated through special contracts with non-profit agencies.

Mandated Benefits

Under the employer insurance mandate and SHIP, benefits are mandated through state legislation and departmental regulations.[5] Thus, all subscribers are guaranteed a basic level of assured care. The SHIP program, however, focuses on primary care, preventive services and diagnostic ambulatory services and provides 5 days of in-patient care.

Community-Based Rating

Under the employer insurance mandate, community-rating is used, which helps in controlling premium rates. Unlike most mainland states in which experience-rating is used,[6] Hawaii has one of the lowest premium rates in the country.

Diverse Interests

Hawaii's Department of Health (DOH) monitors all areas of health care. The department also has advisory boards and commissions for its various branches. In addition, a newly formed Governor's Blue Ribbon Committee, consisting of professionals and community leaders, has been established to help the DOH establish future goals and strategies regarding the cost and financing of health care.

Established Health and Related Data Bases

Hawaii has three major health data bases: The Hawaii Medical Service Association (HMSA), primarily a fee-for-service insurer in effect the state's Blue Cross-Blue Shield; Kaiser-Permanente Medical Care Program (Kaiser), a health maintenance organization;[7] and the DOH's Vital Statistics section which also maintains extensive data base.[8] In addition, the DOH also conducts an annual survey, sampling different households each year. Ten percent of all households in the state are surveyed each year. In addition, the Hawaii State Department of Taxation also keeps an extensive tax data base.

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[1] Chapter 393, Haw. Rev. Stat. Under the Prepaid Health Care Act, the employee can pay up to 50 percent of the insurance premium or 1.5 percent of his income, whichever is lower.

[2] Chapter 431N, Haw. Rev. Stat.

[3] The "gap group" consists of individuals who are medically uninsured, that is, do not qualify for Medicare or Medicaid and cannot afford to purchase personal health coverage.

[4] Care homes are institutions that are somewhat unique to Hawaii. These are facilities in which a family cares for one or more elderly persons, usually within the family's own home.

[5] By the Department of Labor and Industrial Relations and the Department of Health.

[6] The risk assessed through the average usage of the employees of the firm. That is, if one employee has diabetes, premiums are higher for all employees. With community-rating, the risk is assessed by using the entire community as a risk pool.

[7] These two firms are also the contracted insurers under SHIP.

[8] Vital Statistics is best known as the agency that records birth, marriage and death certificates.

Few Hospitals

There are relatively few hospitals in Hawaii, and their market shares are stable and differentiated.[9]

Geographic Site, Boundary Maintenance

Given Hawaii's geographic location and ethnic make-up, there is little in/out migration of residents between the state and the rest of the nation, or for that matter among the various islands.

Small Area, Ease of Transportation and Communication

Hawaii is a small, close-knit community, and physical space is also small. Few areas of the state are further than thirty minutes away from a large general hospital, but the physical separation of neighbor islands does present access barriers to Honolulu metropolitan hospitals.

Political Continuity With Single Party Dominance

One party has controlled both the executive and legislative branches since the early 1960s. Health care advances have been preserved by successive administrations. There is a strong commitment to planning, research and program development in the health sector.

Strong Executive State System, Weak Counties in Health Care

The state has principal responsibility for health care, and the counties have only a very small role in the provision or regulation of health care. The chief executive is backed by a dynamic Director of Health and a well staffed health department.

State Role in Acute Hospital Care in the U.S.

Hawaii has an extensive system of state-county hospitals, perhaps the highest level of state government involvement in the operation of multiple general acute hospitals as well as smaller rural facilities in the nation. The system also includes a state mental health hospital and several specialized facilities.

Established Third Party Payers

As noted above, Hawaii has two major health insurers, HMSA and Kaiser. Together they command 95% of the total employer-based market;[10] other payers cover the remaining 5%.

Strong Research Base at the University of Hawaii

The University of Hawaii health science schools including the Schools of Public Health, Medicine, Nursing and Social Work are committed to providing a research and service arm for state-based health care issues. The School of Public Health, as an example, is active in providing health services research backup and shares a number of faculty positions with the Department of Health, assuring close collaboration on issues of concern to the state.

THE HAWAII STATE HEALTH INSURANCE PROGRAM (SHIP)

Historical development of health insurance in Hawaii

In 1974, Hawaii was the first state to enact a law requiring employers of employees working more than 20 hours a week to provide then with health insurance coverage.[11]

In 1989, Hawaii enacted the State Health Insurance Program Act to provide "gap group"coverage,[12] offering coverage for those who do not have public or private health insurance and cannot afford to purchase their own.

Basic elements

SHIP contracts with the Hawaii Medical Services Association (HMSA) and Kaiser Permanente (Kaiser), the two largest insurers in the state, to offer gap group insurance. Because Kaiser, as an HMO, has a greater risk of adverse selection under SHIP, it has limited the number of people to be enrolled in its SHIP offering. Kaiser's limit was originally set at 1000 members, but was increased in June 1990 to 1400 and may increase to 2000 by January 1992.[13] As of April 1991, 9,213 people are enrolled in the HMSA plan, and 1,078 are enrolled in Kaiser's plan for a total of 10,291.

Premiums are based on age, and the enrollees' share is determined by their income as a percentage of the Federal Poverty Level (FPL). There are three basic criteria for qualification that must be met: (1) Hawaii residency; (2) income eligibility (total family income under 300% of the Federal Poverty Level); and (3) uninsured status: (a) without health insurance for three months [14]; and (b) ineligible for other government provided insurance.

The risk of SHIP's exposure to loss is mitigated by various safeguards. Subscribers are not precluded from purchasing catastrophic care coverage.

SHIP Benefit Package

SHIP HMSA benefits include: health appraisals and related tests, well baby and well child coverage and full coverage for accidents; twelve physician visits a year, each with a $5.00 co-payment; five days of hospitalization with a dollar limit of $2,500; and two days of maternity care. HMSA's plan also provides some managed care features, with utilization review as well as referral and approval required in some cases.

Cost and Impact

The cost of SHIP to the State of Hawaii is less than $10 million per year.[15] While the percentage of the U.S. population that is uninsured was 16% in 1988, Hawaii's percentage of uninsured was estimated to be approximately 5% of the population in 1987–1988. SHIP has done a good job in enrolling people, reaching one third of the target population within one year.

The two main physician provider complaints are that there is too much paperwork and that the reimbursement rate is too low. Providers would also like to provide more preventive care. The DOH is also looking at a cost-based reimbursement system, much like the system Medicaid requires for future SHIP operations.

SHIP is a program that is meeting many of its original objectives. The HMSA plan costs, on the average, $50 per month per member and the Kaiser Plan, about $80. As a comparison, in the State of Washington, which is also addressing the gap group problem with an all-HMO system, the cost to the state is $100 per month per member.

The SHIP is a logical part of the Hawaii state plan to extend health coverage to all of its citizens. It provides an example for similar efforts in other states and for the nation.

CONCLUSION

Hawaii is a state with a strong health care system with relatively few major problems. Under UniHealthCAP, Hawaii would qualify as a separate region and would handle its own health affairs because of its advanced position in the health care and mandated insurance areas. In addition, Hawaii could serve as a prototype or demonstration project for the rest of the nation. With near universal health insurance in place and virtually universal access, Hawaii has been exploring the areas of health promotion and disease prevention and working on Native Hawaiian health problems, cost control, utilization controls, and other areas of national concern. By addressing these problems, Hawaii can continue to be "The Health State."•

ONE HUNDRED YEARS OF FAMILY FARMING

• Mr. WIRTH. Mr. President, I would like to use this occasion to bring special attention to 16 families who have been honored at the Colorado State Fair for maintaining 100 years of continuous family ownership and operation of their farms and ranches.

The Allen Ranch, Gunnison County; the B/K Ranch, El Paso County; the Elms, Morgan County; the Epple Ranch, Weld County; the Esty Ranch Gunnison County; The Gonzales Ranch, Conejos County; the Hycrest Farm, Boulder County; the Laughlin Farm, Boulder County; the Lone Pine Ranch, Ouray County; the Peep O'Day Park Ranch, Larimer County; the Pino/Shafter Ranch, Huerfano County; the Rio Culebra Ranch, Costilla County; the Smillie/King/Severin Farm, Weld County; the Unzicker Homestead, Phillips County; the Wommer Ranch, La Plata County; and the ZF Ranch, Mesa County, have all been in operation for 100 years in the same family, and stretch across the four corners of Colorado.

These farms and ranches are part of a 162-member club of Centennial Farms in Colorado. The spirit of these family farmers is exemplified by Ida Valdez, who raises cattle and alfalfa with her husband, Elmer, on the Rio Culebra Ranch in the San Luis Valley. Ida says, "There have been ups and downs, but we never thought of selling out. Holding on to your property is very important."

The Balsick family have been farming in Colorado since 1891 when they acquired land under the original Homestead Act. Their story is an integral part of our Nation's Western heritage. Their strong commitment to the family farm is a remarkable testament to our Nation's reputation as the breadbasket of the world, and I am pleased to have this opportunity to salute each and every one of our Centennial Farmers.

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[9] For example: Kaiser has hospitals which care for their members; the state operates hospitals on neighbor islands. There are various non-profit and for-profit metropolitan hospitals and clinics. Each facility has a stable share of the market.

[10] HMSA holds 80% to Kaiser's 15%.

[11] The Prepaid Health Care Act, Chapter 393, Haw. Rev. Stat. Employees pay 50% of the premium or the employee pays 1.5% of his income, whichever is lower. Employees also have an option to purchase additional coverage for their families.

[12] The State Health Insurance Program Act, Chapter 431N, Haw. Rev. Stat.

[13] Membership in SHIP is very young, with few elderly members. SHIP did not originally consider the over-65 age group in its forecast of demand, but those few that do not qualify for Medicare (immigrants and federal employees) have in fact applied.

[14] Can be waived for people who recently lost their jobs, newborns, and people who become ineligible for Medicaid.

[15] Funding allocated in House Bill 139, House Draft 1, the state budget bill, for the 1991–1993 biennium is $8,636,975 for FY 1991–1992, and $9,171,580 for FY 1992–1993. This is almost $1 million less than the amount requested by the Department of Health.

Mr. President, I ask to reproduce in the RECORD an article from the Rocky Mountain News which describes Colorado's Centennial Farm Awards Program in greater detail.

The article follows:

LONG-LIVED FARMS HONORED AT FAIR

(By Deborah Frazier)

Thousands of pioneers homesteaded in Colorado, and the Colorado State Fair will honor working family farms and ranches that survived more than 100 years of droughts and blizzards.

"For a family farm to have been around for 100 years is really something. It takes a lot of perseverance," said Joyce Cheatham of the Colorado Department of Agriculture, sponsor of the program with the Colorado Historical Society.

Since the program began in 1986, the Centennial Farm Awards have honored 146 family ranches and farms. Sixteen more will be recognized at the fair on Aug. 23 at a reception hosted by the Colorado Farm Bureau.

To qualify, the family must show the farm or ranch has been run by the same family for 100 years. Some of the owners lease the land to tenants, but most live and work on the land their grandparents and great-grandparents farmed.

As many as six generations—from infants to 100-year-old grandparents—gather in Pueblo for the awards, said Lane Ittelson of the historical society. "It's pretty amazing."

The Rio Culebra Ranch in the San Luis Valley is the oldest ranch honored this year, with the family settling the land in 1863 under a Spanish land grant and obtaining some of the oldest irrigation rights in the state.

"There have been ups and downs, but we never thought of selling out," said Ida Valdez, who raises cattle and alfalfa with her husband, Elmer, on the ranch her great-grandparents started. "Holding on to your property is very important."

Most of the centennial ranches and farms are located in Boulder and Weld counties, which both had early irrigation systems, Ittelson said. The oldest farms—dating from the 1850s—are located in the San Luis Valley.

"What you don't get is a picture of how many farms failed. For every centennial farm, we have 10 families that didn't make it," he said. "The main lesson is that through hard work and perseverance, the family hung on."•

SHORTCOMINGS OF CUSTOMS SERVICE INVESTIGATIONS

• Mr. REID. Mr. President, I would like to bring to the attention of my colleagues two items from the Las Vegas Sun newspaper.

The editorial and the column discuss the shortcomings of a recent Customs Service investigation into charges of corruption within the service.

Mr. President, I request that these columns be printed in full in the RECORD at this point.

The articles follow:

[From the Las Vegas Sun, Sept. 12, 1991]

CUSTOMS' CHIEF HAMPERING AGENCY DRUG INVESTIGATIONS

The nation's war on drugs will not go very far if the foot soldiers on the front lines don't get adequate support from the bureaucrats at headquarters.

That seems to be the message two infuriated congressmen sent to U.S. Customs Commissioner Carol Hallett.

Hallett is fast becoming the drug war's equivalent of Col. Klink, the bungling German prisoner camp commander on the hit TV comedy "Hogan's Heroes."

Within the past two months, Hallett managed to aggravate Rep. J.J. Pickle, D-Texas, and Rep. Doug Barnard Jr., D-Ga., who chair separate House subcommittees probing the drug interdiction agency.

After a Customs-appointed panel recommended sweeping management changes last month to dismantle rampant cronyism, Pickle complained that his House Ways and Means subcommittee made many of the same findings more than a year ago. Pickle said it was "truly disheartening" that Hallett and her agency failed to act last year.

Charging in from a separate front was Barnard, whose House Government Operations subcommittee continues to field complaints from Customs agents armed with examples of botched internal investigations and harassment for whistle-blowing activities.

Barnard repeatedly has warned Hallett and her staff to end all such mistreatment, a condition he termed "distressing" in an Aug. 16 letter to her. Though not mentioned in the letter, one such whistleblower is Louis Smit, a Las Vegas private investigator who quit the agency in disgust in January.

During his stint as an agent in Corpus Christi, Texas, Smit and partner John Graham forwarded to their bosses allegations from the FBI that fellow Customs employees had ties with drug traffickers. Although they were mere middlemen passing along FBI information, Customs officials went into a tizzy and stonewalled the investigation. Smit eventually found himself suspended and demoted.

Smit, who helped uncover the first known link between Mexican drug traffickers and organized crime in Chicago, should still be one of those guys who enjoys the limelight following a big drug bust. Instead, he is embroiled in a costly civil service dispute with the agency because he stepped on some big toes and fragile egos in the course of doing his job.

Consider that Barnard and Pickle have been approached by several agents such as Smit and it is easy to see why the congressmen have become increasingly impatient with Hallett.

In the meantime, the role of the U.S. Customs Service continues to fade away in the important national war against dangerous drugs and narcotics. It's about time that Commissioner Hallett fades away so the agency can again, under strong leadership, resume a vital role in this war.

[From the Las Vegas Sun, Sept. 12, 1991]

WHERE I STAND

(By Mike O'Callaghan)

The time is here for Commissioner of Customs Carol Hallett to move on and make way for a strong leader. Her lack of control over this most important agency is hurting our nation's battle to defeat the drug lords both within and without our country. Today's editorial on page 8B makes clear our concern.

The Sun didn't just jump to these conclusions during recent months when Hallett's ineffectiveness and lack of action has upset some highly respected members of Congress. No, our concern about Hallett and the United States Customs Service goes back almost two years.

It was Nov. 26, 1989, that this columnist wrote: "Las Vegan Louis Smit and his partner John Graham, both U.S. Customs Service investigators on the Texas-Mexico border, have had a lonesome job become even more lonely in recent months. Their Customs Service superiors took them off of a most complex narcotics case that stretches from Mexico to organized crime in Chicago. It's more than obvious to many law enforcement people that the Smit-Graham team in their pursuit of this case have also stumbled onto some big problems in the Customs Service. Problems that may be so big that they threaten future promotions of some supervisors.

"San Antonio Light newspaper writer Lisa Baker has done an excellent job of reporting the Smit-Graham saga. In one of her articles Marvin Milner, resident agent in charge of customs in Corpus Christi, defends his removal of the investigative team from the big case because they are investigators and not special agents, Milner's concern about titles may be one reason the war on drugs is being lost! Another customs office supervisor refers to Smit and Graham as rogue investigators."

Again, almost a year later, on Nov. 14, 1990, it was necessary for this column to update what was happening in the U.S. Customs Service. That column concluded, "This entire affair makes me wonder how many other government employees, who don't have the guts and willpower of Louis Smit, have been buried along the rough and sometimes endless government road in their search for justice."

Since that time, 10 months ago, several additional things have taken place. Writer Steve Kanigher, a digging reporter who searches out information day and night, and Lisa Baker, referred to in the first column, from the San Antonio Light newspaper, have become valued members of the SUN reporting staff.

Just as important was the report of the Hallett-appointed Blue Ribbon Panel to review the integrity and management issues of that agency. The panel found "no systemic corruption within the Customs Service in the Southwest Region," but found plenty of "fundamental weaknesses in Customs management systems."

Six weeks ago the Blue Ribbon Panel report also triggered a press release from Rep. J.J. Pickle, D-Texas, a senior House member who chairs the Subcommittee on Oversight, Committee on Ways and Means. Pickle said, "Last year, after a two-year investigation, the Subcommittee issued a report, titled 'Abuse and Mismanagement in U.S. Customs Service Commercial Operations,' which contained many of the same findings and recommendations as this Blue Ribbon Panel. It is truly disheartening to discover that after more than a year Customs has still not done what it obviously needs to do."

Just one more example of Hallett not acting effectively in her position. Two days later during a hearing the congressman from Texas said, "'Blue Ribbon Panels' are not new to Customs. I guess it is Commissioner Hallett's policy to convene a 'Blue Ribbon Panel' every time an internal problem seems to be getting too much outside attention. The first one was convened in November 1989 in response to this Subcommittee's investigation into Customs seized property program. The second was convened last year in response to this Subcommittee's probe into the misuse of Custom's inspector overtime. The third one is the subject of today's hearing."

About four weeks ago Rep. Doug Barnard Jr., D-Ga., chairman of the Commerce, Consumer and Monetary Affairs Subcommittee of the Committee on Government Operations, sent Hallett a letter. His three-page upbraiding concluded, "It is distressing that, while you have promised to implement the 'Blue Ribbon' Panel's report (including presumably the chapter on whistleblowing), you have not made it abundantly clear by specific written directive to all managers that the Service would not tolerate unlawful actions against and statements to whistleblowers and would take severe action against such actions."

The U.S. Customs Service has a most important role to play in our fight against the scourge of our modern-day society. It is evident that an agency run by a sloppy administrator, who tries to cover her shortcomings with committee and panel reports, is not the way to victory.

As you can see we didn't draw this conclusion without a full evaluation of Commissioner Carol Hallett and the way she runs the Customs Service. If she doesn't have enough class to submit her resignation she should be fired by the man in the White House.

(Mike O'Callaghan, a former two-term governor of Nevada, is executive editor of the Las Vegas Sun.)•

S. 596, THE FEDERAL FACILITIES COMPLIANCE ACT

• Mr. BINGAMAN. Mr. President, I rise today to express my support for S. 596, the Federal Facilities Compliance Act of 1991, which has been introduced by our distinguished majority leader.

What underlies this legislation is the preservation of a principle; namely, that the Federal Government should be no less responsible than others, whether State agencies, municipalities, or private corporations, when it comes to protection of our environment. It was always the intent of the Congress that it should be so. Nonetheless, the less than sterling record of the Federal Government in complying with environmental laws and the circumvention of congressional intent by Federal agencies claiming sovereign immunity have led to the need for this legislation. This bill makes clear that environmental laws—Federal, State, and local—apply to the Federal Government. More importantly, it makes clear the Environmental Protection Agency's authority in ensuring Federal compliance.

Having supported the principle of compliance with environmental laws, I am compelled to consider the practice of meeting environmental regulations. The management of hazardous waste is a complex issue. Simply passing a law does not guarantee that the requisite technology or cleanup capability exists for each and every hazardous waste. The problem of mixed waste, waste that is both hazardous and radioactive, is especially thorny. In many cases, there is no technology available for disposing of these mixed wastes. Until such technology is available, the best we can do is to ensure that these wastes are properly stored. It would be unreasonable to assess fines for failure to dispose of materials for which there are no safe disposal methods. The original version of the Federal Facilities Compliance Act did not adequately address this issue. I am pleased that this legislation will be amended to take into account the special problem of mixed waste. It is with the understanding that the mixed waste issue will be satisfactorily addressed that I cosponsor S. 596.•

REPEAL OF U.N. GENERAL ASSEMBLY RESOLUTION CONDEMNING ZIONISM AS A FORM OF RACISM

• Mr. PACKWOOD. Mr. President, I am pleased that the Senate has adopted Senate Joint Resolution 110, a resolution urging the United States and the Soviet Union to pursue efforts to repeal U.N. General Assembly Resolution 3379. Resolution 3379 condemns Zionism as a form of racism and strikes at the basic principle of the State of Israel—to provide a safe haven for Jews all over the world.

I would like to again commend my good friend from New York, Mr. MOYNIHAN, for his tireless opposition to Resolution 3379 since its passage in 1975. As the U.S. Permanent Representative to the United Nations at the time of its passage, he has relentlessly pursued its repeal.

I am encouraged and inspired by the statement made by President Bush at the United Nations on Monday, urging the resolution's repeal. Repeal of this unproductive and anti-Semitic resolution is important in our efforts to seek peace in the Middle East. The United Nations should move swiftly to repeal General Assembly Resolution 3379.•

THE PRESIDENT'S ADDRESS BEFORE THE UNITED NATIONS GENERAL ASSEMBLY

• Mr. CHAFEE. Mr. President, on Monday, President Bush spoke before the General Assembly of the United Nations. In his address he called on the United Nations to finally repeal the resolution, adopted on November 10, 1975, that stated, in part, "Zionism is a form of racism and racial discrimination." This resolution represents a low point in the history of the United Nations. It catered to those who have sought to incite division rather than promote peace and unity in the Middle East. I think the President should be commended for this action.

Israel was born out of the tremendous suffering of millions of Jews just 44 years ago. The United States has been the most important friend of the nation of Israel in the time since independence. It is appropriate that the United States take the lead in seeking to repeal this resolution. As the President stated, "Zionism is not a policy. It was an idea that led to the home of the Jewish people in the State of Israel." It was a movement that captured the imagination of Jews everywhere who felt that the time had come to establish a Jewish homeland. Zionism also captured the spirit of a people who yearned to live in a place where they would not be subjected to holocausts, pogroms, or other campaigns to deny them basic human rights and the freedom to practice their religion.

Instead of condemning Israel, the United Nations should have been taking constructive steps to reassure her that peace with the Arab nations was possible. This resolution is a thorn in Israel's side. The President is right to try to remove it so that we may move toward peace in the region.

The United Nations should once and for all renounce this harmful and hurtful resolution.•

MORNING BUSINESS

Mr. INOUYE. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar 314, Mr. Edward P. Djerejian, to be an Assistant Secretary of State; and Calendar 315, C. Payne Lucas, to be a member of the Board of Directors of the African Development Foundation.

I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; that the motions to reconsider be laid on the table en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Edward P. Djerejian, of Maryland, a career member of the Senior Foreign Service, class of minister-counselor, to be an Assistant Secretary of State.

AFRICAN DEVELOPMENT FOUNDATION

C. Payne Lucas, of the District of Columbia, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1993.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

THE CALENDAR

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the following bills en bloc: Calender Order No. 213, S. 862; and Calender Order No. 214, S. 865; that committee amendments where indicated be deemed agreed to; that statements on any of the several bills be printed at the appropriate place in the RECORD; that the bills be deemed read for the third time, passed, and the motion to reconsider the passage of the bills en bloc be laid upon the table.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills considered and agreed to en bloc are as follows:

CRIMINAL VOIR DIRE DEMONSTRATION ACT

The bill (S. 862) to provide for a demonstration program for voir dire examination in certain criminal cases, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Criminal Voir Dire Demonstration Act of 1991".

SEC. 2. CRIMINAL VOIR DIRE DEMONSTRATION.

(a) IN GENERAL.—During the 4-year period beginning on January 1, 1992, the Judicial Conference of the United States shall conduct a demonstration program in accordance with subsection (b).

(b) PROGRAM.—The Director of the Administrative Office of United States Courts shall select 4 United States district courts to serve as demonstration districts. No State shall have more than one demonstration district.

(2) Each demonstration district shall adopt and follow a local rule as provided in subsection (c).

(c) EXAMINATION OF JURORS.—Notwithstanding rule 24a of the Federal Rules of Criminal Procedure the demonstration district shall adopt the following local rule:

EXAMINATION OF JURORS.—Except upon an affirmative finding by the court that the interests of justice require otherwise, upon the request of the defendant or the Government, the court shall permit the defendant or his attorney and the attorney for the Government each a minimum of 30 minutes to conduct an oral examination of the prospective jury. Additional time for examination by the attorneys may be provided at the court's discretion and the court may, in addition to such examination, conduct its own examination. The court shall have the authority to impose reasonable limitations with respect to the questions allowed during such voir dire examination. In a case in which there are multiple defendants each side shall have an additional 10 minutes for each additional defendant, except that the total time required to be allowed shall not exceed 1 hour per side."

(d) REVIEW OF DECISIONS.—Decisions made by a court under subsection (c) shall not be reviewable except for an abuse of discretion.

SEC. 3. STUDY OF RESULTS.

The Judicial Conference of the United States, in consultation with the Director of the Federal Judicial Center and the Director of the Administrative Office of the United States Courts, shall study the experience of the district courts under the demonstration program authorized by this Act.

SEC. 4. REPORT.

Not later than June 1, 1996, the Judicial Conference of the United States shall transit to the Committees on the Judiciary of the Senate and the House of Representatives, a report of the results of the demonstration program authorized by this Act.

CIVIL VOIR DIRE DEMONSTRATION ACT

The bill (S. 865) to provide for a demonstration program for voir dire examination in certain civil cases, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Voir Dire Demonstration Act of 1991".

SEC. 2. CIVIL VOIR DIRE DEMONSTRATION.

(a) IN GENERAL.—During the 4-year period beginning on January 1, 1992, the Judicial Conference of the United States shall conduct a demonstration program in accordance with subsection (b).

(b) PROGRAM.—(1) The Director of the Administrative Office of United States Courts shall select 4 United States district courts to serve as demonstration districts. No State shall have more than one demonstration district.

(2) Each demonstration district shall adopt and follow a local rule as provided in subsection (c).

(c) EXAMINATION OF JURORS.—Notwithstanding rule 47(a) of the Federal Rules of Civil Procedure the demonstration district shall adopt the following local rule:

"EXAMINATION OF JURORS.—Except upon an affirmative finding by the court that the interests of justice require otherwise, upon the request of the plaintiff or defendant, the court shall permit the plaintiff and defendant or their attorneys each a minimum of 30 minutes to conduct an oral examination of the prospective jury. Additional time for examination by the attorneys may be provided at the court's discretion and the court way, in addition to such examination, conduct its own examination. The court shall have the authority to impose reasonable limitations with respect to the questions allowed during such voir dire examination. In a case in which there are multiple parties, each side shall have an additional 10 minutes for each additional party, except that the total time required to be allowed shall not exceed 1 hour per side."

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UNITED STATES COMMISSION ON CIVIL RIGHTS REAUTHORIZATION ACT of 1991

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1754, a bill to reauthorize the U.S. Commission on Civil Rights, introduced earlier today by Senators SIMON and HATCH.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1754) to amend the United States Commission on Civil Rights Act of 1983 to reauthorize the Commission, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SIMON. Mr. President, I am pleased to introduce this bill to reauthorize the U.S. Commission on Civil Rights. This legislation represents a bipartisan compromise effort and I am proud that Senator ORRIN HARCH is its chief cosponsor.

Like my earlier bill on this subject, this compromise bill extends the life of the Commission for 4 years. As chairman of the Constitution Subcommittee, I held a hearing on reauthorization and believe that the Commission merits continuation.

The challenge of living up to our principles on equality and civil rights will be made easier if the U.S. Commission resumes its historic role as the conscience of the Nation on these issues. The Commission, since its last reauthorization, has begun the long trek back to having a responsible voice in the civil rights area. When it is necessary to speak with an independent voice, such as its opposition to the administration's position on the Civil Rights Act and on minority scholarships, it has done so. Yet it has tended to stay on the sidelines of other civil rights concerns and has not produced the comprehensive assessments of civil rights that we were accustomed to previously. So, based on the promise the Commission has shown, I am offering this reauthorization bill. Nonetheless, I will continue to watch the operations of the Commission closely over the next 4 years.

I stand ready to work with any of my colleagues in this or the other body to support the efforts of the Commission and guide the necessary improvements in order for it to truly serve the national interest.

Again, I wish to recognize the cooperation and fine work of Senator HATCH and his staff in reaching this bipartisan compromise.

Mr. HATCH. Mr. President, I am pleased to have worked out this compromise legislation with the distinguished Senator from Illinois, PAUL SIMON, in order to save the U.S. Commission on Civil Rights. I want to commend Senator SIMON for his leadership on this important civil rights issue. Without his efforts, we would have no chance to preserve the Commission.

The Civil Rights Commission has been less visible in recent years than earlier in its history. The Commission, however, can still play a role in the effort to secure the civil rights of all Americans, regardless of race, ethnicity, religion, or gender.

By reauthorizing the Commission for 4 years, we preserve its independence. Earlier this year, I introduced a bill providing for a simple, 10-year reauthorization of the Commission. The bill Senator SIMON and I are now introducing, while of a shorter duration, allows the Commission to proceed with its work without the fear of going out of existence constantly hanging over it. The bill also requires the Commission to submit to Congress at least one report annually on civil rights, or any subject or subjects under its current jurisdiction. The Commission is entirely free to choose the subjects of such reports.

I thank again my distinguished friend from Illinois, Senator SIMON, and Susan Kaplan, John Trasvina, and Brant Lee of his staff.

The PRESIDING OFFICER. Without objection, the bill is deemed read a third time and passed.

So the bill (S. 1754) was deemed read a third time and passed, as follows:

S. 1754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Commission on Civil Rights Reauthorization Act of 1991".

SEC. 2. ANNUAL REPORT.

Section 5 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975c) is amended by striking subsection (c) and inserting the following new subsection:

"(c) The Commission shall prepare and submit to the appropriate committees of Congress and to the President at least one report annually on the status of civil rights in the United States, which report shall address any matter set forth in subsection (a).".

SEC. 3. REAUTHORIZATION.

Section 7 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975e) is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this Act such sums as may be necessary for each of the fiscal years 1992 through 1995.".

SEC. 4. TERMINATION.

Section 8 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975f) is amended by striking "1991" and inserting "1995".

SEC. 5. COMMISSION CHAIR AND VICE CHAIR.

Section 2(c), subsections (a), (d), and (f) of section 3 and section 6(f) of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975(c), 1975a (a), (d), and (f), and 1975d(f)) are amended by striking "Chairman" each place the term appears and inserting "Chair".

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHINESE POLITICAL PRISONERS AND CHINESE PRISONS

Mr. INOUYE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of Senate Resolution 178, a resolution expressing the sense of the Senate on Chinese political prisoners and Chinese prisons, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 178) expressing the sense of the Senate on Chinese political prisoners and Chinese prisons.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Without objection, the resolution and the preamble are agreed to.

The resolution (S. Res. 178) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 178

Whereas, in February 1991, the Government of the People's Republic of China sentenced the co-founders of the Beijing Social and Economic Science Research Institute, Wang Juntao and Chen Ziming, to 13 years in prison on charges of sedition for "masterminding" the 1989 pro-democracy movement;

Whereas Wang Juntao and Chen Ziming had peacefully engaged in the exercise of their internationally recognized human rights of free expression and association;

Whereas, in April 1991, these two courageous men have been held in punitive solitary confinement in Beijing Prison No. 2 in squalid, inhumane, and unsanitary conditions;

Whereas the Government of China has denied Wang Juntao's many requests for improved diet and living conditions and access to adequate medical care, in disregard of his serious liver disease and declining health, and it has been impossible to verify Government claims that he is receiving improved treatment;

Whereas the Government of China has denied to Members of Congress, the United States State Department, human rights groups, and others that Wang Juntao and Chen Ziming are in poor health.

Whereas the Government of China has refused regular access to Wang or Chen by their relatives since both men began a hunger strike on August 14 to protest their solitary confinement and to demand proper medical care;

Whereas Wang Juntao's life is in danger unless he is granted immediate medical parole, as allowed under Chinese law;

Whereas Chen Ziming is also ill due to the poor conditions of his confinement;

Whereas the United States Government has denounced Wang's trial and protested the harsh treatment suffered by Wang and Chen, but the Government of China has thus far not responded to low-level United States appeals; and

Whereas the Government of China has an international responsibility to respect and uphold the rights of all of its citizens: Now, therefore, be it

Resolved, That the Senate hereby urges the President—

(1) to communicate directly to the leadership of the Government of the People's Republic of China the urgent concern of the Congress and American people for the life and welfare of Wang Juntao and Chen Ziming and to call for their immediate release from prison on medical parole so that they may receive treatment by independent physicians of their choosing; and

(2) to request the Secretary General of the United Nations to use his good offices to urge Beijing officials to provide quality medical care for all political prisoners, including Wang Juntao and Chen Ziming, and to dispatch representatives of the United Nations Human Rights Commission to China to assess and report on the treatment of political prisoners and the general condition of Chinese prisons.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GOVERNMENT SECURITIES OFFERING ENFORCEMENT ACT OF 1991

Mr. INOUYE. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 1699, the Government Securities Offering Enforcement Act of 1991, and that the Senate then proceed to its immediate consideration.

THe PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1699) to prevent false and misleading statements in connection with offerings of Government securities.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read the second time by title and the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

AMENDMENT NO. 1204

(Purpose: To extend the authority of the Secretary of the Treasury regarding government securities brokers and dealers)

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. DODD, for himself, Mr. GRAMM, Mr. RIEGLE, and Mr. GARN, proposes an amendment numbered 1204.

At the end of the bill, insert the following new section:

SEC. 3. EXTENSION OF SECRETARY'S AUTHORITY REGARDING GOVERNMENT SECURITIES BROKERS AND DEALERS.

Section 15C(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–5(1)) is amended by striking "October 1, 1991" and inserting "October 1, 1992".

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1204) was agreed to.

Mr. DODD. Mr. President, I rise in support of S. 1699, the Government Securities Offering Enforcement Act of 1991, with a further amendment I offer with Senators GRAMM, RIEGLE, and GARN to extend the Treasury's rulemaking authority under the Government Securities Act for 1 year. This legislation is needed to ensure that the Securities and Exchange Commission and self-regulatory organizations have the broadest possible authority to prevent, detect, and prosecute those who make false or misleading statements in connection with bids for, or purchases of, U.S. Government securities. In addition, the amendment is necessary to ensure that the Treasury continues to have the authority to respond to challenges in the Government securities market, as the congressional debate over broader reforms moves beyond October 1 of this year, the date on which Treasury's authority expires under current law.

Mr. President, this is the second time in 2 months the Senate has acted to amend the Government Securities Act. In July, the Banking Committee reported, and the Senate passed, S. 1247, the Government Securities Act Amendments of 1991. The legislation was based on studies by the Treasury, Federal Reserve, and SEC, as well as an extensive hearing record, in which experts and market regulators recommended that Congress reauthorize Treasury's rulemaking authority and make further amendments to the Government Securities Act. Those further amendments included the authorization of new sales practice rules for Government securities dealers, and a requirement that the Treasury, SEC, and Federal Reserve closely monitor the market and report back on the need for legislation to require greater price and volume information. In addition, the Senate bill required greater disclosure about SIPC insurance coverage for customers of Government securities dealers.

The revelations by Salomon Brothers, Inc., and the subsequent reports of the Treasury, Federal Reserve, and SEC on the illegal and improper activities in Treasury auctions, has added a new dimension to the debate. None of the reports issued before Salomon's disclosures suggested that there were any problems or gaps in the regulation of Government securities auctions. The Salomon case has prompted a wide-ranging investigation by the SEC into the activities of all primary dealers in Government securities, as well as many other firms and individuals. It has prompted the Treasury, Federal Reserve, and the SEC to undertake a comprehensive, 90-day study of the need for reform of Treasury auctions. Indeed, it has forced all of us—the regulators and the Congress—to take a long hard look at the adequacy of existing laws, rules, and policies to prevent and detect abuses in the auction of Government securities. It also has forced us to take a fresh look at whether the existing auction structure provides for the issuance of Government securities at the lowest possible cost to the American taxpayer.

Mr. President, although the House has not acted on the amendments to the Government Securities Act passed by the Senate in July, I believe members fully intended to act on that legislation, and would have met the October 1, 1991, date on which Treasury's authority expires, but for the Salomon revelations. Chairman MARKEY and his colleagues held a hearing on the Salomon case and related issues in early September. He indicated his intention to move comprehensive legislation relating to sales practice rules and access to pricing information—issues the Senate already has addressed—and to consider, as well, tough reform measures to address potential gaps in regulation revealed by the Salomon case.

While Chairman MARKEY and his colleagues continue their important work, while the SEC completes its investigation, and while the agencies and other congressional committees continue their wide-ranging inquiry into the Government securities market, it is important that we extend the Treasury's authority for a period sufficient to enable us to gather information and make decisions about the reforms that may be needed in this important market. That is what the Dodd, Gramm, Riegle, and Garn amendment is intended to do.

At the same time, it is clear that there is at least one reform measure with respect to which all sides should agree. In a September 3 letter to me, SEC Chairman Breeden requested legislation to supplement the antifraud and antimanipulation provisions of the Exchange Act with a provision that specifically makes it unlawful to use false or inaccurate information in the making of bids in Treasury auctions or in connection with the distribution of any Government security. I introduced S. 1699 on September 10, 1991, together with a majority of members of the Banking Committee, including the committees chairman, Senator RIEGLE, and the ranking minority member, Senator GARN.

The legislation is supported by the Securities and Exchange Commission, the Department of the Treasury, the Federal Reserve, the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, the New York Stock Exchange, the National Association of Securities Dealers, the Public Securities Association, and others. I would also note that Chairman MARKEY has discussed the need for similar legislation to address problems in the Government securities market and, specifically, in offerings of Government securities.

As the reports by Salomon, the Treasury, the Federal Reserve, and the SEC set forth in painful detail, individuals at Salomon bid for, and bought, excessive amounts of Treasury securities. These actions were part of an apparent attempt to corner the market for Treasury securities, squeeze their competitors, and drive up the price of the securities. According to the reports, Salomon traders gave false information to the Treasury and to the Federal Reserve in submitting bids for the securities. They falsified documents and made unauthorized bids in the name of customers. When Government officials raised questions, Salomon traders acted to cover up their activity.

The SEC's existing antifraud authority is clear and far reaching. Fraudulent or manipulative conduct that occurs in the context of a Treasury auction, or in the when-issued market for Treasury securities, falls within the scope of section 10(b) of the Securities Exchange Act of 1934.

Although, as Chairman Breeden has pointed out, the coverage of current law is unquestionable, S. 1699 adds to that authority and sends a clear message that any false or misleading written statements in connection with bids for or purchases of Government securities, in connection with an issue of securities, is a violation of the law.

The legislation applies to statements that are knowingly inaccurate; it also applies to statements that are willfully inaccurate. It is limited to written statements, and would not cover false or misleading oral information provided in connection with an offering. However, the Treasury and other Government issuers can control the information to be covered under the new provision by specifying the items that must be provided in writing. If a Government securities dealer, in connection with a bid, is required to provide a written report of its position in certain securities, false information included in that report would be covered by this provision.

It is hoped that managements of Government securities firms will understand that that they have a clear responsibility to supervise to prevent violations of this provision. In addition, this provision will increase the ability of the New York Stock Exchange and the National Association of Securities Dealers to police the Government securities market and to develop examination procedures to test for compliance with this provision. This will greatly increase the likelihood that violations will be uncovered.

I would note that section 10(b) and other already-existing antifraud provisions would continue to apply to oral statements, as well as written statements, to the same extent that they currently apply. In addition, private rights of action would continue to be based on current provisions of law, including the implied rights of action under section 10(b) of the Exchange Act.

Mr. President, the U.S. Government securities market is the most important securities market in the world. Conditions in this market determine the cost to the taxpayer of financing our Government operations. It is absolutely essential that when the Treasury auctions its bills, notes or bonds, it has broad participation from investors, who have confidence in the integrity of the market and are willing to participate in it. The broader that participation, the more liquid and efficient the market will be, with a lower cost to the American taxpayer.

As experts have pointed out, in the $2.3 trillion Treasury market, for each one-hundredth of 1 percent reduction in the interest rate paid on the debt, American taxpayers will save $230 million annually. And, since all other markets use Treasury's interest rate as a benchmark, that translates into lower interest rates for home mortgage loans, consumer loans, and college loans, as well as for loans made to virtually every business in this country.

The Securities Subcommittee has held 2 days of hearings on the Salomon case and the broader issues related to market structure. Additional hearings will be held as information develops. It may take some time to fully explore the broader issues.

In this connection, I would note that, Chairman RIEGLE has insisted that the regulators, and the committee as well, fully explore the issues relating to the structure of the Government securities market. The debate over structural reforms will not have the high drama of a discussion about the facts of Salomon's violations. However, in the end, what we do in this area could have far greater consequences for the American taxpayer.

Mr. President, it is absolutely essential that the integrity and efficiency of the Government securities market be maintained. This legislation is one important step in ensuring that the regulators, as well as the self-regulatory organizations, have the necessary authority and tools to prevent abuses in this important market.

Mr. RIEGLE. Mr. President, the bill before us today is a simple 1 year extension of Treasury's rulemaking authority under the Government Securities Act and adoption of the Government Securities Offering Enforcement Act of 1991. As you may remember, the Banking Committee—and in fact the full Senate—has already acted to reauthorize the Government Securities act earlier this year. Since Senate passage, the Salomon Bros. case has raised a number of fundamental questions about the entire Treasury auction process which must be addressed but also requires some careful reevaluation.

The Securities Subcommittee of the Senate Banking Committee has already held 2 days of hearings on the events that transpired at Salomon Bros. and the implications of those events for the Government securities market. As should be expected, numerous investigations of the bidding and trading violations at Salomon are now underway. But equally important, at its hearing, the subcommittee was informed that the Treasury, SEC, and Federal Reserve are undertaking a 90-day examination of market practices, structure and regulation in the Government securities market. It is expected that this study will result in recommendations for changes needed to ensure and enhance the efficiency and integrity of this market. During this period, the Banking Committee will continue its own examination of the Government securities market.

We are, however, faced with the fact that the Treasury's rulemaking authority under the Government Securities Act expires on October 1. In light of the ongoing investigation of Salomon and possibly other participants in the Government securities market, Treasury must maintain its rulemaking authority under this legislation. For these reasons, the bill before the Senate today provides Treasury a 1-year extension of its rulemaking authority. I believe, however, that Congress should move to enact legislation to improve this market well before that time has ended.

In addition to the rulemaking extension, the bill before us today includes the Government Securities Offering Enforcement Act of 1991 which was introduced earlier this month. This legislation expressly prohibits a bidder for or purchaser of government securities to knowingly or willfully make any false or misleading written statement or omit any fact necessary to make such written statement not misleading. This enforcement provision is cosponsored by a majority of the members of the Banking Committee and is supported by the Treasury, SEC, the Federal Reserve, the New York Stock Exchange, National Association Securities Dealers, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and the Public Securities Association. I know of no opposition. I want to make clear that this bill does not make any new activities unlawful—making false or misleading statements in connection with the purchase of Government securities is unlawful under current law. This provision is necessary because it will aid in enforcement and compliance examinations.

Upon enacting this legislation, we must turn to the larger issues concerning the government securities markets as soon as possible. Modernization of the Government securities market is long overdue. In response to the Salomon case, Treasury has announced some modest changes to its auction process. However, as the hearings that have already been held make clear, some experts in the Government securities market believe that far more fundamental and comprehensive reforms are needed.

I remain deeply concerned about the favoritism shown to the primary dealers. It would seem far preferable to allow equal access to all who want to purchase Government securities. Similarly, computerization of this market is almost nonexistent. It is unbelievable that in the age of personal computers, the Treasury sells billions of dollars of securities based upon bids written on scraps of paper and stuffed into wooden boxes. These practices are absurd for one of the largest securities markets in the world and the market most depended on by the American taxpayer.

The Treasury Department, who is the issuer and rulemaker for this market, shares regulatory responsibilities with the SEC and the Federal Reserve. This provides for a convoluted and seemingly inefficient supervisory environment which should also be reconsidered when we return to this legislation. The questions of whether it would be more efficient to have a primary regulator from this market and who that regulator should be are still outstanding as far as I am concerned.

Congress' priority should lie in maintaining the integrity and liquidity of the Government securities market. Allowing the Treasury Department's rulemaking authority to lapse will only harm the confidence in the market and tie the agency's hands from implementing any necessary intermediate changes. Again, it is clearly my intention to have further improvements made to the Government Securities Act prior to the sunset date of October 1, 1992, once the extent of the Salomon case and any other violations are fully understood. The time has come to bring this market up to date, and ensure that the abuses that have been exposed are not repeated. This will be a major immediate priority of the committee.

Mr. GARN. Mr. President, earlier this year, the Senate passed legislation (S. 1247) to make permanent the authority of the Secretary of the Treasury to issue rules and regulations under the Government Securities Act [GSA]. Without passage of this legislation, such authority will expire as of October 1. In that legislation, we also made other important amendments to the GSA regarding sales practices by brokers and dealers and the dissemination of price and volume information in the Government securities market. I continue to support S. 1247 and would urge its enactment into law.

Unfortunately, our House colleagues have not yet acted on the legislation. Until the House acts on S. 1247, an interim, 1 year extension of Treasury's rulemaking authority is necessary, and that is why I am supporting passage of S. 1699.

In addition, since the Senate passed S. 1247, the Government securities market has been roiled by admissions of irregularities in bidding for Treasury and agency securities, which have been well documented in the financial press. Some have used these problems as an excuse to call for the immediate enactment of sweeping new regulation of the Government securities market.

I believe that a rush to judgment would be a serious mistake, one that could adversely affect the ability of the Treasury to issue the public debt in the most efficient manner, and at the lowest cost possible to the American taxpayer. Although a comprehensive review of the Government securities market is warranted in light of recent events, auctions of Treasury securities since disclosure of trading irregularities have demonstrated that the market continues to function smoothly and effectively.

Importantly, the regulatory authorities are taking the steps necessary to protect confidence in the market and ensure that the U.S. Government securities market remains the largest, fairest, and most liquid securities market in the world. The Treasury and the Federal Reserve Bank of New York, as the Treasury's fiscal agent, have implemented a number of changes in the manner in which auctions of Treasury securities are conducted, specifically directed at preventing the kinds of abuses that have occurred. In addition, the appropriate civil and criminal authorities, including the Securities and Exchange Commission and the Department of Justice, are conducting investigations to learn the full extent of wrongdoing.

A 1 year extension of the GSA is entirely appropriate to enable the Treasury, the Board of Governors of the Federal Reserve, and the SEC to complete their review of recent events and make recommendations as to appropriate action that Congress should take. It will also provide enforcement authorities with an opportunity to complete their investigations into the various allegations of wrongdoing, so that the marketplace and Congress have a better understanding of whether the wrongdoing was, in the words of SEC Chairman Breeden, "a problem of a few individuals where the law wasn't adequately enforced or where the law itself is not adequate."

That is not to say that we need to wait until a year from now before we begin to act. The regulators have indicated that they hope to have their review and recommendations to Congress in 3 months from now. I think it is entirely appropriate to hold hearings on their findings early in the next session. By that time we should have a better understanding of the scope of wrongdoing and the results of the rule changes that Treasury has recently adopted. If we can reach an early consensus on an appropriate congressional response, then we should move legislation as quickly as possible.

S. 1699 is a prime example of steps that can be taken when a consensus is achieved. This legislation not only extends Treasury's rulemaking authority for 1 year, it also amends the Securities Exchange Act of 1934 to make explicit that false or misleading statements in conjunction with purchases or sales of Government securities are violations of the Federal securities laws. This clarification of existing law is supported by all the relevant regulatory authorities, and was cosponsored by several members of the Banking Committee.

I urge my colleagues to support passage of S. 1699.

The PRESIDING OFFICER. There being no further debate, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Securities Offering Enforcement Act of 1991."

SEC. 2. OFFERINGS OF GOVERNMENT SECURITIES.

Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by inserting after paragraph (6) of subsection (c) the following new paragraph:

"(7) In connection with any bid for or purchase of a government security related to an offering of government securities by or on behalf of an issuer, no government securities broker, government securities dealer, or bidder for or purchaser of securities in such offering shall knowingly or willfully make any false or misleading written statement or omit any fact necessary to make any written statement made not misleading.".

SEC. 3. EXTENSION OF SECRETARY'S AUTHORITY REGARDING GOVERNMENT SECURITIES BROKERS AND DEALERS.

Section 15C(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-5(g)(1)) is amended by striking "October 1, 1991" and inserting "October 1, 1992".

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONTINUING APPROPRIATIONS, 1992

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 332, the continuing resolution, just received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 332) making continuing appropriations for the fiscal year 1992, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 1205

Mr. INOUYE. Mr. President, on behalf of the distinguished Senator from West Virginia, Mr. BYRD, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BYRD, proposes an amendment numbered 1205.

On page 7, line 11, strike "October 17, 1991", and insert "October 29, 1991".

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1205) was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 332) was read the third time, and passed.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

Mr. INOUYE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:15 a.m., Thursday, September 26, that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein with the following Senators recognized to address the Senate: Senator ADAMS, for up to 10 minutes; Senator GRAMM for up to 5 minutes; Senator BROWN for up to 5 minutes, and Senator HEFLIN for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. INOUYE. Mr. President, if there is no further business to come before the Senate today I now ask unanimous consent that the Senate stand in recess as under the previous order until 9:15 a.m., Thursday, September 26, 1991.

There being no objection, the Senate, at 8:10 p.m., recessed until Thursday, September 26, 1991, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate September 25, 1991:

DEPARTMENT OF STATE

CURTIS WARREN KAMMAN, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHILE.

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A); AND 3385:

ARMY PROMOTION LIST

To be colonel

MARK D. AHNER [redacted]
KENNETH W. BRAY [redacted]
EDWARD P. CANTY [redacted]
LARRY E. COOPER [redacted]
JOHN C. CRUMP [redacted]
CHESTER C. DAVIS [redacted]
DENNIS E. PETTY [redacted]
ALBERTO RODRIGUEZ [redacted]
ROBERT C. WEVER [redacted]
DAVID M. WILSON [redacted]
RICHARD P. WOLFE [redacted]

JUDGE ADVOCATE GENERAL CORPS

To be colonel

THOMAS W. ERES [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

IVAN T. BEACH [redacted]
WILLARD C. BROADWATER [redacted]
JOSE M. BERGODERE-COLON [redacted]
LARRY R. BULLOCK [redacted]
MELVIN L. BURCH [redacted]
JAN M. CAMPLIN [redacted]
JAMES E. CHRISTENSEN [redacted]
JAMES C. CROWDER [redacted]
THOMAS E. DACAR [redacted]
DAVID G. DENZER, II [redacted]
OTIS W. FOX, JR. [redacted]
JOHN D. GAINES [redacted]
PAUL HARVEY [redacted]
JOHN K. IRELAND [redacted]
LARRY W. JESSUP [redacted]
MICHAEL J. JOHNSON [redacted]
KIM KIMMEY [redacted]
STEPHEN E. KING [redacted]
JOHN E. LEATHERMAN [redacted]
DAVID G. LEE [redacted]
CLEAVE A. MCBEAN [redacted]
PERRY W. MCDONALD [redacted]
JESUS M. MOLANO [redacted]
JAMES H. MONTGOMERY [redacted]
ROBERT R. MORAN [redacted]
GARY J. NYSTROM [redacted]
KENNETH C. OPPER [redacted]
ANGEL I. PABON [redacted]
DONALD T. POMAR [redacted]
NORMAN L. REDDING, JR. [redacted]
JAMES L. ROHRBAUGH [redacted]
TOM L. SHIRLEY [redacted]
LESTER R. STADIG [redacted]
ROBERT B. WANGEN [redacted]
JEROME T. WRIGHT [redacted]

MEDICAL CORPS

To be lieutenant colonel

REGINALD A. ALEXANDER [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

LARRY J. DUBOSE [redacted]

CONFIRMATIONS

Executive nominations confirmed by the Senate September 25, 1991:

AFRICAN DEVELOPMENT FOUNDATION

C. PAYNE LUCAS, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTIONS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 22, 1993.

DEPARTMENT OF STATE

EDWARD P. DJEREJIAN, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

WITHDRAWAL

Executive message, transmitted by the President to the Senate on September 25, 1991, withdrawing from further Senate consideration the following nomination:

U.S. ARMY

MAJ. GEN. RAPHAEL J. HALLADA, U.S. ARMY [redacted] FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A), WHICH WAS SENT TO THE SENATE ON APRIL 9, 1991.

EXTENSIONS OF REMARKS

IN SUPPORT OF SLOVENIA

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. ECKART. Mr. Speaker, the world is undergoing a major transformation as many countries, most notably the Soviet Union, abandon communism. Yugoslavia is currently struggling with its own breakup and reorganization into a new configuration.

Slovenia has successfully fought for its independence which its citizens voted for this past June.

Now the real struggle begins in Slovenia. This is a struggle which many countries in Eastern Europe, such as Poland and Hungary, are currently confronting.

I commend Slovenia on its rapid move to restore political and financial order after a long period of instability and financial disintegration verging on economic collapse.

I met recently with Slovenian Prime Minister Lojze Peterle. The Government of Slovenia has drafted a document entitled, "The Road to Political and Economic Independence: Government of Slovenia," outlining its plan for the creation of an open market economy for an independent: Slovenia. I am submitting this document for printing in the CONGRESSIONAL RECORD so my colleagues can appreciate the extensive efforts being made by the people and Government of Slovenia.

Slovenia is launching an economic program aimed at providing economic sovereignty for the republic. Slovenia wishes to maintain open and harmonious economic relations with the rest of Yugoslavia, but at the same time will move to establish monetary independence in order to create its own stable, macroeconomic environment.

Some of the steps Slovenia has outlined include:

Establishing a new currency;

Establishing a stable exchange rate;

Establishing a modern, central banking system—the Bank of Slovenia;

Privatizing businesses in Slovenia;

Creating an intricate web of fiscal relationships between the Central Government and municipalities, communities, etc.;

Centralizing tax authority; and

Creating a liberal trade environment by introducing a low, uniform, tariff system to encourage a rapid growth of trade links with Europe and the rest of the industrial world and bring competition to Slovenia.

In order to accomplish its goals and be successful, Slovenia will need cooperation with the West.

Over the coming months as an independent Slovenia emerges, it will seek diplomatic recognition as well as membership in international organizations, such as the United Nations, the IMF, the World Bank, and the European Bank for Reconstruction and Development. Slovenia will also need technical assistance and financial support to cope with the challenges that lie ahead.

I am hopeful that the United States and European nations will work together with the Government of Slovenia as it meets the challenges that lie ahead in the creation of a new, economic system and a new democratic society.

The material follows:

THE ROAD TO POLITICAL AND ECONOMIC INDEPENDENCE—GOVERNMENT OF SLOVENIA

In the aftermath of the warfare in Slovenia, the Government of Slovenia is pressing ahead with its plans for political and economic independence. In a referendum held in December 1990, the Slovenian people declared that they desire full independence and now their Government is pledged to further their wishes. It is hoped that by the end of September 1991, when the moratorium on independence-related actions expires, Slovenia will have reached a peaceful agreement with the Federal Government of Yugoslavia that can form the basis for Slovenian independence. With this agreement, Slovenia will also have met the requirements set forth by the European Community and the United States of America regarding the efforts to attain independence. On this basis, the Government will seek diplomatic recognition, membership in international organizations, and normal economic relations throughout the world community.

The economy of Slovenia has been greatly debilitated by decades of socialism, years of financial instability, and, most recently, by warfare. The Government has been working for many months to design an economic program aimed at securing economic independence and creating a privately-owned market economy. This note explains the Government's economic program, and then describes the western assistance that would help Slovenia achieve its economic goals.

I. THE ECONOMIC PROGRAM

1. Background

The political environment in Yugoslavia, poisoned by ethnic and ideological disputes, has produced an unstable economic environment. Self-interested and irresponsible acts of economic hostility by some Yugoslavian republics led to the renewal of financial disintegration in Yugoslavia over the past year. As a result, all Federal authority in the economic sphere broke down, and with this breakdown, Slovenia was deprived of an opportunity to participate fairly in the conduct of economic policy. In 1991, financial chaos has returned to Yugoslavia, in the form of inflation and currency devaluation. For Slovenia, this has amounted to taxation without due representation. Now, trade between republics has been interrupted by the warfare in Slovenia and Croatia and the lawless seizure of Slovenian property in other republics has become rampant. Slovenia faces an economic collapse of major proportions.

It is in this economic environment that the Government is setting out to create an open, market economy. The highest priority is to restore political and financial order. Without financial order, economic rights cannot be assured. Moreover, without order there can be no progress toward the transformation and modernization of the Slovenian economy. Over the past six months, the Slovenian leadership participated actively in a steady stream of high-level discussions aimed at finding a common ground for responsible economic behavior on the part of all republics. Unfortunately, adequate assurances from other republics have not been forthcoming. Accordingly, the Government of Slovenia has decided to launch an economic program, aimed at providing economic tyranny and chaos imposed by other republics.

2. Summary of the economic program

The state of the Slovenian economy today is the product of four decades of Yugoslavia's unique brand of socialism. While many development aims were achieved over the past decades, the economic system is riddled with distortions and inefficiencies and held back by the predominance of social ownership. All in all, the economy has not been able to match the gains in living standards being achieved elsewhere in Europe. To make matters worse, in the 1980s the long-suppressed differences and disputes among republics and nationalities burst out into the political arena. Increasingly, the battleground for these disputes turned out to be the economic policy of the Yugoslavian Federation. By 1989, financial mismanagement had led to a severe external debt problem and the chaos of hyperinflation. The 1990 stabilization program of Prime Minister Markovic was an ambitious effort to restore financial order and political forces undermined the program. Now, Slovenia must take the responsibility for the economic transformation of the Republic.

The Government wishes to maintain open and harmonious economic relations with the rest of Yugoslavia. However, the only reliable way to secure economic sovereignty is to establish monetary independence. Monetary independence is necessary to insulate the economy of Slovenia from the inflation and financial disorder that prevails in the rest of Yugoslavia. With the insulation that monetary independence provides, the Government will quickly move to create a stable, macroeconomic environment by adopting sound fiscal and monetary policies. With macroeconomic stability, Slovenia will also proceed with the a fundamental restructuring of the economy, so as to emerge a stronger economic partner both for the other Yugoslavian republics and for the countries of Western Europe.

The economic program of the Government contains the following main elements, aimed at the transformation to a liberal, privately-owned, market-oriented economy:

(a) the creation of a new Slovenian currency and the replacement of the dinar with the new currency in all contracts and as legal tender;

(b) the establishment of a stable exchange rate between the new currency and the DM at a level that will ensure an adequate degree of external competitiveness;

(c) the adoption of restrictive monetary and fiscal policies aimed at stabilizing the

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• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

present high inflation and maintaining a low rate of consumer price inflation in the new currency—the budget deficit for the remainder of 1991 and for 1992 will be limited to the availability of foreign finance and the extension of credit by the Bank of Slovenia will be limited appropriately;

(d) the adoption of a wage policy, aimed at anchoring costs and maintaining profitability and competitiveness of Slovenian enterprises;

(e) the creation of a liberal trade and exchange system, in which there are no restrictions on the purchase of foreign exchange and in which customs duties are set at low, uniform rates, aimed at fostering economic integration with Europe;

(f) the legal establishment of a modern banking system patterned in the continental European mold, consisting of an independent National Bank of Slovenia as the monetary authority and a network of commercial banks;

(g) the institution of a program for the rapid privatization of enterprises in Slovenia, aimed at quickly placing small, medium, and large enterprises in private hands;

(h) the legal establishment of an authority empowered to conduct a financial restructuring of loss-making enterprises, intended to permit the rehabilitation of potentially viable loss-making enterprises;

(i) the legal establishment of a trustee to oversee the financial restructuring, legal reorganization, and privatization of the Ljubljanska Banka and other commercial banks, aimed at restoring the banking system to financial health and creating competition.

3. *Monetary independence*

To create monetary independence, the Government will establish an independent central bank, introduce the new Slovenian currency, and institute a sound and defensible exchange rate system. Legislation has been approved creating a central bank (hereafter referred to as the Bank of Slovenia, or BOS) patterned after continued European central banks. This model will foster harmonious relations between the Slovenian and neighboring banking systems. To ensure that the BOS will be able to create a stable, as well as autonomous, monetary system, the new central bank will be granted full independence in the conduct of monetary policy and in exchange rate management. Independence will be crucial for the BOS, as it will be charged not only with the conversion to the new currency, but also will be required to adopt a tough macroeconomic stance likely to bring on tight financial conditions, and a credit squeeze likely to force the liquidation of some loss-making firms.

The creation of the new currency will be accompanied by economic policies aimed at producing a sound and defensible exchange rate system. The exchange rate between the new currency and the DM will be set to ensure a strong balance of payments position for Slovenia. The competitiveness of Slovenian exports will be a prime consideration in determining the appropriate parity. The value of the new currency against the DM will be chosen in order to provide a nominal anchor for the new monetary system, enhance price stability, and facilitate economic integration with western Europe.

The Government and the BOS will adopt a macroeconomic policy package consistent with exchange rate stability. The exchange rate will be defensible and the balance of payments strong only if the creation of new currency by the BOS is kept under strict control. In addition, the Government and the BOS will seek loans, swaps, and standby credits from foreign sources to serve as a stabilization fund. The new currency will be allowed to float against the dinar, and, if high inflation rates continue to prevail in the rest of Yugoslavia, the new currency can be expected to appreciate against the dinar to offset this inflation. After the initial exchange of new currency for dinar, the BOS will not buy or sell dinar, but will allow exporters, importers, and investors to exchange new currency and dinar freely at the floating rate.

4. *Macroeconomic policies*

Fiscal policy is to play a crucial part in establishing a stable marcoeconomic climate. The budget deficit of the republic will be limited to the availability of foreign financing, so that the stability of the new currency will not be endangered by money printed to cover budgetary expenditures. The Government has developed a budget adjustment plan aimed at achieving this aim in a way that is balanced, fair, and unlikely to impede real economic activity. This plan includes both cutbacks in domestic spending and new revenue initiatives. First, wages and salaries supported by the budget will be tightly constrained. Second, a package of discretionary spending cuts has been identified. Third, new revenue measures are being weighed for the last quarter of 1991. The Government shortly will introduce in Parliament an amended budget for the remainder of 1991.

Not only will the budget be brought nearly into balance, but the overall scope of government activity in the republic will be limited. A major rationalization of the budget will be undertaken, aimed at restricting the scope of government expenditures to the provision of public goods and services and improving the efficiency of the existing health and education systems. Moreover, the Government is committed to eliminating all ongoing budgetary subsidies to loss-making social enterprises.

An major effort will also be made to rationalize government activities within the republic. The intricate web of fiscal relationships between the Government and other levels of government within the republic (municipalities, communities, etc.) will be simplified. Tax authority will be centralized in the Government and a new set of transfers devised to consolidate fiscal flows to other levels of government. In addition, the Government is moving to implement a modern system of direct taxation patterned after those in western countries. Recent changes include the adoption of a progressive individual income tax and a simplification of the tax on enterprise profits.

Monetary policy will be aimed at defending the new, fixed exchange rate of the new currency and bringing inflation into line with what is commonly experienced in Western Europe. Some initial inflation is expected to be generated by the measures needed to end the present dinar inflation and convert the economy to new currency. This initial burst of inflation, however, should dissipate within months. To bring inflation down to low levels, the new Bank of Slovenia will have to limit the growth of aggregate domestic credit to an acceptable amount. As mentioned above, only seasonal credit will be granted to the government. Credit will be provided to the banking system in the form of discount lines. Both kinds of credits will be granted in the context of a monetary program aimed at ensuring price stability. The BOS will refrain from making direct credits to nonfinancial entities, and will offer no credits at preferential interest rates. The commercial banks, in turn, will be required to limit the credits they extend to social enterprises, and to reserve a substantial and growing block of credit for new, private enterprises.

External sector policies will reinforce macroeconomic control and deepen the integration of the Slovenian economy with the economies of the West. The new currency will be made convertible for all transportations by all economic agents and will be pegged to the DM. No restrictions will be placed upon the purchase of foreign exchange by Slovenian residents. The creation of a stable and convertible currency is necessary to halt the ongoing inflation and subsequently to anchor the domestic price level. At the same time, free convertibility, along with the liberalization of trade and introduction of a low, uniform tariff system will encourage a rapid growth of trade links with Europe and the rest of the industrial world. A liberal trade environment will bring competition to Slovenia with salutary effects on the efficiency of productive activity and will lessen the undesirable impact of concentration in domestic industry. In time, convertibility will also facilitate needed flows of capital and technology into Slovenia. While it remains a long-term goal, a sustained period of convertibility and domestic price stability will also make possible the eventual integration of Slovenia into the community of European political and economic activities.

5. *Ownership Transformation and Structural Adjustment*

A new privatization program, now before the Parliament, is being built around the following principles: First, privatization will be rapid and comprehensive, with a specific, preannounced timetable for implementation. Second, it will aim to create a decentralized structure of corporate governance to avoid the politicization of enterprise governance. Third it will involve the free distribution of shares to all Slovenian adults so as to be fair. Fourth, it will be a heterogeneous process to accommodate the diversity of the enterprises involved. Fifth, privatization will precede other elements of enterprise restructuring or the raising of new capital for enterprise expansion.

One Key aim of privatization is to improve corporate governance by creating a structure in which workers are answerable to managers who are answerable to a board of directors. This will be achieved by universal commercialization. All socially-owned enterprises above a certain size will be required to convert themselves to joint-stock companies or limited liability companies.

For large enterprises, several groups of new owners will be quickly established, and then new boards of directors elected representing these different interests. This process will generate a decentralization of responsibility for looking after what is now social capital. New private sector mutual funds (or investment trusts) will be encouraged. Legislation governing the operation of mutual funds (and conforming to European standards) has been sent to the Parliament. These new institutions will be given shares of the newly commercialized companies. The Government will distribute the ownership claims on the mutual funds to the Slovenian population for free. This will be a fair solution, because the distribution will be broad, with everyone receiving something from what is now called social capital. Shares of large enterprises will also be given to fledgling commercial banks created by the process of banking restructuring and slated for privatization. Shares will also go to the pension fund, which will later be privatized. At the same time, workers and managers will also have shares. In this way, a diversity of interests will be represented on company boards.

The restructuring and reform of the Slovenian banking system will seek to develop a network of commercial banks capable of mobilizing an increased volume of financial savings in the most efficient way, thus helping to boost private investment and future growth. This restructuring will aim to overcome the three key problems that plague the system: (i.) the inadequate capital base of the commercial banks, particularly the Ljubljanska Banka, (ii.) the undesirable ownership structure, where nonfinancial enterprises hold substantial equity claims on the commercial banks and, in the case of the Ljubljanska Banka the Government holds a controlling 13 percent share, and (iv.) the extreme concentration of banking activity in the Ljubljanska Bank, which conducts about 90 percent of all banking services in the republic. The bank restructuring will be fully integrated with the privatization program and the financial restructuring program for loss-making enterprises.

II. THE NEED FOR COOPERATION WITH THE WEST

For Slovenia to transform its economy successfully will require cooperation with western nations in the economic and political sphere. The following are Slovenia's goals in the area of international cooperation.

1. Diplomatic recognition

The Government seeks diplomatic recognition from all members of the world community. Slovenia's two main aims are to deepen democratic institutions and to create a market economy. In the long run, Slovenia's promise lies in becoming an integral part of Europe, and participating openly as a responsible member of the world community of nations. For this to be possible will require diplomatic recognition as an independent state.

2. Membership in international organizations

The Government is prepared to shoulder all of the responsibilities incumbent upon members of the world community, and would like to move swiftly to join the ranks of the international organizations that govern this community. This includes the United Nations, and its sister organizations. Important in this regard is membership in the international financial institutions, the IMF, the World Bank, and the European Bank for Reconstruction and Development. Membership in these institutions would afford Slovenia the technical expertise and financial support necessary to cope with the economic challenges that lie ahead.

Over the longer term, Slovenia aspires first to associate membership and later full membership in the European Community. As a small nation with an open economy, integration with the rest of Europe would permit Slovenia to contribute to the European family and to gain from the cooperation inherent in the European Community. The Government of Slovenia is willing to enter into the political and economic commitments required for membership and work toward this goal.

3. Normal economic relations

As a small open economy, Slovenia needs to base its growth and development on international trade and finance. In the near term, this is all the more important, because the political strife in Yugoslavia is depriving Slovenia of traditional markets in other republics. The Government will seek quickly to establish normal economic relations with members of the world community. It will aim at concluding trade and investment treaties with key trading partners, and at negotiating most favored nation trade status. At home, Slovenia will create an open trade and exchange system, and will encourage foreign direct investment by permitting unrestricted investment and profit repatriation.

4. Support for the new currency

Another aspect of economic cooperation relates to the introduction of Slovenia's new currency. The Government and the Bank of Slovenia will seek from its trading partners the establishment of normal banking relations and will seek from foreign central banks arrangements that will permit the clearance of Slovenian currency transactions.

On the matter of the Slovenian currency, the Government will propose the establishment of central bank to central bank currency swaps as a means of introducing the new currency into the international financial system. These swaps would be established with the central banks of European countries, the United States, and Japan. In this way, foreign central banks would acquire Slovenian currency for foreign exchange transactions, and the Bank of Slovenia would acquire foreign exchange needed to start up international trade and finance and to back the new currency.

Slovenia faces the introduction of the new currency without an adequate reserve of foreign currencies. This is because Yugoslavia's international reserves are held by the National Bank of Yugoslavia, and because the reserves of the Slovenian banking system have dwindled during the ongoing crisis. To establish the foreign exchange backing that is needed to introduce a new, stable currency, Slovenia will request both the currency swaps mentioned above, and some currency stabilization loans from foreign governments and financial institutions.

5. Access to export credit cover

Export credit cover from western export credit agencies could also play an important part in the development of an open trade system, and in reaching the level of trade that will be needed to support the growth and modernization of Slovenia. The Government will continue its ongoing effort to approach western export credit agencies regarding export credit cover.

6. Debt relief

The Government intends to assume and honor its fair portion of the external debt that has been incurred by the Yugoslav Federation and the National Bank of Yugoslavia. The terms of the assumption of debt will be negotiated with the Federal Government, under the auspices of an international organization. In light of Slovenia's existing foreign exchange situation and the present economic crisis, it will be necessary for Slovenia to seek a reasonable rescheduling of external payments obligations. This will be done in conjunction with the presentation of Slovenia's ambitious program or economic reform and transformation, so that creditors can be assured of an enhanced repayments capability.

7. Technical assistance and support for the private sector

Slovenia faces great challenges in the process of deepening democratic institutions and in the economic transformation. Accordingly, Slovenia would greatly appreciate technical assistance in these efforts. In particular, assistance is needed in the following areas:

a. Establishment of private mutual funds, pension funds, and investment funds;

b. Creation of a functioning central bank, and the assumption of policy and supervisory responsibilities;

c. Regulation and supervision of capital markets and the creation of an appropriate regulatory body;

d. Tax reform and tax administration;

e. Privatization and restructuring of enterprises;

f. Supervision of competition and adoption of anti-trust legislation and regulation.

TONY GUEDES AND MAYI DE LA VEGA: AN IMMIGRANT'S SUCCESS STORY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today my constituents, Tony Guedes and his daughter, Mayi De La Vega, who were recently featured in the Miami Herald for starting Intercontinental Metals, a successful Miami metals firm for aircraft makers. The article, "Metals Dealer Rides Success of Aircraft Makers" by Derek Reveron tells their story:

By most standards, Tony Guedes was an immigrant success story.

After coming to the United States from Cuba, he worked his way up the corporate ladder to become vice president of a metals company. He had made it. He was content.

But his daughter wasn't. Mayi De La Vega was more ambitious for her father than he was for himself. She wanted him to start his own business, and she pushed him until he finally did it.

In 1978, Intercontinental Metals was founded. Now, Guedes says that listening to his daughter was one of the best moves he ever made.

Although Intercontinental recently cut costs to offset flat sales, overall it has grown steadily by carving out a metals-supply niche with aircraft makers.

Intercontinental buys aluminum, stainless steel and titanium in various forms from large companies such as Alcoa and Kaiser and resells the metals to aircraft makers such as McDonnell Douglas. Big metals companies supply aircraft makers with large orders of millions of pounds. But when aircraft makers need smaller orders of up to 100,000 pounds, it's cheaper to buy from Intercontinental because the big companies normally charge a premium for filling small orders. What's more, delivery is often quicker from Intercontinental.

Filling inventory cracks has proved profitable for Intercontinental. In 1990, the company reported sales of $26.8 million, up from $21 million in 1989. Profit for 1990 was up 30 percent over the previous year. Sales for 1991 are expected to be flat, but the company expects a healthy rise in profits because of expense cuts, Guedes says.

Within the last year, Intercontinental reduced the number of employees from 38 to 32.

"Instead of doing intense marketing travel, we do intense marketing mail-outs," Guedes says.

Reasons for the cutbacks include the sour economy, airlines' decisions to delay purchases of new planes because of sluggish business, and reductions in military spending. Guedes is confident that, as the economy picks up steam and airplane makers begin to fill orders, business will grow.

As sales taper off, Intercontinental has one steady factor in its favor: Federal guidelines call for defense contractors to set aside 10 percent of their work for minority businesses. Guedes admits that the regulation has helped business. However, he says, Intercontinental's success is based on performance. The company would have achieved its current level of success without set-asides, Guedes says.

Intercontinental has a good reputation with its corporate customers.

"Intercontinental has consistently supplied quality products at competitive prices and has a superior record of on-time deliveries," says Brian Head, deputy director of materiel for Lockheed's aeronautical systems division.

"The company has maintained high product quality and timely deliveries," says D.J. Perez, minority supplier coordinator for the Pratt & Whitney division of United Technologies.

A LONG ROAD TO SUCCESS

Guedes is proud of how far he has come since arriving in the United States from Cuba. He was 25 when Fiedel Castro seized power. He left his promising job with the utility company and came to Miami in 1961. Guedes quickly moved from janitor at an aircraft factory to jobs as salesman for an office-supply company and then a string of metals companies. Finally, he was promoted to vice president at Allspec Metals, in Pompano Beach.

"That was quite an accomplishment for a poor immigrant who once had to ride the bus to shop at Winn-Dixie," he says. "I don't want to gamble everything on my own business."

De La Vega believed that her father should not settle for a cushy title and salary simply because they were far more than he had hoped to achieve.

"I didn't go through what my father went through, coming from Cuba to the United States and struggling," she says. "I was raised here, so my scope was wider."

She pushed him—hard. "I told him that he had the experience and knowledge to start his own business. I told him he had to decide whether he wanted to work for himself or for someone else the rest of his life."

Finally, Guedes gave in. In 1978, he borrowed $40,000 from a friend, a businessman in Italy. He obtained a $50,000 line of credit from Biscayne Bank, now Espirito Santo Bank of Florida. "Then I rolled up my sleeves and went to work," he says.

Guedes opened a 4,000-square-foot office and warehouse on Northwest 72nd Avenue. He put himself on a $200 weekly salary. De La Vega pitched in part time. They went after the international market, and it paid off. The company managed a first-year profit of a few thousand dollars from nearly $1 million in sales.

Then the recession of the early 1980s brought a cash crunch. The company was forced to ask its creditors for extensions. Most obliged, and the company pushed on. Little by little, the company went after the domestic aircraft market and business grew.

Now, sales are split 50-50 between the domestic and overseas markets. To accommodate its growth, in October the company moved into a 35,000-square-foot office and warehouse at 2400 NW 92nd Ave.

IN THE PROCESS OF CHANGE

At 56, Guedes doesn't have the drive to build a larger company. Soon, he will step back, enjoy life and let his daughter run the company. "She has earned that right," Guedes says.

He owns 80 percent of Intercontinental. De La Vega owns the remaining 20 percent. They are trying to work out a buy-out agreement that will give her a larger (but not majority) chunk in the company and allow Guedes to pass the reins within the next year. Guedes will remain as chairman.

De La Vega, 36, has worked for the company since it was founded, while earning a bachelor's degree in finance from Florida International University. She has run much of the day-to-day operations for about the last five years. Guedes has final approval on all major decisions such as purchasing metals. She talks of eventually buying smaller metals dealers and competitors.

De La Vega and her father agree that she manages with a softer touch. That difference prompted at least one disagreement. Recently, Guedes fired a clerical employee while De La Vega was out of town on a business trip. After returning to Miami, she disagreed with Guedes about the abrupt manner in which the person was dismissed.

"I should have been here to talk to her, to explain things to her," De La Vega says.

I am pleased to pay tribute to Mr. Guedes and Ms. De La Vega by reprinting this article from the Miami Herald. Their story is typical of the many successful immigrants who have helped make America what it is today.

TRIBUTE TO CARL A. NUNZIATO

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. TRAFICANT. Mr. Speaker, I rise on this occasion to mark the opening of a Veteran's Clinic in Youngstown. I would also like to add that this momentous occasion would not have been possible without the continued efforts of Carl A. Nunziato.

Throughout his life, Mr. Nunziato has served his country and his community with dauntless energy. For his country, Mr. Nunziato responded to his Nation's call in 1961 enlisting in the Army as a second lieutenant. In his 8 years in the armed services, this man saw action in Thailand during the Laotian crisis and in Vietnam during his two tours of duty as adviser, intelligence officer, helicopter door-gunner, and unit defense commander. Mr. Nunziato was honorably discharged in 1968 after being promoted to major, receiving the Purple Heart, the Bronze Star Medal, the Vietnam Service Medal, the Vietnam Campaign Medal with three Battle Stars, and other numerous medals of high honor.

As a civilian, Mr. Nunziato set out to serve his community to the best of his ability. He earned a law degree from Case Western University, and proceeded to the vice presidency and corporate secretary of Dollar Savings and Trust Co. in Youngstown. Currently, he is known for cofounding the Youngstown chapter of the Governor's subcommittee for barrier free architecture, and the subsequent establishment of the Youngstown Barrier Free Ordinance requiring major public buildings in the city to be barrier free. His contributions do not, however, end there. In his further endeavors, Mr. Nunziato serves in numerous charitable organizations such as the Florence Crittenton Home as a trustee, the Easter Seal Society as a trustee, the Youngstown State University Alumni Association as past president, and the Youngstown Chamber of Commerce as chair of the military affairs. Mr. Nunziato has also served on over 15 other community organizations.

It is with great pleasure that I rise on this occasion to congratulate the Veterans Clinic in Youngstown on its opening and commend the never-ending efforts of Carl A. Nunziato. Mr. Nunziato is a model citizen who has served both his country and his community admirably.

TRIBUTE TO ST. JOSEPH'S ACADEMY

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BAKER. Mr. Speaker, I rise today to congratulate St. Joseph's Academy in Baton Rouge, LA, for being 1 of 222 schools nationwide to receive the Excellence in Education Award by the U.S. Department of Education's 1990–91 Blue Ribbon Schools Program.

St. Joseph's Academy is a Catholic, all girls, college preparatory school for grades 9–12. It was founded in 1868 by the Sisters of St. Joseph who continue to own and operate the school today. Since its founding, more than 4,700 young women have graduated from the academy. Throughout the years, the school has sought to educate young women as responsible and contributing members of society by providing them with opportunities for academic excellence, faith development, and personal growth.

This year, the class of 1991 was awarded over $1 million in college scholarships. They have received acceptance to 65 colleges nationwide. Also this year, the 525 member student body has contributed over 7,600 hours of service to the Baton Rouge community as part of the school's commitment to serving others.

St. Joseph's Academy will be formally honored by President Bush at a White House ceremony later today, but I wanted the House of Representatives to join me in warmly congratulating St. Joseph's Academy from Baton Rouge.

ECONOMIC GROWTH

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 18, 1991 into the CONGRESSIONAL RECORD:

ECONOMIC GROWTH

Economists continue to debate whether the U.S. is coming out of the recession that began last summer. Economic indicators over the past several months have revealed an economy that is drifting rather than poised for a strong recovery. Unfortunately, this drift is symptomatic of underlying problems with economic growth that were evident before the recession began and are likely to continue well after the recession ends. The long-term growth rate of the economy is central to the nation's future prosperity. As it slows, Americans will not see anywhere near the increases in wages and family income that they saw in past decades. More vigorous steps are needed to bolster prospects for long-term growth.

THE GROWTH RECORD

The economy has been underachieving for some time. It was growing sluggishly for more than a year before the recession began. During 1989 and the first half of 1990, growth in the nation's output of goods and services (real GNP) averaged only 1.2 percent per year, compared to 2.6 percent per year from 1979 to 1989. Moreover, average growth in the 1980s was slower than in any previous decade since the end of World War II; growth averaged 2.8 percent in the 1970s, 4.1 percent in the 1960s, and 3.9 percent in the 1950s. Most economists expect growth in the 1990s to be slower still.

Economic growth in the long run is determined by growth in the labor force and increases in the productivity of that labor force. The estimates of slower growth over the next several years are based upon the overall trend of a more slowly expanding working-age population, as well as projections of modest increases in labor force participation, hours worked, and labor productivity (output per hour worked). Little can be done about the basic trend of slower labor force growth. But poor productivity performance is another matter.

Productivity growth is the key to a rising standard of living. The productivity of the average American worker basically doubled between 1948 and 1973; as a result, real wages and family incomes were twice as high in 1973 as they were in 1948. Since 1973, productivity has grown at only a third of its earlier pace. Average family income today is not even 20 percent higher than it was in 1973, and most of that has been due to workers putting in longer hours and more women entering the workforce. Although the U.S. continues to be the largest, richest, and most productive economy in the world, Japan and many countries in Western Europe are rapidly closing the gap because they have achieved higher rates of productivity growth.

WHY GROWTH MATTERS:

Growth in the material standard of living is obviously not the sole measure of success as a society. But strong and balanced economic growth makes it easier for Americans to deal with many national problems.

The sheer size of the U.S. economy has always contributed greatly to its military and economic power in the world as well as to it political influence. In the 1950s and 1960s, for example, the U.S. was the engine of growth for the world economy and a force for promoting both democracy and more open international markets. With economic growth strong and incomes growing significantly, Americans made substantial programs in reducing poverty and addressing domestic problems. Today Americans find it harder to be generous to the less fortunate when they are concerned about their own economic security. The poverty rate is little changed from what it was in 1973, income gains for hardworking families of modest means pale beside those of upper-income families, and the nation hesitates to take bold steps to address pressing problems because of the budget deficit. Strong economic growth alone cannot solve the nation's problems. But without it they are likely to become increasingly difficult.

THE GROWTH TARGET

What then is a reasonable target for economic growth? The trend of slower growth in the labor force may make the 4 percent growth rate of the 1950s and 1960s unrealistic. And productivity during that time grew at one of the highest rates of the past hundred years. But surely the U.S. can do better than it did in the 1970s and 1980s when productivity growth was only about a third of what it was in the earlier postwar period. A reasonable longterm economic growth target might be 3-3.5 percent per year.

POLICY STEPS

Economists do not have a single answer to the question of how to reinvigorate growth. Yet there is a general consensus that the basic role for the federal government is to ceate a favorable environment for private investment and to pursue adequate public investment.

That involves several components. First, Congress and the President should stick to the spirit of last year's deficit reduction agreement, because uncontrolled federal borrowing drains the pool of national savings available for productive private investment. Second, the Federal Reserve must cooperate and continue to bring down interest rates. That should help spur business investment. Third, Congress should consider tax incentives to boost growth. A lesson from the 1980s is that generous tax cuts and savings incentives do not boost economic growth when they result in massive budget deficits. Nevertheless, carefully targeted tax incentives that generate new savings or additional, productive, long-term investment may be useful components of the overall strategy to increase growth. Fourth, Congress should provide adequate funds for the infrastructure that the private sector needs but cannot be expected to provide for itself. This includes not only physical infrastructure like roads, bridges, and airports, but also investments in the production and dissemination of technological knowledge through research and development. Fifth, greater public investment should be provided for "human capital"—investing in people to make the future workforce healthier, better educated, and more productive. Policymakers need to reverse the trend of the last decade in which the share of total federal spending going to nondefense investment dropped from 16 percent in 1980 to 8 percent today. The test for federal spending is whether it contributes to economic growth or other important national goals. If it does, policymakers should find a way to pay for it. If it does not, it should be eliminated.

Government policies cannot make growth happen. But sensible government policies are needed to create a favorable environment for the private sector initiative that does produce economic growth.

EXTENDING THE AGRICULTURAL DISASTER REQUEST PERIOD—H.R. 3408

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. GILMAN. Mr. Speaker, I rise today to call the attention of my colleagues to legislation (H.R. 3408), I am introducing which would amend the Consolidated Farm and Rural Development Act to lengthen the period in which a Governor or Indian tribal council may request the Secretary of Agriculture to determine that a natural disaster has occurred.

During the summer of 1990, a natural disaster causing Orange County onion farmers to experience a 50-percent loss in income due to the unfavorable weather conditions occurred in the black dirt region of Orange County, NY, which I represent. This region produces in excess of 5,000 acres of onions as well as crops of celery, lettuce, carrots, and various other vegetables. Orange County represents a major vegetable producing region that helps to make agriculture the primary industry in New York. However, excessive rainfall and higher than average temperatures caused the black dirt onion crop to fall well below U.S. grade standards.

Under the Farmers Home Administration's regulations, disaster requests must be received within 90 days of the occurrence of the disaster. However, in the case of the black dirt farmers, a disaster was not evident until after the crop had been harvested and stored, all of which occurred after the 90-day request limit. Unfortunately, the Secretary of Agriculture took the position that departmental regulations precluded him from waiving the 90-day period in order to aid the black dirt farmers. My legislation would alter the regulation to extend the relief request filing limit to 180 days.

Furthermore, I believe that the 90-day limit for requesting a determination of a natural disaster is arbitrary. It is conceivable that the departmental regulations could have provided 120- or 180-day limitations. Changing the length of the request period will not significantly alter the legislation, it will simply afford more time for our farmers for responding to national disasters. In the case of the black dirt farmers, the 90-day limit represents a barrier to the effectiveness of natural disaster relief efforts.

Accordingly, I urge my colleagues to support this legislation (H.R. 3408) and I request that the full text of the measure be inserted at this point in the RECORD:

H.R. 3408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF PERIOD IN WHICH AUTHORITIES MAY REQUEST DECLARATION OF NATURAL DISASTER.

(a) IN GENERAL.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended by adding at the end the following: "If, not later than 180 days after the last day in which events constituting a potential natural disaster have occurred, the Governor of a State or an Indian Tribal Council submits to the Secretary a request that the Secretary consider the events to constitute a natural disaster, the Secretary may determine that the events constitute a natural disaster.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to events occurring on or after August 1, 1990.

CAMPAIGN FOR A COMMON LANGUAGE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SKELTON. Mr. Speaker, on September 17, 1991, I spoke at the Campaign for a Common Language rally on the Capitol steps. This campaign is a significant move toward lasting unity within our diverse Nation. I enclose my remarks herewith.

I congratulate all of you here today on your commitment to our country through your support of English as our official language.

A common language is the single most important unifying element in this diverse Nation. If you doubt that, just take a look at the countries around the world that don't have one. Many of them are in turmoil.

In the Soviet Union we see a country desperately searching for common ground to avoid coming apart. Canada's bitter conflict over English and French has strained the Canadian union. In Yugoslavia, India, Belgium, and Cyprus, ethnic differences are aggravated because people cannot communicate with one another.

We in the United States celebrate our differences. We draw strength from our diversity. Our people live together and work together in peace and freedom. Our national motto says "Out of many, one." The English language is the glue that holds us all together.

In our country, English is the language of opportunity. By the turn of the century, three quarters of the jobs in America will require an education beyond the 12th grade. As we move into the 21st century, unskilled jobs are being replaced with jobs requiring more education. In order to compete with other nations and strengthen our own economy, we must make sure that people are qualified. Learning English gives everyone that chance.

Polls show the majority of Americans want English as our official language. In fact, many of them believe it already is. Now is the time to make it so.

Language has the power to divide us, or unite us. Let us choose its uniting power, and its ability to strengthen our Nation as we move toward the 21st century.

A TRIBUTE TO THE VOLUNTEERS OF THE MUSEUM OF SCIENCE SPACE TRANSIT PLANETARIUM

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the outreach program of the Guild on the Museum of Science Space Transit Planetarium has been visiting Dade County's public schools, private schools, and church-run elementary schools. For the past 10 years, these volunteers have been bringing part of the Museum of Science Space Transit Planetarium to the schools.

In an article entitled "Volunteers Bring Museum to Classroom," in the Miami Herald, Bea Moss reports that Lucille Bass of the science museum's guild discusses wildlife with some of the students of Everglades Elementary:

Youngsters giggled and strained to get a better look as Lucille Bass plopped a skittish iguana on top of her head.

"Iguanas get very nervous, but they live in trees and they like to be up high," said Bass as the jittery lizard grasped her hair.

The children squealed even more when Bass wrapped a slithering snake around her neck.

Bass, who lives in Kendall, is a volunteer with the outreach program of the Guild of the Museum of Science Space Transit Planetarium. Last week, the volunteers visited fourth- and fifth-graders at Everglades Elementary School, 8375 SW 16th St., to bring part of the museum's message to youngsters.

"Since the guild is the service organization of the museum, it seems appropriate to serve our community in this way," said Kendra Townsend, a guild volunteer.

Tuesday, the topic was Florida wildlife. The three yellow-jacketed guild volunteers brought stuffed animals—an ocelot, an opossum, a raccoon, foxes and assorted birds—and live ones—the snake, the iguana and a tiny, soft screech owl.

Townsend and Yvonne Arch, co-chairwomen of the museum's outreach program, and Bass took turns explaining to the children about the animals, punching up the program with hard facts and humor.

Arch, of South Miami, cautioned the children to stay away from raccoons because they bite and can carry rabies.

"A raccoon wouldn't know your finger from a hot dog," said Arch as 40 attentive children giggled.

She also explained how many animals are killed by cars and how taxidermists stuff them to make them look real.

Cristina Hevia, 10, said she was sad the stuffed animals on display had been killed, but she said she liked the program: "I learned a lot of new things today. Kids won't watch this on TV, but here they'll watch."

Omel Ramirez, 10, said his favorite part was getting a close-up view of the snake. Pamela Silva, 10, said she doesn't like snakes too much.

Alina Freire, assistant principal at Everglades, arranged for the volunteers' visit.

"We want the children to have more science awareness," she said. "They love to go on field trips to the museum, so we thought, why not bring the museum to them?"

Guild outreach volunteers try to contact all schools and sometimes do five to seven programs a day.

"Some kids never get to the museum," said Patty Hatchell, volunteer. "You always come away from these programs with a good feeling."

During the past 10 years, outreach program members have visited almost all of Dade County's 176 public elementary schools and more than 25 private and church-run elementary schools.

Last year alone, volunteers gave 524½ hours in making the free presentations at 32 schools and saw 6,886 children, said Townsend, who lives in South Dade.

The 90-member guild is a service organization that also runs and staffs the museum gift shop, buying goods and keeping inventory. About 10 members volunteer for the outreach program.

Last year, the guild raised $75,000 from the shop and $6,500 through other events including the Make It Miami Cookbook.

The guild contributes special exhibits to the museum, including such upcoming programs as Inside the Mummy's Tomb: Peru Before Columbus; Inventions from the Mind of Leonardo; Dinosaur Wars; and the Florida Marine Aquarium show.

Jean Simon, guild president, said volunteers take on other tasks, too.

They do a lot of the mailing for the museum and do shows for the younger children who visit the planetarium.

"It's a shorter version than the regular show in language they can understand," said Simon, who lives in Bay Heights. "We also act as guides for the children through the museum."

The guild volunteers, she said, do a lot of work for the museum.

"They're very dedicated women, willing workers," Simon said.

The program which the outreach program of the Guild of the Museum of Science Space Transit Planetarium presents is a creative and innovative way of allowing students to become more scientifically aware. These volunteers serve as great role models for excellence in education.

TAX EQUITY, NOT CLASS WARFARE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. MILLER of California. Mr. Speaker, just as we now recognize the 1920's as a decade of profligate and irresponsible fiscal policy, so too are increasing numbers of Americans coming to realize the terrible mistakes made in the 1980's under the guise of Reaganomics.

As Robert McIntyre, the director of Citizens for Tax Justice, points out in the following article, the redistributionist tax policies of the Reagan-Bush administrations have not only failed to generate the anticipated levels of investment, savings, and growth; they are also primarily responsible for the skyrocketing of the national debt and the creation of the greatest inequity of wealth in recent American history.

The scope of the failure of the Reagan-Bush tax policies is truly astounding.

As Mr. McIntyre demonstrates, "The total 1992 cost of the supply-side tax reductions for the richest million families * * * comes to a staggering $164 billion!" The richest 1 percent of the American population will earn as much as the bottom 40 percent. In the meantime, families in the middle didn't get a tax cut: They're paying for the rich peoples' tax breaks, to the tune of $280 for every middle-income family.

When we raise these issues and demand that we restore equity to the tax system, some accuse us of raising the bloody flag of "class warfare." Well, I've got news for them: The war is over, and the rich have won. Apparently, they believe that when the rich alter the Tax Codes to make themselves richer, that's sound investment strategy, even when it is an expensive failure. But when middle-income families want to alter the Tax Code to restore equity and fiscal soundness to our country, that's class warfare.

We in the Congress have an obligation to act without further delay to restore equity in our tax structure and in doing so, make the most dramatic reduction in the deficit that we have seen in decades. And it will not cost the average family a red cent in taxes or in vital services that have already been decimated.

I urge every Member to read the following article.

[From the New Republic, September 30, 1991]

BORROW 'N' SQUANDER

(By Robert S. McIntyre)

Have you ever felt you're paying too much for what you get from the government? One of the legacies of the Reagan-Bush era is that middle-income families are paying more of their income in federal taxes than they used to, while getting far less back in programs and services. So why is the government running such huge deficits? Lower spending and higher taxes are supposed to be the standard prescription for reducing the deficit, not enlarging it. The answer is quite simple. Tax cuts for the very richest people and interest on the debt that was built up to pay for those cuts can explain the entire increase in the federal deficit over the past fifteen years.

Based on data from the Congressional Budget Office, I calculate that the richest million Americans—the top 1 percent of all families—will pay 30 percent less in federal taxes in 1992 than they would owe had the tax code remained as progressive as it was in 1977. (I use 1977 as the base year because it is just before the two "supply-side" tax acts: the 1981 Reagan tax act and its precursor, the 1978 capital gains tax cut.) That 30 percent tax cut amounts to an average tax reduction of $83,460 per super-rich family. In total, it comes to almost $84 billion in 1992.

But that's not all. The tax reduction for the very rich was not a one-shot, one-year event. It has been a growing cost to the Treasury over the past fifteen years, and it was paid for with borrowed money. The Federal Government did not have to increase its borrowing rate in the 1980s to pay for additional spending on programs and services. Social Security has amassed a large surplus, and the over-all cost of all non-Social Security programs except interest and deposit insurance actually declined as a share of the gross national product from 1980 to 1990.

But the government did have to borrow—heavily—to pay for corporate and upper-income tax cuts. In fact, if everything else had been the same except for those tax cuts, then government borrowing over the past fifteen years would have been more than a trillion dollars lower than it was. What does adding more than a trillion dollars to the national debt mean to the annual budget deficit? A huge increase in yearly interest payments. In fact, the interest due on the debt built up to pay for previous years' tax cuts for the very wealthy will be nearly $81 billion in 1992.

Thus the total 1992 cost of the supply-side tax reductions for the richest million families—adding up the $84 billion tax cut that they will enjoy in 1992 and the $81 billion in interest the government must pay on the debt incurred due to tax cuts for the rich in previous years—comes to a staggering $164 billion! Now, from fiscal 1977-78 to fiscal 1992-93, the federal deficit will have almost doubled as a share of the GNP—from 2.8 percent to 5.1 percent. That's an increase of $143 billion in fiscal 1992-93. So the deficit is up by $143 billion, while tax cuts for the wealthy cost $164 billion.

This is hardly a coincidence. The growing cost of tax cuts for the rich closely parallels the growth in the deficit over the past decade. From fiscal '82-'83 to fiscal '90-'91, the average budget deficit was 1.7 percent of the GNP larger than in fiscal '77-'78. In that same period, the cost of tax cuts for the richest 1 percent since 1977 (including interest) averaged 1.9 percent of the GNP. Of course, the correspondence is not perfect in every year. In the early '80s, with the defense build-up, deficit growth outpaced the rich's tax cuts. In the late '80s, after defense had passed its peak as a share of the GNP, the opposite took place. In the fiscal '91-'93 period, however, the relationship is almost exact: the deficit is up by 2.6 percent of the GNP and tax cuts for the wealthy cost 2.6 percent of the GNP.

How can tax cuts for such a small proportion of our population cause such a large drop in tax revenues, and loom so large in the deficit picture? It's simple arithmetic. The really rich get a huge share of our nation's total income. In 1992 the richest 1 percent of the population will make $678 billion before taxes. That's more than the total income of the bottom 40 percent of all families. The $2.4 trillion of income concentrated on the top fifth of the nation's population is greater than the total income of the remaining four-fifths of American families.

While the rich got tax cuts, what about the rest of us? The CBO data show that for three out of four families (all but those in the poorest fifth and best-off 5 percent) federal taxes are now higher than in 1977. (Taxes on the poor were up for most of the '80s but were cut back to pre-Reagan levels in last year's deficit reduction act.) For families in the middle fifth of the income spectrum (making about $32,000 a year), the instance, the average tax hike is $280.

The deal that the federal government offers average families looks even worse when you factor in spending changes. In fiscal 1990 interest on the national debt was up by 1.7 percent of the GNP compared with fiscal 1980—an increase of $94 billion in fiscal 1990 dollars. The cost of deposit insurance—zero in fiscal 1980—was almost $60 billion due to the savings and loan fiasco. And though down from its lofty mid-'80s apex, defense still cost $28 billion more in fiscal 1990 than in fiscal 1980 (in GNP-adjusted dollars).

Over the same period, however, spending on the entire rest of the government excluding Social Security fell from 9.9 percent of the GNP to 7.4 percent—a drop in 1990 dollars of $130 billion! Spending on the justice system and general government was 42 percent lower. Education and training outlays were down by 40 percent. Programs for the environment and natural resources were cut by 39 percent. Spending on roads and transportation dropped by 32 percent. Welfare and unemployment outlays went down by 21 percent. In total, the $130 billion decline in those traditional federal programs and services means that the typical family now gets an average of $1,260 less from the government each year in such benefits.

George Will has quipped that the public liked Reaganomics because it gave them $1 worth of government for only 75 cents in taxes (the rest being borrowed). But for most families, the truth is exactly the opposite. Compared with a decade ago, middle-income families are getting a fourth *less* in traditional federal government services for every dollar they pay in taxes.

The "supply-side" redistribution of taxes and spending occurred even as incomes were shifting as well. The CBO estimates that from 1977 to 1992, average constant-dollar pretax income will decline by 13 percent for the poorest fifth of all families; fall by 10 percent for the next fifth; and drop by 7 percent for the middle fifth. The average income of families in the next 20 percent will rise by only 1 percent. But the richest 1 percent of the population will see its average inflation-adjusted income rise from $314,500 in 1977 to $675,900 in 1992—an increase of 115 percent.

The combination of the tax and income shifts in favor of the wealthy caused the share of total after-tax income going to the richest 2 percent of Americans to jump from 7.3 percent to 13.4 percent of the total—an increase of 84 percent. Meanwhile, the share of after-tax income fell for every other group except the best-off 5 percent.

Had the tax code remained as progressive as in 1977, there still would have been a shift in after-tax income toward the wealthy. But it would have been considerably less than actually occurred. On its own, the 30 percent tax cut that the top 1 percent will enjoy in 1992 explains almost two-fifths of this group's increased share of after-tax income. Without that tax cut, the rich's share of total income would be 11.1 percent of the total, rather than 13.4 percent. In addition, the tax changes contributed substantially to the huge gains that rich people obtained in their *pretax* incomes, due to their increased investment earnings on the portion of their tax cuts that they didn't immediately spend.

The purported rationale for the redistributionist supply-side policy, of course, was the old "trickle-down" theory that lower taxes on wealthy people and corporations would produce a boom in savings and investment. To its credit, Congress eventually recognized that the trickle-down approach was an abject failure, and reversed course. The monumental 1986 Tax Reform Act took back a quarter of the tax cuts that the richest 5 percent had received in earlier tax-giveaway bills and rolled back some of the previous tax increases that had hit most non-wealthy families, particularly the poor. And it made critical structural changes in the tax code to curb tax shelter abuses.

Last year Congress resisted the effort of the Bush administration to raise taxes sharply on middle- and low-income families and to cut taxes even further on the rich. Instead, the deficit reduction act took back another small portion of the wealthy's tax cut and reduced taxes on the poorest families to their pre-Reaganomics level. But the sorry legacy of the Borrow 'n' Squander 1980s still looms over us. Only by restoring real tax fairness can we hope to solve our deficit problem—and start getting the government services and investments that our tax dollars are supposed to provide.

INDIANA AND THE OHIO RIVER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 25, 1991 into the CONGRESSIONAL RECORD:

INDIANA AND THE OHIO RIVER

The Ohio River has been undergoing a revival in recent years. Throughout the Ohio River Valley, communities are showing renewed interest in the River as an important historical, cultural and economic resource. The "Always a River" barge, a floating exhibit on the history, folklore and condition of the Ohio River, is further evidence of this renaissance. I was fortunate to visit the exhibit during its recent stay in Vevay this summer, and was impressed by the range and the quality of its presentations. I suppose most of us take our surroundings very much for granted, but this exhibit helped me realize the great importance of the River to Indiana, its residents, and the nation.

Geography: The Ohio River has had an enormous impact on American culture and commerce. The River winds its way down a quintessential American landscape, from Pittsburgh at the junction of the Allegheny and Monongahela Rivers, to the Mississippi River near Cairo, Illinois. The Ohio is 981 miles long, of which 150 miles form the entire southern state border of Indiana. The River drains 130 million acres of land from 14 states.

The Ohio is constantly changing. The River varies in width from 700 feet in the upper stretches to nearly a mile at its mouth. The depth of the River has fluctuated over time. In the summer of 1887, the River fell to 32 inches near Cincinnati, allowing children to wade across from one state to another. In contrast, the Ohio crested at 80 feet above normal in 1937, flooding 75% of Louisville.

History: The Ohio River Valley was settled by prehistoric Indian tribes several thousand years ago. Their descendants, known to many Hoosiers as the Mound Builders, built a civilization in the region, leaving more than 6,000 burial mounds, forts and other earthworks in Indiana and throughout the Valley. Iroquois Indians, who occupied the upper Ohio about 1650, gave the river its name—Ohio, meaning "great" or "shining." The French explorer La Salle was probably the first white person to visit the region about 1670. The region was first claimed by the French, then conquered by the British in the French and Indian Wars, and finally won by the United States in the Revolutionary War.

The River, with its 18 tributaries, was the nation's first major interstate highway, carrying settlers to new opportunities and moving raw materials and products in the nation's agricultural and industrial heartland. It was a symbol of freedom for slaves escaping from the South, and a highway for troops and supplies during the Civil War. The River has been lined by farms and factories, small towns and skyscrapers, and, like America itself, is always changing.

Economic Vitality: The Ohio has been a powerful force in the region and the nation. It is a vital transportation link, moving more than 150 million tons of freight each year. The Ohio River, including the lower Mississippi River, carries more tonnage annually than the Panama Canal, and transports more commodities than any other river system in the United States. Over 1,000 cargo barges ply its waters 24 hours a day.

It is one of the most industrialized rivers in the world, serving some of the nation's principal coal fields in West Virginia, Kentucky, and Indiana and several major steel-producing districts. Some of the largest coal-fired generating plants in the world are located along the Ohio. Plants in Rockport, Clifty Creek, and Lawrenceburg burn thousands of tons of coal an hour among them.

Recreation: Hoosiers use the Ohio River for recreational purposes. Many have enjoyed a quiet stroll along the waterfront, boating, fishing or a riverboat cruise exploring the scenery. The Madison Regatta draws thousands of spectators every year. The Ohio River is renowned for its rich diversity of animal and plant life. The Hoosier National Forest, which borders the River, offers forest trails for camping and hiking as well as scenic waterfalls and creeks. The recreation and tourism industry has been a boon to businesses and communities in Indiana.

Annual festivals in local towns and cities also celebrate the history and culture of the Ohio River. The Howard Museum in Jeffersonville, for example, is a monument to the famous boat builder James Howard. The Falls of the Ohio National Conservation Area encompasses a 400 million-year-old fossilized coral reef, and a proposed interpretive center will permanently house the "Always a River" exhibit and other presentations on the geology and natural history of the area.

Challenges: A number of natural and man-made challenges face the Ohio River. Erosion and flooding once plagued the region and heavy rainfalls and shifting river flows can still cause problems along the River and its tributaries. But, the building of canals and other erosion and flood prevention devices on the River has greatly diminished the threat of disasters. The Ohio River, with its 20 locks and dams, is one of the most comprehensively managed rivers in the world.

Pollution poses a significant danger to the River, its wildlife and local communities. Several oil and fuel spills have clogged the banks of the River, hindering its use and killing wildlife. Toxic chemical pollution also has been a serious problem, and roughly 1,800 factories discharge industrial waste and sewage into the River.

Progress has been made in recent years in reducing the levels of pollution. Federal and state clean water programs have forced industry and local communities to treat and limit waste flowing into the River. Several fish species have returned and water quality is improving. These cleanup efforts are crucial to the health and well-being of the 2.7 million people who receive their water supply from the Ohio, as well as to the natural resources in the region.

Conclusion: The "Always a River" exhibit reminds us of the importance of the Ohio River in shaping the culture and history of Indiana. It is critical to the viability of the towns lining it, and exerts a strong influence on the people of Indiana. The River is a spur to employment and economic growth throughout the Valley, and a wonderful resource for scientific study, creative inspiration, and personal enjoyment.

THE 243D FIELD ARTILLERY BATTALION CELEBRATES 46TH ANNUAL REUNION

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mrs. BENTLEY. Mr. Speaker, I rise today to recognize the members of the 243d Field Artillery Battalion upon their 46th annual reunion to be held in Aberdeen, MD.

The 243d Field Artillery Battalion was a World War II unit which served with the 3d Army in Europe. Every year, for the past 45 years, the men of the 243d have met to "honor the country for which they fought, to honor the comrades no longer with us and to show a profound respect to each other."

For nearly 4 years, this unit served together on the battlefield of World War II. The 243d was activated in August 1942 at Camp Shelby, MI, and received its complement of personnel direct from civilian life. As a result of extensive training, the unit obtained a high level of proficiency as an artillery unit and was honored by being selected to place in service (at that time) the Army's newest heavy artillery weapon, the 8-inch rifle.

On August 6, 1944, the unit landed on Utah Beach, and as a separate battalion attached to the 20th Corps of General Patton's 3rd Army, the 243d used the 8-inch gun at Saint Malo, Brest, Metz, and Thionville in France. In Germany, the unit contributed to the battles of Saarlautern, Dillengen, Ensdorf, Sarbrucken, the Moselle-Saar Triangle, the Ardennes, Saar River, and the Rhine River.

The events of World War II had perhaps the most significant and profound effects upon the world and mankind than any other single event in this century, The developments of World War II changed the world forever. We should forever be thankful to those brave and valiant individuals who fought hard and sacrificed so much to ensure the reign of freedom and democracy.

The very freedom we enjoy today is a result of the determination and commitment of our veterans, and without a doubt, they have my utmost respect and admiration. We never can forget the lessons history has taught us, nor shall we forget those who have shaped history.

This reunion holds particular importance as a monument of bronze and granite will be dedicated to "perpetuate the memories of the men and their service." The memorial will be place near one of the few 8-inch gun tubes in existence today, located at the Ordnance Museum outdoor exhibit of Aberdeen Proving Ground, MD.

Mr. Speaker, my fellow colleagues, it is my pleasure to congratulate the 243d Field Artillery Battalion on their 46th annual reunion. May God bless the 243d and all of our veterans who have keep this Nation free.

TRIBUTE TO THE MINORITY ENTERPRISE DEVELOPMENT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Cleveland's Mayor Michael White as his office and the city of Cleveland celebrate Minority Enterprise Development [MED] Week, September 23 through the 27. The theme of this year's celebration is "Building a Stronger America Through Minority Business Development".

Created 9 years ago by the U.S. Department of Commerce's Minority Business Development Agency and the U.S. Small Business Administration, this year's celebration hosts a myriad of activities, beginning with an orientation with the participants given by Mayor White. A major highlight of the week will be a food drive in cooperation with WMJO–1490. The proceeds will be contributed to Catholic Charities and the Interfaith Church Council. Also, the participants will attend workshops at the Unified Technologies Center where topics such as international trade, contracting, office technology, and more will be explored. On the agenda for the conclusion of the celebration is an awards ceremony to commend the achievements of minority businesses and businessmen.

Again, I would like to commend the efforts of the City of Cleveland and Mayor Michael White, and wish them the best in their celebration of the Ninth Annual Minority Enterprise Development Week.

A TRIBUTE BUDOKAN JUDO CLUB

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize a nonprofit organization dedicated to the development of youth in the south Florida community, the Budokan Judo Club. Located in Hialeah Gardens, the Budokan Judo Club states that its goal is not only to train these athletes in becoming U.S. Olympic hopefuls, but also to develop good character in these kids so they can become worthy individuals who will be the future leaders of our community.

Budokan Judo Club states that it has more national champions than any other club in the Nation. They have put Miami on the judo map and Budokan Judo Club is known for its excellence in judo. The kids and instructors have worked hard and have made sacrifices to obtain this recognition.

Under the instruction of Evelio Garcia, Gil Viera, and Eddie Arrazcaeta, classes are held 3 nights a week. Presently they teach about 80 students who are truly dedicated to reaching their goal. In a time when much of the south Florida community is experiencing the effects of crime, drugs, and youth gangs, it is commendable that Budokan Judo Club is playing a part in guiding the kids in the south Florida community to a prosperous and rewarding life.

TRIBUTE TO EPISCOPAL HIGH SCHOOL

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BAKER. Mr. Speaker, I rise today to congratulate Episcopal High School in Baton Rouge, LA for being one of 222 schools nationwide to receive the Excellence in Education Award by the U.S. Department of Education's 1990–91 Blue Ribbon Schools Program.

Episcopal was founded in Baton Rouge in 1965 as an independent, coeducational, college-preparatory school for grades 3 to 12. The school is nondenominational and admits students of any faith, race or nationality. Typically, all of Episcopal's graduates go on to colleges and universities throughout the country.

Episcopal's reputation for excellence is largely the result of student success on standardized tests and in college admissions. Equally important to Episcopal's success is a dedicated faculty that encourages students to develop their potential to the fullest.

Episcopal will be formally honored by President Bush at a White House ceremony later today, but I wanted the House of Representatives to join me in warmly congratulating Episcopal High School from Baton Rouge.

DEAF AWARENESS WEEK

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. GILMAN. Mr. Speaker, I am pleased to rise today in support of Deaf Awareness Week which is being celebrated during the week of September 22, 1991, in Orange and Westchester Counties of the 22d District of New York.

I want to take this opportunity to command Westchester County executive, Andrew O'Rourke and Orange County executive, Mary McPhillips for designating this week as Deaf Awareness Week. Additionally, I want to commend the students of the New York School of the Deaf in Greenburg, NY, for initiating this important declaration.

Deaf Awareness Week provides a special opportunity to recognize the accomplishments of deaf people and to draw our attention to the needs of the differentially abled. Last year's passage of the Americans With Disabilities Act marks an important first step toward equal rights and opportunities for our Nation's 43 million disabled citizens. Despite the recent progress, events such as Deaf Awareness Week also serve as a reminder of the ground we have yet to cover.

In the hopes of continued progress in this area, Congressman RAMSTAD of Minnesota and I have formed the Republican Research Committee Task Force on Disabilities, the goal of which is to improve the quality of life for individuals with disabilities.

Again, I wish to commend the students of the New York School for the Deaf for bringing the importance of this issue and this week to the attention of both local and Federal elected officials. I urge my colleagues to join in support of Deaf Awareness Week and the recognition of the accomplishments of our deaf citizens.

A BILL TO EXEMPT THE SBA DISASTER LOAN PROGRAM FROM THE FEDERAL CREDIT REFORM ACT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SKELTON. Mr. Speaker, I rise today to introduce a bill that I believe will correct a fundamental flaw created by the budget compromise bill. Tucked away in the Omnibus Budget Reconciliation Act of 1990 passed by Congress last October was a little noticed section called the Federal Credit Reform Act of 1990—known as credit reform for short. That bill applied modern accounting principles to the management of Federal funds making it possible for policy makers to know the true cost of any program.

There are, however, some instances, where these changes, which were supposed to be purely technical will end up substantively changing the basic character of necessary programs. The disaster loan fund run by the SBA is a good example. Currently, we draw on a pool of funds that have been already appropriated and, for the most part, loaned out. The funds accumulate as the loans are paid back and they are ready for each new disaster. Cash on hand is currently $600 million and the existing portfolio is approximately $6 billion. The Credit Reform Act calls for an amount to be appropriated annually—scored for budget purposes—which represents an historical average of annual disbursements for the program. The rest would be paid back into the general fund. Congress would have to vote for a supplemental appropriation to get more money.

One need not speculate about whether we will ever exceed the amount appropriated; clearly we will do so on a regular basis. The appropriation is based on an historic average. It is safe to say that we will need a supplemental 50 percent of the time. Remember that in 1990, the fund was called upon to spend over $1 billion—4 times the average—to provide for numerous emergencies including Hurricane Hugo and the San Francisco earthquake. I can foresee a situation when, towards the end of the fiscal year, it will be impossible to get disaster funds for anything short of a "Network News" level catastrophe. Rural tornadoes, local floods, small earthquakes may do considerable damage but they just won't garner the support necessary for a supplemental appropriation.

The whole character of the fund is changed in those instances. No longer is disaster loan program an insurance fund to help communities and their small businesses rebuild after a disaster, rather it becomes a popularity contest to see who can round up the support necessary to pass what is essentially a private bill. Do we really want a system where Congress sifts through the wreckage of each disaster and reviews each loan application on the floor of the House? If we must debate each disaster as the basis for each new supplemental request, that is exactly what will happen.

Mr. Speaker, this is not what Congress intended. It is prudent to leave a revolving fund in place so we have an immediate pool for disasters big and small to draw upon. My bill exempts the Disaster Loan Program from the Credit Reform requirements and restores common sense to this emergency relief program.

ARCHIMANDRITE DOSITEL OBRADOVICH CELEBRATES HIS 75TH BIRTHDAY AND 50TH ANNIVERSARY IN THE PRIESTHOOD

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mrs. BENTLEY. Mr. Speaker, my fellow colleagues, it is my pleasure to congratulate Archimandrite Dositel Obradovich upon his 75th birthday and his 50th anniversary in the Priesthood.

On Sunday, September 8, 1991, the St. Steven Serbian Orthodox Cathedral in Alhambra, CA, honored Father Dositel with a testimonial banquet. For 5 decades, Father Dositel Obradovich has given of himself in service to the Lord and the Serbian Orthodox people. Widely respected by the Serbian Orthodox people, he has supervised the building of two Serbian churches, the Butte, MT, parish and the San Francisco parish, and has served the faithful in several parishes throughout the United States.

The accomplishments of Father Dositel Obradovich truly are commendable. Upon completion of study at St. Sava Monastery in Libertyville, IL, he was tonsured monk with the name Dositel. In 1941, Father Dositel was ordained deacon at Holy Resurrection Church in Lebanon, PA, and priest at St. Nicholas Church in Steelton. In addition, he served as Prefect of Christ The Saviour Carpatho-Russian Orthodox Seminary, Johnstown, PA, and studied at Nashotah House Episcopal Seminary, Nashotah, WI.

It is far too easy to judge individuals by their monetary or material wealth. However, individuals such as Father Dositel possess much more desirable traits than mere monetary or material wealth, for they are truly blessed with a wealth of character and spirit.

Although I am Serbian, I believe that you do not have to be Serbian to appreciate the hard work and dedication Father Dositel has given in faithful service to God, country, and his fellow man. To invest one's time and energy in such a worthwhile endeavor reflects the integrity Father Dositel possesses and is deserving of the utmost recognition.

Mr. Speaker, my fellow colleagues, it is with great respect and admiration that I thank Father Dositel for his work and congratulate him upon his 75th birthday and 50th anniversary in the priesthood. May God bless Archimandrite Dositel Obradovich with continued health and happiness in the years ahead.

COUGHLIN CONSTITUENTS REJECT NEW SPENDING TO STIMULATE THE ECONOMY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. COUGHLIN. Mr. Speaker, I would like to report to the House of Representatives the results of my annual constituent questionnaire.

In responding to my annual questionnaire, almost 75 percent of the residents in Pennsylvania's 13th Congressional District rejected new Federal spending programs to stimulate the economy and create new jobs.

To stimulate the economy, a bare majority did support a reduction in the capital gains tax to create more investment and increasing taxes on the so-called rich to help reduce the Federal deficit.

A majority of respondents also failed to support increased Federal spending on a number of popular programs. When asked for which programs they would be willing to pay more, either through increased taxes or higher prices on goods and services, my constituents most often chose environmental protection, 45.5 percent; education, 42.3 percent; fighting crime and drugs, 40.7 percent; and health care, 40.6 percent.

An overwhelming majority, 89.4 percent, felt that more money from the Federal gasoline tax should be used for mass transit as well as for highways.

However, significant numbers of respondents, 70.5 percent, rejected manned exploration of Mars and 62.4 percent rejected the production of the B-2 Stealth bomber.

Results were evenly divided on the question of a national health care system. When faced with the possibility of increased taxes, reduced access to specialized treatment, less individual choice of doctors and a two-tier system where those willing to pay more would get better service, 49.8 percent of my constituents favored a national health care system and 50.2 percent rejected it.

Questionnaires were mailed in July to every home and postal box in Pennsylvania's 13th Congressional District, which includes 28 municipalities in Montgomery County and parts of 3 wards in the city of Philadelphia. More than 8,500 people responded to this summer's poll.

As in years past, I have provided the White House with the results of this year's annual questionnaire.

The following are the complete results from my 1991 constituent questionnaire:

CONGRESSMAN LARRY COUGHLIN 13TH DISTRICT OF PENNSYLVANIA 1991 QUESTIONNAIRE RESULTS

1. Keeping the Federal budget deficit in mind, should the Federal Government stimulate the economy by: (Choose one or more; or d. only.)

	Percent
a. Enacting spending programs to create more jobs?	25.6
b. Reducing the capital gains tax to create more investment?	50.1
c. Increasing taxes on the so-called rich to reduce the deficit?	50.6
d. Generally leaving things as they are?	11.1
2. Expansion of Federal programs usually has a cost reflected in increased taxes or higher prices for goods and services. For which of the following would you be willing to pay more: (Choose one or more.)	
a. Education	42.3
b. Civil Rights	8.9
c. Health Care	40.6
d. Fighting crime and drugs	40.7
e. Environmental protection	45.5
f. Transportation	31.2
3. Should the United States assist the Soviet Union in moving from a government controlled economy to a market economy similar to our own?	
Yes	64.4
No	35.6
4. During the Persian Gulf War, U.S. military technology proved highly successful and undoubtedly can be credited with saving lives of U.S. and Allied troops. Despite its expense (about $400 million per plane), should the United States produce the revolutionary B-2 bomber, which appears virtually invisible to early warning radar?	
Yes	37.6
No	62.4
5. Should the United States adopt a national health care system even if it may involve some combination of the following: increased taxes, reduced access to specialized treatment, longer waits for treatment, less individual choice of doctors, and better service for those willing to pay additional fees?	
Yes	49.8
No	50.2
6. Currently, the majority of the Federal gasoline tax is allocated to a trust fund to pay for the construction and maintenance of Federal highways. Should more money from the Federal gasoline tax also be used for: (Choose one or more; or d. only.)	
a. Mass transit as well as highways?	89.4
b. General treasury programs other than transportation?	4.1
c. Reducing the Federal debt?	26.6
d. Only Federal highways?	22.3
7. In the interest of science, should the U.S. embark on a multi-year, roughly $400 billion program designed to send astronauts to the planet Mars and perform other experiments in space?	
Yes	29.5
No	70.5
8. In an effort to stop the flow of drugs into the United States, should the Coast Guard be allowed to shoot down a civilian airplane whose pilot refuses commands to turn and land after being observed dropping a package which tests positive for drugs?	
Yes	78.5
No	21.5
9. In counseling women on unintended pregnancies, should family planning clinics: (Choose one.)	
a. Be required to mention that abortion is an option?	40.6
b. Be prohibited from mentioning abortion as an option?	13.5

	Percent
c. Not be mandated to advise either way?	45.9
10. Even assuming that the chance of spreading infection is remote, should physicians, dentists and other health care practitioners be tested for AIDS and be required to disclose if they test positive?	
Yes	86.1
No	13.9

TRIBUTE TO THE NATIONAL CONVENTION OF YOUNGSTOWN SOLO AND SINGLES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the Youngstown Solo Parents and Singles. On September 20 to 22, this group celebrated 23d Annual National Convention at the Avalon Inn in Warren, OH.

This organization began its activities in 1969 as an affiliate to the National Solo Parents and Singles, Inc. This group holds conventions throughout the country to provide a means by which singles and solo parents can meet, socialize, and discuss common problems.

This year's convention featured various activities throughout the weekend. On the convention's first day, a ballroom dance was held in the elaborate Warren Room of the Avalon Inn. A multitude of seminars were on the second day's agenda where topics such as chemical dependency and recovery from divorce or death of a spouse were explored. The event proved to be an exciting weekend for the participants, and I was privileged to address the group.

Again, Mr. Speaker, I would like to commend the efforts of the Youngstown Solo Parents and Singles, and thank them for inviting me to speak.

DEBORAH REYES, FIRST MORTGAGE BROKER APPOINTED FANNIE MAE BOARD

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today one of my constituents, Deborah Reyes, who recently was featured in the Miami Herald as the founder of Capital American Mortgage Co. and the first mortgage broker appointed to the Board of the Federal National Mortgage Association, or Fannie Mae. The article written by Charles B. Rabin tells how Ms. Reyes worked her way up to become a prominent mortgage broker and community leader:

After 11 years with Miami Lakes' Helpco Financial Services, Deborah A. Reyes changed shops without even moving and started Capital American Mortgage Co.

Reyes left the company but kept the same office space and staff.

"The principal for Helpco didn't need this large of a staff," Reyes said. "It [the separation] was very amicable."

Capital American is a mortgage and brokerage company that focuses on residential and commercial real estate. According to Reyes, the company, which officially opened shop June 1, solicits and organizes loans.

"We do lots of business with builders and developers," she said. "Our job is to fully process the whole file. When we finish verifying the information, we match the client with lenders. We work with 15 to 20 lenders throughout the United States."

Born and raised in the Bronx, N.Y., Reyes, 39, moved to Miami in 1957. After graduating from Hialeah High School in 1969, she attended Florida International University, a school she would graduate from 13 years later.

Along the way she married Arthur Reyes, an account executive with BellSouth Advertising, and raised their two children, a son and a daughter.

After graduating from FIU with a degree in international relations and marketing, Reyes and her husband bought a home with the assistance of Helpco employee Edward Cohen. It was an important development in Deborah Reyes' career.

"When I graduated and bought the home, he [Cohen] said let's do this together," Reyes said. "The rest is history."

In the next nine years, she worked her way up from loan processor to executive vice president. Today, she oversees a staff of three.

"I have such a long standing in the business—11 years. It's unique to stay that long," Reyes said. "I've developed a client base. I don't really feel I started a new company because I have the same client base."

The company specializes in handling hard-to-place loans, such as loans to self-employed or nonresident aliens. Reyes is able to do this because she offers more programs than banks, she said, and therefore can be more flexible.

She considers her two-year appointment to the board of the Federal National Mortgage Association, or Fannie Mae, a quasi-public organization that buys mortgages and resells them to investors, an important achievement for the lending industry. "I was the first mortgage broker ever appointed to the board," she said.

"I felt that not only did I learn, but I was able to give them input from a mortgage broker's aspect in the South Florida area. One of the other aspects I brought to the board was input from the views of builders and developers." Reyes is a board member of the Builders Association of South Florida.

"We typically have 13 members and like to get a good cross section," said Jimmy Whitehead, vice president of marketing for Fannie Mae's Southeast region. "In this case, we got a smaller lender to represent almost a broker's view. It was a very interesting and unique point of view. Deborah was knowledgeable about the mortgage market and refreshing."

I am happy to pay tribute to Ms. Reyes by reprinting this article from the Miami Herald. Ms. Reyes' story is typical of the many successful women who have worked their way up to the top through hard work and determination.

A 100TH BIRTHDAY TRIBUTE TO JOHN MAXIE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. MILLER of California. Mr. Speaker, I rise today to invite my colleagues to join me in recognizing, John Maxie of Richmond, CA, on the occasion of his 100th birthday.

Mr. Maxie, a veteran of World War I, experienced the hospitality of several of our Nation's States—Louisiana, Texas, and Arizona—before traveling to California. Prior to taking a position with Standard Oil of Richmond, now Chevron USA, he had a range of careers including railway worker, farmer, carpenter, plumber, and muleskinner.

His first 100 years has also been filled by the love of family. Joining him in celebrating his centennial are 9 grandchildren, 24 great-grandchildren and 6 great-great-grandchildren.

Mr. John Maxie has truly lived a full and happy life, and on behalf of the Congress of the United States I wish him a very happy birthday.

DR. DANIEL F. O'KEEFFE OF GLENS FALLS, NEW YORK RECOGNIZED FOR PROFESSIONAL, CIVIC CONTRIBUTIONS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SOLOMON. Mr. Speaker, Dr. Daniel F. O'Keeffe has long been highly respected in Glens Falls, NY, his hometown and mine. He is now being recognized by the State of New York, and I believe it appropriate that he also should be commended by the Congress of the United States.

That is because for 45 years Dr. O'Keeffe has served his country and his community, as well as the medical profession. That, Mr. Speaker, is my measure of a great American, an individual who excells in his profession but still finds time to help his neighbors.

Dr. O'Keeffe graduated from North Creek High School, in the northern part of our district, and went on to graduate from Holy Cross College. Three years later he graduated from Albany Medical College. He has since undergone postgraduate training at St. Peter's Hospital and Brady Maternity Hospital, both in Albany, and at the Albany Medical Center.

Dr. O'Keeffe also was a U.S. Air Force surgeon from 1946–1948.

The Medical Society of New York has recently designated Dr. O'Keeffe for special honors in recognition of his contributions to the community and to the practice of medicine.

Those medical contributions include being past president of the Glens Falls Hospital medical staff, chairman of the Pesquera Fund for medical students in the Warren-Washington-Saratoga Counties area, chairman of the Medical Advisory Board and member of the development and funding committee of the Adirondack Tri-County Nursing Home in North

Creek, and member of the Medical Advisory Board of the New York Council on Health Care Financing.

His civic contributions are equally impressive. Dr. O'Keeffe is a member of the Glens Falls Foundation, which is dedicated to improving living conditions in the tri-county area.

He is the 1991 president of the Tri-County United Way, and was campaign drive chairman in 1989 and a board member of that organization for 4 years. He is a member of the Lake George/Lake Champlain Area-wide Comprehensive Health Planning Board. He is president of the Warren County Cancer Society, and a 5-year member of the Warren County Board of Directors of the American Cancer Society.

Mr. Speaker, you can see that Dr. O'Keeffe is truly deserving of recognition. Let us therefore rise as a body and pay our own tribute to Dr. Daniel F. O'Keeffe, who, in addition to being a respected doctor and civic leader, is a great American and a man I'm proud to call my friend.

DR. SEUSS, ON BEYOND

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. LOWERY of California. Mr. Speaker, a cadence of joy has been silenced today with the death of our beloved Dr. Seuss. Theodore Geisel, 87, died today in La Jolla after a long illness. From his first effort, "And to Think That I Saw It on Mulberry Street," to the strident tones of "Marvin K. Mooney Will You Please Go Now!," Dr. Seuss taught us and our children about life and living, but he did it without moralizing or preaching; he served it up with "Green Eggs and Ham" sprinkled with rhyme.

Like a comforting lullaby, children sought out his stories as a bedtime reassurance. Parents who could tear out their hair after the fourth rendition of "The Cat in the Hat" still understood the need for repetitiveness and the pleasure in the sounds of his words to a small child.

When a child began to read, Dr. Seuss was there with simple words and phrases that kept the child turning the page, proud of his or her accomplishment sounding out, "One Fish, Two Fish, Red Fish, Blue Fish." And when that child understood the basics of books he took them "On Beyond Zebra" to discover that there is nothing either in the alphabet or in life that can limit one's imagination.

Dr. Seuss touched on prejudice and discussed the environment and the need for responsibility, but he did it with phantasmagoric characters and fantasy inventions and adventures that appealed to the young.

His legacy to children will live on for future generations, and for that we are very grateful. But today, it is with great sadness that we say goodbye to Dr. Seuss and wonder who will be able to produce another Grinch or a Horton or teach us a Thing One or Thing Two?

BLUE RIBBON SCHOOL AWARD FOR HOLY NAMES HIGH SCHOOL IN OAKLAND

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. STARK. Mr. Speaker, I wish to congratulate Holy Names High School in Oakland, CA, for receiving the Blue Ribbon School Award. This award is given out annually by the Department of Education to elementary and secondary schools across the country which have achieved a level of excellence in education.

These exemplary schools are judged by a panel of experts on a number of criteria, including strong leadership, shared purpose, a climate conducive to effective teaching and teacher growth and recognition, a shared conviction that all students can learn, evidence of impressive academic performance and responsible behavior on the part of students, a high degree of involvement by parents and the broader community in school affairs, and a can-do approach to problem solving.

Given these criteria, it is no surprise that Holy Names was accorded the honor. Since its founding, more than a century ago by the Sisters of the Holy Names of Jesus and Mary, the school has carried out its mission to provide quality education in a supportive Christian environment. A particular commitment has been made to the promotion of and education for justice, and to special concern for the poor and disadvantaged.

Holy Names offers young women from diverse ethnic and economic backgrounds a college-preparatory program with high academic standards. With an all female student body, young women have many opportunities to take on leadership roles as scholars, athletes, student government officers, and artists. In addition, students are encouraged to participate in projects which serve the community, helping Holy Names fulfill its mission for social justice.

By achieving impressive academic standards and upholding the cause of social justice, Holy Names truly deserves the honor of a Blue Ribbon School Award.

IN HONOR OF JANE ELIZABETH MORRIS REIFF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. FAZIO. Mr. Speaker, I rise today to honor a very special constituent in my district, Jane Elizabeth Morris Reiff. Mrs. Reiff is being honored by many in her home county of Yolo, CA, today on her 80th birthday. And on this important occasion it is only appropriate that we recognize Mrs. Reiff for her many years of dedicated service to enrich the lives of those in her community.

Mrs. Reiff is probably best known for her dedicated efforts to preserve the treasures of Yolo County and teach its citizens, young and old, about the rich history of the area in which they live. Without her hundreds of hours of volunteer work, none of us would be able to enjoy the beautifully restored Woodland Opera House and the captivating Yolo County Historical Museum. Mrs. Reiff's positive foresight inspired many to assist with these two endeavors, and, she gave much of herself to see that both became reality.

Our honoree is also fondly known for preserving a bit of history on her own ranch, near the town of Yolo. Her property, the former William Gaston Hunt Ranch, was once the site of an Indian reservation, and then a Wells Fargo stagecoach stop and hotel. Mrs. Reiff restored the Wells Fargo building and filled it with the treasures of this historic site. Thousands of schoolchildren and members of community organizations over the years have come to her ranch to visit the small museum, walk around the Indian mound and hear Mrs. Reiff talk about the exciting history of the area.

Mrs. Reiff's willingness to share her treasures and knowledge is also evident at the Yolo County Museum in Woodland. She has donated many valuable possessions, including the historic wrought iron fence from the John Richie home in Woodland. The fence, which borders the museum ground's front, was dedicated in her honor in 1980.

She has been active in countless committees and organizations, often serving as historian, and always helping to raise much-needed money for special projects. One could always find her working hard at the numerous fundraisers for the museum. Over the years, Yoloans could also spot her pulling weeds at the then-abandoned opera house, sweeping the front porch of the Gibson House—now the Yolo County Museum—or setting up a special history exhibit in the school house at the Yolo County Fair. She has also been an excellent volunteer recruiter for all of these endeavors, often encouraging her family and friends to join the efforts. Mrs. Reiff has also been very active in her church and works in the Christian Science Reading Room every week.

In addition to all of her work for our community, Mrs. Reiff finds time to spend with her large family. She was born on September 25, 1911, to William and Laura Morris. Her grandparents were Asa and Mary Alice Morris and her great-grandparents, William and Elizabeth Campbell and Zachariah and Victoria Kincheloe, were pioneer settlers in the Woodland and Cacheville areas in the 1850's. Mrs. Reiff married Paul Wesley Reiff on December 29, 1932, and raised five children: Wes, Randy, Dutch, Elizabeth, and Paula. She has 13 grandchildren and 7 great-grandchildren with another soon on the way.

Mr. Speaker, I am honored to recognize Jane Elizabeth Morris Reiff, a dedicated community volunteer and inspirational leader for preserving and sharing history. I join the many Yoloans who today wish her a very happy birthday.

TRIBUTE TO RAYEN SCHOOL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to commend the Rayen High School of my 17th Congressional District of Ohio. The Rayen School has been a tremendous educational influence in the Youngstown area for over 120 years.

This school originated in 1866 "as a monument to the visions and the philanthropy of the Honorable (Judge) William Rayen." With 40 students, Rayen's doors opened to explore the school's visions, "[i]ndustry, morality, and integrity." Over 120 years have passed, and Rayen has witnessed its expansion with dignity. A stadium, an athletic field, music rooms, and an auditorium have added to its grandeur.

Mr. Speaker, I rise on this occasion to commend the good work and continued improvements of the Rayen School.

AMERICAN BUSINESS WOMEN'S ASSOCIATION LAUNCHES NEW MIAMI CHAPTER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the American Business Women's Association [ABWA] which is establishing its first Miami area chapter in the last 6 years, the Adventura Charter Chapter, with an installation dinner on October 1.

The purpose of the ABWA is to bring together business women of diverse backgrounds as well as to provide opportunities for them to help themselves and others grow personally and professionally through leadership, education, networking support, and national recognition. Chapters usually hold a monthly dinner meeting and invite a speaker each month to keep their members aware of the various issues facing their community and themselves.

ABWA chapters and members are united in their commitment to help other women through education. Since 1949, the Stephen Bufton Memorial Education Fund, ABWA's national scholarship fund, has provided more than $21 million in financial aid to women for higher education. Their new chapter plans to contribute generously to the education fund and to offer additional financial aid to local women for a college education.

This organization awards scholarships to women not only entering college, university, or vocational training programs, but also to women who need to refresh job skills before reentering the work force and to women who need certain courses in order to qualify for promotion and career advancement.

The ABWA celebrated its 42d anniversary recently on September 22. In 1983 and 1986, congressional joint resolutions were passed designating a national observance of September 22, the anniversary of ABWA's founding, as "American Business Women's Day." Following each resolution, President Ronald Reagan issued a Presidential proclamation.

The Adventura Charter Chapter will join over 2,100 ABWA chapters with over 110,000 members throughout the United States. I would like to take this opportunity to thank president, Peggy A. Thayer, and the other new charter officers of the Adventura Charter Chapter who will be installed next month: vice president, Teresa Kurack; secretary, Cynthia Millikin; and treasurer, John Kurack. I would also like to recogize those who served on the formation committee for this new chapter: Tere Branch, Mary Buchanan Grosso, Judie Phillips-Greene, and Joan B. Tracz; and the other charter members: Paula Adamson, Susie Skelly Collins, Paulette Herbert Cooper, Otilia Fritz, Nancy W. Garcia, Barbara Hebert, Melissa Heible, Lisa Hernandez, Joan Millang, Dorothy Miller, Joan Nehis, Penny Perry, Sunny Silver, Cinfy Snyder, Robin Wilkes, and Ann Marie Wright.

A TRIBUTE TO WILLIAM F. WATKINS, JR., OF PRINCE EDWARD COUNTY, VA

HON. L.F. PAYNE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. PAYNE of Virginia. Mr. Speaker, William F. Watkins, Jr., the commonwealth attorney for Prince Edward County, VA, will be retiring at the end of this month, completing a distinguished 28-year career as that county's prosecuting attorney.

When Billy retires, it will be the first time in more than 100 years that a member of the Watkins family has not held the position of commonwealth attorney in Prince Edward County. The family tradition began on July 1, 1891, and included service by Asa Dickinson Watkins, a distinguished jurist and commonwealth attorney for 49 years and Francis Nathanial Watkins whose term Billy filled out before being elected himself in January 1964.

Before his election as commonwealth attorney, Billy served two terms as mayor of farmville and he has taken a special interest in the health care of people in his area, serving for many years on the boards of the Southside Community Hospital and the Holly Manor Nursing Home. His many other civic activities, which are too numerous to mention here, make him a pillar of his community.

In addition to his service to Farmville, he served in the Navy during World War II, and he was very active at the State level of the Virginia Junior Chamber of Commerce.

Billy is an elder at the Presbyterian Church in Farmville where he preaches on occasion and teaches the men's Bible school class every Sunday.

He has been married to his wife, Norma, for 42 years and is the proud father of three children and two grandchildren.

In Southside Virginia, we pride ourselves on service to our community, our church and our family. Billy is a man who many Virginians have looked to for civic leadership, for religious inspiration, and as an example of the kind of father and husband any family would be proud of.

I want to join Billy's many friends, and the family he is so devoted to, in paying tribute to his many years of dedicated service to the people of Virginia and Prince Edward County on the occasion of his retirement.

TRIBUTE TO BILL WEIGARD

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BROWN. Mr. Speaker, this Saturday, September 28, 1991, a friend of labor will retire. Bill Weigand joined Local Lodge 821, District Lodge 120, International Association of Machinists and Aerospace in 1953 while employed at the Lockheed Aircraft Service Co., Ontario, CA, in my congressional district. He served the members in the Lockheed plant as group chairman and senior chairman.

In 1957, Bill was elected president of his local lodge. He was elected District Lodge 120 President in 1960 and, later that year, he was elected the district lodge organizer. Bill was elected business representative for District Lodge 120 in 1962, and remained in that position until elected directing business representative for District Lodge 120 in 1968.

As the directing business representative of District Lodge 120 covering Los Angeles, San Bernardino, Riverside, Orange and San Diego Counties, He negotiated labor contracts and improved the standard of living for workers at General Dynamics, Freightliner, Lockheed, Aerojet, Rohr, and FMC.

Bill was appointed grand lodge representative for the southwest territory in 1979, and almost immediately was appointed territorial organizing leader. He was appointed administrative assistant to the general vice president in 1981, serving in that capacity until his retirement.

Bill's career has been distinguished by his concern for the welfare of the working men and women of IAM. he has worked with numerous government and charitable agencies and currently serves on the board of directors for the International Guiding Eyes.

Bill was born on September 6, 1931 in Caterin, TX. He is married and is the father of five children and seven grandchildren.

Mr. Speaker, I ask my colleagues to join me in saluting Bill Weigand on the occasion of his retirement. His career has been distinguished, his community service exemplary, and he deserves a rich and rewarding respite.

M. SGT. KELLY PAYNE RECEIVES AIR FORCE ACCOLADES

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. NEAL of Massachusetts. Mr. Speaker, I am pleased to take this opportunity to salute the truly remarkable efforts of M. Sgt. Kelly E. Payne, whose simple management philosophy and dedication to duty recently resulted in her selection as one of the Air Force's 12 outstanding airmen of the year for 1991. Her motto, "Take care of the mission, take Care of the people," has guided her through a distinguished 11 year career with the Air Force and the Air Force Reserve [AFRES], which most recently involved her able participation in Operation Desert Shield.

A personnel systems manager technician in the 439th Combat Support Group at Westover Air Force Base, Sergeant Payne was one of more than 500,000 members of all branches of the Air Force, including the Air Force Reserve and the Air National Guard, who were eligible for this award. Sergeant Payne is especially deserving of our admiration in light of the fact that only four other Reservists have been awarded this prestigious honor since its inception in 1973.

Sergeant Payne's abilities are not limited to her duties in the office, however. She demonstrates the true meaning of a Renaissance woman, as she utilizes her formidable computer skills to organize and administer a large consolidated base personnel office [CBPO] while maintaining an easy rapport with everyone with whom she serves. Sergeant Payne also serves as a facilitator with the NCO leadership development program and volunteers with the Combined Federal Campaign, as well as playing a major role on Westover's 50th anniversary ball committee. In addition, she manages to combine her personal interests with the best interests of the base, improving community relations as a member and treasurer of the Chicopee Women's Softball League Executive Board.

Sergeant Payne was called to active duty during Operation Desert Shield, in which she played a major role during the processing of 1,550 Westover Reservists who were mobilized during the Persian Gulf crisis. During the call-up, she helped accomplish the recall of troops, processed troops for mobility and automated the unit's travel orders. Sergeant Payne even finds time to maintain a 4.0 grade point average at Westfield State College, where she is pursuing her CCAF and bachelor's degree. In short, she is an extraordinary soldier, student and neighbor.

I recently had the pleasure of meeting this accomplished young woman. She is an accomplished military professional who has served her country honorably and with distinction. I congratulate her on being named Airman of the Year, and I am proud to represent her in the U.S. Congress.

SALUTE TO RICHARD AND GERI SAMUEL

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. ZIMMER. Mr. Speaker, I rise today to recognize Richard and Geri Samuel, distinguished residents from my home State of New Jersey. Richard and Geri are currently cochairs of Operation Exodus of the Jewish Federation of Central Jersey.

Operation Exodus is a program that is helping Soviet Jews to relocate and begin a productive life. Richard and Geri Samuel have dedicated themselves to ensuring that Soviet Jews who have come to this country can share fully in all the blessings of the United States. Their tremendous spirit of community service represents America at its best.

Mr. Speaker, Mr. and Mrs. Samuel are being recognized for their contribution on October 13, at the annual Bris Avrohom dinner, where they will be the guests of honor. Bris Avrohom is a nonprofit organization that has been serving the Russian Jewish community for the past 12 years. I would like to extend my congratulations to the Samuels and encourage others to follow their fine example.

OCTOBER IS ESCROW MONTH

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to honor the escrow professionals who help millions of Americans achieve homeownership every year.

In particular, I would like to salute the members of the Ventura County Escrow Association, a regional association of the California Escrow Association. The county association has been dedicated to the continuing education and elevation of the escrow profession since 1958.

During that time, it has continually worked to provide the best possible service to the homebuying community and to maintain the highest standards. Escrow officers also play a vital role in business sales, stock transfers, and many other specialty-type transactions.

Mr. Speaker, as October has been designated Escrow Month 1991, I ask my colleagues to join me in honoring the members of the Ventura County Escrow Association and the California Escrow Association for their outstanding contributions and service to the public.

PROTECTION OF TRADITIONAL ACTIVITIES IN GLACIER BAY

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. YOUNG of Alaska. Mr. Speaker, when the Congress passed the Alaska National Interest Lands Conservation Act in 1980, we expanded the existing Glacier Bay National Monument and renamed it the Glacier Bay National Park and Preserve. At the same time, we tried to accommodate the variety of uses that were taking place in the monument, including commercial fishing, subsistence harvest, recreational activity, and the opportunity to tour the bay on cruise vessels.

Unfortunately, over time a combination of Federal policies, legal decisions, and regulatory interpretations have led to commercial fishermen being potentially excluded from Glacier Bay National Park; to subsistence harvester being banned; and to limits on visits by cruise vessels. Thus, the efforts that we in the Congress made to ensure a variety of continued activities in Glacier Bay have been thwarted.

Earlier this year, I introduced two bills to solve the problems dealing with subsistence harvest and cruise vessel visitation in Glacier Bay. I have received a number of comments on those bills. In addition, during the August district work period, I consulted with a number of concerned individuals and groups on how best to address the issues facing us. As a result, I am today introducing a third bill which combines the elements of the original two bills and reflects the comments I have received. I hope that the chairmen of the respective committees to which this bill will be referred will agree to expedite activity on this legislation so that the original intent of Congress can be met.

WE MUST SUPPORT THE PRESIDENT'S DELAY OF THE $10 BILLION LOAN GUARANTEES FOR ISRAEL IN THE NAME OF PEACE IN THE MIDDLE EAST

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. RAHALL. Mr. Speaker, on September 19, 1991 the Washington Post ran my letter to the editor in which I strongly support the President's announced policy to delay for 120 days any congressional action to approve $10 billion in housing loan guarantees for Israel. As my letter states, I am somewhat appalled that Israel and her supporters in Congress and out would jeopardize everything the President has done to bring about a window of opportunity, for the first time in our history, to convene a peace conference among the nations in the Middle East region where, for centuries, strife has been the order of the day.

Having just concluded 2 days of meetings with President Elias Hrawi, of Lebanon, let me assure you that the feeling is very high among Lebanese officials that Lebanon also has a stake in President Bush's desire—indeed the President's awesome resolve—to bring Arabs and Israelis, Palestinians and Syrians—to the conference table on middle east peace talks.

Lebanon, Mr. Speaker, would most assuredly benefit from the successful negotiation of a comprehensive, lasting peace in that region—a peace that recognizes and makes secure the sovereignty of each and every country located there.

Lebanon would like to chance to be Lebanon—in charge and responsible for its own destiny, ultimately free of those other agents who occupy her at various locations—all occupiers there are supposedly concerned for their "national security," but never Lebanon's national security.

Israel premises its demand for the $10 billion on two levels: One on the basis that it represents our proper response to her humanitarian needs, and two on the basis of Israel's national security which they say is what drives them in their incessant, accelerated building of permanent settlements in the occupied territories. In some circles, that is called "having one's cake and eating it too."

On the one hand, Israel continues to resist and and all linkage between a very real possibility of a Middle East peace conference, and their illegal construction of permanent—not temporary—housing settlements for Soviet and Ethiopian Jews in the occupied territories—territories that in international language and understanding do not belong to Israel. On the other hand, Israel has practically stated that they are willing to abort a Middle East peace conference entirely rather than freeze the building that goes on even as we speak, and for which they are seeking the $10 billion in housing loan guarantees now, not 120 days from now. And Israel seeks those loan guarantees without any conditions, such as freezing settlement activity, being attached. Yet it is obvious that if we agree to the loans now, and without conditions, President Bush and Secretary of State Baker may as well shelve forever any hope for bringing off the peace conference, where for the first time in our history Israelis and Arabs would set down together to discuss terms for peace in the region, a long held desire of the Israelis.

Even acknowledging America's long-standing policy of encouraging—indeed demanding—that the Soviet Union grant its Jewish population's request to emigrate to Israel, where on earth is it written that the United States also agreed to underwrite the financing of it?

It is, despite all other arguments, the question of linkage that is at stake when we discourse on the $10 billion in housing loan guarantees. Not solely the question of linkage between the peace conference and the absorption of Jewish immigrants—but the manner of their absorption through illegal resettlement in the occupied territories. The $10 billion if given now will simply give silent approval to complete the process of colonization that has already begun to take root. Let the record show, Mr. Speaker, that Israel has already confiscated nearly 60 percent of the land in the West Bank and Gaza Strip. On a news documentary this past week, an Israeli housing official was quoted as saying that they intend to keep pushing ahead with the settlement activities so that, if the United States and the rest of the world should eventually demand a pullout of the settlements and an end to the occupation, it will by then be so entrenched, so complete, it would cost billions more to dismantle and pull them out and it would cost more than the $10 billion in question today.

But for the sake of argument, let us discuss the very fact that even if the settlements were legal, and not a threat to the peace conference, Israel is not all that good a credit risk. I know that it is widely touted that Israel has never defaulted on a loan from the United States. That is true, but only because when they can't pay, the 1984 Cranston Amendment simply makes sure they receive additional funds from American taxpayers sufficient to make the payments due, or such loans are simply forgiven. Israel is already dependent upon the United States for a minimum of $3 billion a year in economic and military aid. That is almost a given. Israel's annual aid seldom varies from 1 year's foreign aid request to another—it's an entitlement program for Israel. At least $3 billion a year. But that doesn't count all the other incremental funding it receives for various purposes. For example, this year in addition to the $3 billion, Israel has received $400 million in previously released housing loan guarantees, plus the $615 million released right after the war to clean up after the Scud missile attacks, the latter which I supported. Another billion dollars here and there, and the first thing you know you're talking about real money, to paraphrase Everett Dirksen.

For obvious fiscal reasons, the United States has in effect a policy that limits to $25 million any foreign country's request for loan guarantees, because a higher level of debt would not be in the best interests of either the requesting country or the United States. Israel wants $10 billion—400 times the legal limit for the rest of the world. If we send the $10 billion—either now or in the future—the price tag for America, just to administer the loan guarantees, according to anticipated "budget scoring" to be done by the Office of Management and Budget, will cost between $800 million and $2.8 billion. This $800 million to $2.8 billion will be placed on budget—in other words, under the pay-as-you-go spending caps in last year's budget agreement, requiring these funds must be offset by reduced spending elsewhere in the budget. Who wants to decide which domestic program gets cut by up to $2.8 billion in order to just administer the paperwork associated with the $10 billion in loan guarantees? Who indeed wants to discuss a major bailout of $10 billion plus if Israel's weak economy worsens and they default on the loan?

I think in the future the United States will have to remain silent on the human rights of people everywhere if speaking out on their behalf translates into the automatic assumption of U.S. financial responsibility for all their individual and collective future needs—homes, food, clothing, jobs, education. We don't do it for our own homeless, jobless, or otherwise disenfranchised citizenry. Why do it for Israel?

If you want to know how hometown America feels, just read your local home-State newspaper editorials. I commend for your reading the following editorial which appeared in the Charleston Gazette from my State of West Virginia. It too supports the President's proposal to delay the loans, and further it recognizes that there is linkage between the successful bringing about of a Middle East peace conference, and the continued illegal building of settlements—permanent ones—in occupied territories. But the editorial also speaks of the fact that while the U.S. Government struggles with massive Federal deficits—deficits which have kept domestic spending way down on the very kinds of things Israel wants $10 billion for—housing for the homeless and low-income, job training and job creation, and business entrepreneurships for newly settled, highly educated and talented people. Yet Congress has always balked at giving the same full faith and credit of the U.S. Government to our financially strapped cities and States for humanitarian or economic development purposes.

I spoke earlier of the rather cavalier assumption by the Israeli Government that we "owe" them the $10 billion. Is this because they agreed not to retaliate during the Persian Gulf war with air strikes of their own in the face of Scud missile attacks from Iraq? Have they forgotten that as President Bush valiantly kept the Arab coalition together, along with other allied help we were also taking on one of Israel's most dangerous enemies, while protecting her at the same time with Patriot missiles and the soldiers to operate them against further Scud missile attacks. And by the way, the Patriot missiles are still in Israel—the United States did not take them back—and they are there at no charge for Israel's future use for their protection.

The Charleston Gazette editorial asks the same kind of questions others in Congress and across the country are asking. It not only raises questions about our blind and unquestioning past support for Israel and her causes, but also questions whether in fact that has been good for either the United States or Israel over time. And the editorial speaks out on the fact that the United States in its historic kinship with Israel—a fact that is not in dispute here—has made a grave error in endlessly endorsing Israel no matter what, including its commission of acts of oppression against the 1.7 million Palestinians living under harsh military occupation and curfews in lands seized by Israel, but which do not belong to Israel. The editorial sees the link between the Middle East peace conference, and the obvious expectation that "land for peace" will become a relevant negotiating tool on behalf of the Palestinian people. Ten billion dollars in new housing guarantees, if approved now, would amount to tacit approval of Israel's continued illegal confiscation of the occupied lands and would buy them whatever they need to complete resettlement of the Soviet and Ethiopian Jews in those territories.

As a result of the Persian Gulf war, the United States is in a unique position—after centuries of unrest in that region—to try at least to bring about a stable, secure Middle East—for Israelis and the Arabs—through a historic, first-ever Middle East peace conference. That is what President Bush and Secretary Baker have been building toward since the day the Persian Gulf war ended.

Not only must we delay the $10 billion in housing loan guarantees, we must not agree to them even 120 days from now unless conditions are placed on their receipt—namely that a freeze be placed on all new or additional settlement activities in the occupied territories. Only then will peace be given the one chance it has to go forward at the conference table.

President Bush and Secretary of State Baker have valiantly stood their ground and insisted upon giving a peace conference every chance to succeed. We must help them, for the sake of every sovereign state in the region, including Israel, to establish accords that will result in a comprehensive, lasting peace that recognizes human rights of people everywhere without exception.

ISRAEL'S DEMANDS

President Bush is correct in wanting to delay $10 billion in U.S. loan guarantees that would help Israel receive 1 million Soviet Jewish immigrants, many of whom undoubtedly would settle in occupied Arab lands. U.S. funding for this flood of Jews into the volatile Mideast might wreck the peace conference that Secretary of State James Baker has labored mightily to arrange.

Israel's arrogance in this affair is appalling. When the Bush administration declined to grant the loan guarantees, Israeli lobbyists and American Jewish groups asked their backers in Congress to pass the guarantees by law. After Bush threatened to veto such a law, 1,200 officials of U.S. Jewish organizations rushed to Congress to lobby for Israel.

In Israel, right-wing parties urged Prime Minister Yitzhak Shamir to halt discussion of the peace conference until America coughs up the $10 billion. A Cabinet minister accused Bush of being "very close . . . to being an anti-Semite." Nonesense. It isn't begotry to resist being exploited by an ally.

America gives Israel about $5.6 billion a year—nearly $1,300 for every man, woman and child in that nation. American citizens don't get such generous help. The U.S. government is insolvent, expected to run $350 billion in the red next year, which will push the crushing national debt toward $4 trillion. Under such conditions, allies shouldn't be so strident in seeking cash.

We agree with Rep. David Obey, D–Wis, who said Americans are growing resentful of "countries that think they have an automatic entitlement built into the U.S. budget."

America has a historic kinship with Israel that undoubtedly will continue—and this has hurt America. The United States endlessly endorses and supports Israel, even when Israelis commit oppression against the 1.7 million Palestinians living under military occupation in lands seized by Israel in 1967. In the past, this made America a "Great Satan" to much of the Arab world.

It's true that Jews historically have been the most persecuted people on Earth. It's true that, when they first attained a homeland in Israel, hostile Arab neighbors did their utmost to exterminate them. But times have changed. Now Israel is the "heavy" as it holds 1.7 million people in military subjugation and builds more Jewish settlements in their occupied lands.

America should end its one-sided posture in the Mideast as Israel's sponsor. U.S. foreign policy should be equally cordial to all sides in that tormented region. A way to start would be to shelve talk of $10 billion loan guarantees until Israel willingly attends the peace conference and willingly makes concessions to break the cycle of hatred.

TRIBUTE TO ST. JOE'S CHURCH ON ITS 25TH ANNIVERSARY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to St. Joe's Church as it celebrates its 25th anniversary. This momentous occasion takes place October 6 at St. Joe's where festive ceremonies fill the day's agenda.

When Bishop James Malone decreed St. Joe's creation in June 1966, the Reverend John F. Lyons began a mission guiding 750 families in religious and spiritual issues. Since then, St. Joe's has flourished into a parish of over 1,700 families. St. Joe's has stood nobly as a religious and communal monument.

Recently, the Reverend Frederick F. Lukehart succeeded Reverend Lyons as pastor. The parish has been fortunate to be under the guidance of these two worthy leaders, particularly as it enters its 26th year.

Mr. Speaker, it is with great pleasure that I rise on this occasion to congratulate St. Joe's Parish and School on its 25th anniversary.

DON'T NEGLECT INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL AID

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. EDWARDS of California. Mr. Speaker, the long-term success of a United States-Mexico free-trade agreement depends on the prosperity of both nations. To promote that prosperity we must turn to new models for investment.

In an article printed in the Los Angeles Times, our colleague GEORGE BROWN suggests how we have yet to generate and follow innovative development strategies. Our policy has relied on old security assumptions and neglected aid for innovative scientific and technological research programs. Funding of this nature would improve education, advance economic capabilities, and facilitate cooperation.

I commend to you this work by the distinguished chairman of the House Committee on Science, Space, and Technology.

[From the Los Angeles Times, Sept. 11, 1991]

NEW WORLD ORDER, OLD WORLDVIEW

(By George E. Brown, Jr.)

Uncontrolled migration, severe transborder air and water pollution, trade barriers, foreign-policy disputes, the Alamo: The relationship between the United States and Mexico is complex and marked by controversy and misunderstanding. Like Siamese twins constantly trying to move in different directions, the United States and Mexico have never been able to reconcile their ambitions with the fact that they are physically inseparable.

The U.S.-Mexico free-trade negotiations may help to define a range of common goals and thus help create a new, shared vision. But this means that benefits to the United States from free trade cannot come at the expense of Mexico; on the contrary, the ultimate success of the agreement will be tied as closely to Mexico's prosperity as to our own. With the average Mexican worker earning 10% of what a U.S. worker earns, significantly increased trade with the United States hinges on rapid, sustainable growth of Mexico's economy.

In this context, it is impossible to understand the Bush Administration's refusal to provide funds for an innovative program that would establish an endowment for cooperative scientific research with Mexico. The 1991 foreign operations bill included an appropriation of up to $20 million for this program. So far, the State Department has refused to allocate a single dollar.

The Administration has gone out of its way to promote scientific research as the key to solving a wide range of technological, health, energy and environmental problems and at the same time fuel an expanding U.S. economy. The Administration's 1991 budget proposal to Congress justified our $70-billion federal investment in research and development in precisely these terms: "Research and development yields new knowledge, products and processes that, over the long term, result in economic growth and improved quality of life for all Americans.

I couldn't agree more. But if this is true for the United States, isn't it also true for Mexico? Of course it is. After a fact-finding visit to Mexico in 1988, members of the National Academy of Sciences concluded that, unless the steady deterioration of Mexico's research and education system soon was reversed, "the potential contribution of science and technology to Mexico's economic and social development will certainly not be realized."

The U.S.-Mexico research program embodies many of the partnership principles that the President claims to support. A federal investment of $20 million could leverage more than $50 million in program support through matching funds and a "debt-for-science" swap with Mexico.

These funds would be used to create an endowment for the support of joint U.S.-Mexico research on problems of urgent and mutual interest, such as arid-land agriculture, urban mass transit, biotechnology and science education. Furthermore, research could focus on a range of serious environmental problems that we share, such as the severe water and air pollution along much of our 2,000-mile border.

In the longer term, economic growth built on research and development is the key to solving problems of underemployment, immigration and "brain drain" that hinder Mexico's development prospects and generate stress and antagonism between Mexico and the United States.

This program makes so much sense that our ambassador to Mexico, the President's science adviser and the administrator for science at the U.S. Agency for International Development all advised the State Department to support it. It makes so much sense that the Mexican government wants to match—or exceed—any U.S. government contribution to the program.

Why, then, does the administration refuse to fund it? The State Department claims that "pressures on the international affairs budget make it very difficult to provide support." False. This week the department is expected to decide how to reallocate more than $200 million in foreign-aid funds that had been earmarked for Pakistan but must be spent elsewhere because Pakistan refuses to curtail its nuclear-weapons-development program. A small percentage of these funds could easily be devoted to U.S.-Mexico research.

The real explanation lies in the State Department's old world philosophy of foreign assistance, which still views national security in the context of military struggle and a steady supply of imported oil. Department policy refuses to acknowledge that long-term, sustainable economic development cannot exist in nations that lack a vigorous system of scientific and technological research.

The "new world order" envisioned by President Bush requires new world thinking at the Department of State. The benefits of a free-trade agreement will never be fully realized without substantially increased levels of scientific and technological cooperation between Mexico and the United States.

UNFUNDED MANDATES—A BAD WAY TO BALANCE THE BUDGET

HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BARNARD. Mr. Speaker, I rise today to bring to my colleagues' attention two bills I have introduced aimed at halting a continuing strategy of the Federal Government to circumvent budgetary controls on new spending by enacting national policy mandates and then requiring State and local governments to pick up the tab. These bills are H.R. 1546, known informally as the point of order bill, and H.R. 1547, the reimbursement bill.

The tendency is not associated with any one political party or ideological persuasion. Conservatives sometimes support imposing mandates back home as a roundabout way to return domestic responsibilities from Washington. Liberals on occasion see unfunded mandates as the only available avenue for pursuing desirable social objectives. Both in Congress and within the administration, such efforts are often rationalized by comparison of the Federal budget deficit with the more sound fiscal condition of the State and local governments, many of whom are required by their constitution to maintain balanced budgets. With the rash of cities in near-bankruptcy, we clearly must rethink imposing additional burdens on them which will further impair their solvency. Each chain is only as strong as its weakest link and damaging the local treasuries threatens to tear the fabric of the national economy.

Neither bill would flatly prohibit the imposition of new costs—nor is either retroactive—but they would ensure that such actions are not taken without due analysis and debate of the consequences. For example, the budget reconciliation bills of the last several years have imposed massive new costs on our constituents through mandatory expansion of Medicare and Medicaid. These initiatives and many others of the same nature may well be sound Federal policy. My point is that we must face the costs of such policies honestly, and we must not take credit for the good we are doing, while handing someone else the check.I11By way of explanation, H.R. 1546, known as the point of order bill, puts in procedural roadblocks to highlight sometimes hidden costs in bills. H.R. 1546 amends the rules of the House to allow a Member to raise a point of order against any measure, except automatic sequestrations, which in the estimation of CBO would cost State or local governments more than $50 million collectively. Legislation which provides at least a 50-percent Federal match is also exempted. Finally, H.R. 1546 beefs up Budget Committee reports on the impact of the Federal budget resolution on States and localities.I11Second, H.R. 1547, the Intergovernmental Mandate Relief Act of 1991, requires Federal reimbursement for any costs incurred by the State and local governments which exceeds the threshold amount of $25 million nationally as determined by CBO. H.R. 1547 also lowers the amount—from $200 million to $100 million—that triggers a fiscal note report. Both measures may be waived by a two-thirds vote.

Enactment of either of these two provisions would help guarantee that massive new costs to our constituents would no longer be adopted unintentionally or negligently, buried in the fine print of some fast-moving bill.

Some Members may object that this adds yet another procedural requirement to an already overburdened congressional budget process. I would respond that: the fundamental purpose of the budget process is endangered if we fail to recognize efforts to shift costs back to our constituents in the guise of reducing or containing Federal spending. As a former Governor of Georgia, George Busbee, used to say, "You can't save a buck by passing the buck."

H.R. 1546 and H.R. 1547 are strongly supported by the bipartisan National Governors' Association, the National Conference of State Legislatures, and the National Association of Counties. I urge Members from both parties to offer immediate support for these measures, symbolizing a bipartisan commitment to adopt a fresh and honest approach with State and local officials without whom all our efforts toward fiscal responsibilities would come to naught.

MARKING THE ANNIVERSARY OF THE ESTABLISHMENT OF DEMOCRACY IN THE CITY OF ATHENS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BROOMFIELD. Mr. Speaker, today I introduced a House concurrent resolution congratulating the Government and people of Greece and the municipal government and people of Athens, on the occasion of the 2500th anniversary of the establishment of democracy in that city.

This week, Greek citizens, government officials and international dignitaries will gather in the Greek capital to mark the historic beginning of democracy in that notable city.

From those humble beginnings, democracy spread around the world and firmly rooted itself in America, a country that would become the bastion of democracy and a strong advocate of the principles of democracy around the globe.

Recent events in the Soviet Union and former Eastern Europe clearly reveal the triumph of democracy over communism, a system that crushed the human spirit and enslaved innocent human beings. I am proud to say that the new world order will be built on a democratic foundation with justice and respect for human rights as its guiding principles.

These democratic ideals that were born many years ago in that distant land have forged a close bond between the Greek and American people and I congratulate our Greek friends on this truly historic occasion.

I urge my colleagues to join me in congratulating the people of Greece by cosponsoring this resolution.

SUPPORT FOR PEACEFUL SOLUTION TO RENEWED CONFLICT IN IRAQ

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. PACKARD. Mr. Speaker, I rise to voice my strong support of President Bush's continued diligence in bringing about a peaceful solution to the renewed conflict in Iraq. U.S. troops are again mobilized and on alert, yet we wait for a rational signal from Saddam Hussein: That he will release the United Nations inspectors and allow them to do what he agreed to let them do at the close of the Persian Gulf war.

Once again, Saddam Hussein has proven to be a treacherous mercenary against the goal of global peace. In a time of unprecedented upheaval in the world we have also witnessed the resolution of long festering conflicts which were thought by some to be unresolvable. As President Bush noted in his address to the U.N. General Assembly on Monday, in the last 36 months the United Nations. has mounted more peacekeeping missions than during its first 43 years. This is astounding.

In the past few years we have seen the Berlin Wall crumble, destroyed not by tanks, but by a divided people's will to be free and united. The failed coup in the Soviet Union was bloodless, except for the lives of three young men who will forever be remembered for their courage. Communism has been dismantled in its cradle and a new era of existence without the threat of nuclear annihilation has arrived.

Despite these two startling events in the progression toward global peace, the world remains threatened by oppressive and authoritarian governments and leaders. Saddam Hussein is perhaps the worst of these. His unprovoked aggression against Kuwait sparked a war; one which by the historical standards of conflicts was mercifully short; one which nevertheless took the lives of our young women and men in defense of the goal of freedom for all people.

Today, by the order of Saddam Hussein, Iraqi troops detain members of a United Nations team sent to inspect Iraq's nuclear weapons facilities, and more importantly, to fully ascertain the scope of those capabilities. If stability is to ever come to this region, these weapons and Iraq's capability to produce them, must be destroyed. Repeatedly, Saddam Hussein has interfered with inspections he agreed to allow under the terms of the cease-fire last spring. Once again, his belligerent actions threaten to spark a military response from nations who wish to secure peace.

We will all watch, with trepidation and fear, while one man's deranged campaign against his own people, against the world, against peace, forces the international community to again consider a military response. We can only hope that we can facilitate a peaceful resolution; if not, we can only pray that if military action is needed, the tyranny of Saddam Hussein will be ended once and for all.

CENTENNIAL ANNIVERSARY OF SANTA ANA PUBLIC LIBRARY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. DORNAN of California. Mr. Speaker, I am pleased today to call attention to the Centennial Anniversary of the Santa Ana Public Library, located in my district of Orange County, CA.

During the past century, the Santa Ana Public Library, standing on land which was once part of the great Rancho Santiago de Santa Ana, has played a significant role in the community. It has served as a meeting place, a place of learning and growth, and place that has adapted well to change.

During its early years, the library provided local farmers and merchants with a simple source of entertainment and education as well as news of the day. As the years passed and Orange County grew to become a vibrant, ethnically diverse, and culturally enlightened community, the library grew to meet the expectations and needs of its patrons.

Today, the Santa Ana Public Library has three branches and is home to more than 400,000 books, periodicals, and reference materials. A recent remodelling program has added a new children's wing and a Santa Ana history room detailing life on the quiet farms and orange groves that were once a part of Los Angeles County. The library contains a prized California reference center and also boasts a literacy program geared especially for our Vietnamese community. Furthermore, bookmobile programs have been established in English, Spanish, and Vietnamese to increase access to literature and literacy.

The staff and volunteers of the Santa Ana Public Library should be very proud of their accomplishments. Their ability to meet the needs of individuals and adapt to an ever changing community are proof that the library will endure, foster, and grow throughout the next 100 years. Once again, I congratulate this fine institution and wish it a bright and expansive future.

TRIBUTE TO MIKE BARRINGER

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. HALL of Texas. Mr. Speaker, I rise today to pay tribute to Mike Barringer, from my hometown of Rockwall, TX.

In 1989, Mike Barringer developed a program named "First Serve." This program was created to provide shoes to the needy and underprivileged people in Dallas, TX, but since that time, First Serve has expanded tremendously and touched the lives of many deserving people throughout the world.

He started the program by placing some 50 shoe banks around area athletic clubs to which members could deposit used athletic shoes. Volunteers would then be able to easily pickup and distribute the shoes throughout the city of Dallas. Since the start of the program, over 13,000 people in the Dallas area have received shoes.

Keith Harlin, the executive director of the Day Resource Center for the Homeless in Dallas, told Barringer in a letter, "If you could have seen the expressions of our clients when they received their shoes, it would have amazed you. People whose shoes were on their last legs were truly grateful for their new shoes. We believe that the services that you are providing to the homeless and indigent population of Dallas is invaluable."

In a different letter to First Serve, Rev. Jerry Hill of the Austin Street Shelter in Dallas, said, "Gifts such as yours make possible for us to serve the residents of the Austin Street Shelter. Without the prayers and gifts from you and others, our ministry to the homeless could not continue."

Now the program is moving to national and international levels. First Serve has recently obtained endorsement from a network of more than 2,000 athletic clubs located throughout the country and thus a framework within which to expand is already established.

Judge Cameron Gray, founder and president of Orphans of the World, has just returned from El Salvador where he delivered 635 pairs of shoes to orphans there on behalf of First Serve. Gray says of the program, "Your kindness will help to relieve the suffering of the many innocent children who are victims of the war. Thank you for helping me to make the world a better place in which to live."

Mr. Speaker, I commend Mike Barringer and the First Serve organization for their efforts, and I wish to extend a sincere thank you to him on behalf of all Americans for his outstanding contributions and work.

THE UNREPRESENTED NATIONS AND PEOPLES ORGANIZATION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. LANTOS. Mr. Speaker, I would like to call to the attention of my colleagues a newly formed organization dedicated to advocating the cause of peace and stability between peoples and nations.

The Unrepresented Nations and Peoples Organization [UNPO], founded at the Hague in February 1991, is working to provide a forum in which nations and peoples who lack representation in existing international bodies can address vital issues facing them.

Mr. Speaker, the philosophy and goals of the Unrepresented Nations and Peoples Organization are most praiseworthy. These peoples have the right to participate democratically in determining their fate and to pursue their economic, social, and cultural development. Unfortunately, many of the peoples whose representatives participate in this new organization are denied their fundamental human and civil rights and are prevented from exercising their national and cultural rights.

As cochairman of the Congressional Human Rights Caucus, I have constantly emphasized the vital necessity of respect for human rights everywhere around the globe. I welcome the statement in the charter of the Unrepresented Nations and Peoples Organization, which appropriately notes that "the rights of individuals and the collective rights of peoples are inextricably linked," but it also rightfully notes that "many Nations and Peoples are victims of human rights abuses, discrimination, persecution, population transfers, forced assimilation, deprivation of land or other natural forms of violence by States against Nations and Peoples."

Mr. Speaker, it is important that we recognize and respect the human, cultural, religious, civic, and other rights of peoples wherever they live around the world. Only through the recognition of the human rights of all women and men can we hope to achieve stability and peace. In the words of the charter, "an effort is needed to address effectively the legitimate issues raised by unrepresented Nations and Peoples in order to increase stability, and to promote peace based on genuine respect and understanding for one another and for each other's diversity."

Mr. Speaker, I welcome the formation of the Unrepresented Nations and Peoples Organization and wish its leaders success as they embark on their mission of establishing a forum to encourage international respect for human rights and contribute to peace and stability among all nations and peoples.

RECOGNITION FOR THE BALTICS, WHY NOT CROATIA?

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. ANDERSON. Mr. Speaker, 3 weeks ago, President Bush joined most of his European counterparts by officially recognizing the independence of Latvia, Estonia, and Lithuania. With the demise of the Communist Party in the Soviet Union, there remains a single European nation still desperately clinging to the Communist manifesto. That country is Yugoslavia.

The Bush administration has not yet recognized the democratically elected government of Croatia as it strives to achieve independence. By failing to support the seceding republic, President Bush has given a tacit endorsement to the staunchly Communist Central Yugoslavian Government. We have witnessed the aggressive intervention of the Yugoslavian Federal Army and its repeated attacks against the lightly armed Croatian militia. Claiming to be a "buffer" between the warring ethnic groups, the Yugoslav military has bombed and strafed Croatian cities, killed or wounded hundreds of Croatian civilians and militiamen, and assisted in the seizure of nearly one-third of Croatia's territory. These actions, combined with the Central Government's continued refusal to take part in serious peace negotiations, illustrate a desperate attempt by Yugoslavian Communists to cling to their long-held monopoly on political and military power.

Now, as in the past, the relationship between Croatians and Serbians is at once intertwined and adversarial. Geographic lines do not, and cannot, separate peoples who, despite their different ethnic backgrounds, have lived as neighbors for many generations. But this conflict is not so much about ethnic differences as it is political and economic realities. Belgrade's outdated and inefficient Communist government has long relied on the wealth of Yugoslavia's more progressive and prosperous republics, like Croatia. Should the secessionist republics achieve their independence, Serbia would have to confront its own domestic woes, rather than distracting itself with visions of a "Greater Serbia." We should respect Serbia's decision to remain Communist, but we cannot accept its disregard for established borders and aggressive landgrab tactics.

In expectation of the day when this conflict ends, fears of discrimination and retaliation are currently running rampant among both Croatian and Serbian groups. The United States must be sensitive to these concerns, but we cannot allow excuses to sway us from our longstanding and firm commitment to the right of self-determination. At this point, I would not support intervention of any foreign "peace-keeping" forces. However, should the scope and intensity of the fighting continue to increase, I realize that such an unsavory option may become necessary.

The failure of the recent Soviet coup attempt, and the subsequent ouster of Communist hardliners, has left the central Yugoslavian Government without its former ideological supporters. These developments give the United States an opportunity to clearly voice our disapproval of the human rights abuses and denial of basic political freedoms in Croatia. The Croatian people have overwhelmingly demonstrated the ability and will to rule themselves. They have repeatedly expressed their desire to throw off the yoke of Communist Serbia and become contributing members to the European Community. So why has the United States remained silent in the face of such blatant expansion and aggression? Aren't these circumstances similar to those that led us to recognize the Baltic States, and compelled us to go to war against Iraq? America should not be selective with her support for burgeoning democracy. Let's tell George Bush we want to be part of the solution in Yugoslavia. Support United States recognition of the independent republic of Croatia.

A TRIBUTE TO DR. ANGEL ALBERTO LAGO

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to relate the inspiring story of one of my constituents, Dr. Angel Alberto Lago, who arrived in America over 30 years ago from Cuba with his wife, his three sons, and $20 in his possession.

His experience in the United States is similar to those of thousands of Cuban exiles who fled the tyranny of Fidel Castro's Cuba. Through the years, Dr. Lago lived a humble life, working long hours and adapting himself to a new country. He invested his energy and economic resources into a new future for his family, always stressing the importance of a good education. He worked hard, not for personal wealth or fame, but for the well being of his family. His good character and belief in faith, family and a strong education were values which he passed on to his sons.

At 65 years old, Dr. Lago has neither riches nor power. He has had serious health problems which include severe pulmonary and coronary conditions for which he has undergone surgery. Through a pure desire to survive, Dr. Lago has managed to prevail over these hardships. As always, his family by his side, insisting that he not surrender to his chronic health problems.

His recovery will be slow and difficult and despite it all, he knows that he will not be the same person he once was. Nevertheless, Dr. Lago's message of the importance of family, faith, and education will persevere without change.

To honor the man and his message, Dr. Lago's family has formed a scholarship fund in his name at St. Thomas University in Miami. The fund will be known as the "Dr. Angel Alberto Lago Scholarship for International Students" and is designed to help qualified international students continue their studies at St. Thomas University.

Mr. Speaker, it is an honor and privilege to recognize Dr. Angel Alberto Lago and his message of family, faith, and education. His life has shown that a good education is the best legacy we can leave to our children. I would also like to recognize Dr. Lago's family: Elle & Joe (Lago) Delello; Alberto & Sharon (Coburn) Lago; Jesus & Odette (Llorens) Lago; Charles, Sue & Angel (Karrat) Lago.

A TRIBUTE TO MINNESOTA'S PHYSICIANS

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. WEBER. Mr. Speaker, I rise to commend Minnesota's physicians for their commitment to ensuring access to community-based care in rural Minnesota. Dr. Gail Wilensky, head of the Health Care Financing Administration, has announced that Minnesota has met all the criteria necessary for our State to become a "single payment area" for Medicare physician reimbursement. This designation will make it easier for rural Minnesota communities to attract and retain the physicians they need.

Under our current system, Minnesota is divided into three payment areas, two rural and one urban. Urban physicians receive more than their rural colleagues for the same services. Since the elderly are concentrated in rural areas and comprise a larger share of rural physicians' practices, gaps in Medicare payments between urban and rural physicians make it very difficult for rural communities to attract and retain the physicians they need and undermine access to care for all rural Minnesotans.

Achieving designation as a single payment area took a lot of hard work on the part of rural physicians and the Minnesota Medical Association and a lot of unselfishness on the part of urban physicians, whose fees will be somewhat lower than they would have been had we maintained the rural/urban differential.

The Health Care Financing Administration required letters of support from all Minnesota physician groups and organizations, urban and rural, and the support of the congressional delegation.

Of the 33 States which have applied to become single payment areas, Minnesota is the first to be notified that all of the criteria have been met.

I am proud of Minnesota's rural and urban physicians. They have demonstrated their commitment to fairness and to access to care for all Minnesotans. They put the patient first.

TRIBUTE TO BRONX BAPTIST CHURCH

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SERRANO. Mr. Speaker, I rise today to bring to your attention the many accomplishments of the Bronx Baptist Church during the past 25 years of its service to the community.

Since its dedication as a chapel on November 6, 1964, the Bronx Baptist Church has sought to assist the Bronx community, by bringing people together under the same house of worship to strive for a better way of life.

When Rev. D.A. Morgan, pastor of the First Baptist Church in Brooklyn envisioned a ministry in the Bronx, he initiated a series of events that would unite supportive and dedicated members of the church in the community. The chapel's home, a small two-family house at 2024 Honeywell Avenue, served both as the chapel's initial gathering place, and as the base for the chapel's expansion into the community.

Having the interest of the community at heart, the Bronx Baptist Church embarked on a zealous campaign to attend to the educational, spiritual and social needs of the community. In less than a year the church established three auxiliaries—The Women's Missionary Union, The Brotherhood, and the Training Union, to carry out their mission.

On November 6, 1966, the Bronx Baptist Church chapel, with an enrollment of 64 members, was constituted as a church. Under the leadership of Rev. Samuel Simpson, who has guided the Bronx Baptist Church since its creation, and currently resides as its pastor, the church relocated to its present address at 331 East 187th Street.

Since its inception, the Bronx Baptist Church has continued on its vigorous mission to assist the Bronx community. The 450 current members of the church exemplify the successes it has achieved in speaking to the needs and aspirations of our community.

On behalf of the Bronx community, I would like to congratulate the Bronx Baptist Church on this, their 25th anniversary, and thank the church for its commitment to improve the status of our community. I look forward to having their continuing presence in the Bronx for many years to come.

RAYMOND V. HAYSBERT, SR.: NATIONAL MINORITY ENTREPRENEUR OF THE YEAR

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. MFUME. Mr. Speaker, I rise to honor a distinguished citizen of the Seventh Congressional District of Maryland. Today, Mr. Raymond V. Haysbert, Sr., the president and chief executive officer of Parks Sausage Co., will receive the National Minority Entrepreneur of the Year Award, from the Minority Business Development Agency.

The National Minority Entrepreneur of the Year Award is presented to the outstanding minority businessperson who has demonstrated a special leadership style and overcome the traditional obstacles that prevent many minority enterprises from fully reaching their developmental potential.

I am proud to say that Ray Haysbert has been my friend and an ardent supporter for many years. Millions of Americans know of Ray's company. Anyone during the last 25 years who has heard the slogan, "More Park's Sausages Mom, Please!" knows the work and commitment of Ray Haysbert.

Mr. Speaker, Ray Haysbert is a multitalented man dedicated to his community and the city of Balitmore. In 1990, Parks Sausage Co. moved into a new $10 million state-of-the-art headquarters in the Park Circle Industrial Park complex in Baltimore. This complex serves as the hub of commercial expansion in this part of Baltimore.

Consistently, Ray Haysbert has kept Parks Sausage among Black Enterprise magazine's listing of top 100 black-owned businesses. Additionally, he is a life member of the National Association for the Advancement of Colored People, serves on the board of Bell Atlantic Corp., and has been instrumental in the fine work of the President's roundtable.

Ray Haysbert has lectured on business at Morgan State University and the University of Maryland for more than 17 years. Hundreds of business students throughout my district can attest that Mr. Haysbert definitely contributes to the community from which he came.

In closing, Ray Haysbert, I thank you for being my friend, my supporter, and my constituent. May God continue to guide you as you continue to set the standard for businesspeople nationwide.

A TRIBUTE TO DANTE AND JEANNE-MARIE FASCELL

HON. LAWRENCE J. SMITH

OF FLORIDA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SMITH of Florida. Mr. Speaker, we deem it a high honor and a great pleasure to pay tribute today to one of the most distinguished Members in the history of the House of Representatives, the Honorable DANTE B. FASCELL from the great State of Florida. DANTE FASCELL is a man whose entire life has been dedicated to the virtue of public service to his community and his country.

It is especially fitting that we pay tribute to him this week, the 50th anniversary of his marriage to Jeanne-Marie Pelot. As you can read in the Miami Herald article that follows this extension, their union is truly something special.

DANTE and Jeanne-Marie met when he was a University of Miami student. DANTE, on a music scholarship, a clarinet player, met Jeanne-Marie while they were trying to arrange a dance between his fraternity and her girls club. They continued to date once he graduated and as DANTE began a law practice until 1941, when it was apparent that DANTE's Florida National Guard unit was going to be called to active duty. They were married shortly before DANTE went to war.

DANTE spent 5 years in the U.S. Army where he fought in the African, Sicilian, and Italian campaigns. He was discharged as a captain and came back to the United States in 1946, and DANTE and Jeanne-Marie have not been apart since.

Furthermore, this week also marks another milestone for DANTE FASCELL. Tonight DANTE'S alma mater, the University Of Miami Law School, pays tribute to DANTE for his career in public service and his contributions to the community. It has been, and continues to be, a career of singular distinction.

After working first as an aide DANTE became an elected member of the Florida House of Representatives in 1950. In 1954 DANTE ran for Congress at the age of 37. Urging the south Florida voters to "Ring the bell for Dante Fascell," DANTE was elected to the first of his 19 terms.

In Congress, DANTE has always been a tough fighter for his constituents and those in need throughout the country. From his early days as one of the visionary supporters of school integration to his recent triumphs over those who want to drill for oil in the environmentally sensitive Florida Keys, FASCELL has been a standard bearer of the highest order in the Democratic Party.

But our colleague has also always been a true democrat with a small "d."He fought to move congressional committees and executive agencies meetings from smoke-filled closed rooms to public forums. He fought to ensure that the President adhere to congressional spending decisions. And he coauthored one of the great democratic pieces of legislation of the 20th century; the War Powers Act of 1973.

But it has been in the arena of foreign policy where DANTE has truly made a legendary contribution. As chairman of the Foreign Affairs Committee DANTE has fierce belief that the Congress has an integral role to play in this Nation's foreign policy decisions. This determination to solidify Congress' foreign policy role has been demonstrably clear in this era of international change. From his desire to aid the emerging democracies of Eastern Europe to his duty of producing authorizing language to the United States foreign aid programs, to his vow that the House debate, vote, and share responsibility for the decision to go to war against Iraq, DANTE has extended and defined Congress' foreign policy role.

Thus, it is fitting that we recognize the contribution Congressman DANTE FASCELL has made. The Nation is richer for his work, and we hope that DANTE continues to grace us with his service for many years to come. His fellow Members salute this humanitarian, the consummate public servant and statesman, during this time of celebration and tribute.

[From the Miami Herald, Sept. 9, 1991]

ON THEIR 50TH, FASCELLS PROVE MARRIAGE HAS STAYING POWER

(By Paul Anderson)

WASHINGTON.—Around the Capitol, he's called "Mr. Chairman," and he's regarded as the top expert on foreign policy in the House of Representatives.

At home, he's "Grandpop Dante," and he frequently hears political dissent from members of his family.

Dante Fascell, the 74-year-old Democratic congressman from South Dade, delights in both roles. And he says with certainty that he couldn't survive either one without the support of Jeanne-Marie, the woman he married 50 years ago today.

Interviewed in advance of a party their daughters have planned for Saturday night at Signature Gardens in West Dade, the Fascells said there is no secret that has made their marriage work.

To manage a political career, he said, "You have to have a very loving and tolerant wife and family. I've been very fortunate."

With a deadpan look, she said, "I don't see where it's any different than staying married to somebody who runs a grocery store or any other family business. The hours are about as erratic.

Then, with a smile: "It's just easier to stay married than go through the mess of splitting up. That's too expensive."

Daughter Sandra Diamond, a lawyer in Clearwater, said her parents "are really committed to each other and have a great deal of respect for each other. And they both have tremendous senses of humor that have carried them through a lot of situations."

She's amazed that their lives are busier than those of people 10 or 20 years younger.

"My parents have more energy than I can believe," Diamond said. Her law practice involves estate planning for West Coast retirees, she said, " and I have an incredible deal of difficulty realizing that my parents are in the same age category as most of my clients."

Dante B. Fascell and Jeanne-Marie Pelot met as students. His University of Miami fraternity was trying to arrange dates for a social, and the guys sought out the girls' club of which she was president. Their friendship grew at weekly dances. A music major before he entered law school, he played clarinet in a band.

They continued to date while he started a law practice; then, in January 1941, his Florida National Guard unit was called to active duty-supposedly for a year. In September, when it became clear the unit was to be shipped into action from its training base in Galveston, Texas, he called home.

"If we're going to get married, you better get out here," he announced in his typically blunt style.

The hectic lifestyle they've maintained for 50 years was established at the outset: Their weekend honeymoon in Houston was cut short by a hurricane.

He launched his political career by getting elected to the state Legislature in 1950. She reared their three children, son Dante Jon and daughters Sandra and Toni. (Today the Fascells have three grandchildren, 13-year-old Brian Diamond, 10-year-old Sarah Diamond and 6-year-old Stacy Strother.)

The family "only did a small amount" of campaigning, Diamond said, although she remembers standing outside the Orange Bowl on Friday evenings before University of Miami football games, "shaking a lot of hands."

After he won election to Congress in 1954, the family fell into a pattern of moving twice a year: north from Miami to Washington in January when Congress went into session, south in the summer when Congress adjourned. As the children got older and Congress expanded to year-round sessions, the Fascells decided to let the children spend their entire school year in Miami.

That meant the congressman commuted on weekends, although the Fascells took their children to the White House and other locales for congressional family receptions. But, Diamond said, "I'm not sure it was really glamorous."

"Oh, I don't think you ever get over the excitement of going to a party at the White House," Jeanne-Marie said, noting that George and Barbara Bush have been far nicer to the Fascells than were Ronald and Nancy Reagan.

With the power and popularity, there has been pain.

Fascell was chairing a committee hearing on Feb. 9, 1984, when aides broke the news that his son had been killed in a head-on crash on the Seven Mile Bridge in the Keys.

PARTY'S NO SURPRISE

To accommodate her parents' busy schedules, Diamond said she and her sister have been planning Saturday's anniversary party for nearly three years. It's not a surprise, because they needed to get their parents to commit to a date.

"You usually can't get my parents to commit to next weekend,' she said. Friends and family from across the country are coming for the party.

Other than the party, they have no plans for a private celebration. "Hell, we don't have time," Fascell said.

THE 150TH ANNIVERSARY CELEBRATION OF PENN TOWNSHIP, BERKS COUNTY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. YATRON. Mr. Speaker, I rise today to honor the 150th anniversary celebration of Penn Township, which is located in the Sixth District of Pennsylvania.

In 1838, a group of Berks County citizens petitioned the local court to allow them to form their own township in order to improve local government. Despite the disapproval of their original request, the petitioners did not give up. Two years later, they proposed a new plan, which gained the court's approval in 1841, making Penn the 31st township formed in Berks County. The citizens decided to name their new township Penn, in honor of William Penn, the founder of Pennsylvania.

Today, Penn Township is a fast-growing area which retains its original beauty and rural charm. It is known for its warm-hearted friendly citizens. It is the home of the boat launch for the incomparably gorgeous Blue Marsh Lake. It is a paradise for hunters, fishermen, and boaters.

On September 29, 1991, Penn Township will commemorate the 150th anniversary of its founding with a speical celebration and community day. The occasion will feature the township's two local fire companies, and open house of the municipal facilities, food, games, and entertainment.

Mr. Speaker, it is with great pleasure that I salute Penn Township for its fine contributions to Berks County over the last 150 years. I congratulate the residents, officials, and friends of the Penn Township for their rich historical tradition and wish them continued success and good fortune in the future.

A TRIBUTE TO THE "SUNSHINE LADY"

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is with great pleasure that I recognize south Florida's only publication written exclusively by and for women, the Sunshine Lady, the Journal of Florida's Modern Woman. The tabloid sized journal is dedicated to providing news and information to decisionmaking women throughout the south Florida area.

In its second year of publication, the Sunshine Lady has expanded its editorial staff and elevated the quality of its contents to a point where it has been described as a cross between Working Woman, Lear's, and Vogue magazines. The journal has a fine tradition of cultivating prestigious, professional guest writers to submit feature articles along with information on topics of local, regional, and national interest.

Funded by the advertising dollars of numerous corporate sponsors on the local, regional, and national level, Sunshine Lady will continue its monthly distribution on to upscale office buildings, retail stores, and high-traffic public locations.

I am honored to congratulate Ms. Bonnie Walder editor/publisher of the Sunshine Lady for her success in providing a forum for south Florida's professional women to express their views and gain valuable information. With its loyal readership, the Sunshine Lady will continue to shine in south Florida.

A FLOOD OF PRAISE FOR PARK SERVICE EMPLOYEES

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. ATKINS. Mr. Speaker, I rise today in recognition of six employees of the National Park Service at the Lowell National Historical Park in Lowell, MA. Park Rangers William Burke, Walt Gibson, Kathy Hanley, Greg Jones and maintenance workers Arthur White and Juan Rivera rose above and beyond the call of duty in rescuing historic quilts from a flood in the neighboring New England Quilt Museum.

On Sunday, August 11, the New England Quilt Museum, founded 4 years ago by the New England Quilters Guild, suffered a flood of major proportion. A torrent of waste-water streamed relentlessly into the basement of the restored mill building, which the Quilt Museum occupies.

Responding to a call for help, these six National Park employees rushed to the scene from the Park Visitor Center and, without hestitation, plucked the 22 treasured quilts from the gallery walls, collected them in plastic bags, and passed them in bucket-brigade fashion to a safe station in their Park Service conference room. Some of the quilts were over 150 years old and very fragile.

Had it not been for the quick action and sensitivity to historic and cultural preservation which these individuals displayed that Sunday in Lowell, this distinguished collection could have been a total loss. Instead, these beautiful quilts, given to the museum by families from the six New England States, have survived as part of every American's heritage.

So, Mr. Speaker, I ask that you join me today in recognizing William, Walt, Kathy, Greg, Arthur, and Juan for a job superbly done.

A TRIBUTE TO MR. AND MRS. CARDONE

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. FOGLIETTA. Mr. Speaker, Mr. Michael Cardone, Sr., and his wife, Frances, will be celebrating their 50th wedding anniversary on September 28, 1991. It is with great pleasure and admiration that I rise today to congratulate Mr. and Mrs. Cardone on the occasion of their golden anniversary.

The Cardone's are a living testimony to the promise of the American dream. As a husband and wife team, they worked together in a small basement shop, remanufacturing auto parts. Today, M. Cardone Industries, A-1 Remanufacturing Co., has spread throughout the city, and is one of the largest individually owned automotive remanufacturing companies in the United States, employing over 1,000 people in the Delaware Valley area.

The Cardone's take great pride in their faith as well, and have dedicated their lives to making their city and country a better place to live.

Over the years, the Cardone's have developed many long-lasting friendships, and have achieved the greatest respect and admiration in their neighborhood and community. Those that know the Cardone's well will always attest to their compassion for others, and their love for each other. I am extremely honored to joint the Cardone's son, Michael, their six grandchildren, their family, and their friends in celebrating the 50th anniversary of Michael and Frances Cardone.

BEST WISHES TO LT. GEN. HARRY SOYSTER, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. SHUSTER. Mr. Speaker, this week, Lt. Gen. Harry Soyster is departing from the Defense Intelligence Agency and retiring from the Army. I do not want the occasion to pass unnoticed. For not only have I enjoyed very cordial relations with him as ranking Republican on the House Intelligence Committee, but also I am proud to count him as one of my constituents from Pennsylvania.

General Soyster epitomizes what a general should be, one who truly attends to the needs of all his men and women—regardless of their rank. His stature and bearing befit a general, and he made his mark in the field as an inspirational leader.

Originally an artillery officer, the general demonstrated his versatility and savvy when he undertook his intelligence responsibilities. His last several years heading DIA spanned tumultuous events. Economic difficulties at home and changes in both Eastern Europe and the U.S.S.R. prompted new questions about intelligence missions and budgets.

At the same time, however, military action in Panama and the Persian Gulf tested our existing capabilities and, in the latter case, strained them. Gen. Norman Schwarzkopf has praised DIA's performance during the gulf war, and I am sure this is one of the more satisfying accolades that General Soyster will take with him.

His decision to begin reorganizing DIA was prescient. But Pentagon officials and Congress thought this was such a good idea that they, too, got into the act. What we have at the moment, therefore, is competing theories and mass confusion. This doubtless will be sorted out over the coming months and during the next authorization cycle. But it would be understandable if General Soyster feels some fortuitous relief in bowing out now.

General Soyster held the agency together during this transition period, executed crisis and war functions well, and maintained good relations with the legislators who control DIA's budget. He effectively promoted the enactment of needed nonofficial cover authorities for Defense Department human intelligence collection activities.

For all of these things and for his personal qualities he will be remembered. We sincerely wish him health, happiness, and fulfillment in his retirement.

COMMEMORATING THE 50TH ANNIVERSARY OF THE WARRINGTON TOWNSHIP LIONS CLUB

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. KOSTMAYER. Mr. Speaker, in October 1941, a group of men from the Warrington Township set out to establish a Warrington unit of Lion's International. Primarily interested in the welfare of their community and its inhabitants, the men received their charter on December 7, 1941, the same day as the now historic Pearl Harbor Day. Since that date, the Warrington Lions Club has been a leader in service to their community by providing outstanding service to those less fortunate than ourselves and to the blind and sight handicapped. Now, on its 50th anniversary, I would like to pay tribute to this organization's outstanding service to its community.

Many charities have benefited from the Warrington Lion's fundraising efforts. Worthy organizations such as the Delaware Valley Eye Bank, the Philadelphia Hearing Society, and the Leader Dog Program are recipients of the club's generosity. Their donation of $500 to Norm Leventhal, a 30-year member of the Warrington Lions Club and founder of the Israel Guide Dog, is a recent example of the club's continuing effort to reach out to the Warrington community. Thanks to this donation Mr. Leventhal will be able to train Israelis in the use of guide dogs.

Mr. Speaker, I would like my colleagues in the House of Representatives to join me in congratulating the Warrington Lions for their 50 years of service and extend a sincere thank you for the tremendous work they have done for the Warrington community. Their work and dedication is greatly appreciated.

RECOGNIZE UKRAINIAN INDEPENDENCE NOW

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. BONIOR. Mr. Speaker, I would like to share with my colleagues a statement I sent to a rally held in Lafayette Park last weekend:

August 24, 1991, will forever remain in the hearts and souls of Ukrainians around the world as the glorious realization of a long and difficult struggle for freedom.

Over the years, the Ukrainian people remained undaunted in the quest to assume their rightful place among the free nations of the world. Ukraine exemplifies the triumph of the human spirit over tyranny.

Now is the time to recognize Ukraine as an independent nation.

Let your voices ring out, let your flags wave, let the people across the street, in the White House know that we demand recognition of Ukrainian independence, and that we demand it now.

We must not hesitate. The world is rapidly changing and we must make every effort to help establish democracy and freedom.

For many years, I pushed the State Department to establish a consulate in Kiev. It's time to turn the consulate into an embassy.

I am pleased that the Ukrainian community stands united on this issue. Our voices must and will be heard in Washington, Chicago, Los Angeles, and around the world.

IN HONOR OF COL. MARTY T. RUNKLE ON THE OCCASION OF HIS RETIREMENT FROM THE U.S. AIR FORCE

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to Col. Marty Runkle, who is retiring from the U.S. Air Force after more than 24 years of dedicated service.

Colonel Runkle was educated at the University of Virginia where he received his B.S. in aerospace engineering. He has also received an M.B.A. from the University of Dayton and has completed study at the Industrial College of the Armed Forces, Air Command and Staff College, and the Defense Systems Management College.

His military record portrays a career filled with accomplishments in a variety of major Department of Defense programs. Among them, Colonel Runkle served as the Joint Chiefs of Staff program manager for the space-based Missile Warning and Surveillance Program and other classified space systems and as the Air Force program element monitor for the Defense Meteorological Satellite Program. Also, as program director of the NAVSTAR Global Positioning System Joint Program Office, the Department's largest satellite and avionics acquisition program with an annual budget of $600 million, he oversaw the transition from the developmental stage to an operational system that contributed significantly to our success in Operation Desert Storm. In 1990, he was honored as Program Director of the Year by the Air Force Association and the Air Force Systems Command.

It is a pleasure to congratulate Col. Marty Runkle on his exceptional service to our country and to extend heartfelt good wishes to him and his lovely wife, Corinne, for much success in the years ahead.

HAPPY BIRTHDAY, EDNA DUMAS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Edna Dumas who will be celebrating her 90th birthday on September 29, 1991.

Edna Dumas was born in 1901 to Arthimise and Joseph Gavin. Edna attended St. Ann's School and the Social St. School. At the age of 14 she went to work at the Social Mill.

At the age of 21 Edna Dumas married William H. Dumas. She gave birth to the first of her 13 children at the age of 22. Edna and Bill had seven girls and six boys. In 1941 Edna and Bill Dumas realized their dream of owning a house. In 1948 they purchased the Quality Lunch, at which all the chidren were employed in various capacities.

In 1955 Bill Dumas became ill and Edna cared for him until his death in 1971. She has also outlasted three of her sons, Ralph, Frank, and William.

At age 90 Edna Dumas continues to remain active. She cooks for her son, who is now the owner of the Quality Lunch, and she babysits for her great-grandchild. Please join me in wishing Edna Dumas health and happiness on her 90th birthday celebration.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 26, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 27

9:30 a.m.

Armed Services

To hold hearings on the nomination of Colin L. Powell, USA, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general.

SR-222

Governmental Affairs

To hold hearings on consumer protection issues at the Food and Drug Administration, Department of Health and Human Services.

SD-342

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on the nominations of David J. Ryder, of Virginia, to be Director of the Mint, Department of the Treasury, Russell K. Paul, of Georgia, to be an Assistant Secretary of Housing and Urban Development, and Shirlee Bowne, of Florida, to be a Member of the National Credit Union Administration Board.

SD-538

Finance

Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee

To hold hearings on S. 1364, to revise the Internal Revenue Code of 1986 to simplify the application of the tax laws with respect to employee benefit plans.

SD-215

SEPTEMBER 30

10:00 a.m.

Finance

Health for Families and the Uninsured Subcommittee

To resume hearings on proposals to reform the health care system, focusing on ways to control health care costs and improving access to health care coverage.

SD-215

OCTOBER 1

10:00 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Judiciary

To hold hearings on pending nominations.

SD-226

2:30 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 452, to authorize a transfer of administrative jurisdiction over certain land to the Secretary of the Interior, S. 807, to permit Mount Olivet Cemetery Association of Salt Lake City, Utah, to lease a certain tract of land for a period of not more than 70 years, S. 1182, to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, S. 1183, to reduce the restrictions on the lands conveyed by deed to the city of Kaysville, Utah, S. 1184, to direct the Secretary of the Interior to conduct a study to determine the nature and extent of the salt loss occurring at Bonneville Salt Flats, Utah, and how best to preserve the resources threatened by such salt loss, and S. 1185, to disclaim or relinquish all right, title, and interest of the United States in and to certain lands conditionally relinquished to the United States under the Act of June 4, 1897 (30 Stat. 11, 36).

SD-366

OCTOBER 2

9:30 a.m.

Governmental Affairs

To hold hearings to examine government regulation of reproductive hazards.

SD-342

Special on Aging

To hold hearings to examine Medicare's responsiveness to older americans concerns relating to provider fraud and abuse and the manner in which carriers assign and maintain Medicare provider numbers for persons and entities who wish to participate in the program.

SD-628

Joint Economic

Education and Health Subcommittee

To hold hearings to examine ways to reform the American health care system.

Room to be announced

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of Ming Hsu, of Arizona, to be a Federal Maritime Commissioner; to be following by a hearing on the nomination of Arthur J. Rothkopf, of the District of Columbia, to be General Counsel of the Department of Transportation.

SR-253

2:00 p.m.

Energy and Natural Resources

To hold hearings on the nominations of Elizabeth Anne Moler, of Virginia, and Branko Terzic, of Wisconsin, each to be a Member of the Federal Energy Regulatory Commission, Department of Energy.

SD-366

OCTOBER 3

9:30 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine organized crime activities in Asian communities.

SD-342

Rules and Administration

Business meeting, to mark up S. 289, to authorize an extension of the National Air and Space Museum at Washington Dulles International Airport, S. 1345, National Film Preservation Act, S. 239, to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in Washington, D.C., and H. Con. Res. 172, providing for the printing of a revised edition of the booklet entitled "Our American Government.

SR-301

2:00 p.m.

Foreign Relations

To hold hearings on the nominations of Richard Clark Barkley, of Michigan, to be Ambassador to the Republic of Turkey, James F. Dobbins, of New York, to be U.S. Representative to the European Communities, with the rank of Ambassador, and John Christian Kornblum, of Michigan, for the rank of Ambassador during his tenure of service as Head of Delegation to the Conference on Security and Cooperation in Europe (CSCE).

SD-419

Judiciary

Courts and Administrative Practice Subcommittee

To hold hearings on S. 1569, to implement the recommendations of the Federal Courts Study Committee, and to establish an intercircuit conflict resolution demonstration program and the National Commission on Federal Criminal Law.

SD-226

OCTOBER 4

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings to examine the status of Great Lakes Federal programs.

SD-342

OCTOBER 8

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings to examine whether the Federal government is making environmentally conscious decisions in its purchasing practices.

SD-342

11:00 a.m.

Foreign Relations

To hold hearings on the nomination of David A. Colson, of Maryland, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, and on the International Convention on Salvage, 1989 (Treaty Doc. 102-12), and the International Convention on Oil Pollution Preparedness, Response and Cooperation (Treaty Doc. 102-11).

SD-419

OCTOBER 17

9:30 a.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings on implementation of the Department of Energy's joint venture program for renewable energy.

SD-366

OCTOBER 23

9:00 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the Report of the Commission on the Future Structure of Veterans Health Care.

334 Cannon Building

9:30 a.m.

Governmental Affairs

To resume hearings to examine the employment and promotion opportunities in the Federal Government for women and minorities

SD-342

HOUSE OF REPRESENTATIVES—*Thursday, September 26, 1991*

The House met at 10:00 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We celebrate all Your gifts, O God, and pray that we will gain insight into Your will for us. Give us a new understanding of the meaning of justice between people and a desire to do the works of justice. Give us the strength, gracious God, to stand on the side of right, to speak for truth and fairness, and with all our heart to turn away from any intolerance. As You have created us to be one people living together in peace and respect, so may we express that unity in our words and deeds. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Colorado [Mr. SKAGGS] will please come forward and lead the House in the Pledge of Allegiance.

Mr. SKAGGS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 862. An act to provide for a demonstration program for voir dire examination in certain criminal cases, and for other purposes;

S. 865. An act to provide for a demonstration program for voir dire examination in certain civil cases, and for other purposes;

S. 1699. An act to prevent false and misleading statements in connection with offerings of government securities; and

S. 1754. An act to amend the U.S. Commission on Civil Rights Act of 1983 to reauthorize the Commission, and for other purposes.

ONE MAN'S REPORT ON UNEMPLOYMENT

(Mr. WISE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, apparently the President has referred to the unemployment bill as 'garbage.' That is what the newspapers report.

I wish he had met Roy on Friday. Roy stopped me in the parking lot of a fast food restaurant, a Burger King. He was driving by in his truck, and he stopped and got out. He was neatly dressed. Do you know what he was doing? He was out looking for work.

He lost his manufacturing job in March, along with 300 others, but he has not stopped. He is not asking for benefits; he is not asking for a handout. He wants to work.

Mr. Speaker, he said, "What's wrong with the President? Why won't he sign this bill?"

Roy recognizes that we can talk about growth and economic development, but economic development starts at home. It starts by helping working families like the one Roy heads up to be able to keep the mortgage payments going, to keep the children in school, and to make the payments they have to make so he can go back and get into the work force. They invested in this country, and they ask for some return.

Incidentally, Roy said:

> You know, I am having trouble. I am making the mortgage payments, we are making the car payments, but writing that tuition check to keep our child in college is really causing some problems.

He is doing it, Mr. Speaker, but he is not garbage, and this bill is not garbage. This House and this President need to pass unemployment compensation.

WHAT THE PRESIDENT REALLY SAID

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, in the last couple of days we have had several Members come to the House floor, including members of the Democratic House leadership, saying that the President of the United States called the unemployment benefits bill garbage.

I know that the House rules prevent me from saying that those Members are lying, so I will not say that, but I will say, as Winston Churchill once said, that they are guilty of terminological inexactitude.

I have here a copy of the President's remarks that he made in New Jersey. I am going to read to the House what the President really said, and I quote:

> And I'm a little tired of hearing Democrats say we have no domestic agenda. The problem is their domestic agenda is to crush our domestic agenda. They're doing nothing but griping—refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills.

There is no mention of unemployment in the paragraph before, and there is no mention in the paragraph after. In fact, the only mention of unemployment is in some paragraphs down where he mentions the fact that some unemployment bills should also be paid for.

Mr. Speaker, this is an absolutely irresponsible approach, to come to this floor and make accusations against the President of the United States for words he did not say. I expect Members who have done so to come to the floor and apologize to the President for what they have said, but I do not think they are responsible enough to do so.

UNITED STATES RECOGNITION SOUGHT FOR THE NEW REPUBLIC OF ARMENIA

(Mr. MCNULTY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MCNULTY. Mr. Speaker, last Saturday I was in Armenia, and I witnessed history. In the first referendum in the Soviet Union since the failed coup attempt, the people of Armenia went to the polls in record numbers and voted for independence. More than 90 percent of the people of Armenia over the age of 18 participated in that election, and more than 90 percent of those who participated voted for independence.

Since the United States of America has set itself up as the beacon of freedom and democracy for all the world, we should be the first, Mr. Speaker, to step forward and recognize the independence of Armenia. After we do that, I hope the United States will also proudly step forward and sponsor membership in the United Nations for the new State of Armenia.

Mr. Speaker, I hope the United States and all the freedom-loving people of the world will gather together and, like the Armenian people, proclaim: "Getseh azad angakh haiastan"—long live free and independent Armenia.

WHILE CONGRESS DEBATES, SMALL BUSINESS IS SOLVING THE CHILD CARE PROBLEM

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, small businesses will generate nearly 75 percent of the new jobs in this country over the next 25 years.

Because many of these jobs will be filled by working parents, child care will become one of the most pressing issues facing our country.

A recent report issued by the nonprofit Child Care Action campaign suggests that while we, in Congress, have been debating the merits of mandating child care benefits, small businesses have been finding innovative ways to meet the child care needs of their employees. What a familiar theme. While Congress looks to bureaucrats to solve a problem, small business gets the job done.

My colleagues, the answer to our child care and other social-economic problems is not Government mandates. Mandates will only destroy small business jobs.

Incentives are what small businesses need to meet the evolving interests of their employees—incentives that will create the jobs we so desperately need.

My colleagues, it is easy to say that you are all for small businesses and the jobs they create. But it's how you vote that really counts.

□ 1010

REPUBLICANS LEADING NATION IN DIRECTION OF IRRESPONSIBLE POLICY

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, the gentleman from Pennsylvania [Mr. WALKER] just came into the well in some kind of a tirade about the depiction of the President's remarks calling the legislation on unemployment put forth by the Democrats as garbage.

Clearly we see a story under the Associated Press where "Bush defended his domestic policy, calling Democratic legislation on unemployment benefits garbage."

This has been reported in the media rather extensively and has not been denied by the White House. For the gentleman from Pennsylvania [Mr. WALKER] to suggest that it is irresponsible to quote the President of the United States after it has been widely reported and not retracted by the White House, is in fact outrageous.

I will tell the gentleman from Pennsylvania [Mr. WALKER] what in fact is irresponsible: It is his vote against the unemployment legislation and the inability of this President to come to grips with the trauma that millions of American families are feeling as a result of falling off of the unemployment system after they have lost their job through no fault of their own.

That is what is irresponsible, and your party and your President are leading this Nation in the direction of that irresponsible policy.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. No, I do not yield.

REPUBLICAN APPROACH TO UNEMPLOYMENT BENEFITS IS FISCALLY RESPONSIBLE

(Mr. HUNTER asked and was given permission to address the House for 1 minute.)

Mr. HUNTER. Mr. Speaker, let me answer the gentleman from California [Mr. MILLER] who just made a statement on the floor concerning the President's speech. Let me answer not by making a denigration of the President, but rather by quoting his real remarks. He said the Democrats are, "refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills."

He did not say that he was against an unemployment bill. He said regarding an unemployment bill:

> Right now in Congress there's some debate on how to help the unemployed whose benefits have run out. The Democrats want us to pass a bill and simply not pay for it, push it over onto future generations. And our approach, the Dole substitute it's called, helps the unemployed—they get the extended benefit—but pays for the program. And this approach—their approach adds to an already humongous deficit, and ours does not. Ours pays as you go and takes care of those who are in need. And that is the fundamental difference between the Republicans and the Democrats.

Mr. Speaker, once again, the President supports a responsible unemployment bill.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I think it is well to point out if we could that the gentleman from California [Mr. MILLER] quotes from the AP story, not from the transcript of the President's speech. I quoted from the transcript of the President's speech. The gentleman seems to want to quote from news stories that may or may not be accurate.

Mr. HUNTER. Mr. Speaker, reclaiming my time, let me just say one thing. Members on the Democrat side and the gentleman from California [Mr. MILLER], who just spoke, I think we owe it to the President to accord him the same dignity and the same comity that we accord each other in this House. When one Member gets up and makes a statement on the RECORD, and the quote is mistaken by somebody and the exact words are later brought about by the other side, then there is an apology, whether it is a Democrat who does it or a Republican who does it.

Let us show the same respect to the President of the United States that the Democrats and Republicans in the House of Representatives show each other.

SUPPORT BILL OF RIGHTS FOR CAMPUS SEXUAL ASSAULT VICTIMS

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, last Friday I conducted a field hearing at the Minnesota State capital on H.R. 2263, the Campus Sexual Assault Victims' Bill of Rights Act. I want to extend my deepest thanks to the gentleman from Minnesota [Mr. PENNY] and the gentlewoman from New York [Ms. MOLINARI] for their active participation at the hearing.

Mr. Speaker, we heard 5½ hours of compelling testimony from campus sexual assault survivors, parents of victims, representatives of national and local victims' rights organizations, experts on acquaintance rape and campus security, student leaders, college administrators, and law enforcement.

After hearing the testimony at this field hearing, I am even more convinced of the need for this legislation. So that Members and others can benefit from this important hearing, I am submitting the statements of the witnesses from that hearing into the CONGRESSIONAL RECORD.

H.R. 2363 now has strong bipartisan support, 123 cosponsors, almost an equal number of Democrats and Republicans.

Congress needs to take strong action to protect the victims, survivors of campus sexual assaults. I urge Members to review the statements I am submitting into the RECORD today.

On behalf of 6,000 victims of campus sexual assault this year alone, I urge support of H.R. 2363, the bill of rights for campus sexual assault victims.

PRESIDENT SHOULD DISAVOW INACCURATE NEWS STORIES

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, I am a bit confused. The gentleman on this side of the aisle says that the President did not make certain remarks, and it has been reported by the news services all across the country. Did he not mention the unemployment bill? He said all we are sending is a bunch of garbage.

Is the President of the United States omnipotent, and the only things he will sign are what he is in favor of, if he wanted to discriminate between the unemployment bill and the other bills?

But he did not do that. He made a blanket indictment that everything we are sending is a bunch of garbage. If he wanted to exclude the unemployment bill, he should have done so.

The White House has not disavowed the reports that have been made to the news services. We certainly do not want to jump on the President, but if the President wants to disavow these remarks, he should call and do so.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. HEFNER. I do not yield.

Mr. WALKER. Of course not. The gentleman does not want the truth.

Mr. HEFNER. Mr. Speaker, I yield 5 seconds to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. HEFNER. Mr. Speaker, I reclaim my time.

Mr. WALKER. Mr. Speaker, I have the transcript, and it does not say what the gentleman says it does.

FULL DISCLOSURE REGARDING HOUSE BANKING PRACTICES SHOULD BE MADE

(Mr. NUSSLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NUSSLE. Mr. Speaker, I rise today not as a rebellious freshman Member of Congress but as a confused and very concerned citizen and Member of this body. I am concerned and confused about the message that was sent from this body yesterday, and which has been sent from this body over the course of the last week.

Mr. Speaker, my confusion and concern surrounds the study released by GAO about the 8,331 checks from the official bank that have been bounced between July 1989 and July 1990.

My constituents want to know if I have bounced any checks, and they want to know why we do not have full disclosure in this House. They want to know why we do nothing.

Mr. Speaker, in this very Chamber in January I had the privilege of addressing high school students that came here to learn about our process. In talking to them about the budget process, I told them it is very simple. It is like balancing your checkbook. If you have $35 in your checkbook, you do not spend $40.

Little did I know in January that back here in September we would have to talk about our own bank accounts and whether or not we have been bouncing those checks.

Mr. Speaker, I ask for that full disclosure. It is fair to those of us who have not been bouncing checks, to those of us who have been fair to this process, to make full disclosure to the people back home who are sick and tired of what they hear when it comes to this body and the kind of things that occur in this body.

Mr. Speaker, I ask for that full disclosure today.

DR. SEUSS—A GIANT IN CHILDREN'S LITERATURE

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I rise today to inform the Members of the passing on of one of America's best loved authors and a native of my hometown of Springfield, MA. The person I am talking of is Theodore Seuss Geisel, known to millions of children the world over as Dr. Seuss. Dr. Seuss died yesterday in California, but my home city of Springfield, MA, has always been proud to call him one of ours. He was born in Springfield in 1904. He studied animals at the Forest Park Zoo, which was supervised by his father, and his first book was based on his childhood memories of Mulberry Street. That book, "And To Think That I Saw It on Mulberry Street," was an immediate hit with children and parents. Forty-seven books followed, and today we know such characters as "Yertle the Turtle," "The Grinch Who Stole Christmas," "Horton the Elephant," and, of course, "The Cat in the Hat."

As I remember Dr. Seuss, I think of the millions of children who first learned to read with a big Dr. Seuss book in hand. He made reading fun. "One Fish, Two Fish, Red Fish, Blue Fish." He disdained interviews with adults, but was always available to be interviewed by kids. They loved his books and they loved him.

Dr. Seuss returned to Springfield a few years ago when I was mayor. We honored him officially, but the only part of the day that he really appeared to enjoy was a read-aloud session with a group of elementary school children. That is how we will remember this creative and interesting man: As a genius at sparking the imaginations of children everywhere.

□ 1020

PARTIAL SOLUTION TO BOUNCED CHECKS NOT ENOUGH

(Mr. SANTORUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANTORUM. Mr. Speaker, on Saturday I was at an outreach meeting in Churchill in my district and a woman raised her hand and handed me a newspaper article that talked about 134 Members of Congress bouncing 581 checks of over $1,000 or more for the past 6-month period this year. That article also said that 24 Members of Congress each bounced at least 1 check per month worth at least $1,000.

The article continues.

> The Congress is again, circumventing rules and regulations that everybody else in this country must obey.

She asked me did I do that. I said, no, I did not. And then she said, I did not. And then she said, "What are you going to do about it?"

I came here to Congress this week and the Speaker took the floor yesterday and said that this practice must stop, and I agree with him that this practice must stop. And I commend him for his action. But that is not enough. This is only a partial solution to the problem.

If there has been a systematic abuse of this system, as is suggested by the GAO report, it must be disclosed to the American public and the names and the abuses must be made public.

I request that that information be produced today.

A COW BELCHING STUDY BY THE EPA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to review and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, talking about garbage, the EPA is spending $210,000 to study cow belching and its effects on global warming. Here is how it works.

Cows will wear backpacks and have hoses connected to their mouths.

Tell me, Mr. Speaker, what happens if the backpack is to tight and instead of an oral emission, Elsie goes 7.0 on the Richter scale? Will the President declare a garbage emergency of the House? Or how about maybe will appoint a Congressional Bovine Burp task Force, Or maybe the EPA will require, think about it, scrubbers on udders, bag hoses on nostrils. I think we ought to take a cattle prod to the EPA and when the people talk about garbage, about the only jobs being created are not in Government waste, it is raw Government sewage.

THE COUNTRY NEEDS TO KNOW

Mr. LIVINGSTON. Mr. Speaker, the country needs to know. A distinguished Democrat in the other body said something memorable last June. That distinguished gentleman was calling for a congressional investigation of the charges that Ronald Reagan's 1980 campaign staff had dealings with Iranians during the hostage crisis.

Despite the flimsy evidence, this is what he said. He said, according to the Los Angeles Times of June 25, 1991, "If the allegations are not true, the country needs to know they are not true."

Mr. Speaker, those words take a new relevance today. There are recent charges made about some of our colleagues that they have helped the Communist Government of Nicaragua and/or that they disclosed classified information.

I do not know if those charges are true, but the distinguished Member of the other body had it right. The country should have the right to know.

Mr. Speaker, if there is any good reason not to have such an investigation, will you please tell us, and the American people, what on Earth that reason could be.

QUOTING FROM THE PRESIDENT'S REMARKS ON UNEMPLOYMENT BILL

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, I think it is interesting to note here in the House that only the gentleman from Pennsylvania [Mr. WALKER] appears to be the one trying to clarify the remarks made by the President of the United States. The White House itself has not attempted to change the remarks that the President made attending a fundraising event for Republicans, at which he said, and I want to quote this from the text itself of the speech that he gave where he said, "They are doing nothing but griping," referring to the Democrats. And there was applause. "Refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I will continue to veto the bad stuff until we get good bills." [Applause.]

I think it is time that all of us decided which it is. Is the unemployment compensation bill a good bill that the President will sign or is it garbage?

I do not think that the Republicans in this House can have it both ways. I think that they should admit that the President of the United States himself has said that it is one or the other. He will either sign it or he will veto it. It is either a good bill or it is garbage.

I hope, Mr. President, you will recognize as this House did yesterday that it is a good bill and Americans deserve to have the kind of compensation it anticipates.

THE PRESIDENT WAS REFERRING TO MORE THAN UNEMPLOYMENT

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I just met with Kimberly Bergalis, this beautiful, courageous young lady from Florida, dying of AIDS, over in the office of the gentleman from California [Mr. DANNEMEYER]. It was truly like meeting Mother Teresa. This is obviously a saint.

I hope that her appearance on the Hill has some impact. I will devote a whole 1 hour special order to this health problem of AIDS tonight, which enables me to use the rest of my time to talk about this White House issue.

I just spoke to the White House. They are taking your calls. I would warn the majority Members, do not make this torpedo bomber pilot angry. The best thing my colleagues have going for them is his innate gentlemanliness, so he looks at these bills.

He did say to a Republican fundraiser, and I have got the transcripts, that you guys are sending up a bunch of garbage. He is speaking generically about a lot of this stuff going up. Taking my language against abortion out of the D.C. bill made it a garbage bill. So he vetoed it, and we passed it because we put my language back in. That is taking garbage and making it good.

What he talked about on unemployment, one, two, three, four paragraphs later is that he will sign an unemployment bill, but it happens to be the Dole bill, the kind of bill my colleagues are griping about that is a good bill. And then they take it and turn it into some form of garbage.

He will stop using that rough kind of language if we start sending him better material.

I repeat, do not get this Connecticut yankee, who has adopted Houston, angry. When we get him angry, we end up like Pierre.

AMERICA NEEDS THE PRESIDENT'S ATTENTION

(Mr. DOOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLEY. Mr. Speaker, recent figures have demonstrated that my district is No. 1 in the Nation in unemployment with over 13½ percent of my constituents unemployed. My constituents have been bludgeoned by the recession and also by one of the most devastating crop freezes in California's history. They have stood by patiently while this President and this country has marched tall into meeting the needs of people of foreign lands, from the Kurds in Iraq, the cyclone victims in Bangladesh, and the victims of the volcanoes. But they can be patient no longer.

My constituents, American families, need the President to sign the Congress-passed Unemployment Extension Act. My constituents and American families need the President to support an agricultural disaster appropriation bill. We cannot turn our backs and walk away from the needs of American families.

INFORMATION ON BOUNCED CHECKS SHOULD BE MADE PUBLIC

(Mr. KLUG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLUG. Mr. Speaker, right above my head, behind where the Speaker's desk is, is where my former colleagues in the press corps watch what goes on in this room.

Yesterday both reporters and a number of my colleagues in the House were shocked when the House very quietly tried to end the question about Members' bounced checks at the House bank.

Today a reporter and Washington can find out and get a copy of John Sununu's travel records; he or she can get a copy of Lamar Alexander's expense reports or even Jack Kemp's daily calendar.

Because this institution is exempt from the Freedom of Information Act, we cannot find out anything about the bounced checks here in the House.

I think the records of the bounced checks should be made available immediately to the press corps and to the public. If it is $11 bounced checks for Domino's Pizza nobody is going to care. But if the General Accounting Office is correct, that several dozen Members bounced checks for thousands of dollars over a period of years, that is a scandal.

I think reporters and the public should be able to know who did it, how much, for how long, and why it took so long to be stopped. We cannot end questions about this institution by trying to hide them. We can only protect this institution by letting the chips fall where they may.

□ 1040

MICRONESIA AND THE MARSHALL ISLANDS JOIN THE UNITED NATIONS

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, last week, two insular areas associated with the United States—Micronesia and the Marshall Islands—were admitted as members of the United Nations.

This international recognition is a milestone in their political development which should be a source of pride to us as well as to them.

After taking them during World War II, the United States became fully responsible for these Pacific islands under a trusteeship agreement with the U.N. Security Council. The goal was to develop the islands into a self-governing status.

Micronesia and the Marshall Islands became self-governing in all matters that do not affect international security under a law enacted in 1986. It approved and modified a compact of free association and sought to fulfill lingering trusteeship obligations. The Security Council acted on the termination of the trusteeship for them last December.

The new relationship is unique for our Nation. It secures important military rights for the United States and it requires us to provide substantial assistance, including some domestic programs, and special access.

I intend for the Insular and International Affairs Subcommittee, which I am privileged to chair, to continue to work to make the relationship mutually beneficial and live up to the promises of the Compact Act and related laws.

I also congratulate the peoples of Micronesia and the Marshall Islands—especially, Presidents Bailey Olter and Amata Kabua and Ambassadors Jesse Marehalau and Wilfred Kendall, respectively—on their islands' achievements as sovereign states.

PRESIDENTIAL CANDIDATES

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, it was fun over the weekend to watch the 1992 political race for President catch steam among the Democratic Party. My, how the rhetoric became hot as one want to be after another lashed out at the President of the United States.

It is perfectly appropriate to point out the differences between these candidates and the President of the United States. But it is not appropriate to deceive the American public in the process.

So far the bulk of the bashing has been over our deficit problems. Fair enough. These are real, except they are pointing the finger at the wrong party. They are pointing the finger at President Bush when they should be blaming Congress.

President Bush is simply not responsible for something that is out of his hands. Congress makes the budget, Congress passes the appropriation bills, Congress is responsible for putting the country on a fiscal path toward economic disaster, and Congress has the power to solve these problems.

The American people know this. They are not dumb. They are going to see right through the senseless rhetoric of these candidates.

Simply, the American people are sick and tired of Congress and its blatant waste of their tax dollars. It is time the Presidential candidates get their facts straight and tell the American public what the real story is. It is Congress that is to blame for these spending habits and the Nation's deficit problems, not the President.

It is time we owned up to our responsibility and begin to solve these problems.

PEACE AGREEMENT IN EL SALVADOR

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, today the Government of El Salvador and rebel groups reached an accord that may eventually lead to lasting peace. This agreement was facilitated by an U.N. effort that took 18 long months.

The agreement will allow the rebels to join the new civilian controlled police without risk of official discrimination. It will require the Government to protect the lives of their families until a broader peace agreement is reached.

We should commend the Salvadoran Government, the FMLN and the U.N. Secretary General for this historic agreement, we should urge all parties to remain committed to creating a new society for the people of El Salvador. But while the framework has been established, the shooting continues and the deaths continue.

It is incumbent upon the United States to ensure that this framework achievement is transformed into a real solution. It is no time to undermine this process by sticking to partisan beliefs that one group is better than the other. It is no time to push for increased military aid or military advisers. It is time, however, to bury those cold war motives and look to the future of a new El Salvador.

Mr. Speaker, I hope my colleagues will join me in calling on President Bush to show leadership at a time when a leader is needed here in the Western Hemisphere. I hope my colleagues will themselves recognize this great achievement and resist military solutions in a place where humanitarian solutions are needed. The opportunity for peace is at hand; let us not squander it.

PROMPT DISCLOSURE OF GAO STUDY ON HOUSE BANK

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, in recent days this House has been rocked by revelations in the national media, first brought to light by the GAO study, that literally hundreds of the Members of the House of Representatives have systematically abused the House banking privilege by bouncing checks, and in some extreme cases using the checking system as a way of getting a signature loan. Once again the integrity and credibility of this proud institution is called into question.

Mr. Speaker, I applaud the prudent, fiscally common sense steps that you have taken to put an immediate end to this abuse. However, that is but one step in a two-part process by which this self-policing body can demonstrate that we are indeed sensitive and concerned about our standing with the American people. Mr. Speaker, we need prompt, complete disclosure of the GAO study as well as the names of the Members who have been involved in this abusive practice to the other Members of this institution as well as the American media. Only by that complete disclosure, only by letting the sunshine in in this House will we demonstrate that we are accountable to the American people for our every word and deed, and indeed concerned about our loss, our continuing loss of public faith and confidence in government.

BAD CHECKS INVOLVE THE INTEGRITY OF THE HOUSE

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, it pains me, it grieves me, truly disappoints me to have to speak of something today in the well which is trivial in comparison to the peace and war and life and death issues which we deal with here. But I must, because this trivial matter does affect the honor, the respect, the integrity of this body.

I speak, of course, of the GAO report which suggested that some several thousand checks have been bounced by Members of the House. I applaud the statement, the very resolute statement, made by the Speaker of the House and the minority leader, Mr. MICHEL, yesterday, saying that this will never happen again.

I have always felt awkward and embarrassed to make public statements that I am a good person, or that I do what I am supposed to do. But on Tuesday I requested and received from the Sergeant at Arms of the House a letter saying that all of my checks cleared during the period during which the GAO report was conducted.

I hate to have to do this, Mr. Speaker, but it is the entire character of the House which is at trial under the circumstances.

Once again, I applaud you, Mr. Speaker, for taking the strong steps you have taken to make sure this bad chapter is never repeated.

HOUSE OF REPRESENTATIVES,
Washington, DC, September 23, 1991.
Hon. RON L. MAZZOLI,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN MAZZOLI: After an extensive search of the Sergeant At Arms Daily Settlement Statements, I am pleased to confirm your understanding that you have never placed this office in a position that would require us to obtain additional funding to your account.

If I can be of further assistance to you, please do not hesitate to contact me.

Sincerely,
JACK RUSS,
Sergeant at Arms.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, the gentleman from Kentucky has just made a statement about letters being issued by an officer of this House with regard to the Members' financial records. The Members on our side of the aisle have asked for similar letters and have been told that they are not available.

Is this something which is going to be done in just a partisan fashion in the House of Representatives?

The SPEAKER pro tempore. The Chair assumes that any Member of the House is free to ask for a letter if he wishes. The decision to make information available will rest with the Sergeant at Arms.

Mr. WALKER. So the Sergeant at Arms makes the decision to give those letters to Democrats and not give them to Republicans; is that what the Speaker is saying, that is up to the Sergeant at Arms?

The SPEAKER pro tempore. The Chair is only saying to the gentleman that the gentleman from Kentucky said that he was making a request.

Mr. WALKER. No; he said he had gotten such a letter, I think. He had gotten such a letter. Members on our side of the aisle have made those requests and have been told that those kinds of letters are not available. All I am asking is, Is that in the discretion of the Sergeant at Arms to do?

☐ 1040

The SPEAKER pro tempore (Mr. MCNULTY). The Chair is advised by the Sergeant at Arms that any Member can get a letter from the Sergeant at Arms.

Mr. WALKER. I thank the Chair.

NO MORE CONTINUING RESOLUTIONS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I have listened to many of my colleagues on the other side of the aisle condemn the President for his alleged lack of attention to domestic affairs.

Well, I have always believed in the old saying that those who live in glass houses should not throw stones.

Since the 102d Congress commenced, we have only completed action on 3 of the 13 appropriation bills needed to be passed, by law, by October 1. As a result, this body passed a continuing resolution yesterday by voice vote.

Because Congress has not had the time to do its job on appropriations, we have had to pass this CR to provide funding for many critical programs. The question is: Why have we only completed action on 3 of 13 appropriation bills? It certainly is not because we were overworked. Apparently the majority leadership in Congress believes that 1½-months' vacation and mountains of self-serving legislation are more important to America than passing appropriation bills on time.

LET US HEAR A PLAN FROM THE PRESIDENT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, controversy over unemployment benefits is not the first controversy where it is in question what the President said or meant to say.

It was reported in the Post a few weeks ago that Mr. Darman said in the controversy over wetlands, "Well, the President did not say it. He did not say, 'No net loss of wetlands.' He just read it in a speech."

Now we hear, well, the President said that unemployment extension is garbage; it is reported widely in the press, not corrected or denied by the White House, but we hear the apologists on the other side of the aisle reading to us from the written record.

So now we can see that he might have said it, but he did not say it, or he did say it, but he might have read it, and if he read it he would have said it the way that they wanted to say it.

Confused? I think everybody is a bit confused. The bottom line is that no single American, whose unemployment benefits have expired this month or last month or the month before or the month before that, has received an additional penny of assistance from the Federal Government. That is the bottom line, because the President has refused to release the funds.

He will sign the bill, but he will not release the funds. That is the bottom line. The proof is in the pudding.

If he has got a plan to give those people benefits, let us hear it. If he does not, we have got one and he can sign it or not.

COMING TO GRIPS WITH FACTS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, you know, there must be something pathetically difficult about being a Democrat in this period. You vote against going to war over Kuwait and then rush off and say it is not an issue. you vote for quotas and then rush off and say they are not quotas.

Now some of you totally, explicitly, unequivocally, distort what the President of the United States says. Here is the text. You take one word which referred to your legislative agenda, and then four paragraphs later where the President agrees to sign a fiscally responsible unemployment bill, and he talks about the unemployed, and as an act, I assume, of desperation, you refuse to accept the simple truth.

I do not mind debating over facts. It is a fact that the President used the term "garbage" to refer to the Democratic domestic initiatives. He promised explicitly, four paragraphs later, to sign a fiscally responsible unemployment bill. Now, that is a fact. That is not a question. That is not a news report. That is a fact.

In sort of pathetic desperation, some Democrats seem to find it extraordinarily difficult to come to grips with facts.

THE CURRENT CONFLICT IN YUGOSLAVIA

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KANJORSKI. Mr. Speaker, I am rising today to bring to the attention of my colleagues and the American people the horrible devastation that is currently ravaging the nation of Yugoslavia.

Despite numerous efforts by the European Community to broker a ceasefire and to initiate long-term negotiations, the fighting continues; in many parts of Yugoslavia it has intensified over the past few weeks.

As anyone who has been monitoring the news reports can see, Yugoslavia is quickly deteriorating into a state of anarchy, where those dead, wounded, or displaced will soon be the majority.

I, for one, can no longer bear idle witness to the bloodshed. Thus, in cooperation with my colleague from Wisconsin, Mr. KLECZKA, I am today introducing a resolution that calls on the President to take strong actions, using whatever means are available to this country, to motivate the warring factions in Yugoslavia to stop the fighting and begin negotiating.

The resolution we are introducing today calls on the President to state unequivocally that the United States will not associate itself with any group that continues to perpetuate the fighting.

Furthermore, our resolution indicates a number of avenues through which the United States can put pressure on the different groups to stop the fighting. These avenues include asserting multilateral economic sanctions and reevaluating United States support for Yugoslavia in international financial institutions.

This resolution also calls on all sides to return any and all land that has been gained through violent means; it calls on the President not to recognize any internal or external border changes that have occurred through means contrary to principles of international law. This provision alerts the world to the fact that in Yugoslavia, as well as elsewhere, the United States does not recognize territorial seizure through violence.

Lastly, our resolution calls on the President to request that the United States use its resources to aid in negotiating, monitoring, and enforcing of a temporary cease-fire and long-term resolution of the conflict.

Our resolution does not take sides in the conflict; our goal is to apply pressure to everyone involved to stop the fighting.

Mr. Speaker, it is clearly in the interest of the United States, as well as our friends and allies in Europe, to try to help the people of Yugoslavia resolve their differences. Europe, much like the United States, is a conglomeration of ethnic groups all living side by side. Fighting between these groups is not only counterproductive, it is also morally, socially, economically, and physically dangerous.

I urge my colleagues to join the gentleman from Wisconsin [Mr. KLECZKA] and myself in calling on the President to do all he can to stop the bloodshed and help the people of Yugoslavia.

YUGOSLAVIA AT BOILING POINT

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, Yugoslavia is at the boiling point. At this critical time, Congress and the administration must speak with one voice in decrying the bloodshed and calling for a lasting cease-fire.

Unless we send a strong message to the people of Yugoslavia, the current cease-fire will be shattered like those before it. If we sit back and say nothing, we risk further violence and the unleashing of nationalistic forces throughout Eastern Europe.

Today, Mr. KANJORSKI and I are introducing a resolution which sends that strong message. We condemn the bloodshed and broken promises, and we fully support efforts to stop the spiraling violence.

Our resolution urges action in three areas to bring about a lasting cease-fire.

First, Presidential involvement. The resolution calls for the President to include Yugoslavia in his new world order by personally calling for an end to the bloodshed.

Second, pressure. The resolution submits to the President several options to take action against any combatant refusing to honor an existing cease-fire including assessment of multilateral economic sanctions.

Third, a U.N. role. The resolution calls for U.N. involvement in negotiating and enforcing a cease-fire.

Mr. Speaker, we must send a firm message to the peoples of Yugoslavia before one more life is lost to the senseless violence. I urge my colleagues to join us in cosponsoring this resolution.

PRESIDENT DESERVES RESPECT

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, I hope that the Democrats have not decided that the only way that they can argue a domestic agenda for this country is to distort President Bush's legislative proposals and his remarks.

And yet, earlier, I heard remarks from this floor intimating that the President has no respect for the unemployed in this country. Now, can anyone legitimately believe that George Bush does not have compassion for all of the people in this country who need assistance?

I refer my colleagues to the actual text of his speech, which they might want to read, of September 24 in New Jersey, and if my colleagues will read this speech, they will see the continuation of this kind of remarks is garbage, because the President in no way indicated any kind of disrespect for the unemployment in this country but, instead, talked about the need to have a good bill which he could sign to assist the unemployment in our country.

Let us debate the facts on the House floor. Politics is one thing, but distortion is quite another, and I think the President of the United States deserves respect.

□ 1050

HELPING THE UNEMPLOYED

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Well, Mr. Speaker, we have come some distance. Originally we did not need an unemployment bill because the economic recovery was going to lift all the boats out of the water. I think most people have boats that are doing pretty well still.

Now the President sees the tidal wave is coming, and so he does want some help for very few, and for God's sake, as little as possible, to make sure that those unemployed workers do not end up with too much of our money. It never has been a consideration when we were bailing out the banks or bailing out the President's oil companies or anything else, but when it comes to unemployed workers, for God's sake, we do not want to give them 20 weeks. Who knows what they will do if they are able to pay their mortgages and the tuition for their kids for a few weeks longer?

I know a place that has got a great program, though. If you go to Germany, they have a great unemployment program. They have got national health care for all their citizens. They have got universal college education.

Do you know why? Because the United States is spending $140 billion of our taxpayers' money to defend them from Lithuania, Latvia, and Estonia.

Mr. President, the Latvians, the Lithuanians, and the Estonians are on our side. Let us bring our troops and our dollars home. Let us spend it to put Americans to work and let us make sure that those who cannot find jobs do not have to give up their homes or their children's education or their health care to survive.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Members are reminded to direct their remarks to the Chair and not to the President.

PUTTING AMERICAN INDUSTRY ON A FAST-TRACK DECLINE

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAYLOR of Mississippi. Mr. Speaker, today the administration's Trade Representative, Ms. Hills, will meet with Congress detailing plans for free trade with Mexico. The plan for free trade with Mexico should best be known as the fast track of American industry decline.

You see, it talks about giving tax breaks for people to take their companies and go down to Mexico. It calls for eliminating tariffs on products being brought from Mexico to the United States.

Now, under the provisions of last year's budget agreement, you have to show where you are going to cut spending or put a tax on someone else. If you look at the record of the United States during the eighties when the wealthiest 1 percent of Americans had substantial tax breaks of about 68 percent on income tax down to 28 percent, while the citizens of America had their Social Security taxes raised, while they had their gasoline taxes raised, and taxes on alcohol and taxes on tobacco.

Mr. President, I call on Ms. Hills during her presentation today to say which programs she intends to cut, the Medicaid or veterans' rights, or which taxes she intends to put on working Americans to pay for this program that will fast track the decline of American industry.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). Members are again reminded to direct their remarks to the Chair and not to the President.

PEACE IN EL SALVADOR

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McHUGH. Mr. Speaker, today we have word that a broad agreement has been reached between the Government of El Salvador and the FMLN, two forces that have been locked in a brutal civil war for over 12 years. Many details still need to be worked out, and the implementation period for this agreement will undoubtedly be a delicate one, but we have reason to hope today that the long nightmare of the people of El Salvador will soon be over.

Many of us in Congress have recognized for some time that this war could not be settled in Washington by the passage of a bill, but could be ended only through direct negotiations between the parties. For that reason, we have tried to shape our legislation to give real incentives for both sides to negotiate seriously and we are gratified today this is finally taking place.

Our task now is to assure that our Government does nothing to make it more difficult for either side to sell this agreement back home in El Salvador. The administration and Congress should work together to fashion legislation that is appropriate for the sensitive transition period. We should encourage both sides to bring their preliminary understanding to a final conclusion and then we can all move with confidence from military confrontation to reconciliation and reconstruction.

WHAT THE PRESIDENT REALLY SAID

(Mr. COX of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, earlier on the floor today the question was raised about remarks made by the President of the United States, specifically his use of the term "garbage."

I think it is instructive to look at the President's actual remarks and see in what context he spoke. Here is what the President said:

> "I'm a little tired of hearing Democrats say we have no domestic agenda. The problem is their domestic agenda is to crush our domestic agenda; they're doing nothing but griping—refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills.

Later on the President spoke specifically of the unemployment compensation debate. Here is what he said:

> The Democrats want us to pass a bill and simply not pay for it, push it over on future generations. And our approach, the Dole substitute—

Referring to Senate DOLE in the other body—

> helps the unemployed—they get the extended benefit—but pays for the program. Ours pays as you go and takes care of those who are in need. And that is the fundamental difference between the Republicans and the Democrats.

I think in this context the President's use of the word "garbage" was absolutely fitting. Another President, Harry Truman, often spoke plainly, spoke the facts. President Bush has done just that. He deserves our continued respect.

TELLING LIES ON THE PRESIDENT

(Mr. CUNNINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker, I listened yesterday as several Members of this House, starting with the majority leader, lambasted the President for some remarks. That was upsetting enough until I actually read the transcript of what the President said.

My distinguished colleague, the gentleman from Connecticut, a minute ago stated that, well, let us quit spending money overseas and bring the money here.

I have the RECORD vote that he supported and voted for the foreign aid bill himself; so you cannot have it both ways.

Let us stick to the truth and if you make a mistake, let us admit it.

We demand an apology to the President from those Members that misstated the facts.

CONTINUING APPROPRIATIONS, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 332) making continuing appropriations for fiscal year 1992, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

> Senate Amendment: Page 7, line 11, strike out "October 17, 1991" and insert "October 29, 1991."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. McDADE. Reserving the right to object, Mr. Speaker, and I shall not object, I would like simply to inquire of the chairman, is it his understanding, as the Clerk just reported, that the only change in this bill that the House passed is to move the date from the 17th to the 29th? Is that the only change the Senate has made in the bill?

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. McDADE. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I urge approval of the Senate amendment, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, SEPTEMBER 27, 1991, TO FILE CONFERENCE REPORT ON H.R. 2519, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tomorrow, Friday, September 27, 1991, to file a conference report on the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LUMBEE RECOGNITION ACT

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 225 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 225

> *Resolved*, That at any time after the adoption of this resolution the Speaker may, pur-

suant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1426) to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1100

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 225 is an open rule providing for the consideration of H.R. 1426, the Lumbee Recognition Act. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs. The rule also waives all points of order against consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI, requiring a 3-day layover.

Under the rule, the bill shall be considered for amendment under the 5-minute rule and each section shall be considerd as having been read. Finally, the rule provides one motion to recommit.

Mr. Speaker, H.R. 1426, is an important and long overdue bill which extends Federal recognition to the Lumbee Tribe of Cheraw Indians of North Carolina. Because the Lumbee Tribe has never received Federal recognition, the tribe and its members are not eligible for services provided by the Bureau of Indian Affairs and the Indian Health Service. This bill simply provides that Federal laws and regulations generally applicable to Indian tribes will also apply to the Lumbee Tribe and its members. In addition, the Lumbee Tribe and its members will be eligible for the services and benefits provided to federally recognized tribes when funds are specifically appropriated for this purpose.

Mr. Speaker, H.R. 1426 is the result of hearings and many careful consultations. I am pleased that we have an open rule which unanimously passed in the Rules Committee by a voice vote. I urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Ohio [Mr. HALL] has ably explained the provisions of this fair open rule which affords all Members of this House the opportunity to amend the bill if they so choose.

Mr. Speaker, it is high time that we fully recognize the Lumbee Tribe of North Carolina. The tribe was first recognized by the State of North Carolina in 1885, and they have been seeking Federal recognition since 1888. However, roadblock after roadblock has prevented them from being recognized as native Americans.

Congress first passed legislation concerning the Lumbee Tribe back in the 1950's. We recognized the Lumbee as Indian in the 1956 Lumbee Act. However, language in that legislation denied them Federal services or benefits such as medical and dental care, housing, and education grants. Mr. Speaker, we did not extend the full relationship. By addressing this issue only partially, Congress created a stigma for the Lumbee which prevents them from being acknowledged as true native Americans.

The legislation, introduced by my good friend and colleague, Mr. ROSE of North Carolina, would correct this injustic by extending Federal recognition to the Lumbee Tribe. Mr. ROSE represents the area where most of the Lumbees live and he knows first hand of their plight.

I personally came to know of the Lumbee Tribe back in the 1960's when I recommended to President Nixon that one of my constituents, Brantley Blue, be nominated as a member of the Indian Claims Commission. Mr. Blue was an attorney practicing law in my hometown of Kingsport, TN. He was also a Lumbee Indian, born in Mr. ROSE's district in North Carolina, and the first of the group to become an attorney.

Mr. Speaker, I know of no controversy with regard to this rule. It allows Members the opportunity to amend the bill, but I urge my colleagues to oppose any attempt to weaken it and further delay Lumbee recognition. Voting yes for this rule gives the full House the chance to right its record with the Lumbee people. They have waited almost a century to be recognized as native Americans and today is the day Congress must act.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER], chairman of the Committee on Interior and Insular Affairs.

Mr. MILLER of California. Mr. Speaker, I just take this time to urge the House to support this rule and later to support the legislation, and I wish to thank the Committee on Rules for their expeditious treatment of this rule and thank the gentleman from Ohio [Mr. HALL] and the gentleman from Tennessee [Mr. QUILLEN], for their remarks with respect to this legislation.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 225 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1426.

□ 1106

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1426) to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes, with Mr. KLECZKA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. MILLER] will be recognized for 30 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1426 sponsored by Mr. ROSE of North Carolina extends Federal recognition to the Lumbee Band of Cheraw Indians. This recognition is a formal acknowledgment of a government-to-government relationship between the United States and an Indian tribal government.

In the history of this country, Congress has never enacted a law on how to recognize an Indian tribe. Instead, as we moved west, we entered into treaties with tribes and exchanged promises for land cessions.

However, as the 20th century draws to a close, we are looking at Eastern tribes that existed before westward expansion. For survival reasons, these tribes took on the ways of non-Indians, but they maintained distinct Indian communities. Although the communities surrounding these tribes knew they were Indians, and generally the State governments recognized these groups as Indians, the Federal Government neglected to acknowledge these groups as Indian tribes.

Usually, the United States waits until these groups have some threat to hold over the Federal Government's head. For example, in the late 1970's, tribes in Maine who had not enjoyed a relationship with the Federal Government for over 100 years sued for two-thirds of Maine and won. Only then were these tribes granted a large monetary settlement and Federal recognition.

It is ironic that we only recognize Indian tribes when we need something from the tribe or we owe them something under a court order. The irony is these people have always been Indian, have suffered discrimination because their skin is dark, but they are not legally Indian until the Federal Government says they are.

The Lumbee Indians do not have a land claim, nor is there a court ordered settlement, nor do we need or want their land. So why are we seeking to extend Federal recognition today? For a reason that is unusual in this country but it is the best reason—because they are Indians.

The Lumbee have always had a distinct Indian community. The State of North Carolina acknowledged them as a tribe in 1885. In 1912, 1914, and 1933, the Interior Department concluded that the Lumbee were Indians, existing as a separate and independent community.

The Lumbee have tried to get recognized by Congress in the past. Unfortunately, at the end of the 19th century and the beginning of the 20th, congressional policy was to assimilate Indians into society and recognitions were difficult if not impossible. In the 1950's, when Congress was terminating Indian tribes, the Lumbee again sought Federal recognition. In 1956, the Lumbee recognition bill was passed by Congress but it was amended at the request of the Interior Department to prohibit Federal services to the Lumbee people. In a sense, the 1956 act recognized and terminated the Lumbee in the same legislation.

H.R. 1426 corrects this historical wrong. It amends the 1956 act and grants full tribal status to the Lumbee Indians. However, under the bill, the Lumbee must obtain appropriations separate from the outlays for other federally recognized tribes.

Congressional action is needed to recognize the Lumbee. The Interior Department's solicitor concluded in 1989 that the tribe is not eligible to go through the Bureau of Indian Affairs Federal Acknowledgment Process because of the prohibitions in the 1956 act.

However, even if the Lumbee could go through the BIA's process, it would choose not to. The hearings on the Lumbee have demonstrated that the administrative recognition process is flawed. Over 120 requests for recognition sit at the BIA, and only 8 tribes have ever made it through the process. It has become so difficult to get through this system that it is doubtful that existing tribes could survive the BIA's recognition process.

It is clear that we need to reform this process. But today we have the opportunity to undo one injustice inflicted by the United States.

We can recognize these people for what they are and what they always have been—an Indian tribe. It is the duty of the Congress and the President to recognize this group and restore the government-to-government relationship.

I urge my colleagues to support this bill which I am proud to cosponsor.

□ 1110

Mr. RHODES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am rising today in opposition to H.R. 1426 as it currently exists.

I have stated the reasons for my opposition to this legislation before in the 101st Congress and in committee this year in the 102d Congress, and I find it necessary to reiterate my opposition today here on the floor. I want to make it clear that I oppose this legislation not because I have concluded that the Lumbees are not a recognizable tribe. The House is fortunate today to have appearing before it most, if not all, of its membership that has some degree of expertise in Indian affairs and Indian law. The House is probably also fortunate in that they are not here today listening to us.

But none of us, I believe, is an expert on the demographic and anthropological characteristics of what constitutes an Indian tribe, and certainly if the handful of us who do have some expertise on Indian matters cannot say that we have an expertise on the elements of what constitutes an Indian tribe, how will the balance of our Members exercise those judgments as they will have to do in voting on this legislation?

This legislation represents a substantial change in public policy, and the membership should understand that. The proponents of the bill in the majority committee report focus extensively on their individual and collective judgments about the tribal status of the Lumbee Indians. These judgments are highly subjective and emotional and can very easily lure one into a debate on the historical and anthropological significance of records and documents contained in several file boxes and cabinets.

I am not going to engage in debate based upon the merits of the Lumbees' application, because as I said, I do not feel qualified to judge that application, and I do not believe that other Members of this body are qualified either. My opposition is based upon the fact that this body has not established any efficient or discernible standards against which a request for Federal recognition can be measured. Proponents of the bill argue that there is precedent for congressional recognition of the Lumbees because most existing federally recognized tribes have been recognized by Congress through treaties or other statutes. However, the Lumbee situation and circumstances are very different from the precedents which are cited.

Second, the committee hearing record contains testimony both supporting and challenging the claim that the Lumbee Indians are a tribe for purposes of the standards for Federal recognition used in the administrative process. Whether the Lumbee Indians meet these standards is in fact very much an open question. Proponents of the bill state that "no one disputes whether the Lumbee Indians are a tribe, only whether they should be recognized as a tribe by the Federal Government." This is not an accurate statement, as is evident from the hearing record.

It is more accurate to characterize the issue before us as: "Which forum is the more appropriate forum for determining Federal recognition?" Is it with Congress or is it with the Secretary of the Interior? I firmly believe that the recognition process established within the Department of the Interior is the more appropriate forum for determinations of Federal recognition. I believe this for several reasons.

First, the administrative process was established nearly 13 years ago, and the standards and criteria governing the process have been relied upon by many groups. Is it fair to require some groups to be judged under the administrative standards and others to be judged by Congress, which has no standards?

Do we really want to approve this bill and thereby encourage all other petitioning groups to circumvent the process?

Second, the administrative process was developed based on the recommendation of the American Indian Policy Review Commission, a commission established by Congress in the 1970's, with the support of and in consultation with the Congress, federally recognized tribes, and nonrecognized Indian groups. Many tribes, as well as the National Congress of American Indians, have expressed their continued support of the administrative process.

Third, the administrative process is thorough and deliberative. This factor is very important, given that one of the primary consequences of Federal recognition is the establishment of a perpetual government-to-government relationship between the United States and a tribe. In order to protect the integrity of this relationship, it is imperative that Federal recognition not be extended capriciously or impulsively.

Proponents of the bill argue that the administrative process takes too long to complete. However, the hearing record reveals that delays in the process have been attributed to either failure of the petitioning group to submit a fully documented application for consideration, or our failure, Congress' failure, to appropriate sufficient funds to operate the program. This latter problem has been remedied by Congress through increased appropriations the past 2 years, and the former problem, the problem of not completing petitions in a timely fashion, is something that is not in the control of either the agency or the Congress.

Throughout the hearing record on this bill there have been allegations about the systemic defects of the administrative process. The hearing record also contains testimony disputing those allegations. If the process is in need of improvement, Congress clearly should step forward and deal with the matter through legislative and oversight hearings. Today I took steps to address these allegations by introducing a bill designed to improve the administrative process, and I hope and trust that the chairman of the Committee on Interior and Insular Affairs will schedule hearings so we can determine what if any changes in that process need to be made.

The debate on this bill has only become more confused due to the 1956 act of Congress and the conflicting interpretations of it. Proponents argue that the 1956 act recognized the Lumbee Indians but did not extend the full Federal relationship, and that Congress needs now to finish what it started in 1956. In fact, both the Solicitor's Office in the Department of the Interior and the Congressional Research Service have analyzed the meaning of the act and have raised substantial doubts about the assertion that the 1956 act is a recognition act.

It is important to understand that the concept of Federal recognition is a term of art and denotes acknowledgement of a group of Indians as a political entity entitled to services, benefits, and protections because of the political relationship. The 1956 act does not mention any political organization of the Lumbee Indians or any governing body; it does not convey any land or take any land in trust; it does not make reference to whether State laws are to apply; and it does not render the Lumbees eligible for Federal services.

In short, the 1956 act fails to include any of the normal indicators that would enable one to conclude that it is a recognition statute. Interestingly, the legislative history of the 1956 act indicates that the bill's sponsor only intended the bill to provide for a change of name for the Lumbees, not to extend Federal recognition.

The hearing record is replete with debate about the meaning of the 1956 act. The bottom line is that the 1956 act does little to provide the Congress with definitive guidance on the question of Federal recognition for the Lumbees.

A further thesis is offered by the proponents of H.R. 1426: "Approval of the bill is simply consistent with recent actions of Congress to enact recognition legislation." However, almost every example cited by the proponents is very distinguishable from the Lumbee situation.

Since 1978, the year the administrative recognition process was established, Congress has approved 16 acts pertaining to recognition of tribal groups. These distinctions apply: Nine of these acts were restoration acts—tribes whose Federal relationships had been terminated by statute thereby necessitating congressional action to restore the relationship; four of the acts were related to the settlement of eastern land claims. Interestingly, in two of these settlement acts Congress deferred to the administrative recognition process for determination of tribal status and both groups were later determined by the Secretary to be tribes for purposes of Federal recognition; one act pertained to a tribe that was already federally recognized as part of another tribal entity; one act involved a tribal group that is aboriginal to Mexico and specifically excluded from the administrative regulations; and one act is arguably a recognition act.

I maintain that the amendment I intend to offer today is consistent with these recent acts of Congress. I will at the appropriate time describe the amendment which I propose to offer.

Finally, the proponents argue that the only reason the Lumbee Indians have never been recognized before is because they number 40,000 in population and it would be too costly to provide Federal benefits and services to them.

I reject that argument. I want to emphasize that. The size of the Lumbee Indians and the costs to provide services to them is immaterial to the question of whether or not they should be recognized.

I can only say that I, personally, reject any consideration of size and cost. I am not aware of any Indian tribe or organization that has raised this as a concern.

The criteria for Federal recognition contained in the process have an historical and a legal basis, and the size and cost associated with Federal recognition of groups which can satisfy these criteria are irrelevant in the context of Federal Indian policy.

It is clear that Federal recognition, whether done administratively or legislatively, presents Federal budget implications. However, Congress has consistently managed to absorb these costs into the annual budget and appropriations process, and I see no reason why this should change.

I will be offering an amendment in the nature of a substitute, and, at the appropriate time, I will explain my reasoning for this amendment.

I have only one other point to mention. The future of this bill in this House is probably fairly clear. The future of this bill in the other House is not so clear. The future of this bill at the White House is likewise very clear. There is a very clear statement of administration policy that indicates if this bill reaches the White House, if it passes both of these Houses and is presented to the President, that he will veto it.

Therefore, I urge those who wish to see appropriate justice done to the Lumbee Indians to consider that passage of this bill will not accomplish what it is that you seek to have done.

Passage of the substitute which I will offer offers the best hope to the Lumbees of achieving their status, the status that they desire as a federally recognized tribe.

As the gentleman from California [Mr. MILLER] said, the Lumbees have worked and struggled to gain Federal recognition for many, many years. It certainly is true that virtually at the very last hour the Solicitor of the Department of Interior raised the issue of the 1956 act. I consider that to be unfair and unjust, but it has happened, and the issue of the 1956 act has to be dealt with. The amendment which I propose to offer will do that.

I can only say at this point I urge all Members to give careful consideration to the concerns I have raised about the wisdom of proceeding legislatively to do what we can and should do administratively. I hope for support of the amendment which I will offer, which the President will sign, if passed, into law, and which will give the Lumbees a clear path to having an appropriate determination made as to their status as a federally recognizable Indian tribe.

Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. ROSE], the author of this legislation, who has worked very diligently to move this legislation so that the House could have proper consideration of it.

Mr. ROSE. Mr. Chairman, I would like to begin by sincerely thanking the leadership of the House Committee on Interior for moving this legislation forward. I would also like to thank the Lumbee Indians of North Carolina for their patience through the years in waiting for this bill to come to the floor once again, in hopes that it might become law.

Mr. Chairman, I want to thank Members from North Carolina who have helped me in cosponsoring and promoting this very necessary piece of legislation.

There are basically two points that I would like to make. The gentleman from California [Mr. MILLER] has very eloquently given the reasons that this bill is fair and necessary.

There is one thing I would like to emphasize that the gentleman said. This bill will not take away from any of the existing Indian tribes in this country that are currently receiving services from the BIA, because this bill requires that there be at some future point a separate appropriation that stands on its own that would fund the services, if any, that were to be given to the Lumbees.

Second, I would just like to observe that it has been suggested and will be suggested in the substitute that will be offered in a few minutes that the Lumbees should go through the administrative process. In the same breath that my friend, the gentleman from Arizona [Mr. RHODES] suggested that the Lubmees should go through the administrative process, he suggested that it was a flawed process and needed to be amended, and he has introduced a bill to do just that.

Mr. Chairman, think about that.

Mr. Chairman, I have a very interesting letter that I would like to share briefly with Members. If you had a copy of the 1978 Federal Register that announced the final rulemaking for Indian tribe recognition, listed as the author of those regulations would be the name Bud Shapard. Bud Shapard is now retired and living in West Virginia. He has shared with me a copy of a letter that he sent to the Indian Affairs Committee in the Senate.

The process that the substitute will seek to ask the Lumbees to follow, according to the author of that process, has proven to be financially burdensome on both the Government and the petitioners, infuriatingly slow, and too complicated. Worst of all, the decisions are by nature subjective despite the fact that they are shrouded in a swirl of academic calisthenics.

That is from the author of the regulations.

Congress has time and time again followed the procedure that the gentleman from California [Mr. MILLER] has brought from his committee to the floor of the House today.

Mr. Chairman, I thank Members for their consideration. I hope we will, without amendment, pass the legislation that is before us now.

Mr. RHODES. Mr. Chairman, could I inquire of the Chair how much time I have consumed?

The CHAIRMAN. The gentleman from Arizona [Mr. RHODES] has 17 minutes remaining, and the gentleman from California [Mr. MILLER] has 22 minutes remaining.

□ 1130

Mr. RHODES. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. TAYLOR.]

Mr. TAYLOR of North Carolina. Mr. Chairman, I would like to first commend my colleague from North Carolina for his effort on behalf of the Indians in Robeson County and in all of North Carolina. I think it is commendable any time we rise to speak on behalf of the Indians in America.

I represent a district which comprises the area of the Eastern band of the Cherokee. In the early history of our Nation. Congress and the administration often abused American Indians in this Nation. In my home district, President Andrew Jackson tried to move the entire Indian nation, the Cherokees, to Oklahoma. Many died in the effort. The Trail of Tears that many of the people know about in this country, and it is displayed by drama from western North Carolina, depicts that movement. from those who stayed, that is, evaded capture by the soldiers, and from those who returned back to western North Carolina comes the Eastern Band of the Cherokees.

The Cherokees and I have fought together for some 25 years in many areas, both small and large, to maintain justice toward the American Indians. As was stated by my chairman very eloquently, the bulk of the Indian tribes were established by treaty, many of them following wars, incidentally, in this country.

What does it mean to be a federally recognized tribe? It means one takes on sovereignty or at least quasi-sovereignty in the eyes of the world. It means one has the power of taxation. It means one has the power to establish a judiciary, a police force, the right to treatment as a sovereign nation.

This relation is very unique in all the world. Tribes view it as almost sacred. Many American Indians died for that right. It must be taken seriously and protected.

Congress has tried its hand at defining Indian tribes. Because the process was so bad, so political, both the National Congress of American Indians, the American Indian Policy Review Commission, many leaders from both parties of this House came together and insisted in 1977 on a better way.

Thus was established the Federal Acknowledgment Program, and that has been the process that we have used since 1978.

The criterion they used is to examine the historical background of those who asked to be recognized as tribes, the genealogical background, the cultural background, any legal documents, a process that takes some time, as it should, in order to federally recognize a tribe.

What we are doing is to replace that orderly process or are being asked to replace that orderly process and again return to a method where Congress will make the determination. This is being done contrary to the wishes of the vast majority of the American Indians.

Let there be no mistake about this vote. This is a vote against the American Indians, not for them.

The Cherokee Nation, which the Eastern Band of the Cherokees are located in my area, strongly oppose this bill. The Hatteras Tuscarora, located among the Lumbees, testified to our committee and they opposed this bill. They will be subsumed by this bill, and they themselves want to apply through the process to be recognized as a tribe.

We have received resolutions that support the FAP process and a strict adherence to a systematic process from various tribes in Arizona, California, Nevada, North Carolina, Oklahoma, Michigan, Washington, Montana, Idaho, New Mexico, and South Dakota, as well as from regional intertribal Indian organizations, including the affiliated tribes of northwest Indians representing all of the tribes in Washington, Oregon, Idaho, western Montana, and northern California, the Montana and Wyoming Tribal Chairmen's Council, the United South and Eastern Tribes, representing all of the eastern tribes from Maine to Florida and west to Louisiana, and the Southern Pueblo Governors' Council representing the 10 southern Pueblos from New Mexico.

What I am saying to my colleagues today is that the American Indian is proud. The American Indian has established a process for tribal recognition. They want to keep an orderly process, not a political logrolling process.

Do the Lumbees deserve Federal recognition, and that is a specific question here? I cannot answer that question. The testimony we heard was presented eloquently by members of the Lumbee community. The testimony we heard was very emotional.

I certainly want to see them get a rapid recognition and that it be done justly and fairly.

My colleague from Arizona will be introducing an amendment that will guarantee that it will be a rapid process, that it will be a process that will not extend beyond an 18-month period.

What of the other 10 groups in North Carolina who have petitioned and hold petitions ready for the process? If we decide to recognize the Lumbees, should we not immediately put before this body 10 separate bills to consider other groups in North Carolina?

And what about the dozens across this Nation, in California and Alaska and Texas and other parts of the country, who want to be recognized? Should we not put those bills before this Congress?

And what of those who were turned down? Can we say that those who were turned down should not be allowed to come back now through the legislative process and, if they can find a legislator here with enough power, they themselves can become federally recognized as a tribe of American Indians?

I say to my colleagues again that what the American Indians and certainly the Cherokee have expressed quite eloquently to me is that they do not object and do not question this bill based on whether or not there will be a financial loss to one tribe versus another tribe. They are not considering this from a monetary standpoint. We appropriate precious little now to support the tribes of this country, and I am sure that the tribes that I have talked with have expressed to me their concern that we will dilute a very sacred recognition, one that they consider is most serious.

They feel that it will return to a political process that will depend more on political power rather than true Indian heritage.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. Mr. Chairman, I thank the gentleman for that recognition, and I rise today to join my colleague, the gentleman from North Carolina, in enthusiastic support for H.R. 1426, a bill to provide recognition of the Lumbee Tribe of Cheraw Indians of North Carolina.

Our colleague, the gentleman from North Carolina [Mr. ROSE] has worked long and hard on this legislation, and I am pleased to be one of the bill's cosponsors. I was pleased to vote to have this bill reported out of the Interior Committee.

We have heard some very eloquent arguments against this bill on the other side, but the fact is that the Lumbee Indians have been recognized by the State of North Carolina since 1885.

□ 1140

And they have been seeking Federal recognition not since last year or last month, but since 1888. They have been seeking this recognition longer than any of us in this body have been alive.

I would urge that my colleagues resist any amendment to this legislation and pass this legislation as it is presented to the House today.

I want to take a moment to commend the chairman of the Interior and Insular Affairs Committee for the strong leadership he has displayed on this issue, and for the manner in which he has handled this bill, making it possible for this matter to come before the entire body. I ask the Members to support the bill, H.R. 1426.

Mr. RHODES. Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield 6 minutes to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. RHODES. Mr. Chairman, I yield 1 minute to the gentleman from American Samoa.

The CHAIRMAN. The gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 7 minutes.

Mr. FALEOMAVAEGA. Mr. Chairman, it is no secret where I stand on the issue of Federal recognition of the Lumbee Tribe of Indians. I think the actions of the U.S. Government in the process of recognition of the Lumbee Tribe is deplorable. Between the executive and legislative branches of our Government, 103 years have gone by since the Lumbees first attempted Federal recognition. During that time the Lumbees have tried to acquire a land base, they have tried to document their history, and they have been subjected to such demeaning processes of having the size of their teeth measured and their blood tested to see how Indian they were. There was a witness present at last month's hearing that testified before Congress in 1933 on this same issue. Fifty-eight years later, he is still testifying, BIA still wants to study the tribe's records, and Congress has yet another Lumbee bill before it.

It is the position of the Department of the Interior that there is a process in existence and if we would amend the law to permit the Lumbees to go through the process of administrative recognition, the Lumbees would receive no special consideration. The Department has also stated that there are many other groups seeking Federal recognition as Indian tribes, including as many as 14 in North Carolina alone. There is also a concern expressed publicly by some, but not publicly by the Department, that making another 40,000 persons eligible for Federal programs would present administrative and budgetary constraints.

In response to suggestions that the Lumbees should have the opportunity to participate in additional administrative procedures before a decision on recognition can be made, I can only say I disagree. Ms. Locklear, the Lumbees' tribal attorney, was eloquent in her statement at last month's hearing, and she summed up the problem when she said the Lumbees have become "living experts on process."

Where I differ from the opponents of this bill is that for me there comes a time when process for process's sake loses its value. I know it is difficult as a senior administrator to admit the process he or she administers may have run amuck, but as an outsider, I am convinced that is exactly what has happened with the Lumbees.

While it may not be appropriate for an assistant secretary or other senior administration officials to seek exemptions for certain groups from the bureaucracies they administer, I believe this is one of the key roles we in Congress can play.

While it might be procedurally nice for the Department of the Interior to provide a tidy review of each group that seeks recognition, sometimes justice requires otherwise. And the cost of completing the process in this case, for me at least, is too high. The time has come for this body to take action.

The Lumbees first petitioned Congress for Federal recognition in 1888. That was 103 years ago. Since that time they have approached the Interior Department and the Congress at least a half dozen times. The Lumbees have been studied up one side and down the other. Finally, after 103 years the experts agree that the Lumbees are Indians. But the Department of the Interior wants to study the Lumbees some more. I guess the bureaucrats on the other side of the Mall want to study the Lumbees's petition because 103 years is not long enough to determine whether or not the Lumbees are Indians.

It is public record that the Interior Department has completed its initial review of the Lumbee petition and found it deficient. Apparently the Lumbees didn't keep sufficient written records of their existence for the period encompassing roughly the years 1760 to 1850 to convince the Department of the Interior that they existed. I guess the Department thinks that any group of people who don't make a paper trail to prove their existence aren't worthy of Federal recognition. While I know it is true that the Bureau of Indian Affairs exists only to create a paper trail, I can't help but think that the Lumbee case is a perfect example of a bureaucratic process run amuck.

Mr. Chairman, over the past 103 years the Lumbees have given the Department of the Interior all the documentation they have to prove their existence, and this is apparently not enough. At last month's joint hearing of the House Interior and Insular Affairs Committee and the Senate Select Committee on Indian Affairs on this bill, the BIA witness stated in his prepared testimony, and I quote: "A brief review of the Lumbee petition suggests that there are substantial questions relating to the interpretation and completeness of documentation supporting the group's early history."

Given that position, if this case gets referred to the Department of the Interior again, denial seems certain and it will only further delay a decision that Congress will be asked to make later. There will be no new material facts. There will, however, be a loss of another year and a half. And as the Nobel laureate Thomas Mann said in his book "The Beloved Returns."

> Hold fast the time! Guard it, watch over it, every hour, every minute! Unregarded it slips away, like a lizard, smooth, slippery, faithless, a pixy wife. Hold every moment sacred. Give each clarity and meaning, each the weight of thine awareness, each its true and due fulfillment.

Mr. Chairman, I cannot express my concern for the time the Lumbees' have lost any better than Thomas Mann did. The time has come to give the Lumbees Federal recognition. Let's not let any more slippery, slithery moments slip by.

Mr. Chairman, it is also important to note that the policy of the United States has been terribly inconsistent with regard to the original inhabitants of this land. Our first policy was to do battle with them. The prevailing opinion at the time was epitomized by Gen. Philip Henry Sheridan in 1869 when he said: "The only good Indians I ever saw were dead."

Our next policy was that of assimilation, during this period the United States tried to make Indians part of mainstream America. Then in the 1950's and early 1960's, this country's policy was termination. It was during this time that the Lumbee Act of 1956 passed. Then there was the policy of reinstatement, and now we are in the policy of administrative recognition. This policy is relatively new, originating in 1978.

Throughout this entire period the Lumbees were seeking Federal recognition. In 1888 the Lumbees first petitioned for recognition. Congress addressed the Lumbee issue in 1899, 1910, 1912, 1924, 1932, 1933, and 1956. It is ironic indeed that U.S. citizenship was not even given to the American Indians until 1924, and it is important to note that while Congress was considered the Lumbees, many times it indicated that they were not being recognized because of economic reasons.

With regard to the 1956 Act, Congress recognized the Lumbees as Indians but denied them the services and benefits to which other Indians are entitled. Since then, the Lumbees have felt like second-class Indians.

Finally, Mr. Chairman, one of my colleagues referred earlier to the Indians' trail of tears. Mr. Speaker, to correct that it was the trail of many tears. To add to that I can only say the Lumbees' saga should be known as the trail of many years.

I want to commend Chairman MILLER and Chairman ROSE for their outstanding work on moving this bill as quickly as they have. I submit the following documents to be included in the record.

OBJECTIONS AND RESPONSES—LUMBEE RECOGNITION ACT, H.R. 1426

There is already an administrative process at BIA, why aren't' the Lumbee using it?

The associate solicitor at the Interior Department rules in October 1989, that the Lumbee Tribe was ineligible to proceed through the BIA process, due to a statutory bar in the 1956 Lumbee Act (copy of opinion is attached). The 1956 Lumbee Act recognized the Lumbees by name, but prohibited them from receiving any benefits or services from the Federal Government.

Aside from present ineligibility, the historic bias of the BIA against Lumbee will preclude any favorable administrative action. BIA officials testified in opposition to the bill at a recent joint hearing with the House Committee on Interior and Insular Affairs and the Senate Select Committee on Indian Affairs. During the hearing, present Branch of Acknowledgment and Research personnel made it clear that they intend to deny the Lumbee petition under current regulations despite the recommendations of other academic scholars.

Why not repeal the 1956 legislation, then require the Lumbees to proceed through the BIA process?

Congress has never required any Indian group to obtain both legislation and administrative action to become recognized. Over the 12 years that the Department's acknowledgment process has been in place, Congress has considered the status of nine other tribes subject to statutes that barred them from the administrative process. In each case, Congress enacted comprehensive recognition legislation. One of the situations, that of the Ysleta del Sur of Texas, is very similar to the Lumbee situation in that the tribe had no relationship with the Federal Government before the enactment of termination-type legislation that precluded administrative acknowledgment. The Lumbee Tribe is simply asking Congress to follow through with its past practice in these situations.

Has the Lumbee's Native American identity been firmly established?

The Committee's hearing record contains testimony from leading anthropologists and historians, notably Dr. William Sturtevant of the Smithsonian Institution, who have concluded that the Lumbee Tribe meet all the criteria for Federal recognition. The Lumbees were recognized by the State of North Carolina in 1885, and began seeking Federal recognition in 1888. In response to Federal bills, Congress asked the Interior Department to investigate the tribe's history and condition. On three separate occasions, in 1912, 1915, and 1933, the Department concluded that the Lumbees were indeed Indians, existing as a separate and independent community. The most comprehensive study, done in 1914, traced their origin to Cheraw and other coastal tribes. This study far exceeds in length and detail those presently done by the BIA on petitions for recognition.

If the record is clear, why haven't they already been recognized?

Each time a bill was introduced to recognize the Lumbee Tribe, the Department of the Interior testified in opposition, generally because of the size and consequent cost of recognizing the tribe. Recent history also reflects this concern on the part of the BIA. The Bureau's objections about the size of the Lumbee have come up repeatedly in off-record discussions between members of the Lumbee Tribe and some BIA officials. BIA officials often privately acknowledge that, had it not been for the size of the tribe, the Lumbee Tribe would have been recognized long ago.

Is the tribe's enrollment process legitimate so that only Lumbee Indians are enrolled?

The Lumbee Tribe requires documentation to prove eligibility of any individual who applies. An applicant must be a descendant of an ancestor that appeared on the 1890 and 1900 census. Of the 40,000 enrolled members, approximately 90 percent reside in Robeson and adjoining counties. All of the members have proven Lumbee ancestry and maintain close ties to the tribe and community. In addition, H.R. 1426 authorizes the Secretary of the Interior to verify the validity of the Lumbee roll.

Wouldn't Lumbee recognition open the floodgates for other tribes seeking recognition?

There will always be tribes who seek recognition legislatively, but most of these tribes are eligible for the BIA process. The 1956 Act is one of two remaining termination era statutes that bars administrative action on tribal status according to the Department of Interior. The other legislation is Catawba which Congress will soon deal with as a land claims settlement. Therefore, Lumbee is the only remaining tribe to be dealt with. The Committee would be following precedent by recognizing the Lumbee legislatively and would not establish a precedent for any other tribe to do the same.

What about other Indian groups in Robeson and adjoining counties who are also ineligible for administrative action under the 1956 Lumbee Act?

Because of the close community ties and proximity, many of these Indian groups are inter-married and thus, inter-related. H.R. 1426 requires the Lumbee Tribe to re-open its roll to individuals enrolled in the other groups if those individuals qualify for enrollment as Lumbee. However, if these groups choose to be recognized independently of the Lumbee, H.R. 1426 would make these groups eligible to proceed through the BIA administrative process. Other than the Waccamaw-Siouan, the other groups that are genealogically-related will be able to pursue the BIA process.

Why do other tribes oppose the Lumbee bill?

Some tribes mistakenly think the Lumbees would be receiving preferential treatment if they were recognized legislatively. Others believe they will receive fewer benefits if the Lumbees are brought into the picture. Also, there are many tribes, especially those in the Western United States, who are not as familiar with the Lumbee and their special Eastern Heritage. Most of the Indians who have been willing to meet with them support their efforts.

What about the budgetary impact of Lumbee recognition on the needs of other tribes?

Several provisions are included to give the Appropriations Committee flexibility to address the needs of the Lumbee people, without threatening the budgets of other Federally recognized tribes. This legislation requires that any BIA funding for the Lumbee must come through a separate appropriation, separate from outlays for other Federally recognized tribes. This funding mechanism has been endorsed by Ross Swimmer, the former Assistant Secretary for the Department of Interior during the Reagan administration.

If H.R. 1426 was passed, it would be 2 to 3 more years before the Interior Department completed its evaluation of the tribe's membership rolls and budgetary needs.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, DC.

Memorandum to: Deputy to the Assistant Secretary—Indian Affairs (Tribal Services).

From: Associate Solicitor, Indian Affairs.

Subject: Lumbee Recognition Legislation.

This responds to your request for assistance in interpreting the Act of July 7, 1956 (70 Stat. 254), the "Lumbee Act", in connection with developing a Departmental position on proposed legislation which would extend Federal recognition to the Lumbee Indians of North Carolina as a tribe.

The last sentence of section one of the Lumbee Act states: "Nothing in this Act shall make such Indians eligible for any services performed by the United States for Indians because of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Lumbee Indians."

Your acknowledgement regulations (25 CFR Part 83) do not apply "to groups which are, or the members of which are, subject to congressional legislation terminating or forbidding the Federal relationship." See 25 CFR §§83.3(e) and 83.7(g). Thus, the first issue is whether the language quoted above from the Lumbee Act is legislation "terminating or forbidding the Federal relationship" within the meaning of your regulations.

If the Lumbee Act is such legislation, your staff has no authority under your current regulations to act on the extensive petition submitted by the Lumbees. Moreover, even if your regulations were changed, absent Congressional action removing or clarifying the language quoted above from the Lumbee Act, the Federal government would be precluded from providing services or acknowledging a government-to-government relationship based solely on an administrative determination if the Lumbee Act is such legislation.

For the reasons briefly described below, we have concluded that, the Department would be exposed to substantial risks of litigation if it provided services or acknowledged a government-to-government relationship with the Lumbee Indians, together with the jurisdictional consequences of such a relationship, based solely on an administrative determination. I do not believe that you as a prudent trustee for those Indian tribes which have been acknowledged would be justified in committing the resources at your disposal to reviewing and making an administrative determination on the Lumbee petition knowing that there are unique circumstances surrounding the Lumbees as a result of the prior legislation which make a serious challenge to your determination inevitable.

You have recognized the uncertainty of your ability to proceed with the consideration of the Lumbee petition in the testimony the department gave before the House Interior Committee on September 26, 1989, on H.R. 2335. In that testimony, Patrick Hayes, Acting Deputy to the Assistant Secretary—Indian Affairs (Operations), requested that Congress clarify the situation in order for you to proceed with any certainty.

The meaning of the Lumbee Act is, unfortunately, simply not clear. This Department and counsel for the Lumbees have taken different positions on the meaning of the act over the last 15 or so years.

In 1977 and 1978, before your acknowledgement regulations were final,[1] this office informally took the preliminary position that the Lumbee Act was legislation which either terminated or forbade a Federal relationship within the meaning of the then proposed regulations.[2] Relying on the analysis submitted by counsel for the Lumbees, the department changed this position when the House (95th Cong., 2d Sess.) held hearings on H.R. 11630, H.R. 12691, H.R. 12830 and H.R. 12996 in August of 1978. A copy of the analysis by counsel for the Lumbees is attached for your ready reference.

In arguing that the Lumbees were not precluded from petitioning for acknowledgement, counsel relied heavily on the opinion of the Court of Appeals in *Maynor* v. *Morton*, 510 F. 2d 1255 (D.C. Cir. 1975). *Maynor* involved a claim for benefits by individuals of Lumbee ancestry who had been certified as possessing one-half or more Indian blood under the Indian Reorganization Act of 1934 (IRA). The Court of Appeals considered the phrase "[n]othing in this Act" to be key and concluded: "Moreover, Congress was very careful not to confer *by this legislation* any special benefits on the people so designated as Lumbee Indians. But we do not see that Congress manifested any intention whatsoever to take away any rights conferred on individuals by any *previous* legislation [i.e., the IRA]." *Id.* at 1258, emphasis in the in the original.

Counsel for the Lumbees and our position since late 1978 may have read too much into the narrow holding of our Court of Appeals in *Maynor*. On further review, we believe a better interpretation is that that decision can properly be cited only for the proposition that the Lumbee Act did not take away rights which had previously vested in individuals under the IRA. To read the language more broadly and conclude that the section did not prohibit the provision of Federal services to persons who had not yet been certified under the IRA at the time of the Lumbee Act could be to render the section a nullity.

The interpretation of disclaimer provisions in legislation, such as those that commence with "nothing in this act", is admittedly extremely difficult. *See* for example, *South Carolina* v. *Catawaba Indian Tribe*, 476 U.S. 498 (1986). Thus, we are persuaded that, absent Congressional action clarifying or removing the language quoted above from the Lumbee Act, the Department would be exposed to serious risk of litigation if it provided services and recognized the special government-to-government relationship with these non-reservation based Indians solely on an administrative determination.

The risk of litigation is even greater in light of the substantial concentration of Lumbees in the townships around Pembroke. Absent clarifying legislation, an administrative determination that the Lumbees exist as a tribe will certainly result in substantial litigation over jurisdiction in those townships. In light of recent litigation in Vermont involving the Abenaki Indians, we would expect individual defendants to claim that these concentrations of Lumbees are "dependent Indian communities" and that the state, therefore, lacks jurisdiction. While the law in the area is unsettled, such claims are not frivolous. Legislation which addressed the jurisdictional issues, whether part of a bill acknowledging the Lumbees' tribal existence or as a separate bill, would be very helpful in maintaining law and order in the affected counties.

The position the Department took on the 1987 act to restore a Federal relationship with the Ysleta de Sur Pueblo (the Tiwas) is consistent with our present interpretation of the Lumbee Act. While the Department took the position that the legislation was necessary in the case of the Tiwas, there are significant differences between the Lumbee Act and the 1968 Tiwa which made it even clearer that the legislation was required for the Tiwas.[3]

Both acts do, however, contain "nothing-in-this-act" provisions which would invite litigation if the Department were to commence providing services and acknowledge a government-to-government relationship, with its accompanying jurisdictional implications, based solely on an administrative determination without clarifying Congressional action.

For all the above reasons, I am constrained to advise you that the Act of July 7, 1956 (70 Stat. 254), is legislation terminating or forbidding the Federal relationship within the meaning of 25 CFR §§83.3(e) and 83.7(g) and that, therefore, you are precluded from considering the application of the Lumbees for recognition. This clears the way for Congress to act on your recommendation to amend the 1956 Lumbee act so that you may proceed with the recognition process under 25 CFR Part 83 or to enact H.R. 2335 which would grant recognition to the Lumbee Tribe and settle any jurisdictional questions which might arise from such recognition by providing that criminal and civil jurisdiction resides in the State of North Carolina unless and until transferred as provided in the bill.

WILLIAM G. LAVELL.

BACKGROUND ON H.R. 1426

Nearly 40,000 Lumbee Indians are enrolled in the Lumbee Tribe with over 90 percent of these members residing in 18 communities throughout Robeson County and adjacent counties in rural southeastern North Carolina. Eligibility for tribal enrollment is limited to persons who were identified as Indian on source documents, including the 1900 and 1910 Federal census, dating from the early 1900's or who are determined by an Elders' Review Committee to be Indian, and the direct descendants of such persons. The Lumbee Indians have never had a reservation or received services from the Bureau of Indian Affairs (BIA) or the Indian Health Service (IHS) though they are eligible for and do receive funds from other Federal Indian programs because they are a state recognized tribe. The Lumbee Regional Development Association Inc. (LRDA) is presently the formal representative of the Lumbee Indians.

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[1] The acknowledgement regulations were first issued as proposed regulations on June 16, 1977 (42 Fed. Reg. 30647) and reissued again as proposed regulations on June 1, 1978 (43 Fed. Reg. 23743). They were issued as final rules on September 5, 1978 (43 Fed. Reg. 39361) and became effective October 2, 1978.

[2] Our informal position with regard to the Lumbee Act was similar to the position taken with regard to the 1964 Pascua Yaqui Act. S. Rep. No. 95-719, 95th Cong., 2d Sess. 3, *reprinted in* 1978 U.S. Code Cong. & Ad. News 1761, 1762. In March 1978, the Assistant Secretary commented on a bill to extend Federal recognition to the Pascua Yaqui. He stated in part: "In view of the foregoing [pending revised proposed acknowledgement regulations and S. 2375, a bill to establish procedures and guidelines for extending federal services], the Administration recommends that the questions of extension of services to the Pascua Yaqui not be decided until after this Department's final regulations have been issues or general legislation has been enacted governing such extensions.* * * "Instead of S. 1633 as introduced, the Administration would support a bill which would amend section 4 of the Act of October 8, 1964, (78 Stat. 1196) to remove a portion of that section which now precludes any possibility of extension of services to the Pascua Yaqui under administrative regulations. The language which we would support deleting from that section states that 'none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Yaqui Indians.'" S. Rep. No. 95-719, 95th Cong., 2d Sess. 7, reprinted in 1978 U.S. Code Cong. & Ad. News 1761, 1766.

[3] The Act of December 12, 1968, 82 Stat. 93 (the Tiwa Act), provided in Section 2, in pertinent part, that: "Responsibility, if any, for the Tiwa Indians of Ysleta del Sur is hereby transferred to the State of Texas. Nothing in this Act shall make such tribe or its members eligible for any services performed by the United States for Indians because of their status as Indians nor subject the United States to any responsibility, liability, claim, or demand of any nature to or by such tribe or its members arising out of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Tiwa Indians of Ysleta del Sur." The transfer of responsibility to the State of Texas and the reference to the Tiwas, as a "tribe" distinguished this act from the Lumbee Act.

LRDA is a non-profit corporation organized in 1968. In 1984, the association was designated as an Interim Tribal Council.

While the exact origin and tribal derivation of the Lumbee Indians has been the subject of considerable dispute and uncertainty, ethnologists have testified in previous hearings that the tribe descends primarily from the Cheraw Tribe, a Siouan speaking tribe first encountered by Europeans in 1524. In 1914, Special Indian Agent O.M. McPherson, sent to investigate the history and condition of the tribe, concluded that the tribe was descended from the Cheraw Tribe. In 1934, John Swanton of the Bureau of Ethnology, agreed that the Lumbees were descended from the Cheraw Tribe. At a Select Committee hearing in 1988, Dr. Jack Campisi, the tribe's ethnohistorian, and Dr. William Sturtevant, general editor of the Smithsonian Institution's "Handbook of North American Indians," confirmed the Cheraw origins of the Lumbee Tribe. Dr. Sturtevant, acknowledged as the leading anthropolgist specializing in American Indians, also observed that anthropologists are of the unanimous view that the Lumbees constitute an Indian tribe.

Throughout the 1700's, many references are found in newspapers and other accounts to an Indian community, sometimes designated a Cheraw community, along "Drowing Creek," now called the Lumber River from which the tribe draws its present name. Many of the surnames of current tribal members are traced to ancestors of this period. Because of the precarious position of Indians in the early 1800's with the removal of many tribes to Oklahoma, the Indians of Robeson County became quiet about their Indian identity. However, incidents during and after the Civil War showed much activity in the Indian community, including recognition by local governmental authorities of this community as an Indian community. The major Lumbee folk hero, Henry Berry Lowrie, led a rebellious band at the close of the War until his disappearance in 1872. His memory is honored each summer when the Lumbees put on their outdoor drama titled "Strike at the Wind."

Lumbee history since the Civil War shows the continuous existence of a distinct Indian community with its own leaders who aggressively defend Lumbee interests. In 1885, the State of North Carolina recognized the tribe and established a separate school system for Lumbee children. Enrollment in the school was restricted to Lumbee children who could demonstrate Lumbee descent four generations back, or into the 1770's, with Lumbee leaders authorized to determine eligibility to enroll. These enrollment records, along with federal census records, form the base roll from which all present day tribal members must demonstrate descent. On March 26, 1913, the State's Attorney General Bikett issued an opinion that the county board of education could overrule decisions of the Lumbee leaders as to eligibility for enrollment in the Lumbee schools. The Lumbees objected to this infringement on their independence and under pressure from the Lumbee leadership, the State of North Carolina enacted legislation in 1919 that set aside the Attorney General's opinion. The Indian Normal School established under authority of the 1885 state statute is today Pembroke State University.

The contemporary Lumbee community is closely bound together by extensive and overlapping kinship ties an the strong sense of Robeson County and environs as "home." Other Indian institutions, including all Indian churches, a newspaper, an annual homecoming, and predominantly Indian schools, serve to further bind the Lumbees together in a distinct community. In summary, the historical record is persuasive and compelling that for the last two hundred years the Lumbees have functioned as an Indian tribe and have been recognized as such by state and local authorities.

The Lumbees first petitioned the Congress for Federal recognition in 1888. Since then the tribe has made numerous attempts to achieve recognition of their status as Indians from the United States, including attempts that were made in 1899, 1910 and 1912. In 1914 an Indian Office investigation, carried out at the direction of the Senate, found that Lumbees were eligible to attend Federal Indian schools. Again in 1924, the tribe sought Congressional support, as well as in 1932 and 1933. The reports and studies done by the Department of the Interior on the tribe's history and condition in response to these bills fully document the Department's extensive knowledge about and experience with the Lumbee Indians. These bills generally tracked and followed upon state legislation which has been enacted recognizing the tribe under a particular name and in some cases extending certain services to the tribe. But in each instance, the Federal legislation failed. Always, the economic effects of recognition seemed to be the genesis for denial of Federal recognition.

In 1951, by a margin of 2,169 to 35, Robeson County Indians voted to adopt the name "Lumbee Indians of North Carolina" in preference to "Cherokee Indians of North Carolina" and, in 1953, the General Assembly of North Carolina passed a bill designating them as "Lumbee Indians of North Carolina."

In 1956, Congress enacted the Act of June 7, 1956 (70 Stat. 254) recognizing these Indians as "Lumbee Indians of North Carolina," but, at the request of the Department of the Interior, added a sentence providing that—

"Nothing in this Act shall make such Indians eligible for any services performed by the United States for Indians because of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Lumbee Indians."

The 1953 state legislation was and is accepted by the State of North Carolina and the tribe as recognition legislation. The identical Federal bill was intended by the tribe to have the same legal effect. The tribe's historian testified before the Senate in 1988 that the tribe plainly intended and understood the 1986 Federal Act to be recognition legislation, evidenced by the hundred year history of the tribe's efforts to obtain federal recognition legislation upon the heels of and in the same terms as state recognition legislation.

Excerpts from the legislative history of the 1956 act support the view that the Federal bill had the same purpose as the earlier, identical state legislation, i.e., recognition of the tribe. Senator Scott, the sponsor of the 1956 bill, testified in support of the bill before a Senate subcommittee that, "The State of North Carolina has already by state law recognized the Lumbee Indians under that tribal name * * * Giving official [federal] recognition to the Lumbee Indians means a great deal to the 4,000 Indians involved* * *." During Congressional consideration of the bill, it was widely reported as a recognition bill in contemporaneous newspaper articles.

The amendment to the 1956 Act was apparently necessary in the view of the Department of the Interior to insure that the bill did not obligate the United States to provide services to the tribe. (Comment of Assistant Secretary of the Interior, H. Rep. No. 1654, 84th Cong., 2d Sess.). However, the restriction on eligibility for services does not, by itself, affect the intent to recognize the tribe. The 1953 state act had not provided for services and yet it was and is accepted as recognition legislation.

The 1956 Lumbee Act served as the model for another act of Congress, namely the 1968 act relating to the Tiwa Indians of Texas (82 Stat. 93). The legislative history of the 1968 Tiwa Act states explicitly that the 1956 Lumbee Act is the model for the Tiwa legislation (H. Rep. No. 1070, 90th Cong., 2d Sess.). In 1987, the Congress extended full federal recognition to the Tiwas and in doing so, acknowledged that the 1968 Tiwa Act had recognized the Tiwas (S. Rep. 100-90, 100th Cong., 1st Sess.). If the 1968 Tiwa Act recognized the tribe, then its model—the 1956 Lumbee Act—must have recognized the Lumbee as well.

Concern has been expressed that passage by Congress of the bill to recognize the Lumbee Tribe of Cheraw Indians of North Carolina would be unfair to other tribes who are also seeking recognition through the Branch of Acknowledgment and Research (BAR). The Select Committee held an oversight hearing on BAR in May 1988 and it is clear from that hearing that the office charged with the responsibility in the Bureau of Indian Affairs for handling acknowledgment petitions is over-burdened and badly understaffed. It would also appear that the processes and criteria developed over the years may also be impeding the ability of the Bureau to handle these petitions with any degree of dispatch.

At that hearing, the BIA testified that there are some 83 petitioners, 57 of which have submitted no documentation and 26 with documented petitions that are awaiting consideration or are in the preliminary review process. They indicated that the entire process may take 3 or 4 years from the time the group begins its research. In fact, there is reason to believe the process may take twice this length of time.

Prior to 1978, there was no formal administrative process through which non-Federally recognized groups of Indians could seek recognition. In 1978, as a result of a recommendation made by the American Indian Policy Review Commission and the introduction of legislation, there was established by the Bureau of Indian Affairs in its Branch of Acknowledgement and Research (BAR) an administrative procedure, usually referred to as the Federal Acknowledgement Process (FAP), for such groups to petition for acknowledgement as a Federally-recognized Indian tribe.

The rules and regulations governing that process are set out in title 25 of the Code of Federal Regulations in Part 83, entitled "Procedures for Establishing that an American Indian Group Exists as an Indian Tribe." Section 83.7 sets out seven mandatory criteria that a petition must contain to qualify the petitioning group for acknowledgement as an Indian tribe as follows:

1. A statement of facts establishing that the petitioner has been identified from historical times until the present on a substantially continuous basis, as "American Indian" or "aboriginal."

2. Evidence that a substantial portion of the petitioning group inhabits a specific area or lives in a community viewed as American Indian and distinct from other populations

in the areas, and that its members are descendants of an Indian tribe which historically inhabited a specific area.

3. A statement of facts which establishes that the petitioner has maintained tribal political influence or other authority over its members as an autonomous entity throughout history until the present.

4. A copy of the group's present governing documents or, in the absence of a written document, a statement describing in full the membership criteria and the procedures through which the group currently governs its affairs and its members.

5. A list of all known current members of the group and a copy of each available former list of members based on the group's own defined criteria.

6. A statement that the membership of the petitioning group is composed principally of persons who are not members of any other North American Indian tribe.

7. A statement that the petitioner is not, nor are its members, the subject of congressional legislation which has expressly terminated or forbidden the Federal relationship.

On January 4, 1980, the Lumbee petitioners submitted an undocumented letter petition to the Bureau of Indian Affairs pursuant to the BAR process. On December 17, 1988, the LRDA submitted a documented petition for acknowledgement as an Indian tribe for the Lumbee Indians. Additional documents were submitted as recently as September 5, 1989. The LRDA petition consists of a two volume narrative report, one and a half file boxes of documentary evidence and a copy of the 16 volume membership roll. The LRDA petition is one of 12 petitions from North Carolina, including five groups in Robeson and adjoining counties where the Lumbee group is located.

The difficulty for the Lumbee Tribe in attempting to use the Administrative recognition process is further complicated by a finding of the Associate Solicitor for Indian Affairs of the Department of the Interior that the tribe is precluded from the Administrative recognition by virtue of the 1956 Act. The opinion, issued to the Assistant Secretary for Indian Affairs on October 23, 1989, states—

". . . I am constrained to (hold) that the Act of July 7, 1956 (70 Stat. 254), is legislation terminating or forbidding the Federal relationship . . . and that, therefore, you are precluded from considering the application of the Lumbees for recognition. This clears the way for Congress to act on your recommendation to amend the 1956 Lumbee Act so that you may proceed with the recognition process . . . or to enact H. R. 2335 which grant recognition to the Lumbee Tribe . . ."

In recent years, in non-claim situations, the Congress has only been successful in moving recognition legislation in situations where an Indian group would clearly be denied access to the BAR petitioning process. Examples of this are the Pascua Yaqui Tribe which, having migrated from Mexico, was not indigenous to the United States and therefore ineligible to file a petition; and tribes such as those in Oregon which had been the subject of legislation terminating the Federal relationship, or tribes such as those in Texas which were the subject of legislation transferring jurisdiction to the State, and therefore deemed ineligible to file a petition for Federal recognition.

In the 100th Congress, legislation was enacted to provide for the separate recognition of the Lac Vieux Desert Band of Chippewa Indians in Michigan. This was a group already recognized by the Department of the Interior as a part of another tribal entity and already receiving some Federal services on the basis of their status as members of a Federally recognized Indian tribe. The Bureau of Indian Affairs testified that the group was not eligible to be considered under the BAR process and for this reason supported the legislative recognition. The tribe was also unanimously supported by the 29 other tribes in the local inter-tribal council, including the tribe from which it was separating.

It is clear that under some circumstances, recognition of a tribe is an issue that the Congress should address. Congress plainly has the Constitutional authority to recognize tribes. In fact, the overwhelming majority of the presently recognized Indian tribes were recognized by Congress either through treaty or statute. The present administrative acknowledgment process was established under general authority delegated by the Congress to the Department of the Interior, but there is no specific statutory authority for the process. Hence, the substantive criteria applied in the present administrative process and the procedures used by the Department in processing petitions are wholly administrative in origin. Obviously, Congress is not bound by those administrative criteria or procedures in determining whether to extend recognition to a particular tribe. Congress may take the administrative criteria into consideration along with a number of other factors, such as the general view of anthropologists and other experts, whether the tribe was ever recognized by Congress by treaty or statute, and the overall history and condition of the tribe.

The Lumbee Tribe argues that there are a number of reasons why legislation is needed to amend the 1956 Lumbee Act and extend full recognition to the Lumbee Tribe of North Carolina: (1) the Lumbee Indians were recognized by Congress through legislation in 1956, although services and the applicability of general Indian statutes were denied; (2) because of the final sentence of the Lumbee Act precluding the applicability of general Indian statutes, the Lumbee Tribe falls outside the scope of the BAR process which was established under authority of general Indian statutes; (3) the tribe has been officially and continuously recognized by the State of North Carolina since 1885 and unofficially since the 1830's and, as such, presently receives all Federal benefits available to Indian tribes except those administered by the Bureau of Indian Affairs and the Indian Health Service; (4) the tribe has been studied extensively by anthropologists and historians during the 20th century and is widely regarded as a tribe entitled to be federally recognized; (5) the tribe first petitioned Congress for recognition is 1888, long before there was an official BAR process imposed by the Administration, and the tribe has repeated its petitions a number of times over the past 100 years only to be turned down for economic reasons; and (6) because of the size of the Lumbee Tribe, the BAR is not adequately staffed or able to process the Lumbee petition within the time frame of the BAR regulations.

STATEMENT OF ADOLPH BLUE, CHAIRMAN OF THE BOARD OF DIRECTORS, LUMBEE REGIONAL DEVELOPMENT ASSOCIATION

The Lumbee Tribe has historically been governed by the heads of families who comprise the Lumbee Tribe. From time to time, this leadership has exercised its sovereignty by shaping the tribal form of government to meet the challenges presented by local, state, and federal governments. During the Civil War, following decades of living at peace with its non-Indian neighbors, the tribal leadership responded to acts of deprivations by engaging in warfare against its non-Indian citizens. Following that war, and the larger Civil War, the leadership of the tribe pursued a political relationship with the State of North Carolina which led to the recognition of the tribe in 1885 by the State of North Carolina. Four years later, the tribal leadership petitioned the United States for federal Indian assistance, but were denied because of insufficient funds to meet the need of existing Indian "wards". Into this century, the tribal leadership has continued its effort to come under federal protection. On three separate occasions, since the turn of the century, the U.S. Department of the Interior has sent its Indian agents to Robeson County to investigate the tribe. In each of these instances, these Indian agents have consistently reported to the Interior of the tribal existence of the Lumbee. Yet, the Interior withheld assistance because of an inability to serve existing wards.

Finally, in 1956, the United States Congress enacted the Lumbee Act of 1956 which acknowledged the tribe to be American Indian while denying the tribe the federal relationship it had continuously sought since 1889. Twelve years after the enactment of the 1956 Lumbee Act, the leadership of the tribe organized Lumbee Regional Development Association to address its concerns before local, state, and national bodies. The Board of Directors for Lumbee Regional Development Association was subsequently authorized under a 1984 tribal referendum to represent the tribe's interest in obtaining full federal acknowledgment. My name is Adolph Blue, and I am the great-grandson of Preston Locklear, one of the fifty-four tribal leaders, who petitioned the Congress in 1889 for the federal acknowledgment of the Lumbee. I am also Chairman of the Board of Directors for Lumbee Regional Development Association, the interim governing body of the Lumbee Tribe.

The Board of Directors of Lumbee Regional Development Association (LRDA) has taken on many of the functions normally performed by tribal councils in other tribes. For example, in 1984 the Board of Directors held a referendum to get tribal permission to act as an interim tribal council for federal recognition. The referendum passed overwhelmingly. Yet, the more traditional forms of Lumbee organization have remained, and the community values regarding leadership have continued.

Politics within the Lumbee Tribe continues to be the product of the complex interplay of family, religion, and settlement. As in the past, each settlement has its individuals who are regarded as leaders, people who can be called upon for assistance and guidance, and who will seek help for others without request.

The changes in voter registration have enabled more tribal members to seek and win public office at a variety of levels—school boards, county commisioners, political party and town offices. The Lumbees have a large cadre of lawyers, including two judges (Superior Court and District Court), a representative in the North Carolina General Assembly, doctors, businessmen, and other professionals who take an active part in the tribe's political affairs. Because of the tribe's stress on individualism, there are always many approaches to the solution of any problem.

Historically, much of the visible Lumbee political organization has been problem-oriented. Thus the nineteenth and early twentieth century efforts to improve educational opportunities for the tribe and to attain federal and state recognition have revolved around specific issues and charismatic leaders. This continues to the present day. In this century, tribal leaders such as Mr. Joseph Brooks and Mr. James "Jim" Chavis led the tribe's efforts in the 1930s for federal acknowledgment. In the 1950s, Rev. D.F. Lowry led a sustained effort that had widespread community support of the Lumbee bill. Later, in the same decade, the Lumbee responded to threats by the Klu Klux Klan by attacking their rally in Maxton.

In the 1960s the tribal members organized to fight the desegregation of their schools and to increase their political power in the country through voter registration. There were other isues that focused tribal energies. In 1972, the Board of Trustees announced plans to replace the main building on the campus of Pembroke State University. A group, led by Janie Maynor Locklear, Danford Dial, Luther M. Moore, and W.J. Strickland, successfully fought the proposal, and after the building was destroyed by fire, they were able to get the state to reconstruct it. While the "Old Main" issues was going on, many of the same leaders led the fight to have "double voting" ended. This was a system that permitted whites to vote in both one of the five separate school districts in the county that were largely white and also in the county-wide school system which was 60 percent Indian. This fight was successfully led by Janie Maynor Locklear, Dexter Brooks, Herbert Moore, and Robert Mangum. When they were unsuccessful in getting legislative relief, they filed a legal action, which they won in 1975.

As in the past, there are leaders who have established strong contacts with the non-Indian politicians in both parties (although Lumbees tend to be Democrats). These individuals are capable of helping Lumbees with the law, securing state and county positions, and bringing to the public officials in Lumberton (county seat of Robeson), Raleigh, and Washington the view of the tribe on a variety of concerns. While LRDA has served to focus many of the tribal interests, and has acted as a voice for many tribal concerns, particularly those that have to do with other tribes and Indian associations, it is not the sole mechanism by which tribal members give expressions to their needs and opinion.

The Lumbee have elected leaders to represent their interests in the county government, school boards, and state government. The tribe also has members who serve on State and federal panels. In addition, there are tribal members who exert great influence in the county and state.

DESCRIPTION OF THE INTERIM GOVERNING BODY OF THE LUMBEE TRIBE

There are seventeen members of the Board of Directors for Lumbee Regional Development Association. Fourteen of these directors are elected by tribal members residing in Robeson County, North Carolina. The fourteen elected directors of the Board elect three additional directors to represent the Lumbee population residing outside Robeson County. Board members serve staggered terms of three years.

Robeson County is divided into 41 precincts. In land size, Robeson County covers 844 square miles and is North Carolina's 2nd largest county. The LRDA electoral plan for electing the 14 Board members divides the 41 precincts into 9 LRDA electoral districts. The following tables list these electoral districts with the racial population of each district; the data is based upon the 1990 census. (The Board is now studying re-districting based upon this data.

LRDA DISTRICT I

[Includes 6 Robeson County precincts; elects 1 member to the LRDA Board of Directors]

Precinct	Total population	White	Black	Indian	Other
1–2 Fairmont	6,120	2,001	2,863	1,241	15
Orrum	1,494	862	544	78	10
Marietta	1,170	564	542	56	8
Sterlings	1,277	921	297	48	11
Thompson	1,073	214	154	701	4
Total	11,134	4,562	4,400	2,124	48
Percentage	100	41	40	19	....

LRDA DISTRICT II

[Includes 3 Robeson County precincts; elects 1 member to the LRDA Board of Directors]

Precinct	Total population	White	Black	Indian	Other
Back Swamp	3,747	400	1,018	2,305	24
Smyrna	1,074	495	120	459	0
Britts	1,757	1,391	139	216	11
Total	6,578	2,286	1,277	2,980	35
Percentage	100%	35	19	45	1

LRDA DISTRICT III

[Includes 10 Robeson County precincts; elects 2 members to the LRDA Board of Directors]

Precinct	Total population	White	Black	Indian	Other
1–8 Lumberton	24,324	13,926	6,940	3,330	158
Wishart	3,687	2,429	202	1,030	26
E. Howell	1,564	1,228	182	149	5
Total	29,575	17,583	7,324	4,479	189
Percentage	100	59	25	15	1

LRDA DISTRICT IV

[Includes 5 Robeson County precincts; elects 2 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
Burnt Swampt	2,644	101	154	2,381	8
Philadelphus	1,554	264	187	1,101	2
1–2 Red Springs	5,453	1,823	2,609	996	25
Raft Swamp	2,618	488	317	1,806	7
Total	12,269	2,676	3,267	6,284	42
Percentage	100	22	27	51	....

LRDA DISTRICT V

[Includes 3 Robeson County precincts; elects 2 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
1–2 Smiths	4,463	216	204	4,034	9
Maxton	5,621	1,010	2,556	2,034	21
Total	10,084	1,226	2,760	6,068	30
Percentage	100	22	27	60	1

LRDA DISTRICT VI

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
Pembroke (1 & 2)	9,606	1,059	326	8,184	37

LRDA DISTRICT VI—Continued

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
Union	1,944	208	379	1,356	1
Total	11,550	1,267	705	9,540	38
Percentage	100	11	6	83	....

LRDA DISTRICT VII

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
Gaddys	971	191	250	528	2
Rowland	2,755	701	1,300	751	3
Alfordsville	1,650	199	237	1,212	2
Total	5,376	1,091	1,787	2,491	7
Percentage	100	20	33	46	1

LRDA DISTRICT VIII

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
W. Howell	1,302	575	341	368	18
Saddletree	2,749	415	140	2,182	12

LRDA DISTRICT VIII—Continued

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
Total	4,051	990	481	2,550	30

LRDA DISTRICT IX

[Includes 3 Robeson County precincts; elects 3 members to the LRDA Board of Directors]

Precincts	Total population	White	Black	Indian	Other
St. Pauls (1 & 2)	6,285	3,738	1,982	534	31
Rennert	1,923	142	222	1,559	0
Parkton	2,189	1,340	707	133	9
Lumber Bridge	1,513	475	716	304	18
Shannon	647	94	189	360	4
Total	12,557	5,789	3,816	2,890	62
Percentage	100	46	30	23	1

Total population for Robeson County, 1990 Census: 103,174.

Number and percent white: 37,470 or 36.3 percent.

Number and percent black: 25,817 or 25. 0 percent.

Number and percent Indian: 39,406 or 38.2 percent.

Number and percent other: 481 or 0.5 percent.

One-third of the total county population is located in 13 precincts. As illustrated below, two-thirds or more of the population in each of these 10 precincts is American Indian, representing the greatest concentration of tribal membership.

Precinct	Total population	Indian—		LRDA electoral district
		Number	Percent	
Pembroke	9,606	8,184	85	VI
Union	1,944	1,356	70	VI
Smiths	4,463	4,034	90	V
Saddletree	2,749	2,182	79	VII
Back Swamp	3,747	2,305	62	II
Burnt Swamp	2,644	2,381	90	IV
Raft Swamp	2,618	1,806	69	IV
Alfordsville	1,650	1,212	73	VII
Philadelphus	1,554	1,101	71	IV
Rennert	1,923	1,559	81	IX
Thompson	1,073	701	65	I
Total	33,971	26,821	79	

In terms of community identification, the precincts listed previously cover the Lumbee communities of Pembroke, Prospect, Magnolia, and Fairgrove.

REPRESENTATION OF TRADITIONAL LUMBEE LEADERSHIP FAMILIES ON LRDA BOARD

As noted above, the tribe has been traditionally led by certain family heads. This same pattern continues today, as shown by the descent of LRDA board members from those families. Of the 17 members of the board, six are direct lineal descendants, for example, of the 54 tribal leaders who petitioned the Congress in 1889):

Board member	Tribal leader ancestor	Relation to ancestor
Adolph Blue	Preston Locklear	Maternal great-grandfather.
Grover Oxendine	Hugh Oxendine	Paternal great-grandfather.
James S. Sampson	Everette Sampson	Paternal great great-grandfather.
	William Sampson	Paternal great-grandfather.
	Robert Carter	Paternal great-grandfather.
	Stephen Carter	Paternal great great-grandfather.
Roderick Locklear	Crawley Locklear	Paternal grandfather.
	Malachi Locklear	Paternal great-grandfather.
Emma L. Locklear	Malachi Locklear	Paternal great-grandfather.
A. Bruce Jones	Silas Deese	Paternal great great-grandfather.

While other Board members are not direct lineal descendants of the 54 tribal leaders who petitioned in 1889, all have a kinship relationship to the 54 tribal leaders who first petitioned the Congress in 1889. The below examples illustrate the kinship relationship for three of the LRDA Board members to one or more of the 54 tribal leaders who petitioned in 1889:

Rev. Grover Oxendine.—Rev. Oxendine's paternal grandfather, Hugh Oxendine, had 2 brothers and 4 nephews who were among the 54 Petitioners in 1889.

Sylvia (Clark) Locklear.—Mrs. Locklear's maternal grandfather and her paternal great great grandfather were the brother and sister of Preston Locklear, one of the 54 Petitioners in 1889. In addition, another paternal grandmother was the sister of John Bullard, and the sister-in-law of Malachi Locklear. Both John Bullard and Malachi Locklear were among the 54 Petitioners in 1889.

Marilyn (Locklear) Dial.—Mrs. Dial's paternal great great grandfather and her maternal great grandfather were the brothers of Preston Locklear, one of the 54 Petitioners; they also had two nephews who were among the 54 Petitioners.

All of the 17 Board members are direct lineal descendants of tribal ancestors who are known to have occupied the present day Lumbee communities in the late 1700s; 15 of the 17 Board members reside in communities that are viewed as Indian communities. 1 of the 17 Board members resides in the Raleigh, NC area; and another resides in the Baltimore, Md. area.

All of the 17 Board members attended public schools that were governed and controlled by the tribal leadership, up until 1971 when Indian schools were desegregated. One of the 17 Board members is also an elected member to the Robeson County Board of Commissioners; another is the Executive Director of the NC Commission of Indian Affairs and a former Vice President for the Southeastern District to the National Congress of American Indians; another is an elected member to the NC Commission of Indian Affairs' Board of Directors; as a whole, LRDA Board members serve on many local, state, and national political bodies.

TRIBAL GOVERNMENTAL FUNCTIONS PERFORMED BY THE LRDA BOARD OF DIRECTORS

The LRDA Board of Directors establishes policy and provides direction to the staff of LRDA in addressing the needs of the Lumbee Tribe. Currently, LRDA administers a total budget of $3.5 million to address the needs of the tribe residing in Robeson and adjoining counties. Approx. 77% of these funds are federal funds received by LRDA because of the tribe's longstanding recognition by the State of North Carolina.

As stated previously, the LRDA Board of Directors has over the years gradually performed many of the functions normally performed by tribal councils among other tribes. In 1984, by tribal referendum, organized by the Board of Directors, the members of the tribe voted to designate the Board of Directors as the interim governing body of the tribe.

Examples of the governmental functions performed by the Board of Directors include:

1. The Board of Directors decides the membership criteria for the membership of the tribe. Decision of the Board with respect to eligibility for tribal membership is final.
2. The Board of Directors establishes election procedures and conducts tribal elections for the purpose of electing the tribal delegation to the NC Commission of Indian Affairs' Board of Directors.
3. The Board of Directors appoints tribal membership to area Boards, including: The NC Cultural Center, the NC Indian Housing Authority, the Lumbee River Legal Services, and the Four-County Community Action Agency.
4. The Board of Directors, through the Lumbee tribal membership criteria, decides who is ¼ Lumbee blood for purpose of qualifying for the Michigan tuition waiver.
5. The Board of Directors sponsors an annual Homecoming of the tribe, the tribe's fall pow-wow, and determines those who receives the tribe's award for outstanding services in the Lumbee community, excellence in education and economic development, and the Henry Berry Lowry Award (the tribe's most prestigious award).
6. The Board of Directors establishes fees for the tribal owned and operated day care centers.
7. The Board of Directors negotiates contracts and other instruments which raise capital for tribal economic development projects.
8. The Board of Directors employs legal representation to represent the tribe's interest in federal acknowledgment.
9. The Board of Directors elects the tribe's delegate to the National Congress of American Indians and the Lumbee representative to the United Tribes.
10. The Board of Directors recommends tribal nominees to the National Advisory Council for Indian Education (all are Presidential appointees).

BRIEF HISTORY OF LUMBEE REGIONAL DEVELOPMENT ASSOCIATION

In 1968, tribal leaders met to discuss the way by which the members of the Lumbee Tribe could formally organize to benefit from the various poverty programs then available. The members of the group held the conviction that although the Lumbees represented a third or more of the population of the county, they were not receiving the fair share of the available services and resources. Out of these informal meetings and discussions, often held in the Lumbee Churches and well intended by the heads of the Lumbee families, came a plan for the Lumbee Regional Development Association, Inc.

The first task faced by the newly chartered corporation was to organize an infrastructure that reflected its goals of improving the conditions of the tribal members within Robeson and adjoining counties. The corporate charter provided for a Board of Directors of not less than four members. However, this stipulation offered little guidance for developing a community-based organization. To remedy this, the Board of Directors took two steps: it expanded its size to nine members, and it appointed a steering committee of fifteen representing every sector of the Lumbee community.

LRDA continued its efforts to expand its role in the Lumbee community and to involve larger segments of the community. It appointed individuals from the various settlement to serve on committees and hold general membership meetings on a regular basis. To broaden its leadership base and to meet the needs of an expanding organization, the Board of Directors increased its membership to nine in 1971.

In 1975, LRDA's charter was changed to permit the election of the Board of Directors by members of the Lumbee tribe. The charter was amended to expand the board membership to seventeen members; fourteen are elected by districts and three are elected by the Board to represent the Lumbee population in Hoke and Scotland Counties (both adjoin Robeson), Raleigh, NC, and Baltimore, MD. The terms of all board members are for three years and they are elected on a staggered schedule, 5-5-4. Each electoral district, based upon the 1980 Census, has a minimum population of 2,000 Lumbee Indians. Since its inception, LRDA has had four Executive Directors.

PROGRAM DEVELOPMENT AND FUNDING

LRDA received its first grant from the National Congress of American Indians to carry out a literacy project among tribal members. The grant, a modest $4,300, was for a term of one year. Within a year, LRDA had established, through its directors and Steering Committee, adult classes in a number of Indian settlements. They were staffed by Lumbee teachers on a voluntary basis. A second project called the Lumbee Educational Talent Search Project was initiated to identify potential drop-outs in junior high levels and to assist in identifying exceptionally talented students in the senior high levels for assistance in scholarships and loan programs for Indian students. LRDA sought and received funding for a wide range of social and economic activities, including senior citizen health care, job training, nutrition, and elementary and secondary school programs.

One can get some idea of the success and impact of LRDA on the Lumbee community by looking at the programs operated by the organization. In 1991, LRDA has a total budget of $3,528,482 and directs 13 programs. Of this total, $2.2 million is Indian set-aside funds, to operate the Employment and Training program and the Low-Income Energy Assistance program.

Carolina sunbelt media	$1,160,000
Day care	400,000
CFNP	50,000
Lumbee Federal recognition	30,000
Head Start	342,154
JTPA	1,293,607
Energy	870,000
Talent search	99,268
Adm. for Native Americans	100,000
Lumbee homecoming	20,000
CSBG	130,000
CAA	8,436
Pool	25,000
Total	3,528,482

TRIBAL RECOGNITION

The third area of concern, and the one that set LRDA apart from other agencies concerned with rural poverty, had to do with the organization's efforts to act on behalf of the Lumbee Indians and to enhance the understanding of others concerning the tribe.

Since its inception, LRDA has responded to three principal concerns related to Lumbee tribal identity. They are: (1) activities that express the Lumbees' sense of identity, (2) the tribe's relationships with other tribes and Indian organizations, and (3) the tribe's relations with the state and federal governments.

1. Activities: While during the early years of the organization, the principal concerns addressed had to do with economic and social improvement of the Lumbee population, LRDA from its inception was involved in the organization of the Lumbee Homecoming initially a joint venture with the Pembroke Jaycees. After 1971, LRDA took over sole responsibility for the planning and execution of the event.

In addition, LRDA has sponsored a number of programs of a cultural nature. Until recently, when funding was withdrawn due to federal cut-backs, LRDA directed the Lumbee River Native American Center for the Arts, whose objective was to provide gifted students experience and training in the area of music, dance, visual arts, drama, speech and creative writing. The program enrolled 350 students with a curriculum based on an Indian course of study and the talents of the students were given exposure through performances at the local high schools, Pembroke State University and other public functions. There were recitals, performances of plays and dance, and art exhibits.

2. Relations with other Tribes and Indian Organizations: In 1972, LRDA sent a representative to the NCAI annual convention in Florida. However, by the mid-1970s a split had developed between the Lumbee leadership and the NCAI over the role of the non-federally recognized tribes and LRDA took the lead in articulating the tribal position. Beginning in 1974 the delegates to the annual NCAI convention passed the two resolutions that were anti-Lumbee; one passed in Portland, Oregon, called for the replacement of Adolph Dial as a member of the American Indian Policy Review Commission, while the other called upon the United States to cease funding non-recognized tribes. In January, 1976 the Executive Council of the NCAI passed a resolution that included the following section: Resolved: That all governmental agencies cease granting of funds that are earmarked for the Indian tribes of our country to those organizations that are not federally recognized (AIPRC 1976: 1693).

The Lumbee leaders of LRDA were quick to respond, sending off letters to the NCAI, newspapers, and governmental officials condemning this attack.

The Lumbee tribe was the target of similar discrimination from the United Southeastern Tribes (USET). In this instance USET submitted a proposal to the Department of Health Education and Welfare in which it specifically excluded the Lumbee tribe. By 1980, these organizations had changed their views and the Lumbee tribe was accepted fully.

The Lumbee tribe through LRDA also belonged to the Coalition of Eastern Native Americans (CENA) until its demise in 1976. CENA grew out of a conference held in Washington in 1972, organized by two Lumbee leaders, Helen Schierbeck and W.J. Strickland. Over 200 delegates from recognized and non-recognized tribes, communities and groups east of the Mississippi River attended. Strickland was chosen to direct the new organization, which at its height, included sixty tribes and associations covering the area from Maine to Louisiana, as members. The organization's decline was the result of a number of factors: the virulent feelings against non-federally recognized tribes that characterized the period, shifts in federal funding priorities, and the very growth of the organization that resulted in administrative problems that could not be easily resolved.

The leaders of LRDA, in addition to their efforts to promote tribal objectives with national Indian organizations, saw the need to further the relationship with state authority. As has been noted previously, Lumbees have always had some influence in state politics, but this effort was to be on a pan-bridal basis. In 1970 leaders from LRDA approached Governor Robert Scott with the idea of establishing a state commission on Indian Affairs. Scott was initially cool to the idea but influential Lumbee leaders like John Willie Oxendine and Ruth Dial Woods contacted the governor and were able to get a planning group organized. In 1971 the state established the Commission of Indian Affairs as an independent agency, and Early Maynor, a member of LRDA's Board of Directors, was named as the first executive director. In 1977 the commission was changed from an independent agency to a special advocacy agency under the Department of Administration. A. Bruce Jones succeeded Early Maynor as the executive director in 1976. The North Carolina Indian Commission (NCIA) continues to be a major voice in state Indian policy, showing the influence of the Lumbee tribal leaders on regional Indian Affairs.

In 1975, LRDA and NCIC held a staff retreat to discuss common concerns. One of the products of that retreat was the establishment of an annual conference, the North Carolina Indian Unity Conference. The conference has been immensely successful, growing from 100 participants in 1975 to over 600 in 1986, and has developed from a one day workshop to a three day event that includes general assemblies, workshops, talent shows, pow-wows, banquets and dances. Featured speakers have included the state's governors, and other state and federal officials including individuals from the U.S. Office of Indian Education, Administration for Native Americans, U.S. Department of Labor, and Housing and Urban Development. The conference also provides a forum for candidates for state-wide offices. Throughout the period LRDA leadership has been deeply involved not only in the affairs of NCIC, but also in the development of the Unity Conferences.

Until 1983 the Unity Conference was sponsored by NCIC, but in that year a new organization—United Tribes of North Carolina (UTNC)—took over the program. This organization consists of the tribes and Indian organizations within the state and was formed to carry out activities that could not be handled by the state agency. The revenue from the Unity Conference is used to finance the organization's activities.

3. State and Federal Relations: Considerable information has already been presented concerning the relationship of the Lumbee tribe with the state of North Carolina Indian Commission. Beyond that, it has maintained close ties with the state's governors and legislators. As an example of its relationship with the state government, when LRDA needed funds to continue its enrollment it sought and received help in the form of a grant from the state.

As has been described, the Lumbees have maintained a close relationship with the national government since at least the 1880s. The development of LRDA continued and augmented that relationship.

POSITION OF THE INTERIM GOVERNING BODY OF THE LUMBEE TRIBE ON S. 1036 AND H.R. 1436

The interim governing body of the Lumbee Tribe of the Cheraw Indians fully support enactment of S. 1036 and H.R. 1436.

□ 1150

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. LANCASTER].

Mr. LANCASTER. Mr. Chairman, as the Member who represents probably more Lumbee Indians than any other member other than the gentleman from North Carolina [Mr. ROSE], I rise today in support of H.R. 1426, which would give Federal recognition to the Lumbee Tribe of the Cheraw Indians of North Carolina. The State of North Carolina has recognized the Lumbee Indians since 1885.

Federal recognition means that the Lumbees would be identified as a unique political entity, an Indian tribe. Acknowledgment of the tribe's governmental powers as limited by Federal law, would make the Lumbees eligible for certain benefits, such as services provided by the Bureau of Indian Affairs and Indian Health Service.

On three different occasions earlier this century, the Department of the Interior recognized the Lumbees as Indians. In 1956, Congress went part way; the Lumbees were given tribal recognition, but were prohibited from receiving Federal Indian services and full Federal status to the tribe. Only two other tribes have been dealt with in this manner, the Pasqua Yaqui of Arizona and the Ysleta del Sur of Texas. Both tribes have been granted the full Federal recognition by Congress, in 1978 and 1987, respectively.

My friend and colleague, the Honorable CHARLIE ROSE, is making an effort in his legislation to correct a 100-year inequity by making right a long-time injustice, that of the recognition of the

Lumbee Tribe of North Carolina. In the interest of fairness, I urge my colleagues to support H.R. 1426 and defeat any amendments.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, I thank the gentleman for yielding me this time. I do not believe that I will use all of it.

Mr. Chairman, I simply want to take this opportunity to express my appreciation to my colleague, the gentleman from North Carolina [Mr. ROSE], in whose district the majority of Lumbee Indians in North Carolina reside, to thank the committee for addressing this matter and allowing the bill to come to the floor of the House, and to express my thanks and appreciation to all of those others who have participated in the events which enabled us to come to the place where we are today.

I want to say, Mr. Chairman, that with the assurances that have been expressed by those who addressed this question and came to the well before me on the question of money, the assurances built into the legislation, as I understand it, that this recognition of the Lumbee Indians in North Carolina will not take funds from any other Indian tribe or group of native Americans.

I must say that it causes me some pain to be confronted with the fact that there are other groups of native Americans even in the State of North Carolina who oppose recognition of their fellow native Americans. I would hope and expect that, with this small number of citizens, other Indian groups such as the Cherokees in western North Carolina, so ably represented by our colleague, the gentleman from North Carolina [Mr. TAYLOR], would not oppose this legislation but would welcome with open arms their brothers and sisters into the tribal campgrounds.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. RHODES. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. TAYLOR].

Mr. TAYLOR of North Carolina. Mr. Chairman, there has been some comment made about North Carolina's recognition of the Lumbees. I think if we look back at the historical record, the Indian group that is coming before us as Lumbees was recognized roughly in the 1950's rather than in the 1885 period as Lumbees.

What we find there is that in 1855, the State of North Carolina designated a group of Indians in Robeson, Richmond, and Sampson Counties, and they were to be known as the Croatan Indians. In 1913, the State legislature passed an act indicating that Indians in this area would be known and designated as the Cherokee Indians of Robeson County. In 1971 the legislature enacted a law indicating that the Indians in Bladen and Columbus and adjoining counties to Robeson County, including Indians living around the Lumber River, from which the Lumbees chose their name, shall be designated and officially recognized as the Waccamaw Tribe of North Carolina, and then, of course, we have the 1953 designation of the Indians in Robeson and adjoining counties along the Lumber River as the Lumbee Tribe. That is the North Carolina history.

Now, I am not taking from the gentlemen who are here speaking for the Lumbees. What I am saying is that this shows that this is an extremely complicated issue.

What of the Hatteras-Tuscaroras who are among the Lumbees who have separate tribal application who are being subsumed by this legislation? Do they not deserve some recognition and fairness?

It is a complicated issue, and we should not be debating it on the floor of Congress. It should be going through an organized process, not a political process.

Mr. RHODES. Mr. Chairman, in closing, I yield myself such time as I may consume.

Let me just simply make a couple of observations about some of the statements that have been made in support of this legislation.

There is no defense, none, for the way the Department of the Interior and the Bureau of Indian Affairs has strung out the process, not just for this group of people, but for virtually all who have petitioned.

It is true, in lukewarm defense, that many petitioners do take an inordinate amount of time to complete their petitions and to get all the information needed in to the Department. But specifically as to the Lumbees, in my particular way of thinking, it is unconscionable that the Solicitor of the Interior took 8 years to determine, rightly or wrongly, that the 1956 act precludes administrative consideration of the Lumbee application. The Solicitor of the Interior knew in 1981 that the Lumbees were going to petition. Yes, it took the Lumbees 7 years to complete their petition, but certainly in 1981 the Solicitor would have been in a position to say, "Do not bother completing your application, because the 1956 act will not let you process it."

Nobody on this side is defending the way the Department of the Interior has treated this application. What we are saying, though, is that this legislation is simply an invitation to everybody who is currently petitioning and to everybody who is thinking about petitioning to ignore that and to come to Congress and to say, "We wish legislative recognition."

If we think that we have had to agonize over the Lumbees for as long as we have, and we have here in this body, then I would suggest that we prepare ourselves for a lot more agony if we say to native Americans who wish Federal recognition, "Do not bother with the administrative process. We will, on an ad hoc case-by-case basis, take care of you without standards, without definitions, without any clear indication as to what constitutes a recognizable tribe and what does not." I think that the Members of this body should think very, very closely and clearly about whether or not they want to become the experts in this country about what is an Indian tribe and what is not an Indian tribe.

Mr. Chairman, I reserve the balance of my time.

□ 1200

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I rise today in support of the Lumbee Recognition Act. This legislation marks the culmination, as other speakers have said, of more than 100 years of effort by the Lumbee Indians to receive Federal recognition. I commend the gentleman from North Carolina [Mr. ROSE], the gentleman from California [Mr. MILLER], and others who have worked so effectively to bring this bill before us today.

In the first part of this century, Congress directed the Department of the Interior to investigate the history and status of the Lumbee Indian Tribe. Although these studies concluded that the tribe existed as a separate and independent Indian community, the Department continually opposed congressional attempts to recognize the Lumbees because of the tribe's relatively large size and the possible cost of Federal recognition.

Finally, in 1956, Congress passed the Lumbee Act, which confirmed the tribe's status but failed to provide Federal recognition. In keeping with the politics of the so-called termination era, when the Federal Government severed relationships with native American Indian tribes which had been formally recognized, the Lumbee Act of 1956 specifically prohibited a government-to-government relationship with the Lumbee Indians.

When the Bureau of Indian Affairs [BIA] recognition process was established in 1978, the tribe renewed their efforts to achieve Federal recognition; their petition is now pending before the BIA. However, the Department of the Interior has ruled that the language of the 1956 Lumbee Act disqualifies the Lumbee from consideration under the BIA process. The only recourse available to the Lumbee Indians is congressional action.

Members from the other side of the aisle have put forth a substitute measure which would amend the 1956 Lumbee Act to allow a Federal relationship with the Lumbee Indians. This measure also would provide expedited consideration for the Lumbee recognition petition.

While I appreciate the intent of the substitute measure, it is not an effective way to deal with the Lumbee case. Since the BIA recognition process was established in 1978, the BIA has recognized only 8 tribes; the largest has a membership of 2,500. It is simply unrealistic to believe that a staff of 10 can meet the substitute's 18-month deadline for consideration of the Lumbee petition. The substitute measure is also unfair to the other tribes which have submitted petitions to the BIA. Over 100 petitions are now pending, and these would effectively be put on hold for 18 months while the full BIA staff was devoted to the Lumbee petition.

Mr. Chairman, the Lumbee Indians clearly meet the BIA criteria for Federal recognition. They have been working for such recognition since 1888, and it is simply unfair to ask these proud people to wait any longer. I urge my colleagues to support the Lumbee Recognition Act and vote to defeat the substitute measure.

Mr. MILLER of California. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I rise in strong support of the Lumbee bill and in opposition to the amendment.

Mr. Chairman, I am very pleased that this bill has finally reached the House floor for consideration. I have long supported and cosponsored legislation which extends Federal recognition to the Lumbee Indian Tribe of North Carolina.

Mr. Chairman, the Lumbee Indians present a very special case that I think would best be addressed through the legislative process rather than through the Bureau of Indian Affairs' recognition procedure.

The Lumbee Tribe of Cheraw Indians of southeastern North Carolina first sought recognition over 100 years ago. The State of North Carolina officially recognized the tribe in 1885, but the Federal Government has yet to do so, despite making repeated reference to their Indian heritage in the Lumbee Act of 1956.

That reference is important, because no other tribe currently seeking recognition can make that claim. An additional precedent in the Lumbee's favor is the case of the Tiwa Tribe of Texas which had a virtually identical legislative history and received recognition through legislation during the previous administration.

The Lumbees have long sought recognition through the petition process with the Bureau of Indian Affairs without success because of delays and procedural roadblocks. In view of the long history of this case, and in fairness to those directly involved, I believe that Congress should act to end the delay and grant the Lumbee Tribe the recognition they deserve.

Mr. Chairman, a legislative remedy is needed in this case, and I urge my colleagues to support this legislation.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. WILLLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I, too join in support of H.R. 1426, the Lumbee Recognition Act. As a member of the Committee on Interior and Insular Affairs, I have heard many arguments on both sides of this bill.

Some of the opposition comes from recognized tribes in the West and it is to those concerns that I address my comments.

Some tribes and tribal members are concerned that the Lumbees would be receiving preferential treatment if they were recognized in this way legislatively. Instead, the tribes would prefer that the Lumbee continue to use the avenue of the Bureau of Indian Affairs to achieve recognition. It is clear that the Bureau of Indian Affairs makes mistakes from time to time and that often Congress is asked to intercede on one or another tribe's behalf. I personally have worked on several issues of that type for the Indians of Montana. The Lumbees were recognized by the State of North Carolina in 1885. The Lumbees began seeking Federal recognition in 1888. To ask that they continue to attempt recognition from the BIA is simply unacceptable at this point more than 100 years later.

Other tribes may be concerned about sharing the scarce resources available from the BIA for all Indian tribes. H.R. 1426 therefore delays services for the Lumbees until separate funds specifically for that purpose are appropriated, thus making the threat of a decrease in funds available to other tribes a moot point. Even if the bill did not specifically address the issue of funding, I do not believe that it is a legitimate reason for not recognizing the Lumbee Tribe. Granting the Lumbee Tribe Federal recognition is in my judgment the right thing to do, period.

Mr. RHODES. Mr. Chairman, I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I just yield myself 1 minute to conclude the debate at this point before we get to the amendment, and just say that I think our colleague, the delegate from the American Samoa [Mr. FALEOMAVAEGA] made a very important point with respect to this process, and that is that there is one thing that has not changed, that is the Lumbee Indians were a tribe throughout our history. What changed throughout our history was the policy and our intentions and our actions with respect to Indians. We have declared war on them and we have declared peace. We have tried to assimilate them and we have tried to terminate them, and somehow what we are now saying over 100 years later to this tribe is they had to maintain a paper trail, consistent records of each and every one of their members. That is simply not fair and it is wrong.

However the Lumbees were during that period of time, from time to time they tried to get the Government interested in their plea. The Smithsonian sent anthropologists to prod and to poke, to record their language, and to ask them questions. Other anthropologists went, and interestingly enough, they all came back and they reported to the Department of the Interior that this, in fact, was a tribe.

Then we came along in 1978, and we set up yet another process. We said that if they could not jump these hurdles, they could not be a tribe.

There is another interesting fact that I tried to point out in my opening statement, and that is from time to time when the Indians have had this Government between a rock and a hard spot, we had no problems recognizing them as a tribe with far less showing than we are now asking the Lumbees, and we have done it since this process has been set up, because we thought it was to the advantage of the Government. We thought it was to the advantage of the States. We thought it was to the advantage of the landowners and the homeowners and the businesses in various areas; so when it was to our advantage, we had no problem sweeping this aside so we could save hundreds of millions or billions of dollars in Indian settlements, but now it is to the advantage and the dignity of the Lumbee Indians and now we are insisting on a bureaucratic maze that they simply cannot run; not suggesting this is the proper maze, not suggesting this is not flawed, not suggesting this has not been arbitrary up to date, but still they must run it.

I think the gentleman from the American Samoa [Mr. FALEOMAVAEGA] who has sat through more of these hearings than any other Member of this Congress understands completely how often we have changed direction on the American Indian tribes.

Yes, there will be other petitioners before this Congress.

Mr. Chairman, that is our job.

We have introduced legislation with respect to the recognition of the California Indians because of this sorry task of determination, the lies that were held out to those people, the misrepresentations.

So yes, we will be here again and we will have to make those decisions. This is not about us being experts. It is about weighing the evidence that the experts have given us. That is our job on this and so many other subjects.

Mr. FALEOMAVAEGA. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the delegate from the American Samoa.

Mr. FALEOMAVAEGA. Mr. Chairman, I thank the gentleman for yielding to me. I appreciate his kind comments.

The gentleman did state earlier about paper trails. I want to share with my colleagues that perhaps we have learned many things about trails from this part of the region, especially to native Americans.

I think our friend, the gentleman from North Carolina, stated earlier that it was a trail of tears. I think it was called the Trail of Many Tears.

I think I can say with confidence that if we were to identify the Lumbee Indian people in this relationship, I would say they have been through the trail of many years, and I think 103 years is long enough.

Mr. GEJDENSON. Mr. Chairman, I rise today to express my support for H.R. 1426, the Lumbee Recognition Act, and urge my colleagues to oppose any amendments which will weaken or delay the long overdue recognition for this tribe.

Like many of the groups of people who inhabited what is now the United States before we got here, the Lumbees have a long and proud history of independence. They also have a sad story of mistreatment by the U.S. Government. The fact that we are even here today is a testament to that inequity.

In 1956, the Congress of the United States adopted legislation which recognized this tribe as the Lumbee Indians of North Carolina. However, at the same time language was included in that legislation that essentially terminated their Indian status, barring the Lumbees from being eligible for Federal services or benefits from the Government of the United States. In one fell swoop, the Congress managed to both recognize and terminate the Lumbees.

Essentially, the 1956 act barred the Lumbee people from attempting to be recognized administratively through the Federal acknowledgement process that was established in 1978.

That is why we are here today. We have the opportunity to right a wrong. This legislation simply recognizes this tribe as Indians, something that the State of North Carolina did in 1885, and something that the Lumbees have been seeking from the Federal Government for over 100 years

Mr. Chairman, there is little doubt that the Lumbees are Indians. In the Interior Committee we have heard hours of testimony on this issue from archaeologist and anthropologists attesting to the authenticity of the Lumbees as Indians. In addition, on three occasions since 1900, the Department of the Interior has conducted studies to investigate the Lumbee tribe's history and condition. First in 1912, then in 1914, and then in 1933, the Interior Department completed studies all of which concluded that the Lumbees were Indians existing as a separate and independent community.

In 1956, the Congress of the United States acted to terminate the Lumbees and prevent them from seeking Indian status through the administrative process. This is a situation that the Congress created, and though none of us were a part of that injustice, it is our responsibility to right it. Once and for all, it is our responsibility to recognize the Lumbee Tribe of Cheraw Indians of North Carolina.

Mr. Chairman, the Lumbee people have been forced to wait for over 100 years for simple recognition by the Federal Government as a tribe. This legislation is long overdue and I urge my colleagues to support swift passage without amendment.

Mr. MONTGOMERY Mr. Chairman, I rise to oppose H.R. 1426. I don't think the Congress should be involved in the process of granting Federal recognition to Indian tribes when there already exists an administrative process within the Interior Department.

One of the most respected Indian leaders in the country, Chief Phillip Martin of the Mississippi Band of Choctaws, wrote in opposition to this legislation. He said Congress should not establish itself as the historical expert on this issue because we don't have the necessary expertise to do so. In addition, approval of H.R. 1426 would likely lead to an increase in the number of petitions from other groups seeking to bypass the standards used by the Interior Department. I agree with Chief Martin. It is bad public policy and would be unfair to other Indian tribes across the country who have gone through the prescribed administrative process, or who are currently involved in the process set up by the Interior Department in consultation with Indian tribes and the Congress.

Mr. TOWNS. Mr. Chairman, I rise today in strong support of H.R. 1426, the Lumbee Recognition Act, which provides for Federal recognition of this tribe located in southeastern North Carolina. As a native of North Carolina, I have long been aware of the State's recognition of the Lumbee Tribe. The enrolled membership of the tribe is just under 40,000. The Department of the Interior prepared three detailed reports in 1912, 1914, and 1933 which concluded that the Lumbees constitute a self-governing Indian people in need of Federal assistance and services; yet the Department has opposed recognition of the tribe largely due to the cost of servicing the tribe. Now is the time for justice to be served. The Lumbee Recognition Act requires that any Bureau of Indian Affairs funding for the Lumbee come through a separate appropriation, separate from outlays for other federally recognized tribes. The State of North Carolina has recognized the Lumbees since 1885. Federal recognition will bring the Lumbees long overdue rights equal to those of other American Indian groups. I urge my colleagues to support this legislation.

Mr. TALLON. Mr. Chairman, I rise in support of H.R. 1426. The eastern portions of North and South Carolina have been home to the Lumbee Indians long before there ever were settlers. The Lumbee people have maintained their separateness as a people, and their unique nature has been preserved through the centuries.

The Lumbee have been long overlooked as a unique and separate people. They have been struggling for decades to gain Federal recognition with only discouraging results. The time has come for this tribe to receive official recognition and the time has come for this House to pass H.R. 1426.

I want to commend my colleague from North Carolina, Congressman CHARLIE ROSE, for his perseverence in this matter and his dedication to the Lumbee people. I encourage all my colleagues to support this bill today.

Mr. COBLE. Mr. Chairman, I wish to express my support for H.R. 1426, as introduced by my colleague from North Carolina. H.R. 1426 is needed to provide long-overdue Federal recognition of the Lumbee Band of Cheraw Indians.

Congressman ROSE, the bill's sponsor and champion, is to be commended for his tireless efforts over the years on a Lumbee Indian recognition bill. I am pleased to be able to support H.R. 1426 and to work with him on other issues important to the Lumbees of North Carolina.

H.R. 1426 is necessary to correct an error which Congress made in 1956 when it enacted one of the many bills intended to recognize the Lumbee Tribe. The final version of the 1956 Lumbee Act actually included termination-type language that prohibited Federal Indian services and full Federal status to the tribe. The act has precluded the Lumbees from pursuing Federal recognition through an administrative process set up within Interior's Bureau of Indian Affairs in 1978. The only two other tribes to be treated in this manner in the 1950's have since been extended the full Federal relationship by acts of Congress.

The Lumbees only want equal treatment by Congress. There are a number of ways Indian tribes can be recognized. The Lumbee Tribe received recognition by the State of North Carolina in 1885, and began seeking Federal recognition in 1888.

In response to past Federal legislation, Congress asked the Interior Department to investigate the Lumbee's history and condition. On three separate occasions, in 1912, 1914, and 1933, the Department concluded that the Lumbees were indeed Indians. The 1914 study in particular far exceeds in length and detail those presently done by the Bureau of Indian Affairs on petitions for recognition.

Let's stop stalling Federal recognition for the Lumbee tribe by forcing them into a duplicative administrative process, after forcing them through these additional legislative hurdles. I am convinced the Bureau of Indian Affairs could spend up to a decade delaying this process further. The Lumbees of North Carolina have waited nearly a century already for this important Federal recognition. Let's pass this bill today, unamended, and finally recognize the Lumbees.

Mr. MILLER of California. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered under the 5-minute rule by sections and each section shall be considered as having been read.

The Clerk will designate section 1.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the bill H.R. 1426, is as follows:

H.R. 1426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lumbee Recognition Act".

SEC. 2. PREAMBLE.

The preamble to the Act of June 7, 1956 (70 Stat. 254), is amended—

(1) by striking out "and" at the end of each of the first three clauses;

(2) by striking out ": Now therefore," at the end of the last clause and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new clauses:

"Whereas the Lumbee Indians of Robeson and adjoining counties in North Carolina are descendants of coastal North Carolina Indian tribes, principally Cheraw, and have remained a distinct Indian community since the time of contact with white settlers;

"Whereas the Lumbee Indians have been recognized by the State of North Carolina as an Indian tribe since 1885;

"Whereas the Lumbee Indians have sought Federal recognition as an Indian tribe since 1888; and

"Whereas the Lumbee Indians are entitled to Federal recognition of their status as an Indian tribe and the benefits, privileges, and immunities that accompany such status: Now, therefore,".

SEC. 3. FEDERAL RECOGNITION.

The Act of June 7, 1956 (70 Stat. 254), is amended—

(1) by striking out the last sentence of the first section; and

(2) by striking out section 2 and inserting in lieu thereof the following:

"FEDERAL RECOGNITION; ACKNOWLEDGMENT

"SEC. 2. (a) Federal recognition is hereby extended to the Lumbee Tribe of Cheraw Indians of North Carolina. All laws and regulations of the United States of general application to Indians and Indian tribes shall apply to the Lumbee Tribe of Cheraw Indians of North Carolina and its members.

"(b) Notwithstanding the first section of this Act, any group of Indians in Robeson or adjoining counties whose members are not enrolled in the Lumbee Tribe of Cheraw Indians of North Carolina, as determined under section 4(b), may petition under part 83 of title 25 of the Code of Federal Regulations for acknowledgment of tribal existence.

"SERVICES

"SEC. 3. (a) The Lumbee Tribe of Cheraw Indians of North Carolina and its members shall be eligible for all services and benefits provided to Indians because of their status as federally recognized Indians, except that members of the tribe shall not be entitled to such services until the appropriation of funds for these purposes. For the purposes of the delivery of such services, those members of the tribe residing in Robeson and adjoining counties, North Carolina, shall be deemed to be resident on or near an Indian reservation.

"(b) Upon verification of a tribal roll under section 4 by the Secretary of the Interior, the Secretary of the Interior and the Secretary of Health and Human Services shall develop, in consultation with the Lumbee Tribe of Cheraw Indians of North Carolina, a determination of needs and a budget required to provide services to which the members of the tribe are eligible. The Secretary of the Interior and the Secretary of Health and Human Services shall each submit a written statement of such needs and budget with the first budget request submitted to the Congress after the fiscal year in which the tribal roll is verified.

"(c)(1) The Lumbee Tribe of Cheraw Indians of North Carolina is authorized to plan, conduct, consolidate, and administer programs, services, and functions authorized under the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 452, et seq.), and the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), popularly known as the Snyder Act, pursuant to an annual written funding agreement among the Lumbee Tribe of Cheraw Indians of North Carolina, the Secretary of the Interior, and the Secretary of Health and Human Services, which shall specify—

"(A) the services to be provided, the functions to be performed, and the procedures to be used to reallocate funds or modify budget allocations, within any fiscal year; and

"(B) the responsibility of the Secretary of the Interior for, and the procedure to be used in, auditing the expenditures of the tribe.

"(2) The authority provided under this subsection shall be in lieu of the authority provided under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450, et seq.).

"(3) Nothing in this subsection shall be construed as affecting, modifying, diminishing, or otherwise impairing the sovereign immunity from lawsuit enjoyed by the Lumbee Tribe of Cheraw Indians of North Carolina or authorizing or requiring the termination of any trust responsibility of the United States with respect to the tribe.

"CONSTITUTION AND MEMBERSHIP

"SEC. 4. (a) The Lumbee Tribe of Cheraw Indians of North Carolina shall organize for its common welfare and adopt a constitution and bylaws. Any constitution, bylaws, or amendments to the constitution or bylaws that are adopted by the tribe must be consistent with the terms of this Act and shall take effect only after such documents are filed with the Secretary of the Interior. The Secretary shall assist the tribe in the drafting of a constitution and bylaws, the conduct of an election with respect to such constitution, and the reorganization of the government of the tribe under any such constitution and bylaws.

"(b)(1) Until the Lumbee Tribe of Cheraw Indians of North Carolina adopts a constitution and except as provided in paragraph (2), the membership of the tribe shall, subject to review by the Secretary, consist of every individual who is named in the tribal membership roll that is in effect on the date of enactment of this Act.

"(2)(A) Before adopting a constitution, the roll of the tribe shall be open for a 180-day period to allow the enrollment of any individual previously enrolled in another Indian group or tribe in Robeson or adjoining counties, North Carolina, who demonstrates that—

"(i) the individual is eligible for enrollment in the Lumbee Tribe of Cheraw Indians; and

"(ii) the individual has abandoned membership in any other Indian group or tribe.

"(B) The Lumbee Tribe of Cheraw Indians of North Carolina shall advertise in newspapers of general distribution in Robeson and adjoining counties, North Carolina, the opening of the tribal roll for the purposes of subparagraph (A). The advertisement shall specify the enrollment criteria and the deadline for enrollment.

"(3) The review of the tribal roll of the Lumbee Tribe of Cheraw Indians of North Carolina shall be limited to verification of compliance with the membership criteria of the tribe as stated in the Lumbee Petition for Federal Acknowledgment filed with the Secretary by the tribe on December 17, 1987. The Secretary shall complete his review and verification of the tribal roll within the 12-month period beginning on the date on which the tribal roll is closed under paragraph (2).

"JURISDICTION

"SEC. 5. (a)(1) The State of North Carolina shall exercise jurisdiction over—

"(A) all criminal offenses that are committed on, and

"(B) all civil actions that arise on,

lands located within the State of North Carolina that are owned by, or held in trust by the United States for, the Lumbee Tribe of Cheraw Indians of North Carolina, any member of the Lumbee Tribe of Cheraw Indians of North Carolina, or any dependent Indian community of the Lumbee Tribe of Cheraw Indians of North Carolina.

"(2) The Secretary of the Interior is authorized to accept on behalf of the United States, after consulting with the Attorney General of the United States, any transfer by the State of North Carolina to the United States of any portion of the jurisdiction of the State of North Carolina described in paragraph (1) pursuant to an agreement between the Lumbee Tribe of Cheraw Indians and the State of North Carolina. Such transfer of jurisdiction may not take effect until two years after the effective date of such agreement.

"(3) The provisions of this subsection shall not affect the application of section 109 of the Indian Child Welfare Act of 1978 (25 U.S.C. 1919).

"(b) Section 5 of the Act of June 18, 1934 (Chapter 576; 25 U.S.C. 465), and the Act of April 11, 1970 (84 Stat. 120; 25 U.S.C. 488 et seq.), shall apply to the Lumbee Tribe of Cheraw Indians of North Carolina with respect to lands within the exterior boundaries of Robeson and adjoining counties, North Carolina.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 6. (a) There are authorized to be appropriated such funds as may be necessary to carry out this Act.

"(b) In the first fiscal year in which funds are appropriated under this Act, the tribe's proposals for expenditures of such funds shall be submitted to the Select Committee on Indian Affairs of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives 60 calendar days prior to any expenditure of such funds by the tribe.".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, strike out line 10 and insert in lieu thereof "of the first three clauses;".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. RHODES

Mr. RHODES. Mr. Chairman, I offer an amendment in the nature of a substitute.

The clerk read as follows:

Amendment in the nature of a substitute offered by Mr. RHODES: Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. AUTHORITY TO SEEK FEDERAL RECOGNITION.

(a) CONSIDERATION OF PETITION.—The Act of June 7, 1956 (70 Stat. 254), shall not constitute a bar to the consideration by the Secretary of the Interior of any petition of a group or organization representing the Lumbee Indians or other Indians residing in Robeson and adjoining counties of North Carolina for acknowledgment as an Indian tribe.

(b) ACKNOWLEDGED GROUPS.—The provisions of the Act of June 7, 1956, shall not apply to any group or organization whose petition for acknowledgment as an Indian tribe is approved by the Secretary on or after the date of the enactment of this Act.

SEC. 2. CONSIDERATION OF PETITION REQUESTING ACKNOWLEDGMENT AS AN INDIAN TRIBE.

(a) PROPOSED FINDING.—The Assistant Secretary of the Interior for Indian Affairs shall publish a proposed finding with respect to the petition for acknowledgment as an Indian tribe submitted by the Lumbee Regional Development Association on December 17, 1987, and subsequently supplemented, not later than 18 months after the date on which the petitioner has fully responded to the notice of obvious deficiencies regarding that petition.

(b) NUMBER OF MEMBERS NOT A FACTOR.—The number of persons listed on the membership roll contained in the petition referred to in subsection (a) shall not be taken into account in considering such petition, except that the Assistant Secretary may review the eligibility of individual members or group listed in such petition in accordance with the provisions of part 83 of title 25, Code of Federal Regulations.

(c) REVIEW.—(1) If the Assistant Secretary fails to publish the proposed finding referred to in subsection (a) within the 18-month period referred to in such subsection, the petitioner may treat such failure as final agency action refusing to acknowledge that the petitioner is an Indian tribe and seek in Federal district court a determination of whether the petitioner should be acknowledged as an Indian tribe in accordance with the criteria specified in section 83.7 of title 25, Code of Federal Regulations.

(2) If the Assistant Secretary publishes a final decision refusing to acknowledge the Indians seeking recognition under the petition referred to in subsection (a), the petitioner may, not later than one year after the date on which the final decision is published, seek in Federal district court a review of the decision, notwithstanding the availability of other administrative remedies.

SEC. 3. CRIMINAL AND CIVIL JURISDICTION.

(a) STATE.—In the event that an Indian tribe is acknowledged pursuant to the petition filed by the Lumbee Regional Development Association, the State of North Carolina shall exercise jurisdiction over all criminal offenses that are committed on, and all civil causes of action that arise on, lands located within the State that are owned by, or held in trust by the United States for, such tribe or any member of such tribe, or on lands within any dependent community of such tribe, to the same extent that the State has jurisdiction over any such offense committed elsewhere in the State or over other civil causes of action.

(b) TRANSFER TO THE UNITED STATES.—The Secretary of the Interior may accept on behalf of the United States, after consultation with the Attorney General of the United States, any transfer by the State of North Carolina to the United States of any portion of the jurisdiction of the State described in subsection (a).

SEC. 4. NO DELAY FOR PETITIONS AWAITING ACTIVE CONSIDERATION.

It is the sense of the Congress that the review of the petition submitted by the Lumbee Regional Development Association under section 2 should not delay the review of the pending fully documented petitions for acknowledgment as an Indian tribe awaiting active consideration as of February 1, 1990.

Mr. RHODES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES. Mr. Chairman, let me just briefly describe what this amendment does. It states that the act of 1956 shall not be considered a bar to consider of the petition of the Lumbee Indians.

It states that the Department of the Interior shall issue its proposed finding on the petition of the Lumbee Indians not later than 18 months after that petition has been completed.

□ 1210

It states specifically, specifically that the Department of the Interior is not to consider the number of people included on the tribal roll in making a determination as to the validity of the petition. It also states that if the petitioner, in this case the Lumbee Indians, is not in any way satisfied with the findings of the Department of the Interior, they have direct access to the Federal district courts, do not have to go through an administrative appeal procedure.

It states that North Carolina law shall apply. And it further says that there shall be no delay in the consideration of pending applications as a result of this legislation.

Let me just comment briefly about that last provision, because I am quite sure we are going to hear that one of the things that is unfair about the amendment in the nature of a substitute is that it will put the Lumbees in ahead of pending applications, applications that have been waiting for action for some time. At the same time, we are ignoring—those who make that argument ignore the fact that legislatively recognizing the Lumbees is equally, or substantially more, unfair to those who are going through the process, having their petitions pending or those who are contemplating going through the process.

Now, this is simple, there is nothing complicated about this amendment, and there is nothing complicated about what it is that we are trying to accomplish. It is not trying to enshrine what I consider to be a flawed administrative process. And I think that the gentleman from American Samoa, and others, who sat through the hearing, will recall that of those who were critical of the Bureau of Indian Affairs and the process that they are administering, I was one of the most critical. That is not the point. That is the reason, however, that we put in the 18-month limitation so that they must act on this application. That is not the point, enshrining the process is not the point; keeping in place the adminstrative procedure is the point. Being fair to those who wish to seek recognition as a federally recognized tribe, having them know what the process is, having them know what the standards are, having them know what they must meet, having them know what the burden of proof is, is the point.

Saying to them, "You can't come to Congress where there are no standards, there are no procedures, there are no burdens of proof; it is a matter of whom you can impress and whom you cannot impress," is the point.

In the particular case of the Lumbees, the point is we owe it to them to get this job done and your bill will not do it. You talk about 105 years of delay for the Lumbees. All I can say to you is that your bill promises them more delay. The future of your bill is uncertain, to put it mildly.

This amendment, if adopted, will be signed by the President, and the Lumbees will finally know where the end of the trail is, and they will have access to a Federal court without having to go through any administrative law judge if the decision of the department is contrary to their wishes.

This provides certainty, the amendment in the nature of a substitute, provides a certainty. The bill-in-chief provides nothing but false hopes, nothing but more delay, and nothing but an open invitation to this Congress to be the arbiter of the question of what is a federally recognizable Indian tribe and what is not. And I do not think is the slope that this body wishes to embark on.

Mr. Chairman, I urge adoption of the amendment in the nature of a substitute.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, we all want to be fair today to native Americans. I appreciate the comments that have been made by the proponents of the bill that has been put before us. But I think we have to ask, as my colleague from Arizona has, now best to be fair to the native Americans in question here.

Clearly, the amendment he has recommended will give a prompt answer to the question of whether or not the Lumbees should be recognized as a tribe. It will give them adequate, and prompt, appeal opportunity. And it is fair.

It is fair not just to the Lumbees. We are not the only parties here. Why do the vast majority of the American Indian tribes across this country oppose this legislation, and insist upon a strict adherence to an equitable methodology and a criterion that is set forth that will put a prompt review, but a review nevertheless, in determining who should be recognized by the Federal Government as a tribe? Why did they insist upon that?

They are insisting upon fairness, and that is why they oppose the original legislation. The amendment of the gentleman from Arizona will present fairness to the Lumbees. More important, it will present fairness to the majority of the American tribes. It will present fairness to other Americans, native Americans, American Indians who are located—such as the Hatteras—Tuscarora—who are located in among the Lumbees, who point out very clearly that the original bill will deny them recognition as a tribe. It will subsume them into the rolls of the Lumbee and will deny them their heritage.

How can we be fair with a bill that does that to the Hatteras—Tuscarora?

So I support the amendment because it gives a fair opportunity, an opportunity for us to solve this question promptly and in all fairness.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as a member of the Interior Committee, I participated in the hearings on similiar legislation in the previous session of Congress. I, regrettably, was unable to attend the hearing and markup recently in the Committee on Interior and Insular Affairs in which this issue was addressed.

Mr. Chairman, I oppose the Rhodes amendment because we would require of the Lumbee that which we have not required for anyone else. That is, they would be required to go through both a congressional action, in terms of establishing their eligibility for acknowledgement, and a separate administrative procedure.

The truth is that the legal opinion that came from the Department of the Interior's Solicitor had indicated the ineligibility of the Lumbee Indians under a 1956 act that recognized them in name but prohibited them from receiving any benefits or services from the Government. The Rhodes amendment would require the Lumbees to go through, as I said, in essence, double jeopardy in terms of their actions to gain acknowledgement.

I think the conclusion of this is fairly predictable in terms of the outcome by the Department of the Interior. Congress has the unquestioned authority to, in fact, recognize tribes, especially in such cases where there has been a controversial law or a manifest frustration experienced within the administrative process.

That certainly is the case here with regard to the Lumbee. I think when the legislation was before the Congress in earlier sessions, there was some tendency to look to the administrative process for recognition but that has been unproductive. It has avoided the issue. I think it is appropriate that we take action in this instance to, in fact, recognize them and defeat this amendment, which, again, would only serve to frustrate the process and postpone action on the question.

Congress, during the time of the pendency of the Lumbee request for recognition, has recognized no fewer than 12 tribes that, in many instances, were recognized for similar circumstances as in the case of the Lumbee. So, this legislation is not an unusual action. It is a usual action.

I think there is a question of merit here, and the Rhodes amendment is not the way to resolve the Lumbee recognition issue. I would ask Members to vote against the amendment in the nature of a substitute and support the bill as reported by the Committee on Interior and Insular Affairs.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman and Members of the House, let us clearly understand what is being done here. It is that we are asking the Lumbees to now, under the substitute, go back through the process. That is simply unacceptable.

□ 1220

It is unacceptable on the face of the amendment because the amendment seeks to change the process by which the Lumbees would go through, recognizing the inherent flaws in the current process, recognizing the inherent flaws in the process with respect to the Lumbees. Not only does the amendment recognize the inherent flaws in the current process, but the gentleman from Arizona [Mr. RHODES] stated earlier that he has a bill to reform the process. So, the amendment gives the Lumbees the right to go to the head of the line and go through a process that we are all in agreement is flawed and needs reforming.

Mr. Chairman, that is not justice. That is not justice. The Lumbees have been here over 100 years in this process. What they are entitled to is the recognition by this Congress, and by this Government, as an Indian tribe. The only way that is going to be achieved is with the passage of the gentleman from North Carolina's [Mr. ROSE] bill, not with the passage of this substitute. So, what is very important is that we reject this substitute, we pass the bill, and at that time this Congress can speak based upon the evidence, not that we generated, but that the Lumbees generated, and the experts who have studied the Lumbees throughout the past century have generated, as to verifying the fact that they are what they are, an Indian tribe.

Mr. Chairman, I would hope that we would overwhelmingly reject this amendment and pass the underlying legislation.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Arizona [Mr. RHODES].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr RHODES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 251, not voting 22, as follows:

[Roll No. 281]

AYES—159

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Boehlert
Boehner
Brewster
Broomfield
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clinger
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hefley
Henry
Herger
Hobson
Horton
Houghton
Inhofe
Ireland
James
Johnson (CT)
Johnson (SD)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Orton
Oxley
Packard
Parker
Paxon
Penny
Peterson (MN)
Petri
Porter
Ramstad
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Swift
Synar
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—251

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman

Bevill
Bilbray
Bliley
Bonior
Borski
Boucher
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Coble
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)

Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jefferson
Jenkins
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Levin (MI)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson

Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rowland
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stenholm
Stokes
Studds
Swett
Tallon
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—22

Boxer
Callahan
Carr
Ewing
Flake
Hastert
Holloway
Hopkins

Hyde
Lehman (FL)
Levine (CA)
Lipinski
Mrazek
Pursell
Rostenkowski
Roybal

Slaughter (VA)
Stark
Sundquist
Tanner
Traxler
Waters

☐ 1244

Mr. FASCELL and Mr. BERMAN changed their vote from "aye" to "no."

Messrs. MCCURDY, PARKER, GEREN of Texas, and HALL of Texas changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mrs. UNSOELD] having assumed the chair, Mr. KLECZKA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1426) to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes, pursuant to House Resolution 225, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

(By unanimous consent, Mr. MICHEL was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. MICHEL. Madam Speaker, I ask to proceed out of order that I might inquire of the distinguished majority leader about the program for the balance of this week and next week.

Mr. GEPHARDT. Madam Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I would like to give Members a sense not only of what is left today, but what we intend to do for the rest of the week and next week.

First of all, there will be a vote on final passage anticipated on this bill in a few moments. At the end of that vote, there will be no further votes today. There will be no votes on tomorrow.

On Monday there will be six suspension bills, but the recorded votes on those bills will be postponed until Tuesday, October 1. Those bills are:

H.R. 3294, regarding O and P nonimmigrants' visas;

H.R. 3350, extending the U.S. Commission of Civil Rights;

H.R. 3259, drug abuse education and prevention programs relating to youth gangs and runaway youth;

H.R. 3280, Decennial Census Improvement Act of 1991;

H.R. 3322, to designate the "Gwen B. Giles Post Office Building"; and

H.R. 2935, to designate the "Patrick J. Patton United States Post Office Building."

On Tuesday, the House meets at noon. The votes, if there are votes from Monday, will be held. Then we will vote on the Emergency Unemployment Compensation Act conference report.

On Wednesday and the balance of the week, the House will meet at 10 a.m. to take up the Defense Production Act Amendments of 1991 and conference reports on at least two appropriations bills, Treasury-Post Office, and VA-HUD. There may be conference reports on other appropriations bills as well.

Mr. MICHEL. The gentleman made no mention of a possible conference report on unemployment. When would the prospects for that be?

Mr. GEPHARDT. On Tuesday.

ADJOURNMENT TO MONDAY, SEPTEMBER 30, 1991

Mr. GEPHARDT. Madam Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Madam Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

☐ 1250

The SPEAKER pro tempore (Mrs. UNSOELD). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 263, nays 154, not voting 15, as follows:

[Roll No. 282]

YEAS—263

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray

Bliley
Bonior
Borski
Boucher
Brooks
Browder
Brown
Bruce
Bryant
Burton
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coble
Coleman (TX)

Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley

Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gordon
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hutto
Jacobs
Jefferson
Jenkins
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco

Laughlin
Leach
Lehman (CA)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ravenel
Ray

Reed
Regula
Richardson
Ridge
Roe
Roemer
Rose
Rowland
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Spence
Spratt
Staggers
Stallings
Stokes
Studds
Sundquist
Swett
Tallon
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—154

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bilirakis
Boehlert
Boehner
Brewster
Broomfield
Bunning
Camp
Campbell (CA)
Chandler
Clinger
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer

DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Geren
Gilchrest
Gillmor
Gingrich
Gonzalez
Goodling
Goss
Gradison
Grandy
Green

Guarini
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Horton
Houghton
Hughes
Hunter
Inhofe
Ireland
James
Johnson (CT)
Johnson (SD)
Johnson (TX)
Kasich
Kolbe
Kyl
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)

Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Nichols
Nussle
Orton
Oxley
Packard
Parker

Paxon
Penny
Peterson (MN)
Petri
Porter
Ramstad
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen

Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stenholm
Stump
Swift
Synar
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Boxer
Callahan
Flake
Holloway
Hopkins

Hyde
Lehman (FL)
Levine (CA)
Pursell
Rostenkowski

Roybal
Slaughter (VA)
Solarz
Stark
Tanner

□ 1308

Mr. BROOMFIELD changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1426, the bill just passed.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from California?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate insists upon its amendments to the bill (H.R. 972) "An act to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians" disagreed to by the House, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. INOUYE, Mr. DECONCINI, Mr. BURDICK, Mr. DASCHLE, Mr. CONRAD, Mr. REID, Mr. SIMON, Mr. AKAKA, Mr. WELLSTONE, Mr. MCCAIN, Mr. MURKOWSKI, Mr. COCHRAN, Mr. GORTON, Mr. DOMENICI, Mrs. KASSEBAUM, and Mr. NICKLES on the part of the Senate.

□ 1310

PERMISSION TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 27, 1991, TO FILE CONFERENCE REPORT ON H.R. 2622, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Madam Speaker, I ask unanimous consent that the managers may have until midnight tomorrow, Friday, September 27, 1991, to file a conference report on the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ARMED FORCES IMMIGRATION ADJUSTMENT ACT OF 1991

Mr. BROOKS. Madam Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 296) to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment as follows:

Senate amendment to House amendment:

In lieu of the matter proposed to be inserted by the amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1991".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) IN GENERAL.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking "or" at the end of subparagraph (I).

(2) by striking the period at the end of subparagraph (J) and inserting "; or", and

(3) by adding at the end the following new subparagraph:

"(K) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

"(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or

"(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,

and the spouse or child of any such immigrant if accompanying or following to join the immigrant, but only if the executive department under which the immigrant serves or served recommends the granting of special immigrant status to the immigrant.".

(b) NUMERICAL LIMITATIONS.—Section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)), as inserted by section 121(a) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR 'K' SPECIAL IMMIGRANTS.—

"(A) NOT COUNTED AGAINST NUMERICAL LIMITATION IN YEAR INVOLVED.—Subject to subparagraph (B), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in a fiscal year shall not be subject to the numerical limitations of this subsection or of section 202(a).

"(B) COUNTED AGAINST NUMERICAL LIMITATIONS IN FOLLOWING YEAR.—

"(i) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS.—The number of visas made available in any fiscal year under paragraphs (1), (2), and (3) shall each be reduced by ⅓ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K).

"(ii) REDUCTION IN PER COUNTRY LEVEL.—The number of visas made available in each fiscal year to natives of a foreign state under section 202(a) shall be reduced by the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(iii) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS WITHIN PER COUNTRY CEILING.—In the case of a foreign state subject to section 202(e) in a fiscal year (and in the previous fiscal year), the number of visas made available and allocated to each of paragraphs (1) through (3) of this subsection in the fiscal year shall be reduced by ⅓ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(C) APPLICATION OF SEPARATE NUMERICAL LIMITATION.—

"(i) IN GENERAL.—Subject to clause (ii), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in any fiscal year (other than as a spouse or child described in such section) may not exceed—

"(I) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in clause (iii)), 2,000, or

"(II) in the case of aliens who are nationals of any other state, 100.

"(ii) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of clause (i) shall not apply to individuals who meet the requirements of section 101(a)(27)(K) as of the date of the enactment of this subparagraph.

"(iii) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In clause (i), the term 'numerical limitation treaty or agreement means a treaty or agreement in effect on the date of the enactment of this subparagraph which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States.".

(c) ADJUSTMENT OF STATUS.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended—

(1) in subsection (c)(2), by striking "or (I)" and inserting ", (I), or (K)", and

(2) by adding at the end the following new subsection:

"(g) In applying this section to a special immigrant described in section 101(a)(27)(K), such an immigrant shall be deemed, for purposes of subsection (a), to have been paroled into the United States.".

(d) EFFECTIVE DATE.—This section shall take effect 60 days after the date of the enactment of this Act.

SEC. 3. DELAY UNTIL APRIL 1, 1992, IN IMPLEMENTATION OF PROVISIONS OF RELATING TO 0 AND P NONIMMIGRANTS.

Section 214(g)(1)(C) of the Immigration and Nationality Act shall not apply to the issuance of visas or provision of status before April 1, 1992. Aliens seeking nonimmigrant admission as artists, athletes, entertainers, or fashion models (or for the purpose of accompanying or assisting in an artistic or athletic performance) before April 1, 1992, shall not be admitted under subparagraph (O)(i), (O)(ii), (P)(i), or (P)(iii) of section 101(a)(15) of such Act, but may be admitted under the terms of subparagraph (H)(i)(b) of such section (as in effect on September 30, 1991).

SEC. 4. CONTINUATION OF DERIVATIVE STATUS FOR SPOUSES AND CHILDREN OF THIRD AND SIXTH PREFERENCE IMMIGRANTS; DEEMED CONTINUED EFFECTIVENESS OF CERTAIN EMPLOYMENT-BASED PETITIONS.

Effective as if included in the Immigration Act of 1990, section 161(c) of such Act is amended by adding at the end the following new paragraphs:

"(3) In the case of an alien who is described in section 203(a)(8) of the Immigration and Nationality Act (as in effect before October 1, 1991) as the spouse or child of an alien described in section 203(a)(3) or 203(a)(6) of such Act and who would be entitled to enter the United States under such section 203(a)(8) but for the amendments made by this section, such an alien shall be deemed to be described in section 203(d) of such Act as the spouse or child of an alien described in section 203(b)(2) or 203(b)(3)(A)(i), respectively, of such Act with the same priority date as that of the principal alien.

"(4)(A) Subject to subparagraph (B), any petition filed before October 1, 1991, and approved on any date, to accord status under section 203(a)(3) or 203(a)(6) of the Immigration and Nationality Act (as in effect before such date) shall be deemed, on and after October 1, 1991 (or, if later, the date of such approval), to be a petition approved to accord status under section 203(b)(2) or under the appropriate classification under section 203(b)(3), respectively, of such Act (as in effect on and after such date). Nothing in this subparagraph shall be construed as exempting the beneficiaries of such petitions from the numerical limitations under section 203(b)(2) or 203(b)(3) of such Act.

"(B) Subparagraph (A) shall not apply more than two years after the date the priority date for issuance of a visa on the basis of such a petition has been reached.".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR REFUGEE RESETTLEMENT PROGRAMS FOR FISCAL YEAR 1992.

Subsection (a) of section 414 of the Immigration and Nationality Act (8 U.S.C. 1524) is amended to read as follows:

"(a) There are authorized to be appropriated for fiscal year 1992 such sums as may be necessary to carry out this chapter.".

Mr. BROOKS (during the reading). Madam Speaker, I ask unanimous consent that the Sentate amendment to the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. McCOLLUM. Madam Speaker, reserving the right to object, I would like to ask the distinguished chairman of the Committee on the Judiciary, during this reservation of objection, to explain the bill. I do not expect to object to it, but I would like to know what we are passing, and let the Members know, if he would.

Mr. BROOKS. Madam Speaker, the heart of S. 296 is a provision that would allow aliens who have served honorably in the Armed Forces of the United States to become permanent resident aliens. This provision passed the House on September 16.

The Senate amendment to the House amendment to S. 296 makes several minor technical amendments to that provision. In addition, the Senate amendment includes four noncontroversial provisions, all of which have the support of the administration. The first simply authorizes funding for fiscal year 1992 for the Refugee Resettlement Program administered by the Department of Health and Human Services.

A second provision defers for 6 months—from October 1, 1991, to April 1, 1992—the effective date of the changes made last year to certain temporary visa categories concerning artists, athletes, and entertainers. An identical provision was passed by voice vote by the House Judiciary Committee just 2 days ago.

The third and fourth provisions are designed to cure defects in the 1990 Immigration Act. Inadvertently that act denied to the spouses and children of aliens who are coming here because of their work skills, the right to receive a visa.

The other defect cured by the Senate amendment concerns a provision in the 1990 act which establishes a duplicative paperwork filing requirement for certain U.S. employers petitioning for the admission of a needed worker. Under the Senate amendment they will only need to file once.

I urge my colleagues to adopt the Senate amendments to S. 296 and send this bill to the President.

Mr. McCOLLUM. Madam Speaker, further reserving the right to object, I thank the gentleman for his explanation.

Madam Speaker, further reserving the right to object, I yield to the gentleman from Kentucky [Mr. MAZZOLI], the chairman of the subcommittee, who wants to comment.

Mr. MAZZOLI. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I rise not to object at all but to congratulate the chairman of the full committee, the gentleman from Texas [Mr. BROOKS], who has been my friend, and mate for many years, and the gentleman from Florida [Mr.

MCCOLLUM], on having brought this bill to the floor at this time.

Mr. MCCOLLUM. Madam Speaker, further reserving the right to object, I do so only to this extent, that I think that what has been explained is a very important piece of legislation, because there are things that, if we do not pass it today, will come to pass that none of us really want to see on the beginning of the new fiscal year on October 1, and as the chairman has explained, it is very important for that reason.

In addition, there is the fact that the underlying bill passed this body overwhelmingly in the past.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION WAIVING ALL POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 1722, EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991, AND AGAINST CONSIDERATION OF CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-221) on the resolution (H. Res. 230) waiving all points of order against the conference report on the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, SEPTEMBER 27, 1991, TO FILE CONFERENCE REPORT ON H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991

Mr. FASCELL. Madam Speaker, I ask unanimous consent that the managers may have until midnight tomorrow, September 27, 1991, to file the conference report on the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMENDING U.S. ARMS CONTROL AND DISARMAMENT AGENCY ON ITS 30TH ANNIVERSARY

Mr. FASCELL. Madam Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 229) commending the U.S. Arms Control and Disarmament Agency, its current and former employees, on the 30th anniversary of the establishment of that agency, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 229

Whereas on September 26, 1991, the United States Arms Control and Disarmament Agency concludes 30 years of leadership in arms control and disarmament policy with a series of notable successes;

Whereas these successes include the complete elimination of intermediate-range nuclear forces, and agreements that verify limits on nuclear testing, limiting conventional forces in Europe, reduce strategic nuclear forces, and provide for the complete destruction of United States and Soviet chemical weapons;

Whereas the insistence of the United States Arms Control and Disarmament Agency on full verification of and compliance with all arms control treaties has helped to give confidence and meaning to these treaties, and led to the decision of the Soviet Union to dismantle the illegal antiballistic missile radar at Krasnoyarsk;

Whereas the United States Arms Control and Disarmament Agency has been a leader in developing United States policies to halt the proliferation of weapons of mass destruction, ballistic missiles, and other possibly destabilizing technologies; and

Whereas the United States Arms Control and Disarmament Agency faces historic arms control opportunities in the next decade to conclude negotiations for a worldwide ban on chemical and biological weapons, to establish a worldwide conventional arms restraint regime, to secure additional reductions in all nuclear weapons, and, in this context, to continue to work toward a comprehensive nuclear test ban: Now, therefore, be it

Resolved, That, on the occasion of the 30th anniversary of the establishment of the United States Arms Control and Disarmament Agency, the House of Representatives—

(1) commends that agency, and all who have served that agency, for the contribution that they have made to make the world a safer and more secure place to live; and

(2) reaffirms the commitment of the United States, through the United States Arms Control and Disarmament Agency, to continue efforts to achieve effectively verifiable arms control agreements and to halt the proliferation of weapons of mass destruction and dangerous technologies.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] is recognized for 1 hour.

Mr. FASCELL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, as an original sponsor of the legislation that established the U.S. Arms Control and Disarmament Agency [ACDA] 30 years ago on September 26, 1961, it is with great pleasure that I rise in support of House Resolution 229. H.R. 229 commemorates ACDA upon its 30 anniversary.

As you know, ACDA has the primary responsibility for leading in the development and implementation of U.S. arms control policies. The Agency represents the foundation upon which the United States commits itself to achieve effectively verifiable arms control agreements. ACDA also plays a leading role in U.S. efforts to halt the proliferation of unconventional weapons of mass destruction, and other weapons and related technologies.

Over the last 30 years ACDA has played a vital role in United States negotiations with the Soviets that have been both cooperative and confrontation. Constant efforts have resulted in a historic series of successful treaties and agreements. These include:

The 1963 Partial Test Ban Treaty [PTBT];

The 1968 Nuclear Non-Proliferation Treaty [NPT];

The 1972 Strategic Arms Limitation Treaty [SALT];

The 1972 Anti-Ballistic Missile [ABM] Treaty;

The 1974 Theshold Test Ban Treaty [TTBT];

The 1976 Peaceful Nuclear Explosions Treaty [PNET];

The 1988 Intermediate-Range Nuclear Forces [INF] Treaty;

The 1990 Conventional Forces in Europe Treaty [CFE]; and

The 1991 Strategic Arms Reduction Treaty [START].

Today ACDA concludes 30 years of hard work, leadership, and dedication to arms control and disarmament policy. With this resolution, I wish to commend ACDA and all who have served the Agency and their country for their efforts toward making the world a safer and more secure place to live by eliminating, or where necessary, by controlling all types of weapons, including and especially weapons of mass destruction.

If indeed history is prolog, ACDA's illustrious past indicates that is future remains bright and even more important as we rise to face the arms control opportunities and challenges of the post-cold-war era.

Madam Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Madam Speaker, I strongly support the resolution before us which commends the Arms Control and Disarmament Agency [ACDA] upon its 30th anniversary.

Like Chairman FASCELL, I can remember taking part in the debate in the Congress to establish ACDA. We could not agree on its name. Then we could not agree on its mandate. But we settled those questions because we all agreed on the necessity of establishing an agency which could fulfill the immense responsibility for developing and implementing U.S. arms control policies.

I remember clearly the enthusiasm with which each of us proceeded as we became the first nation in the world to create a Government agency devoted solely to the issue of disarmament and arms control. We believed then, as now, that the establishment of ACDA constituted proof of America's dedication and commitment to peace.

We had great expectations in 1961. I believe those expectations have been borne out. Over the last 30 years, ACDA has played an instrumental role in concluding a series of successful treaties and agreements, ranging from the 1972 SALT Agreement to the recent INF Treaty.

I believe that ACDA's future is as bright as its past. With the remarkable changes in the world over the last few years, particularly in the Soviet Union, ACDA faces historic opportunities. I am confident that with strong support from the Congress ADCA will rise to meet those challenges.

I commend ACDA, and its dedicated former and current employees, on 30 years of fine work. I urge the adoption of this resolution.

Mr. FASCELL. Madam Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 229, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROPOSED HUD RULE IS DEATH WARRANT FOR PUBLIC HOUSING AUTHORITIES

(Mr. CONYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, 3 weeks ago the Department of Housing and Urban Development [HUD] issued a proposed rule that will be a death warrant for public and Indian housing authorities across the Nation.

Under the proposed rule, HUD would continue to pay full public housing operating subsidies only for occupied units and vacant units up to 2 percent. This means that if the public housing authority in your district has a vacancy rate of over 2 percent—and almost all do—it would receive a devastating cut in assistance from HUD.

My home district of Detroit has a vacancy rate of over 40 percent, Mr. Speaker; Detroit's housing director told me this week that this rule would mean a 44-percent annual cut in operating subsidy from HUD to Detroit. He concluded that if this proposed rule is adopted, Detroit's public housing authority "might as well close its doors."

Detroit is not alone, Mr. Speaker, Newark, Chicago, Cleveland, Houston, New York, and virtually all other cities whose housing authorities have vacancy rates over 2 percent will receive devastating cuts in assistance from HUD under this rule.

Vacant units are an inevitable part of any public housing project, Mr. Speaker. Normal turnover of units, even in the best managed projects, will contribute to vacancy. Units must also be vacant during modernization, reconstruction, or other activities. Starving a housing authority of its much-needed operating assistance through this proposed rule will not solve vacancy problems, but serve only to drastically reduce the quality of life for low-income tenants across the Nation.

This is not a partisan issue, Mr. Speaker. Both Republicans and Democrats will pay the consequences in their districts if we stand by and allow this rule to be implemented. I am submitting for the record an analysis of this rule by the Council of Large Public Housing Authorities that shows the impact of its implementation on cities across the country. I urge my colleagues to demand that Secretary Kemp withdraw this outrageous proposal, and rethink his approach to housing management. Cutting our public housing authorities off at the knees is not the answer.

HUD RULE WILL CUT HOUSING SUBSIDIES

(By Eugene T. Lowe)

HUD is about to publish a new rule that would seriously cut federal public housing operating subsidies, requiring public housing authorities [PHA's] to cut back on essential management and maintenance staff, and seriously reduce the authorities' capability to serve low-income residents. The new rule would be implemented after January 1, 1992.

Under the proposed new rule, HUD would continue to pay full public housing operating subsidies only for occupied units and vacant units up to two percent. For vacancies over two percent, HUD would pay an annual operating subsidy equal to only 20 percent of the basic, non-utility expenses incurred by most occupied units.

Previously, public housing authorities have prepared their annual budgets with the assumption that they would receive rental income from 97 percent of their units (a three percent vacancy rate). Some PHA's have vacancy rates that are substantially higher than three percent.

In order to reduce high vacancy rates over time, PHAs have entered into agreements with HUD called Comprehensive Occupancy Plans [COP's], under which the PHA and HUD agree to a series of mutual steps to increasingly occupy vacant units. The COP's recognize that progress in achieving vacancy-reduction goals is dependent upon the PHA's receiving adequate operating subsidies, and security and modernization money from HUD.

The proposed rule would be devastating to the operations of most PHA's with vacancy rates over five percent. Those PHAs would lose substantial amounts of operating subsidy, while vacant units would still require expenditures.

The Council of Large Public Housing Authorities [CPHA] says that there are many reasons why Housing Authorities need operating subsidies for vacant public housing units. One reason is when vacancies occur as a result of modernization. "Such units may be vacant for many months in the case of a large-scale modernization project", CLPHA says. "During that period, these units must continue to be heated, and security must be provided to prevent vandalism during modernization", CLPHA adds.

HUD SEEKS AID CUT TO HOUSING AGENCIES

(By Ann Mariano)

The Department of Housing and Urban Development has announced plans to make deep cuts in the operating subsidies it gives an estimated 3,200 public housing agencies across the country.

If the plan goes into effect, the District of Columbia's funds would be cut by $5 million next year, according to the Council of Large Public Housing Authorities.

An analysis of the proposed regulation's effects showed that 50 other large public housing agencies across the country would lose a total of $96.4 million, according to Gordon Cavanaugh, attorney for the council. He said the figures show the change would "topple some major housing authorities and greatly harm many others." The organization is still calculating the amounts that other housing authorities would lose.

Ray Price, new director of the District's Department of Public and Assisted Housing, is concerned about the proposed rule and will "provide comments to HUD" outlining the city's objections, according to Lucy Murray, spokeswoman for the department. In addition, Murray said, Mayor Sharon Pratt Dixon will announce plans Monday for "removing the boards" from a number of empty public housing developments.

Montgomery County expects to lose $25,646 if the HUD rule goes into effect. The potential loss "may not sound like much but it all adds up" said Barbara Goldman, vice chairwoman of the Housing Opportunities Commission, Montgomery's public housing agency. The county is already making cuts in many programs, including public housing, and HUD's proposal is "another blow" that will fall most heavily on public housing residents.

Fairfax County hoped to receive $270,000 in 1992 and $334,000 the following year, but "we now think this will be cut," said Mary Stevens, a housing agency spokeswoman.

Baltimore would lose $6.2 million, or 14.3 percent of its current subsidy.

Nearly all public housing agencies in the country face cuts under HUD's proposal and some—including Cleveland; Jacksonville, Fla.; St. Louis; Providence, R.I.; Houston and Detroit—would lose between a third and one-half of their operating funds, Cavanaugh said. Newark's funds would be cut by more than 56 percent.

HUD allots subsidies based on the number of housing units in a local agency and wants, with only a few exceptions, to cut 80 percent of the funds for each unit that is vacant. But public housing operators argue that empty units in apartment buildings cost at least as much to operate as occupied units because maintenance needs continue and the units have to be guarded to prevent vandalism and drug abuse.

Joseph G. Schiff, HUD's assistant secretary for public and Indian housing, said local authorities should be paid for the families they house, not for the total units the agencies own. In the mid-1980s there were 75,000 vacancies in public housing projects nationwide and today there are more than 100,000, he said, adding "somehow we need additional motivation" to fill the vacant units.

The cuts are being made in operating assistance, not in the modernization fund, which totals $2.5 billion this year and is used to modernize deteriorated housing units, Schiff said. HUD, after reviewing comments about the funding cuts, plans to publish the final rule by Dec. 1 so that it can take effect Jan. 1, he said.

HUD's proposal "ignores the reasons for some of the vacancies," said Richard Y. Nelson Jr., executive director of the National Association of Housing and Redevelopment Officials. "In many cases we have new executive directors who inherited the problem of high vacancies, which are often attributable to a lot of causes, some demographic, some lack of HUD money. There's a whole host of reasons for vacancies, and you just can't overcome them by saying we'll take away money."

"I think this is one of the most wrongheaded notions HUD has come up with in a long time. It will have the opposite effect of what they claim they desire," said Mary Ann Russ, executive director of the Council of Large Public Housing Authorities. "The vast majority of vacant units are vacant because they need capital improvements."

Of the 100,000 vacant units HUD cited, 70,000 are empty because they have not received enough money from HUD to rehabilitate them, and many of the others are in the process of being repaired, she said.

In a letter to Rep. Henry B. Gonzalez (D-Tex.), chairman of the House Banking Committee's housing and community development subcommittee, the council asked Gonzalez for help in persuading HUD to withdraw the proposal. The letter noted that under the department's new formula, the San Antonio housing agency, located in Gonzalez's home district, would lose more than $500,00.

Gonzalez said this week that HUD "is slipping through the back door in another attempt to cut operating funds for public and Indian housing" and questioning the agency's motives. HUD has ignored provisions of last year's Affordable Housing Act that are intended to help reduce public housing vacancies, he said.

The council cited what it called "the ultimate Catch 22" of the Detroit housing agency's status. Detroit will lose nearly half of its operating funds because of its many vacant units but HUD has not given the housing agency any funds for rehabilitating the apartments. Detroit has received $375,000 for emergency repairs.

DRUG TESTING FOR MEMBERS: AN IDEA WHOSE TIME HAS COME

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, there has been some commentary evidently this morning about the lack of domestic agenda by the President of the United States. The President has a domestic agenda. Part of that agenda is the comprehensive crime package that has been bottled up in the Committee on the Judiciary for over a year, and there finally was a hearing on it this Monday.

When that crime package is considered on the House floor, I plan to offer as an amendment my resolution, H.R. 17, that would require all Members of the House of Representatives to be randomly tested for illegal drugs. I am sure that this will not win any popularity contests, but I think it is only time that we subject ourselves to the same set of standards that many Americans have to subject themselves to in the workplace.

The recent revelation by the GAO of this body's check-cashing abuse policy is one more example of how poor an example the U.S. House of Representatives sets for the American public.

Properly, Mr. Speaker, you took no time in changing that policy, and I want to congratulate you for that. I am sure, though, that if I had introduced a check-cashing resolution last year it would not have been very popular either.

It is now time to regain the confidence of the American people. Let us set the proper example. Let us test ourselves for illegal drugs just as almost every American is subject to in the workplace.

Mr. Speaker, I am submitting for the RECORD a copy of a poll in the Houston Post last week, that 96 percent of the people who called in on this poll to the Houston Post supported H.R. 17.

96 PERCENT OF CALLERS FAVOR DRUG TESTS FOR MEMBERS OF U.S. CONGRESS

(By Leslie Loddeke)

More than 96 percent of the Houston Post InfoPoll callers Sunday said members of U.S. Congress should be tested for drugs.

A total of 536 of the 557 callers agreed with a proposal by U.S. Rep. Joe Barton, R-Ennis, who has introduced a bill to require random drug testing of congressional members. Only 21 people, or nearly 4 percent, voted no.

U.S. House and Senate members should be tested "just like everybody else," said the vast majority. The poll question provoked an unusually large number of people to leave comments on the poll tape expressing strong sentiments favoring the bill put forward by Barton, a Republican from Ennis.

"I think our leaders of our Congress should be answerable to us, so they should be first and foremost in getting tested," said Karen Estess, a Welcome Wagon representative.

Houston homemaker Betty Pichardo said the revelation that state Rep. Larry Evans, D-Houston, died last month from an adverse reaction to cocaine intoxication, alerted her to the need for congressmen, at both the state and federal level to be tested.

"Anyone in a position of public trust and responsibility should be tested," said Pichardo.

A Delta Air Lines pilot, a construction worker, two railroad employees and a Phillips Petroleum employee said they all felt members of Congress should share their obligation to submit to random drug testing.

"I sure don't want no dopehead running my country," a caller who identified himself only as Mike, stated succinctly.

Those who voted against the proposal were generally silent, except for one unidentified caller who called the war on drugs a "scam," and said drugs should be legalized.

Barton has attributed his bill to a sense of fair play.

"If the lowest-ranking soldier in a Saudi desert must submit to drug testing, shouldn't the member of Congress who sent him there be tested?" Barton asked.

□ 1320

WHAT THE PRESIDENT DID AND DID NOT SAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Madam Speaker, earlier in the day today during the 1-minute speeches, we had a round of debate with regard to the issue of what the President said in New Jersey and what the President may not have said in New Jersey, but which has been distorted on the House floor. I will get into that issue here again in a moment, but I will insert the entire text of the President's speech made in New Jersey in the RECORD at this point.

REMARKS BY THE PRESIDENT AT NEW JERSEY GOP FUNDRAISER

The PRESIDENT. Thank you so much, Governor Kean and Deb, for meeting us, welcoming us back to this great state. I do feel like I've been here many times, and frankly, I wish Tom Kean were still Governor of this state. [Applause.]

I also want to single out Mike Castle, the Governor of Delaware, for making the trip up here in support of our candidates in these important elections that are coming up. Mike was a great leader in the battle for our education program that I'm going to mention—a minute ago, one of the governors that was clearly out front in that, doing a great job in one of our neighboring states. And, Mike, thanks for coming all this way. [Applause.]

And I can't tell you what a joy it is to have at my side every day in Washington another son of New Jersey, Nick Brady, our Secretary of the Treasury, so well-known. [Applause.]

And may I salute our chairman, Bob Franks; our Republican leader, John Dorsey; the Assembly Republican leader, Chuck Haytaian; along with my old friend, Bo Sullivan. You've got a good team working the problem for the fall, and I'm delighted to be with them. [Applause.]

May I also suggest that you look carefully at the team behind us, the delegation behind us there—New Jersey is well-represented. And I wish all of them well in their guests for the fall—and whatever you're running for, good luck. God bless all of you. [Applause.] Thanks for being here.

Well, I've come here today fresh from—that means "immediately from," not necessarily "fresh feeling" [laughter] from two days of meetings over at the U.N. in New York City. And it really—as Tom said, it is mind-boggling to contemplate the changes that have swept our world in the last few years—even in the last few months. In my address to the General Assembly I tried to provide some context to those extraordinary developments.

Freedom is an idea whose time has come—in Eastern Europe, across the great land mass of Asia, in Africa, and right here in our own hemisphere, right here in the Americas. And let me tell you, every person in this room can be proud of the fact that one nation has been in the vanguard of this exciting movement toward freedom day in and day out, year after year. And that nation is the United States of America. And we all should be proud of it. [Applause.]

Just last month when a coup threatened to set back the cause of freedom and democracy in the Soviet Union, the United States stood firmly on the side of freedom, against the coup plotters and with the people of the Soviet Union. And after the coup failed, both Boris Yeltsin and Mikhail Gorbachev called me to say how fundamentally important it had been to have the support of the American people. We have that strength for the values that people respect all around the world. [Applause.]

And as Barbara and I travel all around the world, we hear it time and again: America has a disproportionate responsibility to lead. And I can assure you we're going to continue to do that because I believe—and I know this—that it's good for our country, and I think it's good for the cause of world peace.

Tonight I'm here for the same reason many of you are—because we believe in the potential of the New Jersey Republicans. [Applause.] I've been campaigning alongside of many of you in this state for years, and that's why. And as a matter of fact, I think my first political trip as Vice President back in 1981, my first one was a state party fundraiser right up the Parkway at Kean College. Exit 140, isn't it? Anyway, it's in there somewhere. [Laughter.] But I like to campaign here because New Jersey Republicans typify our belief in faith, in family, and in individual initiative. And that's what New Jersey voters want in their leaders. They're not getting that now, and that's what these elections are about that are coming up just in a few weeks from today.

No matter where they live in this diverse state—the beautiful shore counties down there, and communities over in Ocean County; the suburbs of Bergen and Essex [applause] or the sprawling, open country in western Jersey [applause] the counties of Hunterton or Warren [applause] I knew we'd get this crowd on that one. Chuck brought the team along here. [Laughter.] But New Jerseyians are mainstream voters. And I can tell you the Republicans define the mainstream in this state. And because of that I honestly believe, after talking to the political leaders, reading about the problems of the state—the quest for innovation, I might add, that the people in this state want—I believe that Republicans will take back the Assembly and the Senate in the fall. [Applause.]

And I've heard about the job that's been done by the party leadership and the county leaders recruiting candidates. Proof that the New Jersey GOP is forward-looking and inclusive. And in fact, more women and minorities are running for office as Republicans than as Democrats than ever before. And we'll run on the Republican record and it's a good record, both here in New Jersey and nationally as well. [Applause.]

You've got good top leaders: Bob Franks at the party headquarters and Chuck here in the Assembly and John Dorsey in the Senate. And they know the principles that Republicans stand for. We stand for free markets and free people, the power of the individual, the potential of innovation. And that's at the heart of our domestic agenda. And we believe in measuring success by how many lives we enrich, how many families we strengthen—and thank goodness for the family—and how much faith we have in our future. And those are the building blocks for a better America, and Republicans will not forget that.

Our domestic agenda begins by an abiding trust in the American people. And it tries to carry that faith forward into the future. Take, for example, our housing proposals. Turn housing residents into homeowners—that's what it's about. Strip them of the indignity that comes from the hopelessness of living in projects with no real future. Make homeowners out of them. We believe in tenant management. We believe our public housing citizens can manage their own affairs and contribute to our society. And that's the philosophy.

And I'm a little tired of hearing Democrats say we have no domestic agenda. The problem is their domestic agenda is to crush our domestic agenda. They're doing nothing but griping—[applause] —refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills. [Applause.]

Our energy package attempts to conserve energy while encouraging innovation. Our transportation package gives more power to local authorities who know their own needs. And I believe that we're making headway now, real headway if you look at the latest polling figures on drug usage—I believe we're making headway and winning the war on drugs. And the National Drug Strategy is working. And thank goodness for the people on the front lines—the community groups, the law enforcement people, the private sector—right there at the local level, the level closest to the people.

And our crime package is the most comprehensive in American history. And we're determined to give our streets and our communities back to the people. But we need more help from down there in Washington to get our crime package through the Congress.

We've had our share of successes on the domestic front. I take great pride in the fact that we passed child care legislation that puts choice in the hands of parents, where it should be. A Clean Air Act, hailed by environmentalists and business alike, that uses the power and innovation of the marketplace to clean our nation's air. An Americans With Disabilities Act, the most farreaching civil rights bill in decades. And that was all passed with the leadership of the Republican administration in Washington, D.C. [Applause.]

And right now in Congress there's some debate on how to help the unemployed whose benefits have run out. The Democrats want us to pass a bill and simply not pay for it, push it on over to future generations. And our approach, the dole substitute it's called, helps the unemployed—they get the extended benefit—but pays for the program. And this approach—their approach adds to an already humongous deficit, and ours does not. Ours pays as you go and takes care of those who are in need. And that is the fundamental difference between the Republicans and the Democrats. [Applause.]

I mentioned Mike Castle and education. I might well harken back to the leadership Tom Kean gave in education. Everyone in this state—everyone in the nation—knows of his leadership on education. But our America 2000 Education Strategy is generating a crusade for excellence in education in state after state, and community after community. Your own Tom Kean, as I say, chairs what we call the New American Schools Development Corporation. It's an innovative part of the America 2000 strategy.

Across-the-board we've got a good record on education. And if I might be permitted a word of pride, I happen to think the First Lady is doing a pretty darn good job on volunteer and literacy as well. [Applause.]

No, we've got a good record I believe. The question is getting it out, doing it in a way that is going to help these candidates. I might add—it's very important—if we believe in these local answers we'd better get good people wrestling the problems in the Assembly. But in order to build a better country, a better America, we've got to have more conviction and courage in Congress and in the statehouses, and certainly, as I say, in the Assembly.

It's time to bring New Jersey back to the common-sense policies of the Republican Party. And I believe New Jerseyans will appreciate the GOP really does stand for growth and opportunity and prosperity, especially after the last few years. From my vantage point—I don't want to be prognosticating and be one of these guys that relies on the latest figures, but I think it looks a little shakey for the Democrats. [Laughter and applause.] I heard that some of the Democrats in Trenton were calling the captain of that Greek cruise liner for advice on how to abandon ship. [Laughter.]

Our administration's economic growth agenda promotes growth and opportunity. And it's for all Americans. And our economic growth package is one that creates a right climate for business to flourish. We want to bring down the tax on capital gains so that investors will invest money in new businesses, new ideas, and new jobs. [Applause.] And even though I think this economy, sluggish as it's been, is recovering, the best thing to do to create new jobs would be to pass that capital gains differential. It isn't a relief bill for the rich, it's a jobs bill. And we ought to get it passed. [Applause.]

We've been pushing incentives to save. Tying into this unemployment compensation debate—we're going to have that on the floor. We need more R&D, we need more savings incentives like these IRAs. And that's part of the Republican approach. We want to bring that deficit down, and so I am determined—we have caps now on spending—and I am determined to enforce those caps and not let the Democrats who want to spend try to go around the budget agreement that was worked out last year. [Applause.]

Another area that I take pride in is that we are for free trade. We're determined that America will remain a world leader in the global economy, and because we want to open up the world to American products. In the last four years alone—some of you may not realize this—exports from the United

> States have increased 55 percent, more than twice the rate of import growth. And right now exports have galvanized our economy. Though our economy has been sluggish, it's the exports side that has been very vibrant.
>
> We can build on our strengths to create more growth, more opportunity, and more prosperity if we have sound and sensible trade policies.
>
> One more point: Last year, regulations cost the economy at least $185 billion, regulations. And we're trying to do something about that. The Vice President's Council on Competitiveness has targeted burdensome regulations, you know the ones. They strangle productivity; they defy logic and don't effectively or efficiently protect the public interests. And it's time we cut through this tangle of red tape and cleared a path for economic growth [Applause.]
>
> I know some of you don't like this nostalgia, particularly given what you're putting up with today. But during the Kean administration, New Jersey was an economic powerhouse. And it can be again. It's time to unleash this power of the imagination. Tom touched on that and worked on that when he was a Governor. And it's time to do that now. It's time to bring common-sense government back to Trenton. [Applause.]
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> And speaking of common sense, most people know Thomas Paine's famous words: "These are the times that try men's souls." But most people don't know that Thomas Paine—true story—wrote those words while in New Jersey, during the American Revolution. Well, these times, let's face it, try men's souls. And once again, you can make history in New Jersey. It may not have that same context of a revolution or, particularly when you compare it to the changes that are taking place all around the world still—in Eastern Europe and, hopefully, in the Middle East and other areas. But this year you can do something about it. This year this state can go Republican. And I believe that the people of this state deserve leadership and common sense. I think that means they deserve a Republican Assembly and a Republican Senate. [Applause.]
>
> So I came up here tonight to thank our leaders, to wish these candidates all the best, and to tell you this parenthetically—I looked around the room, and we had a little receiving line before I walked in here, and I saw so many faces that were very supportive of me as I ran for President of the United States in 1988. Probably almost everybody in this room. Maybe we've got a few converts, I don't know. [Laughter.] But I would simply say this: If you get the feeling that I like my job, you're right. [Applause.]
>
> There has never been a more exciting time in recent history to be President of the United States. I'm proud to be there, I'm grateful for our support. Now give me the kind of philosophical support in Trenton, and I'll be happier still.
>
> Thank you very, very much. [Applause.]

Mr. WALKER. Madam Speaker, the statements made on the House floor indicated that the President of the United States had said that the Democratic proposals with regard to unemployment were "garbage." Some Members even took that so far on the House floor as to indicate that the President had called the unemployed garbage.

Nothing could be further from the truth. I want to point out exactly what the President said. The President in New Jersey said:

> And I'm a little tired of hearing Democrats say we have no domestic agenda. The problem is their domestic agenda is to crush our domestic agenda. They're doing nothing but griping—refusing to consider the new ideas and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills.

That is the quote. There is nothing in the paragraph ahead of that that refers to unemployment. There is nothing in the paragraph behind that that refers to unemployment. Unemployment is not even a subject of the discussion in the President's speech at that point.

Later, several paragraphs down, the President does get to the issue of unemployment. I think it is well to understand what the President said at that point. The President said:

> And right now in Congress there's some debate on how to help the unemployed whose benefits have run out. The Democrats want us to pass a bill and simply not pay for it, push it on over to future generations. And our approach, the Dole substitute it's called, helps the unemployed—they get the extended benefit—but pays for the program. And this approach—their approach adds to an already humongous deficit, and ours does not. Ours pays as you go and takes care of those who are in need. And that is the fundamental difference between the Republicans and the Democrats.

At no point in those words did the President say anything other than the fact that he wants to sign a signable unemployment approach.

Now, I think that if we are going to have responsible debates, debates which merit the attention of the American people, that it is important on the House floor to deal in facts. The facts here are very clear. The President at no point referred to the unemployment bill as "garbage." In fact, what he said was:

> There is an unemployment bill I will sign, and it is disappointing that the Democrats will not send me that kind of legislation.

He did suggest earlier in his speech that there are bills arriving on his desk that because they contain old ideas, status quo ideas, that they are not the approaches that he will sign to move forward a domestic agenda. He wants his new ideas and approaches taken—his new ideas for crime fighting, his new ideas for education, his new ideas on the environment, the new ideas that he has promoted on housing and on highways. There are a lot of those around, yet they are not moving in this Congress.

In fact, a little earlier when we heard the schedule discussed for next week, there is not much at all happening in this Congress. We seem to be hanging around town so that we can hold press conferences to counterpoint the President or so Members can come to the floor and distort the President's record, and we do not seem to be doing much else.

Now, the question I think before the American people on domestic agendas is, first of all, whose domestic agenda do you want? Do you want the domestic agenda of the people who have formulated domestic agendas for the last 35 years and have gotten us into the horrendous mess that we are now in, where this year in our budget we will spend more on interest payments on the national debt than we will spend for all the domestic discretionary programs combined. Domestic discretionary programs include things like education, transportation, housing, a whole series of things which are very important to the American people. All those programs combined do not add up in spending to the amount that we will spend on interest on the national debt.

And what is the Democrat solution to the present problem of the unemployed? They want to add more to that debt. They want to add more to that deficit. And where do we go to get the money to pay for that? We go to the Japanese and we go to other foreign borrowers and ask them to come up with the money which future generations will then have to pay.

So we are not only hurting ourselves and our economy now, we are hurting the ability of our children and grandchildren to deal with the problems that they will face in the future. That is not a program that we can support and the President ought not to support it.

The President was right. Such an approach is garbage.

THE USE OF WESTERN LANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wyoming [Mr. THOMAS] is recognized for 5 minutes.

Mr. THOMAS of Wyoming. Madam Speaker, I wanted to take this opportunity to talk a little bit about an issue that I think is increasingly having an impact and an effect on Western States, Western States that are public land States.

In many of our States, in my State of Wyoming, for example, public lands represent 50 percent of the total land surface in our State. Some go as high as 87 percent. So you can imagine that the land management decisions and the land management policies that affect those lands drive the economies of our States, particularly since the States are largely involved in natural resource kinds of activities that do involve the lands.

A number of things have come upon us in recent months that I think are very important with regard to the future of Federal land management, and indeed the Western States.

Grazing fees, for example, is one of the most prominent and most current issues that we are confronting. In addition to that, there are such things as Federal royalties. The proposition in the Senate is to add additional costs to the States who were promised in the statute to be given 50 percent of the royalties collected on Federal lands in those States, and that has been the agreement that indeed continues to be the statutory language, and yet in the appropriations bills efforts are made to change it, continuing efforts for single-use management, when obviously these are the kinds of resources that need to be used multiply, and shared use is really the issue that we ought to be concerned with.

There are environmental issues that continue to be very one sided when what we need, of course, are balanced environmental issues that bring use in an environmentally sound way into timber cuts, which have been very important; endangered species, such things as the spotted owl, and our State particularly the artificial introduction of wolves into Yellowstone Park. Nobody argues with them being in Yellowstone Park. What they argue with is not being able to keep them in Yellowstone Park with regard to the grazing and the sheep and the cattle that are there.

So in effect, all of them have an impact on multiple use and the shared use of these resources, and our economy is based on that in our State and many others.

Let me talk for just a moment about grazing fees, because I think it is an example. We will be confronted in this House with another look at grazing fees. We have been doing it as an annual ritual each year, seeking to raise that. Part of the reason for that to be raised, I am sure, from the sponsors, is to eliminate cattle from public lands, to move toward the single use process. The other is to generate funds, and it generates relatively little.

Let me talk a second about the historical pattern of land ownership. As we all know, most States, and certainly original States, had all their land included when they came into the Union. The Western States did not. We moved through a series of legislation, primarily the Homestead Act, which was designed to put these lands into private ownership. Most of the lands were not put into private ownership, only that portion of the land that had water that were the basic acreages and the grazing land, which was really residual land that nobody claimed.

□ 1330

And that is very important when you look at grazing fees because the base land that is in private ownership is inseparable from the grazing lands if you are going to use these resources fully.

The water is there, the winter feed is there, and I would like to suggest that as we take another look at it again, if we are really interested in multiple use, that the persons who are interested in hunting and fishing and wildlife will understand that these two things go together.

I just came from a ranch near the Greybull River, near Meeteetse, WY. This ranch is down near the river. They raise winter feed. They winter about 2,000 head of elk. Those elk would have no place to go in the wintertime. All they ask is in exchange having their cows in the forest in the summer.

I think the most obvious problem with raising the fees to where the ranchers cannot use it is the checkerboard. Twenty miles on each side of the railroad in the early West in Wyoming, in order to encourage the railroad to go through, those lands were given to the railroad, every other section. So the whole 40 miles here is checkerboard lands.

These are not highly productive lands. These are lands where it takes 100 acres to run an animal unit throughout the year. You simply cannot separate the Government lands from the private lands. If you tried to fence it, the fencing would cost much more than the land is worth.

Madam Speaker, I simply, as we come forward again to talk about grazing fees, the effort is made to compare grazing fees in the West on public lands with grazing fees that are paid by farmers in Indiana or Ohio to lease grass from their neighbor; there certainly is no comparison.

Let me tell you a few of the things that grazers have to pay for: Lost animals, association fees, moving the livestock, many times herding because the fences are not there, and water production. These grazers provide for that. They have to support the wild horses that graze there as well. Fence maintenance, and so forth, and in fact the comparable cost is about $14 as compared to $8 on private lands.

So I hope that as we take a look at this, we will promote multiple use in the West, the best use of our resources.

CONGRESS SHOULD EXERCISE MORE LEADERSHIP ON BEHALF OF CHILDREN AND FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. CRAMER] is recognized for 60 minutes.

GENERAL LEAVE

Mr. CRAMER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CRAMER. Madam Speaker, I rise today to speak about a subject that is very important to me, and that is the subject of children in this country. Madam Speaker, I was a prosecutor in Alabama for 10 years before I came to this Congress. As a new Member, I would like to bring some of my experience there into the Congress and challenge my colleagues to exercise more leadership than we have been exercising on behalf of children and families in this country.

Madam Speaker, we have recently had an important report of the U.S. Advisory Commission on Child Abuse and Neglect. This report was made public a little more than a week ago in Denver, CO, where the Select Committee on Children, Youth and Families, on which I am privileged to be a member, conducted a field hearing. This report is devastating with regard to leadership at the national level. This report challenges all of us on the Federal level; in Congress, in the Department of Health and Human Services, in the U.S. Justice Department, in the various bureaus in Washington, DC, to get our acts together, to come up with a more focused policy that has to do with children and families in this country.

The same report declares there is a state of emergency with regard to children and families, that we are not providing the kind of services that we need to be able to provide for them.

I would like to break from that a little bit and tell you that out of the 45 Members of Congress, during freshman orientation back in November, there were many of us who had the opportunity to speak to each other for the first time and get to know each other for the first time.

Most of us come from varied backgrounds. But the theme that rang true from us in terms of our commitment in Congress to helping people was the theme of helping children and vulnerable families across the board, from the juvenile delinquency program, to those infant mortality programs, to the child abuse and neglect programs.

I am happy to be joined today by my fellow colleague, the gentleman from Indiana, Congressman TIM ROEMER. I would like to yield to the gentleman in order that he may speak to us about his experience there.

Madam Speaker, I would like to have a colloquy with the gentleman regarding our joining together in a new children's caucus. Madam Speaker, other Members are joining with us. Madam Speaker, I want to applaud the efforts of the gentleman from Indiana [Mr. ROEMER] and am happy to join with him in that effort. Madam Speaker, I yield to the gentleman from Indiana.

Mr. ROEMER. Madam Speaker, first of all, I thank the gentleman in the well for his leadership which he has shown on children's issues from the first day we were here together. The distinguished and articulate gentleman from Alabama [Mr. CRAMER] has been a leader on this issue. From that first moment when we met, to this morning's breakfast where we were together again, where the gentleman from Alabama coordinated a breakfast for advocacy groups on the part of children from all over the United States.

I am very proud to be part of this special order and to join with the gentleman in a colloquy and talk about many of the concerns on the part of our Nation's children, which the gentleman and I agree is the best resource we have and that we had better start listening to those voices out there in Alabama, in my district in Indiana, in Hawaii, California. That is, not just spending money on their problems, but getting people involved at the community level, at the business level, and pulling together in our local communities to address this very, very important concern on all of our parts.

Mr. CRAMER. I think the gentleman would agree that while we talk an awful lot about this problem, particularly talk about it from the Federal level, we do not see the money, we do not see the morale at the local level, that the local level needs in order to deal with the problems that they face. This is a tough time for funding at the Federal level. But we must challenge ourselves to be innovative, to come up with approaches that we know will work, approaches that will make sense at the local level.

The local level is very cynical about what we do at the Federal level because they see us contributing to bureaucracies which talk an awful lot about the problem but they do not actually do much about the problem.

Mr. ROEMER. The gentleman from Alabama I think makes a very important point here in that we have spent, I think, since 1987, decreased spending on our children by about 4 percent. One of the examples that I would like to talk a little bit about too, as we go through our colloquy, is: In a recent conversation that I had with the director of prisons in the State of Indiana, we were talking about the vast amount of money and resources that are now spent in not only Indiana but across the country on prisons, incarceration.

I said, well, you know, as we project under these constrained budgets in the future, what is the biggest single indicator or variable that we should look at for new prison cells in the future?

And he said:

> Well, Tim, hold on to your seat on this reply. The single biggest indicator that we use is the number of at-risk children in the second grade. And we can either spend the money on Head Start programs, pre-school programs, on making sure that we are not only addressing the at-risk needs of our children in the population there, but improving our schools and restructuring our schools, before we just throw money at the problem. But that this is a question of, as the commercial says, "Do we spend money now?", and in fair amounts and probably less money, or do we pay it later?"

Do we build new prisons, do we continue to incarcerate people and have these at-risk students in second grade go through the system and, eventually, in many cases, many sad cases, end up building prisons for some of those people? We have to concentrate our resources, our time, our energy on our children in this country.

Mr. CRAMER. I agree with my colleague. I would point out that, as a prosecutor back in my county in Alabama, I would take our grand jury through the juvenile detention home every other month, as was mandated by law. We would interview young boys, young girls, who were incarcerated there, who were running away from home; young boys and girls who were committing their first crimes in order to escape the predicament in which they found themselves at home. We would talk to those young people, and they would tell us that they were running from domestic violence, that they were running from abuse.

□ 1340

Those are the same young people, much like you say about the prisons, that we are warehousing, the same young people that do not have resources available to them so that we can rescue them. We are labeling those young people as offenders or criminals. We are not labeling them as victims. We are turning around and incarcerating those young people when they become adults. Those same young people are reoffending against society and against other children, and it is just more expensive. We are paying a high price later by not doing something today.

Mr. ROEMER. And I think the gentleman from Alabama [Mr. CRAMER] makes a good point there, and I think, as a member of the Committee on Education and Labor, that I am proud to be on that committee under the leadership of the gentleman from Michigan [Mr. FORD] who is fighting for education dollars, and Head Start programs, and who we hope to work with, as well as the chairman of the Committee on Science, Space, and Technology, the gentleman from California [Mr. BROWN], and I serve together under his leadership and vanguard on math and science education programs to try to restructure the school system to come up with more innovative programs and new technologies in the schools, sharing of those technologies, partnerships between business and the schools, and I look forward to working with those two very, very intelligent and passionate chairmen on children's issues.

That is one of the reasons that we have helped establish and started our working group for children here in the U.S. Congress.

Mr. CRAMER. I look forward to working with the gentleman from Indiana [Mr. ROEMER] in that working group. I think this new report of the U.S. Advisory Committee on Child Abuse and Neglect really puts us on the defensive, and I think we need to be on the defensive. It says that we do not have a focused policy at the Federal level. We complain about the States and the local levels, but we need to get our act together on a national level, that one wing of our Government is pursuing one course of action, another wing is pursuing another course of action, and there is no interfacing right here where we need to be interfacing.

So, I look forward to working with the gentleman from Indiana [Mr. ROEMER] and taking that on as a challenge. I think we talk so much about economic issues and investment in our infrastructure, but we fail to realize that the best investment we can make is an investment in our young people, that the hope for tomorrow truly is a balanced set of young people that will rise, and want to be leaders, and want to be part of institutions like this, and want to get things done. So, I look forward to that.

Mr. ROEMER. I do, too, and one of the reasons that I started that, as the gentleman from Alabama mentioned, with the help of—usually the core group has been with our freshman class, Republicans and Democrats alike, in a bipartisan manner coming together to put this focus upon children's needs, and what we will be doing, as the gentleman from Alabama knows because he has been part of our initial efforts to get our support and broaden our support here in the Congress from the freshman Members, will be concentrating on three things.

Madam Speaker; First will be to serve as a clearinghouse to help the chairman of committees to be their best cheer leaders, Chairman FORD and Chairman BROWN among them, when they are talking about increased emphasis on children's programs, to help on the floor of the House of Representatives to get support, to whip for those programs, to work in concert with our chairmen, to work with the gentlewoman from Colorado [Mrs. SCHROEDER] on the Select Committee on Children, Youth, and Families, and to serve as an arm, and ancillary leader, in terms of congressional input.

Second, what we want to do is we want to bring speakers, we want to bring models, we want to bring new ideas from across this country to Washington, DC, and have them talk to the Children's Working Group, have them show us what is working in Alabama, what is working in Hawaii, what is working in Indiana, and throughout the country so that we can take that local idea and provide help, if needed, at the Federal level.

Third, what we want to do with this working group, the Children's Working Group, is to focus on, not a huge agenda for children, but just a few things. Among them: health care concerns, immunization for measles and mumps where we are running out of money in the richest country in the world for mumps and measles inoculations, preventable diseases. Third World countries have wiped them out, yet we are seeing a growth in those areas—and parental care.

Then the next issue for our concern would be on education, that we try to get in incremental levels full funding for such programs as Head Start, where again Democrats and Republicans agree about the success of that program.

I just want to say again that I am very excited about the opportunities that we have shown here with this special order and with the Children's Working Group that we have just formulated from the impetus of the freshmen class, which has expanded to approximately 40 other Members. We have about 80 people on that list now, and we need help out there from the rest of the country, from citizens, and constituents and business leaders, to help us with ideas.

Mr. CRAMER. Mr. Speaker, I applaud the work of the gentleman from Indiana [Mr. ROEMER], and I will pledge to him that I will motivate everybody that I can motivate, both here in this institution of Congress, as well as those in Federal bureaus on the Hill, because I think they are anxious to see a group that focuses fairly clearly in a sensible way on what is working in this country. So, I think the programs that the gentleman intends to bring to the work group that I want to be a part of is the kind of approach that we must take, and I thank the gentleman from Indiana [Mr. ROEMER] for it.

Mr. ROEMER. Mr. Speaker, I thank the distinguished gentleman from Alabama [Mr. CRAMER] and again salute him for putting together this special order which I am very proud to be a part of.

Madam Speaker, I would like to commend my colleague and friend, Mr. CRAMER of Alabama, for bringing us together today to talk about the solution to every problem facing our Nation today: our children. My colleague, one of the best and brightest Members of the freshman class, is aware that by investing in our young people, we are investing in America, and securing our future as a world leader.

Children's needs, as home, school, and sometime in the workplace, seem to always wind up on the back burner of our country's agenda. Programs of enormous value that save our taxpayers millions, if not billions of dollars, are underfunded and ignored. Initiatives like prenatal care, universal immunization, and Head Start are proven, long-term benefits to the children that receive them, and to society at large.

Many other ideas that do not require Federal dollars, but would enhance the lives of American youth, have no forum. Localities around the Nation seek guidance on how to reform and energize their programs for young people.

Education, especially, needs our full attention now, and a permanent commitment to reform, improve, and expand equality, excellence, and opportunity.

Congress has an obligation to assuage these and many other needs; yet with so many committees having oversight over so many programs, the process often gets bogged down and our children suffer.

Therefore, I am proposing that we establish a new legislative service organization: the Congressional Children's Working Group.

Its purpose would be threefold:

To support the creation of intelligent legislation designed to enhance the lives of children, especially in the areas of health, education, and training;

To identify successful children's programs around the country and use them as models for other communities in need of similar approaches; and

To coordinate with congressional committees, and outside advocates, the focus and extent of children's programs within the Federal Government and around the Nation to expand the successes, combine or coordinate duplicative services, ensure that funding is being used wisely, and act as a think tank and clearinghouse for general and specific information on what is available for children, their parents, their teachers, and their advocates.

Clearly, there is a demonstrated need for such an organization.

Virtually every Member of Congress will agree that our children are our greatest national resource, and should be an asset that we jealously guard and nurture. Yet, from the years 1987 to 1988, spending on children by the Federal Government has actually decreased by 4 percent.

For a while this year, it seemed that congressional desire to address the needs of our children—their health, their housing, their general welfare, and especially their education—had never been greater. But like many other issues, the interest flashes and wanes on an almost daily basis.

Madam Speaker, the ultimate purpose of this working group is to institutionalize children as a main priority of the Congress. These priorities cover vast areas of jurisdiction; so many congressional committees must cover thousands of programs. Tens of thousands of private programs around the Nation are struggling to make a better life for America's next generation; many are succeeding, but some are not.

Our children, through Congress, would realize endless benefits with a legislative service organization dedicated to finding the best and brightest of these works at the State and local level, and proposing ways to expand them to other localities, or, where appropriate, on a nationwide basis.

The Children's Working Group would also support efforts to create new, intelligent legislation, factoring in the budget shortfall, and developing new ways to expand educational, health, and other programs without spending huge new sums of money. This would include nurturing the active involvement of the sector which stands to benefit the most from our success—American business. If Congress does not address the shrinking skilled labor pool in this country, American competitiveness is in grave danger. We can help expedite partnerships between schools and businesses.

Madam Speaker, in just a few days the entire membership of the House will be receiving an invitation to join me and the other founding members of the Congressional Children's Working Group as part of this organization. In order to assure the children of America that Congress believes in them and their future, I urge all of our colleagues to join us in demonstrating our commitment to the youth of our Nation.

Mr. CRAMER. Mr. Speaker, I would like to say that as a prosecutor back in Alabama in 1982 and 1983 I faced one of the scariest subject matters that I think any human being can face, much less a prosecutor can face. I had seen the worst of what one human being would do to another as a prosecutor. I have been in the courtroom prosecuting people who had killed other people, people who had maimed other people, people who had raped other people, people who had broken into other people's houses and stolen their property, but never had I been ready to face those offenders who would offend in the way that I would see offend against children.

I faced the enormous issue of child sexual abuse. I took two boys into the courtroom that were 5 and 7 years of age in 1983. Those two boys had been abused by their mother's boyfriend. Those two boys had been abused in such a way that one of the two would need surgery that would correct the damage that was done to him.

I was not prepared to interview those children. I was not prepared to take those children into the courtroom. I was not prepared to help those children deal with what they had been through or to face down the line what they would have to face as a consequence of that kind of abuse. I realized right then and there that the system that responds to children and families often revictimizes children and families.

Those two boys shut down on me and could not go into the courtroom. We had to get a therapist from the community to come in and teach me how to talk to those two boys. In the process the offender left our community and went to Houston, TX. We were lucky we caught him. A year later we brought the boys back into court, but we had to start all over again.

Mr. Speaker, I did not want to be a part of a system that responded to children in that way, so I set about to try to correct the system. We looked around the country for a program that was working. We saw pieces of a program in California, pieces of a program at the Children's National Medical Center here in the D.C. area. We went back to our community, and we rolled up our shirt sleeves, and we put a program together that made sense. We located our program in a house in a noninstitutional setting. We looked at what we were doing to children, and we saw that we were bouncing them from one agency to another agency, that we were making children come to us and meet our needs. We decided we needed to go to them and that we needed and environment that we child and family focused, not an environment that was institutional focused.

So, we started our program called the Children's Advocacy Center Program. We opened the doors to that program in 1984. We had no idea that anybody in this country would be interested in that program. But within a year I got a call from the State of Hawaii, from a State legislator there named NEIL ABERCROBIE. The State of Hawaii had heard about our program through a judges' conference they had been to. They had sent a judge to a judges' conference. Judge Michael Town took the message of our program back to Hawaii, back to NEIL ABERCROMBIE, and NEIL ABERCROMBIE called us and said, "I want to draft a bill. I want my Senate committee to review a bill that will start a similar program in Honolulu and eventually for the entire State of Hawaii." So, we went to Hawaii in January of 1985, and we testified before NEIL ABERCROMBIE's Senate committee. Hawaii passed a bill that would fund the first program that was replicated after the Huntsville, AL, program, the Hawaii Children's Advocacy Center Program, and eventually the Rotary Club there would join with them and would provide the funding necessary to open such a program.

Mr. Speaker, little did I know that I would come to Congress in the new 102d Congress and meet my colleague, the gentleman from Hawaii [Mr. ABERCROMBIE] who brings with him to Congress the experience that we shared back in Hawaii. I would like to yield to my colleague from Hawaii and have him address this issue from his perspective.

Mr. ABERCROMBIE. I thank the gentleman from Alabama [Mr. CRAMER] very much. He is much too kind in recommending our program in the sense that I had much to do with it other than to take advantage of the pioneer work that he did.

□ 1350

Many times on this floor accolades are exchanged between one Member and another, but in this particular instance I want to say for the record that it is absolutely clear that the gentleman's leadership, while a prosecutor in Huntsville, AL, provided the very foundation for what I hope will be and I think we both hope will be a national program. I am sure we are going to discuss at greater lengths some of the programs that have evolved since we got together back in 1985, but I do want to reiterate my high regard for the gentleman and commend the people of Alabama for having the foresight to not only have the gentleman there then but to have him here now, because with the gentleman here, I am sure that those of us who are advocates of this program will be able to succeed.

What we did in Hawaii, as the gentleman has indicated, was on a statewide basis take the gentleman's program, which was essentially locally based, and use his experience and apply it to general legislation. In effect, we did two things: Some of this has been alluded to, but it bears repeating, and that is that we saw to it that children were detraumatized.

I think the gentleman has already described, at least in one particular case, the kinds of situations that occur in courts all across the country, that occur in prosecuting attorneys' offices across the country, and that occur in child welfare offices and children's protective offices all across the country, where young children are faced with the most awful kind of abuse, sexual abuse. Unimaginable catastrophe has taken place in their personal lives, and those of us who must then deal with it professionally, ostensibly from a distance, try to remain separate from it to keep ourselves from becoming personally involved, but we find ourselves in turn in an almost impossible situation. How can we deal with such a situation legally, how can we deal with it morally, and how can we deal with it institutionally when the dimensions of it are so utterly personal, so utterly devastating?

The experience the gentleman had in Huntsville showed us the way. We were able to transpose that legislatively into providing for the Children's Advocacy Center in Honolulu and subsequently throughout the State of Hawaii. We located the responsibility factor in our judiciary. We have a rather unique system in the State of Hawaii, where our judiciary is in fact statewide, and we were able to coordinate it in that fashion, I think perhaps a little more easily than some other States and localities might be able to do it. But we were able to focus legislatively on the question of detraumatizing the child, the victim, and to concentrate on increasing the likelihood of success of prosecutions of the perpetrators.

In other words, I think the gentleman will agree that we have an ideal combination here. Whatever your ideological persuasion, whatever your political persuasion, we find here an opportunity to combine two very, very important things: The capacity to see that perpetrators are stopped from committing the crimes against the children, and the opportunity for the victims of the crises, the children and their families, to find counseling, to find a way of dealing with the problem that will better enable them to grow up whole, to grow up with an opportunity to increase their sense of self-esteem and their sense of dignity.

The crucial factor here, then, it seems, for us at the national level is to take the experience that now is evolving or has evolved in more than 60 locations across the country to establish a program, not a center at the center of the government that will dictate to the local government what is should or should not do with respect to the advocacy of children who have been abused, but rather to facilitate, to act as a facilitator, to act as a catalyst for programs locally oriented that evolved from local contexts. We can become a catalyst for them in such a way as to see to it that their program for detraumatizing children and for seeing to it that perpetrators are convicted are able to advance themselves.

We hope to present legislation shortly, with the help of the gentleman from Indiana [Mr. ROEMER] and others who have demonstrated their efforts, particularly members of the freshman class, legislation which will advance the possibility of assisting locales throughout the country in creating their own children's advocacy centers. The centers will be out there where they are needed, at the local level. We will merely act as a clearinghouse at the national level to see to it that grants are forthcoming and that help is given in every way by virtue of consultation with those who are knowledgeable in the area.

I want to indicate in conclusion that what we seek here is facilities such as those the gentleman has mentioned that are not court-based in the sense of actually existing in building, a court building or a district attorney's office or a defense attorney's office, the kind of atmosphere that might be intimidating to a child who has been victimized by a sexual abuse or to family members. On the contrary, the atmosphere is one in which a home, an area of retreat, is possible.

This is very, very important, and I think that when that kind of a situation is put forward, people can understand that. They can relate to it in a way that they can begin to comprehend and deal with the awful reality associated with child sexual abuse. And in those circumstances clubs like the Rotary Club in Honolulu, which has done such incredible work in this area, are able to join in. I think that people who are listening to our discussion across the country will find that in their communities there are people ready to help, organizations ready to be helpful and assist. What they need is direction. What they need is a core of information and direction that will enable them to carry out what is their natural desire to be helpful. So when you have such a facility and when you have a clear-cut program whose objectives are very, very clear, then it is possible to put together an advocacy center in your community. We stand ready to be helpful, and we hope our legislation which will be forthcoming will provide for exactly that.

So in conclusion, I want to commend the gentleman from Alabama [Mr. CRAMER] again. I know he does not need the accolades, and I know he does not seek them, but I hope to join with him and with the gentleman from Indiana [Mr. ROEMER] and all the rest of the Members, particularly the members of the freshman class. If we made no other mark in this 102d Congress than to have stood there for the children and acted on their behalf and saw to it that legislation was passed which advanced their cause, then we would have well served our purpose here in the 102d Congress.

Along with the gentleman from Indiana [Mr. ROEMER], I can assure the gentleman that he will have our support, and I will work with him, not just to bring the program as we have it in Hawaii or for that matter elsewhere to the rest of the country, but to bring the opportunity to establish such a program in any and all communities across this great land.

Mr. CRAMER. Mr. Speaker, I thank the gentleman from Hawaii, and I would like to engage him in a brief colloquy here.

I think we have both been aware recently that we have been challenged by the recent U.S. Advisory Committee report that we on the Federal level need to get our acts together. We know that the Children's Advocacy Center programs make sense at the local level. They bring together a multidisciplinary field that needs to be together, that often is not together, and without a program like that to bring the focus or the focal point, those people are not going to get together. Those people are prosecutors that need to work side-by-side with medical personnel, with social workers, of course, with law enforcement detectives, and with other service providers there from the community that often make children go from one location to another location, and then to still another location. We work together out of that facility, not just for the sake of prosecution, though prosecution is very important, but we work together out of those facilities in order to review cases, in order to provide an environment that makes sense to the children and their families. So rather than shutting them out of those systems, we are opening ourselves to more of those cases.

□ 1400

Mr. ABERCROMBIE. I think it is important for everyone to understand that this is in fact multidisciplinary. The most difficult part in putting the legislation together was not in seeing that it got passed. I think you will find legislators are ready to aid and assist in this regard. The difficulty was in making clear to the prosecutor, making clear to the police department, making clear to the child protective agency, making clear to the witness and victim programs that exist in many areas, making clear to each of these individuals and institutions, which have a certain degree of responsibility in this area, that by working together, all of their causes would be advanced, all of the interests for which they exist would be advanced.

Most fundamentally, the taxpayer is able to see a coordinated effort on behalf of the children made with public dollars, as well as those from the private and nonprofit sector, in a manner which advances the capacity for all of us to see to it that those children do not have to go through the kind of situation which ends up with them further traumatized than they already are, further degraded than they already have been, and the likelihood of perpetrators actually being able to get away with it, actually being able to do it over again, and not receiving any help to the degree they are capable of receiving help. Because the system itself, minus this approach, actually works against the interests of the child and against the interests of law enforcement.

Mr. CRAMER. As we redefine this system, this system makes more sense to those children and family members.

One of the most rewarding experiences of my career as a then prosecutor was bringing a then 16-year-old child that I had taken into court when she was 12 years of age, when we did not have a child's advocacy center program, and bringing her back at age 16 and taking her to the center, this neat house in Huntsville, AL, and letting her walk through. I heard her say, "Mr. CRAMER, I wish we had a program like this when I went through what I had to go through. This program makes sense."

Do you know what she went on to tell me? She said, "The thing I never understood is why you people wouldn't talk to one another, why you people wouldn't communicate with one another. Evey time I would go see someone else, I would have to tell my story all over again."

She lost confidence in us as professionals representing institutions, and she lost confidence in the system that was trying to help her, but yet was revictimizing her.

Mr. ABERCROMBIE. We become so concentrated on our own responsibility and our own areas of competence, if you will, that we have excluded others, or are even suspicious they may be trying to intrude in our territory.

We may be properly concerned that cooperation with someone else or another institution or another entity in law enforcement will harm the case in some way, will prevent us from carrying out our duties in some way.

What gets lost in all of this is the child. The child's needs are lost. The child becomes a grist for the mill of bureaucratic grinding as opposed to the focus and center of the activity of any institution or entity which is dealing with the area.

So not only do I agree, but I want to reemphasize, for those who would be thinking about trying to join with us in this cause of children. Make sure that we do not focus so much on the adults, and make sure that the adults do not act like the children that they think they are serving, so that they fail to recognize that the only way to make this work is to have it on a multidisciplinary level and a cooperative level.

Everyone's rights are protected. The children's rights in particular are protected. The rights of society to be free of this kind of criminality is protected.

Mr. CRAMER. I would like to back up here and tell the gentleman that after the call from the Hawaii program and after we visited you and helped you pass the legislation that would start your program there, to our amazement communities responded to these programs. They visited Huntsville, they visited Honolulu. They wanted to know more. Then they replicated the programs.

In some instances they adapted them and had components that we did not even have in our programs. That is important.

Mr. Speaker, we now have a network of more than 70 programs around the country that have replicated these programs and have built on these programs. As you know, we have had groups come into Huntsville, because we have an annual symposium there, because an important part of what we must do is to continue to train one another, to continue to see that we specialize, so that we know the best techniques to use with children and families, so that we keep up with those.

But I think it has been amazing for me to see in Huntsville, AL, there on a local level, there in a community of 150,000 people, we have been able to do something that makes sense and something that other communities could learn from as well.

Mr. ABERCROMBIE. This is the great advantage of the program that we are proposing, because those who may not have it in their communities right now will be able to talk with people just like them. They will be able to see people who had to come to grips with problems, just as they have those problems.

This is not something that is going to be coming from the top down. This is not something that is going to be dictated from some Federal center as such. What this is is an opportunity when the legislation is completed to have the advantage of being able to consult with people who are dealing with the same problems you are, at the same level that you are, and to gain the benefit of their experience.

Judy Lind, our tremendous director out in Hawaii, for example, would be available. Of course, I know she knows I am volunteering her. She would be available. Individuals at the other programs, the almost 70 programs now, would be available to consult with other people, come to their towns and give them the advantage of their experience.

So I think we would find here not only is this a facility-based program that makes sense, but it is also an experience-based program that makes sense at the community level.

Mr. CRAMER. I think this proves that one-stop shopping services for children and families is a concept that makes sense. In the Select Committee on Children, Youth, and Families, we have heard during a number of hearings that speak to infant mortality issues, that speak to all kinds of issues that impact youth, that what we must do is to bring services into the communities. That is exactly what these kinds of programs do.

I would like to involve the gentleman from central Florida [Mr. BACCHUS] in this discussion. I know that as a fellow new Member of Congress, the gentleman has evidenced a lot of interest in programs and innovative techniques that impact the children and youth of today.

I would like to challenge the gentleman to join with us in this colloquy and to add to it.

Mr. BACCHUS. I thank the gentleman from Alabama [Mr. CRAMER].

Mr. Speaker, I came here to join this special order that the gentleman has organized because of my enthusiasm for his leadership on this issue. I hope that the constituents of the gentleman in Alabama and those of the gentleman from Hawaii [Mr. ABERCROMBIE], know how hard they are working to help children and how committed they are. I think they do know this is a commitment that long preceded the service in Congress by either of these gentlemen.

I, too, have long been involved in children's issues. I became a member of the Florida Center for Children and Youth Board of Directors in 1976, before I was even married, much less a parent. I helped organize the Citizens Commission for Children in Orange County back when I was a community activist, before I decided to run for Congress. I, too, have been involved in these issues. I have been trying to work at the grassroots for change.

As the gentleman from Alabama [Mr. CRAMER] and the gentleman from Hawaii [Mr. ABERCROMBIE] both know, I do what we call Citizen Saturdays. I go out on most Saturdays and take groups of people with me to do different kinds of community service.

Oftentimes my Citizen Saturdays involve children and children's issues. My very first Citizen Saturday 2 years ago was in the homeless shelter run by the Coalition for the Homeless in Orlando. I saw there that most of the homeless in our community are in fact children.

For the past two Christmas Eves my family and I have gone to the homeless shelter in Orlando and seen those children line up for what toys are available and what meals can be found.

On another of my Citizen Saturdays I took a group of friends with me and we went to a shelter in Satellite Beach over on the coast of Florida. The shelter is just two blocks from the beach. It is a shelter for some preschoolers who are victims of sexual and other kinds of child abuse.

We took those children, about a dozen of them, to the beach on a Saturday. We had a good time. I was struck by the fact that even though those children live just two blocks from the beach in that shelter, even though they were children from Florida who lived in a coastal community, most of them had never been to the beach.

Also I have worked at a place called the Space Coast Early Intervention Center in Melbourne. There is a wonderful woman who runs that center named Betsy Farmer. Her young boy had Down's syndrome. She found when it was time for him to go to school, there was no way to mainstream him, because there were no services in our county that enabled those children to be taught in a way that would help them to be mainstreamed. So she found this center.

I went over and volunteered to work with her and her son and the other children there. She has been able to mainstream children into the public schools through her hard work and her love for those children. Yet we do not have the State, local, or Federal resources needed to make it possible for more of those children to have the chance that they deserve.

□ 1410

A few Saturdays ago I was again in Brevard County on the coast. We volunteered in the public health department to help bring out young children so that they could be vaccinated against dreaded childhood diseases.

It is a shame that in this country our rates of diseases such as polio are going up. We thought we had long since abolished those diseases, but because of cutbacks at the Federal level we see that many of these indigent children and others do not have the vaccinations that they need. The children were lining up for these vaccinations.

I have also been at the Head Start centers in central Florida. In Osceola County just south of Orlando, I brought together several hundred people on a Saturday last fall and we were able, through our efforts, to expand and renovate a Head Start center so that a couple dozens more children could go to that Head Start Program. I worked there, and I met a number of those children.

Many of them there in the shadow of Disney World nevertheless live in trailers with no running water and no electricity. Many of them do not have any language skills at all, when they get to the Head Start Program. By that I do not mean that they speak a foreign language. I mean that they are 4 and 5 years old and they have been so neglected, so ignored that they do not know how to talk. Many of them have never sat down at a table to eat until they get to the Head Start center.

We do not know what we are doing to our children in America. We do not know what kind of a whirlwind we will reap because we are ignoring and neglecting them.

I wanted to be here to congratulate my colleague, the gentleman from Alabama [Mr. CRAMER], for his leadership, because I know of his conviction and I know of his faith in this country and this Congress. And I know that he knows that we rebuild our democracy from the grassroots up if we care for and tend to the needs of our children.

Mr. CRAMER. Mr. Speaker, I thank my colleague from Florida. I know that he would share with us that Members of our freshman class have challenged one another and have joined together to form a children's caucus that we hope will bring programs to the attention of the Congress itself, programs that come from the local level, messages that come from the local level so that we do not just enhance the bureaucracy that responds to children and families but that we pass on as a clearinghouse programs back to the local communities that make sense. That is what we should be doing.

Mr. BACCHUS. Mr. Speaker, that is right. We need to preserve the latitude for local people to make local decisions. I am persuaded that those folks that are running the Head Start Programs and child nutrition programs and abuse programs in my district know what to do. They simply need the resources and the flexibility to do it.

That is what we need to do. We need to organize our children's caucus, and the gentleman from Alabama [Mr. CRAMER] and the gentleman from Hawaii [Mr. ABERCROMBIE] and the gentleman from Indiana [Mr. ROEMER] and others and as members of our freshman class, I am proud to come together on this issue above all others. We disagree on some things but on this we do agree.

There is no future for America unless there is a future for our children. We cannot, any of us, be truly free unless each of our children has a chance to be free. This should be the birthright of all Americans.

Mr. CRAMER. I thank the gentleman for his time today.

Mr. Speaker, I would like to further indicate that the National Network of Children's Advocacy Centers has formalized itself. We are now a membership organization. We have united the 70 programs from around the country. What we want to do is help other communities that want to establish similar programs.

Every community in this country is responding to cases of child abuse, the frightening cases of child sexual abuse.

We want to believe that those kind of offenders do not exist and, if they do exist, that they exist in someone else's community. But they exist in every community in this country.

In Huntsville we have had thousands of people come in to visit, to photograph, to measure the little house that we work out of there so that they can take that message back to their communities.

We on the Federal level must help the local levels. We have here in Washington this week some 15 representatives from programs around this country. What we are doing with our colleagues from around the country is making them familiar with what Congress can do to help, making them familiar with what the Federal Government can do to read out and provide the kind of helping hand, but at the same time without a helping hand that creates a bureaucracy that ends up being our own worst enemy.

I think at the ninth annual hearing in Denver, the message could not be brought clearer to those of us that need to be responding to this problem than it was by the former Miss America, Marilyn Van Derbur Adler. She spoke powerfully in Denver as the victim of incest. She spoke powerfully with a message that was confused but a message that was clear, a message that said, we must pay attention to this problem, a message that said we must get our acts together and we must provide a helping hand.

She had turned for help and she was not believed and she suffered with this victimization for a long, long time.

What we see now is programs that make sense, programs whose message should be made clear to the rest of this country.

I am pleased to join today to bring this very important message to the Congress, pleased to speak on behalf of the National Network of Children's advocacy Centers around this country, pleased to join my fellow colleagues, mainly in the freshman class in Congress, who have adopted issues that impact children and families as our special issues, issues that are the best economic growth issues that we can be involved in.

We want to see something done, but we want to see it done clearly.

ISSUES OF CONCERN FOR AMERICA

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, this is an unexpectedly early day so I am going to take advantage of it to touch on several subjects this afternoon, issues that America may not be aware of.

Mr. Speaker, I am going to continue to speak out until the House leadership changes this undignified and, as our British Parliamentarians would say, unseemly rule of panning this Chamber with our six cameras to show an empty House, which is deceitfully misleading as to the reach of the voice of the Members that just had an interesting special order on child abuse. This procedure goes back to two Speakers ago, when our distinguished friend and former Speaker Tip O'Neill got into kind of a personal quarrel with some of the Republican Members who were making special orders every day.

The battle for Nicaragua's freedom was going on, as well as other issues, and Tip decided panning an empty Chamber would discourage people from listening. The rules of the House say that I must direct all of my remarks through the Speaker, and I accept the rules of the House. It adds a note of decorum and dignity here.

However, Mr. Speaker, we both know that 1½ million people are listening to the proceedings of this Chamber. Maybe the quality of the preceding special order, as important as it was, was not exciting enough for some bozos in this country that they turned off C-SPAN.

"Bozos" is a term that Ted Turner, who has caused a communications explosion in this country, uses. Another term is C-SPAN junkies or groupies, a demeaning term.

Mr. Speaker, I think we both agree, as would most Members in this House, that those citizens who take the time to watch C-SPAN and watch the conduct of the Senators, are anything but bozos or groupies.

Such a citizen is a concerned citizen, a person who wants to understand how his Government is functioning and where his tax dollars are going.

When we have 1-minutes at the beginning of the day. To the new concerned citizens watching us on C-SPAN, those 1-minutes are something they do not have in the Senate where they have unlimited time to speak. In the House these 1-minute speeches are a form of a steam valve to release pressure. Both sides of the aisle come to these lecterns in this great well of the world's most important parliamentary body and sound off, hopefully with some passion, hopefully with a lot of coherence and clarity.

There was a big battle this morning as to whether or not the President had used the word "garbage" in a very loose kind of general way about bills he was going to veto or whether he specifically applied it to an unemployment bill and unemployed people, which is not true. But there was a ferocious give and take here.

At the end, and I took a head count, there were eight Members on the floor. Yet, the cameras were not panning the Chamber, Mr. Speaker, and showing that there were only eight Members here.

We all know there are another 300 or 400 Members listening to those 1-minute speeches on the television sets in their office.

□ 1420

Ted Turner himself wired this Hill to his CNN and then to 24-hour news and C-SPAN. This public service, nonprofit operation is sending my voice and your image, Mr. Speaker, at this minute to Guam, where it is almost tomorrow, just after 4 o'clock in the morning, and to Hawaii, where it is only 9:20 in the morning, and to California, where it is 11:20. It goes all over. And on those 1-minute speeches, the cameras stay focused on the Democrat lectern and the Republic lectern. It has some dignity. You see, that man or woman is speaking to many people, about 1½ million if you include the electronic technology.

It is rare that we ever have more than 10, 20, 30 people on the floor during debate. I remember when former President Richard Nixon was a House member and spoke about Alger Hiss. He filled the Chamber. Every seat. That is a rare historical happenstance and comes along once in a generation.

Sometimes when we are trapped at night, at the end of a session, right before Thanksgiving or Christmas and the Members have nowhere else to go but the dining room, they come up here, and you may get 300 to 400 Members in the Chamber. That is very rare.

But during the legislative day, the average is maybe 20 Members. We do not demean the legislative process, Mr. Speaker, by panning the Chamber and showing there are only 20 people, and many of them not even listening to the particular debate on the House floor. The gavel has not come down. The House of Representatives of this 102d Congress is in session right now. But only at this period, when Members take advantage of 5, 10 minutes or 1-hour special orders to also let off some steam, but also to try to expand on a theme in depth, only at this time do these cameras rudely and deceptively pan what is an empty Chamber.

We are not allowed to refer to the gallery, Mr. Speaker, but I think I can make a technical reference as to the number of people in the gallery, which is about 56 people. The press gallery is empty. There are 56 good Americans that came to Washington, DC, to come inside this Chamber, follow the course of the events and history here. When they are home, even in an old, terry cloth robe, with their second cup of coffee in the great State of Hawaii where it is 9:23 in the morning, they are availing themselves without an airline ticket, or a heavy amount of road traffic and travel, of the privilege to sit in this gallery, electronically, and listen to my words and watch the course of this House.

So to the American people, I say again, Mr. Speaker, through you, stop calling my office and saying you hated it or you loved what I said, but that you felt sorry for me because nobody was listening, because 1½ million people have joined the 56 people in the gallery, and our tremendous reporters and staffers here to listen to whatever takes place in these special orders. A million and a half, and it is a growing audience. Every time, and thank God that housing starts are up, every time a new subdivision is built anywhere in this country, from Maine to Guam, from Alaska to Puerto Rico or the Virgin Islands, they are wired immediately for cable television. And if you have a good system, C-SPAN is there.

Amazingly, of the 4,000-some systems across this country, the overwhelming majority carry C-SPAN 1. That is the House of Representatives. It drops off to only about 800 out of 4,000 that get C-SPAN 2, which is the Senate. Maybe they should go to the House rules, have 1-minute speeches, special orders, a 5-minute limitation, with a required polite asking of extensions. Maybe if they had a shorter, more terse debate over there on legislation, more cable systems across the country would add C-SPAN 2.

Enough of the prolog. I am going to do it every time I speak, hopefully I will make it a little shorter next time.

Now I am going to discuss for the first time not two subjects, which I have done rarely, but call it seven subjects. Pull up your socks. As Bette Davis would say, "Tighten your safety belts. You're in for a bumpy ride."

No. 1, Kimberly Bergalis. I met with her this morning in a colleague's office, Mr. DANNEMEYER, and I am telling you, tears came to my eyes. My throat closed because I was in the presence of a saint. This young lady from Florida who is close to death from AIDS, is a young saint. I felt like I was in the presence of Mother Teresa, and anybody who has met that lady knows they are in the presence of somebody very spiritual, or a word we do not use too much these days, very holy. She is a very holy person.

I said "Kimberly," as I choked past what Ronald Reagan used to call the golf ball in your throat when you are emotionally moved, I choked back the words, "God bless you. You have not wasted your time here speaking for 20 seconds, or maybe half a minute," in front of the Health Subcommittee, Mr. WAXMAN's subcommittee.

I had a reporter come up to me in the hall after she had gone in her wheelchair up one floor to Mr. DANNEMEYER's office, and he said, "Well, all this travel, that long train trip for 20 seconds?" I reminded this press person that Abraham Lincoln only used 266 words in the Gettysburg Address. It is the impact of your message, not the length of your discourse. And her image on television across this Nation tonight is going to speak wonderfully, powerfully, for getting as many people in this country as we can logically get tested for this not epidemic—that is the one thing that Kimberly spoke improperly about, she said epidemic—but pandemic. What is the difference? An epidemic is in a country or a geographic area, not too broad. A pandemic means a worldwide epidemic raging out of control. This pandemic, with no cure in sight yet, is going to kill tens of millions of people in the Third World. And Kimberly simply says, "Don't let me die in vain."

Her father was powerful and eloquent. I told Kimberly, "Your dad was as vibrant and as clear as the Liberty Bell." I said, "We know that's cracked. I hope this process around here does not crack him because he's fighting for his daughter."

I met her two beautiful sisters. Both looked up to Kimberly. One was in her twenties, or maybe only 18 or 19. I said, "Is this your first time to Washington, Kimberly?" "Yes." "Your first trip, too," to her sisters, her siblings. "Yes." "Yes."

I said it sure is a bad circumstance to come up here. It is a beautiful city to visit, this great Federal Capital, and look at all of the great history that went before us in creating this great free country that is the beacon of freedom for the whole world. And she said they were going to stay a few days, and they hoped to get to the National History Museum and to see the Hope diamond and the dinosaurs, and I said not to forget the Air and Space Museum. That is not for men and young boys only. There's a lot of great history of women pilots over there and astronauts.

So it is sad, is it not, to think of the family, the Bergalis family coming to this town. And let me mention the Driscolls and Mrs. Webb who sat there giving brilliant testimony. And I think it was falling on deaf ears in some cases.

The CDC, Centers, that is because there are six of them, Centers for Disease Control down in Atlanta does not, at this moment in time, know how Kimberly Bergalis was infected with the AIDS virus.

Let me tell you something I learned as a Member of Congress. There is a fingerprint, an identification to everyone's personal HIV, humanoimmunodeficiency virus. Their own HI has a fingerprint, and the fingerprint of this dentist, Dr. Acer, who engaged in reckless conduct and infected five of his patients of his AIDS manifestation was 99.999 similar to that of Kimberly Bergalis and the other four patients who have contracted it. The CDC says there is no doubt that Dr. Acer infected these five patients.

□ 1430

But we do not know how. If we do not know how, then how can great doctors with a tremendous record of surgery and service like Dr. Koop be so cavalier in claiming there is not a serious problem here? Well, in fairness to my friend Dr. Koop, he has not been that cavalier. We have not heard from him in the last few months.

But Mr. Bergalis, Kimberly's father, was quoting his statement of a few yeas ago that the chances of getting it from a health care worker, a nurse, paramedic, doctor, were nil. Nil is a synonym for nothing, no way, nada, cannot happen. Well, it has happened.

If the CDC doesn't know how Bergalis contracted it, how do they know what adequate precautions against transmission are? Knowing that, how many people would risk seeing a dentist they knew was HIV positive? Don't people have a right to make that decision for themselves? And here is something that mystifies me, and I told this to the press this morning, and I may do MacNeil-Lehrer this evening, because they were calling right before I came out here.

Here is what mystifies me: Doctors and health care workers, all health care workers, are at far more risk than patients, far more risk. But instead of them having to arrogantly say, "I want all of these patients tested if I am going to do anything that involves blood or any invasive dental surgery, body surgery, I want them all tested. But I am not going to be tested."

How much easier for doctors and nurses and health care workers to protect themselves by saying, "We are going to go first. Every one of us who deals with any invasive procedures of the human body, we are going to be tested for the HIV virus. If we have that virus, we are going to tell our patients even though we will lose a lot, if not most, of our practice, because the patients have the right to make that call." But having said that, then the whole health operation in the United States says, "But we do want all of these patients to be tested for our protection, because we are more at jeopardy, because we are always dealing with disease or people who are temporarily or permanently unhealthy." It is a two-way street, and it redoubts to the benefit of those most endangered, and that is the people in the health-care system.

So why is it that if you apply logic, we have this resistance? It came up at the hearings today in Mr. WAXMAN's health committee. It is simply that this is not being treated as a public health problem, as a public health menace: It is a political disease. That is the way it is perceived.

Now, consider the certain death faced by these five people who are at various stages of the disease. Some of them have not manifested anything yet. I can remember Kimberly Bergalis on the cover of one of the newsmagazines last year, a beautiful young woman in the flower of her life, and within 3 months she was in a bed, and we were all thinking she was going to be dead before the spring was over. Yet the summer has gone by; yesterday or today was the first day of fall, and Kimberly is still hanging on.

Do you know what her doctor, her personal physician said? That she is fighting and clinging to her life for today, for the right to testify for a few seconds this morning so that her death is not in vain.

Compare the reaction of the Bergalis case with the recent New York City subway accident where a drugged-up conductor caused the deaths of five people.

After the New York incident, no one came forward to say, "Look, this problem has only caused five deaths from among the many millions and millions of people who ride the subway every year. Let's not make too much of it." Yet that is exactly the attitude of those, like Mr. WAXMAN, who downplay this problem by pointing out how rare it is. Thus, Mr. WAXMAN in his opening remarks said, "There has been a report of transmission of AIDS from a dentist in Florida to five of his patients. There have been no other such reports from dentists, surgeons, doctors, or nurses anywhere else in the world." So what. I could say the same about drugged-up subway conductors killing five people.

Indeed, the chances of you being killed by a drugged-up subway conductor in New York are far less than contracting AIDS from Kimberly Bergalis' dentist or any other health care worker. Yet in the case of the subway conductor, there are charges being brought against him and demands that drivers be routinely tested for drug use. In the case of Kimberly Bergalis there is widespread sympathy for Kimberly, but admonitions that we should not take precautions against further transmission. And you tell me this is not a political disease?

When people step on a subway in New York, they have the right to know that the conductor is not using drugs. When conducting medical operations, both patients and doctors have a right to know that HIV is not a factor.

I called CDC to get the latest figures. Keep in mind that it is September 26, September being a 30-day month, and this month is already shot, so you can add many more dead people to the figures I am about to give you as of August 31, almost a month ago, the official figure for AIDS deaths in America is 116,734; gone to their judgment day, 116,734. Now, that figure is low by 10 to 20 percent. Dr. Koop told me that.

I am going to accept the low figure though. I think it is more like 20 percent low. Most medical people I talk to think this figure is 20 percent low. But I will just take the 10, and 10 percent of 117,000 is another 17,000. So we are probably up to 134,000 dead people.

I had better give you a footnote on why this figure is 10 or 20 percent low. A lot of doctors, honorable men, particularly in the early phases of this killer communicable venereal disease, would take a person who died of pneumonia brought on by AIDS, and, instead of putting the cause of death as AIDS, said, "I am going to put down the proximate cause of death as heart attack, dementia, Kaposi's sarcoma," all sorts of other invasive cancers, bodily failures, and pulmonary disease. That went on for years before the health community and the CDC, the Federal Government said, "You are hurting us statistically. You are crippling us if you do not put down that AIDS was the cause of the heart attack, the cancer, the pulmonary disease or whatever else killed that person."

Kimberly Bergalis is not going to say, "Well, put down that it was lung failure or something like that." She would say "Put down it was this HIV virus given to me by a dentist that killed me."

Madam Speaker, with 134,000 dead, let me now get into the controversial area of homosexuality that has made this not a health problem but a public-relations and political problem. But before I do, let me say that I think it is a shame and a disgrace that more Members do not apparently take the time to educate themselves on this issue. I visited the Louis Pasteur Clinic in Paris, I have gone to the WHO, the World Health Organization, in Geneva. I do not know of any other Member who have stood up and said, "I have been there, too, BOB," when I say that on the floor. I have squared the corner, the Pan American Health Organization here, the CDC in Atlanta, the NIH, just 20 minutes north of town. The last time I looked at the guest book it was President Bush, myself, and that is it. No Senators, no Congressmen have been 20 minutes north of town in Bethesda to get the real hardcore facts and say, "Where are we going," and to put to rest a lot of rumors that were flying around 4 and 5 years ago.

When I made my comeback from Orange County, having been a representative from Los Angeles County, I called the Library of Congress, and asked "How many Senators and Congressmen have ever made a speech on AIDS? How many people have had the word 'AIDS' come out of their mouth in this well?" Guess what the answer was. Zero, Madam Speaker. Nobody had made the speech.

So I called for Dr. Mason to come over. Now he is the No. 1 man at the health division of our biggest budgetary item, Health and Human Services. He came over, and down in room H–139, he briefed me and some other Members. Guess what just struck me today. Today is the date, September 26, 6 years ago we got a briefing that caused some of us not get our hair curled, because we are too old, to lose our hair over it.

I could not believe it. Former Congresswoman Bobbi Fiedler was there; the gentleman from California [Mr. DANNEMEYER] was there. He had already been charged up, because 17 days before that on September 9, the gentleman from California [Mr. DANNEMEYER], alone and unheralded, cleaned up the blood supply in this country which was contaminating all sorts of innocent people, and I just do not mean hemophiliacs who need to have frequent blood or blood-substitute transfusions; I mean totally innocent people going in for every type of surgery.

One of my daughters had to get an emergency transfusion of blood once because of complications at birth and postpartum bleeding. And if we had known then what we know now, the whole family would have had pints of blood stacked up there in case this happened. As it was, we had to take a pint out of the pool, and to this day we do not know what the end result will be, because this agony of waiting can go on for 14 years, maybe longer. Again, CDC does not know, NIH does not know, Louis Pasteur Clinic in Paris does not know, and Geneva does not know. Nobody knows how long the incubation period is.

So that cleaning up of the blood supply by Congressman WILLIAM DANNEMEYER of Fullerton, CA, was a heroic deed for this country.

□ 1440

Let me tell you what has happened since this Member's first speech on this killer, and so far incurable disease. By the way, the CDC tells me off the record, we never will find a cure. We will only find, as with diabetes, an immunization that can hold off the onslaught of the ravages of the disease and extend your life, but we are never going to get this virus out of the T-cells inside your body. It is always going to be in there.

One of the men who received the highest prize in medical science in America—his name was Angus McDougle or Angus McDonald or Angus McDowell—a young lab doctor-technician, he discovered how the virus penetrates the T-cell. He won the highest science award for that, and there is simply no way to get it out once it is in there.

My wife called me. She said, "Turn on the Oprah Winfrey show."

I said, "It's not general fare in the Republican cloakroom, honey."

And she said, "Well, she has on these doctors debating how you get AIDS and here is a young mother on whose O.B. doctor was infected with the AIDS virus and did not tell her and delivered her baby. There were some complications, maybe an episiotomy or something, and there was a lot of blood. The doctor had sores on his hand.

She asked him, "What are those sores?" Before the birth, and he said, "Oh, it's a reaction to the sun."

He lied. It was Kaposi's Sarcoma. He was manifesting AIDS and he delivered her baby after he was advised by the hospital to tell his patients.

Now, I did not know this, and I cannot verify it, but my wife then told me that on Oprah Winfrey yesterday they said a baby does not develop antibodies. So this mother does not know. "I won't know for at least 3 years from now if my little child born October 10 last year is going to have this HIV virus."

But, let me finish what happened 6 years ago today when I spoke, I got the figures and I looked back. Anybody who contracted AIDS between July 1 and New Year's Eve of 1985, which encompass that 6-year period, 6 years ago when I was getting my first in-depth briefing on AIDS from experts, 89 percent of those people are dead. Everybody who heard my voice and had just been informed that they had AIDS or the virus, 89 percent are dead.

Take July 1989, 4 years later, just 2 years ago. July 1, 1989, to December 31, 1989, in that period of time anybody who was presented with their doctor's long, sad face, saying, "I'm sorry, but you have AIDS," 54 percent of those people are dead.

As a matter of fact, you should know this, most Members, about 98.9 percent, have never let the word AIDS come out of their mouth on this House floor. I think the gentleman from California [Mr. WAXMAN] would be around No. 4 because he conducts the health bill on the floor. But it is three Republicans that have made a regular practice of trying to alert the country to this killer pandemic. That is the gentleman from California [Mr. DANNEMEYER], the gentleman from Indiana [Mr. BURTON], and this Member here in the well.

Now, let us get the overall figure of cases, because we know there may be from 1 million to 2 million people infected. I will take the low figure of 1 million Americans who are going to die in the next decade or so. Of these people, 117,000 dead is the low figure, the figure of cases of which the high one being 184,000 dead.

Now, let us go back to that low death figure of 117,000. Take the low figure of how many got the virus as homosexuals or homosexuals/IV drug users. That is 73 percent. You take 73 percent of 134,000 deaths, that is 116 plus 10 percent, and you get, rounded off, 98,000 dead people of a homosexual sexual orientation, all males. I think there are two cases of lesbians, avowed lesbians who died of AIDS, and they got it through drug transfer or prostitution or something; 98,000 homosexuals, all of them young by any definition of the word. I am not talking Jimmy Connors young, fighting it out in the Tennis Open at 39 years of age. I am talking about teen-agers and most of them in their late twenties.

How can anybody describe that lifestyle as gay?

Do you know what I did, Madam Speaker? I got our big dictionary here. It has been on the House floor for over 20 years. This is what the copyright says. It is Webster's Third New International Dictionary unabridged. You cannot find the word homophobia in here or homophobic or any of these cute words that if you study the etymology of the word, its phonic, graphic, or semantic derivation, it does not even make sense. But everybody knows the word. The first phobia word you learn is hydrophobia, when your dad or your mom is trying to teach you to swim. "Don't be afraid of the water." Hydrophobia.

What would homophobia mean if you broke it down in an etymological sense? It would mean fear of men, just fear of homo—man.

How is your Bible these days? "Ecce homo." "Here is the man." As Judas presents Jesus to the crowd calling for his death.

Homophobia—not in here, folks, a make-up word.

Gay is in here, though. As I remember, it was being used when I had a daily television show in 1968.

By the way, here is homophonic, sounding alike or being of the same musical pitch. Homophobia would be right before homophone—not here, folks.

So we turn to the word gay. This illustrative.

Gay—see if you this connotation of this word when it used to be only an adjective, thinking about 98,000 dead homosexuals.

It says, "Excited and merry, manifesting or inclined to joyous exhibition of content or pleasure (carefree children)." They use the dictionary symbol for putting in the word "gay."

Gay. carefree children. That is a nice phrase.

"A word of greeting, bright and lively in appearance, gay, sunny meadows, brilliant in color."

Madam Speaker, I was on television when they came up with this term. And not everybody went along with this. But Gore Vidal did. He said it was a silly, ridiculous word, when they said, "We want to be called gay."

Do you know what I said 23 years ago? That is a public relations move. You are trying to tell young people that you are more cheerful, more mirthful, more happy than everybody else. So we are supposed to stop having gala balls, stop singing at Christmas time, "Now we don our gay apparel." Bing Crosby records when they play, "I could be happy, I could be gay, I surrender dear," and it goes on and on. I once had a list of 20 songs that had the legitimate adjective, "gay" in them, where you would have to re-write the song or you would be immersed in gay laughter, take it any way you want, because of the double entendre.

No, this is not a gay lifestyle, and those people in California under Project Ten, which is a lie in the title. Ten percent of this Nation is not homosexual. The highest figure I have ever heard is from hero Doctor NIH Tony Fauci, who said 5 percent and he made the mistake of hiring a lot of homosexual people to drive this as a political disease. George Bush mentioned him in his bit debate with Dukakis when Dukakis could not come up with a hero because his only hero seemed to be himself. Finally he came up with Jonas Salk, who conquered polio. It was a long time ago. Bush came right back with a serve right down his throat, among many heroes, and he mentioned a lot, including generic categories like police, doctors and others, he mentioned Tony Fauci, and I was whispering to the future Secretary of Commerce, "Come on, George, mention Tony Fauci," and he could not think of his first name but he said Dr. Fauci at NIH.

Yes, he is a hero, but he is also one of those who I am sad to say has let this be driven as a political disease instead of a public health issue, although he has also pushed it as that.

So much for gay in the dictionary, abused, turned from an adjective into a noun describing a self-conscious, self-denying, and in many cases a self-hating lifestyle.

What person can claim that they are a healthy person, mentally and physically, if they get their kicks going to men's johns, like at the Washington Monument, or I stumbled on a scene across from the beautiful Willard Hotel in a little park dedicated to my father and other veterans of World War I.

☐ 1450

And there is, let me use, Madam Speaker, distinguished language here, a liaison dangerieux, and that is reckless sex in the commode, with strangers.

What kind of a person is that? Well, that is the gay life style, to hit on strangers in public latrines from our football stadiums to our public parks.

I remember one time up here at a Greenbelt park one of the policemen told me, "They are scaring the horses, they are scaring the children, rustling in the bushes, and not even using the bushes sometimes." They are going to have to enforce the law in that park, in Greenbelt, MD, just along the strange beltway that circles this city.

That is the end of that subject. Because of Kimberly, meeting that little saint this morning, I will suspend and yield. I see we have a message from the

President of the other distinguished Chamber, and then I will come back to Members of Congress kiting checks. We have to go back to the dictionary for the word "kite" on that.

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from California [Mr. DORNAN] has 24 minutes remaining. I thank the gentleman.

Mr. DORNAN of California. I thank the Speaker. I will try to break that down into four 6-minute segments.

"KITING" CHECKS

Madam Speaker, there is a media firestorm, that means it is in every newspaper across the country and all over television and the radio sets; there is a firestorm about Members of this Congress bouncing checks. Well, that is the wrong word. Here is the correct word: "kite." Now, I have in the unabridged dictionary here, I find out that "kiting" is two separate words, one we all know where we play with kites as children.

Now, a totally separate word, word No. 2, same spelling, k-i-t-e, pronounced the same way, and here is definition No. 1 of this second use of the word "kite": "to get money or credit by kite, specifically: to create a false bank balance by manipulating bank accounts." Well, Madam Speaker, let us get our language straight here. Up in Wall Street, where some people are now in jail, they use a very cute word, a French word, arbitrage, which is a shell game, moving money around, trying to draw interest on it here or there. The truth is that if they released all of our statements and gave them all to the press, nobody would show that they bounced a check. Because if somebody writes a bad check to the dry cleaners—and we are not talking about those kinds of checks—and he came back, they would hold it for him. So it would not be bounced back to the dry cleaners and embarrass a Member. What we are talking mainly about here is cashed checks written downstairs mid-month for $1,000 and 24 people have done it 8 months in a row. You see, they are kiting the check. It is held, it creates a false bank balance, it shows they have got money in the bank, but here is a $1,000 check waiting to be paid off. So, what happens is when their paycheck comes in to the Sergeant at Arms Office at the end of the month—and the Speaker was correct in this well when he said it is not a real bank, more of a financial service, because they do not invest money and it does not operate at a profit or make loans for cars—they take all those $1,000 checks out of that paycheck.

What happens? The paycheck is considerably degraded and brought down by paying off these debits that have been held there. So, that particular Member, 24 particular Members, are beginning their month with a short paycheck. So, within a few days they are looking for money again.

Can you imagine somebody voting on the budget of the United States with a multitrillion-dollar debt, a budget in next year's fiscal year? Fiscal year 1993 will be on us shortly. We are working on the 1992 budget with a deadline of 4 days from now, and it looks like we are not going to make it, as usual. We only made it once in the last 20 years.

To have Members signing off on that budget, putting in bills, trying to bust the October budget agreement, which I am proud to have voted against, and running out of money by the 10th of the month and kiting checks around is simply irresponsible. Let me tell you something: I have never met a better group of people and public servants than these people who work in the Sergeant-at-Arms operation. As I have said in this well so many times, these reporters of official debate, our staff on this floor, are some of the hardest working people I have seen in any business, let alone Federal Government, and the same goes for all the good people who are hired by the majority, not by my party. This is a freebie compliment here. They are great people. They do this because they are given no choice.

When I asked the Speaker, standing in that well, to get a letter for those of us who have never floated, kited, or bounced a rubber check in 15 years, he said he did not think that was necessary. Well, I do think it is necessary because there is a press firestorm. They said, "We will give you all your statements." Well, I am not going to walk around with 2 years of statements bulging in my coat pocket and have some press person say, "Well, what about 3 years ago? Is that why you have only gone 2 years back"? Well, I am sure we are not going to carry 15 times 12 numbers of statements around in our pockets. I want a letter, and that issue is unresolved. I am going to get one from the Sergeant-at-Arms that says this Member has never kited a check.

Now, Madam Speaker, on to a far more important subject. But this problem will soon be resolved by discipline, although I feel, knowing the nature of the way things leak out of this city, that eventually everything leaks out that is down in print. Somebody is going to go for a Freedom of Information Act—by the way, we have made ourselves exempt from this act in Congress. Not I, I wish to add. But a majority of this House, 217 plus 1, at some point said that we will not subject our records to the Freedom of Information Act. But is the GAO, the General Accounting Office, answerable only to the Congress? Or is the executive branch? Because we have run Freedom of Information on the FBI, the CIA, the White House, on Presidents' diaries, just about anything, but not us up here.

It remains to be seen how this is going to be done by the news media, but they are hot on the trail, and I predict that someday you are going to see the names of all the people who kited checks here for years, big ones, printed in the newspapers, and I wonder if people other than the C-SPAN concerned citizens who watch this floor, Madam Speaker, will notice it—I wonder if it is going to have any fallout in the 1992 election.

INTERCEPTED COMMUNICATIONS

But now we come to a congressional scandal that is far worse. Here is a letter that I wrote that I chose not to sign, to the President, because I am honored to be one of seven Republicans on the Intelligence Committee. But, because it is a sensitive committee assignment, I cannot sign this letter.

However, I will tell you that I would sign it if I had not spent the last 2½ years on the Intelligence Committee:

> Dear Mr. President: Serious allegations have been raised regarding contacts between Members of Congress and members of the staff with officials of the Nicaraguan Government during the period of the Sandinista dictatorship.

I would have put in "Communist Sandinista dictatorship" because communism is a dirty word now and a few Members did not think it was all that bad until the collapse of communism. With the Berlin Wall not yet 2 years ago, November 9, right on through the amazing events in August 1991.

> The allegations outlined in the December 15, 1991, edition of the New York Times and further detail in testimony for former CIA Latin American task force chief Alan D. Fiers before the Senate Select Committee on Intelligence stated there were intercepted communications between officials of the Sandinista Government and several Members of Congress, members of their staffs, and others.

What does "others" mean? By the way, nobody was listening in on Members of Congress. They were listening in on the commie dictator staff up here at the Nicaraguan Embassy run by Communists. Lo and behold, we find Communists—I mean we find Members of Congress calling these Communists and calling down to Managua on open phone lines. Amazing.

> "These communications allegedly"—Let me tell you, I have heard about these for 4 years now, and I think "allegedly" is just being gentlemanly.
>
> "These communications allegedly suggest that these individuals have provided improper advice," that is a given, as far as this Member is concerned, "and/or engaged in possibly illegal activities with the Soviet-backed Communist Sandinistas."

Remember, that was one of the octopus limbs of Mother Russia: Nicaragua, Cuba, Angola, Afghanistan—killing 1 million people in Afghanistan during this time period. Same people.

Marcus Wolf, head of the East German secret police, crushed East Germany and ran the spy operation in Angola and in Nicaragua and taught the local Communists, the indigenous people, how to do it themselves.

□ 1500

Back to this letter, final paragraph:

> These allegations are so severe and potentially so damaging to national security and to the reputation of the House of Representatives,

far more damaging to our reputation than a couple of dozen people kiting checks,

> that we believe the American people have the right to a full public review of this issue. Therefore we request that you declassify and release all documents and transcripts relating to these alleged communications between Members of Congress and the Sandinista communist government.

I predict, folks—you do this always at some risk unless you are Nostradamus, and, when you analyze that 17th-century seer, his prediction rate was not all that swift—I predict that someday on the front pages of the conservative newspapers of this country and the following day on the front page of the L.A. Times, Washington Post, and the New York Times—I hope they prove to me that is a cynical remark; they will all be on the front page the same day; you are going to see conversations that go like this:

"Buenas dias. Alejandro Fandana, aqui," and you are going to hear a voice of a Congressman say, "My Spanish is not too good, Alejandro."

"Listen. Here is how you defeat Ronald Reagan and the U.S. Government. Let me give you some free public relations advice. You do this, and this, and this, and this."

One of these people gave advice to one of these little Communist dictator brothers, Daniel Ortega, right in front of U.S. Senators. A House Member said, "Here's what you have to do to thwart the will of the foreign policy of a President who just carried 49 States and embarrassed a former Vice President by taking his own native State of Minnesota away from him.

One more trip and 6,000 more votes, and President Reagan would have batted a thousand, 50 for 50, every State. He took 49, and people knew this was a hot issue, whether or not communism was going to win in Nicaragua or whether a year and a half ago we were going to see Violeta Chamorro sworn in, the first lady President of any country in this entire hemisphere. What a glorious day that was with Daniel Ortega swaggering around because his brother Humberto was given the security force and the military and still is the comandante of those security forces undermining with raw communism everything that President Chamorro tries to do.

No, one of these Senators, a war hero, a 6½-year POW, went out and said to the press, and never got criticized for it, these following tough words:

"If I had a gun, I would have shot that Member of Congress."

How do you like that for a line out of a U.S. Senator?

I am not going to identify him here today, Madam Speaker. "If I had a gun, I would have shot that Member of Congress from Pennsylvania." He was a Member of Congress giving advice to a Communist dictator. Could not happen today now that the Berlin Wall is down and Mother Russia has opted in several segments for freedom. No, that is the scandal, and you are going to see it on the front pages, this give-and-take dialog.

Where will Woodward and Bernstein be then to write a book like "All the House's Men," just as they did "All the President's Men"? Where will Warren Beatty be? Coming out? Or Jack Nicholson? Or Robert Redford trying to get the movie rights and taking the exact transcript as printed on the front pages of our newspapers between Sandinista leaders and elected Members of the U.S. House of Representatives who multiple times have raised their hand in this well on the day when everyone of us is here, and the cameras are allowed to pan a full House, and promise to uphold the Constitution of the United States against all enemies, domestic and foreign. How can you trust somebody to oppose domestic enemies when they are giving foreign enemies, enemies of freedom, enemies of the people of Nicaragua, Communist thugs, public relations advice, if not secrets of this country on how to get communism to win in Nicaragua? That is going to be a day when those transcripts appear on the front pages of the paper.

Short item: Let us call that subject, "Day of Reckoning." We will call the other one "Kimberly Bergalis, A Young Saint For Our Time." I ask unanimous consent to have those titles inserted in the front of my speech. Just call this one, "Police Corps."

The Police Corps bill was voted down yesterday. It is an attempt to fight the crime wave across this country that resulted from a liberal philosophy destroying the ethos of our Nation and the principles by which we live. It has reversed the ideas of "Gangbusters," a radio program that I heard as a child that opened up with, "Crime does not pay," and turned that around into an absolute truism. Crime does pay in America.

Most rapists, 1 out of 10, don't even get charged, let alone sent to jail. Most murderers are beating the rap in this country, and as for aggravated assault, burglars and robbers, the rate of apprehension and imprisonment is so low compared to those felons that it is staggering. We are the shame of the world as an advanced industrial society, and we had a chance with Police Corps to do for the great police departments across this country what we have done for the military with the Reserve Officer Training Corps.

ROTC is in most college campuses in this country and many high schools. I had 4 years of Army ROTC in high school at Loyola High and almost 3 years at the University. It so motivated me I quit college to join the Air Force to be a fighter pilot. Thank God I served in peacetime under a five-star general and never had to kill another mother's son, but I was proud to be combat-ready during the Eisenhower years. ROTC was what inspired me in addition to a war hero, my father from World War I with three wound chevrons, that is Purple Hearts, a different name in World War I.

This Police Corps went down in committee 20 to 14. That was wrong. The gentleman from Florida [Mr. JAMES] was voted wrong by his staffer by proxy. So, he would have voted for my bill. That would make it 15 to 19. Four Republicans broke their word to me because Richard Darman sent over a stupid hit piece against this brilliant idea, and it is not my idea. I am just carrying it. So, can call it brilliant. This terrific Police Corps, like ROTC, four Republicans broke their word to me, and they said we had to go with this hit sheet of Darman's, and it was filled with stupid analysis and misstatements of fact, and, as the gentleman from Illinois [Mr. HYDE] said supporting it, one of the stars of the Judiciary Subcommittee that had this before it, he said, "With all the strange things that we find grant money for around here, I think we can find $100 million in a trillion-plus budget to give people scholarships to college to study any major they want, take a few police science courses, and get some help from their government, and then, as a payback, serve for 4 years on a police department of their choice."

Well, Madam Speaker, it went down. But I know this battle is far from over, and in the end we will win. I will see to it that this bill gets to the House floor for the entire House membership to vote on it.

End of that item.

Item one, two, three, four—item five: "Stop the Church," this anti-Christian, anti-Catholic film. It was run on L.A. television even after I spoke with the president, William Kobin, K-o-b-i-n. I rush to spell it because I am the grandfather of three little darling grandchildren with the same phonetic sound spelled C-o-b-b-i-n.

K-o-b-i-n, William Kobin, who ran the film, said he agonized over the decision. He gave New York the excuse to run it. This is after hundreds of PBS stations across this country turned it down. It never was run by our PBS station here in Washington, WETA, but it was run on KCET in Los Angeles. That means Community Educational Television. Not here, but New York could use that excuse, used that excuse and ran this film, and then Boston, and of course San Francisco. These happen to be the four cities where there is the largest Catholic population in the United States, and I repeat what I said on this floor before this decision was taken.

If this film were titled, "Stop Judaism," or "Stop African Americans or Black Americans," or "Stop the Homosexuals" there would be a fire storm, to use that term again, across this country in the dominant media culture ran by liberals that a bigoted, racist, or antireligious film had been run.

Since I was last in the well I saw the film. I stand corrected. The host, the consecrated host, the body and blood of Jesus Christ for believers, was not ground into the concrete on film, although it was done at another event. That was the only restraint these radical producers showed. But one host was held up laughingly and mocked. And the film was so poorly done and so viciously anti-Christian that I am now willing to show it anywhere as long as they have a better discussion after the show than they had at KCET. Father Woods tried to do a nice job but was not tough enough. It is Kathleen Brown's husband, Gordon von Sauter who is the kind of person you want on the debate. I would volunteer myself immodestly, and I am going to see that Boston, New York and San Francisco at least have some vigorous, lively discussion since they have already run this show.

This is a disgrace, this assault upon my parish church as a youth. I was baptized in St. Patrick's Cathedral in May 1933. My mom and dad were married there June 27, 1929. I loved that church built with the dimes and pennies of Italian, Polish, and Irish immigrants, who were fleeing despotism and antireligious purges all over Europe. Every part of Europe came and built that church way out in the farm lands, and it ends up at the 51st Street in midtown, New York, the most exclusive area right across from Rockfeller Center and Atlas with the globe on his shoulders.

□ 1510

My memories of St. Patrick's are beautiful, and when I go back there, I get tears in my eyes thinking about my mom and dad who loved that church just like you would love a little wooden country church. It just happened to be the most beautiful cathedral in the Western Hemisphere.

To have this radical group go in there and desecrate the religious ceremony, to take the host in their hands or by mouth, throw it on the ground and desecrate it outside—how dare anybody do that.

I am going to appeal to my Jewish brothers and sisters across the country, to stand with me on this as I have stood with them every moment I could to fight anti-Semitism, a sick disease that has permeated society for 2,000 years, sometimes with a lot of Christian complicity. I have visited 12 concentration camps, from Babi Yar to Sallas Fields in Latvia, to Jasenovac down in Yugoslavia just a few months ago. I took the time with my younger son Mark to drive to all six extermination camps in Poland—Belzec—the complex of killing that wiped out 4 million Jews—Auschwitz, and the big satellite camp, Birkenau, and ended up at Sobibor, Treblinka northeast of Warsaw. I visited them all. My son said he will never forget for the rest of his life what a special evil on the planet Earth anti-Semitism is.

I ask my brothers and sisters of the Jewish faith, to support your Catholic brother, even if you are not religious or not practicing. You do not have to be Orthodox to agree with me on a lot of social issues. I have been to the opening of the Simon Wiesenthal Center. I have traveled with my friends, Rabbis Marvin Hyer and Abe Cooper. I have been with them in every battle against anti-Semitism. I am going to meet with some Arab-Americans in my office and break their hearts when I tell them I cannot vote against Israel, even with my President right now. Why? Not because of the geopolitics and a fair analysis of settlements being built on the West Bank that I do not think should be there. What is driving my support for Israel is that it is a tiny nation of 3.5 million people born out of the horrors of anti-Semitism.

But I ask my Jewish brothers and sisters, as some courageous rabbis have come forward, to condemn this filthy bigoted film, "Stop The Church." And I hope that a lot of my colleagues join me in supporting not only defunding the NEA, but Public Broadcasting as well. That our tax dollars went to subsidize this filth or the stations that aired it is just too much to stand for. And let me tell you one thing, Madam Speaker, as a loyal stumbling, sinning practicing Catholic. Hell will freeze over before the church will authorize sex outside of marriage or just plain everyday, modern-day Hollywood sex, sex for young people. That is not adultery but fornication. The church is not going to authorize that. Never.

The homosexual militants want to convince the church to morally sanction some of the tub baths in New York, now closed by disease. To morally sanction the Mine Shaft. Have you got that? Am I talking over the heads of the kids? The Mine Shaft, the Anvil—these are homosexual bars which probably account for thousands of deaths. How is the Catholic Church expected to change its magisterium, its teaching, its dogma and say, "We aren't going to allow heterosexuals to have sex outside of marriage or sex in grade school or high school or anywhere, for that matter, where it violates the dignity of respecting your own body and the bodies of others, but we are going to give a free pass to homosexuality. They can have sex with 50 strangers a month and we are not going to condemn that lifestyle or relate it at all to this biblical scripture, "The wages of sin is death." We are not going to do that.

No, that is not going to change, and you are not going to get easy divorce out of the church, just out of the occasional very weak priest and an occasional disgraceful weak bishop. And the second item the anti-Catholic radicals want to change church teaching on is abortion. But I can tell you, no matter how many Catholics in this Chamber or how many Irish Catholic sinners voted disgracefully on the other side for abortion, the Catholic Church, the Roman Catholic Church, will not cave in to killing human life in a mother's womb. The Catholic view on abortion is not going to change. The Catholic view on homosexuality is not going to change. The Catholic view on sex outside of marriage is not going to change. Neither is the Catholic view on easy divorce.

The SPEAKER pro tempore (Mrs. UNSOELD). The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. DORNAN of California. Madam Speaker, I hold for next week my final discussion of a Communist theme park.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. DORNAN] has expired.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

EXTENSION OF NATIONAL EMERGENCY PURSUANT TO THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO 102–142)

The SPEAKER pro tempore laid before the House a message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

VACATING 60-MINUTE SPECIAL ORDER AND REINSTITUTING SPECIAL ORDER FOR 5 MINUTES.

Mrs. BENTLEY. Madam Speaker, I ask unanimous consent that I be allowed to withdraw my 60-minute request for a special order today and to request a 5-minute special order in its place.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

HDTV IS ESSENTIAL FOR DEFENSE NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Madam Speaker, in the current DOD appropriations bill, the House added $100 million for the development of high definition display technologies—known popularly as HDTV. This funding was intended to solve a problem which we encountered in Desert Storm when our weapons systems were unable to discern the difference between enemy vehicles and allied vehicles because the sighting display equipment was too fuzzy.

In no way was this intended to enhance the ability of our soldiers to watch Redskin games. And yet, the Office of Management and Budget chose to interpret this funding as being primarily for the development of a commercial technology. In assessing it that way, DOD was forced to request the Senate to disallow the funding.

In the Senate request DOD makes a flat statement that Department "has never requested funding to support development of technologies for commercial markets."

At about the same time this was going on, another agency within the Department of Defense—the Strategic Defense Initiative Organization—known by either SDIO, or more popularly star wars—was putting into place a whole group of strategies to transfer technologies developed by them—state of the art every one—to the commercial sector, to corporations.

And, the statement was made by the office director of the Technical Applications Office—that if the technology "is sitting on the shelf and U.S. industry isn't interested in it," then other options should be pursued. He was referring to opening up the SDIO data base to foreign companies.

I find this shocking. While OMB will discourage any research and development in HDTV—under the guise that it might, eventually, help the commercial television market—at the same time full funding is going into star wars with the understanding that not only will the technology be transferred to the private sector, but that it will be transferred to foreign companies if American corporations do not desire to use it.

It may only be a happy circumstance for the Japanese—but, if so, they are very lucky. First, because they want to get control of the high definition television market, and second, because staffers at SDIO already have been traveling to Japan, at the invitation of the Japanese.

Just plain common sense suggests that if we have orphaned technologies developed by SDIO, technologies which no American company wants, then the Japanese will be first in line.

The facts about high definition display technology is that commercial television is only a part of its value and in no way represents the critical need for this technology for weaponry, for medicine, for space.

Japan recognizes the many markets for more clearly defined displays, having invested over $1 billion in its current technology. I am told by experts in the field that our technology is better—and more state of the art than the 10-year-old Japanese product. What we are missing is the money for the development.

Money which the Government of Japan willingly has made available to its industries either through tax incentives and ridiculously low interest rates—2 and 3 percent—or through outright awards.

Money which OMB will not allow the Defense Department to have to make the breakthrough on weaponry because it potentially may help U.S. corporations.

Day after day there are reports on other issues which convinces the average American that one sector of the Government is busy undoing what another sector of the Government is busily trying to get done. But, this takes the cake. This is not one agency undoing the work of another agency, this is rampant schizophrenia at DOD. SDIO every day of the week is out on the street peddling its technology to industry—but DARPA cannot develop a technology to aid in the use of weapons.

It is not only ludicrous, it is not good policy—as a matter of fact, it is not policy at all.

□ 1520

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1722). "An Act to provide emergency unemployment compensation, and for other purposes" and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon and appoints Mr. BENTSEN, Mr. MITCHELL, Mr. RIEGLE, Mr. PACKWOOD, and Mr. DOLE on the part of the Senate.

The message also announced that the Senate recedes from its amendments to the bill (H.R. 3291) "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes".

HOW MUCH GOVERNMENT CAN AMERICA AFFORD?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Madam Speaker, I take the floor at this time to enter into a discussion of statistics. I think the American people are getting a little frustrated at the use of statistics in politics to enhance the political situation of both parties.

We have seen, at least starting about May of last year with the beginning of the budget summit that has become infamous in the history of this country, all the way through until today, speech after speech made on the floor of this House and article after article written by Members of this House and Members of the other body selectively picking out statistics to support their position.

On the Democrat side it is the position that the Reagan years have devastated America, have made the poor poorer and the rich even richer. On the Republican side it is the claim that the Reagan years were beneficial, that there was high growth, the longest period of growth in the history of this country.

I have to say a little blame lies on both sides. The Democrats, for their period of time for statistics, have selectively picked the 1970's, and particularly the end of the 1970's when this economy was turning down and in great recession. They take those bad figures and attach them to the figures of the 1980's, so that it will make the Reagan years look bad.

The Republicans usually start in 1983, when Reagan was elected in 1980 and took office in 1981, because they claim that the recession of 1980, 1981, and 1982 was no fault of Reagan, but was the policies of the Carter administration that caused the deep economic downturn, and therefore you should count the policies of the Reagan years and use the statistics starting in 1983.

Well, that may be all true. What I take the floor today for is to bring to the House a study that we unveiled this morning, a study done by the Institute for Policy Innovation under the guidance of Steven Moore, who is director of fiscal policy for the Cato Institute, and includes an introduction by the Nobel laureate James Buchanan, that looks back over a longer period of time and asks the question, which is the title of the study, "How Much Government Can America Afford?"

Ever since the budget agreement of last year, there has been study upon study about what are the results of the budget agreement and where are we headed as a result of raising taxes last year and increasing spending.

I think the evidence is coming in that what we are doing is pushing this country into financial disaster, and there is no hope for the future because those that are in power in this Congress refuse to acknowledge progrowth policies that would allow American citizens to keep more of their money, to invest more of their money; that would lower the cost of labor, lower the cost of capital, lower the cost of savings, so that we can stimulate this economy into what is the backbone of this economy, and that is entrepreneurial spirit, small businesses of 10 or less employees up to 100 employees, that really creates the wealth of this country.

I look at some of the statistics that are coming in, some of the studies that are coming in, and it is very interesting. A couple of weeks ago a very distinguished gentleman that works for the U.S. Chamber of Commerce, Larry Hunter, wrote a piece entitled, "The Growth Gap."

It is very interesting, in that he points out that because of what happened last year and because of the track that we are on for the future, we are going to see a lower standard of living for American families, lower purchasing power for American families.

He makes this conclusion based upon the premise that we are going to see lower growth in production in this country as a result of this recession, and that the recovery after this recession, whenever it comes, is going to be so anemic that it is not going to bounce us back to the level that history has shown that we have had in our GNP, around 3 percent.

He, too, goes back to the 1950's and carries us through the history of our economy. He points out that ever since the 1950's we have averaged above or below the line, but we have averaged about 3-percent growth in this country every year.

We have had recessions. But when we have had recoveries, we have bounced back at such a high growth rate that it has offset the loss of growth by the recession.

That is not the case in the current recession. In fact, he makes the argument that it would be better to have had the kind of recession that we had in 1981 and 1982 than the kind of recession that we are having right now. Indeed, he makes the argument that in everyday terms, what this means is that at the end of 1992, 1½ years after the bottom of this recession, our standard of living will be about 6 percent lower than where it would be if the economy had performed up to snuff.

On a per capita basis this means the economy would produce about $1,110 less for every man, woman, and child in 1992. This would mean that on an average, a family of four would have approximately $3,000 less disposable income in 1992.

We face a growth gap. In other words, our economy has fallen through this recession and it is not going to be able to recover, which means a lower standard of living and a lower purchasing power for Americans.

Another way of looking at it is presented by this paper released today by the Institute for Policy Innovation entitled, "How Much Government Can America Afford?" Steven Moore goes back to 1950. Again, as Larry Hunter did, he goes through the history of growth in the United States. He is not placing blame on Republicans or Democrats, or on the President or Congress. He is just trying to lay out the case of what history has shown in this country, of allowing a government to grow by enormous measures.

Then he carries it even further. He carries it into and up to year 2020 and shows that if we continue the trend that we are presently on, what will be the state of the economy, the kind of living that Americans will have, in the years 2000, 2010, and 2020.

□ 1530

It is frightening. It is astounding.

We have in this country a creeping socialism, which is rather ironic.

Here we had the dissolution of the Soviet Union and, as our distinguished Republican whip said this morning, we have people in Russia that are more conservative than people in power in the United States.

His quote was, "The mayor of Moscow is to the right of the mayor of New York."

We are leading this country into a creeping socialism that is going forward toward what we have witnessed as the socialist governments of Europe and particularly the Soviet Union, and it does not seem like we have much hope of it turning around.

I want to quote some of the issue brief produced by the Institute for Policy Innovation, written by Steven Moore.

The past 40 years have witnessed an unprecedented increase in the size and scope of all government, but particularly the Federal level. Today the Federal Government spends over $1.5 trillion a year or one-quarter, 25 percent of the Nation's total output, adjusted for inflation. The Federal budget has expanded by 50 percent since 1980, doubled since 1970, and increased sixfold since 1950.

This growth trend is not sustainable. Productivity, national competitiveness and living standards will suffer as they have already. Between 1950 and 1974, when the Federal Government was much smaller, our economy grew at a roughly 3 percent annual rate. Between 1974 and 1989, the economy grew at roughly 1 percent per year.

The difference in these growth rates means that rather than doubling every 25 years, family incomes are now doubling every 70 years.

All signs indicate that spending will accelerate rather than abate over the next three decades. Absent dramatic reforms, the U.S. Government will command an ever-growing share of our national output. The budget will swallow up over 30 percent of our gross national product by the year 2110 and over 40 percent of our GNP by 2020.

In 1991 dollars, taking inflation into consideration, the budget will reach $4 trillion within 30 years. To finance this spending, taxpayers will face a near-suffocating tax burden and/or deficits will skyrocket.

This issue brief is a basic primer on the Federal budget, detailing the magnitude and sources of growth since 1950, with projections through 2020. It also highlights the forces within the budget that are driving this spending growth.

The frightening story it tells can be summarized briefly. Failure to tame the Federal budget has placed America on a path of financial ruin.

First, fact, public expenditures are out of control at all levels of Government. The 20th century, particularly the past 40 years, has been a period of dramatic and uninterrupted public sector growth. This expansion is documented for Federal, State, and local governments dating back to 1930.

The data shows that today in the United States more than 40 cents of every dollar of national income is consumed by government, an alltime record, and that does not include the cost to the private sector of overregulation.

Government at all levels absorbs three times the level of the national income than it did in 1930. The Government captures 50 percent more of the national income today than 1950, with 42 percent of national output devoted to the public sector. The United States no longer ranks as a country with limited Government control relative to the Nation's past history and relative to other developed nations.

Second, fact, the Federal outlays have been growing at a pace two to three times the inflation rate. The vast majority of the growth in the public sector since 1950 has happened not at the local level, where Government is closest to the people, but at the national level. We can show this growth in Federal expenditures in real dollars and as a percentage of the GNP. And those figures show that the Federal Government now consumes more than $1.4 trillion each year, double the real spending rate level of 1970 and six times the 1950 level.

Federal spending has climbed from 16 percent of GNP in 1950 to 20 percent in 1970. And as a result of the budget agreement of last year, 25 percent today.

Although the 1980's were supposedly an era of budget restraint, in real dollars the budget has expanded by more than $400 billion in constant 1991 dollars and now commands a 10-percent greater share of national output than in 1980.

Over the longer term, in 1900, the Federal budget consumed $1 of every $15 in the economy. In 1950, it consumed $1 of every $7. In 1970, it consumed $1 of every $5. And today the Federal budget consumes $1 of every $4.

Third, fact, domestic outlays have been growing much more rapidly than defense spending. We hear on this side of the aisle all the time about defense is the problem, defense spending is the problem.

Let us look at the facts. Unlike what many Members think, the facts show that national defense spending has been only a small part of the budget expansion since 1950. We show that most domestic programs have grown substantially faster than defense spending since 1950. In fact, real defense spending has grown by 3 percent per year since 1950.

Total nondefense spending has grown by roughly 5 percent per year over that same period of time. Total nondefense spending has climbed in real dollars from 1960. From $160 billion in 1950 to $1.1 trillion today. Defense spending is roughly 5 percent of GNP, far below the post-World War II average, whereas nondefense spending has doubled. Nondefense spending has doubled from 10 to 20 percent of our gross national product.

Fact, entitlements are the most explosive area of growth within the Federal budget. We show that entitlement programs, mainly health care, welfare, and Social Security, have been the most explosive areas of growth.

Entitlement programs have driven the dramatic increase in Federal spending since 1950. Entitlement spending is doubling every 8 years. In constant 1991 dollars, entitlement spending has soared from $30 billion in 1950 to $200 billion in 1970 and now $600 billion today.

Health care and Social Security outlays have been expanding by 12½ percent and 11 percent respectively in real dollars since 1950, three times the inflation rate over this 40-year period.

Fact, demographic, political, and economic factors will contribute to continued government expansion for at least the next 30 years. If Congress and the President do not take steps to reverse the past 40-year trend in Federal expenditure growth, the budget will balloon to economically unsustainable levels.

□ 1540

Unfortunately, pressures for continued budget expansion seem to be outweighing pressures for budget restraints.

These factors I am talking about that will drive us into unsustainable levels of spending in our budget include a changing demographic profile in the United States over the next 30 years that will substantially increase the number and percentage of Americans in retirement and eligible for Social Security and Medicare. Today there are three workers for every retiree. By the year 2030 there will be less than two workers supporting every retired person.

Continued calls for new spending programs in high priority areas include aid to cities, expanded welfare coverage, new energy and environmental protection programs, new entitlements for children, the disabled and the homeless, and a national health care program, increased expenditures for interest on the national debt as an expanding Federal budget continues to drive up borrowing and interest payments.

The breakdown of the past and existing budget restraint mechanisms such as the recently scrapped Gramm-Rudman-Hollings law and the complete ineffectiveness of the 1990 budget agreement which has allowed spending to climb by more than 10 percent in its first year.

The budget forecasts through the year 2020 presented below are based on a series of reasonable assumptions regarding the economy and the changing demographic picture in the United States and projected spending priorities of Congress. These assumptions are No. 1, real GNP will grow at a 2 percent real annual rate over the next 20 years, which is the latest prediction by the Social Security Administration.

Assumption No. 2, defense spending will fall to 5 percent of GNP, well below its post-World War II average, and remain constant at that level.

Assumption No. 3, Social Security and health care expenditures will rise at the rate forecast by the Social Security Administration and the Health Care Financing Administration. This assumes no new or expanded benefits over the next 20 years. We all believe that.

Assumption No. 4, discretionary programs in the budget will grow at a pace half a percentage point below the real annual rate of growth from 1950 to 1990.

Another fact: Virtually every nondefense area of the budget will increase in real dollars, and as a share of GNP through the year 2000. Based on the set of conservative assumptions that we just listed, detailed projections of Federal spending are detailed in our report. Thirteen of the fourteen nondefense program areas are expected to expand in real dollars over the next three decades. All but veterans' benefits and international aid. Ten of the fourteen will consume a growing share of GNP.

The data paint a very gloomy picture. In 1991 dollars, outlays in the year 2000 will climb to $1.85 trillion; in 2010 to $2.7 trillion; and in 2020 to $3.9 trillion.

Another fact: Entitlement spending will continue to surge and command a growing share of the Federal budget over the next three decades. As has been the case since 1950, uncontrollable entitlement spending will fuel the budget expansion of the next three decades. Real outlays for entitlements such as health care, Social Security and income security will reach $1 trillion in 1991 dollars by the year 2000 and $1.3 trillion by 2010, just less than what is spent on the entire budget today. Let me repeat that. Real outlays for entitlements such as health care, Social Security and income by the year 2010 will reach $1.3 trillion, just a little less than what is spent on the entire Federal budget today.

By the year 2020, entitlements will cost $2 trillion in 1991 dollars. Entitlements will consume the same share of GNP as the entire budget does today.

Because of the pay-as-you-go feature of entitlements, on average, in the year 2020, each worker will have to pay $10,000 in taxes each year just to support the entitlement programs.

Another fact: Domestic discretionary programs will also expand rapidly in the coming decades. Entitlements are not the only component of the Federal budget where spending will climb significantly over the next 30 years. We show where there is an incredible increase in domestic discretionary spending. These are typically and correctly regarded as areas of budget neglect. Highlights include real spending on domestic discretionary programs such as social services, community development, science and space and so on which will double in less than 20 years and more than triple in 30 years as they did from 1950 to 1991.

By 2020, total discretionary domestic programs will consume roughly twice the level of GNP as they do today, from 5 percent to 10 percent of GNP. Some of the fastest growing programs will include education and social service spending, which will climb in 1991 dollars from $43 billion today to $191 billion in 2020, transportation spending from about $32 billion today to $98 billion; and science and technology from $16 billion to $150 billion.

Fact: The Federal deficit will reach massive proportions in the near future, even dwarfing today's record-setting over $300 billion deficit.

What implications will this growth in government spending have for the Federal deficit? Over the post-World War II period Federal taxes have averaged roughly 18½ percent of GNP. Today, taxes consume roughly 19½ percent of GNP. Assuming Federal taxes rise steadily to 25 percent of GNP by the year 2020, which would constitute a Federal tax burden roughly 4 percentage points higher than ever before in the United States during peacetime, and higher than even during periods of war, the Federal deficit would still skyrocket to seemingly inconceivable levels in the early part of the next century. The deficit in 1991 dollars will swell to over $400 billion by the year 2000, $750 billion in 2010, and the Federal deficit will be $1.55 trillion by the year 2020. The deficit in 2020 will be larger than the entire budget today. The deficit will reach 6 percent of GNP by the year 2000, 9 percent in 2010 and 16 percent, the deficit will be 16 percent of GNP in 2020.

□ 1550

If the deficit climbs to these forecasted levels, then clearly interest expenditures will also skyrocket over the next decade, or the next three decades; annual interest payments in 1991 dollars will reach $300 billion by the year 2000, and interest will be a staggering $760 billion by 2020, and interest buys us nothing. Interest payments will grow by 5 percent per year for the next 30 years, or 2½ times the expected rate of real economic growth over this period.

Just under 20 percent of all Federal spending will go to finance the national debt by 2020, up from roughly 15 percent today.

An alternative to running these massive deficits would be for Congress to attempt to balance the budget by simply raising taxes to match annual spending since, on average, the Federal Government will spend $28,000 for every American worker. This would require Federal taxes, as a share of the worker's income, would have to rise by 20 percent above the current level by 2000. Taxes will have to rise by 75 percent above current levels by 2010, and taxes will have to go up roughly 150 percent above current levels by 2020. One-third of all our workers' income will be taken up just by the Federal Government in the year 2010, and more than 40 percent of all worker income will be taken up by the Federal Government in the year 2020.

As this analysis makes painfully clear, the political and economic costs of raising taxes to match projected spending over the next 30 years or running deficits that could reach more than $1 trillion per year would be ruinous.

As former Council of Economics Chairman Murray Weidenbaum has warned, sooner or later, sooner or later Congress and the President will face a rendezvous with reality. The fiscal reality is unmistakable. Urgent and dramatic action in reducing the size and scope of the Federal Government is required to head off the fiscal calamity that we will otherwise bequeath to our posterity.

Mr. ARMEY. Madam Speaker, will the gentleman yield?

Mr. DELAY. I am happy to yield to the gentleman from Texas [Mr. ARMEY], the distinguished Dr. ARMEY, doctor of economics and a gentleman who is trying to drive this House to reasonable and rational fiscal policy.

Mr. ARMEY. I thank the gentleman for yielding.

Madam Speaker, I appreciate so much the fact that the gentleman took this special order.

I had the privilege last evening of acquiring my copy of the study done by Mr. Stephen Moore for the Institute for Policy Innovation on this whole question of how much government can the Nation afford. Quite frankly, I was anxious to get home to my wife last night, so I have to confess I did not read it last night, but I was in my office at 6:30 this morning, and I read the study, and I must say I am in agreement with the gentleman from Houston that it is a very well-done study.

Let me point out something. I taught economics in American universities for 20 years. I personally directed many master's theses and, in fact, have written my own book on the subject of economics, have been involved over the years in my real life in conventions where scholarly papers have been delivered and refereed, have done so myself, and I think I am capable of judging good workmanship when a study is prepared and presented. I think the young man, Mr. Moore, deserves to be complimented for the quality and the thoroughness of his research.

I think the report is not only beyond academic question, but it is extremely important in terms of providing the detailed chapter and verse to what probably all of us intuitively understand, that we are getting too much Government spending of the Nation's resources, when 25 percent of the gross national product of this country is consumed by the U.S. Government as opposed to our historic record of something closer to 19 percent.

Now, I would like to also relate something the gentleman said earlier in his remarks in this special order. I was sitting in my office, and when I looked up I noticed the gentleman was giving a special order, I did, as I usually do when the gentleman from Texas is on the floor, I turned up the volume and turned down my staff so that I could tune in without delay, and at any rate, when I heard the gentleman's opening remarks, I realized that they were perspicacious enough that he deserved an army of support and decided to come right to the floor and do what I could do to assist.

But the gentleman related to what we are all too often seeing in the press today. I saw a story just last week in the newspaper. The gist of all of these stories is that the 1980's were a failure, that in America in the 1980's, we are told, the rich got richer and the poor got poorer.

This is, in fact, a cliche. I think it comes from an old song. I might be prepared to sing it if the gentleman from Houston would assist.

Mr. DELAY. I think we can do without the song.

Mr. ARMEY. But this is an interesting complaint quite often about our great Nation. It is often alleged that in America the rich get richer and the poor get poorer.

I think, again, the American people, in realizing this would have an intuitive reaction to that. Were the 1980's so bad, and if the 1980's were so bad, were they so bad relative to what? And as I look at this, the stories ask me the question.

Let me now reflect back for a moment on the 1970's. In my real life, I am a working man; I have always worked at a salaried occupation. The prior 20 years prior to being hired for this job, I worked in three or four different American universities as a professor of economics.

But essentially I had the same problems as anybody in America working on a salary, that is to say, feeding, clothing, caring for, raising my children, and my wife and myself, and, of course, my children were growing into their young adulthood in the 1970's. I had the same wishes and hopes and dreams and fears for my children that I suppose we all do as we see them beginning their high school years and going on to their college years, anticipating their completion of college, their marriage and setting up households and all of the things we hope for our children.

I remember in the 1970's interest rates going through the roof, unemployment rates soaring; from an academic point of view, I dealt with it in the classroom with my young students, with the phenomenon called stagflation, which prior to the 1970's all scholars across the world said was impossible under capitalism. According to the great scholar Phillips, you would either have inflation or recession, but you would never have both.

In the 1970's we had both. We called it stagflation, and it was a mystery. It began in the 1960's when Lyndon Johnson was President. He could not avert it. It went on then during the period of time of the Nixon Presidency, and he could not avert it.

□ 1600

The President's Board was stumped by it and President Carter, as you may recall, became enormously unpopular with the American people as he suffered through the worst of this stagflation; but in the seventies we saw a sense of malaise come over the American people, discouragement. In fact, President Carter called that to our attention.

I remember those feelings myself and my wife in conversations that we had.

I would ask the citizens of this country to remember the seventies and eighties, these horror stories about how awful were the eighties.

I remember my concern that my children upon their completion of college, and upon their marriage, arriving at that point in their lives where they would hope to be married, buy a little home and start the process of raising a family as I have gone through, my fear was that they would not be able to do that.

I remember the stories. More and more we saw in the late seventies, the young marrieds living with their parents because they could not find housing, could not afford housing, and the discouragement we had. Stagflation was killing us.

Now, I also look back and take an honest view of the question of income distribution. Let me just tell you first of all a couple problems you have with that. When we see studies and reports on the distribution of income, what we do is we break the distribution of income up into five quintiles. We take the lowest fifth, the second lowest, the third, fourth, and fifth, the top fifth of the income distribution. The studies that make cross time comparisons, comparing 1978 with 1988, and so forth, implicitly assume that the same people are in the same quintile in 1980 that they were in 1970. They do not recognize that in the normal course of a family's life, they will travel through quintiles of income distribution.

Let me give you a quick and homely example. Social stratification being what it is in the universities, we do have nice studies. In 1964 I had my first real job as an instructor in a university. An an instructor, a new entrant in the labor force, a person beginning my career, I was in certainly at least for that profession the bottom quintile. In the ensuing few years, I completed my education, went from a Master's level of education to a Ph.D. level of education, went from the rank of instructor to assistant professor, had 3 or 4 years of real experience, wrote some articles and got myself in many ways more qualified to more ably do my job, and my income went up. I moved into another quintile of income distribution.

Now, I was clearly better off through my efforts, but as I move up, somebody else moved into that bottom level just coming from graduate school.

Then eventually I move up into another rank called an associate professor, being even more qualified, more years of experience, more duties undertaken on my part, and my salary went up. That is the way we do it.

So comparing these five quintiles of income distribution, one needs to understand that people are not locked in for a lifetime to one of the quintiles versus the other.

One of the things we see when we look at the quintiles, the bottom half, is that they go up through time and people move through them. So these are not very good comparisons, but let me go on.

If you take the years 1976 to 1980, the absolute worst, most depressing, most frustrating, that is to say when you have unemployment rates you have depressing circumstances, when you have rapid rates of inflation you have frustrating circumstances. Those years that were worst which were dubbed the days of national malaise, in those years you find the only period of time in the history of this country were, in fact, the rich got richer and the poor get poorer. By that I mean there was some slight, very low level of growth in the upper-income quintiles, the top three quintiles of income distribution increased during those 4 years. The bottom two quintiles of income distribution literally decreased. So the poorer two quintiles got poorer and the top three quintiles got richer.

Now, I might mention that is precisely the period of time in my life that I was traveling through the quintiles. So for me and my family, because of my efforts we moved on through and we did not get stuck in the bottom quintile and stay there, but that is the only time that happened.

Now, let us look at the facts. Ronald Reagan was elected to the Presidency of the United States in November of 1980. He was sworn into office in January, I believe, of 1981, is that correct?

Mr. DELAY. Yes.

Mr. ARMEY. Congress typically does not begin to do its work with any degree of earnestness until late February, middle February, or March of every year.

Now, a new President has to make the recommendations to the Congress, has to put the recommendations through the Congress, has to get the recommendations enacted into law and the earliest a new President's program could begin to be enacted would be the year following having been sworn in, so January 1982 would have been the earliest that the President's program could have been enacted into law. That is to say throughout the year 1980, the last year of the Presidency, and through the year 1981, the first year of President Reagan's Presidency, the circumstances of this Nation would have been governed by the policies of the prior President, and of course as we know that was when the conditions were the worst. It was only in late 1982 and thereafter that we had President Reagan's programs.

We know that once President Reagan's programs went into effect, remember the high drama of breaking the back of inflation, then recovering from unemployment, that we had after that period of time beginning in late 1982 or early 1983 the longest peacetime economic expansion in the history of this country. That is irrefutable fact.

During all that time, each of the five income quintiles grew. That is to say, no matter where you were in the distribution income in this country, if you were in the highest fifth, the average income of that fifth was higher and grew throughout all that period of time; so that whereas in the seventies I had to traverse through quintiles that were going down and then up, in the eighties a young person beginning as I have done would have started in quintiles that had a secular trend to go up. I would be improving my welloffness in a world of improving opportunities.

Now, that sometimes is very difficult to grasp, but it is particularly difficult to grasp for those who do not want to grasp it, but it is distressing to me to see this continuing misrepresentation. And why is that?

Mr. DELAY. Madam Speaker, if I could interrupt the gentleman, the gentleman has just laid out for the House basically, to put it in crude terms, the rich got rich and the poor got richer.

Mr. ARMEY. During the eighties, the rich got richer and the poor got richer.

Mr. DELAY. Yes.

Mr. ARMEY. Now, the problem a lot of people have with that is their complaint that the rich got richer at a more rapid rate than the poor got richer; but remember, we are talking about categories. When you complain that the rich got richer at a more rapid rate than the poor got richer, what you are complaining about is that people who were going through a normal occupational career life cycle, beginning with the time they begin to work full time in support of themselves and their families until the time they reach the full maturity of their career earning power, career effectiveness, were moving through quintiles of income into always a better quintile with higher average earnings.

□ 1610

That is, nobody was stuck, or was somebody? Let me ask this: I often like to ask people questions that force them to draw on their own experience. Fritz Machlup once made the observation that sometimes the best empirical testimony one can find is that of their own experience and that of their close associates.

Let me ask if you know somebody who is stuck in an income quintile; that is, stuck on a fixed income, who is not having their income going up or going down, check and see how many such people you know whose income is not, for the most part or at least by and large, derived from some source of public payment as opposed to private earnings. That is to say I would suggest to you, going back to the more important work that the gentleman was doing about what we have discovered from this very fine study that Mr. Steven Moore has done, that in the dynamic vitality of the private free market economy, where real free, hardworking, ambitious men and women in this country work out their lives in support of themselves and their families, that you see the dynamics of the great promise of America, which is equality of opportunity, access to opportunity, the achievement of opportunity. And in programs of public expenditure, especially as this study points out, with the increasing share of total public expenditure going more and more to entitlement programs, that you find a tendency for people to find themselves in the despair of economic and financial stagnation. And those that may find themselves stuck in a quintile of income distribution are people who find themselves so dependent on the public support program that they are incapable of earning themselves on to another place and that freeing people to greater levels of achievement of prosperity and well-being, would give them a chance to get off the public dependency program, that safety web that official programs trap people in, and into the private sector with real jobs and real opportunities to live by your merits and move up.

The other thing I would like to say is a fundamental question I think we have to ask ourselves, and the answer is fairly obvious to all of us, is in this political institution, political-economic institutional structure we have in the United States, which has a public sector and a private sector, does the Government support the private economy or does the private economy support the Government?

We have it backwards in our understanding all too often, all too often. We put together—I served for 6 years on the Committee on the Budget, and I watched this process each of these years. We put together all of those programs that we think are necessary as public programs to support people in the real economy and the real country. And then we see what might be the deficit from all of that spending we put together. And then we return to the question: Will the growth in the real economy be great enough to sustain these programs?

So even though we build the budget on the predilection that we must have this enormous amount of public expenditure to support the private sector, we judge our hope for success or failure on the question of will the private sector be successful enough to be able to support this? What this study has shown us is that since the 1950's the public sector has grown like Baby Huey, has grown so large on the back of the private sector that we cannot sustain, we cannot carry this tremendous load. What we have done is we have moved from a nation of freedom of enterprise, freedom of enterprising young people doing their best in their jobs, a nation that increasingly is more and more depending upon the largess of public programs.

What did we see in this study? One of the most fascinating things I found was that as the share of the gross national product consumed by the public sector went from something like 16 percent in the 1950's to 25 percent here, it became increasingly more difficult for the economy to sustain a growth rate. Now, let me, and one should never argue by analogy, but let me: If in fact it is the private economy of the United States that carries the burden, and we want it to grow, in effect we want it to march uphill. Is that right? We would like to have it march uphill with a 5 or 6 percent—5 percent or 6 degree incline, 5 or 6 percent growth every step of the way.

And let us say, going to my analogy again, let us say I am going to carry my gluttonous stepson or my gluttonous uncle on my back, trudging up that hill. Right? Let us say I am Mr. Private Sector of the American economy, carrying my gluttonous Uncle Sam up the hill.

And as I go up the hill, Uncle Sam continues to reach down off my back into my legs and pull a chunk of muscle out of my leg and eat it, and as he pulls each chunk of muscle out of my leg, my legs get weaker and he eats the muscle and he gets fatter.

So I am, increasingly, becoming weaker in the legs, carrying an increasingly bigger Uncle Sam on my back.

There comes a point, and this is the point that this study is concerned about, where the private sector cannot carry that load anymore, where it crushes that load, it crushes it. This is what I think this study has shown. We are reaching that point.

If we are not prepared to become creative, courageous, and responsible in controlling this growth of public spending, it is impossible for the economy to derive from any source whatsoever the best and brightest of our young people, or wherever we might acquire the source of energy that drives a great nation. There would be no source of energy that would be great enough that would allow this great Nation, with all its skilled workers and all its great craftsmanship and all of its entrepreneurial power and ability, its managerial leadership, none of the best of the assets of this country could achieve and obtain and continue to maintain the strength to carry this gluttonous monster of Government on its back on any incline whatsoever.

Now, what happens when it collapses and turns down, then that Uncle Sam becomes like the proverbial snowball carrying everything down into a terrible depression.

I think we are reaching a point of decision in this country, and the decision point is: Are we as a nation of people going to be prepared to take a look at our recent history? What did we try in the 1960's, and did it work? What did we try in the 1970's, and did it work? What did we try in the 1980's, and did it work?

Let us not have our ability to see these things clouded up by studies that are trumped up like the infamous Green Book put out by the Joint Tax Committee. Let us not have ourselves confused by politicians telling statistical misrepresentations.

But drawing from our own experience: Did the things we tried with so much hope in the 1960's work? Did the 1970's and the policies of the 1970's work? Or did the 1980's work?

And from that experience, we had better then start looking for people who would work on our behalf in the Halls of Congress or in the White House who would draw on the best and the most instructive of those lessons to do for our children and grandchildren what will work. If we want those who would only have a continuation of the same old policies with their same old failures, then we can expect our children to be trapped in one of these bottom income quintiles with no hope to get out. And we will have this situation we have seen in Eastern Europe, we will have the same situation we have seen in Sweden.

□ 1620

Let me say I think we are approaching the end of the time of the gentleman from Texas [Mr. DELAY]. Let me say "hurrah," for the Swedes. The Swedes at least see the disaster in the making. Obviously they were not free to think for themselves and to act for themselves in the Soviet Union, comprised so much of slave nations as the union was, and we had the oppression of the Communist dictatorship for so long in the Soviet Union. We would not want to fault the intellect of the Soviet people, but the oppressive government they had in the Soviet Union left them not free to act on their behalf. But the Swedes had enough freedom so that, when they saw we are destroying our nation and its future of opportunities, they kicked the bad government ideas out just this past week.

Madam Speaker, I think it is time we do that in this case. We have so many good ideas, so much resourcefulness in our people, so much ability, so much ambition, and, as long as the gentleman will continue to yield, let me say this as a personal note:

I am sick and tired of hearing politicians talk about greed. It makes me too angry when I hear politicians talk about greedy American people. Greed is the desire to have more of what somebody else earned, and we ought to see that for what it is, and it is not good. It is bad.

There is something else that the American people are guilty of. The American people are not guilty of greed. They are guilty of something called ambition, and ambition is the desire to earn more for myself and my family and see my children do the same.

To see politicans who are taking money away from hard-working people and squandering it on programs that fail them and fail their children's future, having the audacity to call American people greedy I think is an insult that ought not to be tolerated, and I have gotten that off my chest on the gentleman's time, and I appreciate the gentleman for that.

Mr. DELAY. Madam Speaker, I appreciate the gentleman from Texas [Mr. ARMEY] for his eloquent presentation, and more will follow, I am sure, in the future. We are headed for disaster, and, if the American people do not wake up and do something about it, they will reap the disaster on themselves.

THE RECESSION IS NOT OVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Madam Speaker, last weekend the Budget Director, Mr. Darman, Richard Darman, announced that the recession had ended 4 months ago. That was last weekend. He announced that the recession was over 4 months ago. He bragged about minuscule increases in this or that statistic. He tried to create the impression that the economic recovery was humming along right on schedule.

Madam Speaker, his ridiculous remarks belong in the Bush administration's rhetorical hall of fame along with other remarks that have made no sense and that reflect the insensitivity and the callousness of this administration to the plight of literally, literally, millions of American working men and women and their families along with the "no big deal" remark that the Secretary of the Treasury responded when he said that this recession was no big deal, or the "garbage" response, the President's description of our efforts to help the unemployed.

Madam Speaker, how can President Bush and his entire administration fail to see what every middle-class American family already knows in this country? This recession is not over. It is a big deal, and the Bush administration cannot make it disappear with rhetorical whitewash.

In addition, Madam Speaker, this is a middle-class recession. Of course, the rich have been affected, those who have invested their Reagan era tax breaks into too many reckless ventures, and of course, it affects the poor, who always seem to be the victims of bad economic policy. But the brunt of this economic recession is borne by the American middle class. It is borne by our working families, by the people who have worked hard to put aside a little money for their kids' education, or the men and women who are trying to buy a first home for their family. These are the people who are in their prime. They have job skills, they are working hard to make a living for their family, they are dependable people, they are hardworking, and they have proven that they are good at what they do.

Madam Speaker, literally millions of these people have been on their jobs for years, and all of a sudden they go to work one day, and they are handed a pink slip, or the boss calls them in the office and says, "It's all over. We can't use you anymore." They go home, and it starts to sink in.

As my colleagues know, they will say, "Well, I'll get a job," and they make every call they can out of the newspapers, the want ads, to try to find employment, and then the bills start to mount up day after day after day. How are they going to pay the mortgage? How are they going to put food on the table? How are they going to invest for the future of their children's education by putting aside a few bucks?

For some the bad news came when their boss called, and sometimes without warning, to say that the plant is closed and that they will have to find another means of providing for their family. For millions the bad news turned into panic when their unemployment benefits ran out, and that is what is happening for more than 300,000 Americans each month.

Each month, 300,000 Americans have exhausted their unemployment benefits, the highest total in 40 years, 40 years. But these are just not economic statistics. They represent profound emotional and psychological issues as well.

Again, imagine the anxiety of knowing that you could be laid off at any moment, and those who are working have that anxiety. They read the newspapers, they listen to the radio on the way to work and home from work, they watch their television news. They know this economy is bad, and they know that many of their jobs are hanging by a thread when they hear that the gross national product has dipped, when they hear housing sales are off, when they hear that car sales are worse than they have been in years. They know that those are the engines in our society and that they in fact could be next because many people in our society are dependent upon those basic industries.

Imagine their anxiety of knowing that at any time they could be next. And they feel it. Imagine their anxiety in looking into the face of a child whose college funds have to be used to pay monthly bills to get by, dipping into that fund that for months and years they have sort of set aside and struggled to keep so that their kid could do a little bit better than they did. Now they got to go into it.

□ 1630

Now they have got to go into it to put food on the table and to pay the mortgage, because the unemployment benefits have been exhausted. And then there is the insult to injury, knowing that the Government through the employer, indirectly in negotiations with the employee, has a fund to take care of them with $8.5 billion in it. But they cannot get at it. They cannot get at it because the President does not think this is serious enough. He says it is not an emergency, and he will not release the funds for these people.

There is the fear that they feel that a sudden illness will wipe out their family because they have no health insurance. They cannot pay the premiums on their health insurance. Imagine not knowing where your next mortgage payment is coming from and what that means to your family.

The psychological impact of this recession is every bit as profound as the economic problems themselves, and both are squeezing American working families to the limit.

The President has two responses. First, he pretends the problem does not exist, the recession is over, and "It's no big deal,"—"garbage" policies. That is the administration talking. Then he says we need to give the economy a second dose of the same failed economic practices that got us here in the first place, with more tax breaks for the rich. That is their answer. That is the President's answer.

Madam Speaker, the American people are tired of this double talk. They know that this recession is deep. They know that it is not over, and they know what to do about it. The way to get the economy moving again is to put money back in the pockets of working families in this country so that they can build, save, and invest to get this country moving again.

Madam Speaker, I received a letter last week from a constituent in Mt. Clemens, MI. He lost his job, and his unemployment benefits had run out. Listen to what he says about his family. He says, and I quote:

> We are educated people. I have an electrical engineering degree. To serve my country, I did a tour in Vietnam. Now I need help. * * * With a wife and three children, we are living with shattered dreams and fright from day to day. My savings are gone, and we may soon have to put the home we worked 18 years for on the market. Is there any hope in sight?

I want to say to my constituent and to all the American people that there is hope in sight. First, we will send the President an unemployment bill, and we will override his veto if necessary. We will do that next week. Then we will focus our attention on our own working families here in America.

The President wants to take care of the Turks, he wants to give emergency aid to Israel, and he wants to provide, and he has provided, emergency aid to the Kurds and to Bangladesh, but when it comes time to take care of people here at home, the blinders go on, the earplugs go on, and it is as if they are not there, they are invisible.

We are going to take care of these people next week in the short run—and it is just the short run—to give them a little bit to sustain themselves, to take care of those kids at home, and then we will focus our attention on working families. They will put America back on its feet if we in Congress will only respond to their call to action. What we need is middle-class tax cuts. We need to cut the taxes for middle-income American people who got zippo during these years of the 1980's with the great Reagan tax cuts which bankrupted this country and which I am proud to say I did not vote for, tax cuts that went to the wealthy. The middle class got zippo. The idea, of course, was that we would have this trickle-down, that we would give it to the wealthy, they would invest it, and it would come down to the rest of us. We need to give it to the middle class and let them take care of their basic needs and the needs of this country, so it can bubble up and so that we can all enjoy the wealth of this country.

Middle-class tax cuts are high on our agenda, right after the unemployment compensation bill and right after the transportation bill that will put 2 million Americans to work shortly. We will deal with our roads and our bridges. Sixty-one percent of our roads need repair. Two bridges in America fall apart each day and they cannot be used. We need to get on with dealing with out public transportation system. Basic is our infrastructure. That is a long, complicated word, but basically it means building America again with 2 million jobs. That is coming.

We need better schools and better highways, and then we need health care reform. We need health care reform to correct perhaps the largest of the social inequities that we have. There are 37 million Americans who have not a dime of health care insurance, and the cost of it is bankrupting virtually everyone who is paying for some system. These Americans are our priorities. We make them Congress' priority, and we pledge to the American people that during this fall session we will see that their needs are taken care of.

THE CREATION OF NEW JOBS AND ECONOMIC GROWTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Madam Speaker, I appreciate very much this opportunity to talk about jobs and the American economy and to make the point, first of all, that if you are going to have a tax cut, you have to begin by being in a position to have a job. If you do not have a job, a tax cut does not help you, and the No. 1 goal of American domestic policy for the near future should be to create jobs to revitalize the economy.

It is fascinating to watch the drop in momentum in the United States, the loss of energy, the loss of jobs, the way in which the recession has sort of bounced along without a dramatic recovery, and to recognize that there are certain key lessons being taught all over the world, lessons ironically which were first taught by Margaret Thatcher and Ronald Reagan and which in the city of Washington it is very hard to get the political establishment to listen to.

The fact is we know what creates jobs. Incentive creates jobs. Encouraging people to save and to invest, encouraging people to work extra hard, encouraging people to go out and become entrepreneurs and found new companies and create new jobs, these are the things that create jobs.

We also know what kills jobs—raising taxes, big government, huge deficits, high interest rates, and tons of red tape and regulations. When somebody knows that if they go out and found a small company, they are going to drown in red tape, they are going to be overwhelmed with taxes, and they are going to face very high interest rates if they go into debt at all, their first instinct is to not start the new company. Why is that so important? It is important because virtually all new jobs in America come from small business. Large businesses, businesses the size of General Motors or Ford or IBM, tend to lose jobs over time. They buy new machinery, they buy new computers, they buy new equipment, and they shrink the size of their work force. So if we are going to have lots of jobs for lots of people, we have to have lots of small companies and lots of baby companies, baby companies that will some day be the IBM's and General Motors of the future.

We face a crisis, I think, because for the last 3 years the city of Washington and the national establishment have walked away from the lessons of the 1980's and have tried to reestablish the tax policies of the 1970's, the policies that led under Jimmy Carter to 22 percent interest rates and 13 percent inflation and set the stage for the worst recession of modern times.

Senator PHIL GRAMM and I are working together to create economic growth. We are working together to create the kind of changes that will lead to new jobs and new opportunities. We have introduced an Economic Growth Act. By that Economic Growth Act, it is estimated by economists that we would create 1,100,000 new jobs, and it would lead to the sale of 220,000 additional houses a year.

□ 1640

It would create an opportunity to have a housing boom. It would, by the way, thereby help the Federal Government and help the taxpayer, because if we had more people buying more houses, that would lower the cost to the Resolution Trust Corporation of getting rid of the property the Government had taken over. That would save some banks and some savings and loans, and that would mean that the Treasury and the taxpayer would not have to bail them out.

Now, this is a bill, the Economic Growth Act, which we believe will help realtors who sell houses. It would help homebuilders who build houses. It will help carpenters who help build houses. It will help the forest products industry, which, after all, creates the products that go into the houses. It will help the textile industry, which creates the rugs and creates the covering for furniture.

When you look around the country, once housing starts begin to go back up, a lot of good things happen.

It is estimated the Economic Growth Act would lead to 220,000 additional home sales a year. Furthermore, when you encourage people to save and invest, when you encourage people to create a new factory, to buy new machinery, to setup a new business, you create jobs.

The 1,100,000 new jobs under the Economic Growth Act is not a small thing. It is actually more people than there are currently in the long-term unemployed. So we would actually be able to create jobs for all the people who are currently at this time under the definition of long-term unemployed.

How do we do it? First of all, we have a tax credit for copies with under $43,000 joint income that enables them to buy that very first home.

Second, we allow every American to have an Individual Retirement Account. We allow them to save their money and have after-tax dollars and have a tax-free buildup.

We would make this provision: If you keep your money in that IRA for 5 years, you can use it for housing, you can use it for education, you can use it for health care, or you can use it for retirement. In fact, we have a further provision that parents and grandparents would be allowed to borrow, to take their IRA out and loan it to their children and grandchildren to help them buy their first home.

So again, we are moving toward that very desirable status of encouraging every young couple to dream and hope and work and save so that they someday can own a home.

In addition, we create enterprise zones in 75 urban and rural areas, so the poorest parts of America, whether in Michigan or West Virginia, will have a tax incentive to create jobs.

We know it works. We know enterprise zones have worked in Hong Kong. We know they work where they are tried. We want to bring them here to America on the premise that if we can create jobs in poor neighborhoods so poor people can get off of welfare and into the habit of work, we make America stronger and better.

Furthermore, we cut the capital gains tax. Why do we cut the capital gains tax? Because we know that that will encourage people to invest, that will encourage people to create jobs, to create 1,100,000 new jobs. And we index capital gains for the future, so when you save and invest, you will not be paying taxes on inflation.

Furthermore, we establish a permanent extension of the research and experimentation tax credit. The research and experimentation tax credit. The research and experimentation tax credit is very, very important if in fact you believe that we want to have American business with the best research, the best technology, the best machine tools, the best products, so people can compete in the world market with Japan and Germany, and we can have the highest value-added jobs with the best take-home pay and the highest quality of life.

In addition to that, we raise the amount that senior citizens can earn without benefit from Social Security by $8,000 a year, so that senior citizens who want to continue to work can earn an additional $8,000 a year, without being penalized by Social Security, because we believe in the work ethic. We want to encourage people to stay busy and stay alive. We know the senior citizens who stay active are healthier, live longer, and have fewer problems with their health than people who do not.

In addition to all of those things, we provide for an economic growth dividend for every taxpayer. Our position is very clear. If the economy grows by more than 3 percent real growth, we believe that every dollar in additional revenue should go back to the working American family in the form of a higher personal deduction, because we want to establish the premise that if you work hard and you go out and establish a growing economy, that those dollars belong to you, not to the Washington bureaucracy.

We do not want people to say, "Boy, if we get all this growth, look how much more money we can spend here in Washington."

Instead we want to say, "If we get a real period of boom, we want that extra money to go back to increase your personal deduction, so you and your family can have more money in your take-home pay, because that is your money, not the Government's money, if you have earned it."

We think that is a very strong, very powerful, profamily position.

Let me say, first of all, we believe that the Economic Growth Act, by creating 1,100,000 new jobs and by creating 220,000 additional home sales, and by allowing senior citizens to earn $8,000 additional a year without penalty, we believe that that will stimulate the economy and help us get out of a recession.

But we go a step further. We also believe that it is time we reestablished the principle that economic growth is the most important domestic policy.

The most important domestic policy is a job. If a family has a job, if people are able to earn a living, if they believe they have a chance to buy a house, that is the beginning of a healthy America. I do not care how many social welfare state bureaucratic programs we put together. None of them are as valuable or as important as having a job. Yes, the objective fact is that for 3 years now, the Democratic leadership in the Congress has killed every effort to create jobs. They have killed every effort to produce new work, new opportunities, new take-home pay.

President Bush has sent up bills. He has asked them to pass bills. There are two examples; 2½ years ago he sent up his initial jobs program calling for a tax cut. It passed the House with 264 votes. It was killed by the Democratic leadership.

The second example: the President came right here back in January. He called on the Congress in 100 days to pass a highway program.

The highway program is very important. The highway program not only creates infrastructure for all Americans to drive on, opportunities for mass transit, but it is one of the most powerful jobs programs the Government has. When the Government is building more highways, building more bridges, repairing more roads, creating more opportunities for people to go to work, that is a jobs program itself.

I do not have the figures yet. We have asked some economists to develop them for us. But just the delay by the Democratic leadership in producing a highway bill which the President asked for, and which he really hoped to get by early May, just the fact that we have delayed that bill from May until October means that there was less stimulus, less job creation, less investment, less economic activity, so fewer Americans were at work.

Let me go a stage further. The reason there is such a fundamental difference between President Bush and the Republican approach with the kind of ideas, such as the Gramm-Gingrich bill for economic growth, the reason there is such a difference between that approach and the Democratic leadership's approach of much higher spending, ultimately higher taxes, bigger deficits, is because of a fundamental difference about what works and what makes the economy work.

Everywhere you turn around the world Americans are preaching to other countries, you need smaller government, you need less bureaucracy, you need free enterprise, you need private property, you need incentives to work and save and invest.

We re telling the Russians, the Lithuanians, the Latvians, and the Estonians. We are telling Poland, Hungary, and Czechoslovakia. The truth is we live today in a world in which the mayor of Moscow is to the right of the mayor of New York City; in which the mayor of St. Petersburg is to the right of the mayor of Philadelphia. The result is we are telling the Russians and others how to do the very things we are not doing.

There was a report issued today by the Institute of Policy Innovation, one of the most interesting and dynamic institutes of its size in the country, a report on the Federal budget and America's fiscal future. This report by Stephen Moore illustrates our concern. I want to quote a couple of things that will startle most Americans.

> Adjusted for inflation, the federal budget has expanded by 50 percent since 1980; doubled since 1970; and increased six-fold since 1950!
>
> This growth trend is not sustainable. Productivity, national competitiveness, and living standards will suffer—as they have already. Between 1950 and 1974, when the federal government was much smaller, our economy grew at a roughly 3 percent annual rate. Between 1974 and 1989 the economy grew at roughly 1 percent per year. The difference in these growth rates means that rather than doubling every 25 years, family incomes are now doubling every 70 years.
>
> All signs indicate that spending will accelerate rather than abate over the next three decades. Absent dramatic reforms, the U.S. government will command an ever-growing share of national output. The budget will swallop up over 30 percent of GNP by the year 2010 and over 40 percent of GNP by 2020. In 1991 dollars, the budget will reach $4 trillion within 30 years.

That is almost the size of our current entire economy.

> To finance this spending taxpayers will face a near suffocating tax burden and/or deficits will skyrocket.

He goes on to say:

> Failure to tame the Federal budget has placed America on a path to financial ruin.

□ 1650

Why is this important? It is important because if we have a smaller government with a balanced budget with lower taxes so that people have the money in their pocket to take home, to save and invest. We are in a position to grow faster. If we grow faster, people have better jobs with better equipment, working in better factories. People have better opportunities to buy better products.

They have a higher standard of living. They can buy a better home, which creates more jobs so people again live better.

We face a very stark choice. I think it is ironic that the Swedish Socialist Party, two Sundays ago suffered its worst defeat since 1928. While our friends in the Democratic leadership do not seem to have learned anything from the fact that in Russia and in Hungary, in Sweden, across the world, the concepts of a centralized welfare state are simply breaking down and simply proving not to be very effective, that in most of the world people have awakened and realize that we have an obligation to do everything we can to create more economic growth in the private sector so people have real jobs and they have lasting jobs.

This is a very, very important central issue for the 1990s. Are we going to become a bigger welfare state with higher taxes, a larger deficit, with workers being punished if they have initiative, savers being punished if they save? Or are we going to bring government spending under control? Are we going to be in a position to say, let us set some priorities in Washington?

We will hear everybody who comes to the floor of the House say, "This is an emergency, this is a high priority."

I have yet to hear anybody come to the floor and say, "Let me identify 3 low priorities in domestic spending. Let me tell you about 5 programs that are not working."

There are over 4,000 Federal Government domestic programs. Surely we could take the 1 percent that are least effective, 40 of them, and close them down, or the 2 percent, 80 of them, or the 3 percent, 120, and begin the process of setting priorities.

Every American family has to set priorities and the U.S. Government should set priorities also. Whether we are going to control spending or not, I think we have to look at the tax system and ask ourselves, do we have today a tax system which encourages savings? The answer is no. If one borrows money, one can deduct some of the interest. If one saves money, we are going to tax that person for the interest.

That is why having an individual retirement account, as we have in the Economic Growth Act, is so important.

Do we today have an economy that says to young workers, "You have a pretty good chance to buy a house?" The answer is no. That is why the Economic Growth Act both allows people to use their IRA to buy housing and allows parents and grandparents to loan to their children and grandchildren to buy housing and sets up a situation in which if one has under $43,000 in income, one is able to have a tax credit against their down payment, because we believe that giving young couples an incentive to go out and work and save and buy a house is one of the steps to a healthy economy.

Do we today have a permanent research and experimentation tax credit to say to our business, "We want you to invest in research so you can compete with Japan and Korea and Germany?"

No, we review it every year. And in fact, there is talk that the Democratic leadership is not going to bring a tax bill to the floor this year and is going to let the research and experimentation tax credit disappear, go out of existence. And yet what does that easy?

It says we are not going to encourage our businesses, our computer businesses, our laser businesses, our health care businesses, our drug and pharmaceutical businesses, we are not going to have a tax credit to encourage them to do the research which America knows is absolutely vital if we are going to be in a position to compete in the world market in the 21st century.

Do we encourage our senior citizens to work today? We tell them, "If you earn more than $9,000, we are going to take away $1 in Social Security for every $3 you earn."

A senior citizen who goes to work who is in the 15-percent bracket is now being told, "We are going to take 33 percent away and then we are going to charge you 15 percent."

We are talking about the highest marginal rate in America which is paid today by senior citizens.

A senior citizen, 65 or 66 years of age who continues to work, who earns more than the Government tells them they are allowed to earn, pays a higher marginal rate than a millionaire, a higher marginal rate than a movie star, a higher marginal rate than a professional football player. It makes no sense at all.

Yet today your Government punishes senior citizens who want to stay active and who want to work. Do we say to people, go out and have the courage to leave your job, to start a small company, to go out and do something really tremendous to employ lots of people and we will reward you? No.

We in fact have the highest capital gains tax rate of any major industrial competitor. The Germans do not tax the way we do. The Japanese do not tax the way we do.

And then we turn around and say, "How come they have more entrepreneurs, how come they are creating more jobs, how come they are more dynamic than we are?"

Yet the current Tax Code is an antijob creator.

I say to my friends on the left, we cannot have jobs if we do not encourage job creators. We cannot have jobs if we do not encourage people to start small businesses. We cannot have jobs if we do not have new opportunities for new folks to go out with new ideas, to create new markets.

On the left, they like to get together with folks at the top. They want to talk about the big corporations and the big labor unions. None of those people create any jobs. Jobs are created in fact just the opposite.

Jobs are created when little people go out with little bits of money to set up little bitty shops from which grow the future. Apple Computer started in a garage. Polaroid Camera started in a basement. People had an idea. They went and they began.

The guys who invented the silicon chip, they were told they were crazy when they founded their company.

Again and again, when we look at the future, if we read Ray Kroc's biography, "Grinding it Out," a study of McDonald's and how he developed McDonald's. There were two brothers. They owned a little hamburger place out in California.

They got up to three hamburger stands. Ray Kroc was a milkshake machine salesman. He was trying to sell them milkshake machines. They bought a lot because their three hamburger stands did more business than any other place that he sold to.

He went to the McDonald brothers and said, "If you would set up more hamburger stands, I could sell you more milkshake machines."

They said, "We don't want more than three. Three is enough. We are making a good living."

He said, "Well, would you allow me to franchise your ideas?"

He took what little money he had. He got some investors. He went to Chicago, took a lot of risks, and created the first franchised McDonald's.

Today it is the largest fast food chain in the world. All of us watch with great pride as Americans when we see Russians lined up to get into the McDonald's in Moscow. We say, that is a big corporation. But I say to my friends in the Democratic leadership, it was not a big company when Ray Kroc founded it. It was a tiny company.

It took a man willing to go out and risk his savings to work for years to create the modern institution that we see today.

If we look at United Parcel Service, a great corporation. I had a privilege to spend time with them recently. One of the largest, most successful corporations in the world at transporting parcels.

They started with one truck, and they began to grow. They began to develop.

My point is this: Those of us who believe that we have got to worry about the recession, that we have got to create jobs, that we have got to care about economic growth, that a healthy America is a working America, we want to actually encourage savings. We want to actually encourage investment. We want to actually encourage job creation. So we are prepared to change the Tax Code to pass a bill which would do that.

What do we see with our friends in the Democratic leadership?

Two weeks ago they brought up an unemployment bill, and I said to them, "I am prepared to vote for the unemployment bill, but let us add to it an employment bill. Being worried about unemployment is only half the story. How about worrying about employment? Worrying about extending the unemployment only gets you to the end of the 20 weeks. What happens then? What if we still have not encouraged any growth? What if we still have not created any new jobs? What if we still have not founded any new companies? What do you say then to the unemployed?"

□ 1700

Here's 20 more weeks, and then what do you say and where does it end?

I went to the Rules Committee and I begged the Rules Committee Democrats, please, make in order a jobs bill so the people of America can have the dignity of working, so we can not only give them extended unemployment for the short run, but we can also create jobs for the future. And we were told, on a straight party line vote, no, you cannot do that. That would be wrong. We do not want to bring up a jobs bill, we just want to bring up an unemployment bill.

So then we came to the floor. We had the following colloquy, and I rose and I asked to offer an amendment to the unemployment bill that would be the economic growth act that Senator PHIL GRAMM and I have developed. This is what the CONGRESSIONAL RECORD says on September 17, 1991 at page H-6640.

> The gentleman from Illinois [Mr. ROSTENKOWSKI] makes a point of order that the amendment proposed by the motion offered by the gentleman from Georgia [Mr. GINGRICH] is not germane to the bill.
>
> The bill, as reported, is confined to provisions relating to unemployment insurance and compensation within the jurisdiction of the Committee on Ways and Means.
>
> The amendment proposed in the motion offered by the gentleman from Georgia [Mr. GINGRICH] contains provisions "to provide incentives for work, savings and investments in order to stimulate economic growth, job creation and opportunity." These provisions range beyond matters of unemployment compensation and involve the jurisdiction of committees other than the Committee on Ways and Means, to wit: the Committee on Banking, Finance and Urban Affairs and the Committee on the Judiciary.
>
> Accordingly, the Chair finds the amendment is not germane, and, therefore, the motion to recommit is not in order.
>
> The Chair sustains the point of order of the gentleman from Illinois [Mr. ROSTENKOWSKI].

What did they say? Notice the language. Our bill provided for work, for incentives for work, savings, and investment in order to stimulate economic growth, job creation and opportunity.

If I came to your home, or to your neighborhood, or to your local civic club, or to your work and I said gee, do you think as a way of dealing with unemployment that having an incentive for work, savings and investment might relate to unemployment, do you think if I offered something which would stimulate economic growth and job creation that that might have something to do with unemployment? But not on the House floor. Job creation on the House floor does not relate to economic unemployment, which tells you a lot about why the Democratic Party has a hard time dealing with the economy. Because obviously the most important fact about unemployment is we are not creating enough jobs. So if we were to create enough jobs we would not need to worry about unemployment. Just this basic principle seems to elude the Democratic leadership.

Let me make a second point. The Rules Committee can make in order anything. The Rules Committee can invent the bill. The Rules Committee can send to the floor a bill which has never gone to a committee, which has never had a hearing, which has never been marked up, and in the history of the House this has happened on a number of occasions.

If the Speaker says in the Rules Committee I want you to bring a jobs bill to the floor tomorrow morning, they can do it. And if on the floor we will vote for the rule and the House will accept the rule, it is in order.

So what do we have happening? First, the Democratic leadership which controls the Ways and Means Committee, which controls the Rules Committee, says we are not going to have any hearings on this Economic Growth Act, we are not going to mark up this Economic Growth Act, we are not going to report out of committee an Economic Growth Act. Then when we go to the Rules Committee and ask them to make it in order we are told that since you did not come out of the committee we cannot make it in order. After all, we would not want to offend the Democratic leadership.

Then when we came to the floor we are told that since the Rules Committee, which is controlled by the Democrats, did not want to offend the Democrats who controlled the Ways and Means Committee, you cannot make in order the Economic Growth Act.

Then having killed the Economic Growth Act, so we cannot create 1,100,000 jobs, we cannot increase the sales of homes by 220,000 a year, we cannot allow senior citizens to earn an additional $8,000 a year, we cannot have an extension permanently of the research and experimentation tax credit, we cannot do any of the good things we want to do, having killed it, then the Democratic leadership and its supporters come to the floor and they attack the President, and they attack the Republicans for not having a domestic agenda.

There is an old saying that chutzpah is defined as somebody who murdered their parents and then throws themselves on the mercy of the court as an orphan. In a sense what we have here is a Democratic leadership which first smothers the President's program, and smothers the House Republican program, and then claims that since we cannot produce it on the floor it must not exist, even though the reason that it is not on the floor is that the Democrats will not let us bring it here. And when people wonder why the country is so outraged about the way the Congress is run, and why people are calling for term limitation, and why there is a movement of rebellion in the country, all they have to do is look at the last 2 weeks.

Every American who wants to see us create 1,100,000 new jobs had their hopes thrown down by the Democratic leadership who refused to bring it to the floor. Every American who would like to buy a home, and particularly Americans who are, after all, relatively poor, under $43,000 joint income which means we are not talking about helping the rich, we are talking about helping young working couples, something that you hear Democrats say they want to do all the time. But they want to do it soon, they want to do it eventually, they want to do it when they get around to it. And yet here we had a bill that would have allowed couples under $43,000 income to have a tax credit to buy a house, something you would have thought the Democrats would have liked. But they could not bring it to the floor, could not make it in order.

My point is this: Every young couple who wants to buy a house ought to be mad at the Congress, mad at the Democratic leadership for not making that in order. Every senior citizen who would like to earn an additional $8,000 a year without penalty from Social Security should be mad at the Democratic leadership and mad at the House for not making that in order. Every person who would like to sell a house or build a house for those young couples ought to be mad at the Congress. Every person who wanted to save and who would like to have an IRA, and who believes having an IRA that would allow you to spend it on health, education and housing as well as retirement is really pro savings, should be mad at the Democratic leadership for not making it in order. Every unemployed American who wants a job more than an unemployment check, who wants a chance to go back in the job market and work, and take home pay, and have dignity should be enraged that twice in 10 days we could bring an unemployment bill to the floor, but we could not bring an unemployment bill.

Finally, all Americans who have watched in Georgia, and in Michigan, in Minnesota, and Missouri, across the country who have watched change in Russia, change in Lithuania, change in Poland, change in Hungary, change in Czechoslovakia, the recent defeat of socialism in Sweden, and then you get to the U.S. House on Capitol Hill and what do you get? The same old strangulation of new ideas, the same old smothering of new approaches, the same old techniques of backroom politics stopping the bills from coming to the floor.

I think the American people know better. The American people know that we have to focus on jobs, we have to create more opportunities. And I hope that every American will call their Member of Congress and ask them to cosponsor the Economic Growth Act, and ask them to help create new jobs, and ask them to help increase savings, and ask them to help senior citizens be allowed to work, and ask them to help young couples buy a house. And if enough people will contact their Congressman and their Senator, if enough people will talk about the importance of economic growth, the importance of jobs, the importance of getting out of this recession, then I believe maybe we can bring enough public pressure to bear to actually get a fair rule to bring the rule to the floor and to have a chance to pass it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TANNER (at the request of Mr. GEPHARDT), for today, on account of family business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. THOMAS of Wyoming) to revise and extend their remarks and include extraneous material:)

Mr. BROOMFIELD, for 60 minutes, on October 2.

Mr. BURTON of Indiana, for 60 minutes each day, on October 14, 15, 16, 17, 18, 21, 22, 23, 24, and 25.

Mr. WALKER, for 5 minutes, today.

Mr. DELAY, for 60 minutes, today.

Mrs. BENTLEY, for 60 minutes each day, on October 1, 2, 3, 7, 8, 9, 10, 15, 16, 17, 22, 23, and 24.

Mr. MCEWEN, for 60 minutes, today.

Mr. THOMAS of Wyoming, for 5 minutes, today.

(The following Members (at the request of Mr. CRAMER) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. NEAL of Massachusetts, for 60 minutes each day, on October 1 and 2.

(The following Member (at the request of Mrs. BENTLEY) to revise and extend her remarks and include extraneous matter:)

Ms. HORN, for 5 minutes, on September 30.

(The following Member (at the request of Mr. BONIOR) to revise and extend his remarks and include extraneous material:)

Mr. ANDREWS of New Jersey, for 5 minutes, on October 3.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. THOMAS of Wyoming) and to include extraneous matter:)

Mr. RHODES.
Mr. SANTORUM.
Mr. MCDADE.
Mr. BURTON of Indiana.
Mr. SOLOMON.
Mr. LAGOMARSINO.
Mr. GOSS.
Mrs. BENTLEY.
Mr. GUNDERSON.
Mr. GINGRICH.

(The following Members (at the request of Mr. CRAMER) and to include extraneous matter:)

Mr. KOLTER in two instances.
Mr. FASCELL in two instances.
Mr. DWYER of New Jersey.
Mr. LEVINE of California.
Mr. MONTGOMERY.
Mr. TRAXLER in two instances.
Mr. SOLARZ.
Mr. TALLON.
Mr. KILDEE.
Mr. SARPALIUS.
Mr. SWETT.
Ms. OAKAR.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

[Correction to the Congressional Record of Tuesday, September 24, 1991]

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following title:

S. 1106. An act to amend the Individuals with Disabilities Education Act to strengthen such Act, and for other purposes;

S.J. Res. 126. Joint resolution to designate the Second Sunday in October of 1991 as "National Children's Day"; and

S.J. Res. 151, Joint resolution to designate October 6, 1991, and October 6, 1992, as "German-American Day."

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 862. An act to provide for a demonstration program for voir dire examination in certain criminal cases, and for other purposes; to the Committee on the Judiciary.

S. 865. An act to provide for a demonstration program for voir dire examination in certain civil cases, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3291. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes; and

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following title:

S. 363. An act to authorize the addition of 15 acres to Morristown National Historical Park;

S.J. Res. 73. Joint resolution designating October 1991 as "National Domestic Violence Awareness Month";

S.J. Res. 95. Joint resolution designating October 1991 as "National Breast Cancer Awareness Month"; and

S.J. Res. 125. Joint resolution to designate October 1991 as "Polish-American Heritage Month."

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

On September 25, 1991:

H.J. Res. 233. Joint resolution designating September 20, 1991, as "National POW/MIA Recognition Day," and authorizing display of the National League of Families POW/MIA flag.

ADJOURNMENT

Mr. GINGRICH. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p.m.), under its previous order, the House adjourned until Monday, September 30, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2138. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the semiannual reports for the period October 1990 to March 1991 listing voluntary contributions made by the U.S. Government to international organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on Foreign Affairs.

2139. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Curtis Warren Kamman, of the District of Columbia, to be Ambassador to the Republic of Chile, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2140. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of an award under the Witness Security Program, pursuant to 22 U.S.C. 2708(h); to the Committee on Foreign Affairs.

2141. A letter from the Comptroller General of the United States, transmitting the third report on the assignment or detail of General Accounting Office employees to congressional committees as of July 31, 1991; jointly, to the Committees on Government Operations and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 6. A bill to reform the deposit insurance system to enforce the congressionally established limits on the amounts of deposit insurance, and for other purposes; with amendments (Rept. 102-157, Pt. 2). Ordered to be printed.

Mr. BONIOR: Committee on Rules. House Resolution 230. A resolution waiving all points of order against the conference report on S. 1722 and against the consideration of such conference report (Rept. 102-221). Referred to the House Calendar.

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 3259. A bill to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth; and for other purposes; with an amendment (Rept. 102-122). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1724. A bill to provide for the termination of the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary (Rept. 102-223). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3365. A bill to amend title 31, United States Code, to restrict the authority of newly established Government-related corporations to borrow from the Treasury and to require an annual evaluation of the impact of public borrowing by such corporations on the public debt; with amendments (Rept. 102-224). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X the following action was taken by the Speaker:

H.R. 6. Referral to the Committees on Agriculture, Energy and Commerce, the Judiciary, and Ways and Means extended for a period ending not later than October 4, 1991.

H.R. 3039. Referral to the Committee on Government Operations extended for a period ending not later than September 27, 1991.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAUZIN (for himself, Mr. HALL of Texas, Mr. COOPER, Mr. SLATTERY, Mr. SYNAR, Mr. BOUCHER, Mr. HARRIS, Mr. DEFAZIO, Mr. EMERSON, Mr. PERKINS, Mr. PAYNE of Virginia, Mr. CHAPMAN, Mr. GALLO, Mr. CLINGER, and Mr. ROGERS):

H.R. 3420. A bill to improve the access of home satellite antenna users to video programming, and for other purposes; to the Committee on Energy and Commerce.

By Mr. APPLEGATE (for himself, Mr. MCEWEN, and Mr. MILLER of Ohio):

H.R. 3421. A bill to amend the Mineral Leasing Act to provide for the continuation of certain leases on mineral estates upon the vesting of a present interest of the United States to such mineral estates; to the Committee on Interior and Insular Affairs.

By Mr. BACCHUS (for himself, Mr. COX of Illinois, Mr. ANNUNZIO, Mr. MRAZEK, Mr. FRANK of Massachusetts, Mr. LUKEN, Mr. NEAL of Massachusetts, Mr. RIGGS, Mr. MORAN, Mr. DOOLEY, Mr. CRAMER, and Mr. ROEMER):

H.R. 3422. A bill to provide additional resources to the Resolution Trust Corporation subject to various conditions, to establish additional operating requirements for such Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. BOXER (for herself, Mr. BROWN, Mr. HERGER, Mr. RIGGS, and Mr. SYNAR):

H.R. 3423. A bill to amend the Hazardous Materials Transportation Act to require the Secretary of Transportation to designate as hazardous materials under that act substances designated as hazardous materials by the Coast Guard; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

H.R. 3424. A bill to amend the Hazardous Materials Transportation Act to revise the system for designating hazardous substances and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. DONNELLY:

H.R. 3425. A bill to amend the United States Housing Act of 1937 to authorize housing assisted under such act for which occupancy is limited to elderly families, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GUNDERSON:

H.R. 3426. A bill to amend the Higher Education Act of 1965 to improve access to postsecondary education for students with disabilities; to the Committee on Education and Labor.

By Ms. HORN (for herself, Mr. THORNTON, Mr. KOSTMAYER, Mr. OLVER, Mr. BOEHLERT, Mrs. LLOYD, and Mr. WYDEN):

H.R. 3427. A bill to amend title 10, United States Code, to provide for the development of defense manufacturing and critical technologies; to the Committee on Armed Services.

By Ms. OAKAR:

H.R. 3428. A bill to authorize capital contributions for certain international financial institutions in order to enhance international economic stability and economic growth, to provide for the alleviation of poverty, the protection of the environment, and energy efficiency, to provide for the implementation of the Enterprise for the Americas Initiative, to provide assistance in the financing of U.S. exports, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PALLONE:

H.R. 3429. A bill to amend Federal Water Pollution Control Act to improve the enforcement and compliance programs; to the Committee on Public Works and Transportation.

By Mr. RHODES:

H.R. 3430. A bill to establish administrative procedures to extend Federal recognition to certain Indian groups; to the Committee on Interior and Insular Affairs.

By Mrs. UNSOELD:

H.R. 3431. A bill to improve the effectiveness of international environmental programs by coordinating international trade policy and efforts to enforce measures to protect national and international resources and the environment, and for other purposes; to the Committee on Ways and Means.

By Mr. MCDERMOTT (for himself, Mr. BONIOR, Mr. PANETTA, and Mr. DARDEN):

H.R. 3432. A bill to provide assistance for workers and communities adversely affected by reductions in the supply of timber from Federal lands and to provide for ecosystem conservation of Federal forest lands in the Pacific Northwest; jointly, to the Committees on Education and Labor, Agriculture, Banking, Finance and Urban Affairs, Ways and Means, Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mrs. MORELLA:

H.R. 3433. A bill to amend title 5, United States Code, to grant to the widow or widower of a Federal employee or annuitant whose health insurance coverage would otherwise terminate because of such employee's or annuitant's death the right to elect the same temporary extension of coverage as is available to certain former spouses; to the Committee on Post Office and Civil Service.

By Mr. INHOFE:

H.J. Res. 337. Joint resolution providing for the designation of chili as the official food of the United States; to the Committee on Post Office and Civil Service.

By Mr. HERTEL:

H. Con. Res. 210. Concurrent resolution expressing the sense of the Congress in support of Taiwan's membership in the United Nations and other international organizations; to the Committee on Foreign Affairs.

By Mr. KANJORSKI (for himself and Mr. KLECZKA):

H. Con. Res. 211. Concurrent resolution to call on the President to take all available actions to encourage a lasting cease-fire in Yugoslavia and the initiation of negotiations for the long-time resolution of the conflict in Yugoslavia; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. THOMAS of California:

H.R. 3434. A bill for the relief of The Umbrellas: Joint Project for Japan and U.S.A. Corporation; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 118: Mr. Thomas of California, Mr. Crane, Mr. Carper, Mr. Jacobs, Mrs. Kennelly, and Mr. Archer.

H.R. 145: Mr. Regula and Mr. Hopkins.

H.R. 150: Mr. McMillan of North Carolina.

H.R. 193: Mr. Martinez.

H.R. 444: Mr. Hobson and Mr. Hayes of Louisiana.

H.R. 608: Mr. Lewis of Georgia and Ms. Oakar.

H.R. 650: Mr. Jontz.

H.R. 722: Mr. Kildee Mr. Markey, Mr. Kolter, and Mr. Evans.

H.R. 723: Mr. Kildee Mr. Markey, Mr. Kolter, and Mr. Evans.

H.R. 815: Mr. Lehman of Florida.

H.R. 872: Mr. Darden and Mr. Jones of Georgia.

H.R. 875: Mr. Fazio and Mr. Conyers.

H.R. 941: Mr. Fazio.

H.R. 945: Mr. Ewing, Mr. Barnard, Mr. Edwards of Texas, Mr. Clement, Mr. Skelton, Mr. Jones of Georgia, Mr. Ortiz, and Mr. Stearns.

H.R. 951: Mr. Swett, Mr. Rose, Mr. Molinari, Mr. Sangmeister, Mr. McCrery, Mr. Cardin, Mr. Hatcher, and Mr. Young of Florida.

H.R. 967: Mr. Dooley.

H.R. 997: Mr. Conyers.

H.R. 1064: Mr. Ireland and Mr. Fawell.

H.R. 1115: Mr. Campbell of California, Mr. Guarini, and Mr. Ritter.

H.R. 1145: Mr. Anderson, Mr. Dicks, Mr. Conyers, Ms. Pelosi, Mr. Lagomarsino, Mr. Wilson, Mr. Miller of Washington, and Mr. McNulty.

H.R. 1161: Mr. Bacchus and Mr. Roybal.

H.R. 1300: Mr. Dicks and Mr. Edwards of California.

H.R. 1318: Mr. McCloskey and Mr. Dwyer of New Jersey.

H.R. 1330: Mr. Roth and Mr. Miller of Ohio.

H.R. 1345: Mr. Gillmor.

H.R. 1348: Mr. Oxley and Ms. Ros-Lehtinen.

H.R. 1482: Ms. Slaughter of New York, Mr. Miller of Ohio, Mr. Spratt, Mr. Jefferson, and Mrs. Mink.

H.R. 1483: Mr. Gordon.

H.R. 1523: Mr. Gilchrest.

H.R. 1527: Mr. Bilbray.

H.R. 1570: Mr. AuCoin, Mr. Clinger, Mr. Gibbons, Mr. Ray, Mr. Bryant, Mr. Gradison, Mr. McDermott, Mr. Walsh, Mr. Barnard, Mr. Houghton, Mr. Ewing, Mr. Durbin, Mr. Peterson of Minnesota, Mr. Archer, and Mr. Savage.

H.R. 1592: Mr. Hall of Texas, Mr. Bryant.

H.R. 1608: Mr. Towns and Mrs. Patterson.

H.R. 1633: Mr. Hayes of Illinois, Mrs. Patterson, Mr. Synar, Mr. Towns, and Mr. Valentine.

H.R. 1662: Mr. Kleczka.

H.R. 1703: Mr. Lehman of Florida.

H.R. 1727: Mr. Neal of North Carolina.

H.R. 1733: Mr. Sisisky, Mr. Campbell of Colorado, and Mr. McNulty.

H.R. 1900: Mr. Paxon, Mr. McCandless, and Mr. DeFazio.

H.R. 2008: Mrs. Byron.

H.R. 2083: Mr. Skaggs, Mr. Conyers, Mr. Schumer, Mr. Evans, and Ms. Slaughter of New York.

H.R. 2089: Mr. Lancaster and Mr. Conyers.

H.R. 2222: Mr. Rinaldo.

H.R. 2298: Mr. Ray.

H.R. 2333: Mr. Poshard.

H.R. 2336: Mr. Ackerman.

H.R. 2358: Mr. Neal of North Carolina.

H.R. 2374: Mr. Dellums and Mr. Ford of Tennessee.

H.R. 2499: Mr. Archer, Mr. Atkins, and Mr. Ford of Michigan.

H.R. 2565: Mr. Markey, Mr. Espy, Mr. Kopetski, Mr. Evans, and Mr. Hertel.

H.R. 2682: Mr. Bacchus, Ms. Slaughter of New York, and Mr. Neal of Massachusetts.

H.R. 2763: Mr. Neal of North Carolina, Mr. Valentine, and Mr. Bereuter.

H.R. 2798: Mr. Hayes of Louisiana, Mr. Browder, Mr. Coleman of Missouri, Mr. Goodling, Mr. Owens of Utah, and Ms. Norton.

H.R. 2832: Mr. Torres, Mr. Vander Jagt, and Mr. Mfume.

H.R. 2860: Mr. Gilman.

H.R. 2872: Mr. Lancaster.

H.R. 2891: Mr. Lancaster, Mr. Neal of North Carolina, and Mr. Dwyer of New Jersey.

H.R. 2898: Mr. Solarz and Mr. Kolter.

H.R. 2906: Mr. Kleczka.

H.R. 2923: Mr. Ford of Tennessee, Mrs. Unsoeld, Mr. Hall of Ohio, Mr. Jones of Georgia, Mr. Gordon, Mr. Mineta, Mr. Horton, Mr. Fazio, and Mr. Lipinski.

H.R. 2964: Mr. Gallegly.

H.R. 2966: Mr. McDade, Mr. Solomon, Mr. Wise, Mr. Jacobs, Mr. Evans, Mr. Valentine, Mr. Neal of Massachusetts, Mr. Slattery, Mr. Kasich, Mr. McMillan of North Carolina, Mr. Sikorski, Mr. Hammerschmidt, and Mr. McCloskey.

H.R. 3002: Mr. Walsh and Mr. Frost.

H.R. 3026: Mr. Peterson of Minnesota, Mr. Dymally, Mrs. Roukema, and Mr. Conyers.

H.R. 3048: Mr. Kildee.

H.R. 3049: Mr. Lowery of California.

H.R. 3056: Mr. Costello, Mr. Vento, Mr. Jontz, and Mr. Lancaster.

H.R. 3070: Mr. Berman, Mr. Jontz, Mr. Combest, Mr. Mineta, Mr. Pickett, Mr. Parker, Mr. Olver, and Mr. Waxman.

H.R. 3071: Mr. Lagomarsino, Mr. Spence, Mr. Pickett, Mr. Panetta, Mr. Cramer, Mr. Goodling, Mr. Bacchus, Mr. Coleman of Texas, Mr. Camp, Mr. Browder, and Mr. Owens of Utah.

H.R. 3112: Mr. Andrews of Maine, Mr. Jontz, and Mr. Panetta.

H.R. 3121: Mr. Machtley and Mr. Hochbrueckner.

H.R. 3130: Mr. Klug, Mr. Zimmer, Mr. Lewis of Florida, Mr. Solomon, and Mr. Paxon.

H.R. 3142: Mr. Richardson, Mr. Tauzin, Mr. Gingrich, Mr. Leach, Mr. Roe, Mr. Hall of Ohio, and Mr. Penny.

H.R. 3207: Mr. Dellums, Mr. Dixon, and Mr. Matsui.

H.R. 3216: Mr. Peterson of Minnesota, Mr. Ray, and Mr. Stallings.

H.R. 3221: Mr. Martinez, Mr. Quillen, Mr. Fawell, Mr. Jenkins, and Mr. Kolbe.

H.R. 3256: Mr. McDermott, Mr. Horton, Mr. Jontz, and Mr. Kleczka.

H.R. 3280: Mr. Schumer, Mr. Rose, Mr. Porter, Mr. Faleomavaega, Mr. Smith of Florida, and Mr. Mineta.

H.R. 3293: Mr. Yatron, Mrs. Mink, Mr. Horton, and Mr. Yates.

H.R. 3302: Mr. Nagle, Mr. Johnson of South Dakota, Mr. Stallings, and Mr. English.

H.R. 3354: Mr. Jontz.

H.R. 3372: Mr. Horton.

H.R. 3373: Mr. Coyne, Mr. Dwyer of New Jersey, Mr. Bevill, Mr. Pickle, Mr. Frank of Massachusetts, Mr. Jacobs, and Mr. Perkins.

H.R. 3376: Mr. Ravenel, Mr. Zimmer, and Mr. Fawell.

H.R. 3405: Mr. McDermott.

H.J. Res. 21: Mr. McMillen of Maryland.

H.J. Res. 22: Mr. Johnson of Texas.

H.J. Res. 81: Mr. Taylor of North Carolina and Mr. Barrett.

H.J. Res. 84: Mr. Bennett.

H.J. Res. 153: Mrs. Byron.

H.J. Res. 156: Mr. Young of Florida.

H.J. Res. 177: Mr. Schaefer, Mr. McCloskey, Mr. Tauzin, Mr. Weldon, Mr. Bliley, Mrs. Kennelly, Mr. Rhodes, Mr. Gilchrest, Mr. Montgomery, and Mr. Roybal.

H.J. Res. 243: Mr. Young of Florida.

H.J. Res. 293: Mr. Weber, Mrs. Collins of Michigan, Mr. Gordon, Mr. Martin, Mr. Mfume, Mrs. Johnson of Connecticut, Mr. Ritter, Mr. Kennedy, Mr. Stenholm, Mr. Kolter, Mr. Campbell of Colorado, Mrs. Morella, Mr. Oberstar, Mr. Lightfoot, Mr. DeFazio, Mr. Geren of Texas, and Mrs. Mink.

H.J. Res. 304: Mr. Kopetski.

H.J. Res. 318: Ms. Norton, Mr. McMillen of Maryland, Mr. Grandy, Mrs. Roukema, Mr. Gordon, Mr. Slattery, Mr. Lent, Mr. Owens of Utah, Mrs. Lowey of New York, Mr. Frank of Massachusetts, Mr. Annunzio, Mr. Jacobs, Mr. Pursell, Mr. Edwards of California, Mr. Berman, Mr. Fazio, Mr. Lehman of California, Mr. Lehman of Florida, Mr. Solarz, Mr. Johnson of South Dakota, Mr. Clement, Mr. McNulty, Mr. Harris, Mr. Gradison, Mr. Hughes, Mr. Gonzalez, Mr. Waxman, Mr. Erdreich, Mr. Espy, Mr. Levine of California, Mr. Ravenel, Mr. Miller of California, Mr. Tallon, Mr. Guarini, and Mrs. Boxer.

H. Con. Res. 65: Mr. Gillmor.

H. Con. Res. 168: Mr. Conyers, Mr. Sanders, and Grandy.

H. Res. 130: Mr. Lipinski and Mr. Conyers.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

[Omitted from the Record of September 25, 1991]

H. Res. 194: Mr. Dymally.

SENATE—*Thursday, September 26, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

But after thy hardness and impenitent heart treasurest up unto thyself wrath against the day of wrath and revelation of the righteous judgment of God * * *.—Romans 2:5.

Eternal God, Judge of all the Earth, help us comprehend where we are in history. Help leadership—in Government, business, industry, the professions, education, labor, and the church to interpret the frightening symptoms—financial corruption, dysfunctional families, teenage pregnancies, chemical abuse, crime, violence, murder in our streets, personal freedom become moral anarchy, soaring debts, national, private and corporate, crises in the Middle East and Europe. Conditions are not improving despite all our efforts; they are worsening.

Gracious Father, divert our headlong plunge to destruction. "The gay nineties were followed by recession and World War I. The roaring twenties were followed by the Great Depression and World War II." Moses warned, "Beware, lest you forget the Lord your God * * * when you have eaten and are full, when you have built goodly houses and live in them, when your herds and your flocks increase, when your silver and your gold increase, when all that you own increase. Beware, lest you forget the Lord your God * * *" (Deuteronomy 8) Awaken us to the peril in prosperity. Like the little boy who, when the grandfather clock chimed "13," rushed to his parents crying, "Mommy! Daddy! It's later than it's ever been before." It is later than it's ever been before. Forgive our hedonism, materialism, narcisism. God of mercy, save us from playing fiddles while the Nation burns.

In the name of the Savior. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 26, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein. The Senator from Washington [Mr. ADAMS] is permitted to speak for not to exceed 10 minutes; the Senator from Texas [Mr. GRAMM] is permitted to speak for not to exceed 5 minutes; the Senator from Colorado [Mr. BROWN] is permitted to speak for not to exceed 5 minutes; the Senator from Alabama [Mr. HEFLIN] is permitted to speak for not to exceed 15 minutes.

In my capacity as a Senator from the State of Wisconsin, I suggest the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ADAMS). Without objection, it is so ordered.

NOMINATION OF CLARENCE THOMAS

Mr. KOHL. Mr. President, when a vacancy develops on the Supreme Court, there is always a flurry of talk about what standards the Senate ought to use as it discharges its advice and consent responsibilities. That theoretical discussion, however, soon submerges when the name of the nominee is announced by the President. Then we forget theory and turn to speculation about what the nominee's record tells us about his or her views and what the prospects are for confirmation.

In my opinion, Mr. President, we would be better served if we engaged in that process from the perspective of some clearly articulated standards of judgment.

The Constitution allows each Senator to apply any standard they wish. My standard is simple: judicial excellence. In my judgment, any nominee to the Supreme Court of the United States—the Court which interprets our Constitution and protects our liberty—must be exceptional.

When a President nominates someone to serve in the executive branch, we owe some deference to his desires. Absent compelling evidence to the contrary, the President is entitled to have the people of his choice serving in his administration and implementing his policies. But the Supreme Court represents a coequal and independent branch of Government. It is not an extension of the executive or the legislative branch. It serves neither; it applies the Constitution to both. Therefore, a President's nominee has no presumption operating in his or her favor; instead, the nominee accepts a burden of proof—a burden to demonstrate to the Senate that he or she ought to sit on the Supreme Court, that he or she deserves a lifetime appointment.

Over the past 43 years, Clarence Thomas has demonstrated many admirable qualities. He has demonstrated that he is a man of great character and courage. He has demonstrated that he has the strength to triumph over adversity. He has demonstrated that he has retained his sense of humor and that he deserves the respect and admiration of his many friends.

In my judgment, however, Judge Thomas has not demonstrated that he ought to sit on the Supreme Court. Let me tell you why.

First, Judge Thomas lacks a clear judicial philosophy. Less than 2 years ago, when Judge Thomas was nominated to serve on the appeals court, he told us that he did not have a fully developed constitutional philosophy. That did not disqualify him for a low court, which is required to follow precedent. But the Supreme Court creates precedent—it interprets the Constitution in which we as a people place our faith, and on which our freedoms as a nation rest. So it was my hope that during the hearings, Judge Thomas would articulate a clear vision of the Constitution—ideally, one that included full safeguards for individuals and minorities, and which also squared with his past positions. Unfortunately,

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

after spending 5 days listening to Judge Thomas testify, I was unable to determine what views and values he would bring to the bench.

Second, Judge Thomas demonstrates selective recall. Judge Thomas asked us to heavily consider his experiences as a young man while at the same time he asked us to discount views he expressed as an adult. He told us that his musings about natural law, his endorsement of treating economic rights on par with individual rights, and his dismissal of almost all forms of affirmative action as a remedy for discrimination were not relevant. These policy positions, he asserted, would have no impact on his decisions on the Court. In fact, he suggested a judge should shed his views just as a runner sheds excess clothing before a race.

This approach troubles me. In my opinion, it is totally unrealistic to expect that a Justice will not bring his values to the Court. Presidents nominate candidates based on their values and the Senate must consider them as well. As Chief Justice Rehnquist wrote:

> Proof that a Justice's mind at the time he joined the Court was a complete tabula rasa [blank slate] in the area of Constitutional adjudication would be evidence of lack of qualification, not lack of bias.

I agree with the Chief Justice: Either we judge Clarence Thomas on the complete record or we do not look at the record at all.

Third, Judge Thomas engages in oratorical opportunism. Judge Thomas crafted policy statements apparently tailored to win the support of specific audiences—and then later repudiated these very same positions. For example, when speaking to the Federalist Society, he said that the natural law background of the American Constitution provides the only firm basis for a just, wise, and constitutional decision. Yet during the hearings he steadfastly maintained that natural law played no role in constitutional adjudication. He told another audience that Lew Lehrman's article opposing abortion was a splendid application of natural law. Yet at the hearings he said he had only skimmed the article and never endorsed Mr. Lehrman's conclusions. I find this disturbing.

Fourth, Judge Thomas' lack of legal curiosity is troubling. Judge Thomas told the committee that Roe versus Wade was one of the two most significant decisions handed down by the Supreme Court in the last 20 years. Yet he also told the committee that he had never discussed that decision, either as a lawyer or as an individual, and had no views about it. If we accept that claim, it raises unanswered questions about the depth of his interest in legal issues.

Fifth, Judge Thomas demonstrated limited legal knowledge. When asked questions of law, many of his replies were disappointing—whether involving antitrust, the War Powers Act, freedom of speech, the right to privacy of habeas corpus. In contrast, at his confirmation hearings, Justice Souter displayed a wealth of constitutional understanding in all of these areas. Judge Thomas lacks this depth of judicial knowledge. But that is not surprising for, after all, he has been an appellate court judge for less than 2 years and prior to that he was a policymaker. While his level of expertise is acceptable for an appellate court, it is not sufficient to meet the demands that are made of a Supreme Court Justice.

Frankly, I expected Judge Thomas to resolve my concerns during the hearings. But, for whatever reasons, he was extremely guarded in his appearance before the committee. His answers were less than forthcoming and often not responsive to the questions he was asked. Judge Thomas did not—and should not—tell us how he would rule on Roe or any other case. But he could and should have told us how he would approach those cases. Judge Thomas had a full opportunity to tell the committee, the Senate, and the country why his professional qualifications—as opposed to his personal accomplishments—justified his elevation to the Supreme Court. He failed to do that. He failed to discharge his burden of proof. He failed to demonstrate the level of judicial excellence which ought to be required on the Supreme Court, and as a result, he has failed to win my consent to his confirmation.

However, I expect that he will win the approval of a majority of my colleagues. Their support for his nomination will, I suspect, be based on the hope that Judge Thomas will continue to grow as a jurist and develop as a person. I may not share their vote, but I do share their hope. Clarence Thomas is a man with the ability to inspire in even those who will not vote for him the hope that he will, if confirmed, become what we all want him to become: an outstanding Justice.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alabama to speak in morning business, for a period of time not to exceed 15 minutes. The Senator from Alabama, Senator HEFLIN.

Mr. HEFLIN. First, Mr. President, I have been asked by the leadership to ask unanimous consent that Senator CRANSTON be recognized for up to 5 minutes to speak during morning business today.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CONFIRMATION OF JUDGE CLARENCE THOMAS

Mr. HEFLIN. I rise to express my views on the "advise and consent" responsibility of the U.S. Senate concerning Judge Clarence Thomas to be an Associate Justice of the Supreme Court of the United States.

I think it is clear that Judge Thomas will be confirmed by the full Senate. In my discussions with Senators, I do not think there are many doubts that he has the votes to be confirmed when the full Senate acts on his nomination.

However, I have an individual responsibility to make up my mind and vote the dictates of my conscience guided by a profound respect for our Constitution and Bill of Rights which have governed our Nation for over 200 years.

First let me say, I support a conservative court; my votes for Chief Justice Rehnquist and Justices O'Connor, Scalia, Kennedy and Souter support my basic philosophy in this regard. However, I am not for an extremist right wing court that would turn back progress made against racial discrimination as well as the progress that has been made for human rights and freedoms in recent years.

I entered the hearing with an open mind, as I have in all of the judicial confirmation hearings in which I have participated; not as an advocate, but as a judge. I try to be fair to the nominee, to the President, to the nominee's opposition, and to the American people.

Judge Thomas' history revealed that he has an admirable record of coming from a disadvantaged background to success through a history of perseverance and hard work. He has suffered the ravages of segregation and racial discrimination. With the guidance of a strong grandfather and the discipline instilled in him by the nuns who taught him at an all-black parochial school in Savannah, Clarence Thomas was determined to succeed. He ultimately graduated from Yale Law School of whose preferential admissions policies he was a beneficiary.

Judge Thomas has over the last decade written and spoken extensively on a wide variety of legal issues. My review of his writings and speeches raised questions in my mind that he might be part of the right wing extremist movement.

During the course of the hearing, Judge Thomas' answers and explanations about previous speeches, articles and positions raised thoughts of inconsistencies, ambiguities, contradictions, lack of scholarship, lack of conviction and instability. During the hearing I expressed that such created an appearance of confirmation conversion—a term used by Senator LEAHY in the Bork hearing—and that he was an enigma because of his puzzling answers and explanations.

One of the most troubling areas of the law was his frequent reference to an adoption of the theory of natural law, which is a "higher law" of "right and wrong" existing essentially outside the Constitution.

In speech after speech, Judge Thomas has referred to the theory of natural law as follows:

> The higher law background of the American government, whether or not explicitly appealed to or not, provides the only firm basis for a just and wise constitutional decision.

Then in testimony before the committee he disavowed those statements made repeatedly over the past decade as having been made "in the context of political theory" by a person who he self-describes as a "part-time political theorist," and he articulated the position that natural law should never be used as a basis for constitutional adjudication.

In a speech to the Pacific Research Institute in 1987, Judge Thomas stated:

> I find attractive the arguments of scholars such as Stephen Macedo who defend an activist Supreme Court that would strike down laws restricting property rights.

Modern constitutional jurisprudence has reversed holdings of the Lochner era which relied on natural law, and the law is well settled that economic rights are not held to the same high standards as personal or individual rights. Now, for many decades the Supreme Court has recognized that Congress has broad powers to regulate commerce in order to protect public safety, health, welfare and the like; otherwise, there would be no minimum wage laws, no occupational safety and health laws, no environmental protection laws, nor laws providing for Federal inspection of aircraft or food and meat products.

Judge Thomas' explanation of his position on natural law gave me concern on whether he had changed his position for expediency's sake. My position on natural law should not be misunderstood: I believe there is a danger that the loose application of natural law can be employed as support for any desirable conclusion, thus making it possible to invalidate established holdings or laws on the authority of a "higher law." However, I believe that concepts of natural law do have a role in construing the language of the Constitution, but not in superseding it.

Judge Thomas' explanation of his criticisms of the opinion in Brown versus the Board of Education raised concerns in my mind.

I have reservations about his commitment to judicial restraint as evidenced in his words of support of Justice Scalia's dissent in the case of Johnson versus the Transportation Agency of Santa Clara County—an employer discrimination case upholding a lower court interpretation that title VII of the Civil Rights Act of 1964 allowed an employer to adopt a voluntary affirmative action plan to bring equally qualified women into the work force that had been exclusively male in the past. In a 1987 speech to the Cato Institute, Judge Thomas said he hoped Justice Scalia's dissenting opinion would help provide guidance for lower courts and a possible majority in future decisions.

Judge Thomas' words of support of Justice Scalia's lone dissent in the case of Morrison versus Olson upholding the appointment of a special prosecutor to investigate alleged wrongdoing in the executive branch of Government also troubles me. Justice Scalia's dissent used natural law to argue against the constitutionality of the statute authorizing the appointment of a special prosecutor. In a 1988 speech, Judge Thomas cited the dissent as "How we might relate natural rights to democratic self-government and thus protect a regime of individual rights."

Judge Thomas' answer that he failed to read the report of the White House working group on the family when he had signed off on such report as a member of the group raises basic questions of his lack of thoroughness and circumspection.

Judge Thomas' answer that he had never discussed the case of Roe versus Wade with anyone is simply hard to comprehend. How could any lawyer not have, at some point in his or her career, at least discussed this well-known and controversial Supreme Court decision?

In his 1987 speech to the Pacific Research Institute, Judge Thomas states that he finds attractive arguments of the libertarian philosopher Stephen Macedo that an activist Supreme Court should strike down laws restricting property rights. The content of this speech, in general, evidences to me a tendency of Judge Thomas to harbor a libertarian philosophy.

Judge Thomas' responses to the questions about Oliver Wendell Holmes, a great Justice, continue to linger in my thoughts. In a speech to the Pacific Research Institute in 1988, Judge Thomas said this about Holmes:

> The homage to natural right inscribed on the Justice Department building should be treated with more reverence than the many busts and paintings of Justice Oliver Wendell Holmes in the Department of Justice. You will recall Holmes as one who scoffed at natural law, that "brooding omnipresence in the sky." If anything unites the jurisprudence of the left and right today, it is the nihilism of Holmes. As Walter Berns put it in his essay on Holmes, most recently reprinted in William F. Buckley and Charles Kesler's "Keeping the Tablets": "* * * 'no man who ever sat on the Supreme Court was less inclined and so poorly equipped to be a statesman or to teach * * * what a people needs in order to govern itself well.' Or, as constitutional scholar Robert Faulkner put it: 'What (John) Marshall had raised, Holmes sought to destroy.' And what Holmes sought to destroy was the notion that justice, natural rights, and natural law were objective—that they exist at all apart from willfulness, whether of individuals or officials.

However, at the hearing Judge Thomas stated this about Holmes: "he was a great Judge. * * * obviously now he is a giant in our judicial system."

During the hearing, Judge Thomas stated that later, after reading a biography of Holmes and other writings about Holmes, he developed a praise worthy view of the judicial career of Holmes. However, his remarks about Holmes in his speech indicate a lack of scholarship and objectivity when he used dogmatic words in harshly attacking Holmes before a receptive audience.

It is interesting to note that his criticisms of Justice Holmes were because Holmes took the same position that he, Clarence Thomas, now takes; that is, that natural law should not be used as a basis of constitutional adjudication. Adding to his previous inconsistencies on the doctrine of natural law, Judge Thomas' responses suggest to me deceptiveness, at worst, or muddle headedness, at best.

I came away from the hearings with a feeling that no one knows what the real Clarence Thomas is like or what role he would play on the Supreme Court, if confirmed. I want to give him the benefit of the doubt because of the well-deserved success he has achieved in overcoming the bonds of racial discrimination and poverty to become one of our Nation's top Federal officials in both the executive and judicial branches of government and because his presence would continue a well-needed diversity on the Court.

The Senate Judicial Committee hearings have revealed to me many inconsistencies and contradictions between his previous speeches and published writings and the testimony he gave before the committee. His testimony before the committee in several instances contained outright disavowals of previous statements and positions, further obscuring his constitutional philosophy.

I stated at the onset of the hearing that Judge Thomas' own testimony could remove, clarify, decrease or increase any doubts which we in the Senate might have about his nomination. Most of these doubts still remain along with newly created doubts.

Should I therefore follow the old adage "when in doubt—don't" or on the other hand, because of his accomplishments under adverse circumstances, give him the benefit of the doubt?

Our Nation deserves the best on the highest court in the land and an error in judgment could have long lasting consequences to the American people. The doubts are many. The court is too important. I must follow my conscience and the admonition "when in doubt—don't."

I will respectfully vote against the confirmation of Clarence Thomas to become an Associate Justice on the Supreme Court of the United States.

Mr. ADAMS addressed the Chair.

The ACTING PRESIDENT pro tempore. The chair recognizes the Senator from Washington.

THE NOMINATION OF CLARENCE THOMAS

Mr. ADAMS. Mr. President, on July 1, President Bush announced he was nominating Federal Appeals Court Judge Clarence Thomas to succeed retiring Justice Thurgood Marshall on the U.S. Supreme Court. The President described Judge Thomas as "the best man for the job."

The day following that announcement, I happened to be meeting in my Seattle office with a group of women's rights activists and supporters of an initiative that will appear on the ballot in the State of Washington in November. The subject of our meeting was to be initiative 120—an effort to set into State law the abortion rights enunciated in Roe versus Wade, a decision handed down by the Supreme Court in 1973.

Our meeting quickly became a discussion of the Thomas nomination and what it represented for America, what it represented for the direction of the Court and the rights of women in society. And as I spoke with this group, which included African-American housewives, activists, and many others representing a diverse cross section of our community, including Kathleen O'Connor, Lucinda Harder, Esther Alley. Ms. O'Conner said to me: "I am more disturbed than I have been in a long time. I am afraid this man is being thrown up because he is black and conservative, so he can further divide this country."

Lucinda Harder then said, "I am disheartened by what has happened, and I feel helpless."

I promised the group I would carefully follow the Thomas confirmation process, and that I would make a visible and vocal stand at an appropriate time.

Mr. President, that time has come. I followed the hearing process. I have reviewed the testimony on natural law. I have listened, read, and watched. All of us have come to know the inspiring story of Clarence Thomas' journey from rural poverty in Pin Point, GA, to graduation from Yale Law School, and later appointment to chair the Equal Employment Opportunity Commission, and to be appointed to the U.S. Court of Appeals. But now the President asks the Senate to confer upon Judge Thomas a lifetime appointment to the highest Court in the land. I stress this is not an appointment to an executive branch post, where the argument can be made that the President should be given some deference in forming his cabinet. This process involves the creation of the third branch of our government under the Constitution, a coequal branch and, therefore, must be treated much differently than a nomination to the executive branch.

At the relatively young age of 43, Judge Thomas would be called upon to interpret our Constitution and the laws of our land well into the 21st century. He could affect, in particular, the individual rights of Americans, and the proper relationship of the awesome power of government to attack those fragile individual rights that are the essence of a democratic society. This confirmation process should be directed to discovering where Judge Thomas stands, rather than on retracing the road he has traveled.

Unlike the most recent nominee, Judge Souter, this nominee has a well-documented, conspicuous public record during the past decade as a Federal official in several positions. He has given numerous speeches, expressed a variety of opinions on a number of topics, and made decisions that have affected the rights of thousands of Americans. That public record is more relevant to the proper exercise of our advise and consent responsibility than are the many other laudable aspects of the life of Clarence Thomas.

As chairman of the Subcommittee on Aging, I am particularly interested in his actions regarding our senior citizens. While serving as Chairman of the EEOC, Clarence Thomas disregarded the Federal authority to bring age discrimination cases, the statute of limitations ran out, and as a result, thousands of cases were dismissed. Behind that sad record of neglect, and the statistical number of case dismissals, were thousands of individual citizens who were denied their day in court. One of them, for example, was a citizen from my State named Ray Albano. Ray was a student at the University of Washington, several years behind me, and I remember him as a first-class tennis player. But after suffering from degenerative arthritis, and a hip socket replacement, Ray found himself in a hostile, discriminatory work environment. So he went to the EEOC in February 1985, and filed an action.

Because the Seattle office was just following the directives coming from EEOC headquarters, Ray Albano's case was neglected and then dismissed. Thanks to legislative relief, and a reinstatement by the Federal appellate court in San Francisco, Ray Albano at last says he has a day in court coming after 7 years of seeking relief from the agency Clarence Thomas was then heading. On September 19, Ray Albano, a strong Republican, flew to Washington to personally express to me his opposition to the Thomas nomination.

Mr. President, I ask unanimous consent that the text of his testimony be printed in the RECORD following my comments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ADAMS. Mr. President, I urge my colleagues to read his statement. It is a compelling recitation of what can happen to a single individual when those charged with upholding the law fail, or refuse to carry out the law.

Last week I was visited by the Pacific Northwest regional director of the NAACP, together with the director of the organization's Washington Bureau. Throughout my nearly 30 years of public service, I have maintained great respect for the work of the NAACP in helping forge the nonpartisan coalition that has moved our society forward, particularly in the area of civil rights. Those individuals reminded me of a time when the NAACP asked that I oppose the nominations of Robert Bork, and David Souter. They said it would have been inconceivable that their organization would hold an African-American nominee to a lesser standard. The NAACP, after long and difficult reflection, has chosen to oppose Judge Thomas's nomination to the Supreme Court. I was asked to hold this nominee to the same standard I applied to Judges Bork and Souter, both of whom I opposed. I shall do so.

In reviewing the testimony Judge Thomas presented before the Judiciary Committee, I noted once again the irony of hearing another male nominee to the court willing to discuss his views on the constitutionality of the death penalty, and other constitutional questions, while refusing to admit to even having any views on the constitutionality of the privacy rights of women to decide, free of Government interference, whether to have an abortion. Judge Thomas claims to have never discussed Roe versus Wade, or to have formed an opinion on the ruling, despite the fact that this landmark decision was rendered while he was a student at Yale Law School.

Mr. President, another Supreme Court appointment that pushes the Court farther to the right, out of the mainstream of contemporary society's view on the rights of women, and the indifference shown to senior citizens, is a dangerous step in the wrong direction.

Because I fear that Judge Clarence Thomas, by his record of public actions, writings and comments, coupled with his refusal to admit to ever having even given the matter of the privacy rights of women any serious thought, and to have stated and done what he did as chairman of the EEOC, in the exercise of my individual responsibility under article 2, section 2, of the Constitution of the United States, I will vote no on the nomination of Judge Clarence Thomas to the U.S. Supreme Court.

I yield the floor.

In closing, Mr. President I wish to pay tribute to the staff members who accompanied me to the floor today.

For nearly 3 months, a member of my staff worked full time reviewing the Thomas record and researching the numerous speeches articles, and opinions Judge Thomas has authored. I want to express my deep appreciation and gratitude to Ms. Tracey Eloyce Rice, a third-year student at the Georgetown Law Center from Seattle, WA, for her outstanding staff work on this nomination.

EXHIBIT 1

STATEMENT OF RAY ALBANO ON THE CONFIRMATION OF JUDGE CLARENCE THOMAS TO THE SUPREME COURT, SENATE JUDICIARY COMMITTEE, SEPTEMBER 19, 1991

My name is Ray Albano. I'm 60 years old, and I live in Seattle, Washington. I would describe myself as politically conservative. I have never voted for a Democrat for President, and the only Democrat I ever did vote for was Scoop Jackson. I have served as leader of the 21st District Republicans in Snohomish County, and as a Lynwood City Council member.

Seven years ago, I became the victim of age discrimination. What happened to me at the EEOC under the direction of Clarence Thomas is why I oppose his nomination to the U.S. Supreme Court. The EEOC did all it could do to *not* to help me. The agency did everything possible *not* to enforce the very law that it was charged with enforcing. In fact, the EEOC let the statute of limitations run on my claim, and it is only because of a special act of Congress and my own persistent efforts that I have gotten anywhere. And I know that my experience was not unique.

From 1973 to 1985, I worked as a sales representative for a major corporation. In 1983, I found out that the company had a plan to force out its older workers. Their plan became very real to me when I was denied a promotion. I was the most qualified candidate for the job, and the person selected was not even 25 years old. I asked to be considered for another position, but was told that this was not a possibility either. I was told that both jobs were "young men's jobs."

I have degenerative arthritis, and in 1984 I had my hip replaced. For about two weeks, I was in the hospital, and I was on medical leave from October 1984 until January 1985. During this time, my employer expected me to carry a full workload. In fact, the day after I was released to return to work, my supervisor put me on probation, citing poor performance. He also moved several of my key accounts and reduced my commissions. He told me that I would now have to call on retail stores, and I would have to help build displays for these stores. This meant carrying and lifting heavy cases—work that was very painful and difficult for me because of my surgery. I was told that I had to do it—I had no choice—if I wanted to keep my job. It seemed that my employer was trying to get me to quit. I was so scared and upset that I would go home at night and cry. I couldn't afford to lose my job, and I tried to do the best I could, but every day, my supervisor would find something else wrong with my performance. Finally, I decided that I had no choice but to file an age discrimination charge.

I went to the EEOC in February 1985. I told them about the promotions I had been denied and why I believed it was because of my age. I told them about the company's plan to get rid of its older workers. I told them about my surgery and the pressures placed on me during my medical leave. I told them about being placed on probation and my commissions being reduced the day after I came back to work. I told them that I had been given a job assignment that I found almost physically impossible to do, and that I had a doctor's letter confirming this. I told them that I believed that my employer was harassing me to make me quit my job.

Despite all this, all the EEOC would do is to put a claim of a denied promotion in the charge. They told me that I would be assigned an investigator and I could tell the investigator about all the harassment. I tried to discuss it further, but got nowhere. I was told to sign the complaint as it was drafted, so I did.

In late February 1985, I tried to discuss the harassment with the EEOC investigator. In fact, conditions at work had gotten worse. I was told, however, that I could not amend my claim.

Finally, all the abuse at work took its toll. I couldn't handle it any more—either physically or emotionally—and so I left my job on March 1, 1985. A few weeks later, I called the EEOC to tell them what had happened. I again asked if the charge should be amended to reflect the harassment. I was told that was not necessary.

Altogether, I had about 14 conversations with the EEOC. I had to initiate every call; they never contacted me. In many of these conversations, I tried to discuss the harassment and whether I needed to amend my complaint. Each time I was told no. I never received anything in writing from the EEOC telling me what was happening with my case. Finally, in February 1987, the EEOC told me that they were not going to do anything about my charge, and that it was too late to file suit.

I didn't do anything after that, because I thought there was nothing I could do. Then, I heard on the news that Congress had extended the statute of limitations for Age Discrimination claims. So, I found a lawyer, who filed suit for me in federal court. I lost. One of the reasons was that the statute of limitations had run.

I appealed my case to the Ninth Circuit Court of Appeals, where I finally won. On August 30, 1990, the court ruled that my suit could go forward. Finally, I have a trial date set for next April. The Ninth Circuit ruled that I had done all that could reasonably be expected to protect my rights, and that the EEOC had been at fault.

I flew here from Seattle because I think I have an important story to tell. I know that what happened to me at the EEOC was not isolated or unique. In fact, one of the EEOC case workers told me that they simply were following policy from Headquarters. They had received memos from Washington, D.C. telling them to get rid of their cases as fast as they could. And I was one of the many victims. As head of the EEOC, Clarence Thomas tried to gut the very law he was charged with enforcing. His record makes me question his respect for established law that may be at odds with his personal beliefs. I am here to oppose his confirmation to the U.S. Supreme Court.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from California for 5 minutes, and Senator BROWN for 5 minutes, and then Senator BUMPERS.

NOMINATION OF CLARENCE THOMAS

Mr. CRANSTON. Mr. President, I spoke out against the nomination of Judge Clarence Thomas to the Supreme Court while I was in California last Sunday. As the first Senator to oppose the nomination I want briefly to state my reasons now to the Senate.

I was one of only nine Senators who voted against the appointment of Justice David Souter to the Court last September. This time I expect I will be joined by a far larger number of Senators in opposing the confirmation of Judge Clarence Thomas. I am delighted that the distinguished Senator from Washington has just now taken that position.

Most of all, I am encouraged by the courageous statement of opposition made a few moments ago by the distingished Senator from Alabama, HOWELL HEFLIN.

Mr. President, this nominee is not—I repeat, not—assured of confirmation.

I doubt that anyone in the country believes President Bush's statement that Judge Thomas is "The best man for the job." Certainly no attorney in our country believes that.

I have a number of reasons for voting against Judge Thomas, not the least of which is his refusal to reveal his views on the fundamental issue of a woman's right to choice. Judge Clarence Thomas has embraced the Souter syndrome of silence in response to important questions, the answers to which the Senate has a right to know. Ironically, he did so after asking the Senate to ignore his past written statements and to judge him solely on his testimony. I am deeply disturbed by Judge Thomas' easy disavowal before the Judiciary Committee of positions he strongly held and publicly proclaimed upon previous occasions.

I am disturbed also by this: Judge Thomas benefited from an affirmative action program at Yale Law School but now opposes affirmative action for others. And this concerns me: I wondered about the idea that Thomas' personal experience of poverty, pain, and discrimination and certainly in his life he has suffered from all of those and more, but wondered about the notion that that suffering, that experience, would make him compassionate about injustices to others, when I heard of his ridiculing his own sister for being on welfare.

Mr. President, recognizing the long-term impact that Justices would have on the life on the Nation, our Founding Fathers wisely placed the power to select Justices not in the hands of a single man, the President, but equally in the hands of the Members of the U.S. Senate. The Constitution is explicit about this coequal responsibility.

For a nominee to win my vote, he or she must manifest a basic commitment to and respect for the individual rights and liberties inherent in the fabric of the Bill of Rights. The burden of proof is on the nominee to convince the Senate that he or she has such a commitment. Judge Souter shunted that burden aside. So did Judge Thomas.

Both nominees took the position that the Members of the U.S. Senate are not entitled to know their views, or understand what type of legal reasoning they would apply, in the critical area of a woman's right to choice in matters relating to abortion.

Judge Souter told us he had thought about the issue but he declined to share those thoughts with us. Judge Thomas, for his part, says he has never even discussed his views or Roe versus Wade with another person. That statement defies belief.

I find it impossible to advise and consent to a nomination when the nominee is not forthcoming during the very process which the Constitution says we in the Senate must carry out.

In the case of Justice Souter I did not, and in the case of Mr. Thomas I will not, vote to confirm a Supreme Court nominee who refuses to reveal his views on the legal doctrines involving one of the most important constitutional issues of our time.

I yield the floor, Mr. President.

UNEMPLOYMENT

Mr. PELL. Mr. President, yesterday while the rain fell in sheets in the city of Warwick, RI, nearly 8,000 Rhode Island residents stood in line, some of them for hours, waiting their turn to receive a bagful of Federal surplus foods.

According to news reports, these people—including the jobless, those on welfare, retirees—all of them needy, began lining up 2½ hours before food distribution was to begin.

Mr. President, the demand for this surplus Federal food stunned local officials. It is, however, one more indication that despite all the optimistic words to the contrary, our economic situation is bad and getting worse.

This saddening evidence of human need deepens my conviction that the administration and the Congress must recognize now the economic reality of a continued and worsening national economic recession and take action. We should act now to relieve the misery of the victims of this recession; we should act now to stimulate the economy, and to restore economic health and jobs.

And one of the first things we should do is to enact at once an extension of unemployment compensation for the long-time jobless. I have lost patience with those who contend that our Government should do nothing; with those who say the recession is short, shallow, and over. I have totally lost patience with those who say we cannot afford to extend unemployment compensation benefits to those who have been hit hardest and longest by this recession.

Mr. President, those who were lined up in the rain in Warwick, RI, were not lining up to just show concern. They were lined up because they need help, they need it now, and they need it badly.

As a retired truck driver told a news reporter: "It's either stand in line or go hungry. I'd rather get wet and eat."

I would note that the unemployment rate in Rhode Island has climbed steadily for months and now stands at 9.1 percent. Because of its high jobless rate, Rhode Island is now the only State in which the long-term jobless are eligible for extended unemployment compensation payments. And unless Congress acts, and the President acts, another 5,500 Rhode Islanders next week will lose their extended benefits. Then they too can go and stand in line for food to feed their families.

Mr. President, I urge the Congress to act swiftly to send an extended unemployment pay bill to the President, and if he vetoes that bill to override the veto at once.

I ask unanimous consent that an Associated Press report on the food distribution in Warwick, RI, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HARD TIMES FOUND ON FOOD LINE

WARWICK, RI.—The depth of Rhode Island's recession can be found among the more than 7,800 people who lined up in the rain for a distribution of surplus food.

"I am stunned," Joseph Trainor, associate director of Warwick Community Action said as he stuffed canned goods in bags on Wednesday. "The economy is in the toilet. That's all I can say."

Social-service workers point to Rhode Island's 9.1 percent unemployment rate for August and the continued banking crisis that has left $1 billion tied up in frozen accounts.

Similar distributions of the free federal food have been held or are planned around Rhode Island. One earlier this week in Newport drew several Navy wives who said their husbands' paychecks were insufficient to live in this expensive area.

Social-service agencies say they expect to give out 1 million pounds of food this week, twice what was handed out during a similar distribution in March.

To get the food, people must show a state Human Services Department voucher. The vouchers most commonly go to those on welfare or those receiving disability or heating assistance.

A retired truck driver who would not give his name summed it up as he waited on line outside the Warwick Knights of Columbus Hall.

"It's either stand in line or go hungry," he said. "I'd rather get wet and eat."

People started lining up at 7:30 a.m. even though the hall's doors didn't open until 10 a.m. By the end of the day, the community action agency had distributed 58,000 pounds of food.

Typically a family of four gets two jars of peanut butter, two boxes of raisins, two cans of pork, four cans of green beans, two 5-pound bags of flour or cornmeal, a 5-pound block of American cheese and four 1-pound blocks of butter.

"I had no choice but to stand there," said Tina Perry, who receives welfare to support her family of four. "I need this."

She said she had little food, macaroni but no sauce, bread but no cheese.

"You have to understand how bad the economy is for them to suffer through this," said a woman, the single mother of three children, as she stood in line. "I think it's indicative of the situation of the economy, and it's causing people to come out no matter what the weather is."

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CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate was supposed to resume consideration of H.R. 2521 at this time.

Mr. INOUYE. Mr. President, the committee is prepared to proceed on the debate on the MX missile, but I have been advised that two of my colleagues wish to be heard on other matters.

So, if I may, I ask unanimous consent that 10 minutes be set aside, to be shared equally by Senator BROWN and Senator BUMPERS to speak as though in the morning hour and we will proceed thereafter and vote at 10:30.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Chair recognizes Senator BROWN for 5 minutes and Senator BUMPERS for 5 minutes.

Mr. BROWN. I thank the Chair, and I extend my thanks also to the distinguished Senator from Hawaii whose kindness has allowed us to proceed.

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. BROWN. Mr. President, I rise to address the decision before the Senate in this coming week with regard to Judge Thomas and his ratification or lack thereof for the Supreme Court of the United States.

Mr. President, this is the first such deliberation I have participated in as a Member of the Senate, and as the newest member of the Judiciary Committee, it has been a fascinating experience. It is one that I think is, if nothing else, thorough in its focus. And I must say I believe the Senate has chosen wisely in conducting this kind of indepth investigation.

It is quite true that the phenomenon of delving into, over a period of several weeks, the background of a Supreme Court nominee is relatively new in our country's history. The fact is, most nominees in the history of this Nation have not been called on to respond to questions in depth, have not had their backgrounds gone over with a fine tooth comb. But I believe it is a wise policy to do so.

I think the hearings, while frustrating at times for the participants on both sides of the aisle, have been fruitful and beneficial to this Nation. This nomination will end up influencing the judiciary of the United States for decades to come. If Judge Thomas serves as long as his predecessor in that office, he will serve four decades. Whether it is that 40 years or a lesser term, in the event he is confirmed, he will have a profound impact on the Nation's future and its judicial system.

So I think the time that the Senate has spent, while extensive, has been worthwhile and helpful. Judge Thomas over the years' service in both public and private has written and spoken widely on wide range of topics, many of them hot politics. And so the scope of the inquiry involved not only his background but a wide range of public writings and speeches. It promised, at least at first, to be a hot hearing, one that would deal with lively subjects, that would involve a give and take and a strong exchange.

For those who hoped for that, at least in the 5 days that the judge was testifying, they had to come away a bit disappointed. I think it is fair to summarize the result of the sessions as ones of interest but not ones that broke new ground in terms of judicial discussion.

The fact is, on the subject of natural law, the judge spoke out unequivocally in stating that he would not use natural law to interpret the Constitution. He did so under oath. And when questions were raised about that because of his previous writings, a search of the record revealed that he had made precisely the same statement when he was confirmed for the Circuit Court of Appeals. Judge Thomas at least in this regard has been 100 percent consistent with his past record. What he says now is exactly the same thing that he said when he came up for the Circuit Court of Appeals.

One, of course, should not stop with simply those statements but look at the record. But a review of his record on the circuit court of appeals indicates a very thorough commitment to that thought. He has not used natural law in interpreting the cases before him on the Circuit Court of Appeals. The simple fact was many of the hot topics we thought they would get at in the Judiciary Committee turned out to not be so.

Judge Thomas simply said, in many hot areas, that he had no quarrel with the way the court rules now. In the area of Roe versus Wade, he was asked his feelings with regard to that case in every conceivable way I know that an attorney could approach it. At last count, the questions had exceeded 70.

The characterization of his response I think has been accurately reported here on the floor. The fact is Judge Thomas did not give us a clue as to how he will rule on a review of Roe versus Wade.

Now he did indicate he believed in the right to privacy, which, in many of the cases, has been the fundamental in reviewing that decision. So at least as far as the basis of that decision, he has committed to this Senate to honor the right to privacy.

But I think any fair observer has to come away from the hearings saying, "Frankly, we don't know how he is going to rule on Roe versus Wade and, frankly, we don't know how he is going to rule on many of the topics that will come before him." That perhaps is in line with the canon of ethics in the legal profession. It perhaps is in line with regard to the process that we have gone through for previous judges. But the simple fact is we come to the floor without being able to report to you precisely how the judge will rule on a variety of cases.

Mr. President, I think we have to look from there to his qualifications. The Bar Association has stated their review thoroughly.

The Bar Association has reported to this Chamber that they find that Judge Thomas possesses the highest levels of professional competence, judicial temperament, and integrity. His background I think comes to this Senate as a thorough and broad one, with a wide range of experiences.

I think the bottom line question though has to be what kind of values he will bring to the Supreme Court. Each of us has our own values that we will judge that measure by. But as I look through the judge's record and the testimony, this series of questions stood out in my mind.

Senator SIMON asked Judge Thomas this question:

> I see two Clarence Thomases: one who has written some extremely conservative and I would even say insensitive things * * * and then I hear the Clarence Thomas with a heart. * * * which is the real Clarence Thomas?

Judge Thomas responded this way:

> Senator, that is all a part of me. You know, I used to ask myself how could my grandfather care about us when he was such a hard man sometimes. But, you know, in the final analysis, I found that he is the one who cared the most because he told the truth, and he tried to help us to help ourselves. And he was honest and straightforward with us, as opposed to pampering us, and he prepared us for difficult problems that would confront us.

Mr. President I believe that Judge Thomas has the values of hard work and integrity, of perseverance, that this country honors and respects. I believe he has those values that will reflect well for the future of this Nation.

Martin Luther King said it best. He said:

> My dream is that my little children will grow up in a world to be judged on the content of their character, rather than the color of their skin.

If we judge Judge Thomas on the content of his character, I believe he should be confirmed by the U.S. Senate and rise as an Associate Justice of the Supreme Court.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Arkansas is recognized.

Mr. BUMPERS. I thank the Chair.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 1755 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

> A bill (H.R. 2521) making appropriations for the Department of Defense for the fiscal year ending April 30, 1992, and for other purposes.

The Senate resumed consideration of the bill

Pending:

> Division 2, to reduce the amount provided for the rail garrison MX missile program, of Sasser Modified Amendment No. 1193.

Mr. INOUYE. Mr. President, what is the time situation?

The PRESIDING OFFICER. The vote will occur at 10:30. There are 14 minutes to be evenly divided.

Mr. INOUYE. Mr. President, I ask unanimous consent that 16 minutes be added to make it a total of 30 minutes, equally divided, and at the expiration of the 30 minutes the vote will commence.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE AMENDMENT BEGINNING ON PAGE 34, LINE 10, AS AMENDED

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendment on page 34, line 10, as amended by the Levin amendment, be adopted and that the committee amendment, as amended, be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIVISION 2, AMENDMENT NO. 1193, AS MODIFIED

Mr. SASSER. Mr. President, how much time is now remaining?

The PRESIDING OFFICER. There are remaining 14 minutes and 20 seconds on your side.

Mr. SASSER. Mr. President, I relinquish 10 minutes to the distinguished Senator from Nebraska, and additional time if he should need it.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. EXON. Mr. President, I rise in support of the amendment to eliminate $251 million in wasteful spending under the Rail Garrison MX Program. This is the amendment I offered on August 2 of this year during consideration of the fiscal year 1992 Defense authorization bill. That amendment was unfortunately defeated by one vote, 49 to 48. I support the amendment to terminate the Rail Garrison MX Program because the events of the past 2 months in the Soviet Union only strengthen the case against this unwarranted program.

The Defense appropriations bill that is now before the Senate contains $21 million in research and development funding for the Rail Garrison MX Program. This $251 million includes $20 million for the completion of critical design reviews and $231 million to build one operational model rail garrison MX train of seven cars and two locomotives, a procurement which will ultimately cost taxpayers a total of $600 million, and fire one test missile from this train. It is this $251 million and the follow on spending which should be deleted as unnecessary.

There are no plans within the Pentagon to ever deploy the mobile rail garrison MX system. This is important for Senators to understand. The present Department of Defense plan is to close out the research and development effort under the program and mothball the system for at least 6 years, most likely permanently. The intent behind purchasing this expensive train was originally to conduct a flight test of only one MX missile from the operational train. Yet, the Senate adopted a fiscal year 1992 Defense authorization bill in August which wisely prohibits the firing of the single test flight to avoid having the MX missile designated as a mobile missile. Designating the MX as a mobile missile even though it will remain in silos may undercut a promising option for the START 2 negotiations: That being the offering of a ban on mobile MIRV'd ICBM's as an interim step toward a ban on all land-based MIRV'd ICBM's. The Air Force itself has testified that one flight test, though prohibited by the Senate Defense authorization bill, is statistically insignificant toward proving the systems operational capability.

Then why spend $251 million in fiscal year 1992 funding—and a total of $600 million—to build and maintain one train only to place it in storage? The Air Force has conceded that if the United States was to determine at some future date that the rail garrison MX had to be brought out and deployed, a minimum of five verification test flights would have to be conducted and numerous production trains would have to be procured, requiring 3 to 5 years—thus making the rail garrison MX system irrelevant in any sort of so-called crisis scenario.

More than $2 billion has already been spent on the rail garrison MX Program. The administration, in its budget request, plans to take $170 million in fiscal year 1991 funding and combine it with $231 in fiscal year 1992 and $100 million in fiscal year 1993 to buy a $495 million train which will be immediately mothballed. The administration then plans to spend an additional $102 million between fiscal years 1994 and 1997 to maintain this train in mothball status, bring the total cost of this cold war museum piece to $600 million. The political and budgetary reality, though, is that the MX missile is never going to be redeployed from silos to trains.

When the events in the Soviet Union over the last 2 months are considered, the prototype train becomes an even greater relic of the cold war. The political, economic and, most importantly, military reorganization of the Soviet Union is still in a state of flux. But it is clear that the metamorphosis of the Soviet state toward a loose confederation of republics and democratic rule will have profound effects on the Soviet military, its strength and its posture. The rail garrison MX was designed to address a threat that no longer exists; it was designed to face off against an enemy now more concerned with preventing economic collapse and Federal disintegration than world dominance. To spend an additional $251 million this upcoming fiscal year—and a total of $600 million—for one operational train, only to immediately mothball it, will not enhance our national security. At a time when our Federal debt continues to mount and worthy programs are being cut, it would be irresponsible to allow this wasteful spending.

I have talked to two of the three Senators who, unfortunately, were absent and were not in a position to cast that vote against the bill. They will this time, which means we start out this morning with enough votes, if those who voted against this on August 2 maintain their position, as I hope and think they will, to defeat this program.

Mr. President, once again I wish to thank the members of the Subcommittee on Appropriations with regard to national defense for the good job that they did across the board.

Indeed, in this my 13th year in the U.S. Senate, this may be the first time that this Senator, who has pretty good credentials as a pro-defense Senator, has stood up on the floor of the U.S. Senate and said that the Appropriations Committee, in this instance, made a terrible error. I think probably as much as anything else, it is a situation where we look at things like this is only a $225 million program for the next fiscal year and, yes, it is going to become a $600 million program unless it is stopped now in its tracks.

But just maybe somewhere along the line there is a thought that regardless of the reduced threat from the Soviet Union, that we are carrying on with this mania that continues to drive us that if the Soviet Union has a mobile rail system, then we have to have a mobile rail system, whether we need it or not. It is that tit-for-tat attitude, and it has to stop.

If, for example, the administration was saying, yes, we want to move ahead with this because we want to have an operational rail garrison system, then it would make some sense, although not very much. But the facts are that the administration has clearly said that we are not going to have one.

This proposition simply said that we are going to spend over $600 million, in my view needlessly and for no good reason, to build a train for the MX missile. We are going to drive that train around a few miles and maybe launch not more than one test firing, which from any measure of standard, one test firing is meaningless, as was testified to in the Armed Services Committee by the Chief of the Air Force.

Then, after they do that, their stated plan is to put this in mothballs, to put it in storage for some possible unknown, undescribed, and undefined future use. Nonsense. This is a $600 million boondoggle to carry out a few jobs possibly in the Pentagon with no redeeming feature whatsoever—not one—with regard to the total national security interest of the United States.

I cannot imagine how anyone could try and make the case on the floor of the U.S. Senate that such a program should not be canceled right now, for the obvious reasons, for those of us, I think, who understand it know fully it is nonsense.

There is not one red cent of the $600 million that would be spent under the program unless we kill it this morning; not one red cent would help in any imagined or even fantasylike threat that would face our country in the future that the MX rail garrison would help one bit.

Therefore, I do hope and I plead with the Senate once again to reverse the terrible mistake that we made on August 2, and go ahead and kill this program outright, as it should be.

I do hope that some of the Senators who voted against two programs that we argued and debated at great length—and indeed, there are questions with both the B-2 program and there are questions about SDI, but at least in those cases there was room for debate—I hope that none of the Senators who voted against the B-2 or the SDI Program will now feel a good defense vote would be to come back to moderate their position and somehow vote for the extension of the rail garrison MX proposal.

Mr. President, I do hope and I do expect that the Senate will return to reason and will indeed knock out the MX rail garrison program, which is meaningless as far as national defense is concerned.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, the Committee on Appropriations recommends this proposal because of the following reasons: First, it is the recommendation of the Armed Services Committee, the committee on which my dear friend from Nebraska serves as a great member. The Armed Services Committee, by an overwhelming vote, recommended this action. In so recommending this final development project for the rail mobile ICBM, it set aside the so-called small ICBM because it was felt that the small ICBM would have a bow wave effect and cost much more, approximately $30 billion, down the line.

And so it is an issue that has been discussed very thoroughly by the Armed Services Committee, and we took that recommendation very seriously, also.

Second, it was noted that while we are debating whether we should or should not have this final test, it is not to procure any ICBM's, but just to test. The Soviets already have over 250 rail mobile ICBM's roaming the Soviet Union. This is not a tit for tat. This is an affordable program. We wish to have this final test, and then set it aside so that if, God forbid, there should be an occasion where this must be revived, we will be ready.

The rail mobile is like the submarine on land. The submarines are very difficult to locate under the sea. This rail mobile will be difficult to locate on the surface of the ground. So I hope that my colleagues will give this matter serious consideration.

I have, Mr. President, a letter from the Chief of Staff of the Air Force. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE CHIEF OF STAFF,
Washington, DC, August 2, 1991.

Hon. DANIEL K. INOUYE,
Chairman, Subcommittee on Defense, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The article on Peacekeeper Rail Garrison Funding, as it appears in the 29 July issue of Defense News, is not an accurate representation of my views on the Peacekeeper Rail Garrison program.

I fully support the President's Budget position on Peacekeeper Rail Garrison research and development. I believe it is essential that all Peacekeeper Rail Garrison research, development and testing be completed to hedge against future uncertainties. Once tested, we can put this technology on the shelf with confidence that the United States possesses a mobile option, one that can be quickly fielded, should the need arise.

Sincerely,

MERRILL A. MCPEAK,
General, USAF, Chief of Staff.

Mr. INOUYE. In this letter it says that the Air Force fully supports the President's budget position on the rail garrison research and development.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. Mr. President, I ask the Senator if he would yield me a minute.

Mr. INOUYE. I am pleased to yield 2 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. I wish to commend the distinguished chairman of the subcommittee. We have already, am I not correct, I ask the Senator, invested $2 billion in the program, and for this comparatively smaller sum we will be able to determine the viability to this option and to store it as insurance, indeed, as a cornerstone of our policy of deterrence? Am I not correct on that?

Mr. INOUYE. The Senator is correct. This is part of a program that was adopted several years ago. This is the last phase of the R&D program.

Mr. WARNER. Mr. President, I thank the distinguished chairman for referring to the work done in the Armed Services Committee. Indeed, it did carry in that committee, and it is my hope that the Senate will affirm the recommendation of the chairman of the subcommittee.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. I am pleased to yield 4 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 4 minutes.

Mr. SIMPSON. Mr. President, I thank my senior colleague from Hawaii, probably one of the most respected men in this body. When he speaks, we should listen. I have learned that in my 13 years here. This is another example of that. It matters not what the issue might be. The Senator from Hawaii is deeply respected and admired and should be heeded.

It just does not make any sense to kill the MX rail garrison program when we have not yet deployed a mobile missile. In a world that is constantly changing and in view of what is happening in the Soviet Union—or what was the Soviet Union and is now the Soviet dis-union, and we know not what that is in truth—we should not forget that, mathematically, the Soviets have a decided advantage in this area, and we have to ensure that our missiles are as survivable as that of any potential adversary. Despite the failure of the coup in the U.S.S.R., we do not know what the future will hold there or in the rest of the world, and we have a responsibility to ensure that our deterrent strength is preserved.

What the Senator from Hawaii and the Senator from Alaska, the justifiably respected Senator STEVENS, are telling us, we should listen to and heed so carefully. We do have the MX missiles in fixed silos, but they are not survivable as a mobile missile. We, hopefully, will never have to deploy rail garrison, but we expended, as the Senator from Virginia says, nearly $2 billion developing the MX and rail garrison. It just does not make any economic sense to pull the plug on the program now. The START Treaty limits warheads on mobile missiles to 1,100, and that is just dandy except for the fact we do not have a mobile missile to deploy. So potential adversaries may be able to field over 1,000 warheads on mobile missiles while we sit around and argue about whether we should develop a small mobile or rail garrison.

There is one person the two Senators from Wyoming know well—and that is Secretary Dick Cheney. We served with him for 10 years in the Congress. MALCOLM WALLOP and I know in this town, Dick Cheney is known as a thoughtful, pragmatic, and prudent fellow, and he has strongly supported the rail garrison program. He has done that for a very good reason. He knows that intelligent defense planners must plan for worst-case scenarios. We should not look at strategic planning through rose-colored glasses. It is essential we have a land-based missile leg of the strategic triad that is mobile. The rail garrison concept is absolutely unique because it involves placing a missile on a train instead of on roads throughout the United States. We know that those mobile missiles deployed on trucks are more expensive and that the impacts on public lands are even greater.

Many efforts at formulating the best plan were made. Some were scoffed at. This was settled upon. It is a good proposal. We do not know how many mobile missiles we are going to deploy in the future, but if we do not finish the development of an operational train, we will be placing ourselves at a disadvantage in the future.

Contrary to the arguments of its detractors, the MX will greatly contribute to American security, and we ought to continue with this very vital program. We just do not have any idea what the future will hold regarding potential threats to our security, and we cannot predict with certainty who will have control of the nuclear capabilities of other countries. That is a basic concern of all of us right now. Who holds the black box in the Soviet Union is a concern to all of us.

So we would like to believe the world is totally safe, is getting safer, and everything is all right. Unfortunately, we are not there yet. But I would listen to Dick Cheney and Colin Powell. I think they know more about those issues than any of us here—other than the managers of the bill—and we do not need those people telling us we do not need strategic systems or SDI. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I see the distinguished Senator from Illinois on the floor. I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, this dog is dying, and let us do the humanitarian thing and kill it. Our friend from Nebraska said correctly, this is a $600 million boondoggle.

Let me give you a brief history. When I was in the House, I led the fight against what then was going to be 100 square miles in which we were going to send these things around on a specially developed rail system. We were able to delay it, and then President Reagan did the sensible thing and he killed it. Then all of a sudden it came up, we were going to hide these railroads in tunnels, only it developed that to get these railroads out of tunnels would take many, many hours. Well, that was great if the Soviet Union sent us a post card and said we are going to send our missiles over; they go in 25 minutes.

So finally that has died or come near death, and now we are down to one train. We still have the triad system. We still have submarine-launched missiles. We still have missiles that can go by air. We have them all over the land. But we cannot let this dog die, so we have one train we are going to send around.

Well, whatever enemy emerges—the present threat has virtually collapsed—if they cannot find this train, they are not a very powerful enemy. Let me tell you, this thing just does not make sense. Let us save the money. Let us give this dog a nice burial, but let us bury it.

I yield back my time.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, I am pleased to yield 3 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. WALLOP. Mr. President, I thank the Senator from Hawaii.

Mr. President, I rise with a certain weariness in opposition to this amendment that would strip the remaining funds from the MX Rail Garrison ICBM Program. I say weariness because we have already debated this issue at considerable length in floor action on the defense authorization bill. This Senator, and many others, can be forgiven for believing the Senate had expressed itself.

I must give Members on the other side of this issue some credit. They are persistent, if nothing else. I only wish their military judgment and their knowledge of the issues matched their persistence; for frankly I have seldom heard on this floor such a tissue of distortions, flawed logic, and just plain wrong information as I have heard today and yesterday in consideration on the three divisions of the Sasser amendment. But since those who would virtually scrap our strategic capabilities seem willing to persist, this Senator and others who believe the Nation must remain strong, will also be persistent.

Mr. President, no one could be more delighted than I with the demise—permanent and final, I hope—of Marxist-Leninism and the Soviet empire it created. I do not want to see a perpetually militarized United States, or a permanent condition in which arms eat up a substantial portion of our national wealth. But let me make two points to the supporters of this amendment.

First, I agree emphatically with the distinguished Senator from Georgia and chairman of the Armed Services Committee. The Soviet threat has indeed undergone a dramatic change; it has diminished by an extraordinary degree. But the change has occurred at the level of conventional war, not the strategic level. The U.S.S.R. continues to build new and more deadly ICBM's. They continue to field two types of mobile ICBM's while we have no mobiles at all; and in fact stand on the threshold, with this amendment, of canceling the one program that would at least give us the potential of having one if future events should so dictate.

Second, Mr. President, I want to make sure the welcome events in the Soviet Union are truly irreversible. In other words, I want to seal and secure the victory over communism, to make sure the hardliners of the KGB and military never have the boldness to try again what they tried in August. Or that if they do try again, they will not find a disarmed America confronting them, but an America still alert and vigilant, and still prepared to defend ourselves. Only by remaining strong for a few more years can we ensure the culmination of the victory. Otherwise we may find ourselves like the legendary Trojans, having stacked their arms and retired from the battlements just a little too prematurely, woke up to find the war lost just as they thought it won.

Mr. President, $225 million is not too much to spend to bring the MX Rail Program to a logical stopping point. This expenditure will not deploy an operational ICBM on rail cars, nor should it. All it will do is bring us to that critical design review point to validate and evaluate the basing mode, the one thing it can do that cannot otherwise be done. You can test something in a couple of minutes. It takes years to validate the command and control systems. That is what this amendment is about. It will be of absolutely no purpose for the United States not to know how to control such a thing.

It will carry out the congressional mandate of previous legislation. It will allow us to put the system in a standby mode, and give us the best return for the money already spent, without either wasting that investment, or requiring us to lay out additional money.

TEST COMMAND AND CONTROL

Mr. President, the proponents of the Sasser amendment have made a great show of their concern with the national deficit, and with saving money. I wonder why it is that some Senators are never, never heard from on behalf of cutting spending and saving money except when national defense is before the Senate. I want to save money and cut the deficit too, but not at the expense of freedom and security. Let us remember that government is created first and foremost to defend our people and safeguard our freedom and security. All the other things that government does in the social arena—most of which it does poorly, by the way—must be secondary to its primary mission.

I thank the Chair, and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes, 2 seconds.

Mr. SASSER. I yield 2 minutes to the Senator from Nebraska.

Mr. EXON. Mr. President, I listened very carefully to my friend and colleague from Wyoming. One of the closing statements was that there are an awful lot of people in this body who want to cut out everything for national defense.

I do not know whether he has any time left. He is leaving the floor. I certainly say to the Senator from Wyoming, before he walks out the door, that I hope he is not excluding the Senator from Nebraska in his broad brush comment about voting against everything for national defense. He shakes his head affirmatively. I think that is true.

First, let me correct an impression that was, I am sure, stated by the chairman of the Appropriations Subcommittee because he may not have had the true facts. The statement was made that this was overwhelmingly approved in the Armed Services Committee. It was approved on a vote of 11 to 9. I think that is not overwhelming.

I would also point out that as the chairman of jurisdiction of the Strategic Subcommittee, I did have the votes to kill this in the subcommittee. My esteemed colleague decided to take it up with the full committee so everyone could have a hearing. It is true we lost 11 to 9.

The statement has just been made with regard to somehow in the future we have to have this system that was originally designed for 25 trains ready to go in case we have a change in the Soviet Union.

Mr. President, let us assume that 5 years from now the Soviet Union returns to the cold war, but say it returns to what we have been fighting for 10 years. At that time then the President of the United States could make a determination if he wanted, even if the $600 million is squandered, that we need to go back into the rail garrison production. It would take 3 to 5 years to do that. Therefore the program makes no sense.

I yield the floor.

Mr. SASSER. Mr. President, I yield myself such time as I may consume.

Mr. President, the Chairman of the Joint Chiefs of Staff, Gen. Colin Powell, stated before the collapse of the Soviet Union, "I am running out of enemies. I am running out of villains. I am down to Castro and Kim Il-song." So said the Chairman of the Joint Chiefs of Staff, prior to the dissolution of what we used to call the Soviet Union.

President Bush said, after the collapse of the Soviet Union, "The changes in the Soviet Union offer an opportunity for a vastly restructured national security posture."

So said the President of the United States.

The Secretary of Defense, Mr. Richard Cheney, said, after the collapse of the Soviet Union, in the Washington Post September 11, 1991:

> The prodemocracy forces in the Soviet Union have never been stronger than they are today. The Communist party is discredited. The KGB is now run by a reformer. The old guard has been swept out of the defense ministry.

So said the Secretary of Defense.

As a result, Cheney also said in this same article that Soviet military spending, force levels, and weapons buying are clearly in a downward spiral and that it is immune to further pressure from the Communist Party and the military bureaucracy.

Quoting him further—this is a direct quote:

> The basic trend is there. There just is not any way that even the Soviets are going to be able to insulate their military industrial complex from the collapse of their economy.

So said the Secretary of Defense on September 11, 1991.

How did we respond to that? How did the administration respond? How did the Defense Appropriations Committee respond? There were no new cancellations or deferrals of major weapons systems in the fiscal year 1992 defense budget, not a single one.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SASSER. I ask unanimous consent I be allowed to continue for another moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. No changes were made in the United States force structure from the plans that were set forth 2 years ago before these momentous events in the Soviet Union. There were no changes in defense spending requests. The 1992 budget before us, the first since the cataclysmic events in the Soviet Union, would actually increase defense spending over the 1991 level. The 1992 defense request totals roughly $291 billion, a $2 billion increase over the 1991 level.

So, despite the collapse of the Soviet Union, despite the collapse of the world's other superpower, the administration currently plans to spend for defense more in 1992 and to maintain defense spending at the 1992 levels up to 1995.

Mr. President, that just does not make sense when we are sitting here looking at a $350 billion deficit. For those who want to pin on themselves the medal, I am strong on defense, I would say that medal is becoming somewhat tarnished and antiquated and an anachronism. That medal will not ride with the medal that I am also concerned about, the deficit, and I want to reduce the deficit.

The distinguished Senator from Nebraska has offered a commonsense amendment today. Surely we can reduce this defense appropriations bill by the infinitesimal amount, relatively speaking, of $225 million for this rail garrison train that is going to be built and then put into sheds to gather dust for posterity, to look at and wonder about in future generations.

Mr. President, my time has expired. I yield the floor.

Mr. LEVIN. Mr. President, we have more than enough reasons to eliminate the funding in this bill for continued research and development on the MX rail garrison basing mode.

If we do not buy this one sample train now, and we do not conduct one test firing of a missile from the train, then we decide at some point in the future to bring the MX rail garrison system out of mothballs—it would take 56 months, over 4½ years, to get the system going and certified.

If we do buy this one train now, that same process will take us 48 months—4 years.

That is the difference. That is what we are being asked to spend $200 million for—so we could bring a system out of mothballs in 48 months instead of 56.

And again, the Air Force has no plans to bring this system out of mothballs. We are not going to see MX rail garrison built to be deployed.

There are other reasons to save this money. The Air Force has stopped arguing silo-based, ballistic missiles are vulnerable to surprise attack, and no longer argues that MX in silos is a source of instability. That is also reason enough to stop funding MX rail garrison research.

The fact that the START Treaty has just been signed is reason enough not to build one rail garrison train before mothballing the project. The Senate, in the Defense authorization bill, agreed with the Armed Services Committee that we should not flight test an MX missile from a rail car. If we flight test it, the missile could qualify as a mobile missile under the terms of the START Treaty. It is pointless to proceed with one test only—the Air Force says a minimum of four more would be needed to certify the system, and a test firing has implications for the MX rail garrison counting as one of our mobile missile systems under the START Treaty. We made that argument in August, and now we offer the Senate another chance to follow through on that logic, and save a quarter of a billion dollars of appropriations, including money in this bill for that flight test.

We have all of those reasons to stop funding research and development on MX rail garrison. We have to stop spending money on systems we have no intention of producing or deploying. In a time of severe pressure on the Federal budget overall, rising budget deficits, and level or declining military budgets, Congress cannot afford to spend $200 million on a piece of a system that is going directly to mothballs. I urge my colleagues to support this amendment.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. What is the time situation?

The PRESIDING OFFICER. The Senator from Hawaii has 2 minutes, 19 seconds.

Mr. INOUYE. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. STEVENS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. LIEBERMAN). The question is on agreeing to division 2 of the amendment of the Senator from Tennessee. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 67, nays 33, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—67

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman

Bond
Boren
Bradley
Breaux
Bryan
Bumpers
Byrd
Chafee
Coats
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gorton
Graham
Harkin
Hatfield
Hollings
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—33

Brown
Burdick
Burns
Cochran
Craig
Dole
Garn
Gore
Gramm
Grassley
Hatch
Heflin
Helms
Inouye
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—0

So, division 2 of amendment No. 1193 was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE AMENDMENT ON PAGE 4, LINE 5, AS AMENDED

Mr. INOUYE. Mr. President, I ask for the adoption of the committee amendment appearing on page 4, line 5, as amended.

The PRESIDING OFFICER (Mr. LIEBERMAN). If there is no further debate, the question is on agreeing to the committee amendment, as amended.

The committee amendment on page 4, line 5, as amended, was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the committee amendment, as amended, was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENTS ON PAGE 43, LINE 1; PAGE 43, LINE 2 THROUGH LINE 25 ON PAGE 44; PAGE 130, LINE 16 THROUGH LINE 22

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendments on page 43, line 1; page 43, line 2 through line 25 on page 44; and on page 130, line 16 through line 22, be considered and agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The excepted committee amendments on page 43, line 1; page 43, line 2 through line 25 on page 44; and on page 130, line 16 through line 22, were considered and agreed to en bloc.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to en bloc and I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion to table was agreed to.

ORDER OF PROCEDURE

Mr. INOUYE. Mr. President, I ask unanimous consent that the following 15 minutes be set aside as though in the morning hour to permit three of our colleagues to speak on the Thomas nomination, and it will be 7 minutes for Senator HARKIN, 5 minutes for Senator THURMOND, and 3 minutes for Senator BREAUX.

The PRESIDING OFFICER. Is there objection?

Mr. KASTEN. Reserving the right to object. I wonder if the Senator could include 5 minutes for me as part of this package.

Mr. INOUYE. Mr. President, I amend my unanimous-consent request to make this a 25-minute time period, 5 minutes for Senator GRASSLEY and 5 minutes for Senator KASTEN.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Under the previous order, the Chair recognizes the Senator from Iowa [Mr. HARKIN].

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. HARKIN. Mr. President, on June 27, I was saddened by the decision of Justice Thurgood Marshall to resign from the Supreme Court. On the Senate floor at that time, I expressed my feelings about Justice Marshall's distinguished career as an attorney and judge. I also expressed my hope that the nominee to replace Justice Marshall be a person who would follow in the path blazed by Justice Marshall.

After the nomination of Clarence Thomas, I openly stated one issue that I particularly wanted the nominee to address, and which would be instrumental in deciding my position on this nomination. That is the question of the fundamental right to privacy in the Constitution.

The right to privacy—the right of each person to decide personal family matters free from government intrusion—is fundamental to our free society. A nominee's view of the right to privacy is a telling indication of his entire approach to constitutional adjudication. A nominee with a broad view of the right to privacy is more likely to vindicate the rights of individuals from governmental excess in other areas. Such a nominee would understand the role of the Supreme Court, in our system of checks and balances, as the last resort for citizens to vindicate their rights. Too often in recent years, the Court has been a rubberstamp to affirm laws and regulations which trample the rights of Americans. Just as I would not vote for a nominee who did not openly support the right to the free exercise of religion or the right to free speech, I cannot support a nominee who does not unequivocally support the fundamental right to privacy.

With this in mind, I have watched the nomination of Clarence Thomas with great interest. I had hoped that a man of his background, who had climbed the ladder of opportunity despite the withering force of racism, a man who benefited from programs and policies intended to redress that discrimination, would grasp the role of the Supreme Court as a bastion of individual freedom. I had hoped that Judge Thomas would understand that the protection of the Court is essential for others to climb that ladder. Unfortunately, it seems likely that Judge Thomas would pull the ladder of opportunity up after him.

Judge Thomas' tenure at the EEOC and his writings on natural law raise serious questions of his commitment to protecting individual rights. I was particularly concerned about his endorsement of Lewis Lehrman's article which would have destroyed the right of privacy with regard to abortion, and would in fact make abortion illegal, even in the case of rape or incest. It would impose a rigid system of Government imposed morality upon women, rather than trusting the wisdom and morality of the women of this country.

He also dismissed Justice Goldberg's analysis of the ninth amendment as a mere invention. That echoes the words of one of the dissenters in the case of Griswald versus Connecticut, which guaranteed the right of married couples to use contraceptives. If Griswald were overturned, the Government could even reach its hand into the bedrooms of married couples. Thomas now says he accepts the right to privacy which was controlling in Griswald. His abrupt change of views at the hearings raises the question in my mind if this is not just a confirmation conversion.

Judge Thomas' testimony before the committee did not dispel my concerns. Thomas apparently repudiated his views of natural law and his endorsement of the Lehrman article, but his wholesale rejection of beliefs which he had repeatedly stated for years is troublesome. Are Thomas's real views the ones he stated in his committee testimony, or are they the ones he stated in years of writing and speaking?

At least as troubling is his refusal to discuss any of the issues which would show how he would approach the critical right of privacy. Despite his willingness to comment on a variety of other issues, including issues which are in controversy before the Court in the next term, he flatly refused to give the Senate any insight into his thought process regarding privacy. He would not even acknowledge that unmarried people have a privacy right to use contraceptives.

Judge Thomas acknowledged that the case of Roe versus Wade is among the most important cases decided by the Supreme Court in the last 20 years. Yet he claims that he has no personal opinion on the decision in Roe versus Wade. He claimed that he has not discussed this issue in private, even with his wife.

This statement begs credulity. It indicates to me that he does not have the coherent understanding of the Constitution that the American people have the right to expect in a person nominated to the Supreme Court.

I take the responsibility to advise and consent on nominees to the Supreme Court very seriously. This body has a coequal role with the Executive in the process of appointing members of the third branch. The Founders gave this power to the Senate as a check on the power of the Executive to appoint Supreme Court Justices. I believe we have the duty to exercise that power to ensure that the Court remains a bulwark against the violation of the rights guaranteed for each and all Americans by the Constitution. Because I do not believe that Judge Clarence Thomas has the necessary qualifications for this important post, and because the views he has expressed on the constitutional right to privacy are contradictory and muddled, I cannot consent to this nomination. Therefore, I will cast my vote against this nomination of Clarence Thomas to be a Justice of the Supreme Court.

The PRESIDING OFFICER. The Chair recognizes the Senate majority leader.

Mr. MITCHELL. Mr. President, I am about to ask that action be taken with respect to a measure dealing with the power of Indian tribes to exercise criminal jurisdiction over Indians. I am advised that the matter has been cleared.

Mr. INOUYE. Mr. President, it passed unanimously.

EXERCISE OF CRIMINAL JURISDICTION OVER INDIANS

Mr. MITCHELL. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 972.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendments of the Senate to the bill (H.R. 972) entitled "An Act to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Miller of California, Mr. Richardson, and Mr. Rhodes be the managers of the conference on the part of the House.

Mr. MITCHELL. Mr. President, I move that the Senate insist on its amendments, agree to the request of the House for a conference on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The motion was agreed to; and the Presiding Officer (Mr. LIEBERMAN) appointed Mr. INOUYE, Mr. DECONCINI, Mr. BURDICK, Mr. DASCHLE, Mr. CONRAD, Mr. REID, Mr. SIMON, Mr. AKAKA, Mr. WELLSTONE, Mr. MCCAIN, Mr. MURKOWSKI, Mr. COCHRAN, Mr. GORTON, Mr. DOMENICI, Mrs. KASSEBAUM, and Mr. NICKLES conferees on the part of the Senate.

Mr. MITCHELL. Mr. President, I move to reconsider the action by the Senate.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. I thank my colleagues for their courtesy in this matter.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to announce that the conference just referred to in the motion will be held at 12 noon in Senate Russell 485.

The PRESIDING OFFICER. Under the previous order, the Chair now recognizes the Senator from South Carolina [Mr. THURMOND].

THE NOMINATION OF JUDGE CLARENCE THOMAS, OF GEORGIA, TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Mr. THURMOND. Mr. President, tomorrow, the Senate Judiciary Committee will consider the nomination of Judge Clarence Thomas for a position on the Supreme Court. I rise today to voice my strong support for President Bush's nominee to be an Associate Justice of the Supreme Court of the United States.

The Judiciary Committee conducted thorough and extensive hearings which lasted 8 days. Judge Thomas testified before the Committee for almost 25 hours, longer than any other Justice confirmed in the last 10 years. We heard testimony from approximately 100 outside witnesses. I was most impressed by those who personally knew Judge Thomas and who could attest to his outstanding qualities.

Mr. President, a nominee to the Supreme Court must have the ability to master the complexity of the law. Judge Thomas clearly has the intellectual capacity to sit on our Nation's highest court. The American Bar Association's Standing Committee on the Federal Judiciary carefully scrutinized the professional competence, integrity, and judicial temperament of Judge Thomas. The ABA found Judge Thomas to be "qualified," defining that standard as follows: "The nominee must have outstanding legal ability and wide experience and meet the highest standards of integrity, judicial temperament, and professional competence." In addition, the ABA noted that Judge Thomas' "wide set of life and professional experiences * * * suggest a special capacity for personal growth and professional wisdom."

Mr. President, we are all aware of Judge Thomas' background. He has overcome difficult circumstances he faced early in life—both the anguish of poverty and the humiliation of discrimination. I believe that Judge Thomas' background gives him the sensitivity to understand the impact of his decisions on those parties before the Court. His life experience shows he is a man of courage who will bring an added dimension to the Supreme Court.

In summary, Judge Thomas has been thoroughly scrutinized by the Judiciary Committee. Throughout Judge Thomas' testimony, I believe he demonstrated that he possesses the attributes of a Supreme Court Justice: A keen understanding of the law, the intellectual capacity to deal with complex issues, fairness, patience, and a willingness to be openminded.

I am convinced that Judge Thomas will make an outstanding addition to our Nation's highest court. Mr. President, I will vote in favor of this nominee for a position on the Supreme Court.

I hope the entire Senate will vote to confirm this splendid man.

CLARENCE THOMAS NOMINATION

Mr. BREAUX. Mr. President, the hearings on the confirmation process of Judge Clarence Thomas are now completed. We have heard from the nominee. We have heard from those who are in opposition to his confirmation. And we have heard from those proponents who are supportive of his confirmation.

It is now time for us, as the full Senate, to decide what our position is going to be.

I plan to vote to confirm Clarence Thomas' nomination to the U.S. Supreme Court. I have met with Judge Thomas in my office privately, and I have listened to the extensive hearings conducted by Senator BIDEN and Senator THURMOND and the other members of the Judiciary Committee.

I am convinced that following all of this material, Judge Thomas is a person who will remember not only the law, but will also remember where he has come from and what he has been able to achieve and how he has been able to get where he is today, when he applies the law.

I have been impressed, in my conversations, with his intention to be his own man as a member of the Nation's highest Court. Some have suggested that when he was head of the EEOC, he did not do enough. I would only respectfully remind them when he was head of the EEOC he worked for Ronald Reagan and he was required to carry out that administration's policy, not the policies of Clarence Thomas.

As a Supreme Court Justice, he will have the opportunity and, indeed, the obligation to carry out the laws of this country as he feels they should be applied. He will not be an employee of any administration, but he will be a free man, able to exercise his best judgment.

Some argue that he is not the best choice. But I would remind them that it is the President's nominee that we are considering, and I am willing to confirm that choice based on my best consideration of how he will serve our Nation.

I wish him the very best in his upcoming duties following his confirmation.

The PRESIDING OFFICER. Under the previous order, the Chair now recognizes the Senator from Iowa [Mr. GRASSLEY].

NOMINATION OF JUDGE CLARENCE THOMAS

Mr. GRASSLEY. Mr. President, tomorrow the Judiciary Committee will be considering the nomination of Judge Thomas for the Supreme Court. And at tomorrow's hearing, I will elaborate on my reasons for supporting his confirmation, even though I have already, earlier this week, announced my support for Judge Thomas.

In the meantime I want to take issue with some of my colleagues who have announced that they will vote against Judge Thomas. We had, Mr. President, as you recall, 8 days of committee hearings, and 5 of these days, Judge Thomas testified on his own behalf. He showed himself, as I remember those 5 days of hearings, to be one well versed in the law; to be thoughtful; to be honest; and most importantly, to be open-minded.

He talked about the countless speeches that he had given as a policymaker and articles that he had written during his 10 years of service in the executive branch.

Even after all this, some of my colleagues seem to continue to be troubled by those articles and by those speeches. They disagree with what he wrote as a policymaker.

Certainly, they have every right to disagree with what statements he made as a policymaker that they might disagree with. But the question has to be: Do the views that he articulated as a policymaker indicate any lack of regard for the Constitution of the United States, that he will take an oath, and has taken an oath, to uphold?

I submit, this nominee, Judge Thomas, has a deep and abiding respect for the Constitution. His record as a Federal appeals court judge demonstrates his fidelity to the law.

I would like to address something my colleague from Iowa just stated on the floor of the Senate. I think that my colleague is simply wrong about Judge Thomas' record. Take the issue of privacy. Judge Thomas said the Constitution protects the fundamental right of privacy. I heard it myself, Mr. President, and in response to a written question to Senator BIDEN, Judge Thomas said the Eizenstat case, finding the right to privacy extends to single persons, was properly decided on equal protection and privacy grounds. That, Mr. President, is a clear and unambiguous statement supporting the right of privacy.

I sat through all the hearings, and perhaps if colleagues who are coming out against him had the privilege, as I do, of sitting on the Judiciary Committee, they would have a fuller appreciation of Judge Thomas' record.

It is an interesting dilemma, Mr. President, because Judge Souter was accused of being a stealth nominee because he had no paper trail. Now we have a nominee who has been deeply engaged in public policy debate, and that appears to disqualify him for the high court, in the opinion of some of my colleagues.

Judge Clarence Thomas is a worthy nominee for the Supreme Court. He was sometimes a combative bureaucrat and an advocate for certain policies, but he has already shown himself to possess the qualities of a judge. When he puts on the robes of an empire, then he leaves his advocacy behind him. He has done it on the appellate court for the last year and a half, and I am confident that he will continue to show such discipline, as he has called it, on the Supreme Court.

For my colleagues who have not yet made up their minds on Judge Thomas, I urge them to review the transcripts of the hearings and to take a look at a few of his 18 legal opinions, read his discussions with so many of us on the important topics like the role of President, the separation of powers issue, natural law, and affirmative action. And if my colleagues do this, I am very confident, Mr. President, that they will find a nominee who knows the law, understands his role as a judge within our democratic system of government, and one who will be an asset to the Supreme Court of the United States.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. KASTEN].

IN SUPPORT OF JUDGE THOMAS

Mr. KASTEN. Mr. President, one of the most important duties of a U.S. Senator is to exercise vigilance over the quality of appointments to the Supreme Court. I am proud to announce that in carrying out this duty I have determined that Judge Thomas is eminently qualified to serve on the U.S. Supreme Court as an Associate Justice.

The Supreme Court is the chief guardian of the liberties of the American people. Without the checks that it provides in our system of checks and balances, individuals would be under constant threat of having their liberties eroded by uncontrolled majorities. A democratic society needs this check on the majority if the rights of all citizens are to be protected.

The full Senate will soon decide whether to offer its advice and consent to the nomination of Judge Clarence Thomas to the Supreme Court. After studying his record, and the testimony before the Senate Judiciary Committee, I am convinced that he will do honor to the Court—and I will vote to confirm his nomination.

The background of Judge Thomas has made him an ideal candidate for service on the Court. He has the intellect and varied experience that will serve him well as a Supreme Court Justice.

As a young man, he experienced discrimination. He saw black citizens—including members of his own family—denied their rights by white majorities. He saw the instruments of governmental power used against the human dignity of citizens—just because they were black. This is a man who has personally experienced injustice.

But young Clarence Thomas—faced with this extreme adversity—did not despair of the American system. He believed that if only we would apply the idealistic roots of our Declaration of Independence—of our Constitution and its Bill of Rights—we could reform the system and protect the rights of all Americans.

Some have insisted on knowing how Judge Thomas would rule on various specific issues. I suppose a number of us would like that, but I do not believe that such questions are appropriate. Instead, he has been forthright in his answers, he has not prejudged the issues he will hear, and he will set his personal views aside as a member of the Court.

Most important, I believe he will bring to the Supreme Court his considerable intellect, his independence, and his integrity.

Judge Thomas believes in the system of liberty under law. He recognizes, and spoke to, the different functions of our three branches of Government. He has served in all three branches, and understands that the role of the judiciary is to interpret the laws, not make the laws.

Clarence Thomas overcame adversity and graduated from Yale Law School, one of this Nation's preeminent legal institutions. He has served in both the public and private sectors with distinction. Judge Thomas was confirmed by this body for what most believe to be the second highest court in the land, with only two Senators expressing their disapproval.

I hope that our vote on his Supreme Court nomination will be equally overwhelming, because Clarence Thomas is truly an outstanding nominee.

This is a man who knows about injustice. This is a man we can trust to protect the liberties of the American people as an Associate Justice of the U.S. Supreme Court.

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senator from Connecticut [Mr. LIEBERMAN] be permitted to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INOUYE). Without objection, it is so ordered.

CRIME IN OUR STREETS

Mr. LIEBERMAN. I thank the Chair particularly for his normal graciousness.

Mr. President, this past weekend, more people were murdered by criminals in the streets of American cities than were killed in the Yugoslavian civil war. The scale of bloodshed is almost beyond belief. I rise to speak this morning because it has hit close to home in the State of Connecticut. Right in my hometown, New Haven, last Saturday night alone, thugs drove by a popular New Haven diner in which 200 people were sitting and sprayed semiautomatic gunfire into a crowd of 50 people standing outside. Two people were killed and one was wounded. A robber at a convenience store was killed on that same night and two store employees were wounded. Three other young people were shot at difference places in New Haven on that same night.

Mr. President, it is sadly telling that this kind of carnage has become so commonplace that it does not merit more than a mention, if that, in our national newspapers. Can we really have become so numb to this kind of violence and terror that drive-by shootings are now a routine part of our national landscape?

Consider this almost unbelievable tale of recent crime in New Haven: Two people in a New Haven church are kneeling in pews, peacefully praying. In walks a man who pulls a gun and robs them. And then there is my neighbor who lives just down the street, four houses away from me in New Haven, who 2 weeks ago was held up at the point of a gun in his own house in the middle of the night, held as a captive, as a hostage, for an hour.

Everyone nowadays personally knows someone who has been a victim of a violent crime, and soon enough, I fear, all of us may become victims ourselves. In a sense we already are. We are victims when we are afraid to go out of our homes at night or to venture out of our neighborhood. We are victims when we are afraid inside our homes and have to invest money in all sorts of locks and burglar alarm systems to make us feel safe.

We are victims already when we pay the price for prisons, prosecutors and police to keep up with the spiraling demand for justice.

What can the Federal Government do about this growing and terrible problem of crime in our country? How should we in Congress address this very real concern?

Well, it is true that the front lines in the war on crime are at the local level. That is where our system of justice must first confront the criminals on the street. But the Federal Government can and must do more to beef up America's criminal justice system, commit more resources to Federal prosecutions and prisons, promote new efforts to attract people into the police profession and streamline and toughen laws so that justice works for victims, not just for criminals.

Here in the Senate, we passed a good crime bill last July. It contained some very powerful weapons that can be used in the war on crime. It authorized funding for 10,000 new local law enforcement officials; it provides for the construction of 10 regional prisons to contain 8,000 drug offenders who are so much a part of crime on our streets today; it calls for the conversion of 10 closed military bases into prison boot camps for criminals.

Our crime bill includes some tough sentences for those who commit violent crimes using guns. It sets out stiff mandatory sentences for those convicted of murdering or injuring anyone in a drive-by shooting, and it includes a ban on the manufacture, sale and possession of especially deadly assault weapons. It also includes other measures designed to keep guns out of the hands of criminals.

Our Senate crime bill reforms habeas corpus to prevent prisoners from making a mockery of our courts by filing one frivolous appeal after the other. And the crime bill creates a Police Corps, which is a scholarship program for students who agree to serve for a minimum of 4 years in a State or local police force after graduation.

Mr. President, it appears, unfortunately, that this crime bill passed by the Senate is bogged down in the other body. That is the last thing my constituents or any people in America want or need. We cannot become so used to crime, so blinded by its prevalence that we shy away from tough, hard solutions. The crime bill must not languish while society suffers, for violent crimes harms more than its victims. It tears at the fabric of our society. It pulls us apart, instills fear and despair, and it is a destroyer of hope for our children and their future. It afflicts everyone, rich or poor, white or black, young or old, city resident or suburbanite.

Mr. President, what more important responsibility does Government have than to maintain that minimum degree of order without which there cannot and will not be real freedom and to ensure that people can live their lives without the constant nagging fear of violence? It is a responsibility, a sacred responsibility which we are entrusted to fulfill. Therefore, Mr. President, I rise this morning to urge quick and positive reaction, action by the other body and then by the full Congress, on a strong and effective crime law, anticrime law, before it is literally too late for America.

I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The Senate continued with the consideration of the bill.

EXCEPTED COMMITTEE AMENDMENT ON PAGE 100, LINE 4 THROUGH LINE 9

Mr. INOUYE. Mr. President, I believe the next order of business is the committee amendment appearing on page 100, lines 4 through 9. Am I correct?

The PRESIDING OFFICER. The Senator is correct. The pending question is on the committee amendment on page 100, lines 4 through 9.

Mr. INOUYE. I ask unanimous consent that that committee amendment be temporarily set aside to permit consideration of the McCain amendment on the SSN-21, the Seawolf.

I ask unanimous consent that the Senate set aside 75 minutes for this debate to be equally divided, and that at 1 o'clock p.m. this afternoon a vote be held.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, to further clarify the unanimous-consent request, may I request that this quorum call be divided equally to the time allotted.

The PRESIDING OFFICER. Under the previous order, the time would not begin running until the amendment is offered by the Senator from Arizona, unless the Senator from Hawaii wishes to suggest the time run from this moment.

Mr. INOUYE. I ask unanimous consent that a second-degree amendment not be in order on the McCain amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. DODD].

Mr. DODD. This would be a 75-minute debate? I apologize to the distinguished manager.

Mr. INOUYE. Yes. We will have a vote at 1 o'clock, the time before then to be equally divided.

Mr. DODD. And no second-degree amendments——

Mr. INOUYE. Be in order.

Mr. DODD. Be in order. I thank the manager.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. INOUYE. I also ask unanimous consent that the time begin running at this moment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. INOUYE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1206

(Purpose: To terminate the Seawolf (SSN-21) class submarine program and to reallocate the amount otherwise made available for such program)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], for himself and Mr. ROTH, proposes an amendment numbered 1206.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 9 and 10, insert the following new section:

SEC. . (a) Funds appropriated by this Act may not be obligated or expended for the construction of any Seawolf (SSN-21) class submarine.

(b)(1) Of the amount appropriated in title III under the heading "SHIPBUILDING AND CONVERSION, NAVY," $1,803,200,000 shall be available for the following purposes:

(A) Payment of termination costs of the Seawolf (SSN-21) class submarine program.

(B) Construction of a new SSN-688 class submarine.

(C) Research, development, test, and evaluation for an advanced follow-on submarine.

(D) Improvement of sea lift and amphibious capability.

Mr. McCAIN addressed the Chair.

Mr. STEVENS. Mr. President, will the Senator yield for a moment?

Mr. McCAIN. I am glad to yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, what is the situation regarding control of time under the amendment?

The PRESIDING OFFICER. The Chair advises the Senator that 75 minutes were allocated for debate, the vote to occur at 1 p.m., time to be equally divided, and the time began to run from the moment of the unanimous-consent agreement.

Mr. INOUYE. Am I correct that at this moment each side would have 33 minutes?

The PRESIDING OFFICER. The Senator is correct.

Mr. INOUYE. On each side?

The PRESIDING OFFICER. The Senator is correct.

Mr. INOUYE. May I request that the time be managed by the Senator from Arizona and the Senator from Hawaii?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. And in my absence, the Senator from Alaska.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I yield myself such time as I may consume.

Mr. President, let me summarize the amendment and what it would do. It would cancel the Seawolf program, which is authorized at $1.8 billion, and end any appropriations for fiscal year 1992. It would give the Department of Defense the ability to transfer these funds to its desired mix of any of the following options: Payment of termination of costs for Seawolf, construction of new SSN-688 submarines, RDT&E for an advanced follow-on submarine like Centurion, or improvement of sealift and amphibious capability.

Mr. President, I do not enjoy presenting this amendment. As my colleagues know, I spent many years in the U.S. Navy. I have the greatest admiration and respect for the views of the members of the Navy who made the decision to seek the construction of this very impressive weapons system.

Mr. President, I am also aware that if this submarine is terminated that it will have significant impact on the States and the localities which provide the workers for this project. I am not insensitive to this, Mr. President. I fully appreciate the concerns and commitment of people like my friend from Connecticut, Senator DODD, the President now sitting in the chair, Senator LIEBERMAN, and the others who have steadfastly and strongly supported this very important weapons system.

Then, why am I proposing this amendment? Mr. President, my answer is very simply that we are faced with a weapons system that we simply cannot afford, and no longer have a strategic requirement for.

I recognize the Seawolf is a rapid, quiet, sophisticated, and modern attack submarine. Although I do not think as significant an advance as advertised, I agree that it is an improvement over its predecessor, the SSN-688.

The problem is, Mr. President, the world has changed in the last couple of years. There is no longer a major threat of war with the Soviet Union. The Seawolf, however, was designed to counter the most advanced Soviet submarines that could be deployed in the 1990's and early 2000's. The type of threat that could justify the Seawolf no longer exists, and there is no other nation in the world that is a potential adversary which justifies this level of expense and technology.

In fact, this expense is so great that this one single weapons system consumes 25 percent of the entire shipbuilding budget of the U.S. Navy. In an era of continuing rapid cuts in our defense budget, this expenditure threatens, if not undermines, our ability to fund the naval forces we really need.

During the Persian Gulf war we discovered that there are significant areas in which we need to spend the taxpayer's dollars to improve dramatically in order to be able to respond to crises as they may arise throughout the world. These clearly include sealift capability, and amphibious capability. Our amphibious ships face block obsolescence sometime in the next 10 years. There are other areas like mine clearing carrier forces, and surface escorts that also have a higher priority. In fact, some experts have already made the case that the reason why there was not an amphibious landing in Kuwait was because of our inability to satisfy the concerns of the naval commanders that the mines had been adequately cleared.

The issue at hand is one of strategic priorities. The SSN-21 is overfunded and the programs we need are now seriously underfunded. I am not seeking to cut $1.8 billion out of the appropriations for defense in fiscal year 1992. I am seeking, Mr. President, to shift those funds to necessary programs and projects.

Mr. President, I again state that I understand and respect the views of the Navy and the Pentagon who support this program.

Let me point out, however, that long before the end of the cold war, we used our forces primarily in power projection missions. We used our military forces more than 220 times in contingencies in the developing world between 1945 and 1990. We used carriers or amphibious forces in over 70 percent of these contingencies. We needed sea lift capability in virtually every mid-intensity contingency. In contrast, the only recent use of submarines that I can remember is a few SLCM launches in the gulf war—launches that could just as easily have been made from surface vessels. Yes, we do need submarines but we need smaller and cheaper submarines of either the improved SSN-688 or Centurion class. In fact, in the real world, the argument for the SSN-21 is financially suicidal to the submarine force. We can never afford the number of new submarines we really need if we try to fund this project. If we try to make the Seawolf the submarine of the future, its cost will shrink the submarine force, and well below acceptable limits. We will also be unable to modernize our surface fleet, and halt the block obsolescence in our amphibious forces that will occur in the current plans in the midnineties, and provide the modern sealift which was so badly missing in the Persian Gulf.

Mr. President, there are also uncertainties which have arisen about this program in the last months—and I raise this as an issue because I think it is important. First, we learned about cracks in the Seawolf on July 31, on the ship which is now about 15 percent completed. This ship requires a highly sophisticated welding process that uses a new high tensile form of steel known as HY-100. Welding this steel into a 4- to 8-inch hull requires the edges to be beveled, and be preheated, before being welded. This is a highly demanding process and has not been executed before with this steel.

The Navy discovered that there may be more than 21,000 cracks in the ship under construction. These cracks are not detectable through X-ray, but can be found through magnetic inspection. So far, these cracks only affect the rings in the ship, not the modules. Some estimates indicate they affect only about 15 percent of the total hull structure, or about 10 percent of the ship's cost.

The Secretary of the Navy said in July that he felt the problem could be solved at a cost of about $10 million to $15 million. The Navy issued a press release that told us that the Navy feels it can solve the manufacturing problem and anticipates no major program problems. It is now September, however, and we have no convincing evidence that the problems can be solved in a cost-effective way, or what will happen if the Navy goes on, as planned, to use an even more experimental steel, like HY-130.

Mr. President, the men and women who manufacture this weapon system, and who manufactured so many others over so many years, are outstanding people, of which I know we are all proud. But the fact is that, some years ago, we had a similar problem with cracks in a Trident submarine. This problem was at first said to be minor, but it ended up costing literally hundreds of millions of taxpayers' dollars. The costs all had to be laid off on the Navy.

Now we find, according to a press release by the manufacturer, that the taxpayer must again assume the entire cost in repairing these cracks. I am not sure that is fair, and it will at best be a considerable additional expense to the taxpayers of America.

Mr. President, there are further program uncertainties because the SSN-21 is dependent on the development of a new submarine combat system. This system is called the N/BSY-2 or "BSY-2." It is intended to help detect and locate submarines more quickly, allow operators to perform multiple tasks, address targets concurrently, and reduce the time between target detection and weapons launch. It is intended to cost $280 million, or 15 percent of the cost of the first Seawolf.

However, recent studies by the IDA and GAO raise major questions about the management and effectiveness of this program, the quality of the Navy's effort, and what it will ultimately cost to build and integrate the system, make it combat effective, and take advantage of its ability to use a new generation of weapons. In fact, the Navy has never stated the full cost, including developmental weapons, of the Seawolf—although that could well be billions more over the life of the program.

As for the future, the Centurion represents a much sounder, long-term option than wasting billions on Seawolf. It is the kind of smaller and more viable weapon systems we need in the 1990's and early 2000's. It does not put all the Navy's eggs into one $2 billion to $3 billion basket, it can use modular technology and systems like flexible unmanned underwater vehicles to meet our changing mission needs.

Mr. President, I want to say again that I take no pleasure in proposing this amendment.

I understand and appreciate how important this particular weapon system is to the people, and the representatives of those people, who work in the shipyard and companies working on the SSN-21. But we are faced with a dramatically shrinking defense budget, and every one of us knows that as soon as the so-called budget summit deal expires at the end of next year, we will see further reductions in defense spending. There is no doubt that this will either kill the Seawolf program or leave us without the power projection forces we need.

The question is, will we move ahead toward the forces we need—and a smaller, more affordable, more viable submarine in the form of the Centurion? It is whether we will address the national security requirements that we face through the end of this century and into the next century?

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. INOUYE. Mr. President, I yield 6 minutes to the Senator from Virginia.

Mr. WARNER. I thank the chairman.

Mr. President, I say to my good friend and colleague, a very valued member of the Senate Armed Services Committee, that while I am opposed to his amendment, it does, I think, provide a very helpful signal to the U.S. Navy to move along more swiftly in development of the next submarine.

Within this hour, we have seen the U.S. Senate take an investment of several billions of dollars in the MX program and just lose it. We cannot now do the same thing with another major defense program. The American taxpayers will begin to say, hey, wait a minute, you make these decisions year after year and you come to us for the support, and we give the support and then within the space of an hour or so, you vote the program down and terminate it.

The President, the Secretary of Defense, the Chairman of the Joint Chiefs, the Secretary of the Navy, and the Chief of Naval Operations have all carefully considered the Seawolf program. The Senate Armed Services Committee, in subcommittee, full committee, and indeed on the floor of the U.S. Senate, consistently has supported the continuation of this program.

Some might ask why the Senator from Virginia would take a position in favor of the program when his State suffered, really, a very severe setback. The Newport News Ship Building & Dry Dock Co., is one of the two major—and I repeat only two major—submarine contractors left in the United States for new construction, we lost out in the initial phases. Whether or not we will ever be in a part of this program is a question that I cannot answer, because it is basically in the hands of the courts and the Pentagon. I am not here for that purpose.

I am here because we must have consistency and predictability in our defense procurement. We have to support the President, and on this matter, the right decision is to go forward.

The Soviet Union is continuing to turn out new construction submarines in numbers far greater than the United States. Their production has not stopped.

We cannot let the cutting edge of technology slip. Historically, in the times that we have been able, as a Nation, to reduce our defense, we have wisely kept the cutting edge of R&D, the cutting edge of technology, as the highest of priority. In the course of the development and the construction of this class of submarines, tremendous advances in technology have been made, technology which has been applied by the Navy in this submarine today. It will benefit the future, in the follow-on class of submarine. We lose much if this program is dropped abruptly. We cannot in good conscience, within the same morning, slash two major programs and let that technology, as we say in the Navy, go out to sea and be adrift.

I have enjoyed the closest and the warmest of friendships with my colleague. And indeed I do not know whether he mentioned it, but his father was one of the most distinguished officers in the annals of the U.S. Navy and, ironically, he was a submariner. The Senator was an aviator. But he speaks from the heart; he follows his own conscience as to what he believes is in the best interest of the Navy, and I respect him.

But on this subject, I say to my good friend, he is mistaken; we cannot terminate this program at this time and lose the investment the American taxpayers have made in it. Yes, reduce the eventual number we buy; yes, move more swiftly to develop the next class of submarines; but no, do not stop this program at this time and lose the enormous investment that the taxpayers have made for a submarine which this country must have; we still must move to the completion of a certain number of these submarines in order to maintain an adequate deterrent against the Soviet submarine force.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). Who yields time?

The Senator from Hawaii.

Mr. INOUYE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 5 minutes.

Mr. INOUYE. Mr. President, the position presented by my dear friend from Arizona was very carefully considered in the Subcommittee on Defense Appropriations. We also discussed this matter in the full Committee on Appropriations and, if I may, I would like to spend just a few moments advising my colleagues on how we reached our conclusions.

At the present time, there is one Seawolf in trouble because of welding, as pointed out by my colleague from Arizona. But the record should show that this problem is not the cause of the company. It was part of the specifications, naval specifications, and the shipyard carried out ever dotted line and it turned out that the specifications were not quite correct. However, I have been assured that this matter can be resolved and it will be resolved and it should be completed within 10 months.

There is another Seawolf that is presently in court, and I have been assured that this matter will be resolved no later than the first month of next year.

Because of these two problems the committee thought that it might be well to consider, in lieu of the third Seawolf, two 688's, smaller submarines but fine attack submarines. But then it was brought to our attention, first of all, the problem can be cured, and expeditiously done. Second, the court case will be resolved by January. Third, we had already, in a prior proposed measure of last year, appropriated in excess of $450 million in advance procurement for parts for this third submarine, which is now the subject of discussion here.

If the proposal submitted by Senator MCCAIN is carried out it will cost $1.8 billion, $½ billion for one 688, which is admittedly inferior to the Seawolf. It will have a termination cost of at least $300 million.

The bill that we are considering calls for $1.5 billion for the Seawolf because we have already had this advanced procurement.

Keep in mind that if the McCain amendment is adopted, in addition to the $1.8 billion, the question will arise what do we do with the parts that we procured in advance? It is already there. We have spent the money, 450 million dollars' worth.

I have been assured by the Secretary of the Navy that the Centurion, the successor submarine that will come along, which is much, much less expensive than the Seawolf, should be ready about 1997. So we have a new program ahead of us. The Secretary has assured us that he will submit to the Congress a program that will set forth the future of the submarine program, where we are headed for, and what our goals are. And it is about time, we felt, that we should have a definitive, indepth study of our submarine program, keeping in mind the events of this moment.

The SSN-21 is a superior submarine. It will be the flagship of our submarine force. It is truly that it may be an overkill when you consider the times, but from the standpoint of the budget it will not be any savings.

Second, as I have tried to indicate to my colleague, I am concerned about the uncertainty of this day and the instability. Once again may I just remind my colleagues that in January 1990 my colleagues felt that the millennium was upon us. We were ready to give the pink slip to General Schwarzkopf and the central command. We were planning a trade fair in Baghdad to sell the Iraqis ballistic missile technology, computer technology, and aerospace technology. We had provided Saddam Hussein with over $4 billion in agricultural assistance, $200 billion line of credit in the Export-Import Bank. That is how certain we felt of Suddam Hussein. My colleagues here praised him. Today we are poised and ready to go back into Baghdad. That is the uncertainty of these times.

We have just done away with the rail MX missile. The Soviets have 250-plus of them.

I would hope that this Congress will uphold the decision of the Appropriations Committee and let us proceed as planned with the third SSN-21, the Seawolf.

I would feel safer. Furthermore, it will not cost the taxpayers any more money. If we go with the plan of the Senator from Arizona, we will get a smaller submarine for about the same price.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. INOUYE. So I hope we will defeat the McCain amendment.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, I am pleased to yield 6 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 6 minutes.

Mr. DODD. Mr. President, I thank very much the distinguished manager of the legislation, the chairman of the Defense Appropriations Subcommittee.

Let me begin by also restating my respect for my distinguished colleague from Arizona and the sincerity with which he offers this amendment. I have no question or doubt about that whatsoever. In fact, much of what he said I can associate myself with. I agree, that there is a need by the mid-1990's to go to a less costly submarine program, one that I hope will be as capable if not more capable, but one that will not have the same high price tag that we have seen of the recent class of submarines. What he advocates in that particular position in fact argues for what the committee has suggested, that is the modest continuation of the Seawolf program.

I remind my colleagues that when this program was initially proposed the recommendation was that there be some 29 Seawolf submarines to replace the 688 *Los Angeles* class. That number, as a result of changes in the world, has been reduced substantially. The proposed number now of Seawolf submarines to be constructed over the life of the program is somewhere between six and nine. So we are not talking about a program that originally called for the construction of three Seawolfs every year. Now we are talking about one Seawolf program a year for the next several years as we expedite the construction or the design of the next generation.

I would point out that the Appropriations Committee has, in my view, appropriately included in its package several millions of dollars—and the chairman can tell me the exact number—that would expedite the development of the Centurion submarine, which is far less costly, as I mentioned at the outset.

Let me point out as well to my colleagues there is a suggestion almost implicit in some of these debates that nothing has happened at all in the procurement policies as a result of changes in the world.

I would remind my colleagues that, 5 years ago, at the Electric Boat Division of General Dynamics, which is a major submarine contractor in the State of Connecticut, we were awarded in the very same year the construction of five submarines.

Today, those programs are ending. We are now talking about the construction of one submarine per year, and we are competing between the only two submarine yards left in this country to move ahead with that technology. If we abandon the Seawolf program, there is nothing at all that replaces it. To go back to a 688 program, which is 25- to 30-year-old technology, would in my view be a tragic mistake in light of the tremendous advances that have been made with this technology in terms of this Nation's national security needs.

I remind my colleagues that the Seawolf technology does a number of things which its predecessors do not do. It travels substantially faster. It is much more quiet, which is an essential piece of technology in submarine development. It is a much more flexible system. It allows for great mobility, a chance to respond.

My colleague from Arizona properly pointed out that in fact submarines were involved in Desert Storm, proving the necessity—in fact the value—of having a technology that can move with stealth around the world as we regretfully have to face challenges yet unknown.

There is also an assumption that the world has changed, and certainly one would not argue that the reduction of the threat of a confrontation between the Soviet Union and the United States is true.

But I do not know of anyone who can predict with an absolute degree of certainty what kind of world we are entering, whether it is a world with less predictability. We knew the Soviet Union was our major adversary, we knew the systems that faced each other and we knew the consequences. We now may face a world where we watch someone like Saddam Hussein, who is willing to allow his own people to be punished unmercifully for his own petty, small, short-term interests, a world of Qadhafis and other such terrorists and terrorist organizations, and groups and nations that have agendas vastly different.

What happens if the Soviet Republics divide and split up? What happens with the ethnic conflicts that go on? I do not know if anyone can tell you what this world is going to look like with absolute certainty. There are those who are saying the world has changed forever; that we can finally disarm ourselves unilaterally and not have to worry at all about the fates we face. I hope they are correct. Nothing would make this Senator more happy than to know that was the case. I guess I do not think anyone can tell you that.

It seems to me, until we are at a moment where we have a better sense of what this world is like, we do not abandon the technology. And that is what we would be doing here, with all due respect to the alternatives being offered, is abandoning a technology that keeps us on the cutting edge.

Mr. President, the Soviet Union is coming undone in many ways. We have seen tremendous changes occurring there. Certainly, I think those are going to continue, although no one can say with absolute certainty what is apt to emerge.

One thing that has not stopped, ironically, in the middle of all of this, is their defense procurement policy. Today, we see in the last year, 10 new submarines launched by the Soviet Union and nine under construction. They have not lost a day's work in these years as they go forward with that technology. I hope that stops in the next year or two.

Certainly, this Senator is not going to be terribly generous when it comes to American taxpayers' money if the Soviet Union continues to spend a significant percentage of its budget on defense procurement. I make that point as strongly as I can. But in the meantime, it does go forward. Now there is a good possibility it may stop.

But is there any Member of this body, on either side of the aisle, who can stand up here this morning and say with absolute certainty that is going to occur, with conviction? I do not believe anyone can.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DODD. I ask for 1 additional minute.

Mr. INOUYE. Mr. President, I yield 1 additional minute.

Mr. DODD. Mr. President, so what I am suggesting here to my colleagues is that we have reduced substantially; we no longer build Tridents. That was going to be 24 ships. We stopped at 18. That was a difficult decision for us to explain to our constituents, but I think the decision was correct. We did not need 24.

We had a program, as I said a moment ago, of 29 Seawolfs. We are down to six or nine. That is a difficult decision to tell our 10,000 people in that industry who are losing their jobs. But I think it makes sense, frankly, that we do not need that kind of a number; that we can now move forward and look at the next generation of technology.

So we are not beginning at a base of zero, in a sense here, considering the first changes. But to abandon this technology—last evening, Mr. President, I supported the B-2 program, that I am aware of. But I happen to believe that kind of stealth technology makes sense; whether it is the B-2 or not, we need stealth technology.

I am hopeful we will be able to abandon that program for a less costly program down the road. But I do not believe we can make that decision in this environment and abandon technology which, in fact, made us the success which we were in the Persian Gulf and elsewhere until we have a clearer picture of where we are.

So, Mr. President, with all due respect to my friend from Arizona for the intention and sincerity behind his amendment, I would urge my colleagues to reject this amendment and to support the conclusions reached by the Appropriations Committee on this technology, this scaled-down technology, these scaled-down numbers and a reduced cost, and go forward with this program.

This amendment is nothing less than a hand grenade lobbed right into the heart of our submarine industrial base.

Speaking of submarines some may well think I have a parochial interest in this matter. If so, let me deal with that first.

As recently as 5 years ago our submarine shipyard in Connecticut received contracts for five submarines in 1 single year, one Trident and four attack submarines. Today, we are entering a period when at most one submarine per year will be awarded to our shipyard and that is the most optimistic scenario.

Last year we capped the Trident program at 18 ships even though the Navy's plan for many years had been to build between 20 and 24 Tridents. Nobody in this Chamber ever heard me complain about that, or try to do anything to overturn that decision. I fight for my constituents any day, but I also know when national considerations have to take priority.

The Seawolf program has been scaled back repeatedly in a series of decisions that were just as painful for my constituents as the stopping of the Trident program. Still, I acknowledged them as the inevitable results of the new strategic situation and did nothing to try to overturn those decisions either.

Even with the most optimistic scenario, we are going to lose a minimum of 10,000 jobs in the submarine business in Connecticut and more in other States.

Now, however, the Senator from Arizona seeks an action that goes far beyond a local economic dislocation. The potential effect of his amendment is nothing less than the destruction of our whole submarine industrial base.

Mr. President, at this moment three classes of submarines are being built in our shipyards, the Trident, the *Los Angeles* class, and the Seawolf. In a few years, the Seawolf will be the only one we build. It will have to carry and preserve our whole knowledge and experience on submarine technology and provide the livelihood of that core group of people whose retention as a working entity is crucial for preserving our ability to build advanced submarines.

Now, my colleague from Arizona may not be very familiar with the submarine business, so let me relate a few facts about it.

Submarine builders do only one thing, they build submarines. Moreover, they do it for only one client, the United States. If we terminate the B-2, and maybe other military aircraft, the F-16 and the F-15, for instance, we will still retain an aircraft industry. It may not be as good as we have now, but our capability to build any kind of aircraft will be preserved.

If we terminate the MX and the Midgetman missiles, we will still retain a capable missile industry.

The future of our whole submarine industry, on the other hand, depends on one product, the Seawolf.

Do not be misled by the Senator's generosity to provide new 688 submarines. It is like maintaining the auto industry's competitive edge with the Japanese by returning temporarily to the production of T-models.

The 688 is 30-year-old technology. Although it had been upgraded since that time, in recent years such efforts hit a stone wall as there was simply no physical space in that hull to accommodate improvements necessary to counter significantly greater capabilities by our main adversary.

Moreover, to return to SSN-688 production would be irresponsibly wasteful in terms of alternative. The front end of that line has already closed down. Parts are not being made, vendors turned to other business. It would almost be like a new startup. The first unit off the restarted 688 line would cost around $1.7 billion, a mere 15-percent less than the Seawolf, delivering a fraction of the Seawolf's punch.

Let me just give you a few facts about the Seawolf in comparison with the 688:

Quieting: The Seawolf has 10 times quieter radiated noise, and this is by far the largest improvement in platform quieting ever. Just one comparison: the 688 class was merely twice as quiet than the previous 637 class.

Propulsion: The Seawolf has a radically new reactor design. It provides 29 percent more horsepower at one third less rpm with only 10-percent weight increase.

Combat systems: The Seawolf has 3 times the detection capability of the 688. This factor, coupled with the quieting, doubles the tactical speed at which the ship can prosecute targets.

Weapons systems: The Seawolf has eight large diameter torpedo tubes, as opposed to four small diameter ones, providing much increased firepower.

Maintenance: The Seawolf requires half the maintenance time of the 688 and 30-percent less costs over the life of the ship.

These are but five facts, Mr. President, which in terms of submarine technology mean at least a generation and a half of advancement. Anyone who thinks that we can afford to divest ourselves of these advancements and can sail by on 30-year-old technology, is just wrong.

As for the diminishing Soviet threat, I am really surprised that we have to repeat endlessly in this Chamber one of the basic truths of our modernization strategy, which is that we arm ourselves against the capabilities of our potential adversaries, not against their presumed or declared intentions, or against their political declarations.

I am just as astonished about the collapse of communism as anybody, but those Soviet submarines are still out there, every one of them. The Soviet submarine shipyards are still working turning out 9 or 10 submarines per year to our 2 or 3. Until this changes, I do not see why we should disarm ourselves unilaterally.

Now, my colleague is right that eventually we will have to go to a smaller, less expensive submarine and that will cover our security needs. However, such a submarine is not even on the drawing boards yet. What we are doing in this bill about a future follow-on submarine is to provide $50 million for concept studies, designs, technology development, and cost and operational effectiveness analyses for a new design nuclear attack submarine. The report language aims at full lead boat funding in 1998.

Let me ask my colleague, what will happen until then? If we kill the Seawolf, what will carry on the knowledge, the skills, the technology to the next generation of submarines? The concept study? Or a submarine which is already almost obsolete? What will those shipyards and those skilled workers do? Does the Senator from Arizona really believe that all this industrial capability can just be canned and kept in cold storage?

What we are talking about here is our whole submarine industrial capability. A good case can be made against any system we buy in this bill. But if the Senator wants to terminate the Seawolf, he better make his case in terms of the closing down of our whole submarine industry.

There are two problems with the Seawolf Program at present that need to be addressed. This summer, cracks were discovered in the welds of the first ship, the SSN-21. These were the result of the use of a new welding iron that the Navy ordered. The contractor reported the problem without delay, the method to repair the welds is well known and repairs are underway. Unfortunately, this will delay the lead ship by several months, maybe a year. I remind my colleagues, however, that an extra year was built into the schedule precisely for these unforeseen problems that always accompany the construction of a lead system. In sum, the contractor reported the problem, has nothing to do with its cause, knows how to fix it, and is fixing it.

There is also a lawsuit, in my view a very misguided one, pending against the Navy and the contractor with respect to the awarding of the second ship of the class, the SSN-22. Contrary to some misinformation, that lawsuit has not caused any delay. Based on the court's order, the contractor can do paperwork, buy long lead items, the vendors can manufacture those items, and we fully expect the second ship to remain on schedule.

The Seawolf is a wise and prudent investment. For many years we will continue to see serious potential submarine threats on the high seas and we must remain capable of meeting those threats. I can assure my colleagues that the submarine industry is being hit very hard by the cutbacks I mentioned at the beginning of my statement. The question is simply whether the time has come when we can let this crucial technology and this crucial industrial base just wither away.

The Seawolf is just that: The embodiment of everything we know about submarines. Now, how can we preserve all that, by continuing the program, or by closing the shipyards, let the engineers and workers scatter, and then try to put the whole thing together again in 5 or 10 years? I am sure that, upon reflection, my colleagues will realize that we continue to need a submarine capability. I urge them to vote against this amendment.

I ask unanimous consent that an article entitled "Cutting Seawolf Program Wasteful, Unwise," dated September 24, 1991, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CUTTING SEAWOLF PROGRAM WASTEFUL, UNWISE

(By Vice Adm. Roger F. Bacon)

I first met James J. Kilpatrick when he visited our aircraft carrier USS John F. Kennedy during Mediterranean exercises in 1987. He was enthusiastic about seeing our 18- and 19-year-old sailors engaged in complex and dangerous flight-deck operations at night. The thousands of all-American bluejackets he saw that day inspired him to write a stirring column.

His genuine friendship and rapport with sailors aboard USS John F. Kennedy, and his strong support of our Navy, have made me one of Jack Kilpatrick's admirers. I respect his views, but his recent column on the Seawolf submarine deserves a response. He would expect that of me.

As the naval officer with more years of recent operational command of submarines than anyone else on active duty, let me explain the operational art of submarine warfare. It is a one-on-one event, involving technology and people—the same 18- and 19-year-old sailors which inspired Jack Kilpatrick in 1987. But, most of all, undersea warfare is stealth—the ability to operate a submarine for months in ocean depths—without detection. With true stealth, you will win. Without it, you lose.

Submarine crews are continually trained in the first principle of the art of submarine warfare. Submarines must maintain stealth and surprise until ready to yield it. Submarine commanding officers and crews must keep the initiative to shoot first, undetected, and make each shot count.

Our capability to win in undersea warfare is a product of our people and technology. But the margin of superiority has been drastically reduced by major improvements in the stealth of potential adversaries. In fact, our remaining edge is more the performance of our people than the state of our technology.

"Kill the Seawolf": It seems simple enough to Jack Kilpatrick, calling for an end to a decade of research and development of the next generation of U.S. attack submarines. But does he realize, if we take his advice, the United States will surrender leadership in submarine warfare, for little, if any, real savings? Indeed, we will threaten ourselves with becoming a second-rate submarine force, incapable of building modern submarines.

Mr. Kilpatrick's argument is rooted in weeks-old Soviet developments which, he says, have made the threat non-existent. But we have yet to observe any changes in Soviet submarine operations. As he seems convinced we will never again be threatened undersea, he must be clairvoyant.

If we kill Seawolf, what kind of submarine force will we have? Today, our mainstay Los Angeles class is the best in the world, despite its 25-year-old design. This is because we have stretched its capabilities since it first went to sea in 1976.

Why not scrap Seawolf and restart the Los Angeles class? Having stretched the class to the limit, there is no room for further technological growth. It is as good as it will ever be—we can't count on it being "good enough" a decade from now.

What would we really save? The last Los Angeles-class sub was ordered two years ago. If we ordered one in Fiscal Year 1992, it would cost only 15 percent less than the budgeted Seawolf—while providing one-third less war-fighting capability. And we'd still be contractually obligated to pay for the first Seawolf, plus cancellation penalties. There are no savings; canceling Seawolf would cost more.

The Navy and the submarine force have already been affected by changes in the communist world. A year ago, when change seemed inevitable and our country needed a more affordable defense, Seawolf submarine procurement was cut from three to one per year. In 2004, the Los Angeles class will begin leaving service at the rate at which they were built—three per year. So, with Seawolf, we will have a net loss of two submarines from the force each year.

A submarine study project named "Centurion," is already addressing that eventuality. But submarine development takes 10–13 years. Today, the "Centurion" project is where Seawolf was over a decade ago. By the next century, "Centurion" can produce an advanced submarine in numbers to maintain our submarine force. However, if, in the meantime, we have lost our technological and industrial capability to build submarines—the Los Angeles may be our last submarine class. This is the real cost of canceling Seawolf.

American submarine-builders, a very specialized breed, are employed by only two shipyards. If there is a hiatus in construction of high technology submarines, they will have to find work in other industries, and there will be no incentive for a new generation to learn the skills. If we stop building Seawolf, we risk losing our submarine industrial base. This would also remove competition as a factor in the price of submarines—and then we will certainly know real "sticker-shock."

To be comfortable with Mr. Kilpatrick's vision of the future, I would like to be sure the Soviets will stop modernizing their formidable submarine force. In 1990, they launched 10 submarines and continue quiet submarine production. I would like proliferation of advanced submarine technology and the construction of capable diesel-electric submarines in the Third-World to stop.

Today, 39 non-U.S./Soviet countries operate about 400 diesel-electric submarines worldwide, and significant advances in quieting, endurance and combat-system capability are expected in the future. I would want a guarantee no future power will seek to control access to the sea lanes which are essential to the economic and political survival of the United States, our allies and friends. And finally, Americans would have to be confident that their defense is secure—without a high-quality submarine force.

The construction of Seawolf is in the last stage of a decade of development and investment in a submarine which will enable the United States to maintain a clear technological edge well into the next century. If we scrap it now, we will risk our national security against the hope that the geopolitical currents remain flowing in the direction they seem headed today. If they ebb, as well as flow, we will hedge our bets with the hope today's undersea technology is "good enough" in the 21st century.

Much has changed in the world since Jack Kilpatrick sailed with us in the Mediterranean. But Soviet submarines are still there, and they are a generation better. Certainly, Jack Kilpatrick understands my goal of providing our submarine sailors with the winning advantage. Anything less is wrong. Desert Storm taught us we should provide the best technology to America's sons and daughters who will go in harm's way to defend the vital interests of the United States. Seawolf is that technology, and it is needed now.

Mr. DODD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, I am pleased to yield 6 minutes to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I might say that the sponsor of this amendment is clearly one of the most respected Senators here in the Senate. He is the possessor of a magnificent Naval record, and is a man who knows what he is talking about. He has given long service, not only to the country in the Navy, but also, of course, in the Senate on the Armed Services Committee. So when anybody gets up to oppose him, we do so with some trepidation.

However, I must say I think in this instance he is clearly wrong, and I just am not able to follow his thinking. Because this amendment cancels the Seawolf and transfers the money to provide for the construction of a 688 class submarine, which is 20-year-old technology.

Now, there are all kinds of problems with doing that, because we have not provided for 688's in the budget for 1989, 1991, or 1992 except for this change that the Senator is making. So essentially, the line has been closed out.

That does not mean that every 688 that has been ordered has been delivered, but they have moved through the production line. In my State, we do the early part of the construction of these submarines before they are shipped down by barge to Groton, CT. So we have finished most of the early part of the construction, in connection with the 688 class, and are now working on the Seawolf.

So to go backward from a technology point of view makes no sense. The Senator from Arizona proposes to suddenly change from the most modern, fastest, quietest, submarine that the world has ever built or seen to a 20-year-old design, and I find it very difficult to follow the reasoning.

But more important than that, you might say, well, probably there is a financial reason; but there is not. It should be noted that we have already invested nearly $500 million in the lead items for the Seawolf, and this would have to be discarded. The provisions that he has made in this bill for the purchase of a 688 class submarine, then, end up just as expensive as if we went ahead with the Seawolf.

Now, there is a suggestion we ought to go get on with the newer design, the Centurion class submarine. Again, I have great difficulty following that rationale. Yes, we want to get on with the latest design, the Centurion. But that is just a concept. There are no plans drawn up for that. And those who are familiar with this, namely in the Navy, have said that at the earliest, we can start production of a Centurion in the last part of this century, 1997 and 1998.

I think it is very popular now to dismiss threats from abroad. But it is important—and I would reiterate the point that my distinguished colleague from Connecticut made—for reasons we cannot entirely fathom, the Soviets are continuing to build submarines at the rate of about nine a year.

Now, that is way beyond anything we are producing in this country. We are really recognizing now that we are going to produce one attack submarine a year, one attack submarine.

Assuming that at best a submarine will last 25 years in service in the Navy, that means we will have a maximum of 25 attack submarines in our Navy once this program gets going.

Yes, the world has changed and we are glad of that. But who knows what is going to come out of these disparate Soviet republics? By the way, just because a country is named a republic does not mean it is a democracy. What is going to become of those various entities that are fleeing off from the central unit? We hardly know.

The point has been made that we need sealift, that is, we need greater capacity to carry troops, ammunition, supplies. That is something we lacked in the Persian Gulf effort. But already it has been pointed out to me that there are some $1.3 billion appropriated from previous years that has not been spent on sealift. Furthermore, in the 1992 appropriations bill, there is an additional—mind you, there is $1.3 billion out there not spent and an additional $2 billion for sealift. It is my understanding from the Navy that they have not yet even come forward with a plan for enhancing our sealift capacity. They have not decided exactly where they want to go.

I support the $2 billion for the sealift. I think it is right. But when you take $2 billion plus the $1.3 billion unspent, that is $3.3 billion, which is a lot of money to be spent on sealift, and I think it is proper.

Therefore, for these various reasons I am strongly opposed to the amendment by the Senator from Arizona. First, he reverts back to a 20-year-old technology. Second, the cost savings are zero. He achieves no cost savings. Third, he presses forward with work on a new submarine design, and rightfully so, but, at the earliest, it can be produced in the latter part of this century.

Mr. President, I strongly urge my colleagues to join us in the defeat of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. I yield 6 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 6 minutes.

Mr. LIEBERMAN. Mr. President, I rise to oppose the McCain amendment. Am I influenced by the fact that some of these boats may well be built in Connecticut? We hope they all will. Of course, I am. We are proud of the extraordinary skill with which the workers at Electric Boat have constructed the nuclear submarine fleet for the United States of America. This is one of the reasons we won the cold war. Is this important to our economy? Will it hurt Connecticut if the Seawolf is not built? Of course, it will. And we worry about those jobs, particularly at a time when our economy is suffering already from other causes.

But I believe strongly that what is good for the workers in Connecticut and the economy of Connecticut is even better for the security of the United States.

One thing no one disagrees with, not the Senator from Arizona or anyone else I have heard from today, is that the Seawolf will be the best submarine in the world. The question is, Do we need it? But there is no doubt about its extraordinary capabilities. It is going to be faster and stealthier, if I can use that word, than any current submarine. It will have twice the tactical speed of the I-688. Its sensors will have three times the detection capability. And its propulsion system will be 10 times more quiet, which is an extraordinary advancement over previous submarines. It is a boat that will have a remarkable range of capabilities, project American power into conflicts around the world without being detected and without risk to American personnel.

So I do not think anyone can argue about the superiority of the Seawolf. The question is, do we need it in a changed world?

My colleagues who have spoken before me have spoken about the changes in the Soviet Union. I cannot add to that except to say that the Soviets are turning out this year 9 or 10 new subs while we are building only 1. Those numbers speak for themselves.

But regardless of the Soviet threat, for a moment, let us just acknowledge the fact that a critical element of our national military strategy has always been and must continue to be the maintenance of maritime superiority. After all, we are in island nation. We depend heavily on dominance of the oceans for, not only military security, but for the health and well-being and existence of the extraordinary amount of seaborne commerce on which our Nation depends.

We are entering a new period in world history. Some call it a new world order. It is clear that Third World conflicts will play an ever larger role, as we saw in the Persian Gulf, in the maintenance of our security.

Let me just talk about the submarine capacity of other countries, particularly in the Third World. Forty-one other countries besides the Soviet Union are operating over 350 submarines today. And they are all capable of interdicting American commerce or military efforts.

Moreover, it is our superiority under the water's surface that allows us, and will continue to allow us, to protect naval operations, such as the Persian Gulf. Eighty-five percent of the equipment we used during Desert Shield was moved by sea. One enemy submarine under water would have required a diversion of significant naval forces, and would have hampered our buildup.

Some talk about the Seawolf as if it is only being built to counter the Soviet threat. We can argue about what the Soviet threat is and what it will be tomorrow. But let me just say clearly the Navy has built multimission capabilities into this ship which can effectively be used in regional crises. Besides being able to sink enemy submarines and ships, Seawolf will be capable of covert intelligence collection, mine warfare, inserting and recovering special forces, and launching cruise missile attacks, as it did in the Persian Gulf and Desert Storm, all while remaining completely undetected.

The cost of the Seawolf has also been criticized. But the cost is largely a function of how many ships are moving down the assembly line. Higher volume production cuts unit cost; low volume production raises it. Seawolf is a program that already has been radically cut back by the Navy, from 29 subs to perhaps 9. But we will have the same cost problem if we went back to producing I-688's, a design that is 25 years old. It is not even certain that going back to the I-688 would save money.

At a procurement rate of one boat per year, with very limited economies of scale, the I-688, which was last ordered in 1989, is no longer an $800 or $900 million submarine; the Navy says the next I-688 will cost $1.7 billion, if not more. We would have to halt Seawolf production, thereby ruining the vendor base that is now participating in this program and reopen the 688 line. The capacity to machine complicated submarine parts would have to be reestablished among suppliers, many of whom have already gone out of business. Workers would have to be retrained. Termination costs would have to be covered. After all this is taken into consideration, the I-688's cost would probably approximate the Seawolf's. We would get a lot less submarine at about the same price.

Senator McCAIN has mentioned the Seawolf's welding problems. This is a legitimate matter of concern. The new high-strength steel used in Seawolf turned out to require more advanced welding specifications than the Navy anticipated. But the Navy has assured the Appropriations Committee and me that revised procedures have been developed and that Electric Boat is again making crack-free welds. A 2-year gap was inserted between the first Seawolf and the second so that issues like the welding problem could be redressed. The welding problems, therefore, will not delay the program.

Some have argued that we should cancel the Seawolf and build a new, smaller submarine, the Centurion. But the Centurion is only in the early conceptual phases of design. It could not enter production until the end of this decade. If we delay any new submarine production until then, we will not have a modern submarine technology base to build any new submarine, including the Centurion.

In closing, Mr. President, I believe that we need the Seawolf because the United States is a maritime nation and a robust submarine force, as embodied by the Seawolf, is part of a maritime strategy. In a post-cold war world, we can—and should—debate procurement rates of new weapons, but we really should not be debating about whether to build the best weapons. If we are going to build new submarines—and few dispute the need to retain a submarine-building capacity—we should build the best.

The Seawolf is the best because it represents a breakthrough in high technology. If the gulf war has taught us anything, it is that our comparative military advantage lies in hi-tech. Ask the men and women who risked their lives in the gulf. They know that technology counts. The alternatives to Seawolf—a return to a submarine class with a 25-year-old design that will cost about the same, or ceasing our ability to produce submarines altogether—are not acceptable. And so, Mr. President, I urge support for the committee's position on the Seawolf because I believe that America needs a strong defense and that America, therefore, needs the Seawolf.

Mr. President, I ask unanimous consent that a letter from the Secretary of Navy endorsing the Seawolf be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE NAVY,
Washington, DC, September 25, 1991.

Hon. JOSEPH I. LIEBERMAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LIEBERMAN: I would like to take this opportunity to reiterate my firm support for the SEAWOLF submarine program. SEAWOLF is absolutely vital to maintain our nation's technological superiority in undersea warfare. SEAWOLF's technology is twenty years newer than the submarines we have at sea today, and will guarantee our ability to effectively respond to any crisis in the future. Although some have questioned the need for this submarine in light of recent developments in the Soviet Union, proceeding with SEAWOLF at this time is the best choice to be prepared for any uncertainty.

Sincerely,

H. LAWRENCE GARRETT III.

Mr. INOUYE. I yield the remainder of my time to the Senator from Rhode Island.

Mr. PELL. Mr. President, I understand I have 1 minute left. There are really two arguments why this amendment should not be agreed to.

The first is that technology is being developed here that is superior to any other around the world in the development of submarines. Development of this technology would be hampered if this amendment is agreed to.

The second and even more important reason, in my mind, is that I have always supported the submarine fleet not just because the submarines are built in Connecticut and Rhode Island, but, more important, they have the least destabilizing effect of any of the strategic weapons systems. Submarines are less likely to be involved in an accidental launch, less likely to initiate an exchange. I think that is the truly important national interest reason why it is important that this submarine technology be continued.

In supporting the Seawolf, I acknowledge that recent historic changes in the world balance of power have placed us in a paradoxical situation. We embrace the prospect of a world no longer polarized between East and West, but we still feel the need to provide for national security in an unpredictable future.

Within the last few hours many of us have voted in support of proposals to terminate the B-2 program, curtail the SDI program and cancel the rail deployment of the MX missile.

I would be the first to acknowledge that many of the arguments that were used against these programs could certainly be marshaled against the Seawolf program. The threat which this submarine was designed to combat no longer exists in the form it assumed when the program began.

But having said that, I think we must recognize that when we come to the Seawolf program other factors must be taken into consideration.

The fact is that submarines are enormously complicated mechanism which require long lead time to plan and longer times to produce. As a result the creation of a new fleet incorporating new technology is a ponderous process.

Specifically, our current fleet of attack submarines, the SS-688, will begin leaving service in 2004 at the rate they were built, three per year. Even with the Seawolf as presently planned, we will have a net loss of two submariners from the force each year. If we have no Seawolf, we will be vulnerable to a greater degree than may be acceptable.

There is one further factor, and that is the industrial base. I would be the last to argue that this factor alone should dictate our defense requirements, but here again the particular nature of the submarine industry invites special consideration.

The fact is that there are only two companies which build these vessels and if we lose their capability, it cannot be duplicated. One of them, the Electric Boat Co., employs many of my constituents, and I know at first hand what a loss it would be to the Nation, as well as to our State's economy, if this highly skilled work force were allowed to wither away.

Finally, Mr. President, I would only asset that the recent problems which have afflicted the Seawolf—legal challenges and technical production problems—have been somewhat overstated and will not impact the production of the third Seawolf.

The Seawolf should be sustained and I urge my colleagues to oppose the amendment.

I understand my time has expired. I thank the Chair.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired as has the time under the control of the Senator from Hawaii.

The Senator from Arizona controls 20 minutes, 58 seconds.

Mr. MCCAIN. Mr. President, I yield myself 1 minute. Before I sum up, and the Senator from Mississippi speaks, I want to reiterate my respect for the arguments made by the distinguished chairman, Senator INOUYE, Senator LIEBERMAN, and Senator DODD, as well as my former boss, Senator CHAFEE, who I was very privileged to serve under. They have made strong arguments. I will try to respond to some of them, but I want to make it clear that I appreciate the eloquent and knowledgeable information that they brought to this debate.

Mr. President, I yield 5 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 5 minutes.

Mr. LOTT. I thank the distinguished Senator from Arizona for yielding me this time. Mr. President, to blow and swallow at the same moment is not easy, according to Plautus in the year 200 B.C. Here is my point: Here on the floor we at one moment are saying, let us cut defense spending, and right at the same time saying, but not here. It is hard to blow that air out and at the same time swallow.

I have never in my 19 years in the Congress, House and Senate, risen to speak against a single weapon system, but I cannot restrain myself today. It is very difficult because over the years I have worked very closely with the Navy. I have the greatest respect for the Senators who are speaking in behalf of this submarine. But the Seawolf is a classic cold war weapon. It is overdesigned for a post-cold war defense posture. We do need additional submarines, but we do not need this submarine—especially when it jeopardizes the meager shipbuilding program which we have left now. This one ship would take approximately 25 percent of our total ship construction funds. It is not wise to put all our eggs in this one basket.

This bill places too much emphasis on the Seawolf to the detriment of a lot of other Navy programs.

I commend the Senator from Arizona for what he has done. He is a Navy man. It is not easy for him. I have discussed this with the Chief of Naval Operations. It is not very pleasant standing toe to toe with a submariner who knows his business arguing with him over a submarine. But the cost of this Seawolf has just gotten totally out of control. I wish we could build three or four of them, but we cannot afford that. Now we are faced with building one. But because we are building only one, the cost is approaching $2.5 billion a copy. We just cannot afford that.

I think this amendment approaches it properly. It cancels the Seawolf and allows the Department of Defense to transfer the funds to four possible places: to pay for termination costs for the Seawolf; construction of a new 688 submarine which would give us that submarine while we get ready for the next generation; it would allow for it to go to research and development for an advanced follow-on submarine; or improvement of sealift and amphibious capability.

We found out in the recent conflict in the Persian Gulf that we badly need increased sealift capability. We talk about force projection and the ability to get our military equipment and men to be where they need to be. We need sealift and amphibious capability. When we are spending $2.5 billion on one submarine, there is not enough to go around. This amendment does, I think, the right thing.

I urge my colleagues to think about the facts. This boat is too big. They have added an additional deck to put additional weapons on it. I am not sure how much I can say on the floor, but we know it has been enlarged to put more weapons on it. For what? Do we have that many more targets?

We heard the speeches yesterday on the B-2. According to some, we do not need it any more. At least it has a conventional capability. How can we argue that on this submarine, though? The boat is designed to be more stealthy at much higher speeds, and yet I am skeptical about how successful it will be. It is pretty hard to be stealthy when you are going fast and you are firing multiple weapons. You fire one and you are not stealthy any longer.

There have been problems with it, welding problems. I am satisfied, after talking with the Chief of Naval Operations, that most of those can be taken care of. And maybe, like a lot of this sort of thing that gets in the press, it is being overblown. But there is no doubt there have been problems with it.

The main thing though is it just eats up too much of our budget. I remind my colleagues we had a lot of discussion about this in the Senate Armed Services Committee. We had a vote to knock it out at the Armed Services Committee level. We did not do it. I did not press the point, and I am hesitant to do it here, but there is a lot of doubt about this program.

I also remind my colleagues, if you did not know it, maybe it has already been discussed this morning, the Defense Appropriations Subcommittee, as I understand it, was prepared to cancel it 1 day last week, and because of convincing arguments, I am sure, the next day came back and said, oh, well, OK, we will put it back in.

This is one weapon system we cannot afford, we can do without, and I urge that the Senate vote for the McCain amendment. Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. McCAIN. Mr. President, I yield myself such time as I may consume.

Mr. President, there are many commentators and columnists who give us their views and opinions on the issues of the day. One I have grown to admire and respect enormously over the years is Mr. James J. Kilpatrick. Mr. Kilpatrick, wrote a column on September 18, which I ask unanimous consent to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS SHOULD SINK NAVY'S $2 BILLION BABY

(By James J. Kilpatrick)

WASHINGTON.—Just before Congress began its August vacation, Sen. John McCain of Arizona brought a notable amendment to the floor. He proposed to kill the Navy's $2 billion baby, the submarine Seawolf. It was one of the two best ideas put before Congress this year.

The other superlative idea was to kill the Space Station Freedom, the $30 billion baby of the space program. Regrettably, the space station survived. Regrettably, under pressures of the rush to recess, Sen. McCain withdrew his amendment. Nevertheless he was right on target.

A good deal has happened since Sen. McCain made his aborted effort on Aug. 2. A group of hard-line Communist conspirators attempted to overthrow Mikhail Gorbachev. The coupe failed. Responding in outrage, the Soviet parliament voted in effect to dissolve itself. The Soviet empire lies in autonomous pieces. The power of the Communist Party has been smashed. Leningrad will be known again as St. Petersburg. Otherwise it was a quite vacation.

Meanwhile, here at home, the Electric Boat Division of General Dynamics, builders of Seawolf, has had to begin dismantling the partly assembled hull. Hundreds of cracked welds will have to be replaced at a cost running into tens of millions of dollars. The taxpayers will have to pay for the company's mistake.

Sen. McCain has the right idea. Instead of throwing good money after bad, let us stop now. At a certain stage in the funding of any major federal project, a point of no return is reached. The project gains an unstoppable momentum, but Seawolf is not yet at that point.

The Arizona senator cannot be brushed aside as a know-nothing peacenik. He is a graduate of the Naval Academy, a distinguished and courageous officer, the holder of every medal short of the Medal of Honor. As a combat pilot, captured in Vietnam, he spent six years in a Communist prison. If any member of the Senate has good reason to advocate a strong national defense, it is John McCain, last of the Cold Warriors.

Why does he want to sink Seawolf? In his view the supersub is not needed, and the mind-boggling expenditure is not necessary. "We do not need to spend 25 percent of the Navy's shipbuilding budget on a ship that is designed for threats to this nation's vital security interests that no longer exist."

It would be far better, in Sen. McCain's view, to invest the Navy's available funds in airlift and sealift improvements. Our amphibious forces verge on obsolescence. We especially need improvement in countermeasures against mines. For the foreseeable future, Sen. McCain sees no threat from a dismembered Soviet Union. Threats will come from other directions entirely.

"The Seawolf-class submarine does not reflect these realities or the lessons of the gulf war. It is a class of submarine which is designed to counter a very sophisticated Soviet submarine and naval threat, which none of our potential adversaries in the developing world possess."

In testimony before the Senate Armed Services Committee on June 7, spokesmen for the Navy attempted to make a plausible case for saving Seawolf. It was a lame effort. Rear Adm. Raymond G. Jones, deputy chief of naval operations for undersea warfare, described his baby as "the key, the blue chip," to maintain undersea superiority. Seawolf can dive deeper, lie quieter and carry more armament than any submarine every built.

The role of submarines is growing, Adm. Jones said, and not diminishing. Thirteen submarines participated in Desert Storm, and several of them fired Tomahawk missiles. They also conducted surveillance operations and provided "valuable, real-time tactical intelligence while supporting the U.N. embargo against Iraq."

Vice Adm. James D. Williams, deputy chief of naval operations for naval warfare, told the Senate committee that many countries are striving to acquire a submarine force. He mentioned China, North Korea and India. These provide "a significant threat." While the U.S. submarine program barely coasts along, the Soviet Union is launching nine or 10 excellent submarines a year. It is imperative, said Adm. Williams, that the United States keep ahead of the Soviets in both strategic and attack capability.

Not surprisingly, Connecticut's Sen. Joe Lieberman supports Seawolf; his Groton constituents at Electric Boat are building it. John Chafee of Rhode Island also defends the project, but other senators have expressed strong misgivings.

Since the heyday of Adm. Hyman Rickover, the submarine service has functioned as the most powerful, privileged and promoted branch of the Navy. This overblown role never has been justified. Congress could begin to restore a better balance by killing Seawolf, a submarine whose time has passed before it began.

Mr. McCAIN. Mr. President, I will not read the entire column, but I would like to read the last paragraph. It says:

Since the heyday of Admiral Hyman Rickover, the submarine service has functioned as the most powerful, privileged and promoted branch of the Navy. This overblown role has never been justified. Congress could begin to restore a better balance by killing the Seawolf, a submarine whose time has passed before it began.

Mr. President, let me now sum up by responding to several of the points that were made by my colleagues in the debate.

The first, as my colleague from Mississippi just mentioned, is that the lesson of the gulf war is that we need power projection forces, not submarines. We are facing block obsolescence of our amphibious capability. We needed every bit of that amphibious capability during the Persian Gulf war. And the primary reasons why that capability was sufficient was because there were some 32 airfields in Saudi Arabia and the gulf which could take a lot of this equipment by air, and because we had 6 months of free access to major ports.

A cursory glance at the globe, Mr. President, convinces us that there is literally no other place in the developing world that has the capability to absorb massive airlift and conventional sealift in the way that we were able to transport men and equipment during the Persian Gulf conflict. In the future, we will inevitably be even much more reliant on amphibious forces.

Yet, we face block obsolescence and a steadily dropping number of amphibious forces. We are ignoring the threats to the U.S. national security interests throughout the world that are really important, although our ability to combat them will directly rely on our ability to project power, and we cannot project power to most parts of the world without enhanced amphibious capability.

As for the sea-launched cruise missile, the SSN–688 has superior or equal cruise missile launch capability, relative to the Seawolf. If we are basing our argument for the Seawolf on the ability to launch cruise missiles, I suggest that the 688 can do an equal or better job.

I recognize the Soviet submarine threat, but most existing Soviet submarines are far less capable than the SSN–688. I think it is also important to recognize that in the last 4 to 5 years, the operating tempo of the Soviet fleet in general, and their submarines in particular, has dwindled to very low levels. As we see their GNP continue to fall, and significant and dramatic reductions in their defense budget, this threat is likely to diminish even more dramatically.

Mr. President, let us also go back to the mission of the Seawolf, and why this particular weapons system was placed into production, proposed by the Pentagon, approved by the Senate, and funded to the tune of at least two ships.

At that time, Mr. President, the primary threat to our national security was the threat of a war in Europe. We had to have the capability to protect massive movements of men and equipment, and the sealanes across the Atlantic between here and Europe.

Mr. President, the Warsaw Pact is now dead! Is there anyone in this body who believes that any time soon we are going to have a war in Europe which requires the massive transport of men and equipment across the Atlantic? Is there anyone who is unaware we are rapidly cutting such forces out of our force structure? I do not think so.

I do think my colleagues from Connecticut, as well as my colleagues from Rhode Island, make valid points. We cannot just say the cold war is over, and that there are no further threats to the United States national security. In fact, new threats are emerging threats. But, we must fund the forces necessary to meet these threats, not the remote threat of a fighting battle of the Atlantic and of revisiting the early years of World War II.

This is why funding the Seawolf takes money away from precisely the forces we need to fight the real threats. It is why our having spent $450 million does not justify wasting $1.5 billion more in fiscal year 1992. The basic rule of defense planning, which I think we have already violated far too many times in the past, is that we should never reinforce defeat by sending good money after bad.

As far as the Navy's cost estimates for the SSN–688 are concerned, I think we should show great caution in believing that new SSN–688's would cost as much as the Seawolf. With all due respect for my friends in the Navy, we do find from time to time that they make some fairly inflated cost estimates to justify the expenditure of funds. My sources indicate that the Navy is focusing on a worst-case estimate of the cost of the first new SSN–688. In the real world, the worst case cost of a new SSN–688 might be $1.5 billion, and it might well be less.

I think the key point is that follow on SSN–688's may cost no more than $950 million per ship over the life of the program—which is substantially less than half of the Seawolf. Improved SSN–688's could keep our industrial base alive until a follow-on submarine like the Centurion is proven necessary and proven cost effective. My amendment would give the Navy both funds for an SSN–688, and the R&D funds it now lacks for the Centurion.

Mr. President, I want to restate my reluctance to bring up this amendment. I believe that the likelihood of its adoption is poor, given the eloquent and formidable opposition to the amendment from my colleagues, not the least of which is my friend and comrade from Hawaii. But, I think it is important that we bring this issue to the floor, get it ventilated and debated, and send a message that we have to make some significant changes in our submarine plans. We simply cannot afford to spend 25 percent of a continuously shrinking shipbuilding budget on one weapon system whose time is past, and ignore our Nation's true defense needs.

Mr. President, I have no more requests for time and I am willing to yield back the remainder of my time, although I understand a vote was—I guess it is past time for a vote. I yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona has yielded back the remainder of his time.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending matter be set aside until 1 p.m. when the vote is to be taken.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1207

(Purpose: To provide $50,000,000 in fiscal year 1992 for the Strategic Environmental Research and Development Program)

Mr. INOUYE. Mr. President, I send to the desk an amendment on behalf of Senator NUNN and others and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. NUNN, for himself, Mr. WARNER, Mr. GORE, Mr. WIRTH, Mr. THURMOND, and Mr. DIXON, proposes an amendment numbered 1207.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 130, strike out lines 16–22 and insert the following in lieu thereof:

SEC. 8096. (a) In addition to the amounts appropriated elsewhere in this Act, $50,000,000 is appropriated for the Strategic Environmental Research and Development Program to remain available for obligation until September 30, 1993.

(b) In addition to the amounts appropriated elsewhere in this Act, $835,000,000 is appropriated for environmental restoration to remain available for obligation until September 30, 1994: *Provided*, That such funds shall be available only for the actual reduction and recycling of hazardous waste and cleanup of Department of Defense sites.

Mr. NUNN. I am offering an amendment on behalf of myself, Senator WARNER, SENATOR GORE, Senator THURMOND, Senator DIXON, and Senator WIRTH that would provide $50 million for the Strategic Environmental Research and Development Program [SERDP] for fiscal year 1992.

The Strategic Environmental Research and Development Program was a new program started in fiscal year 1991. It was designed to harness some of the resources of the defense establishment—the Defense Department, certain elements of the intelligence community, and the national security activities of the Department of Energy—to confront the massive environmental problems facing our Nation and the world today.

Last year, Congress appropriated $150 million for the program. I want to thank Senator INOUYE, Senator STEVENS, Senator JOHNSTON, and Senator DOMENICI, for adding their support during last year's process. The Department of Defense, the Environmental Protection Agency, and the Department of Energy have worked hard to combine their talents and resources and to identify an exciting slate of environmental research projects. Our committee conducted a detailed oversight hearing on the program as part of our review of this year's budget. While there were some understandable delays in starting this new program, I am pleased to report that the program is now up and running.

Our intent in establishing the Strategic Environmental Research and Development Program was to transform the defense establishment into an environmental research agency. Our intent was to make sure of the unique capabilities and technologies of the defense establishment, particularly the talent and expertise in the Federal laboratories of the Department of Defense and the Department of Energy to address environmental matters. The Department of Defense also has a vast array of military hardware that can address the environmental needs and requirements of the Department of Defense, and that can also address many of the environmental problems of the Nation as a whole.

Destruction of our environment is a threat to national security. This premise was at the heart of the creation of the Strategic Environmental Research and Development Program last year. The purpose of this research and development program is to provide funding to the Defense Establishment to utilize the defense technologies and capabilities to respond to this threat.

The program is divided into three main focus areas:

Environmental data gathering and analysis;

Environmental compliance and advanced energy technologies; and

Environmental cleanup technologies.

Mr. President I would like to describe, in somewhat more detail, each of these areas:

DATA GATHERING AND ANALYSIS

The Strategic Environmental Research and Development Program was designed to be a vehicle to augment the civilian environmental research community in several aspects:

To provide access to data under the control of the Department of Defense that is relevant to environmental matters;

To provide analytic assistance consistent with the military mission, including access to military platforms and computer capabilities, to facilitate environmental research; and

To provide for identification and support for research, development, and application of technologies developed for national defense purposes that have application to such national and international environmental problems as climate change and ozone depletion.

ENVIRONMENTAL COMPLIANCE AND ADVANCE ENERGY TECHNOLOGIES

The Department of Defense and the Department of Energy, like any private entity, must comply with the various environmental laws, such as the Clean Air Act, the Clean Water Act, and the Resource Conservation and Recovery Act. In addition, the Department of Defense as the largest energy consumer of the Federal agencies, must be a leader in energy conservation. The strategic Environmental Research and Development Program will assist the Defense Establishment to:

Identify energy technologies developed for national defense purposes that might have environmentally sound, energy efficient applications for the Department of Defense and the Department of Energy and that have potential for commercial applications; and

Provide for research and development of technologies that will facilitate waste minimization, particularly the generation of hazardous and radioactive waste; compliance with environmental laws; and development of nonhazardous materials to substitute for hazardous materials currently used.

ENVIRONMENTAL RESTORATION AND CLEANUP TECHNOLOGIES

The Department of Defense and the Department of Energy face enormous environmental cleanup obligations. Just last month the Department of Energy alone indicated that its bill for cleanup and waste management, for just the next 6 years, could be as much as $45 billion. The Department of Defense has over 1,800 installations that it must clean up. Estimated costs to complete Department of Defense cleanups are $14 billion and growing. To help address this obligation, the Strategic Environmental Research and Development Program will provide for:

Research and development funds to assist with the development of technologies to reduce the staggering cost of cleanup, through faster contaminant identification and more efficient operations; and

Joint research and development efforts to allow the Department of Defense, the Department of Energy, and the Environmental Protection Agency to work together on joint projects to pool their resources and share their knowledge.

In addition, the Strategic Environmental Research and Development Program will be able to serve as a clearinghouse for the environmental technologies developed by the Defense Establishment that have potential spinoff applications to the private sector. The Department of Defense and the Department of Energy are not alone in their efforts to clean up past contamination, to dispose of long-stored hazardous waste, and to reduce the amount of waste generated in the future. Private industry is also subject to the same large cleanup costs and growing environmental compliance obligations, and one of the goals of this program is to transfer these newly developed technologies to the private sector.

One hundred and fifty million dollars was appropriated for the Strategic Environmental Research and Development Program in fiscal year 1991. The Department of Defense, the Department of Energy, and the Environmental Protection Agency reviewed a large number of projects for inclusion in the Strategic Environmental Research and Development Program and have selected $170 million in projects for funding.

The final step before beginning the research projects is review by the Scientific Advisory Board established to assess the program. Any project above $1 million must be reviewed by a panel of technical experts to assure the technical quality of the projects and to prevent duplication of research. Although the startup of this program has taken longer than I would like, this last step will begin shortly, and the research efforts funded with the $150 million in fiscal year 1991 funds should begin in the near future.

Among the projects identified by the Department of Defense, the Department of Energy, and the Environmental Protection Agency for funding under the Strategic Environmental Research and Development Program for fiscal year 1991 are:

New methods to cleanup soil contaminated by explosives;

Demonstration and testing of chemical remediation techniques at Department of Defense and Department of Energy sites;

Advanced monitoring techniques to identify more quickly contaminants and their effects;

Studies on ozone depletion due to rocket motor exhaust;

Methods to identify wetlands in permafrost and seasonally frozen soils;

Methods to assess the impact from stormwater runoff from military installations on marine environments;

Shipboard hazardous materials reduction and waste treatment methods;

Development of geothermal, solar, and other alternative energy sources; and

Collection and access to ice drift data and information from classified sensors.

Mr. President, this list of research projects is long and exciting, but many of these will not be funded without the additional funding for fiscal year 1992 provided by this amendment. There are also many new projects that have been identified since the original list of research proposals was prepared. I would like to describe just one of these projects that would benefit from fiscal year 1992 for the program.

The project, known as the electron dry beam scrubbing system, originated in research conducted by the Defense Nuclear Agency [DNA] to study the effects of nuclear weapons. This scrubbing system removes nitrous-oxide and sulfur-dioxide from emissions from high-sulfur coal-fired facilities. Efficient scrubbing techniques are essential to the commercial viability of high-sulfur coal.

Using electron beams to scrub coal emissions is not new. Several years ago the Japanese proved the technology would work, but it was not economical. The Defense Nuclear Agency has developed an electron beam generator that makes this method of emissions scrubbing highly competitive with conventional scrubbers.

There is an added benefit to beam scrubbing. Conventional scrubbers produce a sludge that must be disposed of as waste. The byproduct of the beam scrubber is fertilizer that can be sold.

As an operator of 28 coal-fired facilities in the 10–45 megawatt range, the Department of Defense will, hopefully, benefit significantly from this research project. Conventional scrubbers for these small to medium facilities are questionable for both technical and economic reasons. The Defense Nuclear Agency's beam scrubbing system appears to be well-suited to these facilities, and, hopefully, will have broad commercial application as well.

This amendment does not add funds to the bill. The $50 million needed for the Strategic Environmental Research and Development Program has been offset by a similar reduction to the $885 million increase above the budget request of $1.2 billion in the committee bill for environmental restoration activities. We hope and expect that diverting a small portion of this proposed increase for environmental restoration for much-needed environmental research and development will improve the Department of Defense's overall environmental efforts. In addition, by developing new technologies it should help reduce the overall need for cleanup funds by existing means.

Mr. President, the Strategic Environmental Research and Development Program is an important and exciting new program that will improve environmental restoration and compliance activities in the Department of Defense and the Department of Energy, and will make a major contribution to our national environmental research effort. I urge my colleagues to support this amendment.

Mr. INOUYE. Mr. President, this amendment has been cleared on both sides and we find it acceptable.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1207) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1208

Mr. INOUYE. Mr. President, I send to the desk for immediate consideration an amendment offered by Senator WOFFORD of Pennsylvania and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. WOFFORD, proposed an amendment numbered 1208.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following:

SEC. (a) FINDINGS.—The Senate finds that—

(1) There is a need for tax relief for middle-income families;

(2) for more than a decade, America's working families have been paying an increasing portion of their income for Federal taxes;

(3) during the same period, the vast majority of middle-income families in America have seen their real income decline and the value of their paychecks shrink;

(4) the principles of basic fairness dictate that working people pay no more then their fair share of taxes;

(5) most working Americans are being forced to pay more taxes when they can least afford it and are in dire need of tax relief to improve the quality of their lives and to contribute toward the revitalization of the Nation's economy.

(b) It is the sense of the Senate that the Senate is committed to providing income tax relief to middle-income families and urges Congress to enact legislation providing for such relief.

Mr. WOFFORD. Mr. President, this is a sense-of-the-Senate resolution regarding the need for tax relief for our Nation's middle-income families.

This resolution expresses our sense—and the common sense—that the Congress should move forward to develop and enact legislation that will lower the Federal tax burden on America's working families.

The need should be clear. The Congressional Budget Office recently reported that over the past decade, the wealthiest Americans have become much wealthier.

Since consumer spending drives about two-thirds of our gross national product, it makes good economic sense to spur such spending by putting money back in the pockets of those consumers.

We've all seen the reports showing that consumer confidence is down. But as the Philadelphia Daily News has editorialized, it is not confidence American consumers lack; it is cash. If we give them back some of their hard-earned dollars, they will not lack the confidence to save, spend, and invest it.

My colleagues on both sides of the aisle have introduced legislation that would provide relief to middle-class taxpayers. I anticipate that others may do the same.

But at the same time, the vast majority of middle-income families have been struggling harder and harder to make ends meet.

For three out of four families—virtually all except the poorest fifth and the wealthiest 5 percent—the burden of Federal taxes is now higher than it was in 1977.

In short, most working Americans are being forced to pay more in taxes when they can least afford it. That is unfair and, at a time of national recession, it is also bad economics.

The best way to jump-start this economy and put our people back to work is a tax cut for the middle class. If we put more money in the pockets of families making $30,000 or $40,000 a year, they will have more disposable income to spend.

The proposals differ in the type of relief to be offered. Some define how to pay for this relief and others do not.

It is the sense of this Senator that a more progressive tax policy would be the best way to finance a tax cut for working Americans. By closing loopholes and increasing rates on the wealthiest taxpayers, those with joint incomes over $200,000 per year, we could finance a tax cut for 9 out of 10 American families.

But despite differences in approach, I believe these various proposals reflect the desire of the Senate to provide working Americans with tax relief. I believe that by putting ourselves on the record favoring a middle-income tax cut now, we can take an essential first step toward achieving a plan that will make that relief a reality.

Mr. President, this is an appropriate amendment for the Defense appropriations bill. We need to provide for a strong military defense to protect our national security. But we cannot forget that the reason we do so is to protect our families and our quality of life here at home.

Today, American working families are threatened by the burden of taxation. We need to express our commitment to easing that threat and improving their quality of life.

I urge my colleagues to support this amendment. I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. STEVENS. Mr. President, the matter is not germane but I have checked it with Senator PACKWOOD, ranking member of the Finance Committee. He has no objection, so I do not.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1208) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE AMENDMENT ON PAGE 9, LINE 17

Mr. INOUYE. Mr. President, I ask unanimous consent that it be in order to consider further amendment to the committee amendment on page 9, line 17.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1209

(Purpose: To set aside $4,500,000 for the Army Environmental Policy Institute)

Mr. INOUYE. Mr. President, I send an amendment to the desk by Senator DIXON and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii, [Mr. INOUYE], for Mr. DIXON, proposes an amendment numbered 1209.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, line 17, before the period at the end insert the following: "*: Provided further*, That, of the amount appropriated under this heading, $4,500,000 shall be available for the Army Environmental Policy Institute".

Mr. DIXON. Mr. President, my amendment will provide $4.5 million for the Army Environmental Policy Institute, fully funded from within the Army's operation and maintenance account.

More and more we are realizing the damaging effects of certain military activity on our environment, for which our armed services must be held responsible. Restoring the environment to its prior condition has become an important part of the base closing process. Waste disposal at military installations has become a very real problem which we cannot ignore. Pollution is another pressing issue. These are the problems of today.

While we must work toward the resolution of these current problems, we also must recognize that it is fiscally sound to identify possible future problems and prevent them before they reach a costly crisis level. This is what the Army is attempting to do with the Environmental Policy Institute.

The Army established the Environmental Policy Institute in 1990 in order to assist in the development of proactive policies and progressive strategies to address environmental management issues which might have a possible impact on our armed services, in the future. Mr. President, so much of our taxpayer's money is spent on Band-aid solutions to crisis situations. This Policy Institute attempts to reverse that trend by providing the Army with environmentally sound strategies that look to the future.

The Policy Institute routinely monitors legislation, anticipates environmental trends, and tracks emerging technologies which might minimize future impacts on our environment. The mission of the Policy Institute includes providing for broad-based academic involvement in which they have worked closely with historically black colleges and universities.

The goal is to focus on tomorrow, and to anticipate and prevent potential problems before they become environmental disasters. The Environmental Institute, in cooperation with the other services, works to identify, through management and policy initiatives, ways to reduce the amount of hazardous waste generated by the military services; to expedite the long and complex process of environmental cleanup, particularly in the context of base closures; and to identify, at the very earliest stages, alternative manufacturing techniques and materials that will eliminate hazardous materials over the life of the military system.

This is a good program, Mr. President. This body recognized the valuable work of the Army Environmental Policy Institute by authorizing $4.5 million to continue their efforts, not only within the Army but in conjunction with other branches of the military as well. But unfortunately, this program has become an easy target during the appropriations process because it is so easy to say that we always have next year to develop these preventative strategies. Every year funds are identified for the Policy Institute, and every year the funds are snatched away by another program. I think my amendment will finally solve the problem.

Mr. President, we should be promoting this type of preventative thinking rather than making it difficult to initiate. I hope my colleagues will join me in supporting the valuable environmental work which is being conducted at the Army Environmental Policy Institute.

Mr. INOUYE. Mr. President, this matter has been cleared by both sides. We find it acceptable.

The PRESIDING OFFICER. Is there any further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1209) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. AKAKA]. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I note the hour of 1 has arrived.

The PRESIDING OFFICER. The hour of 1 o'clock having arrived, the question is on agreeing to the amendment by the Senator from Arizona.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 10, nays 90, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—10

Bentsen
Bradley
Brown
Glenn
Lott
McCain
Roth
Simon
Wellstone
Wirth

NAYS—90

Adams
Akaka
Baucus
Biden
Bingaman
Bond
Boren
Breaux
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wofford

So, the amendment (No. 1206) was rejected.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1210

Mr. INOUYE. Mr. President, I send to the desk an amendment by Senator

BUMPERS and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BUMPERS, proposes an amendment numbered 1210.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, line 25, before the period, add the following: ": *Provided further*, That of the funds appropriated under this heading, $25,000,000 shall be available only for development of advanced superconducting multichip modules and diamond substrate material technologies.".

Mr. INOUYE. Mr. President, this matter has been cleared by both sides. We find no objection to it. We will accept it.

The PRESIDING OFFICER. Is there any debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1210) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE AMENDMENT ON PAGE 9, LINE 17

Mr. INOUYE. Mr. President, I ask unanimous consent that it be in order to consider a further amendment to the committee amendment on page 9, line 17.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1211

(Purpose: To set aside $5,000,000 for the United States Office for POW/MIA Affairs in Hanoi)

Mr. INOUYE. Mr. President, I send to the desk an amendment by Senators MITCHELL, MURKOWSKI, MCCONNELL, KERRY, KERREY, MCCAIN, DANFORTH, HATFIELD, LEAHY, CRANSTON, PELL, BYRD, and ROBB, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. MITCHELL, for himself, Mr. MURKOWSKI, Mr. MCCONNELL, Mr. KERRY, Mr. KERREY, Mr. MCCAIN, Mr. DANFORTH, Mr. HATFIELD, Mr. LEAHY, Mr. CRANSTON, Mr. PELL, Mr. BYRD, and Mr. ROBB, proposes an amendment numbered 1211.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, line 17, before the period at the end, insert the following: "*Provided further*, That $5,000,000 of the amount appropriated under this heading shall be available for the United States Office for POW/MIA Affairs in Hanoi".

Mr. MITCHELL. Mr. President, I am pleased to offer this amendment today because it is about an issue of great concern to all Americans: the effort to resolve the search for our POW/MIA's in Vietnam. This amendment will facilitate this important effort.

I am pleased that so many of my colleagues—Senators MURKOWSKI, MCCONNELL, KERRY, KERREY, MCCAIN, DANFORTH, HATFIELD, LEAHY, CRANSTON, PELL, BYRD, and ROBB—have joined in cosponsoring this measure. I believe this speaks to the widespread and bipartisan support for a speedy resolution of the outstanding questions regarding American POW/MIA's.

The United States only recently established an Office for POW/MIA Affairs in Hanoi as part of the ongoing effort to resolve all outstanding casualty resolution cases.

The office is the hub of American activity on the ground in Vietnam. Its personnel are directly involved in searching crash sites, interviewing local people for information about Americans, compiling data from historical archives and other crucial functions.

The new office has many pressing needs, ranging from purchasing transportation and communications equipment, to hiring local translators and other personnel, to importing adequate water purification units. These are essential prerequisites for establishing a rapid and effective capability to answer important questions about American POW's and MIA's in Vietnam.

The current estimated cost of implementing an accelerated 2-year casualty resolution effort in Hanoi approaches $6 million. Most of that money is needed immediately, to make important equipment purchases to get this effort more fully underway.

This amendment therefore earmarks $5 million for fiscal year 1992 specifically for this purpose. I believe it is important to ensure that the POW/MIA office in Hanoi receives the resources it needs to accomplish its important tasks.

Some may ask whether this earmark is appropriate given that the Senate Select Committee on POW/MIA Affairs established by resolution in August is only now in the process of organizing and beginning its work.

That committee, under the leadership of Senator KERRY and Senator SMITH, is embarking on an effort to assess the current system, resources and processes for investigating evidence relating to American POW/MIA's from Southeast Asia in light of continuing criticism and controversies. The Senate looks forward to the committee's work and final report.

But while that investigation is underway, it would serve this Nation to make certain that this office, representing what may be the best new opportunity to resolve this issue in many years, has the necessary resources to carry out its mission.

I believe all Americans will support this important effort to help resolve the question of American POW's and MIA's in Vietnam.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

FUNDING THE U.S. POW/MIA OFFICE IN HANOI

Mr. MURKOWSKI. Mr. President, I rise on behalf of the amendment offered by myself, Senator MITCHELL, and Senator MCCONNELL, to provide $5 million to the newly opened United States POW/MIA office in Hanoi, Vietnam. Senators JOHN KERRY, BOB KERREY, MCCAIN, DANFORTH, LEAHY, CRANSTON, HATFIELD, BYRD, ROBB, and PELL, join us in this effort.

I understand that the amendment has been accepted on both sides, and I am most appreciative to the floor leaders.

Mr. President, it is appropriate to note that in the past 16 years, Americans have had to live with the heartbreaking fact that nearly 2,300 servicemen remain unaccounted for from the war in Vietnam.

This has been and remains a matter of the highest national priority, perhaps our Nation's very highest priority. These young men went to war to defend America and its principles. Yet, their families and loved ones still remain in the dark about their fate.

The Nation owes these patriotic American families the quickest possible resolution of this issue. That is what our amendment does today.

In July 1991, the United States opened for the first time an office in Hanoi, dedicated solely to the quick resolution of the outstanding POW/MIA cases.

Mr. President, I ask unanimous consent to add Senator CHAFEE's name as a cosponsor to the U.S. POW/MIA amendment, and Senator PRESSLER as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I thank the Chair.

I will be brief.

Prior to the opening of this office in Hanoi, the United States was only able to really follow up on live sighting reports and discrepancy cases from outside the nation of Vietnam. We now have a permanent presence inside the country, and we must use it to every advantage.

Mr. President, over the August recess Senators MITCHELL, MCCONNELL and I had staff visit the Hanoi office. Although the U.S. personnel report positively on their work thus far, they are burdened with hardships that are less than fitting for handling a matter of highest national priority. Not only are they saddled with cramped spaces, inefficient electricity, supplies, and difficult living conditions, they are embarrassingly underequipped.

I feel confident in asserting that each and every U.S. Senator has at least 10 times the simple office equipment in his or her personal office that our people have to work with in Hanoi. Their needs are simple indeed, a few copy machines, a fax machine, a water purification unit. In addition there is a need for transportation equipment such as vans, motorcycles, and a helicopter.

LOOKING FORWARD FOR PROGRESS

Mr. President, in the years since the war in Vietnam ended, our Nation has suffered greatly knowing that many of our brave soldiers have never been accounted for. There has been a tendency among Americans to dwell on the past, to continue to look backward for answers which we have been unable to find.

Now we have the opportunity at hand to work for the present and resolve these issues once and for all. We must seize this opportunity and make the most of it. Five million dollars is a very small commitment indeed for an obligation so grave and important.

Mr. President, I wish to thank the cosponsors to this amendment and the bipartisan spirit with which it was received. In addition, I believe we all owe our gratitude to General Vessey and his staff, especially Mr. Bill Bell, the Director of the U.S. POW/MIA Office in Hanoi.

THE MIA OFFICE

Mr. McCAIN. Mr. President, I am pleased to cosponsor this amendment to provide the U.S. POW/MIA Office in Hanoi with the resources necessary for the full realization of its critically important mission. I am grateful to have the opportunity to join Senators MITCHELL, MURKOWSKI, and the other cosponsor in offering this amendment. I commend them for their commitment to securing the fullest possible accounting of Americans still classified as missing in action or prisoner of war in Vietnam. And I share with them the belief that this office which we are seeking to fund represents one of the best opportunities to significantly advance toward that goal.

Mr. President, this amendment would appropriate $5 million to the office for its fiscal year 1992 budget. With these funds, the personnel who staff the office will be expected to provide the hard labor and detail work that will, in effect, comprise the substance of our POW/MIA policy. I need not remind Senators that this policy and its objective are expected to be accorded the Nation's highest priority; $5 million hardly seems excessive funding for a national priority.

Rents for office and living quarters, transportation, the hiring and training of local personnel, helicopters, technical equipment, medical supplies, and communications equipment are just a few of the services and materials that the office requires to adequately meet its responsibilities.

With these materials, the staff of the U.S. Office for POW/MIA Affairs will be expected to thoroughly research Vietnamese wartime archives and maps for information about our missing in action and prisoners of war; search crash sites and recover remains; investigate live-sighting reports of Americans; and, in general, fill the many gaps in our information about what has become of nearly 2,300 Americans who left their home to faithfully serve their country in Indochina, never to return home, never to be accounted for. The task of the POW/MIA Office is to meet our Nation's commitment to those men, to help bring them home or recover their remains, to provide answers to their families, to close the final chapter of the Vietnam war. This task deserves the full support of the U.S. Congress, for I am certain that it enjoys the full support of the American people.

Mr. President, I strongly supported the establishment of this office. I made my support known to United States and Vietnamese officials. I am very pleased that the office is open and functioning, and I am confident in the ability of our personnel there to shoulder the grave responsibilities with which they are charged. We must not fail to meet our responsibilities to them.

Vietnam has lately shown signs that it is beginning to understand how important this issue is to the American people, and that it will play a central role in our present and future relations. They have agreed to allow this office to function according to our specifications. They have begun providing us with access to military archives and wartime maps. At Senator KERRY's urging they have agreed to allow us to use our own helicopters to search locations where Americans were purported to be identified in live-sighting reports. This last agreement is a very important development, and I commend Senator KERRY for his hard work to secure it.

I hope that we will soon be able to secure Vietnamese cooperation in devising a timetable for the excavations of all remaining crash sites, and their permission to inspect prison facilities and reeducation camps during investigations of live-sighting reports.

In all of these important endeavors, the POW/MIA Office will play the central role. They deserve the full faith and support of the Congress as they do so. Our support of this office is a vastly more constructive channel for our energies than wasting our time speculating about groundless conspiracy theories and personal attacks on the character of U.S. personnel involved in the search for our POW's and MIA's. For in the end, it will be the staff of the POW/MIA Office, and all the other good men and women who have dedicated so much of their lives to the search, like Gen. John Vessey, who will provide most of the answers we seek.

I urge my colleagues to give them the means to complete their mission by supporting this amendment.

The PRESIDING OFFICER. Is there additional debate? If not the question occurs on the amendment.

Mr. STEVENS. Mr. President, on behalf of the Senator from Hawaii and myself, I want to state that we have reviewed this amendment and it is acceptable to the managers of the bill on this side.

Mr. MURKOWSKI. Mr. President, I thank my colleague, the senior Senator from Alaska.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1211) was agreed to.

Mr. MURKOWSKI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DISTRICT OF COLUMBIA, APPROPRIATIONS ACT, FISCAL YEAR 1992

Mr. FOWLER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3291.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendments of the Senate to the bill (H.R. 3291) entitled "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes.".

Mr. FOWLER. Mr. President, I ask unanimous consent that the Senate recede from Senate amendments numbered 1, 2, and 3.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FOWLER. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EMERGENCY UNEMPLOYMENT COMPENSATION

Mr. FOWLER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1722.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendments to the bill (S. 1722) entitled "An Act to provide emergency unemployment compensation, and for other purposes," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Rostenkowski, Mr. Downey, Mr. Ford of Tennessee, Mrs. Kennelly, Mr. Andrews of Texas, Mr. Archer, Mr. Vander Jagt, and Mr. Shaw be the managers of the conference on the part of the House.

Mr. FOWLER. Mr. President, I ask unanimous consent that the Senate disagree to the amendments of the House, agree to the conference requested by the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair appoints Mr. BENTSEN, Mr. MITCHELL, Mr. RIEGLE, Mr. PACKWOOD, and Mr. DOLE conferees on the part of the Senate.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The Senate continued consideration of the bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that we set aside the pending amendment in order that the Senator from Colorado may offer an amendment.

The PRESIDING OFFICER (Mr. ROBB). Without objection, the pending amendment is laid aside.

The Chair recognizes the Senator from Colorado [Mr. WIRTH].

Mr. WIRTH. Mr. President, the committee amendment is the pending business; is that right?

My amendment is to the committee amendment.

The PRESIDING OFFICER. The Chair requests that the Senator send a copy of his amendment to the desk so we may ascertain whether or not it applies to the amendment just set aside or to the legislation as a whole.

Mr. STEVENS. Mr. President, if the Senator will yield, it was our understanding that it was an amendment to another part of the bill. I am entirely willing to accommodate either request the Senator from Colorado wishes to make.

It is my understanding this is to the amendment. It had been written to be an amendment to the committee amendment.

COMMITTEE AMENDMENT PAGE 100, LINE 4

The PRESIDING OFFICER. Is there objection to considering the committee amendment on page 100 at this time?

If not, the committee amendment will be the pending business.

AMENDMENT NO. 1212 TO COMMITTEE AMENDMENT BEGINNING ON LINE 4, PAGE 100

(Purpose: To prohibit Department of Defense contracting with foreign persons that support the Arab boycott of Israel)

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH], for himself, Mr. LAUTENBERG, Mr. MACK, Mr. SPECTER, and Mr. WOFFORD, proposes an amendment numbered 1212 to the committee amendment beginning on line 4, page 100.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of the committee amendment on page 100, add the following:

SEC. (a) As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) may be awarded to a foreign person, company, or entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) on a contract-by-contract basis when the Secretary determines that the waiver is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

Mr. WIRTH. Mr. President, I am offering this amendment on behalf of Senator LAUTENBERG, Senator MACK, Senator SPECTER, and Senator WOFFORD. This amendment is designed to tighten existing U.S. antiboycott laws. This amendment is straightforward: it calls upon the Department of Defense to deny contracts to foreign suppliers who adhere to the Arab League boycott of Israel.

Since 1951, the Arab nations have imposed a boycott and embargo against Israel—and an insidious secondary boycott against companies which do not respect the primary boycott. Any company in the world that has trade relations with Israel or investments in Israel is barred from doing any business whatsoever with any Arab country—with the exception of Egypt.

The Arab primary and secondary boycotts have been a shackle on the Israeli economy. Here at home, the boycott has meant suffering and economic losses for any American company that trades with Israel, or has a relationship with another company that itself trades with Israel. In short, the secondary Arab boycott has put American companies refusing to comply with it at a tremendous competitive disadvantage because their foreign competitors are free—and do in fact—comply with the boycott.

Last summer, at a meeting of the Arab League, 100 additional United States companies were added to the blacklist of those that are barred from doing business in the Arab world due to their trade relations—direct or indirect—with Israel.

At a time when our Government is aggressively pursuing a peace process in the Middle East, further expansion of the Arab boycott is pure poison. We should bend every effort to reverse the harmful and unjust economic isolation of Israel. If the State Department is serious about confidence building measures in the Middle East, if the administration is serious about a new world order, they could start by putting the full weight of the United States Government behind the effort to dismantle the Arab League boycott, and that is the purpose of this amendment.

The position of this body on the Arab boycott has been unequivocal. Congress has enacted legislation to prohibit American companies from boycott compliance. The Export Administration Act of 1977 and the Tax Reform Act of 1976 included strict antiboycott provisions.

And almost every Member of this body, Mr. President, is on record with a letter to President Bush dated July 9 asking him to bring up this issue at the G–7 meeting this last summer.

I ask unanimous consent that the full text of that letter and the more than 90 signatures be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 9, 1991.

Dear PRESIDENT BUSH: As you prepare for the annual G–7 meeting of major industrialized nations, we urge you to make the Arab League economic boycott a high priority on the U.S. agenda. We urge you to press our G–7 allies in the strongest terms possible to end their compliance with the boycott.

Since the early 1950's, the Arab League has maintained a secondary and tertiary boycott which targets companies that do business with Israel or companies that do business with other companies involved with an Israeli company. This offends the very principles of free and open international trade espoused by the G–7 nations last year in Houston.

While the U.S. has enacted strict laws which prohibit U.S. firms from complying with the boycott, our major trading partners have taken no such action. Accordingly, U.S. firms vying for contracts are put at a competitive disadvantage with foreign companies because of the boycott restrictions. We must implore our trading partners to examine their own policies toward the boycott, and urge them to pass legislation which prohibits private sector compliance.

America and the industrialized nations of the world fought to preserve the national sovereignty of Arab nations faced with Saddam Hussein's aggression. It is inconceivable that they will not trade with companies which have business relations with Israel.

The U.S. cannot unilaterally succeed in this endeavor. In order to effectively stifle the coercive effects of the Arab boycott, we need the cooperation of our allies. They too should have laws that prohibit their companies from complying with the Arab boycott of Israel. During the war, we witnessed just how powerful the world community can be when it is unified. This issue is no different. It requires cohesion. If the industrialized countries are unified in their approach, the Arab countries can be convinced to lift their boycott against businesses that do have economic relations with Israel.

It is imperative that the U.S. provide the leadership and the vision at the G-7 conference to accomplish this goal. We look forward to working with you on these issues.

Sincerely,

Frank R. Lautenberg, Timonthy E. Wirth, Joseph I. Lieberman, John D. Rockefeller IV, Larry Pressler, Dan Coats, Dennis DeConcini, Connie Mack, Bob Packwood, Charles E. Grassley, Daniel K. Akaka, John McCain, Daniel K. Inouye, Thomas A. Daschle.

Brock Adams, Sam Nunn, John Seymour, Bennett J. Johnston, John Glenn, Alan J. Dixon, Tom Harkin, Donald W. Riegle, Jr., Wendell H. Ford, Claiborne Pell, Alfonse M. D'Amato, Arlen Specter, Bill Bradley, Don Nickles, Jesse Helms, John F. Kerry.

Bob Graham, Howard M. Metzenbaum, Terry Sanford, Daniel Patrick Moynihan, Larry Craig, Conrad Burns, Nancy Landon Kassebaum, Quentin N. Burdick, Herb Kohl, George J. Mitchell, Charles S. Robb, Christopher J. Dodd, Alan Cranston, William S. Cohen, Richard Bryan, Ernest F. Hollings.

Barbara A. Mikulski, Paul S. Sarbanes, Max Baucus, Paul Wellstone, Jim Sasser, Dale Bumpers, Kent Conrad, Harry Reid, Paul Simon, Carl Levin, Lloyd Bentsen, Albert Gore, Joseph Biden, Jake Garn, and Bob Kerrey.

Mr. WIRTH. The amendment offered by Senators LAUTENBERG, MACK, SPECTER, and myself would deny U.S. defense prime contracts in excess of $25,000 to foreign firms that comply with the Arab boycott. It would require foreign firms bidding for United States Government contracts to certify during the normal application procedure that they do not comply with the Arab boycott. After all, the very Government that enforces antiboycott legislation for its own American companies should not be in the business of rewarding foreign companies that comply with the boycott by allowing them to receive Government contracts.

Mr. President, in deference to concerns expressed by the Department of Defense, my amendment contains a provision allowing the Secretary of Defense to waive this requirement if he deems it is necessary to do so in the national security interests of the United States. Nor does the amendment require the Department to ascertain which foreign companies comply with the secondary boycott of Israel—foreign companies bidding on United States defense contracts must certify that they do not comply with the boycott.

Let me repeat that. Foreign companies bidding on U.S. defense contracts must certify that they do not comply with the boycott. In other words, they cannot have it both ways. They cannot do business with us and adhere to the Arab boycott of Israel.

Mr. President, this amendment closes a loophole in our boycott laws by focusing attention on foreign companies that are interested in doing business with our Government. It makes clear to European, Japanese, and other defense contractors that they cannot adhere to the boycott and do business with the Pentagon. It makes clear that we will not use American defense dollars to reward foreign companies which refuse to trade with Israel. It helps level the playing field in international trade by denying foreign companies access to United States defense contracts if they maintain trade with Arab States denied to American firms, and, Mr. President, it is a step toward that new world order that we have long been groping for and hoping for.

Finally, and most importantly, Mr. President, this amendment sends a strong and clear message of support to Israel by putting the full weight of our defense procurement establishment behind the effort to end the economic isolation of Israel. I urge its adoption.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. SPECTER].

Mr. SPECTER. Mr. President, I join with my distinguished colleague from Colorado as he announces my cosponsorship of this amendment. I commend the distinguished Senator from Colorado for his leadership on this point.

It is a matter of basic fairness that there ought not to be the kind of boycotts which have been present, exercised by the Arab countries against Israel for more, now, than four decades. The policy of the United States has been directed at fairness and equity in the Mideast, as evidenced by the very substantial support which the United States of America has given to the State of Israel as well as other parties in the Mideast, Egypt specifically, in pursuance of the peace process.

When we take a look at some of the basic facts of life, to deny a country an opportunity to compete and to engage in legitimate economic activities because of the presence of a vicious boycott is just not only fundamentally unfair but counter to the express policies of our Government for more than four decades.

Boycotts are inherently unfair, and when they are based on the kind of prejudice which is present in this circumstance, they ought to be thoroughly condemned. This amendment puts some teeth in the policy of the United States of America to stop these unfair and unjust boycotts. So I join my colleague from Colorado in urging adoption of the amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska [Mr. STEVENS].

Mr. STEVENS. Mr. President, a similar amendment was adopted at the time of the consideration of the armed services bill authorizing the appropriations that are represented by the bill before the Senate.

On August 2, this year, that amendment was adopted by the Senate. However it is a sense-of-the-Senate provision. I would like to inquire of the Senator from Colorado why, now, we should have just 5 weeks later, an amendment that would become a matter of amendment to the existing law when we have already stated in the bill that is in conference the same provision as part of the armed services bill as a sense-of-the-Senate resolution?

We are prepared to accept a provision without further debate which is similar to that stated in the armed services bill. I am not authorized to accept this amendment and will advise the Senator there will be substantial debate on it if it is to go beyond the provision that is in the authorization bill. This is legislation, then, in an appropriations bill. It is permanent legislation. It goes much further than the provision that is in the bill that will become permanent legislation. And we do not feel we should face that type of legislation in this bill at this time.

If the Senator is prepared to modify the amendment so it is of the same tenor as that contained in the authorization bill, we are pleased and prepared and do support the policy that the Senator outlines.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado, Senator WIRTH.

Mr. WIRTH. Mr. President, I appreciate the comments made by the distinguished Senator from Alaska. The Senator from Colorado at this point is not prepared to modify the amendment. The Senator from Colorado drafted the language that was in the authorization bill. At that point, I was trying to understand all the history of this and the background of the boycott and believed that a sense-of-the-Senate resolution by itself, given the signatures of so many Senators opposing the boycott—that that was as far as I thought we could go last summer.

It is now clear. I have done a lot more homework on this, Mr. President. It is now clear to me that we, in the United States, are in fact following a quiet duplicitious policy ourselves. On the one hand we say we are opposed to the Arab boycott of Israel. We also say we are opposed to this insidious secondary boycott. That is our official policy. We say we are opposed to it. Yet our Defense Department, with its procurement procedure, clearly is going out and doing just the opposite.

It seems to me we cannot have it both ways either, nor should we. It seems to me we should be adhering to our fundamental policy, which is to try to get the Arabs to stop their boycott of Israel. That is a policy to which we are opposed. Ninety-plus Senators signed a letter to that effect to the President in July. As to the secondary boycott, we should not let companies who are effectively carrying out the Arab boycott of Israel contract with us. It seems to me that that is letting them have it both ways.

What these companies are doing, foreign companies, European companies, Japanese companies, others—what they are effectively doing is the following. They are saying: Uncle Sam, we want to make contracts with you. Thank you very much. We will take those contracts. But by the way we are also involved in this boycott of Israel.

If our policy is that we want to have a new world order, if our policy is that we want to try to get to a peace process in the Middle East, it seems to me we ought to be putting a little leverage into this. We do a lot of procurement coming out of the Department of Defense, and that procurement ought to also be consistent with the foreign policy of the United States.

Finally, this is binding. This is not a sense-of-the-Senate resolution, as the distinguished Senator from Alaska has recognized. But this also provides, through discussions with the Department of Defense, a national security waiver that, if the Secretary of Defense believes that it is in our national security interests to make sure we do a contract, even through the company we are doing a contract with is involved in that secondary boycott, he can waive this.

I appreciate the request of the distinguished Senator from Alaska, but I am not prepared to modify the amendment. I would like to have this amendment become part of the appropriations bill. It is an important thing to do. And I will, therefore, not modify the amendment.

I hope my colleagues will recognize the virtue of this amendment and will support it.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. STEVENS. The amendment of the Senator from Colorado demonstrates just totally why amendments of this type should not come before the Senate on an appropriations bill. We are not experts on the Export Administration Act as far as this subject is concerned. Really, it is an amendment to the Export Administration Act. It is applying a special provision to the Department of Defense, that is correct. But this is a subject we had no knowledge was coming. We knew the authorization bill contained the sense-of-the-Senate provision. And I find that the Senator from Colorado is, in effect, trying to put us in a position where, for some reason or another, if we do not support the concept, we should not be fully enforcing opposition to the embargo. I believe we should.

On the other hand, what is going to happen to the people who are over there now, moving into Saudi Arabia? They are making contracts all over the European Community and Saudi Arabia right now, to take care of our people moving in, once again, because of the problem with Iraq. I find it incomprehensible that we would face an amendment now, on this bill, when the Senator offered and was willing to take, just a little bit more than a month ago, a sense-of-the-Senate resolution.

I ask the Senator from Colorado, what has happened since August 2 that requires us to now debate an amendment to the Export Administration Act on this defense appropriations bill at this time? I have no alternative but to suggest the absence of a quorum. I do suggest the absence of a quorum. It will come off when there are enough people from the authorizing committees who will come over here and debate with the Senator from Colorado.

The Senator from Hawaii and I are not prepared to debate this question. It is not our question. And it probably is legislation on an appropriations bill. We will face that later when we see people from the authorizing committees who will answer for the Senate the question of whether this should go on an appropriations bill, legislation on an appropriations bill for the Department of Defense.

I suggest the absence of a quorum, and it will not come off until someone comes over to handle the debate against the Senator.

Mr. WIRTH. Will the Senator withhold his request?

Mr. STEVENS. No.

Mr. WIRTH. All right.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SPECTER. Objection until Senator STEVENS has heard back.

The PRESIDING OFFICER. Objection has been heard. The clerk will continue to call the roll.

The legislative clerk continued to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded for the purpose of addressing the Senate as in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator is recognized as in morning business

THE APPOINTMENT OF WILLIAM HYBL

Mr. WIRTH. Mr. President, on Monday of this week, the U.S. Olympic Committee had the very good judgment on nominating Mr. William Hybl from Colorado Springs to be the acting president of the U.S. Olympic Committee [USOC]. We are all aware of the enormous importance and prestige the Olympic games, and its special form of international athletes competition, brings to our country. We are also aware of how important it is that that effort be conducted carefully and thoroughly, with enormous professionalism and unyielding respect for the athletes themselves, the institutions they come from and for the United States overall.

From time to time, the U.S. Olympic efforts have run into various problems, and we have always managed to get those all sorted out. The U.S. Olympic Committee the day before yesterday had the very good judgment, as I said before, of bringing on board Mr. William Hybl. Mr. Hybl is a resident of Colorado Springs. As you probably know, Mr. President, Colorado Springs proudly has been the center of a great deal of activity related to the U.S. Olympics for many years. With the U.S. Olympic Training Center, the citizens of Colorado Springs and Colorado have spent a great deal of effort and a great deal of money investing in that training facility, and supporting the athletes who practice there.

Mr. Hybl comes to this job with great credentials. I will add however, Mr. Hybl has not been a Wirth supporter, choosing instead to back my opponent in 1986. He is a good Republican and worked hard for the election of President Bush. We have, I believe, great respect for one another, certainly I do for Mr. Hybl, who was one of the best, most reasonable members of the Colorado State Legislature. He has been a major figure in philanthropies in Colorado Springs and elsewhere. As President of the El Pomar Foundation, he is one of the chief operating forces behind the Broadmoor Hotel and that whole complex is very familiar to everybody in the U.S. Senate.

So I want to take this moment, and I thank the distinguished Senator from Alaska for allowing me to continue as in morning business, to commend the Olympic Committee for their decision. They could not have picked a better person.

Mr. President, I ask unanimous consent to print in the RECORD the article from yesterday's New York Times describing a good deal of Mr. Hybl's distinguished background, and an article which appeared in yesterdays Colorado Springs Gazette-Telegraph, as well.

Thank you, Mr. President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 25, 1991]

HYBL APPEARS TO BE JUST THE CANDIDATE THE U.S.O.C. ORDERED

(By Michael Janofsky)

During his brief career as a White House special counsel in early 1981, a transition period from the administrations of Jimmy Carter to Ronald Reagan, William J. Hybl was assigned to handle problems that resulted from the United States' boycott of the 1980 Moscow Olympics.

It was a tedious job in complicated times that largely meant untangling contractual arrangements between American companies and the Soviet government and seeking an appropriation from the Department of Commerce to offset millions of dollars in projected losses.

Yet, it was his ability to sort through issues and bureaucracy that 10 years later helped make him an attractive candidate to lead the United States Olympic Committee through another troublesome period.

WINNING THE APPROVAL

Now a 49-year-old corporate executive in Colorado Springs Hybl (pronounced Hibble) was nominated on Monday to serve the remaining 13 months of Robert Helmick's four-year term.

By winning approval of the U.S.O.C. board of directors through a referendum by mail this week, Hybl could assume office as early as Friday.

Helmick resigned under pressure last week amid questions about his business dealings and possible conflicts of interest. It was the sort of controversy the Olympic committee could least afford with the Winter Games in Albertville, France, less than five months away and the Summer Olympics in Barcelona, Spain, to follow.

The resignation left not only a leadership vacuum but also a degree of uncertainty for the possible impact on fund-raising, public trust and Olympic preparations.

More than anything, the Olympic committee needed a symbol of strength and stability and the more low-key the better. Judging from his involvement with the Olympic committee after his return to Colorado Springs in March 1981, Hybl was an ideal choice.

ARRAY OF POSITIONS

Besides his everyday work as president and chief executive officer of the El Pomar Foundation, the largest foundation in Colorado, he has served the U.S.O.C. in a variety of support positions: as a nonvoting member of the board of directors; the secretary of the Olympic Foundation, helping manage a large investment portfolio, and since 1987, associate counsel to the U.S.O.C., a role that has involved him in the intricacies of the constitution, bylaws and relations among various governing bodies of sports.

He also had a stated lack of political ambition within the Olympic committee, which fulfilled a key requirement for consideration: No former or current officer or anyone with designs on running for a four-year term next year were considered.

"Everyone seems to have the highest respect for him," said George Gowen, the U.S.O.C.'s chief counsel. "Everybody seems to like him."

It was attractive, too, that Hybl has maintained ties to Washington, where the U.S.O.C. often goes in need of presidential or congressional help. Hybl is one of seven members of the Advisory Commission on Public Diplomacy, a panel of Presidential appointees that reviews the work of the United States Information Agency, the Voice of America and other information agencies of the Government.

He was also the Colorado co-chairman of President Bush's election campaign.

Hybl was born in the same city Helmick calls home, Des Moines, but has lived in Colorado for most of his life, receiving a bachelor's degree from The Colorado College in 1964 and graduating from The University of Colorado Law School three years later. He and his wife, Kathleen, have two sons, Kyle, 23 years old, and B.J., 20.

DISCUSSED IN QUIET CIRCLES

When Helmick's problems began, Hybl was not among a group of individuals visibly campaigning for the job, including William Simon, a former U.S.O.C. president, and Anita DeFrantz, who, like Helmick, is a member of the International Olympic Committee.

Hybl's viability was quietly discussed among members of the executive committee, and the more they considered him, the better he looked. It was only several days before his nomination was official that he had considered the prospect enough to discuss it with the four other members of the El Pomar board of trustees, whom he found encouraging.

"It came down to a family decision," he said in an interview yesterday. "My wife was supportive and when one of my sons said, 'Go for it,' I decided to do it."

In keeping with his self-effacing nature, he did not want to discuss any mandate until his nomination was confirmed—"If I'm confirmed," he said, reflecting just the kind of caution that will probably get him elected.

[From the Colorado Springs Gazette-Telegraph, Sept. 25, 1991]

FOR THE INTERIM, HYBL WILL FILL THE BILL JUST FINE

In just three hours Monday afternoon, the U.S. Olympic Committee successfully doused any lingerning fears about its public image, fund-raising momentum and leadership stability.

Bill Hybl of Colorado Springs emerged as catalyst and panacea when the USOC executive committee nominated him to replace Bob Helmick as president.

It's an admirable move from every perspective, though few included Hybl on candidate lists after Helmick's resignation. Hybl even said he wasn't interested because he has preferred the background in his USOC roles. Influential but obscure, never political, never flamboyant.

But always highly respected.

Behind the scenes, other USOC people began mentioning Hybl as a possible president more than two weeks ago. When the position was sharply defined as an interim term, excluding any appearance of posturing for re-election next year, Hybl agreed to be interviewed Monday by a nominating committee.

That committee deserves much credit for acting quickly and forcefully. Its first move in seeking Helmick's replacement was to disqualify all past presidents and anyone who might seek the office. That took care of anyone armed with a campaign agenda and/or beholden to any sport, group or faction.

Hybl already had developed broad-based credibility. The organization long has appreciated his effective assistance in Washington, which might become even more useful with the U.S. Skiing Association reportedly pushing for Congress to investigate the USOC.

On the touchy subject of corporate donors, Hybl will ease concerns with his smooth, no-nonsense manner. He understands sponsors' priorities and knows the legal issues.

But Hybl's most appealing characteristic is his neutrality. He never campaigned for any USOC position. He's not doing this for ego-satisfaction, nor to develop future leverage. He's doing it because he cares about the Olympic movement and he likes the time limitation.

Being the out-front man, Hybl admitted Tuesday, "is not my favorite way of doing things, but I can do it. And the way they set it up fits in with my program."

Hybl's transition must be instant, by necessity. If the USOC's mail vote approves him by Friday, he will make his first TV appearance Monday on "CBS This Morning." He'll fly Tuesday to Washington for an Olympic dinner, where he merely will introduce President Bush.

In the meantime, Hybl already is enjoying the benefit of being the first USOC president-nominee who can drive from his home to Olympic House in 15 minutes. During a year sure to be crammed with pressing matters, that accessibility will be much better, and far cheaper, than catching flights from anywhere to Colorado Springs.

Lest anyone thinks the opposite, Hybl clearly is thrilled at the prospect of leading the USOC. His words Tuesday were "excited but cautious." Going to the Olympics won't be a new experience, because of his earlier involvements, but Hybl's life changed dramatically during the 1988 Summer Games in Seoul.

One day in Korea, a previously undetected aneurysm hemorrhaged in Hybl's brain. It could have been far worse, even fatal, and the neurological facilities in Seoul weren't exactly ideal. Hybl recovered, and tests since have shown no more aneurysms. He follows an exercise regimen now, with no diet restrictions.

But the scare did affect Hybl.

"You might not guess it from recent events, but I'm more deliberate now," Hybl said. "I'm also a very thankful guy."

As USOC president, he shouldn't be measured in 1992 medals or reaching every fund-raising goal. That would be neither correct nor appropriate.

But as a low-key, purposeful leader, unifying and redirecting, Bill Hybl is the right choice for the U.S. Olympic Committee.

Neither will regret it.

Mr. WIRTH. I yield the floor.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that we continue as in morning business and that I have permission to speak therein.

The PRESIDING OFFICER [Mr. SIMON]. Is there objection? Without objection, it is so ordered. The Senator is recognized as in morning business.

THE BOYCOTT AGAINST OUR FRIEND AND ALLY—ISRAEL

Mr. LAUTENBERG. Mr. President, we have just been discussing an amendment to the defense appropriations bill on the subject of the embargo, the Arab economic boycott, as it is commonly known which was opened by the Senator from Colorado. I am pleased to have the opportunity to join in urging consideration and approval of the amendment.

The legislation is pretty simple. It says that the Pentagon will not award any contracts, behind the size conforming to a small business designation, to any foreign company, entity, or supplier that participates in the boycott against our good friend and ally in the

Middle East, the nation of Israel, and against American companies that do business with or invest in Israel.

It simply puts foreign firms on notice that the U.S. Government is not prepared to continue doing business as usual. Our laws prohibit American companies from complying with the boycott. And for the life of me, I cannot understand why we would want to give defense contracts to foreign firms that participate in the Arab League boycott.

I think it is an appropriate moment. We are discussing appropriations. We are discussing funding of our contracts for our military needs. I think we ought to be very specific and say we are not going to do business as usual with companies, foreign companies, that comply with the Arab economic boycott. We cannot, with a closed eye, continue to comport with the Arab economic boycott.

Now, we are very specific about American companies when we say, no, you cannot do business under Arab boycott terms, and obey the laws of this country. So what happens? Our firms are put at a competitive disadvantage by foreigners, by foreign firms that do comply with the boycott. Our Government ought not to reward these companies; it ought to penalize them, if they comply with the Arab boycott against Israel.

One effective weapon that we have at our disposal is the awarding of Government contracts. That certainly is a tool we ought not to be reluctant to use.

We certainly should not be awarding defense contracts to foreign companies that comply with the boycott that hurts American companies.

Other countries, our allies, our friends, ought to enact tough laws, just like we have in the United States, to ensure their companies will not cave in to the Arab countries' economic blackmail. Unfortunately, most have not. And as long as they do not, as long as foreign companies continue to comply with the boycott, the U.S. Government ought to be tough on the issue and refuse to give these companies our business.

Mr. President, there are certainly questions about whether this is an appropriate time to raise the issue of loan guarantees, and I, for a moment, would like to address this issue. Frankly, I do not think there is a better time.

The United States has suddenly done an about face on the refugee absorption loan guarantees that we intimated, suggested, implied, even recommended, on behalf of Israel so that she could resettle immigrants whose emigration we made possible. We have a window of opportunity, Mr. President, to provide a haven for those refugees from persecution, from harassment, from a long history of second-class citizenship.

As we begin to see the disintegration of the so-called Soviet Union, we see the emergence of various hate groups, of anti-Semitism, of threats to the well-being of these people, and we have made their emigration a major focus of our foreign policy. Now is the change to help complete the cycle, Mr. President. The administration has inadvisedly decided to link the refugee absorption loan guarantees with the peace process. These are separate issues.

One of the things I believe the administration should have done as it tried to maneuver a peace conference was to say to the people in the Arab world with whom we do business, people who purport to be our friends, that you ought to lift the embargo against companies that do business with Israel. As a matter of fact, the Arab League goes further than that. It is not just the first level embargo; it is the secondary, tertiary level where you say you cannot do business with companies that do business with companies that do business with Israel. This is a sore point for many of us. The Arab countries have been asked little, if anything, to do their part in arriving at a peace discussion with Israel.

Mr. President, we hope that the loan guarantees will go forward; that the administration will ultimately lend its endorsement; that it will convey to the American public that there is no cost to the American taxpayer as a result of these loan guarantees, unlike, Mr. President, the forbearance on 7 billion dollars' worth of loans that Egypt owed this country. All of us—and I speak for myself—worked very hard to get that forgiveness because we felt it was in the best interests of America's foreign policy. That had a cost for every taxpayer in this country, Mr. President. President Bush knew it and felt it was important, and I went to work as a member of the Foreign Operations Subcommittee of appropriations to turn that into reality.

I wish, Mr. President, that the administration would convey again the message to the American public that these are loan guarantees. Israel has paid every dime she has ever borrowed on time. Her credit rating is excellent. As a matter of fact, her ratio of debt to export is better than some countries, perhaps even including our own.

Mr. President, we must put the pressure back on those who violate the law, people who want to come to the trough to feed on the American opportunity.

So, Mr. President, I hope the amendment that was proposed will get favorable consideration. I think the timing is good. I think the vehicle is appropriate. It is an appropriations bill. It is when we decide how much money we are going to spend, where we are going to spend it, with close to $300 billion, the largest single item in our budget save interest on our own debt, debt service.

So this is the opportune time. This is the time to say to the people in Israel, one of our best friends, our staunchest ally in the world, we are not abandoning you; that we object to the embargo that is placed against you, and we resist any opportunities to make that embargo enforceable. It is an opportunity to say to American businesses that the United States will not reward foreign firms that comply with the economic boycott with defense contracts.

So, Mr. President, I close with the hope that the amendment proposed by Senator WIRTH, with my cosponsorship, will get its hearing now and action permitted on it.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The Senate continued with the consideration of the bill.

Mr. STEVENS. Mr. President, this Senator finds himself in the very uncomfortable position of being one of those who really stated opposition to the boycott but at the same time has to manage a bill that we hope will wind its way through to provide the support for the people who are in our Department of Defense. The Department of Defense has advised me that they—

> * * * strongly opposes this provision. First, the inability to award contracts to Middle East Arab companies unless a waiver is obtained would make support of our servicemen in the region very difficult. Contracts for items such as food, water, petroleum products, and transportation services in Saudi Arabia would have to be awarded to non-Arab firms or require a waiver. Delays associated with obtaining a waiver would adversely impact the ability to support U.S. troops in the Middle East.
>
> Second, the Middle East Arab nations are likely to view this requirement as offensive, especially since most of the Arab nations were members of the coalition in the Desert Storm operation and fought alongside U.S. troops. If the Middle East Arab nations were to retaliate by buying fewer U.S. weapons, the U.S. has much more to lose since we sell about 9 times more goods and services to those nations than we buy from them (In FY 1990, we sold $7.4 billion in goods and services to the region and purchased $800 million).
>
> Third, this requirement would be very difficult to implement and enforce. Competitive solicitations would have different requirements for domestic versus foreign offerors; foreign offerors would have to sign the certification required by this provision whereas domestic firms would not. Standards would have to be developed as to what constitutes non-compliance with the secondary Arab boycott and such standards would have to be published in our procurement regulations. It is not clear what the standards would be since much of the facts concerning compli-

> ance with the boycott resides outside of the U.S. Government. For the same reason (lack of standards as to what constitutes non-compliance with the boycott), this provision would be unenforceable. Another problem will arise on a procurement if a competitor files a bid protest challenging a foreign offeror's certification of non-compliance with the secondary Arab boycott. Verifying the certification may be impossible and the protest would delay award of the contract.

I have been requested on the part of the Department of Defense to oppose the amendment. But I still believe that the basic problem is that someone who is familiar with the Export Administration Act of 1979 and has managed it here on the floor ought to be managing this amendment which is permanent legislation on this appropriations bill.

In the absence of the chairman, I have no alternative but to again suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I have been invited by another member, this time the legislative assistant to the Chairman of the Joint Chiefs of Staff. I will provide this to the authors of the amendment. Let me read to the Senate the position of the Joint Chiefs of Staff:

> This proposed amendment should be opposed in its entirety.
>
> a. Since foreign governments are included as "foreign persons" this amendment would require the SecDef to waive the provisions of this bill for contracts between DOD and host governments for host nation support, leases for storage of prepositioned material, and other contractual arrangements in support of regional security arrangements in the USCENTCOM area of responsibility. Our regional security partners in the Arab world are all party to the Arab League boycott of Israel and US companies which do business with Israel, with the exception of Egypt, which under the provisions of the 1979 Peace Accord with Israel does not enforce the Arab boycott of Israel.
>
> b. The political impact of this amendment would be very negative with our Arab Coalition partners at a time when we are working hard to maintain cohesion within the Coalition to respond to continued Iraqi violations of UNSC 687.
>
> c. In support of the Middle East peace process, Egypt has proposed a suspension of the Arab League boycott in exchange for a freeze of Israeli settlements in the Occupied Territories. This legislation could bolster Israeli intransigence and complicate the Administration's effort to encourage the peace process.

It is the recommendation of the Joint Chiefs of Staff that the proposed amendment should be opposed in its entirety.

Mr. LAUTENBERG. Mr. President, will the Senator yield for a request? Are we going to have copies of that?

Mr. STEVENS. I say to my friend I just have had the copies made to give the authors of the amendment. I am still awaiting the people who are experts on this basic act to come to debate with the Senators who oppose the amendment.

Mr. WIRTH. Mr. President, I would like to add as a cosponsor of the amendment the distinguished occupant of the Chair, the junior Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I am struck by a number of things in the recent discussion. One, the distinguished Senator from Alaska has made it clear that they are all surprised by this amendment. Then we get very extensive material over from DOD opposing the amendment, well written out statements here, another one over there. I think that would suggest DOD has time to prepare responses to the amendment. The criticism of the Senator from Colorado that this was a surprise is hardly well-founded.

This amendment has been out there. We showed it to the committee. They have known about it. It has obviously gone over to the Department of Defense for their response. So it is a bit—I am not quite sure what the right word is at this point. But to suggest that this is a surprise, being done at the last minute, is simply not the case. Obviously, it is not if the Department of Defense has time to put together this kind of a response.

So let us put aside any discussion that this is coming as a surprise. This has been out there a long time. We talked to the Department of Defense about this in July and in August. We distributed this amendment to the members of the committee. We distributed this amendment to staff.

This is not a surprise. This is an issue that has been out there not for a couple of months, or 3 months, but since 1951. This issue has been out there since the Arab League decided they were going to boycott Israel.

I think it has also been the position of this country for a long time—no surprise—that we would hope to get the Arab countries, persuade them, to at least recognize the right of Israel to exist; that it should be the position of the Arab countries to go to the peace table to talk to the Israelis, to sit down and try to work out these longstanding differences between the two.

That has been our position, as I have understood it all of my adult life, and all the time I have been in the Congress. It has been something we have attempted to pursue. It is also no surprise that there has been, for a long time, a proscription against any domestic firms from honoring this boycott. That is in the law.

The Department of Defense tells us this would inhibit domestic firms. The law says domestic firms are already proscribed from honoring and dealing with the boycott. That is already against the law.

So let us take all this out about domestic firms. It has nothing to do with domestic firms. It has to do with foreign firms that are having it both ways. That is what it is all about—having it both ways. We may have an administration that wants to have it both ways—although I do not think so—on this issue. Presumably, they would like to figure out how to come to some accommodation.

It seems to me that we ought to use all the leverage available to us. Certainly, the enormous amount of contracting in the U.S. Department of Defense provides that kind of leverage.

The point has been made by the Department of Defense somehow that this is going to be enormously damaging to our ability to support the troops, to our efforts in Desert Storm, and so on. Nonsense.

There is, in this amendment, very clearly laid out—I described it earlier, and I will describe it again—one, an exemption for any contract under $25,000. The poor Arab bringing water to the American troops will not be affected by this; the poor individual selling mutton to the American commissary will not be affected by this. This is under $25,000. That is a lot of money. So that small contract will not be affected. Take that out of the equation.

Second, on national security grounds—clearly, the Secretary of Defense can waive this on national security grounds. Let me read, if I might, for the edification of those in the Department of Defense apparently opposing this amendment, the language we put in there at their request:

> In deference to concerns expressed by the Department of Defense, this amendment contains a provision allowing the Secretary of Defense to waive this requirement, if he deems it is necessary to do so in the national security interest of the United States.
>
> Nor does the amendment require the Department to ascertain which foreign companies comply with the secondary boycott of Israel.
>
> Foreign companies bidding on U.S. defense contracts must certify that they do not comply with the boycott.

So the two arguments we just heard from the Department of Defense make no sense. One, that this interferes and gets in the way; this does not. The Secretary can waive it. If he feels it is in our national security interest that we have to have this contract, he can waive that. That was their request in August. This has been around for quite a while. It was their request in August.

Second, it does not, as they suggest, require the Department of Defense to go around and do a massive investigation of every firm with which we are contracting. That is not the case. It just says that foreign companies that are bidding on United States defense contracts must certify they do not comply with the Arab League boycott of Israel.

I will say that again: Foreign companies bidding on United States defense contracts must certify that they do not comply with the Arab League boycott of Israel.

Mr. STEVENS. If the Senator will yield, one of the objections that has been raised by the Office of the Joint Chiefs, I might say, is the contract-by-contract concept as applied to the Government of Saudi Arabia, per se, right now. Would the Senator on this amendment, be willing to take out contract by contract, so an area of responsibility such as the Persian Gulf could be waived?

Mr. WIRTH. We would have to look at whatever suggestion that is. I think what that contract by contract means is that now the Secretary of Defense can say to any contractor he wants to that it is OK; go ahead. So you can do anything you want to do. We are going to provide carte blanche.

I hope we do not have such an extensive number of contracts that a single contractor—if we are going to do it contract by contract, why not just ask that contractor to simply come back to us and certify that that contractor is not in compliance with the Arab League boycott? That is a lot easier. Let us ask that contractor to say: We are not in compliance with the boycott. That is easier.

Mr. STEVENS. If the Senator will yield, my question is pertaining to the provision of the Senator's amendment, which says specifically that the waiver must be contract by contract.

In connection with Saudi Arabia, for instance, as the Senator pointed out, the contracts with Saudi Arabia were in the vicinity of some $4½ billion that they provided us, and we provided them $800 billion. Those contracts are being made with the Saudi Arabian Government as an entity, and the contractors. The Senator's amendment mentions an entity, as well as a contract.

I have been asked to request whether or not the Senator would delete from the amendment the requirement that this waiver be contract by contract. Each single occurrence in Saudi Arabia would be subject to a waiver by the Secretary of Defense.

I am not sure it would make it entirely acceptable with the other people yet, but I do want to know if the Senator would delete contract by contract from this amendment.

Mr. WIRTH. Well, if the Senator thinks that that would make the amendment acceptable, we ought to have a quorum call and discuss what is acceptable. I appreciate the suggestions and the constructive approach taken by the Senator from Alaska.

The Senator from Alaska should also understand that given the history of this, this is coming in, and we are going to get nickeled and dimed to death. We are doing all these changes. This amendment has been out there for a long time, and it seems to me that if there is a set of changes that you want to have made, let us look at those. And if there are two, three, or five—this is one—of if there are others, or if this is the only one, then the amendment could be agreed upon and voted upon. That is fine. I might be willing to make a single change like that.

Let me add, if I might, the idea that somehow we are beholden to the Saudis, because they buy 4½ billion dollars' worth of goods from us, and we buy 800 million dollars' worth of goods from them, seems to me to be not a very valid argument, because in this mix oil is not included.

The reason we were in the Persian Gulf, to begin with, was not to restore the legitimate Government of Kuwait. There may have been some who said we sent 550,000 people to the gulf to restore the legitimate Government of Kuwait. That is not why. We were there about our concern about Saddam Hussein's weaponry, and because of oil.

We are buying a vast amount of oil from Saudi Arabia. The U.S. balance of payments is skewed way out of control, because of our enormous dependence on oil, which I hope we begin to deal with in an energy bill.

I am not sympathetic to the argument that somehow we are doing the Saudis a favor by letting them buy goods from us. Look at the size and scope of the U.S. oil exports from the Persian Gulf to the United States and to every place else in the world.

Mr. STEVENS. Mr. President, I may not be emphasizing this point as I should be, but I want the Senator from Colorado to understand that I am informed that the Saudi Arabians provided the money with which we bought from them some $4 billion worth of services over the period of this last year. They turned around and bought from us $800 million.

So this complicates the operation in the Persian Gulf, as one of the coalition partners, in a way that the Department of Defense has requested me to oppose it entirely.

I say to my good friend that I have a call here to try and pursue that question we just had—I wonder if I might ask the Senator's indulgence—and the Senator from California wants to make a statement as in morning business, as the other two Senators have, on another subject. So I might take this call and pursue the dialog we just had between the Senator from Colorado and myself.

Mr. LAUTENBERG. Mr. President, I wonder whether the Chair would withhold recognition for the moment. I would like to just follow up on the comments made by the Senator from Colorado, and then certainly I will yield to our colleague from California in a few minutes.

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. STEVENS. All I am asking is, if the Senator would permit me to ask for a period for routine morning business, I might leave the floor. There is no other person here to manage this bill. That way I can carry on this conversation that pursues the comments just made by the Senator from Colorado.

I know that the Senator from California wishes to make a statement as in morning business.

Mr. LAUTENBERG. With all respect and appreciation of the interest of the Senator from Alaska, could we find out how long the Senator from California needs to make his statement?

Mr. STEVENS. I told him that I need 10 minutes for the phone call.

Mr. LAUTENBERG. Mr. President, I guarantee the Senator that nothing will happen to thwart his interests, or in any way to diminish his opportunity as he inquires about whatever information he needs.

We certainly cannot move ahead on anything.

Mr. STEVENS. May I ask that the Senator be recognized for 10 minutes in morning business. If anyone else wants to continue in morning business, fine. I will be back here as soon as I can after I have this conversation.

Mr. LAUTENBERG. Is that request for 10 minutes?

Mr. SEYMOUR. Yes.

Mr. LAUTENBERG. Mr. President, I do not want to be sticky, but all of us have things to do, and I would take less than 5 minutes to pursue the line that the Senator from Colorado wants.

Mr. STEVENS. Fine. I amend the request and ask unanimous consent that the Senator be recognized for 5 minutes and, following that, the Senator from California be recognized for 10 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

Mr. RIEGLE. Mr. President, reserving the right to object, I would like to extend the request then after the Senator from California speaks for 10 minutes that I might be recognized for 5 minutes, also, as if in morning business.

Mr. STEVENS. I guess it will be long enough to have a long conversation, Mr. President.

The PRESIDING OFFICER. Is that added to the request by the Senator from Alaska?

Mr. STEVENS. I wish to have that approved, yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey is recognized for 5 minutes.

Mr. LAUTENBERG. I thank the Chair.

Mr. President, I just very quickly want to confirm what is being said about the intent of this legislation and to discuss the response from the Joint

Staff, dated August 1. We are dealing with the Wirth-Mack amendment, so certainly this is not a surprise.

In that letter, Mr. President, the Joint Chiefs or the Joint Staff—I am not sure whether that means the Joint Chiefs or whether it is some branch of their office—they make a point not of discussing whether or not this is appropriate legislation, but in paragraph 3(c) they say, "In support of the Middle East peace process, Egypt has proposed a suspension of the Arab League boycott in exchange for a freeze of Israeli settlements in the occupied territory."

They go on to say further, "This legislation could bolster Israeli intransigence and complicate the administration's effort to encourage the peace process."

The question then has to be put very clearly, is the reason we are doing this to relieve us of so-called Israeli intransigence? Is that the reason that this amendment is objected to? Is there some sinister purpose to it that says that, no, we are not just interested in having foreign companies abandon the Arab League economic boycott? Is it part of the grand scheme to force Israel into making concessions before they get to the peace table? I do not think that is an appropriate addendum to the bill for appropriations for defense.

So I ask the Senator from Alaska, the distinguished ranking member of the subcommittee, to permit us to move forward on this, to say that, no, we will not in any way, directly or indirectly, participate in a boycott of our good friend and staunch ally, Israel. I find it distressing that information is introduced here that talks about the peace process, and that arguments against the amendments are made on behalf of legislation on appropriations, of disrupting our ability to function, and suggesting that it might be inconvenient not to do business with Saudi Arabia.

Mr. President, we have all seen in the last couple days that the Saudis have not yet fully paid their bill to the United States from the war and there is pretty good cash-flow in Saudi Arabia, as you can see every day from the amount of oil we buy. There is some $3 billion owed to us by the Kuwaitis and also $3 billion owed by Saudi Arabia. I do not know when we sent the troops there what kind of service they were buying, but there was a debt incurred on behalf of salvation of their country and protection of their people and we have to worry about who we are dealing with appropriately with Saudi Arabia?

Mr. President, if it were not so serious, it would sound like a comedy. We ought to get on with establishing the fact that this country, this free democracy, is unalterably opposed to the boycott and we will not do business with anybody, that complies with that boycott.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. SEYMOUR. Thank you very much, Mr. President. I appreciate the opportunity to be recognized as if in morning business, and so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF CLARENCE THOMAS

Mr. SEYMOUR. Mr. President, I rise today to discuss a matter that will soon be before us here in the Senate and that is the nomination of Judge Clarence Thomas to the U.S. Supreme Court.

I am not a member of the Judiciary Committee, but, like many of my colleagues and millions of Americans, I watched Judge Thomas' testimony before the Senate Judiciary Committee with great interest. I focused on three areas. First, how Clarence Thomas has been as a judge. Second, how would he serve as an Associate Justice. And, third, who is he as a man and as an American.

The Judiciary Committee examined nearly every facet of Judge Thomas' professional life as well as his judicial temperament. On all counts, as he described his background, his qualifications to serve on our Nation's highest court, it became clear and more compelling to me that he should be confirmed.

As a nominee to the Supreme Court, Judge Thomas has clearly and correctly stated that the high court is not a forum for advocacy, but it is a body where respect for the law and equal justice are paramount.

Furthermore, I think it was and is appropriate that Judge Thomas did not prejudge how he would decide controversial issues that could very well come before the Court in the coming years. Those decisions should be based on the law and the facts that are presented before the Court, not on a personal preference, an attitude, or some ideologic litmus test. If you are going to be an umpire at a baseball game, you do not call a ball or a strike until the ball has been thrown over the plate, and, in spite of repeated attempts by some committee members to get him to commit to a viewpoint or a position before all of the facts are before him, I personally am pleased and proud of Judge Thomas that he maintained an independent, fair-minded, and unbiased stance. And is that not what we all want and is that not what we should all ask of him or any other nominee to our highest Court in the land? Let me say that that precedent has been historic of all of our nominees to the U.S. Supreme Court, including the confirmation of Thurgood Marshall, whom Judge Thomas will replace.

Mr. President, I think that everyone by now is aware of the remarkable personal accomplishments that Clarence Thomas has made. Certainly, the fact that he has overcome adversity in life should not be the deciding factor in making a decision to appoint him to the Supreme Court or for any other position. But character is a yardstick by which we can take the measure of a man. It can give you an indication of how he will carry himself professionally and personally.

That character came through clearly to me when I met with Clarence Thomas. I was impressed by his integrity, his independence, and his remarkable life story. Rising from the poverty of his youth and overcoming discrimination, he is a man who has pulled himself up by his own bootstraps, and he is a role model for all Americans whether they be white, black, Asian, or Hispanic, young or old.

For months, Americans have learned the story of Clarence Thomas—his accomplishments as a judge, his ability as a justice, and the content of his character. I am convinced that Clarence Thomas will bring a firm commitment to equality and justice to the Supreme Court—a commitment that is rooted in his personal experience with overcoming injustice and inequality. I have no doubt that Clarence Thomas will serve this Nation well, and that is why I will vote to confirm this extraordinary man as an Associate Justice of the Supreme Court.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. RIEGLE. Mr. President, I think I am to be recognized for 5 minutes. I ask unanimous consent that that be extended to 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Michigan is recognized for 10 minutes.

POVERTY AND HEALTH CARE

Mr. RIEGLE. Mr. President, I want to first draw attention to an item that has just come across the tickertape on the wire out here. It says the following. This is on the UPI wire.

> The number of people in poverty rose sharply in 1990 to 33.6 million, a jump of 2.1 million, and the median income of the American family dropped to under $30,000, the Census Bureau said Thursday.

It goes on.

> The Census report put the U.S. poverty rate at 13.5 percent, up a dramatic 5.5 percent, its highest level since 1986 and well above the level of the early 1970's when the Great Society's war on poverty programs were at their strongest.

> At the same time, the annual Census survey reporting on income and poverty trends also showed that the income gap between rich and poor continues to widen with the middle class getting squeezed as its share of aggregate income declined from 52.7 percent to 49.5 percent.
>
> Overall, the Census report showed real household median income in 1990 declined an estimated 1.7 percent to $29,943, about $525 less in real terms than in 1989.

It goes on to say:

> Per capita income declined for the first time in eight years, the report said, dropping 2.9 percent to $14,387 in 1990.

That is the amount on average that everybody in the country would have had in the way of an income, applying our national income across all individuals.

It also says:

> In another sign of the worsening economic well-being of the American people, the report also found that the number of people without any health insurance increased by 1.3 million, to a total of 34.6 million.

Obviously other people lose it during the course of the year, so that figure is even higher than this piece says.

Now, on the health care issue that relates to two stories that are in the paper today that really need to be brought to the attention of the Senate. One is from the front page of the New York Times today. It is an article that says "Health Benefits Found To Deter Job Switching."

I am going to read the first three paragraphs here. In this article in the New York Times it says:

> Three in 10 Americans say they or someone in their household have at some time stayed in a job they wanted to leave mainly to keep the health benefits, according to a New York Times/CBS News Poll. The survey provides some of the strongest evidence yet of pervasive concern about the costs of medical insurance and care.
>
> The phenomenon becoming known around the country as "job lock" was most prevalent in middle-income households, suggesting the rising potency of health care as a political issue.
>
> Half the people say the nation's health care system needs fundamental changes and another 40 percent go even further, saying it must be completely rebuilt, the survey found.

So add the 50 to the 40, and you have 90 percent of the American people that say it is time to overhaul the health care system. And it goes on on in that vein. The next paragraph says:

> And, in a striking sign of widespread insecurity, 29 percent of Americans said they or a family member had lacked health insurance at least temporarily during the past year.

Now, we have a health care proposal that we developed over here on this side of the aisle. Senator MITCHELL, myself, Senator KENNEDY, and Senator ROCKEFELLER have written a bill cosponsored now by several other Senators that is a comprehensive plan. It phases in health insurance for everybody in this country over a 5-year timeframe. It goes in and launches a major restructuring of the health care system to go after major cost savings, an estimated savings of $80 billion over the next 5 years. It is a solid plan.

We have been holding hearings on it here in Washington. I have held hearings on it in Michigan. We are getting good feedback on that issue, but we cannot get the President and this administration to engage on this topic.

That leads to another article in today's paper. This one on the front page of the Washington Post. The headline on this, "Bush on Health Care: Case Study in Caution," and then this subheadline, "White House, GOP Debate Political Risks of Taking on the Issue."

Now you have to hear this article to believe it. I am just going to quote some of the paragraphs out of it.

It says in here, in the article over about three columns into it, "Bush likely to do nothing concrete this year"—this is on health care—"and will not make a serious proposal until after the election." After the election.

> Instead, at most, he will make some speeches addressing the problem in broad philosophical outlines and endorsing Republican-oriented incremental steps, such as incentives for small businesses to provide insurance.
>
> "What is really essential to make a debate happen in 1992 is that [the] Democrats have a plan," said one senior administration official, dismissing the idea that Bush, because he is the president, should go first on an overhaul of the system. "Until that happens, there is no reason for the president to come forward and take the heat."

One wonders why anybody runs for the job if they are not willing to step up to these problems.

Let me go down a little further in the article.

> Behind the White House's current posture on health care is a vigorous debate within the White House and the Republican Party over the fundamental question of whether Bush gains more politically by leading the way on the issue or by remaining basically silent.

And then it says, here in another paragraph:

> "If you run a 'Morning Again in America' campaign, can you turn around in a month or a year and say we have this terrible problem and many of you are going to have to sacrifice to fix it?"

Then it drops down further. It references a friend of mine, Bob Teeter, a political adviser of the President who comes from Michigan. That paragraph reads this way:

> Robert M. Teeter, Bush's senior political strategist, has made the point in several internal discussions that large structural problems in American society get solved gradually. The public, he has argued, must first be convinced that a crisis is impending and persuaded to back hard solutions before the political impetus for big change comes.
>
> While Teeter is said to have argued like Darman and others, that Bush needs to begin publicly discussing the health care problem, he too is said to be averse to any immediate broad White House proposal as neither politically necessary or wise.

Now, why does the health care issue have to be handled in the context of that kind of politics? We need a health care reform plan now because people are going without health care now.

People in this country are dying because they do not have health care. This kind of back and forth on the politics of whether it is put over until the next election year—it is time we see some administration leadership on this issue; some leadership from the President on this issue.

There is one hopeful sign in that regard. I have talked about this issue, and I said many times I consider the President a friend of mine. It says here at the end, "Some who have talked to Bush about health care say he genuinely cares about the issue. One said, 'It was one of three subjects he kept bringing up' at Camp David in August." Maybe that is a sign of hope because this President, working with this Senate and Members on both sides of the aisle, can get a health care plan developed and put in place before the next Presidential election.

I want to see it done because it needs to be done. Let us get that done and let us take that accomplishment to the voters in 1992. Let us not give them a lot of sidesteps and a lot of nonsense and a lot of fluff and avoid the issue until another time.

As this story in the New York Times says today, 90 percent of the American people want this issue addressed. How many does it take before we finally get some leadership out of the administration on this issue? Ninety percent is about as much as you can hope to get in this country.

Incomes are going down, as this census data shows. The middle class is being squeezed. The number of people without health insurance are going up. The problems are out there and the time to lead is now. The time to lead is now.

Let us not put this in this kind of debate about Presidential politics and whether the thing is put aside based on political strategy. Let us get out there and lead and do something for the American people. That is why people have been elected to these jobs, and that is to get out front and lead.

Finally on this comment the President is supposed to have made yesterday, is quoted as making, calling the unemployment compensation extension plan that we passed here in the Senate with 69 votes—apparently said to a Republican fundraiser in New Jersey that he thought our bill was "garbage," although many Republicans voted for it as well. It is not garbage and I will tell you this, there are unemployed workers in this country, 9 million of them, many now who have exhausted their unemployment benefits, who literally do not have the income to eat properly.

We have people in this country today who are literally finding their food in dumpsters. I am talking about picking through garbage to find something to eat. That is a cold fact. It is happening in this town. Go to the grocery stores and go to the fast food outlets and they will tell you the food they discard at the end of the day and goes into the dumpsters, people are coming in many cases and getting it because they need it to eat.

So do not refer to extended unemployment benefits as garbage. They are not garbage, they are absolutely essential for the people of this country who have lost their jobs. Their jobs have not come back. They need the income. There is $8 billion in the trust fund and they need it to hold their lives together.

That kind of demeaning comment is just wrong. It is unfair. It does no credit to the administration or to the President when he uses that kind of phraseology about something that is so essential to the life and well-being of working people who are out of work and their ability to provide for their families; to make sure their children have something to eat. It is not garbage.

I yield the floor.

The PRESIDING OFFICER. Does the Senator from Alaska seek recognition?

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1763 and S. 1764 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business be temporily set aside to permit consideration of matters relating to the bill.

The PRESIDING OFFICER (Mr. DIXON). Without objection, it is so ordered.

AMENDMENT NO. 1213

Mr. INOUYE. Mr. President, I send to the desk an amendment on behalf of Mr. SPECTER, the Senator from Pennsylvania, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. SPECTER, proposes an amendment numbered 1213.

Mr. INOUYE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert in the appropriate place:

(A) The comptroller General of the United States shall issue a report on the Department of Defense plan to consolidate Navy Research, Development, Test and Evaluation, Engineering, and Fleet Support Activities set forth in the 1991 Defense Base Closure and Realignment Commission's recommendations which:

(i) evaluates cost data and methodology used in formulating the consolidation plan, and any new variables resulting from recommendations made by the 1991 Base Closure and Realignment Commission;

(ii) evaluates the validity of all personnel relocation assumptions contained in the plan; and

(iii) evaluates the consolidation plan in light of changing force structure requirements.

(B) The Secretary of Defense shall provide a report to Congress on the findings set forth in the Comptroller General's report which shall include identification of inconsistencies between the Comptroller General's report and the findings and recommendations submitted by the Department of Defense to the 1991 Base Closure and Realignment Commission.

(C) The Secretary of the Navy shall make available for review to the Comptroller General of the United States immediately upon enactment of this Act all documents generated after January 1, 1989, and prior to September 1, 1991, pertaining to or referencing the issue of consolidation of Department of the Navy Research and Development activities.

Mr. SPECTER. Mr. President, today the Senate adopted an amendment which had been cleared on both sides of the aisle which had been submitted by this Senator which provides for certain reports by the Comptroller General of the United States in connection with the research and development and testing laboratories consolidation programs. This amendment has been prompted by the fact that there has been virtually no examination of the underlying cost factors by the Department of the Navy in coming to its conclusions on consolidation of Navy laboratories.

My own concern has arisen in the general context of national defense but with specific reference to the Naval Air Development Center in Warminster, PA, where there is good reason to believe that a close examination will show it to be inordinately expensive and counterproductive to reallocate, realign, and in effect close most of the Naval Air Development Center in Warminster, PA.

At one juncture, the Department of Defense had estimated that it would cost $184 million to make the shifts, and later that was increased to something in the $300 million range. It may well be that a factual analysis will show that is much higher even than $300 million.

There is another major factor which has not been adequately weighed and that is the factor that most of the technical and professional personnel in the Naval Air Development Center at Warminster will not move on any relocation so that this examination may well provide a factual basis at a later day for some further consideration by the Congress.

The General Accounting Office, which was required by statute to evaluate and report on the analysis conducted by the individual services, reported that they were, "unable to conduct an extensive review of the process the Navy used to recommend bases for closure or realignment because the Navy did not adequately document its decisionmaking process or the results of its deliberations."

The GAO also stated that: "Due to the limited documentation of its process, we also could not assess the reasonableness of the Navy's recommendations for closures."

Since the lab commission has stated that they are not examining the feasibility and costs associated with individual alignments, it is necessary to insist on an objective evaluation of the assumptions used in the Navy's proposed research and development consolidation plan.

I suggest further, Mr. President, that there has been a significant shift in defense force structure and projected planning necessitated by the recent developments in the Soviet Union.

There had been some consideration by this Senator and others to hold up implementation of consolidation of the Naval Air Development Center, for example, but it was decided to take a lesser approach or a slightly different approach, calling on the GAO, the Comptroller General of the United States, to issue the reports which will evaluate cost data and methodology used in formulating the consolidation plan to evaluate the validity of the personnel relocation assumptions contained in the plan and to evaluate the consolidation plan in light of the changing force structure requirements.

We have moved ahead on base closures, Mr. President, in a way which defies logic, at least in the opinion of this Senator, and we have enormous needs, especially on research and development. We have a facility, for example, at the Naval Air Development Center in Warminster, PA, which has a centrifuge, which is a testing device located very near granite, which cannot be duplicated anywhere else. We have an ejection mechanism there which was the only one available for testing ejection of pilots from planes in the gulf war where they had the very heavy chemical warfare equipment.

There is a real issue as to wisdom in terms of the helter-skelter pell-mell way in which it was processed and what was done with facilities like the Naval Air Development Center at Warminster. This study will take a hard look at what has been done with a view toward a reevaluation depending on which facts are disclosed in the course of that study.

Mr. INOUYE. This matter has been discussed by both managers. We are able to accept it.

The PRESIDING OFFICER. Is there further discussion on this amendment offered by the distinguished senior Senator from Hawaii?

Mr. STEVENS. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1212

Mr. SIMON. Mr. President, I just want to comment briefly on the amendment offered by my colleague from Colorado, which I am pleased to be a cosponsor of, and specifically the response of the Defense Department where, in the middle of the letter, they use the phrase "Israeli intransigence."

It is very interesting that there is absolutely no criticism of the Arab countries who have refused to recognize Israel, who have had the Arab boycott. It is a whole series of things. I mention this simply because there has been in the Defense Department and in the State Department a tilt in almost every kind of a situation toward wherever the power is and wherever the numbers are. That is true in the Israeli-Arab situation; it is why Congress has had to have some balance here. It is true in the Greek-Turkish situation. It is a whole series of things.

I simply hope that our friends in the Pentagon and our friends at the State Department will try to see that key personnel have old war battles as they approach this problem. It is something that is very, very basic.

I ask unanimous consent, Mr. President, to speak for 3 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE NEEDS

Mr. SIMON. I thank the Chair.

Mr. President, I heard our colleague from Michigan speak about health care needs. Every day Members of the Senate run into these problems where people face just overwhelming problems.

Just a few days ago, I was in Putnam County, IL. The Presiding Officer knows where that is. It is the tiniest county in our State.

A woman was there carrying a child with disabilities. Obviously, severe problems. She and her husband have insurance, but their costs have exceeded the health insurance. They have lost their home. They have $27,000 worth of medical and hospital bills. She said, what can you do for me?

Right now, I have to tell her I cannot do anything for her.

I was in the little town of Findlay, IL, near Shelbyville, IL. I had a town meeting, and a woman got up and said, "I run an antique store. We discovered that our daughter has diabetes. They have increased our health insurance to $1,600 a month and no other insurance company will give us insurance. We cannot afford $1,600 a month."

They are without health insurance.

The stories just go on and on.

Today, we learned that this past year, 1.3 million more Americans are now without any health insurance. Every year at least a million more Americans do not have health insurance. We have to face up to this problem.

I commend my colleague from Michigan for standing up and for his leadership, as well as the leadership of Senator MITCHELL, Senator KENNEDY, and Senator ROCKEFELLER. This thing has to be attended to.

Let me just add, Mr. President, I will be, in the next few weeks, introducing long-term care legislation. That is not addressed in the bill that they have introduced.

Nine years from now there are going to be a million more Americans in nursing homes than there are right now, and 30 percent of people going to nursing homes do not need to go to nursing homes with at-home care.

I will be introducing a bill that has with it, candidly, a half-percent increase in Social Security because we have to pay for this. But we just cannot continue to blissfully go along ignoring problems. Oh, we get taken care of, and a lot of people who have better incomes in this country are taken care of, but all kinds of Americans are slipping through the cracks and we cannot continue to ignore them. That is what we are doing now, and that has to stop.

I thank the Chair.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT FISCAL YEAR 1992

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The pending matter is the Specter amendment No. 1213 offered by the distinguished senior Senator from Hawaii.

Is there further debate on the amendment?

Mr. STEVENS. Mr. President, I have reviewed the amendment in its revised form, and I have no objection.

The PRESIDING OFFICER. The distinguished senior Senator from Alaska has no objection to the amendment.

Is there further discussion on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1213) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1214

Mr. INOUYE. Mr. President, I send to the desk another amendment by Mr. SPECTER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. WIRTH. Mr. President, if I might just understand the pending business.

Mr. INOUYE. We have set it aside temporarily.

Mr. WIRTH. Just for consideration of the Specter amendment; is that correct?

Mr. INOUYE. Yes.

The PRESIDING OFFICER. There is a unanimous-consent request to set aside the amendment of the distinguished senior Senator from Colorado while we do these amendments. Is that the understanding of the managers?

Mr. WIRTH. That is the understanding of the Senator from Colorado, with the understanding that we can return to that business at any time.

The PRESIDING OFFICER. The distinguished senior Senator from Hawaii has sent a Specter amendment to the desk. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. SPECTER, proposes an amendment numbered 1214.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert:

SEC. . OVERHAUL OF THE U.S.S. ENTERPRISE.

The Comptroller General of the United States shall issue a report no later than July 1, 1992, on the Navy's current plan for the handling and disposal of all nuclear materials and radioactively contaminated materials of the nuclear-powered aircraft carriers. The report shall include cost evaluations and projections for the next 20 years based on the current Navy plan and a list of the specific locations under consideration as disposal or reprocessing sites.

(b) REPORT ON HEALTH EFFECTS.—Not later than September 30, 1992, the Secretary of Health and Human Services, acting through the Assistant Secretary of Labor for Occupational Safety and Health, shall transmit to

Congress a report on the human health risks associated with overhaul work on nuclear-powered aircraft carriers.

Mr. INOUYE. Mr. President, this matter has been reviewed by both managers, and we find it acceptable.

The PRESIDING OFFICER. Is there any future debate on the Specter amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1214) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Wirth amendment No. 1212.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The distinguished senior Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, if the distinguished managers are willing, I ask unanimous consent that the Wirth amendment be temporarily laid aside so that I might offer an amendment. I would be prepared to agree to a time agreement if the managers of the bill would like to so agree.

Mr. STEVENS. Mr. President, reserving the right to object, this Senator has not seen the amendment. May we have a copy of the amendment?

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from New Jersey that the Wirth amendment 1212 be temporarily set aside to consider an amendment to be offered by the senior Senator from New Jersey? Is there objection?

Mr. INOUYE. Reserving the right to object, is this for 30 minutes equally divided?

Mr. BRADLEY. I would be prepared to enter into a 30-minute time agreement.

The PRESIDING OFFICER. The senior Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, reserving the right to object, that is agreeable with me if it is on a motion to table the amendment, with the understanding that if it is not tabled there would still be time for debate on the amendment.

The PRESIDING OFFICER. Will the distinguished senior Senator from New Jersey modify his request to accommodate the suggestions by the distinguished senior Senator from Alaska?

Mr. BRADLEY. I so modify my request.

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from New Jersey? Without objection, the distinguished senior Senator from New Jersey is recognized on a time agreement of 30 minutes evenly divided.

Mr. INOUYE. I further ask unanimous consent that a second-degree amendment not be in order before the motion to table.

The PRESIDING OFFICER. Is there objection to the request of the distinguished senior Senator from Hawaii? Without objection, it is so ordered. The distinguished senior Senator from New Jersey is recognized.

AMENDMENT NO. 1215

(Purpose: To express the sense of the Congress with respect to the preparation by the Secretary of Defense of an additional Multiyear Defense Program incorporating certain proposed budget reductions)

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY] proposes an amendment numbered 1215.

Mr. BRADLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 9 and 10, insert the following new section:

SEC. 8130. SENSE OF CONGRESS WITH RESPECT TO THE PREPARATION OF AN ADDITIONAL MULTIYEAR DEFENSE PROGRAM.

(a) FINDING.—Congress finds the following:

(1) Recent events in the Soviet Union, including the dissolution of the Communist Party, are likely to lead to the reduced possibility of a military confrontation between nations of the East and the West.

(2) The political transformation and realignment of Eastern Europe continues without abatement.

(3) The military presence of the Soviet Union in Europe is presently declining, and the decline is likely to accelerate in the near future.

(4) The success of the military campaign conducted by the allied multinational armed force during the Persian Gulf War demonstrates many of the capabilities of such a multinational force.

(5) Rapid evolutions in military capabilities lead to rapid evolutions in the military threat faced by the United States.

(6) It is in the interest of the United States that the Armed Forces be capable of responding to rapid evolutions in the military capabilities, and thus the military threat, of our enemies.

(7) Appropriate levels of expenditures for defense and astute analysis of defense matters will ensure such a capability in the Armed Forces.

(8) In the coming years, it is unlikely that pressures to reduce future United States budgets of the United States will decline.

(9) It is necessary for future budgets of the Armed Forces to reflect the reality of budget pressures and of changes in the military capabilities and political structures of nations around the World.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) in preparing the Multiyear Defense Program to be submitted to Congress with the budget for fiscal year 1993, the Secretary of Defense prepare an additional Multiyear Defense Program that reflects the recent changes in the military capabilities, economic outlook, and political structures of the nations around the World;

(2) the additional Multiyear Defense Program reflect estimated expenditures and proposed appropriations based on a reduction in the Department of Defense budget for a five-year budget beginning fiscal year 1993 of $80,000,000,000; and

(3) the additional Multiyear Defense Program set forth the differences between the force structure and capabilities of the Armed Forces proposed in the Multiyear Defense Program and the force structure and capabilities proposed in the additional Multiyear Defense Program.

Mr. BRADLEY. Mr. President, I ask unanimous consent that Senator WIRTH be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the distinguished senior Senator from New Jersey.

Mr. BRADLEY. Mr. President, this resolution has a simple goal, to get from the Department of Defense the best analysis of a budget built around a reduced 5-year budget target.

Yesterday, the Senate defeated two measures which cut specific projects. These were close votes. And just this morning, we voted to cut funding for a rail-based MX system. It is safe to say we have not heard or seen the last of such amendments.

A lot has happened since last year's budget deal, especially when it comes to the international climate and potential threats to the U.S. world security. Many people, both inside and outside of Congress, are urging the reexamination of defense budget priorities.

Just 2 days ago, the New York Times reported that a proposal being developed by scholars at the Brookings Institution would cut the defense budget by more than one-third by the end of this decade.

This debate will go on regardless of the outcome of today's decisions on budget-cutting amendments. It seems to me that the Defense Department has to play a full part in this debate. The Department has to be responsive to these concerns.

At the outset of the debate on the overall Sasser amendment, Senator DOMENICI made the point that there had been no official analysis of the impact of the Sasser package on military strength. He correctly stated that the Defense Department might prefer an alternative package of cuts if a reduced defense budget was what the Senate had in mind.

Senator NUNN, the chairman of the Armed Services Committee, who was on the floor at that time, agreed that maybe the Defense Department wanted an alternative package of cuts.

Mr. President, they had a point. The Sasser amendment had not been given direct and critical scrutiny by the defense establishment, and perhaps that was in order. My resolution calls for such analysis. Specifically, it sets an aggressive but I believe achievable target for a leaner defense budget—$80 billion less over 5 years. And it calls on the Defense Department to create their best set of revised budget priorities and to analyze the effects of these revised priorities on military capability.

Let us see how the administration experts make the cuts. Let us see their analysis as to the implications for our security. This $80 billion target would be, admittedly, a substantial cut—representing a 5.5-percent cut in overall spending over 5 years. But it is not nearly as large as the cuts agreed to in last year's budget compromise, and it is not as large as others have and will propose.

If we are to consider moving forward with a revised defense budget, which is in fact what we have been doing since yesterday, we need the most informed debate possible. We need the guidance of the Defense Department.

The issue is serious. It is the security of our Nation that is at stake. My resolution is an attempt to make sure our debate in the future is informed, that we are prepared, and that we have the best available analysis of the consequence of our proposals.

It is a very simple request for the Defense Department to do a study that would tell us how they would propose to cut $80 billion more over 5 years.

I reserve the remainder of my time.

The PRESIDING OFFICER. The distinguished senior Senator from New Jersey reserves the balance of his time, which is 10 minutes 53 seconds.

Mr. STEVENS. Mr. President, will the Senator yield to me 2 minutes?

Mr. INOUYE. I am very happy to yield.

Mr. STEVENS. Mr. President, my simple question to the Senator from New Jersey is what is the magic of $80 billion? We have cut $970 billion already from the projected 5-year trend. What is the magic about another $80 billion?

Mr. BRADLEY. Let me say to my distinguished friend from Alaska that he makes a good point. Why $80 billion? Let me suggest to him that I would be perfectly amenable to modify the amendment so that we do not have only an $80 billion number, but that we have a low number of, say, $40 billion and we have a higher number of, say, $120 billion, and allow the Defense Department to address all three possibilities.

The purpose of the amendment is simply to accept the reality embodied in some of the votes today and embodied in the changed world circumstances, and to try to get the Defense Department's best analysis before we take decisions on cutting the defense budget.

My personal view is inevitably we are going to cut the defense budget below what the budget agreement had last year. So why would we want to do this blindly? We need the advice of the Department of Defense. This simply is a request for a study for them to tell us how they would cut another $80 billion.

If the Senator from Alaska would choose, I would be prepared to modify it so we would have a low, medium, and high option so that the Defense Department could give us their view on all three.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The distinguished senior Senator from Alaska is recognized.

Mr. INOUYE. I yield 2 minutes to the Senator from Alaska.

Mr. STEVENS. Mr. President, I wanted the Senator from New Jersey to see this. This is a chart that was prepared to show the defense budget authority. The top line assumes that there has been no real growth in defense spending based on the 185 level. This is the bottom line, the level of the actual program expenditure of the Department of Defense. As the Senator will see, it is a level line absorbing inflation, and the cumulative effect of the cuts that we have made so far in this period, through the period of 1996, is already $970 billion.

As I understand the Senator's amendment, he wants to have the Department prepare plans that would assume that this actual and planned budget line would be in a series of increments going below the existing plan. Is that his understanding? Is my understanding correct?

Mr. BRADLEY. The Senator is correct, and it would be $80 billion less than the budget agreement last year. And it could be in any increment per year. Perhaps the Department of Defense would like to cut nothing next year, but more in the years 1993, 1994, or 1995. This does not specify year-to-year numbers. It simply asks them to give us their best information as to how they would achieve that end.

We sit here; we have had amendments today and yesterday to cut the MX, to cut the B-2. We have had amendments to reduce funding for SDI. There were amendments to shift money from one source to Sealift. I do not know if the Senator would agree, but I think things have changed. Communism has ended in the Soviet Union. The chances are that we are going to be able to spend less in defense. Therefore, I am simply asking for information.

The PRESIDING OFFICER. The 2 minutes of the Senator from Alaska have expired. Who yields time? There are 10 minutes and 53 seconds remaining for the distinguished senior Senator from New Jersey; 10 minutes 55 seconds for the managers.

Mr. INOUYE. Mr. President, I yield myself 5 minutes.

Mr. President, at first glance, this amendment would seem rather innocent and should be acceptable to all Members of the Congress. As the Senator from New Jersey indicates, his amendment would call upon the Department of Defense to come forth and say: Where would you cut $80 billion?

Mr. President, it is correct that if the Congress of the United States, with the concurrence of the President, should decide to cut the Defense Department in half, as we have done on many, many occasions—recall at the time of World War II, from a force of 12½ million to 600,000—yes, it can be done.

But the issue before us is not whether we are going to cut the Defense Department further by $80 billion. We are asking the Department of Defense to go into an exercise to tell us: If you are called upon to cut by $80 billion, what would you cut?

And if that mandate is adopted by this Congress, then what we will have presented to us is a hit list, a hit list. In the next go-around of the appropriations measures, this list will come out and we will say, well, the Department of Defense rated this item as lower in its priority. Let us move to cut this out; let us move to cut that out.

I would like to suggest to my colleagues that the Committee on Armed Services, the committee on defense appropriations, has spent many hours, many weeks, many months, in our case 19 hearing sessions, for one purpose: to listen to witnesses, to listen to experts to tell us what the priorities should be.

We have already gone through this exercise. As a result of these exercises, we have set up a 5-year program in this bill. As a result of the hearings, we will be reducing our armed services by 106,000 men and women. As a result of these hearings, we will be terminating 81 procurement contracts; yes, terminating. As a result of these considerations, we will be cutting out 300 bases and installations overseas. We are going through this exercise.

But I hope that my colleagues will not ask the Department of Defense to prepare their own hit list. That is not the way to carry out our mandate and our responsibilities of oversight and appropriating funds.

So I hope that the Senate will reject this amendment.

Mr. STEVENS. Mr. President, will the chairman yield me 2 more minutes?

Mr. INOUYE. I am very happy to.

The PRESIDING OFFICER. An additional 2 minutes to the senior Senator from Alaska.

Mr. STEVENS. Mr. President, I oppose this amendment because the Department of Defense is now going through the process of preparing recommendations to be submitted to the President through the Office of Management and Budget for the next fiscal year and it, under existing law, must include recommendations for a 5-year period, a total period of 5 years. That is the existing law recommended to us by the Armed Services Committee, which the President and the various departments must follow.

To take the manpower of the Department of Defense now and put it into an exercise to determine what they would recommend if the amount available to them was $80 billion less than the assumed amount—and the assumed amount was established by Congress, I might add; the 1993 level was established by Congress—this means that we will have another total budget crew working on a different budget.

As I understand the Senator's amendment, it would require that this be submitted with the President's budget; an additional mulitple-year defense program.

In other words, this is the shadow budget. One is the budget for the future we have already set, and the other one is $80 billion less. I agree with the Senator from Hawaii. We will be debating the relative priorities as to which should be on which list through the whole of 1992. I do not think that is the way to do it.

I think we should have a budget request from the President, and then we should carry out our constitutional duty. We should determine how much should be authorized and how much money should be made available, based upon the original recommendation of the President.

This gives us two recommendations: One from the President, and one to meet this mythical level of $80 billion less than that mandated level already established by Congess.

The PRESIDING OFFICER. The senior Senator from Alaska yields the floor. The Senator from New Jersey has 10 minutes, 53 seconds. The senior Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, again, this is a request only for a study. I do not know what the Defense Department will come back with. I think my regulation represents a recognition that realities have changed, that the end of communism in the Soviet Union has certain very real implications. We all sat in the room not far from this Chamber and heard President Yeltsin say that, with 40 percent of the people in Russia in poverty, he has to cut defense spending dramatically. We have already seen dramatic changes take place. In all likelihood, there will be less defense spending.

This Senator simply says that, rather than have appropriations bills where amendments come to the floor that vary from whatever budget the administration submits, let the administration help us make cuts by identifying what are the impacts of the world changes. Perhaps the Congress might decide to cut more deeply than the administration. There is no reason that we should do so uniformed. There is no reason why the Congress should not be paying close attention to what the Defense Department believes is less central, as opposed to more central.

The distinguished Senator from Hawaii makes the point that if this amendment passes, the Defense Department will have to produce a hit list. Another way to say that is that the Defense Department will have to say, if they had $80 billion less, what do they think is less important? That is another way to say it. The amendment also calls for the Defense Department to describe the difference between force structure and capabilities, between the present budget agreement and the amendment that is now proposed to cut defense spending another $80 billion.

Mr. President, the reality is that we are going to have less defense spending. We have had budget cutting amendments already on this bill that have passed. We have had amendments that have been barely defeated. Do we want to do this blindly, or do we want to have the best recommendations of the Defense Department in a structured way? That is the issue. This amendment does not predetermine what is cut or what is not cut.

I said to the distinguished Senator from Alaska, if the $80 billion number troubles him, we would be prepared to modify it and ask for three paths, a $40 billion cut, $80 billion, or $120 billion. This is simply a request for information from the Defense Department that would allow the Congress to do its business in an informed way.

I know that this body is resistant to making changes. We had a budget agreement last year. But something has happened between the time of the budget agreement and today. What happened is the end of communism in the Soviet Union.

Does anybody in this body believe that we are not going to have less defense spending? No. I think even the Senator from Alaska said we are going to have less defense spending. The distinguished Senator from Hawaii said that is why we have a hearing process. I would agree with both of those points. But those of us who are not on the committees want to know what the Defense Department would say, and this seems to me to be the best way to get the information. This is only a study.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The senior Senator from New Jersey yields the floor and reserves the remainder of his time, which is 6 minutes, 15 seconds. The managers have 5 minutes.

Mr. INOUYE. I yield as much time as the Senator from Alaska wants.

The PRESIDING OFFICER. Five minutes, 3 seconds remain.

Mr. STEVENS. Mr. President, this is not a request to do something that is meaningful. It is an exercise. We hold hearings, and it costs a great deal of money to hold hearings. We present the alternatives to the administration's budget, and we have been reducing budgets steadily now since 1986. This says: prepare us a budget.

The Senator says we will have three shadow budgets, we will have three exercises. They cost a considerable amount of money. We are laying off 20,000 people from the Pentagon. How many will have to be hired in order to prepare these mythical budgets?

I feel there is no question that the defense budget of the United States will be reduced, if it is proven to be true that the threat against the United States is reduced. I remind the Senator from New Jersey that there is no proof yet that any of the production lines in the Soviet Union have stopped. They are still turning out tanks, bombers, cruise missiles. Every single item in their arsenal is continuing at a rate of production which far exceeds ours and, contrary to statements made on this floor, those articles work. They have been proven to be good.

I do not see any reason for us to presume now that we do not have the duty to first assess the threat against this country. That is what we do. We ask the President to give us a budget for 5 years, and then we probe every single page of it, and we give the Congress our recommendation.

This proposal before us now is less than the House. It is less, by far, than the budget of the President, and is $14.5 billion less than the budget we presented last year. That is a considerable amount of work that we do. Why do we need a shadow exercise budget to come before us? I think this is mischief. I say to my friend that is mischief. It is an attempt to confuse the process of review of the Department of Defense request next year, and to always have in the shadow a statement saying, well, they said if they had $80 billion less, they would not have that. Now we are cutting you $4 billion. Why can you not put that out rather than this? We have a constant challenge against this budget. I do not perceive this to be anything but mischief. The authorizing committee ought to realize—I will yield because they are here. It is time they realize that this is a challenge against the authorization process, not against us. We just fund the authorized bill. This is a preparation of an $80 billion less proposal for the authorizers to review.

I yield to Senator COHEN.

The PRESIDING OFFICER. The manager has 2 minutes.

Mr. INOUYE. I yield 2 minutes.

Mr. COHEN. Mr. President, I thank the chairman for yielding. Let me say that I appreciate the remark that "the authorizing committee is here," as I am only one member of one of the authorizing committees.

I just returned from a House-Senate conference on the DOD authorization bill. What I must say to my colleague from New Jersey is that his amendment essentially seeks to make a statement that there is very little faith and trust for putting the system right, as it is today.

We have the Defense Department that submits a budget. We have a Budget Committee that reviews that and sets levels. We have an authorization committee which reviews the requests of the DOD. We have an Appropriations Committee. And now what, it seems to me, the Senator from New Jersey is saying is, have the Defense Department come to us and say, "Tell us what you want. This is what you normally give us, but now tell us what you really think you need."

It seems to me that that implicitly assumes that we are not doing our job on the authorization committee and the Appropriations Committee is not doing its job. We have three separate cuts at the Defense Department's budget, three separate analyses going on today, and what the Senator from New Jersey wants to do is add one other layer now saying, tell us what you really think you need because you are going to be cut, and this is the level you are going to be cut to, so tell us in advance.

I respectfully suggest that the Senate and House are not simply rubberstamps for the Department of Defense. We scrutinize, we review, we analyze, we are critical, we change, we modify, we cancel. That seems to me verification enough that we are doing our jobs.

I hope the Senator's amendment is rejected by a significant majority here in the Senate.

The PRESIDING OFFICER. The managers have used their time. The Senator from New Jersey has 6 minutes and 14 seconds.

The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, earlier in the consideration of this appropriations bill Senator Sasser offered a three-part amendment. As I said in my opening statement, a number of Senators came to the floor and their major line of attack against that amendment, which cut SDI, B-2, and the MX, was that perhaps the Defense Department might propose an alternative package, that perhaps the Defense Department would not first cut the B-2 or the MX or SDI.

I found that to be a reasonable point. Maybe the Defense Department does not want to cut those programs. This is an invitation to the Defense Department to tell us what they would like cut first. It seems to me that the way the process has moved, the administration has always wanted to cut defense spending less, the Congress has usually wanted to cut defense spending more. And the debate is always over what do we want to cut?

It seems to me that next year, when that debate will take place yet again, we will benefit from having an analysis of what another $80 billion cut will mean in terms of military capabilities, force structure, and political structures in nations around the world.

Mr. President, this amendment is not unlike one that I offered on this floor in 1981 or 1982. We would have benefited greatly from similar analysis to what this amendment would require during the 1980's.

This is our opportunity to get information and allows us to make an informed judgment about what we all know is coming, which is lower defense spending.

I hope that the Senate will accept this amendment. I hope that the information that will be provided from this amendment will help us during next year's appropriations bill. When some people come to the floor to cut defense spending below the level the appropriators want, and I guarantee that is going to be inevitable, they will be making cuts that the Defense Department has identified as they prioritized things. If you are going to cut, these are the areas in which we think the cuts should be made and these are the implications for our capabilities and force structure.

He who has the information often has the power. In this case we are asking the Defense Department who has the information to share their views with us.

Mr. President, I strongly urge the adoption of the amendment. I am prepared to yield back the remainder of my time, if the distinguished Senator from Hawaii is prepared to make his motion.

The PRESIDING OFFICER. The Senator from New Jersey yields back the remainder of his time.

The Chair recognizes the distinguished Senator from Hawaii.

Mr. INOUYE. Mr. President, if any time is remaining I am pleased to yield back the time.

The PRESIDING OFFICER. No time is remaining.

Mr. INOUYE. What is the pending business?

The PRESIDING OFFICER. The pending question is the Bradley amendment.

Mr. INOUYE. Mr. President, I move to table.

Mr. BRADLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Hawaii to lay on the table the amendment of the Senator from New Jersey. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. METZENBAUM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—58

Akaka
Bond
Breaux
Bryan
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Garn
Glenn
Gore
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Inouye
Johnston
Kassebaum
Kasten
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Reid
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—41

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Brown
Bumpers
Conrad
Cranston
Daschle
Fowler
Gorton
Graham
Harkin
Hatfield
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NOT VOTING—1

Metzenbaum

So the motion to lay on the table the amendment (No. 1215) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending business is the Wirth amendment, No. 1212.

The senior Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I ask unanimous consent the pending business be temporarily set aside to permit the Senate to consider other measures related to the bill.

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from Hawaii to set aside amendment No. 1212 by the senior Senator from Colorado to consider other amendments relating to the bill?

Mr. WIRTH. Reserving right to object, and I will not object.

I just want to know what kind of amendments we are talking about. The Senator from Colorado is just concerned about making sure we act upon this amendment.

Mr. INOUYE. These are amendments that have been cleared by both sides and should take no more than 4 minutes.

Mr. WIRTH. I thank the distinguished chairman. I will not object.

Mr. STEVENS. Just returning to the Senator from Colorado, there is a subsequent suggestion that negotiations are ongoing. I am grateful to the Senator from Colorado for his consideration of the suggestions that are coming from the Department of Defense.

I am hopeful we will be able to work this out so we may accept the Senator's amendment very soon. That rests with the Senator from Colorado, however, I might add.

Mr. WIRTH. I will not object. I withdraw my reservation, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Hawaii?

Without objection, it is so ordered.

The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I yield to the Senator from Pennsylvania.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Pennsylvania is recognized.

AMENDMENT NO. 1216

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself, Mr. MITCHELL, Mr. COHEN, Mr. WOFFORD, Mr. BRADLEY, and Mr. DIXON, proposes an amendment numbered 1216.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the pending bill, add the following:

"It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress is relying on the integrity of the base closure process and takes no position on whether there has been compliance by the Base Closure Commission, and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the acceptance of the recommendations issued by the Base Closure Commission.".

Mr. SPECTER. Mr. President, this amendment is being submitted on behalf of Senator MITCHELL, Senator COHEN, Senator WOFFORD, Senator BRADLEY, and I believe Senator DIXON, and myself. It has been cleared on both sides of the aisle.

By way of a very brief statement, it provides that in acting on the joint resolution of disapproval of the Base Closure Commission's recommendations, the Congress is relying on the integrity of the base closure process and takes no position on whether there has been compliance by the Commission and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act, so that the relevant courts, Federal courts, will have jurisdiction on any challenge on procedural deficiencies.

As I say, I have discussed it broadly in the Senate, with the distinguished chairman and ranking member.

Mr. INOUYE. Mr. President, this matter has been cleared by both sides. We find no objection.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, there was also an amendment agreed to when this Senator stepped out of the Chamber for a moment or two relating to an investigation by the Comptroller General of the United States and the issuing of a report on the Navy's current plan for the handling and disposal of all nuclear or radioactively contaminated materials from nuclear-powered aircraft carriers.

That had been agreed to in the absence of the distinguished Senator from Virginia [Mr. WARNER] whom I had contacted in advance of the proposal. But Senator WARNER had to be necessarily absent from the floor for a few minutes. It may be that Senator WARNER has an objection to that. If he does, this Senator will be prepared to vitiate the order of approval of that amendment. I wanted to put that on the record. I have not been able to contact Senator WARNER in the interim.

Mr. President, I need a moment to review slight modifications to the amendment which was just proposed. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, reverting back to the amendment No. 1216, which I had represented had been cleared on both sides of the aisle, that was in fact true. But then a question was raised about striking two words and changing one other word which maintains the same purpose, which is in effect to say that the joint resolution of disapproval of the 1991 Base Closure Commission's recommendations are approved as to the recommendations as to base closures, but the Congress in this resolution is taking no position on whether there has been compliance by the Base Closure Commission and the Department of Defense with the requirements of the statute; that is, the Defense Base Closure and Realignment Act of 1990, which the courts have jurisdiction over to make a determination as to whether or not there has been such compliance.

So at this time, Mr. President, I modify my amendment by sending the modified amendment to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place in the pending bill, add the following:

"It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress is relying on the base closure process and takes no position on whether there has been compliance by the Base Closure Commission, and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the approval of the recommendations issued by the Base Closure Commission."

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. INOUYE. Mr. President, the Armed Services Committee and the Appropriations Committee both have looked over the amendment. We find it acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1216) was agreed to.

Mr. SPECTER. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPECTER. Mr. President, I would like to take just a few more moments on matters which we had discussed. I had said that the Senate had approved amendment No. 1214, which provides that:

* * * The Comptroller General of the United States shall issue a report no later than July 1, 1992, on the Navy's current plan for the handling and disposal of all nuclear materials and radio actively contaminated materials of the nuclear powered aircraft carriers.

The report shall include cost evaluations and projections for the next 20 years, based on a current Navy plan and a list of specific locations under consideration as disposal or reprocessing sites.

Paragraph B. A report on health effects not later than September 30, 1992. The Secretary of Health and Human Services shall transmit to Congress a report on the human health risks associated with work on nuclear powered aircraft carriers.

Mr. President, this Senator had filed earlier an amendment which provided for a different approach. I ask unanimous consent that at this point there be inserted in the RECORD a copy of the amendment which I decided not to include so that the RECORD will be clear as to the approach which the adopted amendment has taken.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the appropriate place in the bill insert the following:

SEC. . LIMITATION ON OVERHAUL OF THE U.S.S. ENTERPRISE.

(a) LIMITATION.—No funds shall be obligated for the complex overhaul of the U.S.S. Enterprise (CVN-65) or any other nuclear aircraft carrier until the Secretary of the Navy, the Administrator of the Environmental Protection Agency, and the Secretary of Energy have jointly submitted a comprehensive plan, which includes annual cost estimates for the next 20 years, for the handling and disposal of all nuclear materials and radioactively contaminated materials of the nuclear-powered aircraft carriers. This plan shall include a list of the specific locations under consideration as disposal or reprocessing sites and shall be developed in consultation with the host states and affected states of any potential site. An unclassified report detailing such plans shall be provided to Congress to accompany the notice of certification.

(b) REPORT OF HEALTH EFFECTS.—Not later than September 30, 1992, the Secretary of Health and Human Services, acting through the Assistant Secretary of Labor for Occupational Safety and Health, shall transmit to Congress a report on the human health risks associated with overhaul work on nuclear-powered aircraft carriers.

Mr. SPECTER. Mr. President, the amendment which was not pursued had provisions that no funds would, "be obligated for the complex overhaul of the U.S.S. *Enterprise*, or any other nuclear aircraft carrier, until the Secretary of the Navy, the Administrator of the Environmental Protection Agency, and the Secretary of energy submitted a joint comprehensive plan which included annual cost estimates for the next 20 years for the handling and disposal of all nuclear materials and radio actively contaminated materials of the nuclear powered aircraft carriers."

"The plan should include a list of the specific locations under consideration for disposal or reprocessing sites, and shall be developed in consultation with the host States and affected States of any potential site."

Mr. President, there is an enormous underlying problem in our country today involving nuclear waste, and it is a problem which we have so far pretty much swept under the rug. Rather than make an extensive statement on this issue at this time—and I would not do so unless there is a challenge to the amendment which has been agreed to—I would ask unanimous consent that two articles be printed in the RECORD from the Virginia Pilot dated April 1, 1991.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Virginia-Pilot, Apr. 1, 1991]

WASTE SITES FACE MASSIVE CLEANUP TASK

(By Al Roberts)

As the Navy's nuclear-powered warships send more uranium fuels, reactor parts and other radioactive wastes ashore, they're counting on the U.S. Department of Energy to dispose of the material at remote, inland dumps.

But the Energy Department—which traditionally has taken naval wastes to its weapons plants in Idaho Falls, Idaho; Richland, Wash.; and Aiken, S.C.—faces serious environmental problems at those sites.

The government has been stockpiling waste since the 1950s, and the waste is beginning to leak from corroding steel drums and clay trenches and cracked concrete tanks. More than a dozen radioactive elements, from cobalt to plutonium to uranium, have already escaped into the environment.

From the Idaho National Engineering Laboratory in Idaho Falls, where the Navy sends its spent nuclear fuel, a 40-square-mile "plume" of tritium is migrating through groundwater flows toward the Snake River. The Hanford Nuclear Reservation in Washington state, which buries scrapped naval reactors, has dumped millions of gallons of radioactive waste into the ground. And the Savannah River Site in South Carolina, which handles other naval wastes, also is leaking radiation.

Cleaning up those sites and 11 other weapons plants—to make room for more spoils from naval shipyards and other nuclear operations—will be a $200 billion task. But the Energy Department is under rising pressure to allow other groups, such as the Environmental Protection Agency, to accelerate the cleanup.

"Little actual cleanup work has been done," the Office of Technology Assessment, an analytical arm of Congress, said in a 212-page report to the lawmakers in February. ". . . Effective cleanup of the weapons complex in the next several decades is unlikely, and . . . significant policy initiatives are required if those prospects are to be improved."

[From the Virginia-Pilot, Apr. 1, 1991]

"BIG E" REACTORS A BIG PAIN, SAY VETERAN REFUELERS

(By Al Roberts)

NEWPORT NEWS.—Imagine eight nuclear reactors being taken apart—piece by piece—in your back yard.

That's exactly what is happening aboard the aircraft carrier Enterprise, which began refueling its nuclear reactors this winter at Newport News Shipbuilding.

The shipyard won't comment on the process. But shipyard retirees, who refueled the "Big E," from 1969 to 1971, said the refueling and overhaul, which began in November and is expected to continue through May 1994, will be an ordeal.

"You have to pretty much tear the ship up to refuel it," said shipyard retiree Jack B. Davis, who helped plan the previous refueling. "There's a lot of stuff you have to remove, and then you have to put it all back again."

During the 3½-year process, retirees said, teams of workers will spend roughly six months dismantling each reactor plant, take a day or two to refuel it, then spend six months reassembling the system.

Throughout the process, workers will wear awkward body suits and breathe through stifling gas masks to protect themselves from radiation. One false move—turning a wrench one too many times around a valve, or firing a blowtorch one millimeter too far into a pipe—could release harmful doses of radioactivity, retirees said.

First, workers will disconnect the reactors from steam generators, turbines, cooling systems and other related equipment. They'll have to divert thousands of gallons of radioactive liquid and gas, much of it sealed under explosive pressure, into holding areas or disposal tanks. Once the pipes are purged, workers will open up miles of pipeline, break through hundreds of valve seals and dismantle thick steel fixtures to get to the reactor.

Then comes the switching of the uranium fuel core itself, which contains the most deadly levels of radioactivity.

Because the workers will be opening up the reactor for the first time in two decades, exposing themselves to its radioactivity, they'll want to move quickly. Ideally, they'll remove the spent fuel core and place it in a steel shipping cask, then install a fresh fuel core and close up the reactor, in a matter of hours.

While they rebuild the ship's reactors, retirees say, other workers will be dealing with the radioactive wastes sent ashore. The Enterprise is expected to leave behind enough waste to throw off at least 25 million curies of radioactivity. That's half of the roughly 50 million curies the Chernobyl reactor explosion released over the Soviet Union. And it's about 8,000 times as much as Virginia's 600 power plants, hospitals and other nuclear industries ship to disposal sites in a year.

Some of that waste, such as the spent fuel or reactor parts, will be solid and easily managed. Other wastes, such as the cooling water from the reactors, will be liquid. Some will give off intense radiation, enough to kill a worker within days, while some will emit negligible radiation.

The most dangerous wastes, the eight spent fuel cores, will each hold as much as 3 million curies of radioactivity—enough to contaminate all of Newport News or build a nuclear bomb.

To protect the spent fuel from accidents and terrorists, each core will be stashed in a steel cask, and each cask will be set in a railroad boxcar on the grounds of Newport News Shipbuilding. Eventually, the boxcars will form a train to a disposal site in Idaho Falls, Idaho.

The bulk of the waste, however, will be parts, tools, protective clothing, rags and other materials that have been exposed to the reactors and their fuels. Each piece of waste may have absorbed as little as one-millionth of 1 curie of radioactivity and pose a negligible threat. But there will be vast volumes of that low-level waste, which could combine to emit dangerous radiation.

For that reason, the waste will be packaged in special polyethylene barrels or steel boxes. It will then be carried away in tractor trailers, traveling west on Route 58 and south on Interstate 95, to a disposal site near Aiken, S.C.

[From the Virginia-Pilot, Apr. 1, 1991]

NUCLEAR NAVY SAILS IN FOR REPAIRS, RAISES CONCERNS

(By Al Roberts)

NORFOLK.—The Navy plans to refuel, overhaul or scrap about one-third of its nuclear-powered ships in the 1990s, bringing an unprecedented—and potentially dangerous—rush of nuclear work into local naval bases and shipyards.

Among the Navy's 137 nuclear-powered ships afloat, at least 40 are due to bring their reactors into Hampton Roads and other ports for work in this decade. Those reactors, which reportedly suffered few accidents while running at sea, will run much higher risks during operations on land, Navy veterans say.

The metal-shrouded reactors, having contained billions of atomic chain reactions for 15 to 20 years, now literally glow with radioactivity, experts say. As the reactors are dismantled in shipyards the risk increases, experts say, that their pent-up radiation will be accidentally unleashed on sailors, shipbuilders, civilians or the environment.

Naval reactor work also will generate radioactive wastes, like the byproducts of commercial nuclear plants, that must be carefully controlled for centuries to come. But control of such wastes has already proven to be a problem for the Navy, federal studies say.

In 1988, for instance, the Navy's Radiological Affairs Support Office in Yorktown sent out 423 questionnaires to Navy installations, asking about their inventories of radioactive waste. Only 212 replied, and at least one-fourth of those that did not reply are known to store radioactive waste. The survey showed only 9,000 cubic feet of radioactive waste stored at Navy sites. But other federal records show that bases and shipyards generate as much as 58,000 cubic feet every year—at least 20,000 cubic feet of it in Hampton Roads.

"For these reasons," the General Accounting Office concluded in a report to Congress in March 1990, "the Navy does not precisely know the amount and types of waste stored or disposed of by its various installations."

The Navy's future challenges in dealing with radioactive waste go beyond Hampton Roads and its shipyards. The service sends its worst wastes to be recycled, stored or dumped at nuclear weapons factories in South Carolina, Idaho and Washington state. But those sites, as well as 11 others in the nuclear weapons complex, have become environmental disaster zones.

The largest site, near Aiken, S.C., already stores 21 million cubic feet of solid wastes and 35 million gallons of liquid spoils—enough radioactive material to fill the Scope arena in Norfolk 25 times. The material contains at least 800 million curies of radioactivity, or roughly 16 times what the Chernobyl reactor explosion released over the Soviet Union. And much of that radioactivity is slowly leaking into the air, soil, water and sediments on the north bank of the Savannah River.

Last week, the latest evidence of the military's waste problem was reported by the Environmental Protection Agency. The EPA said that engineers, rushing to build nuclear bombs in the 1950s, poured millions of gallons of radioactive waste into the ground at the Hanford Nuclear Reservation near Richland, Wash. Some of that waste, dumped into crude ground trenches, will retain half its radioactivity for 212,000 years, experts say.

Environmentalists, legislators and regulators have reacted to such reports by forcing the weapons plants to launch a $200 billion cleanup. As the sites devote more money and personnel to handle existing wastes, however, they will have fewer resources to accept new wastes being generated by the Navy.

At the same time, the Navy will be generating more waste than ever. The spoils will have to sit in interim storage at bases, shipyards or other support facilities, experts say, until they can be sent for permanent burial at the weapons plants.

"The risks are enormous—no doubt about it—absolutely enormous," said Capt. William K. Yates, former commander of the nuclear-powered submarines Sargo, Snook and John Adams.

The aircraft carrier Enterprise, being refueled in Newport News, offers the most dramatic example. The Enterprise is expected to generate enough waste to throw off at least 25 million curies of radioactivity—about half the roughly 50 million curies the Chernobyl reactor explosion released over the Soviet Union, killing hundreds of people and contaminating more than 2 million homes.

"A severe accident could literally destroy a city, and that's not widely realized," said Dr. W. Jackson Davis, a nuclear physicist at University of California and a native of Portsmouth. ". . . It's not just life that you're risking—you're risking whole cities."

Recognizing the risks at hand, the General Accounting Office, an investigative arm of Congress, this winter began reviewing the Navy's schedule of reactor work.

"With the size of the activity going on," GAO investigator Brad H. Hathaway said, "we felt we should at least take a preliminary look."

That inquiry will inevitably focus on Hampton Roads, said Hathaway, who helped investigate the explosion aboard the battleship Iowa. While politicians boast that the port is host to the largest naval complex in the world, public records show that it also handles the most naval reactors and radioactive wastes:

The Norfolk Naval Station is home base to 31 nuclear-powered ships: 23 submarines, four aircraft carriers and four guided-missile cruisers. The ships perform routine reactor maintenance at the base and generate as much as 10,000 cubic feet of radioactive waste a year, according to Navy records. That's enough waste to fill a one-story, two-bedroom home from floor to ceiling.

Newport News Shipbuilding has built 56 nuclear-powered warships—43 subs, seven carriers and six cruisers. It's now building 13 more, including 10 submarines and 3 carriers. Meanwhile, the yard is expected to refuel, overhaul or scrap at least 20 naval reactors in this decade. The yard's increasing work on reactors will dramatically increase its radioactive waste handlings, now running about 15,000 cubic feet a year.

The Norfolk Naval Shipyard in Portsmouth, which has overhauled 34 nuclear-powered subs and cruisers since 1967, has not refueled a reactor since 1973. That has cut its radioactive waste to about 10,000 cubic feet a year. But waste volume will rise sharply with the yard's scheduled refuelings of one ship every two years, beginning with the guided-missile cruiser South Carolina.

The Naval Supply Center in Norfolk, the Naval Weapons Station in Yorktown and other support facilities store and ship radioactive materials. Hampton Roads' military facilities also export and import radioactive waste to and from military bases overseas, records show.

The Military Traffic Management Command, based in Washington, DC., recorded 177 radioactive shipments between Hampton Roads and foreign ports from June 1989 through September 1990. About 100 of the shipments, identified simply as "radioactive material," were not wastes but rather supplies, such as uranium-tipped artillery shells going to Army bases in Europe, records indicated. But at least 50 other shipments were more mysterious, and their contents and destination were not identified in military records made available to this newspaper. Repeated requests over the past 10 months for more details went unmet.

All told, the piers, shipyards and support facilities in Hampton Roads are host to the largest collection of nuclear reactors in the world.

"You have quite a large concentration of reactors in Norfolk. If you proposed to put them on land, people would be appalled, but people don't see ships that way," said Damien Durrant, an activist with Greenpeace, an environmental organization that opposes nuclear reactors and weapons.

The public still does not "see ships for what they are: basically, a smaller nuclear plant," Durrant said. "We kind of regard it as a blind spot in the public's perception."

Ironically, naval reactors are more dangerous—by design—than commercial ones.

Land-base reactors rumble along like eight-cylinder, carbureted muscle cars gulping down leaded gasoline. But oceangoing reactors wind up like four-cylinder, turbocharged speedsters on high-octane fuel. Commercial units can boost electricity output over several days, but naval reactors must propel ships from 6 knots to 30 knots in a matter of minutes.

While the Navy reactors run hotter, they are not as thoroughly protected from overheating and other dangerous conditions. Because they must fit into smaller spaces, such as on submarines, they cannot be shielded behind as many layers of concrete, steel and water.

That leaves little margin for error in the design, construction and operation of oceangoing reactors. The greatest risk however, is refueling them, experts agree.

"Everybody feels most vulnerable during a refueling operation," said Capt. James T. Bush, former commander of the ballistic missile submarine Simon Bolivar.

The Enterprise poses the ultimate challenge. It is the oldest nuclear-powered ship the U.S. has and is propelled by some of the most antiquated reactors on either sea or land. Those reactors, which have been running virtually nonstop since the carrier scrambled jets over Vietnam, are being refueled for the first time in 20 years.

Asked about the process of refueling, officials at Newport News Shipbuilding referred all questions to the Naval Sea Systems Command. The command declined to provide details.

"It's like having eight submarines in there at one time. It's just a massive job," said shipyard retiree Jack B. Davis, who was secretary of the joint military-civilian panel that planned the Enterprise's last refueling, from 1969 to 1971.

Because the "Big E" was the first nuclear-powered surface ship, naval engineers generously endowed it with eight reactors. Designers have since put only one or two reactors in each warship.

"The Enterprise was horribly overbuilt," Davis said. "They never had a nuclear-powered ship, and they didn't know how much power they'd need to push that damned thing."

The Enterprise's reactors also are outdated.

"Nuclear reactors through the years have changed a whole lot," said an engineer involved in the design of the Enterprise reactors, who asked not to be named. "New engineering studies revealed different things . . . Of course, we learned our lessons from that, when the new ones came along."

As the Navy brings its older nuclear-powered warships into port for refueling, however, it inevitably surrenders some control over their reactor operations and radioactive wastes, Navy veterans say. While fewer than 100 sailors control the Enterprise's reactors at sea, for instance, at least 1,000 sailors, shipbuilders and contractors and refueling them in port.

"Being in a shipyard during a refueling, is a real tough time to maintain the controls," said Capt. Yates, former skipper of the sub John Adams. "You've got people coming and going, people on leave, and, during all of that, you've got to keep control of what's going on."

Sailors said such pressures caused problems on at least three nuclear-powered ships during visits to shipyards last year. At Newport News Shipbuilding, sailors have reported radioactive releases during refueling of the reactors on the carrier Enterprise; the Navy and the shipyard had not responded to requests for more details on the claims as of late last week. At the Norfolk Naval Shipyard in Portsmouth and the Puget Sound Naval Shipyard in Bremerton, Wash., sailors said they took shortcuts in running the reactors in the submarine Finback and the carrier Minitz. Publicly, the Navy expresses immense pride in its nuclear safety record, both at sea and on land. But some veterans of the nuclear Navy say that it hides all but the worst accidents—such as the 1963 sinking of the submarine Thresher—behind the curtain of "national security."

"Every time anything went wrong in the Navy program, we had to sign another piece of paper to say we'd never talk about it," said Robert D. Pollard, a former nuclear safety engineer on the sub Sargo, based in Pearl Harbor, Hawaii. Pollard now works for the Union of Concerned Scientists in Cambridge Mass. "They use the security thing not for security reasons but to hide stuff."

Federal agencies, state governments and the public are given few opportunities to verify the Navy's claims of a stellar safety record.

The Environmental Protection Agency, for instance, has jurisdiction to search for radiation leaks around Navy bases and shipyards. And the EPA does periodically analyze water, sediment and algae samples at these sites. But the agency must settle for samples gathered by the military, rather than collecting its own. It also analyzes them according to military standards, rather than more exacting civilian ones.

State governments are equally restricted in their ability to judge safety in the nuclear Navy.

Virginia's state officials express a mixture of confidence and concern. Most say they are confident that naval reactors could meet the safety standards applied to land-based plants. But they also say they are uncomfortable taking that on faith.

The Virginia Department of Emergency Services, for example, is charged with protecting the public from a nuclear accident. The agency keep track of radioactive waste shipments by power plants, hospitals and other civilian outfits. But the agency has no military jurisdiction.

"I guess it makes us nervous," said the department's technological hazards expert, James D. Holloway. "We know what's out there and where we are taking waste from the civilian side. And I guess we would like to be tracking (the military), too."

Like the EPA, the state Department of Health, which monitors radioactivity in the environment, has less access to military sites than to commercial ones.

Every year, for instance, the department's Bureau of Radiological Health takes hundreds of samples from near Virginia Power's reactors at Surry and Lake Anna. But the bureau must settle for only a handful of samples, gathered by Navy personnel, from around naval piers and shipyards in Hampton Roads. And it has never inspected those sites the way it inspects civilian facilities.

"We just don't have the staffing to send people out to those (Navy) sites," said Leslie Foldesi, the bureau's director.

In January, the agency resumed monitoring of the waters around the Norfolk Naval Shipyard, which is preparing to refuel the guided-missile cruiser South Carolina. But the Bureau of Radiological Health must rely on Navy personnel to gather water samples.

"I'm confident they can do as good a job," said Foldesi, who witnessed two refuelings as a sailor aboard nuclear-powered submarines from 1970 to 1976. "I know they take elaborate measures to make sure that no materials are released."

But other states are taking more aggressive measures.

The state of Washington, which is home to about 15 nuclear-powered ships, complained last fall about its lack of access to Navy sites. When radiation has been released at Navy yards there, the state has not been allowed to watch the cleanup.

"They are up-front with the fact that incidents have occurred," said Terry R. Strong, director of the Division of Radiation Protection in the Washington state Health Department. "But we don't have any regulatory authority, and they don't invite us onto the base."

If the states had their way, they would exercise more oversight over the military, Strong said.

"I guess that, if we go back to the issue of credibility, it would be to the Navy's benefit to say: 'Y'all come on here,' " Strong said.

Mr. SPECTER. Mr. President, these articles detail the enormous potential environmental hazard which is in the offing from the scraping or overhaul of nuclear powered ships. And the details of these articles, which cite authoritative sources, disclose that the radioactive potential is many, many times the problems at Chernobyl, and that there are many communities in our society in Idaho, in South Carolina, in Nevada, in Washington, and in Oregon where there are enormous risks involved in our failure to deal with this issue of nuclear waste.

Rather than submit the amendment, which would hold up on the funds for the *Enterprise* until this study has been completed, this Senator elected to take the route of the amendment which has been submitted and agreed to calling for the study so we can find out what is gong to be happening.

But I think this is an issue which the Congress and the country will have to face up to because of enormous environmental risk factors, and these reports should shed some very considerable light on a real problem and will enable us to address this issue in an intelligent way in the future.

Mr. President, I thank my colleague from Hawaii, Senator INOUYE, the distinguished chairman, and the ranking member, Senator STEVENS, for their cooperation in working through these amendments, and the staffs for their help with respect to the same amendments.

I thank the chair, and I yield the floor.

AMENDMENT NO. 1217

(Purpose: To set aside $3,000,000 for the New Parent Support Program of the Marine Corps)

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business be temporarily set aside to consider measures affecting the bill.

I send to the desk an amendment in behalf of Senator SEYMOUR of California, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. SEYMOUR, proposes an amendment numbered 1217.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, line 3, strike out the period and insert in lieu thereof: ": *Provided further*, That of the funds appropriated in this paragraph, $3,000,000 shall be available for the New Parent Support Program.".

Mr. SEYMOUR. Mr. President, I rise to offer an amendment to the fiscal year 1992 defense appropriations bill that would assist the Marine Corps in its critical search for the most effective methods to arrest the symptoms of child abuse within military families.

Perhaps of all institutions in our society, the armed services are most vulnerable to the pains and disasters of child abuse. Military parents, and especially enlisted personnel, frequently change homes, lifestyles, and schools. Many of their children, therefore, miss the classic American experience of growing up in a stable neighborhood with familiar friends and role models.

To its credit, the Marine Corps has initiated a program at Camp Pendleton, CA that tries to improve these circumstances for young children. Over the last 2 years, the Marines and the Children's Health Center and Hospital of San Diego have cooperated on an effort modeled after the famous Parent Aide Program to furnish a broad range of clinical, educational, in-home, and counseling services to eliminate the potential causes of child abuse. The program now reaches more than 350 children in approximately 200 Camp Pendleton families.

Most of the existing Department of Defense programs that focus on this problem react to the incident of child abuse after it occurs. The Camp Pendleton project, however, reaches out to expectant mothers and those with infants in the interest of preventing the social and psychological causes of this tragedy.

My amendment, Mr. President, provides $3 million out of existing Marine Corps operation and maintenance funds so that the Marines can begin the process of establishing this program at all 18 of their world-wide facilities.

This child abuse prevention miracle of Camp Pendleton, therefore, can become the miracle of the Marine Corps and a model for the entire Department of Defense.

I understand, Mr. President, that this amendment has been cleared by the distinguished managers of the bill. I particularly want to recognize the outstanding leadership that Senator INOUYE has provided in fostering military family advocacy programs. Our All-Volunteer Forces and their dependents have two committed and effective champions in both the chairman and distinguished ranking member of the Defense subcommittee, Senator STEVENS.

Mr. President, I thank the managers once again for their cooperation, and I urge the adoption of the amendment.

Mr. INOUYE. I commend the Senator for his amendment. As he is aware, I have long been interested in the detection and prevention of child abuse. I believe that I may, without being immodest, take some credit for the establishment in the Department of Defense of the Family Advocacy Program, which addresses the detection and prevention of both child and spouse abuse in all the military services. This is a successful program, and I would not like to see its scope or authority weakened by the Marine Corps program which the Senator is proposing.

May I ask the Senator to clarify the intent of his amendment. Do I understand correctly that the amendment is intended to disseminate a child-abuse-prevention program which has proved to be successful at a Marine Corps base in California?

Mr. SEYMOUR. The Senator is correct.

Mr. INOUYE. Do I further understand that the Marine Corps program which the Senator is proposing is in consonance with the Family Advocacy Program now in existence?

Mr. SEYMOUR. Yes; that is correct. This program is intended to supplement and strengthen the Family Advocacy Program.

Mr. INOUYE. As the Senator is aware, the Family Advocacy Program, administered by the Assistant Secretary of Defense for Force Management and Personnel, is the body which establishes policy for child abuse and spouse abuse detection and prevention programs. Is it the Senator's intention that the new Marine Corps program fall under the jurisdiction of the Assistant Secretary, as other Marine Corps child abuse programs do at the present time?

Mr. SEYMOUR. The Senator from Hawaii is correct. I believe that the proposed Marine Corps program will be a welcome addition to the current Department of Defense Family Advocacy Program, and I would certainly expect that it would be administered in the same fashion as other child abuse prevention programs now in existence.

Mr. INOUYE. I thank the Senator.

Mr. President, this measure has been studied by both sides, and we find it acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1217) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1218

(Purpose: Continuation Pay for deceased aviation officers of the Persian Gulf war)

Mr. INOUYE. Mr. President, I send an amendment to the desk on behalf of Senator MACK and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. MACK, proposes an amendment numbered 1218.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . (a) not withstanding any provision of section 301b of title 37, United States Code, of section 611 of Public Law 100-456 as in effect at any time prior to the date of enactment of this Act, in the case of any officer described in subsection (b), who was entitled to special pay under an agreement authorized by one of those sections, who was not paid the full amount due under such agreement, the unpaid balance shall be paid as part of the settlement of the officer's final military pay account.

(b) an officer to whom subsection (a) is an aviation officer who died as a result of flight operations on or after January 17, 1991, in those areas of the Arabian Peninsula, airspace, and adjacent waters designated by the President in Executive Order 12744 on 21 January 1991 as a combat zone and prior to cessation of hostilities as declared by competent authority, before completing the full period of aviation service agreed to in his or her agreement to remain on active duty in aviation service under section 302b of title 37, United States Code, or section 611 of Public Law 100-456.

Mr. MACK. Mr. President, not long ago, the Department of Defense contacted me about unfortunate wording in current law which prohibits DOD from releasing remaining continuation special pay to the families of our brave aviators who lost their lives in combat. My amendment corrects this by simply permitting the Department of Defense to meet its moral obligation and release those moneys.

Continuation special pay is given to aviators who commit themselves to additional years of service to their country. It is essential to retaining these incredibly valuable assets. It also helps alleviate immense additional training costs due to turnover by addressing the disparity between our military aviators and their counterparts in the private sector.

The cost of correcting this tragic inequity is minimal. The Department of Defense knows of only one aviator who would be affected. That man is Navy Lt. Robert Dwyer. In his capacity as a naval aviator, Lieutenant Dwyer could not offer his family the luxuries he could otherwise have afforded had he worked as a civilian. His continuation special pay, which was to be paid in yearly installments, was a token acknowledgement of his commitment to his country and his belief in the defense of freedom.

Robert Dwyer loved to fly. More to the point, he loved America. In making a commitment to serve his country, his country made a commitment to him. It is up to us to honor that commitment, remembering that Lieutenant Dwyer made the ultimate sacrifice—giving his life for his country. He died protecting those freedoms which we enjoy daily.

Lieutenant Dwyer is survived by his wife and young daughter. Their plans for the future have been irreparably shattered. They suffer the loss of a husband and father. This pay, which was promised to Lieutenant Dwyer and which certainly would have been given to him had he not died during Desert Storm, now takes on even greater importance to his surviving family as they face an uncertain financial future. It is only decent to allow the Department of Defense to honor its agreement with Lt. Robert Dwyer and release the rest of his bonus to his family.

Mr. INOUYE. Mr. President, this measure has been studied and approved by both sides.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1218) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1219

Mr. INOUYE. Mr. President, I send to the desk an amendment submitted on behalf of the managers of the bill, a technical amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for himself and Mr. STEVENS, proposes an amendment numbered 1219:

On page 47, line 14, beginning with the ":", strike through "procured" in line 24.

Mr. INOUYE. Mr. President, this is to correct an administrative error in the bill. It has been cleared by both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1219) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. BOREN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1220

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 1220:

On page 136, at the end of line 19, add the following new proviso: ": *Provided further*, That funds provided in this section may also be available for personnel relocation costs associated with the closure of United States military facilities in the Republic of the Philippines, upon notification by the President of the United States to the Congress that no agreement for the continued presence of United States military forces in the Republic of the Philippines is in effect, and that United States Military forces must depart existing facilities in the Republic of the Philippines.".

Mr. STEVENS. Mr. President, the Senator from Hawaii and I went to the Philippines to look into this matter a year ago, and we have been in constant contact with Ambassador Armitage and Admiral Larsen concerning the matter of the Philippines.

This is an amendment that I hope and pray will never become one that is used by the Government of the United States, because we still fervently hope that the Philippines will find a way to ratify the agreement that was negotiated with our country concerning our continued presence in Subic Bay. It is merely an emergency provision in the event that the situation deteriorates, so that if it is necessary to have funds to use for this purpose, the authority would be there for the Department of Defense.

Again, we would—at least this Senator and I think my friend from Hawaii would—like to send the message that we hope the ratification process will be complete, that the Philippines Government will find a way to approve the negotiations that were carried on in good faith between our people and their representatives. I think that the unfortunate problem of the eruption of the volcano has changed the whole circumstance in the Philippines, but Subic Bay remains a very vital facility for the defense of the nations of the Pacific. We are hopeful that our Navy can continue to have access to it.

Mr. INOUYE. Mr. President, I wish to associate myself with the sentiments expressed by my dear colleague from Alaska. This measure has been cleared by both sides.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, without objection, the amendment (No. 1220) is agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business be temporarily set-aside to recognize Senator BOREN of Oklahoma.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I thank my colleague, the distinguished Senator from Hawaii.

AMENDMENT NO. 1221

(Purpose: To require the establishment of a national security scholarships, fellowships, and grants program)

Mr. BOREN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oklahoma [Mr. BOREN] proposes an amendment numbered 1221.

Mr. BOREN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 9 and 10, insert the following:

SEC. (a) The Congress finds that—

(1) the security of the United States is and will continue to depend on the ability of the United States to exercise international leadership;

(2) United States leadership is and will increasingly be based on the political and economic strength of the United States, as well as United States military strength around the world;

(3) recent changes in the world pose threats of a new kind to international stability as Cold War tensions continue to decline while economic competition, regional conflicts, terrorist activities, and weapon proliferations have dramatically increased;

(4) the future national security and economic well-being of the United States will substantially depend on the ability of its citizens to communicate and compete by knowing the languages and cultures of other countries;

(5) the Federal Government has a vested interest in ensuring that the employees of its national security agencies are prepared to meet the challenges of this changing international environment;

(6) the Federal Government also has a vested interest in taking actions to alleviate the problem of American undergraduate and graduate students being inadequately prepared to meet the challenges posed by increasing global interaction among nations; and

(7) American colleges and universities must place a new emphasis on improving the teaching of foreign languages, area studies, and other international fields to help meet such challenges.

(b) The purposes of this section are as follows:

(1) To provide the necessary resources, accountability, and flexibility to meet the national security education needs of the United States, especially as such needs change over time.

(2) To increase the quantity, diversity, and quality of the teaching and learning of subjects in the fields of foreign languages, area studies, and other international fields that are critical to the Nation's interest.

(3) To produce an increased pool of applicants for work in the national security agencies of the United States Government.

(4) To expand, in conjunction with other Federal programs, the international experience, knowledge base, and perspectives on which the United States citizenry, Government employees, and leaders rely.

(5) To permit the Federal Government to advocate the cause of international education.

(c)(1) The National Security Act of 1947 (47 U.S.C. 401 et seq.) is amended by adding at the end the following new title:

"TITLE VIII—NATIONAL SECURITY SCHOLARSHIPS, FELLOWSHIPS, AND GRANTS

"SEC. 801. SHORT TITLE.

"This title may be cited as the 'National Security Education Act of 1991'.

"SEC. 802. PROGRAM REQUIRED.

"(a) PROGRAM REQUIRED.—

"(1) IN GENERAL.—The Secretary of Defense, in consultation with the National Security Education Board established by section 803, shall carry out a program for—

"(A) awarding scholarships to undergraduate students who are United States citizens or resident aliens in order to enable such students to study, for at least 1 semester, in foreign countries;

"(B) awarding fellowships to graduate students who—

"(i) are United States citizens or resident aliens to enable such students to pursue education in the United States in the disciplines of foreign languages, area studies, and other international fields that re critical areas of such disciplines; and

"(ii) pursuant to subsection (c)(1), enter into an agreement to work for the Federal Government or in the field of education in the area of study for which the fellowship was awarded; and

"(C) awarding grants to institutions of higher education to enable such institutions to establish, operate, and improve programs in foreign languages, area studies, and other international fields that are critical areas of such disciplines.

"(2) RESERVATIONS.—The Secretary shall have a goal of reserving for each fiscal year—

"(A) for the awarding of scholarships pursuant to paragraph (1)(A), ⅓ of the amount available for obligation out of the National

Security Education Trust Fund for such fiscal year;

"(B) ⅓ of such amount for the awarding of fellowships pursuant to paragraph (1)(B); and

"(C) ⅓ of such amount to provide for the awarding of grants pursuant to paragraph (1)(C).

"(b) CONTRACT AUTHORITY.—The Secretary may enter into one or more contracts, with private national organizations having an expertise in foreign languages, area studies, and other international fields, for the awarding of the scholarships, fellowships, and grants described in subsection (a) in accordance with the provisions of this title. The Secretary may enter into such contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law that requires the use of competitive procedures.

"(c) SERVICE AGREEMENT.—In awarding a fellowship under the program, the Secretary or contract organization referred to in subsection (b), as the case may be, shall require the recipient of the fellowship to enter into an agreement that contains the assurances of such recipient that the recipient—

"(1) will maintain satisfactory academic progress; and

"(2) upon completion of such recipient's education, will work for the Federal Government or in the field of education in the area of study for which the fellowship was awarded for a period specified by the Secretary, which period shall be equal to not less than one and not more than three times the period for which the fellowship assistance was provided.

"(d) DISTRIBUTION OF ASSISTANCE.—In selecting the recipients for awards of scholarships, fellowships, or grants pursuant to this title, the Secretary or a contract organization referred to in subsection (b), as the case may be, shall take into consideration the extent to which the selections will result in there being an equitable geographic distribution of such scholarships, fellowships, or grants (as the case may be) among the various regions of the United States.

"(e) MERIT REVIEW.—A merit review process shall be used in awarding scholarships, fellowships, or grants under the program.

"(f) INFLATION.—The amounts of scholarships, fellowships, and grants awarded under the program shall be adjusted for inflation annually.

"(g) ADMINISTRATION OF PROGRAM THROUGH THE DEFENSE INTELLIGENCE COLLEGE.—The Secretary shall administer the program through the Defense Intelligence College.

"SEC. 803. NATIONAL SECURITY EDUCATION BOARD.

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a National Security Education Board.

"(b) COMPOSITION.—

"(1) IN GENERAL.—The Board shall be composed of the following individuals or the representatives of such individuals:

"(A) The Secretary of Defense, who shall serve as the chairman of the Board.

"(B) The Secretary of Education.

"(C) The Secretary of State.

"(D) The Secretary of Commerce.

"(E) The Director of Central Intelligence.

"(F) The Director of the United States Information Agency.

"(G) Four individuals appointed by the President, by and with the advice and consent of the Senate, who have expertise in the fields of international, language, and area studies education.

"(2) TERM OF APPOINTEES.—Each individual appointed to the Board pursuant to paragraph (1)(G) shall be appointed for a period specified by the President at the time of the appointment but not to exceed 4 years. Such individuals shall receive no compensation for service on the Board but may receive reimbursement for travel and other necessary expenses.

"(c) FUNCTIONS.—The Board shall—

"(1) develop criteria for awarding scholarships, fellowships, and grants under this title;

"(2) provide for wide dissemination of information regarding the activities assisted under this title;

"(3) establish qualifications for students and institutions of higher education desiring scholarships, fellowships, and grants under this title;

"(4) make recommendations to the Secretary regarding which countries are not emphasized in other United States study abroad programs, such as countries in which few United States students are studying, and are, therefore, critical countries for the purposes of section 802(a)(1)(A);

"(5) make recommendations to the Secretary regarding which areas within the disciplines described in section 802(a)(1)(B) are areas of study in which United States students are deficient in learning and are, therefore, critical areas within such disciplines for the purposes of such section;

"(6) make recommendations to the Secretary regarding which areas within the disciplines described in section 802(a)(1)(C) are areas in which United States students, educators, and Government employees are deficient in learning and in which insubstantial numbers of United States institutions of higher education provide training and are, therefore, critical areas within such disciplines for the purposes of such section; and

"(7) review the administration of the program required under this title.

"SEC. 804. NATIONAL SECURITY EDUCATION TRUST FUND.

"(A) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'National Security Education Trust Fund'.

"(b) AVAILABILITY OF SUMS IN THE FUND.—(1) To the extent provided in appropriations Acts, sums in the Fund shall be available for—

"(A) awarding scholarships, fellowships, and grants in accordance with the provisions of this title; and

"(B) properly allocable administrative costs of the Federal Government for the program under this title.

"(2) Any unobligated balance in the Fund at the end of a fiscal year shall remain in the Fund and may be appropriated for subsequent fiscal years.

"(c) INVESTMENT OF FUND ASSETS.—The Secretary of the Treasury shall invest in full the amount in the Fund that is not immediately necessary for obligation. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of ⅛ of 1 percent, the rate of interest of such special obligations shall be the multiple of ⅛ of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchases of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

"(d) AUTHORITY TO SELL OBLIGATIONS.—Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(e) PROCEEDS FROM CERTAIN TRANSACTIONS CREDITED TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligation held in the Fund shall be credited to and form a part of the Fund.

"SEC. 805. ADMINISTRATION PROVISIONS.

"(A) IN GENERAL.—In order to conduct the program required by this title, the Secretary may—

"(1) prescribe regulations to carry out the program;

"(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purpose of conducting the program required by this title, and to use, sell, or otherwise dispose of such property for that purpose;

"(3) accept and use the services of voluntary and noncompensated personnel; and

"(4) make other necessary expenditures.

"(b) ANNUAL REPORT.—The Secretary shall submit to the President and to the Congress an annual report of the conduct of the program required by this title. The report shall contain—

"(1) an analysis of the mobility of students to participate in programs of study in foreign countries;

"(2) an analysis of the trends within language, international, and area studies, along with a survey of such areas as the Secretary determines are receiving inadequate attention;

"(3) the impact of the program activities on such trends; and

"(4) an evaluation of the impediments to improving such trends.

"SEC. 806. AUDITS.

"The conduct of the program required by this title may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property of the Department of Defense pertaining to such activities and necessary to facilitate the audit.

"SEC. 807. DEFINITIONS.

"For the purpose of this title—

"(1) the term 'Board' means the National Security Education Board established pursuant to section 803;

"(2) the term 'Fund' means the National Security Education Trust Fund established pursuant to section 804; and

"(3) the term 'institution of higher education' has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965.".

(2) The table of contents for such act is amended by inserting at the end the following:

"TITLE VIII—NATIONAL SECURITY SCHOLARSHIPS, FELLOWSHIPS, AND GRANTS

"Sec. 801. Short title.
"Sec. 802. Program required.
"Sec. 803. National Security Education Board.
"Sec. 804. National Security Education Trust Fund.
"Sec. 805. Administrative provisions.
"Sec. 806. Audits.
"Sec. 807. Definitions.".

(d) Of the amounts made available in the National Security Education Trust Fund for fiscal year 1992 for the scholarships, fellowships, and grants program provided for in title VIII, of the National Security Act of 1947, as added by subsection (c), the Secretary shall reserve—

(1) $15,000,000 for awarding scholarships pursuant to section 802(a)(1)(A) of such Act;

(2) $10,000,000 for awarding fellowships pursuant to section 802(a)(1)(B) of such Act; and

(3) $10,000,000 for awarding grants pursuant to section 802(a)(1)(C) of such Act.

On page 49, between lines 17 and 18, insert the following:

NATIONAL SECURITY EDUCATION TRUST FUND

For the National Security Education Trust Fund established by section 804 of the National Security Act of 1947, $180,000,000, which shall be available for the purposes set out in subsection (b) of such section.

Mr. BOREN. Mr. President, this amendment utilizes $180 million from the intelligence budget to create an international education trust fund to help the United States and its national security agencies meet the challenges of the post cold war world.

It provides funding for graduate fellowships and grants to universities for foreign languages and area studies programs. It also provides undergraduate scholarships for study abroad, programs in countries that are now underrepresented in terms of American studies at this time.

It will provide out of the trust fund in the first year $35 million in fiscal year 1992. That will be broken down as follows: $15 million for study abroad for undergraduate students; $10 million for grants to colleges and universities to strengthen and improve their courses of study and curriculum in areas of foreign language studies, area studies, and international studies; and $10 million for graduate fellowships.

The board of trustees will advise the Secretary of Defense on the administration of the trust fund and develop guidelines and criteria for the distribution of the grants, fellowships, and scholarships. The Secretary of Defense or his designee will chair this board, which will also include the Secretaries of State, Education, and Commerce, and the Director of Central Intelligence and the Director of U.S. Information Agency or their designees. The programs would be administered through the Department of Defense through defense intelligence.

Mr. President, for some time we in the Intelligence Committee, who have authorized such a program in our legislation which will be considered shortly, have been concerned about the grave threat posed to the national security of the United States by the fact that we are simply not preparing the next generation to have the skills necessary to be involved in the world that they will be living in.

The next century will require international skills of our young people as never before. In government itself we are in desperate need in the intelligence community, in the diplomatic community, as well as in the commercial segment of our own Government for people who speak the languages of the world, who understand the world's cultures, who have a deep knowledge of various areas of the world of strategic importance to the United States, and areas that might be a source of danger as well for the United States in the future because of regional instability.

Yet, at a time in which our ability to succeed in the next century is largely going to be determined by how well we equip the next generation for their international environment, we have been reducing consistently the funding for international and language studies down from 1.5 percent of our total education funding after the passage of the National Defense Education Act in 1958, to only one-tenth of 1 percent last year.

Others in this world recognize the vital need and the relationship to the national security of those countries of the ability to speak foreign languages and understand the regions and cultures of the world—100 percent, for example, of Japanese high school students are required to have at least 2 years of English training to graduate from high school while less than one-tenth of 1 percent of American students study Japanese.

While there are over 350,000 foreign students at the undergraduate level coming to the United States each year to learn about us, to learn our language, to learn about our culture, to understand our economic needs so that they can later sell products into our markets, there are only 60,000 Americans going out to the rest of the world to learn the languages of other countries and the cultures of other countries.

How in the world are we going to compete and be ready for the next century unless we internationalize the thinking of the next generation of Americans?

So it is imperative that we act. We are one of the few countries in the world that do not provide any assistance from our Government to undergraduate students at the college level to study in other countries. Malasia alone is spending their tax dollars to send 25,000 Malaysian students to the United States this year to study us. It is simply wrong and shortsighted for us to make it possible only for those who come from affluent families to have the experience of studying in another culture, studying in another country, and learning foreign languages through this experience.

At the same time that we are simply not keeping pace in the area of international exchange. From 1960 to 1986 the percentage of postsecondary students, college and university students, participating in foreign language courses has declined by one-half. At the very moment that we are going to have to learn the languages of the world—we are going to have to get out and live in this international environment if we are going to sell our products, understand what is going on in other countries, we are going to have to speak the world's languages—we have cut in half the number of college students in this country learning foreign languages.

Only 8 percent of American college and university students this year will study any foreign language. Seventy-seven percent of American college and universities allow students to graduate without taking any foreign language.

Mr. President, when we had some distinguished experts and historians of the intelligence community come before our committee, we put the question to them. What could we do, what action could we take that would do more to improve the quality of intelligence, to inform our policymakers, from our President on down, about important decisions which they must make—what could we do, if it would be one thing, to improve the quality of intelligence in America? I expected that they would answer reorganization of the intelligence community in a certain way, purchase more satellites, hire more agents. All sorts of answers I thought they might give us. The answer they gave came forward as a unanimous group: Improve the quality of education in the United States, especially in the area of regional and area studies.

We need more people who are experts in the Middle East, Latin America, Africa, in many other areas of the world. We are simply not turning out the quality that we used to have. Colleges and universities, one after another, have either weakened or done away with their courses in regional studies. They have weakened their foreign language courses of study.

If we are going to have capable people, whether it is at the CIA, whether it is at the Department of Defense, or the State Department, or in the Commerce Department representing the interests of the United States of America, let alone competence in the private sector as well, we simply must do something to end the provincialism in the American educational system.

This program really attacks the problem in three ways: By providing scholarships for undergraduate students to study in other countries, we will begin to internationalize the thinking of the next generation, and get them interested in learning about other cultures, and we will help them understand the perspectives of those in other countries. Some will, hopefully, go on to become the graduate students, and exports, and specialists we need.

Another portion of this program will pay for graduate fellowships in this area. Those fellowships will be conditioned upon an agreement to accept employment in a Federal agency, if it is offered upon graduation.

In the third place, we will use part of the fund to give grants to colleges and universities that will enable them to strengthen their programs in this area.

Mr. President, there has been an immense amount of work in this program, which we called the National Security Education Act, and support from those in the educational system: Norm Peterson with the Liaison Group for Education, John Vaughn of the Association of American Universities. We have had a tremendous amount of staff work from several committees on the Hill. I especially thank Mr. Dick D'Amato with the Senate Appropriations Committee; Doug Olin of the Budget Committee, who worked along with Senator SASSER to help us work out the technicalities to make sure we would comply with the Budget Act with this proposal; Mark Sigurski of the Senate legislative counsel; Rebecca Cooper; Matt Helmerich; John Deeken; Britt Snider; and George Tenet of the Intelligence Committee staff.

The Intelligence Committee, Senators NUNN and WARNER, joined with me and other members of our committee in crafting this proposal. They have been a large part of it.

Senator ROBERT BYRD of West Virginia, the distinguished chairman of the Appropriations Committee, has long been interested in this program. He understands the need for it, and he has been immensely helpful in giving me advice about how to frame this proposal.

Senator JOHN KERRY of Massachusetts has put in some language that will set up a program under the State Department authorization bill, along with the distinguished chairman, Senator PELL, that would establish a program that will dovetail with this program, on the national security side, to enhance our capability across the board in terms of strengthening language and cultural and international studies.

So it has been the product of the work of many, many people inside the Senate, including staff, Members of the Senate, and members of the broader educational community in this country, and the national security community, to have come together to craft this proposal.

In 1958, Sputnik was launched. We responded and understood that our national security interests were at stake because of a failure of our educational system to produce some of the skills we needed in this country. We have to broaden our concept of what is involved with national security, and the creation of these skills is a vitally important part of the national security preparedness of this country.

So just as in 1958, with the passage of Sputnik, we responded by passing the National Defense Education Act, it is time for us to respond to all of the changes in the world around us, to prepare the next generation by passing the National Security Education Act at this time.

I am proud to offer this amendment. I appreciate the help of my colleagues. I have discussed this with the Senator from Hawaii. He also has been very helpful in providing advice to me in the preparation of this amendment. I believe that it is acceptable to the managers of the bill.

NATIONAL SECURITY EDUCATION INITIATIVE

Mr. BYRD. Mr. President, the Senator from Oklahoma [Mr. BOREN] has provided us with a needed initiative, an important new education program geared toward our intelligence needs. I am pleased that the subcommittee has chosen to fully fund this initiative, since the world is rapidly changing and we need to develop new tools to understand, react, and take an informed leadership role. A major part of the problem that we have faced in the Middle East, in particular, has been a lack of informed, predictive ability about the specific motivations of groups and individuals, indeed of the basic trends in the political milieu itself. This was certainly true in Iran, and it has recently been true in Iraq. Our capacity to understand that region is far too thin. Similar deficiencies in analytical abilities, and predictive abilities have been cited with regard to the developments in the Soviet Union itself in spite of the fact that it has been the Soviet Union that has consumed the lion's share of our intelligence gathering efforts for many decades. If we have been consistently surprised by developments in the Soviet Union, we can guess how reliable our intelligence is in other, new, emerging areas that will confront us as the world becomes more decentralized, becomes more multipolar. Without indepth resources in critical area and language skills, what kind of chance do we have to be ahead of breaking events even in the Americas itself, in South and Central America, in Mexico?

So, Mr. President, the Senator from Oklahoma has identified a crucial area for improvement. He has also wisely chosen to establish a trust fund so that the program will fund itself in the years ahead. The Nation needs to greatly strengthen its language and critical area skills, and this amendment starts us down that course in a vigorous and creative way.

Mr. INOUYE. Mr. President, I wish to congratulate and commend the distinguished Senator from Oklahoma for his excellent initiative in this amendment. The establishment of a program to enhance our national capabilities in critical area studies and critical language studies is badly needed. We face a dual problem: first, the need for more area specialists is obvious. We must dedicate new attention and energies to volatile regions of the world such as the Middle East. The Appropriations Committee, along with the Intelligence Committee, is putting renewed emphasis on so-called Humint or human intelligence. We have to do better to foresee the activities and understand the motivations of the Saddam Husseins of the world.

Second, our basic national capacity in such studies has declined dramatically, as Senator BOREN has pointed out, over the last three decades. Today, less than 8 percent of all college students are enrolled in a foreign language course. The just-retired Director of Central Intelligence, Judge Webster, reported to the Congress the need to "seek legislation to fund scholarships for students to study abroad." Previous DCI's, such as Stansfield Turner, echo this sentiment. Writing in the current issue of Foreign Affairs, Admiral Turner encourages us to "enact legislation to provide intelligence analysts a better opportunity to attend academic institutions, participate in professional conferences, travel and live abroad, acquire language skills, and thus become true experts in their areas."

So the initiative that Senator BOREN has presented us, is very welcome. The committee, in its deliberations, included full funding for the proposal as an addition to the budget of the National Foreign Intelligence Program.

As I understand the amendment, the program is to be managed by the Secretary of Defense with the recommendations of a board which includes the Director of Central Intelligence and other members of the Cabinet. There would be a mandatory payback in terms of time in service to the Federal Government or in the education community in these same critical specialties for recipients of the educational awards. The program is set up with a trust fund, or corpus, which would allow the program permanence, financed by the interest from the corpus, which is to be invested in U.S. Treasury bills.

I congratulate the Senator from Oklahoma for his work in this area, and I support the amendment.

The PRESIDING OFFICER. The question in on agreeing to the amendment.

The amendment (No. 1221) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the committee amendment be laid aside in order to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1222

(Purpose: To bar imports from companies that assist Iraq in developing weapons of mass destruction)

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 1222.

At the appropriate place in the bill, insert the following:

SEC. . BAN ON IMPORTS FROM COMPANIES THAT ASSISTED IRAQ IN DEVELOPING WEAPONS OF MASS DESTRUCTION.

"A. Notwithstanding any other provision of law, no goods or services shall be imported into the United States or its territories or possessions that are produced by companies which the President has identified as having knowingly participated in the Iraqi programs to develop nuclear, chemical, biological, or any other weapons of mass destruction.

"B. This provision shall remain in force for a period of ten years after the date of enactment of this Act."

Mr. BUMPERS. Mr. President, I hope this amendment can be accepted. It is based on a fairly late thought, based on a New York Times article the day before yesterday, where the U.N. inspectors who were still being held in a parking lot in Iraq, surrounded by the Iraqi Army, and their release as of last night was conditioned upon them furnishing the Iraqi Government a copy of all of the documents they have.

According to the morning papers, that is a possible reason for resolving the conflict and, apparently, the United Nations has no objection to the Iraqi Government knowing what the 41, I believe it is, inspectors have found there.

But the papers also report that the chairman of the inspection group says that they have found the mother lode list of companies who have been assisting Iraq in developing a nuclear, biological, and chemical warfare capability.

My amendment, Mr. President, says that notwithstanding any other provision of law, when the President identifies companies who have been participating in this, those companies will be prohibited from exporting to this country, and this country importing from any of those companies.

I was very careful not to put the companies that the United Nations has identified. The United Nations will identify them. But the President then ought to have the right to identify the companies from their list and make a decision, of those companies—this is very important—who have knowingly assisted Iraq in the development of these weapons of massive destruction. I hope that the managers of the bill are willing to accept this amendment.

Mr. INOUYE. Mr. President, will my friend from Arkansas yield for a question?

Mr. BUMPERS. Certainly.

Mr. INOUYE. On the third line of section A of the measure, and I quote, "which the President has identified as having knowingly participated," is this retrospective or prospective?

Mr. BUMPERS. Prospective.

Mr. INOUYE. That is very important, because there was a time not too long ago when we considered Saddam Hussein to be one of our best friends. I am certain that all of us realize that. There were many companies in the United States that were prepared to participate in a trade fair sponsored by our Department of Commerce in January of 1990 to sell the Iraqis, openly, ballistic missile technology, aerospace technology, and computer technology, which would fit right into that.

So I am glad that the Record will show that this will be prospective and not retrospective.

Mr. STEVENS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. BUMPERS. I yield the floor.

Mr. STEVENS. Mr. President, I commend the Senator from Arkansas for this amendment, and I want him to know that I am ready to join him. I have some problem about it, though, in terms of the interpretation of clause A.

I concur in the comments made by the Senator from Hawaii, incidentally, but I would like to inquire, does the Senator from Arkansas perceive that this puts a duty on the President to examine into companies just generally; what is the duty the President has to identify these people?

Mr. BUMPERS. There is no duty stated in this. If the President never identifies companies that come under this, then of course there will be no ban on imports into that country from any of those companies. I would think that, considering the purpose of the amendment, the President would find it his duty to tell us and identify companies that have knowingly, and that is a very key word, assisted the Iraqis in developing weapons of mass destruction.

Mr. STEVENS. Mr. President, I want the Senator to know I would hope that we have our intelligence forces trying to discover this information, and what I perceive the Senator to be saying and understand him to be saying is if our intelligence agencies present the information to the President which makes it possible for the President to identify companies that have assisted the Iraqis in any way to develop this capacity, then this becomes effective on the President announcing such certification. Is that the Senator's understanding?

Mr. BUMPERS. It would sort of be like an intelligence finding.

Mr. STEVENS. I would hope it would not be a classified one, I say to the Senator.

Mr. BUMPERS. It would not be classified.

Mr. STEVENS. I think those of us who have had anything to do with chemical, biological, or nuclear hearings know the total terror that is associated with those weapons and weapons of mass destruction.

I am pleased to join with the Senator from Hawaii in welcoming the amendment. It is prospective, correct? We do not have to go back and cancel contracts or require contracts made in the past to be canceled, not going back and inventorying contracts made with these people in the past?

Mr. BUMPERS. Let me put it this way: It is prospective on the President to pick out the companies who have knowingly assisted. The Senator will remember that the British intercepted what the Iraqis said was pipeline but which the intelligence community knew was a cannon barrel. Incidentally, that is not a weapon of mass destruction but it could be used for mass destruction if you fired nuclear weapons from it. And that is obviously what Saddam intended to do, to fire chemical or nuclear weapons in those long-barrel cannons.

It seems to me we are giving the President broad enough discretion here to pick out the most egregious cases of people who knew that what they were furnishing Saddam was calculated to help him build a nuclear capability, for example. I think as to companies who did that, the President ought to have the right to identify them and then be shut off from their exportation of products to this country. The President can always use national security as a reason for not doing that, I suppose.

Mr. STEVENS. Mr. President, there is no such clause in here. I was going to raise that.

Let me ask my friend this question: Let us just imagine the situation where we have a new Arkansas group that is over in Poland working with ABC electric company to produce light bulbs to bring into the United States, and it is discovered that the ABC company under the former manager, the Communist managers were cooperating with Iraq in the development of chemical weapons. Is this mandatory on the President to require the cancellation of that contract? They cannot do business, I think.

Mr. BUMPERS. No.

Mr. STEVENS. Where it says "no goods or services shall be imported," it could well be that the citizens of Arkansas who paid for these light bulbs would not be able to bring them into this country because of this provision. Is it automatic? Is there no waiver?

Mr. BUMPERS. I want to be specific about this. One of the reasons I thought that this would be readily accepted is because I gave the President wide discretion on it.

Mr. STEVENS. I do not see the discretion. Will the Senator read it to me?

Mr. BUMPERS. It says if the President identifies them as having knowingly participated then they are barred. The President may have strong feelings that somebody participated in helping Saddam but for other reasons he may find it compelling not to identify them, in which case they would not be barred.

Mr. STEVENS. Would the Senator then agree that we really mean certified, rather than identified? I should think it would take some action by the President to say this is a bad company, rather than just, say, have information presented to him which identifies the companies having been involved. It could be that whole company changed management, such, as I said, as the Polish circumstance.

Mr. BUMPERS. Would the Senator like to see the amendment say that the President certifies to the Congress?

Mr. STEVENS. I would prefer that. It is not just an automatic thing, someone having identified to the President the ABC company and having the circumstance be such that the ABC company is no longer in management, the circumstances changed, and the contract is for the benefit of those concerned. I think if you certify a company saying that this action, a positive action, on behalf of the administration ought to be required before this absolute prohibition against importing goes into effect. I agree with an absolute prohibition. I want the Senator to understand. I think he is right in what he is seeking to do.

Mr. BUMPERS. Let me read you this modification before I send it to the desk and see if it will help the Senator's feeling. "That are produced by companies that the President certifies to the Congress pursuant to passage of this act as having knowingly participated in the Iraqi programs," et cetera.

Mr. STEVENS. I thank the Senator from Arkansas. I think that improves the circumstances for fairness in the applicability of this provision.

AMENDMENT NO. 1222, AS MODIFIED

Mr. BUMPERS. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. And the amendment is so modified.

The amendment (No. 1222), as modified, is as follows:

"SEC. . BAN ON IMPORTS FROM COMPANIES THAT HELPED DEVELOP IRAQ'S WEAPONS OF MASS DESTRUCTION.

"A. Notwithstanding any other provision of law, no goods or services shall be imported into the United States or it territories or possessions that are produced by companies that the President certifies to the Congress pursuant to passing of this amendment as having knowingly participated in the Iraqi programs to develop nuclear, chemical, biological, or any other weapons of mass destruction.

"B. This provision shall remain in force for a period of ten years after the date of enactment of this act."

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, the managers accept the amendment as modified.

The PRESIDING OFFICER. If there is no further debate on the amendment, without objection, the amendment is agreed to.

So the amendment (No. 1222), as modified, was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the pending amendment be set aside in order to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1223

(Purpose: To limit the funds that may be used for the Brilliant Pebbles program and apply the savings to deficit reduction)

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 1223.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. With objection, it is so ordered.

The amendment is as follows:

On page 43, line 1 strike "9,393,542,000" and all that follows through "1993" on line 2, and insert in lieu thereof the following: "$9,097,542,000, to remain available for obligation until September 30, 1993: *Provided, however*, That of the funds appropriated for Research, Development, Test, and Evaluation, Defense Agencies, no more than $329,000,000 shall be appropriated for the Brilliant Pebbles program.".

Mr. BUMPERS. Mr. President, I ask for that because the reading would not be enlightening to this body.

This amendment is designed, Mr. President, to cut the appropriation in this bill for what is called Brilliant Pebbles. This year 1991 we are putting $329 million into Brilliant Pebbles. This bill almost doubles that to $625 million. The House has zero in its bill.

The authorized level in the Senate for Brilliant Pebbles was $625 million, and that is what the subcommittee has in this bill.

Mr. President, I do not have any strong feelings for or against Brilliant Pebbles. I think probably the evidence is a little stronger against the possibility of Brilliant Pebbles ever being a viable, space-based, effective interceptor. But my feelings about it are, I have not seen any evidence, nor have I heard any testimony, to indicate that there is a justification for almost doubling the appropriation for Brilliant Pebbles.

The present SDI appropriation—and we already fought that fight last night and my side lost—but we have been heading, under the tutelage of the chairman of the Armed Services Committee, Senator NUNN, toward putting more and more money into ground-based interceptors.

Brilliant Pebbles is a space-based interceptor. Just to point out why I think it is troublesome about doubling that budget is because we now know, for example, that those Brilliant Pebbles 1 year ago were estimated to cost $1 million each. One year ago the Defense Department's estimate of the cost of Brilliant Pebbles was a million dollars—think of this, Mr. President, a year ago—and today the estimate is $10 million. The estimate on the cost of one space-based interceptor has gone up 1,000 percent in 1 year.

Mr. President, we have seen a lot of weapons systems escalate in estimated cost, but I do not ever recall one where the estimate has gone that high in that short a period of time.

In addition to that, we now have been told that these interceptors are going to have to be replaced. Presumably, there are going to be hundreds, maybe thousands, of them in space. But we now know that the interceptor and the consumables on board are going to decay within 5 to 8 years, which means we are going to be constantly sending new interceptors up there, replacing them with new Pebbles. And so my point is this: I have seen no justification or rationale for doubling the appropriation for this questionable program.

Mr. President, let me say as a sort of, what shall I say, exculpatory statement on my part, I believe that we ought to have a limited SDI and it may be possible that this is the one we want to use. But I do not believe there is a justification, scientific justification or military justification, at this point for doubling the research program on Brilliant Pebbles.

Mr. President, we are not just going to have Brilliant Pebbles. They are not just going to operate alone. This comes from the CRS Report on Brilliant Pebbles, Implications for the Strategic Defense Initiative, dated June 12, 1990. This is called "Challenges." This is a pretty good size challenge. And I quote:

> In effect, Brilliant Pebbles is an attempt to combine much of the BSTS, SSTS and SBI functions onto a single platform half the size of the current SBI design. Therefore, one of the major development tasks is to reduce the size and weight of the hardware while maintaining the necessary performance capabilities. This presents a number of design challenges.

Mr. President, there are a whole host of other arguments. I do not want to belabor this. I think most people in the Senate have a view on Brilliant Pebbles but we have already fought the SDI battle here last night and we lost and we are leaving it at $4.6 billion.

But my point is I think here is a perfect place to save $300 million. By our standards around here, that is bean bag. But if you were somebody out there trying to get some money for education, $300 million would solve a lot of pain and a lot of problems. The biggest problem of all it would save, is to save that $300 million and to not spend it.

While it does not represent a significant reduction of the national debt or this year's deficit or next year's deficit, I think it helps counter a mentality around here, and that is, what is $300 million? It does not amount to enough to worry about.

But I think you have a lot of reasons to vote for this amendment. First, this project is questionable. Second, it would violate the ABM Treaty. Third, we certainly would want to consult with our allies before we deployed it. Fourth, the thought of replacing all those Brilliant Pebbles up there every 5 to 8 years is just staggering. And now—well, I will not go into that right now. As I say I do not want to belabor this. But I do want to say this. General Monahan, who is the former head of the SDI Office, told the Defense Appropriations Subcommittee last year when he was asked how effective would Brilliant Pebbles be against Third World ballistic missiles:

> Against the shorter range missiles a space-based type of architecture is probably not the sort of thing that would be most effective * * * in other words, ground-based solutions might be better.

And then he was asked, what about Scuds? When asked whether Brilliant Pebbles would be effective against them, against the Scud ballistic missile, General Monahan said, "No, no, not at all, certainly not."

So when you consider the mission, which is questionable, the cost, which is highly questionable, the operation, which seems absolutely dauntless, then it seems to me that we should cut this research program—but we are not torpedoing the program. We are simply saying, let us not double the money for something until we can see further into it.

My complaint about spending $24 billion for SDI is because in my opinion if we had spent half as much, if we had spent $12 billion since 1984 instead of $24 billion, we would probably be just as well off right now, just as far ahead, in our research, and we just continue to throw money at it as though if we just put enough money into it, suddenly, somehow this solution is going to come to us.

Obviously we have to put some money into it. I am willing to continue with Brilliant Pebbles, even though I think it is questionable. I am willing to continue the research on it. But I do not think it makes much sense to double it.

Finally, the space-based interceptor has been dropped from SDI in favor of Brilliant Pebbles. The Defense Science Board about 2 years ago said that Brilliant Pebbles is so risky that we should hold onto SBI for a couple of more years—that is space-based interceptors—but SDIO, the Strategic Defense Initiative Organization, has absolutely ignored the advice of the Defense Science Board on this.

So I am saying let us slow down, save ourselves $300 million, keep the program going.

Mr. President, if somebody had told you the B–2 bomber was going to cost $865 million in 1991, if something told you that 10 years ago, people who were proponents of it would have said, "You are out of your mind; that is not possible; no plane could come close to costing $1 billion each." And here we are: Brilliant Pebbles, which has gone up $1 million each year to the estimate this year of $10 million each. We better slow down.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAUTENBERG). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1223, AS MODIFIED

Mr. BUMPERS. Mr. President, I send a modification of the amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment and it is so modified.

The amendment, as modified, is as follows:

> On page 43, line 1, strike "9,393,542,000" and all that follows through "1993" on line 2, and insert in lieu thereof the following: "$9,193,542,000, to remain available for obligation until September 30, 1993: *Provided, however*, That of the funds appropriated for Research, Development, Test, and Evaluation, Defense Agencies, no more than $425,000,000 shall be appropriated for the Brilliant Pebbles program."

Mr. BUMPERS. Mr. President, the modification conforms to conversation that the distinguished minority floor manager and I just had, which would give Brilliant Pebbles $425 million.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I send an additional modification to the desk.

The PRESIDING OFFICER. The amendment is further modified.

The amendment, as further modified, is as follows:

> On page 43, line 1, strike "9,393,542,000" and all that follows through "1993" on line 2, and insert in lieu thereof the following: "$9,393,542,000, to remain available for obligation until September 30, 1993: *Provided, however*, That of the funds appropriated for Research, Development, Test, and Evaluation, Defense Agencies, no more than $425,000,000 shall be appropriated for the Brilliant Pebbles program.".

Mr. INOUYE. Mr. President, the managers have had the opportunity to study the modification, and I am pleased to report that we find it acceptable.

Mr. STEVENS. Mr. President, I am prepared to accept this, and I understand this is the modification made by the Senator from Arkansas based upon the changed numbers, and keeping in mind the negotiations that have to be carried on from the House, I think this gives us a better opportunity to achieve the program goals we want.

However, I have to ask for a quorum call, because there is one Member who wishes to be heard on this discussion.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the fiscal year 1992 Department of Defense appropriations bill is a large bill, and it is important both from the point of view of the sum appropriated and the tremendous range and variety of activities that are funded. With respect to the subcommittee's 602(b) allocations, the bill is within both the budget authority and outlay ceilings.

The bill also funds the wide range of intelligence and special access programs engaged in by the United States, a group of major classified budgets absorbing large sums of money. In order that the normal regime of checks and balances works in this sensitive and critical area, the committee has for the second year wisely chosen to incorporate the most important of its decisions in its classified annex into the act.

In addition, Mr. President, the subcommittee has worked closely and frankly with the Senate Armed Services Committee according to the understanding and the agreement in place between the two committees.

I commend the chairman of the subcommittee, Mr. INOUYE, and the ranking minority member, Mr. STEVENS, for their excellent work on this prodigious measure, in meeting the priorities of the Senate within the constraints of the budget agreement.

Mr. INOUYE has devoted long and hard work on this measure, which has become a more and more difficult task as the pressure to reduce defense expenditures mounts and the Soviet Warsaw Pact system, which has driven our large defense budgets for so many years, spins into fragments and dissembles.

As I said, when the full committee marked up this bill, the presentation of the bill made by Mr. INOUYE was one of the finest, most thorough, and most comprehensive presentations that I have heard since being the chairman of the committee.

Senator STEVENS put the matter quite succinctly in the full committee markup when he said that this bill is the main vehicle in our country which will keep the United States in business as the only remaining world superpower.

I am in agreement with that sentiment, but I also feel strongly, as I said at the full committee markup, that unless we put our economic house in order, reduce our deficits, and increase our stature as a nation with a strong economy and with a strong infrastructure and make our Nation competitive again, we will be a hollow superpower indeed.

I also wish to commend the staff of the subcommittee, Mr. Richard Collins, Mr. Dick D'Amato, Mr. Charlie Houy, Jane McMullan, Peter Lennon, Jay Kimmitt, Rand Fishbein, Mary Marshall, David Morrison, Steve Cortese, Mazie Mattson, Mavis Masaki, and Dona Pate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, parliamentary inquiry. What is the pending business?

The PRESIDING OFFICER. The pending business before the Senate is amendment No. 1223 offered by Senator BUMPERS, modified as recorded earlier.

Mr. INOUYE. Mr. President, the managers on the part of the Senate have had the opportunity to study the modification. We find the modification and the amendment acceptable.

The PRESIDING OFFICER. Is there further debate?

The question is on the amendment.

The amendment (No. 1223), as modified, was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending matter be set aside temporarily to recognize Senator BUMPERS.

The PRESIDING OFFICER. Without objection.

AMENDMENT NO. 1224

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 1224.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

"(A) Congress finds that:

"(1) The NATO Alliance has been a cornerstone of U.S. and world security since its foundation in 1949;

"(2) all America's NATO allies have in the past been supportive of the object and purposes of the ABM Treaty;

"(3) two of America's NATO allies have strategic forces of their own, which would be directly affected by significant changes to the ABM Treaty;

"(4) changes in the ABM Treaty would have profound political and security implications for every member of the NATO Alliance and other allies of the United States.

"(B) Before initiating negotiations with the Soviet Union with the objective of making significant modifications to the Anti-Ballistic Missile Treaty, and its associated protocol, the President should consult with the allies of the United States in the North Atlantic Treaty Organization, Japan, and other allies as appropriate and seek a consensus on negotiating objectives concerning defense systems that would enhance the security interests of the member states of NATO and other allies and strengthen the NATO alliance as a whole.".

Mr. BUMPERS. Mr. President, this is a very simple amendment. It is a simple finding by Congress that before we start negotiating with the Soviet Union on changes to be made in the ABM Treaty, pursuant to language put in the authorization bill by Senator NUNN, the President will consult with Japan and our other allies and seek a consensus on our negotiating objectives.

I feel quite certain that it would occur anyway, but I think the President's knowledge and awareness that the Congress is concerned about this will certainly fortify his desire to do that.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. In response, the committee recommendation has not been changed at all.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I agree with the Senator from Hawaii. I emphasize that it is my understanding that there has been a series of consultations already, and I am certain that we would continue to consult. This does ask that the President should consult. I think it is in proper form, and I am prepared to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1224) was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Is not the pending business the Wirth amendment to the committee amendment?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO 1212, AS MODIFIED

Mr. WIRTH. Mr. President, I submit a change in my amendment.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and the amendment is considered modified.

The amendmment (No. 1212), as modified, is as follows:

At the end of the Committee amendment on page 100, add the following:

SEC. . (a) As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) may be awarded to a foreign person, company, or entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) in specific instances when the Secretary determines that the waive is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

(3) This provision does not apply to contracts for consumable supplies, provisions or

services intended to be executed for support of United States or allied forces in a foreign country.

Mr. WIRTH. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WIRTH. Mr. President, we worked out the language in this amendment, and I thank the distinguished chairman of the subcommittee and, particularly, the distinguished senior Senator from Alaska.

I believe we have finally come to a resolution on this. As my colleagues know, this amendment relates to the Arab boycott of Israel, and the secondary boycott currently going on, and it establishes the fact that we do not want the Department of Defense to participate in that. The amendment addresses that issue.

This has been, I believe, accepted, Mr. President. I thank the leadership for their support of the amendment.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, we have had a series of colloquies here and meetings with the Senator from Colorado. I have a meeting with the Department of Defense representatives. I am still not confident that this totally meets the objections that I have voiced on behalf of the Department of Defense, but it is a substantial improvement.

On that basis, we will proceed to the vote. I want to make sure the record shows that my worry is still in the area of covert national security operations and the impact of this. I want to leave with the Senator from Colorado my feeling that that must continue to be reviewed. I may seek to have further modification in conference on this amendment, in order to make sure that the security interests of the United States are not jeopardized by a certification, which I understand would have to be a waiver of that and would have to be public, which would in and of itself disclose a covert circumstance.

I am checking with the White House, and the national security people, and the Department of Defense. We will attempt to modify that, if necessary, in conference.

I want the record to show that that is still a lingering question, as far as I am concerned. Otherwise, I thank the Senator from Colorado for his help.

Mr. WIRTH. Mr. President, I understand his concerns entirely. I hope we have taken care of those. If not, it certainly should be handled in the fashion described by the distinguished Senator from Alaska.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio [Mr. METZENBAUM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—99

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—1

Metzenbaum

So, the amendment (No. 1212), as modified, was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. I ask unanimous consent the pending business be set aside for a few moments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1225

Mr. INOUYE. Mr. President, I send an amendment to the desk for Mr. NUNN and Mr. WARNER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. NUNN (for himself and Mr. WARNER), proposes an amendment numbered 1225.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, in line 4, strike out "supplemental appropriations Act," and insert in lieu thereof "supplemental appropriations Act or other Act,".

Mr. INOUYE. Mr. President, I am pleased to announce this matter has been studied by both managers and we find it acceptable.

Mr. STEVENS. It is acceptable.

The PRESIDING OFFICER. Is there further debate? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1225) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent the pending matter be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1226

(Purpose: To provide for a study by the National Academy of Sciences regarding the problems of command, control, and safety of nuclear weapons resulting from the changes taking place in the Soviet Union)

Mr. INOUYE. Mr. President, I send an amendment to the desk for Mrs. KASSEBAUM, Mr. BIDEN, and Mr. SIMON, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mrs. KASSEBAUM, (for himself, Mr. BIDEN, and Mr. SIMON), proposes an amendment numbered 1226.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 9 and 10, insert the following:

SEC. . (a) Congress finds that—

(1) in September 1991, the National Academy of Sciences concluded a study on the nuclear relationship of the United States and the Soviet Union;

(2) it is desirable for the National Academy of Sciences to conduct, as a follow-on study, a study regarding the problems of command, control, and safety of nuclear weapons resulting from the changes taking place in the Soviet Union; and

(3) it is appropriate for the National Academy of Sciences to conduct such study because of the relationship that it has developed with its counterpart in the Soviet Union as a result of frequent informal contacts between the two organizations.

(b) The Secretary of Defense is requested to enter into an appropriate arrangement with the National Academy of Sciences for the National Academy of Sciences—

(1) to conduct a study regarding the problems of command, control, and safety of nuclear weapons resulting from the changes taking place in the Soviet Union;

(2) to identify possibilities for international cooperation between the United States and the Soviet Union and among other countries regarding such problems; and

(3) to submit to the Secretary of Defense, the Chairmen of the Committees on Appropriations of the Senate and House of Representatives, the Chairman of the Committee on Foreign Relations of the Senate, and the Chairman of the Committee on Foreign Affairs of the House of Representatives a report containing—

(A) the results of the study referred to in paragraph (1);

(B) the possibilities for international cooperation identified pursuant to paragraph (2);

(C) an assessment of the implications of the changes referred to in paragraph (1) on the policy of the United States regarding the matters referred to in paragraphs (1) and (2); and

(D) recommendations for future actions by the United States regarding such matters.

(c) Of the funds appropriated by this Act not more than $250,000 shall be available to carry out subsection (a).

Mr. INOUYE. Mr. President, this matter has been discussed by both managers and we find the amendment acceptable.

Mr. STEVENS. Mr. President, I am pleased to say this amemdment has been modified and, as modified, it is acceptable.

The PRESIDING OFFICER. Is there further debate on the Kassebaum amendment? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1226) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. As far as this Senator is concerned, Mr. President, I want the Senate to know I know of only one more controversial amendment on this side of the aisle, and I am informed there is none on the other side, at least none that we do not think can be worked out. The last remaining amendment is the Roth amendment. If we can get a time agreement on the Roth amendment, I propose to the manager of the bill we try to work out a system where we could get an agreement on not voting on final passage of the bill and handling all the remaining matters by agreement.

That is my suggestion to my friend.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask unanimous consent there be a time limit of 30 minutes on the Roth amendment, equally divided, the time to be managed by Mr. ROTH and by the manager of this bill.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, I am not sure I have final agreement on that time limit. We do seek a time limit. Will the Senator withhold that for just one moment?

Mr. BINGAMAN. Mr. President, if it is appropriate, I ask the managers of the bill if it is appropriate to offer an amendment which I have earlier cleared with them at this time? I think it is an acceptable amendment related to a national commission on the future role of nuclear weapons.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, in order to do that, may I propound a unanimous-consent request that it be in order to consider a further amendment to the committee amendment on page 100, line 4.

The PRESIDING OFFICER. Such an amendment would be in order without a unanimous-consent agreement. Without objection, it is so ordered. The Senator from New Mexico is recognized.

AMENDMENT NO. 1227

(Purpose: To establish the National Commission on the Future Role of Nuclear Weapons in the U.S. National Security Strategy)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. WIRTH, Mr. BUMPERS, Mr. SASSER, Mr. EXON, and Mr. NUNN, proposes an amendment numbered 1227.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 9 and 10, insert the following new section:

SEC. 8130. NATIONAL COMMISSION ON THE FUTURE ROLE OF NUCLEAR WEAPONS IN THE UNITED STATES NATIONAL SECURITY STRATEGY.

(a) ESTABLISHMENT.—There is hereby established a National Commission of the Future Role of Nuclear Weapons in the United States National Security Strategy (hereafter in this section referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of nine members, appointed as follows:

(A) 3 members shall be appointed by the President.

(B) 3 members shall be appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives.

(C) 3 members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and the minority leader of the Senate.

(2) The members of the Commission shall be appointed from among persons having knowledge and experience relating to the role of nuclear weapons in the national security strategy of the United States.

(3) Members of the Commission shall be appointed for the life of the Commission. A vacancy of the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) The members of the Commission shall be appointed not later than March 1, 1992. The Commission may not begin to carry out its duties under this section until five members of the Commission have been appointed.

(5) The Chairman of the Commission shall be elected by and from the members of the Commission.

(c) DUTIES.—The Commission shall assess the role of, and the requirements for, nuclear weapons in the security strategy of the United States as a result of the significant changes in the former Warsaw Pact, the former Soviet Union, and the Third World and shall make recommendations on actions the United States should take with respect to such weapons in its national security posture by reason of such changes.

(d) REPORT.—The Commission shall submit to the President and Congress a final report on the assessment and recommendations referred to in subsection (c) not later than one year after the Commission concludes its first meeting. The report shall be submitted in unclassified and classified versions.

(e) POWERS.—(1) The Commission may, for the purpose of carrying out this section, conduct such hearings, sit and act at such times, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the Federal Government such information, relevant to its duties under this section, as may be necessary to carry out such duties. Upon request of the Chairman of the Commission, the head of the department or agency shall, to the extent permitted by law, furnish such information to the Commission.

(3) The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the Federal Government.

(4) The Secretary of Defense shall provide to the Commission such reasonable administrative and support services as the Commission may request.

(f) COMMISSION PROCEDURES.—(1) The Commission shall meet on a regular basis (as determined by the Chairman) and at the call of the Chairman or a majority of its members.

((2) A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(g) PERSONNEL MATTERS.—Each Member of the Commission shall serve without compensation, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(2) The Commission shall appoint a staff director, who shall be paid at a rate not to exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its duties under this section without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or any other provision of law, relating to the number, classification, and General Schedule rates. No employee appointed under this paragraph (other than the staff director) may be compensated at a rate to exceed the maximum rate applicable to level 15 of the General Schedule.

(3) Upon request of the Chairman of the Commission, the head of any department or agency of the Federal Government is authorized to detail, without reimbursement, any personnel of such department or agency to the Commission to assist the Commission in

carrying out its duties under this section. The detail of any such personnel may not result in the interruption or loss of civil service status or privilege of such personnel.

(h) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(i) APPROPRIATIONS.—Of the funds available to the Department of Defense, $500,000 shall be made available to the Commission to carry out the provisions of this section.

Mr. BINGAMAN. Mr. President, this amendment is straightforward. It is not controversial, I am informed. Its purpose is simply to appoint a commission, a national commission on the future role of nuclear weapons in the United States' national security strategy. The duties of the commission are to assess the role of and requirements for nuclear weapons in the security strategy of the United States as a result of the significant changes in the former Warsaw Pact, the former Soviet Union, and the Third World, and to make recommendations on actions that the United States should take with respect to such weapons in its national security posture by reason of those changes.

I think the amendment is agreed to by both managers. I urge my colleagues to support it.

The PRESIDING OFFICER. Without objection, the amendment is in order at this time.

Is there further debate on the amendment?

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, my difficulty was in trying to determine what the composition of this Commission would be. It is my understanding that three members would be appointed by the President, three members would be appointed by the Speaker in consultation with the minority leader in the House, which would mean that that would be two for the Speaker and one for the minority leader, and the same thing would be true in the Senate; the President of the Senate would appoint three, after consultation with the majority leader and minority leader, meaning that the majority would recommend two and the minority would recommend one.

If that understanding is correct—and I ask the Senator from New Mexico if that is correct—I withdraw my objection.

Mr. BINGAMAN. Mr. President, that is my understanding. We took the composition of the Commission established in Public Law 102-62 and tried to repeat that here. This is a public law signed by the President earlier this year.

We were trying to accomplish the same composition of this Commission that was established in that law. That Commission was the National Education Commission on Time and Learning.

Mr. STEVENS. The amendment is acceptable under those circumstances.

The PRESIDING OFFICER. The Chair wishes to clarify the unanimous-consent request. Without objection, the amendment will be in order to the end of the bill at this point. As to the earlier understanding, with respect to the pending committee amendment, in order to avoid any confusion, without objection, it will be in order at that point in the bill at this time.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1227) was agreed to.

Mr. BINGAMAN. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I did not offer an amendment dealing with troop reductions in Korea this year, which I did 2 years ago. I expect the eternal gratitude of the managers of the bill for not offering and amendment on that subject.

But the reason I did not is because there has been a modest troop reduction going on in Korea, a reduction of 7,000 troops out of the 43,000 that were there 3 years ago. But the troop reduction ends in 1992, next year. I do not want to anticipate what we might do in Korea, but I think that this troop reduction has not gone nearly far enough.

I have always maintained that we ought to keep command and communications personnel, the Navy and the Air Force in South Korea, for the foreseeable future. But to spend $2.5 billion a year for American soldiers, ground soldiers, to defend South Korea against North Korea is foolish in the extreme. It is a terrible waste of the taxpayers' money, and here is why.

North Korea has 22 million people. South Korea has twice as many, about 43 million people. North Korea has a GNP of $22 billion a year; think of that, $22 billion a year. South Korea has a GNP of $235 billion, or over 10 times the GNP of North Korea.

North Korea is required to pay cash for everything they do. Because they are such an economic basket case, nobody will give them credit.

Their GNP actually contracted by 4 percent last year. It shrank by 4 percent. Incidentally, I will tell you a statistic that is really staggering. South Korea's GNP increased more last year than the size of the total GNP of North Korea. A 9-plus percent GNP increase in South Korea was the equivalent of the total GNP of North Korea.

Now, what are we doing, Mr. President, is spending $2.5 billion a year to defend South Korea when every statistic I can give you shows they ought to be able to handle North Korea with both hands tied behind them, not just one. And so while I applaud the modest reductions that the Defense Department has made, it just pales compared to what ought to do done.

We can save $2 billion. There is a lot of talk nowadays about how we are spending $160 billion to defend Europe. And that is going to have a be looked at very closely; it should have been looked at this year—$160 billion or our $291 billion defense budget is to defend Europe, and so Korea looks like peanuts.

But when you consider their GNP, and you consider that they make a contribution of about $300 million to us for keeping 40,000 men over there, while we spend $2.5 billion, there is just something rotten about that. It makes no sense.

Mr. President, I do not want to belabor the Senate or the managers if somebody has an amendment, but I wanted to say those few things. I will be back at the same old stand next year offering an amendment to continue those troop reductions at a much more dramatic rate in 1993.

Mr. President, I yield the floor.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORE). Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending matter be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

SERVICEWOMEN'S ACCESS TO REPRODUCTIVE HEALTH CARE OVERSEAS

Mr. LAUTENBERG. Mr. President, I rise in support of the committee amendment approved by the full Appropriations Committee that would reverse current Department of Defense policy and allow servicewomen and military dependents access to safe and affordable abortion services in overseas military facilities. I offered this amendment in the Defense Appropriations Subcommittee because, like a clear majority of Senators in this body, I see the injustice of the administration's policy. I want to take a few minutes to explain this issue.

Once again, Congress has to take action to prevent the further erosion of the constitutional rights of American women. Just 2 weeks ago, the Senate approved the Labor-HHS appropriations bill and overturned the gag rule, which would prohibit doctors from even discussing legal medical options with patients in title X family planning clinics. Now, the Senate Appropriations Committee has taken action to overturn a 1988 Reagan administration directive prohibiting American servicewomen and military dependents access to privately financed abortions in overseas military medical facilities.

Mr. President, like the gag rule, this directive came from nowhere and is an affront to every affected service person or dependent. From 1982 to 1988, servicewomen and military dependents could receive safe, privately funded abortion services in overseas military medical facilities. Then in June of 1988, the Assistant Secretary of Health Affairs at the Department of Defense arbitrarily overturned existing policy without any direction from Congress or warning to the public.

The Assistant Secretary of Defense for Health Affairs took this action while conceding that providing privately financed abortions in overseas military medical facilities "does not violate the legal prohibition" against using Federal funds for abortions. The Reagan administration decided to ban such abortions anyway.

Mr. President, the issue here is whether or not a servicewoman or dependent who is stationed overseas leaves her constitutional rights at the U.S. border. In countries like the Philipines, Panama, and Saudi Arabia, abortion is not permitted. A servicewoman who seeks to terminate a pregnancy in those countries must either try to obtain an unsafe, back-alley abortion or travel all the way back to the United States or some other country.

Mr. President, the U.S. military initially built U.S. medical facilities on our bases overseas because our service members are often stationed in countries where safe health care is not available. Since 1988, however, if a servicewoman wants to terminate an unintended pregnancy while stationed overseas, she does not have access to safe medical care. She has access to butcher-knife care. And the result is severe medical complications. Not only does this Department of Defense policy rob women of their rights, it forces them into life-threatening situations.

Mr. President, we shouldn't treat our dedicated servicewomen as second-class citizens when they serve our country overseas. Do the opponents of my amendment think this policy is a good way to reward our brave and courageous servicewomen?

Mr. President, now I would like to take a few minutes to address some of the remarks made by the opponents of my amendment.

First of all, I have read in the statement of administration policy on the Defense appropriations bill that the President strongly objects to language that would permit abortions to be performed at U.S. military facilities in cases other than when the life of the mother is endangered.

Mr. President, I am troubled that the President would veto the entire Defense appropriations bill that is designed to ensure our Nation's national security over this issue. The President is going to veto nearly 300 billion dollars' worth of Defense programs over a provision that allows a servicewoman to exercise her constitutionally protected rights. If the President is dead set on vetoing this bill then I say we have to stand up to him. We should not back down on matters of principle like this.

Mr. President, I also want to set the record straight on a few issues that have been distorted by proponents of this reprehensible policy. First, this amendment does not violate the statutory ban against using Defense funds for abortion established in 1984. It simply returns U.S. policy to the way it was from 1982 to 1988 where servicewomen and military dependents could receive privately financed abortions in overseas military medical facilities.

Second, this amendment will not allow third trimester abortions or so-called postviability abortions. This provision upholds all existing military regulations regarding reproductive health care that the military has promulgated within the Roe versus Wade framework. These existing regulations prohibit third trimester amendments unless the life or health of the mother is in danger.

Third, military service branches already have existing regulations that require parental notification for minors before any major medical procedure, including abortions, can be performed.

Fourth, this amendment does not require any military health-care worker to perform an abortion if he or she believes that it is against his or her ethical, moral, or religious beliefs. All branches of the service have so-called conscience clauses that allow military health-care workers to abstain from performing procedures that violate their beliefs.

Therefore, Mr. President, this amendment is not about using Federal funds for abortions, third trimester abortions, parental notification, or making someone perform an abortion against his or her will. This amendment is about protecting the constitutional rights of our servicewomen.

Mr. President, if there are any critics out there who think that this current policy is not having a traumatic affect on our servicewomen or military dependents, I wish they would read the letter that I have from Dr. Jeffrey T. Jensen, M.D., head of the Department of Obstetrics and Gynecology at the U.S. Naval Hospital at Subic Bay in the Philippines. My distinguished colleague, Senator WIRTH, who has worked long and hard on this issue during consideration of the Defense authorization bill and inserted this letter in the RECORD previously. For those who have not read this letter, let me summarize a few items contained in it.

First, Dr. Jensen sees approximately eight patients per year with complications from illegal abortions. These women typically come forward with these complications late and are experiencing life-threatening situations.

Second, Dr. Jensen's letter discusses a case where a lance corporal discovered that her baby would die at birth after several tests. After receiving medical counseling, she elected to terminate her pregnancy. But in this case she has no constitutional rights. Her options were either to carry her pregnancy several months knowing that the child was going to die, get an unsafe back-alley abortion in the Philippines or fly to Japan and pay $2,500 to have a safe abortion if she could get leave or a flight, on a monthly salary of $965.

Third, Dr. Jensen documents how difficult it is for servicewomen to get leave and a flight to travel to another country to terminate an unwanted pregnancy. Often servicewomen are forced to disclose this personal decision to terminate a pregnancy to a superior officer in order to get leave. Also, women who often have to wait to get a flight to another country often have their health put at risk and are forced to go through further trauma.

Mr. President, it is time to end this disgrace and restore the constitutionally protected rights of our American servicewomen serving abroad and military dependents.

I yield the floor.

COMMITTEE AMENDMENT ON PAGE 171, LINE 24, TO PAGE 172, LINE 9

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendment on page 171, line 24, to page 172, line 9, be taken up at this time.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. INOUYE. This matter is cleared by both sides.

The PRESIDING OFFICER. Is there debate on the committee amendment? If not, the question is on agreeing to the committee amendment.

The committee amendment on page 171, line 24, to page 172, line 9 was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending amendment be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1228

Mr. INOUYE. Mr. President, in behalf of Senator BREAUX, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BREAUX, proposes an amendment numbered 1228.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 32, line 17, insert before the period the following: ": *Provided further*, That the funds appropriated in fiscal year 1991 for the procurement of the advanced video processor units and associated display heads shall be made available to the Department of Navy, obligated not later than sixty days from the enactment of this Act, and used for no other purpose.".

Mr. BREAUX. Mr. President, the Advanced Video Processor [AVP] Program, initiated by the Navy in 1987, was established in the fiscal year 1990 Defense Appropriations Act as an item of special interest. Funding in fiscal year 1991 was provided with the understanding that the Navy would affect the necessary engineering change proposals [ECP] and modifications to the AVP contract to achieve the cost-effective, early development of the associated display heads in a fully integrated display station. It has recently come to my attention that the Navy is not only contemplating a multimillion, multiyear, sole-source procurement of the old displays the AVP is to replace, but is also planning to complete the display heads for the AVP. Either of these actions is ill-advised. Procuring 300 of the 20-year old displays, or attempting to bridge the technological gap in the unique AVP/display head interface with another, separate development effort, would delay completion of the integrated AVP display station until the late 1990's. My amendment therefore provides language in this bill to ensure that the Navy proceeds with its plan to procure the display heads as an ECP to the AVP in order to expedite fleet introduction, minimize technological risk, and realize the Navy's estimated savings.

Mr. INOUYE. This matter has been cleared by both managers.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 1228) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending matter be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1229

Mr. INOUYE. Mr. President, in behalf of Senator BIDEN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BIDEN, proposes an amendment numbered 1229.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following section:

SEC. JOINT COMMISSION ON REDUCTION OF NUCLEAR WEAPONS.

(a) ESTABLISHMENT.—Of the funds appropriated in this Act, the President may allocate such sums as he deems necessary in order to establish and support a joint commission, to be comprised of experts from governments of the United States and from the former Soviet Union, who shall meet on a regular basis in order to discuss and provide specific recommendations regarding—

(1) SAFEGUARDS.—What safeguards, including the possible deployment of limited defenses, to protect against the threat of accidental or unauthorized use of nuclear weapons;

(2) JOINT ARMS REDUCTION.—What specific goals, consistent with the principle of maintaining deterrence and strategic stability at the lowest levels of armament, should be established for the reduction of strategic and tactical nuclear weapons; and

(3) WARHEAD DISMANTLEMENT.—What techniques for dismantling nuclear warheads and disposing of nuclear materials could be incorporated into future arms control agreements.

(b) COMPOSITION.—The Commission shall be comprised—

(1) on the United States side, or such governmental experts as the President may deem appropriate; and

(2) such governmental representatives from the former Soviet Union as the President may arrange.

(c) SHARING OF INFORMATION.—It is the sense of the Congress that the Presidents of both countries should encourage their respective defense departments and related intelligence agencies to examine what relevant information should be declassified or otherwise shared within the working group in order to support the fulfillment of its mandate.

Mr. BIDEN. Mr. President, on Tuesday of this week the Subcommittee on European Affairs heard extraordinary testimony on the command and control of Soviet and United States nuclear forces.

Our witnesses included one of the top Soviet experts on the subject as well as one of the top American experts. The subcommittee also heard in closed session from authoritative representatives of the U.S. intelligence community.

That testimony served to underscore the premises of the amendment I am now introducing, with the cosponsorship of several colleagues.

Those premises are threefold:

First, that there are significant deficiencies in the command and control systems in each superpower arsenal;

Second, that there are significant dangers to the Soviet nuclear arsenal arising from the potential for civil strife in that disintegrating empire; and

Third, that we now have an important opportunity—to which we should attach a sense to urgency—to negotiate substantial reductions in the Soviet arsenal.

Those premises have led me to conclude that conditions are right to take an unprecedented step. That step, which would be mandated by this amendment, is to establish, without delay, a Joint Commission on Reduction of the Nuclear Threat.

The Commission would consist of governmental and non-governmental experts from each side, who would meet on a regular basis to develop and provide specific recommendations with three purposes:

First, to develop and implement stronger protections on each side against the unauthorized on accidental use of nuclear weapons.

Second, to identify precisely how low the two sides can go in nuclear arms reductions and still guarantee deterrence against nuclear attack; and

Third, to identify what techniques for dismantling nuclear warheads and disposing of nuclear materials should be incorporated into future arms control agreements.

I would emphasize that this is not an attempt to take diplomacy away from the President. It is intended to equip the President with an additional tool of diplomacy.

The President would, in consultation with Congress, determine the composition of the Commission on the United States side and he would arrange appropriate participation of representatives from the former Soviet Union.

It bears emphasis that no existing institutions now perform the functions to be performed by the Commission:

The so-called risk-reduction centers established in the mid-1980's are intended to facilitate communication in time of crisis. The new Commission, in contrast, would be mandated to share information and develop recommendations for permanent technical and procedural change in each side's command and control system.

The Commission would also examine whether limited defenses should be used to buttress these protections against accidental or unauthorized use of nuclear weapons.

Nor is the Commission's second mandate, relating to arms control, now being performed. Heretofore, each side has developed arms control proposals unilaterally-and principally with the aim of negotiating maximum reductions in the other side's arsenal consistent with making minimum reductions in its own arsenal. Negotiations then proceeded, with each side trying to wear the other down.

In contrast, the Commission's mandate would be to work together—experts from the two sides working side by side, not across the table from each other—in search of an answer to the question: in a world in which nuclear weapons cannot be disinvented, how long can we safely go?

As to the third mandate, to identify techniques for dismantling nuclear warheads and disposing of nuclear materials—techniques that should be incorporated into future arms control agreements—there is much too little work now being done.

Our own defense agencies have been profligate in spending defense dollars on the development of new nuclear systems; they have adamantly resisted allocating funds to the development of environmentally sound techniques for the dismantlement and destruction of nuclear weapons materials.

In sum, the Commission would seek ways and means to achieve

First, the safest possible arsenals through changes in existing systems; and

Second, the smallest possible arsenals consistent with deterrence.

One of the real obstacles, inevitably, will be to change our habits of mind. Specifically, there will be the matter of classification—the conditioned reticence of each side to reveal aspects of its own systems. In mandating the creation of the Commission, the provision expresses the sense of Congress that the President should call upon the Pentagon and the intelligence agencies to see what information we can declassify and share within the Commission in order to support the fulfillment of the Commission's mandate.

Mr. President, the cold war is dead. Our task now is to bury it, by working jointly to ensure the safety of—and to reduce drastically—the two Armageddon arsenals to which the cold war gave rise. This Commission would give impetus to the achievement of that urgent and necessary task.

Mr. INOUYE. I am pleased to advise the Senate that this matter has been studied by both managers and we find it acceptable.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Delaware.

The amendment (No. 1229) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, there are now three separate suggestions to our bill—I take them to be just that—for commissions to review nuclear weapons, the nuclear threat, and nuclear power. It would be this Senator's intention to urge the managers to put those together. It is really a comprehensive concept that the individual Senators have suggested. I want to put the Senate on notice that I intend to try to make this one Commission that would look over the whole subject and make its report to the Congress.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE AMENDMENTS ON PAGE 100, LINES 4 TO 9, AND PAGE 146, LINES 10 TO 53, EN BLOC

Mr. INOUYE. Mr. President, I ask unanimous consent that committee amendments, first, on page 100, lines 4 to 9, and page 146, lines 10 to 53, be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text provided that no point of order shall have been considered to have been waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments considered and agreed to en bloc are as follows: Committee amendments on page 100, lines 4 to 9, and page 146, lines 10 to 53.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the committee amendments was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, parliamentary inquiry. Have we completed all of our committee amendments?

The PRESIDING OFFICER. All committee amendments have been disposed of.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The bill is open to amendment.

ORDER OF PROCEDURE

Mr. INOUYE. Mr. President, I ask unanimous consent that Senator ROTH be permitted to submit his amendment, and when he does, his amendment be debated for 30 minutes, and that no point of order be in order; that there be an up and down vote at the conclusion of the 30 minutes. As far as the managers are concerned this will be the last rollcall on this bill.

Mr. STEVENS. Mr. President, I want to emphasize what the Senator from Hawaii has said, that we have no more requests on this side for any votes on any amendments. We do have some routine technical amendments we are still working out that are really totally routine that we do not expect a vote on. I have no request for a vote on final passage on this side.

I urge that we be permitted to say that this would be the last vote. That is not our prerogative, but I make that request.

The PRESIDING OFFICER. Is there objection?

Mr. INOUYE. Mr. President, as further clarification on my unanimous-consent request on the Roth amendment; 30 minutes, a point of order not be in order. It will be an up or down rollcall vote at the conclusion of the 30 minutes; that second-degree amendments not be in order.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINUTEMAN III CONSOLIDATION PLAN

Mr. BURNS. I am very concerned about language included in the report accompanying this bill (Senate Report 102–154, p. 63) expressing the Appropriations Committee's support for the Conrad amendment to the fiscal year 1992 Defense authorization bill (section 1139 of S. 1507). I am very opposed to the Conrad amendment and would prefer that the Appropriations Committee not take this position. This is a matter that will be worked out in the House/Senate conference on the Defense authorization bill, and I am glad that the committee has left the final decision up to the authorizing committees.

I wonder if the managers might take a few minutes to clarify for me their reasons for including this report language stating that they support the authorization provision. Does this mean that they support the provision as is, or that they support the resolution of the matter as the authorizers see fit?

Mr. STEVENS. I can assure the Senator from Montana that I have no agenda on this matter. If there are some problems with section 1139 of the authorization bill from the Senator's perspective, I would certainly hope that his concerns could be addressed during the conference on S. 1507.

Mr. BURNS. Well, I appreciate that response because I have a serious problem with the Conrad amendment, now section 1139, in its current form. In fact, I think that the authorizers should drop the provision altogether.

The Conrad amendment not only prohibits the Air Force from transferring any operationally deployed Minuteman III's which would constitute a consolidation effort, it prohibits them from spending any funds to transfer stored Minuteman III's to Minuteman II silos until a total plan is submitted outlining the restructuring of our strategic forces under START. I am opposed to the linking of the expenditure of funds for transfer of stored assets to the delivery of a total force structure report.

The retirement of Minuteman II missiles under START will begin in fiscal year 1992. This will open up silos at Malmstrom Air Force Base in which currently stored Minuteman III's can immediately be deployed. It makes good sense to make these moves simultaneously in order to avoid the extra cost of maintaining empty silos. Such a move will also allow us to maximize our strategic missile force structure under START by having all 500 Minuteman III's deployed.

I am also concerned that the prohibition of funding on the transfer of operationally deployed Minuteman III missiles may preclude the Air Force from doing logistics planning and evaluation of a consolidation proposal. On the one hand we are asking them to report to us on a consolidation plan, while on the other hand we are telling them that they can't spend any money on such a plan. I think that needs to be clarified.

Finally, I think it is important to point out to both the managers of this bill and the authorizers that the Air Force has never tried to push through a specific consolidation plan without consulting Congress. They do have a plan they are working on, but no final plan will be proposed until they submit their fiscal year 1994 budget.

Mr. STEVENS. Is the Senator suggesting that the concerns of this committee that the consolidation plan preempts congressional oversight responsibilities are unfounded?

Mr. BURNS. Certainly not in a critical fashion, however, I would say to the Senator that any decision to consolidate the Minuteman III forces from four to three wings is a matter that will be fully considered by the Congress in the future. I don't think that there has ever been any attempt by the Air Force to circumvent Congress and move forward on a consolidation plan this year. In fact, General McPeak, Chief of Staff of the Air Force, recently made it clear in a letter to Senator CONRAD that they do not intend to make any final decision on Minuteman III basing until the fiscal year 1994 budget is submitted.

There will be an opportunity to debate the managers' concerns and the concerns outlined in section 1139 of the authorization bill during our consideration of the fiscal year 1994 budget. Congress will have oversight responsibility and the decision will be evaluated in the broader context of overall force restructuring. I think it is also important to add to the factors for consideration "future budgetary constraints." The Air Force currently estimates that the consolidation of four Minuteman III wings to three will save $26 million a year. This is an important factor given the obvious need to get the most for every defense dollar under shrinking defense budgets. I believe that we need to look at options that allow us to maintain a credible strategic deterrence at the least possible cost, and I hope that the Armed Services conferees will not overlook that point.

Mr. STEVENS. I would certainly agree with that. We have just spent the last day and a half fending off attempts to cut the defense budget even more, and I'm sure everyone will be reevaluating our defense priorities over the next year.

Mr. BURNS. And I believe that such an evaluation should take place and that it will take place with regard to our strategic missile force. In the meantime, however, the movement of stored Minuteman III's should not be prohibited nor should the Air Force be prohibited from doing logistics planning and evaluation work on a suggested consolidation plan.

Mr. STEVENS. I want to thank the Senator from Montana for raising these concerns with section 1139. I hope that his concerns can be addressed during the Armed Services' conference.

Mr. INOUYE. Mr. President, in each year that I have been chairman of the Defense Appropriations Subcommittee, it has been my practice to single out one member of the committee staff for special recognition. By this I do not mean to imply that others are not also worthy of special recognition. Indeed, Mr. President, they are. Each and every member of the staff of the Defense Appropriations Subcommittee is an outstanding professional, and they have to be. The volume of work and the complexities of the issues which come to the staff are extraordinary.

I wish to extend my heartfelt appreciation, my recognition of professional competence, and sincere gratitude to the majority staff: Mr. Richard Collins, Mr. Charlie Houy, Dick D'Amato, Jay Kimmit, Jane McMullan, David Morrison, Rand Fishbein, Mary Marshall, Mazie Mattson, Mavis Masaki, and Steve Cortese, Keith Kennedy, and Donna Pate of the minority staff; and to the support group which has worked with the subcommittee this year: Mr. Charles Cook, John Young, Ms. Stacy McCarthy.

Most of all, Mr. President, I wish to thank Mr. Peter Lennon. Peter Lennon is a professional, a tireless pursuer of knowledge, and he has unimpeachable integrity of analysis, an inexhaustible search for detailed understanding. He is also an unbiased, even-handed presenter of his findings to the committee. This, Mr. President, characterizes the work of Peter Lennon.

This year, under particularly trying and difficult circumstances, Mr. Lennon maintained an unparalleled schedule and distilled his work in a timely, concise, and accurate set of analytical papers and recommendations, which greatly benefited the committee.

I am pleased that I have had the chance to come to know Mr. Lennon over the past several years. I hope that he will continue to work with us on the subcommittee for a long time to come.

I know that I can rely upon Mr. Lennon. I know that I can learn from him. I know him as a staff member who is truly a professional.

And so, Mr. President, Peter Lennon deserves special recognition, and I am pleased to have had this opportunity to recognize his contributions to the work of the Subcommittee on Defense Appropriations.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I echo the commendation of the minority staff of the Senator from Hawaii, due to the fact that this staff member has one staff member to assist, Steve Cortese, who is a jack of all trades.

I need only mention one Member on our side who has worked so long and hard on this bill. But I do want to say that this staff is a professional staff, and has been totally available to the minority at all times. In the tradition of this subcommittee, he is one that seeks a bipartisan solution to defense problems. I am pleased to be able to have worked with the Senator from Hawaii and the Members that work with him on the majority staff under these circumstances.

Mr. INOUYE. Mr. President, we are ready for the final debate and final vote. We await the Senator from Delaware.

Until then, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1230

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business be set-aside temporarily to permit me to submit an amendment on behalf of Mr. WARNER and others. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] for Mr. WARNER, for himself, Mr. NUNN, Mr. COHEN, Mr. WALLOP, Mr. KENNEDY, Mr. GLENN, and Mr. THURMOND, proposes an amendment numbered 1230.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment on page , line , insert the following:

"(xx) In addition to the amounts appropriated elsewhere in this Act, $154,900,000 is appropriated for Procurement, Marine Corps, for the following: Night Vision Goggles $30,000,000; (9) Multiple Launch Rocket System Launchers $23,000,000; (10,000) Multiple Launch Rocket System Rockets $72,300,000; (3) Joint Surveillance Target Acquisition System Ground Stations with Commanders Tactical Terminal Hybrid $17,600,000; Commanders Tactical Terminal Hybrid $9,000,000; Tactical Reconnaissance Devices $3,000,000; and $16,000,000 is available for Navy, Research & Development for the following: Ship-to-Shore Fire Support; $5,000,000 is available for Defense Agencies, Research and Development for the following: Robotic Countermine Technology".

Mr. WARNER. Mr. President, I rise to propose an amendment to provide funds which the Armed Services Committee has authorized to enhance modernization of the Marine Corps.

The recommendations within the initiative were based on my personal observations and those of other Senators during visits to the gulf area, a series of hearings we had with combat commanders following the war in the gulf, and after-action reports.

Mr. President, the war in the Persian Gulf revealed a great deal about the capabilities and effectiveness of our Armed Forces. The technologies that were incorporated into the weapons systems and equipment through modernization programs supported over the years by both the administration and the Congress contributed greatly to our victory in the gulf.

Our committee identified several areas in the Marine Corps where modernization has not kept pace with the other services. Based on feedback from the gulf war and coordination with the Marine Corps, our committee incorporated into our Defense authorization bill a plan to boost modernization efforts in the Marine Corps over the next several years.

The plan focuses on the following areas: armor, artillery and fire support, night fighting capabilities, mine detection and clearance, intelligence, and air defense.

At this time I ask unanimous consent that a list of specific items included in this initiative for both procurement and research and development be inserted in the RECORD.

The total cost of these initiatives was $659 million. The Senate approved this initiative as a part of the Defense authorization bill and members of the Armed Services Committee are now enjoined in conference with the House on these and other matters.

This amendment provides for the appropriation of $154.9 million to procure night vision goggles, MLRS launchers and rockets, JSTARS ground stations, and other intelligence enhancements, and $21.0 million for research and development for robotic countermine technology and ship-to-shore fire support.

I have structured this amendment to include those items the Armed Services Committee authorized in our bill which have already been appropriated by either the Senate Appropriations Committee or the House Appropriations Committee.

I am fully aware of the budget constraints we face; however, I hope we can find a way to support this initiative to provide necessary modernization for the Marine Corps in the same manner and in the same spirit in which we have funded modernization to enhance the National Guard over the past several years.

I want to thank all my colleagues for their support on this issue which I consider to be very important. The United States has always placed great reliance on our Marine Corps. They have never let us down.

I want to emphasize that there is no intent at all to be critical of the Marine Corps. We know that the corps has always taken pride in the fact that they can accomplish more with less. It has become clear, however, that today the Marines need a bit of help with additional resources to keep apace with the modernization of the other services and I hope all my colleagues will support this amendment.

MARINE CORPS MODERNIZATION AMENDMENT

Mr. NUNN. Mr. President, I rise to support the amendment offered by Senator WARNER and ask unanimous consent that my name be added as a cosponsor.

The funding additions identified in this amendment were all authorized in the Defense authorization bill passed just last month. The Armed Services Committee held 24 hearings and numerous briefings on Operation Desert Shield/Desert Storm and the results of the war in the Persian Gulf. After the most serious consideration, the committee proposed these initiatives in the authorization bill in order to correct substantial deficiencies in capabilities that were exposed by these hearings.

The Marine Corps initiatives that would be funded by this amendment would make improvements in several areas: nightfighting capability, fire support, mine countermeasures, and tactical intelligence. The Marine Corps found itself in the Persian Gulf in the unhappy position of facing shortages in each of these areas. We are fortunate that our courageous forces had several months to scrounge and borrow equipment from the Army and elsewhere.

No matter what happens with the Defense budget in future, we will continue to need very effective crisis and contingency response forces in our military forces. The Marine Corps will continue to be called upon to be among the first forces to fight in any future conflict. Mr. President, we cannot in good conscience ask the men and women of our Marine Corps to risk their lives with second-rate capabilities, capabilities that cannot even match what we have provided to the National Guard and Reserves.

Mr. President, I urge my colleagues in the Senate to support this amendment.

Mr. INOUYE. Mr. President, this matter has been discussed by both managers, and we find the amendment acceptable.

Mr. STEVENS. Mr. President, I do support the amendment, and we have worked with the sponsors at length. They are Mr. WARNER, Mr. NUNN, Mr. COHEN, Mr. WALLOP, Mr. KENNEDY, and Mr. GLENN. I support the amendment.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1230) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFERRING CLOSED BASES TO IMPACTED COMMUNITIES

Mr. ROTH. Mr. President, my intent within a few minutes is to send forward an amendment to the desk.

As we all know, good intentions are not enough to carry out our policy decisions in the Senate. It is important that we ensure that legislation is carefully crafted to get the right results. If our votes and our decisions are to benefit the people directly, we must be watchful of the details, we must think about the impact, and we must be certain that legislation is built to achieve its mission.

Mr. President, I have worked for several years on the serious matter of base closings in this country. I originally took up this issue to help eliminate waste in our Defense budget. As I proceeded, I became more and more involved in the effort to bring about a smooth transition for the communities affected by necessary base closings. This is no simple matter, as all of us know. Often a community grows up and prospers around the economy, employment, and services of a military base.

The Defense Department studied this issue and found that when communities take over a closed base, many more jobs are created than are lost. It is essential that we apply these findings in determining the best way to help these communities make the transition.

My studies—and the studies of others—have shown that the best way to create a successful transition, and to get the local economies growing again, is to ensure that the base property can go directly to the hands of the people. It only makes sense that the local citizens know what is best for their neighborhood and their town—whether they will benefit most from a new airport, a new office park, or a new shopping mall. The people do not need more redtape, more outside interference, and more bureaucracy.

The purpose of my base conversion concept is to get the affected communities directly involved in acquiring the base property, in making decisions as to its future use, and in developing that new opportunity.

Eight weeks ago, the Senate approved an amendment to the fiscal year 1992 Defense authorization bill. The intent of that amendment was to offset the devastating impact on local communities when the Defense Department shuts down a base and leaves town. According to the stated purpose of that amendment, this was to be achieved by returning bases directly to neighboring communities. The amendment received strong support and was adopted when the motion to table the amendment failed by a vote of 67 to 30.

Mr. President, the lopsided vote for that amendment shows that the Senate recognizes that the current process for closing bases is painful, slow, and benefits no one. The Senate heeded the comments of the Defense Base Closure and Realignment Commission which noted in its report to the President that: "Reusing former military base property offers communities the best opportunity to rebuild their economies. The buildings and facilities can fill residential, commercial, and industrial needs and thus replace jobs and income lost."

Moreover, the Commission found that expediting the transfer to the local community is critical to a local economy trying to overcome the economic setback caused by the base closure. It stated that: "Full economic recovery from base closure is dependent upon timely disposition of the facilities and land vacated by the services."

Mr. President, in August the Senate voted to help reinvigorate local economies. However, I am very concerned that we run the risk of failure, where we had hoped for success. For a number of reasons, in the closing days before the August recess, mistakes were made and there were, at least in my judgment several omissions in drafting the provisions of that amendment.

Unfortunately, that legislation was submitted to the Defense Appropriations Committee without the needed changes. This uncorrected legislation is now section 8125 of the Defense appropriations bill.

Specifically, I am concerned that there are no provisions to guarantee that the community will have first shot at the base property. I am concerned that the property may not be directly transferred to the local citizens. And, I am concerned that communities may suffer from zoning incompatibilities for those bases that the Secretary waives from the provisions of section 8125.

Unless these errors are corrected, the current legislation will not achieve the stated purposes or accomplish the results intended by the Senate. The National League of Cities voiced these concerns in a letter that they sent to me. The League of Cities stated, and I quote:

> * * * the actual language of the section will not have the effect intended by the Senate. In fact, if the provisions of the section are left uncorrected, no local community would have a right to receive the property of a closed base. Nor would a community have the basic right of zoning authority to ensure that the development met its needs and capacity.

Mr. President, the concept is sound, but followthrough is lacking. What we seek to do is to make the necessary technical fixes now. It is not often that we get the chance to revisit legislation which is less than perfect. But we have such an opportunity here, and I urge my colleagues to take it.

I am here to offer an amendment which would clear up the confusion and hammer the details into place. The amendment, which I will send to the desk, cosponsored by Senators SEYMOUR, MCCAIN, and LUGAR, clarifies the language of section 8125 in order to achieve the goals of that legislation. The changes would speed the economic recovery of impacted communities by guaranteeing their rights during the disposal of closed bases.

I am proposing three important changes in section 8125. First, the amendment clarifies the language to ensure that an impacted community would be guaranteed an opportunity to receive directly and to utilize a closed facility. This was the intent of the original legislation that the Senate approved, but the wording did not quite accomplish it.

Second, the amendment will expedite the transfer of real property, while maintaining strong environmental safeguards. The amendment includes a timetable to make sure that clean property can be transferred rapidly to those who can put it to its most productive use. Base property must be made clean, and then transferred in an expedient manner.

Third, the amendment will guarantee representation of the local community in decisions affecting base disposal and reuse. In particular, for the closed bases that the Defense Department keeps or sells, my proposed amendment will give the local community basic zoning rights needed to make sure that the end use of the closed base does not overwhelm local infrastructure.

AMENDMENT NO. 1231

(Purpose: To provide a substitute for section 8125 relating to the conveyance of closed military installations to neighboring communities)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Delaware [Mr. ROTH] for himself, Mr. SEYMOUR, Mr. LUGAR, and Mr. MCCAIN proposes an amendment numbered 1231.

Mr. ROTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 159, strike out line 13 and all that follows through page 170, line 5, and insert in lieu thereof the following:

SEC. 8125. (a) This section may be cited as the "Impacted Communities Assistance Act of 1991".

(b)(1) The Congress finds that—

(A) the Department of Defense has been directed to reduce the size and cost of the military and this can be accomplished only by closing military installations;

(B) a military installation is a part of the infrastructure of the community in which it is located and there is a long-standing symbiotic relationship between a military installation and the community;

(C) the people in an impacted community have made substantial, long-term investments of time, training, and wealth to support the military installation;

(D) the loss to an impacted community when a military installation is closed is substantial and the Congress wishes to mitigate the damage to the impacted community;

(E) an impacted community knows best the needs of the community and the best way to use available resources to meet such needs; and

(F) unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) It is the purpose of this section—

(A) to benefit the community impacted when a military installation located in the community is closed by authorizing the real and excess related personal property on which the military installation is located to be conveyed to the impacted community as soon as possible after a decision to close the military installation; and

(B) to provide an impacted community a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(c) As used in this section—

(1) the term "military installation" means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Secretary of a military department or the Secretary of Defense;

(2) the term "Secretary" means the Secretary of Defense;

(3) the term "local community", with respect to property at a military installation closed under a base closure law, means—

(A) the incorporated town, village, city, or other political subdivision or similar entity of the State in which the property is located;

(B) any other entity, including development districts, authorized to accept or administer property transferred by the incorporated town, village, city, or similar entity of the State in which the property is located; or

(C) if the property is not located in an incorporated entity, the incorporated entity of the State that has authority under State law to annex the property;

(4) The term "property suitable for transfer" means property the transfer of which is in compliance with Federal and State environmental laws as determined as soon as possible by the Administrator of the Environmental Protection Agency in consultation with the State is not vital to the national security interest, and is not vital to protection of an environmental heritage.

(5) The term "base closure law" means—

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1808; 10 U.S.C. 2687 note);

(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 1001-526; 10 U.S.C. 2687 note); and

(C) section 2687 of title 10, United States Code; and

(6) the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives.

(d)(1) Notwithstanding any other provision of law, as soon as practicable after the Secretary of Defense determines that real property at a military installation closed pursuant to a base closure law is suitable for transfer, but not later than 180 days after the date of that determination, the Secretary shall transfer such real property and related excess personal property suitable for transfer in accordance with this section.

(2)(A) The Secretary shall first offer title of the property to the local community.

(B) If the local community refuses the property or fails to notify the Secretary of the community's acceptance of the property within 6 months after the date on which the Secretary makes the offer to the community, the Secretary shall offer the property to the county in which the property is located.

(D) If the State refuses the property or fails to notify the Secretary of the State's acceptance of the property within 60 days after the date on which the Secretary makes the offer to the State, the Secretary shall offer the property to other departments and agencies of the Federal Government by publishing the offer in the Federal Register.

(E) If no department of agency of the Federal Government requests the property within 30 days after the date on which the offer is published in the Federal Register, the Secretary shall dispose of the property to the highest responsible bidder.

(F) All offers of title under subparagraphs (A), (B), and (C) of this paragraph shall be in writing and shall contain the conditions, if any, under which the property is to be conveyed.

(e)(1) In any case in which a military installation is located in or subject to annexation by more than one local community, the property shall be offered to each of the communities and, if accepted by more than one community, shall be divided among the communities in such manner as may be specified by the annexation laws of the State concerned, or if such laws do not apply, then divided as the communities agree.

(2) In any case in which property referred to in subsection (d) is located in more than one county of a State and the property is not accepted by the local community concerned, that portion of the installation within each county shall be offered to that county.

(3) A. The Secretary of Defense shall sever from the real property of a closed military installation that real property that does not qualify as property suitable for transfer as defined in c(4).

(B) Prior to and after any conveyance of real property suitable for transfer as defined in c(4), The Secretary of Defense in consultation with the Administrator of the Environmental Protection agency and the State, shall continue to comply with all applicable federal and state environmental laws and carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(f) No consideration may be required for any conveyance of property pursuant to this section to a recipient referred to in subparagraph (A), (B), (C), or (D) of subsection (d)(2).

(g) The Secretary of Defense shall ensure that appropriate representatives of the local community are included as full partners in both discussions and decisions concerning the disposition of property at a military installation that is to be closed under a base closure law. The county and the State shall be represented in the discussions.

(h)(1) Subject to paragraphs (3) and (4), the President may waive the requirement to transfer property at a military installation under subsection (d) with respect to all or any portion of the property if the President—

(A) determines—

(i) that the continuation of the United States ownership of such property is vital to national security interests of the United States;

(ii) that the closure of the military installation will have no significant adverse effect on the local economy and that the value of the property is so high that a conveyance to the local community, county, or State would constitute an undue windfall to the recipient; or

(iii) that the community or communities neighboring the military installation are not experiencing or will not experience significant adverse economic effects as a result of the closure of the installation, taking into consideration such objective evidence as whether real estate values, unemployment, tax and other revenue to such community or communities or to the State of such community or communities, and the rate of business failures in the community or communities are increasing or decreasing and whether the total personal income of the population of such community or communities is increasing or significantly decreasing; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) Notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, the Secretary shall dispose of property for which a waiver is granted under this subsection in a manner that the Secretary considers appropriate.

(3) Within 30 days after the transmittal of a certification under paragraph (1)(B) in the case of any property on the basis of a determination under paragraph (1)(A)(ii), the local community, county, or State shall be offered, in the order of precedence and manner specified in subsection (d), the following authorities and benefits:

(A) General planning and zoning authority and usage regulation regarding such property.

(B) Twenty-five percent of the proceeds of any sale, lease, or other conveyance of such property by the United States to any other public or private entity or person.

(4) Waivers may be granted under this subsection on the basis of a determination under paragraph (1)(A)(ii) in the case of not more than five military installations for each set of base closures recommended by a commission under a base closure law. Provided further, that a waiver with respect to part of the property at a military installation shall count against such limit if the amount of the property reserved on the basis of a determination regarding national security interests under paragraph (1)(A)(i) exceeds 25 percent of either the total value or area of the property to be disposed of at that installation.

(5) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) September 30 of the year following the year in which the closure of that installation is approved by the President.

(6) The President may extend the deadline for making a determination and certification under paragraph (5) for not more than two consecutive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(7) The President may withdraw a waiver under paragraph (1) in the case of any property. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (d) in accordance with this section.

(i)(1) Title to real property referred to in subsection (d)(1) may not be conveyed to a local community, county, or State unless the local community, county, or State, as the case may be, submits to the Secretary an agreement providing that—

(A) if the property is sold by the local community, county, or State, as the case may be, within 10 years after the date of the conveyance of the property to the local community, county, or State, the community, county, or State (as the case may be) will pay the United States an amount equal to 25 percent of the proceeds from the sale of the property, except that no such payment shall be required if the local community, county, or State donated or transferred in excess of 50 percent of that property to the United States (for incorporation into the closed military installation) for consideration of less than 50 percent of its fair market value at the time of transfer;

(B) the local community, county, or State, as the case may be, will make available to the Comptroller General of the United States such information as may be necessary for the Comptroller General to carry out his duties under subsection (k);

(C) the local community, county, or State, as the case may be, will hold public hearings in the process of deciding the appropriate use of the closed military installation; and

(D) the local community, county, or State, as the case may be, will, in such manner as the Secretary may prescribe, prepare and submit to the Secretary a plan showing goals for the reuse of the property and the anticipated means for achieving those goals.

(2) The plan for reuse shall describe strategies and actions for converting the property covered by the plan into productive civilian use. The Secretary is authorized, consistent with section 2391 of title 10, United States Code, to assist communities in preparing plans for reuse.

(3) The Secretary shall, in consultation with other members of the President's Economic Assistance Committee, review each plan submitted pursuant to paragraph (2) and shall respond to the local community, county, or State, as the case may be, regarding that plan within 30 days after receipt of the plan.

(j) If a local community, county, or State to which real property is conveyed pursuant to this section fails to comply with any condition provided for under this section, the Secretary, after providing written notice to such community, county, or State, may withhold from any payments otherwise payable to the community, county, or State under any Federal Government program such amounts as may be necessary to ensure compliance.

(k) The Comptroller General of the United States may conduct such reviews of the transactions carried out pursuant to this section as may be necessary to determine whether the transactions are in compliance with this section.

(l) The Secretary shall prescribe such regulations as may be appropriate to carry out this section. The regulations prescribed by the Secretary shall encourage the prompt implementation of this section and facilitate transfer of property suitable for transfer to the impacted community.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Chair will advise the Senator that, under the unanimous-consent agreement, 15 minutes will be controlled by the Senator from Delaware, 15 minutes in opposition by the manager of the bill. The clock did not begin running under the agreement until the amendment was before the Senate.

Mr. ROTH. Mr. President, I do not intend to use all of my time.

I just want to close by saying at this time that the purpose of this legislation is to ensure that the local communities, the communities that are most directly impacted by closing down a base, have the first opportunity to have the land transferred to them for appropriate use. This is clearly what was described in the findings of the legislation, and I hope that the Senate would accept this amendment in its entirety.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. INOUYE. Mr. President, I yield all the time necessary to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, as the distinguished Senator from Delaware said, everyone wants to do the same thing on this. We want to help the impacted communities. While I have not seen the amendment, I have a description of what I think it would do, and I hope that in conference we could work on some of these matters.

Having said that, let me advise the Senator why it is that we drafted the provision with respect to the communities as we did.

Mr. President, the closest political subdivision nearest a base is often not the one that should appropriately get the base. Sometimes there would be a very small incorporated village right next to a base, whereas there is a larger city further away but is the principal impacted party in interest. Sometimes there is a county or in our State a parish government which is very much in interest.

So when you have various interests that are affected, sometimes they go to the State legislature, as they have in our State, and create a new subdivision composed of members of the affected city or cities and of the counties. And they would prescribe special rules for the governance to receive that base.

That, I think, is clearly the appropriate way to do it where the State can get together or where the State has gotten together through its State legislature, through its Governor. These things are usually done by consent and ought to be done by consent. So, therefore, we create that the first priority is that which State law provides.

Now beyond that, we have a procedure in our law that if the State law makes no specification, then we provide that the Secretary of Defense shall decide, if there are competing cities or towns or counties, which one or ones of those should receive this. It is not a question that we want to deprive the towns of the base. To the contrary, we want to be assured that the appropriate town or towns or combination of towns and counties get the base. That is all we are interested in.

If there is some special problem that we can accommodate to, we would be glad to do so with the distinguished Senator from Delaware. But I would point out to the Senator from Delaware, this particular provision with respect to the action of the State legislature was discussed here on the floor, and the amendment carried by over two to one, as I recall about 66 votes, and we discussed that special provision. We have no problem in ensuring that the towns get the base.

There are some other matters here that we are not sure that we understand. Where the Secretary of Defense would exercise what is called a waiver and keep control of a base for Federal use, the Senator from Delaware would say that the local community would retain, I believe it is, general planning and zoning authority and usage regulations.

There is a concept here I think we could probably work out. But, if, for example, it is a national park or if it is some other Federal usage, then under Federal law that is not subject to local zoning regulations, if I am correct, or certainly not usage regulations, whatever those are. There is a concept here we could work out, but I simply do not know what that means.

Mr. ROTH. If the Senator will yield for a comment.

Mr. JOHNSTON. Yes.

Mr. ROTH. I certainly agree with what the distinguished Senator is saying about parkland. As a matter of fact, in our language we provide that that could be excluded from transfer if it was of that importance.

What we are concerned about is, if the land is not transferred to a local community, for whatever reason, except for the points the Senator is making, that then the community should continue to have the right to ensure that whatever use that property is put to is consistent with its zoning requirements. But I agree with the Senator that we do not want to interfere with lands retained for environmental purposes or recreation.

Mr. JOHNSTON. Suppose, for example, that they want to put in a prison and local people object to a prison. Could they zone that prison usage out of this? Suppose they want to make it a hospital for AIDS patients, for a place for homeless people. Could they zone that out of the usage?

Mr. ROTH. If those are retained by the Federal Government, zoning would not apply to the Federal Government. It is only where the land is turned over to other individuals that you would have the question of assuring that it would be consistent with the zoning law.

Mr. JOHNSTON. If the property is turned over to private individuals, it is subject to the full police powers of the State, including zoning and land use and all of that.

Mr. BREAUX. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. BREAUX. I would just like to commend both of the two previous speakers for the work that they have done and the leadership they have provided on this measure?

I just want to say that I think we are real close between what the Senator from Delaware is now proposing and what the Senate adopted. I sort of misled my senior Senator by saying it passed by 66 votes. It actually passed by 67 votes. I think we are real close and there is not much difference.

I think what the Senator from Delaware is concerned about is ensuring that the local entity has a shot at getting the property if it is turned back. I think what we passed in the Senate really accomplishes that. I think we are real close to working out some language which takes care of the Senator's concerns, which are legitimate, and maybe we could work this out and get an agreement. I think we are real close to that. I just offer that comment to try and help resolve it.

Mr. JOHNSON. What I was going to say, Mr. President, is that there is something here on zoning about which I think we have no disagreement. As far as the community is concerned, I think there is logic to what we say in the bill.

Does the Senator agree that if a State legislature has acted, as they have, for example, in Louisiana, created an entity composed of the county and the city, that they should be able to receive the property as a first priority?

Mr. ROTH. I assure the distinguished Senator from Louisiana, we are fully supportive of what he is trying to do in his State. We have no objections to that approach in that kind of circumstances.

But as the junior Senator from Louisiana said, I want to make sure that other communities throughout this country have the right, the first right, to secure this land, because they are the ones that are most seriously impacted upon. But I have no objection to it being given to some kind of a political subdivision where there is agreement, as there is in the case of Louisiana.

Mr. JOHNSON. Suppose we do this. Suppose we say the first priority is to that body named by the State legislature, if they have acted or do act; otherwise, it shall go on the priority that you State in your amendment.

Mr. ROTH. I think we want to ensure that the local community has a say in that.

Mr. JOHNSTON. If the State legislature has acted, the Governor signed the bill and said this is the appropriate one that they have in Louisiana, then you agree that ought to be a first priority?

Mr. ROTH. That is fine in the case of Louisiana. I know that is consistent with what the communities want. But I want to make certain in other cases, in other States, that the local community has a say, whether it is done by the route the Senator is talking about or offered to them directly.

Under our language, I think the proposition my colleague is proposing can be accomplished.

Mr. STEVENS. Will the Senator yield on that point?

Mr. ROTH. Yes.

Mr. STEVENS. I want to join the Senator from Louisiana. We have large areas of our State that have bases. The nearest community could be miles away. Our State would be involved and ought to be involved.

I think the suggestion the Senator from Louisiana has made is, if the State has a law, a base that is closed in the manner of the base closure laws, such as we have just gone through, it would comply with State law first. The communities of that State have a substantial impact on the State laws. But it ought not to be. This bill is just going to give it to the nearest organized village, which could take the base of Adak. If it is ever closed, it is going to be another island.

I do not think that ought to be the case, that just the nearness of the community would determine which community is going to get the ownership of a substantial piece of Federal property once it is abandoned. I think that ought to go according to State law.

I urge the Senator to incorporate that concept in his bill. In most States that would be, I think, the best solution.

Mr. JOHNSTON. Mr. President, my staff advises me we have worked out something. Has the Senator been advised?

Mr. ROTH. I have been so advised. Maybe we ought to call a quorum to discuss it.

Mr. JOHNSTON. I think I can describe this, which is to say that the first priority shall be to a political subdivision of a State agreed to by the local community that is designated in State law to receive the conveyance of such property and accepts the conveyance.

So that combines the two, the State law, and agreed to by the local community. And then we would strike the other order of precedence and take the Roth precedence on that.

Mr. STEVENS. Does the Senator yield? That does not necessarily have to be the nearest community; right? It would be the community determined by State law?

Mr. JOHNSTON. The first priority is to a political subdivision of a State, agreed to by the local community.

Senator ROTH did not describe to me what "the local community" would be, but we are willing to take that concept. I assume that is the closest or the biggest.

Mr. ROTH. That is the purpose, yes. And under the State law it would have to have the authority to annex the land.

Mr. JOHNSTON. We can work that language in conference if there is any problem with that.

Mr. STEVENS. The definition of the eligible community could be determined by State law?

Mr. JOHNSTON. If it is agreed to by the local community. In other words, the concept here is to give the local community more or less a veto.

Mr. STEVENS. The nearest local community gets a veto?

Mr. JOHNSTON. Senator ROTH did not define the local community.

Mr. ROTH. That would be only the case if—

Mr. JOHNSTON. Wait a minute. It is defined as the incorporated town, village, city, or other political subdivision or similar entity of the State in which the property is located. But we can massage that language in conference.

Then the second change is we are willing to accept that zoning language if the waiver is executed by the President.

Mr. ROTH. Yes.

Mr. JOHNSTON. Then the, "general planning and zoning authority and usage regulation regarding such property," will be retained by the local community, county or State.

Did I correctly state that?

Mr. ROTH. That is correct.

Mr. STEVENS. Mr. President, who controls time here? I do not want to get lost in time.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Louisiana.

Mr. STEVENS. I wish there were more westerners here because this concept will not fit the West. There are substantial portions of the West that do not have organized communities in that sense. My State has large areas that do not have any organized community at all. The State manages that under the concept of an unorganized area. Similarly, in many Western States there are areas that are within the jurisdiction of the State. Mostly that is the Federal lands. Most counties do not want to pay for Federal lands.

Mr. JOHNSTON. If the Senator will yield, I do not think we have a problem here of disagreement. If we can accept this amendment as is, then we will work between all of those interested and iron out the language.

The PRESIDING OFFICER. The Chair would note the time controlled by the opponents have expired.

The Senator from Delaware has remaining 14 minutes and 15 seconds.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. STEVENS. Will the Senator yield for a minute?

Mr. JOHNSTON. I think if he is willing to withdraw, we have spread on the record our agreement.

The PRESIDING OFFICER. The Senator from Delaware controls the time.

Mr. ROTH. I will be happy to yield for a question to the distinguished Senator from Alaska.

Mr. STEVENS. Mr. President, I am prepared to recommend to the manager of the bill for this side we would accept the amendment, subject to the arrangements being made here now, and suggest we vitiate the rollcall and work this out so Members can be on notice that there will be no further rollcall votes. I think this will take a few minutes to work it out.

We are in agreement now. We will accept, if we can work this out. I do not think it needs a rollcall. I ask we consider vitiating the rollcall and notify the Members that this bill will be passed on voice vote.

Mr. ROTH. This is satisfactory to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, noting that the arrangement suggested by my distinguished colleague from Alaska is acceptable to both parties, I ask unanimous consent that the request for rollcall be vitiated.

The PRESIDING OFFICER. is there objection? The Chair hears none. It is so ordered.

Mr. ROTH. Mr. President, I would like to yield a minute to the distinguished Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. Mr. President, I just want to take a brief time to thank the Senator from Delaware and the Senator from Louisiana—both Senators from Louisiana—for bringing this idea and concept to fruition. I am pleased to see the Senate is uniting behind the concept of giving the property of an abandoned or closed military base to the local community most impacted.

The trauma of closing a military base and its impact on the citizens of that community is substantial. Many of us face that situation. The best hope for providing quick redevelopment, economic development of that property, is to do what we are doing here.

This changes existing law. It is a very needed and important change.

I thank the Senator from Delaware for his long efforts in bringing this about.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to announce that the managers will accept the modified version of the Roth amendment.

I ask unanimous consent that Mr. ROTH and Mr. JOHNSTON and their staffs be permitted to make necessary technical changes. It will be sent forward to the desk.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

Mr. SEYMOUR. Mr. President, I am honored to rise as the primary cosponsor of the Roth-Seymour military base closure amendment.

This initiative moves Congress beyond the rancorous debates and deadlocks over which military bases to close in a changing world to the more important stage of what local communities can do to productively revive them.

The current excess Federal property disposal law gives city and county governments very little discretion in the disposal of often valuable or environmentally unsound properties that the Defense Department must abandon. Our amendment corrects this problem by giving local authorities the voluntary option of taking direct responsibility for the redevelopment of former military bases or participating actively in the land-use decisionmaking process should DOD control the disposal of the property.

I wish to remind my colleagues that between 1960 and 1986, before Congress passed any legislation governing the disposition of domestic military bases, the Defense Department unilaterally closed 100 of its U.S. facilities. During the time that the military occupied these properties, it sustained about 94,000 civilian positions.

Today, the vast majority of these former bases have been converted into retail, commercial, housing, or educational establishments supporting more than 130,000 new jobs.

So if Congress permits local businesses and communities the flexibility to convert military bases within their jurisdictions, prosperity and productive employment will emerge as the results.

The 1991 Courter Commission, Mr. President, closed a total of 26 facilities in the State of California accounting for more than 10,000 civilian jobs. I have heard from dozens of mayors, business leaders, and civic activities pleading for an opportunity to have a voice on the destiny of many of these installations. Some of these bases lay near congested urban areas while others make a significant contribution to the economic base of rural counties with high unemployment rates.

Neither Congress nor the Defense Department should have an unchallenged or unaccountable role in the fate of these facilities. The Roth-Seymour amendment unleashes the innovation of local government officials who know and care the most about the potential re-use alternatives for military bases. In this light, the amendment applies the honored concept of federalism to lands and assets that Federal authorities can no longer maintain.

Our amendment, however, gives all parties concerned about this mater—the Defense Department, the communities, and potential tenants of redeveloped bases—options to safeguard their interests in an orderly property disposal process.

DOD can choose five bases scheduled for closure to directly sell or transfer to other users outside of the parameters of this legislation. We included this provision in recognition of the fact that acceptable plans already exist between the Defense Department and other potential occupants for the transfer of certain installations.

But if a community chooses to assume control of a base, it can negotiate arrangements with any organization—including other Federal agencies—that offers the best proposal for re-utilization.

Let's start to listen to the pleas of our own constituents who have the greatest stake in the renovation of military bases that the Defense Department will vacate.

The Roth-Seymour amendment is fair. It is flexible. And it looks to the undeniable future of an America with a smaller military establishment within her borders.

I urge my colleagues to support this vital measure.

Mr. GLENN. Mr. President, I rise today to oppose a provision in the DOD appropriations bill (H.R. 2521) affecting base closure property. The provision, section 8125, would require turning over base closure property around the country to the local communities without the usual screening done through Federal Property Act procedures. The proposal would essentially turn over at no cost entire bases to local communities without first reviewing Federal agency, State, or any other possible use.

Those other possible uses include any and all other Federal uses, homeless assistance programs, Red Cross donation programs, drug rehabilitation programs, prisons, and many other purposes. I seriously question the wisdom of undertaking this drastic change in current surplus property disposal procedures. In letters to the Congress, DOD and GSA both have indicated strong opposition to this provision. I also fought and lost a vote to strike this provision from the DOD authorization bill.

The effect of the section will be to:

Waive the Federal Property and Administrative Services Act of 1949, a body of laws and regulations that has controlled property disposal for over 40 years;

Waive the Stewart B. McKinney Homeless Assistance Act;

Deny DOD the chance for significant land sale proceeds—in the billions of dollars—which could have been used for environmental restoration at closing bases; and

Require conveyance of personal property like wheelbarrows, cots, blankets, and so forth without consideration, which could require additional expenditures by DOD.

Certainly, I am very sensitive to and understand fully the concerns of many communities around the country about current economic difficulties. Many cities and towns in my own State of Ohio are struggling under the burden of this recession. I also appreciate that base closings can prove greatly disruptive to a local community. However, I do not think that the solution to those problems is to gut the entire property disposal procedure we have operated under for so long, and more specifically, to change the rules on base closure property disposal in the middle of the game. In fact, I suspect that would only be counterproductive to the very goal we seek to achieve.

Let me briefly outline the general reasons why I believe adopting this amendment would be a mistake. I might add that my sentiment is shared by the DOD. In a letter to the Chairman of our SASC concerning a similar proposal, DOD's general counsel says, and I quote:

> The Federal Property and Administrative Services Act of 1949, as amended, which stipulates the process and sequence of events to be followed when disposing of real property gives ample opportunity for local communities to acquire surplus property for redevelopment, subsequent to a base closure. The fact that Federal or State agencies have the opportunity to acquire the property or a portion thereof first, would not be a serious roadblock to the community since the redevelopment of the base is usually a cooperative effort undertaken in accordance with a resuse plan developed at the local level.

Mr. President, I agree entirely with this statement. Very sophisticated reuse plans and efforts are underway in communities across the country. These plans will require integration and coordination throughout the local community. To suddenly simply turn over these properties is unfair, sends the completely wrong signal, and sets a very bad precedent.

Such a precedent flies directly in the face of what Congress intended in both the base closure laws and the McKinney Act.

Title II of the Base Closure Act provides for the closure or realignment of all military installations listed in the report of the Commission on Base Realignment and Closure. Disposal of closed bases is governed by section 204(b) of the act. The Secretary of Defense is delegated GSA's authority to:

First, utilize excess property pursuant to section 202 of the Federal Property and Administrative Services Act of 1949;

Second, dispose of surplus property pursuant to section 203 of the Property Act; and

Third, grant approvals and make determinations under section 13(g) of the Surplus Property Act.

But GSA's authority, delegated to DOD under the Base Closure Act, is expressly limited by the McKinney Act's title V Surplus Property Program, over which the Governmental Affairs Committee has jurisdiction. In addition, the Secretary of Defense is required to exercise this delegated authority in accordance with all regulations in effect governing the utilization of excess property and the disposal of surplus property under the Property Act.* * * DOD is authorized, following consultation with GSA, to issue additional regulations necessary to carry out its delegated authority. But DOD is not permitted to "prescribe general policies and methods for using excess property or disposing of surplus property."

The law is unambiguous, Mr. President. Congress clearly and fully intended that the disposal of base closure property be handled in the same way that it would be handled under Property Act procedures.

It cannot be disputed that the proposal before us would fundamentally alter this method of property disposal, a method that has operated well for over 40 years. As I mentioned earlier, I also am concerned that other legitimate uses for such properties would be shunted completely in this manner.

Suppose NIH, or HHS, or the Department of Agriculture needs some base closure property for some important program—a research lab on AIDS, a Federal scientific lab, or an infinite number of other kinds of facilities. As far as the process currently in place is concerned, the law explicitly defines specific steps that must be taken in order to screen excess and surplus property for such uses. Under this amendment, no such opportunity would be provided. Right from the get go, these other very important Federal uses would have no chance to be considered. The Federal Government will have to pay, probably greatly, to build or lease new facilities. These expenditures are possibly avoidable under current disposal procedures.

As chairman of the Governmental Affairs Committee with jurisdiction over the McKinney Homeless Assistance Surplus Property Program, I am especially concerned about the effect of this amendment on the priority which Congress has for years now attached to facilities to assist the homeless. The title V Surplus Property Program under the McKinney Act requires the publication of surplus real property that is suitable and available for homeless use. There is a growing amount of base closure property being reported and published under this program. At a hearing held before the Governmental Affairs Committee last year, James Forsberg of the Department of Housing and Urban Development testified that:

> [W]e have received property already under the Base Closure Act. Back in late March and early April [1990] we published I think around 1500 to 2000 properties that were coming on line as a result of the base closures . . . And we have found around 80 percent of that property suitable since many of the properties were in fact family housing.

HUD currently is publishing base closure property. In a conversation with my staff, a HUD official characterized HUD's relationship with the DOD as very good. Not long ago, eight apartment buildings were turned over to nonprofit homeless providers. These building were part of base closure listings of associated housing for a base in Virginia. Numerous other properties are being published and considered for homeless uses. Are we really willing to see this progress stopped? That will be the effect of this amendment.

As I noted earlier there are numerous other possible uses for base closure property which will effectively be barred by the approach of this amendment. Among these very important uses are prisons, drug rehab centers, public hospitals, homeless facilities, educational facilities and numerous others. And, of course, if all of these possible public uses have been forestalled, DOD would otherwise have the opportunity to sell this property. It estimates the revenues from the sale of 1988 base closure property alone would be $1.8 billion. That is money which would be returned directly to base closure activities.

According to a CRS analysis of this provision done at my request, enactment of this provision could have very serious budget and deficit reduction implications. The analysis, which focused on the same provision contained in the DOD authorization bill, notes, and I quote:

> * * * if the language of the defense authorization bill dealing with base closures is enacted, whereby a major portion of the property at closed bases will be transferred out of Federal ownership without compensation, there will be a substantial increase in the deficit which may trigger a sequestration in accordance with requirements of section 252 of the Balanced Budget Act.

Mr. President, apart from any of the other reasons I have cited, I am opposed to this amendment on the simple grounds that we have not thoroughly examined it. Any serious effort to make changes in the current property disposal procedures should not be made lightly or without careful study. It seems too much more opportunity for scrutiny needs to be had before we undertake such major changes and I would be pleased to offer to do those hearings, jointly with the Armed Services Committee if necessary, as early as possible.

In conclusion, Mr. President, I must oppose this provision not just because it seeks a change which is undoubtedly and negatively precedential with respect to base closure property, but also because it is simply not fair—to the other potential users, both local and Federal, who would be shut out from applying to use these facilities; and to the communities where considerable efforts have been made already to plan for integrated reuse. Once we begin down this path, there is no telling where we will stop. Does this means that all surplus property, including foreclosed FHA and RTC properties will forever now be free of any other possible legitimate uses? Will homeless uses simply be consigned to the lowest possible rung? I cannot and will not condone taking such precipitous action, with such far-reaching implications, in this manner. I intend to continue working to see that this provision is defeated and/or dropped in conference.

I ask unanimous consent to have printed in the RECORD a position paper from DOD, a letter from GSA Administrator Richard Austin, and the analysis of this provision by the Congressional Research Service.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, DC, September 11, 1991.

Hon. JOHN CONYERS,
Chairman, Committee on Government Operations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing concerning Amendment No 1034 to S. 1507, a bill cited as the "National Defense Authorization Act for Fiscal Years 1992 and 1993." This measure would undermine the Base Closure and Realignment Act and the Federal Property and Administrative Services Act of 1949 (Property Act), as amended.

Specifically, Amendment No. 1034 (Amendment) would require that military bases selected for closure be offered, at no cost and in order of preference, to an adversely affected local political subdivision, or to the host State, as the laws of that State may designate. Absent specificity in applicable State statutes, the Secretary of Defense would be required to designate the political recipient of the property.

Contrary to current law, such property would not become available for further Federal utilization until and unless it were declined by the local political subdivision or State. In subordinate provisions, the Amendment prescribes timeframes for conclusion of conveyances, certain environmental protection measures, and somewhat of a saving authority through the limited use of Presidential waivers.

As you know, the Base Closure and Realignment Acts give special necessary authorities to the Department of Defense to proceed in measured steps to curtail or conclude military activities that have been identified as dispensable to the national defense. The two laws not only provide for account funding of the considerable costs of the base closure effort from proceeds of property disposals, but also specify the establishment of detailed community reuse plans and economic assistance programs. In contrast, the Amendment would require no reuse plan but would preserve the economic assistance component and other Federal fiscal obligations which could steadily deplete the base closure account and necessitate continuing appropriations by Congress to sustain funding.

The base closure laws also adopt by prescription important qualities of the Property Act which requires Federal realty to be continuously transferred among executive agencies as long as a Government need is evident, but promptly and judiciously disposed of when it is determined surplus to all Government needs. It is to be especially emphasized that whenever circumstances intervene to prevent the transfer of existing assets to meet Federal requirements, acquisition of new property at additional taxpayer expense is often the only available alternative.

Once the Government's needs have been met, surplus properties found suitable for homeless shelter or related service functions are aggressively publicized and made available under the Stewart B. McKinney Homeless Assistance Act of 1987, as amended, on a priority basis to eligible non-Federal applicants engaged in homeless care delivery efforts. Generally, surplus real property is available for acquisition, often at discounts of up to 100 percent, by units of State and local government, or by certain eligible nonprofit entities, for a range of other public benefit purposes specified in the Property Act and related laws; or it is subject to sale through widely advertised, publicly attended competitive bidding.

Under the Property Act, the designated disposal agency appraises each affected property to determine fair market value and to decide other major questions related to its disposal. In doing so, the Government considers the widest possible range of views in evaluating the competing uses of and applications for the property.

The Amendment offers no sure way to responsibly assess the economic impact of a base closure. It would tend to treat base closure property not as the rightful property of all taxpayers, as is the theme of the Property Act, but more as local assets to be disposed of in absolute preference to the perceived needs of the affected State and its communities.

Moreover, in sharp contrast to the Property Act, the Amendment fails to provide for either revestment or other effective mechanism to assure that grantee communities will not merely sell their acquisitions to third parties who can then use the property for private ends and emerge as the chief beneficiaries of the law.

I would be pleased to answer any questions you might have and look forward to working with you in resolving this issue.

Sincerely,

RICHARD G. AUSTIN,
Administrator.

DEPARTMENT OF DEFENSE—AUTHORIZATION CONFERENCE APPEAL

Appeal Subject: Base Closure Property Conveyance.

LANGUAGE/PROVISION

The Senate included a provision (Sec. 2906) which would require the Department to convey without consideration closing bases to communities significantly impacted by a base closure.

DOD POSITION

The Senate provision would deprive the Department of as much as $3.8 billion in expected land sale proceeds. The section would subvert the intent of the Base Closure Act in that funds from the sale of property are to be placed in the Base Closure Account to finance base closures, including environmetal restoration. If implemented, the provision would require additional appropriations of $388 million in FY 1992 and FY 1993 to replace lost receipts, and would result in approximately $1.9 billion being scored as direct spending between FY 1992 and FY 1993 for the Commission recommendations only.

The Department believes that the provision would work to the detriment of a community's ability to recover economically by:

Undermining a coordinated, phased turnover of the property to a community, consistent with the community's reuse plan, by mandating the date of conveyance;

Potentially requiring the community to accept the burden of operation and maintenance of a base earlier than is presently the case; and

Stressing free transfer rather than the sale of land. The sale of land guarantees new jobs will be created, which is the reason developers are willing to pay for the land. Free transfer provides no such guarantees.

The Senate provision would fundamentally alter the Department's sale in the base closure process. It would forever commit the Department to economic adjustment and community planning assistance, outplacement assistance, and job retraining until such time as "economic stability" of the community is achieved. It would require conveyance of 100 percent of a base, absent a separate Presidential waiver, even though the Department, the Base Closure Commission, the President and the Congress recommended or approved retention of a portion of a base for activities such as reserve centers. It would require conveyance of withdrawn public land, land which was deeded to the Department with reversion clauses, and land that the Department does not own (if the installation closing is in leased space). And it would allow the Federal government to pay for improvements to the property consistent with reuse of the property (such as improvements for an amusement park).

There is considerable evidence that the current property disposal process works to the benefits of all concerned. The Department will continue to work with affected communities to mitigate the economic impact of base closures. Past successes have clearly shown that the greatest economic benefit comes from a comprehensive reuse plus that creates new jobs and opportunities, and not just a free transfer of land and facilities. Current law allows for certain public benefit discounts (free transfers) when disposing of bases. These have been used extensively in the past. Sale of the remaining property for economic development, as planned for by the community reuse planning process, in the engine which fuels economic recovery. Therefore, the Department urges the conferees to reject this restrictive provision.

CONGRESSIONAL RESEARCH SERVICE,
LIBRARY OF CONGRESS,
Washington, DC, September 11, 1991.

To: Honorable John Glenn. (Attention: Lorraine Lewis).

From: Andrew Mayer, Specialist in National Defense, Foreign Affairs and National Defense Division.

Subject: Senate Amendment to Base Closure Legislation.

Title XXIX of the Defense Authorization Act for 1991 (P.L. 101-510) established procedures for the closure of military bases. Section 2906 of the statute created the "Department of Defense Base Closure Account 1990," and provided for the deposit into that account of funds specifically authorized for the account; funds transferred from certain DOD funds; and "proceeds received from the transfer or disposal of any property at a military installation closed or realigned under this part." Section 2906 also provides that the funds may be used for the purposes spelled out in section 2905, which include land acquisition, construction of replacement facilities, advance planning, economic adjustment assistance, etc.

The base closure provisions included in P.L. 101–510 were generally similar to those contained in an earlier statute, P.L. 100–526. P.L. 100–526 also created a base closure account, and the language in that statute setting up the account is to all intents and purposes identical to the language of P.L. 101–510. The legislative history of the earlier statute contained a more detailed discussion of this language, but seems equally applicable to the base closure program under P.L. 101–510. In commenting on the earlier bill, the OMB representatives stated that it establishes a Defense Base Closure Account to be administered by the Secretary of Defense for the purpose of paying those costs associated with closing or realigning bases as recommended by the Commission. (U.S. Code Cong. and Adm. News, 1988, p. 3367.)

Throughout the hearings on P.L. 100–526, it was clear that the cost of closing bases would probably be substantial, and therefore an important purpose of establishing the account was to insure that the necessary funds would be available. The problem was explained by Hon. Robert A. Stone, Deputy Assistant Secretary of Defense for Installations, as follows:

"We also face a funding challenge when bases are identified for closure. Specifically, since installations cannot absorb new missions without additional operational and community support, we must plan and budget for new facilities at the receiving bases. Therefore, we cannot close bases unless we are willing and able to pay the price of providing our people the quality working and living areas the need to get the job done at the new sites. That price, which includes the cost of military construction, must be paid before people and equipment can be moved." (U.S. Congress. House of Representatives. Committee on Armed Services. Hearings held March 17, May 18, May 19, and June 8, 1988, on H.R. 1583. H.A.S.C. No. 100–55. At p. 70.)

The base closure program established by P.L. 100–526 has been proceeding since 1988, when the first base closure commission made its recommendations. The only base which has actually been closed is Pease Air Force Base, N.H.; the delay has been due in great measure to the necessity for planning the land acquisition and replacement construction required in connection with the various closures. In the case of Pease, the Department of the Air Force has entered into an agreement whereby it was to receive $200 million for the transfer of certain facilities. In recent weeks, however, the Senate has adopted new legislative language. The basic purpose of the new section, as set forth in the headnote, is to provide for "Conveyance of Closed Bases to Neighboring communities." In adding this provision to existing law, the amendment makes several very important changes. Perhaps the most drastic change effected by the amendment is in section 2906(i), which provides that no consideration may be required for a conveyance of property pursuant to this section. (Cong. Rec., Aug. 1, 1991, at p. S 11778.)

The Department of Defense has opposed this amendment, noting that it would "undermine . . . existing property disposal procedures." Furthermore, the Department's current estimate is that it should receive in the neighborhood of $3.5 billion over the next five years from the sale of property at closed military bases. There are no detailed appraisals available at the present time. However, if sums of this approximate magnitude are not deposited in the base closure account, the entire base closure program could be substantially impeded.

A related problem arises by reason of the Omnibus Budget Reconciliation Act of 1990 (P.L. 101–508). Section 13101 amends section 252 of the Balanced Budget Act to provide that, for fiscal years 1991–1995 . . . any legislation enacted after the date of enactment of this section affecting direct spending or receipts that increase the deficit in any fiscal year covered by this Act will trigger an offsetting sequestration.

The procedures prescribed by the Budget Reconciliation Act, which are designed to insure that the budget deficit is not increased, are extremely complex. However, section 252(b) of the Balanced Budget Act, as amended by section 13101 of the Budget Reconciliation Act, provides that within 15 calendar days after Congress adjourns . . . there shall be a sequestration to offset the amount of any deficit increase . . . caused by all direct spending and receipts legislation enacted after the date of enactment of this section . . .

Consequently, if the language of the defense authorization bill dealing with base closures is enacted, whereby a major portion of the property at closed bases will be transferred out of Federal ownership without compensation, there will be a substantial increase in the deficit which may trigger a sequestration in accordance with the requirements of section 252 of the Balanced Budget Act.

However, there are other problems with this amendment to the base closure legislation. Subsection (b) provides for the conveyance of property to an eligible subdivision or State "Notwithstanding any other provision of law . . ." This language appears to overturn the procedures for disposal of excess and surplus property which have existed for over forty years under the Federal Property Act (40 U.S.C. 471 et seq.). Under that statute, property determined excess to the needs of a Federal agency was screened among other Federal agencies for possible Federal requirements before being made available to States and their subdivisions. The debate on the amendment includes a positive assertion that when these military bases were built "most communities donated the property to the Federal Government" as justification for the new procedure, which would make the property available to States and local governments first. (Cong. Rec., Aug. 2, 1991, at S 11936.) No evidence for this claim is offered, and apparently the views of the Department of Defense on the question were not solicited, since the amendment was adopted without hearings. Also of significance is the fact that, under the amendment, any real property covered by the statutory language which is not accepted by a State or subdivision is offered to other Federal agencies, but if no other Federal agency is interested in the property, then it apparently remains with the Department of Defense, and no other disposition can be made of it. The Federal Property Act, on the other hand, contains a provision authorizing sales to the public, a procedure which has frequently been used in the past. Indeed, it is understood that a number of prospective purchasers in the private sector are currently negotiating for some of the property to become available when bases close.

If we can furnish additional information on this subject, please communicate with me directly at 707–7611.

Mr. INOUYE. Mr. President, I ask unanimous consent that the Roth amendment be temporarily set aside to consider other matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1232

Mr. INOUYE. Mr. President, I send an amendment to the desk on behalf of Mr. BINGAMAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BINGAMAN, proposes an amendment numbered 1232.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 100, line 9, strike the period at the end of the line and insert "unless amounts for such purposes are specifically appropriated in a subsequent appropriations Act."

Mr. INOUYE. Mr. President, this amendment has been cleared by both managers.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1232) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1233

Mr. INOUYE. Mr. President, I send to the desk an amendment by Mr. RIEGLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. RIEGLE, for himself and Mr. PELL, proposes an amendment numbered 1233:

"SEC. 30. Notwithstanding any other law, the Secretary of Commerce is authorized to accept the transfer of funds from other departments and agencies of the Federal Government as he or she may deem appropriate to carry out the objectives of the Public Works and Development Act of 1965, as amended, provided such funds are used for the purposes for which they are specifically appropriated and provided further that such transferred funds shall remain available until obligated and expended."

Mr. RIEGLE. Mr. President, I rise to offer an amendment on behalf of myself and Senator PELL which would resolve a problem which has prevented full implementation of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990. This act, which became law as part of a floor amendment to the last year's Defense authorization bill which we sponsored, authorized the transfer of $200 million from the Department of Defense to the Departments of Labor and Commerce to aid individuals and communities adversely affected by cutbacks in Defense programs. The fiscal year 1991 Department of Defense appropriations bill appropriated the full amount authorized as follows: $150 million for the Department of Labor and $50 million for the Department of Commerce.

The transfer of funds to the Department of Labor has proceeded smoothly. However, the transfer of funds to the Department of Commerce has yet to take place. It has been held up by disagreement between the Departments of Defense and Commerce over the appropriate legal mechanism for effecting the transfer. The Department of Commerce has apparently been unwilling to effect the transfer through the authority provided by the Economy Act, which is the mechanism used for effecting the transfer of funds to the Department of Labor.

I and my colleagues who authored this legislation have been frustrated by this delay. As the Department of Defense continues its build-down, it is essential that every effort be made to smooth the transition for the people affected. A base closure or factory closing can be a devastating experience for a community. People whose lives have been thrown into upheaval should not be asked to wait interminably for governmental agencies to unravel redtape before they receive the assistance which Congress provided to help them get back on their feet.

Mr. President, my amendment would cut the redtape which has held up the $50 million of community adjustment assistance since last year by giving the Commerce Department the authority it says it needs to begin administering the program through the Economic Development Administration. My amendment is acceptable to the Department of Commerce. And from discussions with the Appropriations Committee, it is my understanding that the amendment does not pose a problem for the Department of Defense. Further, the Appropriations Committee advises me that the amendment does not present a scorekeeping problem.

I urge my colleagues to support the amendment. Thank you.

Mr. INOUYE. Mr. President, this matter has been cleared by both managers.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment [No. 1233] was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1234

Mr. INOUYE. Mr. President, I send an amendment to the desk on behalf of Mr. BINGAMAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. BINGAMAN, proposes an amendment numbered 1234.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 146, strike lines 10 to 23 and insert in lieu thereof:

"SEC. 8113. (a) Notwithstanding any other provision of law, cooperative agreements and other transactions undertaken pursuant to 10 U.S.C. 2371 may during fiscal year 1992 be entered into only by the Defense Advanced Research Projects Agency.

"(b) Of the funds appropriated to the Department of Defense during fiscal year 1992, not more than $75,000,000 may be obligated or expended for Department of Defense dual-use critical technology partnerships: Provided, That such partnerships may be entered into only by the Defense Advanced Research Projects Agency during fiscal year 1992.

"(c) Of the funds appropriated to the Department of Defense during fiscal year 1992, other than amounts in the 'precompetitive technology development' program element referred to in subsection (b), not more than $25,000,000 may be obligated or expended by the Defense Advanced Research Projects Agency for research, development, test, and evaluation activities undertaken pursuant to 10 U.S.C. 2371."

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that the amendment is agreed to by both parties.

Mr. STEVENS. Mr. President, there is no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1234) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1221, AS MODIFIED

Mr. INOUYE. Mr. President, I ask unanimous consent that amendment No. 1221, as offered by the Senator from Oklahoma, be modified to reflect the changes I send to the desk.

The PRESIDING OFFICER (Mr. DODD). The amendment is so modified.

Mr. INOUYE. Mr. President, the changes have been approved by both managers.

Mr. STEVENS. Mr. President, this is a technical amendment to an amendment that is already agreed to. It does clarify the original intent as has been agreed to.

The modification is as follows:

(3) $10,000,000 for awarding grants pursuant to section 802(a)(1)(C) of such Act.

On page 49, between lines 17 and 18, insert the following:

NATIONAL SECURITY EDUCATION TRUST FUND

For the National Security Education Trust Fund established by section 804 of the National Security Act of 1947, $180,000,000 of funds provided elsewhere in this Act, which shall be available for the purposes set out in subsection (b) of such section.

AMENDMENT NO. 1216, AS FURTHER MODIFIED

Mr. STEVENS. Mr. President, I send a modification of amendment No. 1216 to the desk on behalf of Senator SPECTER.

THE PRESIDING OFFICER. The amendment is so modified.

Mr. INOUYE. Mr. President, this matter has been cleared by both sides.

The amendment (No. 1216), as further modified, is as follows:

At the appropriate place in the pending bill, add the following:

It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress takes no position on whether there has been compliance by the Base Closure Commission, and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the approval of the recommendations issued by the Base Closure Commission.

Mr. INOUYE. Mr. President, I ask unanimous consent that no further amendments be in order.

THE PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I have consulted with the managers of the bill and with, through staff, the distinguished Republican leader. I am advised that the current status of the bill is that there are no further amendments in order other than those which had previously been agreed to be excepted, specifically the amendment of the Senator from Delaware, and that there is no request on either side for a rollcall vote on final passage.

I note the presence of the distinguished Republican leader, and I am going to momentarily ask him to comment on and confirm what I have just stated.

If that is the case, and if no other Senator seeks a rollcall vote on final passage, then it is the desire of the managers, with which I concur, and with which I believe the Republican leader concurs, that we can proceed to complete action on this bill momentarily without the necessity of a rollcall vote.

Unless we receive an indication in the next few minutes from a Senator—and I hope there will be no such indication—then it is the intention of the managers to complete action shortly and to pass the bill by voice vote. I would like to invite the distinguish Republican to comment.

Mr. DOLE. I thank the majority leader. The majority leader is correct. I think on this side there is no problem with that, as long as we can be assured there will be a vote on the conference report, a record vote.

Mr. MITCHELL. Yes. It has always been my intention to have a record vote on the conference report, and obviously that would be agreeable at this time. This follows consultation with the managers, and so I inquire of them whether this procedure is agreeable to them.

Mr. STEVENS. It is entirely agreeable with this Senator

Mr. INOUYE. It is agreeable here. However, if the leader will yield——

Mr. MITCHELL. Yes.

Mr. INOUYE. I ask unanimous consent that I be permitted to vitiate the unanimous consent making all amendments out of order, because I have just been advised there is one remaining amendment to be submitted by Mrs. KASSEBAUM.

Mr. STEVENS. It is a technical amendment.

Mr. INOUYE. It is cleared by both sides.

THE PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, then Senators should be aware that we will proceed shortly to final passage of the pending bill, and that unless some Senator seeks a rollcall vote, it will be by voice vote. If a Senator does seek it, we will have to bring everybody back. So Senators should be aware that that possibility exists, although I think it is extremely unlikely, we not having received any indication throughout all this period of discussion as to a vote on final passage.

So I encourage the managers to proceed to final passage as soon as possible and complete action on the bill.

Mr. DOLE. Mr. President, I wonder if the majority leader might indicate what the program would be for tomorrow and Monday. I would say in advance we have had a discussion in the Senator's office, and we have sort of set forth some possibilities that could happen. It would probably be good news for some of our colleagues.

We have not received agreement yet, but I can tell the majority leader we are still trying on this side.

Mr. MITCHELL. Mr. President, the distinguished Republican leader and I and others have discussed the schedule prospectively for tomorrow, Monday, and the next several days, and included in the list of items which we earlier described last Friday, and since as the measures to be completed prior to the forthcoming recess are the family and medical leave bill, the Unemployment Compensation Reform Act, which now would be in the form of a conference report, the EPA Cabinet level status bill, and the Federal facilities bill, my hope is that we can get agreement to proceed to one or more of those bills on tomorrow and Monday and do it in a way that would permit us not to have any votes on Monday.

We have not completed our discussions yet—both Senator DOLE and I have been discussing the matter with other Senators—but it is my hope that we can reach an agreement that would make that possible although we do not yet have that understanding. The bills which I have mentioned would be among those to be included for immediate consideration should we be able to reach agreement.

Mr. DOLE. Mr. President, if in fact we could reach an agreement between now and sometime early morning, if it works, we hope it might work, then there probably will not be any rollcall votes tomorrow or Monday.

Mr. MITCHELL. That is possible. But we are not in a position to state that yet because we do not have agreement on any of the measures which we have described, there being a number of Senators to be consulted on each of them.

Mr. DOLE. I thank the majority leader.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER (Mr. DODD). The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, earlier today there had been an agreement on an amendment, the sense-of-the-Senate resolution where there had been a change made after the amendment had been accepted. When a question was raised later, there was a subsequent modification of the amendment. I want to make a very brief statement so that the RECORD is clear on what occurred with the technical amendment which the managers have submitted.

Mr. President, the original amendment provided as follows. Perhaps the best way to handle this is to ask unanimous consent that I may submit the amendment in its original form for the RECORD at this point. I ask unanimous consent that it appear in the RECORD in its original form.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1216

At the appropriate place in the pending bill, add the following:

It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress is relying on the integrity of the base closure process and takes no position on whether there has been compliance by the Base Closure Commission, and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply Congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the acceptance of the recommendations issued by the Base Closure Commission.

Mr. SPECTER. There was then a change in the amendment, which was adopted, which struck the words "the integrity of"—

Mr. INOUYE. Will the Senator yield?

Mr. SPECTER. I will.

Mr. INOUYE. That amendment has already been cleared and adopted by the Senate.

Mr. SPECTER. Yes. I know. I thank the distinguished chairman. I want to make sure that the RECORD is clear on what we have done.

After the original language had been apparently agreed to, there was some concern, and the language was stricken on "the integrity of" and the word "acceptance" was changed to "approval". Then there was a concern as to the additional words of the base closure process so that, in its final form, the amendment which was accepted reads as follows:

At the appropriate place in the pending bill, add the following:

It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress takes no position on whether there has been compliance by the Base Closure Commission, and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply Congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the approval of the recommendations issued by the Base Closure Commission.

That is the language which was modified in the technical amendment by the managers. I just wanted to be sure—I could not be on the floor when that technical amendment was offered—that this sequence is understood because, as explained before and as agreed to, the purpose is that the recommendations of the base closure commission as to the closure of specific bases has been accepted by the Congress, but the Congress has not taken any position as to whether the procedural requirements of the act have been complied with by the commissioner of the Department of Defense.

So that is a question open yet for judicial interpretation on pending litigation.

I just wanted to make that statement.

I thank the Chair. I thank my distinguished colleague.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business, the Roth amendment, be temporarily set aside to permit the submission of an amendment in behalf of Senator KASSEBAUM.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1235

Mr. INOUYE. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mrs. KASSEBAUM, proposes an amendment numbered 1235.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following section:

"OPERATION AND MAINTENANCE, ARMY

": *Provided further*, That of the funds appropriated under this heading, $6.8 million shall be available for the refurbishment and modernization at existing railyard facilities at Fort Riley, Kansas.".

Mr. INOUYE. Mr. President, this amendment has been cleared by both managers.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1235) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RICHARD COLLINS' BIRTHDAY

Mr. INOUYE. Mr. President, I have just been advised that today happens to be the birthday of the subcommittee's staff director, Mr. Richard Collins.

So, if I may, in behalf of the U.S. Senate, I extend to him our congratulations and to thank him for helping us pass this bill.

Mr. STEVENS. I join with that. He is a courageous man. He still has his beard and mustache.

[Laughter.]

The PRESIDING OFFICER. The Chair informs the distinguished manager of the bill that the Senator in the chair, acting in his capacity as a Senator from Connecticut, would also like to join in that recognition since the distinguished gentleman being recognized is from Connecticut. Without objection, the request is granted.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending business be set aside to permit the Senator from Texas to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, as you know, I am a strong supporter of the V-22 Osprey. I am also a firm believer in the need to continue to modernize our defense forces. For these reasons, I am very concerned about the small level of funding provided for the V-22 in this Defense appropriations bill, and the decision to restart a CH-46E production line that has been closed for nearly 20 years.

This bill will not improve the Marines' medium-lift capability. In fact, it will only delay the V-22 program, increase its cost, and unnecessarily prevent our troops from receiving in a timely fashion the equipment they need. The development team has already accomplished many successful flight and aircraft carrier tests. We need to maintain momentum on this important program. I hope we can resolve this issue in conference and keep the V-22 program moving ahead, rather than resurrecting programs from the distant past.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that Senator BUMPERS be added as an original cosponsor of amendment 1230.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1236

Mr. STEVENS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 1236.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following section:

": *Provided further*, That of the funds appropriated under this heading, $10,000,000 shall be available only for the modernization and upgrade of the Poker Flat Rocket Range.".

Mr. STEVENS. Mr. President, this is an amendment to provide the moneys that are necessary for the upgrade and modernization of the Poker Flat Rocket Range. They were previously in the bill for the NASA appropriations. This facility has not been transferred to NASA yet. I am going to put it in this bill, so that when the facility is transferred to NASA, it will have the money available for the modernization.

Mr. INOUYE. Mr. President, this has been discussed with the manager on the majority side. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1236) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1231, AS MODIFIED

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that the modifications to the Roth amendment have now been completed and I send the modification to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 1231), as modified, is as follows:

On page 163, on line 10, after the word "law", insert the following: "and agreed to by the local community or communities".

On page 163, on line 13, strike all after the comma through line 7 on page 164 and insert in lieu thereof the following: "the Secretary shall then offer title of the property to the local community.

"(3) If the local community refuses the property of fails to notify the Secretary of the community's acceptance of the property within 6 months after the date on which the Secretary makes the offer to the community, the Secretary shall offer the property to the country in which the property is located.

"(4) If the county refuses the property or fails to notify the Secretary of the county's acceptance of the property within 3 months after the date on which the Secretary makes the offer to the county. The Secretary shall offer the property to the State in which the property is located.

"(5) If the State refuses the property or fails to notify the Secretary of the State's acceptance of the property within 60 days after the date on which the Secretary makes the offer to the State, the Secretary shall offer the property to other departments and agencies of the Federal Government by publishing the offer in the Federal Register.

"(6) If no department or agency of the Federal Government requests the property within 30 days after the date on which the offer is published in the Federal Register, the Secretary shall dispose of the property to the highest responsible bidder.

"(7) All offers of title under subparagraphs (A), (B), and (C) of this paragraph shall be in writing and shall contain the conditions, if any, under which the property is to be conveyed.".

Insert on page 166, before line 18, the following new subsection:

"(C) Within 30 days after the transmittal of a certification under paragraph (1)(B) in the case of any property on the basis of a determination under paragraph (1)(A)(ii), the local community, county, or State shall be offered, in the order of precedence and manner specified in subsection (e) general planning and zoning authority and usage regulation regarding such property.".

Insert on page 170, prior line 6, the following new subsection:

"(4) the term "local community", with respect to property at a military installation closed under a base closure law, means—

"(A) the incorporated town, village, city, or other political subdivision or similar entity of the State in which the property is located;

"(B) any other entity, including development districts, authorized to accept or administer property transferred by the incorporated town, village, city, or similar entity of the State in which the property is located; or

"(C) if the property is not located in an incorporated entity, the incorporated entity of the State that has authority under State law to annex the property.".

Mr. INOUYE. Mr. President, I am pleased to advise the Senate that this matter has been cleared by both managers.

The PRESIDING OFFICER. Without objection, the amendment as modified is agreed to.

So, the amendment (No. 1231), as modified, was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, may I say I have not had time to study in detail the provisions as applied to the West. I may have some suggestions to make in conference with reference to this bill as it applies to public land States.

Mr. INOUYE. Mr. President, I am pleased to announce to the Senate that the Committee on Appropriations has completed its work. We have no further amendments, no further business. Let us have final passage.

MINUTEMAN III REDEPLOYMENT

Mr. BAUCUS. Mr. President, I rise today to express my concerns about an amendment adopted in the closing hours of the Defense Authorization debate last August. The amendment, section 1139 of S. 1507, is also referenced in the Senate report on the currently pending DOD appropriation bill. The effect of the amendment would be to prevent the expenditure of any funds for the redeployment or transfer of Minuteman III missiles.

This amendment would have extremely negative consequences for Malmstrom Air Force Base in Great Falls, MT. In an effort to consolidate America's existing Minuteman III bases from four to three, the Air Force has indicated its desire to move 150 Minuteman III to Malmstrom Air Force Base. These missiles will take the place of 150 Minuteman II missiles currently occupying the silos.

The Air Force wants to utilize Malmstrom's silos because of the unique strategic advantages they provide. The amendment would waste this valuable U.S. asset.

This issue involves more than Malmstrom Air Force Base. The consolidation of Minuteman III bases will save U.S. taxpayers $26 million a year in operating costs, a critical consideration in a time of massive budget deficits. Consolidation is also important if the United States is to meet its missile reduction obligations under the START Treaty. Finally, consolidation is consistent with broader U.S. goals of trimming the military to better reflect the current international environment.

I have expressed my concerns about this amendment in strong terms to Senator NUNN, Senator DIXON, and House conferees. I have strongly urged the conferees to strike the amendment in conference, as an unwise and wasteful interference in the consolidation of our strategic forces.

IN SUPPORT OF SDI

Mr. SIMPSON. Mr. President, I am pleased that the amendment to severely cut back funding for the SDI Program was defeated. SDI remains a very relevant program, even given the recent dramatic political changes in the Soviet Union. The President and Congress fully recognize the need to reconfigure this purely defensive program in order to take into account the immediate threat of an accidental launch of a missile or an attack by a Third World country.

Because the world is a much different place than it was a few years or even, months ago, western nations have been forced to reconsider their defense postures and place an increased emphasis on economic activities throughout the world. All of these factors have caused the President and Secretary Cheney to redirect and reshape the defense budget of the United States. It is obvious that we are going to have a leaner and meaner fighting machine and that includes SDI.

But this does not mean that you do away with weapons systems or weapons development programs in which millions have been invested without determining through research the capabilities and lethality of such weapons, while the relations between the United States and the Soviets have improved dramatically, we just do not have any way of knowing which factions will be in charge of the Soviet Union in a few years, or what other nations may pose a threat to our security.

The question has arisen, who will control the nuclear capabilities of our potential adversaries in the future? These are uncertainties and they underscore the need for the United States to continue development of the strategic defense initiative. The Persian Gulf war has also shown us that there is a very real need for effective defenses against possible missile attacks.

The President's new strategic defense proposal has redirected the focus of SDI from defending the United States against a massive, calculated nuclear strike from the Soviet Union to defending the United States from a purely accidental missile strike or against a terrorist action. New threats to America and its allies come from the spread of missile technology to increasing numbers of Third World countries including Libya, North Korea, and Syria. I support this refocusing of the SDI Program and will continue to support the President and Secretary Cheney on this most important issue.

Iraq's Scud missile attacks against Israel and Saudi Arabia during the gulf war were America's first warning that the deadly nature of warfare in the third world is becoming even more deadly and ruthless. We now predict that 24 Third World countries will have ballistic weapons by the year 2000. We must be prepared to meet this threat.

This new SDI plan pares back America's SDI requirements to meet the fiscal and military requirements of the 1990's. Unlike the earlier version of the SDI Program, this new program will give the United States and its allies a superior defense against limited, perhaps even accidental, attacks by up to 200 missile warheads. This plan is also less expensive with overall costs reduced by about $12 billion.

For these reasons given, we cannot and must not cut the funding for SDI. We must continue to develop better, longer range and more precise missile interceptors and missile launch detection systems in order that we can effectively protect our own citizens and those of our fine allies. To do otherwise is sheer folly.

RESOURCES, STRATEGY, AND PRIORITIES: THE TRUE MEANING OF THE FISCAL YEAR 1992 DEFENSE APPROPRIATIONS BILL

Mr. MCCAIN. Mr. President, our debate over the fiscal year 1992 Defense

Appropriations Act has for the most part been another annual exercise in defense budgeting. We face changes that required fundamental shifts in U.S. policy and strategy, and in our defense priorities. If we had made these shifts in the right way, we could have aided the American people and our economy, developed a force posture that would meet the new strategic needs of the 1990's, and funded the forces we need by canceling projects whose time and value has passed.

We have missed an opportunity. We will continue to waste billions on dinosaurs like the B-2 and SSN-21, while failing to protect our men and women in uniform.

GIVING THE AMERICAN PEOPLE A REAL PEACE DIVIDEND

Let me begin by discussing the issue of defense spending. I believe that there is little doubt that if the current trends in the Soviet Union continue, we will be able to make future cuts in defense spending. At the same time, I believe we must be cautious in overestimating the size of those cuts, and cautious in the way we use the resulting savings.

We often find it easy to forget that we began to take a peace dividend long before the failure of the recent coup attempt in Moscow and the Soviet Union began to decisively cut back on its military efforts.

I realize that budget numbers and military statistics can be boring, but there are times when we must pay close attention to their importance. We have cut defense spending in constant dollars for 6 straight years, and we are in the midst of even more serious cuts. Real defense spending will drop by an additional 13 percent between fiscal year 1991 and fiscal year 1996, and this will create a cumulative cut of 32 percent between fiscal year 1985 and fiscal year 1996.

Our force plans call for a 25 percent cut in our military forces by fiscal year 1996, and cuts of 33 percent in our number of active divisions, 40 percent in our reserve divisions, 18 percent in our naval battle force, 38 percent in active tactical air wings, and 33 percent in our strategic bombers.

Defense spending will also drop sharply as a percentage of both Federal spending and our GNP. Defense spending which was 57 percent of the Federal budget at the height of the cold war, and which was 27 percent during the height of the Reagan buildup, will drop to below 18 percent by 1995. Measured differently, defense spending will drop from a postwar high of 11.9 percent of the GNP, and 6.3 percent during the Reagan administration, to 3.6 percent.

I believe that still further cuts will be possible as we obtain confirmation that the changes taking place in the Soviet Union are making still further reductions in the threat. Nevertheless, we are already enjoying a significant peace dividend that will release substantial resources for use in domestic spending, reducing our budget deficit, and stimulating our economy.

I also believe that as such cuts become possible, we must be extraordinarily careful about rushing out to shift the resources we save into yet another exercise in Federal spending. There are some who already would allocate defense funds to aid to the Soviet Union. There are others who plan to use the same money to fund still more exercises in domestic spending or their particular pet rocks.

I believe that this is the last thing the American people want or need. As we close this appropriations debate, let us remember that the current budget agreement has totally failed to bring the deficit under control. Let us also remember that the majority of the American people want a sound economy, jobs, and lower taxes, not more exercises in congressional efforts to manage their lives and personal budgets.

In short, Mr. President, let us remember that the best solution to our domestic problems is to allow the American people to solve them by reducing the budget deficit and/or Federal taxes. This is the path to a full and robust economic recovery, to more jobs and high wages, to the growth that funds better schools and services, and to a stronger America.

Before any member of this body, or the other house, moves in the future to suggest we shift defense funds to any other Federal activity, he or she owes the American people a full explanation. That explanation must be detailed and comprehensive, and it must decisively show that such shifts are more important than cutting our deficit or reducing taxes.

THE IMPORTANCE OF STRATEGIC CHANGE

Second, Mr. President, we must not rush to take a further peace dividend before we are certain we can still fund the forces we need. There is no question that we live in a time of strategic change, and that our present strategy and forces do not reflect that change.

The bipolar world that has shaped our history since 1945 has gone with the wind just as surely as the antebellum South. The Iron Curtain has shattered and the Berlin Wall has crumbled. The Soviet Union and the Warsaw Pact no longer exist, and the new regimes of Eastern Europe, and the former Soviet Republics no longer pose an ideological or direct military threat to the United States.

We will have to change our forces far more drastically during the next few years than we have yet admitted in shaping this year's defense authorization and appropriations acts. Barring some almost incredible set of political reversals within Russia, we can look forward to an era of East-West cooperation, rather than conflict, and new national security challenges in the Far East and the developing world.

We must be careful, however, to make these changes at the right pace. We cannot lose sight of the fact that the future nature and leadership of the Soviet Union are still highly unpredictable, that the future of the Soviet Union's military forces remains uncertain. Above all, we cannot ignore the fact that we still need military forces to defend our interests and those of our allies in other parts of the world.

I would not argue for a moment that we need everything funded in our current defense budget. As I have already argued in this body, programs like the B-2 have become a strategic albatross, and programs like the SSN-21 have become the equivalent of a lead balloon, and we can certainly make further cuts in our forces for Europe and the so-called reconstitution forces whose only purpose is to fight world war III.

We need to firmly recognize, however, that we have been spending our peace dividend for more than half a decade. We need to recognize that the ongoing reductions in defense spending will bring us close to the bare minimum we will need to make orderly cuts and changes in our forces, and to convert from a cold war strategy and force posture to one oriented toward the power projection missions of the future.

This power projection strategy, and the force posture necessary to implement it, are the inevitable result of our position in the world. We cannot stand aside from history and try to shape it at the same time. We cannot seek a peaceful world, and global economic interdependence, and pretend there will not be new Saddam Hussein's in the future.

We need this strategy, and the proper forces, for the same reasons we needed a maritime strategy from the time we attacked the Barbary Pirates to the beginning of World War II. We need it for the same reasons we have used military force more than 220 times since the end of World War II to defend the interests of our citizens, our friends and allies, and our Nation in contingencies that had nothing to do with the Soviet Union and the Warsaw Pact.

We also should not have any illusions about the size of the forces we are cutting. We did not size or structure our forces to challenge the Soviet Union alone. We shaped them to take account of alliances like NATO, our alliance with Japan and South Korea, and our alliances with a host of friendly states like Israel, Egypt, and Saudi Arabia.

We also have made countless compromises in the past, in order to reduce the burden defense places on our economy. In fact, we have long accepted the military risk of having only about half the total mix of forces for NATO and power projection missions that many joint staff studies have shown we really need.

The resulting shortfalls were exemplified during Operation Desert Storm. We must remember that this crisis came at a time when many Members of this body were stating there were no major threats in the developing world, and when some were saying that the Iran-Iraq war had brought a new stability to the region. We must remember that our victory was only made possible because Saddam Hussein sat and waited for 5 months, and failed to bring his forces to the readiness they had shown against Iran only 2 years before.

We must remember that we encountered major shortfalls in airlift and sealift during the buildup for Operation Desert Storm. We must remember that we were critically short of heavy armor and firepower for our Army and Marine forces up to the final weeks before the war began. We must remember that we used many of our ground forces for NATO, virtually all of our combat deployable carrier strength, at least two-thirds of our Marines, and a large portion of our tactical aviation and bombers for this one contingency.

We must remember that even this buildup was only possible because of the cooperation of friends like Bahrain, Saudi Arabia, and the UAE. We must remember, for all our successes, that the political and strategic outcome might have been dramatically different if it had not been for Israel's courage and restraint, and if we had to escalate to a very different level of conflict. We must remember that we were part of a coalition and that our forces were successful because they fought alongside the forces of Britain, France, Egypt, and many other nations.

We cannot afford the illusion that we have a vast surplus of forces we can easily eliminate. We must not cut defense spending without a clear picture of the force posture we wish to preserve and the strategic capabilities we wish to preserve or create.

We do not have a surplus of power projection capabilities, and it is important to note that our current defense spending and force plans will leave them badly short of sea and airlift, modern amphibious forces, long range tactical strike aircraft, mobile armored forces, and a host of other capabilities. As we cancel programs suited to the cold war, we may well need to shift these resources to the other military capabilities that will ensure we can rapidly and decisively project power without suffering serious casualties.

Above all, we must not confuse a new period in history with the end of history. Like it or not, we have become the one power in the world that can project enough military force anywhere in the world to halt aggression, deter conflict, and protect our interests and those of our allies.

SETTING NEW PRIORITIES FOR DEFENSE SPENDING

This leads me to my final point, the need to set new priorities for defense spending. I believe that we need to urgently concentrate our resources on power projection missions, and that we need to ensure that we fully fund the core forces we have in being, and the necessary air and sea lift, rather than indulge in high cost and high technology experiments that we may never be able to afford.

To be specific, we should not cut our carrier task groups or our Marine Corps combat forces. We should not cut the combat ready Army and tactical Air Force units, and their reserve counterparts, whose primary mission is power projection. We should keep key elements of our forces forward deployed for missions in Asia, the gulf, and Europe, not rush forces home that we will need to redeploy in the emergencies and crises that are certain to come.

Where we can make cuts is in the nuclear forces that will be cut as part of START, and which are certain to be the subject of ongoing force cuts as our relations with the Soviet Union or its successors improve. We can legitimately demand that it is our European allies that bear the overwhelming burden of their own defense, as we shift to a power projection role.

We can ruthlessly pare our active and reserve force structure to eliminate those forces whose primary mission was to fight a prolonged conventional war in Europe. We do not need these forces, or the expensive shell of a reconstitution mission, and this should permit major further cuts in our force structure, support structure, and headquarters in the United States.

We need to recognize that as the Soviet threat continues to diminish, we need to emphasize maintaining our high quality of men and women in uniform, and the overall readiness of our forces, not technology per se. This is why we should have killed expensive dinosaurs like the B-2 and SSN-21. This is why we must show extreme caution in depriving our defense industrial base of proven weapons and munitions in the hope that we actually produce sweeping advances in technology after the year 2000.

We cannot afford to throw away two birds in our hands for one in the bush. We cannot afford to leave tactical aviation unfunded to buy the B-2. We cannot afford to consume 25 percent of our ship building budget by buying an SSN-21 whose only justification is that the Navy failed to budget for the smaller submarine we actually need.

We cannot afford to halt production of all our current fighters in the hope some aircraft whose technical details remains uncertain may become a reality. We cannot halt the production of proven and easily ungradable armored weapons, and helicopters like the AH-64, for promises of unknown price and performance.

We also owe a debt to those in uniform, and their families, that we must not ignore. The military technology we used in Operation Desert Storm had a major impact in winning the war. That technology, however, would never have been effective if our service men and women had not been willing to work 16–20 hour days month after month during the period from August 2, 1990 to the beginning of combat operations.

It took countless hours of effort by the best trained and most skilled force in our history to adapt our weapons to a new terrain, set of weather conditions, and tactical needs. It took an incredible degree of courage, sacrifice, and professionalism to fight such a decisive battle. It was men and women, not things, that won the Gulf War.

This, Mr. President, is why we cannot reward these same men and women by coldly forcing them out of military service. Manpower quality is the most important single aspect of readiness, and that quality is dependent on the willingness to volunteer. This is why I sponsored legislation that will temporarily block a careless policy of involuntary separation to buy equipment that is often still on the drawing board. We need an effective and honorable separation program that will ease the transition of service men and women who will be affected by the coming force reduction.

STRATEGIC CHANGE AND THE ROLE OF CONGRESS

In conclusion, let me emphasize one central fact. It is a fundamental responsibility of the Congress to ensure that necessary changes in our strategy and defense posture are implemented.

We cannot foresee all of those changes today. However, unless we make the right beginnings we will deprive the American people of the true peace dividend they deserve, we will pursue the wrong strategy and threaten the peace, and we will continue to waste billions we cannot afford on forces and equipment we do not need. The central issue is how to cut our spending and our forces in a way that will preserve and expand the power projection forces we need for the future.

SUBMARINE LASER COMMUNICATION PROGRAM

Mr. GORTON. Mr. President, yesterday I offered an amendment to fence $10 million for the submarine laser communications program. There were no funds requested by the Department this year due to alleged high costs and a weak technology base. Nevertheless, in May of this year, after the budget submission, an astonishing accomplishment was achieved with an aircraft aloft and a submarine at operational depth communicating with each other. Heretofore, this was done with the submarine at or near the surface, risking detection.

Despite Department reluctance and based on this year's success, the Senate Armed Services Committee adopted $20 million for the program. In subsequent communications, I understand that the program can survive this year at $10 million, giving the Department an opportunity to submit in fiscal year 1993. I further understand that the $10 million can be accommodated within this bill's overall ceiling.

I thank both Senator INOUYE and Senator STEVENS for accepting this amendment.

THE NATIONAL RENEWABLE ENERGY LAB

Mr. WIRTH. Mr. President, I would like to take this opportunity to recognize the Solar Energy Research Institute [SERI], located in Golden, CO, and to congratulate this research facility for achieving national laboratory status. On September 16, 1991, SERI received official designation as a national laboratory and will now be called the National Renewable Energy Laboratory [NREL].

This designation represents an important achievement in the ongoing research being conducted at this world class solar and renewable energy research laboratory. With its new name and its new national laboratory status, NREL joins a distinguished group of national research facilities engaging in important scientific research for the benefit of humankind. The years of significant, pathbreaking work by the scientists and staff at NREL is now enjoying the recognition which it so rightly deserves.

Mr. President, the road to recognition for NREL has been a challenging one, and this designation stands as a testament to the fortitude and unwavering commitment of those employed at NREL. The historic challenges faced by NREL reflects upon our Nation's lack of a rational energy policy and our fixation on cheap, imported oil. Hopefully, this designation will usher in new national energy priorities which focus on renewable energy technologies—technologies which will help reduce our dependence on imported oil and are good for the environment as well as our national economy.

The National Renewable Energy Laboratory, which began in 1977 as the Solar Energy Research Institute, was established as a result of a mandate under the Solar Energy Research Development and Demonstration Act of 1974. Congress established NREL under this act to consolidate Federal solar energy research. Since its inception, NREL has broadened its solar energy research programs to include research on other renewable energy resources.

During the first years of operation, when national interest in more secure energy resources was at an all-time high, NREL maintained an annual budget of about $125 million. A 1979 congressional study showed that while maintaining a rapid growth rate, the United States could reduce its energy expenditures by 25 percent—if the level of funding toward solar energy research and development were maintained. In spite of these findings, solar energy research and development funding was reduced by 80 percent during the 1980's. Our national solar energy program was deemphasized in the 1980's in favor of cheap sources of foreign oil. During the past several years however, NREL's funding has increased significantly—growing last year at a rate of about 30 percent.

Despite the budget shortfalls of the 1980's, NREL has managed to maintain its status as the world's foremost laboratory in solar technology. The scientists at NREL remained diligent in their research through the difficulties of the 1980's because of their commitment to alternative energy research and their foresight that these technologies could eventually help solve our national energy woes. Their dedication is our Nation's gain.

NREL is currently engaged in a wide range of exciting solar and renewable energy technology research. NREL's solar energy research includes photovoltaics, solar concentrators and solar thermal energy. NREL's photovoltaics research has achieved world record conversion efficiencies of more than 30 percent while dramatically reducing the cost of photovoltaics by a factor of three. NREL's solar concentrator research represents new and existing methods of destroying toxic substances by harnessing the sun's rays into a single beam of energy equivalent to the power of 20,000–60,000 suns. In addition to its solar energy research, NREL has programs underway examining the future potential of renewable energy resources such as converting algae to gasoline, converting crops and trees to ethanol, and creating better more efficient wind generators.

The elevation of NREL to national laboratory status, as well as the recent increases in research dollars, represents a renewed appreciation of the place that solar and renewable enegy technologies can play in our national energy policies. If we are serious about reducing our reliance on imported oil and on reducing environmental degradation, then we must continue to support the research activities of NREL.

I applaud the efforts of all those who helped NREL achieve this distinction. I especially want to recognize NREL Director Duane Sunderman and the scientists and staff at NREL for a job well done.

UNDERGRADUATE NAVAL FLIGHT OFFICER

Mr. BOND. The amendment I had intended to offer today pertains to the Undergraduate Naval Flight Officer [UNFO] Training Program. It would require the Navy to authorize Sabreliner Corp., the company which received the contract award, to begin to provide the training services the Navy agrees Sabreliner is ready to provide. The amendment also says the Navy must authorize Sabreliner to begin training immediately, before September 30, 1991, or risk losing the funding for the UNFO Program.

This is an urgent matter. Sabreliner has been performing the UNFO contract since contract award in March 1990. The contract envisioned a period of approximately 18 months before the training would actually begin. During that time, Sabreliner business jets would be reconfigured to approximate military planes, and be fitted with state-of-the art radar. Over the past 18 months, Sabreliner has undergone extensive and numerous program reviews regarding all aspects of UNFO training services, including the Sabreliner aircraft and radar system. Sabreliner delivered its first plane for testing to the Navy ahead of schedule in June 1991. It has been working around the clock with the Navy to resolve open items.

To date, Sabreliner has expanded more than $75 million to perform the UNFO contract. It is crucial to note that Sabreliner only receives its first dollar from the Navy when it achieves initial training capability [ITC]. Twenty million dollars from the Navy's Operations and Maintenance [O&M] budget has been set aside for this program, but must be dispersed before September 30, 1991.

In August, after Sabreliner had delivered its planes to the Navy, with training services expected to begin imminently, the Navy suddenly expressed serious dissatisfaction with the air-to-ground radar system provided by Sabreliner and its subcontractor, Westinghouse, I am not expert enough to judge whether the radar meets the Navy's contract specifications or whether it is operationally effective. It does appear, however, that the radar works as designed, and that the Navy has been continuously involved with the radar system that Sabreliner and Westinghouse intended to provide and voiced no objections to the radar during any of the many previous program reviews.

Sabreliner and Westinghouse take the position that the Westinghouse radar that has been provided to and tested by the Navy fully complies with the requirements of the contract for air-to-ground services. Nevertheless, Sabreliner and Westinghouse have committed to system modifications needed to meet the Navy's operational expectations, which would take 7–9 months but appear to satisfy the Navy. They have also put forth several proposals for fully meeting the Navy's air-to-ground training needs in the interim period while the radar is being modified. These proposals include slowing down the speed of the training aircraft, flying at lower altitudes, and making minor adjustments to the training routes.

The Navy has not yet made a final decision about how to handle the interim period. However, certain Navy program officials have indicated a preference for having Sabreliner contract with Cessna, the incumbent, to provide air-to-ground radar training during the interim period until the radar is modified. As one who has followed the history of this program carefully, I find that proposal to be extraordinarily ill-advised. Cessna was judged by the Navy to be substantially inferior to the other competitors when the contract was awarded. Moreover, because of errors by the Navy in the procurement process, and some inexplicable decisions by the Small Business Administration in administering its Certificate of Competency Program, the Navy has already found itself forced, by a settlement imposed by a Federal district court, to contract with two companies, Sabreliner and Flight International, to provide the same training services. The last thing that the Navy needs, or the Congress wants, is for the Navy to begin paying a third company to provide the same UNFO training services.

The UNFO Program has been marred by procurement errors, controversy between the Navy and the SBA, a bid protest, and Federal court litigation. Through all of this, Sabreliner's consistent and committed performance has stood out. Sabreliner has hit every milestone, stayed on budget, and until the Navy's dissatisfaction with the air-to-ground radar suddenly surfaced, fully expected to begin providing services. I think that Sabreliner has earned the chance to work with the Navy in resolving any problems that have arisen and, working with its radar subcontractor, Westinghouse, I am confident that they can do just that. But I am forced to bring this amendment because the Navy has shown little recognition of the significance of the rapidly approaching September 30 date. If Sabreliner is not authorized to provide ITC, it will lose $20 million. Such a loss would jeopardize the line of credit that has enabled Sabreline to perform this contact for the past 18 months, posing a real threat to Sabreliner's ability to continue in business.

Sabreliner's continued existence is important to our national security not just because it is the contractor for these critical UNFO services, but also because it is a supplier of critical services and products to all branches of the Pentagon. It is providing 600 T-37 SLEP kits to the Air Force. It has a contract to overhaul and deliver 400 Army T-53 engines for the UH-1 helicopter and it provides logistical support for the Navy's fleet of T-39's. In addition, Sabreliner is a contractor for several other Federal agencies including NASA, the FAA, the U.S. Marshal Service, and the FBI. All of these programs would be jeopardized if Sabreliner is forced out of business next week due to the Navy's action.

Sabreliner is ready to begin training and has been for weeks. The Navy has agreed that Sabreliner's UNFO system meets or exceeds contract specifications for the radar air-to-air and nonradar sorties that comprise 79.4 percent of the fiscal year 1992 UNFO training requirement; in other words, 80 percent of the sorties envisioned for fiscal year 1992 can be performed to the Navy's satisfaction today. There is no justification for the Navy to delay authorization of ITC in these areas simply because of a dispute over the air-to-ground radar, particularly when the foreseeable consequence of further delay could force Sabreliner out of business. By adopting this amendment today, the Senate would be telling the Navy to begin the training that is ready to begin, allow Sabreliner to receive a first payment for the work that it has been doing for 18 months, keep Sabreliner in business, and keep this important program going.

Mr. INOUYE. Mr. President, I have spoken with the Senator from Missouri about his amendment. I understand his concerns and I certainly am sympathetic to the dilemma Sabreliner now faces. I understand that talks are currently underway between Navy officials and Sabreliner executives to attempt to resolve this issue, and I hope that they are successful so that Sabreliner will be authorized for ITC by Monday. Because these talks are ongoing, I am pleased that he has decided not to offer his amendment with the assurance that, if this issue is not resolved by Monday through the issuance to Sabreliner of initial training capability, I and the rest of the Senate conferees will seek a resolution in conference.

Mr. BOND. I thank the Senator for his views and his assurance that he will seek redress for Sabreliner in conference and work to ensure that the taxpayers are not forced to waste further dollars on this program.

Mr. GRASSLEY. Mr. President, I supported two of the amendments offered earlier on this bill by my friend from Tennessee, Mr. SASSER. The third amendment I did not support—that of the MX rail garrison—a program which I have traditionally supported, and one which is of minimal savings and which therefore did not necessarily comport, in my view, with the overall thrust of Senator SASSER'S very compelling and persuasive argument; that is, that we need to redress many of the decisions we have made in the past involving big-ticket items

Let me review those arguments and elaborate on them, Mr. President. The reasons I supported these amendments are both budgetary and defense in nature.

And, there is one additional reason—and that is common sense.

In my view, these amendments represent a commonsense approach to amending the long-term effects of past decisions that have not matched up either to our planning expectations or to what has actually occurred in the real world. This is a commonsense approach to budgeting and planning which is rarely practiced at the Federal level. State governments practice this year after year after year. But not us here in Washington, it seems.

As Senator SASSER has explained, there is a significant savings gap that's required in 1994 and 1995 if we are to squeeze discretionary spending within the agreed-to spending caps. Right now, we have 5 pounds of rice, and only a 4-pound sack. It's not all going to fit in. That remaining pound of rice represents, allegorically, what needs to be saved. What Senator SASSER was trying to do in these amendments is to account for less than half of that pound of rice.

Unlike domestic programs, big-ticket defense programs take a long time to produce savings. That's why we have to act now in order to have the desired impact in 1994 and 1995 in the Defense budget. We have heard repeatedly in testimony before the Budget Committee that the time to make decisions for 1994 and 1995 is this year. This point is certainly not in dispute among defense analysts.

What these amendments also imply, Mr. President, is that the savings required for 1994 and 1995 will not come from only domestic spending. The needs for domestic spending continue to escalate, while the threat to our national security is diminishing. The Defense Department's planned 25-percent budget reduction over 5 years was programmed prior to the recent collapse of the Union of Soviet Republics. Clearly, additional cuts are warranted.

Accordingly, in the new post-cold war world, the need for many of the weapons systems with expensive technologies that are in many ways yet unproven is certainly diminishing. In my view, we should not be afraid to take advantage of the new opportunities presented to us by favorable changes in the world. We should begin now to determine which programs are useful and which are not in a restructured strategic defense plan designed to address a new and diminished threat. This is what I believe is the major significance of the Sasser amendments, and why I supported them.

MAGNETOHYDRODYNAMIC PROPULSION

Mr. JOHNSTON. Will the distinguished chairman yield for a short discussion of a matter of importance?

Mr. INOUYE. I will yield to the distinguished Senator from Louisiana.

Mr. JOHNSTON. This year has been a particularly difficult period in making hard national defense choices under the financial constraints imposed by the budget agreement and competition among programs for available dollars.

It is unfortunate, however, that these constraints prevented more funding for certain DARPA efforts. The services, in general, do a fine job of research and development for the near future, but it falls to DARPA to provide the innovative technologies that will enable our land, air, and naval forces to meet longer range challenges of 10, 20, or more years from now. Superior technology is the key to winning, as we learned from the recent Iraqi war. It is DARPA's role to ensure that we do not face 21st-century challenges with 20th-century technology.

A most promising program that meets this criteria, Mr. President, is Magnetohydrodynamic [MHD] propulsion for advanced submarine design. MHD, in what may be a significant breakthrough in naval propulsion technology, has the potential to do away with the propeller shaft and reduction gears which have been used on modern submarines since their creation. Recent studies completed by DARPA show that an MHD propulsion system eliminates all external rotational noises including those arising from large water disturbances created by the propeller. In other words, this very advanced technology could make our nuclear submarines significantly quieter which, of course, would considerably increase their stealth capability. Combat survivability also will be enhanced since the MHD thruster is segmented. A single damaged segment will not destroy the vehicle's propulsion capability. In addition, the potential for installing an MHD propulsion system in nontraditional locations could create increased internal space for other military purposes, such as greater weapons payload.

The MHD system operates by using superconducting magnet technology to eject seawater from the MHD propulsor to accelerate the submarine. Much work has been done on MHD propulsion by the Japanese and the Soviet Union. The Japanese have constructed a surface ship with MHD propulsion. The Soviet Union, in spite of its domestic problems, continues to improve its already formidable submarine fleet and is actively evaluating MHD propulsion technology for naval applications.

It was for these reasons, Mr. President, that the Senate Armed Services Committee, provided $5,000,000 in DARPA's Tactical Technology Program to continue its investigation of [MHD] propulsion for submarines. The funding would provide for the construction of an appropriate vehicle and to conduct an open ocean hardware test of the MHD concept.

Mr. President, am I correct in understanding no money was appropriated for this purpose because DARPA may have funds available which could be used by the Agency's Undersea Warfare Office to construct the hardware and to conduct the open ocean test of MHD technology?

Mr. INOUYE. The Subcommittee has recommended $55 million for the DARPA program which develops advanced submarine technology, SUBTECH. DARPA has indicated that additional funds would be required to build the hardware and conduct the open ocean test you have described.

Mr. JOHNSTON. Am I also correct in understanding that MHD propulsion represents one of the innovative technologies that DARPA was created to pursue?

Mr. INOUYE. Indeed, the MHD propulsion concept may offer an approach allowing the United States to develop quieter, more survivable submarines. Development and demonstration of MHD propulsion technology within the current DARPA SUBTECH Program would be appropriate.

Mr. JOHNSTON. I would be grateful, Mr. President, if action could be taken to incorporate language in the conference report encouraging DARPA to pursue construction of a MHD Open Ocean Test Vehicle in fiscal year 1992 and eventually conduct such a test of this technology.

Mr. INOUYE. We will do our best in conference on this matter.

ARMY NATIONAL GUARD 35TH DIVISION TRAINING CENTER

Mr. DOLE. Mr. President, I rise today to express support for the Army National Guard 35th Division Training Center at Fort Leavenworth, KS. This center was designated to provide all Army National Guard units a modern training facility for the conduct of tactical war gaming exercises for divisional and brigade staffs. Utilizing computers and the newest software available, this center will have direct links to the U.S. Army Combined Arms Center at Fort Leavenworth. The training center will require no new construction or additional personnel. The facility is complete in all respects except for the computers and support equipment. It has a briefing and debriefing lecture hall, fiber-optic telecommunication hookups, and even a dining facility for in-training units. This center will have the capability to conduct the most up-to-date tactical exercises while simultaneously interacting with other on-site or off-site exercises. Although the training center building was completed in February 1990, the computers are still needed to make it a fully operational training center for the entire U.S. National Guard.

Mr. INOUYE. Mr. President, may I ask the senior Senator from Kansas what the requirements are to make this facility a fully operational training center?

Mr. DOLE. Mr. President, in answer to the distinguished chairman's question I believe that the Senate Committee for Armed Services' authorization of $2 million will meet the need of the 35th Division Training Center.

Mr. INOUYE. Mr. President, will the senior Senator from Kansas discuss the amount of annual training utilization that would be expected at the center?

Mr. DOLE. Mr. President, the center would be capable of over 20 full scale exercises a year. I believe that it is important to remember that because of its compatibility of operation with the U.S. Army software and equipment, the center could be used in conjunction with the many command and general staff college exercises at Fort Leavenworth. This would have the added benefit of allowing joint training between National Guard and army personnel.

Mr. INOUYE. Mr. President, as I understand the senior Senator from Kansas, this center will give all of our National Guard units the opportunity to train in joint exercises with their army counterparts, and allow National Guard divisional and brigade command staffs to conduct the entire spectrum of planning and tactical execution.

Mr. DOLE. Mr. President, the distinguished chairman is correct. The center will allow National Guard staffs to plan and execute a tactical operation while saving valuable training dollars and man hours. In the era of tight budgets, this type of training will allow the staffs to improve their performance, and save valuable training time and dollars when they actually go to the field.

Mr. STEVENS. Mr. President, having reviewed the procurement proposal and the training that can be derived from this project, I support using $2 million of the funds appropriated to the Army National Guard equipment account for the procurement of computer work stations and necessary support equipment for the 35th Division Training Center. This center could be a model for the future, allowing national guard units to work with their army counterparts and ensure that they understand and learn each others tactics and operational procedures. This type of classroom exercise will give our National Guard commanders the ability to train and maintain readiness in this era of the come-as-you-are confrontations.

Mr. INOUYE. Mr. President I agree with the distinguished vice chairman. With the force structure changes now being implemented, it is vital that Army and National Guard units train together, and be able to execute an operational plan at any time. As the Senate Committee on Armed Services fully supported this project with specific language and the center is completely ready to begin operations, this project will allow realistic training while savings millions of training dollars and man-hours in the field. I too fully support this use of these funds.

Mr. DOLE. Mr. President, I thank my distinguished colleagues for their consideration of the 35th Division Training Center at Fort Leavenworth.

FUNDS FOR THE LEASE OF GEAR INFAC EQUIPMENT

Mr. DIXON. Mr. President, if the distinguished Senator from Hawaii would agree, I would like to engage in a short colloquy regarding funds for the lease of Gear INFAC equipment.

In brief, the Defense Logistics Agency awarded a contract in 1989 to a not-for-profit research organization [IIT Research Institute] for the operation of an Instrumented Factory for Gears—the Gear INFAC. The Gear INFAC is a program designed to improve the supply of gears to the Department of Defense by strengthening the U.S. gear industry through research, education, and industrial expansion. The equipment for the INFAC factory floor is to be provided under lease with U.S. equipment manufacturers, which carry a possible early-termination liability of $4 million. A not-for-profit organization such as IIT Research Institute is not in a position to incur such a liability.

Mr. President, I understand that the Senate Defense appropriations bill provides a lump sum under the Office of the Secretary of Defense for a consolidated manufacturing technology program, as authorized by the Senate Defense authorization bill. I also understand that the House version of the Defense Appropriations bill does not provide the consolidated lump sum, but rather identifies and appropriates individual programs. During the conference deliberations on the resolution of this question, it is my hope that $2 million can be earmarked for lease of Gear INFAC equipment from within the Defense agencies allocation for manufacturing technology.

Would the distinguished chairman of the Defense Appropriations Subcommittee be willing to address this matter in conference?

Mr. INOUYE. I agree with my colleague that an appropriate place to address the problem of leasing equipment for the Gear INFAC program would be within the Defense agencies allocation. I will give every consideration to this problem during our conference deliberations on the issue of a consolidated manufacturing technology program.

THERMIONIC SPACE POWER

Mr. SHELBY. Mr. President, will the distinguished chairman of the subcommittee please yield?

Mr. INOUYE. I am happy to yield to my colleague from Alabama, Senator SHELBY.

Mr. SHELBY. I thank the chairman for yielding. The chairman is to be commended on the yeoman service of his committee in bringing this bill to the floor. I would like to take this opportunity to discuss with him the application of thermionics technology to generate electrical power for space platforms.

Mr. President, 2 years ago, Congress provided $10 million to initiate a program with the Air Force to develop thermionics to greatly increase the electrical power available for space platforms. Thermionics technology is of particular interest to the Air Force because of its application in the 5 to 40 kilowatt range. Thermionics technology may provide a more efficient and more compact space nuclear power supply. Work is now underway by the Air Force at the Phillips Laboratory in New Mexico and by universities and contractors under their direction.

The Air Force has used the funds provided 2 years ago for basic materials research and some preliminary systems design. That work supported a study by the Air Force Scientific Advisory Board which recommended increased Air Force participation in space nuclear power technology development.

Mr. INOUYE. The Air Force has budgeted $300,000 in fiscal year 1992 for research on thermionics technology. I understand that the Air Force is considering a long range program for development of thermionic power technology.

Mr. SHELBY. The Air Force, SDIO, and the Department of Energy have recently signed a memorandum of understanding for a cooperative program that will expand work on thermionics. The use of this nuclear power technology could offer some improved survivability features while providing greater electrical power to increase the capability of surveillance and communication spacecraft.

Mr. INOUYE. The committee requested OSD to submit with the fiscal year 1993 budget request a new comparison of the acquisition cost, performance, size, weight, and cost effectiveness of thermionics technologies with other space power options. The committee will carefully review this information in evaluating the fiscal year 1993 budget request.

Mr. SHELBY. The House Appropriations Committee added $10 million for thermionics to Air Force R&D funding. These funds would help ensure that the program outlined in the recently completed memorandum of understanding would be adequately supported in fiscal year 1992. I would greatly appreciate the chairman's consideration of the program when the issue is raised in the conference on the Defense appropriations bill.

Mr. INOUYE. We will do our best in conference on this matter.

Mr. SHELBY. I thank the Senator for his time, consideration and leadership on this issue and the many details of the bill we have under consideration today.

BLOOD SUBSTITUTES

Mr. HEFLIN. Mr. President, I rise to discuss with my two distinguished colleagues on the Appropriations Committee, Senator INOUYE, Chairman Defense Subcommittee and the ranking Republican on the subcommittee, Senator STEVENS, a very important matter concerning the progress being made in the field of blood substitutes.

Mr. INOUYE. I would be pleased to discuss with my colleague this matter.

Mr. STEVENS. I am glad to have the opportunity to discuss this important matter with my colleague.

Mr. HEFLIN. As you know Mr. President, there have been tremendous efforts undertaken by researchers and scientists from the private, Government as well as academic sectors to develop a blood substitute. There are significant potential benefits of blood substitutes in providing medical assistance to troops, in the unfortunate but inevitable occurrence, during conflicts armed. I am aware that within the Defense Department both the Army and the Navy have been researching technologies as well as funding private research in the field of blood substitutes. As you know Mr. President, blood substitute would extend shelf life as well as mitigate problems of cross-matching, sourcing, screening, testing, shipping, and storage associated with whole blood.

Mr. President, I understand the House and Senate report accompanying the Defense authorization bill requested the Defense Department to conduct a study of the technologies available. it is my understanding that you share the interest of the authorizing committees and support the research efforts currently underway, but have not provided specific funds in this bill for construction of private or Federal facilities for the production of blood substitutes.

Mr. INOUYE. The Senator is correct. Blood substitute research enjoys support in both Chambers as we all realize the many potential benefits in both military and civilian applications. However Mr. President, no product has been approved by the Food and Drug Administration for clinical trial, much less commercial use, as an approved blood substitute. Therefore, any funds provided in this bill is to provide support of research into this field within the various "research, testing, development and evaluation" accounts. Further, as I understand, the Department has agreed to conduct a study of all blood substitute technologies. Therefore, it would be premature to provide funds for any type of facility to accelerate product development in fiscal year 1992.

Mr. STEVENS. I agree with my chairman, that the Defense Subcommittee supports the tremendous efforts by scientists and researchers to develop blood substitutes. However, along with the chairman, I intend to review the Department's inclusive study before appropriating funds for facilities. Further, I insist that any funds appropriated for the award of blood substitute research abide by the requirements set forth in the Competition in Contracting Act.

Further, I understand that the Department may not be able to complete a comprehensive study within the target date specified. I consider the study to be of great importance and therefore suggest the Department notify Congress if it needs additional time to analyze and disseminate the information collected for the study.

Mr. HEFLIN. I appreciate the comments of the chairman and the ranking Republican member on this important issue. I look forward to working with my colleagues on this issue and await the Department's study.

Mr. President, I yield the floor.

THE NATIONAL GUARD

Mr. LAUTENBERG. I would like to direct a few questions to the chairman about the language in this bill and the accompanying report on the National Guard.

It is my understanding that this bill would maintain the existing combat force structure for the National Guard.

Mr. INOUYE. That is my understanding.

Mr. LAUTENBERG. It is my understanding that the language in this bill would prevent the Pentagon from eliminating the 50th Armored Division heardquarters in New Jersey in fiscal year 1992.

Mr. INOUYE. That is also my understanding.

Mr. LAUTENBERG. It is my understanding that the language in this bill would prohibit the Pentagon from deactivating units in New Jersey that are scheduled to be deactivated in fiscal year 1992.

Mr. INOUYE. I believe it would.

Mr. LAUTENBERG. Would it also pervent the Pentagon from consolidating the 50th Armored Division with the 26th Infantry Division in Massachusetts and the 42nd Infantry in New York?

Mr. INOUYE. It is my understanding that it would.

Mr. LAUTENBERG. I thank the chairman for clarifying these points for me.

REPLACEMENT OF AV-8B AIRCRAFT

Mr. BOND. Mr. President, as I understand it, the President has requested the replacement of six AV-8B aircraft lost during Operation Desert Shield/Desert Storm as part of an upcoming supplemental appropriations bill. Without getting into the committee's position regarding the purchase of replacement of AV-8B, may I inquire if the committee's stated position in this bill regarding the termination of AV-8B would preclude the replacement of these aircraft?

Mr. INOUYE. The Senator raises an important issue to which I am happy to respond. The committee recommendation provides $40 million to cover the termination of the AV-8B program. This recommendation is consistent with the President's fiscal year 1992 budget request which included no funds to continue production of this program. The committee added this amount believing that current funding is insufficient to cover the costs to shutdown the AV-8B program. However, in recommending termination of the AV-8B program, the committee has not precluded the purchase of replacement aircraft lost in Desert Storm. The purchase of replacement aircraft is dependent on passage of a Desert Storm supplemental providing such funding.

Mr. BOND. I thank the chairman for the clarification. I wish to state for the record my strong support for replacing the six AV-8B Harriers lost in Operation Desert Storm and I know from talking with my colleagues that others share that view.

Mr. INOUYE. I thank the Senator for raising this issue and assure him that we will give this matter our careful attention in conference.

LETTERMAN ARMY MEDICAL CENTER

Mr. CRANSTON. I would like to ask the distinguished subcommittee chairman if he would yield for the purpose of a brief colloquy?

Mr. INOUYE. I would be glad to yield to the senior Senator from California [Mr. CRANSTON].

Mr. CRANSTON. I want to thank the distinguished chairman for all his work in ensuring that the Department of Defense meets its obligations to prevent any degradation of the facilities at the Presidio of San Francisco before its transfer to the Department of the Interior. The committee directed the Army to provide at least $10,000,000 to cover costs of emergency and deferred maintenance repairs in fiscal year 1992, funds that are sorely needed so that the Presidio will not be a liability for the National Park Service when the transfer finally takes place.

As the distinguished Senator from Hawaii knows, the closure of the Presidio is unique. Public Law 92-589, which created the Golden Gate National Recreation Area, stipulated that any or all lands of the Presidio of San Francisco deemed excess to the needs of the Department of Defense are to be transferred to the Department of the Interior to be preserved as part of the Golden Gate National Recreation Area and the National Park Service.

Since the Presidio was identified for closure, the Golden Gate National Recreation Area has been spearheading a comprehensive planning process to determine the future disposition of the many historic and varied facilities at the Presidio.

One such facility is the Letterman Army Medical Center. In response to concerns about alternative health care for military retirees presently served by Letterman, the committee has directed the Department of the Army to cooperate with the Veterans' Administration to explore the option of having the VA acquire Letterman.

Does the distinguished chairman agree that this report language is in no way intended to circumvent the planing process already underway for the Presidio?

Mr. INOUYE. Yes; the Senator is correct. I understand that the VA is interested in moving into Letterman, but there are other possible tenants for Letterman who are not precluded from full consideration by this language. When the Army leaves Letterman, the facility will be transferred to the National Park Service which has full decisionmaking authority over its future disposition. The committee did not intend to give a preference to any one tenant, especially while the planing process for Presidio is ongoing.

Mr. CRANSTON. I thank the Senator for his remarks and clarification on this issue.

ADVANCED CRUISE MISSILE

Mr. DANFORTH. Mr. President, I rise today to discuss the advanced cruise missile with the bill manager. Earlier this year, three of my colleagues and I wrote to the distinguished chairman and ranking member of the Defense Appropriations Subcommittee regarding continuing dual source procurement of this weapon system. We noted that in the 1991 appropriations conference report, Congress reversed its previous commitment to dual source by directing that a downselect to one ACM contractor be conducted in fiscal year 1992. We stated that we took issue with that directive.

A July 23, 1991 OSD ACM acquisition decision memorandum required that ACM production be consistently reliable and that the missiles be of high quality before proceeding with acquisition strategy that continues head-to-head competition for fiscal year 1992, with a fiscal year 1993-95 buyout for the remaining baseline program.

The ADM is correct in requiring that quality issues be addressed before it is appropriate to downselect to one company. In addition, I am concerned that, because the prime contractor is the sole source for the Variant missile of the ACM, once it is time to make a downselect, the prime contractor may be at an unfair advantage, based upon the imbalance in quantity allocation.

Mr. INOUYE. If the Senator would yield. I understand the issues which the senior Senator from Missouri raises with regard to this important Air Force system. I agree with Senator DANFORTH that quality issues must be resolved before a downselect to one contractor occur. In addition, I understand the Senator's concern that the prime contractor may be at an unfair advantage once it is deemed time for the downselect to occur. I assure the Senator that I will work to see that the following points be incorporated into the conference report for the Department of Defense appropriations bill: that the Air Force will not downselect to a single contractor until all quality issues regarding the ACM program are resolved; that once the decision to move to a downselect is made, the Air Force will take the necessary steps to ensure that the contractors involved compete on a level playing field; and that the downselect occur no earlier than fiscal year 1993.

Mr. STEVENS. I agree with the chairman that these measures are important to ensure a quality ACM program, and I too will be an advocate for them in conference.

Mr. DANFORTH. I thank the distinguished chairman and ranking member for their generous consideration of my request and look forward to working with them as they go to conference. I yield the floor.

NATIONAL SCIENCE CENTER FOUNDATION

Mr. FOWLER. Mr. President, as the Senate debates the Defense Appropriations Act, I would like to draw my colleagues' attention to the critical work being done at the National Science Center Foundation [NSCF] in Augusta, GA. The NSCF is a nonprofit organization whose goal is to improve performance of students in the United States in mathematics and science by creating new technological tools for teaching those subjects and implementing them in our schools.

The NSCF's initial objective is to develop a computer-based teaching system, including courseware, to improve the teaching and learning of secondary math from algebra I through calculus. To date, this vital project has been funded by the private sector and the State of Georgia, and, very recently, received a grant from the National Science Foundation [NSF] and the Office of Naval Research [ONR]. Hence, the Department of Defense recognizes the importance of developing our Nation's math/science capabilities and the role this project can play in realizing this goal.

I wonder if in conference on this bill, we could explore the possibility of adding language urging the Secretary of Defense to assess the extent to which these capabilities NSCF is helping to develop are useful to the Department in accomplishing its defense mission?

Mr. INOUYE. The distinguished Senator from Georgia raises a very significant matter and I assure you that I will work in conference to obtain language urging the Secretary to make such an assessment.

Mr. FOWLER. I thank the chairman.

SUBMARINE LASER COMMUNICATIONS PROJECT; ADVANCED SUPERCONDUCTING MULTICHIP MODULES

Mr. INOUYE. Mr. President, earlier during the consideration of this Defense appropriations measure, the committee agreed to add funds for two research projects: the submarine laser communications project in the Navy account and the advanced superconducting multichip modules/diamond substrates project in the Defense Advanced Research Projects Agency.

I would briefly like to provide additional guidance about these projects.

In agreeding to the new allocation for multichip module work, the committee expects that none of the additional funds shall be obtained by reducing any other project for which the committee specifically added or earmarked funds for fiscal year 1992 during its deliberations on the Defense budget request.

The committee further expects that before the Navy obligates funds for the submarine laser communications project, it will provide the information as mandated in the committee's report on the fiscal year 1992 Defense appropriations measure.

THEATER MISSILE DEFENSE PROGRAMS

Mr. WARNER. Mr. President, I rise to express concern about the Defense Subcommittee's action regarding the important theater missile defense program. By deferring $252.4 million for certain theater missile defense programs, the committee is delaying by at least a year the fielding of a significantly improved theater missile defense system to protect U.S. troops deployed abroad, as well as our friends and allies.

Mr. President, the committee terminated all funds for the theater high altitude air defense system, known as THAAD. As the committee report noted, "THAAD is intended to be the centerpiece weapon of the new theater missile defense architecture." Given the strong support for theater missile defense in the Defense Appropriations Subcommittee, I am surprised that the committee markup completely eliminates all funding for this critical program. The committee also deferred funding for the ground-based radar, or GBR, which is essential for improving Patriot capability, for supporting THAAD, and as a technology program for the development of a ground-based radar supporting the strategic missile defense program outlined in the Armed Services Committee's Missile Defense Act.

According to the committee report, the funds were deferred because these "projects lack firm military requirements or program plans," and that "the program managers have been unable to provide specific justification for the budgets they are requesting." It is my understanding, based on information from the Strategic Defense Initiative Organization, that the Army has prepared requirements for theater missile defenses, while the Joint Chiefs of Staff have validated the mission need statement for theater missile defense. I also point to a letter I received from the Chairman of the Joint Chiefs of Staff on June 5, 1991, in which he characterized missile defense programs as a "top military priority." Mr. President, I ask unanimous consent that Colin Powell's letter be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. The report also states that there are significant disagreements between the intended operator of the THAAD and GBR programs—the Army—and the SDIO on military and performance requirements, technologies to be developed, and acquisition strategy. While it is true that there have been some differences, most notably with the acquisition strategy for the GBR, the Army and SDIO are in full agreement on the TMDI program, including the technical approach and acquisition strategy.

Mr. President, while I have concerns about the language in the Appropriations Committee report, I have tremendous faith in the distinguished chairman and ranking member of the subcommittee, Senators INOUYE and STEVENS, to resolve this issue in a way that will not needlessly delay the deployment of this vastly improved theater missile defense program. I am very encouraged with the recent statement of Senator INOUYE in a letter to the Director of SDIO in which Senator INOUYE stated that SDIO would be given ample opportunity to provide the Defense Subcommittee with the information necessary to "* * * enlighten us further on these programs." I am particularly pleased with his closing statement that he looks "* * * forward to working closely with you so that we may be able to provide required funds for both THAAD and GBR at the conclusion of the fiscal year 1992 appropriations process," and that he is "* * * confident that the ultimate outcome of our deliberations will be to your satisfaction." I have the highest regard for the distinguished chairman of the subcommittee and believe strongly that he will give this issue his careful consideration and make the right decision.

Mr. SHELBY. Mr. President, if I could add to what Senator WARNER has said, the Defense Science Board recently endorsed SDIO's technical and acquisition approach to theater missile defenses. The Senate Armed Services Committee also endorsed SDIO's TMD approach in their authorization bill which was then approved by the full Senate. Moreover, the House Armed Services Committee and the House Defense Subcommittee have also endorsed the Pentagon's plans for theater missile defenses. I am very concerned, therefore, that the Senate committee chose to slow down a program that, according to Colin Powell, Chairman of the JCS, characterized as a "top national priority."

Mr. President, I believe the committee's action sends the message that the Senate is retreating from the Congress' decision last year to accelerate development and deployment of theater missile defenses. It would also be contrary to recent Senate actions in its Defense authorization bill which directed the Secretary of Defense to "aggressively pursue the development of a range of advanced TMD options, with the objective of downselecting and deploying such systems by the mid-1990's." While we are all concerned that any defense program be conducted in a prudent and cost-effective manner, I do not think the best approach is to eliminate funds for these vital programs.

Mr. NUNN. Mr. President, I wish to associate myself with the remarks made by my colleagues. I am concerned by the committee action deferring one-third of the funds for the theater missile defense program and hope that this can be corrected in conference. While I do have concerns that the THAAD system is being pushed toward an unrealistic deployment date, I do not believe it should be zeroed in fiscal year 1992. I am particularly disappointed in the elimination of most of the fiscal year 1992 funding for the GBR, since that radar is an essential element of the Grand Fork's ABM architecture recommended by the Armed Services Committee.

Mr. WARNER. Mr. President, I thank my colleagues for their informed remarks, and wish to make it clear that I recognize the Defense Subcommittee's overall support for theater missile defenses. Indeed, it was the subcommittee that last year took the lead in advocating TMD. This is clear from their conference report, which states "that a U.S. tactical ballistic missile system with the necessary capabilities should be fielded as soon as technologically and fiscally feasible."

Mr. President, I notice that my dear friend and distinguished colleague from Alaska, Senator STEVENS, has been listening to this colloquy and I would like to ask him if he supports Senator INOUYE's view of how this program will be addressed in the Appropriations Committee conference.

Mr. STEVENS. Mr. President, I have listened closely to this colloquy and I want to state for the record that I fully endorse the importance of the THAAD and GBR Programs. While I had concerns about the programmatic development of the GBR Program in particular, I share Senate INOUYE's view that additional information from SDIO will go a long way to alleviate my concerns. I also pledge my strong support in conference for these programs, and as Senator INOUYE stated, I believe the ultimate outcome of our deliberations will be to the satisfaction of the administration.

EXHIBIT NO. 1

THE CHAIRMAN, JOINT CHIEFS OF STAFF,
Washington DC, June 5, 1991.

Hon. JOHN WARNER,
Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR WARNER: The refocused Strategic Defense Initiative (SDI) and the military requirement for ballistic missile defense have been subjects of considerable congressional interest. Consequently, I want to provide you the position of the Joint Chiefs of Staff on these important issues.

The Joint Chiefs of Staff fully support the President's decision refocusing SDI to provide global protection against limited strikes (GPALS). It is a clear and correct response to the threat posed by the proliferation of ballistic missiles. In DESERT STORM, we vividly witnessed the impact ballistic missile defenses had in bolstering the coalition arrayed against Iraq. Today, 20 nations have ballistic missiles. In the not-too-distant future, there is the potential for very accurate missiles with mass destruction warheads to be available to numerous Third World nations. Ultimately, some of these missiles could have the capability of directly attacking the United States. Providing protection against limited ballistic missile attacks for our deployed forces, friends and allies, and the United States should be a top national priority.

The President's decision to refocus SDI is totally consistent with JCS requirements. First, for strategic defense, specific requirements set out in our 1987 requirements document include high defense effectiveness against limited ballistic missile attacks, man-in-the-loop control, survivable systems, and the ability to destroy specified percentages of warheads during a major Soviet attack. Meeting these requirements is important because Soviet offensive and defensive strategic forces continue to be modernized. In a post-START world, the Soviet Union will remain the only nation capable of destroying the United States within 30 minutes. Second, the related issue of theater missile defense was addressed by the Joint Chiefs of Staff in 1988 when we established the requirement to protect U.S. forces from an increasingly sophisticated threat. At the time, the threat was primarily based on Warsaw Pact and Soviet capabilities. Now, the situation has changed.

The end of the Cold War and the proliferation of theater missile capabilities outside Europe, graphically demonstrated in DESERT STORM, are redefining the threat. We are reviewing requirements in light of the new situation, but it is clear that defense against theater ballistic missiles will be even more imperative in the future. GPALS is a very positive step in the right direction and one we support on its own merits. In addition, the SDI program should continue to develop the technologies and systems needed to make an informed choice for proceeding with a more robust missile defense should the geopolitical environment warrant.

In short, the Joint Chiefs of Staff fully support the President's decision refocusing SDI to provide global protection against limited strikes and urge the Congress to do so as well. This decision is in full consonance with military requirements, and it preserves our ability to expand the system to meet a much larger threat should a decision be made to do so in the future.

Sincerely,

COLIN L. POWELL,
Chairman, Joint Chiefs of Staff.

Mr. INOUYE. Mr. President, as my colleague from Virginia noted, our Defense subcommittee indeed took the lead last year in directing the Defense Department to accelerate its efforts to develop theater missile defenses.

The committee position on these programs is clearly stated in our report on the fiscal year 1992 Defense appropriations measure. I also ask unanimous consent to have printed in the RECORD at this point, my letter to the Director of the Strategic Defense Initiative Organization, which elaborates further on these important issues.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, September 23, 1991.

Hon. HENRY F. COOPER,
Director, Strategic Defense Initiative Organization, The Pentagon, Washington, DC.

DEAR AMBASSADOR COOPER: Thank you for your letter of September 20, 1991, regarding the Defense Subcommittee's recommendations for the Strategic Defense Initiative and Theater Missile Defense Initiative. I understand and appreciate your concerns.

Let me assure you from the outset that our recommendations—now endorsed by the Full Appropriations Committee—are in no way intended to disrupt or terminate either the Theater High Altitude Area Defense (THAAD) program or the Ground Based Radar (GBR) effort. The Subcommittee believes that both programs are important and valuable components of our national effort to develop effective defenses against ballistic missiles.

Our concerns with the THAAD and GBR are not fundamental—but programmatic—in nature. They focus on the issues of unfinished operational requirements and changing acquisition strategies. They are based on a desire to establish the firmest possible foundation from the beginning for these programs. For example, the Subcommittee understands that the Department of Defense has decided to pursue an acquisition strategy for the Ground Based Radar which already delays contract award by at least 7–8 months. We further understand that a validated operational requirement does not exist for an interim THAAD deployment in 1995. Also, this program may well be delayed due to the need to satisfy the established departmental acquisition procedures.

Our goal in making the recommendations is to encourage the Department to address these and other uncertainties as a matter of high priority. We hope they can be resolved satisfactorily as we approach a Joint Conference with our House counterparts, because our objective would be to restore whatever funds are appropriate for both programs for next fiscal year.

Please rest assured that your organization will have ample opportunity to provide us with whatever additional information you think will enlighten us further on these programs. I look forward to working closely with you so that we may be able to provide required funds for both THAAD and GBR at the conclusion of the fiscal year 1992 appropriations process. I am confident that the ultimate outcome of our deliberations will be to your satisfaction.

Sincerely,

DANIEL K. INOUYE,
Chairman, Senate Appropriations,
Subcommittee on Defense.

BIOREMEDIATION TECHNOLOGY

Mr. RIEGLE. Mr. President, the bill we are considering today includes report language providing $3.5 million for biological remediation demonstration projects for cleanup of soils and ground water on U.S. military sites contaminated by petroleum spills and other toxic chemicals wastes, including volatile organic, and chlorinated hydrocarbon; (for example, PCE, TCE, and chlorophenol wastes. The demonstration projects would be conducted by the Michigan Biotechnology Institute, a Lansing, MI, based nonprofit corporation with considerable expertise in applied environmental bioremediation technology.

The current total estimated cost for the 11,000 U.S. military sites warranted for cleanup is at least $40 billion. The biological demonstration projects which I will briefly describe have the potential to reduce total cleanup costs for those targeted wastes by more than 25 percent, that is, $10 billion.

The first proposed demonstration project would be for the cleanup of U.S. military site ground water contaminated with the light functions of gasoline such as benzene, toluene, and xylene [BTX]. Currently, cleanup costs using traditional treatment methods range from $80,000 to $100,000 per site for smaller sites and above $1 million for larger sites. Current cleanup methods include pumping contaminated ground water to the surface for the removal of contaminants by adsorbing them onto an activated carbon source, which must then be either incinerated or landfilled. A second method is air stripping the contaminants, transferring the problem from the ground water to the air. Often cleaning the air stream from air strippers is done by adsorption onto granular activated carbon.

In neither instance is the contaminant destroyed unless the carbon is incinerated appropriately. The biological demonstration project uses a simple reactor system where specially selected microbes, immobilized on granular activated carbon are used to degrade the BTX to carbon dioxide and water. This system has been shown to remove 99 percent of the petroleum spill contaminants from ground water. The cost to treat 1,000 gallons of ground water contaminated with BTX using this method is only 46 cents, compared with $1.62 per 1,000 gallons for air stripping, and $2.87 per 1,000 gallons for carbon absorption.

The second demonstration project is for the biological treatment and control of toxic volatile organics found in the air at a number of the targeted Superfund sites. Current treatment methods include incineration and the use of carbon to absorb the waste. Aside from being highly costly treatment methods, the same problems of waste disposal are incurred here as described above for the cleanup of petroleum contaminated ground water. The biological treatment system, used in combination with vacuum extraction is a low-capital treatment system which uses micro-organisms to consume the pollutant extracted from contaminated soils by applying a vacuum as a food source. These microorganisms are placed in a contained reactor system where they convert the contaminants to carbon dioxide, water and cell mass. It is estimated that if volatile organic from 20 percent of the sites used this method of cleanup, there is a potential savings of 50 percent of capital investment and 40 percent of the operating costs, over current treatment methods.

The third demonstration project, 1 to 2 years away, is for biological treatment of soils and groundwater on U.S. military sites contaminated with chlorinated hydrocarbons, such as PCE. As with the two previous projects, current treatment technologies include air-stripping and the use of carbon to trap the target wastes. Therefore, the same disposal problems exist. The biological demonstration project uses unique and efficient microbes, which exist in an oxygen-free environment, to eliminate the toxic compounds found in the wastes, and in general convert the pollutant to a less chlorinated and less toxic form that can be readily degraded using aerobic processes.

The major advantage of biological treatment systems is that they are as effective as the alternative systems described, but are considerably cheaper to establish and operate. Cost savings of 2 to 3 times that of activated carbon, 5 to 10 times that of incineration, and 2 to 3 times that of a combined air stripping/carbon system can be expected. The one perceived drawback with biological systems is that they tend to be slower. However, given the potential savings, this latter factor is not important in most instances.

To close, I wish to note that the citizens of the United States are going to hold the Government accountable for the wise deployment of dollars to handle this cleanup. Preliminary estimates of cleanup costs have forecast billions of dollars in cleanup investment; it is in the nation's best interest to carefully consider these new biological technologies which offer substantial potential for efficient destruction of these wastes at a substantially reduced cost over currently available technologies.

MANUFACTURING EXTENSION PROGRAMS CRITICAL TECHNOLOGY APPLICATION CENTERS PROGRAM

Mr. WOFFORD. Mr. President, I am going to vote for this bill. But I am disappointed that it does not fund two new authorized programs: the Manufacturing Extension Program and the Critical Technology Application Centers Program.

I'd like to commend my friend Senator BINGAMAN for his untiring work on these programs, and I look forward to working with him to convince the conferees that these important programs need funding this year.

Our technological and industrial base is also in danger of becoming obsolete. Many of our companies are in a free fall, suffering from changes in our defense needs, a soft economy and the national budget.

In particular, our small- and medium-sized industrial companies are suffering. These are the same companies that have helped us to become a superpower both economically and defensively. While I fully support reductions in our defense budget, I think it's clear that we also have to do something to protect our industrial base. I believe these programs would help.

These programs would help companies like Lavelle Aircraft, a small precision sheetmetal parts manufacturer in Philadelphia. Lavelle recently lost a contract for F-15 and F-16 military aircraft parts. This loss will force Lavelle to lay off almost 10 percent of its work force and this 10 percent represents the only skilled workforce in the U.S. currently producing these F-15 and F-16 parts.

And according to DOD, Lavelle is not alone. These losses are happening more and more as our industrial capabilities are withering away.

Even as our defense spending needs are shrinking, the war has taught us one lesson: We need to be technologically prepared for the emergencies that can arise in an unsettled world. And that means a strong industrial base. It is crucial that the Federal Government play a role in keeping this base alive, by helping our States to help firms to upgrade and diversify their operations.

Many States are already trying to address these issues. Pennsylvania's Industrial Resource Centers Program, established in 1988, is a perfect example. The program's eight regionally based IRC's have provided 2250 substantive services to 1,100 small- and medium-sized Pennsylvania firms. Federal support, through the Manufacturing Extension Program, would allow the program to expand and assist even more of the State's 18,000 manufacturing firms, an investment that will pay off in better product quality, improved technology, and more jobs in the manufacturing sector.

The Critical Technology Application Centers [CTAC's] Program would provide the next step in a coordinated program of services. The CTAC's would provide applied R&D and a full range of technology services, giving smaller firms a chance to turn their ideas and expertise into commercial products and processes. Many States have begun this effort with Government-industry-university partnerships and are uniquely positioned to commercialize the state-of-the-art development of these enterprises. Pennsylvania businesses are provided with this intensive R&D assistance through a successful program in which the State has invested over $200 million.

Mr. President, we're spending billions and billions of dollars in this defense spending bill. Are we going to continue to require innovative Americans to take their ideas to foreign nations for development? Are we going to ask our taxpayers to foot the bill for poor-quality, out-of-date hardware that might not protect them in the event of a war? Are we going to put our national security on the line by depending on foreign industry to build weapons?

These programs are pro-defense, pro-technology, pro-business, pro-employment and pro-American. I urge my colleagues to work with us to support them.

Mr. BINGAMAN. Mr. President, I thank the Senator from Pennsylvania for his statement. In his brief tenure here in the Senate, Senator WOFFORD has already become a strong voice for maintaining our Nation's security through technological and economic strength. And his State of Pennsylvania has been a leader in developing public programs that stimulate and leverage industry's investment in technology commercialization and manufacturing modernization.

I too hope to convince the conferees that these programs need funding this year. Toward that end, let me take a few minutes to explain why a National Manufacturing Extension Program and Critical Technology Application Centers are so important to national security.

NATIONAL MANUFACTURING EXTENSION PROGRAM

A National Manufacturing Extension Program, by leveraging programs such as Pennsylvania's IRC's, would address the problems of small and midsized manufacturing firms, perhaps the weakest link in our defense technology base. These firms consistently lag both larger U.S. firms and smaller foreign firms in adopting new process technology and production management techniques. These firms are a major part of our competitiveness problem, and they have become a major national security headache as well. The 1991 Joint Chiefs of Staff Net Assessment concludes that the loss of manufacturers of subsystem components is a threat to our Nation's ability to field state-of-the-art weapons systems.

Pennsylvania is one of a number of States where State extension programs are addressing the problems of defense manufacturing firms. In Ohio, Wright-Patterson Air Force Base has two projects underway aimed at modernizing aerospace suppliers. Wright-Patterson is relying on extension agents in Ohio and Pennsylvania to conduct on-site assessments and provide day-to-day help with manufacturing upgrading. Similarly, California set up a Supplier Improvement Program to link aerospace suppliers with publicly funded manufacturing technology centers.

Few of these manufacturers supply just to DOD; most operate with one foot in the defense market, the other in the civilian market. As DOD reduces its procurement budget, the ability of these firms to compete commercially is increasingly important to their survival as defense suppliers. Here too, manufacturing extension is vital. The experience of a Springfield, MA, defense subcontractor is typical: The State's Center for Applied Technology helped the firm reorganize its production operation and upgrade worker skills. The firm was able to bid successfully on a commercial contract and, by remaining economically viable, maintain its defense contracts.

CRITICAL TECHNOLOGY APPLICATION CENTERS

Critical Technology Application Centers are designed to address the other major weakness in our national technology base, namely the inability to turn technology into new products and processes quickly and inexpensively. Experts agree that the much larger and more dynamic commercial marketplace will increasingly drive the military technologies of the future. A recent report from the private sector Council on Competitiveness entitled "Gaining New Ground" warned that the U.S. position in many critical technologies, defense and nondefense, is slipping and, in some cases, has been lost altogether. The council concluded that, "unless the nation acts immediately to promote its position in critical generic technologies, U.S. * * * competitiveness will erode further, with disastrous consequences for American jobs, economic growth and national security."

Critical Technology Applications Centers [CTAC's] would address the critical importance of technology commercialization application. Organized existing geographic concentrations of firms—such as optics in Rochester, aircraft engines in Wichita, or electronics in Phoenix—CTAC's would provide applied R&D and a range of technology services, such as equipment testbed and scale-up facilities, prototype test and development, and education and training. These activities represent a kind of technology application infrastructure that is often lacking for all but the largest U.S. firms. By drawing together firms from complementary sectors, this infrastructure will also strengthen member firms through closer linkages to their customer and supplier firms, a major strength of the Japanese production system.

Our intent is that DOD would concentrate on technologies of interest to it and that the Commerce Department would pursue a separate program for nondefense technologies or for dual-use technologies not adequately funded by DOD.

The States have developed isolated programs to enhance technology commercialization and application. But those efforts lack sufficient scale and scope, often focusing on a particular need, say for seed capital or incubators, rather than the range of impediments to technology commercialization and application.

Successful models do exist, however. The Ben Franklin Partnership Program in Pennsylvania is one. Ohio's Thomas Edison Centers, designed to enhance that State's existing strengths in materials and manufacturing, are another. For example, the Edison Welding Institute in Columbus is operated by its 228 industrial members. The institute conducts research both inhouse and through Ohio State University, delivers customized education and training services, and provides engineering services and other assistance with technology application.

The effectiveness of the Edison Centers illustrates an important lesson that CTAC's are designed to reinforce: In global competition, the key elements of competitive performance are intensely local. The Edison Centers and others like it are contributing significantly to the vitality of regionally based sectors critical to both our civilian and our defense technology base.

REQUESTED APPROPRIATIONS

S. 1507, the fiscal year 1992 Defense Authorization Act, authorized $50 million for a National Manufacturing Extension Program and the same amount for Critical Technology Application Centers. I hope that conferees will see the value of appropriating the authorized amounts for those two important programs. In addition, I hope they will increase by $25 million the Senate's appropriation for a DARPA precompetitive technology program element, for a total of $100 million. This program element funds jointly financed DOD-industry partnerships to develop critical dual-use technologies identified in the annual Defense Critical Technologies Plan.

SUMMARY

One of the challenges we face in the current Congress is adjusting our defense technology strategy to the realities of the 1990's. Over the past decade we, and even more so the Soviets, have come to realize that national security means far more than merely military deterrence. A nation's security ultimately rests on its technological and industrial strength and its economic vitality.

For many years, DOD supported the development of technologies that yielded important civilian applications. Over the past 20 years, however, defense R&D has been less effective at fostering commercial technology development, in part because DOD has narrowed its own horizons. In a sense, our legislation represents a call to DOD to again broaden its horizons, to recognize that our national security is inextricably linked to the health of our industrial sector, especially at a time when DOD is no longer the dominant customer of high technology products it once was.

The programs I am proposing are very directly related to national security properly defined. I believe that DOD has been remiss in not supporting programs such as manufacturing extension and critical technology centers long ago. And I believe it is high time for DOD to readopt the long-term horizons it once had with respect to technology development. U.S. industry's short-term myopia has been extremely harmful to our Nation's economic position. We ought not allow DOD to maintain a similar short-term focus at the expense of technology development and manufacturing improvement with broad application in an increasingly integrated economy.

DARPA

Mr. GRAHAM. Mr. President, the current crisis in Iraq has been precipitated in part by our lack of adequate technology to monitor nuclear proliferation without putting inspectors in harms way. U.N. personnel are being held virtual hostage in Baghdad as we speak. The United States and the United Nations should not be limited to a reliance on ground inspection teams or helicopter inspection. Rather, we need to develop the capability of remote nuclear monitoring to verify the elimination of nuclear and chemical weapons and to prevent their proliferation.

Unless we do, we risk a crisis every time we attempt to determine a country's nuclear capability. I know Mr. MACK, my colleague from Florida, shares my sentiments.

The Defense Advanced Research Projects Agency [DARPA] has developed a number of successful technologies as part of its nuclear monitoring program. We need to harness this successful research and develop technology that will allow us to monitor the spread of nuclear weapons, targeting clandestine nuclear weapons and verifying their destruction.

DARPA is already working on some promising research utilizing satellite remote imaging of gamma rays given off nuclear arms, even those weapons which may be buried or otherwise concealed.

It seems only prudent to pursue this research, and quickly. I therefore would like the Congress to require that the Office of the Secretary of Defense identify the extent to which all Federal departments and agencies are now conducting research in this area. The report should determine the cost of future research, and whether the results will warrant such expenditures. Finally, the report should estimate how long it will take to develop adequate technology and what role, if any, private companies and universities should play in such an effort.

Mr. INOUYE. Mr. President, I share my colleague's interest in this issue and would support such a study.

Mr. GRAHAM. Mr. President, would the distinguished chairman agree to work in conference to obtain direction for such a study in the conference report.

Mr. INOUYE. We will do our best in conference on this matter.

Mr. GRAHAM. I thank the chairman. I very much appreciate his cooperation on this matter.

LEXINGTON BLUE GRASS ARMY DEPOT

Mr. MCCONNELL. Mr. President, I do not intend to delay final passage of H.R. 2521, but I'd like to express my concerns with two sections of this bill that affect the Lexington Blue Grass Army Depot [LBAD] in Richmond, KY.

The methods for disposing of our chemical weapon stockpiles have been heatedly and repeatedly debated in public forums in my State. Of the eight chemical agent/munitions storage sites in the United States, LBAD possesses the least percentage to be destroyed—a mere 1.6 percent of the total stockpile. While the communities around Richmond continue to examine disposal options, the Army has expressed its intentions to construct on-site incinerators at all eight locations.

LBAD distinguishes itself from other sites not only by the small percentage of its stockpile, but also by the character of the cities and towns surrounding the depot. With over 57,000 people living within a 7-mile radius of LBAD, and two schools only a stone's throw away, it is no wonder that the Army has noted Kentucky to be the State most vocally opposed to an onsite incinerator. My voice can be heard in the chorus of opposition to this disposal method.

The successful transport of chemical munitions from Germany to Johnston Island between July and November 1990 demonstrates the Army's ability to safely move and store chemical weapons. I firmly believe the transportation and disposal of weapons at a national site is a viable option. However, the opposition to such an alternative is great—I have repeatedly heard my colleagues vow that no chemical weapons will pass through their States.

To those doubting Thomases, let me quote from a letter I received from Army Assistant Secretary Susan Livingstone—Installations, Logistics and Environment. She wrote: "The chemical stockpile can be moved safely within the United States. The Army has always said that given enough resources it could do so." Let me reiterate what I have just said: the Army successfully and safely moved chemical weapons out of Germany. In both actions and words, it is clear the transportation of chemical munitions can be done.

What brings me to the Senate floor today is sections 8108 and 8109 of this bill. These sections have the appearance of being hastily added, almost in hopes that no one would take notice. I find these sections to be grossly illtimed.

Preempting the conclusion of phase I of the Army Site-Specific Environmental Impact Statement [SSEIS] for LBAD, these sections restrict funding for further study of the transportation option. I understood full and fair consideration would be given to all proposals, but this no longer appears to be the case. Let me pose a simple question—should the SSEIS determine alternate disposal methods need to be examined, will the transportation option—by way of this bill—be off limits? These sections hardly create a level playing field.

In the days to come, the chorus of opposition to the on-site incinerator will only grow louder. With Daniel Boone resolve, the citizens of Richmond—and all of Kentucky—will continue to press for the safe disposal of chemical weapons at the Lexington Blue Grass Depot.

ON THE V-22/CH-46E "GAP FILLER"

Mr. SPECTER. Mr. President, as you know, I am a strong supporter of the V-22 Osprey Program. I am concerned about the small amount of funding for the V-22 in this bill—only $165 million of prior year funds and no additional aircraft for operational test and evaluation. I am also concerned that this bill would fund a restart of the CH-46 helicopter production line, which is the helicopter the V-22 is intended to replace.

The bill views the new CH-46 helicopters as a gap filler to meet the Marine Corps medium lift requirements until the entire V-22 question is resolved. However, it is my belief that if we continue the V-22 program at a more robust research and development level, there will not be a need for a gap filler.

I am advised that the CH-46 production line has been closed for nearly 20 years—the last ones were built about the time the Vietnam war ended—and it is very costly to reopen that line for such a small number of aircraft. In addition, I am advised further that it will take about as long to restart that line and deliver new helicopters as it would to continue with V-22 development and field the V-22, assuming the testing continues to be successful.

The CH-46 helicopters are very old. No one questions the need to replace them, and all the studies to date have shown the V-22 to be the most cost effective replacement.

But it is also my understanding that the Marines can make the current CH-46 helicopters last a bit longer, with additional maintenance and overhauls, until the V-22 completes its operational evaluation and a production decision is made.

Therefore, although the intention is well-meaning, it seems to me that by not increasing the funding for V-22 development, we are actually making the problem worse instead of better because we are slowing down the effort to replace the CH-46 helicopters.

Mr. President, there does not appear to be any reason for slowing the V-22 effort. The flight testing has gone very well, with 4 aircraft in the flight test program and more than 450 flights. In addition, the first aircraft carrier tests and external loads testing have been very successful thus far, the V-22 has performed better than expected.

Unfortunately, a fifth aircraft was destroyed this past June on its maiden flight, but not because of a problem with the V-22—the mishap was the result of improper installation of some of the wiring in the flight control system. This was an unfortunate accident, but this type of thing does occur during development programs. Even the F-117 Stealth fighter suffered a similar loss during its development.

The V-22 aircraft, however, has resumed flight testing, and there is no technical reason to slow the development effort.

STATEMENT ON VOTES MISSED ON SEPTEMBER 25, 1991

Mr. KERREY. Mr. President, I was unavoidably absent on September 25, 1991, for Senate rollcall votes 206 and 207, the Sasser amendments on the B-2 and strategic defense initiative. Had I been present, I would have voted against the motion to table the Sasser amendment on the B-2 rollcall 206. I would have voted against the motion to table the Sasser amendment on the strategic defense initiative, rollcall 207.

BUDGET COMMITTEE SCORING

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 2521, the fiscal year 1992 defense appropriations bill and has found that the bill is under its 602(b) budget authority allocation by $753,000 and under its 602(b) outlay allocation by $3.7 million.

I compliment the distinguished manager of the bill, Senator DANIEL INOUYE, and the distinguished ranking member of the Defense Appropriations Subcommittee, Senator TED STEVENS for their work on this bill. They have made some difficult choices this year, and, according to the terms of the budget agreement, will face many more in the years ahead.

Mr. President, I have a table prepared by the Budget Committee which shows the official scoring of the defense appropriations bill and I ask unanimous consent that it be printed in the RECORD at the appropriate point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 2521

DEFENSE SUBCOMMITTEE—SPENDING TOTALS

[In billions of dollars]

Bill summary	Budget authority	Outlays
H.R. 2521:		
New budget authority and outlays	$270.4	$275.4
Enacted to date	0	98.9
Adjustment to conform mandatory programs to resolution assumptions		
Scorekeeping adjustments	0	0
Bill total	270.4	275.4
Senate 602(b) allocation	270.4	275.4
Total difference		
Discretionary:		
Domestic	0	
Senate 602(b)	0	0
Difference	0	
International	0	0
Senate 602(b)	0	0
Difference	0	0
Defense	270.2	275.2
Senate 602(b)	270.2	275.2
Difference		
Total discretionary spending	270.2	275.2
Mandatory spending	.2	.2
Mandatory allocation	.2	.2
Difference	0	0
Discretionary total above (+) or below (−):		
President's request	−.5	−1.3
Senate-passed bill	NA	NA
House-passed bill	−.2	

MILITARY CONSTRUCTION—1992 APPROPRIATIONS

[In thousands of dollars]

	President's request		House-passed		Senate reported		Senate-passed		Conference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Discretionary spending:										
Domestic:										
New spending in bill	0	0	5,000	1,250	0	−775				
Outlays prior	0	0	0	0	0	0				
Supplementals (P.L. 102–27)	0	0	0	0	0	0				
Scorekeeping mandatory adjustments	0	0	0	0	0	0				
Subtotal	0	0	5,000	1,250	0	−775				
602(b) allocation	NA	NA	0	0	0	0				
Above/below (+/−) allocation	NA	NA	5,000	1,250	0	−775				
International:										
New spending in bill	0	0	0	0	0	0				
Outlays prior	0	0	0	0	0	0				
Supplementals (P.L. 102–27)	0	0	0	0	0	0				
Scorekeeping mandatory adjustments	0	0	0	0	0	0				
Subtotal	0	0	0	0	0	0				
602(b) allocation	NA	NA	0	0	0	0				
Above/below (+/−) allocation	NA	NA	0	0	0	0				
Defense:										
New spending in bill	270,781,222	177,644,351	270,396,692	176,324,193	270,243,247	176,352,343				
Outlays prior	0	98,832,658	0	98,832,658	0	98,832,658				
Supplementals (P.L. 102–27)	0	33,272	0	33,272	0	33,272				
Scorekeeping mandatory adjustments	0	0	0	0	0	0				
Subtotal	270,781,222	276,510,281	270,396,692	275,190,123	270,243,247	275,218,273				
602(b) allocation	NA	NA	270,454,000	275,355,000	270,244,000	275,222,000				
Above/below (+/−) allocation	NA	NA	−57,308	−164,877	−753	−3,727				
Total discretionary:										
New spending in bill	270,781,222	177,644,351	270,401,692	176,325,443	270,243,247	176,351,568				
Outlays prior	0	98,832,658	0	98,832,658	0	98,832,658				
Supplementals (P.L. 102–27)	0	33,272	0	33,272	0	33,272				
Scorekeeping mandatory adjustments	0	0	0	0	0	0				
Subtotal	270,781,222	276,510,281	270,401,692	275,191,373	270,243,247	275,217,498				
Mandatory Spending:										
New spending in bill	164,100	164,100	164,100	164,100	164,100	164,100				
Permanent appropriatons	0	0	0	0	0	0				
Outlays prior	0	0	0	0	0	0				
Subtotal mandatory	164,100	164,100	164,100	164,100	164,100	164,100				
Resolution scoring adjustment	−100	−100	−100	−100	−100	−100				
Adjusted mandatory total	164,000	164,000	164,000	164,000	164,000	164,000				

MILITARY CONSTRUCTION—1992 APPROPRIATIONS—Continued

[In thousands of dollars]

	President's request		House-passed		Senate reported		Senate-passed		Conference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Bill total:										
Discretionary	270,781,222	276,510,281	270,401,692	275,191,373	270,243,247	275,217,498				
Adjusted mandatory	164,000	164,000	164,000	164,000	164,000	164,000				
Subtotal	270,945,222	276,674,281	270,565,692	275,355,373	270,407,247	275,381,498				
602(b) allocation	NA	NA	270,618,000	275,519,000	270,408,000	275,386,000				
Above/below (+/−) allocation	NA	NA	−52,308	−163,627	−753	−4,502				
Discretionary total compared to:										
President's request	NA	NA	−379,530	−1,318,908	−537,975	−1,292,783				
Houe-passed	379,530	1,318,908	NA	NA	−158,445	26,125				
Senate-passed	537,975	1,292,783	158,445	−26,125	NA	NA				

The PRESIDING OFFICER. Are there further amendments to the bill?

If not, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2521), as amended, was passed.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any technical and clerical corrections in the engrossment of the Senate amendments to H.R. 2521.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agree to, and the Presiding Officer (Mr. DODD) appointed Mr. INOUYE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. BYRD, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Mr. STEVENS, Mr. GARN, Mr. KASTEN, Mr. D'AMATO, Mr. RUDMAN, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, and Mr. HATFIELD conferees on the part of the Senate.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. WELLSTONE). Without objection, it is so ordered.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,385th day that Terry Anderson has been held capitive in Lebanon.

EL SALVADOR PEACE AGREEMENT

Mr. HATFIELD. Mr. President, there have been many reasons to celebrate these past 2 years: the unshackling of Eastern Europe, the loosened grip of communism upon the Soviet Union, growing democracy in Latin America and the possibility of peace in Cambodia. But the news that El Salvador's guns may soon be stilled is, to me, of great importance.

For over a decade the people of El Salvador have suffered. Nearly 75,000 men, women, and children died in a war of attrition. Some of these deaths brought worldwide attention and grief—the assassination of Archbishop Romero, the murder of the churchwomen, and the massacre 2 years ago of the Jesuits and their employees—all were reported globally. But each of these publicized deaths was matched by the quiet grief of hundreds of families who suffered their own losses in isolation from the world's knowledge.

For the past decade I have followed the tragedy of El Salvador. The Three reports compiled by my office and issued by the Arms Control and Foreign Policy Caucus unveiled the tremendous poverty and corruption of that country. They were important, I think, to the effort to end a misguided policy which only fed a military run amok.

But in the end, it is the people of El Salvador who will bring peace to the country. The events in New York this week prove clearly that the will is there. I am hopeful that the agreements reached at the United Nations will lead to a ceasefire by the end of the year.

SALUTE TO SOUTH CAROLINA'S FIREFIGHTERS

Mr. HOLLINGS. Mr. President, in each and every one of our local communities, firefighters are held in a very special regard. Americans respect these men and women because we know that, day in and day out, they stand ready to put their lives on the line to protect our safety and property. This is an awesome burden—a burden which firefighters take on willingly and with great pride. We owe them a profound debt of gratitude.

Accordingly, Mr. President, it is fitting that, as a Nation, we will set aside October 8 this year as National Firefighter Day. On the 8th, in ceremonies and celebrations across the country, citizens will salute the bravery and service of America's firefighters.

Mr. President, this will be a richly deserved occasion of respect and appreciation. Senators will recognize National Firefighter Day in a variety of ways on October 8. I rise today simply to express my own personal sense of admiration for the men and women of fire departments across South Carolina. They perform a superb and noble service. I thank them for the job they do for my family and for all the citizens of my State.

THE UNITED STATES SHOULD SUPPORT SELF-DETERMINATION IN UKRAINE

Mr. PELL. Mr. President, on August 24, 1991, in the wake of the failed coup against President Gorbachev, the Ukrainian Parliament adopted a resolution of independence. Later this year, Ukrainians are expected to endorse the parliament's action at the polls where they will also elect a president.

Seventy-three years ago, the Ukrainian Republic declared its independence, and established a democratic government guaranteeing many of the basic rights which we in the United States enjoy. Regrettably, just a few years later, the young republic was overtaken and incorporated into the new Soviet regime. Ukrainians have never lost their desire to determine their own fate, however, and Ukraine now has a renewed opportunity to do just that. As it forges ahead on its path to independence and democracy, I believe that the

United States must continue to advocate the principle of peaceful self-determination.

Over the years, the Ukrainian-American community has helped keep alive the aspirations of the Ukrainian people for freedom and democracy. In fact, just this past weekend, Ukrainian-Americans from all over the United States gathered here in Washington to seek United States support for Ukraine's bid for independence. I believe that it is fitting in the wake of that gathering and in anticipation of Chairman Kravchuk's visit to offer our endorsement of the Ukrainian people's right to fulfill their national aspirations.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination:

Calendar 316. John J. Easton, Jr., to be General Counsel of the Department of Energy.

I further ask unanimous consent that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF ENERGY

John J. Easton, Jr., of Vermont, to be General Counsel of the Department of Energy.

NOMINATION OF JOHN J. EASTON, JR.

Mr. WALLOP. Mr. President, on September 25, 1991, the Committee on Energy and National Resources favorably reported the nomination of John Easton to be general counsel for the Department of Energy by a unanimous vote.

Mr. Easton is extremely well qualified for the position to which he has been nominated. After graduating from Georgetown Law School in 1970, he spent many years in the practice of law, both in public service and in the private sector.

From 1981 to 1985, he served as attorney general for the State of Vermont. Prior to that time, he served 3 years as that State's assistant attorney general and 2 years as director of rate setting. He spent approximately 8 years in the private practice of law.

In October 1989, Mr. Easton was confirmed as Assistant Secretary of Energy for International Affairs and Energy Emergencies. During that confirmation hearing, he pledged his commitment to working toward improving the Nation's energy security, and he fulfilled that promise. He has worked closely with Admiral Watkins and Deputy Secretary Moore during the development of the national energy strategy, and played an important part in coordinating the successful response of the International Energy Agency during the Persian Gulf war.

Mr. Easton is well aware of the legal challenges facing the Department of Energy; and his background and experience have prepared him to take on these important responsibilities.

Mr. President, I urge my colleagues to join me in supporting Mr. Easton's confirmation as general counsel for the Department of Energy.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

EXTENSION OF NATIONAL EMERGENCY WITH RESPECT TO EXPIRATION OF THE EXPORT ADMINISTRATION ACT—MESSAGE FROM THE PRESIDENT—PM 80

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

On September 30, 1990, in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, *et seq.*), I issued Executive Order No. 12730, declaring a national emergency and continuing the system of export regulation, including antiboycott provisions, under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*). Under section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on the anniversary date of its declaration unless I publish in the *Federal Register* and transmit to the Congress notice of its continuation.

I am hereby advising the Congress that I have extended the national emergency declared in Executive Order No. 12730. Attached is a copy of the notice of extension.

GEORGE BUSH.

THE WHITE HOUSE, *September 26, 1991.*

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 11:14 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 363. An act to authorize the addition of 15 acres to Morristown National Historical Park;

S.J. Res. 73. Joint resolution designating October 1991 as "National Domestic Violence Awareness Month";

S.J. Res. 95. Joint resolution designating October 1991 as "National Breast Cancer Awareness Month"; and

S.J. Res. 125. Joint resolution to designate October 1991 as "Polish-American Heritage Month."

The enrolled bill and joint resolutions were subsequently signed by the Vice President.

At 4:22 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the amendment of the House to the bill (S. 296) to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.

The message also announced that the House agrees to the amendment of the Senate to the joint resolution (H.J. Res. 332) making continuing appropriations for the fiscal year 1992, and for other purposes.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1674. An act to amend the Communications Act of 1934 to reauthorize the Federal Communications Commission, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 3291. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes; and

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes.

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. BYRD).

MEASURES REFERRED

The following bill, received from the House of Representatives for concurrence on September 25, 1991, was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2181. An act to permit the Secretary of the Interior to acquire by exchange lands in the Cuyahoga National Recreation Area that are owned by the State of Ohio; to the Committee on Energy and Natural Resources.

The following bill received from the House of Representatives for concurrence was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1674. An act to amend the Communications Act of 1934 to reauthorize the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

Pursuant to the order of September 19, 1991, the Committee on Environment and Public Works was discharged from the further consideration of the following bill; which was placed on the calendar:

H.R. 2387. An act to authorize appropriations for certain programs for the conservation of striped bass, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 26, 1991, he had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 363. An act to authorize the addition of 15 acres to Morristown National Historical Park;

S.J. Res. 73. Joint resolution designating October 1991 as "National Domestic Violence Awareness Month";

S.J. Res. 95. Joint resolution designating October 1991 as "National Breast Cancer Awareness Month"; and

S.J. Res. 125. Joint resolution to designate October 1991 as "Polish-American Heritage Month."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KERRY, from the POW/MIA Affairs, without amendment:

S. Res. 185. An original resolution to provide for expenses and supplemental authority of the Select Committee on POW/MIA Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Chafee, Mr. Moynihan, Mr. Sarbanes, Mr. Lieberman, Mr. Akaka, Mr. Dodd, Mr. Adams, Mr. Fowler and Mr. Metzenbaum):

S. 1755. A bill to reform the concessions policies of the National Park Service, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. THURMOND:

S. 1756. A bill to extend the temporary suspension of duty on naphthalic acid anhydride; to the Committee on Finance.

S. 1757. A bill to suspend temporarily the duty on Fenbendazole; to the Committee on Finance.

S. 1758. A bill to suspend temporarily the duty on fenoxaprop-ethyl and fenoxaprop-p-ethyl; to the Committee on Finance.

S. 1759. A bill to suspend temporarily the duty on halofuginone hydrobromide; to the Committee on Finance.

S. 1760. A bill to suspend temporarily the duty on Tralomethrin; to the Committee on Finance.

By Mr. DASCHLE:

S. 1761. A bill to regulate above ground storage tanks used to store regulated substances, and for other purposes; to the Committee on Environment and Public Works.

By Mr. JOHNSTON (by request):

S. 1762. A bill to amend subsection 31(e) of the Mineral Leasing Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GRAHAM:

S. 1763. A bill to amend title 5, United States Code, to improve retirement counseling for Federal Government employees; to the Committee on Governmental Affairs.

S. 1764. A bill to amend the Older Americans Act of 1965 to establish a grant program to provide health and retirement information, counseling, and assistance to individuals, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. FORD (for himself and Mr. Sasser):

S. 1765. A bill to amend the Tennessee Valley Authority Act; to the Committee on Environment and Public Works.

By Mr. FORD (for himself and Mr. Stevens):

S. 1766. A bill relating to the jurisdiction of the United States Capitol Police; considered and passed.

By Mr. MURKOWSKI:

S.J. Res. 205. A joint resolution to designate November 4, 1991 as "Diplomatic Security Day"; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. Lugar, Mr. D'Amato, Mr. Packwood, Mrs. Kassebaum, Mr. Pell, Mr. Shelby, Mr. Levin, Mr. Kerry, Mr. Lautenberg, Mr. Sarbanes, Mr. Exon, Mr. Durenberger, Mr. Helms, Mr. Cranston, Mr. Garn, Mr. Grassley, Mr. Metzenbaum, Mr. Robb, Mr. Bradley, Mr. Dole, Mr. Inouye, Mr. Dixon, Mr. Rockefeller, Mr. Moynihan, Mr. Sasser, Mr. Graham, Mr. Reid, Mr. Johnston, Mr. Lieberman, Mr. Simon, Mr. Glenn, Mr. Murkowski, Mr. Specter, Mr. Pressler and Mr. Breaux):

S.J. Res. 206. A joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KERRY:

S. Res. 185. An original resolution to provide for expenses and supplemental authority of the Select Committee on POW/MIA Affairs; from the POW/MIA Affairs; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Chafee, Mr. Moynihan, Mr. Sarbanes, Mr. Lieberman, Mr. Akaka, Mr. Dodd, Mr. Adams, Mr. Fowler, and Mr. Metzenbaum):

S. 1755. A bill to reform the concessions policies of the National Park Service, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL PARK SERVICE CONCESSIONS POLICY REFORM ACT

Mr. BUMPERS. Mr. President, I rise today to introduce a bill to reform the way we offer concessions in our national parks. The Concessions Policy Act of 1965, under which the Park Service now operates, is in need of major reform.

I offer this bill on behalf of myself, Mr. Pryor, Mr. Chafee, Mr. Moynihan, Mr. Sarbanes, Mr. Lieberman, Mr. Akaka, Mr. Dodd, Mr. Adams, Mr. Fowler, and Mr. Metzenbaum.

Briefly, Mr. President, in order to tell you what the bill does, let me tell you how we operate now. The present policy is so egregious that last year the concessioners in national parks—and there are over 500 of them, many of them small businesses—generated $531 million in revenues, for which the Federal Government got the princely sum of $13 million. You think about that kind of a return on $531 million in sales. One of the primary reasons for that is a provision in today's concessions act which provides that if you build a certain building, the Park Service will give you a possessory interest in that building. You can depreciate it on your tax return, and if at any time you ever want to give this up—and that is about the only way you can get rid of one, is for somebody to give it up, because it is like grazing fees, they just renew them and renew them and renew them—if you want to get rid of it we will pay what they call sound value.

If you build a hotel, for example, in Yosemite that costs $10 million, and 20 years later that hotel has a $20 million value, even though the concessioner may have totally depreciated the thing and gotten the tax benefit of it, the U.S. Park Service would still be obligated, not to pay him $10 million, not to pay him nothing because he has already depreciated it out, but the sound value, which may have appreciated to twice what it costs.

Reason No. 2, before you can let a contract to another concessioner, and get rid of an existing concessioner, you have to give the one that is there now the right to match any bid that anybody makes. Think about that. You talk about a bird's nest on the ground. Some guy comes in and says I will give you twice what this guy is giving you and he says, well, I will give you twice. Incidentally that kind of example will give you some idea of what kind of a ripoff this is. But the guy who has the concession right now—they are called concessioners—he is entitled to it as long as he is willing to match whatever anybody else will give. Which means you can virtually never get him out of it.

There is much more to this. I hope my colleagues will take the time to read this in the RECORD, or have their staff read it, because it makes very interesting, novelistic type reading.

But what my bill does is change all of that so we buy the property back at its depreciated value, so we have actual competitive bidding. As a matter of fact, we would use 50 percent of the franchise fees paid to the U.S. Government from these parks to buy that possessory interest and the other 50 percent will go to the National Park Service.

Mr. President, this policy is as bad as a whole host of other policies that need to be changed. For example, like the 1872 Mining law, the grazing fees, and all the rest. I do not say that to raise people's hackles who support those things. They are very controversial.

Mr. President, the Concessions Policy Act of 1965, the law under which the National Park Service authorizes concessioners to provide visitor services inside units of the National Park System, is in need of major reform. The existing law is outdated, does not ensure an adequate financial return to the Federal Government, and is anticompetitive. Today I am introducing the Concessions Policy Reform Act to make much-needed changes in the current system and ensure that the American public gets a fair return for allowing these private entities the privilege of doing business in these spectacular areas.

Private visitor services have been operating in our national parks for nearly 100 years. Prior to 1965, the National Park Service provided for in-park visitor services by administrative action under very general provisions in the 1916 Park Service Organic Act. In 1965, Congress enacted the Concessions Policy Act, making the National Park Service the only Federal land-managing agency with a specific concessions statute.

Current concession operations in national parks vary in size from small, family-owned businesses providing services like canoe rentals and livery services, to major hotel and restaurant facilities operated by large corporations. Although the number fluctuates because of seasonal changes, there are currently some 560 such operations inside units of the National Park System.

Concession permits are issued for most smaller or seasonal operations, while concession contracts are used for larger, more long-term operations. Total gross revenues generated by concessioners were $531 million in 1990. About 10 percent of the concessioners account for 80 percent of these revenues.

Concessions policy and the need for significant reform have been topics of intense interest for many years. Numerous congressional oversight hearings have been conducted, including two hearings last summer before the Subcommittee on Public Lands, National Parks and Forests, which I chair. In addition, this issue has been the subject of numerous studies, reports, and analyses prepared by Congress, the General Accounting Office, the Department of the Interior's inspector general, the National Park Service, and a variety of private research organizations. All of these studies have identified problems with the current law which need to be addressed.

This spring, in response to two new reports issued by the National Park Service and the inspector general, Interior Secretary Manuel Lujan announced a series of policy initiatives for concessions management in national parks. And last month the Department of the Interior issued proposed regulations which would address many of the deficiencies in the existing park concessions policies. This is the first time, since I came to the Senate in 1975, that a Secretary of the Interior has taken an active role in attempting to reform the existing concessions system, and Secretary Lujan is to be commended for his leadership in this area. While the Secretary has proposed positive administrative changes, I feel strongly that changes in the law itself are also necessary. As I noted earlier, congressional hearings and the General Accounting Office's and inspector general's reports have consistently identified several areas in the existing law that need to be corrected.

One of the problems with the current system concerns franchise fees, the fees paid by concessioners to the Government, and indirectly to the American people, for the privilege of operating a business inside a national park. These fees are too low and should be increased. This is especially true for the larger concessioners who are operating under long-term concessions contracts entered into many years ago. At present, the U.S. Treasury receives just $13.2 million in franchise and related fees from concessioners who do in excess of 531 million dollars' worth of business in our national parks. This is an unacceptably low rate of return to the American public—2.5 percent—and represents a giveaway of some of this Nation's most valuable resources.

In addition, the widespread Park Service practice of significantly reducing franchise fees in exchange for capital and other improvements in the parks, should be reexamined. As construction and operating budgets for parks have shrunk, the Park Service has often sought to provide additional visitor facilities by negotiating reduced franchise fees from concessioners in exchange for new building programs, roads, or maintenance activities.

The fact is, the Park Service does not have the capability to determine whether such arrangements are fair and reasonable, and whether the public interest is served, since there is currently no system to ensure that these improvements, and other activities, are equal in value to the franchise fees being forgone.

Rather than arbitrarily setting a minimum franchise fee in the legislation, my bill will ensure that these fees will increase to a more realistic level by encouraging and facilitating increased competition for concessions contracts.

Under existing law, franchise fees are deposited as miscellaneous receipts in the U.S. Treasury. Since these funds do not directly benefit the parks or the people who use them, there is not much incentive for the Park Service to aggressively pursue increased fees, or for concessioners to pay them. My legislation would deposit these receipts into a special account in the Treasury. Fifty percent of this account would be used, subject to appropriation, to acquire these outstanding possessory interests, thereby reducing future barriers to competition. The remaining half of the account would be used to benefit park operations.

While I believe it is important that the Federal Government receive a better return on these contracts, the operation of facilities in national parks should not necessarily be determined simply on the basis of the highest bid. My legislation explicitly states that consideration of revenue to the United States shall be subordinate to the objectives of protecting and preserving park areas. In addition, the bill grants the Secretary the authority to reject any bid, regardless of the amount of franchise fee offered, if the Secretary determines that the bidder is not qualified, is likely to provide unsatisfactory service, or is not responsive to the objectives of protecting and preserving the park area.

The most egregious practice today is the statutory preferential right to contract renewal which, as currently interpreted by the Park Service, gives an existing concessioner the right to meet the terms of a better offer submitted by a competitor and to retain the contract if the existing concessioner's offer is substantially equal. In my view, this is anticompetitive and should not be granted as a matter of law. While such a preference may have been warranted years ago to encourage certain developments in parks and ensure the continuity of concession operations, it can also limit both the Park Service's influence in dealing with concessioners and the ability of most Americans to compete for concession contracts. In many instances, the right to provide visitor services inside national parks is a very desirable, and very valuable, privilege which can attract a host of extremely competent and qualified prospective concessioners. The Park Service ought to be able to choose from these qualified applicants without being constrained by a preferential right. My legislation will eliminate the preferential right of renewal in any future concessions contracts.

It is also apparent that the Park Service does not adequately publicize new concession contracts or contract renewal opportunities, nor does it always provide interested parties with the specific financial and other submission requirements needed to submit competitive proposals. The Concessions Policy Reform Act would establish a detailed competitive bidding procedure for the awarding of all concessions contracts. This process would require that advance notice of all concessions contracts be published in the Federal Register, that specific minimum bid requirements be established and made public, and that the previous contract for the park area and other important information be published.

Perhaps the most substantial impediment to competition involves the current law's allowance of granting a concessioner a possessory interest. When a concessioner makes an improvement on land inside a national park, that concessioner is entitled, with the approval of the Secretary, to a possessory interest in that improvement which consists of all incidents of ownership except legal title. The method of valuation for this property interest as set forth in the 1965 act is sound value. Sound value is defined as "current reconstruction cost, less depreciation, not to exceed fair market value." This effectively gives concessioners a right of compensation of the appreciated value of their improvements. This current practice of routinely granting sound value can result in concessioners being entitled to millions of dollars in possessory interest, which can effectively make it impossible for the National Park Service to terminate a contract or award it to a new concessioner. This practice is not warranted, serves as a barrier to new and qualified concessioners, and limits the Park Service's flexibility in managing concessions facilities.

The legislation I am introducing today will continue to recognize a current concessioner's possessory interest, if there is one. With respect to new concessions contracts, however, my bill provides that if a concessioner's contract is terminated, the concessioner shall be entitled to the actual cost of building or acquiring the structure, less depreciation. The cost is to be amortized over the life of the concessions contract, meaning that at the end of the contract, the concessioner's interest in the structure will be extinguished.

In addition to these major changes, my legislation would adopt a number of other recommendations identified by the General Accounting Office, the inspector general, and the Department's concessions task force.

Before I conclude, Mr. President, let me make two additional observations. First, the purpose of this bill is not to eliminate concession operations from our national parks. I do not subscribe to the theory that all visitor facilities in national parks are inappropriate. Many of the facilities and services provided by concessioners are entirely appropriate and benefit the park visitors. I only want to ensure that when concession contracts are awarded, the American people receive a fair return.

Second, I know that many concessions services are performed by small business men and women under annual concession permits. Many of these operations gross less than $100,000 annually and involve little, or no, capital improvements or facilities. I recognize that many of the provisions of my proposal may not be appropriate, or workable, in such instances. I want to ensure these concessioners that in the months ahead I will be looking at ways to make this legislation flexible enough to deal with the special needs of the small concessions operators.

Mr. President, major changes in the Concessions Policy Act will not come easy. Efforts to reform the existing system have been ongoing for over 20 years and little improvement has been made. For several reasons, I hope that this year will be different. First, for the first time, the Secretary of the Interior favors changing the system. Without support from the highest levels of the Department, any meaningful reform would be very difficult to achieve.

More importantly, I believe the American people expect Congress to more closely examine Federal programs to guarantee that the Government is receiving a fair return on its investment. In recent years many of us in the Congress have sought changes to the Federal onshore oil and gas leasing program, the Federal timber sale programs, the 1872 mining law, and the Federal grazing program. The goal of each of these efforts has been, and continues to be, to ensure a fair return to the public for the use of public resources. I feel strongly that the concessions program of the National Park Service should be examined in this same light.

I ask unanimous consent that a copy of the bill, a section-by-section analysis, and a summary of major issues be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1755

Be it enacted in the Senate and the House of Representatives in the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Park Service Concessions Policy Reform Act of 1991".

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—In furtherance of the act of August 25, 1916 (39 Stat. 535), as amended, (16 U.S.C. 1, 2-4), which directs the Secretary of the Interior to administer areas of the National Park System in accordance with the fundamental purpose of preserving their scenery, wildlife, natural and historic objects, and providing for their enjoyment in a manner that will leave them unimpaired for the enjoyment of future generations, the Congress finds that the preservation of park values requires that public accommodations, facilities, and services be limited to those necessary to carry out the approved management objectives for each park area.

(b) POLICY.—It is the policy of the Congress that—

(1) public facilities or services shall be provided within a park area only when the private sector or other public agencies cannot adequately provide such facilities or services in the vicinity of the park area;

(2) if the Secretary determines that public facilities or services should be provided within a park area, such facilities or services shall be limited to locations and designs consistent with the highest degree of resource preservation and protection of the aesthetic values of the park area;

(3) such facilities and services should be awarded only through competitive bid procedures; and

(4) such facilities or services should be provided to the public at reasonable rates.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) "bid" means the complete proposal for a concessions contract offered by a potential or existing concessioner in response to the minimum requirements for the contract established by the Secretary;

(2) "concessioner" means a private person, corporation, or other entity to whom a concessions contract has been awarded;

(3) "concessions contract" means a contract, including permits, to provide facilities or services, or both, at a park area.

(4) "facilities" means improvements to real property (including related personal property necessary to the operation thereof) within park areas used to provide accommodations, facilities, or services to park visitors;

(5) "park area" means an area administered by the National Park Service, including units of the National Park System and affiliated areas; and

(6) "Secretary" means the Secretary of the Interior.

SEC. 4. REPEAL OF CONCESSIONS POLICY ACT OF 1965.

The Act of October 9, 1965, Public Law 89-249 (79 Stat. 969, 16 U.S.C. 20-20g), entitled "An Act relating to the establishment of concession policies administered in the areas administered by the National Park Service and for other purposes", is hereby repealed. The repeal of such Act shall not affect the validity of any contract entered into under such Act, but the provisions of the Act shall apply to any such contract except to the extent such provisions are inconsistent with the express terms and conditions of the contract.

SEC. 5. CONCESSIONS POLICY

Subject to the findings and policy stated in section 2 of this Act, and upon a determination by the Secretary that facilities and services are necessary and desirable for the accommodation of visitors at a park area, the Secretary shall, consistent with the provisions of this Act, laws relating generally to the administration and management of units of the National Park System, and the park's general management plan, authorize private persons, corporations, or other entities to provide and operate such facilities and services as the Secretary deems necessary.

SEC. 6. COMPETITIVE BID PROCEDURES.

(a) IN GENERAL.—Except as provided in subsection (b), any concessions contract entered into pursuant to this Act shall be awarded only through competitive bid procedures. Within 180 days after the date of enactment of this Act, the Secretary shall promulgate appropriate regulations establishing such procedures.

(b) TEMPORARY CONTRACTS.—Notwithstanding the provisions of subsection (a), the Secretary may waive competitive bid procedures and award a temporary concessions contract in order to avoid interruption of services to the public at a park area.

(c) PUBLICATION OF CONTRACT REQUIREMENTS.—At least 120 days prior to soliciting bids for a concessions contract at a park area, the secretary shall publish in the *Federal Register* the minimum bid requirements for the contract, as set forth in subsection (d). The Secretary shall also publish the terms and conditions of the previous concessions contract awarded for such park area, and such financial information of the existing concessioner pertaining directly to the operation of the affected concessions facilities and services during the preceding contract period as the Secretary determines is necessary to allow for the submission of competitive bids. Any concessions contract entered into pursuant to this Act shall provide that the concessioner shall waive any claim of confidentiality with respect to the potential disclosure of such information by the Secretary.

(d) MINIMUM BID REQUIREMENTS.—(1) No bid shall be considered which fails to meet the minimum requirements as determined by the Secretary. Such minimum requirements shall include, but need not be limited to, the amount of franchise fee, the duration of the contract, and facilities or services required to be provided by the concessioner.

(2) The Secretary may reject any bid, notwithstanding the amount of franchise fee offered, if the Secretary determines that the bidder is not qualified, is likely to provide unsatisfactory service, or that the bid is not responsive to the objectives of protecting and preserving the park area or of providing appropriate facilities or services to the public at reasonable rates.

(3) If all bids submitted to the Secretary either fail to meet the minimum bid requirements or are rejected by the Secretary, the Secretary shall establish new minimum bid requirements and re-initiate the competitive bid process pursuant to this section, except that the Secretary shall solicit bids for the new concessions contract for 60 days after the revised minimum bid requirements are published.

(e) CONGRESSIONAL NOTIFICATION.—(1) The Secretary shall submit any proposed concessions contract with anticipated gross receipts in excess of $100,000 or a duration of five years or more to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

(2) The Secretary shall not ratify any such proposed contract until at least 60 days subsequent to the notification of both Committees.

(f) NO PREFERENTIAL RIGHT TO NEW OR ADDITIONAL SERVICES.—The Secretary shall not grant a preferential right to a concessioner to provide new or additional services at a park area, nor shall the Secretary grant a preference in the renewal of concessions contracts under this Act.

SEC. 7. FRANCHISE FEES.

(a) IN GENERAL.—Franchise fees, however stated, shall be determined competitively and shall not be less than a minimum level which the Secretary has deemed appropriate, consistent with a reasonable opportunity for the concessioner to realize a profit on the operation as a whole commensurate with the capital invested and the obligations assumed. Consideration of revenue to the United States shall be subordinate to the objectives of protecting and preserving park areas and of providing appropriate facilities and services for visitors at reasonable rates.

(b) PERIODIC REVIEW.—A concessions contract entered into pursuant to this Act and for a duration of greater than seven years shall provide for a review and possible readjustment of the franchise fee by the Secretary at least every five years.

SEC. 8. USE OF FRANCHISE FEES.

All receipts collected pursuant to this Act shall be covered into a special account established in the Treasury of the United States. Amounts covered into such account in a fiscal year shall be available for expenditure, subject to appropriation, solely as follows:

(1) 50 percent shall be used by the Secretary for the acquisition of outstanding possessory interests in units of the National Park System, in a manner to be determined by the Secretary;

(2) 25 percent shall be allocated among the units of the National Park System in the same proportion as franchise fees collected from a specific unit bears to the total amount covered into the account for each fiscal year, to be used for resource management and protection, maintenance activities, interpretation, and research; and

(3) 25 percent shall be allocated among the units of the National Park System on the basis of need, in a manner to be determined by the Secretary, to be used for resource management and protection, maintenance activities, interpretation, and research.

SEC. 9. DURATION OF CONTRACT.

(a) MAXIMUM TERM.—A concessions contract entered into pursuant to this Act shall be awarded for a term not to exceed ten years unless the Secretary determines that the capital investment required by the contract necessitates a longer term, but in no case shall the term be longer than that required for full amortization of the investment.

(b) TEMPORARY CONTRACT.—A temporary concessions contract awarded on a non-competitive basis pursuant to section 6(b) of this Act shall be for a term not to exceed two years.

SEC. 10. TRANSFER OF CONTRACT.

(a) IN GENERAL.—(1) No concessions contract may be transferred, assigned, sold, or otherwise conveyed by a concessioner without prior written notification to, and approval of the Secretary. The Secretary shall not approve the transfer of a concessions contract to any individual, corporation, or other entity if the Secretary determines that such individual, corporation, or entity is, or will be, unable to adequately provide the appropriate facilities or services required by the contract.

(2) The Secretary shall reject any proposal to transfer, assign, sell, or otherwise convey a concessions contract if the Secretary determines that such transfer, assignment, sale, or conveyance is not consistent with the objectives of protecting and preserving the park area, or of providing appropriate facilities or services for visitors at reasonable rates.

(b) CONGRESSIONAL NOTIFICATION.—Within 30 days after receiving a proposal to transfer, assign, sell, or otherwise convey a concessions contract, the Secretary shall notify the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives of such proposal. Approval of such proposal, if granted by the Secretary, shall not take effect until 90 days after the date of notification of both committees.

SEC. 11. PROTECTION OF CONCESSIONER INVESTMENT.

(a) EXISTING STRUCTURES.—(1) A concessioner who before the date of the enactment of this Act has acquired or constructed, or has commenced acquisition or construction of any structure, fixture, or improvement upon land owned by the United States within a park area, pursuant to a concessions contract and with the approval of the Secretary, shall have a possessory interest therein, to the extent provided by such contract.

(2) The provisions of this subsection shall not apply to a concessioner whose contract in effect on the date of enactment of this Act does not include recognition of a possessory interest.

(3) With respect to a concessions contract entered into on or after the date of enactment of this Act, the provisions of subsection (b) shall apply to any existing structure, fixture, or improvement as defined in paragraph (a)(1), except that the actual value of such structure, fixture, or improvement shall be the value of the possessory interest as of the termination date of the previous concessions contract.

(b) NEW STRUCTURES.—On or after the date of enactment of this Act, a concessioner who constructs or acquires a new, additional, or replacement structure, fixture, or improvement upon land owned by the United States within a park area pursuant to a concessions contract and with the approval of the Secretary, shall be entitled to receive from the United States or a successor concessioner payment equivalent to the actual costs of acquiring or constructing such structure, fixture, or improvement, less amortization, in the event that such contract expires or is terminated prior to recovery of such costs. Such actual costs shall be amortized over the term of the concessions contract and such amortization shall be accounted for in the schedule of rates and charges arrived at pursuant to this Act. Title to any such structure, fixture, or improvement shall be vested in the United States.

(c) INSURANCE, MAINTENANCE AND REPAIR.—Nothing in this section shall affect the obligation of each concessioner to insure, maintain, and repair any structure, fixture, or improvement assigned to such concessioner and to insure that such structure, fixture, or improvement fully complies with applicable safety and health laws and regulations.

(d) PUBLIC REVIEW.—(1) The construction of any new, additional, or replacement structure, fixture, or improvement involving costs of $100,000 or more, provided or financed by a concessioner, upon land owned by the United States within a park area shall be authorized only after public review, including an opportunity for public hearings, to determine whether such construction is appropriate and consistent with the purposes of the National Park System, the laws relating generally to the administration and management of the System, and the park's general management plan. The requirements of this subsection may be satisfied by the public review and hearings associated with the development of the general management plan for the park area.

(2) Approval by the Secretary of any construction proposal pursuant to paragraph (1) shall not take effect until 90 days after the Secretary has transmitted such proposal to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

SEC. 12. UTILITY COSTS.

(a) IN GENERAL.—A concessions contract entered into pursuant to this Act shall provide that the concessioner shall be responsible for all utility costs incurred by the concessioner.

(b) CONFORMING AMENDMENT.—Section 1 of the Act of August 8, 1953 (16 U.S.C. 1b) is amended in paragraph 4 by striking "concessioners,".

SEC. 13. RATES AND CHARGES TO PUBLIC.

The reasonableness of a concessioner's rates and charges to the public shall, unless otherwise provided in the bid specifications and contract, be judged primarily by comparison with those rates and charges for facilities and services of comparable character under similar conditions, with due consideration for length of season, seasonal variance, average percentage of occupancy, accessibility, availability and costs of labor and materials, type of patronage, and other factors deemed significant by the Secretary.

SEC. 14. CONCESSIONER PERFORMANCE EVALUATION.

(a) REGULATIONS.—Within 180 days after the date of enactment of this Act, the Secretary shall publish in the *Federal Register* after an appropriate period for public comment, regulations establishing standards and criteria for evaluating the performance of concessions operating within park areas.

(b) ANNUAL EVALUATION.—(1) The Secretary shall conduct annually an evaluation of each concessioner operating under a concessions contract pursuant to this Act, to determine whether such concessioner has performed satisfactorily. If the Secretary's performance evaluation results in an unsatisfactory rating of the concessioner's overall operation, the Secretary shall prepare an analysis of the minimum requirements necessary for the operation to be rated satisfactory, and shall so notify the concessioner in writing.

(2) The Secretary shall conduct a subsequent evaluation within 90 days after issuing an unsatisfactory rating. If the Secretary continues to rate the concessioner's overall operation unsatisfactory, the Secretary shall terminate the concessions contract within 30 days unless the concessioner complies with the minimum operational requirements established by the Secretary.

(3) The concessioner shall be responsible for all costs associated with any subsequent evaluations resulting from an unsatisfactory rating.

(4) If the Secretary terminates a concessions contract pursuant to this section, the Secretary shall solicit bids for a new contract consistent with the provisions of section 6 of this Act.

(c) CONGRESSIONAL NOTIFICATION.—The Secretary shall notify the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representative of each unsatisfactory rating and of each concessions contract terminated pursuant to this section.

SEC. 15. RECORDKEEPING REQUIREMENTS.

(a) IN GENERAL.—Each concessioner shall keep such records as the Secretary may prescribe to enable the Secretary to determine that all terms of the concessioner's contract have been, and are being faithfully performed, and the Secretary or any of the Secretary's duly authorized representatives shall, for the purposes of audit and examination, have access to such records and to other books, documents and papers of the consessioner pertinent to the contract and all the terms and conditions thereof as the Secretary deems necessary.

(b) GENERAL ACCOUNTING OFFICE REVIEW.—The Comptroller General of the United States or any of his or her duly authorized representatives shall, until the expiration of five calendar years after the close of the business year of each concessioner or subconcessioner, have access to and the right to examine any pertinent books, documents, papers, and records of the concessioner or subconcessioner related to the contracts or contracts involved.

SEC. 16. EXEMPTION FROM CERTAIN LEASE REQUIREMENTS.

The provisions of section 321 of the Act of June 30, 1932 (47 Stat. 412; 40 U.S.C. 303B), relating to the leasing of buildings and properties of the United States, shall not apply to contracts awarded by the Secretary pursuant to this Act.

SEC. 17. CONFORMING AMENDMENT.

Subsection (h) of section 2 of the Act of August 21, 1935, the Historical Sites, Buildings and Antiquities Act (49 Stat. 666; 16 U.S.C. 462(h)), is amended by striking out the proviso therein.

NATIONAL PARK SERVICE CONCESSIONS POLICY REFORM ACT OF 1991—SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title, the "National Park Service Concessions Policy Reform Act of 1991."

Section 2 contains the Congressional findings and policy.

Section 3 defines certain terms used in the Act.

Section 4 repeals the Concessions Policy Act of 1965 in its entirety. The section provides that the repeal is not to affect the validity of existing concessions contracts, except that the provisions of this Act are to apply to existing contracts to the extent the provisions of this Act are not inconsistent with the express terms and conditions of the contract.

Section 5 sets forth the concessions policy for the National Park Service. The section authorizes the Secretary of the Interior (the "Secretary") to permit concessions operations within National Parks, consistent with the provisions of this Act, laws relating generally to the management of units of the National Park System, and the specific park's general management plan.

Section 6 provides for the awarding of concessions contracts through competitive bid procedures. Subsection (a) states that except for temporary contracts awarded pursuant to subsection (b), all contracts must be awarded only through competitive bid procedures. The Secretary is directed to promulgate appropriate regulations within 180 days after the date of enactment of this Act.

Subsection (b) states that the Secretary may waive competitive bid procedures and award a temporary concessions contract in order to avoid interruption of services to the public at a park area.

Subsection (c) requires that the Secretary publish the minimum bid requirements for a concessions contract in the Federal Register at least 120 days prior to soliciting bids for the contract. The Secretary is also directed to publish the terms and conditions of the previous concessions contract and such financial information of the existing concessioner pertaining directly to the operation of the affected concessions facilities and services as the Secretary determines is necessary to allow for the submission of competitive bids.

Subsection (d) provides that the Secretary may not consider any bid which fails to meet the minimum bid requirements as determined by the Secretary. The minimum bid requirements include, but are not limited to, the amount of franchise fee, the duration of the contract, and the facilities or services required to be provided by the concessioner.

Subsection (e) requires the Secretary to submit to the appropriate Congressional Committees any proposed concessions contract with anticipated gross receipts in excess of $100,000, or for a duration of five years or more. The Secretary is prohibited from ratifying any such proposed contract until at least 60 days after such Congressional notification.

Subsection (f) prohibits the Secretary from granting a concessioner a preferential right of renewal or preferential right to provide new or additional services at the park area.

Section 7 provides that franchise fees are to be determined competitively and shall not be less than a minimum level that the Secretary has deemed appropriate, consistent with a reasonable opportunity for the concessioner to realize a profit on the operation as a whole, commensurate with the capital invested and the obligations assumed. Subsection (a) makes clear that consideration of revenue to the United States shall be subordinate to the objectives of protecting and preserving park areas and of providing appropriate facilities and services for visitors at reasonable rates.

Subsection (b) states that a concessions contract for a duration of greater than seven years shall provide for a review and possible readjustment of the contract at least every five years.

Section 8 establishes a special account in the Treasury of the United States for all receipts collected pursuant to this Act. Subject to appropriation, 50 percent of the franchise fees receipts are to be used by the Secretary for the acquisition of outstanding possessory interests in units of the National Park System, 25 percent are to be allocated among park units in the same proportion as the percent of franchise fees collected, and 25 percent are to be allocated among park units on the basis of need, in a manner to be determined by the Secretary. Monies expended for park areas are to be used for resource management and protection, maintenance activities, interpretation, and research.

Section 9 provides that a concessions contract shall be awarded for a term not to exceed ten years unless the Secretary determines that the capital investment required by the contract necessitates a longer term to amortize the investment.

Subsection (b) states that a temporary concessions contract shall be for a term not to exceed two years.

Section 10(a) provides that no concessions contract may be transferred, assigned, sold, or otherwise conveyed without prior written notification to, and approval of the Secretary. The Secretary is prohibited from approving any conveyance if the Secretary determines that the new concessioner will be unable to adequately provide the appropriate facilities or services required by the contract or that the conveyance is not consistent with the objectives of protecting and preserving the park area or of providing appropriate facilities or services at reasonable rates.

Subsection (b) directs the Secretary to notify the appropriate Congressional Committees within 30 days after receiving a proposal to convey a concessions contract. Secretarial approval of any conveyance may not occur until 90 days after such notification to the Committees.

Section 11 pertains to the protection of concessioner investments. Subsection (a) provides that a concessioner who has commenced acquisition or construction of any structure on Federal land within a park area shall have a possessory interest in such structure, to the extent provided by such contract. Paragraph (2) makes clear that this provision does not create a new possessory interest for concessioners whose contract does not include recognition of a possessory interest.

Paragraph (3) states that with respect to a concessions contract entered into on or after the date of enactment of this Act, the provisions of subsection (b) (dealing with new structures) shall apply to such structure, except that the actual value of the structure shall be the value of the possessory interest as of the termination date of the previous concessions contract.

Subsection (b) provides that on or after the date of enactment of this Act, a concessioner who constructs or acquires a new, additional, or replacement structure within a park area shall be entitled to receive from the United States or a successor concessioner payment equivalent to the actual costs of acquiring or constructing such structure, less amortization, in the event the contract expires or is terminated by the Secretary.

Subsection (c) makes clear that the provisions of this section do not affect the obligation of a concessioner to insure, maintain, and repair structures assigned to the concessioner.

Subsection (d) provides that construction of a new, additional, or replacement structure involving costs of $100,000 or more, provided or financed by a concessioner on Federal land within a park area, shall be authorized only after public review, including an opportunity for public hearings. The Secretary is also required to notify the appropriate Congressional Committees prior to approving any such construction.

Section 12 requires that a concessions contract must provide that the concessioner shall be liable for all utility costs incurred by the concessioner.

Subsection (b) makes a conforming change to existing law by deleting the Secretary's authority to provide utility services to concessioners on a reimbursement of appropriation basis.

Section 13 provides that the reasonableness of a concessioner's rates and charges to the public shall be judged primarily by comparison with those rates and charges for similar facilities and services.

Section 14(a) directs the Secretary to publish regulations establishing standards and criteria for evaluating the performance of concessions operations within 180 days after the date of enactment of this Act.

Subsection (b) requires the Secretary to conduct an annual evaluation of each concessioner to determine whether such concessioner has performed satisfactorily. The subsection also sets forth procedures, including potential termination of the contract, should a concessioner be evaluated as performing unsatisfactorily.

Subsection (c) states that the Secretary is to notify the appropriate Congressional committees of each satisfactory rating and of each contract terminated pursuant to this section.

Section 15(a) requires each concessioner to maintain such records as the Secretary requires to enable the Secretary to determine that all terms of the concessioner's contract are being faithfully performed. The subsection also authorizes the Secretary to have access to such financial information as the Secretary deems necessary to ensure that the terms and conditions of the contract are being complied with.

Subsection (b) provides that the General Accounting Office shall have access to financial records of a concessioner for five years after the close of the fiscal year of each concessioner.

Section 16 states that the provisions of a 1932 Act relating to the leasing of Federal buildings and properties shall not apply to concessions contracts.

Section 17 makes a conforming amendment to the Historic Sites Act of 1935.

CONCESSIONS POLICY REFORM ACT OF 1991—COMPARISON OF MAJOR ISSUES

LENGTH OF CONTRACT

The 1965 Act does not provide for any limitation on the length of concessions contracts. At some of the larger national parks, the Park Service has entered into 30 year contracts.

The Concessions Policy Reform Act would limit a concessions contract to not more than 10 years, unless the Secretary of the Interior determines that a longer period is necessary to amortize the investment.

FRANCHISE FEES

Currently franchise fees are determined by the Secretary, upon consideration of the probable value to the concessioner of the privileges granted by the contract.

The Concessions Policy Reform Act provides that franchise fees shall be determined competitively and shall not be less than a minimum level which the Secretary has deemed appropriate, commensurate with a reasonable opportunity for the concessioner to realize a profit on the operation as a whole.

COMPETITIVE BIDDING

The 1965 Act simply authorizes the Secretary to take such actions as may be appropriate to encourage and enable concessioners to provide and operate services and facilities in the National Park System.

The Concessions Policy Reform Act provides that concessions contracts may only be awarded through competitive bidding procedures. The Secretary is required to publish detailed bid requirements in the Federal Register, including the terms and conditions of the previous concessions contract for the park area, along with such financial information of the existing concessioner pertaining directly to the concessions operation as the Secretary determines necessary to allow for the submission of competitive bids. The Secretary may reject any bid, notwithstanding the franchise fee offered, if the Secretary determines that the bid is not responsive to the objectives of protecting and preserving the park area.

PREFERENTIAL RIGHT OF RENEWAL

Existing law provides that the Secretary shall grant a preferential right of renewal to existing concessioners who have performed satisfactorily. The Secretary is also authorized, but not required, to grant an existing concessioner a preferential right to provide new or additional services at the park.

The Concessions Policy Reform Act would prohibit the Secretary from granting a concessioner a preferential right of renewal or a preferential right to provide new or additional services at a park area.

POSSESSORY INTEREST

The existing Concessions Policy Act states that a concessioner who acquires or constructs any structure within a national park pursuant to a concessions contract shall have a possessory interest in such structure. The possessory interest is defined as "all incidents of ownership except legal title" and is valued as the replacement cost of the structure, less depreciation. If the concessioner's contract is terminated, or the contract is awarded to a new concessioner, then the Park Service or (in the case of a new contract) the new concessioner is responsible for compensating the previous concessioner for the possessory interest, which for all practical purposes is the fair market value of the structure.

The Concessions Policy Reform Act provides that an existing concessioner who has already constructed, or who has commenced acquisition or construction of a structure pursuant to a concessions contract, shall have a possessory interest to the extent provided by the current concessions contract. If the concessioner does not currently have a possessory interest, the bill makes clear that no new possessory interest is created.

The bill also provides that with respect to new concessions contracts, a concessioner who constructs or acquires a structure within a national park shall, in the event the contract expires or is terminated, be entitled to receive payment equal to the actual cost (as compared with the existing law's requirement of replacement cost) of acquiring or constructing the structure, less depreciation.

Finally, the bill states that if an existing concessioner with a possessory interest is awarded a new concessions contract, the value of the possessory interest is modified from the replacement costs to the actual construction cost, less amortization.

Under the Concessions Policy Reform Act, upon the expiration of a concessions contract, there will be no possessory interest, since the bill requires that the cost of the structure be amortized over the duration of the contract.

USE OF CONCESSIONS REVENUES

The 1965 law provides that the revenues derived from franchise fees are deposited into the Treasury of the United States.

Under the Concessions Policy Reform Act, revenues would be deposited into a special account in the Treasury. Subject to appropriation, 50 percent of the revenues are to be used by the Secretary for the acquisition of outstanding possessory interests, 25 percent are to be allocated among units of the National Park System in the same proportion as franchise fees collected, and 25 percent are to be allocated among park units on the basis of need, to be determined by the Secretary.

CONCESSIONS POLICY

The 1965 Act states that development of concessions facilities shall be limited to those that are necessary and appropriate for public use and enjoyment of the national park area and that are consistent to the highest practicable degree with the preservation and conservation of the area.

The Concessions Policy Reform Act provides that facilities and services shall be provided within a park area only when the private sector or other public agencies cannot adequately provide such facilities or services in the vicinity of the park area.

If facilities or services are to be provided within a park area, they shall be limited to locations and designs consistent with the highest degree of resource preservation and protection of the aesthetic value of the park. The bill also states that facilities or services should be awarded only through competitive bidding procedures and that they should be provided to the public at reasonable rates.

By Mr. THURMOND:

S. 1756. A bill to extend the temporary suspension of duty on naphthalic acid anhydride; to the Committee on Finance.

S. 1757. A bill to suspend temporarily the duty on Fenbendazole; to the Committee on Finance.

S. 1758. A bill to suspend temporarily the duty on fenoxaprop-ethyl and fenoxaprop-p-ethyl; to the Committee on Finance.

S. 1759. A bill to suspend temporarily the duty on halofuginone hydrobromide; to the Committee on Finance.

S. 1760. A bill to suspend temporarily the duty on Tralomethrin; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN CHEMICALS

Mr. THURMOND. Mr. President, I rise today to introduce five bills which will suspend the duties imposed on certain chemicals used in manufacturing and agricultural industries. Currently, these chemicals are imported for use in the United States because there is no known domestic supplier or readily available substitute. Therefore, suspending the duties on these chemicals would not adversely affect domestic industries.

The first bill will extend the duty suspension on naphthalic acid anhydride until December 31, 1995. This chemical is used in the production of special pigments, which are called perylenes. These pigments, when combined with a second group known as the quinacridones, form the principal colorants in making various shades of red, scarlet, and maroon paints. The paints from these pigments are extremely stable when exposed to sunlight, thus making them important to the automotive industry.

Mr. President, similar legislation was introduced in the 101st Congress to suspend the duty on this chemical. The duty suspension was incorporated into the Customs and Trade Act of 1990 and will expire on December 31, 1992.

Mr. President, the next four bills I am introducing will suspend the duty on certain chemicals until December 31, 1994. This is the first time a duty suspension has been requested for these items.

The first bill will temporarily suspend the duty on methyl 5-(phenylthio)-2-benzimidazolecarlbamate, commonly called Fenbendazole. After importation, this chemical is domestically formulated into paste, suspension, and premix products and packaged. This product, known by the trade name "Safeguard," is used to treat a wide variety of animals for protection against parasitic worms. Animals for which the drug is approved in the United States are: horses, cattle, swine, dogs, and bighorn sheep.

The second bill will temporarily suspend the duty on fenoxaprop-ethyl and fenoxaprop-p-ethyl. This chemical is a key ingredient in herbicides which have several different end-uses. It is imported and formulated with other products to produce the finished herbicides marketed. Fenoxaprop is used as an important raw material in herbicides which control weeds in turf, rice, soybeans, as well as wheat.

The third bill will temporarily suspend the duty on halofuginone hydrobromide. After this chemical is imported, it is domestically formulated and packaged into premix products. These products are used for the prevention of coccidiosis, which is a protozoal disease of the intestinal lining in chickens and turkeys.

The final bill will temporarily suspend the duty on Tralomethrin. This chemical is used in the manufacturing of a pyrethroid pesticide which controls pests in cotton and soybeans. This product is unique because smaller amounts of the active ingredient are used, thus creating a more environmentally friendly pest control program.

Mr. President, suspending the duty on these chemicals will benefit the consumer by stabilizing the costs of manufacturing the end-use products. There are no known domestic producers of these materials, therefore suspending the duty on these chemicals will not cause economic harm to domestic companies. I hope the Senate will consider these measures expeditiously.

I ask unanimous consent that the text of the bills be printed in the RECORD immediately following my remarks.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Heading 9902.30.22 of the Harmonized Tariff Schedule of the United States is amended by striking out "12/31/92" and inserting "12/31/95".

SEC. 2. The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12 Fenbendazole (provided for in subheading 2931.00.22) .... Free No change No change On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12 Ethyl 2-4(6-chloro-2-benzozazolyl) oxy phenoxy propanoate (provided for in subheading 2934.90.14) .... Free No change No change On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12 Halofuginone hydrobromide (provided for in subheading 2933.59.27) .... Free No change No change On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	(1R,3S)3(1'2'2'2-tetrabromoethyl)-2,2-dimethylcycloproapan-ecarboxylic acid (S)-alpha-cyano-3-phenoxybenzyl ester (provided for in subheading 2926.90.27)	Free	No change	No change	On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

By Mr. DASCHLE:

S. 1761. A bill to regulate aboveground storage tanks used to store regulated substances, and for other purposes; to the Committee on Environment and Public Works.

ABOVEGROUND STORAGE TANK ACT

Mr. DASCHLE. Mr. President, I rise to introduce legislation to correct the glaring oversight in Federal law that leaves the environment and the public vulnerable to hazardous substance and petroleum leaks from aboveground storage tanks. The bill addresses this problem by amending the Solid Waste Disposal Act to establish regulations designed to prevent, detect, control and clean up spills from these facilities.

It is an appalling fact that no single Federal statute, or combination of statutes, adequately addresses the prevention and cleanup of spills from many aboveground storage tanks. The EPA has no authority to protect ground water from spills from these facilities. While the Federal Government has moved to tighten regulation of higher profile tanker spills at sea or in harbors, leaks from aboveground tank farms go largely unnoticed outside the communities affected by them.

It may be difficult to picture dangerous transparent vapors or contaminated ground water. But that does not make such spills any less dangerous to the people who live near them. And no one knows that fact better than the residents of Sioux Falls, SD.

In 1987, a slow leak of at least 20,000 gallons of gasoline from an aboveground storage tank facility in my State's largest city went undetected until the underground water source was completely contaminated and gasoline fumes had infiltrated an elementary school to the point where school children had to be evacuated. Today, 4 years later, the ground water remains contaminated, the Hayward Elementary School has been torn down and local residents continue to live with the fear that the aquifer below their homes contains gasoline.

A proper detection system would have identified this Sioux Falls leak well before it reached the crisis stage. It would have precluded the evacuation and condemnation of the Hayward Elementary School building. It would have prevented any harm to drinking water and the astronomical cost of cleanup.

The Sioux Falls spill is not an isolated incident. There have been over 110 known petroleum spills from aboveground storage tanks in the last 4 years in South Dakota alone, and this does not include hazardous substances leaked from tanks or spills from piping. In the absence of comprehensive Federal legislation, my State has forged ahead to develop prevention, detection and cleanup rules, which are currently being implemented. However, effective State regulation remains the exception rather than the rule nationwide.

And make no mistake about it; nationwide, we do have a serious problem with aboveground storage tank leaks.

EPA's rough estimates for known releases during the 3-year period from 1988 to 1990 show an average of 6,000 spills nationally that released an average of 14 million gallons of petroleum or some other regulated substance. Earlier this year, a General Accounting Office report decried the absence of an effective Federal program to prevent pollution from petroleum facilities. And it has been reported that an EPA official involved in the cleanup of a recent above ground storage tank spill declared that he could "go to every [tank farm] in the country and find a problem."

It has been demonstrated that the absence of regulation of many aboveground storage tanks has set stage for future disasters waiting to happen. Furthermore, there is no way of knowing how many aboveground storage tank leaks do occur, or what potential leaks lurk ahead, because no comprehensive data collection system for assessing the state of these facilities exists.

Few areas are exempt from this potential threat. I urge my colleagues to examine their own backyards.

In fact, consider a recent incident in our backyard here in Washington. I refer to the spill that occurred this summer just across the Potomac River in Fairfax, VA, when an estimated 250,000 gallons of diesel oil, jet fuel, and gasoline leaked from a tank farm and spread about 1,000 feet. Potential leaks into basements, wells, and streams now threaten the area. Risks of fire and explosions also exist.

While Virginia State law sets penalties on the industry for spills, it has no provision for prevention. State officials have already begun working to fill that gap.

Mr. President, the legislation I am introducing today will establish a comprehensive approach for dealing with the problem of inadequate regulation of aboveground storage tanks. It will not duplicate any existing law. Its emphasis is on the prevention of future spills through the establishment of standards for construction, corrosion protection, compatibility, and integrity of new and rebuilt tanks. These standards will ensure that quality tanks are constructed and maintained properly.

The bill will also require release detection systems, periodic inspections, and secondary containment. These safeguards should prevent leaks such as those that occurred in Sioux Falls and Fairfax.

To address spills that do occur, the bill will authorize the development of corrective action plans, allow for shutting down faulty tanks, and establish financial responsibility for cleanup.

Finally, the bill will establish a notification system to identify existing tanks, tanks not in operation, and future tanks. It will provide us with more accurate aggregate numbers and facilitate monitoring of the tanks.

Each one of us who investigates this problem in our home States will find that our constituents potentially face enormous problems from leaking aboveground storage tanks. It is time to take action to minimize the potential for future aboveground leaks and give EPA the authority to ensure that cleanup of spills is conducted quickly and correctly.

It is extremely fortunate that, as far as we know, no one in South Dakota became seriously ill from inhaling gasoline fumes or from drinking contaminated water as a result of the 1987 spill. Future Americans may not be so fortunate.

It is time we realize that whether a leak comes from undergound or aboveground tanks, whether it is released into surface water or into the ground, the effect is equally dangerous and should be managed in an equally conscientious and effective manner. I urge my colleagues to join the effort to prevent the degradation of our environment and the endangerment of our people from aboveground storage tank spills by supporting effective Federal oversight of these facilities.

Mr. President, I ask unanimous consent that a summary of the legislation

I am introducing be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD as follows:

ABOVEGROUND STORAGE TANK REGULATION ACT OF 1991

SEC. 10001. DEFINITIONS AND EXEMPTIONS

The initial section identifies the types of tanks that are regulated and those that are not; the substances to be regulated; and the responsible parties.

SEC. 10002. NOTIFICATION

It will require the reporting of existing tanks; those taken out of operation; and future tanks. It also identifies those who share in the responsibility of reporting.

Each state will designate an agency to receive the notification.

Each state will develop two inventories—one for petroleum and one for all other regulated substances defined in CERCLA.

SEC. 10003. RELEASE DETECTION, PREVENTION AND CORRECTION REGULATIONS

Promulgation of Regulations.—The Administrator will issue regulations that will take effect no later than 30 months after enactment for petroleum tanks and no later than 36 months for other regulated substances.

Distinctions in the Regulations.—The Administrator may distinguish aboveground tanks by type, class, or age. Some of the factors the Administrator may consider in making these distinctions include the following: location of the tanks, soil and climate conditions, age of the tank, current industry recommended practices, national consensus codes, national fire protection codes, water table, size of the tanks, and the compatibility of the regulated substance and the materials of which the tank is fabricated.

Regulation requirements.—The regulations issued will include the following requirements: maintaining a leak detection system; maintaining records of any monitoring or leak detection system; prevention requirements (including certified inspection, secondary containment * * *); reporting of releases; corrective action plan; closure of the tank; and maintaining evidence of financial responsibility.

Financial responsibility.—The requirements for demonstrating financial responsibility include: the methods; those liable; the minimum liability and listing of waivers to that amount; and conditions for suspension of financial responsibility.

Performance Standards.—The Administrator will issue performance standards for new and rebuilt tank standards to take effect no later than 30 months after enactment for petroleum tanks and no later than 36 months for other regulated substances. Interim prohibition is established during the period that is more than 180 days after the date of enactment and before the issuance of the standards. Installation may be considered during this time if the tank meets specific standards.

EPA Response Program.—The EPA or a State approved program will undertake corrective action under specific conditions both before regulations are issued and after. It stipulates how priority order for corrective action will be assigned and the means for recovering cost.

SEC. 10004. STATE PROGRAMS

The Act will allow States to conduct the program if the State includes all requirements and standards of the Federal law and provides adequate enforcement of compliance.

The EPA will provide technical assistance to States to assist in compliance.

States considering this option will undergo a review and approval process.

States have the authority to set standards or requirements that are more stringent than those that are listed.

SEC. 10005. ACCESS TO INFORMATION

The owner or operator of an aboveground storage tank will, upon the request of EPA, State, or designated representative: furnish information relating to tanks, associated equipment and contents; conduct monitoring or testing; or have access for corrective action. This information will be subject to public access with some confidentiality exceptions.

SEC. 10006. FEDERAL ENFORCEMENT

The Administrator can issue an order of compliance and order prohibiting the use or operation of any or all of the facility. Includes the procedures, contents of order and civil penalties associated with such order.

SEC. 10007. FEDERAL FACILITIES

All executive, legislative and judicial branches must follow the requirements of this section.

The President may exempt an aboveground storage tank of a department, agency or instrumentality in the Executive branch from compliance with a requirement if the President determines it to be in the interest of the United States to do so.

SEC. 10008. STUDY OF ABOVEGROUND TANKS

The Administrator will conduct two studies. One will be completed in 12 months and address petroleum. The second will be done within 36 months and address all other aboveground storage tanks. Elements of the study are defined.

A third study is required of the Administrator which addresses farm and heating oil tanks. The elements are different from those of the first two. It will include the number and location of tanks and analysis of potential releases. A report with recommendation of necessity to regulate these tanks will be prepared.

SEC. 10009. AUTHORIZATION OF APPROPRIATION

This Act authorizes the appropriation of such funds necessary to comply with the program.

By Mr. JOHNSTON (by request):

S. 1762. A bill to amend Subsection 31(e) of the Mineral Leasing Act, and for other purposes; to the Committee on Energy and Natural Resources.

MINERAL LEASING ACT AMENDMENTS

• Mr. JOHNSTON. Mr. President, I am introducing today at the request of the Department of the Interior a bill to amend subsection 31(e) of the Mineral Leasing Act, and for other purposes.

I ask unanimous consent that the bill and the communication which accompanied the proposal be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 31(e) of the Mineral Leasing Act, as amended (41 Stat. 450, 30 U.S.C. 188(e)) is amended to delete the first sentence in the unnumbered paragraph at the end of subsection.

DEPARTMENT OF THE INTERIOR,
Washington, DC, September 24, 1991.

Hon. J. DANFORTH QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a proposed bill, "To amend subsection 31(e) of the Mineral Leasing Act, and for other purposes."

We recommend that the proposed bill be introduced, referred to the appropriate Committee, and enacted.

Prior to enactment of title IV of the Federal Oil and Gas Royalty Management Act of 1982 (96 Stat. 2462, 30 U.S.C. 188) the Secretary of the Interior (Secretary) had no discretion under the Mineral Leasing Act to reinstate an oil and gas lease terminated automatically for failure to pay rental in a timely fashion, unless rental was tendered within 20 days after the due date (30 U.S.C. 188(c)). However, the later Act provided authority to consider petitions for reinstatement, subject to fulfillment of certain other conditions in subsections 31(d) and (e) even though rental was not tendered within that 20-day period. Included in these conditions is FEDERAL REGISTER publicaton of the proposed reinstatement 30 days in advance, including terms and conditions of the lease.

In addition to publication in the FEDERAL REGISTER, the final paragraph in subsection 31(e) requires the Secretary to notify the House Committee on Interior and Insular Affairs and Senate Committee on Energy and Natural Resources of any proposed reinstatement 30 days prior to the reinstatement, by furnishing a copy of the FEDERAL REGISTER notice, together with additional information concerning rental, royalty, volume of production, and anything else the Secretary considers significant in the decision to reinstate. The draft bill would eliminate only the provision for separate notice to the Committees.

Since the Secretary had no authority prior to 1983 to reinstate a lease in absence of payment of the rental within 20 days of the due date, the enactment of the new provisions in subsections 31(d) and (e) created a new avenue for many lessees to pursue and secure reinstatement of their terminated leases. In addition, it changed the situation for those whose petitions were under consideration at that time. Because of the retroactive features of the law, although limited, the Bureau of Land Management (BLM) initially was presented with large numbers of cases to process under the new authority. After resolving these cases, implementation of the new reinstatement features was integrated into the overall oil and gas leasing program and has been carried out in a routine manner at the BLM's field level without any significant hindrance or controversy.

It is our view that the Committee notification requirement is duplicative in light of the FEDERAL REGISTER notice already provided, and no longer serves a purpose sufficient to support the paperwork and review burden it imposes on the BLM and affected Committees of Congress, respectively.

While the Committee notification feature that would be deleted by the proposed draft bill might have been prudent at the beginning of the implementation effort in 1983, it now seems unlikely that the Committees in question would have a continued interest in reviewing the notices, especially since the very same information is readily accessible in the Federal Register.

In summary, insofar as it would improve efficiency, reduce paperwork, and relieve Congressional Committees of the burden of an additional layer of review, we believe elimination of the formal notification procedure as proposed by the draft bill would be beneficial.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

DAVE O'NEAL,
Assistant Secretary.●

By Mr. GRAHAM:

S. 1763. A bill to amend title 5, United States Code, to improve retirement counseling for Federal Government employees; to the Committee on Governmental Affairs.

S. 1764. A bill to amend the Older Americans Act of 1965 to establish a grant program to provide health and retirement information, counseling, and assistance to individuals, and for other purposes; to the Committee on Labor and Human Resources.

RETIREMENT COUNSELING

Mr. GRAHAM. Mr. President, on May 30, 1990, I convened a Senate Aging Committee hearing in St. Petersburg, FL, on retirement planning.

According to abundant testimony, many individuals do not contemplate the financial, health, and social implications and consequences of their retirement years. The majority of Americans do not plan comprehensively for their retirement; they do not consider the potential outcomes of typical decisions made at or before retirement, such as relocating, utilizing Medicare and supplemental insurance, living solely on Social Security and/or a pension, and experiencing extended periods of leisure time.

Research shows that Americans become aware of these issues as a reactive mechanism, often when it is too late to change major lifestyle decisions. Many folks expend more time and effort planning a 2-week vacation than the 20-plus years they could spend in retirement.

As the U.S. population ages more rapidly, persons will spend increasing years in retirement. According to the National Center for Health Statistics, average life expectancy for Americans in 1950 at 65 years was 13.9 years, while average life expectancy in 1989 at 65 years was 17.2 years.

As most retirees rely on Federal programs, such as Medicare and Social Security for health insurance and retirement income respectively, lack of health and retirement planning has substantial long-term costs for the Federal Government. Lack of retirement planning also impacts quality of life.

Persons who anticipate retirement-related changes can plan socially and financially, alleviating relocating without accessible social, community, and health services. Retirees who do not evaluate retirement-related decisions could experience social dislocation and unanticipated financial and health needs, causing despair and dependence on Government health and social services' programs.

Mr. President, for these reasons, I am introducing two bills to increase public awareness and facilitate retirement and health planning.

The Retirement and Health Planning Act would authorize demonstration projects in up to three States to establish and improve retirement and health planning programs for individuals 55 and older. Persons would be counseled on health issues—diet, fitness, risk factors, long-term care insurance, Medicare, Medigap, and living wills—retirement issues—Social Security, pensions and overall financial planning, lifestyle changes, legal issues, housing and relocating, and volunteering—and other appropriate issues. Ten million dollars would be authorized for the demo programs.

States would be required to report back to Congress each year on the status of the demonstrations. The Health and Human Services Secretary will also evaluate the programs to determine their efficacy in meeting the retirement and health needs of participants and to decide whether planning decreases Federal costs of health and assistance programs and improves quality of life for persons.

It is my hope that this bill can be considered during the upcoming floor debate on the Older Americans Act and taken as a part of that reauthorization.

The other bill I am introducing today would require the Federal Government to set an example for the rest of the country. It would require each Federal agency to designate at least one retirement planning counselor within the agency. Many agencies currently provide these services. The bill also establishes a phone service, administered by the Office of Personnel Management, which annuitants may call for information on retirement benefits.

Mr. President, I am also in the midst of discussions with the Social Security Administration [SSA] regarding the inclusion of brief retirement planning information on the personal earnings and benefits estimate statement [PEBES]. At this time, all workers can request a PEBES form from the SSA. Under law, all workers must receive a PEBES form by the year 2000.

I recently asked the Social Security Commissioner to include retirement planning information on the PEBES form. I ask unanimous consent that a copy of my letter to the Commissioner be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 20, 1991.

GWENDOLYN KING,
Commissioner, Social Security Administration, Baltimore, MD

DEAR COMMISSIONER KING: As you know, the 1990 Omnibus Budget Reconciliation Act requires the Social Security Administration (SSA) to send all workers a Personal Earnings and Benefits Estimate Statement (PEBES) by the year 2000.

I am pleased the PEBES will eventually be available to all workers. PEBES would also be an appropriate and obvious mechanism to convey the need for retirement planning to the American public.

On May 30, 1990, I chaired a Senate Special Committee on Aging field hearing on retirement planning. According to abundant testimony, individuals do not anticipate and plan for the financial, health, and social consequences of their retirement years. I am deeply concerned about the lack of public information available in this area.

Another sentence or two could be added to the PEBES form or accompanying letter which reads, "I encourage you to plan for the financial, health, lifestyle, housing, and other needs of your retirement years. Assistance for such planning can often be provided through the local Area Agencies on Aging, the work place, and other non-governmental entities." It is my feeling that the above brief information could convince future retirees to plan more comprehensively for their retirement years.

If you should require further information regarding this issue, please contact me or Susan Emmer of my staff at 224-3041.

With warm regards,

Sincerely,

BOB GRAHAM,
U.S. Senator.

Mr. GRAHAM. Mr. President, expanded retirement planning programs will compliment the retirement and health study which the National Institute on Aging has awarded. The study will evaluate retirement patterns, with an oversampling taken from Florida. Information from the study and the retirement planning bills can only sharpen and increase our understanding of the entire retirement process.

Through public education efforts, outreach, and direct counseling, Americans can prepare for fulfilling vibrant, and active retirement years. Future retirees can potentially decrease dependence on Medicare and Social Security and maintain a meaningful quality of life.

Mr. President, I encourage my colleagues to join me in supporting retirement planning endeavors which could enhance the freedom and independence of retirees, offer retirees options and opportunities not previously considered, and prepare retirees more adequately for retirement changes.

In summary, Mr. President, it has been said, correctly, that many Americans spend more time planning for a 2-week vacation than they do planning for the long period of life that they will have after retirement. Retirement is seen by many as being a series of unending golden days.

Unfortunately, for too many Americans, it is a period of too many dark, forbidding, and unrewarding days. It is a sad commentary that one of the highest incidents of suicide in our country are among people who have recently retired, unable to deal with the new life into which retirement has ushered them.

Many of those concerns which include economic issues, health issues, preparation for a lifestyle with greater discretionary time, the whole process of moving from one community to another could be dealt with in a more humane manner and a manner that would, in fact, lead to those years of retirement, fulfilling the dreams of the millions of Americans if there were more effective preretirement planning.

To that end, Mr. President, I am introducing two bills today. The first would call for a series of demonstrations with the States encouraged to submit applications to the appropriate Federal agencies in order to make available to their citizens effective preretirement counseling and then to draw from the experience of these various projects to see what type of a national program we should develop.

Second, Mr. President, is legislation directed at the Federal Government itself. It is my belief that if one asks others to follow, that they should be the first to lead. To that end, the Federal Government if it believes, Mr. President, that it is important for Americans to prepare for their retirement years, it should be a leader in assisting its own employees in terms of making similar preparation.

And so this would direct each Federal agency to establish a program of assisting its own employees, particularly as to the benefits which they will have. Many Federal employees retire without fully understanding what their circumstances will be relative to their pension, the relationship of their pension to Social Security, to Medicare, to other postemployment benefits.

It also suggests that the Federal Government should encourage Federal employees to look to other sources for some of the noneconomic and nonhealth-related aspects of effective preretirement planning.

Mr. President, I ask unanimous consent that the full text of the two bills and a summary of each bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1763

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

RETIREMENT COUNSELING

SECTION 1. (a) Subchapter III of chapter 83 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 8349. Retirement counseling

"(a) For the purposes of this section, the term 'retirement counselor', when used with respect to an agency, means an employee of the agency who is designated by the head of the agency to furnish information on benefits under this subchapter and counseling services relating to such benefits to other employees of the agency.

"(b) The Director of the Office of Personnel Management shall—

"(1) establish a training program for all retirement counselors of agencies of the Federal Government; and

"(2) designate and publicize a telephone number at the Office which annuitants may call to obtain answers to questions relating to retirement benefits under this subchapter and which is to be used exclusively for such purpose.

"(c)(1) The training program established under subsection (b)(1) of this section shall provide for comprehensive training on the provisions and administration of this subchapter, shall be designed to promote fully informed retirement decisions by employees, and shall be revised as necessary to assure that the information furnished to retirement counselors of agencies under the program is current.

"(2) The Director shall conduct a training session under the training program once each quarter-year.

"(3) Once each year, each retirement counselor of an agency shall successfully complete a training session conducted under the training program.

"(d) The Director shall assign the responsibility of receiving and responding to calls made to the telephone number designated under subsection (b)(2) of this section to a sufficient number of employees who are knowledgeable about the provisions and administration of this subchapter to assure that prompt and effective assistance is furnished to annuitants.".

(b) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 8348 the following new item:

"8349. Retirement counseling.".

S. 1764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Retirement and Health Planning Act of 1991".

SEC. 2. FINDINGS.

Congress finds that—

(1) the elderly population of the United States is increasing rapidly, as evidenced by the fact that—

(A) approximately 12.4 percent of the United States population is age 65 or older; and

(B) by 2025, roughly 19.3 percent of the United States population will be age 65 or older;

(2) as individuals live longer, the retirement years need to be enjoyable and meaningful years, but for too many of the older individuals in the Nation, life is a daily existence that consists only of coping with massive problems of loneliness, health deficits, and social rejection;

(3) legislation has too often expressed kindly concern for older individuals, while doing too little to rehabilitate the individuals so that the individuals can achieve dignity and self-respect;

(4) direct health care programs, preoccupied with health diagnoses and treatment at the least possible cost and effort, have not adequately implemented a rehabilitative approach to aiding older individuals;

(5) retirement planning can help make older individuals as independent as possible, encouraging meaningful lives in the community and outside of health care institutions;

(6) lack of health and retirement planning has substantial Federal costs because—

(A) individuals are spending more years in retirement, as evidenced by the fact that the percentage of the male labor force in the United States that is age 65 or older has decreased from 46 percent in 1950 to 16 percent in 1986; and

(B) United States citizens, on average, save less for retirement than individuals from other countries, and retirees rely almost completely on Social Security, medicare, and pension income;

(7) many elderly individuals—

(A) approach retirement without the careful thought and approach that should be devoted to a major change in lifestyle;

(B) do not consider the unintended consequences of typical decisions made at retirement, such as decisions related to finding a new home, utilizing medicare, and using open leisure time; and

(C) are subsequently adversely impacted financially, socially, or physically by the decisions;

(8) prior to retirement, some older individuals—

(A) fail to understand the economic constraints of living on a fixed income of Social Security and a private pension;

(B) fail to appreciate the emotional consequences of moving from an active life to a life with total discretionary time;

(C) fail to anticipate that increased life expectancy places individuals at greater risk for impoverishment and in need of long-term care, which medicare does not cover;

(D) fail to acknowledge that space needs and relationship to the community change significantly as an individual ages; and

(E) fail to anticipate problems cased by restricted mobility, including limited accessibility to mass transit, shopping centers, health care, and religious institutions;

(9) too many individuals become aware of changes caused by retirement by reacting to the changes, often when it is too late to change major lifestyle decisions; and

(10) because little attention has been given to providing adequate assistance to older individuals in the transition to retirement, demonstration projects are needed to evaluate whether public education, counseling and assistance programs for individuals age 55 or older would—

(A) enhance the freedom, dignity, and independence of retirees;

(B) offer retirees options and opportunities not previously considered;

(C) prepare individuals more adequately for retirement changes; and

(D) decrease the reliance of retirees on medicare and Social Security.

SEC. 3. HEALTH AND RETIREMENT INFORMATION, COUNSELING, AND ASSISTANCE GRANTS.

Part B of title IV of the Older Americans Act of 1965 (42 U.S.C. 3034 et seq.) is amended by adding at the end the following new section:

"SEC. 429. HEALTH AND REIREMENT INFORMATION, COUNSELING, AND ASSISTANCE GRANTS.

"(a) DEFINITIONS.—As used in this section:

"(1) INFORMATION, COUNSELING, AND ASSISTANCE PROGRAM.—The term 'information, counseling, and assistance program' means a program described in subsection (c).

"(2) INFORMATION, COUNSELING, AND ASSISTANCE SERVICES.—The term 'information, counseling, and assistance services' means the information, counseling, and assistance described in subsection (c).

"(3) STAFF MEMBER.—The term 'staff member' includes a volunteer staff member.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish and carry out demonstration projects to assist States in establishing and improving health and retirement information, counseling, and assistance programs. In carrying out the projects, the Secretary shall make grants to up to three States for the purpose of establishing and improving the programs.

"(2) LEVEL OF FUNDING.—The Secretary shall prescribe regulations to establish a minimum level of funding for a grant made available under this section.

"(c) USE OF FUNDS.—A State may use a grant made available under subsection (b) to establish a program, or improve upon a program in existence on the date of the enactment of this section, that provides health and retirement information, counseling, and assistance to individuals who are age 55 or older regarding—

"(1) health issues, including issues related to—

"(A) diet;

"(B) fitness;

"(C) risk factors;

"(D) long-term care insurance; and

"(E) medicare benefits; and

"(2) retirement issues, including issues related to—

"(A) Social Security benefits;

"(B) pension benefits and overall financial planning;

"(C) lifestyle changes;

"(D) legal matters;

"(E) housing and relocating;

"(F) options available for work and for leisure time utilization, such as volunteering and other activities; and

"(G) other changes that affect individuals at retirement or entry into medicare and the Social Security system.

"(d) CRITERIA FOR ISSUING GRANTS.—In issuing a grant under this section, the Secretary shall consider—

"(1) the commitment of the State to carrying out the information, counseling, and assistance program, including the level of cooperation demonstrated—

"(A) by the State department of health and rehabilitative services, or an equivalent State entity; and

"(B) the departments and agencies of the State responsible for—

"(i) administering public health programs; or

"(ii) administering programs established under this Act;

"(2) the population of individuals age 55 or older in the State as a percentage of the population of the State; and

"(3) in order to ensure the needs of rural areas in the State, the relative costs and special problems associated with addressing the special problems of providing information, counseling, and assistance services to the rural areas of the State.

"(e) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section, a State, acting through the appropriate State health authority, shall submit an application at such time, in such manner, and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(2) CONSOLIDATED APPLICATIONS.—In submitting an application under this section, a State may consolidate and coordinate an application that consists of parts prepared by more than one agency or department of the State.

"(3) STATE PLAN.—As part of an application for a grant under this section, a State shall submit a plan for a statewide information, counseling, and assistance program. The plan shall—

"(A) provide for a sufficient number of staff members to provide information, counseling, and assistance services;

"(B) provide assurances that staff members of the program have no conflict of interest in providing information, counseling, and assistance services;

"(C) provide for—

"(i) the collection and dissemination of timely and accurate retirement-related and health care information to staff members of the program; and

"(ii) regular staff meetings and continuing education programs for the purpose of informing the staff members of current developments related to retirement and health issues;

"(D) provide for training programs for staff members;

"(E) provide for the coordination of the exchange of retirement-related and health care information between the staff of departments and agencies of the State government and the staff members of the information, counseling, and assistance program;

"(F) provide for the establishment of public education and information programs that emphasize the importance of retirement and health planning; and

"(G) demonstrate, to the satisfaction of the Secretary, an ability to provide information, counseling, and assistance services.

"(f) ANNUAL STATE REPORT.—

"(1) INFORMATION.—Each State that receives a grant under this section shall—

"(A) collect information on the number of individuals served by the information, counseling, and assistance program of the State; and

"(B) estimate the amount of funds saved by the State, and by eligible individuals in the State, in the implementation of the program.

"(2) REPORT.—Not later than 360 days after the date that a State receives a grant under this section, and annually thereafter until the demonstration project established under this section in the State is terminated under subsection (h), a State shall submit a report to the Secretary containing the information and estimate described in subparagraphs (A) and (B) of paragraph (1).

"(g) EVALUATION AND REPORT TO CONGRESS.—

"(1) EVALUATION.—The Secretary shall conduct an annual evaluation of the demonstration projects established under this section or shall contract with a private organization to conduct the evaluation. In conducting the evaluation, the Secretary or the organization shall—

"(A) determine whether the demonstration projects are effectively meeting the retirement and health planning needs of persons participating in the projects;

"(B) make recommendations for redirecting or modifying the demonstration projects, or expanding the demonstration projects into a nationwide program; and

"(C) determine whether retirement and health planning could decrease Federal costs of health and assistance programs and improve the quality of life in the long term.

"(2) REPORT TO CONGRESS.—Not later than 360 days after the date of the enactment of this section, and annually thereafter until the demonstration projects are terminated under subsection (h), the Secretary shall submit a report containing the evaluation described in paragraph (1) to the appropriate committees of Congress.

"(h) TERMINATION.—The demonstration projects established under this section shall terminate not later than 3 years after the date of the enactment of this section.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 431(a) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)) is amended—

(1) in paragraph (1), by striking "the provisions of this title (other than sections 427 and 428)" and inserting "sections 401 through 426"; and

(2) by adding at the end the following new paragraph:

"(4) There are authorized to be appropriated to carry out section 429, $10,000,000 for fiscal year 1992 and such sums as may be necessary for each of the subsequent fiscal years.".

THE RETIREMENT AND HEALTH PLANNING ACT OF 1991

The bill would authorize $10 million for the HHS Secretary to administer demonstration projects in up to 3 States to establish and to improve current retirement and health planning programs for individuals 55 years and older. Persons would be counseled on health issues (diet, fitness, risk factors, long term care insurance, medicare, medigap, and living wills), retirement issues (Social Security, pensions and overall financial planning, lifestyle changes, legal issues, housing and relocating, and volunteering) and other appropriate issues.

States would be required to report back to Congress each year on the status of the demonstrations. Additionally, the HHS Secretary will evaluate the programs to determine their efficacy in meeting the retirement and health needs of participants. The evaluation will also consider whether planning efforts could decrease costs of Federal health and assistance programs and improve the quality of life for individuals.

FEDERAL AGENCIES RETIREMENT AND HEALTH PLANNING PROPOSAL

The bill requires each Federal government agency to provide at least one retirement planning counselor. It also directs the Office of Personnel Management (OPM) to establish (1) a training program for all Federal Government agency retirement planning counselors and (2) a telephone number at OPM for annuitant's questions on retirement benefits.

By Mr. MURKOWSKI:

S.J. Res. 205. Joint resolution to designate November 4, 1991 as "Diplomatic Security Day"; to the Committee on the Judiciary.

DIPLOMATIC SECURITY DAY

• Mr. MURKOWSKI. Mr. President, I rise today to introduce legislation designating November 4, 1991, the 75th anniversary of Diplomatic Security at the U.S. Department of State, as "Diplomatic Security Day." I do this to honor the Department's Bureau of Diplomatic Security, which has so ably provided security for this Nation's diplomatic activities.

The Bureau of Diplomatic Security has been and is responsible for protecting U.S. Government employees and their dependents on official duty abroad, for providing for the physical security of both our diplomatic missions abroad and all Department of State facilities in the United States, and for protecting foreign missions, international organizations, and foreign officials in the United States. The Bureau also provides personal protection to the Secretary of State and other U.S. Government officials, both at home and abroad. Finally, the Bureau conducts investigations of passport and visa fraud.

Mr. President, the importance of these responsibilities will be quickly recognized, as will be the difficulty of carrying them out in today's world. I am therefore proud to play a part in recognizing the men and women of the Bureau of Diplomatic Security who so ably shoulder such responsibility.●

By Mr. RIEGLE (for himself, Mr. LUGAR, Mr. D'AMATO, Mr. PACKWOOD, Mrs. KASSEBAUM, Mr. PELL, Mr. SHELBY, Mr. LEVIN, Mr. KERRY, Mr. LAUTENBERG, Mr. SARBANES, Mr. EXON, Mr. DURENBERGER, Mr. HELMS, Mr. CRANSTON, Mr. GARN, Mr. GRASSLEY, Mr. METZENBAUM, Mr. ROBB, Mr. BRADLEY, Mr. DOLE, Mr. INOUYE, Mr. DIXON, Mr. ROCKEFELLER, Mr. MOYNIHAN, Mr. SASSER, Mr. GRAHAM, Mr. REID, Mr. JOHNSTON, Mr. LIEBERMAN, Mr. SIMON, Mr. GLENN, Mr. MURKOWSKI, Mr. SPECTER, Mr. PRESSLER, and Mr. BREAUX):

S.J. Res. 206. A joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day."

DUTCH-AMERICAN HERITAGE DAY

Mr. RIEGLE. Mr. President, today, along with 35 of my Senate colleagues, I am introducing a joint resolution designating November 16, 1991 as "Dutch-American Heritage Day."

To the more than 5 million Americans of Dutch origin, the celebration of Dutch-American Heritage Day will provide an important opportunity to honor their roots and the extraordinary contribution which their ancestors made to the political, economic and cultural growth of the United States.

In addition, the marking of Dutch-American Heritage Day will provide an opportunity for all Americans to pay tribute to the important role played by the Netherlands in securing American independence and in stimulating and aiding the growth of the United States as a free nation over the past 214 years.

I invite all of my colleagues to join me in supporting this important joint resolution, and ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 206

Whereas, on November 16, 1776, the batteries at the Dutch port of St. Eustatius fired the first salute to the flag of the newly independent United States;

Whereas the firing by the Dutch of the first salute to the flag of the United States uplifted the morale and determination of the individuals who were fighting for American independence;

Whereas commemoration of Dutch-American Heritage Day provides an opportunity for approximately 8,000,000 Dutch-Americans to celebrate their Dutch roots and the extraordinary contributions their ancestors made to the political, economic, and cultural development of the United States; and

Whereas commemoration of Dutch-American Heritage Day promotes awareness by the people of the United States of the essential role performed by the Dutch people in securing American independence and in aiding the development of the United States for the past 215 years: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 16, 1991, is designated as "Dutch-American Heritage Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 138

At the request of Mr. DASCHLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 138, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for travel expenses of certain loggers.

S. 141

At the request of Mr. DASCHLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 141, a bill to amend the Internal Revenue Code of 1986 to extend the solar and geothermal energy tax credits through 1996.

S. 190

At the request of Mr. GRAHAM, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 190, a bill to amend 3104 of title 38, United States Code, to permit veterans who have a service-connected disability and who are retired members of the Armed Forces to receive compensation, without reduction, concurrently with retired pay reduced on the basis of the degree of the disability rating of such veteran.

S. 243

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 243, a bill to revise and extend the Older Americans Act of 1965, and for other purposes.

S. 284

At the request of Mr. BRADLEY, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of payments under life insurance contracts for terminally ill individuals.

S. 512

At the request of Mr. ADAMS, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 512, a bill to authorize an additional $25,000,000 for the National Cancer Institute to conduct certain research on breast cancer, and for other purposes.

S. 544

At the request of Mr. HEFLIN, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 544, a bill to amend the Food, Agriculture, Conservation and Trade Act of 1990 to provide protection to animal research facilities from illegal acts, and for other purposes.

S. 621

At the request of Mr. CRANSTON, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 621, a bill to establish the Manzanar National Historic Site in the State of California, and for other purposes.

S. 685

At the request of Mr. HATFIELD, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 685, a bill to establish Summer Residential Science Academies for talented, economically disadvantaged, minority participants, and for other purposes.

S. 765

At the request of Mr. BREAUX, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from North Dakota [Mr. BURDICK], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer Social Security taxes on cash tips.

S. 878

At the request of Mr. DODD, the names of the Senator from Arizona [Mr. MCCAIN], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 878, a bill to assist in implementing the Plan of Action adopted by the World Summit for Children, and for other purposes.

S. 879

At the request of Mr. DASCHLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of certain amounts received by a cooperative telephone company indirectly from its members.

S. 1094

At the request of Mr. DOMENICI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1094, a bill to amend title 5, United States Code, to provide that service performed by air traffic second-level supervisors and managers be made creditable for retirement purposes.

S. 1175

At the request of Mr. KERRY, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from

Idaho [Mr. CRAIG] were added as cosponsors of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purpose.

S. 1226

At the request of Mr. JEFFORDS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1226, a bill to direct the Administrator of the Environmental Protection Agency to establish a small community environmental compliance planning program.

S. 1245

At the request of Mr. DASCHLE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1245, a bill to amend the Internal Revenue Code of 1986 to clarify that customer base, market share, and other similar intangible items are amortizable.

S. 1332

At the request of Mr. BAUCUS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1332, a bill to amend title XVIII of the Social Security Act to provide relief to physicians with respect to excessive regulations under the Medicare Program.

S. 1398

At the request of Mr. REID, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1398, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from certain rules for determining contributions in aid of construction.

S. 1424

At the request of Mr. CONRAD, the names of the Senator from Nebraska [Mr. EXON], the Senator from Florida [Mr. GRAHAM], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 1424, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a mobile health care clinic program for furnishing health care to veterans located in rural areas of the United States.

S. 1455

At the request of Mr. GRAHAM, the names of the Senator from Colorado [Mr. WIRTH], the Senator from Georgia [Mr. NUNN], the Senator from Hawaii [Mr. AKAKA], the Senator from Tennessee [Mr. GORE], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1455, a bill entitled the "World Cup USA 1994 Commemorative Coin Act."

S. 1476

At the request of Mr. DANFORTH, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1476. A bill to recognize the organization known as the Shepherd's Centers of America, Inc.

S. 1521

At the request of Mr. MCCONNELL, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1521, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material.

S. 1563

At the request of Mr. KERRY, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1563, a bill to authorize appropriations to carry out the National Sea Grant College Program Act, and for other purposes.

S. 1623

At the request of Mr. DECONCINI, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

S. 1661

At the request of Mr. KOHL, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1661, a bill to simplify the tariff classification of certain plastic flat goods.

S. 1715

At the request of Mr. GRAMM, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1715, a bill to ensure the protection of the Gulf of Mexico by establishing in the Environmental Protection Agency a Gulf of Mexico Program Office.

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Illinois [Mr. DIXON], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 132

At the request of Mr. LAUTENBERG, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Joint Resolution 132, a joint resolution to designate the week of October 13, 1991, through October 19, 1991, as "National Radon Action Week."

SENATE JOINT RESOLUTION 160

At the request of Mr. KERRY, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from New York [Mr. D'AMATO], the Senator from Tennessee [Mr. GORE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. SASSER], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 160, a joint resolution designating the week beginning October 20, 1991, as "World Population Awareness Week."

SENATE JOINT RESOLUTION 176

At the request of Mr. DIXON, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Wisconsin [Mr. KASTEN], the Senator from South Carolina [Mr. THURMOND], the Senator from Montana [Mr. BAUCUS], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 176, a joint resolution to designate March 19, 1992, as "National Women in Agriculture Day."

SENATE JOINT RESOLUTION 184

At the request of Mr. DOLE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Vermont [Mr. LEAHY], the Senator from Florida [Mr. MACK], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. RIEGLE], the Senator from Montana [Mr. BAUCUS], the Senator from Missouri [Mr. DANFORTH], the Senator from Kentucky [Mr. FORD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Ohio [Mr. METZENBAUM], the Senator from Rhode Island [Mr. PELL], and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Senate Joint Resolution 184, a joint resolution designating the month of November 1991, as "National Accessible Housing Month."

SENATE JOINT RESOLUTION 188

At the request of Mr. LAUTENBERG, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution designating November 1991, as "National Red Ribbon Month."

SENATE JOINT RESOLUTION 189

At the request of Mr. GORE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Alaska [Mr. MURKOWSKI], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Missouri [Mr. DANFORTH], the Senator from Arizona [Mr. DECONCINI], the Senator from Massachusetts [Mr. KERRY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from North Carolina [Mr. SANFORD], the Senator from South Dakota [Mr. PRESSLER], the Senator from Oregon [Mr. PACKWOOD], the Senator from Rhode Island [Mr. PELL], the Senator from Florida [Mr. GRAHAM], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 189, a joint resolution to establish the month of October 1991, as "Country Music Month."

SENATE JOINT RESOLUTION 194

At the request of Mr. GRAMM, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Joint Resolution 194, a joint resolution to designate 1992 as the "Year of the Gulf of Mexico."

SENATE JOINT RESOLUTION 195

At the request of Mr. DECONCINI, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 195, a joint resolution providing that the United States should support the Armenian people to achieve freedom and independence.

SENATE JOINT RESOLUTION 198

At the request of Mr. AKAKA, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 198, a joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUYE, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from Virginia [Mr. ROBB], the Senator from West Virginia [Mr. BYRD], and the Senator from Pennsylvania [Mr. WOFFORD] were added as cosponsors of Senate Joint Resolution 202, a joint resolution to designate October 1991, as "Crime Prevention Month."

SENATE RESOLUTION 185—TO PROVIDE FOR FUNDING AND SUPPLEMENTAL EXPENDITURES BY THE SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. KERRY, from the Select Committee on POW/MIA Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 185

Resolved,

(a) That in carrying out its powers, duties and functions under S. Res. 82, One Hundred Second Congress, agreed to August 2, 1991, and under this resolution, from August 2, 1991 until the end of the One Hundred Second Congress, through January 2, 1993, and for the purpose of closing its affairs, from January 3, 1993 through February 28, 1993, the Select Committee on POW/MIA Affairs is authorized in its discretion (1) to make expenditures from the contingent fund of the Senate, and (2) to appoint and fix compensation of personnel.

(b) The expenses of the select committee for the period from August 2, 1991 through February 28, 1993, shall not exceed $2,615,887 of which an amount not to exceed $300,000 may be expended for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. §72a(i)).

(c) Expenditures from the contingent fund shall be paid out of the appropriations account for Expenses of Inquiries and Investigations upon vouchers approved by the chairman, except that vouchers shall not be required (1) for the disbursement of salaries of employees who are paid at an annual rate, (2) for the payment of expenses for telecommunications services provided by the Telecommunications Department, Sergeant at Arms, United States Senate, (3) for the payment of expenses for stationery supplies purchased through the Keeper of Stationery, United States Senate, (4) for the payment of expenses for postage to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Sergeant at Arms, United States Senate.

(d) There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the select committee to be paid from the appropriations account for Expenses of Inquiries and Investigations, in like manner as for the standing and permanent select committees of the Senate.

SEC. 2. In addition to all powers, duties and functions vested in the Select Committee of POW/MIA Affairs by S. Res. 82, One Hundred Second Congress, agreed to August 2, 1991, the select committee is authorized to do the following:

(a) To delegate to the chairman the power, with the consent of the vice chairman, to authorize subpoenas for the attendance of witnesses and the production of correspondence, books, papers, documents, and other records.

(b) To (i) authorize staff to conduct depositions of witnesses under oath, including oaths administered by individuals authorized by local law to administer oaths, for the purpose of taking testimony and receiving correspondence, books, papers, documents, and other records, and (ii) require, by subpoena or order, the attendance of witnesses and the production of correspondence, books, papers, documents, and other records at such staff depositions.

(c) To make to the Senate any recommendations, including recommendations for criminal or civil enforcement, which the select committee may consider appropriate with respect to (A) the failure or refusal of any person to appear at a hearing or deposition or to produce records, in obedience to a subpoena or order; or (B) the failure or refusal of any person to answer questions during his or her appearance as a witness at a hearing or deposition.

(d) To procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. §72a(i)).

(e) To use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee of any committee of the Senate, the facilities of any other Senate committees or the services of any members of the staff of them whenever the select committee or its chairman considers that such action is necessary or appropriate to enable the select committee to carry out its powers, duties, and functions.

(f) The chairman shall designate any members of the staff of any other Senate committee who are to perform services to assist the select committee pursuant to subsection (e), and such staff members shall continue to be paid by the Senate committee they normally serve, but the account from which such staff members are paid shall be reimbursed by the select committee for their services out of funds made available to the select committee under this resolution. Staff designated under this subsection shall be considered to be staff of the select committee for all purposes, including for purposes of domestic and foreign travel.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1992

MCCAIN (AND ROTH) AMENDMENT NO. 1206

Mr. MCCAIN (for himself, and Mr. ROTH) proposed an amendment to the bill (H.R. 2521) making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes, as follows:

On page 172, between lines 9 and 10, insert the following new section:

SEC. . (a) Funds appropriated by this Act may not be obligated or expended for the construction of any Seawolf (SSN-21) class submarine.

(b)(1) Of the amount appropriated in title III under the heading "SHIPBUILDING AND CONVERSION, NAVY", $1,803,200,000 shall be available for the following purposes:

(A) Payment of termination costs of the Seawolf (SSN—21) class submarine program.

(B) Construction of a new SSN-688 class submarine.

(C) Research, development, test, and evaluation for an advanced follow-on submarine.

(D) Improvement of sea lift and amphibious capability.

NUNN (AND OTHERS) AMENDMENT NO. 1207

Mr. INOUYE (for Mr. NUNN, for himself, Mr. WARNER, Mr. GORE, Mr. WIRTH, Mr. THURMOND, and Mr. DIXON) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 130, strike out lines 16-22 and insert the following in lieu thereof:

SEC. 8096. (a) In addition to the amounts appropriated elsewhere in this Act, $50,000,000 is appropriated for the Strategic Environmental Research and Development Program to remain available for obligation until September 30, 1993.

(b) In addition to the amounts appropriated elsewhere in this Act, $835,000,000 is appropriated for environmental restoration to remain available for obligation until September 30, 1994: *Provided*, That such funds shall be available only for the actual reduction and recycling of hazardous waste and cleanup of Department of Defense sites.

WOFFORD AMENDMENT NO. 1208

Mr. INOUYE (for Mr. WOFFORD) proposed an amendment to the bill H.R. 2521, supra, as follows;

At the end of the bill insert the following:

SEC. . (a) FINDINGS.—The Senate finds that—

(1) There is a need for tax relief for middle-income families;

(2) for more than a decade, America's working families have been paying an in-

creasing portion of their income for Federal taxes;

(3) during the same period, the vast majority of middle-income families in America have seen their real incomes decline and the value of their paychecks shrink;

(4) the principles of basic fairness dictate that working people pay no more than their fair share of taxes; and,

(5) most working Americans are being forced to pay more taxes when they can least afford it and are in dire need of tax relief to improve the quality of their lives and to contribute toward the revitalization of the Nation's economy.

(b) It is the sense of the Senate that the Senate is committed to providing income tax relief to middle-income families and urges Congress to enact legislation providing for such relief.

DIXON AMENDMENT NO. 1209

Mr. INOUYE (for Mr. DIXON) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 9, line 17, before the period at the end insert the following: ": *Provided further*, That, of the amount appropriate under this heading, $4,500,000 shall be available for the Army Environmental Policy Institute".

BUMPERS AMENDMENT NO. 1210

Mr. INOUYE (for Mr. BUMPERS) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 41, line 25, before the period, add the following: ": *Provided further*, That of the funds appropriated under this heading, $25,000,000 shall be available only for development of advanced superconducting multichip modules and diamond substrate material technologies.".

MITCHELL (AND OTHERS) AMENDMENT NO. 1211

Mr. INOUYE (for Mr. MITCHELL, for himself, Mr. MURKOWSKI, Mr. MCCONNELL, Mr. KERRY, Mr. KERREY, Mr. MCCAIN, Mr. DANFORTH, Mr. HATFIELD, Mr. LEAHY, Mr. CRANSTON, Mr. PELL, Mr. BYRD, Mr. ROBB, Mr. BRADLEY, Mr. BOREN, Mr. CHAFEE, and Mr. PRESSLER) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 9, line 17, before the period at the end, insert the following: "*Provided further*, That $5,000,000 of the amount appropriated under this heading shall be available for the United States Office for POW/MIA Affairs in Hanoi".

WIRTH (AND OTHERS) AMENDMENT NO. 1212

Mr. WIRTH (for himself, Mr. LAUTENBERG, Mr. MACK, Mr. SPECTER, Mr. WOFFORD, Mr. SIMON, Mr. DECONCINI, and Mr. GRAHAM) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the end of the Committee amendment on page 100, add the following:

SEC. . (a) As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) may be awarded to a foreign person, company, or entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) on a contract-by-contract basis when the Secretary determines that the waiver is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

SPECTER (AND WOFFORD) AMENDMENTS NOS. 1213 AND 1214

Mr. INOUYE (for Mr. SPECTER) proposed two amendments to the bill H.R. 2521, supra, as follows:

AMENDMENT NO. 1213

Insert in the appropriate place:

(A) The Comptroller General of the United States shall issue a report on the Department of Defense plan to consolidate Navy Research, Development, Test and Evaluation, Engineering, and Fleet Support Activities set forth in the 1991 Defense Base Closure and Realignment Commission's recommendations which:

(i) evaluates cost data and methodology used in formulating the consolidation plan, and any new variables resulting from recommendations made by the 1991 Base Closure and Realignment Commission;

(ii) evaluates the validity of all personnel relocation assumptions contained in the plan; and

(iii) evaluates the consolidation plan in light of changing force structure requirements.

(B) The Secretary of Defense shall provide a report to Congress on the findings set forth in the Comptroller General's report which shall include identification of inconsistencies between the Comptroller General's report and the findings and recommendations submitted by the Department of Defense to the 1991 Base Closure and Realignment Commission.

(C) The Secretary of the Navy shall make available for review to the Comptroller General of the United States immediately upon enactment of this Act all documents generated after January 1, 1989, and prior to September 1, 1991, pertaining to or referencing the issue of consolidation of Department of the Navy Research and Development activities.

AMENDMENT NO. 1214

At the appropriate place, insert:

SEC. . OVERHAUL OF THE U.S.S. ENTERPRISE.

The Comptroller General of the United States shall issue a report no later than July 1, 1992, on the Navy's current plan for the handling and disposal of all nuclear materials and radioactively contaminated materials of the nuclear-powered aircraft carriers. The report shall include cost evaluations and projections for the next 20 years based on the current Navy plan and a list of the specific locations under consideration as disposal or reprocessing sites.

(b) REPORT ON HEALTH EFFECTS.—Not later than September 30, 1992, the Secretary of Health and Human Services, acting through the Assistant Secretary of Labor for Occupational Safety and Health, shall transmit to Congress a report on the human health risks associated with overhaul work on nuclear-powered aircraft carriers.

BRADLEY (AND WIRTH) AMENDMENT NO. 1215

Mr. BRADLEY (for himself and Mr. WIRTH) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 172, betwen lines 9 and 10, insert the following new section:

SEC. 8130. SENSE OF CONGRESS WITH RESPECT TO THE PREPARATION OF AN ADDITIONAL MULTIYEAR DEFENSE PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) Recent events in the Soviet Union, including the dissolution of the Communist Party, are likely to lead to the reduced possibility of a military confrontation between nations of the East and West.

(2) The political transformation and realignment of Eastern Europe continues without abatement.

(3) The military presence of the Soviet Union in Europe is presently declining, and the decline is likely to accelerate in the near future.

(4) The success of the military campaign conducted by the allied multinational armed force during the Persian Gulf War demonstrates many of the capabilities of such a multinational force.

(5) Rapid evolutions in military capabilities lead to rapid evolutions in the military threat faced by the United States.

(6) It is in the interest of the United States that the Armed Forces be capable of responding to rapid evolutions in the military capabilities, and thus the military threat, of our enemies.

(7) Appropriate levels of expenditures for defense and astute analysis of defense matters will ensure such a capability in the Armed Forces.

(8) In the coming years, it is unlikely that pressures to reduce future United States budgets of the United States will decline.

(9) It is necessary for future budgets of the Armed Forces to reflect the reality of budget pressures and of changes in the military capabilities and political structures of nations around the world.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) in preparing the Multiyear Defense Program to be submitted to Congress with the budget for fiscal year 1993, the Secretary of Defense prepare an additional Multiyear Defense Program that reflects the recent changes in the military capabilities, economic outlook, and political structures of the nations around the world;

(2) the additional Multiyear Defense Program reflect estimated expenditures and proposed appropriations based on a reduction in the Department of Defense budget for a five-year budget beginning fiscal year 1993 of $80,000,000,000; and

(3) the additional Multiyear Defense Program set forth the differences between the force structure and capabilities of the Armed Forces proposed in the Multiyear Defense Program and the force structure and capabilities proposed in the additional Multiyear Defense Program.

SPECTER (AND OTHERS) AMENDMENT NO. 1216

Mr. SPECTER (for himself, Mr. MITCHELL, Mr. COHEN, Mr. WOFFORD, Mr. BRADLEY, Mr. DIXON, and Mr. LAUTENBERG) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the appropriate place in the pending bill, and the following: "It is the sense of the Senate that in acting on the Joint Resolution of Disapproval of the 1991 Base Closure Commission's recommendations, the Congress is relying on the integrity of the base closure process and takes no position on whether there has been compliance by the Base Closure Commission and the Department of Defense with the requirements of the Defense Base Closure and Realignment Act of 1990. Further, the vote on the resolution of disapproval shall not be interpreted to imply Congressional approval of all actions taken by the Base Closure Commission and the Department of Defense in fulfillment of the responsibilities and duties conferred upon them by the Defense Base Closure and Realignment Act of 1990, but only the acceptance of the recommendations issued by the Base Closure Commission.".

SEYMOUR AMENDMENT NO. 1217

Mr. INOUYE (for Mr. SEYMOUR) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 12, line 3, strike out the period and insert in lieu thereof: ": *Provided further*, That of the funds appropriated in this paragraph, $3,000,000 shall be available for the New Parent Support Program.".

MACK AMENDMENT NO. 1218

Mr. INOUYE (for Mr. MACK) proposed an amendment to the bill H.R. 2521, supra; as follows:

SEC. (a) not withstanding any provision of section 301(b) of title 37, United States Code, of section 611 of Public Law 100-456 as in effect at any time prior to the date of enactment of this Act, in the case of any officer described in subsection (b), who was entitled to special pay under an agreement authorized by one of those sections, who was not paid the full amount due under such agreement, the unpaid balance shall be paid as part of the settlement of the officer's final military pay account.

(b) an officer to whom subsection (a) is an aviation officer who died as a result of flight operations on or after January 17, 1991, in those areas of the Arabian Peninsula, airspace, and adjacent waters designated by the President in Executive Order 12744 on 21 January 1991 as a combat zone and prior to cessation of hostilities as declared by competent authority, before completing the full period of aviation service agreed to in his or her agreement to remain on active duty in aviation service under section 302(b) of title 37, United States Code, or section 611 of Public Law 100-456.

INOUYE (AND STEVENS) AMENDMENT NO. 1219

Mr. INOUYE (for himself and Mr. STEVENS) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 47, line 14, beginning with the ":", strike through "procured" in line 24.

STEVENS AMENDMENT NO. 1220

Mr. STEVENS proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 136, at the end of line 19, add the following new proviso: ": *Provided further*, That funds provided in this section may also be available for personnel relocation costs associated with the closure of United States military facilities in the Republic of the Philippines, upon notification by the President of the United States to the Congress that no agreement for the continued presence of United States military forces in the Republic of the Philippines is in effect, and that United States Military forces must depart existing facilities in the Republic of the Philippines.".

BOREN AMENDMENT NO. 1221

Mr. BOREN proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 172, between lines 9 and 10, insert the following:

SEC. (a) The Congress finds that—

(1) the security of the United States is and will continue to depend on the ability of the United States to exercise international leadership;

(2) United States leadership is and will increasingly be based on the political and economic strength of the United States, as well as United States military strength around the world;

(3) recent changes in the world pose threats of a new kind to international stability as Cold War tensions continue to decline while economic competition, regional conflicts, terrorist activities, and weapon proliferations have dramatically increased;

(4) the future national security and economic well-being of the United States will substantially depend on the ability of its citizens to communicate and compete by knowing the languages and cultures of other countries;

(5) the Federal Government has a vested interest in ensuring that the employees of its national security agencies are prepared to meet the challenges of this changing international environment;

(6) the Federal Government also has a vested interest in taking actions to alleviate the problem of American undergraduate and graduate students being inadequately prepared to meet the challenges posed by increasing global interaction among nations; and

(7) American colleges and universities must place a new emphasis on improving the teaching of foreign languages, area studies, and other international fields to help meet such challenges.

(b) The purposes of this section are as follows:

(1) To provide the necessary resources, accountability, and flexibility to meet the national security education needs of the United States, especially as such needs change over time.

(2) To increase the quantity, diversity, and quality of the teaching and learning of subjects in the fields of foreign languages, area studies, and other international fields that are critical to the Nation's interest.

(3) To produce an increased pool of applicants for work in the national security agencies of the United States Government.

(4) To expand, in conjunction with other Federal programs, the international experience, knowledge base, and perspectives on which the United States citizenry, Government employees, and leaders rely.

(5) To permit the Federal Government to advocate the cause of international education.

(c)(1) The National Security Act of 1947 (47 U.S.C. 401 et seq.) is amended by adding at the end the following new title:

"TITLE VIII—NATIONAL SECURITY SCHOLARSHIPS, FELLOWSHIPS, AND GRANTS

"SEC. 801. SHORT TITLE.

"This title may be cited as the 'National Security Education Act of 1991'.

"SEC. 802. PROGRAM REQUIRED.

"(a) PROGRAM REQUIRED.—

"(1) IN GENERAL.—The Secretary of Defense, in consultation with the National Security Education Board established by section 803, shall carry out a program for—

"(A) awarding scholarships to undergraduate students who are United States citizens or resident aliens in order to enable such students to study, for at least 1 semester, in foreign countries;

"(B) awarding fellowships to graduate students who—

"(i) are United States citizens or resident aliens to enable such students to pursue education in the United States in the disciplines of foreign languages, area studies, and other international fields that re critical areas of such disciplines; and

"(ii) pursuant to subsection (c)(1), enter into an agreement to work for the Federal Government or in the field of education in the area of study for which the fellowship was awarded; and

"(C) awarding grants to institutions of higher education to enable such institutions to establish, operate, and improve programs in foreign languages, area studies, and other international fields that are critical areas of such disciplines.

"(2) RESERVATIONS.—The Secretary shall have a goal of reserving for each fiscal year—

"(A) for the awarding of scholarships pursuant to paragraph (1)(A), ⅓ of the amount available for obligation out of the National Security Education Trust Fund for such fiscal year;

"(B) ⅓ of such amount for the awarding of fellowships pursuant to paragraph (1)(B); and

"(C) ⅓ of such amount to provide for the awarding of grants pursuant to paragraph (1)(C).

"(b) CONTRACT AUTHORITY.—The Secretary may enter into one or more contracts, with private national organizations having an expertise in foreign languages, area studies, and other international fields, for the awarding of the scholarships, fellowships, and grants described in subsection (a) in accordance with the provisions of this title. The Secretary may enter into such contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law that requires the use of competitive procedures.

"(c) SERVICE AGREEMENT.—In awarding a fellowship under the program, the Secretary or contract organization referred to in subsection (b), as the case may be, shall require the recipient of the fellowship to enter into an agreement that contains the assurances of such recipient that the recipient—

"(1) will maintain satisfactory academic progress; and

"(2) upon completion of such recipient's education, will work for the Federal Government or in the field of education in the area of study for which the fellowship was awarded for a period specified by the Secretary, which period shall be equal to not less than one and not more than three times the period for which the fellowship assistance was provided.

"(d) Distribution of Assistance.—In selecting the recipients for awards of scholarships, fellowships, or grants pursuant to this title, the Secretary or a contract organization referred to in subsection (b), as the case may be, shall take into consideration the extent to which the selections will result in there being an equitable geographic distribution of such scholarships, fellowships, or grants (as the case may be) among the various regions of the United States.

"(e) Merit Review.—A merit review process shall be used in awarding scholarships, fellowships, or grants under the program.

"(f) Inflation.—The amounts of scholarships, fellowships, and grants awarded under the program shall be adjusted for inflation annually.

"(g) Administration of Program Through the Defense Intelligence College.—The Secretary shall administer the program through the Defense Intelligence College.

"SEC. 803. NATIONAL SECURITY EDUCATION BOARD.

"(a) Establishment.—The Secretary of Defense shall establish a National Security Education Board.

"(b) Composition.—

"(1) In general.—The Board shall be composed of the following individuals or the representatives of such individuals:

"(A) The Secretary of Defense, who shall serve as the chairman of the Board.

"(B) The Secretary of Education.

"(C) The Secretary of State.

"(D) The Secretary of Commerce.

"(E) The Director of Central Intelligence.

"(F) The Director of the United States Information Agency.

"(G) Four individuals appointed by the President, by and with the advice and consent of the Senate, who have expertise in the fields of international, language, and area studies education.

"(2) Term of appointees.—Each individual appointed to the Board pursuant to paragraph (1)(G) shall be appointed for a period specified by the President at the time of the appointment but not to exceed 4 years. Such individuals shall receive no compensation for service on the Board but may receive reimbursement for travel and other necessary expenses.

"(c) Functions.—The Board shall—

"(1) develop criteria for awarding scholarships, fellowships, and grants under this title;

"(2) provide for wide dissemination of information regarding the activities assisted under this title;

"(3) establish qualifications for students and institutions of higher education desiring scholarships, fellowships, and grants under this title;

"(4) make recommendations to the Secretary regarding which countries are not emphasized in other United States study abroad programs, such as countries in which few United States students are studying, and are, therefore, critical countries for the purposes of section 802(a)(1)(A);

"(5) make recommendations to the Secretary regarding which areas within the disciplines described in section 802(a)(1)(B) are areas of study in which United States students are deficient in learning and are, therefore, critical areas within such disciplines for the purposes of such section;

"(6) make recommendations to the Secretary regarding which areas within the disciplines described in section 802(a)(1)(C) are areas in which United States students, educators, and Government employees are deficient in learning and in which insubstantial numbers of United States institutions of higher education provide training and are, therefore, critical areas within such disciplines for the purposes of such section; and

"(7) review the administration of the program required under this title.

"SEC. 804. NATIONAL SECURITY EDUCATION TRUST FUND.

"(A) Establishment of Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'National Security Education Trust Fund'.

"(b) Availability of Sums in the Fund.—(1) To the extent provided in appropriations Acts, sums in the Fund shall be available for—

"(A) awarding scholarships, fellowships, and grants in accordance with the provisions of this title; and

"(B) properly allocable administrative costs of the Federal Government for the program under this title.

"(2) Any unobligated balance in the Fund at the end of a fiscal year shall remain in the Fund and may be appropriated for subsequent fiscal years.

"(c) Investment of Fund Assets.—The Secretary of the Treasury shall invest in full the amount in the Fund that is not immediately necessary for obligation. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of ⅛ of 1 percent, the rate of interest of such special obligations shall be the multiple of ⅛ of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchases of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

"(d) Authority To Sell Obligations.—Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(e) Proceeds From Certain Transactions Credited to Fund.—The interest on, and the proceeds from the sale or redemption of, any obligation held in the Fund shall be credited to and form a part of the Fund.

"SEC. 805. ADMINISTRATION PROVISIONS.

"(A) In General.—In order to conduct the program required by this title, the Secretary may—

"(1) prescribe regulations to carry out the program;

"(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purpose of conducting the program required by this title, and to use, sell, or otherwise dispose of such property for that purpose;

"(3) accept and use the services of voluntary and noncompensated personnel; and

"(4) make other necessary expenditures.

"(b) Annual Report.—The Secretary shall submit to the President and to the Congress an annual report of the conduct of the program required by this title. The report shall contain—

"(1) an analysis of the mobility of students to particpate in programs of study in foreign countries;

"(2) an analysis of the trends within language, international, and area studies, along with a survey of such areas as the Secretary determines are receiving inadequate attention;

"(3) the impact of the program activities on such trends; and

"(4) an evaluation of the impediments to improving such trends.

"SEC. 806. AUDITS.

"The conduct of the program required by this title may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property of the Department of Defense pertaining to such activities and necessary to facilitate the audit.

"SEC. 807. DEFINITIONS.

"For the purpose of this title—

"(1) the term 'Board' means the National Security Education Board established pursuant to section 803;

"(2) the term 'Fund' means the National Security Education Trust Fund established pursuant to section 804; and

"(3) the term 'institution of higher education' has the same meaning given to such term by section 1201(a) of the Higher Education Act of 1965.".

(2) The table of contents for such act is amended by inserting at the end the following:

"TITLE VIII—NATIONAL SECURITY SCHOLARSHIPS, FELLOWSHIPS, AND GRANTS

"Sec. 801. Short title.
"Sec. 802. Program required.
"Sec. 803. National Security Education Board.
"Sec. 804. National Security Education Trust Fund.
"Sec. 805. Administrative provisions.
"Sec. 806. Audits.
"Sec. 807. Definitions.".

(d) Of the amounts made available in the National Security Education Trust Fund for fiscal year 1992 for the scholarships, fellowships, and grants program provided for in title VIII, of the National Security Act of 1947, as added by subsection (c), the Secretary shall reserve—

(1) $15,000,000 for awarding scholarships pursuant to section 802(a)(1)(A) of such Act;

(2) $10,000,000 for awarding fellowships pursuant to section 802(a)(1)(B) of such Act; and

(3) $10,000,000 for awarding grants pursuant to section 802(a)(1)(C) of such Act.

On page 49, between lines 17 and 18, insert the following:

NATIONAL SECURITY EDUCATION TRUST FUND

For the National Security Education Trust Fund established by section 804 of the National Security Act of 1947, $180,00,000, which shall be available for the purposes set out in subsection (b) of such section.

BUMPERS AMENDMENTS NOS. 1222 THROUGH 1224

Mr. BUMPERS proposed three amendments to the bill H.R. 2521, supra, as follows:

AMENDMENT NO. 1222

At the appropriate place in the bill, insert the following:

"**SEC. . BAN ON IMPORTS FROM COMPANIES THAT ASSISTED IRAQ IN DEVELOPING WEAPONS OF MASS DESTRUCTION.**

"(a) Notwithstanding any other provision of law, no goods or services shall be imported into the United States or its territories or possessions that are produced by companies which the President has identified as having knowingly participated in the Iraqi programs to develop nuclear, chemical, biological, or any other weapons of mass destruction.

"(b) This provision shall remain in force for a period of ten years after the date of enactment of this Act.".

AMENDMENT NO. 1223

On page 43, line 1 strike "9,393,542,000" and all that follows through "1993" on line 2, and insert in lieu thereof the following: "$9,097,542,000, to remain available for obligation until September 30, 1993: *Provided, however*, That of the funds appropriated for Research, Development, Test, and Evaluation, Defense Agencies, no more than $329,000,000 shall be appropriated for the Brilliant Pebbles program."

AMENDMENT NO. 1224

At the appropriate place in the bill insert the following:

"(A) Congress finds that:

(1) The NATO Alliance has been a cornerstone of United States and world security since its foundation in 1949;

(2) all America's NATO allies have in the past been supportive of the objects and purposes of the ABM Treaty;

(3) two of America's NATO allies have strategic forces of their own, which would be directly affected by significant changes to the ABM Treaty;

(4) changes in the ABM Treaty would have profound political and security implications for every member of the NATO Alliance and other allies of the United States.

"(B) Before initiating negotiations with the Soviet Union with the objective of making significant modifications to the Anti-Ballistic Missile Treaty, and its associated protocol, the President should consult with the allies of the United States in the North Atlantic Treaty Organization, Japan, and other allies as appropriate and seek a consensus on negotiating objectives concerning defensive systems that would enhance the security interests of the member states of NATO and other allies and strengthen the NATO alliance as a whole.".

NUNN (AND WARNER) AMENDMENT NO. 1225

Mr. INOUYE (for Mr. NUNN, for himself and Mr. WARNER) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 34, in line 4, strike out "supplemental appropriations Act," and insert in lieu thereof "supplemental appropriations Act, or other Act,".

KASSEBAUM (AND OTHERS) AMENDMENT NO. 1226

Mr. INOUYE (for Mrs. KASSEBAUM, for herself, Mr. BIDEN, and Mr. SIMON) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 172, between lines 9 and 10, insert the following:

SEC. . (a) Congress finds that—

(1) in September 1991, the National Academy of Sciences concluded a study on the nuclear relationship of the United States and the Soviet Union;

(2) it is desirable for the National Academy of Sciences to conduct, as a follow-on study, a study regarding the problems of command, control, and safety of nuclear weapons resulting from the changes taking place in the Soviet Union; and

(3) it is appropriate for the National Academy of Sciences to conduct such study because of the relationship that it has developed with its counterpart in the Soviet Union as a result of frequent informal contacts between the two organizations.

(b) The Secretary of Defense is requested to enter into an appropriate arrangement with the National Academy of Sciences for the National Academy of Sciences—

(1) to conduct a study regarding the problems of command, control, and safety of nuclear weapons resulting from the changes taking place in the Soviet Union;

(2) to identify possibilities for international cooperation between the United States and the Soviet Union and among other countries regarding such problems; and

(3) to submit to the Secretary of Defense, the Chairmen of the Committees on Appropriations of the Senate and House of Representatives, the Chairman of the Committee on Foreign Relations of the Senate, and the Chairman of the Committee on Foreign Affairs of the House of Representatives a report containing—

(A) the results of the study referred to in paragraph (1);

(B) the possibilities for international cooperation identified pursuant to paragraph (2);

(C) an assessment of the implications of the changes referred to in paragraph (1) on the policy of the United States regarding the matters referred to in paragraphs (1) and (2); and

(D) recommendations for future actions by the United States regarding such matters.

(c) Of the funds appropriated by this Act not more than $250,000 shall be available to carry out subsection (a).

BINGAMAN (AND OTHERS) AMENDMENT NO. 1227

Mr. INOUYE (for BINGAMAN, for himself, Mr. WIRTH, Mr. BUMPERS, Mr. SASSER, Mr. EXON, and Mr. NUNN) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 172, between lines 9 and 10, insert the following new section:

SEC. 8130. NATIONAL COMMISSION ON THE FUTURE ROLE OF NUCLEAR WEAPONS IN THE UNITED STATES NATIONAL SECURITY STRATEGY.

(a) ESTABLISHMENT.—There is hereby established a National Commission of the Future Role of Nuclear Weapons in the United States National Security Strategy (hereafter in this section referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of nine members, appointed as follows:

(A) 3 members shall be appointed by the President.

(B) 3 members shall be appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives.

(C) 3 members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and the minority leader of the Senate.

(2) The members of the Commission shall be appointed from among persons having knowledge and experience relating to the role of nuclear weapons in the national security strategy of the United States.

(3) Members of the Commission shall be appointed for the life of the Commission. A vacancy of the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) The members of the Commission shall be appointed not later than March 1, 1992. The Commission may not begin to carry out its duties under this section until five members of the Commission have been appointed.

(5) The Chairman of the Commission shall be elected by and from the members of the Commission.

(c) DUTIES.—The Commission shall assess the role of, and the requirements for, nuclear weapons in the security strategy of the United States as a result of the significant changes in the former Warsaw Pact, the former Soviet Union, and the Third World and shall make recommendations on actions the United States should take with respect to such weapons in its national security posture by reason of such changes.

(d) REPORT.—The Commission shall submit to the President and Congress a final report on the assessment and recommendations referred to in subsection (c) not later than one year after the Commission conclude its first meeting. The report shall be submitted in unclassified and classified versions.

(e) POWERS.—(1) The Commission may, for the purpose of carrying out this section, conduct such hearings, sit and act at such times, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the Federal Government such information, relevant to its duties under this section, as may be necessary to carry out such duties. Upon request of the Chairman of the Commission, the head of the department or agency shall, to the extent permitted by law, furnish such information to the Commission.

(3) The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the Federal Government.

(4) The Secretary of Defense shall provide to the Commission such reasonable administrative and support services as the Commission may request.

(f) COMMISSION PROCEDURES.—(1) The Commission shall meet on a regular basis (as determined by the Chairman) and at the call of the Chairman or a majority of its members.

((2) A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(g) PERSONNEL MATTERS.—Each Member of the Commission shall serve without compensation, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(2) The Commission shall appoint a staff director, who shall be paid at a rate not to

exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its duties under this section without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or any other provision of law, relating to the number, classification, and General Schedule rates. No employee appointed under this paragraph (other than the staff director) may be compensated at a rate to exceed the maximum rate applicable to level 15 of the General Schedule.

(3) Upon request of the Chairman of the Commission, the head of any department or agency of the Federal Government is authorized to detail, without reimbursement, any personnel of such department or agency to the Commission to assist the Commission in carrying out its duties under this section. The detail of any such personnel may not result in the interruption or loss of civil service status or privilege of such personnel.

(h) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(i) APPROPRIATIONS.—Of the funds available to the Department of Defense, $500,000 shall be made available to the Commission to carry out the provisions of this section.

BREAUX AMENDMENT NO. 1228

Mr. INOUYE (for Mr. BREAUX) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 32, line 17, insert before the period, the following: ": *Provided further*, That the funds appropriated in fiscal year 1991 for the procurement of the Advanced Video Processor units and associated display heads shall be made available to the Department of Navy, obligated not later than sixty days from the enactment of this Act, and used for no other purpose.".

BIDEN AMENDMENT NO. 1229

Mr. INOUYE (for Mr. BIDEN) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the appropriate place in the bill, add the following section:

SEC. JOINT COMMISSION ON REDUCTION ON THE NUCLEAR WEAPON.

(a) ESTABLISHMENT.—of the funds appropriated in this act, the President may allocate such sums as he deems necessary in order to establish and support a joint commission, to be comprised of experts from governments of the United States and from the former Soviet Union, who shall meet on a regular basis in order to discuss and provide specific recommendations regarding—

(1) SAFEGUARDS.—What safeguards, including the possible deployment of limited defenses, to protect against the threat of accidental or unauthorized use of nuclear weapons;

(2) JOINT ARMS REDUCTION.—What specific goals, consistent with the principle of maintaining deterrence and strategic stability at the lowest levels of armament, should be established for the reduction of strategic and tactical nuclear weapons; and

(3) WARHEAD DISMANTLEMENT.—What techniques for dismantling nuclear warheads and disposing of nuclear materials could be incorporated into future arms control agreements.

(b) COMPOSITION.—The Commission shall be comprised—

(1) On the United States side, of such governmental, experts as the President may deem appropriate; and

(2) Such Governmental representatives from the former Soviet Union as the President may arrange.

(c) SHARING OF INFORMATION.—It is the sense of the Congress that the President of both countries should encourage their respective defense departments and related intelligence agencies to examine what relevant information should be declassified or otherwise shared within the working group in order to support the fulfillment of its mandate.

WARNER (AND OTHERS) AMENDMENT NO. 1230

Mr. INOUYE (for Mr. WARNER, for himself, Mr. NUNN, Mr. COHEN, Mr. WALLOP, Mr. KENNEDY, Mr. GLENN, and Mr. THURMOND) proposed an amendment to the bill H.R. 2521, supra, as follows:

At the end of the committee amendment insert the following:

( ) In addition to the amounts appropriated elsewhere in this Act, $154,900,000 is appropriated for Procurement, Marine Corps, for the following: Night Vision Goggles $30,000,000; (9) Multiple Launch Rocket System Launchers $23,000,000; (10,000) Multiple Launch Rocket System Rockets $72,300,000; (3) Joint Surveillance Target Acquisition System Ground Stations with Commanders Tactical Terminal Hybrid $17,600,000; Commanders Tactical Terminal Hybrid $9,000,000; Tactical Reconnaissance Devices $3,000,000; and $16,000,000 is available for Navy, Research & Development for the following: Ship-to-Shore Fire Support; $5,000,000 is available for Defense Agencies, Research and Development for the following: Robotic Countermine Technology.

ROTH (AND OTHERS) AMENDMENT NO. 1231

Mr. ROTH (for himself, Mr. SEYMOUR, Mr. LUGAR, and Mr. MCCAIN) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 159, strike out line 13 and all that follows through page 170, line 5, and insert in lieu thereof the following:

SEC. 8125. (a) This section may be cited as the "Impacted Communities Assistance Act of 1991".

(b)(1) The Congress finds that—

(A) the Department of Defense has been directed to reduce the size and cost of the military and this can be accomplished only by closing military installations;

(B) a military installation is a part of the infrastructure of the community in which it is located and there is a long-standing symbiotic relationship between a military installation and the community;

(C) the people in an impacted community have made substantial, long-term investments of time, training, and wealth to support the military installation;

(D) the loss to an impacted community when a military installation is closed is substantial and the Congress wishes to mitigate the damage to the impacted community;

(E) an impacted community knows best the needs of the community and the best way to use available resources to meet such needs; and

(F) unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) It is the purpose of this section—

(A) to benefit the community impacted when a military installation located in the community is closed by authorizing the real and excess related personal property on which the military installation is located to be conveyed to the impacted community as soon as possible after a decision to close the military installation; and

(B) to provide an impacted community a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(c) As used in this section—

(1) the term "military installation" means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Secretary of a military department or the Secretary of Defense;

(2) the term "Secretary" means the Secretary of Defense;

(3) the term "local community", with respect to property at a military installation closed under a base closure law, means—

(A) the incorporated town, village, city, or other political subdivision or similar entity of the State in which the property is located;

(B) any other entity, including development districts, authorized to accept or administer property transferred by the incorporated town, village, city, or similar entity of the State in which the property is located; or

(C) if the property is not located in an incorporated entity, the incorporated entity of the State that has authority under State law to annex the property;

(4) The term "property suitable for transfer" means property the transfer of which is in compliance with Federal and State environmental laws as determined as soon as possible by the Administrator of the Environmental Protection Agency in consultation with the State, is not vital to the national security interest, and is not vital to protection of an environmental heritage.

(5) the term "base closure law" means—

(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1808; 10 U.S.C. 2687 note);

(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note); and

(C) section 2687 of title 10, United States Code; and

(6) the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Repesentatives.

(d)(1) Notwithstanding any other provision of law, as soon as practicable after the Secretary of Defense determines that real property at a military installation closed pursuant to a base closure law is suitable for transfer, but not later than 180 days after the date of that determination, the Secretary shall transfer such real property and related excess personal property suitable for transfer in accordance with this section.

(2)(A) The Secretary shall first offer title of the property to the local community.

(B) If the local community refuses the property or fails to notify the Secretary of the community's acceptance of the property within 6 months after the date on which the Secretary makes the offer to the community, the Secretary shall offer the property to the county in which the property is located.

(C) If the county refuses the property or fails to notify the Secretary of the county's acceptance of the property within 3 months after the date on which the Secretary makes the offer to the county, the Secretary shall offer the property to the State in which the property is located.

(D) If the State refuses the property or fails to notify the Secretary of the State's acceptance of the property within 60 days after the date on which the Secretary makes the offer to the State, the Secretary shall offer the property to other departments and agencies of the Federal Governments by publishing the offer in the Federal Register.

(E) If no department or agency of the Federal Government requests the property within 30 days after the date on which the offer is published in the Federal Register, the Secretary shall dispose of the property to the highest responsible bidder.

(F) All offers of title under subparagraphs (A), (B), and (C) of this paragraph shall be in writing and shall contain the conditions, if any, under which the property is to be conveyed.

(e)(1) In any case in which a military installation is located in or subject to annexation by more than one local community, the property shall be offered to each of the communities and, if accepted by more than one community, shall be divided among the communities in such manner as may be specified by the annexation laws of the State concerned, or if such laws do not apply, then divided as the communities agree.

(2) In any case in which property referred to in subsection (d) is located in more than one county of a State and the property is not accepted by the local community concerned, that portion of the installation within each county shall be offered to that county.

(3)(A) The Secretary of Defense shall sever from the real property of a closed military installation that real property that does not qualify as property suitable for transfer as defined in c(4).

(B) Prior to and after any conveyance of real property suitable for transfer as defined in c(4). The Secretary of Defense in consultation with the Administrator of the Environmental Protection Agency and the State, shall continue to comply with all applicable federal and state environmental laws and carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(f) No consideration may be required for any conveyance of property pursuant to this section to a recipient referred to in subparagraph (A), (B), (C), or (D) of subsection (d)(2).

(g) The Secretary of Defense shall ensure that appropriate representatives of the local community are included as full partners in both discussions and decisions concerning the disposition of property at a military installation that is to be closed under a base closure law. The county and the State shall be represented in the discussions.

(h)(1) Subject to paragraphs (3) and (4), the President may waive the requirement to transfer property at a military installation under subsection (d) with respect to all or any portion of the property if the President—

(A) determines—

(i) that the continuation of the United States ownership of such property is vital to national security interests of the United States;

(ii) that the closure of the military installation will have no significant adverse effect on the local economy and that the value of the property is so high that a conveyance to the local community, county, or State would constitute an undue windfall to the recipient; or

(iii) that the community or communities neighboring the military installation are not experiencing or will not experience significant adverse economic effects as a result of the closure of the installation, taking into consideration such objective evidence as whether real estate values, unemployment, tax and other revenue to such community or communities or to the State of such community or communities, and the rate of business failures in the community or communities are increasing or decreasing and whether the total personal income of the population of such community or communities is increasing or significantly decreasing; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) Nothwithstanding any provision of the Federal Property and Administrative Services Act of 1949, the Secretary shall dispose of property for which a waiver is granted under this subsection in a manner that the Secretary considers appropriate.

(3) Within 30 days after the transmittal of a certification under paragraph (1)(B) in the case of any property on the basis of a determination under paragraph (1)(A)(ii), the local community, county, or State shall be offered, in the order or precedence and manner specified in subsection (d), the following authorities and benefits:

(A) General planning and zoning authority and usage regulations regarding such property.

(B) Twenty-five percent of the proceeds of any sale, lease, or other conveyance of such property by the United States to any other public or private entity or person.

(4) Waivers may be granted under this subsection on the basis of a determination under paragraph (1)(A)(ii) in the case of not more than five military installations for each set of base closures recommended by a commission under a base closure law. Provided further, that, a waiver with respect to part of the property at a military installation shall count against such limit if the amount of the property reserved on the basis of a determination regarding national security interests under paragraph (1) exceeds 25 percent of either the total value or area of the property to be disposed of at that installation.

(5) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) September 30 of the year following the year in which the closure of that installation is approved by the President.

(6) The President may extend the deadline for making a determination and certification under paragraph (5) for not more than two consecutive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(7) The President may withdraw a waiver under paragraph (1) in the case of any property. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (d) in accordance with this section.

(i)(1) Title to real property referred to in subsection (d)(1) may not be conveyed to a local community, county, or State unless the local community, county, or State, as the case may be, submits to the Secretary an agreement providing that—

(A) if the property is sold by the local community, county, or State, as the case may be, within 10 years after the date of the conveyance of the property to the local community, county, or State, the community, county, or State (as the case may be) will pay the United States an amount equal to 25 percent of the proceeds from the sale of the property, except that no such payment shall be required if the local community, county, or State donated or transferred in excess of 50 percent of that property to the United States (for incorporation into the closed military installation) for consideration of less than 50 percent of its fair market value at the time of transfer;

(B) the local community, county, or State, as the case may be, will make available to the Comptroller General of the United States such information as may be necessary for the Comptroller General to carry out his duties under subsection (k);

(C) the local community, county, or State, as the case may be, will hold public hearings in the process of deciding the appropriate use of the closed military installation; and

(D) the local community, county, or State, as the case may be, will, in such manner as the Secretary may prescribe, prepare and submit to the Secretary a plan showing goals for the reuse of the property and the anticipated means for achieving those goals.

(2) The plan for reuse shall describe strategies and actions for converting the property covered by the plan into productive civilian use. The Secretary is authorized, consistent with section 2391 of title 10, United States Code, to assist communities in preparing plans for reuse.

(3) The Secretary shall, in consultation with other members of the President's Economic Assistance Committee, review each plan submitted pursuant to paragraph (2) and shall respond to the local community, county, or State, as the case may be, regarding that plan within 30 days after receipt of the plan.

(j) If a local community, county, or State to which real property is conveyed pursuant to this section fails to comply with any condition provided for under this section, the Secretary, after providing written notice to such community, county, or State, may withhold from any payments otherwise payable to the community, county, or State under any Federal Government program such amounts as may be necessary to ensure compliance.

(k) The Comptroller General of the United States may conduct such reviews of the transactions carried out pursuant to this section as may be necessary to determine whether the transactions are in compliance with this section.

(l) The Secretary shall prescribe such regulations as may be appropriate to carry out this section. The regulations prescribed by the Secretary shall encourage the prompt implementation of this section and facilitate transfer of property suitable for transfer to the impacted community.

BINGAMAN AMENDMENT NO. 1232

Mr. INOUYE (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 100, line 9, strike the period at the end of the line and insert: "unless amounts for such purposes are specifically appropriated in a subsequent appropriations Act.".

RIEGLE (AND PELL) AMENDMENT NO. 1233

Mr. INOUYE (for Mr. RIEGLE, for himself and Mr. PELL) proposed an amendment to the bill H.R. 2521, supra, as follows:

Insert the following:

"SEC. .

"Notwithstanding any other law, the Secretary of Commerce is authorized to accept the transfer of funds from other departments and agencies of the Federal Government as he or she may deem appropriate to carry out the objectives of the Public Works and Development Act of 1965, as amended, provided such funds are used for the purposes for which they are specifically appropriated and provided further that such transferred funds shall remain a available until obligated and expended.".

BINGAMAN AMENDMENT NO. 1234

Mr. INOUYE (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2521, supra, as follows:

On page 146, strike lines 10 to 23 and insert in lieu thereof:

"Sec. 8113. (a) Notwithstanding any other provision of law, cooperative agreements and other transactions undertaken pursuant to 10 U.S.C. 2371 may during fiscal year 1992 be entered into only by the Defense Advanced Research Projects Agency.

(b) Of the funds appropriated to the Department of Defense during fiscal year 1992, not more than $75,000,000 may be obligated or expended for Department of Defense dual-use critical technology partnerships; Provided, That such partnerships may be entered into only by the Defense Advanced Research Projects Agency during fiscal year 1992.

(c) Of the funds appropriated to the Department of Defense during fiscal year 1992, other than amounts in the "precompetitive technology development" program element referred to in subsection (b), not more than $25,000,000 may be obligated or expended by the Defense Advanced Research Projects Agency for research, development, test, and evaluation activities undertaken pursuant to 10 U.S.C. 2371."

KASSEBAUM AMENDMENT NO. 1235

Mr. INOUYE (for Mrs. KASSEBAUM) proposed an amendment to the bill H.R. 2521 supra, as follows:

At the appropriate place in the bill, add the following section:

OPERATION AND MAINTENANCE, ARMY

": *Provided further*, That of the funds appropriated under this heading, $6.8 million shall be available for the refurbishment and modernization at existing railyard facilities at Fort Riley, Kansas.".

STEVENS AMENDMENT NO. 1236

Mr. STEVENS proposed an amendment to the bill H.R. 2521, supra, as follows:

At the appropriate place in the bill, add the following section:

OPERATION AND MAINTENANCE, ARMY

": *Provided further*, That of the funds appropriated under this heading, $10,000,000 shall be available only for the modernization and upgrade of the Poker Flat Rocket Range.".

AMERICAN INDIAN HERITAGE MONTH

INOUYE AMENDMENT NO. 1237

Mr. FORD (for Mr. INOUYE) proposed an amendment to the joint resolution (S.J. Res. 172) to authorize and request the President to proclaim the month of November 1991, and the month of each November thereafter as "American Indian Heritage Month", as follows:

On page 3, strike out all after line 3 and insert in lieu thereof the following: "That each of the months of November 1991 and 1992 are designated as "National American Indian Heritage Month", and the President is authorized and requested to issue a proclamation for each such year calling upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe each such month with appropriate programs, ceremonies, and activities.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., September 26, 1991, to consider H.R. 355, to amend the Reclamation States Drought Assistance Act of 1988 to extend the period of time during which drought assistance may be provided by the Secretary of the Interior, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Thursday, September 26, 1991, at 10 a.m., to conduct a hearing on the nomination of Robert Logan Clarke to be Comptroller of the Currency for a term of 5 years.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 26, 1991, at 2 p.m., to hold a hearing entitled, "Consolidating Free-Market Democracy in the Former Soviet Union."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, September 26, 1991, at 2 p.m., to hold a hearing on the nomination of Alice M. Batchelder, of Ohio, to be U.S. circuit judge for the sixth circuit. Harold R. Demoss, Jr., of Texas, to be U.S. circuit judge for the fifth circuit. Rebecca F. Doherty, of Louisiana, to be U.S. district judge for the Western District of Louisiana. Denis R. Hurley, of New York, to be U.S. district judge for the Eastern District of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, September 26, 1991, at 9:30 a.m., to hold a closed confirmation hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., September 26, 1991, to receive testimony on S. 1495, to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes; and S. 1528, to establish the Mimbres Culture National Monument and to establish an archeological protection system for Mimbres sites in the State of New Mexico, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SEISHO "HARRY" NAKASONE: NATIONAL HERITAGE FELLOWSHIP

• Mr. AKAKA. Mr. President, I am honored today to recognize the distinguished accomplishments of Harry Nakasone, who has achieved much-deserved distinction as a "1991 National Heritage Fellow."

The fellowship, created by the National Endowment for the Arts, was established to recognize America's master practitioners of traditional arts, a superlative recognition similar to Japan's "living cultural treasure" accolade.

This prestigious award is given to honor and immortalize our country's finest folk artists. It is only fitting that we acknowledge Harry Nakasone, a true virtuoso of the three-stringed sanshin and classical singing, whose contributions have shaped and preserved the musical culture of Okinawa in Hawaii.

Harry has been playing his beloved instrument for more than seven decades. He began formal training nearly 60 years ago and spent some 20 of those under the tutelage of every available grand master of sanshin.

In 1963, Harry himself was presented the Ryuon Saiko Sho, the highest certificate of sanshin studies. He is both a private teacher and a member of the University of Hawaii faculty in ethnomusicology. Nakasone has produced instructional cassettes and publications and is one of the only individuals in the country who is able to repair the delicate instrument.

In 1988, a special recital was conducted in Okinawa as a tribute to this musical master. Over 200 performers participated in a testimonial display unprecedented for a nonresident artist.

Mr. President, through his commitment to the pursuit of artistic excellence, his understanding of the value of his musical heritage, his devotion to the preservation of classical culture and the sharing of his unique talent with generations of Americans, Harry Nakasone has shown himself to be a singularly special individual.

Mr. President, I wish to extend my heartfelt aloha to Harry Seisho Nakasone and his family, who have come from Hawaii to our Nation's Capital. I also cannot help but join in their excitement. There is indeed an unparalleled glow of pride and a real sense of history that flows among us all at this most auspicious of times. From today forward, Harry and his companion honorees will be eternally treasured figures in the memorable and diverse cultural heritage of this Nation.●

TRIBUTE TO FATHER CLARKE AT REGIS COLLEGE

● Mr. WIRTH. Mr. President, I would like to take this opportunity to recognize the outstanding achievements of the president of Colorado's Regis College, Father David Clarke.

Ten years ago, Regis College was in financial ruin, disrepair, and had a declining enrollment of 1,000 students. Thanks to the hard work and innovation of Father Clarke, Regis College now boasts an enrollment of 8,000 students, a renovated campus, a wide variety of new degrees and programs and a budget surplus.

Father Clarke has not only brought Regis College to new heights, he has provided a valuable service to the residents of Denver. By working closely with area businesses and creating such innovative new approaches as additional campuses, delivery of textbooks and classroom materials, classes conducted at local corporations, and an accelerated degree program, Regis now fills the needs of an adult population seeking to further their education.

Mr. President, I join all Coloradans in thanking Father David Clarke for his dedication to education and the revitalization of Regis College, and request that the following story from the Wall Street Journal be printed in the RECORD:

The article follows:

AILING COLLEGE TREATS STUDENT AS CUSTOMER, AND SOON IS THRIVING

(By Marj Charlier)

DENVER.—When David M. Clarke became president of Regis University, enrollment was tumbling and the small, 114-year-old Jesuit school was on the brink of financial ruin. So he made a leap of faith. Education, he decided, is a service industry.

"United Airlines and the Keystone Ski Resort are our competitors," Father Clarke says. "The challenge is to keep our customers here instead."

Over a decade, Father Clarke set up 10 campus locations around the region so students wouldn't have to drive more than 20 minutes to school. He decreed that books and registration materials would be delivered to students so they wouldn't need to come to the main campus in an old northern Denver neighborhood for anything but class. Now some don't need to come at all, because the school brings classes to them at numerous area corporations, including International Business Machines Corp. and Adolph Coors Co.

With customer service as his watchword, Father Clarke and his staff conducted marketing studies to ask local businesses what the school could do for them. To attract new customers, he targeted a market niche poorly served by his competitors: adult education. He diversified, acquiring a nursing program abandoned by a failing local college. He formed a joint venture in which Regis provides staff to a Japanese-owned college based in Denver. The rejuvenated college even started a franchising business, offering its successful adult-education program to other schools in the hope of creating significant new revenue streams.

In his most painful move, the 63-year-old Father Clarke also laid off 25% of the faculty in each of his first two years.

When Father Clarke arrived more than a decade ago, he found 1,000 students, crumbling buildings and a sea of red ink. Today, the college bustles with 8,000 students. It is building a new health center. It has refurbished its grounds, renovated buildings, installed a new lighting system for better security, and remodeled cafeterias. Eight master's degree programs have been added. The school's programs are promoted by local businesses, which help support it with donations. Regis now consistently runs a budget surplus.

The college's revival is all the more remarkable considering that the number of high school graduates is dwindling and that rising tuition is driving many of them to state-supported schools. Half of all college students attended private schools in 1950, but only 22% did in 1990. Two of the four private schools that once operated in Denver folded over the past decade.

Although the Regis case may be extreme, experts say many schools are discovering they must find a market niche and change their ways to survive. Chatham College, a private institution in Pittsburgh, has focused on women who have quit school, even providing dorms where single mothers can live with their dependent children. The University of Phoenix, a private school offering professional degrees in several Western states, has found that teleconferencing technology lets it reach students who travel or who can't make it to regular classes.

"As dollars get tight, colleges get more entrepreneurial," says Dennis Jones, president of the National Council of Higher Education Management Systems, a private group in Boulder, Colo.

NICHE MARKET

For Regis, the opportunity turned out to be adult education, a market once dominated by two-year community colleges and trade schools. When Father Clarke first arrived—after a short stint as a corporate chemist and a career change that made him academic vice president at Gonzaga University in Spokane, Wash. Regis's "customers" were the usual suspects: 18- to 22-year-olds. But the changing workplace was causing so many adults to look for new careers, or at least new skills, that part-time enrollments at U.S. colleges tripled to six million between 1965 and 1989.

Most colleges lump returning adult students in with the general campus population. Instead, Father Clarke and his staff set up a separate adult program. Anyone under 23 would be barred.

"Other colleges said, 'Sure, we'd be glad to have you as long as you come and act like teen-agers," Father Clarke says. "But adults don't put up with a lot of garbage."

An accelerated degree program makes it possible for adult students to complete their junior and senior years in two years of evening classes. That requires a heavy workload, but Maurice Brian, for one, doesn't mind. With a degree from a two-year community college, Mr. Brian, 40, found his career at Adolph Coors's Coors Brewing Co. unit at a standstill. He tried to finish school through a transitional program but found the long drive to campus, the 14-week semesters and his fidgeting 18-year-old classmates unbearable. Then Regis came to Coors.

"It was a different culture," he says. "The instructors were real people who taught what they did in real life." And his fellow students were as serious as he was.

Now, after getting his degree in business, Mr. Brian is a vice president of the brewing company, four steps higher in the organization than he was when he started.

On a recent Tuesday evening, Marie Scott, 26, is one of a dozen students filing into a brighty lit classroom at Regis's Denver Technology Center building in southwest Denver. Ms. Scott, a contracts administrator at Martin Marietta Corp., and her classmates appear tired; their clothes are slightly rumpled from a full day at work. One thing that attracted them to this class is location.

"Sometimes I can't get out of a meeting until six, and classes start at six," Ms. Scott says, coffee cup in hand. "It has to be close."

To keep the program in tune with the market's needs, Regis's marketing staff stages focus group meetings, conducts surveys and calls frequently on area businesses to round up new ideas.

Richard Creasey, former career development manager at Martin Marietta's Denver division, was amazed when the Regis marketers came to visit. Mr. Creasey, now retired, was more accustomed to university administrations that told him "we'll tell you what you need and you'll take it," he says. Regis told him "you tell us what you think you need and we'll adjust our program to meet it."

At one recent meeting—attended by such big local employers at Ball Corp., Sundstrand Corp., Storage Technology Corp., General Cable Co. and Martin Marietta—one executive asked if the school could help companies set up "mentoring" programs, in which older workers would help nurture younger ones. William Husson, director of the school's adult program, promises to discuss the idea with a new-ventures department that was set up to solicit such notions. Out of similar meetings came the school's new post-graduate program in computer information management and a streamlined procedure for deferring the tuition of students who are reimbursed by their companies.

"We're alway looking for opportunities," Mr. Husson says.

As a result of such changes. Martin Marietta dropped many of its own basic college business classes and started sending its employees to Regis's southeast Denver campus, close to company headquarters. Many other local corporations also recommend the adult program to their employees. Regis's adult program now accounts for all but 1,000 of its 8,000 students.

BOND WITH BUSINESS

The bond with the business community has brought in considerable financial support, too. Coors has donated funds for the college's health center and for sprucing up the main campus's perimeter. Annual corporate donations to the general fund rose to $325,000 in 1990 from $98,000 in 1980. A fund-raising campaign from 1985 to 1989 collected $16.5 million, largely from corporations. No previous campaign had garnered more than $5 million.

Further linking the school with business is Regis's cadre of adjunct professors, most of whom work at area companies. Instructors have at least a master's degree plus significant practical experience.

"We have an advantage over traditional students" who don't get adjunct faculty, says Richard Gonzales, Denver's fire chief, who is studying for a bachelor's degree in business at Regis. "For business law, I had an attorney who does business contracts for a living. He didn't just know theory, but here's a guy who knows how it's really done."

The adult program has gained such acceptance here in Denver that Regis is now offering to franchise it to other colleges. The franchise package includes a full bundle of class "modules" which include syllabuses, reading materials and a list of learning goals for each night's class. A team of 30 Regis professors and administrators travels to the other college to help set up the program, including selection of faculty.

For its trouble, Regis charges a fee that covers most of its expenses and, in true entrepreneurial fashion, takes a percentage of the profit the franchisee receives for five years. The hope, says Thomas Kennedy, the new ventures maven, is that Regis can start up an adult program somewhere once a year so that it will eventually have money coming in from five schools all the time.

FIRST CUSTOMER

The franchise program's first customer was Lewis University, a 4,000-student Christian college outside of Chicago that wanted to increase its ties with businesses in the community and their employees. Mary Wahlbeck, director of the Lewis program, says she chose Regis's package because she wanted "to keep from re-inventing the wheel," and because of the program's customer service approach.

"Some people don't like to hear this" she says, "but we're a business and we need to treat our students like customers."

Some academicians question whether schools should rely on adjunct professors as much as Regis does—about 85% of the adult-program professors are from the business community. Andrew Breckel, assistant vice president of Metropolitan State College of Denver, says that once adjunct professors exceed the two-thirds level, a college can lose the needed communication and shared knowledge that a cohesive, campus-bound faculty provides.

To some academicians, the school's courting of the business community also seems inappropriate. They fret about corporate influence over curricula and standards and wonder whether the profits from these ventures will be sunk into academic programs. They note that the quest for profit has led to scandal at other schools, including excessive overhead expenses, occasionally falsified research results and tuition price-fixing schemes.

"This pandering to corporations and businesses tends to undermine the moral fiber of the university and the education the university gives," says Leonard Minsky, director of the National Coalition of Universities in the Public Interest.

Father Clarke insists that Regis's businesslike approach hasn't watered down academic standards. He notes that all of Regis's students, even those enrolled at IBM and Coors, must take the same philosophy and religion classes as its regular undergraduates. Besides, he says, it would be hard to cover the bill for many necessary programs, such as health care, without the revenue from adult education.

"We're not-for-profit," he says, "but we're not for loss either."•

THE 25TH ANNIVERSARY OF THE LAVALLETTE SENIORS, INC.

• Mr. LAUTENBERG. Mr. President, I rise today to recognize and congratulate Lavallette Seniors, Inc., for commemorating its 25th anniversary. On October 10, its members will celebrate the anniversary of their organization at the 25th anniversary dinner dance, the senior prom.

This viable organization of almost 350 members, are actively involved in the Lavallette community. Its vivacious members participate in community functions such as the Memorial Day and Heritage Day services. Lavallette Seniors keep abreast the current legislation that may affect its members or the community at large. The Lavallette Seniors, Inc., hold membership meetings twice a month and organize social functions including dinners, concerts, and theater outings.

It is my pleasure to congratulate the Lavallette Seniors for reaching this significant milestone. Its members are doing a wonderful job leaving their mark on the Lavallette community. I extend my warmest regards to the seniors and wish them continued good health and happiness for years to come.•

HONORING WISCONSIN'S EDUCATIONAL ACHIEVEMENT

• Mr. KASTEN. Mr. President, at a time when bad news about American education seems to dominate the headlines, I would like to call the attention of my colleagues to the outstanding job being done in high school education in my home State of Wisconsin.

Last week, it was announced that Wisconsin once again leads the Nation in scores on the American College Test—an important college admissions test.

The students and teachers in Wisconsin's high schools are doing something right: They are working hard and putting their priorities in place.

All these individuals deserve our congratulations for a job well done—and we can all learn a valuable lesson from their accomplishments. I ask that an article from the Milwaukee Journal on this subject be included in the RECORD at this point.

The article follows:

[From the Milwaukee Journal, Sept. 17, 1991]

STATE ACT SCORES LEAD NATION

(By Mark J. Rochester)

Wisconsin high school students again lead the nation in ACT scores, tying Iowa for the highest average composite score on the college admission test.

Also, the state's African-American students scored higher than the 1991 national average for college-bound blacks, according to figures released by the state Department of Public Instruction.

Nationwide, average scores remained virtually unchanged for the sixth straight year.

The ACT, or American College Test, is the predominant college admission test in 28 states, mainly in the West and Midwest. Other states use the Scholastic Aptitude Test.

This year, Wisconsin college-bound seniors earned a composite score of 21.7 on the ACT, compared with the national score of 20.6. Wisconsin's score declined one-tenth of a point from last year, when state students recorded an average of 21.8 on the test.

It is the fourth straight year that state test scores have dipped or remained stable, although more students are taking the test now than five years ago.

In 1987, the state average was 22.1, with 27,505 students taking the test. In 1988 and 1989, the average score was 21.9, with 32,183 and 34,993 students, respectively, taking the test. Last year, 33,212 students took the test. This year, the total was 32,520.

Nationwide, scores have barely changed since 1987, when the nationwide average was 20.8.

Lyle Martens, deputy state superintendent of public instruction, said Monday that the slight decrease in Wisconsin's score was mainly due to the increasing number of students taking the test. In terms of the state rankings, he noted that Iowa had fewer students taking the test than Wisconsin.

"I think the significant part is that even though we have more students taking the test . . . Wisconsin continues to rank No. 1," Martens said.

UW SYSTEM REQUIRES ACT

Nationwide, 796,983 students who graduated from high school this spring took the ACT during their junior or senior years. It is required for admission to all University of Wisconsin System schools and others in the state.

HIGHER SCORES AMONG MINORITIES

Patricia A. Farrant, an ACT spokeswoman, said it was difficult to pinpoint exact reasons why minority performance continued to increase, but noted that a growing number of minorities were taking solid core curriculum courses in high school. A core program consists of at least four years of English and three or more years of math, social studies and science.

"Relatively speaking, students who take a core program in high school score on the average 2 to 3 points higher than students who don't and that holds true across minority subgroups, and the number of minorities taking core [courses] has increased dramatically over the past five years," Farrant said.

Wisconsin's dip in test scores is not significant enough to indicate a trend and could be attributed to the increase in the number of students taking the test, Farrant said.

"A couple of tenths of a point [change] isn't going to be very meaningful. It could easily [go] up again or down again without very much meaning being attached to it," Farrant said.

URBAN-SUBURBAN DIFFERENCES

Farrant said there was no reliable data available on whether there was any difference in how students from urban, suburban and rural school districts nationwide performed on the test.

According to last year's figures:

Test scores in rural areas averaged 20.1, scores in communities between 500,000 and 1 million population averaged 20.9, and scores in areas of more than 1 million people averaged 20.7.

But those statistics do not show any significant differences, Farrant said. "Basically you need more than a score point to have a meaningful difference," she said.

The test, administered by American College Testing of Iowa City, Iowa, consists of four areas: English, math, reading and science reasoning. The multiple-choice test questions are designed to measure knowledge, understanding and reasoning. It is scored on a scale of 1 to 36.

ACT revised the exam in 1989, and test officials said national averages from 1987 through 1989 were converted to make them comparable with scores on the revised test.

In Wisconsin, nearly 7% of the test-takers this year identified themselves as belonging to an ethnic minority group, up from 6% last year. African-American seniors scored 17.7, up one-tenth of a point from last year and seven-tenths of a point higher than African-Americans nationwide. Figures showed that 926 African-American students took the test this year, compared with 28,703 white students.

The average composite score for white students was 22. For Asians, it was 20.2. Scores for other minority groups with fewer than 500 seniors were not provided.●

REPORTS FROM PAKISTAN—A CAUSE FOR CONCERN

●Mr. CRANSTON. Mr. President, I rise today to express my concern about reports of electoral chicanery, corruption, and political violence in Pakistan, a country with longstanding ties of friendship to the United States.

Earlier this week Mr. Naveed Malik, formerly the top political advisor to Nawaz Sharif, the president of the ruling IJI Party and the current Prime Minister, came to my office to tell my staff what he knows about allegations of massive fraud in last year's parliamentary elections.

Mr. Maleek said he was at the center of an illegal electoral cell in the populous Punjab Province, one of four such clandestine operations—he reported—in as many provinces.

Maleek said that 3 days before the October 24 election, the leaders of the IJI met with the leaders of Pakistan's intelligence agencies and determined that former Prime Minister Benazir Bhutto—herself the victim of a quasi-military putsch just 2 months before—and her Pakistan People's Party were on the verge of winning a convincing electoral mandate.

Maleek claimed that at the time, a mere 72 hours before the elections, it was decided that the PPP would only receive 45 seats and that the IJI, an amalgam of fundamentalist groups, would be given a two-thirds constitutional majority. Furthermore, he said, allegations of corruption by the Bhutto government "were blown all out of proportion" and formed part of a deliberate disinformation campaign.

"I know," said Maleek, "I was part of the system."

Beyond these disturbing charges, for which there earlier was substantial circumstantial evidence, are continuing news reports about human rights abuse, high-level complicity with the BCCI—known popularly as the Bank of Crooks and Criminals International, and massive corruption associated with the regime's efforts at privatization of state enterprises.

Mr. President, perhaps the most disturbing claim made by Mr. Maleek was what he said was the growing disillusionment Pakistan's people feel with constitutional rule. Although the alternative is stark and unappealing, a return to open rule by the military cannot be discounted.

Mr. President, I ask that several newspaper articles concerning events in Pakistan to be printed in the RECORD.

The articles follow:

[From the Daily Dawn, Aug. 4, 1991]

1990 ELECTION RIGGING PATTERN EXPLAINED

ISLAMABAD, Aug. 3.—A former adviser to Mr. Navraz Sharif, who was then Chief Minister of Punjab, and a member of the IJI's election cell in Punjab, Mr. Naveed Malik on Saturday confessed publicly that the 1990 elections were "rigged by him and the election cell" and apologised to the nation for "his mistake".

"I am ready for any punishment that the nation decides for the crime I have committed. Let the people file cases against me in courts and I will say I did it. We rigged the polls and denied the PDA its victory", Malik told a crowded news conference in Islamabad.

The former adviser to the Chief Minister was questioned closely about his role in the elections and how, and why, did he agree to a "national crime, which amounted to treason".

Giving details of how the elections were rigged, Naveed Malik disclosed that PDA was to get 87 seats while IJI would have got 60, but three days before the elections "the final decision was taken to confine the PDA victory to only 45 seats".

"I was coordinating the rigging operation with all the commissioners in Punjab and every MNA was given 20,000 votes and every MPA 10,000 to be stuffed in their ballot boxes in offices of the district officials", Naveed Malik said.

He revealed that it had also been decided by the election cell, which had its camps in Islamabad and Lahore, to keep certain important leaders out of the Assembly. These included Nawabzada Nasrullah Khan, Khan Abdul Wali Khan, Maulana Fazlur Rehman, Air Marshal Asghar Khan, Malik Mohammed, Qualm and Malana Noorani.

The name of Choudhry Aitzaz Ahsan of PDA was also in this list but he was declared elected by the mistake of a bureaucrat", Naveed Malik said.

The election cell, he said, was created to monitor and manipulate elections results. "The present assembly is a product of massive rigging and it can rightly be called test-tube assembly.

Naveed Malik urged the Prime Minister to resign and said a national and a neutral government should be installed to inspire the confidence of the people.

[From the Nation, Aug. 4, 1991]

NAVEED MALIK SAYS HE WAS PART OF '90 POLLS "RIGGING CELL"

(By Mariana Baabar)

ISLAMABAD.—Mr. Naveed Malik former political adviser to Prime Minister Nawaz Sharif, said before the media that he was part of the rigging cell which was set up in the '90 elections. He added that he was now ready to face trial under the law of the land.

"I took part in the rigging where orders given to me were to coordinate with all the district commissioners. I accepted these orders thinking that after winning the elections the IJI would serve the country," he said.

Mr. Malik who had been pressured by the high and mighty of the land on Friday night was reported to have spent the night in a 'safe house' of a certain agency who escorted him to a five-star hotel for the statement, he said.

Mr. Malik denied that he had any links with the army or that any agency was supporting him. "They tried to pressure my father into browbeating me but it is not my style to talk to Nawaz Sharif or anyone else."

A journalist who was with Mr. Malik on Thursday night said that he himself picked the phone at the place where the former adviser was staying and the Prime Minister's brother, Shahbaz Sharif, was on the line. Mr. Malik refused to speak to him, the journalist stated.

It was a bitter Malik who said, "I have groomed Nawaz Sharif to be a Prime Minister but he has turned out to be merely a shopkeeper".

Talking about the alleged massive rigging during the 1990 elections, Mr. Malik said that actually two centres to monitor the election results were set up. One was in Lahore and the other in Islamabad. "The portion in Islamabad was located in the secretariat which was being run by both retired and serving bureaucrats. The administration was ordered to stuff the ballot boxes. "Mr. Malik said that the estimates projected by various intelligence agencies of the federal and provincial governments gave 87 seats to the PDA and 60 seats to IJI and the rest to other various political parties.

"These reports had upset the IJI leadership and three days before the general elections the final decision was taken to confine the PDA victory to only 45 constituencies. Mr. Malik said that the elections cell responsible to oversee and manipulate the election results was assigned this using the government started pouring, they did not even strictly conform to the master plan. So accordingly the election cell in many cases reversed and adjusted the results to bring them in conformity with the original plan before they were announced to the media, he said.

"The MNA's were given 20,000 bogus votes while the MPA's were given 10,000 votes", he said. Recalling the time of the election campaign, Mr. Malik said that the rigging campaign was carried out from the Governor's House and the Chief Minister's House.

Explaining the mode of rigging, he said; "Massive funds were given to the candidates and government aircraft were misused. I myself travelled in these together with Nawaz Sharif and Mr. Jatoi. Even the two munshis of the government, the Governor and the Chief Minister were involved."

When asked to comment why he was acting like "a rat aboard a sinking ship" and why he had kept silent for so long, Mr. Malik replied that he wanted to give a chance to democracy and to the IJI Government to prove its credentials.

But it was after the 12th Amendment, that I decided that Nawaz Sharif has exposed himself to be a traitor."

Mr. Malik, who had his last meeting with Mr. Nawaz Sharif six weeks ago, said that he had told the Prime Minister to "mend his ways" and had warned him that his "cheap minister" Mr. Wyne would destroy him.

When questioned as to what had been promised to him for his antistate role in the elections, the former adviser said that he was offered any job of his choice which he refused. He said that his salary which he had earned in the past would go to the Muslim League fund and the Siachen Welfare Association.

Mr. Malik said that since he had worked closely with Mr. Nawaz Sharif, he knew his intellect. He said that he had advised Mr. Nawaz Sharif to let someone else be nominated Prime Minister while he should stay in the Punjab. "I told him that this way the focus would be on someone else who would also bear the responsibility. But he did not listen to my advice and now he stands fully exposed".

Mr. Malik said that it was also decided to keep certain important political leaders like Nawabazda Nasrullah Khen, Wali Khan, Maulana Fazal-ur-Rehamn, Asghar Khan, Malik Qasim and Maulana Norrani out. "The name of Aitzaz Ahsan was also in the list but he was declared elected by a bureaucrat's mistake" he said. Hitting out at the present set-up, he said that in reality the 154 MNA's were patrons of crime.

"They are murderers. There is no government."

Turning to the problems that the bureaucracy was facing, Mr. Malik said that the Prime Minister does not bother to read files on national security for months. "He does not read newspapers but only listens to *khabarnama*. He said that senior officials had complained to him (Malik) that something happens to the Prime Minister in the middle of a conversation. "I told him that he drifts off because he starts thinking of how to make money. He has no clue to statecraft".

Mr. Malik called upon the government to stop creating hatred against the armed forces. "Do not create cracks in the only institution in the country which is working. Propaganda against the armed forces reflects badly on our national security".

Criticising the IJI leadership, Mr. Malik said, "At best the present Government and the present Assembly are products of massive rigging in the elections. They can rightly be called a test-tube government, a test-tube assembly and a test-tube prime minister.

"He called upon Mr. Nawaz Sharif to render his resignation "in the larger national interest" as "the country is not being governed in accordance with the constitution, and due to the incompetent government the security of the country is threatened and the federation is in danger".

When questioned whether he would in the future take part in a similar exercise to rig elections, Mr. Malik replied, "I won't do it again. I have had enough".

[From the Frontier Post, Aug. 5, 1991]

MALIK ADMITS MASSIVE RIGGING IN '90 POLLS

ISLAMABAD, Aug. 4.—Mr. Naveed Malik a former adviser to Prime Minister Mian Nawaz Sharif, became an approver against him, when he confessed at a press conference here on Saturday that massive rigging took place in October 1990 polls.

Describing Mian Nawaz Sharif elections, he can say with full authority that the Governor's House and the chief minister's house at Lahore were used for rigging cells, where both Mian Azhar and Ghulam Haider Wyne acted as "munshi" to Mian Nawaz Sharif, Naveed Malik added.

He said the intelligence agencies giving PDA 87 seats of the National Assembly and the IJI only 60 seats had upset the IJI leadership and the final decision to restrict the PDA victory to only as a "test-tube prime minister" and the present National Assembly as "test-tube assembly" he admitted playing a role in the rigging drama. "My assignment was coordination with divisional commissioners and district administration of the Punjab province."

He alleged that the present prime minister, as well as Chief Minister Punjab, Ghulam Haider Wyne, used to instruct him about the implementation of the rigging plan. Since he was a part of the Punjab government at the time of 46 constituencies was taken three days before the elections.

The main election cell in Islamabad was assigned the unholy task to manipulate the elections results, he said and added that each IJI nominee for national assembly and provincial assemblies was given 20,000 and 10,000 bogus votes respectively. "Ballot boxes were filled with bogus votes by local administration," the former adviser contended.

Despite including bogus votes in favour of the IJI nominees, elections results were reversed in my constituencies, he maintained.

He further alleged that certain important political leaders like Nawabzada Nasrullah Khan, Khan Abdul Wali Khan, Maulana Fazlur Raaman and Air Marshal (Retd.) Aughar Khan were deliberately defeated.

The former adviser called upon the prime minister to tender his resignation in the larger interest of the country and is not being governed in accordance with the Constitution.

Elaborating other methods of rigging, Neveed Halik said Mian Nawaz Sharif had used government aircraft and huge funds were put at the disposal of IJI candidates.

He alleged that 105 IJI MNAs were real patrons of criminals in their areas and for maintaining law and order, it was necessary that these patrons of criminals were apprehended.

He said it is a pity that the prime minister of the country who took over the government as a result of massive rigging was unable to see important * * * for months. He was of the view that this country cannot be governed by such 'incompetent' people.

To a question he said that he had played the unpleasant role in the elections rigging in the hope that IJI rulers would serve national interests, but contrary to this they were serving their own interests.

He accused Mian Shahbaz Sharif, brother of Mian Nawaz Sharif, of putting pressure on him, but vowed that keeping in view national interests supreme he would not listen to anybody. In his opinion, by passing 12th Amendment Nawaz Sharif government had proved that it was an 'incompetent government'.

When asked about the role of President Ishaq in masterminding the rigging, he said he was unaware of his role and added if there was any such thing it was between the President and Mian Nawaz Sharif.

He said he had a meeting with Mian Nawaz Sharif six weeks ago and conveyed his feelings to him. He further observed that the Punjab chief minister had turned into "cheap minister."

Naveed Malik warned that after his two more press conferences, Prime Minister Nawaz Sharif would be forced to go home in Lahore.

He agreed with a questioner who suggested that all those involved in rigging should be sentenced. "I would be happy to become co-accused of Mian Nawaz Sharif in the lock-up" he remarked.

He was confident that President Ghulam Ishaq Khan would take action against the IJI government because the federation was being threatened due to its wrong policies such as its confrontation with and creation of hatred against the armed forces.

He said performance of the IJI government during last eight months had convinced him that the rulers are not keen to strengthen democracy or to serve the nation, but in fact they are plundering and looting the national wealth. "Under this situation I can no longer be a silent spectator and decided to bring these facts before the nation", he concluded.

[From the Los Angeles Times, Aug. 9, 1991]

BCCI AVOIDED HUGE TAX BITE IN PAKISTAN

(By Mark Fineman)

KARACHI, PAKISTAN.—The Bank of Credit & Commerce International used a veil of charity, nationalism and religious piety in the country of its birth to avoid paying tens of millions of dollars in taxes. Instead, it channeled most of the huge profits it earned in Pakistan to a corporation owned by a close friend of the bank's founder, to inflationary tax-free bonds and to pet projects of Pakistan's most powerful politician, President Ghulam Ishaq Khan.

Documents obtained by The Times indicate that Ishaq Khan was serving as the nation's most senior finance official when BCCI was granted special, tax-free status for its highly profitable Pakistani operations in 1981. That was the year the bank's founder, Agha Hasan Abedi, created a charitable foundation that sheltered the bank's income from taxes and earned Abedi a reputation as a larger-than-life philanthropist among most of his countrymen.

Ishaq Khan—who does not appear to have benefited financially himself—also served as chairman of the BCCI foundation when it made its largest single donations ever: $10 million in grants in 1988 and 1989 to finance a private institute for science and technology, a now-secret facility where the current project director is A. Qadir Khan, the

Pakistani scientist most closely associated with Pakistan's attempts to build a nuclear bomb.

The foundation did assist many of Pakistan's needy and was responsible for many good works. But an analysis of 10 years of BCCI foundation accounts—obtained by The Times and verified in dozens of interviews with present and former BCCI officers—shows that less than 10% of the $60 million in profits BCCI reported it amassed here in the past decade actually went to the nation's indigent and incapacitated, to the institutions that care for them and to the religious and educational "good works" for which Abedi is best known here.

Through its large investments in government bonds that the World Bank has cited as a significant cause of Pakistan's soaring inflation and expanding black economy, the BCCI foundation actually made more money in interest alone than it ever donated to charity.

For each dollar the foundation spent to care for cancer patients or for scholarships for the poor, it spent thousands more on shares of stock in a private Pakistani cement company that has never paid the foundation a single dividend. That company is owned by Abedi's close friend, Saudi entrepreneur Ghaith R. Pharaon. Pharaon was indicted with Abedi in New York last month in the massive bank fraud scandal that has engulfed BCCI's operations in the United States.

And for every dollar the foundation donated to its public showcase project—a long-term slum improvement program in suburban Karachi where the director himself believes BCCI exploited charity in the name of Abedi's personal prestige—it spent tens of thousands more on Abedi's personal pet projects.

They eventually had to be slashed or abandoned when President Ishaq Khan and the rest of the foundation's board, instead, allocated funds for the Ghulam Ishaq Khan Institute for Engineering Sciences and Technology.

"The biggest problem with the BCCI thing is that people have now lost faith in philanthropy," said Prof. S. A. K. Lodhi, a Pakistani scientist who headed for nearly a decade one BCCI-financed subfoundation that has languished for lack of funds.

Despite apparent conflicts of interest at the top levels of the Pakistani government, the operations of the BCCI foundation do not appear to have violated Pakistani laws.

The foundation's investment in Pharaon's Attock Cement Corp. appears to be permitted under at least one of the 28 broad objectives outlined in the foundation's articles of association, which served as the basis for the government concession allowing it to operate here largely tax-free.

The huge donations to Ishaq Khan's private institute are permitted under the foundation's mandate to "encourage research, investigation, invention, planning and development." That mandate would sanction the financing of nuclear weapons development in a country where an "Islamic Bomb" is viewed popularly and politically as a patriotic mission.

The foundation's sizable investment in tax-free government bonds has left it with a $60-million endowment that still can be donated to charity, if the board so decides.

But the foundation's records show a pattern in BCCI's Pakistani operations that bank sources here said BCCI displayed in many of the 76 countries where Abedi expanded his vast empire into what became the Third World's largest financial institution.

It is a pattern of using money to make more money, to influence key politicians and to shelter as much of it as possible from taxation. It is a pattern that challenges not only Abedi's domestic image as a devout benefactor of the poor but also BCCI's moral case for its defense here and in the West.

Abedi's supporters and colleagues proudly stressed during interviews that 85% to 90% of all bank profits went to the foundation, and, thus, to charity.

In Pakistan, the foundation that sheltered the bank's profits was a mirror-image of BCCI's international network of London-based "charitable foundations." Each has a variation of the name International Credit and Investment Corp. (ICCI). They not only functioned in a similar way to BCCI's Pakistan foundation, serving as tax shelters. But, records show they also invested funds earmarked for charity in separate BCCI-owned travel and insurance corporations.

The Pakistani foundation's operations offer a dramatic study of how BCCI conducted its business in the one nation that the bank's top management and staunchest supporters cite as the centerpiece of its international operations.

President Ishaq Khan, a dedicated and lifelong civil servant, is viewed by all analysts here as incorruptible and is widely credited with helping to usher democracy into a nation long-ruled under martial law. He could not be reached for comment about the BCCI foundation, whose board he still chairs.

"The policy is that no one from the foundation is allowed to give an interview with the press," BCCI foundation director S.U. Khan said.

POLITICS AND BCCI

To fully grasp BCCI's operations here, it is important to understand the political backdrop against which the bank's scandal is being played out. Many Pakistanis are outraged by Western actions against BCCI. They view the indictments returned by a New York Grand Jury, the federal indictments expected soon in Washington and the Bank of England's sudden decision to shut BCCI worldwide last month as part of a Western conspiracy to prevent any Third World or Islamic institution from growing too large or powerful.

Coming on the heels of the U.S.-led war that smashed Iraqi President Saddam Hussein's army, even the most respected, restrained Pakistani commentators have blamed BCCI's collapse on a "unipolar, New World Order," in which the United States and its Western partners will stop at nothing to preserve their monopoly on the world's military and financial might.

Pakistan's most senior politicians, some of whom had little known personal or financial ties to BCCI, have risen to Abedi's defense. Former Prime Minister Ghulam Mustafa Jatoi called BCCI's founder "an angel in the form of a human being." Jatoi offered that praise in an interview in which he denied a recent audit of BCCI's Pakistani operations that listed a 40-million rupee ($1.6-million) loan to his family business as "bad or doubtful." Such a loan never was made, he said, adding that whatever loans the company has outstanding at the bank are adequately secured.

Jam Sadiq Ali, the chief minister and highest-ranking official in Karachi's province of Sind, held a news conference last week in which he professed his admiration and devotion for Abedi, vowing never to permit his extradition. But he then did not mention that Abedi and his bank supported the official financially during the years that he spent in self-exile in London. He confirmed this in an interview.

But not all public assessments here of the BCCI scandal have been sympathetic to Abedi and his empire, reflecting what prominent Pakistanis say was a strong, longstanding suspicion among the country's small financial elite that all was not what it seemed within BCCI.

THE INVESTMENTS

Records and interviews show that foundation investments in government bearer-bounds, called Khas Deposit Certificates, were no different from those made by many major Pakistani corporations and other charities to shelter profits from Pakistan's taxes.

The bonds were phased out last year under pressure from the World Bank, partly because they generated no revenue for this impoverished nation of 100 million. They also prevented Pakistan's economy from expanding by taking billions of dollars out of the job-producing capital market.

As for the BCCI foundation's investment in Pharaon's cement company, it was unwise at the time, present and former foundation board members conceded.

According to documents obtained by The Times, the foundation used 74 million rupees (equivalent to $3 million at today's exchange rates) of BCCI's sheltered bank profits to buy 740,600 shares in Pharaon's Attock Cement Co. in 1983 and 1984. The foundation's investment came at a time when the company listed assets of just 10 million rupees, liabilities of 12.8 million rupees and its directors, headed by Pharaon, conceded in its annual report that its performance and future were a "disappointment."

The company blamed its losses, which continued until 1990, when it showed a tiny profit for the first time, on slow delivery of equipment from the Romanian government, its partner in building a cement plant in rural Pakistan. Company books indicate that Pharaon's venture was desperately in need of capital when, former BCCI officers say, Pharaon persuaded his friend Abedi to steer foundation funds into Attock Cement.

That company's current chief executive, S. Dilawar Abbas, who is also among Pharaon's close personal aides, first told The Times in an interview in London that BCCI's investment was a "token" needed to comply with Pakistani laws requiring some "local ownership." He conceded that the company's largest shareholder, with about 2.2 million shares, is another corporation based in the tax haven of the Grand Cayman Islands. Abbas asserted that the Grand Cayman Attock Cement comany, which, under the islands' laws cannot be opened to public scrutiny, is wholly owned by Pharaon.

But in a subsequent interview, Abbas conceded that the BCCI foundation did own 25% of Pharaon's private cement company, based on its 1983 and 1984 investments. He added that he was uncertain there was a legal requirement for partial Pakistani ownership. When asked in the second interview why the BCCI foundation made the investment, he said, "They had lots of money." He added that Pharaon's venture must have appeared to be a good investment at the time.

But Abedi's decision to invest in Attock Cement was, according to the recent U.S. indictments, just one of several partnerships Abedi and his bank formed with Pharaon. In America, investigators have asserted that Pharaon acted as a front-man who brought BCCI into U.S. markets and elsewhere by using assets of banks and corporations purchased on paper in Pharaon's name as collateral for huge BCCI loans that he later defaulted on; BCCI was left with as much as $500 million in bad debts in Pharaon's name.

Pharaon could not be reached for comment. Abbas said Pharaon is living on his three-bedroom yacht, last reported to be somewhere in the Mediterranean.

The foundation's 1983 investment in Pharaon's Pakistan cement venture reveals more about BCCI's Pakistani operations than it does about the friendship between Abedi and Pharaon. Not only was it the foundation's largest single expenditure that year. But it was nearly five times the total amount that the foundation donated that year to more than 50 charitable causes. These included: the highly public financing of flights for Pakistani pilgrims traveling to Mecca for the hajj; printing of copies of the Koran, the Islamic holy book; construction of mosques, and funding of eye hospitals and leprosy centers.

In many ways, documents filed with the foundation's annual report indicate that the 1983 "donation" policies set the tone for years, times when up to 90% of the BCCI bank donations went into high-yield bearer bonds. The foundation did make hundreds of high-profile donations that touched lives—from financing medical trips abroad for the poor, to perhaps the most highly publicized effort, helping to eradicate Guinea worm disease in Pakistan through the Global 2000 project. It was launched by former President Jimmy Carter and apparently formed the basis of Carter's close personal friendship with Abedi.

But a few former BCCI officers and former foundation employees knew the proportion of foundation income going to charitable works. They said they quit when they grew convinced that the foundation was little more than a legal tax shelter, more intent on maximizing profits and building endowments than promoting human welfare, health and science.

SCIENCE GROUPS

They cited the foundation's creation of two subsidiary foundations in the early- and mid-1980's. At Abedi's personal direction, they said, the foundation provided seed money for BCCI–NEST (New and Emerging Sciences and Technology) and BCCI–FAST (Foundation for Advancement of Science and Technology.)

NEST was headed by Pakistan's preeminent nuclear scientist I. H. Usmani, known here and in the West as the father of Pakistan's now-controversial nuclear energy program. That foundation received only a few million dollars in BCCI donations before it was forced to fold for lack of funding last year.

In a 1989 NEST brochure, bearing a graphic of a nest filled with four eggs marked Pakistan, Bangladesh, Zambia and Zimbabwe to represent nations here BCCI bank profits were allocated to the NEST project, Usmani declared that the foundation would help the Third World "leap rather than creep into the 21st Century" by developing alternate energy systems. NEST collapsed after building only a handful of solar projects, some of which have now been taken over by a private company that Usmani has started in his own name.

FAST received about $4 million in bank donations after it was formed in 1980 to "bridge the wide gulf of technology lag" between West and East, according to annual reports. It attracted two respected Pakistani scientists who opened two high-tech computer schools in Karachi and Lahore, where FAST continues to offer the nation's only bachelor's degree in computer science.

Under its long-serving projects director, Javed Ashraf, who came home from a high-paying job in Libya to run the Karachi center in 1985, the foundation quickly established a reputation so high that more than 1,000 students applied each year for the few dozen slots available. But Ashraf was forced to resign last year after he challenged foundation funding policies. Ashraf, who asserted in an interview that tens of millions of rupees earmarked for the institute "simply vanished," said "our good name was being used by some persons for something else." He offered no speculation on what happened to the money for the foundation, which has been headed for several years by Pakistan's former finance minister Mahbul ul-Haq, who has lived for the past 18 months in New York, where he serves as a senior adviser to the United Nations.

Another former FAST official said he left because the money that was promised for the institute's ambitious expansion was donated, instead, to president Ishaq Khan's institute.

"There was just this one jug of money for the development of science in Pakistan, and it was split up into three pieces that were not even enough for one of the projects," the former officer said.

FAST records, obtained by The Times, indicate that most of the BCCI annual donation was invested in the same Khas government securities as used by its parent foundation. But FAST employed a financing system that, in effect, permitted BCCI's banking operation to profit from the very sums it had donated earlier to FAST's parent foundation. FAST, because it tied up in bonds its donations from the parent BCCI foundation, had to open an overdraft account to pay its day-to-day expenses; that account was opened at a BCCI bank in Karachi, which then charged the foundation 18% interest on its expenditures.

But it wasn't the accounting system that forced FAST to scale back its ambitious plans to encourage science in a nation that still ranks among the world's least-developed. Rather, it was the BCCI foundation decision in 1987, when Ishaq Khan was serving as its chairman, to commit 250 million rupees (about $10 million) to the Society for the Promotion of Energy and Science Technology. The society also is headed by President Ishaq Khan. Its only project is the Ghulam Ishaq Khan Institute of Engineering Sciences and Technology.

One Western diplomat in Pakistan described the institute as the president's "monument." At the institute headquarters in Islamabed, there is a master plan for a 218-acre campus, donated to the society by the government in Pakistan's Northwest Frontier Province, adjacent to the country's largest hydroelectric project, the Tarbela Dam. An administrative employee explained that, when the first phase of construction is completed in 1993, the institute will offer bachelor of science degrees to 150 students; when the project is complete in 1997, it will offer master's and doctorate degrees to 665 students in metallurgy, electronics, computer science, mechanical engineering and mathematics.

The institute will confirm that its project director is A. Qadir Khan. He has been outspoken about Pakistan's aspirations for atomic might, and his controversial nuclear program brought Pakistan so close to possessing a nuclear bomb that the U.S. Congress cut all aid to Pakistan last year.

But much of the institute's plans appear shrouded in secrecy. Its executive director, H.U. Beg, a former Pakistani secretary of finance and close associate of the president who runs a financial consulting service in Islamabad, told The Times that neither he nor anyone else associated with the society or the institute are "authorized to say anything about it."

Qadir Khan, whose whereabouts and even whose official title are among Pakistan's most closely guarded secrets, could not be reached for comment. A Times reporter who tried to visit the institute's construction site was followed by two unmarked military intelligence cars and was stopped at a checkpoint several miles away.

When asked about the propriety of BCCI's foundation funding the institute, prominent Pakistani analysts stressed that few here would take issue with it. They said it would only build the prestige of the president, Abedi and his bank in most Pakistanis' eyes. Nuclear weapons capability is not only a source of nationalist pride, but is seen by many as a necessary deterrent against Pakistan's traditional enemy, India, which exploded a test nuclear device in 1974.

"When you dig deeply into the most sensitive issues here, whether it's BCCI or the bomb, you have to view it all in context," said one Pakistani analyst who asked not to be named. "The reality is Agha Hasan Abedi put Pakistan on the map of international finance. No matter what he did with the rest, he did donate tens millions of rupees to charity. And President Ghulam Ishaq Khan was a critical factor in bringing democracy back to Pakistan. He's a devout patriot and perhaps the most honest man in Pakistan. So however they may be judged in the West, here, they're national heroes, and very little could change that."

[From the Daily News, Sept. 1, 1991]

CIA PLAYING BY THE RULES OF THE JUNGLE

KARACHI: The Crimes Investigation Agency (CIA), Karachi, the * * * projected anti-crimes wing of the Sindh police, is being used as a means of outright extortion, blackmailing and political victimisation of opposition loyalists, an investigation by the NIU has revealed.

Like its chief, Sam Kahn Marwat, the agency's key officials have been awarded accelerated promotions with unprecedented powers, apparently turning the CIA into a state within the state. The agency reports directly to Irfamullah Khan Marwat, the all-powerful Home Affairs advisor to the Sindh chief minister.

The NIU has catalogued specific cases, events and incidents which warrant an independent probe under the criminal law of the land.

Fully exploiting the so-called "terrorist scare" in the country, the CIA officials in Karachi can declare any person a kidnapper or a terrorist—no matter how respectable a position he holds in society—without batting an eyelid. If the 'deal' is struck, the same person can just as easily be cleared of all charges and declared clean.

On August 16, Karachi newspapers reported the sensational arrest of Mian Ejaz Siddique, a scion of the country's leading businessman Mian Siddique of the Toyo Nasic glass works. The stunning part of the arrest was that Mian Ejaz was allegedly involved in the kidnapping of one Mazaffer from Gulshan e Iqbal in Karachi last year.

Barley three days later, he was found innocent and released.

Interviews with the CIA insiders and Mian Ejaz's family sources confirmed that the CIA cooked up the case to keep Mian Ejaz from a second marriage on the behest of an influential businessman.

In an identical manner, the national press reported on July 30 the arrest of the former Pakistan State Oil managing director Amjad Hussain and Asif Ali Zardari's close friend Fauzi Ali Kazmi for their involvement in the abduction-for-ransom case of one Dhani Bux in March last year.

Amjad Hussain, at the time of his arrest, was fighting a legal battle against his controversial removal from the PSO, while Fauzi Ali Kazmi had won bail in cases against him for securing loans from Hahib Bank Ltd for the duty free shopping complex.

Interestingly, at the time of Dhani Bux's kidnapping, Hussain was leading the PSO while Fauzi Ali Kazmi had been busy raising the duty free shop complex after having secured approval of the loan worth Rs 300 million.

As the CIA lawyers asked for evidence to support these arrests the CIA bosses, this time without making routine calls to the newspapers, silently dropped kidnapping charges against both persons.

But just before they could make their way back home, the CIA discovered that Fauzi Ali Kazmi and Amjad Hussain, not even barely known to each other, were involved in a case of sniper shooting in which a youth had been killed in Clifton last year.

The wives of both of them are running from pillar to post to prevent further victimization of their husbands who are now being held in the CIA cells on murder charges.

At the height of this drama two weeks ago, the CIA sleuths raided the posh Defense Society residence of the former president of Karachi Gymkhana, Tufail Sheikh, dragged him out of his bed and dispatched him to the CIA lockup in Saddar. He was accused of providing money to the "PPP terrorists to buy weapons."

Tufail Sheikh (Tony) is very well known to the city's social circles. Though a friend of late Zulfikar Ali Bhutto, Tony's friends describe him as thoroughly apolitical.

Tony was granted freedom when two senators Bostan Ali Hoti and Islamuddia Sheikh spoke on his behalf and asked for evidence against him. The late night raid on his residence and his unlawful detention are in the knowledge of several top federal and provincial government officials, but they dare not challenge the well connected CIA bosses.

The family of a textile mills owner Sikander Halim have run for cover many a times recently when the CIA sleuths raided their Clifton residence. Sikander Halim was a friend of the former Sindh chief minister Qaim Ali Shah. Sikander Halim's family could only return to the house when Makhdoorn Rafiquzzaman, an increasingly influential member of the assembly, spoke to the CIA bosses.

The PPP parliamentarians and former ministers Syed Khurshid Shah and Pir Mazharul Haq are being sought by the CIA officials for their involvement in several cases of kidnapping-for-ransom.

Known PPP backers and leaders are not the only ones prone to intimidation by the CIA. Like Mian Ejaz Siddiq, on March 31 the CIA had boasted of having arrested two dacoits and recovered weapons and ammunition from a bungalow in Gulshan-e-Iqbal. But within the next three days the CIA officials found that both the dacoits, Naim Dad and Badshah Khan, were actually very respectable members of the society and the weapons recovered from them were all licensed.

On May 15, the CIA bosses informed the press about an alleged rapist, a police inspector named Anwar Ahamed Khan. The newspapers reported that the CIA chief had formed several teams for his arrest

As the newspaper made sensational headlines they reportedly struck a secret deal with the same inspector, resulting in the with-drawl of the case against him and a declaration that he was innocent.

Early this year the CIA announced in the media, an arrest of the city's notorious "Satta" den runner Aslam Natha for being an associate of the "PPP'S Al-Zulfikar terrorist", Bilal Sheikh. However, it hardly took Natha a week to return to his den near Lasbella bridge; the CIA has dropped all charges against him.

CIA displayed an outrageous immunity against law, discipline or service rules on June 24 when it issued a set of pictures to Karachi tabloids showing alleged prostitutes picked up with their friends from a restaurant at Guru Mandir in Soldier Bazar in the CIA record books, however, no such raid took place and no arrests were made and the girls were set free at the CIA centre after two days.

Perhaps the most interesting drama was the way the CIA bosses handled the Saeed Mighty case. Mighty a bandit turned political activist was caught wounded after a chance encounter with a city police team.

The CIA moved rapidly to take over the investigation of the case and made urgent measures to bring Mighty into the CIA custody. Mighty would have made startling disclosures because of his extremely cordial relations with an important person; his relations with influential political were the subject of several reports sent to the government by at least two federal intelligence agencies last year.

Within a few days of being in the CIA custody, Mighty dies at the Jinnak hospital in mysterious circumstances. Doctors are still intrigued about the way at least one CIA sub-inspector had meddled with his treatment

On June 27, national newspapers had quoted senior CIA officials as disclosing that on Saeed Mighty's plantation a CIA inspector Amanat Javed recovered three stolen vehicles bearing fake number plates from one Qaiser Khan in Defence Society. It was also reported that Qaiser Khan had been arrested.

Credible information suggests that the name of Qaiser Khan does not figure anywhere in the case. Qaiser Khan, who had confessed to having bargained in dozens of stolen cars in Quetta, was set free within a few day of Mighty's death and all charges were dropped against him. The present whereabouts of the vehicles recovered from him are not known to anybody in the CIA.

The CIA bosses have gained such power that they do not seem to even bother about the verdict of the Supreme Court of Pakistan or the Services Tribunal.

In April, a Supreme Court Bench had upheld the verdict by the Sindh Services Tribunal against out-of-turn promotions awarded to nine inspectors of the Sindh police by the IGP, Sindh. The tribunal had ruled against "out of turn promotions" and in its verdict on a petition moved against the verdict made by the Service Tribunal, the Supreme Court had also upheld the Tribunal's decision.

These decisions required immediate demotions of the accelerated promoted officials, but instead, an SP was promoted as DIG and a sub inspector became DSP in the course of one year—for their gallant performance while working in the CIA.

Among those thus promoted are Samiullah Marwat and the CIA Chief Inspector Saghir Ahmed Sheikh, the official who had arrested Miran Ejaz and accused him of being a kidnapper. The same CIA official, when he picked up Ejaz, was facing a probe for extorting Rs 600,000 from one Mohamad Ayub, a launch owner who was arrested as a heroin smuggler.

It may be interesting to note that most of these activities by the CIA officials were reported following an apology by the Sinoh chief minister for framing a 'false' case of heroin and illegal weapon possession against a Baloehistan minister, Sardar Sanaullah Zehri, in June.

When asked for comments about the gross violation of law in specific cases unearthed by the NIU, Senior CIA officials claimed that the agency had arrested 850 criminals and smashed 15 gangs of kidnappers in the past eight months. They said the CIA also arrested 300 persons for their involvement in 200 cases of dacoities. No independent verification of these claims was available.

[From Newsline, March 1991]

TO HELL AND BACK

The knock on the door that night of December 24, sounded familiar. I opened the door myself. They were all in civvies. I asked them to produce a search warrant, told them they could not enter the house without a policewoman, 'Bakwas na karo, said the man in charge, pushing me aside. 'Where are the arms?' they asked me. I told them they were welcome to search the house. My sisters were asleep in the next room; they broke into the room and started abusing them. They got hold of my 20-year-old brother Afazl who has never been involved in politics. My father told them, 'I'm an advocate, I'll present him at the police station in the morning.' But they kicked my father and started dragging him out too. I tried to explain to them that they were probably looking for me, they said they knew their orders and took away my father and brother.

"The next morning a constable came and said that DSP Mohammed Khan of the CIA wanted to see me. When I went to his office he greeted me with the remark, 'Aao tum say kuch bisaab karna bat.' He sent me to see my father and brother. They were very pale. I asked them what had happened. My brother told me that they had both been kept hanging upside down all night. My father told me about his previous night's encounter with the DSP, Mohammed Khan had said to him, 'What a beighairat Punjabi you are! Your daughter mixes with boys and does dirty politics.' My brother was beaten up. When he told them he had nothing to do with politics, they said, 'We know, but you are a beighairat brother.'

"DSP Mohammad Khan took me to a room full of CIA people where a [PSF] activist was hanging upside down and being beaten. Khan abused me and asked again, 'Where do you keep your arms?' 'I'm not a criminal,' I shot back, 'mind your language.' Everyone in the room laughed. "We'll teach you our language,' someone said. I tried to explain that I was associated with the girls' wing of the PSF and I wouldn't know anything about the boys' activities. They kept asking me how many times Nusrat Bhutto had sent me to India and how many other PSF activists had gone to India. 'Aisaey nabin maney gi, is ha nasha utaro,' Khan said. As I was taken out of the room my father and brother were escorted in.

"In the next room about six people began interrogating me. I could hear the screams of my brother and father from the next room. They kept asking me about my visits to

India. I have not even seen most of Pakistan; what could I tell them about India? They let me sleep just before dawn.

"The next day they brought in new people to interrogate me. A female police officer kept telling me what was in store for me. She gave graphic details of how they would put chillies in my nostrils and eyes She told me that even though I was innocent, I should say whatever they wanted me to say. She even asked me to forgive her beforehand as she would have to be a part of what was to come. Then Khan came and told me that he had called in Haji Malik Ahsan, a CIA inspector to deal with me. 'I you want to go home tell him everything, otherwise even I won't be able to save you from him.' Ahsan took me to another room. He was very polite and said that I was like a daughter to him and he knew that I was innocent but I must tell him all about the goings on in Bilawal House.

"That night, he made me wear a burqa and told me to guide them to the house of our ex-joint secretary, Sabrina. When I tried to misguide them, Ahsan pulled my hair and banged my head against the car's dashboard. Obviously they knew the way. They knocked on Sabrina's door and after some delay the door was opened by Sabrina's aging father (who is hard of hearing). He got a stinging slap from a police inspector. The old man told the police that Sabrina had got married and gone to the States. When her sister tried to intervene, she was also slapped. They dragged out Sabrina's 14-year old brother, and beat up Sabrina's brother-in-law who is a TB patient. After that they stopped at several houses and rounded up a number of boys. They also picked up things from their houses—watches, VCRs, cassette players. I could hear them discussing their booty. Our final stop was at the house of Shehla Raza, our present joint secretary. 'I'll come with you,' she told them, 'let me wear a chadar.' It was a very cold night but they dragged her out without a chadar. Shehla's sister managed to throw a chadar into the police van.

"We were taken back to a room where more than ten people were siting, some of them army people. I stood there while they stared at me and cracked dirty jokes. An army officer kept asking me questions. When I refused to say what he wanted to hear, he told Malik Ahsan, 'Take her and make her understand in you own language.' Ahsan dragged me to the other room and in a single move twisted both my arms and tied them very tightly behind my back. They tied a rope to my hands and hung me upside down. I felt as if my shoulders were being cut with a knife. Malik Ahsan said that he could make the most hardened criminals sing in just three minutes. He pulled my hair and straightened my face. I felt as if all my joints were coming apart. They made Shehla sit in front of me and watch all this. Malik Ahsan said I should record a statement on video saying that I'd been drinking with Benazir at Bilawal House. I was also supposed to say that I'd been given arms at Bilawal House which I distributed among PSF workers. When you are hanging upside down by a rope tied to your arms, you cannot talk—you can either shout or keep quiet. I shouted, 'No.' Malik Ahsan started hitting me on my shoulders with his stick. He hit the soles of my feet. Soon I lost consciousness.

"When I regained my senses I found myself sprawled on the floor, face down. They hung me upside down again and this time Malik Ahsan had another proposal. 'Al right, Benazir is your leader, don't say anything about her but everyone knows about her husband. You'll have to state that being the president of the PSF girls' wing, you used to take girls to Bilawal House, and they ended up in Asif's bedroom,' I shouted 'No' again and this time he kicked my thighs and hit me with his full strength. By this time my nose and mouth were bleeding. It was a very stormy night. . . . perhaps the coldest night of this winter. There was a thunderstorm outside. It seemed as if the tin roofs of the CIA building were about to fly off. The doors were slamming all around. A female officer thought that these were signs of God's wrath and she pleaded with Ahsan to let me off. I lost consciousness again and they took me down. Unconsciousness seemed such a blessing that night. They made me do some exercises. Shehla was very scared and she vomited from fear. Someone cracked a dirty joke about it. Shehla picked me up and put me to sleep.

The following morning I couldn't move my hands and feet. I kept vomiting blood. I was not allowed to see my family for twenty-one days. I began to feel terribly guilty, I felt responsible for the plight of my father who DSP Khan kept calling a 'beigbairat Punjabi.' My father was allowed to go home after he'd paid them ten thousand rupees. He told me that they were asking for five lakh rupees for me and my brother. I told him I'd rather admit everything they wanted me to than have him get me released by paying. Then my father filed a petition in the high court.

"My body was blue with the beatings. Shehla's brother had sneaked in some medicine for me. One day, Khan called me up and gave me a lecture. 'What has this party given you? You girls are crazy. Everyone wants to become a Benazir—as if one is not enough. We'll make an example of you. We are sharif people, we also have daughters, and girls like you are leading them astray. We'll make sure that no girl enters politics.'

"I was taken to Malik Ahsan again, my hands and feet bandaged," 'Abbi to 'Abbi to tum looli, longri but ho, tumbain googa aur kana bbi karain gay,' Then he came up with a story about Manzoor Wassan who had visited my house once. He said, 'Wassan is a dacolt and you provided him with girls who helped in robberies. And then you traded this loot for arms' My answer didn't satisfy him. The inspector said, 'Punish her in such a way that no marks are visible on her body.' I was made to stand for five days . I spent that time in a daze . . . standing, standing. Some God-fearing female staffer would let me sit for a while or massage my legs when no one was around. Once I scrawled a message on the back of a journalist friend's visiting card and gave it to a female staffer who'd pretended to be friendly. She took it straight to Malk Ahsan. What followed was more beating and hair pulling.

"When we were taken to the court for remand, my brother refused to admit that he had been tortured. Even though I told the judge about the torture, we were sent back to the CIA centre. They asked me to state that [student leader] Najib had been murdered by the PPP. They asked me to admit that the PSF girls had been involved in the shooting on MQM camps on August 22. Then they brought my brother in and began beating him in front of me. I cried, I told him to imagine that we were in Karbala.

"I went through more than I could have imagined. That video was never made, all they got out of me was my signatures on some blank sheets. But the absurdity of the situation hit me when I was taken to Civil Hospital with signs of torture all over my body; they refused to admit me because they were 'under pressure.' "

[From the Far Eastern Economic Review, Sept. 9, 1991]

LEADING POLITICIANS LINKED TO CO-OP SCANDAL—HANDS IN THE TILL

(By Salamat Ali in Islamabad)

Hardly a year after Benazir Bhutto's government was dismissed over alleged corruption, the administration of her successor, Prime Minister Nawaz Sharif, is being rocked by a billion-dollar scandal involving credit co-operative societies and members of the ruling Islamic Democratic Alliance (IDA). And to add to Sharif's problems, the scandal is confined to Punjab province, his power base, where millions of small-time depositors could well lose their life savings.

Opposition leader Bhutto, who is leading the outcry against the alleged co-op scandal, has, much to Sharif's embarrassment, been addressing huge rallies in Punjab and on 4 September gave the government one month to make good depositors' losses, failing which she threatened to start political agitation.

The current scandal is estimated to involve at least Rs 23 billion (US$915 million) collected from some 2.6 million depositors. Many of the co-ops are believed to be in the red, and most of them have cash-flow problems.

Ruling party MPs have tried unsuccessfully to blame Bhutto and her Pakistan People's Party (PPP) for the sudden proliferation of co-ops in the late 1980s that has contributed to the situation. One legislator, M. Hamza, said that until November 1988—when Bhutto took power as prime minister—there had been only 15 co-ops and that is was her government that allowed 56 more to be set up. But he could not explain how her government could have done so, since Punjab was then being ruled by Sharif himself as chief minister. Under the constitution, co-ops come under provincial jurisdiction.

Federal Finance Minister Sartaj Aziz, however, also blamed depositors for being greedy. He said they had ignored warnings and invested in co-ops in the belief that they would get returns as high as 30 percent. By way of defending co-ops, he said the courts had ruled that it was not against banking laws for any group of people to form a co-op. Besides, co-ops had been in operation for more than 20 years and in most cases their assets matched their liabilities. Their only problem was a lack of liquidity.

The leader of the opposition in the Punjab assembly, Rana Ikram Rabbani, disagrees. He says that the provincial Department of Co-operatives had reported to Chief Minister Ghulam Hyder Wyne in mid-1990 that co-ops in Punjab were cumulatively Rs 260 million in the red by 28 February 1990.

Rabbani also said that by December 1990, serious irregularities in the running of co-ops had caused a loss of Rs 2 billion. Of this, Rs 1.5 billion had been lost by just one co-op—the Services Credit Co-operative Corp. (SCCCC). But the department itself took no action because IDA politicians in the Federal parliament and the Punjab assembly were involved.

Rabbani also claims that IDA assemblyman Zulfikar Awan, who heads the SCCC, was a lavish spender—he once bought his son a cricket bat autographed by Indian actress Rekha, for which he paid Rs 500,000. One SCCC depositor, Brig. Fayyaz, says that Awan admitted he contributed Rs 100 million to the IDA election campaign in 1990. Depositors say the SCCC is unable to repay them because it has lost a total of Rs 3 billion.

Depositors also dispute Azia's claim that they were gredy and ignored official warnings. They say they were led to believe that the co-ops were safe and enjoyed the patronage of high government leaders. Federal ministers and Punjab provincial ministers had opened several co-op branches and at each of the SCCC branch offices all over Punjab, one standard item of furnishing was a picture of Awan receiving a certificate of registration from President Ghulam Ishaq Khan.

The Punjab government has not disclosed how many co-ops have failed to repay their depositors. So far it has issued notices appointing outside administrators to only eight co-ops, but in view of the enthusiastic response to the Bhutto rallies and the widespread resentment in Punjab, it is likely that more than eight co-ops are in trouble.

Moving swiftly to contain the problem, Sharif has ordered that co-op assets be used to repay depositors—with all depositors with claims of up to Rs 25,000 being paid at once.

Heading the list of defaulting co-ops is the National Industry Co-operative Finance Corp. (NICFC) headed by federal Interior Minister Chaudhry Shujaat's cousin, Chaudhry Tajammal. In terms of deposits and book value of its assets, it is twice as big as the recently privatised Allied Bank of Pakistan. The next biggest is the SCCC, followed by the Mercantile Co-operative Finance Corp. (MCFC).

The MCFC is headed by former PPP federal minister of state for finance Ehsanul Huq Piracha, who has so far been left out of Bhutto's denunciations. Piracha alone has been opposing the appointment of administrators by Sharif on the ground that it would ruin his co-op in a matter of months though it currently had assets of Rs 626.5 million against liabilities of Rs 626.8 million.

Before Sharif acted, Pircha had offered immediately to repay in full all deposits of up to Rs 50,000, 75 percent of deposits of up to Rs 300,000 and 50 percent of all bigger deposits. He asked for time to mobilize money to pay the rest of the claims.

The co-ops have generally regarded administrators with suspicion, for under the law the administrator is virtually a liquidator. On the day the administrator is appointed, calculation of interest on deposits and loans stops. Those who have taken loans often repay only in installments. Hence, this is generally seen as a ruse to secure interest-free loans repayable in installments. Besides, many co-ops have invested in properties at higher inflated prices and would be extremely lucky to sell them off for half their book value.

Aggravating depositors' fears, Aziz has asked all depositors of Rs 100,000 and above to file their tax returns with their claims, but he has not demanded similar returns from those who have borrowed millions from the co-ops.

The PPP central executive has demanded a commission of inquiry headed by a judge and comprising representatives of the depositors, the IDA and the opposition. Sharif's Ittefaq group of companies initially denied having taken any loans from the NICFC, but later announced it had repaid every single rupee it borrowed, together with interest. Shujaat too insisted he had paid back all loans to the NICFC.

Sharif's and Shujaat's companies have argued that they were forced to borrow from the co-ops only because Bhutto, while in power, had prevented the banks from advancing them money. Bhutto, however, says that by the time she took over, the companies had taken bank loans equivalent to twice their paid-up capital. She asserts that she had instructed the banks to secure every loan properly. While Sharif was ruling Punjab, his province floated an official bank, the Bank of Punjab. Bhutto claims the new bank was floated to circumvent her instructions on loans.

Salman Taseer, a PPP leader who is a chartered accountant by profession, argues that there is something fundamentally wrong with a system that allows only four families to secure as much as Rs 9.85 billion in loans from public institutions.

By Taseer's reckoning, by the end of 1990, government financing institutions had advanced Rs 2.5 billion to Sharif's group of companies, Rs 1.2 billion to the late president Zia-ul Haq's brother-in-law Basaharat Ilahi, and Rs 800 million each to Shujaat and the Saifullah family, which is linked to Ishaq Khan by marriage.

Additionally, Sharif's companies and Shujaat and Ilahi had borrowed a total of Rs 1.2 billion from the co-ops, he claimed. Sharif had also borrowed Rs 160 million for the Himalaya Textile Mills and Shujaat Rs 350 million for the Phalia Sugar Mills from a foreign bank. Both loans were guaranteed by the NICFC. This does not include Rs 850 million borrowed by Sharif's companies for their new sugar and textile plants over the past 18 months.

An application for a loan of Rs 1 billion is pending before financial institutions for a Honda car plant planned by Sharif's group of companies. The Saifullah's textile mill and foundry set up near Peshawar recently are not included in Taseer's figures.

Those under fire by Bhutto as the co-op scandal widens argue they have not committed any crime by taking bank loans for industries to accelerate the economic development of Pakistan. Nevertheless, the controversy is creating the impression among many people that the men at the top of the government hierarchy comprise the richest set of rulers Pakistan has ever had. As one critic, People's Democratic Alliance leader Asghar Khan quipped: "Pakistan has a businessman premier and he is doing what he knows best—making money."●

FAYE SARKOWSKY

● Mr. GORTON. Mr. President, thank you for allowing me the opportunity to recognize the commitment and dedication of an outstanding individual from Washington State, Faye Sarkowsky.

This week, the Young Women's Christian Association [YWCA] of the State of Washington awarded Mrs. Sarkowsky with the 1991 Isabel Colman Pierce Award for Excellence in Community Service. And it is with great pleasure that I congratulate Mrs. Sarkowsky on receiving this award. It is an award which is a reflection of the many lives she has influenced throughout her years of service to the community.

On behalf of the citizens of Washington State, I applaud Faye Sarkowsky's commitment to community service.●

AMERICAN INDIAN HERITAGE MONTH

Mr. FORD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 172, designating American Indian Heritage Month, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 172) to authorize and request the President to proclaim the month of November 1991, and the month of each November thereafter, as "American Indian Heritage Month."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 1237

(Purpose: To limit the designation of the month of November as "National American Indian Heritage Month" to 2 calendar years)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. INOUYE, proposes an amendment numbered 1237.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike out all after line 3 and insert in lieu thereof the following: "That each of the months of November 1991 and 1992 are designated as "National American Indian Heritage Month", and the President is authorized and requested to issue a proclamation for each such year calling upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe each such month with appropriate programs, ceremonies, and activities.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1237) was agreed to.

Mr. FORD. Mr. President, I move to reconsider and to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 172) was ordered to be engrossed for a third reading, was read the third time and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 172), as amended with its preamble, is as follows:

S.J. RES. 172

Whereas American Indians are the original inhabitants of the lands that now constitute the United States of America;

Whereas American Indian governments developed fundamental principles of freedom of speech and the separation of powers in government, and these principles form the foundation of our own government today;

Whereas American Indian societies exhibited a respect for the finiteness of natural resources through deep respect for the earth, and such values continue to be widely held today;

Whereas American Indian people have served with valor in all wars since the Revolutionary War to the War in the Persian Gulf, often in a percentage well above their percentage in the population of the Nation as a whole;

Whereas American Indians have made distinct and important contributions to America and the rest of the world in many fields including agriculture, medicine, music, language and art;

Whereas it is fitting that American Indians be recognized for their individual contributions to American society as artists, sculptors, musicians, authors, poets, artisans, scientists and scholars;

Whereas the 500th anniversary of the arrival of Christopher Columbus to the Western Hemisphere is an especially appropriate time for all the people of the United States to study and reflect on the long history of the original inhabitants of this continent;

Whereas the Members of the Senate and the House of Representatives believe that a resolution and proclamation as requested in this resolution will encourage self-esteem, pride and self-awareness in American Indians young and old;

Whereas the month of November is the traditional harvest season of the American Indians and is generally a time of celebration and giving thanks: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF MONTH.

That each of the months of November 1991 and 1992 are designated as "National American Indian Heritage Month", and the President is authorized and requested to issue a proclamation for each such year calling upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe each such month with appropriate programs, ceremonies, and activities.

The title was amended so as to read: "A joint resolution to authorize and request the President to proclaim the month of November 1991 and the month of November 1992 as 'American Indian Heritage Month.'"

Mr. FORD. I move to reconsider and to lay that motion on the table.

The motion to lay on the table was agreed to.

U.S. CAPITOL POLICE JURISDICTION REFORM ACT

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1766, a bill relating to the Capitol Police, introduced earlier today by myself and Senator STEVENS; that any statements appear at the appropriate place in the RECORD; that the bill be deemed read a third time and passed; and a motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I rise today to introduce the United States Capitol Police Jurisdiction Reform Act. The Capitol Police under 40 U.S.C. Sec. 212a (1988) have the power to police the Capitol Buildings and Grounds and to make arrests therein. When this language was enacted in 1948, it met the needs of the Capitol Police. However today, the buildings and areas now used are located beyond the original jurisdiction. There are buildings at this time outside this original jurisdiction which include two House office buildings as well as several parking lots and various other buildings that the Capitol Police now patrol. While it is true the police have jurisdiction within these buildings and areas, it is the area between these buildings and the Capitol Grounds that present the problems the Capitol Police face today.

One problem occurs when there is an arrest outside the Capitol Grounds for a crime committed within the Capitol Grounds. An example of this gap in the arrest authority of the Capitol Police was identified in United States versus Landon—the "Dingell staffers" case—which involved an assault and theft that took place within the Capitol Buildings and Grounds. However, the arrests for those crimes were made outside of the Capitol Buildings and Grounds by officers who did not observe the crimes. The arrests were invalidated by the D.C. Superior Court because they took place outside of the officers' jurisdiction, and did not fall within the fresh pursuit doctrine, and were not valid citizens' arrests because the crimes were not committed in the presence of the arresting individuals. The judge, while commending the police for taking action, suggested that it was up to the legislature, and not the courts to correct this jurisdictional deficiency.

Members of the Capitol Police also lack authority to arrest for certain misdemeanors, such as traffic violations, which occur in their presence outside of the Capitol Buildings and Grounds. In United States versus O'Brien, an arrest by the Capitol Police for a traffic violation—specifically an arrest for driving while intoxicated was invalidated because it occurred outside of the Capitol Grounds. Again, the court was required to dismiss the charges because the Capitol Police lacked jurisdiction.

The problems with arrests off the Capitol Grounds for misdemeanors committed in the presence of a Capitol Police officer can be carried one step further. When a Capitol Police officer in transit to or from an official assignment outside the Capitol Grounds observes a criminal act in progress or is informed by a citizen of a criminal act in progress, he or she only has the authority to make a citizen's arrest. While this scenario seems somewhat inconceivable, the District of Columbia Courts have ruled that in such instances the Capitol Police have no greater law enforcement authority than the average citizen.

However, Capitol Police officers wear police uniforms and operate marked police vehicles and are expected to perform as officers. The general public does not understand the fine distinctions of the law governing arrest authority, nor should they be expected to do so. They reasonably expect the police officer to assist them when they call for help. Without lawful arrest authority, Capitol Police officers involved in such situations have no more authority than any other citizen, and again, the officers are faced with the untenable dilemma of taking swift, necessary police action or refraining from such action due to a real concern over potential civil liability. The officer will not be afforded Government representation nor qualified immunity from liability and therefore will personally have to bear the costs of a civil suit and its consequences. Mr. President, our Capitol Police officers deserve better. We need to increase the Police jurisdiction so that these officers performing their duties will be considered to have acted within the scope of their employment.

We attempted to solve this problem last year by enacting the Legislative Appropriations Act, 1991, which expanded the arrest authority for the Capitol Police for 1 year. The language as enacted was broader than necessary in order to arrest for crimes of violence committed in the presence of a member of the Capitol Police performing their official duties. In contrast, the Capitol Police Reform Act is more narrowly tailored to provide Capitol Police with additional arrest authority within limited areas surrounding traditional Capitol Buildings and Grounds.

Mr. President, we now have the opportunity to remedy the problems that the Capitol Police are facing. I urge passage of this important legislation because it provides the Capitol Police additional arrest authority outside the Capitol Buildings and Grounds. It also encompasses arrests off the Grounds for misdemeanors. Most importantly, it gives the Capitol Police scope of employment when in transit to and from noncontiguous congressional facilities. In short, this bill removes the gaps in the existing Capitol Police jurisdiction.

The U.S. Capitol Police Chief has met with Chief Fulwood of the Metropolitan Police Department and agreed to continue to closely coordinate the expanded Capitol Police jurisdiction with Metropolitan Police Department.

It is important to note that the Capitol Police have prepared appropriate administrative guidelines governing this expanded arrest authority and would impose administrative sanctions for any violations.

Mr. President, countless hours have been spent on this legislation involving the Capitol Police jurisdiction and their expanded arrest authority. Please keep in mind that the purpose in seeking a legislative solution to this jurisdictional dilemma confronting Capitol Police officers is not to expand the area or basic mission of the U.S. Capitol Police. Rather, the intent is to better protect the occupants of the Capitol Grounds, and to safeguard officers from potentially tortious situations which may ensue while protecting areas within their current responsibilities.

Mr. President, again I urge immediate passage of this legislation and ask unanimous consent that the cases that I have referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Superior Court of the District of Columbia, Criminal Division—Felony Branch, Criminal Nos. F-9713-89, F-9715-89, Judge Holder]

UNITED STATES OF AMERICA *v.* JOSEPH L. LANDON AKA, LANDON J. LEE, JAMES A. SMITH.

MEMORANDUM OPINION & ORDER

This matter is before the Court on defendant Smith's Motion to Suppress, Amended Motion to Suppress and Supplemental Motion to Suppress, defendant Lee's Motion to Dismiss Indictment and Motion to Suppress In-Court Identification and the government's Opposition to the Motions. Hearing on the jurisdictional issue was held on June 7, 1990. Defendants argue that their arrests were illegal and that any evidence acquired after their arrests must be suppressed. In support of their argument, defendants contend that the United States Capitol Police (Capitol Police) were outside the boundaries of their statutory jurisdiction and, therefore, exceeded their legal authority to make the arrests.

THE FACTS

On August 16, 1989, defendant Lee was stopped by Capitol Police in the unit block of "I" Street, S.E. because he matched a "look-out" description of a robbery suspect. Defendant Smith was stopped in the 600 block of New Jersey Avenue, S.E. for the same reasons. Both were arrested by the Capitol Police after positive "drive-by" identifications were made by witnesses to the robbery.

At the June 7, 1990 Motions hearing, Officer Robert Singleton of the Capitol Police testified that on August 16, 1989, at approximately 9:00 p.m., he was on routine patrol. While driving southbound in the 600 block of South Capitol Street, he saw a large group of males attacking a couple in an area adjacent to the United States Capitol power plant. Officer Singleton testified that as he approached the activity the group scattered. He was, however, able to see six of the men clearly as he had illuminated the area with his squad car's "alley" lights. He identified, in court, the defendants as being two of the six men. Officer Singleton testified that he placed a radio call for assistance and gave a description of the assailants. Officer Singleton did not participate in the arrests of either defendants.

1. Defendant Lee's Arrest

The government's second witness was Officer Curtis Timmer of the Capitol Police. He testified that on August 16, 1989, he was on patrol when the robbery report came over the radio. A "look-out" was broadcast for a group of black males wearing dark shorts and light shirts. Approximately ten minutes after the broadcast, Officer Timmer saw defendant Lee in front of the McDonald's restaurant located at the corner of South Capitol and "I" Streets, S.E. According to Officer Timmer, defendant Lee matched the description of the "look-out." Consequently, defendant Lee was detained and, after being positively identified by Officer Singleton and the victims, was arrested. According to Officer Timmer, twenty minutes elapsed between the time of the robbery and defendant Lee's arrest. Officer Timmer stated that he did not witness the actual robbery and that the arrest was made neither on Capitol grounds nor on a boundary street.

2. Defendant Smith's Arrest

Officer Timmer testified that when he resumed his patrol duties, he encountered defendant Smith and two or three other subjects in the 600 block of New Jersey Avenue, S.E.[1] This occurred approximately one hour after the incident. When Officer Timmer ordered defendant Smith and his confederates to stop, they ran into a wooded area. Subsequently, they obeyed Officer Timmer's instruction to exit the woods. At that point, defendant Smith was detained, and after being positively identified by one of the complainants, was arrested. Defendant Smith was searched incident to his arrest, whereupon the Capitol Police allegedly recovered cocaine and marijuana from his person. Officer Timmer testified that like defendant Lee, defendant Smith's arrest was made neither on Capitol grounds or on a boundary street.

THE COURT'S RULING

Defendants contend that the Capitol Police officers who stopped and arrested them acted without legal authority. They argue that even though the offense occurred on United States Capitol grounds (Capitol grounds), neither of the arresting officers observed the actual crime and, moreover, the arrests were made outside the boundaries of the Capitol grounds.

Pursuant to D.C. Code §9-115 (1989 Repl. Vol.):

"The Capitol Police shall police the United States Capitol Buildings and Grounds . . . and shall have the power . . . to make arrests within the United States Capitol Buildings and Grounds for any violations of any law of the United States, of the District of Columbia, or of any state . . ."

In Anderson v. United States, 132 A.2d 155, aff'd 102 U.S. App. D.C. 313, 253 F.2d 335 (1957), cert. denied 357 U.S. 930, 78 S.Ct. 1375, 2 L.Ed.2d 1372 (1958), the Court of Appeals extended the jurisdictional authority of the Capitol Police by empowering its officers to make arrests on boundary streets. The Court held that the Capitol Police have "jurisdiction to act upon [a] traffic tie-up on a boundary street [of the Capitol grounds, and therefore, have] the right to arrest . . . if . . . a misdemeanor [is committed] in their presence." Id., at 157.

In 1981, Congress enacted legislation authorizing the Capitol Police to protect the person of any member or officer of Congress and also the immediate family of any such member or officer in any area of the United States. D.C. Code §9-115.1 (a) (1989 Repl. Vol.). More specifically, §9-115.1 (c)(1) provides that:

"In the performance of their protective duties under this section, members of the United States Capitol Police are authorized:

"To make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony."

As noted in United States v. O'Brien, 116 WLR 2117, 2120 (October 13, 1988), D.C. Code §9-115.1 (c) and Andersen v. United States, supra, set the parameters for when members of the Capitol Police can legally make arrests in their capacity as members of the force.[2] If acting beyond these parameters, "when making arrests, members of the Capitol Police stand in the same shoes as ordinary civilians." United States v. O'Brien, supra, citing United States v. Foster, 566 F. Supp. 1403, 1412 n.9 (D.C. 1983). By statute, a private person may arrest another in the District of Columbia when that person has probable cause to believe a felony is being committed in his presence, D.C. Code §23-582 (b) (1989 Repl. Vol.), or for an offense committed in his presence and enumerated in D.C. Code §23-581 (a)(2).[3]

The Court concludes that under the facts in the instant case, the conduct of the Capitol Police was beyond the parameters of their prescribed authority as promulgated by statute and case law. At the Motions hearing, Officers Singleton and Timmer both conceded that neither defendant was arrested on Capitol grounds or on a boundary street. Therefore, neither D.C. Code §9-115 nor Andersen v. United States, supra, sanction the arrests. See United States v. O'Brien, supra, at 2120. Moreover, no testimony was offered suggesting that either complainant is a member or officer of Congress or the immediate relative of such a member or officer. Since neither officer purports to have been protecting a member or officer of Congress or an immediate relative of such member or officer, when the arrests were made, it follows that D.C. Code §9-115.1 (c) also does not sanction the arrests. Id.

The Court also concludes that the arrests cannot be classified as lawful citizens arrests. As previously noted, D.C. Code §23-582 (b) explicitly states that in order for a private person to arrest another, the arresting party must have probable cause to believe the crime is being committed in his presence. Neither of the arresting officers claim to have been in the vicinity of defendants during the commission of the instant offense. Accordingly, the Court can conceive of no basis to conclude that defendants were arrested pursuant to valid private citizens arrests.[4]

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[1] This location is approximately one block from where the incident occurred.

[2] At the Motions hearing, the government noted that the O'Brien case is not binding precedent. While the Court is mindful of this fact, it nonetheless finds the case to be persuasive.

[3] The crimes enumerated in D.C. Code §23-581 (a)(2) are: (1) assault; (2) theft in the second degree; (3) receiving stolen goods; (4) unlawful entry; (5) shoplifting and attempts to commit burglary; (6) theft in the first degree; and (7) unauthorized use of a motor vehicle.

The government submits that D.C. Code §23-581 provides that a law enforcement officer may arrest a person without a warrant whom he has probable cause to believe has committed or is committing a felony. It cites D.C. Code §23-501 which defines the term "law enforcement officer" as an officer or member of the Metropolitan Police Department or of any other police force operating in the District of Columbia. The government then relies on federal statutory provisions which enable the Capital Police to protect "certain" persons in any area of the United States, including the District of Columbia, and to make arrests without warrants for any offenses committed in their presence. Finally, the government concludes that Capitol Police are law enforcement officers and are authorized to make arrests in the District of Columbia for any offense for which they have probably cause.

The Court concludes that the government's argument is without merit. As a threshold issue, it is well established in this jurisdiction that when statues of broad general application, such as the ones relied upon by the government, are inconsistent with more specific provisions (in this case D.C. Code §§9-115 and 115.1), "the latter provision 'must govern or control, as a clearer and more definite expression of the legislative will. * * * '" In Re: O.M., 565 A.2d 573, 581 (D.C. 1989) quoting 82 C.J.S. Statutes §347(b) (1953). In the instant case, it is axiomatic that the more narrow statute is controlling. This becomes more readily apparent when reviewing the status which govern other law enforcement agencies which protect our community.

For example, D.C. Code §§4-201 and 205 identify the powers and duties of the United States Park Police (Park Police) in the District of Columbia. By statute, the Park Police have the same powers and duties as the Metropolitan Police of the District of Columbia. D.C. Code §4-201. However, D.C. Code §4-205 authorizes the Director of the National Park Service to appoint "special policemen" whose jurisdiction and police powers are restricted to the public park and other reservations under the control of the Director. Thus, the statute governing the Park Police expressly grants certain officers the power to effect arrests throughout the city, See Richardson v. United States, 520 A.2d 692 (D.C. 1987), while limiting the powers of its "special policemen."

A comparison of the Code provisions governing the Capitol Police and Park Police leads the Court to conclude that if Congress had intended to grant the Capitol Police broader jurisdiction in this city, such authority would be expressly provided for by statute. While the Court is not necessarily pleased with the result which it is compelled to reach in this matter, it is mindful of its duty to interpret statutes as they are written and not in a manner which is inconsistent with their plain meaning.[5]

Having concluded that defendants' arrests were illegal, the Court must determine whether any evidence in this case must be suppressed. As previously indicated, both defendants were stopped and arrested by Capitol Police officers who were responding to a radio "look-out." In *Terry v. Ohio*, 392 U.S. 1, 16 (1968), the Supreme Court held that a Fourth Amendment seizure occurs whenever "a police officer accosts an individual and restrains his freedom to walk away." The Court sanctioned limited seizures conducted on the basis of "articuable suspicion." This narrowly drawn exception, however, only applies to brief stops effectuated by police officers. Id., at 27.

In *United States v. Foster*, *supra*, at 1422, the Court invalidated a *Terry* stop made by a Washington metropolitan Area Transit Authority police officer outside the geographic limits of his jurisdiction and held that the evidence acquired during the ensuing arrest had to be suppressed. The statutory limitations placed on members of the Capitol Police likewise regulate their authority to act in a law enforcement capacity. "When they act outside those limitations, they are not afforded the powers they otherwise possess as police officers." *United States v. O'Brien*, *supra*, at 2122, citing *United States v. Edelen*, 529 A.2d 774 (D.C. 1987); *District of Columbia, v. Perry*, 215 A.2D 845 (D.C. 1966). Accordingly, when Capitol Police act beyond the scope of their statutory authority, they are precluded from making *Terry* stops or arrests. All evidence seized as a result of unlawful *Terry* stops and arrests must be suppressed. See United States v. Edelen, at 783; Schram v. District of Columbia, 485 A.2D 623, 625 (D.C. 1984).[6]

The Court concludes that because the Capitol Police officers who arrested the defendants here acted outside the boundaries of their statutory jurisdiction (both in their capacity as police officers and private citizens) they exceeded their legal authority to arrest either defendant. Accordingly, and evidence acquired after defendants' arrests must be suppressed.

Wherefore, it is this 19th day of July, 1990, hereby

Ordered, that defendants' Motions to Suppress be, and hereby are granted in part. *It is further*

Ordered, that further proceedings shall be held on August 6, 1990, to consider what affect this Order will have on the viability of these cases.

ERIC H. HOLDER, JR.
Associate Judge.

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[4] Had Officer Singleton been involved in the arrests, the Court may have reached a different result under a fresh pursuit analysis.

[5] In general, when a reviewing a statute, a court is bound by the statute's plain meaning. "[A court] must first look at the language of the statute by itself to see if the language is plain and admits of no more than one meaning." *Peoples Drug Stores, Inc.* v. *District of Columbia*, 470 A.2d 751, 753 (D.C. 1983) (en banc), quoting *Davis* v. *United States*, 397 A.2d 951, 956 (D.C. 1979). While the Court of Appeals has found its appropriate to look beyond the plain meaning of statutory language in various situations (for example, to avoid absurd results; consequences that would be "plainly . . . inequitable"; and obvious injustice), id., at 754, citations omitted, this Court concludes that in the instant case, it cannot appropriately invoke any of the above-referenced exceptions.

[6] As Judge Walton noted in *O'Brien*, *supra*. the court here is "not unmindful of the impact of this decision." The Court finds that that well-intentioned police officers responding to a serious situation acted in a manner they believed appropriate. The conduct here alleged is infinitely more serious than that found in *O'Brien* and the consequences of this Court's decision harder to explain to the officers and, most importantly, the alleged victims. The Court, however, is bound to interpret the law as codified by the legislative branch. It is, therefore, the legislature which must address the problem which the jurisdictional statutues have created.

[Superior Court of the District of Columbia, Criminal Division, T-1043-88]

UNITED STATES OF AMERICA *v.* PATRICK J. O'BRIEN

MEMORANDUM OPINION AND ORDER

I.

This matter is before the court on defendant's "Motion to Suppress Evidence" and the government's "Opposition" thereto. As grounds for the motion, defendant argues that the evidence acquired after his arrest should be suppressed because it was obtained by members of the United States Capitol Police (Capitol Police) who made the arrest without legal authority to do so. Upon consideration of the uncontested proffers of the parties as to the circumstances surrounding the arrest, and the statutes and case authority which govern the authority of members of the Capitol Police to make arrests, the court concludes for the following reasons that defendant's motion must be granted.

The parties agree that on February 6, 1988, defendant was observed operating his automobile in a reckless manner and was observed committing several other traffic violations. Defendant's vehicle was stopped by members of the Capitol Police at Third Street and Massachusetts Avenue, N.E., after the violations had been observed. The officers' observations and the arrest all occurred approximately one block from the grounds of the United States Capitol.

Following the stop, the officers detected a strong odor of alcohol on defendant's breath. They subsequently observed that his balance was swayed, and that his speech was mumbled and slurred. Defendant was also administered seven field sobriety tests and he failed all seven. Defendant was then placed under arrest, advised of his rights under the "Implied consent to blood-alcohol content . . . tests" statute, D.C. Code §40-502 (1981), and after consenting to the administering of two tests, registered on the tests blood alcohol levels of .22 and .23. Defendant is now before the court charged with driving while intoxicated—*per se*, D.C. Code §40-716(b)(1) (1981), and two traffic violations allegedly committed on the grounds of the United States Capitol.

II.

Defendant argues that the Capitol Police officers who stopped and arrested him, acted without legal authority to do so because the offenses the officers observed and his arrest, occurred outside the boundaries of the United States Capitol ground. D.C. Code §9-115 (1981) provides that:

"The Capitol Police shall police the United States Capitol Buildings and Grounds . . . and shall have the power . . . to make arrests within the United States Capitol Buildings and Grounds for any violations of any law of the United States, of the District of Columbia, or of any state . . ."

Thus, §9-115 limits the authority of the Capitol Police to make arrests for violations of the law which occur in Capitol buildings or on Capitol grounds. However, in *Andersen* v. *United States*, 132 A.2d 155 (D.C.), *aff'd*, 102 U.S. App. D.C. 313, 253 F.2d 335 (1957), *cert. denied*, 357 U.S. 930 (1958), the jurisdictional power of the Capitol Police to make arrests was extended to the boundary streets of the United States Capitol grounds. The court held in *Andersen* that the Capitol Police have "jurisdiction to act upon [a] traffic tie-up on a boundary street [of the Capitol grounds and, therefore, have] the right to arrest . . . if . . . a misdemeanor [is committed] in their presence while they are so doing." *Id.* at 157. In 1981, Congress expanded the authority of the Capitol Police to make arrests when members of the force are providing protection to "any member of Congress, officer of Congress . . . and any member of the immediate family of any such member or officer . . ." D.C. Code §9-115.1(a) (9187 Supp.). Pursuant to §9-115.1 (c): "members of the United States Capitol Police are authorized:

(1) To make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony; . . ."

Sections 9-115, 9.115.1(c) and the *Andersen* case set the parameters for when members of the Capitol Police can legally make arrests in their capacity as members of the force. Otherwise, when making arrests, members of the Capitol Police stand in the same shoes as ordinary civilians. *United States* v. *Foster*, 566 F. Supp. 1403, 1412 n. 9 (D.C.D.C. 1983). Civilian arrests are regulated by D.C. Code §23-582(b) (1981 & 1988 Supp.), which provides in pertinent part:

A private person may arrest another—

(1) who he has probable cause to believe is committing in his presence—

(A) a felony, or

(B) an offense enumerated in Section 23-581(a)(2). . .

D.C. Code 23-581(a)(2) (1981 & 1988 Supp.), permits private citizens to make arrests only for assault, theft in the second degree, receiving stolen goods, unlawful entry, shoplifting and attempts to commit burglary, theft in the first degree, and unauthorized use of a motor vehicle.

None of the statutes listed above, nor the *Andersen* case which interpreted the predecessor statute of §9-115, D.C. Code §9-126 (1951),[1] authorizes an arrest for the conduct committed by defendant. The arrest here occurred one block from the Capitol grounds for several offenses allegedly committed at that location. Section 9-115, therefore, does not sanction the arrest. Not having been committed on a "boundary street", the *Andersen* decision also fails to provide support for the government's position. And, while the government represents that the officers who made the arrest were providing protection to a member of Congress and his family when they initially observed defendant's vehicle, §9-115.1(c) does not sanction an arrest for a misdemeanor which is not a violation of the laws of the United States. Driving while intoxicated is a violation of the laws of the District of Columbia, and while the government has charged defendant with two violations of Capitol grounds traffic regulations, the arrest cannot be predicated on the traffic regulations since the violations were not committed on Capitol grounds as erroneously alleged by the government in the informations filed with the court. Thus, §9-115.1(c) also fails to support the actions of the arresting officers. Finally, as private citizens, the officers could not lawfully arrest defendant because the arrest was not for a felony or for one of the misdemeanor offenses enumerated in §23-581(a)-(2).[2]

III.

Having concluded that defendant's arrest was illegal, the court must now decide whether any evidence in this case must be suppressed. To answer this question, the court must determine at which point the Fourth Amendment came into play. As already indicated, the officers observed defendant commit several traffic violations before his vehicle was stopped. When the officers approached defendant's car, they smelled a strong odor of alcohol on defendant's breath. Defendant was then required to exit his car and perform various field sobriety tests. Thereafter, he was administered several blood alcohol tests.

"An arrest [has been defined as} a restriction of the right of locomotion or a restraint of the person . . .[and] the term may be applied to any case where a person is taken into custody or restrained of his full liberty, or where detention of a person in custody is continued for even a short period of time." *Larkin* v. *United States*, 144 A.2d 100, 103 n.10 (D.C. 1958) (quoting *Price* v. *United States*, 119 A.2d 718, 719 (D.C. 1956) and *Long* v. *Ansell*, 63 App. D.C. 68, 71, 69 F.2d 386, 389 (1934)). The Supreme Court in *Terry* v. *Ohio*, 392 U.S. 1 (1968), carved out an exception which allows police officers to briefly detain a citizen when they have articulable suspicion to believe that a crime is, or is about to be committed, without the detention amounting to an arrest, which requires the existance of probable cause. Although in *Terry* the Court acknowledged that the Fourth Amendment is implicated "whenever a police officer accosts an individual and restrains his freedom to walk away", 392 U.S. at 16, it held that the governmental interests necessitating the brief . . . i.e., "effective crime prevention and detection" and "the need for law enforcement to protect themselves and others", outweighed the brief intrusion on Terry's Fourth Amendment rights. 392 U.S. at 22-24. However, this narrowly drawn exception only applies to brief stops effectuated by "police officers". *Terry*, 392 U.S. at 27.

In *United States* v. *Foster*, where a police officer employed by the Washington Metropolitan Area Transit Authority made a *Terry* stop outside the geographic limits of his jurisdiction, the court held that evidence acquired during the stop must be suppressed. 566 F. Supp. at 1412. The rationale for the court's holding was that

"[t]he concept of reasonableness embodied in the Fourth Amendment logically presupposes an exercise of lawful authority by a police officer. When a law enforcement official acts beyond his or her jurisdiction, the resulting deprivations of liberty is just as unreasonable as an arrest without probable cause."

Id. (citation omitted). This court agrees with the reasoning of the court in *Foster*. To conclude otherwise would amount to a judicial grant of authority not authorized by the legislature. This, the court cannot do.

The statutory limitations placed on members of the Capitol Police regulate their authority to act in a law enforcement capacity. When they act outside those limitations, they are not afforded the powers they otherwise possess as police officers. *United States* v. *Edelen*, 529 A.2d 774 (D.C. 1987); *District of Columbia* v. *Perry*, 215 A.2d 845 (D.C. 1966). Members of the Capitol Police, therefore, cannot make *Terry* stops, *Foster*, 566 F. Supp. at 1412, or arrests, *Perry*, 215 A.2d at 847, when they act beyond the scope of their statutory authority. When they do so, suppression of all evidence acquired as a result of the encounter must occur. *Edelen*, 529 A.2d at 783. *Schram* v. *District of Columbia*, 485 A.2d 623, 625 (D.C. 1984).

The stopping of defendant's car in this case was a sufficient restriction of his liberty to have Fourth Amendment implications. *Berkemer* v. *McCarty*, 468 U.S. 420 (1984). Thus, since the conduct the officers observed was not a violation of a law for which they had authority to make an arrest, and the encounter between defendant and the officers did not occur within the geographic boundaries of their jurisdiction, all evidence acquired as a result of the encounter, regardless of whether it is labeled as a stop or an arrest, must be suppressed. *Schram*, 485 A.2d at 625.[3] Accordingly, the observations made by the officers following the stop, the results of the field sobriety tests and the blood alcohol results cannot be used by government in defendant's trial.[4]

WHEREFORE, it is on this 2nd day of September, 1988, hereby ORDERED that defendan's motion to suppress is granted.

Judge REGGIE B. WALTON.

The bill (S. 1766, was deemed to have been read a third time and passed, as follows:

S. 1766

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Capitol Police Jurisdiction Reform Act".

SEC. 2. JURISDICTION OF CAPITOL POLICE.

(a) Section 9 of the Act of July 31, 1946 (40 U.S.C. 212a), is amended to read as follows:

"SEC. 9. (a)(1) The Capitol Police shall police the United States Capitol Buildings and Grounds under the direction of the Capitol Police Board, consisting of the Sergeant at Arms of the United States Senate, the Sergeant at Arms of the House of Representatives, and the Architect of the Capitol, and shall have the power to enforce the provisions of this Act and regulations promulgated under section 14 thereof, and to make arrests within the United States Capitol Buildings and Grounds for any violations of any law of the United States, of the District of Columbia, or of any State, or any regulation promulgated pursuant thereto: *Provided*, That the Metropolitan Police force of the

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[1] The arrest powers under the predecessor statute are substantially identical to the arrest powers granted to the Capitol Police under §9-115.

[2] Although the protection of the Fourth Amendment is not applicable to intrusions of an individual's rights when occasioned by private citizens, the Fourth Amendment does apply where private citizens act under the . . . *United States* v. *Lima*, 424 A.2d 113 (D.C. 1980). Here, the officers made the arrest because they were acting in the capacity of Capitol Police officers. Their conduct . . . therefore, circumscribed by the Fourth Amendment . . .

[3] The court is not unmindful of the potential impact of its ruling. Aware of the dangers drunk drivers create, the court appreciates that the arresting officers' actions may have very well saved someone from incurring serious bodily injury or even death. To restrict members of the Capitol Police in the future from acting as the officers did in this case could prove to be disastrous. Nevertheless, the court is bound to interpret statutes as drafted by the legislature. It is, therefore, the legislature which must address this problem and not the court by interpreting statutes in a manner inconsistent with the plain language of the controlling statutes.

[4] The government does not suggest that the results of the blood alcohol tests should not be suppressed because they are sufficiently attenuated from the taint of the illegal encounter, nor can they. Although defendant consented to the taking of the tests, the Court of Appeals in *United States* v. *Allen*, 436 A.2d 1303 (D.C. 1981) held that the defendant's consent to search his vehicle and a statement he subsequently gave about a gun found in the car following the administering of *Miranda* warnings, were insufficient intervening events "to attenuate the taint of [the] unconstitutional arrest. . .", where the consent and the warnings were given within four hours after the arrest and while the defendant was continuously in police custody. Id at 1309-1310 (quoting *Dunaway* v. *New York*, 442 U.S. 200, 20 (1979)). The facts in *Allen* are indistinguishable from the facts in this case.

District of Columbia is authorized to make arrests within the United States Capitol Buildings and Grounds for any violations of any law of the United States, of the District of Columbia, or of any State, or any regulation promulgated pursuant thereto, but such authority shall not be construed as authorizing the Metropolitan Police force, except with the consent or upon the request of the Capitol Police Board, to enter such buildings to make arrests in response to complaints or to observe warrants or to patrol the United States Capitol Buildings and Grounds.

"(2) The Capitol Police shall have the power to make arrests within the area outside the United States Capitol Grounds described in subsection (c) of this section for any violations of law of the United States or the District of Columbia, or any regulation promulgated pursuant thereto. The arrest authority of the Capitol Police under this paragraph shall be concurrent with that of the Metropolitan Police force of the District of Columbia.

"(b)(1) For the purpose of this section, the term 'Grounds' includes the House Office Buildings parking areas, and any property acquired, prior to or on or after the date of the enactment of this subsection, in the District of Columbia by the Architect of the Capitol, or by an officer of the Senate or the House of Representatives, by lease, purchase, intergovernmental transfer, or otherwise, for the use of the Senate, the House of Representatives, or the Architect of the Capitol.

"(2) The property referred to in paragraph (1) of this subsection shall be considered "Grounds" for purposes of this section only during such period that it is used by the Senate, House of Representatives, or the Architect of the Capitol. On and after the date next following the date of the termination by the Senate, House of Representatives, or Architect of the Capitol of the use of any such property, such property shall be subject to the same police jurisdiction and authority as that to which it would have been subject if this subsection had not been enacted into law.

"(c)(1) The area referred to in subsection (a)(2) within which the Capitol Police have arrest authority under subsection (a)(2) of this section concurrent with that of the Metropolitan Police force of the District of Columbia is the following described area:

"That area outside of the United States Capital Grounds which is bounded by the north curb of H Street form 3 Street, N.W. to 7th Street, N.E., the east curb of 7th Street from H Street, N.E., to M Street, S.E., the south curb of M Street from 7th Street, S.E. to 1st Street, S.E., the east curb of 1st Street from M Street, S.E. to Potomac Avenue S.E., the southeast curb of Potomac Avenue from 1st Street, S.E. to South Capitol Street, S.W., the west curb of South Capitol Street from Potomac Avenue, S.W. to P Street, S.W., the north curb of P Street from South Capitol Street, S.W. to 3rd Street, S.W., and the west curb of 3rd Street from P Street, S.W. to H Street, N.W.

"(2) Except to the extent that this section confers on the Capitol Police jurisdiction concurrent with that of the Metropolitan Police force of the District of Columbia to make arrests within the area described in paragraph (1) of this subsection, nothing in this section shall be considered to affect or otherwise limit the jurisdiction of the Metropolitan Police force within the area described in paragraph (1) of this subsection.".

(b) The authority ganted by the amendments made by subsection (a) of this section shall be in addition to any authority of the Capitol Police in effect on the date immediately prior to the date of the enactment of this Act.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Friday, September 27; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there be a period for morning business not to extend beyond 10:15 a.m. with Senators permitted to speak therein, with the following Senators recognized to address the Senate in the order listed, if they are present: Senator BIDEN for up to 30 minutes, Senator WIRTH for up to 20 minutes, and Senator GORE for up to 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. FORD. Mr. President, if there be no further business to come before the Senate today, I ask unanimous consent the Senate stand in recess as under the previous order until 9 a.m. Friday, September 27.

There being no objection, the Senate, at 8:22 p.m., recessed until Friday, September 27, 1991, at 9 a.m.

CONFIRMATION

Executive Nomination Confirmed by the Senate September 26, 1991:

DEPARTMENT OF ENERGY

JOHN J. EASTON, JR., OF VERMONT, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF ENERGY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

QUALITY IN AMERICA

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. GINGRICH. Mr. Speaker, I hope all my colleagues will take the time to read this article and recognize the strong link that exists between quality and success in the workplace.

[From National Productivity Review, Autumn 1991]

LET'S ELEVATE QUALITY ON OUR NATIONAL AGENDA

(By Congressman Don Ritter)

After more than three decades of near-abandonment by industry leaders, academe, government, and the professions, the importance of "making things" is finally once again being appreciated by our society. Manufacturing is experiencing a comeback that started in the 1980s, and quality improvement has been our manufacturers' single most important strategy. Indeed, quality as a revolution in work and managing work is key to gaining a competitive edge in today's global business environment. The main force behind Japan's success has been its almost forty-year commitment to continuous improvement and quality. Fine VCRs, compact discs, automobiles, and now high-definition TV did not happen by dumb luck in Japan. Quality principles originating in America and refined in Japan had a lot to do with it.

The perfect process spits out perfect products and services. That is revolutionary! This notion has been substantiated by a recently issued benchmark study from the General Accounting Office (GAO), "Management Practices—U.S. Companies Improve Performance through Quality Efforts." Almost two years ago, twenty-nine congressional colleagues and I asked the GAO to examine the impact of total quality management programs on the performance of U.S. Companies—focusing on things like productivity, profitability, market share, and other similar, tangible measures of how well they have done after implementing formal quality programs.

We asked GAO to do the study because we wanted to replace single company testimonials and anecdotes with facts. We wanted an objective, credible appraisal of the effectiveness of quality as the strategy of choice for regaining our nation's competitiveness. We wanted a documentation of the quality revolution that would be accessible to the public at large—not an expensive consultant's report out of reach to all but a few with highly specialized interests and sufficient funds to purchase it. We wanted a document for the public record that could give us hard numbers to use in developing legislation and formulating policy relating to quality's role in improving our competitiveness. In addition, we wanted something for the university community. Well aware of the need in that community for quantification, we wanted to feed this quantitative appetite with data that could be analyzed and digested and ultimately incorporated into the engineering, business, and human resource curricula of the 1990s. We also wanted to provide a document that might stimulate serious academic inquiry into the quality revolution in American industry.

THE GAO STUDY

GAO began its study by interviewing many quality management experts from industry, professional societies, universities, and government agencies. Ultimately, the GAO relied on criteria from the Malcolm Baldrige Award, because many companies have used these criteria to establish quantifiable measures of their performance. To gather data for its study, the GAO then conducted numerous interviews with twenty of the twenty-two Baldrige Award finalists for 1988 and 1989.

The GAO focused its study efforts on four key operational areas that are common to all businesses: employee relations, operating procedures, customer satisfaction, and financial performance. To determine the effect of total quality in each of these broad areas, the GAO analyzed data indicating the firms' performance on discrete measurable indicators.

For example,in the area of employee relations, the GAO looked at (1) employee satisfaction as typically measured by periodic company surveys; (2) attendance; (3) employee turnover; (4) safety and health as measured by lost work days due to occupational causes; and (5) suggestions. The GAO found that companies participating in the study registered improvement in each of these employee-related areas after implementing formal total quality management (TQM) programs. There was a particularly large improvement noted in the number of suggestions submitted by employees, which increased at nearly a 17-percent compounded rate of growth.

Companies use numerous indicators to help them determine the effect of their quality programs on the quality and cost of their operations. These include reliability, timeliness of delivery, order-processing time, production errors, product lead time, inventory turnover, quality costs, and cost savings. The GAO found significant improvement in each of these areas for the companies studied. Especially improved was "order-processing time," which is the amount of time needed to respond to a customer's request. The average annual reduction in processing time was 12 percent. Not all companies interviewed by the GAO maintained records on the costs of quality; however, those that did found that they lowered such costs by 9 percent on an average annual basis. The costs of quality are those attributed to the costs of failures and defects—that is, lost profits, rework, and scrap, as well as the costs of trying to avoid failures and defects (in other words, the costs of inspection, testing, and training).

Another significant finding of the GAO study was that many companies have changed their traditional view that quality involves merely meeting technical specifications. The new view is that quality is a moving target defined by the customer, and firms must focus on meeting customer needs and expectations. To determine how well they are satisfying their customers, firms use surveys and detailed records of customer complaints and customer retention. Overall customer satisfaction as measured in periodic surveys by firms participating in the GAO's study grew at an annual rate of 2.5 percent. Although this might seem modest, it actually conforms with the overriding Total Quality tenet of continuous improvement. It is not difficult to envision how a 2- to 3-percent rate of increase in customer satisfaction—if maintained—would begin to pay off in the marketplace within just a few years.

In fact, this is just what the GAO found in its fourth major category of business performance: finance and market share. Seven of the nine companies for which data were available increased their return on assets at an average annual rate of 1.3 percent. The GAO also noted that, in the few instances where measures of profitability did not increase, the profit decline was reversed. Another noticeable bottom-line improvement that the GAO found was in market share, which increased at an average annual rate of nearly 14 percent. Larger market share means a larger customer base, which normally helps sustain firms through inevitable economic downturns.

In summing up, the GAO report has helped substantiate what many of us who have been involved with quality over the last several years have intuitively understood. But it has gone an important step beyond confirming our intuitions. It has provided an objective assessment of the potency of the quality philosophy. It has given us ample statistical evidence that a strategy built around the principles of TQM can contribute substantially to a company's bottom line and long-term competitiveness.

SPREADING THE WORD ON QUALITY

It is essential that we do everything we can to help promote and propagate the important lessons in quality that the GAO report has so well documented and defined. And we must recognize that the principles of the quality philosophy can be applied with similar results in fields other than business and industry. To help elevate the concept of quality on our national agenda and extend the quality revolution, I recently introduced an amendment to the American Technology Preeminence Act that would create a National Quality Council. The council would consist of about twenty representatives from industry, labor, education, government, and other sectors of the U.S. economy. Federal government members of the council would include representatives from the Federal Quality Institute (FQI), the Department of Defense (DOD) and National Institute of Science and Technology (NIST). A fourth federal representative on the council would be rotated every two years among various civilian agencies. Among other things, the council would set national goals and priorities for quality in business, education, and government; conduct a White House conference on quality in the American workplace; and annually submit a report to the President and Congress on the nation's progress in meeting its quality goals. Of course, the council would also help maintain momentum for the quality revolution in

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

America by keeping the public eye focused on the movement.

The proposed agenda and representation of the National Quality Council underscore my conviction that quality principles need to be extended to areas of the U.S. society and economy other than the corporate business world. One area that is increasingly turning to quality is government. Indeed, quality was the Defense Department's silent partner in the Persian Gulf. The extraordinary success of the United States demonstrated the progress that has already been made in improving government-related quality. Smart bombs, Patriot missiles, Stealth fighters, F-15Es, spy satellites, robust communications systems, and a highly responsive logistical system were staffed by a dedicated, well-trained, all-volunteer force structure and led as a team by an exceptionally competent cadre of officers.

On the civilian side, the FQI recently sponsored its fourth annual quality conference in Washington, DC. The conference was designed to help federal managers stay abreast of the latest quality methods. The federal government's high-quality organizations were honored at the conference and shared their award-winning quality approaches with conference participants. Meanwhile, the federal government's single most important quality program remains the Malcolm Baldrige National Quality Award. Emphasis on the Baldridge Award in American industry has been truly phenomenal and has exceeded practically everyone's most optimistic expectations.

Still, there is so much more that needs to be done to implement the quality philosophy in government. Too often "the system" is stacked against quality. Many experts put the cost of poor quality at about 25 percent of all costs in U.S. service industries, and it seems safe to assume that the cost of poor quality in government is at least that high. This means that the cost of finding, fixing, and preventing errors in government products and services may well exceed $250 billion. That equals about 80 percent of the U.S. national defense budget!

One way the federal government could help broaden the quality effort nationwide is through its procurement and purchasing policies. The federal government is the nation's single largest buyer of goods and services. By establishing high-quality standards and working closely with its suppliers, the government could encourage the incorporation of quality programs in firms representing a vast cross section of the U.S. economy. In addition, Congress could encourage government agencies to adopt or extend quality programs through the federal agency budget authorization and appropriation process. If properly wielded, Congress's power over agency purse-strings could give a real boost to broadening incipient, struggling quality programs in the government agencies.

A federal government that applies quality principles to its external procurement and internally practices TQM could have extraordinarily positive effects on the economy and its manufacturing and service industries. Health, education, environmental protection, and so much else in America could benefit. Congress must figure out how to reward federal agencies and employees for quality, not set up obstacle courses for federal employees and contractors with conditions painfully opposite to implementing quality. Too many times Congress is the culprit—creating absurd guidelines or rules that are, at the least, dispiriting to federal employees or contractors, and at the worst, downright counterproductive.

The area most in need of prodding, however, may well be education. It is ironic that while education is the sector that is slowest to embrace the quality movement, it is the main supplier to all the sectors of the economy. We need vastly expanded teaching of quality, and we must bring quality principles to the process of education itself. The American education system is proving to be obsolete in preparing the nation for global competition. And U.S. businesses often are stuck paying huge sums to educate and reeducate employees. Basic education in America, especially reading, writing, and mathematics, must be improved. We also need considerably greater emphasis on scientific and technical literacy. Clearly, we cannot address national competitiveness properly without addressing education quality.

The federal government could help encourage the adoption of quality methods in education in several ways. For example, through its contracts and grants, government could allocate its support to those universities and faculty members that develop quality education programs, incorporate quality principles into their course curricula, or promote and practice quality principles within their own institutions. The government might even want to consider Baldrige-style awards for public schools and universities. If such awards proved to be even a fraction as successful as the Baldrige program has been for corporate America, it would still help bring about much positive and sorely needed improvement in education.

Finally, to compete effectively in the world market, we must find more ways to work together as a team toward common goals with common means. That means fostering the growth of dynamic local and regional movements to accelerate broad acceptance of quality improvement. For example, Pennsylvania's Lehigh Valley is one of the most manufacturing-intensive congressional districts in the United States. In the mid-1980s the Lehigh Valley was hit with some of the world's most aggressive manufacturing companies. In response, a group of CEOs and I led an ambitious effort to bring together a core group of industry and education leaders who strongly believe in quality principles. Ultimately, a new "Quality Valley, USA" campaign was launched. The goal of that campaign is to improve the valley's business climate, government, education, communities, and individuals. Elected officials who do likewise and help lead the way to quality in their districts ultimately will lead the nation.

The benefits of quality are clear. If we are to get our economic house in order, upgrade our standard of living, and stop surrendering control of our jobs to other nations, we need nothing less than a national commitment to a culture of quality. Only with business, labor, education, and government working together can we promote a true culture of quality.

THE UNITED STATES SHOULD SUPPORT PEACEFUL SELF-DETERMINATION IN YUGOSLAVIA

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. KOLTER. Mr. Speaker, it was 215 years ago that our forefathers here in America declared their independence and wrote:

> When in the course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

It is my understanding that in 1776, the first European government to recognize the United States was the tiny Croatian democratic Republic of Raqusa, now known as Dubrovnik. I look forward to the day soon when I will be able to vote to support the concept of the United States recognition of Croatia and Slovenia.

Now, in 1991, it is time for the policy of the United States to be on the right side of history, supporting the will of the people and supporting peaceful self-determination of all the people in Yugoslavia. It is time for the United States to face the reality that Communist Federal Yugoslavia no longer exists.

It is time for the United States to stand with those who seek freedom and democracy, not with those who practice repression, aggression, destruction, and terror.

I know that President Franjo Tudjman and his Republic of Croatia had begun to build a Croatian society that is based on political and economic freedom, respect for human rights, protection of individual liberties, and an independent judiciary. However, while the people of Croatia prepared for democracy and a free-market society, others planned and prepared for a war.

It is a tragedy that while the Croatians, Albanians, Slovenians and others have moved toward freedom, a free-market society, democracy and self-determination, certain elements—mainly the Communist-controlled federal army—have waged a war of repression, tyranny, and destruction to counter these legitimate democratic aspirations of the various people of Yugoslavia.

We, in the United States, should step forward to speak loud and clear that the new world order does not reward those who seek to change borders by force and aggression. In the face of this continuous threat from Communist aggression, the United States should consider severing ties with the Yugoslavian Government now being run by Communist generals.

The Communist Milosevic misinformation and propaganda machine would have you believe this crisis is an ethnic conflict and one of the Serbians defending their homeland. It is a fact that in the counties of eastern Croatia known as Slavonia where most of the ferocious fighting had occurred, there is not one county with a plurality or majority of Serbians. However, there are oil fields, rich agricultural lands, and key transportation cities that the Communist aggressors seek to conquer and control.

A short time ago, a group of hard lined Communists formed a coup to take over the Government of the U.S.S.R. Communist Defense Minister General Veljko Kadijevic traveled to Moscow to visit fellow Communist General Yazov to give support for this right-wing coup. He offered his support to his Communist counterpart and, at the same time, asked to buy more weapons for Yugoslavia's

Federal Army. Shortly thereafter, the Governments of Iraq, Libya, Cuba, and Communists in Yugoslavia expressed support for the right-wing coup in the Soviet Union.

Let me stress—and let none of us forget—that this crisis in Yugoslavia is a power struggle between freedom-seeking, democratically elected governments against leftover Communist rulers and generals bent upon keeping Yugoslavia together by force, death, and destruction. There is only one Communist-controlled army left in Eastern Europe and as we all know it is in Yugoslavia. Bolshevism's last grasp in Yugoslavia must not be allowed to create disorder and aggression as the means to decide borders and settle disputes.

It is a great human tragedy that the international and European Community has not found a way to stop or slow a Communist-controlled federal army siding with terrorists to wage war and not maintain peace. We need to strongly condemn the actions of these Communist generals directing the federal army occupying Croatia that attacked Slovenia, and who occupy and wage war all over Croatia and who maintain the apartheid in Kosova.

The United States—like the Europeans—will have to make a choice soon. Will we continue to look the other way while the Communist rulers in Belgrade and the Communist-controlled federal army attempt to use force to hold Yugoslavia together or will we step forward to support real efforts for peace?

It is a crime against humanity that terrorists are allowed to ravage the countryside in Croatia, oppressing the masses in Kosova while the Communist-controlled army protects and aids these terrorists. I have cosponsored H.R. 205, which I hope the House of Representatives will pass soon which pure and simply says that the United States supports a peaceful resolution and the democratic aspirations of all peoples in Yugoslavia.

The United States policy toward Yugoslavia and its eight constituent republics and provinces should be based solely on the support of five unwavering principles:

(1) Democracy;

(2) Peaceful resolution of disputes;

(3) Respect for human rights;

(4) Establishment of a free-market society; and

(5) Peaceful pursuit of the self-determination aspirations of all nationalities in Yugoslavia.

As of last week, the fourth European Community cease-fire failed. This week, still another cease-fire has been invoked. If the European Community does not find a way to create a lasting cease-fire and truce which leads to a peaceful resolution to this crisis, then the United States should ask the United Nations to send in peacekeeping troops to ensure peace and stop the death and destruction the Communist-controlled federal army has allowed. Clearly, there is justification on humanitarian grounds and because of the flagrant violation of international law by the Communist-controlled federal army.

I strongly suggest that the United States seek a leadership role backing the movement to involve the United Nations to stop this war. If it will take peacekeeping troops to bring lasting peace, then that option should be discussed. The Communist-controlled federal army may have the planes, the bombs, and the tanks—yet the history of humanity knows that freedom, democracy, and self-determination will all prevail over communism and aggression.

John F. Kennedy once said:

> * * * Wherever freedom exists, there we are all committed—and whenever it is in danger, there we are all in danger.

We must not let the dark forces of rules like Saddam Hussein and Slobodan Milosevic use force and aggression to change borders because then we are all endangered. The new world order should reward those who seek solutions through peaceful negotiations and democratically elected governments. The only priority acceptable to American principles and interests should be the priority of freedom.

TRIBUTE TO HON. DEBORAH SERVITTO

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. BONIOR. Mr. Speaker, I am very pleased to join the Southeast Michigan Chapter of the March of Dimes Birth Defects Foundation in honoring Macomb County Circuit Court Judge Deborah Servitto as the "Alexander Macomb Citizen of the Year."

The battle to prevent birth defects is a responsibility we all share. Judge Servitto's long record of distinguished community service has proved her to be a leader in this important fight. Her personal dedication, professional integrity, and, above all, deep sense of compassion give us hope that we will soon find a way to prevent birth defects.

On this special occasion, Mr. Speaker, I ask that my colleagues join me in saluting Judge Deborah Servitto for her fine record of accomplishment and service to our community.

INTRODUCTION OF THE INTERNATIONAL DEVELOPMENT, TRADE, AND FINANCE ACT OF 1991

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Ms. OAKAR. Mr. Speaker, I am introducing today a composite bill entitled the "International Development, Trade and Finance Act of 1991," which represents the results of the markup held yesterday (September 25) by the Subcommittee on International Development, Trade, Finance and Monetary Policy of the Committee on Banking.

The bill contains authorizations of capital increases to support five international financial institutions as proposed by the administration. In addition the bill contains major initiatives on the following subjects—

Reduction of poverty and economic and social barriers in developing countries,

Advancing the process of debt and debt service reduction,

Elevating environmental considerations at the International Monetary Fund,

Directing the United States to join the World Bank's global environmental facility and authorizing the necessary contribution,

Mandating a followup report on the environmental programs contained in the subcommittee's 1989 bill (Public Law 101-240),

Advicating a program of Energy efficiency that can conserve hundreds of billions of dollars of development lenders and developing nations,

Strengthening the programs and administration of the Export-Import Bank as a prime instrument of promoting American exports and other U.S. foreign economic policy goals,

Providing substantial new tools for better evaluation and management of all of the multinational financial institutions, including wider cooperation between them at all levels, increased publication of their economic reviews, enhanced statistical programs for both lending institutions and borrowers, establishment of offices of inspectors general at each institution to improve efficiency, and detect and investigate fraud, waste and abuse.

A series of provisions added by Members at yesterday's markup on such matters as including the International Monetary Fund within prevailing human rights standards, prohibiting the Export-Import Bank from financing sales of military articles, and making possible increased American business with Eastern Europe, the Baltic States, and the Soviet Union.

As a result of the subcommittee's further efforts, many of these provisions have also been made a part of conference report being developed as to the Foreign Aid Authorization Bill.

So at this point, I would like the record to reflect how proud I am of our subcommittee members. We have conducted eight hearings and five briefings on international financial matters since January, and it has been obvious that Members have conscientiously addressed the responsibilities and opportunities presented by U.S. participation in multinational financial institutions and the increasing global context of vital American economic and political interests. As one example, according to the administration, 40 percent of U.S. economic growth in 1990 was accounted for by U.S. export trade, which also supports more than 7 million American jobs. Our provisions will materially strengthen institutions and programs that have proven effective in opening and expanding markets for U.S. products and services.

I want to thank my subcommittee for it work in producing this major piece of legislation.

What the future holds for the foreign aid authorization bill, we cannot be sure. However, whatever happens, we can derive satisfaction from the fact that our subcommittee is fulfilling its responsibilities, including the very credible bill that we are now introducing.

A TRIBUTE TO CURTIS HAMMOND

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. TRAXLER. Mr. Speaker, I rise today to pay tribute to Curtis Hammond, of Bay City, MI, who received the Pilgrim Degree of Merit on May 26, 1991 at Mooseheart, IL. The Pilgrim Degree is the highest and most coveted degree of the Loyal Order of Moose and is conferred on only 1 in 6,500 Moose members each year who have compiled an outstanding record of meritorious service over a period of many years. I am very proud that such a significant honor has been bestowed on Curt, a Brother Moose.

On Saturday, September 28, 1991, Lodge No. 169, Curt's home lodge, will sponsor the Pilgrim presentation ceremony, a colorful ritual in which he will be invested and presented with the traditional gold jacket, tie, and lapel pin. This regalia can be worn at any authorized Moose function.

Curt joined the Loyal Order of Moose in April 1959 and moved on to the second degree, the Legion of the Moose in 1967. During his 32 years of membership, he has served on most committees, has held several lodge offices, including governor and has served in all offices of the Legion. He has held all offices in District 13, ending with the presidency in 1984. Curt's recruiting zeal has earned him the membership in the "25" Club, having signed over 100 new members to date. His leadership and service to the philanthropic programs of the order earned Curt the Fellowship Degree, which was presented to him at the 1970 International Convention in Chicago.

Curt's untiring efforts extend beyond the realm of the Moose. His community activities include Red Cross CPR instructor, volunteer fireman in Essexville for 11 years, board member of the Michigan Licensed Beverage Association and the TIPS trainer; and memberships in the Consistory and Elf Khurafeh.

Members of the fellowship degree and the Pilgrim Degree of Merit are recognized throughout the Moose domain as fraternal leaders and have earned the respect of their Brother Moose by their meritorious service to the order. Curtis Hammond has certainly displayed this kind of dedication and devotion and is most deserving of the honor and recognition bestowed on him. Please join me in extending congratulations and best wishes to Curtis Hammond on this joyous occasion.

THE LAND OF THE FREE, UNTIL YOU GO TO WORK

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. CLAY. Mr. Speaker, the American Civil Liberties Union [ACLU] has recently released an informative report regarding conditions of employment and how they relate to basic rights. It has always been my belief that principles embodied in the Bill of Rights, protecting free speech, due process, privacy, and equal protection, have application far beyond the relationship of citizens to their government. In fact, I have always thought of these principles as a secular restatement of the Christian ethic, principles that embody basic human rights, not simply civil rights. A general respect for the views of others, a desire to treat others as you would be treated, not only serves to enhance the quality of life, but re-enforces the security of our political liberties. Regrettably, as the ACLU report makes clear, we have much to do if the principles of democracy are to be extended to the workplace. I am enclosing a summary of the ACLU report for the benefit of my colleagues and commend it to your attention.

A CALL TO ACTION FOR CIVIL LIBERTIES IN THE WORKPLACE

This year, America celebrates the 200th anniversary of the Bill of Rights. This is a birthday truly worth celebrating. America has achieved a standard of individual freedom that is the envy of the world.

But while we celebrate the Bill of Rights' anniversary, we continue to enjoy few of the document's precious protections while at work. When most employees report for work, they lose their freedom of speech. In most companies, employees can be fired for expressing opinions about politics, company policies, and working conditions either on the job or off. They lose their rights to privacy as well. Employers routinely listen in on workers' telephone calls, spy on them while they are working, and require them to submit urine samples for analysis, often under conditions that amount to a strip search.

And under the employment at will doctrine, which governs most working arrangements in this country, employees' rights to due process are almost nonexistent. Employers can fire their workers without notice at any time for any reason, or for no reason at all. More than 150,000 people are fired every year without cause.

Employers cite economic necessity as justification for denying civil liberties in the workplace. But the success of companies with progressive personnel policies demonstrates that people work harder and more productively in environments where their rights are respected. Amercia's two biggest economic competitors, Germany and Japan, long ago enacted laws to protect employees' rights.

The American Civil Liberties Union recently released a comprehensive report on the state of civil liberties in the American workplace. Their findings are very sobering.

FREE SPEECH

Freedom of speech is our most cherished right, but there is no right to free speech in the workplace. Employees can be fired for questioning company policy on the job, even if they follow it to the letter. Employees can also be fired for off-duty political behavior having no connection with their jobs, even if they follow it to the letter. Employees can also be fired for off-duty political behavior having no connection with their jobs. While several states have passed laws protecting the right to vote as you choose without employer coercion, all other political activity is virtually unprotected. Employees can be fired for attending a rally of the Ku Klux Klan, or for not attending such a rally. Employers can legally fire their workers for expressing *any* opinion.

PRIVACY

None of the following types of privacy is now protected:

Informational privacy: Employers may force workers and job applicants to take invasive questionnaires in which they must reveal intimate information about their sex lives and bathroom habits as a condition of employment.

Wiretapping: Federal law prohibits government and private employers from monitoring employees' personal telephone calls. But the law allows employers to monitor calls "in the ordinary course of business," which means that employers may listen to any of their workers' business-related calls. And because employers are not required to give notice that they are monitoring a call, there is little chance that an employee would know that a personal call was being monitored illegally.

Computer monitoring: More than 50 million Americans use computers at work. These computers can be programmed to allow employers to monitor workers' behavior and job performance. Computers can tell an employer how long workers take to complete tasks, how many keystrokes employees make each hour, even how many times they go to the bathroom.

Audio/video surveillance: The incidence of hidden cameras or microphones is unknown because their use comes to light only when employees accidentally discover them. In Maryland, nurses discovered in their locker room a hidden camera that was being monitored by male guards. Courts in most states have upheld employees' right to sue for extremely egregious invasions of privacy. But it is still unclear whether audio/video surveillance falls into that category.

Physical searches

Some employers routinely search their employees.

Spies

Increasingly, employers are hiring undercover agents to pose as employees and report to management on workers' activities. There are no protections against this practice for public or private sector employees.

DUE PROCESS

The concept of due process is central to our system of justice. It guarantees the rule of law, and the right to an impartial trial if a person is suspected of breaking the rules. In the workplace, however, the employment at will doctrine contradicts the notion of due process. It allows employers to fire their workers at any time for any reason, or for no reason at all. In fact, employees' lack of due process rights means that they must submit to all other violations of civil liberties or fear losing their jobs.

There are a few exceptions to the employment at will doctrine. Federal statutes like the Jury Duty Act and the Clean Air Act prohibit retaliation against employees for exercising certain rights. In addition, almost all union members are protected by collective bargaining agreements that prevent them from being fired without just cause. And a very small number of senior executives have employment contracts against unjust dismissal. However, all of these exceptions provide little protection to the more than 60 million private sector workers whose employment situations remain governed by employment at will.

EQUAL PROTECTION

Federal law has prevented employers from making personnel decisions on the basis of race, religion, nationality, sex, age, or handicap. But many employers continue to discriminate against lesbians and gay men, as well as the overweight. Advances in genetic research will soon make it possible for employers to identify individuals who will eventually contract certain diseases. Since these diseases cost thousands of dollars in medical care, employers will have financial incentive to discriminate against those prone to affliction.

CONTROL OF OFF-DUTY BEHAVIOR

Employers have recently started broadening the sphere of their control to include what employees do in their own homes. Almost half of American employers require their employees to submit to urinalysis testing to determine if they have been taking drugs. The tests don't measure on-the-job impairment, however. They only measure previous use of a legal or illegal drug. In fact, most available evidence suggests that recreational use of legal or illegal drugs at home does not render people drug dependent or affect their work.

Other employers refuse to hire people who smoke tobacco, and even fire current employees who refuse to quit smoking. The employer's motivation, to reduce health care costs, is understandable, but leads eventually to complete domination of workers' lives. The ACLU has already received its first complaint about an employer using a cholesterol test as a pre-employment screen.

There are two limited exceptions to this bleak picture. Government employees enjoy somewhat greater protection than just described. But even their rights are inadequate. Union members generally enjoy much greater protection. But only 16 percent of American employees belong to unions—and this percentage has been declining for years. Federal laws provide protection against some forms of discrimination, and patchwork of state laws provide some protections for some workers in some states, but for the most part, private sector employees have almost no civil liberties once they go to work.

RECOMMENDATIONS

Legislation provides the most effective solution to the denial of civil liberties in the workplace. Other workplace issues, like racial and gender discrimination, have been successfully remedied through legislation. Three statutes are needed.

(1) Privacy protection

A comprehensive workplace privacy statute is needed to limit computer surveillance, telephone monitoring, searches, invasive testing, audio/video surveillance, and invasive questionnaires. Included in the privacy statute should be provisions stipulating that:

All surveillance, testing, and searches must be directed toward information that is demonstrably related to job performance;

Any search for evidence of misconduct must be supported by a reasonable suspicion that such evidence will be found;

Electronic monitoring of job performance must be accompanied by a simultaneous signal that such monitoring is taking place;

All searches must be carried out in the least intrusive manner possible.

(2) Equality protection

Employers must base all personnel decisions only on factors related to job performance. Discrimination based on appearance, lifestyle, political activity, health, sexual orientation, or factors unrelated to job performance would be prohibited, just as religious, racial, and gender discrimination are today.

(3) Wrongful discharge protection

The practice of employment at will must be abandoned and replaced with a statute that protects all employees from unjust discharge.

The statute should include the following three basic components.

Employees can be terminated only for "just cause."

Just cause means either (a) a good faith belief by the employer that business circumstances require termination of the employee's position; or (b) the employee's failure to produce an adequate quantity or quality of work, or to follow rules of workplace conduct.

Employees who believe they have been fired unjustly have the right to appeal to binding arbitration. The cost to the employee of such proceedings shall be only a filing fee to discourage frivolous complaints.

I am happy to announce that the American Civil Liberties Union has created a National Task Force whose goal is to extend the blessings of the Bill of Rights into the working lives of all Americans. Americans do not want to lose their rights when they go to work. I call upon my colleagues who believe in the Bill of Rights to work with us to create the legislation that is needed to achieve this goal.

MICHIGAN CONGRESSIONAL DELEGATION HONORS ERNIE HARWELL AND PAUL CAREY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. KILDEE. Mr. Speaker, on behalf of Congressman JOHN DINGELL, Congressman WILLIAM BROOMFIELD, Congressman GUY VANDER JAGT, Congressman WILLIAM FORD, Congressman JOHN CONYERS, JR., Congressman BOB TRAXLER, Congressman DAVID BONIOR, Congressman CARL PURSELL, Congressman ROBERT DAVIS, Congressman BOB CARR, Congressman PAUL HENRY, Congressman DENNIS HERTEL, Congresssman SANDER LEVIN, Congressman FRED UPTON, Congressman DAVE CAMP, Congresswoman BARBARA ROSE-COLLINS, I want to rise today in the U.S. House of Representatives to pay tribute to two of the true legends in the game of baseball—the voices of the Detroit Tigers—Ernie Harwell and Paul Carey.

Mr. Speaker, since 1973, both Ernie and Paul, as they are affectionately known, have worked together in the radio booth, providing Tiger fans with exciting play-by-play and commentary. They are well-known and well-loved throughout the broadcasting world, and their voices have become synonymous with the game of baseball. Many Michiganites would tell you that they grew up listening to the voices of Ernie and Paul. We all remember the excitement of a new season as the sound of Ernie's voice came over the radio as he repeated the opening day poem. And we also remember Paul Carey's great insights, and his comprehensive baseball wrap-up after the game had ended.

Mr. Speaker, we in Michigan have considered ourselves extremely fortunate to have two outstanding broadcasters announce the games of our beloved Tigers. Over the years, they have provided us with very special moments. Through World Championships and tight pennant races, through tough losses and one-run victories, Ernie and Paul have been great announcers, and friends to us all. We will all sorely miss Ernie and Paul, but we are grateful that we have had the opportunity to share in a part of their lives.

Mr. William Earnest Harwell came to the Detroit Tigers in 1960 after having worked as a broadcaster for 6 years with the Baltimore Orioles, 4 years with the New York Giants, and 2 years with the Brooklyn Dodgers. It was in 1951 that Ernie was the announcer for the "shot heard around the world"—Bobby Thompson's famous playoff home run. This was the first coast-to-coast telecast of a major sporting event in baseball. As Bobby Thompson's home run sailed into the stands, Ernie, in his classical style, simply said "it's gone," and let the roar of the crowd tell the story.

Throughout his career, Ernie has been recognized by his peers as one of America's great baseball announcers. In 1985, Sports Illustrated selected Ernie as their radio voice for their all-time dream baseball team. He was named Michiganian of the Year by the Detroit News, as well as National Sportscaster of the Year 12 times by the National Sportscasters Hall of Fame. In 1989, Ernie was inducted into the National Sportscasters Hall of Fame by a unanimous vote. And in August of 1981, Ernie was bestowed the great honor of being inducted into the Baseball Hall of Fame in Cooperstown, NY. Ernie Harwell was the first active announcer ever to receive such a high honor.

He was also the only announcer in baseball history to be traded for a player. In the late 1940's, the Brooklyn Dodgers were in desparate need of an announcer, and they wanted to hire Ernie who was announcing the Atlanta Crackers games at the time. Coincidentally, the Atlanta team needed a catcher. So in one of the stranger transactions in baseball, the deal was made. Frankly, we think Brooklyn got the better end of the deal.

However, broadcasting is not Ernie's only claim to fame, he is also an acclaimed writer, having written for the Saturday Evening Post, Esquire, Parade, and Reader's Digest. He is also an author of his autobiography, Tuned to Baseball, which was a best-seller and won critical acclaim. Few people know about Ernie's other accomplishments, such as his contributions to the American music scene. He has written over 50 songs that have been recorded by such respected artists as B.J. Thomas, Mitch Ryder, Barbara Lewis, Lee Talboys, and Homer and Jethro.

Paul Carey came to work for the Tigers in 1973 after working for more than 21 years in broadcasting. After graduating from Michigan State University in 1950, he spent 2 years in the Army serving our country in West Germany. Soon after returning to the United States, Paul got his first job at the WJR radio station where he became a staff announcer. Two years later, Paul was named assistant sports director. During this time, Paul was involved in covering the Big Ten sports scene, production of the Detroit Tigers baseball games, and play-by-play for the Detroit Pistons basketball team.

Paul is also greatly respected by his peers in the broadcasting field. He has been regional chairman of the Associated Press all-state football and basketball selection panels since 1962. His outstanding work has been honored by many and in both 1970 and 1971, he was honored by his peers as he was voted Michigan Sportscaster of the Year in a poll of sportswriters and sportscasters. For several years, thousands of Michiganites tuned to

WJR to listen to Paul's review of the scores of high school football and basketball games.

During the Detroit Tigers broadcasts, we could always count on Paul to provide us with key insights to the complexities of the game, and his knowledge of the game of baseball is second to none. When the game was over, we all looked forward to listening to Paul's post-game show, where he did an excellent job of describing the day's action.

Mr. Speaker, we are all indeed sad with the departure of these two fine men, and both the Detroit Tigers and State of Michigan will lose the voices that brought grace and pleasure to America's favorite pasttime for millions of fans nationwide. We want to wish Ernie, Paul, and their families, the best of health and happiness in the future. As they leave the radio booth, the memories they have given us will live forever in our hearts.

A TRIBUTE TO SS. CYRIL AND METHODIUS CATHOLIC CHURCH

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. KOLTER. Mr. Speaker, today I rise with a great deal of pride to salute and honor SS. Cyril and Methodius Catholic Church located in New Brighton, PA. This October, they are celebrating the 75th anniversary of their parish. His Excellency, Bishop Donald Wuerl will be conducting a Mass of Thanksgiving in honor of this occasion.

The church was originally founded on October 1, 1916 with Rev. Ignatius S. Herkel serving as pastor. Because of the vast number of people of Croation and Slovenian descent, a special Mass was offered in their native language every Sunday. In 1926, SS. Cyril and Methodius Paraochial School was opened with 230 children in attendance. Later, in 1928, a Convent was added to house the Sisters who taught the children.

During the depression, the church had experienced financial difficulty and the school had to be closed. However, when times got better, in the 1950's, the parish began to think of a new place to worship. On September 14, 1957, Bishop John F. Dearden dedicated a new church with a seating capacity of 420 people. Even though the school was not able to re-open because of the shortage of Sisters, the school rooms were used for Saturday morning catechism classes. On April 5, 1964, the parish celebrated the burning of the church mortgage and the following year was financially able to build a social hall.

Until his retirement on June 10, 1991, Father Albert Marconyak served as pastor for over 30 years, longer than any of his predecessors. His replacement is Father John A. Geinzer, now serving as administrator.

Mr. Speaker, I know that you join me in saluting the long and proud history of SS. Cyril and Methodius Church. In addition, we all wish a very blessed future for this fine parish.

TRIBUTE TO JOHN CARLO

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. BONIOR. Mr. Speaker, today, September 25, 1991, the Southeast Michigan Chapter of the March of Dimes Birth Defects Foundation is honoring John Carlo—a man whose dedication to the prevention of birth defects has earned him the Alexander Macomb Citizen of the Year Award.

We who live in and around Macomb County are very grateful for John Carlo's leadership and deeply appreciate his important contributions to our community. He unfailingly gives his time and effort to our most important concerns and can always be counted on when there is a need for charity. By any account, his commitment to excellence is an inspiration to us all.

Mr. Speaker, because of the tireless hard work and determination of people like John Carlo, we have taken long and meaningful strides toward our common hope of preventing birth defects. I ask my colleagues to join me in recognizing his fine accomplishments.

MEMORIAL FOR LANETTE S. FLOWER

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Ms. OAKAR. Mr. Speaker, one of Cleveland's finest citizens, Lanette Flower, has passed away. She was a person of great quality. Her husband, Dr. John Flower, recently retired as president of Cleveland State University. He did an outstanding job. His wife was always by his side.

The following is the article which memorialized her life:

LANETTE S. FLOWER, 62, WIFE OF CSU PRESIDENT

Lanette S. Flower was chief referee of the Domestic Relations Division of Cuyahoga County Common Pleas Court and wife of Cleveland State University President John A. Flower.

Born Lanette Sheaffer in Reading, Pa., she attended Mary Washington College of the University of Virginia and received a bachelor's degree in music in 1951 from the University of Michigan.

Nearly 20 years later, after raising a family, she returned to school to pursue a degree in law. She graduated from the University of Akron School of Law in 1971.

Mrs. Flower, 62, died Tuesday. She had cancer.

As first lady of Cleveland State University, she was a role model to women returning to school after years at home or in the work force. During an International Women's Day program in 1990, she was honored by the CSU community as "an urbane woman who has played a multiplicity of roles with grace and fortitude" and as a woman who "enhances the public image of the university."

At this year's International Women's Program, she again was singled out for special recognition. Mareyjoyce Green, CSU interim vice president for minority affairs and human relations, called Mrs. Flower's life "a required textbook example" for all women.

"Lanette Flower is a re-entry woman, a professional woman, a community person, a university stalwart, a wife and a mother," said Green.

"She has performed the juggling act, and has shared herself unselfishly and unstintingly with grace and elegance."

Mrs. Flower met her future husband at the University of Michigan School of Music. They were married in 1951.

The couple spent their first 16 years of marriage in Ann Arbor, where their daughter, Jill, and son, John, were born. In addition to being a wife and mother, Mrs. Flower was self-employed as a private music teacher, worked for four years in the University of Michigan School of Music library, and served the university and Ann Arbor communities in a number of volunteer positions.

In 1966, Flower joined the administration at Kent State University and the family moved to Ohio. Upon earning her law degree, Mrs. Flower was hired by the Summit County Legal Aid Society to establish a domestic relations department dealing with divorce and custody cases.

After four years with the Summit County Legal Aid Society and a short time in private practice, she accepted a job as a court referee in the Cuyahoga County Common Pleas Court in 1976.

Mrs. Flower had been chief referee since 1981. A referee hears cases and makes recommendations to judges.

Mrs. Flower was a member of Delta Gamma, Mu Phi Epsilon and Phi Alpha Delta, and was active in university and Cleveland-area events.

Her husband recently announced he would step down as CSU president when a successor is named.

Besides her husband, she is survived by her son, John A., III, a manager with AT&T Germany in Frankfurt, and her daughter, Dr. Jill Flower, a psychologist in Minneapolis.

The funeral will be private but a memorial service will be held at 4 p.m. Oct. 4 in the Waetjen Auditorium of the CSU Music and Communications Building, 2001 Euclid Ave.

TRIBUTE TO THE FRANKENMUTH OKTOBERFEST

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. TRAXLER. Mr. Speaker, I rise to inform my colleagues of the second annual Frankenmuth Oktoberfest during October 11–13 in Frankenmuth, MI, which is located in my district. These fine people hold this celebration in honor of the reunification of East and West Germany. I commend the wonderful citizens of Frankenmuth who have for the past 146 years continued to appreciate and nurture their German heritage.

The community of Frankenmuth was founded by immigrants from the Franken area of Germany in 1845. Today, the heritage of the Frankenmuth community is maintained through language instruction in our schools, through promotion of Bavarian-style architecture in our buildings, through cultural exchanges sponsored by the city's Sister City Committee, and through activities and events.

Let me tell you about the fineness of Michigan's "Little Bavaria," Frankenmuth. It is a town of 4,408 residents, and it attracts 3 million tourists every year, making it the No. 1 visitor attraction in Michigan. The draw is the Bavarian architecture, the Bavarian Inn and Zehnder's Restaurants, the Frankenmuth Brewery, and Bronner's year-round Christmas wonderland.

The Oktoberfest celebration will include German music and food. A special treat during Oktoberfest is a personal appearance by "De Jodeler Franzl." Franzl is from Zillertal and will be appearing in Frankenmuth during his North American musical tour. I invite my colleagues to come to Frankenmuth, MI, to participate in the Oktoberfest activities. I salute my Michigan neighbors of Frankenmuth for their pride and loyalty to their German heritage.

CENSUS PROCESS DEMANDS CONGRESSIONAL OVERSIGHT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. CLAY. Mr. Speaker, yesterday the Committee on Post Office and Civil Service considered and reported favorably H.R. 3280, a bill to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and on related matters. The Decennial Census Improvement Act of 1991, has been introduced by the distinguished chairman of the Subcommittee on Census and Population, Mr. SAWYER. It directs the Secretary of Commerce to enter into a contract with the National Academy of Sciences to study means by which the Government can achieve the most accurate population count possible; and, consistent with that goal, ways for the Government to collect other demographic and housing data.

Specifically, this legislation directs the National Academy of Sciences to review the kinds of data presently collected in the census, the need for that data, and the possibility of collecting that data by other methods. H.R. 3280 also directs the academy to investigate means by which the Government can improve the enumeration of the population, alternative methods of collecting necessary data for the basic population count, and the appropriateness of using sampling methods in the acquisition or refinement of population data. In assessing alternative methods of collecting information about American citizens, the legislation directs the Academy to consider the potential impact upon privacy, public confidence in the census, and the integrity of the census as well as cost effectiveness of potential methodologies. Finally, the legislation directs the National Academy of Sciences to submit an interim report on its findings to the Committee on Post Office and Civil Service and the Committee on Governmental Affairs 18 months after the contract initiating the study is entered into and to submit a final report to the committees within 36 months.

The 1990 census was an enormous, complicated undertaking. Approximately one-half million people were temporarily employed by the Census Bureau to conduct the 1990 Census. Notwithstanding this enormous effort, according to the General Accounting Office, the 1990 census may contain as many as 25.7 million errors and as many as 9.7 million people may have been miscounted. According to the Census Bureau, itself, the final 1990 census figures released by the Secretary of Commerce understate the population of the United States by 5.3 million people, a disproportionate percentage of whom are blacks and Hispanics. Further, the disproportionate undercount of minorities was greater in 1990 than it had been in 1980, a problem that strikes at the heart of the promises of equal protection and equal representation guaranteed by the Constitution.

While much attention has been focused on the magnitude of the overall errors in the 1990 census, too often we fail to fully appreciate the ramifications such errors have for our constituents. I wish to command to the attention of my colleagues the following news article that appeared in the September 13, 1991 issue of the St. Louis Post-Dispatch. As the article explains, 1,241 people have been mislocated on Census Bureau maps. According to the Census Bureau, the 1,200 people in question live in an area that is actually occupied by a park, while only a single individual lives in the neighboring five block area that, in fact, includes a 209-unit apartment complex, approximately 300 homes, the Incarnate Word Convent and the provincial house of the Daughters of Charity of St. Vincent DePaul.

This seemingly small and obvious error has had serious economic consequences for three different jurisdictions in the Greater St. Louis area. More important than the error, itself, is the difficulty that local officials have had in getting the Census Bureau to even recognize the error, much less correct it. While officials from three cities sought to bring the error to the attention of the Census Bureau as early as last August, it apparently required the intervention of St. Louis County officials and took until May to convince the Census Bureau that the error even existed. Having now acknowledged the problem, it apparently will still require another 2 months before the Census Bureau can correct it.

Clearly, the time has come for an independent, thorough, and comprehensive review of the census. As chairman of the Committee on Post Office and Civil Service, I want to assure the Members of this body that this is an issue that has the highest priority of the committee. H.R. 3280 provides the crucial first step in this process. I want to commend Chairman SAWYER and the members of the Subcommittee on Census and Population for the work they have done on this legislation.

EULOGY FOR JOSEPH J. LAMB

HON. RICK SANTORUM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SANTORUM. Mr. Speaker, on July 31, 1991 the 18th District, the State of Pennsylvania and the Nation experienced the loss of a true model citizen and veritable hero. For 75 years, Joseph J. Lamb exemplified and gave genuine meaning to the words "service to fellow man". His strength of the character guided his actions in all aspects of his life, always the right direction, a direction of selfless service to his family and his country.

I respectfully offer the eulogy for Joseph J. Lamb entitled My Father, My Hero, given by his son, Michael G. Lamb on August 3, 1991. It is the story of a man from whom we all can learn a great deal from as we confront the various tests and crises thrust upon us in our lives. He remains a hero, not for the sake of heroism, but for the ideals of right and justice. We can only hope to follow in this footsteps.

MY FATHER, MY HERO

(Eulogy for Joseph J. Lamb, 1916–1991)

I would like to thank my family, Father John, Father Newmeyer, and all our many friends for their tremendous support during this difficult time. I would also like to share with you my thoughts regarding my father. His death is hard to accept. But I believe it has a meaning; a meaning that in part lies in learning from the lives of those who have gone before us.

In the last days of Dad's life, his brother Carl recalled to me how vividly he remembers my father returning from basic training during the war. "I can still see him", Carl said, "I was 13 years old and he was my hero." The day that my father died Carl whispered the same words at his bedside, "he was my hero". Since then those words have remained fixed in my mind. What is a hero? is he the baseball slugger, or the movie star, the army general, the famous political leader or the talented singer? Somehow, I don't think these are our real heroes. It seems every evening, the news reveals yet another scandal involving such pseudoheroes, the athlete who abuses drugs, the movie star's perversions, the politician's corruption, and the wealthy businessman's extramarital affairs.

Yet I think my father truly was a hero. For in an age rampant with divorce and infidelity; he was happily married for 44 years.

In an age in which families fall apart, he always kept his together. For him the word "family" meant everything.

In an age of selfishness, he thought of others first.

In an age of dishonesty, he championed the truth, and in all his affairs he was scrupulously honest.

In an age of racial strife, he abhorred prejudice and his company in the Hill District of Pittsburgh, employed blacks and whites as equals long before there were civil rights laws.

In the world of business he was very successful and he retired with many friends and no financial worries, but he never had to cheat anybody to get there. As a boy at age 2, his mother died and though he didn't know her, Dad always felt that loss. He extended this feeling to others who suffered similarly from losing their parents, contributing for over 50 years to Boys Town. He never took credit for this or any of the other multiple charities that he silently donated to over the years. My father always said there is no limit to the good a man can do if he doesn't care who gets the credit.

During the Second World War at age 25, he volunteered for duty in the Army and gave up a safer desk position that he could have had in the Merchant Marines, to his younger 19-year-old brother Dan. He neglected his own safety so that his brother would be out of harms way. Dan never forgot the sacrifice that my father made. They remained forever close, and the best of friends.

My father served in North Africa, Italy, France, and Germany during the war. He was wounded in action in France and was awarded the Purple Heart. In the battle of the Rhineland, he rushed into enemy fire to rescue a young private, risking his life for a person he didn't even know. For that act, he was given the Bronze Star for heroic achievement.

Dad seldom talked of these events, and in fact purposely concealed them for many years, because he did not wish to glorify war. Even today, some of his family and many of his friends never knew that he had won the Bronze Star. Dad felt he was lucky to have survived the war and believed that what he did was no more than his duty. The real war heroes, he said, lie buried in France.

In his last years, despite a terrible illness, he retained his wonderful sense of humor, joking with nurses and family even during his final few days. He suffered with dignity and gallantry, with the disease never really besting him. In spirit, he was the winner and the illness the loser. My father's valor, was exemplified best, not so much in his military record as in the way he adhered to his ideals and beliefs in his daily life. He was a decent courageous man who did his best for his family, his fellow man, and his country.

And yet, there will be no 21-gun salute for my father today, the flag will not be at half mast and he won't make the big headlines on the evening news. That's the way he would have wanted it. His will be the fanfare of the common man, although he was a very uncommon man.

To my mother, who he loved very dearly for 44 years, he was her hero.

To my brother, who he helped become a successful salesman, he was his hero.

To me, he was my father, he was my hero.

POPE CONSECRATES ZABLOCKI HOSPITAL WING IN POLAND

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. FASCELL. Mr. Speaker, during the August recess it was my great honor and privilege to lead a House delegation to Krakow, Poland for the dedication by His Holiness Pope John Paul II of the Clement J. Zablocki Ambulatory Care Center of the Polish-American Children's Hospital. Joining me were Representatives DENNIS HERTEL, ED FEIGHAN, CLAY SHAW, and MIKE BILIRAKIS.

President Bush was represented at the dedication ceremony by our former colleague from Illinois, the Honorable Edward J. Derwinski, now Secretary of the Department of Veterans Affairs.

The Zablocki facility was created by the passage of legislation in 1984, Public Law 98-266, as a living memorial to our late, and beloved, colleague from Wisconsin. Zablocki served for 35 years as a Member of the House of Representatives and Committee on Foreign Affairs with honor and distinction, culminating in his chairmanship of the committee in his last 6 years from 1977 to 1983.

Project HOPE, a United States private voluntary organization in coordination with the ministry of Health and Social Welfare of the Polish Government, supervised the design and construction of the Zablocki outpatient facility. The outpatient facility has been developed with the welfare of sick children and their families as its primary objective. The facility can accommodate over 100,000 visits each year for such requirements as same-day surgery, diagnostic services, emergency care, and specialized ambulatory care.

It is out of respect for our late friend and colleague that we traveled thousands of miles to participate in this ceremony.

From the start, this hospital has been a symbol of the deep and lasting friendship of the American people for the people of Poland. To Clem Zablocki, this hospital was the embodiment of Polish-American cooperation and understanding.

In a very real sense, however, it was Clem himself who embodied the richness of the cultures and heritages of both Poland and America. The son of Polish immigrants, Clem became the fulfillment of the promise his parents sought in coming to the United States.

Mr. Speaker, in addition to the House and Presidential delegations, this dedication was attended by Jane Zablocki, Clem's daughter, Ralph and Betty Zablocki, Clem's brother and sister-in-law, key former Zablocki aides, George Berdes and Bob Huber, and Robert Saltzstein, Clem's personal counselor and friend.

I would be remiss if I did not mention the people who have given so tirelessly of themselves to make the Polish-American Children's Hospital what it is today: Dr. William B. Walsh, Project HOPE's founder and president; John Walsh, vice president of development at Project HOPE; and Prof. Jan Grochowski, M.D., director of the Polish-American Children's Hospital.

The August 13 consecration and dedication ceremony was a most moving, befitting, and memorable event. The Zablocki wing of the Polish-American Children's Hospital stands as a vision of the future that we all hope for and a living symbol of what we hold most important. It is a fitting monument, and living memorial, to Clem's dream and to the continuing friendship of Poland and the United States.

With the bronze bust of our late colleague in the foreground, and the Sun shining so brilliantly, and thousands of Polish people in attendance, His Holiness spoke in his usual eloquent style. I wish to share with my colleagues the thought-provoking words of His Holiness Pope John Paul II. His address follows:

SPEECH DELIVERED BY POPE JOHN PAUL III AT THE DEDICATION OF THE CLEMENT J. ZABLOCKI WING OF THE POLISH-AMERICAN CHILDREN'S HOSPITAL, AUGUST 13, 1991

Dear children, who are staying in this hospital so as to return to health. At the same time I wish to welcome, first of all, Mr. President of the Republic of Poland and his wife. Also the distinguished Representatives of the President of the United States led by Mr. Ed Derwinski and the Congress of the United States headed by Dante B. Fascell, the Board of Directors of the Foundation Project HOPE, the Representatives of the International Board of Directors of this Foundation, the Representatives of the Government of Poland and the Representatives of the Sponsors and their wives. I welcome all the ladies that are present here. I welcome all the employees of the Polish-American Pediatric Institute of the Cracow Academy of Medicine and the Representatives of this Academy with its Rector Prof. Andrew Szczeklik and all the guests present here.

1. As it is known I am in the beginning of the second part of my Pilgrimage to my Homeland this year. This time my Pilgrimage leads me to the Shrine of Jasna Gora (the Mountain of Light), where at the feet of the Most Holy Mother of God, Queen of Heaven, the Queen of Poland and the Mother of the Church, I will be meeting with youth from all over the world to celebrate their Youth Feast.

During this Pilgrimage from Rome to Czestochowa, I could not omit Cracow and the Wawel hillside, places that are a true sanctuary of our history.

However, it is Divine Providence that has directed the first steps of my Pilgrimage to a hospital, a children's hospital, an exceptional sanctuary of human suffering, of the mystery of human suffering. So I thank God for this meeting! I do not consider my visit to this hospital as an ordinary pause in my Pilgrimage to the Holy Shrine of Our Lady of Jasna Gora, but as a fact of primary importance both from the religious sense and from the point of view of Our Holy Mother the Church. In fact it is a meeting between humans and their Creator, touching upon and experiencing one of His very specific mysteries and as a purification and preparation for the next stage of this Pilgrimage.

And what can purify us more and bring us closer to Almighty and Holy God if not suffering and sacrifice of an innocent human being?

To be able to say these words, one must have deeply in one's heart, the Person of Christ, Son of God and the mystery of His Pascal mystery. The mystery of Salvation—that through Your Cross and Agony You have redeemed the world.

It is in this spirit that St. Paul accepts is weaknesses, insults, hardships and persecutions, because "Strength . . . through weakness is made perfect." (2 Cor. 12:9). Human weakness when set through faith in the mystery of Christ becomes the source of Divine help. That is the reason that the Apostle writes: "However many times I am weak, I am strong" (2 Cor. 12:10).

Therefore human suffering, which cannot be omitted, accepted in the spirit of faith, is the source of strength both for the one who is suffering and for others, and is a source of strength for Our Holy Mother the Church, in Her mission of redemption. It is the reason why each meeting with the ill and suffering is of such importance to me. It is the reason why I depend so strongly upon the fruits that their sufferings and weaknesses will put forth.

It is of that truth message that once again I wish to give to you, dear children, to your parents, to all those that love you, to those that are looking after you, to those that are healing you. I wish to give it to all of my countrymen, who are suffering in their homes, in hospitals, in various institutes and I wish to give this message to all of the suffering people of the world.

Human beings are afraid of suffering, shrink away from it and wish to omit it—just as Christ himself was afraid of agony and death—and it is not only man's right to do so, but also his duty. But suffering exists in the world and touches us.

I know, dear children, that both you and your parents would wish to welcome me in your homes, in the Church, in school or in the playground, in good health and physical fitness. And yet—you have invited me to the hospital, which is only a temporary home for you, so that you may return to your true homes, to your family in good health. I am praying for a healthy gleam in your eyes, a joyful smile, happiness. I pray that in spite of your illness, you may feel well in this hospital, that you will meet loving people, wise doctors, caring nurses, good friends.

In moments of strife, when you will be feeling sick or sad, turn your eyes to crucified Christ, who resurrected. His Mother stood under the Cross. It is to this Mother, who is our Mother, to whom I am going tomorrow. I will take you with me. Your sufferings, prayers and hopes and all that I wish for you.

2. We find ourselves in this sprawling hospital, which was brought to birth by love and human solidarity. Much good is being done here; people are being restored to health, restored to life. All of this is an evangelical sign of eternal life and a sign of God's summons of mankind to that life.

Just as Christ acted by using His divine power, so you can by using human science, skills and wisdom in union with his grace. For this reason, your Institute is, as all such places are, a sign which gives witness to the dignity and worth of human life.

This Institute, in addition to its essential meaning, still plays a special role as a symbol. It began more than twenty-five years ago, at a time when division in the world was emphasized. It began in spite of the ideological differences which divide the world and even in defiance of the hostility incited in these late years between the East and West. To put it better: this work has been accomplished on a higher level than all this. Along with other such works, it must speak with a loud voice to us and to all the world. The good of mankind has become stronger than whatever is contrary to it. Human solidarity has triumphed over divisions and hostilities. Therefore, I wish to express my gratitude. I wish to pay special homage to those who brought it to completion and to those who are continuing to help it grow. At this moment, spirituallly present before our eyes are all those children who have, in this hospital, regained their health and have returned to their homes and to a normal life.

And so, gratitude and commendation are due first to American "Polonia." From its midst this idea was born, and it found support from the members of the House of Representatives.

It is not possible to name all those who have particularly distinguished themselves in this project. I will, then, recall only one member of Congress, an eminent man of politics who served in the highest government responsibilities, a man so very dedicated to American "Polonia"; Mr. Clement J. Zablocki of Milwaukee. I knew him personally and I conferred upon him a distinguished Papal honor. Needs have grown, and so this hospital has expanded. To the government of the United States who has contributed directly to this expansion. It is worth recalling that Mr. Clement Zablocki was present when the construction of the Institute for Rehabilitation began and that this hospital was dedicated by the then Vice-President of the United States, Mr. George Bush. I ask the members of Congress who are present here to convey to President Bush my expression of deep gratitude. In the course of expanding this large, modern hospital at Prokocim, principal support has come from the American Foundation: Project Health Opportunity to People Everywhere.

The government of the United States designated this foundation as the sponsor of the Pediatric Institute of the Academy of Medicine at Cracow. The first letters of the Foundation's name make up a very meaningful word: HOPE. The Foundation's president is its founder, Doctor William B. Walsh, who is present here with his wife. Serving as Director of the Polish program is his son, Doctor John Walsh, a faithful friend of Poland. He has put his whole heart into working for children. The beginnings and the history of this Foundation are very interesting, for it is a story of human sensitivity to the needs of others. The background for this story always remains Christ's parable of the Good Samaritan.

Suffice it to say that Project HOPE carries on a hundred programs, one of which takes place in Poland. In the future, it plans to move into other countries: Czechoslovakia, Hungary, the Baltic Nations, Yugoslavia, Bulgaria and Romania. "May God reward and help them." Obviously many organizations and individuals participate in all this work: both public and private funds have been invested. We cannot fail, therefore, to mention the contributions of Poland; its government and institutions on various levels, as well as the Academy of Medicine at Cracow and the Director of the Polish-American Institute of Pediatrics, Professor Jan Grochowski, who is present. I ask to be excused for naming only these few.

Thanks to this cooperation and solidarity, we have now arrived at the last phase of this great initiative carried out by Project HOPE, namely the Ambulatory Care Center for Children, which I blessed a few minutes ago. It will bear the name of the great friend of Poland, Clement Zablocki, whom I mentioned before. And this is not yet the end. There are also new projects underway for further developing this Center. Among them, I am told, is the construction of a hotel for parents and children. Dear Brothers and Sisters, all of this is particularly significant because it tells us of the degree to which this hospital takes into account the many needs—physical and spiritual—of the human advances in science and technology being employed, but that there is also a concern for the person as a whole. May God bless this undertaking and all others like it.

3. Ladies and gentlemen, dear Brothers and Sisters, at the end please allow me to share with you some of my memories and thoughts.

Right from the beginning of my clerical and pastoral service, I have had a special bond with doctors and the whole health service. Many of them are here today. I can see among the people who are gathered here today, persons close to me already in the beginning of my clerical and pastoral service. Also are present persons whom I met when I had been the Archbishop, Metropolite of Cracow. And last of all are here those who are the youngest, with whom I am meeting for the first time. I have always attempted to and still do so, to remind all members of the health service about the great vocation of serving the sick. In the Pastoral Letter, about the Christian sense of suffering, I wrote: "How very Samaritan is the profession of a doctor or a nurse or others of the same kind. Because of the evangelical meaning that lays hidden within it, we are more apt to think here about a vocation than just of a mere profession (Salvifici doloris 29)." There is no doubt that the work of a doctor or nurse, every work carried out among the sick is service rendered to Christ. "All that you have done to one of the smallest of my brothers, You have done to me." (Matthew 25:40).

The nature of helping and nursing the sick is such that it is more a vocation than a profession and in its nobleness and ideals close to the vocation of a priest, religious values are of the utmost importance in the realization of this vocation. They strengthen among doctors and the whole health service a spirit of true service towards the patients and give motivation to carry out one's profession in a more dignified manner and inspire a greater responsibility for the entrusted goodness, which is man. This is the reason why religious life plays such an important part in the service rendered both by doctors and nurses. This is the ground to be worked upon what we refer to as clerical, pastoral service for people of the health service. It wishes to bring to them a deeper knowledge of the Gospel and all of the teachings of Our Holy Mother the Church and to bestow upon them moral and spiritual help.

Thank you. I wish to thank you all once again. Thank you children for the program especially prepared for me. Thank you for the little rose that fell out of the basket and thus . . . expressed her pleasure and joy.

Thank you for your warm hearts and prayers, but most of all for your suffering. I am taking you with me to the Holy Shrine of Jasna Gora and hope that you will participate . . . if not directly, then at least from a distance in the next World Youth Days that will take place in a yet unknown part of the world.

SACRED HEART CHURCH OF LAKE GEORGE, NY, REFLECTS AREA'S RICH CATHOLIC HERITAGE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SOLOMON. Mr. Speaker, even people of others faiths are proud of the rich Catholic heritage of upstate New York, which is so intimately bound with the history and development of the Northeast.

That is what makes Sacred Heart Church of Lake George one of the area's most important places of worship. That heritage includes the early missionary work and subsequent martyrdom of St. Isaac Joques and the inspiring piety of the Indian maiden, Blessed Kateri Tekakwitha.

It will be my pleasure to enter in today's RECORD an article on Sacred Heart Church published recently in my hometown newspaper, the Glen Falls Post-Star:

LAKE GEORGE BOASTS RICH CATHOLIC HERITAGE

(By Janet Marvel)

LAKE GEORGE.—The statue of the Indian maiden, Kateri Tekakwitha, that stands behind the Sacred Heart Church tells only part of the church's almost 350 year affiliation with local Native Americans.

Lake George's Roman Catholic tradition dates back to the spring of 1646, when Father Isaac Joques was the first white man to see the lake. It continued through Kateri's visit in the late 1600s, through the gathering of Indians who saw the church cornerstone set in 1874, and the dedication of the Kateri statue more than 100 years later.

And interspersed in that history are an association with the Missionary Society of St. Paul the Apostle, expansions of the church facilities, and the planned Aug. 12 visit of Bishop Howard Hubbard.

The history began when Joques, the French missionary who ministered to the Indians, named the lake "Lac du Saint Sacrament" or "Lake of the Blessed Sacrament."

Before coming to the area, Joques had ministered to the Huron Indian tribes in Canada. Joques was captured, tortured by Indians who chewed off two fingers of his right hand, and later escaped, returning to France in 1643.

He returned to North America and named the lake in the spring of 1646. During a peace conference on June 10, 1646, Joques bartered beads for the release of a Huron Christian Indian girl and a young Frenchman.

Later, Joques was lured into the chief's lodge under the pretext of a great feast. The medicine man was jealous of the missionary's influence, and Joques was tomahawked to death when he entered the lodge.

A statue of Loques, given in memory of Anna and William Rust and the family of Helen and John Koslow, stands on the church grounds facing the lake.

The church shows 10 stained glass windows, divided into two panels each, showing the life of Joques, who was canonized in 1930.

The window over the altar shows Jesus, surrounded by a multitude of people of many races, and symbolizes the cause for which Joques gave his life.

After Joques, no missionaries are known to have come to Lake George until 1868, said the church's pastor, the Rev. George A. Phillips.

The Missionary Society of St. Paul the Apostle, popularly known as the Paulists, was founded in 1858 in New York City by the Rev. Isaac Thomas Hecker.

The Paulists first came to Lake George in 1868, and in 1872 were given property on the east side of the lake, where they still maintain a summer residence.

The church land, once a campsite for the Algonquins, who were ministered to by Catholic missionaries, was donated in 1851 by the William Caldwell estate. William's father was James Caldwell, an influential merchant who died in 1829. The town of Lake George was originally named Caldwell in 1810 in honor of this family.

The cornerstone of the Sacred Heart Church was laid in September 1874 in a ceremony which brought 800 onlookers, including Americans, Frenchmen and scores of Indians in full tribal regalia. Indians looked on "with their air of imperturbable gravity," according to church records.

Two tents were erected; the ceremony was in one and the other was for honored guests. A large mission cross was raised at the site of the future altar.

The Rev. Alfred Young addressed the crowd for 35 minutes, relating the coming of Joques and explaining why a Catholic church was being built. He ended with an appeal for funds. History tells us that a little girl laid the first contribution on the cornerstone. In total, $264 was raised.

Church records show the first baptism was performed on May 7, 1885. Charles Mulligan, who was born on Nov. 15, 1884, was sponsored by James and Mary Caldwell. Young Charles, who died at age four, was the first death to be recorded in church history.

The congregation was small; baptisms from 1885 through 1887 totaled eight, according to records.

The cloister and rectory were added to the church in 1945. In subsequent summers, when many tourists joined local residents to attend Masses, both the church and the open cloister were packed with worshippers. More than half a dozen pennies were placed in the mortar of the cloister's exterior walls by the contractors who built it. The cloister was enclosed and winterized in 1975. The vestibule and the ambulatory were winterized in 1989–90.

Kateri Hall, a brick building built as a parish hall in 1957, is now used for summer services. Between 500 and 600 worshippers can be seated there. The 1874 church is used from Oct. 12 to Memorial Day.

Kateri Tekakwitha, known as the Lily of the Mohawk Indians, was known for her goodness, her care for the aged and sick, and her work among her Indian people. Her mother was a Mohawk and her father was an Algonquin.

She dedicated her life (1656–1680) to Christianity and was ridiculed by her fellow tribesmen. For her own safety, the Jesuits sent her to an Indian reservation in Quebec where she served others, dying at age 24.

Kateri had traveled from Auriesville on the Mohawk River, coming to Lake George to stay with relatives.

A sculpture of Kateri is located on the door of St. Patrick's Cathedral in New York City, Phillips said. That sculpture was the model for a wooden sculpture created by a South American artist for the local church.

The local sculpture was donated in memory of Henry Schulz, the first parish president. The rustic enclosure for the sculpture was created in honor of Wenceslas and Juliette LaFond. The shrine was dedicated July 24, 1983.

Phillips said he hoped Kateri would be named a saint, and noted that elevation to sainthood as a three-step process. Kateri was declared venerable, the first step, in 1943 by Pope Pius XII, and was named blessed, the second step, in 1980 by Pope Paul II.

"I hope she will become a saint," Phillips said. "People here and in Canada are pushing for the cause of sainthood."

The parish's mission church is the Chapel of the Assumption, located on Ridge Road in Queensbury. The cornerstone for the church was laid in 1966. The church was part of the Bolton parish until 1968, being made part of the Lake George parish for logistical reasons.

Ground should be broken this fall, Phillips said, on a new parish center, which will be located on the church property that edges Mohican and Courtland streets.

NATIONAL ENERGY STRATEGY PETITION

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MILLER of California. Mr. Speaker, recently I received a petition and letter to Congress signed by over 280 scientists and energy professionals in support of making energy efficiency the centerpiece of our national energy strategy. Signers of the petition include energy professionals from Pacific Gas and Electric, the University of California, the California Public Utility Commission, the National Research Council, MIT, Princeton, and many other prominent organizations involved in the energy field.

The core message conveyed by these energy experts is a simple one—increased efficiency is the most economic and environmentally benign energy alternative avaliable to our Nation. Wise use of energy resources will not only increase American's energy security, it will reduce energy costs, increase our competitiveness in world markets, and lessen pollution.

Sadly, the comprehensive energy legislation submitted by the Bush administration to Congress earlier this year completely neglects the energy efficiency option. Only 3 pages of the 150-page long bill submited by the administration concern energy efficiency. Ironically, most of the energy efficiency language in the Bush bill prohibits the establishment of energy efficiency standards. The rest of the administration proposal is composed primarily of the legislative wish-list of the nuclear and oil lobbies.

Mr. Speaker, energy efficiency should be the centerpiece of our Nation's energy strategy. The signatories to this petition have performed a valuable service by outlining the policy framework needed to put America on the path toward efficiency. I commend them for their efforts.

I am submitting the petition and letter to Congress to be inserted in the RECORD.

PETITION TO CONGRESS FROM SCIENTISTS AND ENERGY PROFESSIONALS CONCERNING THE NATIONAL ENERGY STRATEGY

We, the undersigned scientists and energy professionals, call upon the Congress and the President to make the commitment to our economy, our environment, our future . . . to take the least-cost energy path. We appeal to you to make energy efficiency the top priority of our National Energy Strategy. Savings from energy efficiency investments can give us the money we need to develop environmentally responsible and cost-effective alternatives to expensive fossil fuels and nuclear power. These investments will increase our economic competitiveness and our national security.

We urge you to adopt the following energy policies:

1. Increase the Corporate Average Fuel Economy (CAFE) standards to a minimum of 40 mpg for cars and 30 mpg for light trucks by 2001. (This can be achieved with no reduction in safety, performance, or carrying capacity.)
2. Implement creative, revenue-neutral automobile efficiency incentives such as the Gas Guzzler/Gas Sipper Fee/Rebate program known as DRIVE+ and Pay as You Drive (PAYD) liability insurance using a fixed per-gallon fee at the pump.
3. Increase the federal gasoline tax by 20 cents/gallon per year over the next 10 years. Tax revenue should initially be used for improvements in mass transit systems, for R&D on energy efficiency and renewable energy, and for energy conservation programs for low-income communities to offset the burden of increased fuel prices.
4. Provide incentives for the states to adopt and enforce the ASHRAE 90 series of building energy standards.
5. Upgrade existing federal appliance efficiency standards and expand the standards to include windows, lighting, commercial appliances, and motors.
6. Require state regulatory reforms to provide financial incentives for profitable utility investments in energy efficiency.
7. Increase federal R&D funding for energy efficiency and renewable energy.
8. Encourage community planning to facilitate the use of mass transit, reduce the necessity of automobile use, facilitate bicy-

cle and pedestrian travel, and minimize urban heat islands.

9. Redirect a substantial portion of federal highway funding to mass transit programs.

10. Encourage waste recycling and source reduction policies. Postpone mass-burn incineration for at least 10 years to allow recycling and source reduction to expand.

Letter to Congress From Scientists and Energy Professionals Concerning the National Energy Strategy, June 1991

Most Americans agree on the appropriate goals of a National Energy Strategy: to reduce our dependence on foreign oil; to maintain our economic competitiveness; and to reduce stress on the environment.

President Bush proposes to use the free market as the basis of his National Energy Strategy. Key elements of the Bush strategy are reduced regulatory constraints on the natural gas, coal, and nuclear industries, and increased domestic oil production. The commitment to energy efficiency is token. We argue that such an approach will maintain our harmful addiction to oil, reduce our economic competitiveness, and increase the already critical stress on the environment.

If we as a nation are committed to the free market for solving our energy woes, we must be honest in our assessment of the costs, benefits, and subsidies associated with various energy paths. Many of the real costs of the nonrenewable energy sources are not currently factored into the price. The military subsidy we have long paid to ensure access to Middle East oil makes renewables look cheap by comparison. When reactor decommissioning, waste disposal, accident liability, and the risk of weapons proliferation is included in the price of nuclear power, it looks even less viable than it does now.

It is clear that the popularity of nonrenewable energy supplies would plummet if their real costs to public health and the environment were incorporated in their price. These missing costs—paid by us and our children in medical bills, crop losses, and degradation of the environment—are subsidies to the fossil fuel and nuclear industries. This is no free market!

Even at today's energy prices, with their embedded subsidies, energy efficiency is the least-cost path. This fact is now widely recognized by the public, the scientific community, and energy professionals. When the Department of Energy, at President Bush's request, held its "dialogue with the American people * * * to build a national consensus" on our energy future, it concluded that the single loudest message heard all across the country was support for energy efficiency. When the National Academy of Science [NAS] analyzed US energy use with regard to global warming—also at the President's request—it concluded that, not only is energy efficiency imperative for reducing greenhouse gas emissions, but we can actually save money by making the investment * * * A LOT OF MONEY![1][2] Totaling the net benefits of energy efficiency improvements suggested by the NAS, we estimate annual savings of about $70 billion. In fact, a number of large electric utilities are already investing in efficiency programs, and are reaping the benefits of the avoided costs of new supply.

With the savings we earn from energy efficiency we can further develop renewable energy sources that are cost effective and less harmful to the environment. We can invest in mass transit and community planning to further reduce our costly dependence on fossil fuels and, as a fringe benefit, create more liveable communities.

This approach is irresistible! We receive the immediate fiscal benefits from energy savings. We reduce critical stress on the environmental life support systems of this planet.

And, we ensure our economic future in a world in which essentially all advanced industrialized countries except the United States have committed to reducing CO_2 emissions because of the threat of global warming. All of these countries will want to purchase energy efficient technologies. By investing in energy efficiency and renewables we ensure our future economic competitiveness, as Japan and Germany have already begun to do.

Why further compromise our wild lands and risk global environmental catastrophe, when we can save money and the environment at the same time? Why ravage the Arctic National Wildlife Refuge (ANWR) for a possible half year of oil, when increasing the average automobile fuel efficiency to its present economic optimum of 40 mpg[3] would save daily several times the maximum daily output from ANWR * * * especially given that efficiency savings are permanent, "producing" year after year with no harmful side effects.

In signing the accompanying petition, we scientists and energy professionals are, collectively and with the strongest possible degree of urgency, calling upon Congress and the President to make the commitment to our economy, our environment, our future * * * to take the least-cost energy path. We appeal to you to adopt the policies listed on the accompanying petition as the top priorities of our National Energy Strategy. Make energy efficiency our first priority!

LABOR DAY STATEMENT OF THE U.S. CATHOLIC CONFERENCE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. CLAY. Mr. Speaker, I am pleased to commend to the attention of my colleagues the following statement of the Most Rev. James Malone, Bishop of Youngstown, OH, and chairman of the U.S. Catholic Conference Committee on Domestic Policy.

A Time for Action

(By Most Rev. James Malone)

"the obligation to earn one's bread by the sweat of one's brow also presumes the right to do so. A society in which this right is systematically denied, in which economic policies do not allow workers to reach satisfactory levels of employment, cannot be justified from an ethical point of view, nor can that society attain social peace." John Paul II, *Centesimus Annus*.)

The U.S. Catholic bishops continually urge the President and the Congress to enact legislation to protect human life and dignity and fundamental human rights. On this Labor Day, I want to reflect on three issues to illustrate the Church's commitment to a just society in which individual rights are respected within an overall context of protecting the common good.

The three issues of special interest as we celebrate our labor tradition are family and medical leave, the right to strike, and help for the unemployed.

What the three issues have in common is the Church's understanding of work as both human right and human responsibility and the role of society and government in safeguarding their exercise. In our Catholic teaching all of us, acting through our social institutions and government, are obliged to protect these rights. Moreover, we must ensure that the exercise of one human right or responsibility does not have to be paid for by the sacrifice of another. As the Pope explains in the new encyclical, a market economy brings significant strengths, but it needs to operate within "a juridical framework" of laws and regulations to guard and preserve human rights and the common good, which cannot be assured by market forces alone.

Human rights and dignity here in the U.S., as elsewhere in the world, cannot be secured in the absence of such a legal framework. The Church has pointed this out clearly in its efforts to give unborn children the protection of the law and to ensure that high quality prenatal care is available to their mothers. Just as we are working to protect the lives and health of babies both before and after birth, we are working also to secure the fundamental human rights of working people.

FAMILY AND MEDICAL LEAVE

For seven years the bishops have supported legislation to protect working men and women who need time off to handle family crises or to recover from a serious illness. The Family and Medical Leave Act, now pending again in Congress after suffering a Presidential veto last year, would guard most Americans against losing their jobs when they are needed at home to welcome a new baby, to confort a dying parent, or to nurse a recuperating spouse. They'd also rest easier knowing that their jobs would be waiting for them they recovered from a heart attack or surgery. While many employers do the right thing, even without legal requirements, many others do not. All Americans have a stake in creating a society where family values are more than just political rhetoric.

STRIKER REPLACEMENT

The bishops endorse legislation to protect workers who exercise their legal right to strike over wages and benefits. For a hundred years it has been a basic tenet of Catholic teaching that working people have a right to organize, join labor unions, and bargain collectively. Our teaching also recognizes that the right to strike without fear of reprisal is fundamental to the right to collective bargaining. That principle has been firmly entrenched in U.S. labor law which forbids the firing of strikers. Unfortunately, some employers have unfairly taken advantage of a loophole in the law that allows them to hire "permanent replacements" for their striking workers. It's hard to see the difference between being fired and being "permanently replaced." Communities are often the big losers, as the two sets of workers are pitted against each other in an atmosphere of tension and betrayal.

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[1] Policy Implications of Greenhouse Warming, Committee on Science, Engineering, and Public Policy, National Academy Press, Washington, D.C., 1991.

[2] The Congressional Office of Technology Assessment reached a similar conclusion in their report, Changing by Degrees: Steps to Reduce Greenhouse Gases, Congress of the United States, Office of Technology Assessment, Washington, D.C. 20510-80026, OTA-0-483, February 1991.

[3] M. Ledbetter and M. Ross, A Supply Curve of Conserved Energy for Automobiles, In *Proceedings of the 25th Intersociety Energy Conversion Engineering Conference*, Reno, NV, August 12-17, 1990 (published by American Institute of Chemical Engineers, New York, NY, 1990).

Outlawing the permanent replacement of striking workers is a matter of basic human rights, and all of us have a stake in this issue. It's clear around the world that, without a strong, independent union movement, no workers—union or non-union—can expect their rights to be respected. That is as true today in the U.S., as it was a century ago in Western Europe when Pope Leo XIII proclaimed the rights of workers in Rerum Novarum, and as it was a decade ago in Poland when Solidarity led the way to the overthrow of the communist regime.

HELP FOR THE UNEMPLOYED

We bishops also call on the President and the Congress to reform the unemployment insurance system to help Americans who are still looking for work after losing their jobs in the recession.

Young workers, with relatively little work experience, are finding it very hard to get rehired. Many are just starting to raise families, and few have a financial nest-egg to survive prolonged unemployment. To see these young families forced to accept charity and welfare when their unemployment insurance runs out is heartrending. Knowing that neither is enough to protect children from serious deprivation should make us all ashamed.

The other group shouldering a heavy burden is older workers, many of whom spent years getting back on their feet after the recessions of the 80's, and who now too young to retire but are "overqualified" for available jobs. When their unemployment benefits expire they are often ineligible for any other help and may have to exhaust their savings and sell their homes just to survive.

Why should these families lose everything while waiting for the recession to end? Shouldn't government policy keep them afloat until they and the economy are back on an even keel? In looking at the recession, perhaps policymakers have focused too much attention on the official unemployment statistics and other economic indicators and not enough on real people who are all too clearly suffering. Obviously, new jobs are the best answer, but, in the meantime, we owe these people some measure of compassion and justice.

On this Labor Day I ask you to reflect on the Pope's words that "the social message of the Gospel must not be considered a theory, but above all else a basis and motivation for action." He urges us to "make the necessary corrections" in our economic system and to recognize that love for others and, especially for the poor, in whom the Church sees Christ himself, is made concrete in the promotion of justice. In a more just society people would not have to sacrifice their jobs to exercise fundamental rights and responsibilities—such as caring for the young, the old and the sick—or find themselves out of luck when illness or the business cycle leaves them out of work. Working to pass these vital reforms is an excellent way to mark the 100th anniversary of Rerum Novarum, the encyclical that helped build bridges between the Church and working people that endure today. This Labor Day let us commit ourselves to acting on the Church's teaching on work and workers.

FEIGHAN: A PERSUASIVE VOICE FOR LOAN GUARANTEES

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SOLARZ. Mr. Speaker, in recent weeks, there has been a tremendous amount of debate in Washington and around the country concerning Israel's request for loan guarantees to help absorb Soviet refugees.

Our colleague, EDWARD FEIGHAN, who is an active and dedicated member of the Foreign Affairs Committee, has written an extremely articulate justification of these guarantees. When Congress takes up this issue—and I hope that will be soon—I would suggest that Members carefully read EDWARD's op-ed in the Cleveland Plain Dealer. His arguments make a lot of sense.

[FROM THE PLAIN DEALER, TUESDAY, SEPT. 24, 1991]

FOR WHAT IS ISRAEL ASKING?

(By EDWARD F. FEIGHAN)

President Bush's decision to delay the $10 billion loan guarantee program for the resettlement of Soviet Jews in Israel is a major mistake. It appears that the president has allowed his personal disdain for Israel's prime minister, Yitzhak Shamir, to affect his judgment about a humanitarian aid program that will cost the American taxpayer virtually nothing while, at the same time, aiding hundreds of thousands of oppressed people.

That is an important point. Despite some assertions, the loan guarantee is not a U.S. gift to Israel. It is not even a U.S. loan to Israel. It is simply a U.S. promise to cosign loans Israel will receive from commercial banks. The loans will only impact on the American taxpayer if Israel fails to repay them, something Israel—one of the world's most credit-worthy nations—has never done in its 43 years of existence.

For members of Congress, the president's decision to delay the loan guarantees is particularly distressing. Back in the spring, in the months after the gulf war, the White House, Congress and the Israeli government agreed to put Israel's request for refugee assistance on hold until after Labor Day. All sides agreed that come September the request for the loan guarantees would be made and would be met with a favorable response from our government.

Israel's willingness to accept that postponement was a demonstration of faith in the president's fairness, Israel was in a strong position to request the guarantees in the days after the war. After all, Congress understood the unprecedented sacrifice that Israel had made in acceding to President Bush's request that it not respond militarily to Iraq's nightly Scud attacks against its civilians.

The president had told Jerusalem that an Israeli retaliatory strike against Iraq would have harmed the anti-Iraq coalition, and Israel allowed its hands to be tied. Congress was impressed and by a unanimous vote, passed my resolution commending Israel for its restraint and urging continued support for our embattled ally.

Congress was determined to help Israel deal with the unprecedented influx of Jewish refugees from the Soviet Union. Members of Congress of every political strip had been calling on Moscow to release its persecuted Jewish population for years. Now they were coming by the hundreds of thousands. Even the nightly Scud attacks didn't deter the refugees arriving at Tel Aviv airport. Their first experience with Israeli life was receiving instructions on how to don a gas mask.

The $10 billion loan guarantee for refugee aid would have sailed through Congress this month or next, if President Bush had not decided to link it to Israel's settlement policy. He now says he wants to delay approval of the loan guarantees until after the Middle East peace conference convenes later this year. And he gives no assurance that he will favor the guarantee even then.

In fact, it appears that he intends to use the loan guarantees as a stick with which to beat Israel into acceptance of a freeze on West Bank settlements, something that we never intended when we delayed consideration of the loan guarantee until the fall.

After all, the loan guarantee is nothing more than humanitarian assistance. It has nothing to do with overall Mideast policy but represents a simple humane commitment to help Israel feed, clothe, house and provide jobs for refugees.

Moreover, at the insistence of Congress Israel has pledged that none of the guaranteed funds will be used to expand existing West Bank settlements or to build new ones.

Delaying the loan guarantee to extract concessions from Israel is patently unfair. This is not to say that Israel's settlements policy is helpful to the peace process. But neither are far worse provocations from the Arab states. Jordan continues to support Saddam Hussein as it did throughout his occupation of Kuwait. Syria backs terrorists who kill Americans (as in the skies over Lockerbie, Scotland) and occupies Lebanon. Saudi Arabia keeps adding American companies to its list of countries that are not allowed to do business in the Arab world.

But President Bush remains silent—except when it comes to Israel's settlements policy.

I hope Congress approves the loan guarantees swiftly. It is simply unfair to hold the lives of thousands of refugees hostage until Israel, a fellow democracy, changes one of its policies. If we don't like that policy, let's encourage Israel to change it during the negotiating process. But let's not punish refugees. That is not the American way.

WHEN AUNT PERRIE HAD TO MAKE A CHOICE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. LAGOMARSINO. Mr. Speaker, I rise today to submit an article from the Los Angeles Times into the CONGRESSIONAL RECORD. The article, "When Aunt Perrie had to make a choice," poignantly reveals the fundamental issues involved when a child is aborted for "quality of life" reasons. This article begs the question, "Does anyone have the right to decide if another's life is worth living?"

WHEN AUNT PERRIE HAD TO MAKE A CHOICE—DISABILITY MOVEMENT AND ABORTION

(By Lillibeth Navarro)

(Lillibeth Navarro, a member of American Disabled for Attendant Programs Today, is executive director of the Southern California chapter.)

Aunt Perrie lives in Australia. She married in her late 30s and in 1980, when she came here to visit, I got to see her again and meet her husband for the first time. Aunt Perrie comes from a big family, 10 children. For a long while after marriage, she could not conceive. But finally, after five years of trying, she became pregnant. I remember the family being thrilled at the news that she had a healthy baby boy.

Aunt Perrie spoke often about her son. In the course of one conversation during a visit, she mentioned that soon after my little cousin was born, she became pregnant again. I mistakenly thought that she was announcing the coming of her second child.

"I had an abortion," she said. "The doctor did an amniocentesis and found the baby was going to be handicapped." Her words fell on me like a dagger. She did not want a child similar to me.

I've always wondered exactly how my relatives viewed me and my disability, and Aunt Perrie gave me an answer. She did not think a disabled child was worth her while. She dreaded a "life of problems." No wonder she spoke to me very seldom as I was growing up.

And here I had thought that I was proving to my family, with some measure of success, that life with a disability was good, too. With great sadness, I realized that I lost to abortion the only cousin I would have had who was similar to me.

When I met the disability movement in 1985, I was immediately taken by its progressive ideas about the disability experience and its emerging ideology. I agreed with most of what I heard, except for the movement's generally pro-choice stand on abortion.

I was warned not even to touch the topic, lest we lose our financial support for ADAPT (American Disabled for Access Power Today) Southern California. I was recently called a Nazi by a fellow disabled activist for expressing my pro-life views in a speech at a National Right-To-Life conference. It is intimidating, but I want to engage in sincere dialogue. In an atmosphere of democracy and free speech, I am entitled to propose a pro-life argument compatible with the disability-rights ideology.

The cornerstone of the disability-rights philosophy is that we people with disabilities are equal to and have the same rights as people without disabilities. We enjoy the right to life, liberty and the pursuit of happiness promised by the Constitution.

At protests and demonstrations, we chant that access to transportation, education, attendant care, housing and employment are civil rights. When people violate those rights, when they refuse to acknowledge the inherent equality of us all, we call the violation discrimination. We protest and get arrested to decry this prejudice based on our disabilities.

And yet, when it comes to abortion, this holocaust that is also wiping out our tiny brothers and sisters with disabilities, our movement chooses to remain silent. We have bought the argument, proposed by pro-abortion activists, that we should side with the woman, who claims absolute right to do with her body as she pleases, baby or no baby. Our sentiments are supposedly with her because, like her, we suffered from years of oppression from medical doctors telling us what we can and cannot do with our bodies.

But this sentimental cry for the "choice" to kill (allegedly for the woman's benefit) is truly ideologically different from our cry to live with dignity. As a disability-rights activist, I know that when I get arrested in the fight for attendant care or transportation, I am fighting to live; I am not fighting to live at the expense of another.

The movement also has bought the argument that the "line of birth" makes a difference in the abortion debate. This dividing line has created two sets of people, the "born" and the "unborn." It is murder to kill the one, but it is a matter of "choice" to kill the other. Accepting this argument, we have agreed to the creation of yet another minority—the "unborn"—the only minority without a voice of its own. We do not realize that discrimination against them is dangerously similar to the discrimination against people with disabilities.

Disabilities are physical phenomena. Even mental and emotional disabilities may have physical origins. But isn't birth also a physical phenomenon? But discrimination based on disability is a crime, whereas discrimination based on birth is a "choice." The abortion of a disabled baby is dual discrimination—the baby is not only disabled, but also not yet "born."

Unborn babies have great similarities to many of us adults with disabilities. They cannot yet "think," "see," "hear," "speak," "walk," "taste" or "touch." They are thus dependent on and at the total mercy of those who arbitrarily decide to keep them or not.

They are an "inconvenience" for nine months and a couple of years thereafter. They intrude into the woman's lifestyle, plans and preferences. When it comes to disabled babies, it is even deemed "socially irresponsible" to give them birth. Like us, they also are called non-persons. We are the "defectives" and "vegetables"; they are the "anomalies."

Back to Aunt Perrie. Before she left, she invited me to visit Australia. She said that her city had excellent access for people with disabilities. She assured me that living there would not be a problem. She spoke of ramps, elevators, vans and buses with lifts.

There is another country, I thought, that is making things accessible for a future generation of people with disabilities that it does not want to be born. My own little cousin, aborted because she was disabled, was not welcome in her own country, by her own family. I wish I had been there to intercede for her.

DAV HOSTS PROGRAM IN TRIBUTE TO PERSIAN GULF WOUNDED

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MONTGOMERY. Mr. Speaker, on September 12, it was my privilege to participate in a stirring program hosted by the Disabled American Veterans at their headquarters here in Washington which honored our service personnel who were wounded or otherwise disabled during the recent action in the Persian Gulf. Sixteen veterans of Operations Desert Shield/Storm, each of whom is undergoing rehabilitation at Walter Reed Army Medical Center, were on hand to represent the men and women who lost limbs or were otherwise injured in the war against Iraq:

Spc. Lois Abretske, North Huntingdon, PA; Spc. Christopher Balon, Johnstown, PA; Spc. Angela Betton, North Versailles, PA; Spc. Alan Briggs, Essex Junction, VT; Sgt. Robert Collin, Bath, ME; Pfc. Anthony Drees, Grand Forks, ND; Sgt. Patrick Duffield, New Cumberland, WV; Sgt. Stephen C. Hamrick, Sebastian, FL; Sgt. Marvin Ivie, Ontario, CA; Spc. Jean Kazlauskas, Waterbury, CT; Spc. Kevin Moellenberndt, Kansas City, MO; Spc. Fatimah Musawwir, Washington, DC; Cpl. Ollie Robinson, Turkey, NC; Spc. Steven Schultz, Watertown, SD; Cpl. Erik Tate, Reston, VA; and Spc. John Vaughn, Granada Hills, CA.

President Bush took time from his very demanding schedule to pay tribute to these individuals who participated in what he termed a "mission of high principle and noble purpose." I'd like to share with my colleagues the President's remarks:

REMARKS OF THE PRESIDENT IN ADDRESS TO DISABLED AMERICAN VETERANS

Tonight we honor those who answered their country's call to service. They went proudly, willingly, on a mission of high principle and noble purpose: To defeat aggression and defend freedom. In a far-away land, they battled the enemy in the field, and the inner enemy of fear. Through their sacrifice, they put an end to brutal aggression. They freed a captive nation, and set America free by renewing our faith in ourselves.

From the time Operation Desert Shield began, a sacred bond grew between Americans here at home and those serving in the Gulf. Think of all those yellow ribbons. Think of how the American family has never been more united. That bond, that unity, and that love must be preserved for those injured or disabled by war.

For more than 70 years, the D.A.V. has helped veterans the old-fashioned way: Person to person, veteran to veteran. The soldiers here tonight are finding out how fortunate they are to have thousands of volunteers ready to help, to offer support, and to just be a friend to those on the road to recovery. So I just wanted to offer my sincere thanks for all you've done and all that you continue to do on behalf of America's veterans. As President, but even more as a veteran, I'm proud to be a member of the D.A.V.

You know, every day, many important papers and documents cross my desk in the Oval Office, but very few items remain there for long. There's one thing, though, that stays there as a constant reminder. It's a small American flag, the same kind they give to children to wave at parades. An American soldier gave it to me in a hospital in San Antonio, and I'll never forget what he said. "This is from all the men in Panama," he said, "and I want you to have this from them. And we thank you for sending us." That soldier had come home a paraplegic.

Where would America be without its veterans? There wouldn't be an America. No Commander-in-Chief forgets the sacrifices of America's veterans. Nor will America forget those who do the hard work of freedom. We supported you in peacetime and in wartime, and we will support you now that you are home.

May God bless America, and the veterans who keep her free.

Secretary of Defense Dick Cheney, Secretary of Veterans Affairs Ed Derwinski, Senator STROM THURMOND, Kuwaiti Ambassador Shaikh Saud Nasir Al-Sabah and Belgian Ambassador Juan Cassiers also participated in the program.

Among the other distinguished guests were representatives of the Governments of Great Britain, France, Canada, Australia, Italy, Japan, and New Zealand and several Members of Congress. Richard D. Cameron, Commanding General, Walter Reed Army Medical Center, also attended.

Mr. Speaker, the men and women of our Armed Forces have never performed more magnificently than they did in the Persian Gulf war. They gave us a swift and decisive victory. In my 50 years of service in and association with the military, I have never seen higher quality military personnel than those who served during this crisis and who are now serving.

War is brutal. It is not fought nor won without a price. It demands a toll, no matter how brief, no matter how decisive. While on one hand, each war we fight strengthens the hand of freedom and democracy, it also takes something away. It leaves physical and emotional scars. Both triumph and sorrow are the aftermath of war. Perhaps it can be of some solace to those who were wounded and to those whose loved ones did not return that what they did has helped discourage future wars and additional loss.

These men and women made tremendous sacrifices, sacrifices which are manifest through patches and prosthetics, through impairments and scars and, for some, through a long and arduous rehabilitative process. As they will attest, there are times during their rehabilitation when they feel alone, when they feel down, when they might wonder "Why?" But they should know that, through their service and by their losses, they did much more than win a war. They renewed America's sense of pride and lifted it to a level it has not seen since the post-World War II years. They also heightened the world's respect for our great Nation. Because of them, our friends in Kuwait are again free and, in the process, our own freedom has been immeasurably strengthened.

It had been many months since some of the evening's honorees had been home and seen families and friends. But I believe that, here in Washington and all across America they have a new family, a family that cares deeply about them and their welfare—the American family.

Mr. Speaker, the war is not over until each and every participant receives the care and attention he or she has earned, whether it be quality health care and rehabilitative services, counseling or compensation, home loans or any of the other services established by a grateful nation for the defenders of liberty. This commitment should be the guiding force in our legislative deliberations, not only in this Congress, but always.

We should keep in our prayers all who have been hurt and disabled in service to their country, those at Walter Reed and elsewhere across the Nation. We should also remember that there are others still serving in the Persian Gulf region and around the world. Let's not forget them.

In a related matter, I want to commend two individuals—Jim Mayer and Bob Moran, both Vietnam veterans, both double amputees, both VA employees—who, since February, have taken it upon themselves to visit and counsel the wounded at Walter Reed.

These two gentlemen have become common and very welcome sights up and down the halls of Walter Reed. They have made themselves available to hospital staff for visits with patients in order to answer their questions and offer advice and assistance. Bob and Jim certainly can empathize with the wounded; their experiences uniquely qualify them to counsel amputees on what to expect and how best to deal with it. On many occasions, Jim and Bob have hosted meals and recreational outings for the hospital's patients. They and their wives have opened their hearts and homes to these individuals.

Bob Moran explained why they do it:

> Jim and I realized that the most important treasured thing we received when we were patients was an individual who had undergone similar experiences and who had sustained the same type injuries as ours sitting down with us and talking to us, somebody who had been there. It was some of the best medicine we could have received. We figured these returning amputees could benefit from the same one-on-one encounters. Maybe, in some small way, we can contribute to their healing.

I know my colleagues will join with me in expressing gratitude and appreciation to Jim Mayer and Bob Moran for the selflessness and compassion they have displayed in caring for their fellow veterans and to the Disabled American Veterans, one of the Nation's fine veterans' service organizations, for reminding us that there are those still fighting the war's battles with tremendous courage and dignity.

INTRODUCTION OF THE SMALL BUSINESS RECOVERY ACT

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MAVROULES. Mr. Speaker, I am pleased to have bipartisan support for legislation I, NANCY JOHNSON and many other members of the New England Delegation, introduced yesterday, H.R. 3419, the Small Business Recovery Act of 1991, to help ease the credit availability problem many businesses are experiencing in the region. The New England Council worked diligently with us in crafting this legislation which is also endorsed by the Smaller Business Association of New England, the Massachusetts Business Roundtable, the Associated Industries of Massachusetts, the Connecticut Business and Industry Association and many other business groups in the area.

Just last week the Commerce Department reported that we have had 3 consecutive quarters of negative growth, 1 more than necessary to declare a recession. We have tried unsuccessfully during these recessionary times to provide credit access for the small companies who are the backbone of our Nation's economy. The economic downturn is pervasive and continuing to spread. Without capital, businesses are unable to expand and contribute to the rebounding of New England's economy. Clearly what differentiates this recession from that of 1982 is credit and capital availability. Because credit was available at that time, it was possible for new enterprises to develop into some of today's corporate giants.

Large businesses and large banks can obtain the necessary capital. It is the smaller ones that need our assistance and who this bill is designed to help. A decline in New England capital of 25 percent from September 1988 to December 1990 has left small banks and businesses drained, when the national decline was only 3 percent according to Federal Reserve data.

Sixty percent of the Nation's work force are employed by small businesses, and 50 percent of new jobs by the year 2000 will be created by small businesses. Therefore, it is crucial that we protect the backbone of our Nation's economy. In 1990, failures of New England businesses rose 193 percent over 1989, while nationally business failures were up only 14.5 percent.

The economic horror story of the region goes on and on. In New England, 254,000 jobs were lost in the last 2 years, 20 percent of the Nation total. An incredible figure when New England only makes up 5 percent of the U.S. population. In April of this year, five of the six New England States had unemployment rates substantially higher than the national average of 6.8 percent.

Under the terms of the Small Business Recovery Act of 1991, H.R. 3419, 200 banks in the region would be eligible to obtain up to $5 million in authority to issue stocks or debentures. This investment would be insured for up to 7 years with banks having a capital asset ratio of between 3 and 8 percent, total assets of not over $1 billion, has a Federal or State charter for at least 3 years and tier 1 capital between 3 and 8 percent of total deposits.

The maximum amount of private capital raised would be $500 million with an SBA guarantee covering $425 million. This figure is modest given that under normal banking policies every $1 in asset usually creates $12 in loan capacity.

I am excited about the opportunities this measure presents to restore the economic vitality of our region and look forward to working diligently with my colleagues for its adoption.

SUPPORTING TAIWAN'S MEMBERSHIP IN THE UNITED NATIONS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. HERTEL. Mr. Speaker, today, I rise to introduce a resolution which supports Taiwan's membership in the United Nations and other international organizations. Taiwan is presently represented by appointees from the Government of the People's Republic of China.

Taiwan was a Japanese colony during the period between 1895–1945. At the end of World War II, the United States alliance with the Nationalist Chinese administration allowed the Nationalist President, Chiang Kai-shek, to consolidate the Nationalist position on Taiwan under United States military protection. A period of civil war followed between 1945–1949, resulting in the overthrow of the Chinese Nationalist Government by the communistic regime that remains in control of the mainland today. The Chinese nationalists were forced off the mainland, and fled to Taiwan where they established a "provisional" capital in Taipei, Taiwan in December, 1949.

Taiwan has been politically and economically independent from the People's Republic of China since 1949; furthermore, appointees of the Chinese Nationalist Government, based in Taipei, represented Taiwan and China in the United Nations until 1971. During that year, appointees of the Government of the People's Republic of China, based in Beijing, assumed the role of representing both mainland China and Taiwan.

The Nationalist Government of China, based in Taipei, was granted diplomatic recognition by the United States until December 15, 1978 when the United States and the People's Republic of China released a joint communique announcing a switch in United States diplomatic recognition from Taipei to Beijing. The United States also stated in the joint communique that the "United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan." In a unilateral statement released concurrently with the joint communique, the United States further stated that it "continues to have an interest in the peaceful resolution of the Taiwan issue and expects that the Taiwan issue will be settled peacefully by the Chinese themselves".

The People's Republic of China has made no attempts to settle the Taiwan issue peacefully or otherwise, and has repeatedly threatened to invade Taiwan. I do not want to see another example of the the People's Republic of China's ability to use force to quench internal strife. The brutal crackdown in 1989 on the prodemocracy demonstrations in Beijing proves that the Chinese Government is capable of acting out on their threats of violence.

Historically, the United States has had friendly relations with Taiwan. On April 10, 1979, the United States signed into law the Taiwan Relations Act which created a domestic legal authority for the conduct of unofficial relations with Taiwan. Since January 1, 1979, the United States has even continued the sale of selected defensive military equipment and defense technology to Taiwan, in accord with the Taiwan Relations Act.

Taiwan has in the past 40 years become an independent political entity and an important partner in world trade and international economy. Taiwan has the world's largest foreign currency reserve, is the fifth trading nation in the world. In spite of its economic achievement and significant role in the world economy and in world affairs, the government of Taiwan does not have representation in the United Nations and other international organizations. Taiwan is represented by a country it has been politically and economically separated from since 1949.

It was in the United States' best interest during our cold war with the U.S.S.R. to have friendly relations with China, but the cold war is over, and I think it is now time to stand up for the people of Taiwan.

Mr. Speaker, every year since becoming a Member of Congress, I introduced a resolution designating June 14 as "Baltic Freedom Day." The people of the Baltic countries are now free, and have self-determination and representation in the United Nations. I am hopeful that I will see the day when the 20 million people in Taiwan can enjoy the same representation in the United Nations.

TRIBUTE TO BRIGADIER GENERAL LARRY R. CAPPS

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. CRAMER. Mr. Speaker, today I rise to pay tribute to Brig. Gen. Larry R. Capps, the deputy commanding general of the U.S. Army Missile Command at Redstone Arsenal in Huntsville, AL, who is retiring after many years of distinguished service to this country.

General Capps has proudly and bravely served his country both domestically and overseas. He served in Germany, Vietnam, and Cambodia as well as in South Carolina, Maryland, Washington, DC, and Alabama. His awards and decorations speak of his many accomplishments. General Capps has received the Legion of Merit, Bronze Star Medal, Meritorious Service Medal, Army Commendation Medal, Humanitarian Service Medal, and the General Staff Identification Badge.

The general came to Huntsville 6 years ago as a colonel to run the Patriot Missile Program. Almost any American can tell you the significant role the Patriot missiles played in the gulf war, but few people realize that General Capps was the man behind the Patriot's success. In 1985, the general convinced the Army leadership and the Congress to let him do the research and development work necessary to convert the Patriot from an airplane killer to a weapon that could also shoot down ballistic missiles. Had it not been for General Capps' efforts, the term "Scud buster" may never have come to be a household phrase. For the past 3 years, the general has served as Micom deputy commander at Redstone.

General Capps has also remained interested and active in the events of the Huntsville/Madison County community. He was a key player in the Vision 2000 planning, and he played a major role in the consolidation of Army Materiel Command activities in Huntsville. The general was also responsible for the success of the Sparkman Center by personally steering this project through the Army and Defense Departments.

General Capps and his wife, the former Brenda Bailey of Covington, GA, are retiring in Huntsville. They have two sons: Barry, a senior at the University of South Carolina, and David, a member of the class of 1992 at the U.S. Military Academy.

It is my pleasure to congratulate General Capps on his many accomplishments and to thank him for his many years of service. I wish him all the best in his retirement.

SUPPORT FOR ALBANIANS, CROATIANS, AND SLOVENIANS IN THE FACE OF CONTINUING COMMUNIST REPRESSION IN YUGOSLAVIA

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SWETT. Mr. Speaker, yesterday thousands of Americans of Albanian, Croatian, and Slovenian background gathered on the west front of the U.S. Capitol to demonstrate their support for the forces of freedom and democracy in their homeland and to urge stronger action by the American Government against the entrenched Communist Yugoslav Government and the renegade Communist-dominated Yugoslav military organization. I joined with a number of my colleagues from the House and the Senate in this massive rally against the continuing repression and violence that is plaguing Yugoslavia.

Mr. Speaker, I insert my remarks at that rally in the RECORD:

REMARKS OF HON. DICK SWETT AT THE FREEDOM FOR YUGOSLAVIA RALLY

I am happy to join you today, to join you in calling for a peaceful and democratic solution to the tragedy now unfolding in Yugoslavia. The freedom-loving peoples of Croatia, Kosova, Slovenia, and the other republics and provinces of Yugoslavia are being viciously and brutally repressed by the communist government and the communist-dominated military as they fight for democracy and human rights.

The last few years have been truly historic. The world has watched in amazement as the forces of liberty and democracy have won the battle against communist tyranny in Central and Eastern Europe and the Soviet Union. In this part of the world, the only exception to this triumph of democracy has been the central government of Yugoslavia and the government of the Republic of Serbia. There communist domination remains firmly entrenched, and those totalitarian forces have sought to maintain their power with tanks, guns, and bullets and they have sought to crush the newly revived democratic spirit of those peoples in Yugoslavia who have thrown off communist domination—the Croatians, Albanians, and Slovenes.

In this century, again and again, the civilized world has watched in horror as totalitarian governments have repeatedly ignored and suppressed the will of their own people. No matter how vicious and bloody the government repression has been, the forces of democracy have again and again come to the surface. In the past few months, the strength and the power of this will for freedom has again been verified by the Albanians of Kosova, the Croatians, and the Slovenians.

The United States government must send a clear and unequivocal message to the communists of Yugoslavia, to the communists of Serbia, to the communists of the Yugoslav armed forces. These forces of reaction and repression must know that we stand on the side of freedom and democracy, that we stand on the side of the Croations, Albanians, and Slovenes in their fight against communist totalitarianism.

As we stand here today, in the shadow of the Capitol of the greatest democracy on earth, we must remember that the infringement of freedom and democracy of any peoples anywhere is a threat to the democracy and liberty of free men everywhere. The struggle of the Croatians, Albanians and Slovenes in Yugoslavia is the struggle of all of us. When they triumph, democracy triumphs, and we in America triumph as well. With the firm and unequivocal help of the United States, we will soon rejoice as the Albanians, Croatians, and Slovenes—former victims of tyranny and communist repression—join the ranks of free and democratic peoples.

A TRIBUTE TO REV. KENRYU T. TSUJI

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MATSUI. Mr. Speaker, I rise today to salute the accomplishments of the Rev. Kenryu T. Tsuji on this the 50th anniversary of his service as a Jodo Shinshu minister. To honor Mr. Tsuji and his years of dedicated service, the Ekoji Buddhist Temple will host a dinner in his honor next Saturday at the Phillips Restaurant here in Washington, DC.

During the last five decades, Reverend Tsuji has served as a minister in both the United States and Canada and also as the director of Buddhist Education and as the bishop of the Buddhist Churches of America. Additionally, he was one of the few ministers of the pre-World War II era who spoke excellent English. He continues to be a distinguished speaker of Buddhism, a sound administrator, and a far-sighted leader for Buddhism in North America.

I ask my colleagues to join me in saluting Reverend Tsuji and in extending our best wishes for a successful and enjoyable celebration next Saturday.

A CONGRESSIONAL SALUTE TO MR. WAYNE T. KISTNER, ESQ.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Mr. Wayne Kistner, the recipient of Crohn's and Colitis Foundation of America's 1991 Humanitarian Award. Mr. Kistner is honored for his 10-year commitment to reducing the pain and suffering brought to over 2 million Americans with Crohn's disease or ulcerative colitis. This occasion gives me the opportunity to express my deepest appreciation for his many years of service to our entire community.

Mr. Kistner graduated from California State University, Long Beach, cum laude, obtaining the President's honor list in both 1977 and 1978. He spent a summer in Nicaragua, leading a health and community development program which vaccinated thousands against polio and smallpox. Subsequently, he volunteered in England for a year to assist the homeless, youth, and the Gypsy community. For his tireless work, Wayne was selected as an "ambassador of goodwill" by the Ambassador to Great Britain, Mr. John Winant.

Not forgetting the myriad of problems faced by people in our own community, Mr. Kistner has been involved in noteworthy social service organizations in southern California. He assisted in the development of the Cypress College Human Services Program to provide much needed counseling for distressed students. Later, he fused two community-based organizations, Community Concern and Straight Talk, to form Straight Talk Inc. to bring a mental health program and related social services to the local community. He has since served as a board member to this organization and provided 3 years of strong leadership as the chairman of the board.

In addition to his great work for nonprofit organizations, Mr. Kistner is also the director and founding principal of the law firm of Bennett, Kerry, Kistner & Garcia. He started his law career in 1981, graduating from Southwestern University School of Law and being admitted into the California Bar in the same year. During his training, he was chosen as the extern for the U.S. Court of Appeals, ninth circuit under Chief Judge Alfred T. Goodwin. In recognition of his impressive work, he was named one of the outstanding young men of America in 1981.

Even as his responsibilities grow at work and home, Mr. Kistner still finds time to work for the benefit of our community. He serves as a member of the Honorary Long Beach Police Officers Association, the Long Beach Bar Association, and is currently chairman of the Endowment Board for California Pools for the Handicapped, Inc. and trustee of the Long Beach Civic Light Opera Association.

My wife, Lee, joins me in extending our thanks to Wayne Kistner for his contributions to the Crohn's and Colitis Foundation and years of service to the larger community. We wish Wayne, his wife Cindy, and his two beautiful daughters, Lindsay and Whitney all the best in the years to come.

PACIFIC NORTHWEST FOREST COMMUNITY RECOVERY AND ECOSYSTEM CONSERVATION ACT OF 1991

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. McDERMOTT. Mr. Speaker, today, I am introducing the Pacific Northwest Forest Community Recovery and Ecosystem Conservation Act of 1991. I am pleased that Congressmen DAVID BONIOR, LEON PANETTA, and BUDDY DARDEN have joined me in cosponsoring this legislation.

Last July, at the request of the House Agriculture Committee, a distinguished panel of scientists briefed Members of Congress on the health of the Northwest's forests. After 3 months of consultation with hundreds of other experts, the panel's message was precise and unequivocable—the Northwest's forests have been overharvested, and current logging plans cannot be sustained.

It is time we listen to the scientists. The bill I am introducing today establishes a process consistent with the recommendations of the Portland panel. It brings Federal agencies back into compliance with the law, rather than changing the law to pardon their mistakes. It recognizes that our challenge is not simply to save the spotted owl, but to preserve the entire forest ecosystems. And it takes the first step toward informed watershed protection and native salmon preservation. I cannot imagine facing my constituents in 2 years and explaining to them why Congress neglected to address the decline of our native salmon.

We do not need to resolve this problem by preventing citizens from going to court or by throwing our environmental laws out the window. Those tactics are tempting, but they will lead us back to where we started 3 years ago. My bill will lead to sustainable harvest levels and healthier forests. This is the only way to create certainty for the timber industry and stability for the forests.

Our choice is not between owls and jobs. Our choice is between timber jobs and good replacement jobs for the ones that will be lost. A Wilderness Society report issued yesterday recommended several policy options to help the region keep abreast of the economic transition that is occurring in the Northwest. I agree with their findings and have incorporated many of their ideas in this bill. My bill helps workers find new jobs, provides credit to mills to preserve existing timber jobs, establishes special funds to help communities diversify their economies, offers reforestation tax incentives to small woodlot owners, and guarantees loans to promote the export of value-added wood products.

The ideas in my bill are in most respects the same as the ones introduced in July by Senator BROCK ADAMS. Unlike Senator ADAMS, I have not included provisions to restrict the export of raw logs. Instead, I have cosponsored legislation introduced by Representative DEFAZIO to tax log exports and use the receipts to promote economic diversification in timber-dependent communities. Also, my bill creates new forest management guidelines and ensures that they will apply to all forests covered in the bill, not just the owl forests. Finally, I have made a few technical corrections to other provisions.

However, the similarities between my bill and the one introduced by Senator ADAMS are more important than the differences. These two bills speak for thousands of Northwest residents who believe their views have not been represented by their elected officials. I stand with Senator ADAMS in calling for a resolution to this crisis that is scientifically credible and points to a new economic future for our rural communities.

I am offering this legislation as a member of the Northwest delegation who wants more than anything to resolve this issue. I hope my bill will offer my colleagues in the House a new and important perspective that will be a constructive addition to the debate. I will continue to work with my colleagues from the Northwest and in the House to find a permanent and fair resolution.

THE 80TH NATIONAL DAY OF THE REPUBLIC OF CHINA ON TAIWAN

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. JOHNSON of South Dakota. Mr. Speaker, "Double Ten," the 10th day of October is National Day for the 20 million Chinese on Taiwan.

The Republic of China on Taiwan is our ally and our sixth largest trading partner. In recent years, Taiwan's economy has grown at a spectacular rate, making Taiwan one of the most prosperous countries in the world. The hard work and ingenuity demonstrated by the Chinese people will undoubtedly enable them to prosper even more in the future.

We wish President Lee Teng-hui, Premier Hau Pei-tsun and Foreign Minister Fredrick Chien the best of luck. We also wish to assure them that the relationship between the United States and their country is ongoing and strong. My colleagues and I have enjoyed working with Ambassador Ding Mou-Shih and his colleagues, especially Mr. Larry Wang of the liaison division in Washington.

Congratulations to the people of the Republic of China on Taiwan on this auspicious occasion.

INTRODUCTION OF LEGISLATION CLARIFYING THAT ELDERLY-ONLY HOUSING IS PERMISSIBLE UNDER FEDERAL PROGRAM

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. DONNELLY. Mr. Speaker, since the administration of President Franklin Roosevelt, Congress and the executive branch have agreed that it is justifiable policy to limit some housing projects to the elderly. Senior citizens have special needs, and Government has long recognized that elderly Americans should be able to live out their last years in housing with other senior citizens.

Recently, however, some public housing projects which had been set aside solely for the elderly are now being populated by nonelderly individuals. This is sparking conflicts which have sometimes ended in violence. The administrator of the Boston Housing Authority wrote in a letter to me, "young residents have become the neighbors of seniors in buildings which senior citizens believed were originally reserved for them. This mix has caused increasing concern and unhappiness among seniors." She also points out examples where this mix has caused violence, robberies, drug crimes, and serious fear among senior citizens.

There is a simple solution to this problem: a statement in the law that senior citizen-only housing is permissible, but I am told that this change is both complex and controversial. I disagree, and I am introducing legislation today to clarify the law and permit elderly-only federally assisted housing.

This problem has several causes, not the least of which is the tendency in Congress by Members with hidden agendas to change policy without advising Members not on committees with jurisdiction over the programs being changed. As one Member of Congress, I am outraged that this change in policy—which I was never told of—is being forced on frail elderly people.

Another cause is the refusal of Congress and the administration to address the housing needs of individuals with disabilities, of homeless individuals, and of other constituencies. But regardless of the reasons for the failure of these important debates to take place, it is fundamentally wrong and misguided to ask elderly Americans to shoulder the burden for our failure to act. The housing needs of the elderly and the housing needs of other constituencies are two separate issues.

Congress and public housing agencies should address the housing needs of individuals with medical problems, mental health problems, and drug and alcohol-related diseases separately. Elderly Americans should not be forced to live in fear; there are good public policy reasons under Federal law to allow elderly Americans to live together in peace, quiet and security.

Mr. Speaker, this is one of the most important housing issues of the year. I submit a technical discription of my legislation to be included in the RECORD at this point.

TECHNICAL DESCRIPTION OF ELDERLY HOUSING LEGISLATION

PRESENT LAW

The United States Housing Act of 1937 defines "families" to include single individuals, but only if the single individuals are at least 62 years of age, have a developmental disability, or are handicapped. Thus, when used in the 1937 Act, the word "elderly" can include individuals with disabilities or handicapped individuals.

Under present law (e.g., in conjunction with the Fair Housing Act Amendments of 1988 or the Americans with Disabilities Act), it is unclear whether housing reserved exclusively for the elderly is discriminatory. The Department of Housing and Urban Development has taken the position that with respect to public housing projects, elderly-only housing is impermissible. With respect to so-called "section 202" housing, some HUD officers have reportedly taken the position that elderly-only housing under that program is impermissible, although this view is clearly wrong.

EXPLANATION OF PROPOSAL

The bill defines "elderly" under the United States Housing Act of 1937 to include only individuals age 62 or older. Separate definitions, are provided for disabled persons, handicapped persons, and displaced persons.

The bill also contains a special purpose housing provision which provides that, notwithstanding an other provision of law, a public housing agency may limit occupancy within housing assisted under the Act to ony elcderly families (as re-defined under the bill), only disabled families, or only handicapped families.

No inference is intended as to present law.

CONGRESSMAN JOHN P. MURTHA AWARDED HONORARY DEGREE OF DOCTOR OF POLITICAL SCIENCE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. McDADE. Mr. Speaker, I am pleased to bring to the attention of the House a recent honor that was bestowed on my friend and colleague from Pennsylvania, JOHN P. MURTHA. Northeastern University of Boston, MA, awarded the honorary degree of doctor of political science to Congressman MURTHA on September 12.

This honor was given in recognition of JACK MURTHA's contributions to this Nation as a devoted public servant, champion of industrial development and decorated veteran. His tireless dedication has benefited not only the citizens of Pennsylvania, but all Americans.

I have had the honor of serving in the House with JACK MURTHA for the past 17 years. We have fought many battles on behalf of the people of Pennsylvania, and we have worked together as chairman and ranking Republican on the Appropriations Subcommittee on Defense to insure this Nation's security. I say proudly and without hesitation that JACK MURTHA is one of the finest individuals to ever serve in the U.S. Congress.

The citation honoring Congressman MURTHA reads:

From your assistance that was instrumental in the recovery of your home state after the devastating Johnstown Flood to your contributions as a member of the Appropriations Committee, you have displayed a tireless dedication to the citizens of Pennsylvania and indeed all Americans during your seventeen years of service in the House of Representatives.

While keeping alive the memory of the building of America in the early 20th century by initiating America's Industrial Heritage Project, you also looked ahead to the future. As a co-founder of the Congressional Steel Caucus, you recognized changes in the steel industry and keenly reacted to the changes. The livelihood of Industrial America was saved and the nation's economy was boosted by the modernized and internationally competitive industry that your efforts helped to create.

Your long and distinguished career in the armed services has given you unique insight into what a nation needs in order to provide for the common defense. Chairing the House Appropriations Subcommittee on Defense, you have brought the United States to the forefront as a military power, thus allowing the American ideal of democracy to spread throughout Eastern Europe and the entire world.

For devoting your life to serving the people of this country; for elevating the strength of our nation's defense; and for preserving the past, improving the present and protecting the future of Industrial America, Northeastern University takes pride in presenting you with the honorary degree, Doctor of Political Science.

Mr. Speaker, this honorary degree is a most fitting tribute to an outstanding public servant. I congratulate JACK MURTHA for this honor and for his service to America. I look forward to working with him on matters of importance to Pennsylvania and the Nation.

POSTSECONDARY OPPORTUNITIES ACT FOR STUDENTS WITH DISABILITIES

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. GUNDERSON. Mr. Speaker, section 504 of the Rehabilitation Act states that, "No otherwise qualified handicapped individual in the United States shall, solely by reason of his or her handicap be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any programs of activity receiving Federal financial assistance." Since most postsecondary institutions are recipients of Federal aid, all have made a major effort in trying to eliminate both physical and attitudinal barriers.

Despite the efforts of postsecondary institutions to improve accessibility to higher education for individuals with disabilities, further changes are needed. Today, I am introducing the Postsecondary Opportunities Act for Students with Disabilities. Highlights of my proposal include: First, establishment of the National Clearinghouse for Postsecondary Education Materials for Students with Disabilities, second, creation of a demonstration grant program that will encourage partnerships between institutions of higher education and secondary schools serving students with disabilities, third, Pell grant eligibility for students with disabilities, and fourth, an allowance for supportive services, and accessibility to work-study funds for students with disabilities.

The National Clearinghouse for Postsecondary Education Materials for students with Disabilities will coordinate the production and distribution of educational materials in accessible form. I would like to take this opportunity to thank one of my constituents, Paul Frank, a student at Viterbo College in La Crosse, WI and the Recording for the Blind. They have played major roles in designing this clearinghouse concept.

Another component of the bill that I would like to discuss is the formation of partnerships between institutions of higher education and secondary schools serving students with disabilities.These partnerships will improve the academic and vocational skills of secondary school students with disabilities, increase their opportunity to continue a program of education after secondary school to begin living independently in a postsecondary setting, and improve their prospects for employment after secondary school.

I look forward to working with my colleagues on the House Education and Labor Committee to see that this initiative is included in the reauthorization of the Higher Education Act.

IN HONOR OF 100 YEARS OF ST. JOHN'S CHURCH

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to St. John's Church on the occasion of its 100 years in the 16th Congressional District of California.

In September 1891 a small group of Roman Catholic residents of King City, CA, began religious services in their new church built by the fruits of their labors. Most of the original members of the parish community were Spanish speaking, with several French, some Portuguese and a few Swiss-Italians making up the ethnic mix of this fledgling church. The parishioners of St. John the Baptist Church were predominantly dairymen, ranchers, farmers and in some way engaged in agricultural pursuits. The economic tides that governed their lives also had an effect on the fortunes of the small parish community.

In the past 100 years the congregation has grown from less than 100 people to a present membership of over 3,000 and the ethnic mix is almost the same as when the parish began. Services are conducted in both English and Spanish and the religious education classes reflect the same distribution.

Contributions to the community of King City and its surrounding agricultural area have been numerous. This includes providing a Roman Catholic center for worship, for parish activities such as an ethnic festival, barbecues honoring specific interests of the people of the parish, workshops and study programs and for 32 years operation of a parochial school which served the families of Greenfield, King City and San Lucas.

In observing its first 100 years of service to the community of King City, the parish of St. John the Baptist also honors the presence of the Fathers of St. Charles who minister to the migrant population, their priests having been part of the parish as pastors since 1968.

Beginning its second century of service to the Roman Catholics of King City and the surrounding area, parisioners will observe their centennial at a special bilingual Mass on November 3, 1991, assisted by priests and others who have been part of the history of the parish. This will include descendants of the original and early parishioners, and all present members of this Roman Catholic community which now, as in the past, reflects the diversity of the California population.

Mr. Speaker, I ask my colleagues to join me now in honoring St. John's Church in its centennial celebration. It is with great pride and respect that I pay tribute to the outstanding service the church has provided to the 16th Congressional District of California.

ST. MARY'S ORTHODOX CHURCH CELEBRATES DEDICATION OF FELLOWSHIP HALL

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mrs. BENTLEY. Mr. Speaker, my fellow colleagues, I rise today to recognize St. Mary's Orthodox Church in Hunt Valley, MD, upon the dedication of their new Fellowship Hall on September 29, 1991.

The dedication will be performed by His Grace Bishop Antoun who is auxiliary bishop of the Antiochian Orthodox Christian Archdiocese of North America. In addition, this is a very special day for Father George Romley who will be celebrating his 10th anniversary with the parish and will be elevated by Bishop Antoun to the dignity of the rank of the Archpriesthood which is equivalent to the rank of Monsignor in the Roman Catholic Church.

It should be noted that the Antiochian Orthodox Christian Archdiocese of North America, which is under the ancient Patriarchate of Antioch, is one of the oldest churches in Christendom as recorded in Acts 11:26, "the disciples were first called Christians in Antioch."

Bishop Antoun has established many mission parishes in the United States and Canada and his visit to St. Mary's will highlight the faithful works of this parish. I share in the excitement of his visit and take pride in the elevation of Father Romley to the Archpriesthood. I wish to also commend the parishioners of St. Mary's for their years of hard work, toil, generosity, and prayers that have made this holy and historic day possible.

The dedication of Fellowship Hall is a proud and joyous occasion for everyone at St. Mary's. The hall will be used for a variety of functions and will contain offices, conference rooms, a kitchen, and will house a day-care center to better serve the community. Although this dedication represents years of hard work and devotion by Father Romley and his parishioners, the focus of St. Mary's has always been and continues to be upon their reverent and steadfast faith.

September 29 truly is a momentous occasion for St. Mary's Orthodox Church and I look forward to taking part in this special occasion. I have had the pleasure of being acquainted with St. Mary's for a number of years and sincerely appreciate the many charitable causes the church actively supports. An important and established part of the community, St. Mary's is a place of worship and a source of faith and guidance to many in the community. The health and vitality of the church is a great concern of mine as the church has a profound impact on the well-being of our country. Without the church, we would indeed be a lesser nation.

Mr. Speaker, my fellow colleagues, it is with great respect and admiration that I congratulate St. Mary's Orthodox Church on this special occasion. It is also my pleasure to welcome His Grace Bishop Antoun to Maryland. Again, congratulations and may God bless.

THE SATELLITE HOME VIEWER'S RIGHTS ACT OF 1991, H.R. 3420

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. TAUZIN. Mr. Speaker, today I rise to introduce H.R. 3420, the Satellite Home Viewer's Rights Act of 1991. This legislation, cosponsored by 14 of my colleagues, will bring C-band satellite dish owners onto equal footing with cable television viewers. For years we have fought for equitable treatment for dish owners. We nearly achieved that goal in the cable bill which passed the House of Representatives only to die in the final moments of the Senate last session. So, we are back again with the endorsement of the National Rural Telecommunications Cooperative, the Satellite Broadcasting & Communications Association, and the Consumers Federation of America. This legislation is not opposed by cable.

Mr. Speaker, the Satellite Home Viewer's Rights Act is not complicated. First, it requires satellite television programmers who encrypt their services to make those services available to home satellite antenna users. Second, it requires programmers to establish reasonable and nondiscriminatory criteria for licensing satellite distributors. Third, it requires programmers to establish nondiscriminatory prices, terms, and conditions for distribution of their programming through third-party packagers.

Amid the overall cable debate this issue may seem small, but it is not. There are over 3 million American citizens who own satellite dishes, and that number grows every day as people recognize the value and variety of programming the TVRO dish offers. Unfortunately, this technology has been stifled for various reasons, not the least of which is discriminatory pricing of cable programming between wholesalers of satellite programming and cable operators. Testimony received before the Telecommunications and Finance Subcommittee and reports by the Federal Communications Commission over the past 2 years have built a compelling case that unjustifiable price differentials exist between prices charged cable operators and satellite programming distributors. Our goal is to correct that unfairness and encourage the TVRO industry to mature in an environment where all consumers are treated fairly.

Indeed, home satellite programming distributors are charged as much as six times the amount that the same programmer charges cable operators. This tremendous markup affects the consumer's end price, making the dish owner's price comparable to or even more expensive than the cable subscriber's price. When one considers that consumers, through the purchase of their satellite dish system, pay for their cableless system yet receive little or no benefit in the prices they are charged for programming, the inequity is clear.

Mr. Speaker, this practice becomes more distasteful when one realizes that TVRO consumers are frequently rural families who rely on the satellite dish as their major source of information into the home. The satellite dish affords rural viewers access to all of the news, entertainment, and educational resources easily available to millions of others via cable. This bill will ensure that all of those wonderful channels like CNN and ESPN will be available from Chackbay, LA to Noti, OR.

In closing Mr. Speaker, I am pleased to submit letters of endorsement from the National Rural Telecommunications Cooperative and the Satellite Broadcasting & Communications Association, as well as the names of our original cosponsors.

SATELLITE BROADCASTING AND
COMMUNICATIONS ASSOCIATION,
September 19, 1991.

Hon. W.J. (BILLY) TAUZIN,
Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN TAUZIN: Thank you for your letter of August 16, 1991, regarding your intention to introduce the Satellite Home Viewer Act of 1991. The membership of SBCA joins me in expressing our appreciation to you for the support and encouragement you have given to the satellite broadcast industry to become a strong and vital competitor in the local video market place. The introduction of the Satellite Home Viewer Act is a major step which will help our industry fulfill its goal of offering consumer households the best in high quality television viewing.

We are very excited over the future of satellite broadcasting. As our industry continues to grow, we expect to deliver to consumers by the end of he decade an array of exciting choices in the selection of home video services. Your support of these goals and your keen interest in the formulation of a national communications policy which fosters competition gives great heart to the entire SBCA membership which has committed itself to the success of satellite broadcasting.

Sincerely,

CHARLES C. HEWITT,
President.

NATIONAL RURAL
TELECOMMUNICATIONS COOPERATIVE,
September 10, 1991.

Hon. BILLY TAUZIN,
U.S. House of Representatives,
Washington, DC.

DEAR MR. TAUZIN: I am writing to express the strong support of the National Rural Telecommunications Cooperative (NRTC) for the satellite television legislation that you are introducing.

Your legislation is desperately needed. Today, home satellite dish (HSD) distributors are required to pay about 600% more than cable companies for the very same television programming! To make matters worse, HSD distributors often cannot get access to the same programming as cable companies. This includes popular programming like NFL Football, and NBA Championship Basketball.

Your bill will remedy this unfairness by requiring cable programmers and satellite carriers to deal fairly with HSD distributors and prohibit them from discriminating in prices, terms and conditions.

Home satellite dish owners badly need the legislation that you are introducing.

NRTC, on behalf of rural dish owners, applauds your leadership. Rural dish owners are too often forgotten in a telecommunications debate that seems dominated by industry giants seeking massive profits. We respect and appreciate your commitment and steadfast support for fairness and open access for the rural dish owner.

We look forward to working with you to gain support for enactment of this important legislative initiative.

Sincerely,

B.R. PHILLIPS III,
Chief Executive Officer.

LABELING OF HAZARDOUS ART MATERIALS ACT

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. DWYER of New Jersey. Mr. Speaker, recently the U.S. Public Interest Research Group released a report, "Art and the Craft of Avoidance," detailing their 2-month investigation to determine whether arts and crafts manufacturers are complying with the Labeling of Hazardous Arts Materials Act [LHAMA], which went into effect in November 1990.

PIRG researchers surveyed art stores, hardware stores, and drug stores, and recorded extensive information on the labeling of 150 most commonly used arts and crafts products that might pose long-term harm. In summarizing their research, the investigation found that 44 percent of art products surveyed that contained toxic chemicals failed to warn of the associated long-term health hazards. Only 19 percent of the toxic art supplies surveyed included an actual phone number on the product label, as required. Another inadequacy U.S. PIRG's research revealed was that only 36 percent of the art products initially surveyed included a conformance statement on the label, with many different brands of similarly toxic products showing inconsistency with their labeling. Furthermore, almost 2 years past the deadline which the law imposed, the Consumer Product Safety Commission, the Federal agency in charge of enforcing this law, has only now released a Federal Register notice outlining the important criteria and guidelines for arts and crafts manufacturers to follow.

Obviously, the Consumer Product Safety Commission has not devoted enough resources to mandate the Labeling of the Hazardous Arts Materials Act. As the sponsors of this legislation, I feel strongly that the Commission put an end to its delays, and I have urged it to make the LHAMA a top priority by stepping up its efforts to assume responsibility for the compliance of this law. I believe one important step in doing this is for the Commission to issue the final guidelines to arts and crafts manufacturers on how to evaluate the chronic hazards as soon as possible.

Every day the health of millions of Americans who use art supplies—from professional artists to children—are threatened by the presence of hazardous substances contained in arts and crafts products. However, schoolchildren are at the greatest risk when exposed to hazardous substances due to their lower tolerance levels, developing bodies, higher metabolic rate, and difficulty in following directions properly. For all of these reasons, we must press the Consumer Product Safety Commission to increase its enforcement efforts of the LHAMA and finish the rulemaking process to protect consumers and schoolchildren from exposure to toxic substances contained in arts and crafts supplies.

LARCHMONT: SALUTING THE FIRST 100 YEARS

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mrs. LOWEY of New York. Mr. Speaker, when the first settlers arrived in Larchmont, NY, they found a beautiful forest on the shores of the pristine Long Island Sound. Over the years, a village has emerged whose character matches the beauty of any natural setting. Larchmont is celebrating the 100th anniversary of its incorporation as a village this weekend, and I want to take this opportunity to share with my colleagues some of the history of this remarkable community.

The growth of Larchmont into what it is today began at the end of the Civil War, when Thompson J.S. Flint, a grain elevator and grocery magnate purchased a tract of land with the intention of establishing a vacation colony and neighborhood of suburban homes. He founded the Larchmont Manor Co. to sell property and established a horse trolley to the New Haven railroad line. Within 20 years, a bustling community had taken root.

As the end of the century approached, under the leadership of George Wight, a drive toward incorporation was begun. Over the past 100 year, Larchmont has continued to grow and prosper. It has raised generations of children into productive citizens, and sent its sons off to bravely fight for their country overseas. Its people have built hospitals, churches, and schools to care for one another. And it has provided a haven for those who sought its refuge.

Larchmont has always been a home—in the fullest sense of the word—to those who have chosen to make it one. Its tree-lined streets, excellent schools, busy downtown, and warm, caring people make Larchmont a model surburban community. It has been a leader in environmental protection, remembering its origins and committing itself to endeavors that offer hope for revitalizing Long Island Sound and that, through recycling, will provide a quality life for future generations. It has also made a strong commitment to public involvement in government decisionmaking.

I am proud to serve as Larchmont's Representative in this House and to congratulate them on reaching this noteworthy milestone. I know from the forward thinking leaders it has chosen that this community is looking to the future. Larchmont will be in the century ahead as it has been during the past century, a model community committed to participatory government, the protection of our environment, and a vital economy.

IN SUPPORT OF THE OLDER AMERICANS ACT

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. ENGEL. Mr. Speaker, I rise in support of H.R. 2967, the Older Americans Act amendments. This important legislation will improve the current programs existing for senior citizens.

The Older Americans Act of 1965 created many new programs for senior citizens which have helped improve their quality of life. Due to the enactment of this law and other legislation which aided older Americans, the poverty rate among seniors has been cut in half. However, there is still more that we can do to improve the lives of senior citizens, including enacting a long term health care bill.

H.R. 2967, the Older Americans Act amendments, reauthorizes many of senior programs including the supportive services, congregate and home-delivered meals, community service employment assistance, training, research, and demonstration grants, and Indian elderly programs. Additionally, this bill would set up a new National Ombudsman Resources Center to conduct research, provide information on and analyze programs relating to long term care ombudsman policies.

H.R. 2967 also requires the President to convene a National Conference on Aging in 1993. The authority to plan and direct the conference is given to a 30-member policy committee, one-half of whom are to be selected by the President, and the other half selected by Congress. In the past, White House conferences on aging have been very successful in coming up with ideas for programs to better serve our senior citizens population. I am confident that this conference will be as successful as those in the past.

H.R. 2967 is an extremely important piece of legislation which will help to improve the lives of senior citizens. I urge my colleagues to support this important piece of legislation.

TRIBUTE TO ASIAN RESOURCES, INC. ON THEIR TENTH ANNIVERSARY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to Asian Resources, Inc., on the occasion of their 10th anniversary. This evening, elected officials, community leaders, employers, and former students will gather at Hoi Sing Restaurant in Sacramento to recognize and celebrate 10 years of dedicated service to the Sacramento community.

Asian Resources, Inc. was formed in 1981 when various leaders within the Asian American community saw that our immigrant and refugee communities were not being provided employment-related services and English language training. The organization has grown tremendously over the past 10 years to serve over 3,000 immigrants and refugees in a range of services which include English language instruction, work experience and on-the-job training with public agencies and private businesses, and summer youth employment. In addition, Asian Resources, Inc. provides youth counseling services to encourage students to remain in school and pursue higher education as well as assistance in job search skills and information. Finally, they have been dedicated civil rights advocates on such diverse issues as minimum wage, reapportionment, access to health care, and the rise in hate crimes.

Asian Resources, Inc. has provided a window of opportunity for thousands in our communities. I commend Asian Resources, Inc. for their exemplary service and steadfast role in the empowerment of our immigrant and refugee communities.

I ask my colleagues to join me in paying tribute to Asian Resources, Inc., Executive Director May O. Lee, her board, and staff on the occasion of their 10th anniversary of service to the Sacramento community.

HONORING RAMON G. GUTIERREZ

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SARPALIUS. Mr. Speaker, I ask my colleagues to join me in honoring one of America's greatest World War II heroes, Ramon G. Gutierrez. In heavy action at Salerno,Italy, in 1943, Mr. Gutierrez outflanked and destroyed an enemy gun position while under machine gun fire. For this bravery he was awarded the Silver Star, a Purple Heart, and the highest Russian medal awarded to a foreign soldier, "The Order of the Patriotic War," an honor he shares with Field Marshal Bernard Montgomery and Gen. Dwight D. Eisenhower. He is the only enlisted man to have received this medal. Overall, he was awarded 16 medals in the war, including three Purple Hearts. He was a prisoner of war twice. Both times he escaped and lived behind the enemy lines in Italy. After the war, the Russian Consul in San Francisco invited him to live in Russia with a monthly pension, but he declined, saying that no other country in the world is as good as ours.

Today, Mr. Gutierrez lives near Wichita Falls, TX, with his wife, Connie. The San Jose an Del Rio G.I. Forums are pursuing the Congressional Medal of Honor for this brave man who has been inducted into the Corpus Christi War Memorial of Forgotten Heroes. He is the epitome of the contributions of Hispanics to our efforts in World War II. I am proud that such a distinguished veteran lives in the 13th Congressional District which I serve.

Over 16 million Americans fought from 1941 to 1945 in the most widespread and deadly war in world history. Their very service was a testament to their valor and dedication. As we approach the 50th anniversary of our involvement in World War II, let us take time to honor those unselfish souls who braved terrible danger to fight for our country and its cause. As people all over the world stand up for their freedom we see once again that it is the individual who makes a difference. I ask you to join me in honoring an individual, Ramon G. Gutierrez, who made just such a difference by risking his life for the welfare of his nation.

CONGRESSMAN KILDEE HONORS FIRST WOMAN HIGH SCHOOL PRINCIPAL IN FLINT, MI

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to Mrs. Bessie Helen Lambert Straham, the first woman high school principal and the first African-American woman high school principal in the city of Flint, MI.

Born on July 19, 1939, in Warren, AR, Mrs. Straham has been a resident of Flint since 1968. She graduated from the Agricultural, Mechanical and Normal College (University of Arkansas at Pine Bluff) in 1962 with a Bachelor of Arts in History. From 1962 to 1963, Mrs. Straham worked as a counselor for sophomore women at the Agricultural, Mechanical and Normal College. In 1963, she left the University of Arkansas to teach English and History at Townsend Park High School in Pine Bluff, Arkansas.

In 1968, Mrs. Straham moved from Arkansas to Flint where she was hired as a history teacher at the Old Northern High School. In 1974 she was promoted to department head of social studies at Northern. The following year she was promoted to assistant principal for instruction. This was a remarkable year for Mrs. Straham in that she also graduated from the University of Michigan with a masters degree in History.

Eight years later, in 1983, she was promoted once again to deputy principal at Northern High and served in that post until 1989 when she became assistant principal at Northwestern High School. In 1990, she was promoted to deputy principal at Northwestern where she served before becoming principal.

Mrs. Straham's life is an example of her lifelong commitment to academic excellence, both in herself and her students. In addition to her masters degree, she has several postgraduate credits from the University of Michigan, Michigan State University, the University of Wisconsin and Wayne State University. She is a member of the Flint Congress of School Administrators, the National Association of Secondary School Principals, the Michigan Association of Secondary School Principals and past first vice president of the Women Educators Society.

Despite a hectic professional schedule, Mrs. Straham continues to find time to become involved in her community. She is a life member of both the National Association for the Advancement of Colored People and the Delta Sigma Theta Sorority, of which she is past president. She is a member of the Urban League and serves on the board of directors of the International Institute. A member of Vernon Chapel of African Methodist Episcopal Church, she serves as a Sunday school teacher and taught Sunday School at the Michigan Annual Conference.

Her awards include the Community Service Award from the Rose of Sharon Lodge, the Delta Sigma Theta Sisterhood Award, the city of Flint Human Relations Award and the Steffey Award in American History from the University of Michigan.

It is only fitting that on Friday, September 27, 1991, the Metropolitan Chamber of Commerce ambassadors will pay tribute to Mrs. Straham at a reception at the University Club in the Genesee Towers Building in downtown Flint.

Mr. Speaker, it is indeed an honor and a privilege for me to rise today and pay tribute to Mrs. Bessie Helen Lambert Straham, a cornerstone in the foundation of Michigan's education community. I am expecially proud to have such an outstanding individual as a constituent. It gives me a feeling of security and confidence that she is molding the minds of the generation that will lead our Nation into the next century.

CONGRATULATIONS TO THE REPUBLIC OF CHINA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. BURTON of Indiana. Mr. Speaker, as the Chinese on Taiwan prepare to celebrate their National Day on October 10, 1991, I join them in their celebration.

The Republic of China on Taiwan has come a long way since its founding 80 years ago. Today it is a modern democratic state, and its people enjoy a high level of living standards. I am particularly pleased to see that the Republic of China on Taiwan is willing to share its successful Taiwan experience with developing and Third World countries, and that it is anxious to shoulder more international responsibility to help other nations stricken by natural disaster or war.

During ROC Vice President Li Yuan-zu's recent tour of Central America, Li pledged that the ROC will consider giving aid to Central American countries by assisting developments based on the successful Taiwan experience. Such plans include assisting the development of small enterprises, protecting the natural environment, et cetera. Li even promised to grant Costa Rica a United States $15 million loan to help finance the development of that country's small and medium enterprises.

Such outward assistance to other countries makes the Republic of China a worthy neighbor in today's world of interdependent nations. Congratulations to the Republic of China.

THE REPUBLIC OF CHINA CELEBRATES NATIONAL DAY

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. SANGMEISTER. Mr. Speaker, I am honored and pleased to join my colleagues in wishing the Republic of China continued progress and success on its 80th anniversary. The Republic of China on Taiwan is a democratic country with a fast-growing economy. Presently, Taiwan is our sixth largest trading partner and the 13th largest economic entity in the world. It is definitely a country that deserves our support and congratulations on its 80th anniversary, October 10, 1991.

TRIBUTE TO CARL WYMAN

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly outstanding individual in mid-Michigan, Carl Wyman of Osceola County. His contributions to Osceola County for the past 28 years have been invaluable.

Born in Midland, MI, Mr. Wyman's family soon moved to Reed City, where he spent his childhood, graduating from Reed City High School in 1943. He then worked as a bookkeeper before being elected to the position of Osceola County clerk in 1963.

Since then Mr. Wyman has been fulfilling the obligations of the county clerk dutifully. Mr. Wyman has seen the workload of the office increase. He has also ushered the computer age into the office, witnessing the modernization of the county's records.

Mr. Wyman has had many responsibilities. As the clerk of the county, Mr. Wyman has been the keeper of all the county's vital records. He has served as the clerk of the court, clerk of canvassers, and the clerk of commissioners. He chaired the special elections scheduling committee and is the head election official for Osceola County.

Mr. Speaker, Mr. Wyman will be retiring from his position as Osceola County clerk at the end of this month. I know you will join me in thanking and commending this outstanding community figure for his accomplishments and commitment to Osceola County. He has indeed left his mark on mid-Michigan.

INTRODUCTION OF HOUSE JOINT RESOLUTION 337

HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. INHOFE. Mr. Speaker, today I have introduced a resolution which will designate chili as the official food of the United States.

I believe it is necessary that we in Congress realize that chili embraces the highly individualistic traits of America's heritage through its infinite varieties, highly personalized blending of ingredients and its many adaptive uses. Chili is an indigenous American cuisine that was created, refined, and perfected here in the United States.

Cooks in the wagon trains and cattle drives of the old west knew that chili was both a nutritious and economical way to satisfy the hunger that set in after a long day on the trail. Chili has been a distinctive blend of meat and species that has nourished countless millions of Americans since its inception in the 19th century.

Over time, chili has become a relished cuisine whose vast popularity prevails with American people of every economic and social strata. It enjoys a universal popularity throughout this great Nation that is unequaled by other American foods. Chili cookoffs, which have been held throughout this great Union, have served as a way of brining a herd of philanthropy-minded citizens together to raise thousands of dollars for deserving charities.

I believe it is only proper that a U.S. Representative from the heartland of the old west in Oklahoma should introduce a joint resolution designating chili as the official food of the United States of America. That is why, today, I have introduced House Joint Resolution 337, which will make this designation, calling on the people of the United States to commemorate this designation with appropriate celebrations throughout our Nation.

REQUEST TO REMOVE COSPONSORSHIP FROM H.J. RES. 305

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. GOSS. Mr. Speaker, I wish to clarify that my name was placed in error as a cosponsor of H.J. Res. 305, a Joint Resolution to designate the month of October 1991 as Country Music Month. This clarification is in line with my standing office policy against signing onto any commemorative legislation.

TRIBUTE TO MAJ. GEN. LEROY HAGEN ANDERSON

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. WILLIAMS. Mr. Speaker, I am sorry to inform my colleagues that a former Member of the House, Maj. Gen. Leroy Hagen Anderson passed away yesterday morning in his hometown of Conrad MT. General Anderson was elected as a Democrat from Montana's Second District and served from 1957 to 1961 during the 85th and 86th Congress.

As an Army Lieutenant colonel he commanded the 81st Tank Battalion through training in the United States and into World War II combat in Europe, where it was said to be the closest to Berlin of all American troops at the end of the war. He remained active in the Army Reserves after the war spending summer congressional recesses in the late 1950's commanding the Rocky Mountain area's 96th Division as a major general before retiring in 1962 with more than 35 years in the military. In a ceremony in May 1990, the headquarters and the museum of the 81st Tank Battalion at Fort Knox, KY, was named Anderson Hall, a rare honor for a living person.

General Anderson was a wheat and cattle rancher as well as a chemical engineer. He carried on a tradition of Montana Representatives by serving on the House Interior and Insular Affairs Committee having filled the spot vacated by another Montanan, former Senator Lee Metcalf. His initial campaign was based on advocating public involvement of water and power resources and opposing the Eisenhower-Benson farm policy. With that in mind he devoted his attention to irrigation and reclamation and water development which are so vital to Montana. He was devoted in his attention to the needs of his constituents in Montana and was particularly concerned and interested in matters affecting Indian tribes in Montana and throughout the West.

On behalf of all my colleagues here in the House particularly those who served with General Anderson our condolences go out to his wife, Virginia, and his family.

MALVIN R. GOODE: A JOURNALIST FOR ALL TIME AND ALL SEASONS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. TOWNS. Mr. Speaker, on behalf of my colleagues in the Congressional Black Caucus, I take great pride in joining in a national tribute to the work and outstanding accomplishments of Mal Goode. Seldom are we able to watch history in the making and understand the import of our labors as they are happening.

We are blessed that true giants remain among us—whose life's work shall fill historic chronicles of the foundations which African-Americans have laid in the building of this Nation. We, as a people have been enlightened and enriched by a legacy born of the struggles, the sacrifice, the suffering, and pioneering spirit of Malcolm, and Martin, and Medgar, and Justice Marshall, and Malvin R. Goode.

We pause now, to honor a career devoted to excellence, to superior journalism, and an unparalleled commitment to the young men and women who would follow in his footsteps. Mal Goode has brought pride and honor to his own, and to those who respect and revere integrity in the spoken and written word.

He has approached his discipline, driven by an unrelenting zeal for truth and an abhorrence for those who would trample upon the rights of freedom, justice, and human dignity. We who are public servants in elective office—know that the battles we wage are fought shoulder to shoulder with those who tell our story on the pages of the Nation's press and across its air waves. Those who have pioneered in this cause have had as their first in command of the language and the art—Mal Goode. He has sought to empower the powerless through information, to enlighten the uninformed through knowledge. He has witnessed explosive changes in the geopolitical scene and the emergence of a new world order. And he has chronicled that story at home and abroad with piercing intellect and deep compassion.

The Congressional Black Caucus, in recognition of his singular accomplishments named, in 1989, its highest tribute to broadcast journalism—The Mal Goode Award. We are honored by this association with one who has lived out the precept that justice is never advanced by a retreat from those basic tenets of law and journalism which have protected the rights of the few against the prerogatives of the many. Whether in the deserts of the Persian Gulf, the jungles of Vietnam, on the beaches of Normandy, or the global headquarters of the United Nations—there have been journalists to share their stories with the world. None has stood taller, defied greater odds, or fought harder than Mal Goode. The Congressional Black Caucus is gratified to share in this special tribute to a journalist of all time and all seasons.

TRIBUTE TO THE MENTAL HEALTH REFERRAL SERVICE OF SOUTHERN CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. LEVINE of California. Mr. Speaker, I rise to recognize the Mental Health Referral Service [MHRS] of Southern California. October 6 will officially begin Mental Awareness Week which runs through October 12th and is sponsored by the American Psychiatric Association.

The Mental Health Referral Service of Southern California was created in 1979 to fill an important community need, that of providing prompt, confidential information to individual callers needing help with their mental health problems.

This program provides referrals to licensed professional mental health practitioners for people of all ages who need assistance with a wide range of mental health problems. It also offers general information to the public about different mental health disciplines and types of care. The referral programs are offered without charge by a group of mental health professionals as a public service.

The MHRS is able to link callers with professionals who provide individual, conjoint, family, and group treatment for problems such as, marital difficulties, developmental difficulties of childhood and adolescence, alcohol and drug abuse, domestic violence, child abuse, and many others.

The MHRS is ultimately concerned and careful about the quality of treatment provided both by the therapists and the MHRS referral counselors. In order to continually improve the quality of the service, the member therapists meet on a regular basis to discuss issues relating to the needs of the community.

I am pleased to share the accomplishments of the Mental Health Referral Service of Southern California with my colleagues in the U.S. House of Representatives.

INTRODUCTION OF A BILL TO IMPROVE THE ADMINISTRATIVE PROCESS FOR FEDERAL RECOGNITION OF INDIAN TRIBES

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. RHODES. Mr. Speaker, today I have introduced a bill designed to improve and streamline the existing administrative process for evaluating petitions submitted by Indian groups seeking Federal recognition as Indian tribes. The current administrative process is one that was established by regulation nearly 13 years ago under the Secretary of the Interior's general statutory authority over Indian affairs. This administrative process was developed based on the recommendations in the report of the American Indian Policy Review Commission, and after extensive consultations with the Congress and Indian tribes and groups.

For the past 2 years I have been concerned with the increasing frequency with which bills for individual tribal recognition have been introduced in the Congress. The most common reasons given for this phenomenon are that the administrative process takes too long, is too cumbersome, and is capricious. I have no basis for judging the validity of these reasons and believe that extensive hearings are needed in order to determine whether systemic imperfections exist to be corrected.

Although it is clear that Congress has the authority to extend tribal recognition to Indian groups, I have long been concerned about the wisdom of such action. Unlike the Secretary of the Interior, Congress has no uniform standards it uses to evaluate petitions for Federal recognition submitted by Indian groups. In addition, the legislative process is more cursory and much less deliberate than the administrative process when it comes to consideration of Federal recognition requests. Finally, legislative consideration of individual tribal recognition bills encourages displacement of an administrative process that many Indian groups and tribes have relied upon for nearly 13 years.

All of these factors are particularly troublesome given that one of the primary consequences of Federal recognition is the establishment of a perpetual government-to-government relationship with the United States.

The bill I have introduced today is not intended to be the final solution to criticisms raised about the existing Federal recognition process. However, it is my hope that this bill will generate a substantial and meaningful debate in the Congress, within the administration, and out in Indian country, and that this debate will lead to a reasoned solution.

HOFFMANN-LAROCHE TO BUILD NEW FACILITY

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. TALLON. Mr. Speaker, yesterday I had the honor of participating in a ceremony in Florence, SC announcing that Hoffmann-La Roche will be building a multimillion dollar headquarters and pharmaceutical manufacturing facility in my district.

As this new industry locates in Florence, our future has never looked brighter than today.

The people who stood with me in Florence—Irwin Lerner, president and CEO of Hoffmann-La Roche, Fritz Gerber, chairman of the board, Governor Carroll Cambell—are the power to make that potential a reality.

That reality is evidenced by Hoffmann-La Roche's decision to locate in the Pee Dee. Jobs and a bright economic future are what make a community grow and prosper, and we all know what it means when a new industry decides to locate and invest millions of dollars into our community—it means that they see the promise of growth and prosperity in the Pee Dee.

But this investment goes far beyond Hoffmann-LaRoche's infusion of permanent jobs into our area. It means a substantial capital investment in our local infrastructure, use of local goods and services to build this facility, and hiring of local businesses to do the construction. It means a ripple effect of regional economic growth and development that is the result of the combined efforts of every level of Government working with the local business community to show that the Pee Dee is a good risk for investment and future growth.

Working together we can, and must, build a foundation for growth that will drive us into the next century. Business needs improved infrastructure and an educated work force, and the community needs the jobs and a tax base. Achieving this takes the cooperation and commitment of every level of Government in partnership with the business community. I am proud to say that the Pee Dee, with the addition of Hoffmann-LaRoche to our community, has the right combination to look toward a prosperous and thriving tomorrow.

President Franklin Roosevelt said "the only limit to our realization of tomorrow will be our doubts of today." We have no doubts today that Hoffmann-LaRoche's investment in our community is another step toward the flourishing tomorrow that we all envision for the Pee Dee.

IN SUPPORT OF S. 296

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1991

Mr. MAZZOLI. Mr. Speaker, I rise in strong support of S. 296. In addition to recognizing the invaluable contributions of those foreign nationals who serve in the Armed Forces of the United States, S. 296, as amended, authorizes desperately needed funding for the domestic resettlement of refugees. Beyond that, the measure corrects two technical, but critical, errors in current law and provides the Congress the time needed to evaluate U.S. policy regarding the issuance of visas for foreign artists, athletes, and entertainers.

As passed by the House on September 16, S. 296 contained only one section. That section provided immigrant visas to alien members of the U.S. Armed Forces, and their families, who have served for 12 years with the U.S. military or have agreed to do so. The bill places an annual ceiling of 2,300 on the number of service members who could receive this benefit. That number in turn was placed within existing worldwide quotas. As passed by the Senate on September 24, S. 296 includes the identical provision with minor technical amendments.

As passed by the Senate, S. 296 also includes a provision to reauthorize appropriations for refugee resettlement under the 1980 Refugee Act. The reauthorization is for fiscal year 1992 only, and provides "such sums as may be necessary." Expenditures reauthorized are for the Department of Health and Human Services, which spends about $400 million a year to assist refugees resettling in the United States. The Refugee Act of 1980 has not been reauthorized since fiscal year 1988.

S. 296 also includes a provision to defer until April 1, 1992, the effective date for the new O and P visa categories—athletes, artists, and entertainers. The Senate provision is identical to H.R. 3294, which was approved by the House Judiciary Committee on September 24.

Also included is a provision to ease the transition from the old immigration law to the new law, which is scheduled to go into effect on October 1, as it pertains to aliens coming permanently and lawfully to the United States because their employment skills are in demand. Under the 1990 Immigration Act, aliens who filed petitions for employment-related visas under the old law are required to refile under the new law. Such a requirement makes little sense, since the categories under the new law and the old law are the same. The Senate provision, therefore, says that a filing made under the old law shall be deemed a filing under the new law. This provision eliminates burdensome paperwork requirements and is strongly supported by not only immigration practitioners but also the Department of Justice.

Finally, as passed by the Senate, S. 296 corrects one additional problem created by the 1990 law. Because of a drafting error, certain aliens who will receive employment-based immigrant visas will not be able to bring their spouses and children to the United States. The spouses and minor children of permanent resident aliens have always been allowed—within existing quotas—to enter with the principal alien. The Senate provision, which is supported by the Department of Justice, reinstates this policy. Again, this does not raise or otherwise alter any existing quotas.

Mr. Speaker, I am aware of no opposition to any of these provisions. In fact, each is strongly supported by those who must administer the law and by those whom it would affect. I urge my colleagues to support this extremely meritorious legislation.

SENATE—*Friday, September 27, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9 a.m. on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *it is required in stewards, that a man be found faithful.*—I Corinthians 4:2.

Almighty God, appropriations time is never easy or simple in a democracy. There are so many more legitimate needs than can possibly be met, the task is overwhelming. We pray for the committee staffs and their directors who, behind the scenes, work 'round the clock to prepare bills and amendments which are adequate and equitable. Thank You, Father, for the endurance of these men and women whose work does not end with daily recess and often begins long before the Senate opens and continues through recess periods. We ask for Your blessing, Your grace, Your wisdom, Your patience to be their's as they labor tirelessly to get the job done and make the Senators look good on the floor.

Thank You, gracious Father, for all of the men and women who support the system in every conceivable way, in offices and throughout Capitol Hill, as the Senators exercise their leadership responsibility to their constituents, their Nation, and the world. Grant to these, Your servants, a special sense of fulfillment and satisfaction.

We pray in the name of the Servant to servants. Amen.

RESERVATION OF LEADERSHIP TIME

The PRESIDENT pro tempore. The Senate will be in order.

Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business with Senators permitted to speak therein.

The following Senators will be recognized to speak for the time indicated, and in the order listed: The Senator from Delaware [Mr. BIDEN] for not to exceed 30 minutes; the Senator from Colorado [Mr. WIRTH] for not to exceed 20 minutes; and the Senator from Tennessee [Mr. GORE] for not to exceed 20 minutes.

Mr. BIDEN is recognized for not to exceed 30 minutes.

OPPOSITION TO THE CONFIRMATION OF CLARENCE THOMAS

Mr. BIDEN. Today, Mr. President, the Judiciary Committee will vote on its sixth Supreme Court nomination in 5 years. As no one knows better than the Presiding Officer, each of these votes are solemn occasions. For this Senator, there is no question that the nominee we are about to vote on is a man of high character, competence, and has sufficient legal credentials and credibility.

But, Mr. President, for me, the question that concerns me the most, Judge Thomas' judicial philosophy—not his ideology—his philosophy, the approach that he would bring to the bench in deciding how to interpret the ennobling phrases of the Constitution, those parts of the Constitution, as the Presiding Officer knows better than anyone in this body, that have been matters of contention, concern, disagreement, and ambiguity for over 200 years in this great Republic.

A year ago, during the Senate's consideration of Justice Souter's nomination, I made it clear with respect to judicial philosophy that I believed—and it is a strong phrase—but that the burden of proof is on the nominee to demonstrate his or her suitability for the Court, and to clearly lay out for us their methodology—how they would approach the interpretation of the Constitution.

Just as the nominee must persuade the President that he or she is the right man for the job before the President is willing to nominate someone for the Supreme Court, it seems to me a nominee must persuade the Senate in the same way that he is the right person for the Supreme Court before he receives our votes for confirmation.

It is with heavy heart, Mr. President, because I come to these matters with a strong desire to want to support the nominees. I have on rare occasion opposed nominees for the Supreme Court. Unfortunately, this is one of those occasions.

There are three reasons why I believe Judge Thomas has not met the standard that should be required of any Supreme Court nominee before he receives the vote of the majority of the Senate to consent to the nomination suggested by the President to the Court.

First, there is the question of the adequacy of Judge Thomas' responses to the Judiciary Committee questions. Many have expressed frustration at the lack of Judge Thomas' responsiveness to the committee's questions. Others have said that vagueness and imprecision in responding is inevitable because such an approach has become the most likely path for nominees to confirmation. The fact is that the Judiciary Committee cannot force a nominee to answer any question.

As I have made very clear on many occasions, only the nominee can decide what questions he or she will not answer. But if this choice is the nominee's to make, the decision about what we do in response to the nominee, the questions asked of the nominee, is ours. It is for the Senate to make.

I cannot force a nominee to complete and engage in answers and discussions about the Constitution, but I am not obliged to vote for the confirmation of a nominee who fails to do so either. Throughout his testimony Judge Thomas gave us many responses but too few real answers.

Let me be clear, Mr. President. I am not talking about his refusal to say how he would vote on Roe versus Wade. I have never asked Judge Thomas that question nor am I opposing him because of his failure to answer the question when it was put to him. Indeed, I am talking of the many constitutional issues, great and small, contentious and settled, on which Judge Thomas declined to comment or made vague statements or provided unclear and uncertain distinctions.

Perhaps this is what some have advised Judge Thomas to do once he was nominated. Perhaps this is what some advised Judge Thomas would be the best route to confirmation. Perhaps they were right about the politics. But it is a political strategy that I do not intend to endorse by voting for Judge Thomas' confirmation.

The second reason for my opposition, Mr. President, is that there is the question of Judge Thomas' overall philosophy. Here much attention has focused on Judge Thomas' view on natural law and his approach to interpreting the Constitution. There has been tremendous confusion I say, Mr. President, about the significance of natural law in this nomination.

It has been said that I, JOE BIDEN, wanted to condemn Judge Thomas for

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

embracing natural law which he had done repeatedly in his 180 speeches or so that he submitted to the committee. But nothing could be further from the truth.

I may be one of those few Senators who believe that natural law should and does inform the Constitution. I believe that natural law principle that most conforms to the Constitution is the notion of limited government, the notion that I derived my rights because I exist but not from a piece of paper that has been jointly agreed upon by my ancestors.

I have rights because I exist, not because my Government gave them to me. I, in an editorial sense, gave my Government the power in certain areas, a limited power, over me and my fellow man.

So I, JOE BIDEN, believe that the notion of natural rights and natural law informs the Constitution. Indeed, it was this very question that was the major source of my disagreement with Judge Bork, who took a principled and opposite view from the one I have just stated.

The question for me with respect to Judge Thomas has always been: Which natural law principles did he embrace, and what did he mean when he said natural law? Was he talking about some moral code handed down upon high that supersedes or clarifies the ambiguous phrases of the Constitution? If that is what he meant, I had a real problem.

Here I think too much attention has been placed upon the label "natural law," and too little on the substance of what is really at issue here. For a moment, let us put aside the label of natural law, and let us look at the constitutional philosophy Judge Thomas has espoused without respect to what it is named.

Judge Thomas has praised some extreme ideas about economic rights, ideas which, if applied as their authors intended, would invalidate virtually every single modern legislative scheme regulating the economy, environment, and the workplace, as so stated by the authors of these views, who Judge Thomas cites and gives a great deal of praise to—not only them, but their views.

He has endorsed, as well, a rigid view of separation of powers, which no one better than the President pro tempore knows if that rigid view of separation of powers is, in fact, held by him, it is an idea which, if fully implemented, would radically restructure our Government and its laws and result in a radical transformation and transfer of power from one branch of this Government to another.

The ideas that Judge Thomas embraced are part of an ultraconservative agenda, not a normal, not a mainstream conservation notion, but an ultraconservative agenda to use the courts to fundamentally alter the legal framework within which the Government operates.

This is what one of the spokesmen for that agenda, a Wall Street Journal columnist, had to say several days ago about the Thomas nomination:

> Mr. Biden most likely brought up the previously arcane subjects of property rights and separation of powers in the hopes of tripping up the Thomas nomination.

I note parenthetically that that is not true—

> Whatever the reason, at least Mr. Biden elevated these issues. Mr. Biden is also probably right to be worried. Don't be surprised if, when the cases reach the Supreme Court, Justice Thomas indeed becomes a second Justice Scalia.

Nothing could state my conclusion about this nominee's judicial philosophy more succinctly than the Wall Street Journal columnist, who is an ardent supporter of this nomination. But, of course, it should be noted for the record that Judge Thomas went out of his way at the hearings to assuage these fears. He told us that he had no agenda for the Supreme Court; that he had no disagreement with the Court's approach to economic rights and those cases involving them; that he had no idea of the full agenda behind the separation of powers view he had endorsed in his speeches.

Mr. President, I say with all sincerity that I believe his statements. I do not question his statements at the committee hearing in any way. I believe Judge Thomas when he said he has no checklist of cases to be overruled, and when he says he never meant to advocate the full range of implications one could draw and would have to draw from his remarks and the comments he made citing the people who hold these views.

By the way, the people who hold these views are bright, intelligent, decent Americans, but whose views are radically different than the way in which this country has conducted itself this century and, I would argue, for a long time, with one notable period during the Lockner hearing as an exception.

But the question is, to use one of the favorite phrases of Judge Thomas' supporters, 70 or 80 of whom came before my committee, the question is: Will Judge Thomas grow into the court? What views will grow into the court?

I believe Judge Thomas does not now have an agenda but, with these predispositions, I wonder what sort of approach he will have once he acquires a point of view. This is the point that I found to be of constant concern during the hearings.

As I said in the final days of Judge Thomas' testimony, after he had once again distinguished between his views as a policymaker and his views as a judge:

> You are going to be the judge, a judge who has nothing at all that would bind you other than your conscience; and so I am a little edgy when you say, "Well, that's the policy"—

Referring to the Court—

> "That's the policy," as if you are still going to be a circuit court appeals judge, where you have to follow that policy. You are going to take a philosophy to the Court with you under which you are not limited from reaching a conclusion different than that which the Court has reached thus far.

After a subsequent exchange, Judge Thomas finally responded:

> The point that I am trying to make is that when I say I don't have an agenda, I mean I don't have an agenda. I operate that way as a court of appeals judge, and that's the way I would function as a member of the Supreme Court.

Well, in my view, Judge Thomas' answer fails to grasp the essential difference between the role of a court of appeals judge and a Supreme Court Justice. A court of appeals judge applies the law and cannot change it, has no right to change it, is sworn not to change it, and cannot change Supreme Court rulings. A Supreme Court Justice is not so limited, when it comes to applying our Constitution or looking at stare decisions. Would Judge Thomas take the views hinted at in his speeches and writings and apply them to their full extent and conclusion as a Justice of the Supreme Court? Is the columnist on the mark when he says that I am right to be worried about this possibility?

This for me is the single most difficult question to resolve with respect to the nomination of Judge Thomas. The major object of Judge Thomas' testimony is to reassure us, to reassure me, among others, not to worry; but the major effect of his writings on these matters is to give great cause for concern.

Where such doubts exist and where such answers were incomplete in the face of the writings, unlike Justice Souter, who did not have and make such statements, where such doubts exist, I cannot vote my hopes. I cannot vote to confirm the nominee.

Others who know Judge Thomas, to whom I have referred—I do not want to be pejorative—within this new significant view as to how to interpret the Constitution, are they on the mark when they say I am right to be worried? I suspect I cannot take the chance. There is too much at stake for me to take a chance, too much at stake for this Nation, in my view, as one newspaper has urged, "to take a leap of faith."

Judge Thomas' writings sketch for us a judicial philosophy which, if fleshed out and applied with force, would be a disaster for the balance this country has struck between the rights of individuals and the rights of businesses and corporations.

I believe him when he tells us that he has no current plans to take his views to this extreme and that he comes to the Court with no agenda. But based on listening to him, he comes to the Court with no fleshed-out philosophy, either.

He has these writings, Mr. President, which will lead one to normally believe that he has a very fleshed-out view. He has come to the hearings and said in honesty, and convinced me, that he does not have a fully formed view. And, as a matter of fact, he has convinced me he does not have a view on many, many important aspects of constitutional interpretation.

But I cannot gamble on what will happen once he arrives at the Court with the few views he has that disturb me, and a lack of articulation of what the remainder of the broader constitutional interpretive scheme he reviews would be. It is a risk I am not prepared to take.

Finally, there is a specific issue of greatest concern to me, and that is protection of privacy and unenumerated rights, and what we know of Judge Thomas' views in this area.

Here we acknowledge that almost every word uttered by Judge Thomas in the years prior to nomination was hostile to these concepts of unenumerated rights. This is not to say that he had come to any final or firm conclusion about them in his writings, because those who said he did, I believe, were not correct. He did not.

I do not agree with those who have sought to draw such stark conclusions from several paragraphs—more than several paragraphs, but paragraphs in various important speeches he made. Some, for example, told the committee that they are absolutely convinced that they can tell what Judge Thomas' views of the Constitution and the question of constitutional protection for a woman's right to choose would be. They draw that conclusion on the basis of a half dozen or so statements made in speeches and articles.

As I said at the hearings, I disagree with the viewpoint of some of his opponents. I have studied his writings, I suspect, as closely as any person has ever studied his writings. I have listened closely to the testimony at the hearings. And I have concluded it is simply impossible to tell with certainty what his views are on this matter or on a number of other questions of constitutional interpretation.

Nevertheless, it remains true that, to the extent that Judge Thomas has commented on these issues relating to unenumerated rights and the privacy cases, these comments have been almost entirely negative. In particular, Judge Thomas strongly suggested that he and I do not share a common vision of personal freedom. As he put it on one of the two occasions on which he spoke to this matter, and I quote him:

> The conservative failure to appreciate the importance of natural rights * * * culminated in the spectacle of Senator Biden [following Judge Bork's defeat] crowing about his belief that his rights were inalienable. * * *
>
> We cannot expect our views of civil rights to triumph by conceding the moral high ground to those who confuse rights with willfulness.

Obviously, he is entitled to that opinion. I respect it. But, again, this is far from a definite rejection of the notion of the theory of privacy. But although it is not a definitive rejection of the theory of privacy and unenumerated rights, it is a sharp criticism of an approach that embraces an expansive view of these questions.

What did Judge Thomas say about this matter at the hearings? Judge Thomas did make it very clear that he agreed with the Court's ruling in Griswold versus Connecticut, a case that the Chair is fully familiar with, and in the question of a marital right to privacy. But with respect to the scope of the right to privacy, the source of that right to privacy and the nature of an individual's right to privacy, Judge Thomas remained consistently evasive, which is his right, even after repeated efforts by me to give him the best possible chance to assuage my concerns and the concerns of others.

In an attempt for us to more clearly understand his views, I submitted to Judge Thomas after the hearings were over—not in the glare of the lights—a written question on the right of privacy.

My letter recited Judge Thomas' testimony and the confusing testimony, in my view, on this matter during the hearing, and it ended with the following question from me to him, in writing, that he could answer in the cool light of day, without any of the pressure of being under the lights, which is a great deal of pressure, I might add, and he handled it well.

Here is my question and I quote:

> Do you believe that the due process component of the * * * liberty clause—independent of the * * * case of Eisenstadt v. Baird—provides a fundamental right of privacy for individuals, married or single, that includes a fundamental right of privacy with respect to procreation and contraception?

Judge Thomas' answer to the question, in its entirety, was as follows:

> As I sought to make clear my testimony, I believe that Eisenstadt was correct on both the privacy and equal protection grounds.

I explicitly, in my question said—I will read it again—"independent of the case of Eisenstadt." And he answered me like he answered on so many occasions. He said: "I think Eisenstadt was right on both the privacy and equal protection grounds.

Thus, yet again, Judge Thomas failed to answer the question directly or completely, as is his right.

I want to make it clear, and I made it clear throughout those hearings and every hearing that I conducted as chairman of this committee, I am not asking these questions as a pretense for asking about abortion, nor was I trying to use his views on the right to privacy as a stalking horse to determine where the judge might go on that matter.

So why was not Judge Thomas' answer good enough? Does it not make it clear enough that he would invalidate a law, that he would restrict the use of contraception by single people under Eisenstadt? Yes, it does. That was the whole purpose of the question and my repeated attempts during the sworn testimony to get some input on this.

I asked about the right to privacy at some length, not because I think that there is any real chance that any State is going to make the use of contraceptives illegal in 1991, but because I want to see someone on the Court who has an expansive view of personal freedom with respect to the issues that will arise in the Court, and there are many issues that will arise in the Court in the future, some we cannot even contemplate.

It is not good enough that a nominee begrudgingly pledges not to reverse the battles already fought and won. Rather, I am looking for a nominee's disposition with respect to the questions of personal freedom and the questions of personal freedom not yet framed, Mr. President.

I want to make clear that this is not a liberal versus conservative question, nor will it get a liberal-versus-conservative answer. There is no political or substantive reason why President Bush cannot nominate a jurist who would be good on these issues.

Abortion, aside, Mr. President, we all know many conservatives who think that Government should stay out of people's private lives. Probably, the most articulate exponent of that view was Barry Goldwater, Mr. Conservative. He, I and Senator DANFORTH served together for years. This is not a liberal or conservative view. It does not relate to abortion.

Mr. President, thus, there is ample reason to think, in my view, that President Bush could have nominated such a candidate for the Court. Yet, nothing that we know about Judge Thomas suggests that he is such a man.

These are the reasons, Mr. President, why I will not vote to confirm Judge Thomas.

It is not a decision I come to lightly, not is it one that I enjoy making.

Every one of us were impressed by Judge Thomas' personal life story. And, as I said at the outset, I have no questions at all about his credentials, credibility, character, or competence. As a matter of fact, in the first 5 minutes of the hearing, I said I stipulate to all of those.

Indeed, that is why I voted to place Clarence Thomas on the second highest court in the land, and that is why I wish him a distinguished and successful career in that post.

Mr. President, as difficult as this decision has been for me, it is one that I make with firm conviction—but it is a vote that I cast with my head and not with my heart. For I very much wish that I could have come to the Senate floor and announced my support for the nomination of Clarence Thomas, and I acknowledge this is a close call.

During the hearings I found myself impressed by the testimony of Dean Calabresi, of Yale Law School, Mr. President.

Mr. President, I ask unanimous consent that I be able to proceed for 4 more minutes.

The PRESIDENT pro tempore. The Senator still has 2 minutes and 10 seconds.

Without objection, the Senator may proceed for 4 more minutes.

Mr. BIDEN. I thank the Chair.

Mr. President, Dean Calabresi, a man we all respect, the Dean of Yale Law School, from which Judge Thomas graduated, said, in what I believe to be the most compelling, convincing testimony given on his behalf: "I would expect that at least some of his views may change again."

He had made reference as to how he had changed his views, as I have changed my views since I came here as a young man at age 30 to the Senate floor, and I hope and pray that I will continue to grow and probably change my views if I am here another day, month, year, or 10 years.

Dean Calabresi goes on to say:

> I would expect that at least some of his views—

Referring to Thomas—

> may change again. I would be less than candid—

He goes on to say—

> if I did not tell you that I sincerely hope so. For I disagree with many, perhaps most of the public positions which Judge Thomas has taken in the past few years. But his story of struggle and his past openness to argument, together with his capacity to make up his own mind, make him a much more likely candidate for growth than others who have recently been appointed to the Supreme Court. * * *

Mr. President, like the dean of the Yale Law School, I believe that Judge Thomas has displayed a capacity for change and growth. It even sounds presumptious for me to say "capacity for growth" as if I have a right to say that. He has demonstrated capacity and, as times goes on, he gets stronger, he gets wiser, he gets better.

But no one can know in what direction that growth will go—not Dean Calabresi, not me, not even Judge Thomas himself.

And where Dean Calabresi and I part company is in the extent to which I am prepared to take a chance on Judge Thomas' growth being in the right direction, as opposed to the wrong direction. For me, because of where the Court currently stands, the cost of adding yet another rightwing member could be extremely high indeed. Rulings deemed unthinkable just a decade ago may be on the verge of becoming reality.

I wish Judge Thomas had put to rest my misgivings on that score, but, as I have already indicated, he has not.

And we are at a place in this country's history where the risks are simply too high.

So we have come to this difficult juncture, and all of us have come to it—the Senate, the President, the nominee—and I must tell you this confrontation was not inevitable. This vote of mine was not inevitable. It could have been avoided.

It seems to me, Mr. President—and I say respectfully to the President of the United States that he must shoulder a major share of the responsibility for bringing us to this place, because he has created a real dilemma for the Senate, which has occurred in other periods of our history as well, one in which we are forced to demand a very high degree of certainty about the President's nominee before we can give our consent.

That dilemma has been created by two facts:

A fervent minority within the President's party is engaging in an open campaign—as they say, open and notorious campaign—to shift the Court dramatically to the right. And the President has not been willing to engage in the kind of consultation with the Senate that would give us in this body more assurance that the nominees are not participants in that campaign. Therefore, we seek higher assurances than we ordinarily would.

We need to change the conditions that have brought us here, Mr. President, if we are going to avoid future confrontation.

I ask unanimous consent for 3 more minutes.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I respectfully urge the President of the United States to add the idea of "advice" into the process of seeking our "advice and consent" to the Supreme Court nominations instead of asking us to provide our consent to a nominee about whom we have significant misgivings, in an atmosphere where those surrounding the President have made it abundantly clear that he fundamentally wishes to shift the Court to a right direction, a far-right direction.

In the future, we need to pursue a course of moderation in judicial selections as we did in the Eisenhower and Kennedy and Ford and Nixon administrations; not on a course in which the Senate insists on someone of its own choosing—that is not our right—but on a course of genuine moderation, or genuine consultation and cooperation among the branches.

As Dean Calabresi put it in his testimony:

> This is an extraordinary time in the history of the Court. It has been 24 years since a Democratic President has nominated a Justice to the Supreme Court. * * * At other [such] times * * * the President has attempted to name people to the Court whose views are very different from his own. * * * [But] this administration and the past administration have not done so.

Such a process could result in the selection and confirmation of the kind of Justices I spoke of earlier—Justices who, regardless of their stand on the contemporary, politicized issues facing the Court, are the kind of individuals who share a sound vision of the Constitution.

I hope the President will share in breaking this cycle of politicization and skepticism, because without him it will be impossible to make that break.

I hope that this is the last Supreme Court nomination I am forced to oppose during my tenure in the U.S. Senate, for it is truly with a heavy heart, Mr. President, that I oppose this nominee. Every instinct in me, every instinct in me, wanted to support Clarence Thomas for sound as well as unsound reasons. But every instinct did. And it is with real regret that I contemplate the possibility of more such conflicts in the years ahead.

But neither sorrow, Mr. President, nor regret, nor a desire to be able to support Clarence Thomas can permit me to vote for his confirmation when so much doubt exists in my mind.

If Judge Thomas is confirmed, Mr. President—and the odds heavily favor that outcome today—then I hope for the day when I could come to the Senate floor and announce that I should have voted with my heart and not with my head, that my hope should have been my guiding light. That is what I hope to be able to do when Clarence Thomas is confirmed, if he is.

Mr. President, I cannot do that today. I will not vote to confirm Clarence Thomas as an Associate Justice of the U.S. Supreme Court.

I thank the Chair.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, may I inquire, What is the parliamentary situation?

The PRESIDING OFFICER. We are now in a period of morning business.

Mr. DANFORTH. Mr. President, I ask unanimous consent to proceed for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLARENCE THOMAS

Mr. DANFORTH. Mr. President, I first of all want to express to the chairman of the Judiciary Committee my appreciation for the truly admirable way in which he has conducted himself for the last nearly 3 months in connection with the Thomas nomination. Clarence Thomas could not have asked for a fairer shake than he got from the chairman. At all times he was treated, and I was treated, with the utmost courtesy and total fairness.

I know the position that the chairman has taken has been a difficult one for him. He has stated to me throughout the past week or so, and as recently as yesterday afternoon, that this was going to be a very difficult and very close decision for him. And I am sure it was. And I am sure he is absolutely correct when he states his difficulty in reaching this decision.

I think I could have provided him with a little help in his speech preparation that might have been positive, but he has reached his decision and I do not have any choice but to accept it. My hope is that this matter will be disposed of in the foreseeable future.

I hope that this would not be viewed, along with the speech of Senator HEFLIN yesterday, as the opening shot of a major interest group campaign that will have all the TV commercials and so on, and this will be dragged out over a period of weeks, past the recess.

I think most Senators have made up their minds. I am confident of the results on the floor of the Senate. The concern I have is that we would now have a rejuvenation of interest group campaigning for the Supreme Court and I ask the chairman how he would see the unwinding of this confirmation process?

Mr. BIDEN. Mr. President, I thank my colleague, Senator DANFORTH, for his kind remarks about the way in which I have at least attempted to conduct this process. Let me reiterate one thing. And then respond to two points that he raised.

One, Mr. President, this is not like the two other occasions in my 19 years in the Senate when I opposed a Supreme Court nomination. On those two occasions I had no doubt in my mind, not a single scintilla of doubt, that I was right in my "no" vote. This is a very close call. In my view someone holding my views could reasonably have reached the opposite decision.

One of my colleagues last night that I spoke with, who agonized over this and concluded to vote "yes," a Republican colleague, said ultimately he was voting Clarence Thomas' roots; betting on his roots. And I said I worry about his wings, not his roots.

It is a close call. The reason I bother to mention that in response to the two questions in the predicate in that I do not feel with the same degree of certainty that this man would take America in a direction different than I think it should go. So I say to the Senator from Missouri, this Senator has no intention, no desire, as I have stated to him throughout, to participate in any process—and I know of now—that will not give the Senate an opportunity to, in a timely fashion, make its judgment about this man; No. 1.

No. 2, I have not on a single occasion, I have not for over 4 years, spoken, confided in, been the confidant of, made any plans with, or even discussed this nomination in any way with any of the so-called interest groups left or right or center. And I think the Senator from Missouri knows the extent of my distaste for a notion of conducting this or any Supreme Court nomination and whether or not someone should sit on the Court based on 30-second commercials. So much so that I have said in the past and I will reiterate here, I condemn that process. I would be no part of that process.

But as the Senator from Missouri knows—we both know—neither of us control that process. The Senator from Missouri, one of the most decent men of this body, called me immediately upon learning—observing that I was the victim of one of those campaigns early on in the Thomas campaign, that I was the victim of a right-oriented group's ad campaign relating to Thomas.

But he also pointed out to me he could not control that any more than I could control any campaign that would be forthcoming.

Having said that, neither my staff, nor I, nor anyone that I know of who is informed, has any knowledge of any such campaign in the offing, I say ahead of time, if there is such a campaign in the offing, not only will those who put on the campaign have as their detractors those who support Thomas, they will have me as one of their detractors and I will make it clear to anyone willing to listen to me on the floor of the Senate or in this Nation that I think it is inappropriate. But I know of no such campaign.

The last point, in terms of the Senate's schedule. It is the intention of the Senator from Delaware to walk over here in the next 5 minutes, off this floor to the Senate Judiciary Committee, and conduct a vote on Clarence Thomas. Now, based on announced votes, that vote will be 7 to 7.

Under precedents in that committee it would have been possible to kill the nomination. You need eight votes to get something out of a committee, as we all know—or you need a majority. Someone moves to favorably report a bill or a nomination and you must have a majority of the members of that committee before it is physically sent to the floor of the U.S. Senate for its consideration.

I have no intention, and I have so stated, of holding fast to that rule. I have made it clear that I believe the Senate should work its will. It is not the right nor the intention of the Constitution for a committee in Congress, a committee of 14 individuals, to be able to determine who should sit on the Court.

Once it gets to this floor, to the best of my knowledge we are going to operate under the normal procedures, which is 72 hours to write a report. Once it gets to the floor, within 2 days after it comes to the floor, it can be brought up. And to the best of my knowledge we will begin the debate at that time. I have no intention whatsoever and I know of no one at this point who has the intention of preventing the Senate from working its will on Clarence M. Thomas' nomination. That is as much as I can say to my friend.

Mr. DANFORTH. Mr. President, I appreciate the response of the chairman. My hope would be that the Senate could proceed in the middle of next week to take up the Thomas nomination so that the judge could take a seat, if he is confirmed, at the opening of the session of the Court a week from Monday.

My guess is that my time is running out. I ask unanimous consent to speak for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Will the Senator yield for 1 minute, because I must go to the committee?

Mr. DANFORTH. Yes. I would also like to say, Mr. President, before I yield to the Senator from Delaware, that I am not going to be able to attend my meeting this morning. I want him to know that it is not that I am boycotting the meeting of the Judiciary Committee but I have a plane to catch; that I just have to leave town. I am not waiting with bated breath for the results of that meeting, but I would otherwise be there.

Mr. BIDEN. Mr. President, let me say the members of my committee have assumed, after having seen the Senator from Missouri for so many hours over the last several months, that he is a member—a de facto member of our committee.

Mr. DANFORTH. Could I vote?

Mr. BIDEN. I assume he would like to vote to make it 8 to 7.

Mr. President, let me just say this. I have, as the Senator knows, kept both he and the White House fully and completely informed on every stage of this process. I commit to him on this floor that there will be no surprise at all. Anything the Senator from Delaware has any part of or is involved in at all, I will assure him that he will know ahead of time, be consulted and will be part of that process.

Mr. DANFORTH. I appreciate that, Mr. President and once again I say Chairman BIDEN, while his conclusions are wrong on this matter, his process has been very, very fair.

CLARENCE THOMAS—THE EMBODIMENT OF THE AMERICAN DREAM

Mr. DANFORTH. Mr. President, I must say that I am in quandry in deciding how to judge the judges with respect to Supreme Court nominations. I think that we are now in a lose-lose situation.

One one hand, it is clear that if a nominee has a track record, has written a lot, has taken positions on various matters, that nomination is going to be in extreme peril. The prior writings of the Supreme Court nominee are going to be reviewed in great detail. Every sentence is going to be examined. In this particular confirmation process, one of the Senators on the Judiciary Committee interrogated Judge Thomas about a footnote in a law review article.

So on one hand, we are told that if a nominee has a track record, if the nominee has taken positions on various matters that have been before the Court or before the country, that is a very risky situation for the nominee to be in. On the other hand, we are told that, I think these are the words of Chairman BIDEN, we demand a high degree of certainty about what the position of a nominee is and that we do not want to take risks in confirming somebody where we do not know what the past record of the person has been.

I am not quite sure which way we want it, Mr. President, whether we want nominees who have fully formed positions, full-fledged jurisprudence or, on the other hand, whether we want nominees who have emerged from the mountains of New England who nobody has ever heard of before.

It appears that either way the Senate is not going to be satisfied, or at least a number of Senators are not going to be satisfied.

I think that when we are dealing with a nominee for the Supreme Court, we must recognize the fact that there is no way to govern what that nominee is going to do if confirmed, and that always there is going to be a degree of trust about who this person is and how this person is going to function once sitting on this Supreme Court.

Particularly, this is the case of people who have not been on the bench for a long period of time and have not been law professors. Clarence Thomas does not have a personal background of being a law professor. He does not have a personal background of having been a Federal judge for about more than a year and a half. He comes from a wealth of background in all three branches of the Federal Government, and State government as well. But it has not been the kind of background that has led to a great study of many of the constitutional issues before the country.

So I think that it is not reasonable to expect that a person who is nominated for the Supreme Court at the age of 43, having spent the last 10 years or so of his life in the executive branch dealing with matters of employment and educational discrimination, I do not think that it is reasonable to expect that person has had a totally formed view of such matters as, for example, Roe versus Wade, or the establishment clause or the 14th amendment, or any of a variety of the other issues.

I think that there has to be a degree of confidence that we are voting for a character, we are voting for a person and not voting for the embodiment of a particular point of view.

To characterize Clarence Thomas as some rightwing person is totally erroneous. I can say to the Senate, if nobody in the Senate has noticed, let me just assure the Senate, I am not likely to hire a rightwing fanatic on my staff. I am just not likely to do it, and I hired Clarence Thomas twice: Once when I was State attorney general, and then after I had come to the Senate.

One of the interesting things about this whole process, Mr. President, is that the people who feel most intensely against the Thomas nomination are people who do not know him. And the people who feel most strongly in favor of his nomination are people who have known him for a very long period of time.

People have come forward who knew him when he was in Jefferson City: supreme court judges in Jefferson City, MO, before whom he had argued; members of the staff of the attorney general's office who served with Clarence Thomas 15 years ago or so have come forward; people who knew him 10, 12 years ago when he worked in my office in the Senate; a State Senator from Georgia who grew up with Clarence Thomas and was an altar boy with Clarence Thomas, and this happens to be a Democratic State Senator from Georgia; the people who taught him, the nuns who taught him in school; the dean of Yale Law School; the president of Holy Cross College—all of these people who have known Clarence Thomas over a long period of years, those are the people who have come forward, those are the people who have testified about the man Clarence Thomas; the person Clarence Thomas; the strength of character, the amazing self-discipline that he has; the strong sense of independence.

One of my colleagues said, is this going to be somebody who is going to be under the thumb of Justice Scalia? He is not going to be under the thumb of anybody. He never has his whole life. His entire life has been the struggle against being under peoples' thumbs and his total commitment to disadvantaged people, the disadvantaged groups. We might disagree about the exact policy of serving minorities in America, but Clarence Thomas' whole commitment of his private life, as well as his public life, has been to try to improve the lot of those who have been left out in this country.

All of those personal qualities, all of that personal commitment is what makes up this individual who has been nominated for the Supreme Court. And these qualities are recognized by the people who have known him the longest and who know him the best.

Clarence Thomas really is the embodiment of the American dream. He really is the embodiment of the values of the American people, of their commitment to equal justice and to hard work and to dedication and to making the most out of your life. That is what Clarence Thomas is all about. That is what is recognized by people who have known him so long and so well.

Mr. President, it really is a catch-22 to say to a Supreme Court nominee, we are not going to vote for you because we do not know precisely how you are going to decide cases, or precisely what your judicial philosophy is, and then if you state your judicial philosophy and state how you will decide cases, then we are not going to vote for you anyhow. That is a catch-22. I submit that it is just not fair for the Senate to use that kind of standard in judging a Supreme Court nominee.

I think we are judging the whole person, and Clarence Thomas, as a whole person, is known by many people in this country who have come forward to support his nomination. I am proud to be one of those people, Mr. President, and I look forward to his confirmation next week.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak as in morning business—understanding that there was an order proposed—while we are waiting for those two Senators to come for the regular order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maryland is recognized.

Ms. MIKULSKI. I thank the Chair.

(The remarks of Ms. MIKULSKI pertaining to the introduction of S. 1768 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Who seeks recognition?

The Chair, in his capacity as an individual Senator from Virginia, notes the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

V-22 OSPREY TILTROTOR

Mr. JOHNSTON. Mr. President, as you know, I have been a supporter of the V-22 Osprey tiltrotor aircraft for many years. On numerous occasions, I have spoken in this Chamber on the beneficial aspects, both military and commercial, that tiltrotor technology will ultimately provide to our Nation. In order for those benefits to materialize, however, we need to insure that the United States maintains its current leadership position in that arena.

Consequently, my comments today deal with the recent decision by my colleagues on the Defense Appropriations Committee to fund the V-22 at a level far below that which is necessary to continue the development of that aircraft in a timely manner. For the record, we have provided $165 million in research and development funds for the V-22 in our bill. In actuality, we have not approved any new funds. Simply, we have reappropriated fiscal year 1991 procurement funds to be used in fiscal year 1992 for the continuation of the V-22 development. That action, in my opinion, is totally inadequate.

I am fully aware that the V-22 program had been canceled by the Secretary of Defense several years ago. The basis for that decision was twofold: affordability and narrow mission. With the advantage of hindsight, let's look 2 years down the road following the Secretary's decision to cancel the V-22 Osprey. Does the same rationale still apply?

Take the easy one first: narrow mission. The Department of Defense contended then—and still does now, I assume—that this aircraft would only serve the Marine Corps in their mission of ship-to-shore combat assault. The other joint service missions that had been planned for the V-22, according to the Department, were inconsequential. My colleagues may recall that these other missions included combat search and rescue for downed pilots, infiltration and exfiltration of Special Operations Forces, medical evacuation of combat casualties, intratheater logistical resupply, strategic self-deployability, and many more too numerous to be listed here. Certainly, our recent experiences in Desert Shield/Desert Storm have yet to be fully chronicled and examined in minute detail.

Nevertheless, based on emerging results of studies of that conflict, there is little question that the mission requirements listed for V-22 accomplishment were of critical importance and would have been done more efficiently and effectively than with current assets. One glaring example deals with the rescue of pilots shot down over enemy territory. As I recall newspaper accounts of one dramatic rescue mission deep within Iraq, it took more than 10 hours for helicopters to reach the downed airmen. I am told that statistics have shown that this was an exception—most downed pilots, if not rescued shortly after being shot down, will be taken prisoner. This is precisely what the V-22 was designed for: to accompany the friendly strike force and to be on station such that, in the event of an aircraft being shot down, within minutes the V-22 could affect the rescue. This is simply not within the realm of a helicopter's capability.

Let us look at affordability and tackle that issue. I cannot dispute the fact that this revolutionary aircraft will cost a significant amount of money. Not as significant, however, as some of the systems that we have debated over the last several years, yet still have funded. And, I might add, some of those systems clearly lack the potential waiting to be unleashed with the development of tiltrotor technology. I might further add that some of those systems' sole existence was to counter a Soviet threat that has ceased to exist. The advocates of those systems are scrambling to generate mission scenarios wherein they still apply. Not so with the V-22. Across the spectrum of conflict, the V-22 applies. It always has, it always will.

Getting back to affordability, some of that cost can also be attributed to the Department of Defense's refusal to adhere to congressional intent when, 2 years ago, the Congress made clear its positive position on continuing the V-22. If nothing else, the cost of money over 2 years time will certainly drive program costs to a higher level. And, if we continue to delay the development of the V-22, we can continue to expect increased program costs.

The size of our military forces is shrinking yet we still desire to achieve and maintain global capabilities. We must do more, or at least the same, with less. The systems that we produce must have more bang for the buck. The V-22 Osprey, more than most, fits that mold. Let us look down the road to our conference with the House on defense issues and evaluate and support the programs that hold the most promise for our Nation's future. If it is done correctly, I know that the Osprey will continue to fly.

I ask unanimous consent that an article from the Marine Corps Gazette entitled "But What If We'd Had the Osprey" be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Marine Corps Gazette, Sept. 1991]

BUT WHAT IF WE'D HAD THE OSPREY?

(By Col. Harvey F. Crouch, Jr.)

The success of the 5-month Desert Shield deployment and the 100-hour Desert Storm campaign will result in analysis and assessment of all aspects of both for years to come. Force structure and weapons systems effectiveness will be examined in great detail for lessons learned. While such studies will be invaluable to improve existing force composition, Desert Storm will also provide an excellent opportunity to compare developmental systems with the demonstrated capabilities of currently fielded systems. The superb execution of both operations allow them to serve as excellent benchmarks to measure the effectiveness of future programs.

DEPLOYMENT

Deployment of a large force is a complicated and difficult operation at best. Desert Shield required the largest deployment of U.S. forces since the Vietnam War and, to ensure a reasonable probability of success, demanded that the major elements of the force be in place and operationally ready as quickly as possible. The major pacing factors in the deployment phase were the distances to be flown and the number of C-3 and C-141 strategic airlift sorties available. The demands for space on these critical sorties that current medium-lift helicopters required were of major proportion. Although helicopters were high priority items for early arrival in the objective area, they competed with other high priority forces for critical lift assets. had the MV-22 been available to the Desert Storm force, it would have provided a self-deployment capability that would have significantly expedited flow of other forces by airlift.

For purposes of comparison, 60 MV-22 aircraft could be substituted for the 80 Marine Corps CH-46E and CH-53D medium-lift helicopters actually airlifted in Desert Shield Although fewer in number, the increased capabilities of the MV-22 over the CH-46 would have provided approximately the same lift capability. To ensure time-distance equality in the comparison, MV-22 aircraft are assumed to have originated from the same stations as did the actually deployed helicopters. Twenty-four MV-22s were originated from Marine Corps Air Station (MCAS) El Toro, CA, and 20 from MCAS Kaneohe Bay, HI, for a total of 44 self-deployment aircraft. The remaining 16 New River-based MV-22s were assumed to be sealifted on amphibious ships.

To enable self-deployment, the Osprey, with four internal fuel tanks installed, has a flight ferry (no payload) range of 2,100 nautical miles with a 10 percent fuel reserve. Although not required for Desert Shield deployment (see Figures 1 and 2), it is also equipped for in-flight-refueling.

Organic KC-130s routinely accompany self-deploying aircraft by transporting maintenance crews, spare parts, and other equipment associated with the ferry flight and are also capable of providing emergency air-to-air refueling for the MV-22 if required. The routes shown would have resulted in all aircraft arriving in Saudi Arabia within seven days of departure from their home bases with crews rested and ready for assigned operations. Comparison with the equivalent force moved via strategic airlift can be seen in Figure 3. Note that a savings of 14 days results from self-deployment.

FIGURE 1.—KANEOHE BAY DEPLOYMENT

Day and departure	Refuel	Arrive	Distance	Flight time	Days
1st, Kaneohe		Alameda	[1] 2,075	8.3	1
2d, Alameda	Tinker	Cherry Point	[1] 2,211	8.8	1
3d (Crew Rest Cherry Point).			0	0	1
4th, Cherry Point.	Bermuda	Lajes	[1] 2,489	9.7	1
5th, Lajes		Sigonella	[1] 1,969	7.4	1
6th (Crew Rest Signoella).			0	0	1
7th, Sigonella		Saudi Arabia	[1] 1,806	6.8	1

FIGURE 1.—KANEOHE BAY DEPLOYMENT—Continued

Day and departure	Refuel	Arrive	Distance	Flight time	Days
Total				41.0	7

[1] Nautical miles.

FIGURE 2.—EL TORO DEPLOYMENT

Day and departure	Refuel	Arrive	Distance	Flight time	Days
1st, El Toro	Tinker	Cherry Point	2,012	8.1	1
2d, Cherry Point.	Bermuda	Lajes	[1] 2,489	9.7	1
3d Air Crew Rest Lajes.			0	0	1
4th, Lajes		Sigonella	[1] 1969	7.4	1
5th, Sigonella		Saudi Arabia	[1] 1,806	6.8	1
Total				32.0	5

[1] Nautical miles.

The time to load factor in figure 3 is the hours required to load a C–5 with CH–46Es or CH–53Ds. Trained personnel, special tooling, ground-handling equipment, and ramp space availability were all pacing factors. The comparison uses minimum instead of actual Desert Shield deployment times. During Desert Shield, the actual lift by 10 C–5 equivalents of 12 C–46Es and 12 CH–53Ds from El Toro took 41 days from first airlift launch to last airlift landed in Saudi Arabia. It should be noted, however, if there were unlimited trained personnel, special tools, ground-handling equipment, ramp space, and strategic lift available, the El Toro lift would have used only 25.5 hours from start to finish. Load planning factors are as indicated in Figure 4.

Using the above example of self-deployment, the advantages to I MEF of an MV–22-equipped force for Desert Shield would have been:

Combat ready in Saudi Arabia 14 days sooner than the CH–46/CH–53D fleet.

18 C–5 load equivalents freed to lift other forces.

Deployment directly to dispersed operational sites, avoiding airport congestion.

Aircraft and flight crews prepared to undertake the full range of medium-lift missions on day of arrival.

ARMY DEPLOYMENT

A brief examination of the U.S. Army deployment indicates similar lift saving advantages if some portion of the UH–60 force deployed were replaced with the MV–22. The actual airlifted U.S. Army helicopter deployment of 105 UH–60s indicated utilization of 18 C–5 equivalents. The flow time for the 101st Air Assault Division, Fort Campbell, KY, (90 aircraft) from first takeoff to last landing in Saudi Arabia.

DESERT STORM EMPLOYMENT

Performance and employment advantages of the MV–22 are examined in several missions areas—amphibious operations, tactical recovery of aircraft and personnel (TRAP), special operations capability (SOC), and other related operations. A general comparison of performance characteristics of the CH–46E and MV–22 is contained in Figure 5. These figures are utilized in the following employment scenarios:

FIGURE 3.—MARINE DEPLOYMENT SUMMARY

	24 CH–46E/20 CH–53D	44 MV–22	Delta
C–5 Loads	18	0	−18
Aerial tankers	0	0	0
Support aircraft	0	5	+5
Cost to move (millions of dollars)	5.5	3.2	−2.3
Time to load in days	10	0	−10
Transit time in days	1	7	+6
Time to unload/reassemble/flight check (days)	10	0	−10
Days until combat ready in Saudi Arabia	21	7	−14

FIGURE 4.—LOADS, LOADING, AND MAINTENANCE PROFILE

	CH–46E	CH–53D	UH–60	AH–1W	AH–64	MV–22
C–5 capacity	3	2	6	8	6	0
C–141 capacity	0	0	2	2	2	0
Load time (hours) [1] [2]	5.0	5.0	2.0	8.0	6.0	0
C–5 unload time (hours)	2.0	3.5	2.0	.5	4.0	0
Assembly time/flight check maintenance (hours) [1]	16.0	25.0	3.0	.5	.5	0
Internal tank removal and check (hours)	0	0	0	0	0	4.0

[1] Crew of six to eight skilled maintenance personnel required. Only three to five aircraft can be disassembled or assembled at a time because of limited availability of special tools, ground handling equipment and trained personnel.

[2] Times shown are per C–5 or C–141 load.

AMPHIBIOUS OPERATIONS

Although it was ultimately unneeded during Desert Storm, an amphibious task force (ATF) was prepared to conduct amphibious operations if directed. The Gulf coastline of Iraqi-occupied Kuwait presented an opportunity to facilitate the general offensive by outflanking the Iraqi fortified line facing U.S. forces in Saudi Arabia, cutting major lines of communication, and establishing a lodgment for follow-on introduction of coalition forces. In recognition of our amphibious capability, Iraqi deployed 60–80,000 personnel along Kuwait's coastal region with the primary mission of establishing a defense in depth against a possible landing. Additionally, the beaches were mined extensively.

Within this scenario, the advantages offered by an MV–22/CH–53E force compared against an equal-lift CH–46/CH–53D force in a vertical amphibious assault are examined. The speed, load, and range capabilities of the MV–22 combine to provide an overwhelming advantage. For example, in order to land Marine expeditionary force (MEF) assault elements within 90 minutes (considered minimum acceptable time) in a landing zone 20 nautical miles inland, a CH–46E/CH–53E force would have to launch from a point no farther than 25 nautical miles offshore. Given the same scenario, an MV–22/CH–53E force could launch at 75 nautical miles offshore, fly 20 nautical miles inland, and still make the 90-minute time requirement. The map in Figure 6 depicts just how dramatic this range capability is in relation to the Persian Gulf and illustrates several salient points:

The upper Persian Gulf is a relatively small and very shallow body of water, studded with oil rig platforms, which effectively compress ATF maneuver room. With the exception of a deep water ship channel leading into Kuwait harbor, the Gulf contains unacceptably shallow water, filled with antiship mines extending from about 10 nautical miles to 30 nautical miles offshore. Because of water depth limitations, the only possible launch point available to the CH–46 force at 25 nautical miles is in the middle of the channel leading to Kuwait port facilities. This would almost completely eliminate maneuver room and would place portions of the task force about 12 nautical miles offshore and within range of long-range artillery fire.

[Figures 6–8 not reproducible for the RECORD.]

FIGURE 5.—CH–46E VS. MV–22 COMPARATIVE PERFORMANCE DATA

General performance factors	CH–46E	MV–22
Cruising speed (KTS)	125	250
Combat radius (NM)	70	[1] 400
Payload (pounds)	4,400	10,000
Troop lift (USMC)	16–18	24
HMMWV list (external)	0	1
Maintainability (MMH/FH)	22	11
Combat survivability (ratio)	1	3

[1] Notional combat radius and other figures based on Burdeshaw Associates Ltd. study, How Well Would the V–22 Tilrotor Meet Tomorrow's Needs: An Analysis of the V–22's Potential in Saudi Arabia. 15 February 1991.

The map demonstrates the advantage inherent in the MV–22 force's capability of launching at 75 nautical miles. The ATF would clearly be beyond line of sight from the Iraqi coastline and in water deep enough to maneuver with reasonable safety. If the AFT were to move in to a 50 nautical miles launch point, as shown in Figure 7, it would still be comfortably within the distance needed for an over-the-horizon operation and yet maintain maneuver room.

In summary, the MV–22's greater speed, range, and lift capacity would have opened up most of Kuwait and southern Iraq to the vertical envelopment arm of amphibious exploitation without appreciably hazarding the fleet. These increased capabilities would seriously have complicated Iraq's defensive arrangements. Instead of concentrating only on a coastal band about 20 miles wide, the Iraqis would, of necessity, have had to face the prospect of contending with landings practically the length and breadth of Kuwait and the southern portion of their own homeland as well. In fairness, it must be said that the CH–46 force could have reached into Kuwait and undoubtedly was prepared to do so, but, as the map shows, only about half as far as the MV–22 could have and at considerably greater risk to the AFT.

THE TRAP MISSION

Unfortunately the air-to-ground phase of Desert Storm provided several opportunities to exercise the TRAP mission to recover downed aircrewmen. Many efforts were successful; some, however, were not. At least some of these unsuccessful rescue attempts, and some that were not attempted, were due to the large distance between the downed aircrew and friendly lines. Figure 8 below shows the vastness of the Desert Storm area and the disposition of potential targets.

Given the assets that were available, the probability of successful search and rescue within the majority of the area was severely limited. During recent testimony to the Senate Armed Services Committee, Army Gen. Carl Stiner stated, "Special Operations forces assigned to rescue American aircrews shot down inside Iraq quickly came face-to-face with the limitations of their helicopters."

Compared to the current force of CH–46/CH–53s, the MV–22 would have provided a significantly greater probability of rescuing and returning downed aircrew with the least possible risk to aircraft as a result of its inherent range, speed, and survivability capabilities. The increased range advantage almost doubles the area of coverage to include all of Iraq. The MV–22 range capability is such that after picking up the downed aircrew, it could continue unrefueled into Turkey, further enhancing survivability. When the increased speed of the aircraft, 275 knots, is added to the increased range, the advantage of the MV–22s becomes overwhelming.

FIGURE 9.—SOF MISSION PERFORMANCE COMPARISON

	CH–53	CV–22
Unrefueled radius	325	[1] 520 (Covers 9/10 of Iraq).
Speed	125	250 (Permits total mission at night).
Time	7.08	3.54.
Hover out of ground effect (Hoge) [2].	No	Yes.
Survivability:		
Small arms		Advantage.
Missile		Advantage.
Night/all weather/terrain following.	Limited	Yes.
Maximum altitude (transit)	10,000 feet	25,000 feet.

[1] Based on CV–22's fuel configuration, which is specifically tailored to special operations missions.

[2] Based on 855 nautical miles, hover at midpoint, exfiltrating one special forces team with equipment (12 personnel 4,000 pounds), with midpoint hover conditions, 4,000 feet, +40C.

Additionally, considering the emphasis during Desert Storm on night tactical air operations, the probability of a single sortie being shot down at night would be lessened as a result of the cover of darkness. However, the frequency of night downings would probably have increased simply because of the massive number of night sorties that could have been flown. Thus, the night adverse weather capability of the MV–22 would have significantly enhanced the aircraft's ability to effect successful rescues at night, thereby further enhancing survivability of the mission.

THE SPECIAL OPERATIONS CAPABLE (SOC) MISSION

The MV–22 is ideally suited to the special operations mission. Its speed, range, and maneuverability allow a commander to attempt missions with reasonable certainty of success that he would otherwise reject out of hand. When Iraq is examined with respect to distances, terrain, and the threat one is likely to encounter, it is evident that SOC missions previously regarded as "not possible," become quite practical. On SOC missions, such as hostage rescue, special reconnaissance, airfield seizure, and direct action missions against such targets as SCUD sites, increased capability means increased odds for success. In many cases, helicopters simply could not meet the vital requirements for range, speed, survivability, hover power, and transit altitude. Additionally, SOC forces prefer to execute missions under cover of darkness because of the clandestine nature of most of their operations.

Therefore, it becomes very important to mission success to have vertical lift capability that has sufficient speed to infiltrate, accomplish the objective, and exfiltrate in a relative short period. This allows the entire mission to be conducted with surprise and stealth under cover of darkness. For instance, to operate against some key targets north of Baghdad would require helicopter-borne forces over six hours of transit time from northern Saudi Arabia to north of Baghdad and return again. The MV–22 could perform the same mission in half the time (see Figure 9).

As an example, if the 855 nautical miles mission depicted in Figure 9 were done by a CH–53 helicopter, it would require some flying during daylight and a forward area refueling point/or numerous air refuelings, to complete the mission—all additional risk factors that raise the odds against a successful operation. The MV–22, on the other hand, would require only two nighttime refuelings over friendly Saudi territory and under the cover of darkness to compete the same mission.

THE MEDEVAC ROLE

The time elapsed between injury and arrival at appropriate medical facilities has been proven to be directly linked to the mortality rate. The speed advantage of the MV–22 alone is significant enough to save lives. During Desert Storm, if allied forces had experienced the extensive casualty rate predicted by some, medical facilities in northern Saudi Arabia would have quickly filled to capacity. The range advantage of the MV–22 would have permitted evacuation from frontline aid stations directly to medical facilities in central Saudi Arabia or hospital ships in the region.

CHEMICAL AND BIOLOGICAL SURVEY OPERATIONS

Had Iraq utilized chemical and biological weapons as it had threatened to do, a fast, responsive, accurate chemical and biological survey to determine areas contaminated and the degree of contamination would have been of utmost importance. Currently, such surveys are done by both air and ground vehicles. Both not only require special monitoring equipment, but also that the individuals and equipment conducting the surveys be protected individually, since current helicopters and not sealed against agent penetration. The aircraft itself will become contaminated inside and out and will be a hazard until decontaminated—a difficult and dangerous task. The MV–22, however, has built-in chemical and biological protection systems, which could have accomplished these surveys faster and with considerably more safety than other helicopters. More important, the MV–22 would receive only surface contamination, which is easily and safely removed. The aircraft's interior, all its critical components, the crew and its passengers are all located inside the aircraft, which is sealed against nuclear, biological, and chemical (NBC) agent penetration.

HIGH-SPEED RESUPPLY

During Desert Storm, planned use of high-tech components, weapons, and ammunition would have provided coalition forces a significant advantage if major resistance had materialized. Not only would such items likely have been consumed rapidly and in large quantities, but the distances over which resupply would have had to have been transported were vast and availability of high-grade surface transportation systems scarce. Large quantities of missiles, fire control, night vision, and other high-tech equipment would have been used on a daily basis. Since all these items were in short supply and relatively fragile, normal truck transportation systems would have proven inadequate or unable to meet time requirements. The ability of the MV–22 to fly long distances at high speed and then land vertically in close proximity front-line units would have made it the ideal aircraft for the rapid resupply mission.

INSERTION OF A BLOCKING FORCE

The reduced sound footprint that the MV–22 brings to the battlefield offers the maneuver warfare commander opportunities that are not currently in existence with any other transport platform in the present force. The resultant advantages offer the potential of expanding the battlefield, gaining decisive surprise, and maintaining momentum beyond the enemy's ability to cope. The capabilities of the MV–22 in this regard limit the opportunities for maneuver warfare only to the imagination of the commander.

If the MV–22 had been available for the CH–46E/CH–53D, and UH–60 missions in Desert Shield/Storm, it would have enormously improved deployment flexibility, reduced deployment costs, and significantly reduced the time for Marine and Army aviation units to become combat-ready once in-country. During Desert Shield/Storm, in every operational employment scenario considered, the MV–22, in concert with other helicopter and fixed wing assets, would have provided a quantum increase in balanced force effectiveness. The war-fighting advantages of the MV–22, with its significant increase in range, speed, and survivability, would have been a significant force multiplier. It would have added a whole new dimension to existing SOC capabilities and could have rescued downed aircrew twice as fast, with a higher probability of success, than any existing aircraft. Overall, the margin of superiority that the MV–22 could have provided in force maneuverability and support is something commanders through the ages have attempted to achieve. The bottom line is simple: The MV–22 Osprey will reduce risk, expand the battlefield, and save lives.

CONGRESSIONAL CALL TO CONSCIENCE

Mr. WOFFORD. Mr. President, I am proud to participate in the Congressional Call to Conscience by drawing my colleagues' attention to the plight of Iosif Dimant—one of the hundreds of Soviet Jews who is denied the right to live in freedom with his family in Israel.

The Soviet Union has come a very long way in granting freedom to Soviet Jews. Yet it has a way to go. Over 600 documented cases of individuals who are denied exit remain, as well as an estimated several thousand undocumented cases.

Iosif Dimant is one such case. Iosif is an engineer who lives in Chenovtsky. His application to leave the Soviet Union to join his wife Zinaida in Israel has been denied on security grounds. Soviet officials tell Iosif that his service in the Soviet military exposed him to secrets that cannot leave the Soviet Union. The continued use of the tired excuse of state secrets shows how far the Soviet Union has still to go before it lives up to the promise of glasnost.

Despite dramatic changes in the Soviet Union, the issue of refuseniks still exists—proving that the Soviet Union has yet to learn that an open society can only be built on a foundation of respect for the rights of each individual. Political and economic upheaval must be accompanied by the unequivocal affirmation of human rights.

For 15 years, the Congressional Call to Conscience has put a spotlight on the plight of thousands of Soviet Jews—one individual at a time. We will continue as long as people are denied the basic human right of free emigration.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,386th day that Terry Anderson has been held captive in Lebanon.

And I note that former hostage John McCarthy—held for a time with Terry

Anderson and Thomas Sutherland—has offered the first public reflections on his captivity. Mr. President, I ask unanimous consent that the Associated Press report of his remarks be printed in the RECORD at this time.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the Associated Press, Sept. 27, 1991]

MCCARTHY SALUTES STRENGTH OF HOSTAGES

LONDON.—John McCarthy says the strength of his fellow hostages helped him through more than five years of captivity in Lebanon and supports him still.

"These are all men of real merit," McCarthy said of the hostages he was held with: Brian Keenan, Terry Anderson, Thomas Sutherland, and Terry Waite.

"I realize how lucky and privileged I was to share their ordeal. Their strength continues to support me now."

McCarthy, who was released on Aug. 8, made his first lengthy public comments this week about his 5-year ordeal.

In a series of interviews with newspapers and Britain's two television networks, McCarthy, 34, was joined by Jill Morrell, 33, who led a campaign to keep his case in the public eye. Both turned aside questions about whether they intended to marry.

McCarthy said he was imprisoned longest with Brian Keenan, the native of Belfast, Northern Ireland, who was released in 1990. "He was the rock on which I built my survival and I always missed his dear presence," McCarthy said.

McCarthy and Keenan later were held with Anderson and Sutherland. The two Americans had a radio and gave McCarthy the news that his mother had died.

"As I got to know Anderson and Sutherland again I realized that I had found two new right arms. They gave me a new and very great support," McCarthy said.

Anderson, the chief Middle East correspondent for The Associated Press, is the longest-held hostage. He was kidnapped March 16, 1985.

Waite, a Church of England envoy, was the last to join the group, just before Christmas last year, McCarthy said.

"Terry had been kept alone for almost four years, yet within a few hours he was chatting away as if that huge chasm had never existed," said McCarthy.

After a serious attack of asthma, Waite had "returned to form and kept us entertained with tales of his life and experiences around the world."

"Days and weeks would pass without note. But I did find that if I slept during an afternoon I would often awake, terrified of the time years and months that I had lost, in which nothing had been achieved," he said.

"A hostage doesn't relax. Apart from the obvious questions forever on one's mind * * * there are more immediate tensions.

"I was always apprehensive about moving to a new location as the moves were traumatic. I slept badly. At whatever time the lights went out, it always took me two or three hours to relax and restore a sense of proportion and hope before I could go to sleep."

He said he felt no bitterness toward his captors.

"A long time ago one came to terms with the fact that the people who were holding us were doing what they thought was the right thing what they believed in," he said.

The hostages filled the time with cards, invented games and endless conversations, he said.

"We used to make plans, just enormous and wild plans particularly Brian Keenan would come up with enormous schemes that he would insist that we discuss for days on end," such as Keenan's scheme for starting a yak farm in Patagonia.

"We know nothing about yaks nor Patagonia, but this didn't really seem to matter at the time. You know, we make it up as we go along, and discuss possible problems, and figure them out when we get to Patagonia," McCarthy said.

"The days of despair were fairly short-lived. I might go up and down a few times in a day, but it didn't stretch over many hours or something like days, so that one might be up a little and then down a little, but it kind of evened out. We all watched each other, obviously, to how it was going, to try to jolly someone along."

McCarthy said he kept a newspaper picture of Ms. Morrell in his cell.

"You can see we are here together today and we're taking it very slowly and I think that's the only way to do it. We're just two normal people getting to know each other again. It's going very nicely," McCarthy said.

Earlier this week, Britton Jack Mann, 77, was released. He was kidnapped in Beirut in 1989.

At least nine Westerners are still missing in Lebanon five Americans, a Briton, two Germans and an Italian. In addition, British officials says Alec Collett is presumed dead following claims he was killed in 1986 in retaliation for British complicity in U.S. bombing raids on Libya.

JUDGE CLARENCE THOMAS NOMINATION

Mr. DECONCINI. Mr. President, I rise to share with my colleagues the statement I made before the Senate Judiciary Committee today regarding my reasons for supporting the nomination of Judge Clarence Thomas to be an Associate Justice of the United States Supreme Court. The following is the text of my remarks:

I would like to first commend the chairman for his stewardship in these hearings. Once again, he has conducted the hearings in a fair manner with respect to both parties, the nominee and the witnesses.

The hearings are an exhausting process, but essential. During the hearings we have heard detractors of the process harken back for the days when nominees were not questioned by the Senate. I disagree with that notion. Five days of insight into a nominee is a small price to pay for someone who will spend the next 40 years interpreting the Constitution. The Senate and the American public have a right to know a nominee's judicial philosophy, and quite frankly, many of my concerns regarding Judge Thomas were only alleviated through his hearing testimony and his answers to our questions.

Many of my colleagues believe that Judge Thomas was less than candid to several direct questions. I do not quarrel with their right to ask those questions, and I recognize their frustration with the process, but I found Judge Thomas forthcoming on several issues. And I believe that his testimony revealed his judicial philosophy.

No doubt, there are improvements to be made in the process. But we must remember that we have made considerable advancements from prior nomination hearings. It was not too long ago when Senator SPECTER and I were in the process of drafting a resolution concerning the issue of nonresponsive judicial nominees before this committee.

As we all know, voting upon a nominee to the Supreme Court entails a difficult, personal decision. For this particular nomination, I must admit, I struggled in making my decision.

I began my consideration of Judge Thomas' nomination with the presumption that the President's nominee to office should be confirmed. During the August recess, I read extensively from Judge Thomas' writings, speeches, and judicial decisions. I reviewed his record at the Equal Employment Opportunity Commission [EEOC] and at the Department of Education. I read analyses of his record prepared by opponents and proponents. I talked to my constituents in Arizona.

And after this preparation, I was left with a number of concerns about Judge Thomas. I knew these concerns could only be resolved through the hearings. After 5 days of testimony by Judge Thomas and hearing from over 90 witnesses, I came to the conclusion that I could support Judge Thomas.

Over the past few weeks, we have heard from various reputable groups and individuals who oppose the nomination of Judge Thomas, including national groups representing the interests of women, African-Americans, Hispanics, and the elderly. I do believe that the opponents of Judge Thomas had a right to be concerned about his nomination. Over the years Judge Thomas has written articles and delivered numerous speeches criticizing landmark decisions of the court, rebuking Congress, and ridiculing the civil rights community.

His positions on natural law and the right to privacy as well as his praise of the views of Thomas Sowell raised serious questions in this Senator's mind.

I have not discounted the controversy of Judge Thomas' tenure at EEOC. He and I have had our differences regarding EEOC's treatment of the claims of Hispanics and the elderly during his tenure. I made this clear to him both at his court of appeals hearing and these hearings. I was not happy with the results at EEOC during his tenure. But I do believe that Judge Thomas acted within his official capacity and was earnest in his efforts.

In making my decision to support Judge Thomas, I balanced several important factors against Judge Thomas' prior record, statements, and writings. Judge Thomas has shown a capacity for growth, an understanding of the role of the judiciary, and an ability to divorce his prior duties with that role. I also believe that his controversial writings and his tenure at EEOC must be weighed against his commendable work on the court of appeals. Most importantly, Judge Thomas has shown that he will be a jurist who will not impose his agenda on the court.

More so than even Justice Souter, Judge Thomas supported heightened scrutiny for discrimination against women. I was very encouraged to hear him say that he believed that the court should be willing to apply even greater scrutiny to gender discrimination.

Unlike Judge Bork, he assured the committee that he did recognize an unenumerated right to privacy in the Constitution; some of my colleagues would have like to have heard a more direct application of this right. Considerable emphasis has been placed upon Judge Thomas' position regarding abortion. Members of this committee have strong views on this issue. I, too, have strong views on this issue. The right of a woman to choose an abortion is one of the most passionate and divisive issues facing our Nation, today. However, whoever ascends to the court will also confront the fundamental issues of tomorrow. Therefore, my vote on a judicial nominee will never turn on one issue.

Drawing from a remarkable life story, Judge Thomas will bring a perspective to the court that it is surely lacking. His story is one of courage—a story of an individual who has risen from the indignity and pain of segregation and poverty to be considered for the highest court in the land. If confirmed, I hope that Judge Thomas will continue to recall his humble background and draw upon it.

But Judge Thomas' personal success story does not alone qualify him for the Supreme Court. Instead, I believe that he has the strength of character, diverse experience, intellectual ability, integrity, and judicial temperament to succeed on the court. I believe that he is an independent thinker beholding to no particular cause.

Judge Thomas would not have been my choice to be on the Supreme Court. I do not agree with President Bush that he is the most qualified candidate for the position. But the Senate should not superimpose its choice in the role of advice and consent.

If confirmed, Judge Thomas will be making some of the most important decisions for this country for decades into the future. I will not agree with all of his conclusions. But it is my belief that, in reaching those conclusions, Judge Thomas will exercise judicial restraint. By voting in favor of a nominee to the Supreme Court, we express our trust that the nominee will exercise the immense powers of that position, judiciously. I believe that Clarence Thomas will not compromise that trust.

HEALTH CARE

Mr. KERREY. Mr. President, yesterday my colleague from the State of Arizona spoke on the issue of health care. In his statement he called for a "dialog with the American people" over the serious problems facing our Nation's health care system in order to avoid an experience similar to the Medicare Catastrophic Coverage Act experience. My response to my colleague is "where has he been?"

There is a very lively dialog on our Nation's health care system going on across the country as we speak. Americans are discussing health care in town hall meetings, in coffee shops, at the bargaining table, in medical association publications, at agricultural meetings, just about everywhere you go. I have heard the discussion repeatedly in Nebraska over the past several years.

Health care is becoming a regular topic in the media. The Center for Media and Public Affairs reports that the number of nightly news stories on health care on the three major networks has nearly doubled in the last year. The polls document the extent of this dialog. The Harris polls have indicated that 89 percent of Americans think fundamental change or complete restructuring of our health care system is necessary. Recent Los Angeles Times and Gallup polls show that over 72 percent of Americans want some form of national health insurance.

Yesterday's New York Times described the source of some this concern as it outlined some health care problems plaguing a growing number of Americans. According to polls, 62 percent of Americans are not satisfied with the costs of health care and the vast majority of American households have experienced the impact of rising costs directly through job lock—an increasingly common phrase used to describe persons who are locked into a job because of health insurance coverage—reductions in benefits or increases in out-of-pocket costs. The impact this has on workers, and subsequently, our Nation's productivity, is extremely disturbing as they see wage and salary increases eaten up by health or stay in jobs instead of seeking out better jobs or more training, on workers is extremely disturbing.

Mr. President, I ask unanimous consent that the text of the New York Times article be printed in the RECORD following my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibition 1.)

Mr. KERREY. I don't know where the Senator from Arizona has been, but Americans are engaged in a dialog on health care that will only grow more intense as problems with our current system worsen. It will intensify as Americans increasingly realize that they ultimately bear the costs of our health care system. It will intensify as more American families experience first hand how health care crowds out wage and salary increases, impairs their standard of living, and puts the fear of financial ruin resulting from a serious illness into their hearts. It will intensify as more American businesses see their health care spending as a ratio of after-tax profits rising above the 100-percent mark. It will intensify as Americans realize that over one-third of every dollar of growth in our economy goes to health care and what this means for spending on other important social programs, education and other important needs.

The current debate is not "son-of-catastrophic," as implied by my colleague, although the impact of rapidly rising health care costs is catastrophic to many sectors of our society.

The Senator commented on several aspects of the Health USA proposal I have introduced in the Senate. He states that a national system would make health care more political, bureaucratic, wasteful, and unrelated to need. I would ask the Senator how he would characterize our current health care system? I, along with many others, would define it as fragmented. It is increasingly unable to provide what Americans want and increasingly unable to meet the needs of a growing number of Americans.

Health USA would crate a true health care system—integrated, logical and available to all Americans. HUSA does not hand the health care system over the Federal Government. Health USA proposes that the Federal Government do what it does best—collecting funds—and what it must do to create an equitable system across States—establish Federal guidelines for benefits and programs. It leaves the delivery of health care where it belongs—in the private sector and encourages competition among private and public health plans.

Health USA simplifies our current health care system. It establishes a comprehensive benefit package and eliminates the connection between employment and health care simplifying the system for individuals, providers, and employers.

Health USA controls health care costs directly, which means that, in doing so, Americans will pay less for health care an get more. Health USA creates a budgeted system that provides financial incentives to health plans, doctors, hospitals, and individuals to control costs, and it places them at financial risk for ensuring that care is provided appropriately and efficiently. By doing so, Health USA changes the rules of the health care marketplace to promote and encourage efficiency and effectiveness—as opposed to our current financing system which has built-in incentives to provide more and more care and shift costs and risks among different payers.

By changing the incentives in the system, Health USA will cover all Americans for a comprehensive package of benefits, provide the elderly and disabled with much needed long-term care services—all for $11 billion less than we are currently spending on health care. Over 5 years, Health USA will save the United States over $150 billion in health care spending.

My colleague states that Health USA will "enshrine the status quo" and discourage innovation. On the contrary, Health USA would infuse the American health care system with strong motives to develop and improve organized delivery systems. Systems that would be very beneficial to the health care of Americans.

Senator MCCAIN does spell out several options for reform that might address certain aspects of the problems in our health care system in the short term. There might be some merit in some of these of incremental reforms. These proposals, like Health USA, need to be put out to the public for debate and discussion. In any case, I do not know which crystal ball my colleague from Arizona is gazing into, but it is definitely not the one that most are looking into at the moment on our health care system. Americans are ready for reform. I have heard this in Nebraska and I know it can be heard elsewhere as well.

EXHIBIT 1

HEALTH BENEFITS FOUND TO DETER JOB SWITCHING

(By Erik Eckholm)

Three in 10 Americans say they or someone in their household have at some time stayed in a job they wanted to leave mainly to keep the health benefits, according to a New York Times/CBS News Poll. The survey provides some of the strongest evidence yet of pervasive concern about the costs of medical insurance and care.

The phenomenon becoming known around the country as "job lock" was most prevalent in middle-income households, suggesting the rising potency of health care as a political issue.

Half the people say the nation's health care system needs fundamental changes and another 40 percent go even further, saying it must be completely rebuilt, the survey found.

OPENING FOR DEMOCRATS

And, in a striking sign of widespread insecurity, 29 percent of Americans said they or a family member had lacked health insurance at least temporarily during the past year, although only 1 in 10 said a family member was uninsured at the time of the poll.

Health care offers the Democratic Party a major chance for political gain, the poll indicates. A substantial majority of people from all income groups, education levels and geographic regions, including even 51 percent of people who identify themselves as Republicans, disapprove of the way President Bush is handling the problem of affordable health care. The Democrats are seen as more likely than Republicans to come up with an answer.

But the Democrats have not yet been able to capitalize significantly on that discontent, the survey and followup interviews with voters suggest.

"I think there are ears out there ready to hear about this," said Jeanette Willert, a 50-year-old high school teacher in Amherst, N.Y., who considers herself a political independent, in an interview after the poll was completed. "But it seems like the Democrats are torn asunder and don't know what to make issues of."

While there is broad support for requiring employers to offer health insurance, an approach now being pursued by some Congressional Democrats, the poll results suggest that many people feel more committed to the idea of sweeping change in the health system than to any particular approach.

In followup interviews, many people were confused or wary about some of the possible solutions and some who sharply criticized President Bush's handling of medical care said they would probably vote for him anyway.

While 8 in 10 people say that candidates' positions on health care will have an important effect on how they vote in the next Presidential election, few make it a litmus test, suggesting that President Bush may not pay a heavy price for his failure, up to now, to propose any major changes in the health system.

EXCEEDS ABORTION AS CONCERN

Still, the health system may exceed abortion as an electoral concern. More people, 82 percent of those questioned, said their vote would be influenced by candidates' positions on health care than the 63 percent who said it would be influenced by abortion.

In the survey, 1,430 adults nationwide were interviewed by telephone Aug. 18 to 22. The results have a margin of sampling error of plus or minus 3 percentage points. The findings, while generally consistent with those of other surveys over the last decade, indicate progressively greater public fears about rising medical costs and the availability of health insurance.

"Medical costs are getting so expensive that even a working person can get in trouble," said Flora Ellen Bryant of Detroit, who is 44 and a nurse. "You look at other countries that are far less wealthy than us and their people are more secure. It just doesn't make any sense."

John E. Foote, a 44-year-old mechanic in Peoria, Ill., said: "You can't keep having costs go up 15, 20 percent a year and have a company or work force be able to participate. Eventually the top's going to blow.

"We need a national health program that's different from what we have now. But I just don't know what it is."

Four of five people agreed with the statement that "because of rising health care costs we are headed toward a crisis in the health care system," a view shared across income and education levels and throughout the country. High doctor and hospital fees, and inadequate access to insurance or care for the elderly and the poor were most often cited as the crucial problems.

But most people, the survey found, are satisfied with the quality of their own medical care, though not the cost.

One in 10 of those interviewed said they or others in the household lacked health insurance at the time of the survey. The Federal Government estimates that a larger number, about 1 in 7 Americans, lack insurance at any given time, and the new poll was not designed to estimate precisely the number of uninsured adults and children.

34 MILLION WITHOUT INSURANCE

Over the last several years, with health insurance costs rapidly rising, more small businesses have been unable to offer health benefits, experts say, adding to the uninsured, now estimated at about 34 million Americans. The very poor are often covered by Medicaid, a Federal-state program, while the elderly and handicapped are covered by the Federal Medicare program; most of the uninsured are workers with lower-paying jobs and their families.

In addition, many employers have cut back on health benefits or required employees to pay more, something that close to half the survey respondents said had happened to them or someone in their household.

As more middle-income people face insecurity about their medical care, Congress has begun to address the health system. Leading Democrats have put forth a plan, to be debated in the coming year, that would require employers to offer health coverage. President Bush has announced no major initiatives and Administration officials have argued against drastic change.

SUPPORT FOR DEMOCRATIC PLAN

The survey found wide public support for the Democratic leaders' approach, but a strong minority would go further, favoring a total government takeover of health financing.

Fifty-seven percent of the people said the government should require companies to provide health insurance to all their workers, rather than leave it up to individual companies. This is the crux of the Democratic plan, which would build on the existing system of private insurance but place new burdens on many small businesses, which oppose the approach.

At the same time, 54 percent said they favor national health insurance, in which the Government rather than private insurers would pay for most medical care with tax money. But 35 percent of the respondents expressed approval of each of the two approaches, despite the differences.

Expressing a common ambivalence, James Bonander, a 34-year-old auto mechanic in Santa Clara, Calif., said a national health plan "would be nice to see." But he added, "I don't know if the government could handle it."

When asked to choose between the two approaches—required employer insurance, with government filling in any gaps, or government-run national health insurance—a clear majority, 59 percent to 31 percent, said they preferred the employer-based approach.

A third way to reorganize the system, favored by some free-market advocates, would require individuals to buy their own insurance, with tax incentives related to income. Half the public said this would be an improvement over the current system.

But 1 in 5 five people said all three approaches would be better than the status quo, perhaps another indication of above all, a deep desire for change.

Politically palatable answers to the cost problem may be especially elusive, the poll suggests. As experts and government agencies struggle to contain medical expenditures, now some 12 percent of the gross national product, there has been more public discussion of cost-cutting measures like managed care and health maintenance organizations, which would restrict free choice by patients and doctors, and of rationing by avoiding expensive medical procedures that have low benefit or chance of success.

Despite the increased awareness of such cost-containment measures, or perhaps because of it, the public appears more reluctant than ever to support some of them. Half the people did say they would be willing to pay a higher deductible in their insurance plan if that would help reduce costs. But only 36 percent said they would be willing to go to a clinic where they were assigned a doctor, a drop from 50 percent that answered "yes" to the same question in 1982.

Only 34 percent said they would be willing to wait a longer time to get a doctor's appointment if it would reduce the cost of health care, 39 percent said they would give up the right to sue for possible malpractice, and only 25 percent said they "would be willing to have certain expensive treatments like organ transplants not be covered by health insurance."

The notion of rationing care, it is clear, makes many Americans deeply uneasy.

"You're talking about getting very practical, that is to say cold-hearted, about life and health," said Kevin Black, a 29-year-old actor in New York City of proposals to restrict costly procedures that have a low chance of benefit. "You'd be taking the risk that someone might miss a life-saving procedure. I tend not to like that."

Half the respondents said they have had to take money from savings in order to pay for doctor's bills or other medical costs. One in 5 said their household had been seriously hurt financially by medical bills, the same proportion that said that in 1982. But a growing number, 39 percent compared with 32 percent in 1982, said they have at some time decided not to see a doctor for a medical problem because it would have cost too much.

One who answered "yes" to that question was Larry Wayne Proctor Jr., 24, of Abbeville, S.C. His experience also typifies the spreading problem of "job lock."

"I stayed in a job I really didn't like because of health insurance," Mr. Proctor said. Now a video store manager, he had worked in a textile mill until December 1989. In 1988 he seriously damaged his knee and needed surgery, which was covered by his policy at the mill. His doctors said he would need more surgery but that he should quit working at the mill where strenuous labor impaired recovery.

Mr. Proctor says he was reluctant to quit his mill job because any new health policy would exclude coverage of his knee as a "preexisting condition." After months of worry he left anyway. Now, his leg in a brace, he is putting off the followup surgery as long as possible," "toughing it out," as he put it.

Job lock

	Percent
"Have you or anyone else in your household ever decided to stay in a job you wanted to leave mainly because you didn't want to lose health coverage?"	
Adults who said yes, by household income:	
Under $15,000	22
$15,000 to $29,999	36
$30,000 to $50,000	34
Over $50,000	18

Based on a New York Times/CBS News Poll Aug. 18 to 22 with 1,430 adults nationwide.

Evaluating care: 2 aspects

	Percent
Most Americans are satisfied with the quality of health care available to them:	
Satisfied	78
Not satisfied	20
Don't know	3
Many are not satisfied with the cost:	
Satisfied	34
Not satisfied	62
Don't know	4

REDUCING COSTS

[In percent]

	Willing to	Not willing to
To reduce costs, would you pay a higher health insurance deductible?		
1991	52	37
1982	45	44
Give up the right to sue for possible malpractice?		
1991	39	48
1982	33	54
Go to a clinic to see an available doctor instead of going to see your own private doctor?		
1991	36	54
1982	50	42
Have expensive treatments like organ transplants not be covered by health insurance?		
1991	25	62

FEELING THE EFFECTS OF CLIMBING COSTS

[In percent]

Percent of total	Total 1990 household income			
	Less than $15,000	$15,000 to $29,999	$30,000 to $50,000	Over $50,000
20 percent household has been seriously hurt by medical bills	31	24	17	9
26 percent household member took one job rather than another mainly for health benefits	22	30	31	15
48 percent working household says employer has cut health benefits or required employee to contribute more	33	45	52	53
All income groups agree:				
79 percent health care system is headed toward a crisis because of rising costs	83	77	83	77

Based on telephone interviews conducted nationwide with 1,430 adults Aug. 18–22 and on a 1982 New York Times Poll.

HOUSE VOTE SHOWS CLEAR SUPPORT FOR DRUG AND ALCOHOL TESTING

Mr. DANFORTH. Mr. President, on 12 occasions the Senate has approved drug and alcohol testing legislation for airline pilots, railroad engineers, commercial truck and bus drivers, subway operators, and others who are responsible for the safety of the traveling public.

The Senate has passed this legislation three times this year—once as part of the highway reauthorization bill, once as part of the Transportation appropriations bill, and once as a freestanding measure.

A few individuals in the House are obstructing this important legislation. These few individuals do not represent the overwhelming view of the House.

This first was made clear in 1988, when the House voted in favor of a motion to instruct conferees to agree to Senate drug and alcohol testing provisions by a margin of 377 to 27.

This week, the House of Representatives again showed that it overwhelmingly supports mandatory drug and alcohol testing for safety-sensitive transportation workers. With a resounding vote of 413 to 5, the House instructed its conferees to agree to the Senate drug and alcohol testing provisions in the fiscal year 1992 Transportation appropriations bill.

The Senate wants a drug- and alcohol-free public transportation system. So does the House. So do the American people.

It is time drug and alcohol testing became law. We do not need more subway wrecks like the one in New York City in which five died. We do not need another rail tragedy like the one at Chase, MD, in which 16 died.

I look forward to the enactment of this life-saving legislation.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Chair would note that under the previous order the period for transportation of morning business is closed at this time.

ORDER OF PROCEDURE

Mr. WIRTH. Mr. President, I ask unanimous consent to address the Senate for 10 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF CLARENCE THOMAS

Mr. WIRTH. Mr. President, thank you.

Mr. President, casting a vote for a Supreme Court nominee is clearly one of the most important responsibilities each of us has. The ramifications to our society are great because placing someone on the Court potentially places them there for life. In the case of Clarence Thomas, this could mean easily 40 or more years; his impact on the Court would be felt for the rest of my life, well into my children's lifetime, and significantly into the lives of even the next generation.

This is as important a vote as I am likely to cast as a Member of this body.

Mr. President, I met with Mr. Thomas nearly 2 months ago. We had a very long and I thought extremely interesting discussion. Our distinguished senior Senator from Missouri, joined us for that event. In the discussion, Mr. President, I found Clarence Thomas to personally be a very engaging individual. I found his story, which has been repeated so often, enormously compelling—the story of an individual growing up in that extraordinary background of poverty and problems, rising to the point where he is now a nominee for the highest Court in the land.

His is a thoroughly American and thoroughly wonderful story, one in which we all believe, and it is very warming to me to know that kind of a history can be repeated in the United States of the 1990's.

However, we are not voting on that particular history. We are voting on the legal capability of this individual. The Senate's advice-and-consent function is one of the most important underpinnings in our Constitution's balance of power. I take that role very seriously.

We must not only make an independent evaluation of whether the nominee is qualified as the best person for the job, or certainly among the best people for the job; we must also determine that nominee's likely impact on our constitutional liberties.

This consideration is particularly important when examining our past legislative activities. For the last several years we have seen an erosion of those liberties. Congress has been forced to pursue an agenda of restoration, restoring those rights lost to Supreme

Court decisions that have reversed long-established precedent.

Since my conversation with Mr. Thomas, I spent a great deal of time reading what he has written, and what has been written about him. I have had many conversations with diverse spectrum of people many who have known him about Clarence Thomas and what kind of a Justice he might become personally. I watched the hearings with great interest and I have analyzed all the information available to me.

Unfortunately, I think we are now faced with a nominee sent to us by a President whose White House appears more interested in appointing judges, at all levels, skeptical of the individual liberties that I believe are enormously important. Polarization in the judiciary is being watched by us all.

Today, a judge's ideology is more critical than his or her judicial temperament, apparently, and judicial independence is being lost by Presidents seeking to make the highest Court in our land a precise and narrow extension of their own political views. The concern about legal capability is evaporating.

I was very concerned in my discussion with Clarence Thomas three variables. I will outline those very quickly. The first was the issue of affirmative action. Obviously, Clarence Thomas, as he pointed out himself, succeeded because of support mechanisms of his own grandfather and the school he went to in the neighborhood.

What happens if those mechanisms are not available? What is the role of the Government, what is the role of the rest of society for people who do not have the support mechanisms that he has had? The ones, as he so eloquently pointed out to me in our discussion, which keep an individual from the kind of failure that can occur? What happens?

I also discussed the issue of natural law, an issue which has a very elegant and quite remarkable intellectual history in our society, in our politics, the Declaration of Independence, of course, being perhaps the most beautiful statement of a natural law: "We hold these truths to be self-evident, that all men are created equal * * *" It reaches back in a long, intellectual history of Western civilization.

Unfortunately, having earlier stated his support for natural law, Mr. Thomas was not prepared to discuss that. He was not even prepared to grope with that set of questions, I did not think, in our discussion, nor has he done that in the discussions with the Judiciary Committee.

Finally, the issue we discussed was the issue of choice, of privacy, an issue which has come right to the top of the agenda in our society, and which I felt Mr. Thomas at least ought to frame the question, if not answer the Roe versus Wade issue directly. His response to me was that he had not really thought about the issue.

I did not find that at all credible, Mr. President. You cannot be an adult individual in the 1980's in Washington, DC, and you cannot be in high political office, as he has been, or engaged with an administration where this issue is such a separating issue, without addressing the abortion issue. That simply is not possible.

I also watched and listened to the hearings, and looked very carefully at a number of the precedents that he discussed, or refused to discuss. I also found myself very concerned with his own refusal at the Office of Civil Rights to comply with a court order.

Mr. President, overall, I find myself coming to the conclusion of opposing on the nomination of Clarence Thomas. I am sorry to do so, as I found him, as an individual, a very engaging person with a history that is wonderfully American in every way.

I think we have to continue to look for absolutely the best people with the clearest views of these important issues, so when this nomination comes to the floor, I will vote "no."

Mr. President, casting a vote for a Supreme Court nominee is one of the most important responsibilities of a Senator. The ramifications to our society are great, as placing someone on the Court places them there for life. In the case of Clarence Thomas, that could easily mean 40 or more years; his impact on the new Court would be felt for the rest of my life, well into my children's lifetime and significantly into the life of the even next generation. This is as important a vote as I am likely to cast as a Member of this body.

The Senate's advice and consent function is one of the most important underpinnings in our Constitution's balance of power and I take my role very seriously. We must not only make an independent evaluation of whether a nominee is qualified to sit on the Court, we must also determine that nominee's likely impact on our consitutional liberties.

This consideration is particularly important when examining our past legislative activity. For the last several years as we have seen an erosion of those liberties, Congress has been forced to pursue an agenda of restoration—restoring those rights lost to Supreme Court decisions that have reversed long-established precedents.

I have had the opportunity to learn a great deal about Judge Thomas. Two months ago, we met at length and discussed his ideas about the direction this country is headed. We talked about how to help a generation that does not have a concept of "deferred gratification" and what we must do so that they might have a stake in our society. We discussed the role that individual rights play in developing that sense of societal commitment and what removing those rights might mean to those who are disenfranchised. We discussed natural law, affirmative action, and privacy.

It was an interesting conversation—one where I became privy to his personal viewpoints and one which I will never forget.

During the past few weeks, I spent considerable time reading what he has written and what has been written about him. I have had many conversations with diverse spectrum of people—some of whom have known Clarence Thomas personally—about what kind of Justice he might become. I watched the hearings with great interest. I have analyzed all the information available to me.

His is the great American success story, and he tells it in an engaging and moving fashion. By all accounts he is a person of integrity, courage, and personal appeal. One cannot help but admire his personal struggle out of poverty and his rise in politics and the law. We all want to believe that his is a story that can be retold time and time again, featuring tens of thousands of other citizens.

But, Mr. President, we are now faced with a nominee sent to us by a President whose White House is more interested in appointing judges at all levels skeptical of individual liberties than in preserving personal freedom. We are witnessing an increased politicization of the judiciary. Today a judge's ideology has become more critical than his or her judicial temperament or sheer legal competence. Judicial independence is being lost as the last two administrations have sought to make the highest court in our land a precise and narrow extension of their own political views.

I am convinced that the framers of the Constitution had this danger in mind when they included the Senate as a partner with the executive branch in confirming Supreme Court appointments. And that is why each Senator must carefully examine Clarence Thomas: His record, his qualifications, and his likely impact on the lives of our citizens—those alive today and those yet to be born.

After carefully reviewing these matters, I have come to the conclusion that I must oppose Clarence Thomas' nomination to the Supreme Court.

Clarence Thomas has a record. We have seen it. He has written articles on various subjects. We have reviewed his job performance in situations where he was to ensure that educational institutions and employers did not discriminate. As an appellate court judge he has written decisions and during the confirmation hearings he voiced his opinion on several cases heard in the past by the Supreme Court.

We have seen his record, and it troubles me deeply.

As Assistant Secretary for the Office for Civil Rights in the Department of Education, his responsibility was to carry out the laws that prohibit federally supported educational institutions from practicing discrimination. Yet, when handed a court order forcing him to comply with requirements for processing civil rights cases, he blatently disregarded it. He testified under oath that he was violating an order of the court. This flagrant renouncement of the judiciary confounds me: Is that the commitment to the rule of the law a Supreme Court justice should have?

As Chair of the Equal Employment Opportunity Commission, Clarence Thomas backpedaled and contradicted himself on what the Commission's role should be in enforcing Federal laws forbidding employment discrimination. By rejecting court-approved methods of determining discrimination and remedies for workplace discrimination, he ignored the laws he was sworn to uphold.

Clarence Thomas failed to investigate age discrimination charges within the 2-year statute of limitations under the Age Discrimination Enforcement Act. His inaction left literally hundreds of workers with no recourse in the Federal courts and worse off than when their complaints were filed.

Additionally, Clarence Thomas dropped the ball in regard to enforcing the law dealing with employers' obligations to make pension contributions. In his absence of action, Congress was forced to intervene on behalf of our older Americans. When Thomas was implementing these new directives, he still sought to shortchange those affected. He drastically cut back enforcement of the Equal Pay Act, which prohibits gender-based differentials in jobs that are equal or substantially equal. Is this the kind of justice we are seeking in this country?

In his reading of the Stotts decision, he was almost defiant in his refusal to enforce antidiscrimination laws, and he failed to seek goals and timetables in conciliation efforts and court-approved settlements. More importantly, he allowed his personal policy preferences to take precedence over established law.

I am also deeply troubled by his lack of clarity on the issue of affirmative action programs—programs that try to redress the Nation's long history of racial neglect and oppression. There is no small degree of irony in this. I am almost certain that were it not for affirmative action programs, this Senate would not be considering the nomination of a fatherless child born into poverty from Pinpoint, GA.

The issue that troubles me most, however—and the primary reason I cannot vote to confirm Clarence Thomas—is his ambiguous stand on the fundamental right to privacy and reproductive freedom. During the hearings, Clarence Thomas was anything but forthcoming in his views about this basic right in our country. It seems incredible that in this decade, after more than a century of progress in defining and protecting individual rights, the Supreme Court may very well turn back the clock by interpreting the Bill of Rights to exclude something so fundamental as a right of privacy. But this is precisely what we are facing, and precisely why it is so important to know how Clarence Thomas interprets this right.

During his hearings, Clarence Thomas responded to a number of questions on several areas of the law that are pending before the Supreme Court. He would not make clear, however, his views on the legal foundation for the fundamental right for a woman to make her own choices about her health care.

I am profoundly disturbed by Clarence Thomas' endorsement of a constitutional protection for the natural right to life—supporting the argument that the fetus has a natural right to life from the moment of conception. Under this interpretation of the Constitution—which would lead to the overruling of Roe—States and Congress would be barred from keeping abortion legal. This is unacceptable, and Clarence Thomas did little to withdraw himself from this position—rather he chose to simply state that he had not reread the statements he had previously made and could not discuss them.

Testimony made it clear to me that Judge Thomas does not believe the ninth amendment protects individuals for unenumerated rights—including the right to privacy. In fact, he indicated a certain amount of hostility toward the ninth amendment and its protection of individual liberties by describing that right as an invention. The ninth amendment is an invention of our forebearers that warrants celebration—not contempt—because it supports the premise that citizens of this country should have the right to privacy.

Legislatures are democratically elected bodies; by nature and composition the legislative branch necessarily reflects the views of the majority. This branch of Government is often unsuited to the task of protecting the rights of unpopular minorities, including those who are most vulnerable in our society. That is why every individual American has, under our Constitution, the right to look to the Bill of Rights and the Supreme Court for ultimate protection against the intrusions of government—and that is why the debate about the right of privacy and the nomination of Clarence Thomas is so important to every American.

Finally, I think it is important for the Supreme Court—which is, after all, the third coequal branch of Government—to reflect the historically diverse nature of our society. The Supreme Court's deliberations on the great issues of the day should not be dominated by one narrow point of view. This is not to say that the Supreme Court should never speak unanimously. Rather, it is to point out that on such a broad question of protecting individual rights and the right of privacy, it is disturbing to think that the highest court in the land could be so completely imbalanced and out of step with the views of the society it is charged with protecting.

It is not Clarence Thomas the man, who concerns me—it is Clarence Thomas the Supreme Court Justice. His constitutional and judicial views—not his personality—are what interest me. By refusing to address many of the issues of concern to me and other Members of the Senate, his previous statements and writings must be the record we consider today.

I find it suspicious that Clarence Thomas would be willing to answer many questions about pending cases and issues likely to come before the Court, yet he cannot or will not answer critical questions about his views on the fundamental right of privacy. Even more disturbing is that he did not feel the need to review—after weeks of preparation and days of testimony—articles and reports he had written.

Instead, he put artificial distance between his work on the EEOC and his responses to questions by the Judiciary Committee. Therefore, we are left in the dark as to his judicial philosophy.

In her testimony before the Judiciary Committee, former Gov. Madeleine Kunin of Vermont noted—and I think accurately—that Clarence Thomas would like us to believe that silence equals impartiality—that he is a blank slate and only the facts of the case will determine how he will rule. Even though he was willing in the past to disregard decisions made by the courts based on his own preferences, he would climb up to the most important judicial bench in our country and not bring to it any of the disregard for established law that we have witnessed. Mr. President, I find that impossible to believe.

His record is an indication of the direction Clarence Thomas would like to take the Court. More than 20 years ago, Senator THURMOND raised the red flag on how dangerous that can be to our country by saying:

> It is my contention that the Supreme Court has assumed such a powerful role as a policymaker that the Senate must necessarily be concerned with the views of prospective Justices or Chief Justices as it relates to broad issues confronting the American people and the role of the Court in dealing with these issues.

Mr. President, if I had been in the Senate at another time in this Nation's history, I might have been called upon to vote to confirm the nomination of a Justice who would have upheld the constitutionality of slavery as in Dred Scott, or the legality of segregation as in Plessy versus Ferguson. I would hope that given that opportunity, my judgment would have turned on a commitment to civil liberties and fundamental constitutional rights. And just as freedom from slavery and equality in public education and accommodations were hotly debated topics in days past, the constitutional debate today is focused on basic principles such as privacy.

Decisions to be made on the Supreme Court are too important to be left to vague platitudes and philosophical uncertainty. This body should not leave its preference for judicial equanimity, rather than partisan ideology, to chance. Regretfully, I cannot support Clarence Thomas' nomination.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair reminds the Senator that the period for morning business was scheduled to expire at this time.

EXTENSION OF MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the time for morning business be extended, and that I may be permitted to speak for 2 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT FOR THE NOMINATION OF CLARENCE THOMAS

Mr. COCHRAN. Mr. President, it is clear to me that Judge Clarence Thomas is qualified and entitled to be confirmed as an Associate Justice of the U.S. Supreme Court.

It is also clear that Judge Thomas is unique—unique in the experiences he will bring to the Court, unique in his heritage, and also unique in his sense of fairness, openmindness, honesty, and integrity.

He will be, I predict, an independent voice for reason and for justice for all as a member of the Supreme Court.

I am impressed with his obvious competence and his determination to do what he feels is right, whether it is popular or not. His critics would say that doing what is right is voting the way they want him to vote on cases that will come before the Supreme Court.

Clarence Thomas should be his own man, and he has proven that he is. He has also demonstrated his judicial competence as a member of the U.S. Court of Appeals for the District of Columbia. I am confident that he will be a very competent Justice of the U.S. Supreme Court.

During the hearings before the Judiciary Committee, Judge Thomas has had the opportunity to tell us about himself, his background, his respect for the rule of law and the Constitution of the United States.

On the basis of his personal qualities and his experience, I will vote for his confirmation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair reminds the Senator, under the previous order the transaction for morning business was scheduled to conclude at 10:15.

Mr. SYMMS. I ask unanimous consent that I be permitted to proceed for 15 minutes as in morning business to speak on the Thomas nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF CLARENCE THOMAS

Mr. SYMMS. I thank the Chair.

Mr. President, I rise this morning to support the nomination of Clarence Thomas to be an Associate Justice of the U.S. Supreme Court.

As I have on the other nominations that have come before this Senate, I think the most fundamental, important reason to vote yes or no on the confirmation of a judge, No. 1, is whether or not the defendants who would go before that court will receive a very fair hearing from the justice and those judges who are on that court. That is the fundamental question that people should ask.

I think it is a given that one of the reasons the American people voted for President Bush is because they wanted him to name people to the Supreme Court who were consistent with his own judicial philosophy.

The fundamental reason I decided to support Clarence Thomas is I know him to be a fair person. He is an honest man of fine integrity, and I believe he will be a very fair judge and listen to the cases with a fair, open mind, and that is all we can ask for in someone going to this most important court.

Judge Thomas has spent his life overcoming the obstacles of poverty and prejudice. His real life struggle against overwhelming odds which most of us read about but never know, his success against these odds is the product of hope, hope instilled in a young Clarence Thomas by his grandparents who taught him the value of work and by the nuns who taught him how to study and learn the gratification of achievement.

Clarence Thomas' life story, Mr. President, is the American dream, and his nomination is proof that America works.

I want to mention some of his qualifications. Judge Thomas has aleady been confirmed by the Senate four times. Not once, not twice, not three times. Four times he has been confirmed by the U.S. Senate for other positions. His background and qualifications have been extremely reviewed. He has received overwhelming support for his appointment as a judge for the U.S. circuit court—he received overwhelming support as a circuit court judge.

Mr. President, the story of his childhood spent in poverty is familiar to all of us. He graduated as the only black student in a Catholic high school and he went on to receive his degree from Yale Law School. He has an outstanding record as a skilled litigator, as an assistant to then Attorney General JACK DANFORTH in 1974 in the State of Missouri. He argued his first case before the Supreme Court of Missouri only 3 days after being sworn into the Missouri bar. He practiced there for 3 years and Robert Dowd, the presiding judge of the Missouri Court of Appeals, has said Thomas was one of the best prepared and most effective lawyers to appear before his court.

Judge Thomas then went on to become legislative director for Senator DANFORTH, working with distinction, as evidenced by our colleague's unwavering support for Judge Thomas throughout the nomination process.

I salute my colleague, Senator DANFORTH, for his untiring efforts on behalf of this very fine nominee.

In 1981, he accepted President Reagan's nomination to become Assistant Secretary of Education for Civil Rights. It was with some trepidation that Thomas agreed to become the Chairman of the Equal Employment Opportunity Commission where he served two terms, from 1982 to 1990, with an outstanding record.

And then in 1990, he was nominated by the President and confirmed by this Senate for the position on the appeals court where he currently serves. Judge Thomas' qualifications and life experience will be a great asset to the Supreme Court. His direct knowledge of discrimination in the years of struggle up from the bottom of the social-economic ladder will bring a greater depth of understanding, sensitivity and experience to the court.

Mr. President, while he was Director of the Equal Employment Opportunity Commission, Clarence Thomas increased the protection minorities received against employment discrimination. He struggled to reduce the barriers to minority employment. The EEOC became an effective Government agency under Thomas' direction. In spite of his marked accomplishments in the field, he has been attacked by some who contend he lacks sufficient commitment to affirmative action.

Mr. President, Judge Thomas' record at EEOC is clear and compelling with respect to his support for programs designed to ensure minorities an equal opportunity for employment.

True, he has not supported race-based quotas in employment practices which many of his detractors would prefer, but his commitment to true equality of opportunity in employment is difficult to challenge based on the record.

Mr. President, in my opinion, his opposition to mandatory quotas indicates an understanding that quotas enforced in the workplace result in greater individual discrimination because of the public's hostility toward preferences for one racial group and against another.

Commissioner Thomas changed the EEOC litigation practices from the Commission's previous penchant for class-action suits and statistical reviews to a new case-by-case review. This shift allowed the Commission to seek full relief for every victim of discrimination. The statistics during his tenure show his success. Lawsuits filed seeking redress for discrimination by the commission increased from only 195 in 1983 to 599 in 1989. The resolutions of filed complaints increased from 38 percent to between 50 and 60 percent. Thomas' office obtained more than twice the level of damages collected during the Carter years. The EEOC is thriving now as a result of his administration. His emphasis on people over numbers has helped break down the barriers to minority employment. He thinks the individuals come first.

As Pamela Talkin, Thomas' Chief of Staff at EEOC, wrote in an article appearing in Roll Call, August 1:

> Today's EEOC is a fitting and lasting tribute to Clarence Thomas' vision and his unwavering commitment to upholding the laws and protecting American workers.

Mr. President, I ask unanimous consent that the article written by Miss Talkin be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Roll Call, Aug. 1, 1991]

HOW EEOC THRIVED DURING THOMAS' TENURE AS CHAIRMAN

(By Pamela Talkin)

The nomination of Clarence Thomas to the Supreme Court has evoked a great deal of productive and enlightened discussion. Unfortunately, it has also resulted in the repetition, however innocent, of unfounded criticisms of his record as chairman of the Equal Employment Opportunity Commission.

Clarence Thomas vigorously and effectively enforced the laws against employment discrimination. I marvel at the willingness with which generally intelligent and skeptical individuals have accepted bare assertions to the country. The record establishes that the EEOC came of age under the leadership of Judge Thomas. As his chief of staff, I witnessed it.

Why would the Republican chairman of the EEOC ask me, a Democrat and a career federal employee, to be his chief of staff? And why would a "politically correct" civil servant accept the position? Because we shared a commitment to equal employment opportunity and the full protection and vindication of the rights of women, minorities, older Americans, and workers with disabilities.

We were dedicated to the goal of making the EEOC a credible and aggressive law enforcement agency. Thomas concentrated on my law enforcement experience, ignored my party affiliation, and did not question me as to my philosophical views; my strict and single mandate from him was to help make the EEOC effective.

During his tenure as chairman, the EEOC went to court on behalf of workers 60 percent more than in previous years and collected more than $1 billion on behalf of American workers, more than during any other comparable period.

For the first time, policies were adopted requiring thorough investigation of all charges of discrimination and full redress for its victims. Workers unlawfully deprived of a livelihood were to receive a job and full backpay. Those who discriminated had to take such additional affirmative steps as discharging offending supervisors and posting notices to employees to assure them that their rights would not again be violated.

In the past, field offices make unreviewable determinations to litigate only a few of the many cases found to have merit. Under Thomas, all meritorious cases were submitted to the Commission for litigation.

Some have mistakenly assumed that the increased efforts on behalf of individual workers constituted a shift away from concern about the existence of broad-based discrimination stemming from employment patterns and practices.

To the contrary. In 1981 the EEOC had only one broad systemic pattern and practice case in litigation; in 1988 the Commission had 16 such cases in active litigation. Moreover, the EEOC, on its own initiative, actively prosecuted as broad, pattern and practice actions hundreds of cases that had been filed as individual claims.

In accordance with precedent, Thomas voted to approve settlements involving the use of goals and timetables, despite his now well-publicized personal views on the efficacy of such measures.

Reasonable people can and do differ with his views on this matter. However, the potential use of goals and timetables was involved in less than one-half of one percent of the more than 60,000 cases filed annually. A difference of opinion over the utility of this one form of affirmative action cannot serve as a legitimate basis for cavalier assertions and Thomas did not enforce the laws ensuring equal opportunity and prohibiting discrimination.

Judge Thomas was committed to identifying and eliminating all arbitrary obstacles to equal opportunity. Employers were required to recruit actively minorities and women and to set aside millions for the training of minority and woman employees and the establishment of scholarship funds for minority students.

Federal agencies were required to submit affirmative action plans identifying barriers to the full employment of all employees and detailing the steps to be taken to remove those obstacles.

When he became chairman in 1982, Thomas found an EEOC in disarray. Clarence Thomas not only built the infrastructure, but he also succeeded in transforming the EEOC into a respected and highly professional agency.

No one was more dismayed than Clarence Thomas when the evolving EEOC did not, on occasion, live up to its own enhanced expectations. As he often stated, we built our wagon while we were riding in it and, with 50 offices and 3,000 employees, mistakes occurred. Thomas took full responsibility for any shortcomings and redoubled his efforts to make the EEOC a formidable opponent of those who would violate the laws prohibiting discrimination.

Today's EEOC is a fitting and lasting tribute to Clarence Thomas' vision and his unwavering commitment to upholding the laws protecting American workers.

(Mr. WIRTH assumed the chair.)

Mr. SYMMS. Mr. President, in spite of this record, Judge Thomas has been attacked by the traditional civil rights leaders. Their opposition to this nomination is not based on his qualifications or facts about his record as EEOC Chairman, but on ideological differences.

That is what their opposition is based on. They have a right to that. But that is what their opposition is based upon. He is not liberal enough to suit the leadership. That is the problem. For them, there is but one way to fight employment discrimination: hiring quotas. Clarence Thomas has incurred the wrath of the liberal establishment by promoting other forms of affirmative action.

In an article in the Miami Times on May 28, 1987, Judge Thomas argued that,

> Employers can hide behind the number of minorities employed without ever truly providing equal employment opportunities for individuals to be hired and rise through the ranks on their own merit. This is the basic drawback of affirmative action programs implementing goals and timetables—the employer can hide discrimination by showing a good bottom line.

Because of his skilled leadership at EEOC, Mr. President, employers today know that if they discriminate, they will be punished and they will pay.

Attacks made by civil rights organizations in my view are wholly unfounded and the rank and file members of these organizations know it.

Tony Brown, a respected black columnist, has accused the civil rights leadership of being out of touch with the majority of black America. Several local NAACP officials gave their approval to Thomas until the national office threatened to disband them unless they fell in line with the national leadership.

The opposition of other national interest groups must be looked at in a similar light. For example, the National Bar Association, which represents the Nation's black lawyers, has opposed his nomination. But while 128 voting NBA delegates were against the nomination, 124 favored it, and 31 delegates did not vote. While this clearly is a majority opposed, it certainly is not a mandate. And this is typical of the split in many of these national organizations.

ABORTION

Other organizations announced their opposition early because they feel certain Thomas would vote to overturn the Roe versus Wade decision. As a Senator who has consistently voted prolife, I have to say the slender record of Clarence Thomas' reflections on this issue, including his testimony before the Judiciary Committee, does not give me the same level of confidence about the decision Justice Thomas would reach in such a case. My decision to support this nomination is not based on any certainty about Justice Thomas' position in a review of the Roe decision because we just don't know what his position will be.

During the Judiciary Committee hearings, Judge Thomas was asked over and over about his position on abortion. His answer was that he could not give an opinion until he saw the specific case before him. To do otherwise would be to prejudice his decision. His record shows he is capable of impartial decisions and we in the Senate should respect his obligation and commitment to such impartiality.

And let me say this: Certain organizations like the National Organization of Women have opposed Thomas' nomination because of his supposed stand against abortion, notwithstanding the lack of clear evidence. One is left to conclude, therefore, that only those nominees who explicitly affirm the decision reached in Roe will garner the support of these organizations in the future.

That is their right. But that should not be, in my opinion, sufficient reason for a Senator to vote against Clarence Thomas. The fundamental question is, Will he be a fair judge and listen to the cases with an open mind.

It is the prerogative of the national interest groups to support or oppose the nomination based on a single issue, but I do believe those of us in the Senate should be above such a narrow focus, particularly when the record is unclear.

I think Clarence Thomas is in a catch-22 situation personally. If he makes it clear on every issue and tries to rule, predetermine how he would rule on hypothetical cases, then he will antagonize certain blocks in the Senate, groups that would oppose him. If he does not state a firm opinion, they say, "Well, he would not state his opinion, so we are going to vote against him."

Perhaps the most important consideration for this Senator is whether Judge Thomas will legislate from the bench or make his decisions based on legal precedent, a proper deference to the legislative branch, and the restraining commands of the Constitution.

Coalitions for America has compiled an impressive record of Judge Thomas' regard for and adherence to legal precedents regardless of his personal views on a case.

Even in cases where Judge Thomas has had an opportunity to push a conservative agenda, he has instead practiced restraint. In Action for Children's Television versus FCC Thomas joined an opinion rejecting a total ban on broadcast indecency. The court's majority held that circuit precedent compelled it to strike down the indecency ban.

In a classic example of judicial restraint, Doe versus Sullivan, a soldier involved in Desert Storm challenged the use of experimental drugs by the Department of Defense. The gulf war ended before the case came to court. Where an activist judge may have used the case to solve the controversy, Judge Thomas argued the case was moot, showing his determination to stay within his court's jurisdiction and properly establishing the court's authority before deciding the merits of a case.

In his opinions as a circuit court judge, Clarence Thomas has shown his ability to weigh the law and impartially make a decision based on sound legal principles. Even the Alliance for Justice, a group that has declared war on Thomas' nomination, conceded that his decisions "do not indicate an overly ideological tilt."

CONFIRMATION PROCESS

During the Judiciary Committee's hearings, Judge Thomas was repeatedly grilled on the abortion issue. It appears that some Senators are making their decisions based entirely on their perception that given the chance Judge Thomas will overturn Roe versus Wade. In my opinion, Judge Thomas has done the right thing in not giving specific responses on such politically volatile issues that may soon come before the Court. It would prejudice his ability to have an open mind.

Taylor Stuart, a legal commentator, put it correctly when he warned that for the Senate to exact some pledge from the nominee to vote one way or the other on an issue before even seeing a case would be coming "perilously close to * * * making campaign promises."

I hope the Senate in its wisdom will not make its judgment against the candidate based on his unwillingness to make such campaign promises.

I think President Bush deserves the commendation of the Members of the Senate for picking a very fine man with a very fine record to become the next Justice of the Supreme Court of the United States. He is a qualified judge. He is an American success story.

I am pleased and proud to be able to support his elevation to the highest Court in the land.

Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON S. 1722

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report on S. 1722, the unemployment benefits bill; that upon the completion of the debate today and the raising of a point of order by Senator DOMENICI, or his designee, and the relevant motion to waive the Budget Act by Senator SASSER, or his designee, the conference report be laid aside until 10 a.m. on Tuesday, October 1, at which time there be 1 hour for debate equally divided in the usual form on the motion; and that after the use or yielding back of time, the Senate, without any intervening action or debate, vote on the motion to waive the Budget Act; that upon completion of that vote, the Senate proceed to final disposition of the conference report without any intervening action or debate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MITCHELL. Mr. President, I am advised by the distinguished Republican leader's staff that this has been cleared and is agreeable to the Republican leader.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

Mr. MITCHELL. Mr. President, I again thank my colleagues for their courtesy.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is now closed.

EMERGENCY UNEMPLOYMENT COMPENSATION—CONFERENCE REPORT

Mr. BENTSEN. Mr. President, I submit a report of the committee of conference on S. 1722 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(By unanimous consent, the text of the conference report is printed at this point in the RECORD.

CONFERENCE REPORT (S. REPT. 102-162)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law,

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law), and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada, and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period, or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment,

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act, and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 102(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	***The applicable limit is:***
8-percent period	*20*
7-percent period	*13*
6-percent period or other period	*7.*

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are published—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	*The applicable range is:*
8-percent period	*A rate equal to or exceeding 8 percent.*
7-percent period	*A rate equal to or exceeding 7 percent but less than 8 percent.*
6-percent period	*A rate equal to or exceeding 6 percent but less than 7 percent.*
Other period	*A rate less than 6 percent.*

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such indvidual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after February 28, 1991, and before the first week follow-

ing October 5, 1991 (or, if later, the first week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are published.

TITLE II—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

SEC. 201. DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE.

(a) GENERAL RULE.—The Secretary of Labor (hereafter in this title referred to as the "Secretary") shall carry out a demonstration program under this title for purposes of determining the feasibility of implementing job search assistance programs. To carry out such demonstration program, the Secretary shall enter into agreements with 3 States which—

(1) apply to participate in such program, and

(2) demonstrate to the Secretary that they are capable of implementing the provisions of an agreement under this section.

(b) SELECTION OF STATES.—

(1) IN GENERAL.—In determining whether to enter into an agreement with a State under this section, the Secretary shall take into consideration at least—

(A) the size, geography, and occupational and industrial composition of the State,

(B) the adequacy of State resources to carry out a job search assistance program,

(C) the range and extent of specialized services to be provided by the State to individuals covered by the agreement, and

(D) the design of the evaluation to be applied by the State to the program.

(2) REPLICATION OF PRIOR DEMONSTRATION PROJECT.—At least 1 of the States selected by the Secretary under subsection (a) shall be a State which has operated a successful demonstration project with respect to job search assistance under a contract with the Department of Labor. The demonstration program under this title of any such State shall, at a minimum, replicate the project it operated under such contract in the same geographic areas.

(c) PROVISIONS OF AGREEMENT.—Any agreement entered into with a State under this section shall—

(1) provide that the State will implement a job search assistance program during the 1-year period specified in such agreement,

(2) provide that such implementation will begin not later than the date 1 year after the date of the enactment of this Act,

(3) contain such provisions as may be necessary to ensure an accurate evaluation of the effectiveness of a job search assistance program, including—

(A) random selection of eligible individuals for participation in the program and for inclusion in a control group, and

(B) collection of data on participants and members of a control group as of the close of the 1-year period and 2-year period after the operations of the program cease,

(4) provide that not more than 5 percent of the claimants for unemployment compensation under the State law shall be selected as participants in the job search assistance program, and

(5) contain such other provisions as the Secretary may require.

SEC. 202. JOB SEARCH ASSISTANCE PROGRAM.

(a) GENERAL RULE.—For purposes of this title, a job search assistance program shall provide that—

(1) eligible individuals who are selected to participate in the program shall be required to participate in a qualified intensive job search program after receiving compensation under

such State law during any benefit year for at least 6 but not more than 10 weeks,

(2) every individual required to participate in a job search program under paragraph (1) shall be entitled to receive an intensive job search program voucher, and

(3) any individual who is required under paragraph (1) to participate in a qualified intensive job search program and who does not satisfactorily participate in such program shall be disqualified from receiving compensation under such State law for the period (of not more than 10 weeks) specified in the agreement under section 201.

(b) ELIGIBLE INDIVIDUAL.—For purposes of this title—

(1) IN GENERAL.—The term "eligible individual" means any individual receiving compensation under the State law during any benefit year if, during the 3-year period ending on the last day of the base period for such benefit year, such individual had at least 126 weeks of employment at wages of $30 or more a week with such individual's last employer in such base period (or, if data with respect to weeks of employment with such last employer are not available, an equivalent amount of employment computed under regulations prescribed by the Secretary).

(2) EXCEPTION.—Such term shall not include any individual if—

(A) such individual has a definite date for recall to his former employment,

(B) such individual seeks employment through a union hall or similar arrangement, or

(C) the State agency—

(i) waives the requirements of subsection (a)(1) for good cause shown by such individual, or

(ii) determines that such participation would not be appropriate for such individual.

(c) QUALIFIED INTENSIVE JOB SEARCH PROGRAM.—For purposes of this section, the term "qualified intensive job search program" means any intensive job search assistance program which—

(1) is approved by the State agency,

(2) is provided by an organization qualified to provide job search assistance programs under any other Federal law, and

(3) includes—

(A) all basic employment services, such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview, and

(B) additional services, such as ongoing contact with the program staff, followup assistance, resource centers, and job search materials and equipment.

(d) INTENSIVE JOB SEARCH VOUCHER.—For purposes of this section, the term "intensive job search voucher" means any voucher which entitles the organization (including the State employment service) providing the qualified intensive job search assistance program to a payment from the State agency equal to the lesser of—

(1) the reasonable costs of providing such program, or

(2) the average weekly benefit amount in the State.

SEC. 203. ADMINISTRATIVE PROVISIONS.

(a) FINANCING PROVISIONS.—

(1) PAYMENTS TO STATES.—There shall be paid to each State which enters into an agreement under section 201 an amount equal to the lesser of the reasonable costs of operating the job search assistance program pursuant to such agreement or the State's average weekly benefit amount for each individual selected to participate in the job search assistance program operated by such State pursuant to such agreement. Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) shall be used for purposes of making such payments.

(2) PAYMENTS ON CALENDAR MONTH BASIS.—There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency.

(3) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(4) SPECIAL RULE.—Notwithstanding any other provision of law, amounts in the account of a State in the Unemployment Trust Fund may be used for purposes of making payments pursuant to intensive job search vouchers provided pursuant to an agreement under this title.

(b) REPORTS TO CONGRESS.—

(1) INTERIM REPORTS.—The Secretary shall submit 2 interim reports to the Congress on the effectiveness of the demonstration program carried out under this title. The 1st such report shall be submitted before the date 2 years after operations under the demonstration program commenced and the 2d such report shall be submitted before the date 4 years after such commencement.

(2) FINAL REPORT.—Not later than the date 5 years after the commencement referred to in paragraph (1), the Secretary shall submit a final report to the Congress on the demonstration program carried out under this title. Such report shall include estimates of program impact, such as—

(A) changes in duration of unemployment, earnings, and hours worked of participants,

(B) changes in unemployment compensation outlays,

(C) changes in unemployment taxes,

(D) net effect on the Unemployment Trust Fund,

(E) net effect on Federal unified budget deficit, and

(F) net social benefits or costs of the program.

(c) DEFINITIONS.—For purposes of this title, the terms "compensation", "benefit year", "State", "State agency", "State law", "base period", and "week" have the respective meanings given such terms by section 106.

TITLE III—OTHER PROVISIONS

SEC. 301. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 302. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter, the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 303. REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES.

(a) IN GENERAL.—The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth a proposal for revising the method of allocating grants among the States under section 302 of the Social Security Act.

(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act,

(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

(4) ways to simplify the method of allocating such grants among the States,

(5) ways to eliminate the disincentives to productivity and efficiency which exist in the current method of allocating such grants among the States,

(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act for allocating grants among the States under section 302 of the Social Security Act, until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.

SEC. 304. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

TITLE IV—BUDGET PROVISIONS

SEC. 401. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

(a) DESIGNATION AS EMERGENCY.—The provisions of (and amendments made by) this Act shall be treated as provisions designated as emergency requirements by the President and the Congress under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) NEW BUDGET AUTHORITY, ETC. NOT CONSIDERED.—Any amount of new budget authority or outlays resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 402. EXEMPTION OF EMERGENCY UNEMPLOYMENT COMPENSATION FROM SEQUESTRATION.

Payments under title I of this Act (relating to emergency unemployment compensation) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

LLOYD BENTSEN,
GEORGE MITCHELL,
DON RIEGLE,
BOB PACKWOOD,
Managers on the part of the Senate.

DAN ROSTENKOWSKI,
THOMAS J. DOWNEY,
HAROLD FORD,
BARBARA B. KENNELLY,
MICHAEL A. ANDREWS,
Managers on the part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

GENERAL DESCRIPTION

The Emergency Unemployment Compensation Act of 1991 (S. 1722), as agreed to by House and Senate conferees, has three major objectives. First, it establishes a time-limited program of emergency unemployment compensation benefits to assist unemployed workers who have exhausted their benefits under the current unemployment programs. Second, it corrects an inequitable situation whereby unemployed, former members of the armed forces must wait longer to receive regular unemployment benefits and receive fewer weeks of benefits than civilians who become unemployed. Finally the conference agreement establishes an unemployment compensation advisory council which will meet every four years to review the status of the unemployment program and recommend needed improvements.

In addition, the conference agreement establishes a demonstration program to test the effectiveness of providing job search services to unemployment compensation claimants, and directs the Secretary of Labor to report to the Congress on an improved method of allocating unemployment compensation administrative funds among States.

The conference agreement provides that all provisions of the Act shall be treated as provisions designated as emergency requirements by the President and the Congress under the terms of the Budget Act, and no spending resulting from the Act shall be considered for any purpose under the Budget Act. The agreement also provides that payments for emergency benefits are exempt from sequester. The cost of emergency unemployment compensation benefits is Federally financed from existing balances in the Extended Unemployment Compensation Account of the Unemployment Trust Fund.

TITLE I.—EMERGENCY UNEMPLOYMENT COMPENSATION

Present law.—Under current law, the Extended Benefits program provides for the payment of a maximum of 13 additional weeks of benefits after an unemployed worker has received that 26 weeks (maximum) of regular benefits provided under State law. The extended benefits program is activated when: (1) a State's insured unemployment rate has averaged at least 5 percent for 13 consecutive weeks, and (2) that rate is at least 20 percent higher than the State's average insured unemployment rate for the corresponding 13-week period in the 2 preceding years. At their option, States may apply an alternative trigger mechanism. Under the alternative, extended benefits can be paid if a State's insured unemployment rate is at least 6 percent, even though the rate is less than 20 percent higher than the rate in the preceding 2 years. Thirty seven States, the District of Columbia, Puerto Rico, and the Virgin Islands have adopted this alternative trigger mechanism.

Fifty percent of the benefits paid under the Extended Benefits program are paid for with State funds. The remaining 50 percent are paid from Federal funds drawn from the Extended Unemployment Compensation Account in the Unemployment Trust Fund.

Senate bill.—The bill establishes a temporary program of emergency unemployment compensation benefits, to be in effect from October 6, 1991 through July 4, 1992. The program would pay Federally-funded benefits to unemployed workers who had exhausted their benefit rights under the regular unemployment compensation program, and to certain workers who had exhausted the additional benefits available to them under the Extended Benefit program.

A. Scope and duration of emergency benefits

Beginning in October all States would be eligible to provide emergency unemployment compensation benefits financed entirely by the Federal government. The bill would establish three levels of weeks of eligibility for these emergency benefits. The number of weeks of benefits payable to an unemployed worker who had exhausted regular unemployment benefits in a particular State would be determined by the average total unemployment rate, or TUR, in that State for the most recent six months for which data are available:

States with a TUR of 8 percent or higher would be eligible to provide 20 weeks of benefits;

States with a TUR of 7 percent up to 8 percent would be eligible to provide 13 weeks of benefits;

All other States would be eligible to provide 7 weeks of benefits (including the Virgin Islands).

At any time that a State was not eligible for one of the two higher levels of benefits, unemployed workers in the State who exhausted their regular unemployment benefits would be eligible for 7 weeks of emergency benefits.

B. Eligibility for emergency benefits

Emergency unemployment compensation benefits would be paid to unemployed workers who exhaust their regular unemployment benefits during the effective period of the program, October 6, 1991 through July 4, 1992.

The bill also "reaches back" to aid workers in States with higher levels of unemployment who exhausted their regular employment benefits in the six-month period prior to the start of the emergency program. Unemployed workers who exhausted benefits after March 1, 1991 and before the first week beginning after October 5 would be eligible to receive 7, 13, or 20 weeks of benefits in eligible States. The "reach back" would not be available in States that do not have a six percent TUR period in effect as of September 1 or October 6, 1991.

Some unemployed workers who had received extended benefits and exhausted their eligibility for them, either during the effective period of the program of during the "reach back" period, would also be eligible for emergency benefits. The bill provides that the number of weeks of extended benefits the worker received would be deducted from the number of weeks of emergency benefits available in the State. The number of weeks of emergency benefits that remained, if any, would be paid to the worker.

C. Other benefit provisions

The Senate provision is structured to ensure that an unemployed worker receives the maximum number of weeks of benefits to which the worker is entitled, and to prevent any sudden and unexpected removal of a worker from benefit status if a State "triggers off" while the worker is in the middle of a benefit period. Once a State's average TUR has caused it to "trigger on" for a 13- or 20-week period of emergency benefits, the State would remain triggered on for at least 13 weeks, even if its TUR declined during this period.

Alternatively, if a State's average unemployment rate were to increase so that the State qualified for a higher number of weeks of benefits, workers in that State would receive the additional benefits. Further, once an unemployed worker became eligible for 7, 13, or 20 weeks of emergency benefits, the worker would be paid benefits for all weeks to which he or she was entitled, even if the State "triggered off" or the program expired before the worker had received the full number of weeks of benefits.

D. Measure for triggering benefits

To determine the number of weeks of benefits which may be paid in the State, the bill requires the Secretary of Labor to use the average unadjusted total rate of unemployment for a State for the most recent 6-calendar month period for which data are available.

E. Funding source for emergency benefits

All benefits are fully Federally-funded out of the Extended Unemployment Compensation Account.

House amendment.—The House amendment establishes a new permanent Federal Supplemental Compensation program that would replace the current Extended Benefits program. It would provide three tiers of benefits added to the 26 weeks of regular State benefits. A temporary provision would add a fourth tier during fiscal year 1992.

A. Scope and duration of benefits

Beginning the month after the month of enactment, all States would be eligible to provide supplemental benefits financed entirely by the Federal government. The number of weeks of benefits payable in a State would be based on the State's seasonally-adjusted total unemployment rate for the most recent three months.

States would be eligible for the following weeks of benefits:

20 weeks if the TUR is at least 8 percent and is at least 120 percent of the average in the same three-month periods during the last two years;

15 weeks if the TUR is at least 7 percent (plus at least 120 percent); and

10 weeks if the TUR is at least 6 percent (plus at least 120 percent).

In addition, in fiscal year 1992, all States not otherwise eligible for a higher benefit period would be eligible for five weeks of benefits if the three-month moving average of the seasonally adjusted national TUR is at least 6 percent.

B. Eligibility for benefits

Benefits would be paid to unemployed workers who exhaust their regular unemployment benefits under State law after the effective date of the program.

In addition, workers who have exhausted regular benefits before the effective date, but on or after January 1, 1991, would be eligible under a "reach back" provision for 5, 10, 15, or 20 weeks of benefits depending on the number of weeks activated in their States upon enactment.

C. Other benefit provisions

The House amendment includes provisions that are similar to those in the Senate bill.

D. Measure for triggering benefits

To determine the number of weeks of benefits which may be paid in a State, the House amendment requires the Secretary to use the three-month moving average of the State's seasonally adjusted total unemployment rate. However, until the Bureau of Labor Statistics is able to adjust State rates for seasonal fluctuations, a six-month moving average of unadjusted rates would be used instead.

E. Funding source for benefits

Most benefits are paid out of Federal funds in the Extended Unemployment Compensation Account. Benefits for employees of nonprofit organizations and governmental agencies are paid out of general revenues.

F. Repeal of existing program

The existing Extended Benefits program is repealed the month after the month of enactment.

Conference agreement.—The conference agreement follows the Senate bill, modified to provide an effective date for the "reach back" provision of March 1, 1991. It also clarifies that the data to be used in determining a State's TUR would be for the most recent six calendar month period for which data have been published.

TITLE II.—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH

Present law.—Federal law is silent on eligibility conditions for unemployment benefits. However, under State laws, all States require claimants to be able to work and available for work. Also, most States require the claimant to register with a local employment office and to seek work actively or to make a reasonable effort to obtain work.

Senate bill.—No provision.

House amendment.—The House amendment authorizes three state demonstration projects to assess the cost-effectiveness of intensive job search services for unemployment compensation claimants. Claimants who have at least 126 weeks of employment at $30 per week with their last employer in the last three years may be required to participate in an intensive job search program after they have received 6 to 10 weeks of regular State benefits. However, no more than five percent of the claimants for unemployment compensation in a State could be selected to participate. Workers with definite recall dates or those hiring out of union halls would not be eligible to participate.

Lack of compliance could lead to disqualification of up to 10 weeks of benefits. However, States may waive the requirement for participation if the individual shows good cause.

Participants would be entitled to a voucher worth the lesser of the average weekly benefit (about $167 nationwide) in their State of residence or the reasonable cost of providing the services. Costs of operating a job search program would be funded out of the Federal Supplemental Compensation Account.

Intensive job search assistance would include all basic employment services such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview. Additional services would involve periodically contacting the intensive job search assistance program staff, receiving followup assistance, and using resource centers and job search materials and equipment, such as telephones, job listings, and word processors for resume writing.

Demonstration projects would last for one year. States would be required to evaluate their programs and to submit interim reports to the Congress, with a final report due no later than five years after the commencement of each project.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the House amendment.

TITLE III.—OTHER PROVISIONS

A. Payment of unemployment compensation to former members of the Armed Forces

Present law.—Under current law, regular unemployment compensation benefits are payable to unemployed ex-service members who (1) are separated under honorable conditions (and in the case of officers, did not resign for the good of the service); and (2) have completed the first full term of active service. Ex-service members who are separated prior to completing their first full term of active service can also qualify for unemployment compensation benefits if they are separated under honorable conditions: (1) for the convenience of the Government under an early release program; (2) because of medical disqualifications, pregnancy, parenthood, or any service-incurred injury or disability; (3) because of hardship; or (4) if they have served for 365 continuous days, because of personality disorder or inaptitude.

Through most of the history of the Unemployment Compensation program, ex-service members received the same number of weeks of benefits as civilians, and benefits were payable to service members after waiting the same length of time as civilians had to wait. In 1982 the law was amended so that ex-service members must wait four weeks from the date of their separation from the service before they may receive benefits. Civilians serve a one-week waiting period. Ex-service members can receive regular unemployment compensation benefits based on employment in the military for a maximum of 13 weeks. Civilians receive regular unemployment benefits for up to 26 weeks.

To be used as the basis for paying unemployment compensation benefits, active duty service by a member of a reserve military component must have been for not less than 180 consecutive days.

Senate bill.—The Senate bill would repeal the provision enacted in 1982 requiring ex-service members to wait four weeks before being eligible for unemployment compensation benefits, and limiting the duration of their benefits to 13 weeks. It would also reduce from 180 to 90 the number of consecutive days an individual in a reserve military component must serve on active duty before that service may be counted for purposes of eligibility for benefits.

House amendment.—The House amendment is the same as the Senate bill.

Conference agreement.—The conference agreement follows the Senate bill and the House amendment.

B. Advisory Council on Unemployment Compensation

Present law.—Title IX of the Social Security Act requires the Secretary of Labor to establish a Federal Advisory Council on unemployment compensation. The number of members must not exceed 16, including the chairman. The Council's purpose is to review the Federal-State unemployment compensation system and to make recommendations for change to the Secretary.

The Council is appointed by the Secretary, and members must consist of representatives of employers and employees, in equal numbers, and the public. The Council held its last formal meeting on April 22 and 23 of 1981. Its charter expired in 1986.

Senate bill.—The bill would repeal present law and establish a new Advisory Council on Unemployment Insurance. The Council would be patterned after the advisory councils established for the Social Security program.

The Secretary of Labor would establish the first Advisory Council on Unemployment Compensation not later than February 1, 1992. Subsequent Advisory Councils would be appointed every fourth year after the appointment of the first Council. Each Advisory Council would be comprised of 11 members: three members appointed by the President pro tempore of the Senate, in consultation with the Chairman and Ranking Member of the Committee on Finance; three members appointed by the Speaker of the House, in consultation with the Chairman and Ranking Member of the Committee on Ways and Means; and five members appointed by the President. The Chairman would be appointed by the President.

Selections made by the President would be required to include representatives of business, labor, State government, and the public. The President pro tempore of the Senate and the Speaker of the House would each appoint one representative of business, one representative of labor, and one representative of the interests of State governments.

The function of each Advisory Council would be to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program, and to make recommendations for improvement. The bill specifically directs the first Advisory Council to include in its report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, and subdivisions of States. The report of the first Council is due February 1, 1994.

Each Council would be authorized to engage any technical assistance required to carry out its functions, including actuarial services. The Secretary of Labor would provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, that are required by the Council to carry out its functions.

The Senate provision would be effective upon enactment.

House amendment.—The House amendment is similar to the Senate bill. It repeals present law and establishes a new Advisory Council on Unemployment Insurance modeled after the quadrennial advisory councils established for the Social Security program. The Council would report to the Congress on the counter-cyclical effectiveness, benefit adequacy, solvency, and administrative efficiency of the unemployment program.

The Council would have 16 members plus the Secretary of Labor. The President would appoint eight members and the Congress would appoint eight members. There would be four members each from the Congress, business, labor, and State government. The Secretary of Labor would serve as chairman.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the Senate bill.

C. Report on method of allocating administrative funds among States

Present law.—Federal law authorizes appropriations to assist States in the administration of their unemployment compensation laws. The Secretary of Labor certifies to the Secretary of Treasury for payment to States such amounts as the Secretary determines to be necessary for the proper and efficient administration of unemployment compensation during the fiscal year for which the payment is made. The Secretary of Labor's determination must be based on the population of the State, an estimate of the number of persons covered by the State's unemployment compensation law and the cost of proper and efficient administration of such law, and such other factors as the Secretary of Labor finds relevant. The Secretary of Labor may not certify for payment a total amount which exceeds the amount appropriated for the fiscal year.

Senate bill.—No provision.

House amendment.—The Department of Labor would be required to send a report to the Congress with a proposal for revising the method for distributing administrative grants to States. The report would be required to include an analysis of various factors such as productivity, cost, workload levels, and simplicity.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the House amendment.

D. Assistance to certain dislocated workers

Present law.—Under Part B of Title III of the Job Training Partnership Act (JTPA), the Secretary of Labor has discretionary authority to spend funds on employment and training services for dislocated workers in certain circumstances, such as unforeseen mass layoffs for which regular Title II State allocations are inadequate. The Secretary may target such assistance on specific industries.

Senate bill.—The Senate bill directs the Secretary of Labor to give special consideration to providing services to dislocated timber workers in Oregon and Washington for purposes of determining the programs and activities to be funded under Part B of Title III of JTPA.

House amendment.—No provision.

Conference agreement.—The conference agreement follows the Senate bill.

TITLE IV. BUDGET PROVISIONS

A. Emergency designation

Present law.—The Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings), as amended by the Budget Enforcement Act of 1990, provides that new outlays to meet an emergency requirement may be exempted from spending caps and from causing sequestration as a result of failure to meet pay-as-you-go requirements. Part C of the Act, in sections 251(b)(2)(D) and 252(e), provides that if the President designates a provision as an emergency requirement, and the Congress also so designates in statute, then the spending authorized by any such provision will not be counted for purposes of the Gramm-Rudman-Hollings enforcement procedures.

Senate bill.—The bill provides for designating all direct spending amounts and all appropriations authorized by the bill as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985. However, the bill also stipulates that no provisions will take effect unless, not later than the date of enactment, the President submits to the Congress a written designation of all spending authorized by the bill as emergency requirements within the meaning of the Budget Act.

House amendment.—The House amendment provides that its provisions would constitute an emergency within the meaning of section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Notwithstanding the cost estimate, any amount of new budget authority, outlays, or receipts resulting from the bill would not be considered for any purpose of the Balanced Budget and Emergency Deficit Control Act of 1985.

Conference agreement.—The conference agreement follows the House amendment with a technical correction.

B. Exemption of Federal supplemental compensation from sequestration

Present law.—The Federal half of Federal-State Extended Benefits is subject to sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Senate bill.—No provision.

House amendment.—Benefits provided under the new supplemental benefits program would be exempted from sequestration.

Conference agreement.—The conference agreement follows the House amendment.

PROVISIONS NOT INCLUDED IN THE CONFERENCE AGREEMENT

A. MODIFICATIONS TO FEDERAL UNEMPLOYMENT ACCOUNTS

Present law.—Generally, State accounts in the Federal unemployment trust fund earn interest on funds not required to meet current withdrawals at a rate equal to the average rate of interest of all interest-bearing obligations of the United States forming the public debt.

The Federal unemployment tax on employers is 0.8 percent on the first $7,000 paid annually to each employee. It flows into three Federal accounts: (1) the Employment Security Administration Account (ESAA); (2) the Extended Unemployment Compensation Account (EUCA); and (3) the Federal Unemployment Account (FUA).

The ESAA holds funds for the administration of the Unemployment Insurance and Employment Services. The EUCA holds funds to cover the Federal half of the Extended Benefits (EB) program. The FUA holds funds to lend to States who run out of money in their accounts to cover State benefits and the State half of the EB program.

Currently 90 percent of the 0.8 percentage point (0.72 percentage points) Federal unemployment tax flows into ESSA. The remaining 0.08 percentage point is transferred monthly to EUCA. Up to 95% of the estimated net revenue after this transfer is available to be appropriated for State administrative costs.

The remaining balance is available for Federal administrative costs. At the end of the fiscal year, any excess above 40 percent of the appropriation for the prior fiscal year is transferred to EUCA.

EUCA receives the 0.08 percentage point of the Federal unemployment tax plus any overflows from ESAA. It has a ceiling of 0.375 percent of total wages in covered employment in the prior calendar year. If the ESAA and EUCA are full, any excess at the end of the fiscal year is transferred to the FUA. If the ESAA is not full, the excess is transferred to ESAA and then any remaining funds go to FUA or EUCA to the extent that they are not full.

FUA does not receive Federal unemployment taxes directly. If ESAA and EUCA are full at the end of the fiscal year, FUA receives the excess funds. If all three accounts are full, the excess is allocated to the State accounts in the unemployment trust fund in proportion to each State's share of Federal unemployment taxes paid in the prior calendar year.

Senate bill.—No provision.

House amendment.—The provision would authorize a tiered interest rate structure to reward States for maintaining adequate balances. Interest rates on State balances would earn premiums of 5, 10, and 15 percent higher than the current interest rate if their "high-cost multiples" in the previous quarter exceeded 0.5, 1.0, and 1.5 respectively. The high-cost multiple equals a State's current trust fund balance expressed as a percent of total wages paid in the State divided by the highest ratio of benefit costs to total wages for a 12-month period in the State's experience.

The provision would change the flow of Federal unemployment tax revenue into the three Federal Accounts such that ESAA would receive 80 percent. EUCA and FUA each would receive 10 percent of the annual revenue. The overflows would continue to work as under present law. Interest-free borrowing would be authorized between the accounts. The ceiling in the loan account would be lowered from 0.625 to 0.375 percent of total annual wages. The ceiling on EUCA would be raised from 0.375 to 0.625 percent of total annual wages, and it would be renamed the Supplemental Compensation Account.

Conference agreement.—The conference agreement does not include the House amendment.

B. COST ESTIMATE

Present law.—Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990, provides that the Office of Management and Budget shall determine and report on amounts to be sequestered to enforce spending limits, pay-as-you-go targets, and deficit targets. If in its final sequestration report OMB estimates than any sequestration is required, the President shall issue an order fully implementing without change all sequestrations required by the OMB calculations set forth in that report.

Senate bill.—No provision.

House amendment.—As required by House rules, the total dollar amounts of outlays and receipts resulting from the provisions of the bill in fiscal years 1991 through 1995, as estimated by the Congressional Budget Office, are written into the bill.

Conference agreement.—The conference agreement does not include the House amendment.

C. INTERNATIONAL COFFEE AGREEMENT

Present law.—The International Coffee Agreement is a multilateral commodity agreement, first negotiated in 1962, between consumer and producer countries. Its objective is to stabilize coffee prices and assure adequate supplies of coffee to consuming nations. Negotiations on the renewal of the agreement were broken off in 1989. The statutory authority for U.S. participation in the agreement expired on October 1, 1989.

Senate bill.—The bill contains a Sense of the Senate resolution stating that the International Coffee Organization, through its export quota system, acts like a cartel and directly against the interests of American consumers by keeping prices at artificially high levels.

The resolution expresses the sense of the Senate that the United States should not be a party to any coffee agreement which will increase the price of coffee to the American consumer.

House amendment.—No provision.

Conference agreement.—The conference agreement does not include the Senate provision.

LLOYD BENTSEN,
GEORGE MITCHELL,
DON RIEGLE,
BOB PACKWOOD,
Managers on the Part of the Senate.

DAN ROSTENKOWSKI,
THOMAS J. DOWNEY,
HAROLD FORD,
BARBARA B. KENNELLY,
MICHAEL A. ANDREWS,
Managers on the Part of the House.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, the vote on the conference report will be one of the most important votes that I think the Senators will cast this year. It is not just going to affect the millions of Americans who are out of work seeking jobs. It is going to affect their families. In addition to that, it will have some stimulative effect.

We have an economy that is in serious trouble. The effects are going to go far beyond these men and women who are out of work and their children. It is not a bill of special interests. It is a bill that will affect all Americans who have lost their jobs.

We are being punished by the longest recession we have had, the third longest since World War II. Just last month we saw Republicans and Democrats join together to try to meet the compelling need for extended benefits. The President must have agreed with the legislation, because he signed it. But then he chose not to fund it. He talked the rhetoric of recovery. He talked bravely about the end of the recession, and then did not release that money because of that. I am sure he was sincere in that thought.

But things have become even worse since he made that decision. We have tragic consequences as a result of his decision. We have seen another 300,000 jobs lost in this country in August. That is on top of the 172,000 that were lost in the month before. And another 300,000 unemployed workers exhausted their benefits. The end of this recession did not come soon enough for them.

All of us know this economy is in trouble, especially for the 8½ million Americans who cannot find jobs, cannot find work. Behind those numbers are men and women with bills to pay, concerns about somebody coming in the middle of the night and repossessing their car, and making the mortgage payments; people trying to keep their dignity and trying to hang on until this economy begins to turn around.

The President keeps saying the recession is over, that recovery is on the way, that soon everybody will be back to work. I understand his desire to take an optimistic point of view. I certainly hope that his optimistic view somehow turns out to be correct, in spite of the numbers that we are looking at. But let us assume he was right. Let us assume that all of these people all of a sudden found jobs, got back on payrolls. Then they do not qualify for these benefits. These benefits are not paid out under those circumstances.

But if this recession continues, as most of the economists think it will, then we help take care of some of these folks that are out of work.

Let us look at some of the numbers, some of the facts that Senators ought to consider. Real disposable income today is lower than it was 1 year ago. Consumers have tapped their savings, and they do not have the funds to spend. You see real savings at the lowest postwar level, less than 4 percent of disposable income. That drop in savings, coupled with no real income growth means that the consumers just do not have the cash to spend. Except for the wealthiest Americans, families have been burdened with no growth in real income for a decade.

It was worse in 1990, when rising unemployment caused incomes after inflation to drop by $500 per household. That is the largest drop since 1980. The consumer euphoria that we had following the gulf war had people pumped up for a few months, but it evaporated. Consumers have hunkered down since. They have refused to go any further in debt, to spend any more than their incomes.

Since August, consumer confidence in the economy has disappeared, retail sales have fallen, car sales are down, home sales are down. Even industrial orders are backing off. There are signs that the economy is moving down, not up. Consumer caution has turned what we had hoped would be a sturdy recovery into a stealth recovery, with the economy wallowing.

Economists are downgrading their forecasts for the second half of 1991. The administration has been talking about a 3.2-percent increase in the GNP. Now, economists are talking about a 1-percent increase. Even worse, the downturn in consumer confidence means that unemployment will remain weak in the weeks and months ahead.

This is grim news on top of an already poor labor market data. We have lost 472,000 jobs in the last 2 months. In August, civilian employment dropped to 160 million. That is the lowest in nearly 3 years. I greatly fear even more job loss ahead.

Historically, as you are coming out of a recession, you see a lag in the recovery from unemployment. It continues at a high level for at least 7 or 8 months, even after a recession is supposedly ending. Even the experts say that this recovery is going to be slow and it is going to be muddled.

You have seen what the Federal Reserve has done. They have cut the discount rate down to 5 percent. That is the lowest in 18 years. They have done it in an effort to jump start the economy. There is a likelihood that the President will be talking to the Fed and trying to get that rate down even more, but that does not do any good if the bankers do not loan the money.

It is like that old story about the fellow who was trying to buy some bananas. He said to the shopkeeper, "Your bananas, at that price," he said, "I can buy them down the street for two-thirds of that."

The shopkeeper said, "Well, then, why don't you go buy them for that?" He said, "Well, he is out of bananas." The shopkeeper said, "When I am out of bananas, I sell them for a third of that price." So even if you drop the discount rate down, if the bankers do not loan the money, you are not going to move this economy again.

Sure, there are economists who think the recession may be over. Those rosy forecasts assume that you are going to see a surge in consumer spending, employment, and housing that we have not seen this year. Surveys show that, on the contrary, consumers have turned cautious, and recent numbers suggest that the recovery is stalling.

I believe we need the benefits provided in this bill as kind of an insurance for American workers. If the economy rebounds again, we will not need to pay them, because today's unemployed workers will be working. They will be taking care of their families and they will be spending money.

But if the economy stalls, these benefits will help pay the mortgage payment, the doctor bills, and help these families sustain themselves until they can find jobs.

I would like to take a minute to respond to some of the criticism that has been made of S. 1722. First, the suggestion has been made that because the bill uses the total unemployment rate, or TUR, as the measure for triggering benefits, that somehow we are going to be providing benefits for college students. That charge is simply ridiculous.

As anyone who has read this bill must know, emergency benefits are paid only to insured workers with a substantial tie to the labor force. Furthermore, anyone qualifying for benefits is required to search for a job. This is not a bill to tide the college students over the summer break.

Second, it has been said the several tiers of benefits makes the bill difficult to administer. The bill we adopted, and the conference bill before us today, have three tiers. Let me remind Senators that we enacted legislation in 1983 that had four tiers. Both the Department of Labor and the States were able to administer the program then, and they can do it again. Let me add that not a single State has come to me with a complaint about the complexity of S. 1722. So that is a phony argument.

Third, it is argued that the TUR is new. It has never been used before. That is true. But the old measure, the IUR, is broken and needs fixing. As I have pointed out before, during the 1980's, there was a growing divergence between the TUR and the IUR, stemming from changes in the economy, as well as changes in State laws. The IUR has become a flawed measure. Imagine a situation where you have unemployment going up, and the trust fund that is dedicated for the purpose of paying out extended benefits at a time of high unemployment also goes up, and those funds are not paid out. That is what has happened to us.

The eligibility rules have varied from State to State, and there are serious questions about the fairness of using the IUR across the Nation. For example, let me pick out four States: Florida, South Dakota, Virginia, and Texas. The total unemployment rate would have to be 15 percent—15 percent—before workers could qualify for benefits under the current IUR trigger for extended benefits.

The opponents of this bill argue that it busts the budget agreement worked out last fall. As a participant in those negotiations, I hold the view that the emergency authority used in this bill was put in precisely to enable the Congress and the President to respond to the kind of situation that we are facing today.

When we were negotiating the 5-year budget agreement last year, it was far from clear that the recession would inflict the kind of pain on the American workers that we have seen since that time. More specifically, we did not anticipate that the Nation's unemployment compensation program would be as unresponsive to the problem and the needs of these unemployed workers as has been the case.

The capacity of the Nation's extended benefits program is approaching a condition of paralysis. Let me give you an example of that. Only one State now qualifies, and that is the State of Rhode Island. They have about 5,500 workers that are eligible. Meanwhile, the Department of Labor actuaries now estimate that the number of workers who will exhaust their extended benefits will grow to 3.4 million in fiscal 1992. That is up from 3.1 million in the previous year.

Many of us were greatly disappointed when the President did not use that emergency authority to release part of the $7.7 billion in the unemployment trust fund that was specifically set out, paid for by employers, for this purpose. I am sure the President was being advised he would have new labor market numbers to justify his position, but the lack of improvement over the last month should cause him to reevaluate his position. He has to know that, because of this recession, there are families all over this Nation who cannot pay their mortgages or meet their car payments.

We cannot turn our backs on hardworking Americans. We have seen the new numbers. We, and the President, can have no illusions. We can repair the Nation's broken unemployment compensation system, and we can pay the benefits; or we can sit back and say that we are sorry, but do nothing to help the workers get through this period of severe strain for themselves and their families.

I understand the President's concern that this bill may be but the first of a series of bills the Congress will try to pass under the emergency authority provided in last fall's agreement. But the President, after all, is not a helpless bystander on this issue. He has the ability to choose and the power to sign, or not to sign, any bill that comes across his desk.

I agree with the circumstances in which emergency authority is invoked should be rare, and the decision to invoke it should not be taken lightly. I, for one, did not take it lightly when I supported the President in using the emergency authority on behalf of the Israelis, the Turks, and the Kurds. I would note that this is the first time, the only time, that the Congress has taken the initiative in this regard. In all the other instances, the President has done it first. He has been the one with the emergency designation.

Mr. President, this recession is not a gentle crisis. There are 2 million more people unemployed today than we had a year ago. Try telling them that the recession has ended. They would like to believe the President, but the President is wrong on this one. I hope that with these new numbers, and more concern, the President will change his mind and recognize the tragedy of hundreds of thousands of Americans who have exhausted their benefits, and join the Congress in an effort to respond to this crisis. These benefits have been paid for; the money is there, and they have been needlessly delayed. We need to join together to pass this conference report and send it to the President as quickly as possible.

I yield the floor.

Mr. DOMENICI. Mr. President, the Senator from Tennessee is on the floor, also, and I understand that we already have a unanimous-consent agreement that will permit us to debate this issue to a significant degree early next week.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. So I am going to try—it is difficult, but I will try—to be very brief so the chairman can get in a few words and still keep his schedule. We have talked about it.

Let me first say that, probably, the thing that best points up what the Senator from New Mexico is going to say is this: The Congress, just a few weeks ago, passed an unemployment compensation extension bill, and the President of the United States signed it. Frankly, it is still operative. In other words, the unemployment bill signed by the President and is now law is still operative. The same thing that is missing there seems to me to be the thing that is wrong with this bill. The President did not declare an emergency and, thus, the moneys provided in the new law will not go into effect.

Why does the Senator from New Mexico say that, and what relevance does it have here? Well, frankly, Mr. President, I am not going to talk about substance. I think the distinguished Senator from Texas, Senator BENTSEN, discussed the substance of this unemployment compensation bill. Frankly, that issue of the substance has been voted upon in both Houses, and has been voted upon by a substantial majority, and the Senator from New Mexico at this point does not think it is necessary to go through arguing on the substance. So I choose today to talk about the 5-year agreement, the balanced budget, and Emergency Control Act, and how it affects this bill.

First of all, it could not be clearer that the law requires that both the President and the Congress declare any provision of law as an emergency, and it could not be clearer that that law requires that each, the Congress, as one institution, and the President, as another, do that independently. I just cited an example. We sent a law to him; he signed it but, clearly, the money will not be spent until an emergency is declared, and declared by whom? By him.

So here we are doing it another way and it is interesting. The way we are going to do it next week is not the way the U.S. Senate had in mind but rather the U.S. House, because in passing the second unemployment compensation bill the U.S. Senate clearly recognized that the Congress and the President have to declare that law an emergency independently.

So, the emergency language contained in this conference report is a major and fundamental change in the Budget Act that we agreed to less than a year ago, because in this bill we actually put in language declaring an emergency and everyone on the other side understands that the President is going to veto it so he is not going to agree that there is an emergency.

Nonetheless, that vetoed bill is coming back to the Congress and they want both Houses to override the President and thus declare an emergency by veto, an emergency because we overrode a President who said there was not one.

Frankly, I am not talking what will happen in the courts. I do not know if this matter would ever go to the courts. Essentially I want the Senate to know two things. One, the Republicans led by Senator DOLE here had an unemployment compensation bill. It is still ready. We hope it will still be passed one day. If it gets to the President it will be signed and unemployment benefits, extension of unemployment benefits will go into effect because it does not require the declaration of an emergency. Rather, it is paid for by two substantive provisions that raise money to pay for the unemployment compensation extension.

I do not desire today to discuss the worthiness of the bill before us or the worthiness of the DOLE-DOMENICI bill. That will occur next week. Suffice it to say if there is anyone really interested in having an unemployment compensation bill become law that extends the benefits for a substantial period of time, then the bill that Senator DOLE offered in his name and for the Senator from New Mexico, if we pass it, send it to the President, it will be signed and it will become operative because it pays for itself.

Section 401 of this conference agreement denies the authority granted to the President under current law and says that provisions contained in this legislation are emergency requirements. It does not permit the President to make an independent declaration. Accordingly, this bill is subject to a point of order under section 306 of the Budget Enforcement Act.

Further, if Congress, enacting this provision, sets a precedent of making certifications and declarations which have been specifically delegated to the President, then there is no limit, there is no limit to the havoc we can raise here and almost destroy the Budget Control Act and the 5-year agreement. If we are permitted to declare unilaterally there is an emergency, then we can take any politically popular program, be it education, agriculture, any that we can come up with, and say we will unilaterally declare it an emergency. And if the President vetoes it, we will override him and thus literally do away with the 5-year agreement, break the caps, bust the budget, break the deal that was entered into between Congress and the President all in the name of something good, something that we have to do.

Frankly, if we are going to give the President of the United States in his executive capacity certification powers and then undo them when it fits our political agenda, it seems to me we at least have to tell the public, tell ourselves, and make sure we understand that that is what we are doing.

We clearly had in mind that an extension of unemployment compensation benefits would be handled like any other new law and that comes within the pay-as-you-go. Americans think that is a pretty commonsense approach. In this case, pay-as-you-go is thrown out the window and the President is forced under the gun of override, he is forced to agree that there is an emergency which means we should not pay-as-you-go for this measure.

As much as I am convinced that we need an extension of unemployment benefits, I truly believe it is a mistake for us to do that without paying for it in some way. This will be $6 or $7 billion that we will take outside the budget and we will be declaring an emergency for the President.

Frankly far be it from me to determine whether there is an emergency in unemployment compensation. I do understand that there is a real problem. I will vote for an extension. I support an extension. But I do not believe we ought to say to the President you do not have to agree as to emergencies, we take that power away from you, and even if you veto the bill, we will override it and declare it for you.

Unilaterally breaking this budget agreement or budget deal seems to me to be the wrong thing to do. Let me say to those in America who are working today, and those who are looking for work, nobody will tell you that spending money, dollars, going in the red more than we are, is going to be good for your job next month, the year after, 2 years from now, or those looking for work, that it will help with jobs for you.

So it seems to me the discipline that was imposed by the agreement, the 5-year agreement which only says pay for it or ask the President to exempt it by declaring an emergency, and we already know what he said; he said no. It ought to be enough for those who disagree with him to chastize him verbally and say he is wrong. No. We send him a bill so he can veto it, that at least the opposition hopes it will override, so we can say we will declare the emergency for you, Mr. President, and we are not interested in what you think.

At the appropriate time, and I think it is now, I am going to raise a point of order that the conference agreement includes language that falls within the jurisdiction of the Budget Committee and therefore violates section 306 of the Budget Act.

The PRESIDING OFFICER. The point of order is debatable.

The Senator from Tennessee.

Mr. SASSER. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive any applicable sections of the Budget Act for the consideration of the conference report.

Mr. President, I assume the distinguished Senator from New Mexico has yielded the floor.

Mr. DOMENICI. Yes.

Mr. SASSER. Mr. President, the first casualty of this point of order, if it were to succeed, would be millions of jobless Americans who have paid for and deserve the protection of unemployment insurance.

In my view the second casualty would be the integrity of the budget agreement itself.

Make no mistake, this point of order is destructive. Its intent is to kill this unemployment legislation. It will have the effect of denying benefits to the 3 million unemployed Americans who have lost their insurance protections and to the millions more who are soon to join them.

Mr. President, if this point of order is sustained, it will manipulate the budget rules in a way that the participants in the budget summit did not, and I think will not, condone.

I completely respect the intent of the distinguished ranking member of the Budget Committee and I certainly share his desire to preserve jurisdiction of the Budget Committee. But I would state that this is not a procedural question. This issue is a matter of a fundamental social contract between the American Government and the American citizenry. For 50 years we have sustained the promise that Government would help working Americans adjust to sudden and unexpected market forces. And we simply cannot break that promise here today on procedural grounds.

I was a party to the budget agreement. I had an active hand in its creation. I struggled long and hard this year to sustain that agreement. I have been on the floor fighting to uphold our budget discipline on suspension resolutions, on authorization bills, throughout the budget process. And I can tell my colleagues without the slightest doubt, that this bill does not break the budget agreement.

The economic distress of millions of unemployed Americans is precisely the kind of emergency situation contemplated by the agreement, precisely the circumstance for which we built flexibility into the agreement.

It meets in every way the technical definition of emergencies offered by the Office of Management and Budget, and that is it is essential; it is essential that these people get an extension of their unemployment benefits.

The occurrence here was sudden. It was urgent. Clearly, the need is urgent. It was unforeseen. Who could foresee the recession would go as long as it has?

And it is temporary—at least we hope that it is temporary.

It is also an emergency by the commonsense definition of human suffering.

And most important, it is an emergency in the view of no less than two-thirds of this Congress—two-thirds of the Senate, and two-thirds of the House of Representatives—all of whom are on record saying that this is an emergency for our people, and that they deserve the full protections they have paid for.

In short, Mr. President, there is no procedural bar to declaring an emergency. There is no lack of need on the behalf of unemployed Americans. And there is no lack of will here on the part of the Congress.

Mr. President, I do not wish to engage in a lengthy debate today. We are going to have time for that Tuesday. But I do wish to state my differences with my friend, the ranking member, on one point.

The Dole bill does not include a provision designating the Dole bill as an emergency. In fact, the Dole bill included language strikingly similar to that in S. 1722 that the Senate voted on and adopted overwhelmingly.

I think we all agree that it is an emergency. The only problem is the President does not agree so far.

The emergency language is actually in the Dole bill as a matter of convenience since there is no certainty about when the electromagnetic spectrum auction will begin to bring in revenue, or how much revenue it would bring in. All that is speculative. Therefore, the Dole bill includes emergency language to avert a possible sequester in 1992. Now that is certainly not a use of emergency designation that was contemplated in my view by the budget summit agreement.

So, Mr. President, I am going to have a lot more to say about this whole issue on Tuesday. But I would just say this. I think the point of order is raised, in essence, to preserve what was an unintended enhancement of executive power.

I would say to my colleagues that I, for one, never imagined that the budget agreement would be used to deprive the Congress of one of its most fundamental powers.

The bill before us today simply denies the President some sort of ultimate veto power that no one ever intended he should have.

The language in this bill is a straightforward way to give the President the either/or choice he must make on all legislation that comes to him: Either sign the bill and help unemployed Americans, or veto it. I do not think it is proposed for the President to hide behind the shield of the budget agreement.

In the 7 weeks since we first unanimously passed emergency unemployment legislation, more than half a million Americans have been ejected from the unemployment insurance system. They have been told that no further checks would be coming. I my view we have delayed far too long already. This point of order I think would occasion significant further debate.

I have grave reservations, I must say, Mr. President, about waiving the Budget Act, especially with respect to the section 306 points of order which reserve the jurisdiction of the Budget Committee.

But in this case I do not have any reservations. In my view the Senate should vote to waive the Budget Act.

I think this unemployment legislation ought to be a wakeup call to the administration. Yesterday, the Census Bureau reported that fully 13½ percent of our fellow citizens now live below the poverty line, 2 million more than last year. This was the information from 1990. The data, of course, for 1991, which has felt the full brunt of the recession, is not in. Median income is down by 2 percent.

So, this emergency unemployment legislation is something that needs to be dealt with, and needs to be dealt with speedily. The last thing we need, Mr. President, is any further delay here on procedural grounds.

Mr. President, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, this bill before us clearly violates the budget summit agreement. Our distinguished colleague, the chairman of the Budget Committee, chooses to redefine terms to suit his interests in his objective. But the budget summit agreement was that if we were going to send the deficit up, that we had to have a concurrence that an emergency exists, where the President said there was an emergency, and where the Congress said there was an emergency.

The bill before us would violate the budget agreement and would, through its adoption, send the deficit up by $6 billion in the process, driving up long-term interest rates, stifling the fragile economic recovery, and in the process, its adoption will put more Americans out of work.

Second, we establish a precedent that will bring us back next week, and the next week, and the next week to spend $5 billion and $10 billion a crack above the budget summit agreement, and in the process interest rates will spiral and the economy will no doubt sink deeper into a recession.

If our Democratic colleagues were serious about helping the unemployed, they would reach an agreement whereby we would pass a bill that we pay for. If this is an emergency, if this is something that has to be done, why is it not serious enough that we are willing to pay for it? Why is it such a great emergency on one hand and yet we are totally unwilling to reorder priorities to pay for it on the other?

What we are seeing, Mr. President—and I am sad to be saying it—is a cruel political hoax that has nothing to do with the unemployed. It has to do with concern by Democrats that they may be unemployed. What we are seeing is a cruel political hoax whereby Democrats claim to be concerned about the unemployed but in the process they bust the budget, they refuse to pay for the bills, they send the President a bill which they know he will reject and which they know we will sustain that rejection on, and in the process the people who are out of work get nothing.

I urge my colleagues, if you want to help the unemployed, do two things: One, let us work out a bill that we pay for, and the President will sign it and we will extend unemployment benefits. Second, let us remember that the solution to unemployment is employment, and let us adopt an economic growth package aimed at creating jobs, growth, and opportunity in America.

I think the American people are tired of these political charades. Quite frankly, I do not believe people trust the Congress. The Congress bounces checks in its own private bank. The Congress does not live by the same rules and regulations everybody else does.

People know the President. They trust the President. The President says that this is a political charade. Congress says we are trying to help the unemployed. I submit to my colleagues that the American people are not confused. They are going to recognize what we are doing. I believe it is time that we deal with the real problem.

The economy is not progressing as it should, as we would have it, and I say we do two things: One, let us adopt an unemployment compensation bill that is such an emergency measure that we are willing to pay for it. That is a fundamental concept, and the American people understand it. Second, let us adopt an economic growth package that provides incentives for job creation and deal with unemployment in the only way it can effectively be dealt with, by creating employment, by making the private sector of the economy stronger.

I yield the floor.

Mr. DOMENICI. Mr. President, let me thank the Senator from Texas for his remarks.

Let me just make two points. I do not think there is any real doubt that if the Appropriations Committee of the U.S. Senate agreed with an appropriations bill that the House started—we have already reached our capacity in spending and they decide there are about 20 projects they would like to do and we have this 5-year agreement in place. And they say, "That is too bad. What we are going to do is build a dam in my home State and some roads in somebody else's and we are going to have a special highway someplace else in some State, and just on and on."

So we have $5 billion. But you put it in a supplemental appropriations bill even though we have already spent what we are supposed to spend and no more.

And somebody says, "We cannot spend that because the President has not declared it an emergency."

"That is all right," someone says. "Do not worry about that. Just write in some language on the bottom that says we, the Congress, say this is an emergency. When this bill becomes law, it is an emergency."

So we pass it up here. We are all so pleased, we have something for everyone. We send it over to the President. The President says, "I signed a 5-year agreement with you. We all struggled. It says in here if you are going to declare an emergency and break the budget, I have to agree it is an emergency. That is plain and simple, what we agreed to. That is what we had in mind."

Here is what the Democratic leadership is saying. They are saying: "Senator DOMENICI, that is not the case. This is another kind of $6 billion."

Are there two kinds of $6 billion? I think if you spend $6 billion you do not have—whether it is for all those nice projects I just described or for an extended unemployment compensation bill—you have not paid for either. So it is $6 billion in either case you have added to the deficit.

The point of it is that the President has already told the Congress, "I want to sign an unemployment extension bill but I do not want to add any to the deficit. Find a way to pay for it."

We have decided. Not just this Senator. Most of the Senators on this side of the aisle—not them—have said, "We understand, Mr. President. We have a bill. We will pay for it. You do not have to declare it an emergency, nor do we."

But there are some who choose to say to him, "We do not care what you think. We are not interested in whether you think it is an emergency. It is. Here is the bill. If you do not sign it we will override your veto and it will become an emergency without you agreeing."

Frankly, it is a very, very interesting legal situation, although I do not care to address it in legal terms. But how in the world you can have a valid expenditure under this agreement under those circumstances I do not understand. And I do not think we have to go through all of that.

Frankly, the Senate will probably not agree with the Senator from New Mexico on a point of order, although it is interesting. They will have to get 60 votes to overrule it under the Senator's motion to waive; he will need 60 votes.

If they get them—and they probably will—it will go off to the President and he will veto it, as he said he would, and I can assure you we will be right back here asking the Senate to immediately take the Dole-Domenici bill up and pass an unemployment bill that the President will sign and will become law.

I just want to talk about a few billions of dollars and what it always means. My good friend, the chairman of the Budget Committee, spent the better part of 2 days on the floor discussing the B-2 bomber and three or four other things. I just was interested how much was he, in that dedicated and passionate desire to keep the budget under control, how much was he going to save in the first year?

My recollection is something like $4.2 billion. He was very interested in seeing to it we did not spend that $4.2 billion.

I do not know whether he was right or not on the particular weapon systems. I did not happen to agree. But even today after all of that discussion about saving $4 billion so it would not go on the deficit, we are going to approve a bill that is well over $4 billion. In fact it is $6.2 billion. And it is talked about here as if it is almost nothing. It really is a significant event here on the Senate floor.

I want to close—and this is my last comment—by saying for this Senator, and many who have voted in a way similar to him thus far on these unemployment extension bills, it is not my position nor theirs that we do not need an extension. We need an extension of the unemployment benefits that we pay for. And I will say the CBO—Congressional Budget Office—has given us an estimate on the Dole-Domenici bill and indeed in the first year it does pay for itself according to them. We will introduce that when we bring the bill up.

So it pays for itself. It complies with the budget agreement, extends benefits, and surely it is better to do that than to get none and try to prove a point, which clearly the Democrats will lose.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I had intended to be very brief today but I think I must respond to one or two of the statements made by the distinguished ranking member of the Budget Committee.

No. 1, I think the question is moot as to whether or not the so-called Dole bill will pay for itself. If it will pay for itself, and we are positive of that, why do we have an emergency designation in the Dole bill as a fallback provision? The Dole bill may or may not pay for itself.

Our colleagues on the other side of the aisle are so apprehensive that it will not pay for itself, even under the fig leaf of the Dole bill, that the bill contains language allowing a fallback position of an emergency designation.

My friend from New Mexico raised the issue that yesterday, or the day before, the chairman of the Budget Committee was on the floor seeking to reduce expenditures for some exotic, super-expensive weapons systems that have been characterized as relics of the cold war.

I plead guilty to that. I was trying to save the U.S. Treasury $54 billion through 1995—$24 billion of which from weapons that will not, in my judgment, be needed. And I predict in the final analysis these weapons will not be built because the American people, I think, understand something that some Senators do not seem to understand. The Earth has shifted beneath our feet in the last few weeks. There is no need to spend literally hundreds of billions of dollars—billions of dollars in the multiples, to build weapons systems that are not needed.

With regard to the administration, the administration is well acquainted with emergencies in all other countries around the world except in the United States. They seem to be well able to recognize emergencies in foreign lands and to deal with these emergencies by giving significant foreign aid to these foreign lands.

In the meantime, the President is forgiving foreign indebtedness, just as rapidly as he can.

This administration is in a race with the clock to liquidate this foreign indebtedness before October 1, 1991, when the new credit reform rules kick in under the budget agreement—rules that require explicit appropriations for waiving off debt in foreign countries.

The list of countries whose debts are being forgiven, read like a Jules Verne travel adventure. $310 million debts forgiven for Bangladesh; $379 million for Bolivia; $94 million for Ghana; $142 million for Guyana; $94 million for Haiti; $107 million for Honduras; $271 million for Jamaica.

Bear in mind, these are moneys owed to the Treasury of the United States and indirectly to the taxpayers of this country.

Kenya, $100 million; Madagascar, $54 million; Malawi, $3 million; Mozambique, $52 million; Nicaragua, $22 million; Senegal, $42 million; Tanzania, $58 million; Uganda, $16 million. These are the debts that are owed to the Treasury of the United States that are being forgiven. Apparently the President can find an emergency in these situations and just forgives the debts in advance of the credit reform package, part of the budget summit agreement, that is to take effect on October 1, 1991.

We say, Mr. President, it is time that the President recognize we have an emergency with regard to the unemployed in our own country. This Congress sought to declare an emergency. The President said it was not an emergency. He signed the bill and apparently just put the bill away and did not move forward with the emergency provision.

We simply cannot tolerate that kind of callous disregard for the millions of unemployed in this country any longer. And that is the reason for the conference report that is before the Senate today.

Mr. President, I see that the distinguished Senator from Maryland is on the floor. I will be pleased to yield to him if he wishes.

(Mr. AKAKA assumed the Chair.).

Mr. SARBANES. Will the Senator yield for a question?

Mr. SASSER. Yes.

Mr. SARBANES. Is it not a fact that employers paid money into a trust fund specifically for the purpose of paying extended benefits?

Mr. SASSER. The Senator from Maryland is quite right. Employers and employees pay funds into the extended benefits trust fund, unemployment compensation, to be used in times of unemployment on the part of employees.

Mr. SARBANES. Mr. President, this chart shows the balance in that trust fund. It is now up over $8 billion. That money was paid for a specific purpose, to pay extended benefits, and they are not being paid. It borders on the criminal to take that money and then not use it for the purpose for which the tax was levied.

The whole unemployment benefits system has been constructed to build up a surplus when unemployment is down, so it is available to pay the benefits when we go into a recession and when we have bad times. That is not being done right now, and it is an abuse of the purpose for which these moneys are paid not to extend the unemployment insurance benefits. We have done it in every previous recession, as indicated by this chart.

These are the number of persons receiving extended unemployment insurance benefits. You can see how the number rose during the recessions of 1974 to 1975, 1980, 1981, and 1982. But in this recession, almost no one—is receiving extended benefits—only 14,000 people out of 8.5 million. This is happening even though there is a huge balance in the trust fund.

I am going to speak a little bit in just a moment about this recession and the situation in which we find ourselves. The poverty figures were announced yesterday, and the figures are at the highest level in more than a decade.

I yield the floor at the moment. I see the majority leader and Republican leader.

Mr. SPECTER. Will the Senator yield for a question?

Mr. SARBANES. Certainly.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Maryland for being willing to answer a question. Perhaps I could attract the attention of the majority leader on this. I would be interested in his response as well.

I agree with what the distinguished Senator from Maryland has had to say about the trust fund. I have supported extension unemployment compensation benefits. Shortly after the distinguished Senator from Texas, Senator BENTSEN, announced his intention to move ahead, I contacted him to be a sponsor of the legislation because I think it is vitally important for the country.

The question I have turns upon the rejection of the proposal which Senator DOLE offered on August 1. At that time, he proposed an unemployment compensation bill which was not as extensive as the one offered by Senator BENTSEN, Senator MITCHELL, Senator SARBANES, and others. It seemed to me however, that it would have been a good intermediate step to have accepted Senator DOLE'S proposal, since the President had stated a willingness to sign it, so that benefits could have been paid during the course of August and September. If those benefits proved to be insufficient, we could have revisited the issue later.

Let me re-emphasize my position: I intend to support the bill which is up. In fact, I have stated my intention to override a veto. Again, I think it is a very important bill. But my concern goes to the lapse between August 1 and the ultimate enactment of legislation. Who knows when that will happen; especially if the bill is vetoed. Passage of the bill on the Senate floor does not mean there will be a sustaining of a veto or an overriding of a veto. We do not know.

So that is the question in my mind. Why did we not accept Senator DOLE'S proposal to have some benefits payable in the interim, and then, if that was insufficient—and it may well have been—to come back and have a supplemental bill?

Mr. MITCHELL. Mr. President, I thank the Senator for his very thoughtful and appropriate question, and I thank him for the support he has provided on this measure so far, and what I hope to be continuing support.

Of course, we have the greatest respect for Senator DOLE, and weighed carefully the alternative which he presented. It should be first pointed out that under the bill for which the Senator voted, there is a reachback provision. And under the conference report, there is a reachback provision which will pay benefits to those whose benefits were exhausted. I believe the date in the conference report is now March 1. So that people whose incomes have terminated as a result of the expiration of their insurance since March 1, will be able to receive those benefits upon the completion of this bill.

Second, we felt strongly that the approach taken in the Bentsen bill was the better approach, and while we certainly respect and understand the view expressed by Senator DOLE and those who support it, we felt that this was the better approach.

Third, while it is true that in August, the President rejected this approach, it is my hope that in view of the drastically worsening economic situation, as evidenced by a series of published reports since August, the President will now recognize the need for this, what I think the Senator agrees is a superior program and proceed to sign the bill.

I will not go into detail on that. I think the Senator is familiar with the

Census Bureau figures released yesterday, the figures on economic growth in the previous quarter.

Mr. SARBANES. Will the majority leader yield on that very point?

Mr. MITCHELL. Yes.

Mr. SARBANES. Here is a chart which shows the real GNP growth, just to dramatize this situation. We had negative growth in the last quarter of last year and the first quarter of this year; 1.6 percent and 2.8 percent negative growth. Then in the third quarter, the preliminary figures in July show that we had growth of four-tenths of 1 percent. The August revision said, no, that was not correct; it was a minus one-tenth. Now the September revision, which is more accurate because you have more information, is minus five-tenths of 1 percent. So, now you have had negative growth for 3 consecutive quarters, which we think the President has to recognize.

You have also had a downturn in the sale of domestic autos, as reflected in this chart. As you can see, the trend line is downward, and the latest figures are downward. The consumer confidence index, which dropped drastically last year, and then started back up this year, is now on its way back down again.

Now, those are just three important indicators to support the point which the majority leader was just advancing about the worsening condition of the economy.

Mr. MITCHELL. Mr. President, if I might make one further point—I do not want to prolong the explanation, and I want to get the Senator's reaction to my remarks—one of the stated reasons by the President for agreeing to support the approach by Senator DOLE and not that of Senator BENTSEN's bill is that the Dole bill is paid for and the Bentsen bill is not. But I hope in this debate we can get into the method by which it is paid.

The first proposal was to pay for it through the sale of certain unused broadcast rights on the spectrum frequency, with which the Senator from Pennsylvania is familiar. Since the revenues for that would not be received until 1993, and all of the expenditures under the unemployment insurance bill are to be made in 1991 and 1992, it obviously did not pay for it in the period during which the expenditures were made, and therefore was deficient.

The proposal was then changed to add an additional provision to "pay for it." And that provision is this: Under current law, a person who is the recipient of a student loan and then defaults on the loan is subject to a procedure by which collection of the bad debt by the Government can be made through income tax withholding.

That law is scheduled to expire in 1994. The provision for paying for it in the bill to which we are referring provides that right now we will by law extend that provision of law from 1994 through 1996. And that since this is a loan program, it is subject to the provisions of so-called credit reform accounting, under which the receipts of money in 1994, 1995, and 1996 are assumed to have a current cash value in 1991 and 1992, even though no money of any kind will be received under this provision until 1994. And when we get to 1994, the only money received will be the same as that being received under current law by virtue of a mere extension.

I know the Senator's point was on the benefits and what he wants is to get the benefits out to the people. That is the kind of thing we want. But in terms of accepting the other bill, my point merely is that the differential, or the reasons for disagreeing on paying for it, we view as not a real difference and that the proposed method of paying for it does not actually pay for anything. And there is actually no money being received.

I hope we can get this done, and I hope we can get a bill passed. I hope we can get benefits provided to the people who need it. We hope the President signs the bill in light of the statistics being mentioned. If he does not, then obviously we will have to review the situation at that time.

Mr. SPECTER. I thank the distinguished majority leader for his answers. Let me comment very briefly. It may well be that when you work through the process at collecting defaulted student loans and the process of receiving payments for the sale of broadcast rights, there are major problems, as the Senator articulated. It may not be real in terms of current receipts, but that is an approach which the President was willing to undertake, whatever the fallacies may be as to the accounting procedures involved with those projections and collections.

Still, the critical point would arise with the payment of the benefits now. I will give a response that I get in Pennsylvania from people who are unemployed. They say, with all due respect, to reach back is fine, but it does not put the money in the pocket in August. If it comes in November or December, it does not do anything about the problem of putting the food on the table in August.

The people have a view that when the Democrats, to be candid and succinct, put forward an unemployment compensation bill, the Republicans will then come back with a counterproposal which the Republicans feel will not pass, but is an arguable offset to the Democratic position. At least, the Republicans have put forward a position. Then the Democrats reject the Republicans' position in order to sustain a political issue as opposed to accepting a program which will go into effect.

But what I would like to see happen is that, if the President is willing to go along with Senator DOLE'S program, whatever the infirmities may be its drawbacks, that we accept the program so that benefits will proceed. We could have passed the proposal on August 1, even if Senator BENTSEN'S proposal or Senator MITCHELL'S proposal was superior. Then we come back, we raise all these objections, and we say what Senator DOLE and President Bush wanted is not enough. It may well not be enough. I am prepared to support the first bill which is going to pass and provide payments.

I simply wish to express a concern about the Republican-Democratic positions. I attach no blame here, but merely seek discuss the perception not only Pennsylvania, but also America. I urge my colleagues to find a way to cut the Gordian knot, to get something passed, and begin payments to the unemployed now.

Mr. MITCHELL. Permit me to make one response and I will yield the floor. I have to go to another function.

I just say to the Senator, I understand his position and it surely has merit. But there is a very real difference in the level of benefits under these two bills. Senator DOLE's bill provides the basic benefit of 6 weeks; only 6 States of the 50 would get more than 6 weeks of benefits under his bill. Under the Bentsen bill, 7 States would get 20 weeks of benefits, and 14 States would get 13 weeks of benefits. So there is a tremendous, what we think is a very substantial, difference.

I think what the Senator is saying, let us get a little bit out now. But the reality is, and the Senator well knows it, if we accept this lesser level of benefits now, that is it. There is not going to be any more. So the argument that we ought to take this and come back and get more later, I think, does not reflect the reality.

I think if we cannot get this meaningful benefit package passed now, I think if we accept what we regard as an inadequate level of benefits—I have the greatest respect for my colleague; his position is that it is adequate, I respect that; it is an honest difference of opinion—that is it; we are not going to get any more; there is no prospect of persuading the President to have additional benefits after he has accepted a lesser level of benefits.

If there is any chance at all to do it, to provide what we think is a realistic and necessary level of benfits, the only time it can be done is now. If that cannot be done, then we will address the situation at that time. But I think taking the lesser level means taking that on a permanent basis. That is really why we feel that we have to go forward on this basis.

Mr. SARBANES. Mr. President, will the Senator yield to me to make a response?

Mr. MITCHELL. The distinguished Republican leader and I have to go to another function. I would like to give him the opportunity to make a comment.

Mr. DOLE. I would like to make a statement.

Mr. SARBANES. I want to address a question to the Senator from Pennsylvania.

The unemployment trust fund was explicitly constructed in a way as not to have to put the kinds of questions that were contained in the Dole proposal and which has just been raised; namely, where is the funding for the benefits to come from? Because it was understood that the benefits would be needed during a recession, individuals would be facing an emergency, you would seek to sustain purchasing power in order to offset the economic downturn.

Obviously, if in every one of those instances when we went into a recession you had to contend with the problem of how to pay for the benefits, it would delay a response to the emergency.

So the system itself, the integrity of the unemployment insurance benefits system, is constructed on committed taxes for that purpose. Employers pay those taxes in good times and bad. In bad times, when you are ordinarily paying the benefits, you draw down the surplus in the fund which has been built up for that very purpose. When the employers pay the money in, they are paying it on a mandate that it shall be used for these purposes.

In every previous recession, administrations and the Congress have worked together. You had an increase in the extended benefits paid, and you have had a drawdown in the fund in order to pay those benefits.

What has happened now is that we have a very large balance in the fund. In fact, the fund is adding to its surplus at this very moment, right in the middle of a recession. We are not even paying out of the fund what is coming into the fund currently, let alone using some of this balance which has been built up over recent years when there were lower levels of unemployment in order to pay benefits when we had a downturn.

That is the system that was constructed. It was constructed that way in order not to have to confront the very questions that are being raised by trying to find a financing mechanism.

So employers pay in these moneys. They built up this trust fund balance. When unemployment goes up, you use those balances in order to pay the benefits.

So that is where we find ourselves. That is why I feel very strongly that the balance specifically designed for this purpose ought to be used now in a time of need.

Mr. BENTSEN. Will the Senator yield?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. SPECTER. I thank my colleagues, especially the Republican leader.

Mr. DOLE. I came out here a half-hour ago to make a statement.

Mr. BENTSEN. May I make one comment to my friend as he leaves the floor?

Mr. DOLE. Yes.

Mr. BENTSEN. Mr. President, I would like to say to my friend from Pennsylvania, if you compare the bills of my distinguished friend, the minority leader and the Bentsen bill, under the Bentsen bill you get 13 weeks of benefits in Pennsylvania. Under the Dole bill you get 6 weeks. Under the Bentsen bill, you get reachback benefits in Pennsylvania, back to March 1. You do not get those benefits under the other bill.

The other concern you have to have, I think is for veterans coming back from Desert Storm and Desert Shield, because over one-half of a billion dollars of that money that is picked up in the so-called attempt to pay for the Dole bill is money that is going to be denied to people who have finished their tour of duty, come back, and are honorably discharged. I have a number of letters from veterans organizations that are deeply concerned over that provision.

Mr. SPECTER. Mr. President, I do not want to prolong the matter because Senator DOLE is waiting.

By a one-sentence response, what I would like to have seen done was 6 weeks for Senator DOLE and 8 weeks or whatever, for Senator BENTSEN. So the 6 weeks of Senator DOLE would have started in August, without talking about a reachback later.

Mr. DOLE. Mr. President, I also say that we did have a provision in our proposal that was defeated earlier this week, that would have given the President a choice. Both bills would have gone to President Bush, and he could have made a choice. Had that been adopted, benefits would have been being paid today to unemployed workers, but that was defeated.

It seems to me that if the veto is sustained, as I assume it will be, we ought to consider that approach again. Are we talking about issues or benefits? Let us just stipulate that there are a lot of people who need help. The question is whether we are going to break the budget. It is not how much money we have in the trust fund. That was all considered during the budget agreement. And to look back and say we have all this money not being used is to undermine the very agreement we pledged our support to less than a year ago.

I hope we can work something out eventually. My view is that, obviously, the conference report will pass both houses. It will go to the President. He will make a decision whether or not to veto it. He does not have the option to declare an emergency. He has to sign or veto the bill. If he vetoes it, my view is that the veto will be sustained in the U.S. Senate. Maybe then we can figure out an appropriate response.

We need to do it quickly, and we ought to plan ahead now on the basis that it will be sustained.

Mr. President, I indicated to the Senator from Tennessee I was going to respond to some of the statements he made last Tuesday, and again today, about certain foreign debt.

First of all, I think it is interesting that the Senator from Tennessee specifically refers to his concern over a $350 billion deficit for the coming fiscal year and, yet, supports legislation to increase it $6.2 billion more.

It seems to me that you cannot have it both ways. Either you are for the breaking of the budget, or you are not. And if you are breaking the budget in this area, you are probably going to be for it next week for something else. I do not know how we can extoll the virtues of budget discipline and the irresponsibility of adding to a runaway deficit, while at the same time supporting legislation that further increases the deficit.

These policies are inconsistent. That is why I, along with Mr. DOMENICI, Mr. ROTH, and others, offered an alternative unemployment bill that provided extended benefits to unemployed Americans without increasing the Federal deficit one red cent.

If you are unemployed—and I think I would agree with the Senator from Pennsylvania—and have a family, I do not think they care about the debate on the Senate floor, or whether it is 6, 20, or 7 weeks. They want benefits now. They are not out there debating the niceties around the kitchen table, while there is no food on the table, saying why is the Democratic proposal better or the Republican proposal. They do not care. They are out of work.

So we can all agree, as I said, that we ought to address the problem. But we must do it without increasing the deficit which is going to have an effect on everybody else in America.

It is not who has the most weeks. That is how we have been doing it around this place for a long time, and that is why we have a $3½ trillion deficit. Because if I have 8 weeks and you have 10 weeks, the cost does not make a difference; yours is better because it has more benefits. The American people long ago learned that that is not the true measure of the merit of a bill—who spends the most money. If that were the case, on this side we would lose every time on who spends the most money.

We made a budget agreement. None of us liked it. We had to hold our nose to vote for it, but it had discipline. It said if we are going to have new spending, we have to find an offset or we are going to have to raise taxes.

I say, to his credit, that the distinguished chairman of the House Ways and Means Committee, Mr. ROSTENKOWSKI, though I did not agree with the tax increase, tried to pay for unemployment benefits by increasing taxes. He only got 40 votes, but he tried to be responsible.

So what do we do? We say this is an emergency. So we send a bill down to the President and say if you find it is an emergency, it is up to the President—and it is—that is part of the budget agreement. Now we say, since it is going to go to the President sometime next week, that you have to sign the bill. And if you do, you declare it an emergency. He does not have any choice or flexibility. So he is probably going to veto the bill.

I touch on one other point. The Senator from Tennessee states that the administration cares more about foreign countries than it does about unemployed workers in this country. In fact, I think the statement was, if you live in a foreign country, we will help you, but if you live in America, forget it.

Nothing could be further from the truth. The point I have been making during the last few days is that increasing the deficit hurts all Americans. We all go out and talk about the deficit. I have heard speeches on both sides of the aisle about the deficit. We make them everywhere we go, and we rush back here and try to raise it $6 or $7 billion more.

So it seems to me that we cannot turn a blind eye on it one day, and then go out and look people in the eye the next day and say, we really want to reduce the deficit, and we are going to do it next week or the next week.

Contrary to what the Senator from Tennessee states, the fact that the administration is pursuing debt relief for a handful of down and out, bankrupt countries has absolutely nothing to do with this debate. I have to believe that all the aid that has gone to these countries was probably supported by this Congress. I might add that the President's debt forgiveness program is 100 percent consistent with the budget agreement and existing legislative authority.

The Senator from Tennessee specifically refers to debt relief for a number of countries including Uganda, Malawi, and Haiti. Frankly, Mr. President, we all know that these debts are almost, if not totally, worthless. For the chairman of the Budget Committee to suggest they have meaningful value and that the President is pursuing a $2 billion giveaway is plain wrong. He knows they are worthless. We discussed it in the Agriculture Committee about the worthless debts we have had with the foreign countries.

It is not partisan. We understand it, and it is true.

I ask unanimous consent that a chart listing those countries mentioned by the Senator from Tennessee, Senator SASSER, for which debt has been forgiven, or for which such debt forgiveness is pending, be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. This chart shows that while the principal amount of debt for these countries totals $2.1 billion, the reality is that few can repay the debt. And, in fact, the administration only expects payment of $34 million during this fiscal year.

So, Mr. President, the bottom line of any such debt relief for these countries is that it has minimal impact on the deficit—a total of $34 million. Contrast this to the so-called Bentsen proposal approved by the Senate Tuesday evening which asks American taxpayers to cough up $6.2 billion.

In order to make the record crystal clear on this issue, I ask unanimous consent that a list of all emergency spending items approved by the President and by Congress to date be printed in the RECORD at conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DOLE. In each case except one, the emergency spending related directly to the Persian Gulf war, an event that generations to come will look at as a critical period in this Nation's history. That one exception was for $150 million to pay for increased State costs for the administration of unemployment claims.

That is the one exception which dealt with unemployment. This record speaks for itself. I wonder whether those who criticize these expenditures, notwithstanding they probably voted for them, are now suggesting the money spent to save the families of U.S. officials stationed overseas or to protect Americans from terrorist attack was not wisely spent?

Finally, Mr. President, I ask unanimous consent that a list of those countries or programs for which defense cooperation account interest has been used be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. DOLE. Again, I think the point of this has been totally missed. Not one penny of the money that was spent to provide aid to the Kurds or to support the U.N. peacekeeping operations on the Iraq-Kuwait border increased the Federal deficit.

The reality of the comparison that my colleagues on the other side of the aisle have been talking about is that the Bentsen bill increases the deficit $6.2 billion while the expenditures listed on this chart came out of interest on funds provided by other Nations to pay for the Persian Gulf War. In other words, where the Bentsen bill is a $6.2 billion hit to the American taxpayers, the aid to the Kurds, the aid to the United Nations, and the other disaster relief items described on the chart had no impact.

Finally, this chart contains information as to the amount that was requested by the administration and the amount that was added on by Congress. In one instance, the administration requested $23 million and the Congress added on $45 million. In another instance, the administration requested $27 million and the Congress added on $40 million more. It amazes me that fingers are being pointed at the White House when they should be pointed at Congress.

Mr. President, in conclusion let me address one issue regarding the conference report.

I think we have to keep in mind that this is a budget buster—it violates the budget agreement that many of us, not all of us, supported. In fact, I have a number of statements, that I will talk about in a few days, of Senators made on both sides of the aisle about how difficult this was because we knew we were going to be backed up against a buzzsaw the first time somebody wanted to break the budget.

But the issues go even further, for this bill not only breaks the back of the budget agreement, it will break the back of the American people. It will send a signal to Wall Street and everywhere else around the world: We do not really care about deficits. We talk about deficits. We wonder why the recession is still hanging on because Congress just cannot say no. We cannot pay for anything. We keep charging it up to somebody else's grandchildren.

The conference report denies the authority granted to the President in the budget agreement and says that the provisions contained in this bill are deemed emergency requirements. It ignores current law that requires—I repeat—that requires the President to make an independent declaration.

So here we are, let us break the budget or not break the budget. I would hope that my colleagues who supported the original Bentsen bill will keep in mind when you supported that bill the vote was 69 to 30. It takes 34 votes to sustain a veto. So I would say to some of my colleagues on this side of the aisle, some 13 of my colleagues who supported that bill, that that bill was the same bill we passed by a voice vote here not too long ago because it gave the President some flexibility.

If the President declared an emergency, then the benefits would be paid. That would have been all right had that gone to the President. But now it has gone to conference and as everybody predicted and as I said on the floor last Tuesday, the report has taken that discretion from the President of the United States.

So I would say that if the budget agreement is cast aside, this Congress might as well go home. We might as well turn out the lights and leave the message outside tacked on the door: We do not care about the budget agreement; we do not care how large the Federal deficit grows; we do not care about future generations of America; we just care about playing games on the Senate floor—games that score points for a few but which harm every American.

When these debates are over, I hope that my colleagues on the other side of the aisle will come back to our alternative. The President has publicly stated that he would sign it so that extended benefit checks would be in the hands of the unemployed as soon as the beginning of next month.

The longer we delay around here—the longer we play these games that suit the interests of a few—the longer we are ignoring the needs and interests of the unemployed.

Mr. President, I thank my colleagues from Maryland for letting me make the statement. I have to be with the majority leader and should have been with him some time ago.

EXHIBIT 1

1991 DEBT FORGIVENESS SUMMARY[1]

[In millions of dollars]

	Principal forgiven	Scheduled payments June 1990	Receipt estimates for 1991 in 1992 budget
Enterprise for the Americans Initiative			
AID and Public Law 480 debt:			
Bolivia[4]	31	2	....
Chile	16	11	....
Jamaica	217	19	....
Poorest Countries			
AID debt:			
Bangladesh	292	14	....
Bolivia	341	17	....
Entente Fund[3]	27	0	....
Guyana[3]	73	4	....
Honduras[3]	327	12	....
Nicaragua[3]	258	11	....
Public Law 480 debt:			
Ghana[3]	90	4	....
Guyana[3]	32	1	....
Honduras[3]	106	3	....
Kenya[3]	101	3	....
Madagascar[3]	53	3	....
Malawi[3]	2	0	....
Mozambique	50	2	....
Nicaragua[3]	17	1	....
Senegal	42	1	....
Tanzania[3]	55	3	....
Uganda[3]	16	0	....
Total	2,145	108	[2]34

[1] Excludes special debt relief for Egypt and Poland.
[2] Detail on expected receipts is classified.
[3] Pending.
[4] Public Law 480 only.

EXHIBIT 2

FISCAL YEAR 1991 SPENDING NOT SUBJECT TO CAPS—"EMERGENCY" ITEMS APPROVED BY THE PRESIDENT AND CONGRESS IN H.R. 1281 (PUBLIC LAW 102–27) DIRE EMERGENCY SUPPLEMENTAL, FISCAL YEAR 1991

[Dollars in millions]

Account/rationale	Fiscal year 1991	
	Budget authority	Outlays
Funds Appropriated to the President:		
Economic Support Fund	850	850
Emergency aid designed to offset the economic impact of the war on Israel (loss of tourist income, damage from SCUDs); and on Turkey (loss of oil pipeline fees from Iraq, military mobilization costs)		
Agency for International Development:		
Operating expenses	6.0	6.0
Emergency removal of personnel from high-risk posts, primarily in the Persian Gulf		
Department of State:		
Emergencies, diplomatic and consular service	9.3	6.5
Emergency removal of personnel from high-risk posts, primarily in the Persian Gulf		
Salaries and Expenses	39.7	32.6
Emergency removal of personnel from high-risk posts, primarily in the Persian Gulf		
United States Information Agency:		
Salaries and Expenses	4.4	3.6
Emergency removal of personnel from high-risk posts, primarily in the Persian Gulf		
District of Columbia (general fund)	3.6	3.6
Increased costs to city government (security) as a result of the Persian Gulf war		
Department of Justice:		
Federal Bureau of Investigation	4.6	3.7
Increased counter-intelligence/antiterrorism work-load as a result of the Persian Gulf war		
Immigration and Naturalization Service	3.1	2.5
Increased level of investigation of immigrants as part of antiterrorism effort that resulted from the Persian Gulf war		
Department of Labor:		
Unemployment Insurance Administration	....	150
Recession—increased administrative costs that resulted from unanticipated increase in number of claims.		
Legislative Branch:		
Capitol Police Board	6.2	6.1
General Expenses, Capitol Police	1.1	1.0
Increased security concerns as a result of the Persian Gulf war		
Library of Congress S & E	0.1	0.1
Increased security concerns as a result of the Persian Gulf war		
Department of the Treasury:		
Bureau of Alcohol, Tobacco & Firearms	2.0	2.0
Increased vigilance on weapons traffic as part of antiterrorism effort that resulted from the Persian Gulf war		
Customs Service S & E	1.8	1.8
Increased scrutiny of international airports, borders as part of antiterrorism effort that resulted from the Persian Gulf war		
Secret Service S & E	4.9	4.9
Increased security concerns as a result of the Persian Gulf war		
Veterans Administration:		
General Operating Expenses	12.0	11.0
Unanticipated administrative costs associated with increased benefits to veterans as a result of the Persian Gulf war		
Total, H.R. 1281	948.9	1,085.3

EXHIBIT 3

COUNTRIES/PROGRAMS FOR WHICH DEFENSE COOPERATION ACCOUNT (DCA) INTEREST HAS BEEN USED

[In millions of dollars]

Account	Appropriated in Supp.	Used to date	To be used	Purposes used
U.N. Peacekeeping in Iraq.	25	19	6	U.N. Peacekeeping on Iraq-Kuwait border.
Migration and Refugee Assistance.	75	31	44	Finance U.N. programs for refugees displaced persons in and around Iraq.
Emergency Refugee Assistance of which;	68	38	30	
Requested by administration.	(23)	(23)	....	Requested funds of $23 million to replenish funds spent on refugees in Iraq.
Add-on by Congress.	(45)	(15)	(30)	Funds used to date are for Palestinian, Soviet Jewish, and African refugee needs.
Disaster Assistance of which;	67	27	40	
Requested by administration.	(27)	(27)	....	Funds requested for Kurds and other displaced persons in and around Iraq. Balance of $12 million spent on Horn of Africa, Liberia, Philippines disaster needs.
Add-on by Congress.	(40)	0	(40)	Will meet emerging disaster needs.
Total appropriated.	235	115	120	

Note.—All funds are available beyond fiscal year 1991.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from Maryland.

Mr. SARBANES. Mr. President, I listened with a very heavy heart for the unemployed people in this country as the minority leader spoke.

The fact of the matter is that the Bush administration is raiding the extended benefit trust fund. That is it pure and simple.

This extended benefit insurance fund was established on the premise that the money to pay the benefits would be paid into a committed fund over a period of time when unemployment was not a problem. When the employer pays these particular taxes, they are committed for the purpose of paying unemployment insurance benefits. The consequence is that you build up a surplus when unemployment is not high and then when you get into a recession the money is available to pay the benefits.

So you do not at this point have to get into a protracted argument and debate about where the money is going to come from because you have people all across the country hurting and desperate. People who have worked, lost their jobs, have used up their basic benefits, have been unable to find a job, have house payments to meet, car payments, they have to put food on the table for their family.

So when the system was put together a lot of thought was given to how to make the system respond quickly? How can we really get help to people in a hurry? One way to do it was to build up a fund so the moneys are available. That is what has happened over the 1980's. This fund for extended benefits was built up. It was over a $1 billion in 1987, went up to over $3 billion in 1988, and so forth. As of October 1, 1990 there was $7.2 billion in this trust fund.

This year during a recession, the trust fund is building up an additional balance. It is now well over $8 billion. Why is the trust fund building up this balance in a recessionary period. It is doing that because the trigger mechanism, the criteria for applying the extended benefits, has been made so difficult and rigid that no one is receiving them. In previous recessions, the number of people receiving extended benefits increased significantly in each recession. In this recession, hardly at all, even though the money is in the trust fund.

The other side says, we do not want to draw on that money because we want to use it to offset the deficit. But that is not why that money was paid. That is not the understanding and the commitment on which those taxes were given. There is an integrity question here, and people have paid those taxes for the purpose of paying the benefits. The money is there. There is a large surplus in that trust fund specifically designated to pay benefits.

The benefits are not being paid and there are millions of people across this country who are in desperation because of it.

Then they say, we have this budget agreement. The President has come to the Congress this year to use the emergency declaration which was part of the budget agreement, but the use of the emergency allows the President and the Congress, if they agree, to go outside of the parameters of the budget agreement in order to address some emergency situation.

The President has used that provision to address emergency situations abroad, and it is quite true, as the minority leader said, that the Congress concurred in that judgment. The President said:

> I think this is an emergency. I want to provide some resources overseas to help people in other places confronting a difficult situation.

The Congress agreed in that judgment. The resources were provided. The President sent assistance out of the country to address those emergencies. I supported that. I think they were emergencies.

All I am saying now is that this is an emergency. The President needs to perceive the emergency here at home involving our own citizens. Why can he perceive it abroad and not perceive it in this country? What is it that makes him understand an emergency situation over there but not back here?

Let me just read you one paragraph from a letter I received. This lady writes:

> If you want statistics, I will give you mine. I am a white, middle-aged female, single parent of two, head of household. I raised my sons basically on their own since they were 3 and 5.

And I am going to come back to this letter later.

Envision this if you will. This lady had a steady job for 12 years. When we talk about people drawing these unemployment benefits, by definition you are not eligible unless you have had a continuous job record in order to qualify.

In this instance, she says:

> I have worked hard for almost 12 years and, due to economic conditions, my department was closed and I am now out of work.

Listen to how she starts her letter, on this very point of the President perceiving emergencies abroad, which he has done this year.

In effect, we are saying to the President, there is an emergency here at home. But the President cannot see the emergency. He could see it abroad, but he cannot see it here at home. And it is all captured very well in this opening paragraph.

> DEAR SENATOR SARBANES: I am writing this letter to you after watching the hearing on television on the problems of the unemployed people in AMERICA.
>
> The reason I put that in capital letters is because we would be better off if we were from a foreign country so that President Bush would see it in his heart to help us out. He does nothing for the Americans that are suffering.

Now, just think of that. This lady put America in capital letters.

> The reason I put that in capital letters is because we would be better off if we were from a foreign country so that President Bush would see it in his heart to help us out.

Mr. President, we have an emergency and we need to recognize it.

I have a letter from someone else who says:

> What constitutes an emergency? Whenever the unemployment rates have been this devastating in the past, the Federal Government has automatically stepped in. What has made this emergency different? Could it be that no one wants to admit that there is an emergency? As I said earlier, what a disgrace.

The person is absolutely right.

In previous economic downturns we did respond, the President and Congress together. There was an extension of unemployment benefits when Ford, Carter, and Reagan were President. The number of persons receiving extended unemployment insurance benefits, as you can can see on this chart, increased significantly in each of those recessions because the Congress and the administration responded, and they used the money that had been built up in the trust fund.

What has happened this time? Virtually no increase. Only 14,000 people out of 8½ million people unemployed are receiving extended benefits.

The money is there. Here is the trust fund balance. Look at those balances. They are going up, even in a recession. This fiscal year, employers will pay in an additional $700 million in taxes into the trust fund, ostensibly to pay unemployment benefits. That is why they are paying them. That is what the law says. That is what the money is committed for—$700 million.

In addition, the balances that are already in there will earn about $600 million in interest. So that is an addition to the trust fund this year of $1.3 billion. It is estimated that the trust fund will pay out of those few people drawing extended benefits about $130 million.

Can you believe it? We are in a recession. We have an unemployment rate of 6.8 percent, 10 percent if you use the comprehensive unemployment rate, and we are taking almost 10 times as much money into the fund as we are paying out in unemployment insurance benefits.

It is enough to make you weep for the unemployed across the country who are in desperation on how to pay their mortgages so they can hold onto their homes or feed their families. This system was constructed so people would not face that human misery, and the system has worked. The money is there. All the President needed to have done in August, was to find an emergency and the benefits would have been paid. They would have been paid immediately. They would have been paid according to the rules of the game.

It is time to stand up for the Americans who play according to the rules of the game. There are too many who have abused the system. We see it in the savings and loans, we see it in the banks; the fast operators, the big buck people. The President and his budget people put that money outside of the budget agreement, $25 billion here, $45 billion there, to make up for the abuse of office by these fast buck operators. That is outside of the budget agreement.

You have a trust fund for the very purpose of paying these benefits. What are they going to do, sit on the surplus and hatch eggs? The Secretary of Labor was on television the other morning. She says, "We cannot run down a trust fund that we will, perchance, need."

The perchance went long ago. We need it. We have needed it for a long time. We need it now.

I strongly support this conference report.

Now let me just talk for a moment about where we are in the economy. The administration, from the beginning of this recession, has been sounding the siren song that this is a short and shallow recession. That is what they want the country to believe. If you believe it is short and shallow, then you say let us not do anything about it; it is going to end very soon; it is not going to be very deep; let us just ride it out. You have some suffering of the people who lose their jobs. But there is not a lot of concern about them in the top echelons of this national administration.

I am interested now to hear all these people come to the floor—even on the other side—and say "There is a problem, we have to do something about it." That is not what they were saying a few months ago. That is not what they were saying before we really started moving to respond to people's needs. They would say "No problem. It is a short and shallow recession. Just stick with where we are. We will come out of it. Sure, some people will fall off the edge of the Earth, but that is the way it works."

We put together this unemployment insurance system to avoid that from happening. That is one of the reasons it was constructed. It was constructed so people did not fall off the end of the Earth: hard-working people, responsible people, conscientious people, people who have held a job, met the discipline of the workplace, and who lose their job through no fault of their own.

We are hearing from employers who said: "Look, we paid in these taxes to pay these extended benefits, and we have people who were in our work force that we had to lay off who we hope to be able to hire back if economic conditions improve. In the meantime these steady workers of ours are facing very difficult economic circumstances. We constructed an unemployment insurance benefit system to help them through those circumstances. I, the employer, paid taxes for that purpose. There is a fund there and it ought to be used for that purpose."

If there was no money in the fund, if it had never been built up or if it had been built up and then used up, then we would face the question: If you are going to pay the benefits, where is the money going to come from? But that is not where we are today.

We have large balances in the extended benefit trust fund. Not only do we have large balances, they are getting larger with each passing year, while unemployed people across the country are tearing out their hair on how to meet their family responsibilities.

This administration just talked about a short and shallow recession. I want to address that for just a few moments, because if you cannot recognize a problem then you are not going to want to do anything about it.

First of all, let me address the argument that this is a shallow recession. This chart shows the decline in employment from the prerecession peak. This was the 1931–82 recession. This is the current recession.

As you see, the percentage decline in employment is now worse in this recession at this point than it was in 1981–82.

We did not start from as high an unemployment figure, so the rate is not as high, but the percentage decline in employment is greater.

The 1981–82 recession was the most severe economic downturn that we had experienced in this country since the Great Depression of the 1930's. The decline in employment in this recession has paralleled the job loss during the 1981–82 recession which was the worst recession since the Great Depression.

Second, the official unemployment rate which is used understates the severity of the depression. It rose from 5.3 percent just before the recession. It is now at 6.8 percent. About 15 months ago it was 5.3 percent. It is now 6.8 percent. This rise in the unemployment rate, however, conceals the real extent of unemployment because there has been virtually no growth in the labor force.

Ordinarily your labor force grows. They make projections on that on the basis of population growth. The Bureau of Labor Statistics estimated that the normal growth in the labor force since July of last year would have been about 1.6 million new workers. That would have been the normal growth that you would project on the basis of the Nation's population demographics. In fact, the labor force only grew by 200,000, because many people are too discouraged to look for work.

They know things are bad. They are so discouraged that they do not even enter the labor force.

In addition, there are just under 6 million people in this country who are working part time because there are no full-time jobs available. Some people work part time because they want to work part time. That fits into the schedule they want to have for themselves, and it meets their economic and personal responsibilities. So I am not counting them.

There are just under 6 million people who want to work full time but cannot find full-time work, so they are working part time.

If you add in the people who have been discouraged from coming into the labor force and looking for a job; and if you add in the people who are working part time but want to work full time; we have what we call the comprehensive unemployment rate. The comprehensive unemployment rate is now at 10 percent. That is about 16 million American total.

In 1990, nearly 20 million Americans experienced at least one period of unemployment sometime during the year. That represents 15 percent of American workers who were jobless sometime in 1990. This year, it is estimated that number will be close to 25 million. So much for this siren song of this administration that this has been a shallow recession.

What about the assertion that this is a short recession? This recession now has lasted 13 months. It started in July 1990. If you include September it will be 14 months. Only two recessions in the post-World War II period, only two, lasted longer: The 16-month recession of 1981–82, and the equally long recession of 1973–75. So much for the assertion that this is a short recession.

The fact of the matter is that this recession has been long and painful, not short and shallows.

In addition, there is no clear evidence that the recession is over. We hear these assertions that the recession is over. That is Dick Darman's favorite theme song: It is over; it is behind us. Let us take a look at that.

There are some data from the manufacturing sector suggesting a modest improvement, but this is counterbalanced by continuing declines in construction and service sectors of the economy. I think it is fair to say that the data over the last few months shows an economy that is bouncing along the bottom, and not one that has turned upward.

The President and his people need to take a look at these economic developments. When the President turned down the original bill, some were asserting that the Nation's economy was coming out of recession.

The Commerce Department has reported that gross national product rose four-tenths of 1 percent in the second quarter. Since then, we have had two downward revisions of real growth in our GNP. We now know that the economy declined half a percent in the second quarter of 1991.

We have had three successive quarters of negative GNP growth. The economy not only has not grown, it has actually shrunk for three successive quarters, by 1.6 percent in the last quarter of 1990; 2.8 percent in the first quarter of this year; and half of a percent in the second quarter of this year.

Actually, the performance of real GNP growth under Bush is the worst it has been under any President in the post-World War II period.

The Bureau of Labor Statistics has reported an increase in long-term unemployed in August to its highest level since the beginning of this recession. This chart shows the number of persons unemployed longer than 26 weeks. In June 1990, it was just over 600,000. Today, it is almost at 1,200,000. The number of long-term unemployed has almost doubled. Mr. President, the basic unemployment insurance benefit program is for 26 weeks.

So for these people who use up their 26 weeks, there is nothing out there available except that tiny little bit in a couple of States that qualify.

Initial claims for unemployment insurance rose in September from 403,000 in the first week in September to 439,000 in the second week in September. Recent data shows real disposable personal income fell in July; retail sales fell in August.

American families are hurting from this recession. There is hurt and pain being felt across the country, not only for those who have lost their job, but even those who have jobs are feeling hurt and pain because their standard of living is not rising; in fact, it is falling.

Real per capita income has declined during this administration.

It has affected consumer confidence. The latest consumer confidence figures released just this week show that consumers are growing more and more pessimistic about the future of our economy. That is reflected in the consumer confidence index, which really dropped dramatically in the latter part of 1990. It began to come back this year, and now it is on its way down again.

Other data are also pointing downward. Permits for new housing went up 0.5 percent in July. The administration at the time pointed to it as an auspicious indicator. They said, "We are coming out of recession. Permits for new housing are up." It was only 0.5 percent, but nevertheless it was up.

Permits for new housing fell by 5 percent in August. They rose 0.5 percent in July, and the administration spokesman pointed to the 0.5-percent increase, as an indication we were going to come out of the recession. What do they say about the August figure—a 5-percent decrease?

After rising in July, new orders for durable goods fell in August. After rising in June and July, sales of domestic autos fell dramatically in August and early September. You can see that on this chart.

These are the indicators. If you lost your job last fall when the unemployment rate was 5.8, 5.9 percent, you then drew your basic unemployment benefits of 26 weeks, you would now have exhausted your benefits. You now would find yourself looking for a job in a job market with an unemployment rate of 6.8 percent. So in other words, you would now, having used up your benefits, be trying to find a job market that was worse than at the time you lost your job.

One purpose of these unemployment benefits is to carry people through the downturn period, so that the economy is coming back and the chances of finding a job are better. But clearly now, for many of these people, they are trying to find a job in a job market that is worse than when they lost their job.

So much for the economic situation. So much for the administration's siren song of a short and shallow recession. Let me just take Mr. Darman's assertion of the other day that the recession is over. I disagree with him on that point. He has been trying to paint this rosy picture from the beginning. He never thought there was a problem in our economy. One of these letters to me asks "what would the response be if some members of the President's family were confronting an unemployment situation?" It is a good question. How much do the people downtown begin to understand about the problems that ordinary working people face in meeting their obligation? Most people need income coming in on a regular basis. If they do not get a paycheck, there is a family crisis. They do not have a lot of money socked away somewhere. They do not have huge portfolios built up, large inheritances. They are decent, honest, hard-working people who built the country, and they depend on a weekly paycheck to meet their obligations. They manage to save a little bit. They hit hard times. They draw down their savings. They use it up. They can see it going out, just like the tide running out.

President Bush goes up there to Kennebunkport, ME, where they have those tides. When that tide is running out, that is what is happening to these hard-working Americans. Their savings are running out. Their income is stopped. They are going to lose what little assets they have.

Now, what Darman has to understand is that even after a recession is over, the number of long-term unemployed will continue to rise. So this problem of trying to help the long-term unemployed with respect to their benefits will not end when the recession ends. I am asserting very strongly that the recession has not ended. But even if you accept Darman's rosy view, the fact is that in every previous recession the number of long-term unemployed has gone up for a number of months after the recession has ended.

After the 1974–75 recession, the number of long-term unemployed continued to go up for a number of months after the recession ended. In 1980, the same thing; it continued to rise after the recession ended. The same thing in 1981–82. There is no reason to expect it will be any different this time. So we will continue to have this problem even after the recession is over.

Now, Mr. President, just to compound this matter, yesterday the Census Bureau reported that just over 2 million more people were in poverty last year than in 1989.

A study by the Congressional Budget Office earlier this year found that 46 percent, almost half, of the recipients of long-term unemployment insurance benefits would have had poverty incomes in the absence of those benefits. In other words, the unemployment insurance benefits succeeded in keeping about half of the unemployed out of the poverty level. They were lifted out of poverty because of their unemployment insurance benefits.

I cannot for the life of me understand why the administration will not recognize the problem and try to deal with it. This is our basic safety net for working people. We levy these taxes, now over $8 billion in the surplus in the trust fund, specifically for this purpose. Employers paid those taxes on the assumption their workers would be taken care of in the recession. But, the administration does not want to use them for the purpose for which they were intended.

Yesterday the census released a report that poverty in the United States rose sharply last year for the first time since 1983, and that the median household income in this country dropped. Mr. President, the conference report that is before us seeks to deal with this problem. I cannot understand the attitude of the Secretary of Labor when she says we cannot run down a trust fund that we will perchance need.

We need this trust fund now. What is she going to do with this trust fund? It is almost like a librarian. If you ask her how things are in the library, she says terrific, every book is on the shelf.

What is the purpose of this trust fund? We sold this trust fund and paying these taxes on the theory that when bad times came the money would be used to pay the benefits. If you are not going to pay the benefits, you are abusing the purpose of the trust fund. You are breaking your contract that undergirds the unemployment insurance system.

Mr. President, I want to close by trying to underscore the human dimensions of this problem. These unemployment insurance benefits serve two purposes. One is they put a certain amount of purchasing power into the economy, so they help to keep the consumer confidence from dropping. They help to sustain some income. So you get some economic activity which comes from drawing down the fund.

In fairly good times, you can pay into the fund without inhibiting economic activity. But in bad times you pay out of it in order to encourage some economic activity. That is why we constructed the trust fund. In addition, the trust fund addresses the very real human needs.

I have one letter. Let me just quote from it:

> I only hope you will be able to get through to Bush and make him realize that we are in an emergency situation in our own country. What we, as unemployed people, want is to be able to rebuild our self esteem, pay our bills, and contribute to this country. We are not looking for a handout, but right now we need more help. It is sad to know the funds are there but the President will not release them.

You are telling me it is sad to know it. It is sad for millions of people across this country to know it, people in desperation. They do not know how to make that payment, and their creditors are on the doorstep. What are they supposed to do? These are working people. They lost their jobs. It was not their fault. Economic activity went down three straight quarters of decline in economic activity in this country. So their place of employment cuts back or closes down, and they are out of work.

They are supposed to get unemployment insurance benefits. In every other recession we gave not only the basic 26 weeks but we gave them extended benefits, in some instances running as much as 26 to 39 additional weeks. This bill goes up to 20 weeks depending on how severe the unemployment is in your particular State. We have States with unemployment rates of 8, 8½, 9, 9½ percent of people in those States who are not drawing extended benefits.

So you bet your life it is sad to know the funds are there but the President will not release them. Let me go on with this letter.

> People have this idea being unemployed is fun. It is not. It is extremely depressing. Everyone thought I was lucky having the summer off. I did not enjoy one day of this summer as I was worrying about getting a job. It is on your mind constantly from when you wake up in the morning until you go to bed at night. And then, if you should wake up during the night, it is right there hounding you.
>
> No, I am not lazy and I do not believe many unemployed people are. They are just victims of a situation that is called a recession, for which my 77-year-old mother calls a depression. She is probably right.
>
> If things are turning around and the recession is ending, then I would like to know in what country this is happening. I hope I do not have to go on welfare as I am not that type of person, but you really think about it when things get so bad.

Then, I quoted this before, but I want to repeat it to paint the picture of the kind of people we are talking about.

> If you want statistics, I will give you mine. I am a white, middle-aged female, single parent of two, head of household. I raised my sons basically on my own since they were 3 and 5. I worked full time from when they were 7 and 9. I had them in all the sports programs I could. I worked 10 minutes from the House so I could be available should something happen to them and they needed me.
>
> My sons are turning out to be good men. They are both in college and have always been clean, decent, individuals. They really never gave me any major problems, just the normal ones every parent has with their children.
>
> I do not want any praise or desire any for what I have done. They were my responsibility and I lived up to it.

Let me just repeat that sentence because I think it says a lot about the character and the moral fiber of a person who wrote me this letter.

Talking about bringing up her two sons, and her pride in them now, they are turning out to be good men.

> I do not want any praise or desire any for what I have done. They were my responsibility and I lived up to it. What I want now is help from the Government until things get better for me and all the thousands of people that are in the same situation.
>
> Please keep fighting to get this money released for the people that need it so badly. Please do what you can to help all of us out. We do not want it, we need it, and we need it now. Please see what you or your fellow Senators can do to help get this country back on its feet, or else this country will be gone. I know it sounds stupid, but I think it could happen if we do not help ourselves and each other. We are falling off the face of the Earth, and no one cares.

Mr. President, let me just read briefly from one other letter before closing this presentation.

> DEAR SENATOR SARBANES: I am writing to you regarding a serious crisis that exists nationally. This subject is a lack of adequate unemployment benefits for working men and women. What has been allowed to happen in this country has been a disgrace. I am writing to you as one of thousands of people who have been laid off from their job this year. My unemployment benefits expired August 15, 1991, and I am one of the very people affected by President Bush's decision not to fund the extended employment program.
>
> As I stood in line every other week, I got to hear firsthand the concern and the voices of the people. The first blow was losing their job.

I want to stop there. Nobody stops and thinks about the psychological trauma that the people experience upon losing their job.

> The first blow was losing their job. The second was seeing the United State Government abandon them in their hour of need. These are the hard working people that have, over the years, made this country great. These were workers who have held the same job, in many cases, for numbers of years.

The previous lady I quoted from held a continuous job for 12 years with the same employer.

> I read in the papers that there is no end in sight to this current recession. I have collected article after article stating that unemployment is rising. I wonder if anyone else is getting this information. If this is happening, then why doesn't President Bush allocate the funds? What constitutes an emergency? Whenever the unemployment rates have been this devastating in the past, the Federal Government has automatically stepped in.

The correspondent is absolutely right. In the past recessions, the Federal Government did step in. The number of people drawing extended benefits rose markedly, but not in this recession, not in the administration of President George Bush.

Let me go back to the letter:

> What has made this emergency different? Could it be that no one wants to admit there is an emergency? As I said earlier, what a disgrace. There are thousands of emergency programs in this country for the needy, and they receive benefits for just being needy.

In fact, Mr. President, as an aside, let me say that the Baltimore Sun paper of yesterday carried an article that the level of welfare recipients in our State has risen to the highest level in 10 years. Working people who paid for unemployment benefits and built up the trust fund, now out of a job, entitled to the use of these moneys, are using up their savings and then being driven into welfare.

Let me read this paragraph:

> There are thousands of emergency programs in this country for the needy, and they receive benefits for being needy. This extension and unemployment benefits, in general, are programs for the middle-class working people who have fallen on hard times. They have contributed to this Government. They will pay income taxes on this money. This isn't a handout. This isn't a freebie. These people will contribute again. It has been proven. This country is in jeopardy of losing one of its natural resources. The United States was made great by working people. This Government should show dedication and loyalty to these people, who have contributed both financially with their income tax dollars, and physically with their hard work.
>
> We call on the President of the United States to evidence that dedication and loyalty to people all across this country, who have contributed both financially and physically to the strength of this Nation and now find themselves in crisis.

As one correspondent said:

> We are falling off the face of the Earth, and no one cares.

It is time, Mr. President, to care for these people. It is long past time to use these large surpluses, specifically committed to paying unemployment, to meet this misery. That money was paid for a specific purpose, and it is an abuse of the understanding with employers and employees all across this country not to respond now when they find themselves in desperate need.

Mr. President, this conference report addresses that desperate need. This is a strong response to the cry—the plea—that we hear from across the country, to come to the aid of hard-working Americans who have fallen on hard times. There is an emergency here at home. We call on President Bush to recognize that, not only to recognize the emergencies abroad, but to recognize the emergencies here at home.

Mr. President, I strongly support this conference report. I urge the President to sign it. It is desperately needed. We can no longer ignore this cry for help that has come to us from all across the land.

Mr. President, I yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Ohio, Mr. METZENBAUM.

Mr. METZENBAUM. Mr. President, I rise for a different purpose, but before speaking to that purpose, I want to commend and thank my colleague from Maryland, who has so well addressed himself to the problems of the unemployed of this country and the effort on the part of those of us in Congress to deal with that problem.

He has not only spoken about the elementary aspects but he has also talked about the impact upon the families and what it means to the American people. I speak for many of my colleagues when I express my appreciation to him for his dedication, his determination, the resources he has put into this effort and the magnificent remarks he has made today. I thank him on behalf of so many.

Mr. SARBANES. I thank my colleague for his kind comments.

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. METZENBAUM. Mr. President, the Senate Judiciary Committee this morning, just a little while ago, voted 7 to 7 on the nomination of Judge Clarence Thomas for the Supreme Court.

This split vote in the Judiciary Committee is dramatically different from the predictions that were made when Judge Thomas' confirmation hearing began.

Then we were told it will fly through; it will move through rapidly; there is no question about it; Judge Thomas will be confirmed.

Two-and-a-half months ago, Judge Thomas' nomination was regarded as a shoo-in. It was just an easy go. Even 2 weeks ago it was still regarded as a sure thing. But today, Judge Thomas was unable to muster support from a majority of the Judiciary Committee, and that is because they had heard him and inquired of him and heard the 90 witnesses who had spoken before the committee and realized there was a problem, a question as to whether or not this man belongs on the Supreme Court. Seven members of that committee decided he did not.

The reason for the turnaround is simple: The members of the committee have taken the time to study the lengthy and controversial record of this nominee and to reflect upon his evasive and at times implausible testimony before the Judiciary Committee.

The message for the entire Senate is unmistakable: If Senators will only take the time to examine carefully Judge Thomas' record and testimony, they will come away with a very different perception of him than was created by the White House media blitz this summer.

I entreat with, I plead with, I encourage, I urge my colleagues in this body to look at the record, look at the record, read the record, just see the implausibility of the responses that we received from this man who aspires to be on the Supreme Court.

If Senators examine his record, his credentials, and his testimony before the committee—and then reflect upon the fact that this man could be on the Supreme Court until the year 2030—until the year 2030, 40 years from now—I believe that a majority of this body will conclude that Judge Thomas should not be confirmed for the U.S. Supreme Court.

Despite the confident predictions of the White House, the confirmation of Judge Thomas is not a foregone conclusion. And no Senator should be stampeded into voting for this nomination without careful consideration of his qualifications and record and without proper deliberation on the floor of the U.S. Senate.

Much is being made about the need to rush our deliberations to put Judge Thomas on the Court by October 7. But another few days does not matter when you are talking about a man who could be on the Court for 30 or 40 years. We owe the American people nothing less before the Senate selects one of nine people who are the final arbiters of the law of this land.

I entreat with you, I plead with you, get a copy of the record, go back and see what Judge Thomas' answers were and the answers that he failed to give before casting your vote on this most critical and crucial matter. We are talking about confirming a man for the Supreme Court of the United States. It deserves your total attention. The American people are entitled to it.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, might I inquire of the parliamentary situation? What is the pending business?

The PRESIDING OFFICER. The pending business is the conference report on the unemployment insurance bill.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senator may proceed in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. BURNS. I thank the minority leader and I thank the Chair.

COMMUNICATIONS AND EDUCATION

Mr. BURNS. Mr. President, I have said it before and I will say it again—if we are to remain competitive as a nation, we must invest in education.

On September 13, 1991, the Wall Street Journal ran an article describing one innovative way we are investing in the educational future of our children, and that is through the use of advanced communication technologies that bring education to students in settings outside the classroom. Called distance education or distance learning, schools are using combinations of television, satellite, computer, videodisc, and telephone technology to reach people who cannot attend classes because of geographic location, jobs, or home responsibilities.

As we struggle with how to achieve the national education goals that all of us agree are critical to America's future, the communications industry, the Corporation for Public Broadcasting [CPB], and the public broadcasting industry in particular, have been working with educators to adapt existing, and develop new, technologies to bring quality education to students regardless of geographic or economic location.

Former Secretary of Education Terrel H. Bell, who served under President Reagan from 1981 to 1985, recently added his voice to the national debate on education with publication of "How to Shape Up Our Nation's Schools," calling for immediate investment in high technology for our Nation's schools. As we search for a new direction when it comes to public education, former Education Secretary Bell is right on target when he says that one of the most pressing calls is to introduce new communications and computer technologies into our schools.

Not every school system can afford the latest computer and satellite systems, but they do have phones. If we can give our schools the ability to retrieve information through fiber optic phone lines, we will open the doors of opportunity to our children. And believe me, the world our children could tap into through fiber optics is a marvelous one indeed.

Imagine America's students dialing-up a guest lecturer in any classroom in the world via a two-way interactive audio and visual network or tapping into the books, audiotapes, and videotapes of any library in the world. With fiber optics, our children can have full motion video learning tools right at their fingertips.

I recently introduced legislation to promote nationwide deployment of a fiber optic communications system. S. 1200, the Communications Competitiveness and Infrastructure Modernization Act of 1991, sets a new national goal that, by the year 2015, the United States establish an advanced, interactive, broadband communications network that would be available to all homes, businesses, educational institutions, health care organizations, and other users. The bill also requires that the rate of deployment of fiber optics to rural and economically disadvantaged areas occur at a rate reasonably related to the rate of deployment to more populous and affluent areas.

For large rural States like my home State of Montana, or for inner-city school systems struggling with limited resources, the impact of such a system on education could be dramatic. Fiber optics will make it possible for all schools, whether rural, urban, or innercity, to have equal access to information. And the possibilities of what our kids can do with that information is limited only by their minds.

In Montana, we are already jumping into the information age of the 21st century with both feet first.

Tele-Communications, Inc. [TCI], the leading cable television company in the Nation and Montana, has committed over $300,000 in funding and support for an educational network throughout our State. The interconnect will link several of Montana's schools, colleges, libraries, and workplaces via cable television and satellite technology and offer educational and job training opportunities to Montana's residents and students.

Additionally, the Billings public schools are working on setting up a new innovative model for geography education called the Northern Lights TeleGeography Project. Ten participating Montana and Alaska schools, connected via computer networks, serve as the basis for the Northern Lights project. With the help of telecommunications technology available today, students participating in Northern Lights will be able to select a topic of significance and research it through the use of database, CNN newsroom archive tapes, netwire reports, electronic bulletin boards, and traditional library methods.

These two educational programs will enable Montanans to overcome the long distances between many towns and the rural isolation of many communities.

Since Congress first authorized the creation of the Corporation for Public Broadcasting in 1967, CPB and public broadcasting have proven to be an enormously wise investment for our youth and their education. They have used research and development to bring public telecommunications services to segments of society which previously were unserved or underserved by other communications media. Public broadcasting initiated the use of satellites for continental broadcast reception, brought to the hearing impaired the ability to enjoy the wonders of television through closed captioning and enabled the visually impaired to participate in the television experience with descriptive video.

In education, the CPB and public broadcasting have brought satellites into the classroom, thus enabling students in schools unable to afford advanced or specialized instruction to learn Russian or Japanese, or prepare for advanced placement economics tests through interactive television programming, as described in the Wall Street Journal article.

In 1981, a gift from the Annenberg School of Communications to the Corporation established the Annenberg/CPB Project for the development and use of communications technologies to help reach and teach those who are not able to take traditional college or high school courses. During its 10-year history, the project brought together teachers, researchers, and millions of students.

For example, by the end of fiscal year 1990: 2,500 of the Nation's 3,000 colleges and universities used Annenberg/CPB Project materials as part of their curricula, reaching more than 1.5 million college students; 3,900 high schools, about one in five in the United States, used Annenberg/CPB Project materials in their classes; more than 175,000 distance learners, mostly working adults, have taken Annenberg/CPB Project courses for credit toward a degree; and more than 1,400 businesses and corporations have purchased the project's courses for in-house training programs, providing employees with the opportunity to learn new skills and improve productivity.

The capability to have that extended educational reach will be a vital national resource in the year 2000, when close to 60 percent of those enrolled in higher education will be over age 25 and mostly part-time students who need to earn a college degree while working.

In June 1991, the Annenberg Foundation announced that it would continue its successful relationship with the Corporation by providing $60 million to CPB for a new nationwide project to help students in kindergarten to 12th grade excel in math and science through innovative uses of telecommunications technologies. This project, called the Annenberg Foundation/Corporation for Public Broadcasting Elementary and High School Project for Mathematics and Science, will receive under an agreement with the Annenberg Foundation up to $5 million a year for 12 years.

I would like to share this article with my colleagues and congratulate the communications industry for their efforts to provide quality, accessible education programs to all Americans.

This year, Congress will vote on the reauthorization of the CPB for fiscal years 1994 through 1996. During hearings before the Subcommittee on Communications, CPB recommitted itself to its educational roots and expansion of public broadcasting's capacity and ability to improve education services such as distance learning. Later this fall, the Senate will consider S. 12, a bill that would place a myriad of costly regulatory constraints on the cable television industry. Such action would, among other things, likely result in a substantial decrease in the type of funding commitments made by TCI to educational interconnects. The Communications Subcommittee is also likely to hold hearings on my bill, S. 1200, and communications and education in the near future.

I would urge my colleagues to read the Wall Street Journal article carefully, vote favorably for CPB's reauthorization, vote against S. 12, and continue to look to advanced communications technologies as efficient, equitable means of achieving many of our national education goals.

Mr. President, I ask unanimous consent that the Wall Street Journal article be printed immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BURNS. Mr. President, I would also footnote this whole issue of education. In a time when the history of the world is changing by the hour, countries' boundaries are changing, governments are changing, the ability to dispense information and education through electronics has made it possible that all the people in the world know what is going on in every corner of the world. Freedom of information, freedom of the press, and the ability to tap into that information, those data bases, are changing the world because educated people will always embrace the great light that the United States has always fostered and that is the personal freedoms that we enjoy in this country.

There is no more important issue that will come before this body than our capability of educating our youth.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Sept. 13, 1991]

ON-LINE TEACHING—"DISTANCE EDUCATION" USES ELECTRONIC LINKS TO RECAST THE CAMPUS

(By Ellen Graham)

AUGUSTA, ME.—On good nights, says Jeffrey Klivans, the electricity in his classroom leaves him so exhilarated that afterwards he sometimes forgets where he has parked.

What makes this noteworthy is that Mr. Klivans's class discussions ricochet across the entire state. The 180 or so students enrolled in his University of Maine introductory management courses hail from such distant points as Caribou in the far north, the rocky islands off the coast, and the paper mill towns of Rumford and East Millinocket. Yet, thanks to the university's interactive television linkup, most sit tight in their hometowns, joined in one electronic classroom.

Broadcasting live from the Augusta campus, Assistant Professor Klivans—like an academic talk-show host—banters with students in dozens of scattered sites, prodding them to call in with questions and comments on the topic of the evening.

"You mean there's nobody out there tonight?" he jokes, wrestling with a momentary silence before the lines begin to crackle with questions from Calais, Brunswick, Mt. Desert Island and points beyond.

A NEW LOOK

Here and at universities around the nation, technology is toppling the ivory tower. Whether by satellite, videocassette or telephone line, instruction can now be delivered literally to students' doorsteps. Known as distance education, it is rapidly reconfiguring the community of learners. It is also blurring institutional boundaries, as schools form partnerships to swap faculty members, libraries and research facilities in ways not envisioned even a few years ago.

For example, some 4,000 corporate engineers earn advanced degrees at their workplace via satellite from the National Technological University, now one of the largest engineering schools in the nation. It is based in Fort Collins, Colo., and its faculty is drawn from 40 universities, including Georgia Institute of Technology, Purdue University and the University of California at Berkeley. Thus, an authority on statistical quality control at Purdue can reach engineers in the Silicon Valley and in Rochester, N.Y., simultaneously. "The time has come to share scarce resources," says Marilyn Roberts, director of finance at NTU. "Technology is changing so fast that every university can't expect to have an expert in every field."

PLUGGING IN

Nor can schools expect to reach all students in traditional ways. Back in Maine, Belinda Pendleton sits in her niece's apartment on the island of North Haven, an hour's ferry ride from the mainland, and talks about her soaring aspirations. Ms. Pendleton, 41 and divorced, was born here and has rarely strayed. "You get on this island—you can't explain it—you want to stay," she says. Years back, she graduated from the island's only school, but always figured her determination to remain here precluded college.

Then, two years ago, college came to her: North Haven became a link in the University of Maine's network. After Ms. Pendleton earned a B in her first televised course—philosophy—she says her professor sent her a note, saying: 'You're going to make yourself known someday.'"

It was all she needed. Next spring, Ms. Pendleton will earn a two-year associate degree without having ever stepped off her beloved, sea-swept island. Then she expects to press ahead for a teaching degree. North Haven has a hard time keeping teachers, she explains. "A lot of people can't stand the isolation."

VIDEO AGE 101

No one formally tabulates distance-education enrollment at the college level, but several authorities in the field estimate the number to be in the high six figures nationwide. Most large universities and community colleges now offer some credit course-work at a distance, though entire degrees are less common. Instruction may be produced in-house and broadcast "live," pulled off a satellite or computer, or packaged as prerecorded video "telecourses," such as those available through the Annenberg/Corporation for Public Broadcasting Project. Used at 2,000 U.S. colleges, Annenberg courses are also offered for credit on cable and public television.

At bottom, distance learning embodies a populist vision of higher education. Steve Ehrmann, program office for interactive technology at Annenberg/CPB, describes the transformation:

"Colleges traditionally have been bounded by a wall with a narrow gate. You allow relatively few people in at high cost, keep them all in one place at one time, make them share finite resources and faculty, and when they leave, their education stops. But today's students can't participate in education organized that way."

That's because adult part-time students now account for nearly half of all college enrollments, and are expected to total 60% by the end of the decade. This "new majority," typically employed and in need of retraining, can't move to a dorm for four years. Distance education allows them to sandwich classes in at work or at odd hours.

Correspondence courses—the most rudimentary form of distance education—have been around since the late 1800s. But today, learning from afar has become a multimedia experience. And while detractors insist distance education is still a poor substitute for face-to-face contact, "it's moving into the mainstream of how education is conducted in the U.S.," says Gary Miller, associate vice president for instructional development at the University of Maryland's University College, where last year over 5,000 students studied for credit at a distance.

The University of Maine's venture was designed to pull the state out of an educational morass. In 1985, Maine ranked dead last among the states in adult participation in higher education, and 47th in the percentage of high-school graduates who continue their schooling. Two-thirds of the population also lived beyond a reasonable commuting distance from any of the seven university campuses. So the university decided to go where the students were.

EXPANDED REACH

The Augusta campus was selected as the hub for a new, adult-education institution, dubbed the Community College of Maine. In the fall of 1989, the Community College began offering courses over the fiber-optic and microwave network that transmits video, audio and data to all campuses, and 77 remote sites, mostly public schools. This fall, 3,912 students are registered for about 35 interactive TV, or "ITV," courses; about half of the students are pursuing two-year general-studies degrees. The school soon expects to offer a bachelor's degree.

In the space of three years, 85% of the state's population has been brought within a 15-minute drive of a remote "campus." "Maine literally created a whole new infrastructure for education without investing in a single new building," says Linda Roberts, senior associate at the Congressional Office of Technology Assessment in Washington. In fact, the $7.3 million in state and federal funds needed to build the system is about what it cost the university to build a new dormitory at its Orono campus.

There have been growing pains. Transmission glitches remain a frustration. The workload for the faculty, drawn from the university system, has at times been overwhelming: Not only are ITV classes larger, but the new media demand new teaching techniques. As compensation, those who volunteer for ITV get double pay for each remote course they teach.

INNER SANCTUM

Some instructors worried that their jobs would become redundant once their lectures had been videotaped. (In fact, staffing has increased as enrollments rose.) Others hated the notion that administrators could eavesdrop electronically. "Classrooms have always been private places for instructors," says Robert Woodbury, the university's chancellor. "So it can be unsettling when you haven't the faintest idea who's watching you teach."

Quality concerns also arose, even though ITV students receive the same lectures, homework and tests as those on campus. The loss of fact-to-face interaction with students troubles the faculty most. Barry Farber, an accounting professor, says calls from remote points sometimes stack up, causing delays in responding to queries. While he believes the system has a lot of potential, he adds: "I'm not sure we've reached a satisfactory level of interactivity yet."

The doubts have eased somewhat, as studies have shown that ITV students as a group consistently perform as well as on-campus students on tests. High motivation and small class size in the remote sites are cited as possible reasons. "It's the ultimate small-college experience," says Kevin Drumm, director of off-campus education at Augusta.

Technology itself also seems to play a part. Students can review taped lectures if they miss a class. Computer conferencing, available for the first time this fall, should encourage cooperative learning and sharpen writing skills. Pamela MacBrayne, executive director of the distance-education program, says an array of technologies helps reach students with a variety of learning styles, not just the "auditory" learners who flourish in the traditional lecture classroom.

HELLO? WHO'S THERE?

Teachers, meanwhile, are laboring to overcome the impersonality of ITV. Some ask students to send in photos so they can attach faces to distant voices. Mr. Klivans corresponds with students via fax, telephone and postcard. He also keeps the class posted on his own life; one running gag involves his wife's exploits with their new inflatable boat.

Mr. Klivans says the challenge of working with ITV has given him reason to stay in teaching. Adds Ms. MacBrayne: "ITV tends to attract the better faculty, the risktakers who are willing to work harder to adapt and restructure."

The university at large is changing to accommodate its distant students. The 1.5 million volumes in its seven-campus library system have been listed in a single data base accessible from each remote site—or from students' homes with a modem. Users can check a book out electronically and receive it by mail in a few days.

Using a two-year, $300,000 Annenberg grant, coursework is being redesigned as well. For the biology lab he will teach next year, associate professor Don Naber plans to give ITV students fetal pig specimens that they can dissect at home while watching a video demonstration.

ANOTHER CHANCE

ITV registration is up 12 percent this fall from a year ago, and the majority of the students are repeat customers like Melody Lee York. Until recently, Ms. York, a 34-year-old mother of two, was like many rural women in Maine who are bypassed by the educational system. Married at 14, she says her former husband "swept me off my feet and out of school." Though she never attended high school, she passed the equivalency exam for her diploma without taking a single course. She next earned a two-year associate degree in photography at the Community College's Thomaston center near her home. She's now working on her B.A. and is aiming for a master's degree in photojournalism.

"I can't believe the doors that have opened up," she says. Between classes, Ms. York works as a counselor at the Thomaston center and runs her own commercial photography business—all while juggling Girl Scouts and 4-H on the side. As the first in her family to attend college, her example has inspired several relatives to return to school as well.

The ITV system has a wide array of users outside the university. It is beaming calculus and Russian to small high schools that couldn't otherwise offer those subjects. And its teleconferencing potential is knitting together Maine's dispersed population. Statewide legislative hearings, law school reunions and corporate conferences were among the 400-plus hours of ITV meetings held last year, along with scores of training seminars for workers who need periodic recertification.

"We can reach 2,000 day-care workers simultaneously with one hour of training a week," says George Connick, president of the University of Maine at Augusta. "We don't have to move people anymore—we just move signals. These are the superhighways of the 21st century."

FAMILY AND MEDICAL LEAVE ACT

Mr. MITCHELL. Mr. President, I have discussed the matter I am about, now, to undertake with the distinguished Republican leader. I understand that the Senator from Arizona will act in behalf of the Republican leader to make the appropriate objection.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 100, S. 5, the Family and Medical Leave bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

MOTION TO PROCEED

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I move to proceed to the consideration of Calendar No. 100, S. 5, the Family and Medical Leave bill, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

> CLOTURE MOTION
>
> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 5, a bill to grant employees family and temporary medical leave under certain circumstances, and for other purposes:
>
> George Mitchell, Christopher Dodd, Wendell Ford, Paul Wellstone, J.R. Biden, Jr., Daniel K. Akaka, Charles S. Robb, B.A. Mikulski, James Sasser, Howard Metzenbaum, Timothy E. Wirth, Edward M. Kennedy, Paul Simon, Patrick Leahy, Richard Bryan, Harris Wofford.

Mr. MITCHELL. Mr. President, I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion to proceed is withdrawn pursuant to the request of the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Senators, this procedure was by agreement between the distinguished Republican leader and myself, reflecting our disagreement on proceeding to the Family and Medical Leave bill.

As a result of this procedure, there will be on next Tuesday morning a vote on the cloture motion to proceed to the bill. That vote will occur at approximately 11:30 next Tuesday morning following other votes, the times for which have been established by a prior agreement.

I thank the distinguished Senator from Arizona for his courtesy in yielding, and for acting in behalf of the Republican leader in making the necessary objection.

Mr. President, I now ask unanimous consent that the required live quorum under rule XXII be waived on the cloture vote scheduled to occur on Tuesday, October 1, on the motion to proceed to S. 5, the Family and Medical Leave bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. I yield the floor.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Chair now recognizes the Senator from Arizona.

Mr. McCAIN. Mr. President, first of all I would like to associate myself with the remarks of my good friend and colleague from Montana, Senator BURNS. I think his words are filled with wisdom and foresight and I look forward to working with him as we attempt to address the very important challenge that he has so adequately described.

CLARENCE THOMAS

Mr. McCAIN. Mr. President, often in Congress, we talk about finding role models for our youth among the leaders in our country. We advocate the view that any person, of any walk of life, of any race, can be anything he or she chooses to be, if that person has the conviction do so, and a steadfast belief in the sacred document which makes this possible, the American Constitution.

President Bush's nominee for the Supreme Court, Judge Clarence Thomas, is such a person.

Self-reliance is the cornerstone upon which Judge Thomas' life as a jurist is built. Since his nomination, the American people have gotten to know the story of a man who was raised with little material benefits, but was rich with the love and encouragement of family, and the dedication of teachers. Above all, Judge Thomas was raised with the belief that hard work brings its own rewards. His brilliant career stands as testimony to the truth behind this principle.

Judge Thomas is no stranger to the plight of underprivileged Americans. He has lived it. Born in Pinpoint, GA, he experience poverty, segregation, and all of the hardships inherent to these conditions. Despite this, Judge Thomas focused on the duty which he felt was most important, which was attaining an education. His childhood years were spent in Catholic schools in Savannah, GA. He worked long and hard. His reward was successfully completing his undergradaute work at Holy Cross College, and then receiving his law degree from Yale Law School.

While these achievements alone distinguish him as an outstanding scholar, it exemplifies an even greater strength, and that is a deeply felt conviction that, with the freedom we enjoy in this country, we can overcome tremendous obstacles to reach our goals. Upon accepting President Bush's nomination, Judge Thomas shared this conviction as he stated, "In my view, only in America could this have been possible."

Judge Thomas' experience in both the public and private sectors complement his distinguished academic career. My colleagues, Senator DANFORTH and Senator BOND, have given testimony to his excellent qualifications after Judge Thomas worked for them, first, in the office of the Attorney General of Missouri where Senator DANFORTH served as attorney general, and later, as a staff member in the Senator's Washington office. In between, Judge Thomas worked as an attorney for the Monsanto Co. in St. Louis.

On May 17, 1982, Judge Thomas began his tenure as Chairman of the U.S. Equal Employment Opportunity Commission [EEOC]. He served at the EEOC for 8 years, where, as many have stated before me, he turned a rapidly aging system into a responsible agency which provides for a speedier process of resolving cases. This does not only mean that Clarence Thomas was a highly organized Chairman. It shows his sensitivity to the plight of many whose only hope is a system where they can have their grievances heard and promptly decided under the principle of fairness. Any undue delay is an injustice, and Clarence Thomas would not stand for such an injustice under his leadership.

His achievements at the EEOC have been praised by many, including the Washington Post, which stated in the headline of its editorial appearing on August 1, 1987, "The EEOC Is Thriving." The editorial went on to praise then-Chairman Thomas by underscoring his success at the agency under this "quiet but persistent leadership."

A few have expressed fear that Judge Thomas is insensitive to minorities, and that this alleged insensitivity will govern when he casts his votes on the Supreme Court. On the contrary, Clarence Thomas' background will provide the Court his firsthand experience as a member of a minority group in this country. Margaret Bush Wilson, former chairperson of the National Board of Directors of the National Association for the Advancement of Colored People, agrees. In an article appearing in the Washington Post, Ms. Wilson states:

> Judge Thomas reflects the diversity and complexity of African-American thinking * * * he has pushed for a new frontier in civil rights, * * * [and] seeks a climate where African-Americans and other minorities feel empowered to compete equally with their counterparts of other races. * * *

Ms. Wilson's view of the role Judge Thomas would play as a Justice of the Supreme Court is insightful.

A few opponents of Judge Thomas' nomination voiced their opposition even before the nomination hearings began. It is a shame that those few were not able to benefit from hearing from the nominee himself before reaching a decision. Had they done so, they would have likely reached the same conclusion as the Washington Post expressed in its editorial of September 15, 1991, which declares the nominee "qualified to sit on the Court * * * [with] a clearer sense of discrimination and its remedies than any other member of the court * * * we think he should be confirmed."

Mr. President, I ask unanimous consent that the Washington Post editorial and the other articles I cited be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 6, 1991]

THE NAACP IS WRONG ON THOMAS

(By Margaret Bush Wilson)

The young man standing at my door that summer day in 1974 looked like an African prince. "Hello, I'm Clarence Thomas," he said. "I know," I replied. "I've been expecting you." And so began a friendship with someone I think of fondly as a second son.

I first heard of young Thomas (then almost 26) from his employer-to-be, Sen. John Danforth (R-Mo.), who was attorney general of Missouri at the time. Mr. Danforth told me he had just hired a bright young law graduate from Yale and asked if I knew of a place the young man could live for the summer while studying for the Missouri bar. My own son, Robert, was then a law student with plans to work that summer in Washington. I invited young Clarence to stay in my son's empty room.

I don't recall seeing another young person as disciplined as Clarence Thomas. First thing, every day, he would exercise with my son's weights and then be off to his studies. I asked of him only one thing: I would prepare dinner, and he would show up on time. We would eat together every night, often with one or two friends or relatives and talk about any and all of the problems of the world.

We didn't always agree (Clarence was "conservative" even then), but I was impressed continually with one so young whose reasoning was so sound. I must also admit that his arguments, both legal and logical, forced me to rethink some of my own views. I knew I sometimes made him see things differently, too, because Clarence Thomas knew how to listen as well as talk.

Across the years, I have kept in touch with Judge Thomas and to this day I respect his integrity, his legal mind and his determination. Even when we disagree, I have found him to be a sensitive and compassionate person trying to do what is right, working to make the world a better place.

Back then I sensed that he would one day be in a position to have a larger impact, but I had no way of knowing that this determined young man might one day have the chance to tackle some of our country's problems on this nation's highest court.

Recently, the NAACP National Board took action opposing Judge Thomas's nomination. I wish it had withheld judgment until after the hearings, because the Clarence Thomas I have been reading about often bears little resemblance to the thoughtful and caring man I have known over these years.

Judge Thomas reflects the diversity and complexity of African-American thinking, but his views are not nearly as radical as his critics suggest. He has pushed for a new frontier in civil rights, and heaven knows we need one when one-third of African Americans are still in poverty as we approach the 21st century. He seeks a climate where African Americans and other minorities feel empowered to compete equally with their counterparts of other races, with rational support from government programs.

Some have said that despite his chairmanship of the Equal Employment Opportunity Commission for eight years, he has not been a champion of civil rights. Those people obviously don't know Judge Thomas or the real facts about his tenure with the EEOC. His record will speak for itself and will impress those willing to listen and look beyond misinformed rhetoric. On a personal level, he knows the struggle and hardship blacks and the impoverished of every race grapple with daily—not to mention the plight of most families, since in my judgment the central issue of our time is that some 82 percent of the families in these United States have no discretionary income after bills and taxes are paid.

We didn't talk much about Judge Thomas's background that summer 17 years ago, so it is only recently that I have learned about his humble beginnings. The cramped house with no plumbing in rural Georgia, his wise but not learned grandparents, the Catholic nuns and the rest have only recently come into full view for me. To rise above the dual curses of poverty and discrimination requires tremendous individual effort from a special kind of person, help from others and luck. All these have been present in Judge Thomas's career.

Throughout the history of the U.S. Supreme Court, I don't believe any other nominee can claim to have come so far. In point of fact, Judge Thomas's unique perspective belongs not only on the Supreme Court but in the legislature, in the work place, at city hall and on our campuses.

No one can deny that Judge Thomas would differ with Justice Thurgood Marshall on some issues. I don't always agree with the justice myself. I do believe that both men show a common, fundamental belief in the inherent worth and rights of the individual. At one of his four previous Senate confirmation hearings, Judge Thomas said, "The reason I became a lawyer was to make sure that minorities, individuals who did not have access to this society, gained access. . . I may differ with others on how best to do that, but the objective has always been to include those who have been excluded."

As young Clarence Thomas left my home at the end of the summer, he asked how much he owed for his stay. I told him that he owed me nothing, but I did want a promise from him. I asked him to promise that if he were ever in a position to reach out and help others that he would do it, just as some had done for me and as I had done for him.

He promised he would, and Judge Thomas has been keeping his word ever since, looking out for the vulnerable and victimized on the job, in the community and at the court. I know that as a Supreme Court Justice Clarence Thomas will continue to defend and protect the rights of the needy. He does not permit anyone to think for him, and he is intellectually honest.

When the history of these times is written, it will be interesting to see how historians view the position of the National Board of the NAACP—an organization committed to advancing colored people, which is opposed, on ideological grounds, to this nomination of a black man to the U.S. Supreme Court.

Let the record show that the NAACP's former national board chair respectfully disagrees with its position.

[From the Washington Post, September 15, 1991]

THE THOMAS HEARINGS

One of the truly unsettled questions in American politics is how a prospective justice of the Supreme Court should be interrogated and judged by those members of the U.S. Senate most responsible for his confirmation. If you doubt this, only recall the hearings held and the arguments generated when the last several nominees were up for consideration. It is still pretty widely accepted that a president has a right to choose justices who reflect his own philosophical predisposition and that if the nominee is to be rejected it should be on some other grounds, grounds of moral, mental or professional disqualification. It is also held, and we think rightly, that the nominee should not be required to tip his or her hand on specific decisions likely to be made in the future. These are the givens. The problem is that there are those who a) don't accept them but b) rarely say so, rarely assert that they just will not vote for someone whose political philosophy they disagree with; so they oppose in other ways.

They try to marginalize, caricature or morally discredit the nominee. Neither political party has a monopoly on this approach—it just depends which is making the nomination and which is called upon to approve it. What ensues are often essentially trick questions, which generate trick answers. Everyone on all sides becomes surpassingly cagey, figuring how the issue or exchange, is going to play, what the public relations traps are and so on. Also across the political spectrum, everyone has gotten pretty practiced and good at all this, which is what accounts for the very gamelike quality of the procedure. It's nobody's fault and everybody's fault, and it has been very much apparent in the Clarence Thomas hearings and the arguments they have inspired in the press and among lobbying groups in the past week, just as it was in the hearings of his recent predecessors.

We don't want to be hard on the procedure; it is true that in the past week there were some interesting, even illuminating exchanges and that some things became clearer, not murkier as a result. But there was also much adjustment of perspective in keeping with the two sides' new imperatives. It was, for example, said by critics of Judge Thomas that he and his supporters dwelt at far too great length on his personal background, his experience of discrimination and poverty and struggle, as a qualification for the job—as distinct from the requisite legal experience. His supporters, naturally, challenged this complaint. The last time around, they were on opposite sides: the critics of New Hampshire's bookish bachelor, David Souter, had much to say about how his limited life experience would likely inhibit, even deform, his ability to understand the cases before him, never mind the extent of his judicial background—while the Souter supporters took the other line.

Did Judge Thomas modulate, trim, bob and weave during the questioning? Well of course he did. From time to time, it seemed to us he dodged excessively, even though you could construct a defense of his extreme defensiveness in light of some of the traplike questioning. We think the charge of total and instantaneous conversion is not fair, however. For example, some of the things Judge Thomas said on the agitated matter of natural law had been said to this same committee by him at his hearing in February of 1990, when he was appointed to the U.S. Court of Appeals. Specifically he had told the senators: "But recognizing that natural rights is a philosophical, historical context of the Constitution is not to say that I have abandoned the methodology of constitutional interpretation used by the Supreme Court. In applying the Constitution, I think I would have to resort to the approaches that the Supreme Court has used. I would have to look at the texture of the Constitution, the structure. I would have to look at the prior Supreme Court precedents on those matters."

Our own sense, on the strength of what we know of his record and the testimony given so far, is that Clarence Thomas is qualified to sit on the court. He is surely not the most eminent jurist who could have been selected, but neither have many of his predecessors been. His views, particularly on what are called broad remedies in civil rights cases, are conservative. An administration whose views are also conservative in this area is unlikely to produce any other kind of nominee. It is not clear to us that in every respect these views are wrong or that Judge Thomas's mind is closed, and in any case, in its episodic resistance, the Judiciary Committee has cleared with scant attention or dissent nominees, now justices, whose similar views on the subject are equally strong or stronger.

Nor did we think Judge Thomas comes to the court or this point in his life with a malign or distorted agenda. Quite the contrary. There has perhaps been too much talk about how he beat the odds and rose out of poverty and segregation in rural Georgia 40 years ago. Maybe not even he can be sure of all the effects this had on him. But one thing is sure: He will have a clearer sense of discrimination and its remedies than any other member of the court, any other nominee this administration is likely to send up—and any of the members of the Judiciary Committee now judging him. There seems also to be a streak of individualism in him, a turn of mind that will not easily accede to the prejudices and popular passions that sweep the day. On the strength of the hearings so far, we think he should be confirmed.

[From the Washington Post, Aug. 1, 1991]

THE EEOC IS THRIVING

Civil rights advocates have apparently given up on the Civil Rights Commission and disagree only on how little should be appropriated for the agency. Some groups have even suggested that the Treasury save the money and abolish the CRC altogether. This is probably due to the sharp philosophical disagreement between traditional civil rights lobbyists and those now leading the panel, most of whom have been appointed by President Reagan. Or it may simply reflect the fact that the commission, whose work was so vitally needed and so widely supported in the late '50s and early '60s, no longer seems to be fulfilling a function.

Another important executive agency charged with civil rights enforcement—the Office of Civil Rights in the Department of Education—has been hamstrung since 1984, when the Supreme Court sharply limited the scope of the law prohibiting discrimination by recipients of federal funds. Because Congress has not yet acted to overturn that ruling by legislation, OCR—even if its leaders were willing to act aggressively—has been unable to move against many kinds of discrimination that had been its responsibility before.

But things are markedly different at the Equal Employment Opportunity Commission, the federal agency created in Title VII of the Civil Rights Act of 1964 and charged with rooting out employment discrimination. Here, the caseload is expanding and budget requests are increasing. Under the quiet but persistent leadership of Chairman Clarence Thomas, the number of cases processed has gone from 50,935 in fiscal 1982 to 66,305 last year. In the same time period, legal actions filed went from 241 to 526. To handle this much larger caseload and higher litigation level, this year's budget request was a record $193,457,000. That's one-third more than was spent at the beginning of this administration and $28,457,000 over last year.

Domestic budget requests, even for meritorious programs such as this, are being cut with a vengeance, and the request for the EEOC is no exception. The House did vote a $13 million boost, and the commission has asked the Senate to restore the full amount requested. Whether that is possible, given other budget constraints, is uncertain. But legislators who care about civil rights enforcements have a special obligation to sustain an agency doing this work and enjoying, to an unusual degree in these times, the support and encouragement of the administration.

Mr. McCAIN. Mr. President, Judge Thomas is an honorable, sensitive, hard working, and fiercely independent jurist. I will vote with what I believe will be an overwhelming majority of my colleagues to confirm his nomination to the Supreme Court of the United States. Mr. President, I cast that vote without reluctance, without concern, but with pride, with great pride that this wonderful Nation of ours can produce an individual which we can point to with pride in his achievements and his future magnificent contributions to this great Nation of ours.

In my view, Mr. President, Judge Thomas is what this country is all about.

Mr. President, I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. BURDICK). The Senator from Missouri.

CLARENCE THOMAS—THOUGHTFUL, ABLE, AND COMMITTED

Mr. BOND. Mr. President, I would like to thank my colleague from Arizona for that very fine statement on behalf of my very good friend, Judge Clarence Thomas. I was one of six Senators who had the privilege of presenting Judge Thomas to the Judiciary Committee. My senior colleague, JACK DANFORTH, obviously has worked very long and hard on behalf of Clarence Thomas because he, better than any of us here, has the opportunity to know Judge Clarence Thomas and to know of his legal ability.

I know Judge Thomas primarily as a personal friend. I might be apt to say he worked for me. Actually, I was a client of Judge Thomas' when I was Governor of Missouri in the early 1970's and Judge Clarence Thomas was then an assistant attorney general. He was called upon from time to time to defend the actions of the Governor. We took on many of the old political customs in Jefferson City, and they did not go away easily.

One of the measures I did was to stop the practice of having Governors issue low-number license plates to their political friends. I felt it was far better to have a fair system in which anybody who wanted a specialized plate could pay for that plate, get in line to take a plate if it was not available. Ultimately, that was adopted by law. But before that happened, we had to fight off a number of lawsuits by people who wanted to retain their plates, and Clarence Thomas was the attorney who drew the short straw and had to defend that practice.

On that and many other occasions, Clarence Thomas was a very capable attorney, even though he may not have been dealing with the very best clients or the best causes around. I could tell you that, from my experience, the strongest proponents of Clarence Thomas are those people who know him best. They know of his integrity, they know of his character, and they know of his intellect. I will tell you as I travel around Missouri and speak to Missourians, black and white, from the north, south, east and west, there is great enthusiasm for Judge Thomas, because of his background and because of his demonstrated ability.

Nothing that I have seen or heard in the confirmation hearings would in any way cast doubt on Clarence Thomas' ability to serve on the Supreme Court. He has refused, as most other candidates for judgeship have, to say how he would rule on specific cases. As I understand the law, we are supposed to let judges hear the arguments and the facts before they make a judgment. He has also not responded to questions that were statements as perhaps those who stated the propositions would like. But he has shown himself to be thoughtful, able, and committed.

I, therefore, urge my colleagues to support Clarence Thomas for this nomination.

FAMILY LEAVE COMPROMISE

Mr. BOND. Mr. President, I rise today to address a question that we are going to be voting on next Tuesday, and that is the cloture motion on family and medical leave. I take this opportunity because in the busy work schedule laid out on Tuesday, there may not be an opportunity for us to air some of the views that I think are very important on this issue.

As a general rule, I am strongly opposed to governmental mandates. I am opposed to them where the burdens they impose are greater than the benefits they confer. After years of stalemate, I believe the time has come to strengthen families facing tough times. I think it is time to break the deadlock on this issue with a compromise that will give working families, as well as main street businesses, an opportunity to work together in harmony.

The workplace of the nineties cannot live by the rules of the fifties. The fact is that more mothers of young children, even infants, work outside the home than ever before. In 1988, married women with young children comprised the majority of new entrants in to the work force. More than half of women with young infants return to work outside the home within a year of their child's birth. And contrary to what some of the opponents would have you believe, it is not necessarily out of choice—it simply takes two incomes to pay the bills. To prove my point: We know that more than two-thirds of women in the work force today are either single parents or have husbands who earn less than $18,000 per year. The fact is a family of three or four cannot live comfortably on under $18,000 per year in most parts of this country. Surveys show us that many married couples would choose to have one person stay home full time if money were not an object, but it is.

So what happens when a family faces an emergency, an illness, or unexpected chance to adopt a new baby or an older infant but both partners work? They had better hope they have an understanding employer. A 1990 Bureau of Labor Statistics study found that only 37 percent of female employees have maternity leave. And of the fortune 1,500 companies, where one might expect the best coverage of workers, only half offered parental leave beyond the standard 6-week maternity-as-disability period.

Paternity leave is extremely scarce. A 1990 Bureau of Labor Statistics study found that only 18 percent of fathers at medium and large firms are covered by unpaid paternity leave.

According to the chamber of commerce, 82 percent of employers provide no leave to care for sick children.

And if an employee is sick himself or herself, there is a good chance that he or she works for a company that does not even provide sick leave.

Many companies report that they will offer unpaid leave for family needs on a case-by-case basis. But I believe the statistics I have just cited point out the need for a basic minimal job protection standard on which all employees can count.

Mr. President, I have not come easily to this position that I now hold. For the last several years I have examined the issues surrounding family and medical leave legislation, and I have struggled with two seemingly contradictory beliefs: First, that Government should stay out of business and allow business to encourage economic growth and job creation; second, that society as a whole must put children and families first.

It is indeed well documented that many of our social affiliations; substance abuse, teen pregnancy, crime and others can be traced back to the lack of family structure in an individual's life. Over the last 30 years we have proven that Government cannot substitute for families but we can adopt policies that will strengthen families. And in the case of family leave, we can ensure that employees are provided with a guarantee of job protection to attend the family concerns in a way that is minimally disruptive to the workplace.

I believe that in drafting S. 5, my colleague from Connecticut, Senator DODD, had the right idea. In some ways, however, I believed that S. 5 may have been unworkable in many ways and was swayed by arguments of friends in the small business community that the bill was perhaps vague or had potential for abuse in litigation, cost too much or contained unwieldy enforcement procedures—legitimate concerns.

But I believe the compromise amendment we will offer addresses them all in a fair manner. Briefly, I would like to highlight what the amendment would do.

First, it contains the same minimum job protection now in S. 5. We would provide for up to 12 weeks of unpaid leave per year for the birth or adoption of a child or the serious illness of the employee or an immediate family member.

Second, all businesses employing fewer than 50 workers would be exempt, and eligibility would be restricted to those who had worked 1,250 hours or 25 hours per week over the previous year. In addition, they would have had to work for that company for at least 1 full year.

Third, highly compensated key employees would be exempt from coverage; if their absence posed an economic hardship to the employer.

Fourth, we have completely rewritten the enforcement sections to eliminate quadruple damages and to use instead a procedure paralleling the Fair Labor Standards Act, a well-known commodity for both employer and employee.

Next, we have limited the potential for abuse of the leave provisions by requiring that serious health conditions be such that an employee be unable to perform the functions of his or her position or that the employee prove that he or she is needed to care for a sick family member. Certification by a doctor would be required before an employee could take leave.

Further, we would require that employees provide at least 30 days' notice of intent to take leave whenever the need is foreseeable.

Under the substitute, employers would be allowed to recapture health insurance premiums where an employee simply did not return to work.

And employers would be given the flexibility to deal with a potentially disruptive leave situation by transferring an employee to an equivalent alternative position.

Taken together, these changes mean the potential for abuse has been drastically curtailed. The employer has the flexibility to accommodate leave situations and the employer no longer needs to fear the potential of a flood of frivolous or costly lawsuits lobbyists have conjured up to defeat this legislation. My compromise addresses the former, not the latter.

Now, there are many Washington lobbyists arguing that these changes do not address the real concerns of employers. Some have even argued the changes will make the bill worse, and that is just plain silly.

Mr. President, the simple fact is that the Washington lobbyists do not want to see any changes that might make family leave workable. They are only concerned with its defeat. Some say they are not weighing this legislation on its merits because they are only concerned about the precedent it will set. Their great concern is that passage of this bill will set us down an irrevocable path of mandating all types of benefits, paid and unpaid. In order to win this debate, they would have you believe, and the people they claim to represent believe, that the battle we are fighting today is that of Government-mandated paid leave for all employees in all circumstances.

Well, Mr. President, that is not the battle we are fighting. The fact is that 95 percent of all employers and all of small business is exempt from coverage of this bill.

The legislation does not impose burdensome costs. The costs of the average benefits package—health, vacation, pension, unemployment insurance, Social Security contributions and holidays—for an employee exceeds $10,000. The average cost of this legislation to employers with more than 50 employees according to the GAO is $5.30 per employee per year.

Mr. President, as we debate this issue, I believe it is important to distinguish between the legitimate concerns business people have about making something they want to do, and in many cases already do, workable and the fears and demons which many Washington lobbyists have conjured up to defeat the legislation.

Our compromise addresses the former, not the latter. I hope during the course of the debate we can debunk many of the myths propounded by some members of the lobby corps and move on toward enactment of a compromise which strikes a good balance between providing for the needs of America's employees and the legitimate concerns of their employers.

Mr. President, it is time that we take this very important step to help strengthen families that badly need strength in these trying times.

I yield the floor.

FAMILY LEAVE

Mr. DODD. Mr. President, first of all, let me commend my distinguished colleague from Missouri for not only his statement, which I had the privilege of listening to, but I also commend him for the tremendous amount of work and effort he has put in on this legislation.

This has been a 5-year effort, with countless meetings and discussions considering all sorts of options and proposals for this legislation. Frankly, without the tireless effort of the distinguished senior Senator from Missouri, we would not be standing here today. I extend to him my deepest thanks for that effort and making it possible for this legislation to not only be where it is today, procedurally, but also where it is, far more importantly, substantively.

These are significant improvements he will be offering as a substitute, which I intend to strongly support, that I think deal with the very legitimate issues raised by the business community and others about making this legislation not only a workable piece of legislation but an effective piece of legislation when it comes to not only servicing those it is intended to serve but also minimizing any burden, to the extent there is any, on those who would have to make this legislation effective. I speak specifically, of course, of the business community.

So, Mr. President, today the Senate begins, in a sense, consideration of the most important family related legislation before the 102d Congress, S. 5, the Family and Medical Leave Act of 1991. I am pleased to be joined as cosponsors in the original piece of legislation by Senators KENNEDY, PACKWOOD, MITCHELL, JEFFORDS, MIKULSKI, HATFIELD, METZENBAUM, D'AMATO, and 32 other Senators who are on this legislation.

Mr. President, let me interrupt my remarks here to make this point as well. We had hoped to be able to proceed to the debate, at least a general debate, on the legislation today. But there was an objection to the motion to proceed. As a result of that, Senator MITCHELL has filed a cloture motion on the motion to proceed. But I want to make it absolutely clear that as the only cloture motion that has been filed, I would strongly object if any effort were made to file a cloture motion on the bill.

We intend to have an open debate, open discussion. This Senator is fully prepared to consider all amendments that will be offered including a substitute proposal that has been offered already by the distinguished Senator from Utah [Mr. HATCH]. And that amendment, if he decides to offer it, will be debated and discussed in full and voted on, if the Senator from Utah so desires a vote, along with any other Senator who wishes to raise an amendment on this legislation. So the only debate is whether or not to proceed to the bill on Tuesday, not to in any way restrict the debate on the bill.

I want to make it clear to all those who may be listening to this discussion that that is all the cloture motion will deal with, strictly and solely on the motion to proceed, whether or not this legislation can be debated. That is all.

So Mr. President, as we know, getting back to the substance, there has been a lot of talk, of course, in the Halls of Congress about trying to help working families, families caught in the economic squeeze between stagnant income, higher taxes, and the rising costs of basic necessities; families for the first time in generations, cannot count on a better life for their children; families that must face every day the competing demands of work and family responsibilities. Over the next few days on the floor of this Senate, we will have the opportunity to replace our profamily rhetoric with concrete action.

On one side of this debate we will have a small group of Washington lobbyists, powerful, wealthy, and influential, and on the other side America's working families, not nearly as wealthy or influential but with the powerful and timely idea that parents ought to be able to have jobs and handle family responsibilities as well. They believe parents should be able to deal with rare family crises without losing their jobs in the process. I believe that as a nation all of us have a stake in that both morally, socially, economically, and politically.

Mr. President, the Family and Medical Leave Act provides up to 12 weeks of unpaid leave for the birth or adoption of a child or serious illness of an immediate family member, your child, your spouse, or your elderly parent. Small businesses are exempt completely and strong protections have been included and additional ones will be included by the substitute offered by the distinguished Senator from Missouri that will protect these employers who will be covered by this legislation.

It is a simple but compelling idea, this Family and Medical Leave Act: job security during key family crises, crises that can remove the primary breadwinner from the labor force and cripple the family's economic security.

During Senate consideration of S. 5 Senators FORD, BOND, and COATS will offer and others will offer a substitute amendment which provides even greater flexibility, as I have mentioned already, and further safeguards for employers while requiring greater accountability on the part of employees taking leave under this legislation. Drawn by the compelling needs of working families in their States these fine Senators have rejected the shortsighted political arguments of a small lobby and have crafted a compromise that is fair to both the working parents and employers. I am deeply grateful for their efforts and believe their bipartisan compromise deserve our overwhelming bipartisan support.

Mr. President, the legislation we bring before the Senate is the product of more than a dozen congressional hearings and countless discussions with businesspeople and State officials from around the country. We have amassed strong and convincing evidence that a national family leave law is not only good public policy but makes good business sense as well. According to a recent study conducted for the Small Business Administration, "the net cost to employers of placing workers on leave is always substantially smaller than the cost of terminating an employee." This SBA study—commissioned and paid for by the Bush administration—pegged the costs of family leave at less than 2 cents per covered employee per day, without even factoring in employer savings from reductions in termination costs. These findings confirm those of a 1989 report by the General Accounting Office which estimated the costs of this bill to be $5.30 per covered worker per year, or less than 3 cents a day.

Another recent study commissioned by the Ford Foundation examined employer practices in four States that have enacted family leave laws. Nine out of ten employers reported that the laws were easy to implement and that they were not forced to provide fewer health benefits. Eight out of ten employers reported no increase in training or unemployment insurance costs.

Across the country, employers with leave policies in place report tremendous savings in terms of employee training, productivity, loyalty, and reduced absenteeism. States with family leave laws report minimal costs for enforcement, minimal costs to business, and an improved atmosphere of labor-management cooperation. Most important, I believe we have put to rest once and for all the boogeyman thrust before us by the Washington business lobby. The evidence is clear and unequivocal. Employers simply do not take away other employee benefits when a family leave policy is put in place.

Why do we hear one thing from the business lobbyists and something different from employers in the real world? The answer is simple. Over the last 50 years, in times of national consensus, when the Government has stepped in to ensure a minimum floor of protection and human decency for American workers, we have heard the same "Chicken Little" arguments from the business lobby that we hear today. Child labor laws, Social Security, occupational safety and health, minimum wage—each time we put fair labor standards in place we were told the sky was falling. And yet, I think most Americans agree that these laws have not only made us a more decent and humane Nation but have made us stronger economically as well. Five years from now, when this family leave policy is in place throughout the Nation, we too will be wondering what all the fuss was about in 1991.

We all want less reliance on Government programs and more reliance on the family structure. We all want Federal policies that help parents stay home with their children. We all want adoption to expand women's pregnancy-related options. And we all want a sound health care policy that reduces the number of uninsured Americans and creates alternatives to institutionalized elder care. No one congressional act this year will do more to preserve and strengthen families—to encourage working parents to be with their families at critical times—than the Family and Medical Leave Act of 1991.

Mr. President, let us be honest. As far as the Washington business lobby is concerned, the answer is—and has always been—just say no. But I believe it is time for us to place the needs of American families ahead of the narrow political agenda of these special interest groups. It is time to provide working families with job security during family crises in a way that is fair to employers, too. The Family and Medical Leave Act is an idea whose time has come.

Let me once again thank my distinguished colleague from Missouri, my distinguished colleague from Indiana, Senator COATS, by the way, who is my ranking minority member on the Subcommittee on Children and Families of the Labor Committee. His commitment to this legislation, to this particular option is tremendously important—Senator HATFIELD, Senator D'AMATO, Senator PACKWOOD, who has been an early cosponsor of this legislation, Senator JEFFORDS, who has played a pivotal role as well, and others who we believe are going to be joining us in this effort demonstrate this is a bipartisan concept.

We think we are going to have a strong bill to offer our colleagues, one that makes sense, one that is rational, one that is fair, and one that will make a difference for many families caught in that bind of choosing between being a good employee, a good worker, and also a good family member.

Mr. President, I thank the Chair. I thank my colleague from Missouri.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. Senator LEAHY.

VERMONT'S FINEST ARE NO. 1

Mr. LEAHY. Mr. President, if this were a movie, it would be called "Against All Odds." If it were a book, the title would be "The Incredible Journey."

This morning at 12:07 a.m. at Bolling Air Force Base, Vermont's finest softball team captured the Senate league championship in a hard-fought battle against the gritty, talented team of Senator MIKULSKI.

Not since Carlton Fisk got out of bed yesterday morning had so much native Vermont baseball talent been gathered in one place.

There was Otter Valley's Trish Coates, ripping run-scoring singles to left and playing second base like Billy Ripken.

South Burlington's Molly O'Brien was an anchor behind the plate, deftly calling all five of all-star pitcher J.P. Dowd's stunning victories. If the B–2 bomber was as tough to find on radar as some of Dowd's pitches, our generals in the Pentagon would sleep much better.

Tim "Brigster" Briglin turned in a sparkling performance at first base, while Pete "Rose" Schmalz patrolled center field like a healthy Ellis Burks. Laura "Don't Call Me Maddog" Madden reminded all of us why she led the league in line shots and spectacular catches. Burlington native Colleen "So This is the Show" Scully played with a quiet confidence surprising for such a young rookie.

We rode the bats and gloves of the likes of Tom "Stone Wall" Cosgrove, Lawson "Boomer" Bader, Todd "Give Me Shelter" Shelton, Doug "Douger" Bishop, and Downtown Fred Kenney. Even fellow Vermonter Luke Albee survived the series, playing shortstop with the finesse of George Foreman—he kept the faith in the over 30 crowd, given Todd Stern's contract dispute.

Kevin "Hawkeye" McDonald, our sensitive but dogged bench-jockey, exhorted our team on to victory after victory.

Special thanks go to Manchester's own Abe "A-Train" Madkour, who combines the brains of Tony LaRussa and the athletic ability of Deion Sanders.

And finally, our hat is off to the team of Senator JEFFORDS, who again came close to winning it all this year. That Vermont spawns such softball talent is a tribute to our clean air, clean water, and clean living.

A GIANT LEAP TOWARD PEACE IN EL SALVADOR

Mr. LEAHY. Mr. President, on Wednesday at the United Nations the Government of El Salvador and the FMLN rebels signed a historic agreement that contains the elements of a final end to the 11-year war that has devastated that tiny country.

While this agreement does not mean an end to the fighting immediately, the two sides will return to the bargaining table in October to continue negotiations on a cease-fire and the procedure and timetable for demobilization of the FMLN and the reduction in size of the Salvadoran armed forces.

Mr. President, for all of us, whether we have supported the administration's policy in El Salvador or opposed it all these years, this is a long-awaited day and a great achievement. President Cristiani deserves enormous credit, for his persistence and his determination in seeing this process through, despite the resistence of the rightwing of his own party and hardliners in the military. When the talks bogged down and we were beginning to fear that the negotiations would fail, President Cristiani went personally to New York and stayed there until a final agreement was signed.

The FMLN deserves credit, too. They have recognized that the world has changed and that the armed struggle could not go on forever. Poverty and injustice remain widespread in El Salvador. Eleven years of war have not changed that. But the political process is their best hope now, and they have a lot to learn if they are going to be a factor in the elections in 1994.

Special praise goes to U.N. Secretary General Perez de Cuellar and his deputy Alvaro de Soto. Nearing the end of a term of office that has seen the United Nations become a leading force for resolving regional conflicts, it is fitting that Mr. de Cuellar personally brokered this breakthrough.

Mr. President, the war is not over. In fact, some expect the fighting to intensify as the two sides try to strengthen their bargaining positions in these final days. That would be tragic for the people of El Salvador who have already paid far too high a price in this cruel war. From today forward, every drop of blood that is lost is a crime against the people of that country.

I urge President Cristiani and Defense Minister Ponce to disavow any plan to launch an offensive in the rebel areas, as some have predicted. And I call on the FMLN with equal urgency to do the same. Both sides should be pulling back, preparing to demobilize their forces, and speaking out publicly in support of an immediate cease-fire. All would be better off if the war ended sooner.

The Congress has yet to act on El Salvador this year. An amendment offered by myself and Senator DODD in July to withhold half the military aid got 56 votes, but was withdrawn in the face of a filibuster by those who yet again want to send another $85 million to the military with no strings attached.

This agreement changes the landscape. No longer can the administration argue that we need to continue to bankroll the Salvadoran military at the expense of other foreign aid programs that are far more deserving. We should drastically cut our military aid and shift those funds to programs to help the combatants on both sides reintegrate into civilian life and join in rebuilding their country.

Finally, Mr. President, I want to mention the Jesuits' case. The trial of the seven enlisted men and one colonel charged with those gruesome murders is to begin today. It is the first time in the history of that country that military personnel have been tried in a civilian court for violating human rights, which is indicative of both the depth of the injustice that has existed in El Salvador and of the changes that are taking root there.

I welcome this trial and am convinced that had it not been for the relentless pressure of our Ambassador and the support of President Cristiani, it never would have happened. But I cannot overlook the fact that the Salvadoran military have done their best to obstruct justice and subvert the truth at every turn.

Few in El Salvador, including the Salvadoran judge in the case and our own officials there, believe that the military officers who ordered these heinous crimes are among those charged. This trial falls far short of the thorough and professional investigation and prosecution that the Salvadoran people were promised and deserve. 0

DEATH OF THEODOR "DR. SEUSS" GEISEL

Mr. BUMPERS. Mr. President, I have been sitting in my office listening to a lot of magnificent pronouncements on the world affairs. I rise for a slightly different purpose today, but no less important than it is to pay tribute to a great American who died 2 days ago—Theodor S. Geisel, better known to generations of children and parents all over the world as Dr. Seuss.

Dr. Seuss was born in Springfield, MA on March 2, 1904, the son of immigrants. From there, he began a journey of whimsy and wisdom that is the happy inheritance of children and children at heart all over the world. More than 100 million copies of Dr. Seuss' books have been sold, beginning in 1937 with "And To Think That I Saw It On Mulberry Street" and continuing through more than five delightful decades to include "The Cat in the Hat," "Green Eggs and Ham," "The Lorax," "Yertle the Turtle," "Horton Hears a Who," and the incomparable "How the Grinch Stole Christmas."

His stories have become such an integral part of our culture that every one of us who has been a parent or child can picture the Cat in the Hat, the Lorax, Hop on Pop, the Sneetches, Thing One and Thing Two, the Onceler, the Ziffs, the nerds and the nerkles. And we will never forget green eggs and ham.

The Dr. Seuss stories were clear and funny, but that is not all. "The Cat in the Hat" was written as a new kind of reader, to help children learn to use our language. That unforgettable story contains only 223 words, but it suffers from no limit of literary value. "The Cat in the Hat" is a story of rhymes and reason and responsibility. Like so many Dr. Seuss stories, it has a valuable lesson for readers of any age. In "The Butter Battle Book," Dr. Seuss presented an allegory of the dangers of the cold war and the arms race. He understood the importance of environmental responsibility when the Lorax chided the Once-ler:

> Once-ler! he cried with a cruffulous croak.
> Once-ler! You're making such smogulous smoke!

What parent has not held a sick or well child and read these magnificent and unique stories, and upon finishing, heard "Read it again, Daddy!" or "Read it again, Mommy!"

Theodor Geisel, Dr. Seuss, was a great American original. All of us who have enjoyed the mastery of his language and the wisdom of his lessons and who, before television, kept our children at rapt attention with his never to be lost literature, have lost a great friend.

Mr. President, I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER (Mr. LEAHY). The Senator from New Jersey.

AGAINST THE CONFIRMATION OF CLARENCE THOMAS

Mr. LAUTENBERG. Mr. President, I rise today to announce that I intend to vote against the confirmation of Judge Clarence Thomas to serve on the U.S. Supreme Court.

My responsibility to advise and consent to nominees to the Supreme Court is one of the most important responsibilities I have as a U.S. Senator.

In the selection of persons to serve on the Nation's highest court, in my view, the Senate is an equal partner with the President. The President is owed no special deference, and his nominee owed no special presumptions. We owe the public our careful and thorough consideration and our independent judgment.

It is my responsibility to review a nominee's qualifications, experience, and his views—ever mindful of the public's interests. Whether we confirm a nominee can have a lasting impact on our citizens' lives, their freedom, and their access to justice.

A person who would serve on the Nation's highest Court must be of the highest character. He or she must be learned in the law. He or she must have integrity and the intellectual and educational background that's demanded. And, most important, he or she must be dedicated to the Constitution, and the protection of our freedoms.

Judge Thomas' nomination comes to the Senate at a time of major change in the Court. It is no accidental change. President Bush, and President Reagan before him, have sought to impose their stamp on the Court. They have sought a Court less protective of the most personal, individual rights of Americans. They have sought a Court less willing to expand our notions of freedom and liberty, and less willing to conform to changing needs and modern circumstances. They have sought a Court less ready to intervene on behalf of the powerless, the excluded, and the voiceless.

Sadly, Mr. President, they have already come too far in achieving those goals.

Judge Thomas, I fear, would put two more hands on the rope that is pulling us backward and therefore I cannot vote to confirm his appointment.

Mr. President, much has been said about Judge Thomas' personal background. He told the members of the Judiciary Committee a moving story of hard work and achievement in the face of poverty, racism, and discrimination. I have no doubt that Judge Clarence Thomas knows better than any of us the pain and humiliation inflicted by racism. I have no doubt that the scars are deep and that they affect and motivate him.

Mr. President, I believe that the Court benefits from the diversity of its members. For example, I have no doubt that, apart from his legal and analytic skills, Justice Thurgood Marshall has added a special dimension to the deliberations of the Court, given his personal experiences. I have no doubt that Justice O'Connor also provides a valuable perspective that was missing before her appointment.

There are those who say we should confirm the nomination of Judge Thomas, because if we do not, the President will select a nominee who would not bring the experiences and diversity to the Court that Judge Thomas would bring.

Mr. President, I would hope that would not be so. Regrettably, this President has failed to aggressively expand the diversity of the Federal judiciary, at the trial and appellate levels. We should achieve diversity on the Court by the appointment of a dependable guardian of our rights and freedoms.

The writings and speeches of Judge Thomas raise serious doubts in my mind about where he would be that dependable guardian. His discussion of these statements in his appearance before the Judiciary Committee did little to allay my concerns that he would not apply a broad, expansive interpretation of our Constitution. I am concerned that Judge Thomas would challenge, instead of support a modern understanding of liberty and current expectations.

Judge Thomas has written and spoken about natural law as a foundation for our rights and the defense of liberty. Yet, it is difficult to discern where this natural law philosophy would lead. I am concerned that it would lead us backward.

Judge Thomas' statements about natural law have raised serious questions about his position on rights. In a now oft-quoted statement, Judge Thomas said in a speech, "Lewis Lehrman's recent essay in the American Spectator on the Declaration of Independence and the meaning of the right to life is a splendid example of applying natural law."

What Lewis Lehrman said in his essay was that the right of a woman to choose to have an abortion was a "spurious right." He argued that it conflicted with natural law, expressed in the Declaration of Independence, which should invest in the unborn a right to life.

Yet, when questioned about his favorable citation of Lewis Lehrman's article, Judge Thomas retreated. He said that he cited it only to persuade an audience that natural law should be relied upon in developing the law on civil rights and discrimination.

Mr. President, there are other indications, from his speeches and statements, that Judge Thomas rejects a right to privacy that includes a right to choose to terminate a pregnancy. In an article, he questioned reliance on the ninth amendment as a basis for establishing the right to privacy.

When questioned directly in the hearing on the right to choose, Judge Thomas was evasive, or silent.

Judge Thomas conceded, finally, that he did not quarrel with Court rulings that, based on a right to privacy, an individual could have access to contraceptive devices. First, not quarreling with a decision is not the same as agreeing. Second, he refused to address whether the right extended to cases when pregnancy has occurred. I cannot accept silence on a right so fundamental as the right whether to choose.

Ironically, Judge Thomas did not hesitate to express an opinion on the death penalty, although the constitutionality of the death penalty has been a matter before the Court. Judge Thomas did not hesitate to express his view on issues of antitrust law, although they might come before the Court.

Mr. President, the reason that Roe versus Wade is likely to be reconsidered by the Court is because the Reagan and Bush administrations have succeeded in appointing Justices who are receptive to reconsideration.

Just as we should be troubled if a nominee came before the Senate and refused to recognize the right of free speech; or the right to assemble; or the right to be free from unreasonable searches and seizures, we should be troubled by Judge Thomas' refusal to recognize a broad right of privacy.

Judge Thomas has also raised questions about whether he would upset the longstanding balance the Court has struck in reconciling conflicts between property and economic interests on the one hand, and congressional efforts to address pressing social needs through remedial legislation.

There was a time in our Nation when laws we now find so basic—like the minimum wage and hour laws—were considered unconstitutional infringements of the property and economic rights of employers. Yet Judge Thomas has stated that he found attractive the views of one legal scholar "who defends an activist Supreme Court that would strike down laws restricting property rights."

There are those who would say that our laws to protect the environment unduly infringe upon the right to own and use property as a person sees fit. There are those who have argued that our civil rights laws do the same. Yet, those arguments have generally failed before the courts. Would a Justice Thomas be more sympathetic to the right of a property owner to pollute, than in the public's right to breathe clean air? Would a Justice Thomas be more sympathetic to the right of a property owner to rent to whom he pleases, to hire whom he wants, under conditions that he sets out, than he would to the rights of the individual?

In response to questions by Senator BIDEN, Juge Thomas attempted to distance himself from this view. Yet, the record remains.

Mr. President, I am also concerned about Judge Thomas' views on how this Nation can and should remedy the harms inflicted by racial discrimination. I am concerned about whether he will support the laws and regulations that Congress and prior Presidents have passed and adopted, to undo the lasting legacy of discrimination. His leadership of the EEOC has been questioned.

I do not challenge Judge Thomas' understanding of racial discrimination. He know it firsthand. I do not challenge his personal desire that every American be granted the opportunity to be judged, not on the basis of the color of his skin, but on the basis of their qualifications and their potential. Yet, he would abandon those remedies that are necessary and effective to redress the most egregious cases of discrimination. I cannot endorse that.

In sum, Mr. President, I cannot support the nomination of Judge Thomas because I cannot place in him my faith that he will guard and nurture the rights that we hold so dear. I cannot with confidence say that he will move us forward, guided by an expansive approach to our Constitution.

I will vote no when the question is presented to the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

NOMINATION OF JUDGE CLARENCE THOMAS

Mr. DURENBERGER. Mr. President, I rise to support the nomination of Clarence Thomas to be an Associate Justice of the Supreme Court. I believe that President Bush nominated an outstanding person and I have heard nothing in the hearings or in the arguments of my colleagues to invalidate his choice. Indeed, I thought the hearings displayed a compassionate man possessing intellect and integrity.

From the very first judicial nominee I was asked to vote to confirm 13 years ago, I have used the same standard. Is the nominee qualified and are there serious reasons to question his or her integrity or judicial temperament. I used that standard to approve Abner Mikva, a very liberal appointment by Jimmy Carter and I came to a very positive judgment on him, and I come to a positive judgment on the same basis with regard to Judge Thomas.

Through the hearings and through this confirmation process Judge Thomas has exhibited, and no credible person has questioned, that he is a thoughtful man, an independent person, a sensitive and compassionate person, a fair man and an honest person.

As I listen to opponents of this nomination, they seem to have three difficulties.

The first is basically a disagreement with the nominator, rather than with the nominee. They do not agree with the ideology of George Bush on various issues. Well, the American people passed judgment and they decided that issue in 1988 when they elected George Bush President. We do not have the right to overturn that judgment in this process. Let me repeat that I would be making that same argument were the President not of my party.

The second point of opposition is that Clarence Thomas is not Thurgood Marshall. I will readily concede that he is not. Marshall was the conscience and the goad of the Supreme Court for two decades. There will never be another Thurgood Marshall. He was a man for his times and we are the richer for his service.

But, in the same way, I believe the value of this nomination is that Clarence Thomas is Clarence Thomas. He is not playing a role nor is he filling someone else's shoes. He is a unique, gifted, and hard-working person who will bring a much-needed presence to the Supreme Court.

The third concern of Judge Thomas' critics is that they cannot now predict how he will vote on the narrow issues that seem to be at the top of our current agenda. It seems to me that these critics lack historical perspective; an essential perspective when considering a life-time appointment to the Supreme Court. When Thurgood Marshall was 43, as Clarence Thomas is today, it was 1951. Thurgood Marshall was to play a pivotal role in the era of dramatic civil rights change that no one could predict in 1951. It was an era of social change dominated by Federal policies. Marshall was a man for those times.

What will be the dominant issues and who will be the dominant actors of the next three decades? I do not know a Member of the Senate who could stand up confidently and answer that question.

How does that inform our judgment on this nominee? First, it exposes the foolishness of judging this nominee on the basis of relatively narrow differences on bills that happen to be at the top of our Senate agenda today. Second, it counsels us to put a person on the Court whose experience, openmindedness and character tell us that he or she will fairly address challenges we cannot even imagine today.

Clarence Thomas is the product of a poor, rural family. He is a victim of racial and economic segregation. He was educated in a private university. He earned his law degree in one of the most prestigious law schools in America. He was a law enforcement official. He served as a staff member in the legislative branch. He was an official in the executive branch. And he has served as a Federal judge. It is very, very hard to imagine a life of only 43 years that involved exposure to more of the basic issues of the law. He did not just read about living in America in a case book. He lived it.

Based on his testimony before the committee, my personal conversations with him, and his personal history, I have confidence in the character of Clarence Thomas, that he can be a person for his times.

We do not approach this choice as 100 Presidents. The Constitution does not give us the job of nominating judges. It gives us the opportunity to test the character, intellect, compassion, and fairness of a nominee. I submit that Clarence Thomas has passed that test with flying colors.

I will support Clarence Thomas because he is a person of the people, and the people will be well served to have him apply the historic truths of our Constitution in our rapidly changing world.

CONFERENCE REPORT ON EXTENDED BENEFITS

Mr. DURENBERGER. Mr. President, 2 months ago, I voted in favor of extended benefit unemployment legislation cosponsored by the distinguished chairman of the Finance Committee, Senator BENTSEN, and the ranking member of the committee, Senator PACKWOOD. And earlier this week, I again voted in favor of that identical legislation.

Although both of those bills contained certain flaws in the formulas for triggering benefits, I supported them for three fundamental reasons: First, I believe those workers who have endured extended unemployment during this recession should be allowed to receive extended benefits to tide them over until the economic recovery is fully underway. Second, both of those bills maintained the structure and integrity of last year's budget agreement by requiring the President to declare an emergency to waive the Budget Act in order to release those funds; and third, I believe the President should be persuaded to support extended benefits legislation.

Mr. President, it is imperative for the American people to know that the President does not have to declare an emergency and waive the Budget Act in order to implement extended benefits. Earlier this week, I cosponsored a substitute extended benefits bill introduced by the distinguished Republican leader, Senator DOLE, that established a more effective extended benefits formula and which was fully paid for consistent with last year's budget agreement. Had we passed that measure, President Bush clearly stated that he would have signed it into law guaranteeing that extended benefits would today be flowing to the long-term unemployed.

But, Mr. President, reading this conference report, it is clear to this Senator that we are now engaged in a cynical political game where unemployed Americans agree being held hostage to larger political concerns. What this conference report does is unravel last year's budget agreement allowing Congress to unilaterally declare an emergency without concurrent certification by the President.

Make no mistake, if we allow this measure to be adopted, we are establishing a precedent that will allow the democratically controlled Congress to declare domestic education, drug, health, and other sorts of emergencies, without having to operate within the discipline and confines of the budget agreement which they passed. We might as well just tear up the 5-year budget agreement and tell the American people that Congress does not care about the budget deficit.

Mr. President, I will vote against waiving the Budget Act and I will vote against this effort to unravel the budget agreement. And I want to speak directly to the people of Minnesota and tell them that what they are witnessing is pure political gamesmanship.

Unfortunately, this issue is being portrayed in the media as Democrats for the unemployed, and the President against the unemployed. And the fact is, at least the fact is today, as we debate, President Bush is now persuaded to support extended benefits. The fact is that the extended unemployment benefits legislation that the President would sign, and which this Senator would support, does not break the budget agreement and would provide nearly identical benefits to the unemployed in my State of Minnesota as are contained in the conference report.

Mr. President, just about every Member of this body has stood on the floor of the Senate to express frustration and dissatisfaction with the lack of depth in our political campaigns. Thirty-second spots, racially motivated political advertising, distorted statements of an elected official's voting record are all to be abhorred. But I believe that the political game that this conference report represents is worse than any 30 second ad. Because what we are seeing is real human beings, unemployed citizens of Minnesota and California and Indiana being held hostage to the politics of the 1992 election.

Mr. President, it is my hope that we will pass a responsible extended benefits bill such as the one that Senator DOLE and I have cosponsored. I hope we will pass that bill soon, for it is outrageous that we are playing politics with the lives of unemployed citizens.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUMPERS). Without objection, it is so ordered.

NOMINATION OF CLARENCE THOMAS

Mr. DOLE. Mr. President, let me first comment on the Thomas nomination. I urge that we have this matter before us sometime next week, maybe on Thursday, maybe on Wednesday, maybe even on Friday, but it is something I think should be disposed of as quickly as possible. The October term of the Supreme Court starts on October 7, and I think, regardless of our views on Clarence Thomas and on the nomination itself, we ought to have the debate and we ought to have the vote. I believe he will be confirmed by a comfortable margin. In any event, I urge my colleagues, who I know will want to file reports and whatever, that we try to act on this sometime next week.

FAMILY AND PARENTAL LEAVE

Mr. DOLE. Mr. President, with reference to the so-called family and parental leave bill, I suggest that it is one thing to have a title, it is something else to understand what is in the body of the bill. If you asked the average American, do you think people ought to be for family and parental leave and did not tell them anything else, they would say probably so. But if you asked those same people, should that be a mandate from the Federal Government, should the Federal Government tell somebody in Topeka, KS, or Little Rock, AR, somebody with 50 or more employees, that you are going to provide 3 months of leave per year and you are going to pay all the health care costs during that period, they would wonder, well, maybe I am not so certain, maybe it ought to be worked out between the employer and employee.

I would say, to those who are pressing mandates, in my view, that is just another tax on business. The Federal Government is broke so we cannot provide benefits. Thirty-six, thirty-eight States, pick your number, are in financial trouble. Fifty of the largest cities are in financial trouble.

So there are some in Congress who discovered one little group out there hanging on. They are called employers. They are men and women trying to keep our businesses open. Now we are coming along with mandates. Since we cannot provide the money, since we have a lot of States in trouble because of matching requirements, and because a lot of the cities are on the brink of financial crisis, now we are mandating, we are taxing business, saying you have to provide this benefit. This time it is parental and family leave, next time it will be health care, and next time it will be something else.

Before long we are going to add to the unemployment rolls, and this is going to add to the unemployment rolls at the very time some of my colleagues say we ought to do more for the unemployed. Let us keep them on the job. That is the best thing we can do. And let us try to find jobs to keep them employed. Everybody agrees there ought to be some benefits provided, extended benefits, but we ought to pay for those benefits.

In a recent Gallup poll, a random poll of employees across America, only 1 percent—1 percent—mentioned parental and family leave as a priority. In another survey, 89 percent of the employees, 89 percent—that is 9 out of 10—said they would rather work out their leave with the employer; let us work it out employer and employee, not have the big arm of the Federal Government come in and say, well, you are going to do this, and this is going to be the policy; it does not make any difference whether you are married, single, have children, whether you are 25, 45, 50, 60 years old and work, the same Federal rule applies to everybody, no flexibility.

We have a lot of employers with 50 or more employees in my State. That is not big business. Some are having a pretty difficult time right now. The recession, in my view, has not ended in parts of the country, in fact maybe not in many parts at all.

So we are going to be debating this at great length. This matter is not going to go away very quickly. I would say it would take a week or 10 days to dispose of this bill because the primary sponsor is unable to proceed in a fashion that would permit us to dispose of the bill in 1 or 2 hours.

So it is the view of most of us on this side, the majority on this side, that we need to educate a lot of people who really have not focused on anything but the title. Titles are always great around here. If it has the word "reform" in it, you have to be for it because it says reform. And if it is a benefit, you have to be for it because it is a benefit.

Do not ask who is going to pay for it. Do not ask whether this is going to put somebody out of business in Kansas, Arkansas, or some other State. Say this must be something good; it came from the Federal Government.

So there will be a great deal of debate on this issue, days and days of debate on this issue, and I hope in the meantime we can make our case. Nobody is opposed to parental and family leave, but why not let the employer and the employee work it out? Why should the Federal Government from Washington, DC, mandate leave and set up another bureaucracy and monitor what is happening all across America if you have 50 or more employees? Big business, they could care less in my view. They do not care whether you have a mandate or not. They probably already have programs. We are talking about business men and women who are out there trying to keep the front door open, trying to pay their bills, trying to provide jobs for a lot of Americans, and now we are going to put another tax on that businessman or businesswoman saying you ought to be for this because this is good; it comes from Washington. I think a lot of American people have their doubts about anything that comes from Washington.

So this will be an extensive, extended, substantive debate, and I hope in the final analysis we can break down some of these myths about what a great program this is. I think, if it should pass the Senate and should pass the House, it is going to be vetoed, and the veto is going to be sustained in either the Senate or the House, more likely in this case in the House.

But in any event, it is a matter of some interest, and I hope that my colleagues on both sides would keep an open mind. I know there are a number of cosponsors who cosponsored the title, but I am not certain they have cosponsored the body of the legislation, if they have read it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

ORDER TO PRINT CONFERENCE REPORT TO ACCOMPANY S. 1722

Mr. BUMPERS. Mr. President, I ask unanimous consent that the conference report to accompany S. 1722, the unemployment compensation extension bill, be printed in the RECORD at the commencement of the debate of today's debate on that conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT WITH RESPECT TO S. 533

Mr. BUMPERS. Mr. President, I further ask unanimous consent that in the unanimous-consent agreement entered into earlier today with respect to consideration of S. 533 that it be modified as follows: That following both the Glenn and Symms amendments either being agreed to or laid aside on Monday, but not prior to 3 p.m., Senator COATS will be recognized to offer his amendment with respect to the Interstate transport of trash, on which there will be a no limitation on time or on amendments thereto, and that no amendments be in order to either the Glenn amendment or to the Symms amendment listed in the agreement.

Mr. DOLE. No objection.

The PRESIDING OFFICER. Without objection, it is no ordered.

MORNING BUSINESS

Mr. BUMPERS. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is no ordered.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 144, H.R. 1988, the NASA authorization bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1988) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, research and program management, and inspector general, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Aeronautics and Space Administration Act, Fiscal Year 1992".

TITLE I—FISCAL YEAR 1992 NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Research and development", for the following programs:

(1) Space Station Freedom, $2,028,900,000.

(2) Space transportation capability development, $704,800,000, of which $40,000,000 shall be made available for propulsion technology development, $10,000,000 for launch vehicle design studies, and $10,000,000 for a program of component technology development, validation, and demonstration directed at commercial launch vehicle competitiveness.

(3) Physics and astronomy, $1,128,600,000.

(4) Life sciences, $144,400,000, none of which shall be expended on the search for extraterrestrial intelligence program.

(5) Planetary exploration, $299,300,000.

(6) Earth science and applications, $780,600,000, of which $5,000,000 shall be made available only for the purchase of Landsat data at cost for global change research.

(7) Materials Processing in space, $125,800,000.

(8) Communications, $39,400,000.

(9) Information systems, $42,000,000.

(10) Technology utilization, $32,000,000.

(11) Commercial use of space, $118,000,000.

(12) Aeronautical research and technology, $591,200,000.

(13) Transatmospheric research and technology, $72,000,000.

(14) Space research and technology, $354,800,000.

(15) Safety, reliability, and quality assurance, $33,600,000.

(16) Tracking and data advanced systems, $22,000,000.

(17) Academic programs, $64,600,000.

(b) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Space flight, control, and data communications", for the following programs:

(1) Space shuttle production and operational capability, $1,338,900,000, of which $375,000,000 shall be made available for the Advanced Solid Rocket Motor program.

(2) Space transportation operations, $2,945,600,000.

(3) Expendable launch vehicles, $329,900,000.

(4) Space and ground network, communications, and data systems, $920,900,000.

(c) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Construction of facilities", including land acquisition, as follows:

(1) Construction of Space Station Processing Facility, Kennedy Space Center, $35,000,000.

(2) Modification for Earthquake Protection, Downey/Palmdale, California, Johnson Space Center, $4,400,000.

(3) Modifications for Safe Haven, Vehicle Assembly Building, High-Bay 2, Kennedy Space Center, $7,500,000.

(4) Rehabilitation of Crawlerway, Kennedy Space Center, $3,000,000.

(5) Restoration of Shuttle Landing Facility Shoulders, Kennedy Space Center, $4,000,000.

(6) Restoration of the High Pressure Gas Facility, Stennis Space Center, $6,500,000.

(7) Construction of Addition for Flight Training and Operations, Johnson Space Center, $13,000,000.

(8) Construction of Advanced Solid Rocket Motor Program Facilities (various locations), $100,000,000

(9) Modernization of Industrial Area Chilled Water System, Kennedy Space Center, $4,000,000.

(10) Rehabilitation and Expansion of Communications Duct Banks, Kennedy Space Center, $1,400,000.

(11) Replacement of 15 KV Load Break Switches, Kennedy Space Center, $1,300,000.

(12) Repair of Site Water System, White Sands Test Facility, $1,300,000.

(13) Replacement of Central Plant Chillers and Boiler, Johnson Space Center, $5,700,000.

(14) Modifications to X-Ray Calibration Facility (XRCF), Marshall Space Flight Center, $5,200,000.

(15) Restoration and Modernization of High Voltage Distribution System, Goddard Space Flight Center, $7,000,000.

(16) Construction of Earth Observing System Data Information System Facility, Goddard Space Flight Center, $17,000,000.

(17) Modernization of Main Electrical Substation, Jet Propulsion Laboratory, $5,500,000.

(18) Restoration of Utilities, Wallops Flight Facility, $3,500,000.

(19) Repair and Modernization of the 12-foot Pressure Wind Tunnel, Ames Research Center, $25,000,000.

(20) Upgrade of Outdoor Aerodynamic Research Facility, Ames Research Center, $3,300,000.

(21) Modernization of 16-foot Transonic Tunnel, Langley Research Center, $3,400,000.

(22) Modifications to the High Pressure Air System, Langley Research Center, $11,700,000.

(23) Rehabilitation of Central Air System, Lewis Research Center, $5,600,000.

(24) Rehabilitation of Icing Research Tunnel, Lewis Research Center, $2,600,000.

(25) Construction of Data Interface Facility, White Sands Test Facility, $4,000,000.

(26) Rehabilitation of Tracking and Data Relay Satellite System (TDRSS) Ground Terminal, White Sands Test Facility, $5,700,000.

(27) Repair of facilities at various locations, not in excess of $1,000,000 per project, $31,700,000.

(28) Rehabilitation and modification of facilities at various locations, not in excess of $1,000,000 per project, $34,800,000.

(29) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $750,000 per project, $12,900,000.

(30) Environmental compliance and restoration, $36,000,000.

(31) Facility planning and design, not otherwise provided for, $34,000,000.

Notwithstanding the amounts authorized in paragraphs (1) through (31), the total amount authorized by this subsection shall not exceed $430,300,000.

(d) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Research and program management", $2,432,300,000.

(e) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Inspector General", $14,600,000.

(f) Notwithstanding the provisions of subsection (i), appropriations authorized in this Act for "Research and development" and "Space flight, control, and data communications" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the National Aeronautics and Space Administration for the performance of research and development contracts; and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator") determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control, and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any facility, the estimated cost of which, including collateral equipment, exceeds $750,000, unless the Administrator has notified the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives of the nature, location, and estimated cost of such facility.

(g) Any amount appropriated pursuant to this Act for "Research and development", for "Space flight, control, and data communications", or for "Construction of facilities" may remain available until expended. Any amount appropriated pursuant to this Act for "Research and program management" for maintenance and operation of facilities and for other services shall remain available through the next fiscal year following the fiscal year for which such amount is appropriated.

(h) Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(i)(1) Funds appropriated pursuant to subsections (a), (b), and (d) may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities, except that the cost of each such project, including collateral equipment, shall not exceed $200,000.

(2) Funds appropriated pursuant to subsections (a) and (b) may be used for unforeseen programmatic facility project needs, except that the cost of each such project, including collateral equipment, shall not exceed $750,000.

(3) Funds appropriated pursuant to subsection (d) may be used for repair, rehabilitation, or modification of facilities controlled by the General Services Administration, except that the cost of each project, including collateral equipment, shall not exceed $500,000.

(j) Section 103(a)(1)(S)(i) of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1991 (Public Law 101-611; 104 Stat. 3192), is amended by striking "$490,000,000" and inserting in lieu thereof "$425,000,000".

CONSTRUCTION OF FACILITIES REPROGRAMMING

SEC. 102. Authorization is granted whereby any of the amounts prescribed in section 101(c) (1) through (31)—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward by 10 percent, or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on the circumstances of such action, may be varied upward by 25 percent, to meet unusual cost variations.

The total cost of all work authorized under paragraphs (1) and (2) shall not exceed the total of the amounts specified in section 101(c).

SPECIAL REPROGRAMMING AUTHORITY FOR CONSTRUCTION OF FACILITIES

SEC. 103. Where the Administration determines that new developments or scientific or engineering changes in the national program of aeronautical and space activities have occurred; and that such changes require the use of additional funds for the purposes of construction, expansion, or modification of facilities at any location; and that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities; the Administrator may transfer not to exceed one-half of 1 percent of the funds appropriated pursuant to section 101(a) and (b) to the "Construction of facilities" appropriation for such purposes. The Administrator may also use up to $10,000,000 of the amounts authorized under section 101(c) for such purposes. The funds so made available pursuant to this section may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No such funds may be obligated until a period of 30 days has passed after the Administrator or the Administrator's designee has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a written report describing the nature of the construction, its cost, and the reasons therefor.

CONSIDERATION BY COMMITTEES

SEC. 104. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Science, Space, and Technology of the House of Representatives;

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by section 101(a), (b), and (d); and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to either such committee,

unless a period of 30 days has passed after the receipt, by each such committee, of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action. The National Aeronautics and Space Administration shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with respect to all activities and responsibilities within the jurisdiction of those committees. Any Federal department, agency, or independent establishment shall furnish any information requested by either committee relating to any such activity or responsibility.

GEOGRAPHICAL DISTRIBUTION

SEC. 105. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

PEACEFUL USES OF SPACE STATION

SEC. 106. No civil space station authorized under section 101(a)(1) of this Act may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

POLICY ON USE OF FOREIGN LAUNCH CAPABILITIES

SEC. 107. It is the sense of the Congress that the United States should maintain the current policies which prohibit the use of foreign launch capabilities for United States Government satellites.

TRANSMISSION OF BUDGET ESTIMATES

SEC. 108. The Administrator shall, at the time of submission of the President's annual budget, transmit to the Congress—

(1) a five-year budget detailing the estimated development costs for each major program under the jurisdiction of the National Aeronautics and Space Administration; and

(2) an estimate of the life-cycle costs associated with each major project, mission, and program.

TITLE II—COMMERCIAL SPACE LAUNCH ACT

AUTHORIZATION FOR SECRETARY OF TRANSPORTATION

SEC. 201. Section 24 of the Commercial Space Launch Act (49 App. U.S.C. 2623) is amended to read as follows:

"AUTHORIZED APPROPRIATIONS

"SEC. 24. There is authorized to be appropriated to the Secretary to carry out this Act $5,104,000 for fiscal year 1992. Sums appropriated for research and development shall remain available until expended.".

TITLE III—NATIONAL SPACE COUNCIL

COUNCIL AUTHORIZATION

SEC. 301. There is authorized to be appropriated to carry out the activities of the National Space Council established by section 501 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 (42 U.S.C. 2471), $1,491,000 for fiscal year 1992.

Mr. GORE. Mr. President, I am pleased to bring before the Senate H.R. 1988, the National Aeronautics and Space Administration Authorization Act for fiscal year 1992.

H.R. 1988 is a 1-year authorization bill that builds upon the recommendations of the advisory committee on the future of the U.S. Space Program, the so-called Augustine committee, widely hailed upon its release last December as a blueprint for shaping the future of our civil space program.

The bill before us today authorizes nearly $14.995 billion for NASA in fiscal year 1992, providing some $1.4 billion more than the current fiscal year for carrying out the U.S. aeronautics and civil space research and technology development program. Also included in this bill is the authorization of funds for continued operation of the National Space Council and the Office of Commercial Space Transportation within the Department of Transportation.

In crafting this legislation, we have made every effort to bring NASA's funding in line with the fiscal realities currently facing the Federal Government, trimming those initiatives that offer the lowest potential benefit or face overwhelming technical challenges. Overall, the bill before us reduces the President's fiscal year 1992 budget request for NASA by $496.5 million.

Deeper cuts to NASA's overall funding request have been approved by the Senate in its consideration of the fiscal year 1992 Veterans Affairs-HUD-Independent Agencies appropriations bill, which was adopted earlier this year. By and large, many of those reductions were necessitated by constrained Appropriations Subcommittee allocations, reflecting the limitations imposed by the 5-year budget agreement adopted last year.

In contrast to H.R. 1988 attempts to focus NASA policies and programmatic activities for fiscal year 1992 and beyond. Its enactment is essential for the United States to maintain a vital, robust civil space program.

Mr. President, at this point, I would like to highlight the major provisions of this bill. First, H.R. 1988 authorizes full funding for continued development of the redesigned space station Freedom. After being directed to develop a new design and assembly launch sequence last year that would fit within a reduced funding profile, NASA has come forth with a program which anticipated that space station man-tended capability will be achieved in fiscal year 1997, followed by permanently manned capability in the year 2000.

H.R. 1988 also authorizes funding for the space science and applications budget for NASA for fiscal year 1992. Notably, the bill provides full funding for the Earth Observing System and the Earth Probes programs, as well as the Advanced X-Ray Astrophysics Facility, the Mars Observer, and the Cassini mission to Saturn.

Full funding is also provided to other critical programs such as the National Aerospace Plane and other aeronautics research and technology programs, as well as NASA's commercial programs. Finally, while the bill makes minor changes to NASA's budget for space flight, control, and data communications, they will in no way diminish the safety and viability of the space shuttle and expendable launch vehicle programs.

Mr. President, a number of programs included in the NASA budget request for fiscal year 1992 could not be supported in our bill, given the limited growth in available discretionary funding. Specifically, reductions have been made to the President's proposed initiative for human exploration of the Moon and Mars. Also, the bill assumes reductions to the Comet rendezvous asteroid flyby, the search for extraterrestrial intelligence, and the proposed new launch system. NASA's only requested new start for fiscal year 1992, the Lifesat mission, was also denied funding.

During the course of our subcommittee hearings, it became clear that we must begin to rationalize the NASA budget. In an environment of limited budget growth, congressional endorsement today of any NASA program, whether it be Lifesat or the space station Freedom, affects the availability of funds for other programs for other programs. To date, NASA has failed to provide adequate long-term budget information to the Congress to ensure that decisions are made with a complete understanding of how other programs will be affected.

For example, in the fiscal year 1992 budget request, NASA proposed to initiate a new program called Lifesat, a reusable radiation research satellite, requesting $15 million as the initial funding increment. At first blush, a $15 million program within a $15.7 billion budget request seems modest enough. However, no where in the budget does NASA state that, when all costs related to the Lifesat mission are calculated, it will cost the Federal Government some $870 million. This is a fact that only came out in questioning of NASA officials during subcommittee hearings. Obviously, the unknown funding wedge that results from one program, even one that appears to be relatively small, could preclude the possible funding in the future of other, possibly higher priority programs for years to come.

H.R. 1988 attempts to close this information gap by requiring NASA to submit budgetary information each year on the 5-year development costs of every project, mission, and program, as well as life-cycle costs associated with each. It is my expectation that, if agreed to by our colleagues to the House of Representatives in our upcoming conference on this bill, NASA will submit this data as a part of the President's annual budget package, beginning next year. We must have such a budget runout to ensure that funding for the highest priority programs is not squeezed out by previous decisions made on other programs.

Mr. President, I strongly believe that H.R. 1988 provides the resources for NASA to ensure continued U.S. preeminence in space and aeronautics. It follows the widely endorsed recommendations of the Augustine committee by supporting a balanced space program, with a particular emphasis on space science. And it provides the necessary mechanisms to ensure that in the future, the Congress can better understand how the funding profiles of various aeronautics and space programs fit with in our stated national priorities.

Mr. HOLLINGS. Mr. President, I am pleased to join the distinguished chairman of our Subcommittee on Science, Technology, and Space in discussing H.R. 1988, the fiscal year 1992 authorization bill for the National Aeronautics and Space Administration, now before the full Senate. This legislation is an essential component of our effort to ensure continued progress in aeronautics and space research and technology development.

This bill comes to the Senate floor with the full support of the Committee on Commerce, Science, and Transportation. H.R. 1988 provides more than $14.9 billion in new authorizations for NASA in fiscal year 1992. It also provides the authorization for continued activities of the National Space Council and the Department of Transportation's Office of Commercial Space Transportation. This bill reflects our efforts to establish priorities for the civil space program for the coming fiscal year and the remainder of the decade.

Mr. President, the NASA budget request for fiscal year 1992 was extremely ambitious, representing a 13.6 percent increase over the current fiscal year. Realizing the limitations the Federal Government currently faces, the committee was compelled to cut nearly $500 million from that request.

As a result, not every program increase could be authorized to the level requested. Furthermore, again because of the fiscal crisis with which the Federal Government now must contend, further program reductions were approved by the Senate in its consideration earlier this year of H.R. 2519, the fiscal year 1992 NASA appropriations bill. However, in both bills, every effort has been made to ensure the continuation of a robust, balanced civil space program.

Mr. President, in spite of the fact that we simply cannot continue to fund every program request for NASA, or the entire Federal Government for that matter, it is important that we aggressively continue our pursuit of a strong civil space program. There are tremendous benefits that we derive from our investment in space. In addition to enhancing our understanding of the Earth and our solar system, a vast array of new technologies, now a part of our everyday life, have resulted from this investment. Just as importantly, the U.S. space program has served as an inspiration for a generation of young people to pursue an education in the technical fields of mathematics, science, and engineering.

Mr. President, we must continue to support the civil space program. But our approach must be rational, as we simply do not have the fiscal resources to pursue each and every program. With careful consideration, I firmly believe that we will succeed in maintaining a program that protects our preeminence in both space and aviation.

Mr. President, H.R. 1988, as reported, achieves that objective.

Mr. DANFORTH. Mr. President, as the ranking Republican member of the Commerce Committee, I urge my colleagues to join me in support of our committee substitute to H.R. 1988, the NASA authorization bill. The committee substitute authorizes $14.9 billion for the U.S. Space Program, an 8 percent increase over current year levels. This funding level reflects the importance of our space program to our scientific and technological leadership, our industrial competitiveness, and our national defense.

In these tight budgetary times, we have to make difficult choices among equally deserving programs. There is no question that we have to invest more resources to address such critical current problems as homelessness, poverty, and disease. However, it is equally important to invest in our future. To that end, commitment to the U.S. Space Program is a sound investment in future science and technology. Every day we take for granted byproducts of the scientific and technological breakthroughs of previous space missions. Microcomputers, insulin pumps, water filtration systems, communications satellites and many other technological advances were all spawned by our space program. Beyond that, the space program is consistent with the pioneering spirit upon which this Nation was founded.

Mr. President, I believe that the committee substitute supports a robust space program. It funds virtually every program at the level recommended in the President's budget request. The committee substitute provides full funding for space station, the international space laboratory scheduled for completion by the end of this decade. Space station is the cornerstone of NASA's manned space exploration for generations to come. Space station will teach a great deal about the effects of long-duration space flight on astronauts. We need the information and experience gained from space station to have any hope of embarking on the next logical step in our space program—a manned mission to Mars. The microgravity research performed on space station will permit development of drugs and materials that are impossible to produce in Earth's atmosphere.

In the continuing debate over space station's merits, it is important to remember that space station is an international mission. So far, Canada, Japan, and Western Europe have spent a combined total of $1.5 billion for their elements of space station. It is critical that the United States honor its international agreements with these nations. To do otherwise might cause them to question our commitment, thus jeopardizing other ongoing projects, such as the superconducting supercollider, and the U.S. Global Change Research Program. They also might balk at joining us in future joint ventures in space. Major space science and exploration missions are rapidly becoming too costly and complex for one country to do alone. In these times, it is important that the United States strengthen, not erode, our international partners' confidence in our ability to honor our commitments.

The National Aerospace Plane [NASP] also receives full funding support in the committee substitute. If successful, this program may eventually produce a plane that is capable of taking off from a runway, vaulting into orbit at March 25, and landing conventionally. At a time when the United States has lost leadership to other countries in various technologies, the United States is the undisputed leader in aerospace technology. That technological edge in aerospace was dramatically on display to the world in the recent Persian Gulf conflict. Moreover, aerospace is one of the few industries where the United States still retains a positive trade balance. I believe that the NASP program will help us maintain our aerospace leadership by generating revolutionary advances in airframe and propulsion technologies.

Mr. President, I am also pleased that the committee substitute continues full funding for Mission to Planet Earth and related earth science programs. Mission to Planet Earth is NASA's contribution to the U.S. Global Change Research Program. The committee substitute authorizes $336 million for the program. Mission to Planet Earth will help us understand and predict the long-term climate processes and trends that affect our lives. This year, the Commerce Committee heard alarming testimony about ozone depletion. Ozone is our planet's main protection against the Sun's harmful ultraviolet rays that cause skin cancer and crop damage. Witnesses testified that the ozone layer is eroding twice as fast as we had expected and the area of ozone erosion has spread from the polar regions to the temperate zones covering the United States. This information only highlights the urgent need to understand these climate trends and develop effective remedies before it is too late.

Mr. President, I am somewhat disappointed that the committee substitute had to cut $125 million from the President's $175 million request for his new launch system initiative. One of the key recommendations of last year's Augustine panel was that NASA should develop as soon as possible a new unmanned launch vehicle to relieve the demands on its overtaxed shuttle fleet. The new family of launch vehicles also should pave the way for the modernization of our commercial launch vehicles, many of which reflect 1950's technology. However, the committee heard testimony this year suggesting the development costs of such a vehicle might eventually exceed $1 billion a year. These costs would be difficult to sustain under current fiscal constraints. The $50 million will allow NASA to continue its work on engine technology development and launch vehicle design.

Mr. President, I believe that the committee substitute supports a balanced space program that continues important NASA activities in manned and unmanned space exploration, space science, aeronautics, science education, and other key civil space areas.

I would like to congratulate Vice President QUAYLE for the outstanding leadership he has been providing for our U.S. Space Program. His personal involvement in the space station and the National Aerospace Plane programs has been a key factor in their survival. I also wish to acknowledge the work of Adm. Richard Truly. It was under his leadership that NASA successfully designed a less costly, streamlined version of space station within the tight timetable Congress dictated late last year.

Mr. President, investment in our U.S. civil space program is an investment in our future. I urge my colleagues to support the committee substitute to H.R. 1988.

AMENDMENT NOS. 1238, 1239, 1240, 1241, AND 1242 EN BLOC

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I have a number of amendments and statements to be inserted in the RECORD with reference to the authorization bill. I ask unanimous consent that it may be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the amendments sent to the desk be agreed to en bloc, and that the statements therein be inserted at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments considered and agreed to en bloc are as follows:

For Mr. DANFORTH:

AMENDMENT NO. 1238

(Purpose: To require the Administrator of the National Aeronautics and Space Administration to conduct a study to evaluate the feasibility of a national scholars program)

On page 46, between lines 15 and 16, insert the following new section:

NATIONAL SCHOLARS PROGRAM

SEC. 109. (a) The Administrator shall conduct a study to evaluate the feasibility of initiating a National Scholars Program, as described under subsection (b), under which a select group of students would receive Federal support for education in mathematics, science, and related disciplines. The purpose of the National Scholars Program would be to help increase the number of Ph.D. recipients in mathematics, science, and related disciplines among the Nation's economically disadvantaged.

(b) Under the National Scholars Program referred to in subsection (a), the Administrator would—

(1) select economically disadvantaged high school students for attendance at science summer camps supported by the National Aeronautics and Space Administration where they would receive specialized instruction in mathematics and science and would learn about practical applications of mathematics and science in the programs and activities of the National Aeronautics and Space Administration; and

(2) select economically disadvantaged undergraduate and graduate students as recipients of Federal financial support for predoctoral and doctoral studies in mathematics, science, and related disciplines.

(c) The study required by subsection (a) shall address, among other matters—

(1) whether the National Aeronautics and Space Administration could adequately implement the National Scholars Program;

(2) different options for structuring the National Scholars Program, including its establishment as a pilot program;

(3) the cost of the Program, with annual cost estimates for the first 10 years of the Program;

(4) alternative funding sources for the Program;

(5) the criteria for selecting students for participation in the Program;

(6) the appropriate number of students for annual participation in the Program;

(7) the organizational location within the National Aeronautics and Space Administration at which the Program and its activities would be administered;

(8) the management of the Program;

(9) the possible ways in which the Program or its concepts can be extended to other Federal agencies, State agencies, educational institutions, and private organizations;

(10) the existence of any current public or private sector programs which are similar to the Program, the benefits and disadvantages of those similar programs, and whether a new program would unnecessarily duplicate current efforts; and

(11) the extent to which existing Federal, State, and other science education programs and activities could be used to complement or supplement Program.

(d) Within 6 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report on the results of the study required by subsection (a).

AMENDMENT TO FISCAL YEAR 1992 NASA AUTHORIZATION BILL (H.R. 1988)

Mr. DANFORTH. Mr. President, I am offering an amendment to H.R. 1988, the fiscal year 1992 NASA authorization bill, which addresses two critical problems in our country today: The decreasing number of students pursuing math and science education and the dismal state of educational opportunities for economically disadvantaged youth. My amendment, which is cosponsored by Senator PRESSLER, directs NASA to study the desirability and feasibility of a new kind of science education program. This program would provide financial aid to underprivileged students pursuing math and science careers starting at the high school level and ending at the doctoral level.

Mr. President, our Nation is facing a scientific manpower shortage of alarming dimensions. At a Senate Commerce Committee hearing last May, the head of the National Science Foundation testified that the United States will face a shortfall of some 675,000 scientists and engineers in the next decade. This shortage will have serious ramifications for our economy and national security, which have become increasingly dependent on science and technology. Our victory in the Persian Gulf conflict was in large part a triumph of our science and technology. Our ability to survive and compete in the world of tomorrow will require a skilled scientific workforce. To achieve this, we must attract more young people into math and science education. This is the first of our problems.

The second problem that this amendment addresses is the scarcity of targeted educational opportunities for underprivileged students. The youth in our inner cities are being left behind. America is at risk of having a permanent underclass in our society. Drugs, teenage pregnancy, crime, and school dropout too often dominate the lives of our disadvantaged youth. In Kansas City, MO, the dropout rate is as high as 56 percent in some schools. Students drop out of school not because they lack the intelligence to master their subjects, but because they lack hope and guidance. They lack the presence of people in their lives who believe in them and have confidence in them. Positive educational experiences that provide an alternative to this cycle of poverty are rarely defining factors in their lives.

The study I propose seeks the answer to two basic questions. First, can we design a program that would simultaneously address these two problems? And, second, can and should such a program be implemented by NASA.

Mr. President, my amendment directs the NASA Administrator to study the feasibility of implementing a program calculated to stimulate more interest in math and science education among students from disadvantaged backgrounds. Under the program I envision, NASA would select approximately 1,500 high school students for participation in science summer schools. These summer schools would be located at colleges, universities, NASA centers, or any other qualified institutions desiring to host the summer schools. High school students who successfully complete the summer school curriculum would then qualify for the undergraduate study in math, science, and related disciplines. Those students, in turn, would later feed into similar graduate school programs and, subsequently, a doctoral program.

Apart from the financial aid, I think it is important that the program provide for some mentoring arrangement between each student participant and a respected member of the scientific community. The students need someone to turn to for advice, support, and counseling as they pursue their studies so that they stay motivated and not become discouraged by peer pressure or their environment.

It is hoped that, for every 1,500 high school students who begin the program, approximately 320 students would complete all phases of the program to earn a Ph.D. Moreover, because of the intense demand for scientists, engineers, and other technical people, even students leaving the program after undergraduate or graduate school will be marketable and can make valuable contributions to the scientific community. The idea is to create a continuous educational pipeline from high school through Ph.D. for economically disadvantaged students with an interest and aptitude for math and science.

I believe this kind of innovative approach has great promise. However, there are many unanswered questions regarding its cost and implementation that must be addressed before it is ready for authorization. For example, we need to know how much this program will cost. Although the program will cost little in its initial years, it will become appreciably more costly as the students fill the later phases. We must decide how many students will be allowed to participate and what the criteria for selecting them should be. We must decide whether the program will be managed exclusively by NASA or spread out among those Federal agencies which heavily rely on scientists and engineers. I realize these issues will require a great deal of thought and analysis. Accordingly, my amendment gives NASA 6 months within which to conduct its study and report back to Congress. Hopefully, the NASA study will provide the basis for initiating the program I have discussed in some form.

Mr. President, if we as a nation are to be successful in confronting the many scientific and technological challenges of the future, we must invest in the education of the people who will do the work. Mr. President, I urge my colleagues to join the senior Senator from South Dakota and me in support of our amendment to H.R. 1988, the NASA authorization bill.

For Mr. PRESSLER and Mr. DASCHLE:

AMENDMENT NO. 1239

(Purpose: To convert Landsat data into a more durable archive medium)

On page 42, between lines 10 and 11, insert the following:

LANDSAT DATA

(k) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for converting Landsat data collected during the 19-year period preceding the date of the enactment of this Act into a more durable archive medium, $2,000,000.

Mr. PRESSLER. Mr. President, I offer an amendment to H.R. 1988, the fiscal year 1992 NASA authorization bill. The amendment would help to protect our Nation's Landsat data archive by authorizing the Administrator of the National Aeronautics and Space Administration [NASA] to use $2 million for the purpose of converting the past 19 years of Landsat data to a permanent storage medium. Data from past Landsat missions will give NASA's Mission to Planet Earth Program a unique baseline of information about land conditions and changes during the past three decades.

Since 1972, the United States has flown five Landsat series satellites. These missions have provided vital environmental data without interruption. When the NASA Earth observing system [EOS] polar platform is launched in 1998, Landsat data collected from the five Landsat missions would give a 26-year headstart to NASA's Mission to Planet Earth Program.

On April 24, 1991, in the Senate Commerce Science, Technology, and Space Subcommittee, we received testimony from Dr. Lennard Fisk, the associate administrator in charge of NASA's Earth observing system. Dr. Fisk testified that if NASA could get access to existing Landsat data, it would provide NASA researchers with a baseline of environmental information against which they could measure the extent of global change.

Environmental inventory data from the Landsat series of satellites is particularly suited to the long-term estimation and monitoring needs of the U.S. global change measurement effort. Landsat data are vital for measuring rates of deforestation, desertification, the movement of fragile ecosystem boundaries, and changes in vegetative cover and other land surface types. These data are crucial both as early indicators of climate change and of changes in the chemical composition of the atmosphere. Because of Landsat's value in these important areas, we need to act now to protect our investment.

Currently archived Landsat data exist in several different formats, which in some cases can be processed only on one-of-a-kind hardware systems. The data are becoming unreadable due to magnetic tape degradation or processing system obsolescence.

For example, only a fraction of the 400,000 scenes acquired between 1972 and 1978 have been converted to usable, digitized, computer-compatible tape [CCT] format. The remainder are stored on aging and deteriorating wideband videotapes with no system available to process the data into a usable digital form. Similarly, of the 570,000 additional scenes collected since 1978, only 5 percent have been converted to a usable CCT format.

Due to funding limitations, the National Oceanic and Atmospheric Administration and the U.S. Geological Survey Landsat archiving activities have been limited to data maintenance. We will continue to lose large amounts of our extraordinarily valuable early environmental inventory data unless some small funding is provided to transfer the Landsat data to a more permanent and retrievable storage medium.

For this reason, my amendment would authorize the Administrator of NASA to use $2 million of available funds and to cooperate with the U.S. Geological Survey to convert the past 19 years of Landsat data, which cost us $1.5 billion to collect, to a more durable archive medium.

We cannot afford to allow the fruit of our Nation's investment in land remote sensing to disintegrate. A small investment now will ensure that we do not lose the data we already have spent over $1.5 billion to collect. I urge my colleagues to support this commonsense amendment to preserve this invaluable scientific treasure.

For Mr. GORE:

AMENDMENT NO. 1240

(Purpose: To adjust the authorization of appropriations for earth science and applications)

Strike all on page 34, lines 22 through 25, and insert in lieu thereof the following:

(6) Earth science and applications, $783,600,000, of which (A) $5,000,000 shall be made available only for the purchase of Landsat data at cost for global change research, and (B) $3,000,000 shall be made available for a pilot study and prototype demonstration to convert remotely sensed aircraft and satellite data into machine readable form for global change research.

AIRCRAFT REMOTE-SENSING DATA CONVERSION

Mr. GORE. Mr. President, I have an amendment to the bill that I believe is an important enhancement to our efforts to better understand our changing global environment. NASA has proposed the Earth Observing System, estimated to cost some $11 billion by the year 2000, as the centerpiece of its effort to monitor the Earth's environmental systems.

While I strongly support this initiative, I have long been concerned that NASA and other agencies responsible for gathering and archiving remote sensing data have not given adequate attention to data previously gathered. One existing data set that could provide a critical source of information for global change researchers comes from aircraft missions, as well as certain satellite missions flown over the last several decades.

From 1963 through 1973, NASA managed a broad-based Earth Resources Observation Systems Program that gathered remotely sensed aircraft data from more than 700 test sites across North and South America. This data was obtained by aircraft at a variety of altitudes using many different types of remote sensors, including microwave radar and infrared imagery. In addition, vast archives of aircraft and satellite derived data are available in Great Britain, Germany, Australia, and other countries.

Mr. President, this is data that is urgently needed by environmental scientists. NASA's EOS Program is in the midst of a congressionally mandated restructuring and the precise date on which it will fly remains uncertain. With this potential for delay, researchers are increasingly turning to existing data.

The difficulty lies in converting the aircraft derived data to a usable medium. At present, the various data sets of remotely sensed aircraft data are not in a medium that can quickly and efficiently be used by scientists and global change researchers. Steps must be undertaken to convert this data into such a medium that can be incorporated into a baseline that will help us better understand the data derived from the EOS Program.

Mr. President, this amendment takes the initial step in accomplishing this conversion by authorizing $3 million in fiscal year 1992 for a pilot study and prototype demonstration of converting aircraft-derived remote sensing data into a machine readable form. This will help begin the process of filling important information gaps in our understanding of global change until NASA's EOS begins to supply data later this decade.

There has been a great deal of interest in initiating such a data recovery program. Discussions have centered on a cooperative program including several Federal agencies including NASA, the National Mapping Division of the U.S. Geological Survey, the National Oceanographic and Atmospheric Administration, the Agriculture Research Service of the U.S. Department of Agriculture, the U.S. Office of Surface Mining, and the Department of Energy research facilities at the Oak Ridge National Laboratory. This amendment will authorize the funds to ensure that these discussions result in action.

Mr. President, it is critical that we fully utilize those assets already at hand. In this instance, that asset is the data that has been collected from previous aircraft missions.

The cost of this conversion effort would be minimal. But its benefits could significantly expedite our efforts to better understand how the Earth's environmental systems are changing.

Mr. President, I hope my colleagues will join me in approving of this amendment to the NASA authorization bill.

For Mr. GORE:

AMENDMENT NO. 1241

(Purpose: To make perfecting amendments)

On page 36, line 2, strike "$2,945,600,000" and insert in lieu thereof "$2,984,600,000".

On page 36, line 3, strike "$329,900,000" and insert in lieu thereof "$290,900,000".

Strike all on page 42, lines 6 through 10, and insert in lieu thereof the following:

(j) Section 103(a)(1)(S) of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1991 (Public Law 101–611; 104 Stat. 3192), is amended—

(1) by striking "$1,600,000,000" and inserting in lieu thereof "$1,300,000,000";

(2) in clause (i)—

(A) by striking "$490,000,000" and inserting in lieu thereof "$425,000,000"; and

(B) by inserting ", of which not more than $263,000,000 shall be available for fiscal year 1992 for the Cassini mission, with no funds authorized after fiscal year 1991 for the Comet Rendezvous Asteroid Flyby mission" immediately after "1989";

(3) in clause (ii), by striking "$370,000,000" and inserting in lieu thereof "$285,000,000";

(4) in clause (iii), by striking "$640,000,000" and inserting in lieu thereof "$520,000,000"; and

(5) in clause (iv), by striking "$100,000,000" and inserting in lieu thereof "$70,000,000".

PERFECTING AMENDMENT TO H.R. 1988

Mr. GORE. Mr. President, I have a second amendment which I believe is noncontroversial. This amendment, which has two provisions, is to clarify the intent of the Commerce Committee when it ordered H.R. 1988 reported earlier this year.

The first provision of the amendment is needed to clarify that certain program reductions agreed to by the committee are allocated to the correct NASA program. There will be no net change in the total authorization level with this provision.

Mr. President, the second provision in this amendment, which relates to the earlier decision to terminate funding of the comet rendezvous asteroid flyby mission, is consistent with action on this bill in committee, as well as the full Senate when it adopted in H.R. 2519, the Veterans Affairs-HUD-independent agencies appropriation bill for fiscal year 1992. It modifies the current law authorization for the CRAF-Cassini missions, which imposes an overall funding cap of $1.6 billion. The present amendment reduces that overall cap to $1.3 billion, to reflect the termination of the CRAF mission.

For Mr. DECONCINI:

AMENDMENT NO. 1242

(Purpose: To add a title to the bill)

On page 47, after line 7, add the following:

TITLE IV—DISCLAIMER

Sec. 401. Nothing in this Act shall be construed as prohibiting the National Aeronautics and Space Administration from expanding any funds for the deployment of the Assured Shuttle Availability Multifunction Electronic Display System Program in fiscal year 1992.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendment were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall the bill pass?

So the bill (H.R. 1988), as amended, was passed.

Mr. BUMPERS. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REAUTHORIZATION OF THE FARMERS' MARKET NUTRITION PROGRAM

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 1742 regarding nutrition programs and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1742) to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, to expand the awareness and use of farmers' markets, and to increase sales at the markets, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, I am happy that the Senate has passed this important bill to reauthorize the Farmers' Market Nutrition Program. As a demonstration project since 1989, this endeavor has proven successful in assisting low-income families, farmers, and the local economies in the 10 States that have participated.

The Federal Government in 1989 decided to share financial responsibility with Iowa and nine other States for a 3-year demonstration project. The project was a 70/30 match program with the Federal Government providing 70 percent and the States providing 30 percent. From 1989 to 1991, the program has grown to serve 34,000 clients through 57 farmers markets in Iowa alone. Each client received 20 dollars' worth of coupons to purchase fresh fruit and vegetables during each of the 3 demonstration years.

The Iowa Farmers Market/WIC Check Program supplements the Iowa Health Department Program because fresh fruits and vegetables, which are highly nutritious, cannot be acquired through the regular WIC Program. The Farmers Market Program checks can only be used at authorized markets and accepted by trained and certified vendors. Participating farmers have indicated that approximately 25 percent of their overall market sales can be attributed to shopping WIC clients. In 1991 alone, approximately $608,951 will be distributed in farmers market checks.

The State of Iowa started the Iowa Farmers Market/WIC Check Program on a test basis in 1987 utilizing a $15,000 State appropriation. Each client was provided a $10 coupon to purchase fresh fruits and vegetables at one of three Waterloo farmers markets. In 1988, based upon the success of the 1987 program, the State of Iowa provided $100,000 to expand the program into 8 counties utilizing 12 farmers markets. The involvement of the Federal Government in recent years has allowed the program to continue to expand.

Mr. President, this program is truly a partnership between the Federal and State governments, local banks, farmers, farmers markets and participating families. It provides much-needed fruit and vegetables to nutritionally at risk women, infants, and children who would otherwise not receive them. It also assists farmers markets in selling their produce. Additionally, it encourages participation from local banks to receive the $2 coupons. Because of the success of this demonstration project, Senator LEAHY and I introduced this legislation to reauthorize the program for future years. Our bill continues the program in the 10 States where it already exists and provides additional funds for other States to join in our success.

I am proud of the success of the Iowa Farmers Market Program and I am happy that the Senate has given its vote of confidence to this legislation to ensure its continued success.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farmers' Market Nutrition Act of 1991".

SEC. 2. PURPOSE.

The purpose of this Act is to authorize grants to be made to State programs designed to—

(1) provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods (such as fruit and vegetables) from farmers' markets; and

(2) expand the awareness and use of farmers' markets and increase sales at the markets.

SEC. 3. FARMERS' MARKET NUTRITION PROGRAM.

Subsection (m) of section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)) is amended to read as follows:

"(m)(1) Subject to the availability of funds appropriated for the purposes of this subsection, and as specified in this subsection, the Secretary shall award grants to States that submit State plans that are approved for the establishment or maintenance of programs designed to provide recipients of assistance under subsection (c), or those who are on the waiting list to receive the assistance, with coupons that may be exchanged for fresh, nutritious, unprepared foods at farmers' markets, as defined in the State plans submitted under this subsection.

"(2) A grant provided to any State under this subsection shall be provided to the chief executive officer of the State, who shall—

"(A) designate the appropriate State agency or agencies to administer the program in conjunction with the appropriate nonprofit organizations; and

"(B) ensure coordination of the program among the appropriate agencies and organizations.

"(3) The Secretary shall not make a grant to any State under this subsection unless the State agrees to provide State, local, or private funds for the program in an amount that is equal to not less than 30 percent of the total cost of the program which may be satisfied from State contributions that are made for similar programs.

"(4) Subject to paragraph (6), the Secretary shall establish a formula for determining the amount of the grant to be awarded under this subsection to each State for which a State plan is approved under paragraph (6), according to the number of recipients proposed to participate as specified in the State plan. In determining the amount to be awarded to new States, the Secretary shall rank order to the State plans according to the criteria of operation set forth in this subsection, and award grants accordingly. The Secretary shall take into consideration the minimum amount needed to fund each State plan, and need not award grants to each State that submits a State plan.

"(5) Each State that receives a grant under this subsection shall ensure that the program for which the grant is received complies with the following requirements:

"(A) Persons who are eligible to receive Federal benefits under the program shall only be persons who are receiving assistance under subsection (c), or who are on the waiting list to receive the assistance.

"(B) Construction or operation of a farmers' market may not be carried out using funds—

"(i) provided under the grant; or

"(ii) required to be provided by the State under paragraph (3).

"(C) The value of the Federal share of the benefits received by any recipient under the program may not be—

"(i) less than $10 per year; or

"(ii) more than $20 per year.

"(D) The coupon issuance process under the program shall be designed to ensure that coupons are targeted to areas with—

"(i) the highest concentration of eligible persons;

"(ii) the greatest access to farmers' markets; and

"(iii) certain characteristics, in addition to those described in clauses (i) and (ii), that are determined to be relevant by the Secretary that maximize the availability of benefits to eligible persons.

"(E) The coupon redemption process under the program shall be designed to ensure that the coupons may be—

"(i) redeemed only by producers authorized by the State to participate in the program; and

"(ii) redeemed only to purchase fresh nutritious unprepared food for human consumption.

"(F)(i) Except as provided in clauses (ii) and (iii), the State may use for administration of the program not more than 18 percent of the total amount of program funds for fiscal years 1992 and 1993, not more than 17 percent of the total amount of program funds for fiscal year 1994, and not more than 16 percent of the total amount of program funds for fiscal year 1995.

"(ii) On the showing by the State of substantial need, the Secretary may permit a State to use up to an additional 2 percent of the total program funds for administration of the program for any fiscal year. During the first fiscal year of operation, the Secretary shall permit the use of such an additional 2 percent.

"(iii) The provisions of clauses (i) and (ii) with respect to the use of program funds for the administration of the program shall not apply to any funds that a State may contribute in excess of the funds used by the State to meet the requirements of paragraph (3).

"(G) The State shall ensure that no State or local taxes are collected within the State on purchases of food with coupons distributed under the program.

"(6)(A) Each State that received Federal funding in fiscal year 1991 under the demonstration program authorized by this subsection (as it existed on September 30, 1991) shall continue to receive benefits under this subsection, provided that the State continues to comply with the requirements established by this subsection, as determined by the Secretary.

"(B)(i) If sufficient funds are appropriated, no State shall receive less Federal funds than it did in the prior fiscal year (as adjusted October 1, 1992, and each October 1 thereafter, to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food, for the 12 months ending the preceding June 30) and the State provides the requisite match amount under paragraph (3).

"(ii) If the sums appropriated for any fiscal year pursuant to the authorization contained in paragraph (10) for grants under this subsection are not sufficient to pay to each State for which a State plan is approved under paragraph (6) the amount that the Secretary determines each such State is entitled to under this subsection, each State's grant shall be ratably reduced, except that (if sufficient funds are available) each State shall receive at least $50,000 or the amount that the State received for the prior fiscal year if that amount is less than $50,000.

"(C) In providing funds to serve additional recipients in States that participated in the Federal program in the previous fiscal year, the Secretary shall take into consideration—

"(i) the availability of Federal funds not spent during the prior program year in the State making a request to serve additional recipients;

"(ii) documentation that justifies the need for an increase in participation; and

"(iii) demonstrated ability to satisfactorily operate the existing program.

"(D)(i) A State that has not received Federal funding under this subsection for the fiscal year prior to the fiscal year for which it is submitting a State plan, and that desires to receive a grant under this subsection, shall submit a State plan to the Secretary at such time and in such manner as the Secretary may reasonably require.

"(ii) Each State plan submitted under this paragraph shall contain—

"(I) the estimated cost of the program and the estimated number of individuals to be served by the program;

"(II) a description of the State plan for complying with the requirements established in paragraph (5); and

"(III) criteria developed by the State with respect to authorization of producers to participate in the program.

"(iii) The criteria developed by the State as required by clause (ii)(III) shall require any authorized producer to sell fresh nutritious unprepared foods (such as fruits and vegetables) to recipients, in exchange for coupons distributed under the program.

"(E) The Secretary shall establish objective criteria for the approval of State plans submitted under this paragraph.

"(F) In approving State plans submitted under this paragraph, the Secretary shall—

"(i) favorably consider a State's prior experiences with this or similar programs;

"(ii) favorably consider a State's operation of a similar program with State or local funds that can present data concerning the value of the program;

"(iii) require that if a State receiving a grant under this section applies the Federal grant to a similar program operated in the previous fiscal year with State or local funds, the State shall not reduce in any fiscal year the amount of State and local funds available to the program in the preceding fiscal year after receiving funds for the program under this subsection;

"(iv) give preference to State plans that would serve areas in the State that have—

"(I) the highest concentration of eligible persons;

"(II) the greatest access to farmers' markets;

"(III) broad geographical area;

"(IV) the greatest number of recipients in the broadest geographical area within the State; and

"(V) any other characteristics, as determined appropriate by the Secretary, that maximize the availability of benefits to eligible persons; and

"(v) take into consideration the amount of funds available and the minimum amount needed by each applicant State to successfully operate the program.

"(G)(i) An amount equal to 45 to 55 percent of the funds available after satisfying the requirements of paragraph (B) shall be made available to States participating in the program that wish to serve additional recipients, and whose State plan to do so is approved by the Secretary. If this amount is greater than that necessary to satisfy the approved State plans for additional recipients, the unallocated amount shall be applied toward satisfying any unmet need of States that have not participated in the program in the prior fiscal year, and whose State plans have been approved.

"(ii) An amount equal to 45 to 55 percent of the funds available after satisfying the requirements of paragraph (B) shall be made available to States that have not participated in the program in the prior fiscal year, and whose State plans have been approved by the Secretary. If this amount is greater than that necessary to satisfy the approved State plans for new States, the unallocated amount shall be applied toward satisfying any unmet need of States that desire to serve additional recipients, and whose State plans have been approved.

"(iii) If, after the requirements of clauses (i) and (ii) have been met, funds remain unallocated, the unallocated funds shall be reallocated in the following fiscal year under the procedure established in paragraph (10)(B)(ii).

"(7)(A) The value of the benefit received by any recipient under any program for which a grant is received under this subsection may not affect the eligibility or benefit levels for assistance under other Federal or State programs.

"(B) Any programs for which a grant is received under this subsection shall be supplementary to the food stamp program carried out under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and to any other Federal or State program under which foods are distributed to needy families in lieu of food stamps.

"(C) Notwithstanding any other provision of law, administrative expenses under this subsection shall be allowable expenses for agencies and programs under the jurisdiction of the Secretary.

"(8) For each fiscal year, the Secretary shall collect from each State that receives a grant under this subsection information relating to—

"(A) the number of recipients served by both Federal and State benefits under the program for which the grant is received;

"(B) the rate of redemption of coupons or vouchers distributed under the program;

"(C) the average amount distributed in coupons to each recipient; and

"(D) any other information determined to be necessary by the Secretary.

"(9)(A) The Secretary shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Education and Labor of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a compilation of the data collected under paragraph (8).

"(B) The compilation shall be submitted by May 1, 1995.

"(10)(A) There are authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year 1992, $6,500,000 for fiscal year 1993, $8,000,000 for fiscal year 1994, and $9,500,000 for fiscal year 1995.

"(B)(i) Each State shall return to the Secretary any funds made available to the State that are unobligated at the end of the fiscal year for which the funds were originally allocated. The unexpended funds shall be returned to the Secretary by February 1st of the following fiscal year.

"(ii) The Secretary shall establish procedures to reallocate funds that any State does not expend as provided in clause (i), or that are not allocated under clauses (i) and (ii) of paragraph (6)(G). Funds that remain unexpended at the end of any demonstration project authorized by this subsection (as it existed on September 30, 1991) shall be reallocated in a similar manner.

"(11) For purposes of this subsection:

"(A) The term 'coupon' means a coupon, voucher, or other negotiable financial instrument by which benefits under this section are transferred.

"(B) The term 'program' means—

"(i) the State farmers' market coupon nutrition program authorized by this subsection (as it existed on September 30, 1991); or

"(ii) farmers' market nutrition program authorized by this subsection.

"(C) The term 'recipient' means a person or household, as determined by the State, who is chosen by a State to receive benefits under this subsection.

"(D) The term 'State agency' has the meaning provided in subsection (b)(13), except that the term also includes the agriculture department of each State.".

SEC. 4. CONFORMING AMENDMENT.

Section 501 of the Hunger Prevention Act of 1988 (Public Law 100-435; 102 Stat. 1668) is repealed.

Mr. BUMPERS. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMENDING HONG KONG FOR SUCCESSFULLY HOLDING THE FIRST DIRECT ELECTIONS TO ITS LEGISLATIVE COUNCIL

Mr. BUMPERS. Mr. President, I ask that the Senate proceed to the immediate consideration of Calendar No. 235, Senate Resolution 182, that the resolution be agreed to and the preamble agreed to, that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The resolution (S. Res. 182) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 182

Whereas the People's Republic of China in Annex 1 of the 1984 Joint Declaration agreed to accord Hong Kong a "high degree" of autonomy, including the exercise of legislative power by local officials, when China is restored sovereignty of Hong Kong on July 1, 1997;

Whereas in the past all members of the Legislative Council of Hong Kong have been chosen indirectly or by appointment of the governor;

Whereas September 15, 1991, marked the first direct election of members of the Legislative Council in the history of Hong Kong;

Whereas British Foreign Secretary Hurd stated on September 16, 1991 that the two aims of Her Majesty's Government for Hong Kong before the next round of elections in 1995 were steady progress towards a greater degree of direct election in Hong Kong, and sustaining such progress without interruption after the transfer of sovereignty in 1997;

Whereas the continued democratization of Hong Kong is important to assure its autonomy after its transfer to the People's Republic of China: Now, therefore, be it

Resolved, That the Senate hereby—

(1) commends the people of Hong Kong for successfully holding their first direct elections to their Legislative Council;

(2) congratulates the eighteen newly elected members of the Legislative Council on being the first directly elected members of that body;

(3) urges the Hong Kong government to give all due respect to the views of the democratically elected representatives of the people of Hong Kong; and

(4) urges the further development of democratic institutions in Hong Kong at an accelerated pace in advance of the 1995 elections and the subsequent transfer of Hong Kong to the People's Republic of China in 1997.

FAIR USE OF COPYRIGHTED WORKS

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 187, S. 1035, regarding unpublished copyrighted works.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1035) to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works.

Mr. GRASSLEY. Mr. President, let me state my support for this bill and applaud Senator SIMON and Senator HATCH for their leadership on the fair use issue.

Let me mention one important concern that should not be overlooked as the full Senate approves the bill. Our goal in this legislation is to ensure that historians, biographers, and other scholars will not be unduly chilled by copyright concerns in the course of doing their important work. It is certainly not our intention, however, to weaken the very strong protection that the courts have given to an important type of copyrighted work—secure tests such as the act, SAT, LSAT, and MCAT.

Our committee report wisely makes this point: it explains that the act is not intended "to reduce the protection of secure tests, whose utility is especially vulnerable to unauthorized disclosure." This language is derived from the testimony of the Ralph Oman, register of copyrights, who explained, at our June 6, 1991, hearing:

> Secure tests are particularly vulnerable to having their utility obliterated by unauthorized disclosure. The courts have, accordingly, been particularly solicitous in protecting these works. Indeed, so far as we are aware, the courts have never upheld a fair use claim advanced by any private entity with regard to copying of secure tests or test questions.

So, this bill essentially incorporates the view courts have had with respect to this issue. As Register Oman noted, courts have recognized the special character of secure tests by rejecting fair use claims.

I urge the approval of this bill.

Mr. SIMON. Mr. President, today we pass legislation important to scholarly research and the preservation of history. I am pleased to have been joined in this effort by Senator LEAHY, as well as Senators HATCH, DECONCINI, KENNEDY, KOHL, GRASSLEY, HEFLIN, BIDEN, THURMOND, and BROWN.

The bill simply makes it clear that the fact that a letter, diary, or other work is unpublished should not create a virtual per se bar under copyright law to any direct quotation of that work. Recent court decisions have called this into question. The ability to quote directly is vital to the important basic research that biographers, historians, and other scholars do.

A broad coalition of authors, publishers, and trade organizations supports this effort, including computer industry representatives. Senator LEAHY and I worked with interested parties for well over a year on legislative language that provides the protection that our Nation's authors urgently need, while at the same time not doing unintended damage to the computer industry.

With each passing day, the livelihood of scholars around the Nation remains in peril. I hope and expect that this legislation will become law soon. I thank all those involved for their hard work on this legislation. I am particularly grateful to Senator LEAHY and his staff for all of their hard work on this bill. I ask unanimous consent that the discussion section of the majority report prepared by the Judiciary Committee, which explains the bill in great detail, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

III. DISCUSSION

FAIR USE OF UNPUBLISHED WORKS

Prior to the 1976 Copyright Act, unpublished works were generally protected by common law rather than by Federal statute. For such works, common-law copyright was, essentially, the right of first publication: the right to control whether, when, and how the author would reveal his or her work to the public.

Under the judicially developed fair use doctrine, portions of an author's published work could be used by another in the creation of a new work. The fair use doctrine was premised on the author's implied consent to reasonable and customary use when he published his work. As a result, the doctrine traditionally was not applied to unpublished works. It was recognized that the use of an author's expression before he or she has authorized its dissemination could seriously impair the author's right of first publication. However, "[t]his absolute rule * * * was tempered in practice by the equitable nature of the fair use doctrine." *Harper & Row* v. *Nation Enterprises*, 471 U.S. 539, 551.

In 1976, Congress passed a broad revision of copyright law which generally preempted common-law copyright in favor of a unified system of Federal protection. As part of this revision, Congress codified the fair use doctrine in section 107 of title 17, announcing its intent to "restate the present judicial doctrine of fair use, not to change, narrow or enlarge it in any way." S. Rep. No. 94-473, 94th Cong., 1st sess. (1975), H. Rep. No. 94-1476, 94th Cong., 2d sess. at 66 (1976). At the same time, Congress did not limit the fair use doctrine to published works.

In 1985, the Supreme Court addressed the issue of the fair use of unpublished works in its decision in *Harper & Row* v. *Nation Enterprises*, 471 U.S. 539 (1985). That case involved the unauthorized publication of excerpts from President Ford's then unpublished memoirs. The Court, after thoroughly considering all four statutory fair use factors, held that the quotations went beyond what was permitted as a fair use.

The Court rejected the contention that the fair use provision was intended to apply equally to published and unpublished works. It concluded that "the unpublished nature of a work is '[a] key, though not necessarily determinative, factor' tending to negate a defense of fair use." The Court further stated that "the scope of fair use is narrower with respect to unpublished works," and that the author's right of first publication "weighs against" fair use. The Court did not impose a *per se* rule against fair use.

SALINGER AND NEW ERA

In two subsequent cases—*Salinger* v. *Random House*, 811 F.2d 90 (2d Cir.), cert. denied, 484 U.S. 890 (1987), and *New Era* v. *Henry Holt*, 873 F.2d 576 (2d Cir.), reh'g denied 884 F.2d 659 (2d Cir. 1989), cert. denied, 110 S.Ct. 1168 (1990)—the U.S. Court of Appeals for the Second Circuit purported to interpret the Supreme Court's ruling in *Harper & Row*. Unfortunately, these two cases have cast a chilling uncertainty over the publishing community with respect to the fair use of unpublished works.

The rulings of the second circuit in this area of the law are particularly influential because this circuit has jurisdiction over the core of the Nation's book and magazine publishing industry. In *Salinger*, the second circuit ordered the lower court to issue a preliminary injunction barring the publication of a serious biography of author J.D. Salinger because it contained unauthorized quotations from Salinger's unpublished letters. In so ruling, the court of appeals, while formally applying each of the four statutory fair use factors, stated that unpublished works "normally enjoy complete protection against copying any protected expression."

In *New Era*, the second circuit stated that the publisher of a highly critical biography about L. Ron Hubbard, the founder of the Church of Scientology, had infringed copyrights in Hubbard's unpublished diaries and journals by publishing excerpts from them. The court made it clear that an injunction barring publication would have been ordered but for the plaintiff's unreasonable delay in commencing the lawsuit. The court cited with approval the *Salinger* formulation that unpublished works normally enjoy complete protection. The court also said that "[t]he copying of 'more than minimal amounts' of unpublished expressive material calls for an injunction barring the unauthorized use * * *." (873 F.2d at 584.) However, in denying the petition for rehearing en banc, the court retreated from the idea that an injunctive remedy necessarily flows from a finding of infringement. The Supreme Court denied certiorari in *New Era* on February 20, 1990.

The committee is aware that district courts in the second circuit have faced the question of the fair use of unpublished works after the *Salinger* and *New Era* cases. In *Wright* v. *Warner Books*, 748 F. Supp. 105 (S.D.N.Y. 1990), and *Arica Institute, Inc.*, v. *Palmer*, 761 F. Supp. 1056 (S.D.N.Y. 1991), the United States District Court for the Southern District of New York found fair use of unpublished materials for biographical or critical purposes. Nevertheless, the Court of Appeals for the Second Circuit has not renounced its basic formulation in *Salinger* and *New Era* that unpublished works "normally enjoy complete protection against copying." Consequently, the pall that those cases cast over the publishing world remains.

Although some commenters have discounted the significance of the *Salinger* and *New Era* decisions, it became clear from testimony at the congressional hearing that others, including publishers, authors, and their advisors, had great apprehensions, and were inhibited in pursuing their professions by these rulings. Witnesses testified that, in the wake of these two decisions, copyright counsel for historians, biographers, other authors and publishers routinely advise their clients that almost any unauthorized use of previously unpublished materials will subject them to a serious risk of liability for copyright infringement. Consequently, a copyright owner or the owner's estate may exercise virtual veto power over uses of unpublished materials—a veto likely to be exercised in precisely those cases where the materials could cast their author in an unfavorable light. Publishers and editors, confronted with the prospect of copyright litigation, have refrained from publishing works that quote from unpublished primary source materials such as letters, journals, and diaries. Some authors have been forced to produce two copies of works in progress: one fully supported with direct quotation from source material, and one sharply curtailed, with all direct quotation deleted.

In his prepared statement, Mr. Abrams testified that—

"[a]s a result of these rulings, history cannot now be written, biographies prepared, non-fiction works of almost any kind drafted without the gravest concern that even highly limited quotations from letters, diaries or the like will lead to a finding of copyright liability and the consequent issuance of an injunction against publication."

Author Taylor Branch testified that—

"[t]he practical implications of these rulings are so chilling that I don't know how the kind of work I do would continue to be done * * *."

Author J. Anthony Lukas emphasized that—

"* * * if [New Era] is permitted to stand as the guiding precedent in this area, [the people of America] will increasingly find fewer works of compelling history and biography available on their bookshelves and eventually in their libraries."

LEGISLATIVE INTENT OF S. 1035

S. 2370 from the 101st Congress was introduced as a starting point for discussion of the appropriate legislative remedy, and died at the end of the 101st Congress. S. 1035 as introduced in the 102d Congress is the result of extensive discussion and consultation with interested parties. In his statement of introduction, Senator Simon said:

"If scholars and historians can be prohibited from citing primary sources, their work would be severely impaired. * * * [I]f this trend continues, it could cripple the ability of society at large to learn from history and thereby to avoid repeating its mistakes. * * * [T]his is a straightforward bill which would direct the courts to apply the full fair use analysis to all copyrighted works, rather than peremptorily dismissing any and all citation to unpublished works as infringements

The bill is intended to overrule the overly restrictive language of Salinger and New Era with respect to the use of unpublished materials and to return to the law of fair use as it was expressed in Harper & Raw. It is intended to address a specific concern arising from particular language in Salinger and New Era. It establishes that, contrary to what some language in Salinger and New Era suggests, the unpublished nature of a work does not trigger a virtual per se ruling against a finding of fair use. In all cases, consistent with Harper & Row, while "[t]he fact that a work is unpublished is an important element which tends to weigh against a finding of fair use," that fact "* * * shall not bar a finding of fair use if such finding is made upon full consideration of all the above factors."

In his statement of introduction, Senator Leahy said:

"The aim of this legislation, in brief, is to return the fair use doctrine to the status quo of Harper & Row. In that case, the Supreme Court struck the proper balance between encouraging the broad dissemination of ideas and safeguarding the rights to first publication and privacy. Thus, we intend to roll back the virtual per se rule of Salinger and New Era, but we do not mean to depart from Harper & Row."

Senator Leahy added, "Nothing in this legislation is intended to broaden the fair use of unpublished computer software * * *."

In order to ensure that the specific note taken of this element does not, by negative implication, alter the weight and interpretation given to other fair use considerations, the legislation makes clear that the fact that a work is unpublished "shall not diminish the importance traditionally accorded to any other consideration under this section * * *." For example, the Court in Harper stated that the effect of the use upon the potential market for or value of the copyrighted work "is undoubtedly the single most important element of fair use."

Furthermore, the bill makes clear that, rather than considering only one factor, any finding of fair use must be "* * * made upon full consideration of all the above factors." Here, "the above factors" refers to any factor that may properly be considered in section 107. The committee intends that the review of these factors be complete and meaningful. The bill makes clear that a finding of fair use of an unpublished work may be made on the basis of such a review and shall not be barred by the absence of publication. However, in saying that the unpublished nature of a quoted work "shall not bar a finding of fair use," the committee does not intend to imply that the absence of publication cannot be the element that persuades a court to rule against fair use. The absence of publication may, in a given case, be such an element, as may other elements under section 107, provided that the court must give full consideration to all the factors set forth in section 107.

The bill is not intended to affect the law of fair use with respect to unpublished business or technical documents, including materials containing scientific or technical descriptions of projects, processes or products under research, study or development. Furthermore, the bill is not intended to reduce the protection of secure tests, the utility of which is especially vulnerable to unauthorized disclosure, nor to affect current protection of broadcast programming.

The Committee is well aware that serious concerns have been expressed in testimony and by members of the committee about decompilation of computer programs. Nothing in the bill is intended in any way to broaden fair use of unpublished computer programs.

This bill does not preempt, limit or otherwise change any trade secret law or other State law remedies for the protection of confidential business or technical documents that exist under the 1976 Copyright Act, as amended.

The bill is effective on its date of enactment. It applies to uses of letters, diaries and other unpublished copyrighted works created before, on or after that date. It governs all lawsuits filed on or after that date, whether the conduct at issue occurred before, on or after that date.

Mr. LEAHY. Mr. President, I welcome passage of S. 1035, a bill to amend the fair use provision of the Copyright Act, on which Senator SIMON and I have worked for more than a year. Recent court decisions—in particular, *Salinger* v. *Random House, Inc.*, 811 F. 2d 90 (2d cir. 1987) and *New Era Publications* v. *Henry Holt & Co.*, 873 F. 2d 576 (2d Cir. 1989)—established a virtual per se rule against the fair use of any unpublished materials, such as letters or diaries. The court of appeals in Salinger said that "[unpublished works] normally enjoy complete protection against copying any protected expression." 811 F. 2d at 97. And the court essentially repeated this formulation in New Era.

Those cases roiled the waters of the publishing and writing world. At the joint hearing we held in July 1990 in the Senate Patents Subcommittee and the House Intellectual Property Subcommittee, Pulitzer Prize winning authors Taylor Branch and Anthony Lukas testified that their work would be crippled if they were flatly barred from quoting unpublished materials. Such materials can give color and life to works—such as "Parting the Waters" or "Common Ground"—that illuminate our history and teach us about ourselves.

Because Senator SIMON and I did not believe that the Supreme Court, in the landmark case of *Harper & Row* v. *The Nation Enterprises*, 471 U.S. 539 (1985) intended to establish such a virtual per se rule, we introduced this bill. Senators DECONCINI, HATCH, KENNEDY, KOHL, BROWN, BIDEN, THURMOND, HEFLIN, and GRASSLEY joined us as cosponsors.

Upon introduction of the bill on May 9, I made a detailed statement explaining why the bill was necessary and what it was designed to accomplish. Further discussion of the legislation's purpose and intent is contained in the Judiciary Committee report on the bill (S. Rept. No. 102–141).

I will not repeat my earlier statement now except to reiterate our intention to roll back the virtual per se rule of the Salinger and New Era cases and to return the law of fair use to the status quo of Harper & Row.

Let me also say that we worked extensively with representatives of the computer software industry, who rightly were concerned that their unpublished source codes could be inadvertently jeopardized by earlier versions of this legislation. We intend to maintain fully the copyright protection that applies to computer software, including unpublished source codes. We took great care in drafting our bill to do nothing that could be interpreted as diminishing such copyright protection for unpublished computer codes, or as broadening the fair use of such codes. I believe that we have produced a bill that will fix the problem that the New Era and Salinger cases created for writers and publishers without creating any new problem for the creators of computer software.

I look forward to working with our colleagues on the House Subcommittee on Intellectual Property and Judicial Administration, Congressmen HUGHES and MOORHEAD, who have introduced similar legislation. I hope that a meaningful fair use bill can be brought to the President's desk for signature in the near future.

Once again, let me thank all those Judiciary Committee staff members who have worked so hard to see this bill through to Senate passage: Susan Kaplan and Brant Lee, with Senator SIMON; Karen Robb and Geoff Cooper with Senator DECONCINI; Darrell Panethiere with Senator HATCH; and Carolyn Osolinik with Senator KENNEDY. I also want to thank Todd Stern and Ann Harkins on my staff for all their efforts to develop this bill and bring it to this point of Senate passage.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107 of title 17, United States Code, is amended by adding at the end thereof the following:

"The fact that a work is unpublished is an important element which tends to weigh against a finding of fair use, but shall not diminish the importance traditionally accorded to any other consideration under this section, and shall not bar a finding of fair use, if such finding is made upon full consideration of all the above factors.".

Mr. BUMPERS. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENTSEN, from the Committee of Conference:

Report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes (Rept. No. 102–162).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 811. A bill to require the Secretary of Transportation to lead and coordinate Federal efforts in the development of magnetic levitation transportation technology and foster implementation of magnetic levitation and other high-speed rail transportation systems, and for other purposes (Rept. No. 102–163).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 838. A bill to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such Act, and for other purposes (Rept. No. 102–164).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. PACKWOOD:

S. 1767. A bill to exempt semiconductors from the country of origin marking requirements under the Tariff Act of 1930; to the Committee on Finance.

Ms. MIKULSKI:

S. 1768. A bill to increase the amount of non-loan Federal student aid available to low- and middle-income students; to make additional Federal loans available to middle-income families; and to simplify the Federal financial aid application process for students attending institutions of higher education in the United States; to the Committee on Labor and Human Resources.

Mr. LEVIN:

S. 1769. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments which are accounted for by a State in determining State foster care payments and to amend the Tax Reform Act of 1986 to make certain changes in the treatment of foster care payments retroactive to 1979; to the Committee on Finance.

Mr. DASCHLE:

S. 1770. A bill to convey certain surplus real property located in the Black Hills National Forest to the Black Hills Workshop and Training Center, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. LUGAR (for himself, Mr. MCCONNELL, Mr. GRASSLEY and Mr. COATS):

S. 1771. A bill to extend to 1991 crops the disaster assistance provisions of the Food, Agriculture, Conservation, and Trade Act of 1990; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PACKWOOD:

S. 1767. A bill to exempt semiconductors from the country of origin marking requirements under the Tariff Act of 1930; to the Committee on Finance.

ELIMINATION OF COUNTRY-OF-ORIGIN REQUIREMENTS FOR SEMICONDUCTORS AND THEIR CONTAINERS

Mr. PACKWOOD. Mr. President, I rise today to introduce a bill that is of great significance to the semiconductor industry.

This bill would eliminate the country-of-origin marking requirements for semiconductors and their containers classified in headings 8541 and 8542 of the harmonized tariff schedule of the United States. The products provided for under these headings include diodes, transistors, integrated circuits, and microassemblies.

The central problem for the semiconductor industry, which this bill will resolve, is that countries have different methods for determining origin with respect to these products. The United States determines origin based on the country of final assembly, whereas the European Community determines origin based on the country in which the diffusion process takes place.

The result is that a product shipped to the United States that complies with U.S. marking requirements may violate EC law when shipped to any EC destination. The reason is that while the EC does not require marking, it does require that a product not be mislabeled. To avoid violating EC member state law, the producer would have to remove the U.S.-required marking before export from the United States. Removal of markings is costly and may be a violation of U.S. law.

The elimination of the marking requirements of U.S. law for semiconductors will resolve this problem, and will result in significant cost savings to the companies involved. Furthermore, country of origin markings serve predominantly as a consumer protection measure. However, very few semiconductors are sold at retail, and therefore consumer protection is not at issue. Purchasers of semiconductors, will, in most cases, still be able to determine the origin of the product by consulting the codes that most manufacturers place on their products.

This bill also eliminates the marking requirements for semiconductor containers. This is as necessary and important as the elimination of the marking requirement for devices, since containers face the same problem as devices when shipped to the EC.

Mr. President, this bill will be an important cost-saving measure for semiconductor companies such as Intel Corp., the second largest industrial employer in my own State of Oregon, with 4,100 fulltime employees currently, and more expected in the future.

I would like to note, Mr. President, that this bill will not have a negative revenue impact. In fact, there may be a small revenue gain as a result of eliminating the need to enforce country of origin requirements with respect to these products. Finally, Mr. President, the administration supports this bill, and there is no known opposition to it in the industry.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—

(1) by striking out "Except as hereinafter provided," at the beginning of subsection (a) and inserting "Except as otherwise provided in this section,";

(2) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively; and

(3) by inserting after subsection (e) the following new subsection:

"(f) EXEMPTION FROM MARKING FOR SEMICONDUCTORS.—Articles provided for in headings 8541 and 8542 of the Harmonized Tariff Schedule of the United States and their containers are exempt from the marking requirements of subsection (a)."

By Ms. MIKULSKI:

S. 1768. A bill to increase the amount of nonloan Federal student aid available to low- and middle-income students; to make additional Federal loans available to middle-income families; and to simplify the Federal financial aid application process for students attending institutions of higher education in the United States; to the Committee on Labor and Human Resources.

WORKING FAMILIES COLLEGE COST RELIEF ACT

Ms. MIKULSKI. Mr. President, I know the Senate is focusing very much on the Thomas nomination. Later on next week, I will declare my own position on the Thomas nomination. But since we are really talking about opportunity, I think it is appropriate for me to bring to the attention of the Senate a bill that I am introducing today that deals with opportunity, the opportunity to seek higher education in this country and where the U.S. Government provides very important rungs on that ladder of opportunity or that opportunity structure.

When people talk about the American dream, they always talk about that within the context that the next generation does better than the current generation, and that part of the American dream is to be able to own a home and to go to school and to pursue individual excellence.

Mr. President, you and I are from the background where we reject elitism, and we dedicate ourselves to the pursuit of excellence and creating an opportunity framework for others to pursue excellence. That is why I want to talk about revising the student loan program so it benefits more people, particularly the middle class.

I believe the overriding purpose of a political party and also a democratic form of government in this country is to help all those who are middle class to do better, and for those who are not middle class to have an opportunity structure through their own sweat equity to be able to become middle class.

Mr. President, this spring I had the privilege to attend several high school graduations all across my own State. What a great feeling it was to watch those students march to the podium, their faces full of pride, their spirits full of hope, and their dad there with the video camera capturing that special moment in time; mom there with the Kleenex and all enjoying what it meant and talking about the future.

But if you talk with those moms and dads in the supermarkets or out on the highways and byways of Maryland, if you talk to the kids when they are out there playing their sports or at their teenage dances, what they talk about is not only their happiness but their concerns for the future.

One of their big concerns is how are they going to afford college. Parents say, how are we going to afford our children's higher education? And also the kids say that they are concerned about becoming tuition poor, often with mom and dad asking those questions.

These conversations I had with Maryland families reaffirm my own opinion that the student financial aid system is not giving America and America's families what we want and what we need.

That is why today I am introducing the Working Family's College Cost Relief Act. My legislation will increase the amount of Federal student aid grants available to students from middle-class families and those families who want to become middle class. It will make Federal loans available to more middle-income families which we now penalize. It will simplify financial eligibility formulas and simplify the financial application process.

Mr. President, this legislation is needed because the current system has three flaws: It does not give help to people who need it; the process is too complicated; and the process does not consider the realities of today.

Today, the Federal Student Aid Program is a prime example how the flawed rules of Government penalize the good guys in our society, the people who get out there and work and save. The flawed rules of Government now penalize those who work, those who save, and those who try to prepare for the future. The Government now says no help to those very families who practice self-help.

Far too often middle-class parents do not qualify for financial aid, one, because they work hard—you have two people working within a family and their income exceeds the eligibility levels—or they have worked and they have now bought a home and that is counted as an asset, so luxurious that it takes you out of the student loan program or maybe they have a small business, maybe they are a dry cleaner, maybe they are a grocer like my dad was, or maybe they have a farm that has been in their family for three or four or five generations.

Well, right now, Mr. President, a family with a combined income over $35,000 is not eligible for most student grants. That means if right now there is one member of the family out there making $25,000 a year and the other spouse is making $15,000, putting them over the $40,000 limit, it is tough luck for them, Mr. President. They are viewed as too rich to qualify for student loans. They might be, like my father said, rich but not wealthy. "We are rich because of our family name and family values."

If that family has an asset, a home, a farm, it gets worse because the very value of that home or small business is added to the family income which knocks the family off the financial aid ladder.

I want to reward families who save, I want to reward people who create jobs or harvest food on the family farm, harvest oysters out on the Chesapeake Bay by making it possible for their children to attend college and whatever college they choose.

Mr. President, you and I agree we have to start saying yes to the kids who say no. We need programs for the kids who say no to drugs, no to pregnancy, but yes to homework, yes to going to school, yes to trying hard. Let us create an opportunity structure for those who have out there every day going to school, doing their homework, and how about some reward for the kids who have perfect attendance even through they might not have perfect SAT scores.

Government has now become an obstacle to opportunity. That is why my legislation raises the maximum Pell grant to $4,500 over the skimpy level it now has. It allows a family with an income of up to $75,000 to be eligible for the maximum amount of Federal loans, and my legisaltion removes from the calculations owning a home, owning a farm, or a small business.

What we are going now is expanding the opportunity for middle class to participate. My legislation also addresses the problem of regulations that are now so confusing and the forms so complicated they are a barricade. They simply are not user friendly. For some families completing financial aid forms is so discouraging they do not even try. All student aid forms will have to be in by November. Right now, all over the State of Maryland, people have received those forms.

Well, Mr. President, they are telling me that it is just almost too much to get into it. They feel they need to hire accountants or financial advisers to get into it. And for those families who are not paperwork oriented, they put it aside. But when they put aside the paperwork, because we have made it so hard for them, they put aside the opportunities for themselves, or their student, or put aside the paperwork which puts aside the opportunity for those children.

That is why my legislation mandates the Department of Education to get rid of the multiple forms, come up with one simple form. If we have an easy tax form for eligible taxpayers, why can we not have an easy form for financial aid?

Finally, the system does not recognize that the college population is different. It does not take into consideration that often today's college student is older, has a full-time job, or often has a family of his or her own to take care of. Students further along in their lives have just as much need for help. That is why my legislation will help students who go to school part time. It redefines the independent student to make it easier for him to get help. It reduces the amount of savings from summer jobs a student must contribute to their education.

Right now, when people look at the forms, they do not look at the kids and they do not look at the realities. Most often, for the kids in Maryland who may be working at Ocean City or working at some diner, or elsewhere, it will just cover their book bill. If you go to buy a textbook on chemistry, it is $75. It is $100 for this, $100 for that. Some of those kids have to spend $800 to $1,000 for the kind of textbooks they need. Mr. President, that is why summer job wages should not be treated in the same way as family wages.

I know people are saying, well, Senator, there you go, one great big pocketful of good intentions. But how are we going to pay for it because we cannot back every good intention.

Mr. President, I think that there is a way to do it. Let us reward. The way we can reward the good guys is let us go after the bad guys. Let us crack down on the student loan defaulters that do not keep their promise and default on the student loans. We can expand student aid to middle-class families without taking from needy families, while recovering the thousands of dollars of student loans that go unpaid each year.

My colleague on Government Affairs, Senator SAM NUNN, has just completed a whole review of the default process. He has come out with facts and figures that show if we go after the defaulters we can recapture as much as $2.5 billion that would go right back into the kids who need it and will pay their bills. We can help students go to the good schools by closing down the fly-by-night schools that take the Government's money but do not provide a decent education for the children.

I believe that when we make financial aid more prudent and easier for the people who need it, we will be providing what Government should do. Government cannot guarantee an outcome nor should it, but it can guarantee an opportunity.

Mr. President, that is what we need to do. If we get out there and listen to the realities of life rather than some Potomac think tank, we will be able to create that opportunity sturucture.

When my legislation is passed I want to go back to those families of the high school graduates, tell them that we heard them, we understood them, and we have come up with an opportunity structure that enables them to benefit themselves and to benefit this country for the 21st century.

I ask unanimous consent that the text of this legislation be printed in the RECORD and I look forward to additional debate.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Families College Cost Relief Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the financial aid delivery system that confronts all college-bound youth and adults remains too complex, relies too heavily on loans as a means of aid, and leaves a large section of needy students (America's middle-income students) ineligible for aid;

(2) more importantly, such complexity and reliance on the accumulation of debt to finance an education serves as a significant barrier to access to higher education for a large portion of the potential student body, especially lower income students;

(3) despite previous efforts by Congress to simplify the process, both the need analysis formulas and the application process remain unnecessarily complex, doing a great disservice to low- and middle-income students;

(4) the need analysis formulas are not effective in providing financial aid assistance to middle-income students and their families; and

(5) the application and reapplication process is an unnecessarily duplicative and burdensome process for students and their families.

SEC. 3. PURPOSE.

It is the purpose of this Act to—

(1) increase the amount of non-loan Federal student aid available to low- and middle-income students;

(2) make additional Federal loans available to middle-income families;

(3) combine the two eligibility determination formulas into one simple formula; and

(4) simplify the Federal financial aid application and reapplication process for students attending institutions of higher education in the United States.

SEC. 4. AMOUNT OF PELL GRANTS.

Section 411 of the Act (20 U.S.C. 1070a) is amended by amending subsection (b) to read as follows:

"(b) AMOUNT OF GRANTS.—

"(1) IN GENERAL.—(A) The amount of a basic grant for a student eligible under this subpart in each fiscal year shall be such student's cost of attendance (as defined in section 411F(5)) minus the expected family contribution determined in accordance with this subpart with respect to such student for such year.

"(B) In any case where a student attends an institution of higher education on less than a full-time basis during an academic year the amount of the basic grant to which that student is entitled shall be reduced in proportion to the degree to which that student is not so attending on a full-time basis, in accordance with a schedule of reductions established by the Secretary for this purpose and published in the Federal Register. No basic grant shall be awarded under this subpart to any student who is attending on less than a half-time basis.

"(2) MAXIMUM AMOUNT.—The maximum amount of a basic grant under this subpart shall be $4,500 for award year 1992–1993 and succeeding award years.".

SEC. 5. TREATMENT OF NONLIQUID ASSETS.

Subsection (g) of section 411B of the Act (20 U.S.C. 1070a–2(g)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2), (3), (4), (5) and (6), as paragraphs (1), (2), (3), (4) and (5), respectively;

(3) by amending paragraph (2) (as redesignated in paragraph (2)) to read as follows:

"(2)(A) If the parental assets include business assets deduct $80,000, except that parental assets shall not include assets from a small business. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(B) For the purpose of this paragraph the term 'small business' means a business concern with assets of less than $1,000,000.";

(4) in paragraph (3) (as redesignated in paragraph (2)), by striking "paragraphs (1) and (2)" and inserting "paragraph (1)"; and

(5) in paragraph (4) (as redesignated in paragraph (2)), by striking "paragraphs (1), (2), and (3)" and inserting "paragraphs (1) and (2)".

SEC. 6. PELL GRANT DEFINITIONS.

(a) IN GENERAL.—Section 411F of the Act (20 U.S.C. 1070a–6) is amended—

(1) by amending paragraph (5) to read as follows:

"(5) The term 'cost of attendance'—

"(A) for purposes of subpart 1 of part A, means—

"(i) the tuition and uniform compulsory fees normally charged a full-time student at the institution at which the student is in attendance for any award year (except that such amount shall be decreased in proportion to the degree to which a student does not attend on a full-time basis in accordance a schedule developed by the Secretary); plus

"(ii)(I) in the case of less than half-time students (as determined by the institution), an allowance for only books, supplies, and transportation (as determined by the institution) and dependent care expenses (in accordance with clause (iii));

"(II) in the case of a student without dependents residing at home with parents, an allowance for room and board costs, books, supplies, transportation, and miscellaneous expenses incurred by each student which shall not exceed $2,150;

"(III) in the case of all other students, an allowance for room and board costs, books, supplies, transportation, and miscellaneous expenses incurred by the student which shall not exceed $3,350;

"(IV) an allowance for child care which shall not exceed $1,000; and

"(V) an allowance for the costs of special services and equipment required for attendance by the handicapped that are not provided by other assisting agencies;

except that, if the maximum award under this subpart is less than or greater than $2,300, then the dollar amounts specified in subclauses (I) and (II) shall be increased or decreased by an amount equal to the amount by which such maximum award is greater than or less than $2,300, respectively; and

"(B) for purposes of this title except for subpart 1 of part A, is set forth in section 472.";

(2) in subparagraph (A) of paragraph (8)—

(A) by amending clause (i) to read as follows:

"(i) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,100 or 35 percent of the earned income of the parent with the lesser earned income";

(B) by amending clause (ii) to read as follows:

"(ii) If a parent qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, such allowance is equal to the lesser of $2,100 or 35 percent of such parent's earned income."; and

(C) by inserting at the end thereof the following new clause:

"(iii) For any award year after award year 1987–1988, this subparagraph shall be applied by increasing the dollar amount specified in clauses (i) and (ii) to reflect increases in the amount and percent of the Bureau of Labor Standards budget of the marginal costs for meals away from home, apparel and upkeep, transportation, and housekeeping services for a two-worker or a one-worker family, whichever is applicable.";

(3) by amending paragraph (12) to read as follows:

"(12) The term 'independent', when used with respect to a student, means any individual who—

"(A) is 24 years of age or older by December 31 of the first calendar year of the award year;

"(B) is an orphan or is or has been a ward of the court;

"(C) is a veteran of the Armed Forces of the United States;

"(D) is a graduate or professional student;

"(E) is married or has legal dependents; or

"(F) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.";

(4) by amending subparagraph (A) of paragraph (16) to read as follows:

"(A) The term 'unusual medical and dental expenses' means the amount by which the sum of unreimbursed medical and dental expenses, including medical insurance premiums, exceeds 5 percent of the total income of the parents.";

(5) by adding at the end the following new paragraphs:

"(18) The term 'allowance for social security taxes' means the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, except that such allowance shall not exceed the maximum statutory social security tax withholding amount for such tax year.

"(19) The term 'displaced homemaker' means an individual who—

"(A) has not worked in the labor force for a substantial number of years but has, during such years, worked in the home providing unpaid services for family members;

"(B)(i) has been dependent on public assistance or on the income of another family member but is no longer supported by that income; or

"(ii) is receiving public assistance on account of dependent children in the home; and

"(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.".

(b) CONFORMING AMENDMENTS.—

(1) DISPLACED HOMEMAKER.—Sections 411B(g)(1), 411B(1), 411C(f)(1) and 411D(f)(3) of the Act are each amended by striking "480(e)" and inserting "411F(19)".

(2) NEEDS ANALYSIS.—Sections 413A(a), 413B(1)(A), 413D(d)(2)(B), 428(a)(2)(B), 442(d)(2)(B), 442(d)(3)(B), 443(b)(3), 462(d)(2)(B), 462(d)(3)(B), 464(b)(1) and 483(b) of the Act are each amended by striking "part F" and inserting "sections 411A through 411F".

(3) COST OF ATTENDANCE.—Section 472 is amended in the matter preceding paragraph (1) by striking "section 478" and inserting "section 411E".

(4) REPEALERS.—Sections 474, 475, 476, 477 and 480 of the Act are each repealed.

(5) SIMPLIFIED NEEDS TEST.—Section 479(b)(6) of the Act is amended—

(A) by striking "475(c)(2)" and inserting "411B(d)(2)(B)";

(B) by striking "477(b)(2)" and inserting "411C(c)(2)(B)"; and

(C) by striking "476(b)(2)" and inserting "411D(c)(2)(B)".

(6) ADVISORY COMMITTEE.—Section 491(d)(1) of the Act is amended by striking "and part F of this title".

SEC. 7. INTEREST COST REDUCTION AND INCOME CAP FOR LOANS.

Paragraph (2) of section 428(a) of the Act (20 U.S.C. 1078(a)(2)) is amended—

(1) in clause (ii) of subparagraph (C)—

(A) by inserting "except as provided in subparagraph (G)," before "the determination"; and

(B) by inserting "and a mandatory self-help amount of $500)" before the period at the end thereof; and

(2) by adding at the end thereof the following new subparagraph:

"(G) Notwithstanding any other provision of this Act, if the total family income of a student is not more than $75,000 then the student or parent shall be eligible to borrow an amount not to exceed the maximum loan amount in accordance with part B.".

SEC. 8. GRANTS FOR WORK-STUDY PROGRAMS.

Paragraph (4) of section 443(b) of the Act (20 U.S.C. 2753) is amended by inserting "need-based" after "derived from any".

SEC. 9. REGULATIONS; UPDATED TABLES.

Section 478 of the Act (20 U.S.C. 1087rr) is amended—

(1) in subparagraph (A) of subsection (a)(1), by striking "(e)" and inserting "(f)";

(2) by redesignating subsections (e) and (f), as subsections (f) and (g), respectively; and

(3) by inserting after subsection (d) the following new subsection:

"(e) For each academic year after academic year 1992–1993, the Secretary shall publish in the Federal Register revised adjusted gross income levels for eligibility under subsections (a) and (c) of section 479 by increasing each dollar amount that refers to adjusted gross income in such subsections by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary after consultation with the Advisory Committee on Student Financial Assistance) between December 1992 and the next December preceding the beginning of such academic year, rounded to the nearest $500.".

SEC. 10. SIMPLIFIED NEEDS TEST.

Section 479 of the Act (20 U.S.C. 1087ss) is amended to read as follows:

"SEC. 479. SIMPLIFIED NEEDS TEST.

"(a) Applicability to All Title IV Programs.—Except as provided in subsection (c), the Secretary shall use a simplified needs analysis for any provision of this title based upon the elements set forth in subsection (b) for the calculation of the expected family contribution for families—

"(1) who have adjusted gross incomes which are equal to or less than $30,000 per year; and

"(2) who file a form 1040A or 1040EZ pursuant to the Internal Revenue Code of 1986, or are not required to file pursuant to such Code.

"(b) Elements in Tests.—The elements to be used for the simplified needs analysis are—

"(1) adjusted gross income;

"(2) Federal taxes paid;

"(3) untaxed income and benefits;

"(4) the number of family members;

"(5) the number of family members in postsecondary education; and

"(6) an allowance for—

"(A) State and other taxes, as defined in section 475(c)(2) for dependent students and in section 477(b)(2) for independent students with dependents; or

"(B) State and local income taxes as defined in section 476(b)(2) for independent students without dependents.

"(c) Special Treatment of Certain Low-Income Students and AFDC Recipients.—Notwithstanding any other provision of law, the expected family contribution shall be zero for the purpose of awarding assistance under parts A (other than subpart 3 of part A), and parts B, C and E for—

"(1) any applicant receiving aid to families with dependent children under part A of title IV of the Social Security Act; or

"(2) any applicant who is a dependent student whose parents' adjusted gross income does not exceed $15,000.

"(d) Simplified Application Form.—

"(1) In general.—The Secretary shall develop and use a simplified application form as part of the common financial reporting form prescribed in section 483(a) for families described in this section who qualify for the use of a simplified needs analysis or a zero family contribution.

"(2) Reduced data requirements.—The simplified application form shall reflect the reduced data requirements under subsection (b) and this subsection.".

SEC. 11. DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.

Section 479A of the Act (20 U.S.C. 1087tt) is amended—

(1) by amending subsection (c) to read as follows:

"(c) Adjustments for Independent Students With Dependents.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if the administrator determines that the cost of attendance described in section 472 should include costs of food and shelter for dependent care when the income for independent students with dependents is less than the standard maintenance allowance as defined in section 477(b)(4)."; and

(2) by inserting at the end thereof the following new subsection:

"(d) Examples.—The examples described in subsections (b) and (c) are examples of the type of adjustment which financial aid administrators are authorized to make under subsection (a), and shall not be considered to be the only adjustment that is so authorized.".

SEC. 12. FORMS AND REGULATIONS.

Subsection (a) of section 483 of the Act (20 U.S.C. 1090(a)) is amended—

(1) by redesignating paragraphs (2), (3), (4) and (5) as paragraphs (3), (4), (5) and (6), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) Streamlined reapplication project.—(A) The Secretary shall develop a streamlined process for applicants who reapply for financial aid funds under this title in academic years subsequent to the initial year in which such applicants apply for such funds.

"(B) The Secretary shall develop appropriate mechanisms to support such reapplication.

"(C) The Secretary shall determine, in cooperation with institutions, agencies and organizations involved in student financial assistance, the data elements that may be updated from the previous academic year's application.

"(D) Nothing in this title shall be interpreted as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants.".

By Mr. LEVIN:

S. 1769. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income payments which are accounted for by a State in determining State foster care payments and to amend the Tax Reform Act of 1986 to make certain changes in the treatment of foster care payments retroactive to 1979; to the Committee on Finance.

TAX TREATMENT OF FOSTER CARE PAYMENTS

• Mr. LEVIN. Mr. President, today I am introducing legislation to amend section 131 of the U.S. Tax Code to clarify the tax treatment of foster care payments. Section 131 provides that, as a general rule, qualified foster care payments are excluded from the definition of gross income for tax purposes. A qualified foster care payment is defined as a payment made by a State or child placement agency which is "paid to the foster care provider for caring for a qualified foster individual in the foster care provider's home, or a difficulty of care payment.

An issue has arisen, however, over whether section 131 also covers a payment made to a foster parent on behalf of a foster child if that payment actually comes from a Federal agency—like the Social Security Administration—in lieu of payment from a State agency. Such a situation may arise for example, when a State makes a foster parent the representative payee of a foster child for purposes of receiving supplemental security income [SSI], having the SSI check mailed directly to the foster parent and reducing the State's foster payment to the parent by the same amount.

Since the SSI payment in such a situation is really just a different way for the State to pay the foster parent the full amount of the foster payment, it is only logical that it should be included within the definition of a qualified foster care payment and excludable from the definition of gross income. However, because of the way section 131 is written—payment from a State agency or a child placement agency—the Internal Revenue Service [IRS] has been unwilling to adopt such a policy. Accordingly, my bill would amend section 131 to broaden the definition of a foster care payment to specifically include those which are "paid by the Federal Government and taken into account by" the State or political subdivision as a foster care payment.

The need for this amendment arises from the experience of two Michigan foster care families who received SSI payments for their special needs children directly from the Federal Government. These were exceptional families who over the years cared for more than 100 physically and emotionally disabled children—children who would otherwise end up in institutions.

The State of Michigan follows two different approaches to paying foster parents. One Michigan agency serves as the representative payee of foster children who receive SSI payments. The SSI payments are sent to the State of Michigan, and in a separate transaction, the Michigan agency sends the foster care payment to the foster parents, not specifically identifying the SSI benefit but folding it into the overall foster care payment. Another Michigan agency, however, has decided to let the foster parents themselves serve as the representative payees and have the SSI payments sent to the foster parents directly. This agency, then, supplements the foster parents with the difference between the State's agreed-upon foster care payment and the amount of the SSI payment and sends that portion separately, from the State, to the foster parents. Thus, although you have foster parents providing the very same service in the very same context, you can have two different forms of payment. And in one form, the IRS says the foster payment is not taxable; in the other, the IRS has claimed it is taxable. That doesn't make sense.

Because of that IRS interpretation, these two families were assessed significant back taxes and penalties. The IRS held to this position despite the objections of the families and my staff. Due to the back taxes and penalties imposed on these families by the IRS, the families withdrew from the foster care program causing a great loss to their foster children as well as to the foster care program. After a 6-year battle with the IRS—and the lack of cooperation by the IRS was astounding—I finally had to obtain passage of a private relief bill to reimburse these families for the money they had lost.

Through the passage of the private relief bill, I was able to address this particular injustice. Thus, I was finally able to right this wrong for these two exceptional families. One of the families, I might add, has said they will use the reimbursement from the private relief bill to open a day care center for handicapped children.

However, until this problem is resolved in the Tax Code, foster parents who serve as representative payees for their foster children will remain in doubt as to their tax liability. And that is a disservice to those foster parents, their foster children, and our foster care program as a whole.

To demonstrate the importance of resolving this issue, I ask unanimous consent that a letter I received from the Michigan Residential Care Association dated March 3, 1989, be put in the record following the text of the bill. In this letter, the Michigan Residential Care Association is asking me what the final IRS interpretation is on the tax treatment of these SSI benefits—whether the issue has been resolved. Unfortunately, I was not able to give them a positive answer, and until this bill is passed, the problem will remain.

With the current overburdened state of our foster care system, we cannot afford to deter prospective foster parents or lose those already providing this needed service due to on-going ambiguity regarding the tax treatment of foster care payments. I ask my colleagues to support passage of this important legislation and in doing so, support those dedicated, caring individuals who serve as foster parents to children in need.

Mr. President, I ask unanimous consent that the text of my bill and the letter mentioned earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1769

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN FOSTER CARE PAYMENTS EXCLUDED FROM GROSS INCOME.

(a) TREATMENT OF PAYMENTS.—Subparagraph (A) of section 131(b)(1) of the Internal Revenue Code of 1986 (defining qualified foster care payment) is amended to read as follows:

"(A) which is—

"(i) paid by a State or political subdivision thereof or a placement agency which is described in section 501(c)(3) and exempt from tax under section 501(a), or

"(ii) paid by the Federal Government and taken into account by such State, political subdivision, or placement agency in determining the amount of a payment decribed in clause (i), and".

(b) EFFECTIVE DATE; WAIVER.—

(1) IN GENERAL.—The amendment made by this subsection shall apply as if included in the amendments made by section 1707(a) of the Tax Reform Act of 1986.

(2) WAIVER OF STATUTE OF LIMITATIONS.—In the case of any taxable year ending before the date of the enactment of this Act—

(A) the period for claiming a credit or refund of any overpayment of tax resulting from the application of the amendment made by this section shall not expire before the date which is 2 years after the date of the enactment of this Act, and

(B) if, after the application of subparagraph (A), credit or refund of any overpayment of tax resulting from the application of the amendment made by this section is prevented at any time before the close of such 2-year period by the operation of any law or rule of law (including res judicata), credit or refund of such overpayment (to the extent attributable to the application of the amendment made by this section) may, nevertheless, be made or allowed if claim therefor is filed before the close of such 2-year period.

MICHIGAN RESIDENTIAL
CARE ASSOCIATION,
Livonia, MI, March 3, 1989.

Hon. CARL LEVIN,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEVIN: I am writing to you on behalf of Michigan Residential Care Association and our 3,200 members. In the past you have been helpful in gaining clarification for us concerning Internal Revenue Code Section 131. The purpose of this letter is to obtain further clarification of this Section on behalf of our members.

In regard to IRC Section 131, I need to know the answer to the following questions:

1. Under Section 131 can an adult foster care provider, or child care provider, who provides care for five or less residents, exclude from gross income the entire supplemental security income (SSI) amount of $475.50 which was the 1988 reimbursement rate. This money is paid by check from the state of Michigan. The U.S. Federal Government and the state of Michigan contribute to this SSI amount. Michigan's contribution in 1988 was $157.50. Is the entire amount of $475.50 excluded or just the state portion of $157.50?

2. IRC Section 131b(3) provides that "in the case of a foster home in which there is a qualified foster care individual who has attained the age of 19, foster care payments (other than difficulty of care payments) for any period to which such payment relate shall not be excluded from gross income under subsection (A) to the extent that such payments are made for more than 5 such qualified foster individuals." Does this language mean that if a foster care home provides services to more than 5 qualified foster individuals (in other words 6 or more) negate a foster care provider from excluding such SSI payment entirely? Or does this language means that a foster care provider may exclude the SSI payments up to 5 qualified foster individuals and any individuals that they provide service to will not be entitled to the exclusion from gross income?

3. IRC Section 131(c)(2) provides that "in the case of any foster home, difficulty of care payments for any period to which such payments relate shall be excludable from gross income under subsection (a) to the extent such payments are made for more than—(a) ten qualified foster individuals who have not attained the age of 19, and (b) five qualified foster individuals not described in subparagraph (A)." Does this language mean to say that if a foster care provider under (A) (B) provide services to more than ten qualified foster individuals who have not attained age 19 or five qualified foster individuals not described in subparagraph (A) are not entitled to the exclusion for difficulty of care payments?

Your anticipated cooperation in obtaining an immediate response to these questions would greatly be appreciated. If I may be able to supply any other information or help to you, please do not hesitate to call me.

Sincerely,

MARK W. FOSDICK, J.D.,
Vice-President.•

By Mr. DASCHLE:

S. 1770. A bill to convey certain surplus real property located in the Black Hills National Forest to the Black Hills Workshop and Training Center, and for other purposes; to the Committee on Energy and Natural Resources.

CONVEYANCE OF CERTAIN LANDS

• Mr. DASCHLE. Mr. President, I rise today to introduce legislation to authorize the conveyance of surplus property located in the Black Hills National Forest to the Black Hills Workshop and Training Center. This transaction is fully supported by the Forest Service, Black Hills Workshop and Training Center and the city of Rapid City, and I hope it will receive timely consideration in the Senate.

First, let me relay some history on the Black Hills Workshop and Training Center. It is a nationally accredited private, nonprofit corporation established in 1958. The Black Hills Workshop provides quality service to over 300 individuals with developmental disabilities, learning disabilities, head trauma, chronic mental illness, physical disabilities, and other severe disabilities. Their programs include residential services, vocational training services, and job placement. The Black Hills Workshop has made a tremendous difference in the lives of many handicapped individuals and their families.

The Black Hills Workshop has been planning their facilities since 1989. They now have a waiting list of over 60 adults with disabilities and must expand in order to accommodate these people.

The Black Hills National Forest owns land contiguous to the Black Hills Workshop and has been very supportive of the workshop's effort to obtain this surplus land and meet their expansion needs. The Black Hills Workshop needs approximately 2¼ acres of this surplus land. This legislation would authorize the Secretary of Agriculture to convey this land to the Black Hills Workshop and Training Center at a mutually agreed upon price.

For the individuals who rely on the services of the Black Hills Workshop, this legislation is absolutely essential. The acquisition of this small amount of land will allow the Black Hills Workshop to expand and continue to provide the quality service they have provided for the past 32 years.

Mr. President, I urge my colleagues to join me in support of this bill, and ask unanimous consent to have the full text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1770

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE TO BLACK HILLS WORKSHOP AND TRAINING CENTER.

(A) IN GENERAL.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Secretary of Agriculture shall convey to the Black Hills Workshop and Training Center, Inc., of Rapid City, South Dakota, at a price to be mutually agreed on, certain surplus real property located in the Blacks Hills National Forest and described in subsection (b).

(b) DESCRIPTION.—The real property referred to in subsection (a) is located in Section 4, T.IN., R.7E, BHM, Rapid City, Pennington County, South Dakota, and consists of that portion of Lot 3 that has been declared surplus and one and one-half acres of Lot 2 from the southern boundary to a line 200 feet north of the southern boundary, as depicted on a map prepared by Fish Engineering Inc. and approved by the Forest Service on October 2, 1990.●

By Mr. LUGAR (for himself, Mr. MCCONNELL, Mr. GRASSLEY, and Mr. COATS):

S. 1771. A bill to extend to 1991 crops the disaster assistance provisions of the Food, Agriculture, Conservation, and Trade Act of 1990; to the Committee on Agriculture, Nutrition, and Forestry.

EXTENSION OF EMERGENCY CROP LOSS ASSISTANCE

● Mr. LUGAR. Mr. President, today, I introduce legislation which will partly offset the severe economic losses suffered by many U.S. farmers and ranchers this year because of damaging weather. This legislation is the result of intensive consultation with my colleagues and the administration. The bill fits within the $1 billion in available funds that have been identified by the President for agricultural disaster assistance.

Most of us know that drought, flooding and freeze have done considerable damage to various parts of the Nation this year. Though this year's disaster has not been as widespread as the 1988 drought, it has caused damage in some areas that is even more severe than 1988.

Those areas include Indiana. It is estimated that a majority of Indiana counties have suffered crop losses in excess of 35 percent. Ninety-one of the 92 counties in my State have been declared disaster areas, and are eligible for emergency loans. Purdue University economists estimate that 1991 net farm income in Indiana will fall $300 million for corn, $80 million for soybeans and $20 million for wheat. In addition, there will be equally significant losses in forage crops and other commodities.

Secretary Madigan has been most forthcoming in moving quickly to implement existing disaster assistance programs, and I thank him for that. Unfortunately, this year's disaster has pointed out the continued failure of Federal crop insurance to become a viable risk management tool for most producers. Fewer than 20 percent of eligible acres are insured in Indiana, and the situation is not much different in most other States. Thus, we cannot depend on crop insurance indemnities alone to provide coverage against adverse weather events that are both unforeseeable and completely outside the control of farmers. It is in this context that the Congress and the administration have always felt it appropriate to provide some cushion against severe weather. Many people have hoped Federal crop insurance would become that cushion; more and more people are reaching the conclusion, however, that crop insurance in its present form is a failed experiment.

Last year, I introduced legislation, with the support of the President, which would have privatized crop insurance and created a permanent disaster payment system. The Congress did not adopt this proposal; instead, in last year's farm bill, we authorized 1990-crop disaster payments but did not fund them. No similar authorizations were provided for the 1991 crop.

The bill I introduce today provides a system of disaster payments similar in structure to the legislation of 1988 and 1989. Producers would be eligible for payments if they suffered qualifying losses in excess of 45 percent (or 40 percent if they had purchased crop insurance), and the losses beyond this threshold would be compensated at 50 percent of an established payment rate. This rate would be the target price for program crop participants, the loan rate for nonparticipants, and various market price indexes for producers of other crops. Producers who suffered losses in both 1990 and 1991 would be eligible to receive payments for either year, but not both.

Those who are familiar with the loss thresholds and payment rates in prior years will recognize that this bill strives to accommodate itself to the amount of funds that are available. In 1988, widespread drought sent crop prices sharply higher, creating savings in farm subsidy programs that we were able to rechannel into disaster payments. This year, prices have remained at fairly low levels. It is my judgment that some savings may well occur, compared to USDA and CBO's February estimates of farm program spending. These savings, however, will not be of such a magnitude as to allow us to duplicate the 1988 program. The program created by this bill compensates losses less fully than in 1988, and farmers need to understand that. I believe most farmers and ranchers are well aware of the severe limits imposed on new spending—and properly so—by last year's budget agreement.

After long deliberations with both appropriating and authorizing committees on both sides of Capitol Hill, the administration has identified $1 billion of offsets, out of which disaster program spending can be accommodated. USDA certifies that the bill I introduce today fits within those guidelines. It will allow the appropriating committees to proceed with their urgent work under a definite set of programmatic guidelines, and from that standpoint is absolutely essential if we are to provide quick relief to hard-hit producers.

Unfortunately, some in Congress have held out for more spending than the administration has been able to identify. It is always tempting to spend more rather than less, but I do not believe farmers are well-served by delays in enacting disaster legislation, in the probably vain hope that we can find enough offsets to spend nearly twice as much as the administration wants.

This legislation is urgent. Time is of the essence, and I hope Congress will act quickly to pass this bill.

I ask unanimous consent that the bill and bill summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. EXTENSION OF EMERGENCY CROP LOSS ASSISTANCE TO 1991 CROPS.

(a) EXTENSION OF ASSISTANCE TO 1991 CROPS.—Chapter 3 of subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note; 104 Stat. 3962) is amended to read as follows:

"CHAPTER 3—EMERGENCY CROP LOSS ASSISTANCE

"SEC. 2240. SHORT TITLE.

"This chapter may be cited as the 'Agricultural Disaster Assistance Act'.

"Subchapter A—Annual Crops

"SEC. 2241. PAYMENTS TO PROGRAM PARTICIPANTS FOR TARGET PRICE COMMODITIES.

"(a) DISASTER PAYMENTS—

"(1) IN GENERAL.—Effective only for producers on a farm who entered into a contract to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for an eligible crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as otherwise provided in this subsection, if the Secretary determines that, because of damaging weather or related condition, the total quantity of the crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying 55 percent (or in the case of producers who obtained crop insurance for the crop, 60 percent) of the farm program payment yield established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of damaging weather or related condition) to the crop on the farm, as determined by the Secretary, the Secretary shall make a disaster payment available to the producers as provided in this subsection.

"(2) PAYMENTS.—

"(A) PAYMENTS FOR PAYMENT ACRES.—

"(i) ASSIGNMENT OF LOSS.—Except as provided in subparagraph (C), in making payments available under this subsection, the Secretary shall assign any deficiency in production of the eligible crop by producers to payment acres for the crop based on the ratio the payment acres for the crop on the farm bears to the total acres planted for harvest and prevented from being planted to the crop (because of damaging weather or related condition).

"(ii) PAYMENT RATE.—The Secretary shall make a payment available to producers for the deficiency in production for the crop assigned to payment acres at a rate equal to 50 percent of the established price for the crop for any deficiency in production greater than 45 percent (or, in the case of producers who obtained crop insurance for the crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 40 percent) for the crop.

"(B) PAYMENTS FOR NONPAYMENT ACRES.—

"(i) ASSIGNMENT OF LOSS.—Except as provided in subparagraph (C), in making payments available under this subsection, the Secretary shall assign the deficiency in production of the eligible crop by producers to nonpayment acres for the crop based on the ratio the nonpayment acres for the crop on the farm bears to the total acres planted for harvest and prevented from being planted to the crop (because of damaging weather or related condition).

"(ii) PAYMENT RATE.—The Secretary shall make a payment available to producers for the deficiency in production for the crop assigned to nonpayment acres at a rate equal to 50 percent of the loan rate for the crop for any deficiency in production greater than 45 percent (or, in the case of producers who obtained crop insurance for the crop of the commodity under the Federal Crop Insurance Act, 40 percent) for the crop.

"(C) PAYMENTS FOR EXTRA LONG STAPLE COTTON AND PRODUCERS OF WHEAT, FEED GRAINS, UPLAND COTTON, OR RICE DURING A CROP YEAR PRIOR TO 1991.—The Secretary shall make a payment under this subsection available to producers of an eligible crop of extra long staple cotton and an eligible crop of wheat, feed grains, upland cotton, or rice that is prior to the 1991 crop at a rate equal to 50 percent of the established price for the crop for any deficiency in production greater than 45 percent (or, in the case of producers who obtained crop insurance for the crop of the commodity under the Federal Crop Insurance Act, 40 percent) for the crop.

"(D) LIMITATION.—Payments shall be made available to producers under this section only if the Secretary determines that—

"(i) the producer entered into a contract to participate in the production adjustment program for the eligible crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice; and

"(ii) the producer is in compliance with the contract.".

"(3) OTHER PROVISIONS.—

"(A) DEFINITIONS.—As used in this section:

"(i) NONPAYMENT ACRES.—The term 'nonpayment acres' means the total acreage planted to wheat, feed grains, upland cotton, or rice, as applicable, by a participant in the production adjustment programs for the commodities under sections 101B, 103B, 105B, 107B, or 504 of the Agricultural Act of 1949 (7 U.S.C. 1441–2, 1444–2, 1444f, 1445b–3a, or 1464) less the amount of payment acres planted to the crop.

"(ii) PAYMENT ACRES.—The term 'payment acres' has the same meaning as in sections 101B(c)(1)(C), 103B(c)(1)(C), 105B(c)(1)(C), or 107B(c)(1)(C) of such Act, as applicable.

"(B) CROP INSURANCE.—Payments provided under this section for a crop of a commodity may not be made available to producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 2247.

"(4) REDUCTION IN DEFICIENCY PAYMENTS.—The total quantity of a crop of a commodity on which deficiency payments otherwise would be payable to producers on a farm under the Agricultural Act of 1949 (7 U.S.C. 1421 et. seq) shall be reduced by the quantity on which a payment is made to the producers for the crop under this section.

"(5) ELECTION OF PAYMENTS.—

"(A) APPLICATION OF PARAGRAPH.—This paragraph shall apply only to producers of an eligible crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice on a farm who—

"(i) had failed wheat, feed grain, upland cotton, extra long staple cotton, or rice acreage during the crop year; or

"(ii) were prevented from planting acreage to the commodity because of damaging weather or related condition.

"(B) ELECTION.—The Secretary of Agriculture shall (within 30 days after the date on which assistance is made available under this subchapter for a crop year) permit producers referred to in subparagraph (A) to elect whether to receive disaster payments for the crop for the crop year in accordance with this section in lieu of payments received for the crop under section 101B(c)(1)(D), 103B(c)(1)(D), 105B(c)(1)(E), or 107B(c)(1)(E) of the Agricultural Act of 1949 (7 U.S.C. 1441–2(c)(1)(D), 1444–2(c)(1)(D), 1444f(c)(1)(E), 1445b–3a(c)(1)(E)) (or the corresponding provision in the case of the 1990 crop).

"(6) SPRING WHEAT AS REPLACEMENT CROP FOR WINTER WHEAT.—In providing assistance under this section or section 2242 for a crop of winter wheat, the Secretary may disregard spring wheat that is planted as a replacement crop for the winter wheat.

"(b) ADVANCE DEFICIENCY PAYMENTS.—

"(1) APPLICATION OF SUBSECTION.—This subsection shall apply only to producers on a farm who elect to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice for an eligible crop.

"(2) FORGIVENESS OF REFUND REQUIREMENT.—

"(A) IN GENERAL.—Subject to subparagraph (B), if because of damaging weather or related condition the total quantity of an eligible crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying the farm program payment yield established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for the crop (hereinafter in this section referred to as the 'qualifying amount'), the producers shall not be required to refund any advance deficiency payment made to the producers for the crop under section 114 of the Agricultural Act of 1949 (7 U.S.C. 1445j) (or, in the case of 1990 crops, section 107C of such Act (7 U.S.C. 1445b–2) as in effect on November 27, 1990) with respect to that portion of the deficiency in production that does not exceed—

"(i) in the case of producers who obtained crop insurance for the crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 40 percent of the qualifying amount; and

"(ii) in the case of other producers, 45 percent of the qualifying amount.

"(B) CROP INSURANCE.—Producers on a farm shall not be eligible for the forgiveness provided for under subparagraph (A), unless the producers enter into an agreement to obtain multiperil crop insurance to the extent required under section 2247.

"(3) ELECTION FOR NONRECIPIENTS.—The Secretary shall allow producers on a farm who, before the date on which assistance is made available under this subchapter for a crop year, elected not to receive advance deficiency payments made available for the crop for the crop year under section 114 of the Agricultural Act of 1949 (7 U.S.C. 1445j) (or, in the case of 1990 crops, section 107C of such Act (7 U.S.C. 1445b–2) as in effect on November 27, 1990) to elect (within 30 days after such date) whether to receive the advance deficiency payments.

"(4) DATE OF REFUND FOR PAYMENTS.—If the Secretary determines that any portion of the advance deficiency payment made to producers for a crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice under section 114 of the Agricultural Act of 1949 (7 U.S.C. 1445j) (or, in the case of 1990 crops, section 107C of such Act (7 U.S.C. 1445b–2) as in effect on November 27, 1990) must be refunded, the refund shall not be required prior to July 31 of the year following the determination for that portion of the crop for which a disaster payment is made under subsection (a).

"SEC. 2242. PAYMENTS TO PROGRAM NONPARTICIPANTS.

"(a) DISASTER PAYMENTS.—

"(1) IN GENERAL.—Effective only for producers on a farm who elected not to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for an eligible crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice for the crop year, if the Secretary of Agriculture determines that, because of damaging weather or related condition, the total quantity of the crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying 55 percent (or in the case of producers who obtained crop insurance for the crop, 60 percent) of the county average yield established by the Secretary for the crop by the sum of acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for the crop under subsection (b), the Secretary shall make a disaster payment available to the producers.

"(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 50 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for any deficiency in production greater than 45 percent for the crop (or in the case of producers who obtained crop insurance, 40 percent).

"(b) PREVENTED PLANTING CREDIT.—

"(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage for an eligible crop that producers on a farm were prevented from planting to the crop of the commodity for harvest because of damaging weather or related condition, as determined by the Secretary.

"(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

"(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the immediately preceding crop year minus acreage actually planted to the commodity for harvest in the crop year involved;

"(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the 3 immediately preceding crop years minus acreage actually planted to the commodity for harvest in the crop year involved; or

"(C) with respect to the crops that are planted on a crop acreage base as provided under section 504 of the Agricultural Act of 1949 (7 U.S.C. 1464) for which no such planting history is established, a quantity of acreage determined to be fair and reasonable by the Secretary.

"(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

"(c) LIMITATIONS.—

"(1) ACREAGE LIMITATION PROGRAM.—The amount of payments made available to producers on a farm who elect not to participate in the production adjustment program for an eligible crop of a commodity under subsection (a) shall be reduced by a factor equivalent to the acreage limitation program percentage established for the crop under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

"(2) CROP INSURANCE.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance to the extent required under section 2247.

"SEC. 2243. PEANUTS, SUGAR, AND TOBACCO.

"(a) DISASTER PAYMENTS.—

"(1) IN GENERAL.—Effective only for an eligible crop of peanuts, sugar beets, sugarcane, and tobacco, if the Secretary of Agriculture determines that, because of damaging weather or related condition, the total quantity of the crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 55 percent (or, in the case of producers who obtained crop insurance for the crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 60 percent) of the county average yield (or program yield, in the case of peanuts) established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for the crop under subsection (b), the Secretary shall make a disaster payment available to the producers.

"(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 50 percent of the applicable payment level under paragraph (3), as determined by the Secretary, for any deficiency in production greater than—

"(A) in the case of producers who obtained crop insurance for the crop of the commodity for the crop year under the Federal Crop Insurance Act—

"(i) 40 percent for the crop; or

"(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 40 percent of the farm's effective marketing quota for the crop for the crop year; and

"(B) in the case of producers who did not obtain crop insurance for the crop of the commodity for the crop year under the Federal Crop Insurance Act—

"(i) 45 percent for the crop; or

"(ii) with respect to a crop of burley tobacco or flue-cured tobacco, 45 percent of the farm's effective marketing quota for the crop for the crop year.

"(3) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall be equal to—

"(A) for peanuts, the price support level for quota peanuts or the price support level for additional peanuts, as applicable;

"(B) for tobacco, the national average loan rate for the type of tobacco involved, or (if there is none) the market price, as determined under section 2244(a)(2); and

"(C) for sugar beets and sugarcane, a level determined by the Secretary to be fair and reasonable in relation to the level of price support established for crops of sugar beets and sugarcane for the crop year involved, and that, insofar as is practicable, shall reflect no less return to the producer than under the price support levels in effect for the crop year.

"(b) PREVENTED PLANTING CREDIT.—

"(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage for an eligible crop that producers on a farm were prevented from planting to the crop of the commodity for harvest because of damaging weather or related condition, as determined by the Secretary.

"(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

"(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the immediately preceding crop year minus acreage actually planted for harvest in the crop year involved;

"(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the 3 immediately preceding crop years minus acreage actually planted to the commodity for harvest in the crop year involved; or

"(C) with respect to crops planted on flexible acres as provided under section 504 of the Agricultural Act of 1949 (7 U.S.C. 1464) for which no such planting history is established, a quantity of acreage determined to be fair and reasonable by the Secretary.

"(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying for a crop year the limitations contained in paragraph (2) to take into account crop rotation practices of the producers and any change in quotas for crops of tobacco for the crop year.

"(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance to the extent required under section 2247.

"(d) SPECIAL RULES FOR PEANUTS.—Notwithstanding any other provision of law—

"(1) a deficiency in production of quota peanuts from a farm, as otherwise determined under this section, shall be reduced by the quantity of peanut poundage quota that was the basis of the anticipated production that has been transferred from the farm;

"(2) payments made under this section shall be made taking into account whether the deficiency for which the deficiency in production is claimed was a deficiency in production of quota or additional peanuts and the payment rate shall be established accordingly; and

"(3) the quantity of undermarketings of quota peanuts from a farm for a crop that may otherwise be claimed under section 358-1 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358-1) (or, in the case of 1990 crops of peanuts, section 358 of such Act (7 U.S.C. 1358) as in effect on November 27, 1990) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of the peanuts for which payment has been received under this section.

"(e) SPECIAL RULES FOR TOBACCO.—Notwithstanding any other provision of law—

"(1) the quantity of undermarketings of quota tobacco from a farm for a crop that may otherwise be claimed under section 317 or 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c or 1314e) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of the tobacco for which payment has been received under this section; and

"(2) disaster payments made to producers under this section may not be considered by the Secretary in determining the net losses of the Commodity Credit Corporation under section 106A(d) of the Agricultural Act of 1949 (7 U.S.C. 1445-1(d)).

"(f) SPECIAL RULE FOR SUGARCANE.—For purposes of determining the total quantity of a crop of sugarcane that the producers on a farm are able to harvest, the Secretary shall make the determination based on the quantity of recoverable sugar.

"SEC. 2244. OILSEEDS AND NONPROGRAM CROPS.

"(a) DISASTER PAYMENTS.—

"(1) IN GENERAL.—

"(A) ELIGIBILITY.—Effective only for an eligible crop of oilseeds (as defined in section 205(a) of the Agricultural Act of 1949 (7 U.S.C. 1446f(a)) and nonprogram crops, the Secretary shall make a disaster payment under this section available to the producers on a farm if the Secretary of Agriculture determines that, because of damaging weather or related condition, the total quantity of the crop of the commodity that the producers are able to harvest is less than—

"(i) with respect to oilseeds, the result of multiplying 55 percent (or in the case of producers who obtained crop insurance, if available, for the crop year for the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 60 percent) of the State, area, or county yield, adjusted for adverse weather conditions during the 3 immediately preceding crop years, as determined by the Secretary, for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for the crop under subsection (b);

"(ii) with respect to nonprogram crops (other than as provided in clauses (i), (iii), and (iv)), the result of multiplying 55 percent (or in the case of producers who obtained crop insurance, if available, for the crop year for the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 60 percent) of the yield established by the Commodity Credit Corporation under subsection (d)(2) for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for the crop under subsection (b);

"(iii) with respect to crops covered in section 207 of the Agricultural Act of 1949 (7 U.S.C. 1446h) (or, in the case of 1990 crops, section 201(b) of such Act (7 U.S.C. 1446(b)) as in effect on November 27, 1990), 55 percent (or in the case of producers who obtained crop insurance, if available, for the crop year for the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 60 percent) of the historical annual yield of the producers for the crops, as determined by the Secretary; and

"(iv) with respect to fish or seafood, as defined in subsection (d), 55 percent of the historical annual yield of the acreage of the pond or other aquatic areas in which the fish or seafood are produced or prevented from being produced.

"(B) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to 50 percent of the applicable payment level under paragraph (2), as determined by the Secretary, for any deficiency in production greater than 45 percent for oilseeds and other nonprogram crops for the crop, except that in the case of producers who obtained crop insurance, if available, for the crop under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 40 percent.

"(C) SPECIAL RULE FOR 1990 CROPS.—In the case of 1990 crops, assistance under this section shall be available only to the extent that assistance was not made available under the Disaster Assistance Act of 1989 (Public Law 101–82; 103 Stat. 564) or any other Act for the same losses of the crops.

"(2) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall equal the simple average price received by producers of the commodity, as determined by the Secretary subject to paragraph (3), during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(3) CALCULATION OF PAYMENTS FOR DIFFERENT VARIETIES.—

"(A) CROP-BY-CROP BASIS.—The Secretary shall make disaster payments under this subsection on a crop-by-crop basis, with consideration given to markets and uses of the crops, under regulations issued by the Secretary.

"(B) DIFFERENT VARIETIES.—For purposes of determining the payment levels on a crop-by-crop basis, the Secretary shall consider as separate crops, and develop separate payment levels insofar as is practicable for, different varieties of the same commodity, and commodities for which there is a significant difference in the economic value in the market.

"(C) DOUBLE CROPPING.—

"(i) TREATED SEPARATELY.—In the case of a crop that is historically double cropped (including 2 crops of the same commodity) by the producers on a farm, the Secretary shall treat each cropping separately for purposes of determining whether the crop was affected by damaging weather or related condition and the total quantity of the crop that the producers are able to harvest.

"(ii) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall not apply in the case of a replacement crop.

"(D) NAVEL AND VALENCIA ORANGES TREATED AS SEPARATE CROPS.—For the purpose of programs administered under this chapter and the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), navel oranges and valencia oranges shall be considered separate crops.

"(4) EXCLUSIONS FROM HARVESTED QUANTITIES.—For purposes of determining the total quantity of a nonprogram crop of the commodity that the producers on a farm are able to harvest under paragraph (1), the Secretary shall exclude—

"(A) commodities that cannot be sold in normal commercial channels of trade; and

"(B) dockage, including husks and shells, if the dockage is excluded in determining yields under subsection (d)(2).

"(b) PREVENTED PLANTING CREDIT.—

"(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage for a crop year that producers on a farm were prevented from planting to the crop of the commodity for harvest because of damaging weather or related condition, as determined by the Secretary.

"(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

"(A) a quantity equal to the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the immediately preceding crop year minus acreage actually planted for harvest in the crop year involved;

"(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted due to a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in the 3 immediately preceding crop years minus acreage actually planted to the commodity for harvest in the crop year involved; or

"(C) with respect to the crops that are planted on a crop acreage base as provided under section 504 of the Agricultural Act of 1949 (7 U.S.C. 1464) for which no such planting history is established, a quantity of acreage determined to be fair and reasonable by the Secretary.

"(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

"(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance to the extent required under section 2247.

"(d) SPECIAL RULES FOR NONPROGRAM CROPS.—

"(1) NONPROGRAM CROP DEFINED.—

"(A) INCLUDED IN DEFINITION.—Except as provided in subparagraph (B), for purposes of this section, the term 'nonprogram crop' means—

"(i) all crops for which crop insurance through the Federal Crop Insurance Corporation was available for a crop year; and

"(ii) other commercial crops for which the insurance was not available for the crop year, including—

"(I) ornamentals, such as flowering shrubs, flowering trees, field or container grown roses, or turf;

"(II) sweet potatoes; and

"(III) fish or seafood produced or prevented from being produced in established freshwater commercial aquaculture operations.

"(B) EXCEPTION.—The term 'nonprogram crop' in subparagraph (A) shall not include a crop covered under section 2241, 2242, or 2243, or oilseeds.

"(2) FARM YIELDS.—

"(A) ESTABLISHMENT.—The Commodity Credit Corporation shall establish disaster program farm yields for nonprogram crops to carry out this section.

"(B) PROVEN YIELDS AVAILABLE.—If the producers on a farm can provide satisfactory evidence to the Commodity Credit Corporation of actual crop yields on the farm for at least 1 of the immediately preceding 3 crop years, the yield for the farm shall be based on the proven yield.

"(C) PROVEN YIELDS NOT AVAILABLE.—If the data do not exist for any of the 3 preceding crop years, the Commodity Credit Corporation shall establish a yield for the farm by using a county average yield for the commodity, or by using other data available to it.

"(D) COUNTY AVERAGE YIELDS.—In establishing county average yields for nonprogram crops, the Commodity Credit Corporation shall use the best available information concerning yields. The information may include extension service records, credible nongovernmental studies, and yields in similar counties.

"(3) RESPONSIBILITY OF PRODUCERS.—It shall be the responsibility of the producers of nonprogram crops to provide satisfactory evidence of crop losses for a crop year resulting from damaging weather or related condition in order for the producers to obtain disaster payments under this section.

"(e) SPECIAL RULE FOR VALENCIA ORANGES.—For the purposes of this section, the 1990 crop of valencia oranges shall include any crop of valencia oranges, regardless of the year in which those oranges would be harvested, that was destroyed or damaged by damaging weather or related condition in 1990.

"SEC. 2245. CROP QUALITY REDUCTION DISASTER PAYMENTS.

"(a) IN GENERAL.—To ensure that all producers of crops covered under sections 2241 through 2244 are treated equitably, the Secretary of Agriculture may make additional disaster payments to producers of the crops for a crop year who suffer losses resulting from the reduced quality of the crops caused by damaging weather or related condition, as determined by the Secretary.

"(b) ELIGIBLE PRODUCERS.—If the Secretary determines to make crop quality disaster payments available to producers under subsection (a), producers on a farm of a crop described in subsection (a) shall be eligible to receive reduced quality disaster payments only if the producers incur a deficiency in production of not less than 40 percent and not more than 75 percent for the crop (as determined under section 2241, 2242, 2243, or 2244, as appropriate).

"(c) MAXIMUM PAYMENT RATE.—The Secretary shall establish the reduced quality disaster payment rate, except that the rate shall not exceed 10 percent, as determined by the Secretary, of—

"(1) the established price for the crop, for commodities covered under section 2241;

"(2) the basic county loan rate for the crop (or a comparable price if there is no current basic county loan rate), for commodities covered under section 2242;

"(3) the payment level under section 2243(a)(3), for commodities covered by section 2243; and

"(4) the payment level under section 2244(a)(2), for commodities covered under section 2244.

"(d) DETERMINATION OF PAYMENT.—The amount of payment to a producer under this section shall be determined by multiplying the payment rate established under subsection (c) by the portion of the actual harvested crop on the producer's farm that is reduced in quality by the natural disaster, as determined by the Secretary.

"SEC. 2246. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

"In the case of producers on a farm who obtained crop insurance for a crop of a commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Secretary of Agriculture shall reduce the amount of payments made available under this subchapter for the crop to the extent that the amount determined by adding the net amount of crop insurance indemnity payment (gross indemnity less premium paid) received by the producers for the deficiency in the production of the crop and the disaster payment determined in accordance with this chapter for the crop exceeds the amount determined by multiplying—

"(1) 100 percent of the yield used for the calculation of disaster payments made under this chapter for the crop; by

"(2) the sum of the acreage of the crop planted to harvest and the acreage for which prevented planting credit is approved by the Secretary (or, in the case of disaster payments under section 2241, the eligible acreage established under paragraphs (1) and (3)(A) of section 2241(a)); by

"(3)(A) in the case of producers who participated in a production adjustment program for the crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice for the crop year, the established price for the crop of the commodity;

"(B) in the case of producers who did not participate in a production adjustment program for the crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice for the crop year (and, with respect to flexible acres as provided under section 2241(a)(2), in the case of those producers who did participate in the program for the year), the basic county loan rate (or a comparable price, as determined by the Secretary, if there is no current basic county loan rate) for the crop of the commodity;

"(C) in the case of producers of sugar beets, sugarcane, peanuts, or tobacco, the payment level for the commodity established under section 2243(a)(3); and

"(D) in the case of producers of oilseeds or a nonprogram crop (as defined in section 2244(d)(1)), the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"SEC. 2247. CROP INSURANCE COVERAGE.

"(a) REQUIREMENT.—To be eligible to receive for an eligible crop year a disaster payment under this subchapter, an emergency loan under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) for crop losses due to damaging weather or related condition, or forgiveness of the repayment of advance deficiency payments under section 2241(b), the producers on a farm shall agree to obtain multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for the 1992 crop.

"(b) LIMITATIONS.—Notwithstanding subsection (a), producers on a farm shall not be required to agree to obtain crop insurance under subsection (a) for a commodity—

"(1) unless the producers' deficiency in production, with respect to the crop for which a disaster payment under this chapter otherwise may be made, exceeds 70 percent;

"(2) where, or if, crop insurance coverage is not available to the producers for the commodity for which the payment, loan, or forgiveness is sought;

"(3) if the producers' annual premium rate for the crop insurance is an amount greater than 125 percent of the average premium rate for insurance on that commodity for the preceding crop year in the county in which the producers are located;

"(4) in any case in which the producers' annual premium for the crop insurance is an amount greater than 25 percent of the amount of the payment, loan, or forgiveness received; or

"(5) if the producers can establish by appeal to the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)), or to the county committee established under section 332 of the Consolidated Farm and Rural Development Act (17 U.S.C. 1982), as appropriate, that the purchase of crop insurance would impose an undue financial hardship on the producers and that a waiver of the requirement to obtain crop insurance should, in the discretion of the county committee, be granted.

"(c) IMPLEMENTATION.—

"(1) COUNTY COMMITTEES.—The Secretary of Agriculture shall ensure (acting through the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act and located in the counties in which the assistance programs provided for under sections 2241 through 2245 are implemented, and through the county committees established under section 332 of the Consolidated Farm and Rural Development Act in counties in which emergency loans, as described in subsection (a), are made available) that producers who apply for assistance, as described in subsection (a), obtain multiperil crop insurance as required under this section.

"(2) OTHER SOURCES.—Each producer who is subject to the requirements of this section may comply with the requirements by providing evidence of multiperil crop insurance coverage from sources other than through the county committee office, as approved by the Secretary.

"(3) COMMISSIONS.—The Secretary shall provide by regulation for a reduction in the commissions paid to private insurance agents, brokers, or companies on crop insurance contracts entered into under this section sufficient to reflect that the insurance contracts principally involve only a servicing function to be performed by the agent, broker, or company.

"(d) REPAYMENT OF BENEFITS.—Notwithstanding any other provision of law, if (before the end of the crop year for which multiperil crop insurance is obtained pursuant to subsection (a)) the crop insurance coverage is canceled by the producer, the producer—

"(1) shall make immediate repayment to the Secretary of any disaster payment or forgiven advance deficiency payment that the producer otherwise is required to repay; and

"(2) shall become immediately liable for full repayment of all principal and interest outstanding on any emergency loan described in subsection (a) made subject to this section.

"SEC. 2248. CROPS HARVESTED FOR FORAGE USES.

"Not later than 45 days after funds are appropriated to carry out this subchapter for a crop year, the Secretary of Agriculture shall announce the terms and conditions by which producers on a farm may establish a yield for that crop year with respect to crops that were, or will be, harvested during the crop year for silage and other forage uses.

"SEC. 2249. PAYMENT LIMITATIONS.

"(a) LIMITATION.—Subject to subsections (b) and (c), the total amount of payments that a person shall be entitled to receive for a crop year under one or more of the programs established under this subchapter may not exceed $100,000.

"(b) NO DOUBLE BENEFITS.—No person may receive disaster payments for a crop year under this subchapter to the extent that the person receives a livestock emergency benefit for lost feed production in that year under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d).

"(c) COMBINED LIMITATION.—

"(1) IN GENERAL.—No person may receive any payment under this subchapter or benefit under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.) for livestock emergency losses suffered in a crop year if the payment or benefit will cause the combined total amount of the payments and benefits received by the person in the year to exceed $100,000.

"(2) ELECTION.—If a producer is subject to paragraph (1), the person may elect (subject to the benefits limitations under section 609 of the Agricultural Act of 1949 (7 U.S.C. 1471g) whether to receive the $100,000 in the payments, or the livestock emergency benefits (not to exceed $50,000), or a combination of payments and benefits specified by the person.

"(d) REGULATIONS.—The Secretary of Agriculture shall issue regulations prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitations established under this section.

"SEC. 2250. SUBSTITUTION OF CROP INSURANCE PROGRAM YIELDS.

"(a) IN GENERAL.—Notwithstanding any other provision of this chapter, the Secretary of Agriculture may permit each eligible producer of a crop of a commodity who has obtained multiperil crop insurance for the crop for a crop year or, as provided in subsection (c), the preceding crop year under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to substitute, at the discretion of the producer, the crop insurance yield for the crop, as established under such Act, for the farm yield otherwise assigned to the producer under this subchapter, for the purposes of determining the producer's eligibility for a disaster payment on the crop under this subchapter for the crop year involved and the amount of the payment.

"(b) ADJUSTMENT OF ADVANCED DEFICIENCY PAYMENTS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this chapter, if an eligible producer of wheat, feed grains, upland cotton, extra long staple cotton, or rice for a crop year elects to substitute yields for the producer's crop under subsection (a), the producer's eligibility for a waiver of repayment of an advance deficiency payment on the crop under this chapter shall be adjusted as provided in paragraph (2).

“(2) AMOUNT.—The amount of production of the crop on which the producer otherwise would be eligible for waiver of repayment of advance deficiency payments under this subchapter shall be reduced by an amount of production equal to the difference between—

“(A) the amount of production eligible for disaster payments under this subchapter using a substituted yield under this section; and

“(B) the amount of production that would have been eligible for disaster payments using the farm program payment yield otherwise assigned to the producer under this chapter.

“(c) MULTIPERIL CROP INSURANCE NOT AVAILABLE.—A producer may use the crop insurance yield for the producer's crop of a commodity for the preceding crop year for purposes of substituting yields under subsection (a) if the producer demonstrates to the Secretary that, through no fault of the producer, multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) was not made available to the producer for the producer's crop of the commodity for the crop year involved.

“(d) DEFINITION OF ELIGIBLE PRODUCER.—For purposes of this section, the term ‘eligible producer’ means a producer of a crop of wheat, feed grains, upland cotton, extra long staple cotton, rice, or oilseeds.

“SEC. 2251. DE MINIMIS YIELDS.

“(a) IN GENERAL.—The Secretary of Agriculture may determine a de minimis yield for each crop eligible for reduced yield disaster payments under this subchapter.

“(b) LEVEL.—The de minimis yield shall be set at a level that will minimize any incentive (because of the prospect of disaster payments) for a producer to abandon crops that have a value that exceeds the cost of harvesting. In no case may the de minimis yield be less than the amount of production that, when valued at current market prices, equals the average cost of harvesting the crop, as determined by the Secretary.

“(c) ACTUAL YIELDS OF ZERO.—Any producer whose actual yield for a crop is equal to or less than the de minimis yield for the crop shall be considered as having an actual yield of zero for the purpose of calculating any reduced yield disaster payments for the crop under this subchapter.

“SEC. 2252. DEFINITIONS.

“For purposes of this chapter:

“(1) DAMAGING WEATHER.—The term ‘damaging weather’ includes but is not limited to drought, hail, excessive moisture, freeze, tornado, hurricane, earthquake, or excessive wind (or any combination thereof).

“(2) PERSON.—The term ‘person’ shall have the meaning given the term by the Secretary in regulations, which shall conform, to the extent practicable, to the regulations defining the term issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note).

“(3) RELATED CONDITION.—The term ‘related condition’ includes but is not limited to insect infestations, plant diseases, or other deterioration of a crop of a commodity, including aflatoxin, that is accelerated or exacerbated naturally as a result of damaging weather.

“Subchapter B—Orchards

“SEC. 2255. ELIGIBILITY.

“(a) LOSS.—The Secretary of Agriculture shall provide assistance under section 2256 to eligible orchardists that planted trees for commercial purposes but lost the trees as a result of damaging weather or related condition occurring in 1990 or 1991, as determined by the Secretary.

“(b) LIMITATION.—An eligible orchardist shall qualify for assistance under subsection (a) only if the orchardist's tree mortality, as a result of the damaging weather or related condition, exceeds 55 percent (adjusted for normal mortality).

“SEC. 2256. ASSISTANCE.

“The assistance provided by the Secretary of Agriculture to eligible orchardists for losses described in section 2255 shall consist of either—

“(1) reimbursement of 50 percent of the cost of replanting trees lost as a result of damaging weather or related condition in the calendar year involved in excess of 55 percent mortality (adjusted for normal mortality); or

“(2) at the discretion of the Secretary, sufficient seedlings to reestablish the stand.

“SEC. 2257. LIMITATION ON ASSISTANCE.

“(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subchapter for a calendar year may not exceed $25,000, or an equivalent value in tree seedlings.

“(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

“SEC. 2258. DEFINITION.

“For purposes of this subchapter, the term ‘eligible orchardist’ means a person who produces annual crops from trees for commercial purposes and owns 500 acres or less of the trees.

“SEC. 2259. DUPLICATIVE PAYMENTS.

“The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subchapter and the forestry incentives program, agricultural conservation program, or other Federal program.

“Subchapter C—Forest Crops

“SEC. 2261. ELIGIBILITY.

“(a) LOSS.—The Secretary of Agriculture shall provide assistance, as specified in section 2262, to eligible tree farmers that planted tree seedlings in a calendar year or the next calendar year for commercial purposes but lost the seedlings as a result of damaging weather or related condition occurring in the next calendar year, as determined by the Secretary.

“(b) LIMITATION.—An eligible tree farmer shall qualify for assistance under subsection (a) only if the tree farmer's tree seedling mortality, as a result of the damaging weather or related condition, exceeds 55 percent (adjusted for normal mortality).

“SEC. 2262. ASSISTANCE.

“The assistance provided by the Secretary of Agriculture to eligible tree farmers for losses described in section 2261 shall consist of either—

“(1) reimbursement of 50 percent of the cost of replanting seedlings lost due to damaging weather or related conditions in the calendar year involved in excess of 55 percent mortality (adjusted for normal mortality); or

“(2) at the discretion of the Secretary, sufficient tree seedlings to reestablish the stand.

“SEC. 2263. LIMITATION ON ASSISTANCE.

“(a) LIMITATION.—The total amount of payments that a person shall be entitled to receive under this subchapter may not exceed $25,000 for a calendar year, or an equivalent value in tree seedlings.

“(b) REGULATIONS.—The Secretary of Agriculture shall issue regulations prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

“SEC. 2264. DEFINITION.

“For purposes of this subchapter, the term ‘eligible tree farmer’ means a person who grows trees for harvest for commercial purposes and owns 1,000 acres or less of the trees.

“SEC. 2265. DUPLICATIVE PAYMENTS.

“The Secretary of Agriculture shall establish guidelines to ensure that no person receives duplicative payments under this subchapter and the forestry incentives program, agricultural conservation program, or other Federal program.

“Subchapter D—Administrative Provisions

“SEC. 2266. INELIGIBILITY.

“(a) GENERAL RULE.—A person who has qualifying gross revenues in excess of $2,000,000 annually, as determined by the Secretary of Agriculture, shall not be eligible to receive any disaster payment or other benefits under this chapter.

“(b) QUALIFYING GROSS REVENUES.—For purposes of this section, the term ‘qualifying gross revenues’ means—

“(1) if a majority of the person's annual income is received from farming, ranching, and forestry operations, the gross revenue from the person's farming, ranching, and forestry operations; and

“(2) if less than a majority of the person's annual income is received from farming, ranching, and forestry operations, the person's gross revenue from all sources.

“SEC. 2267. TIMING AND MANNER OF ASSISTANCE.

“(a) TIMING OF ASSISTANCE.—

“(1) ASSISTANCE MADE AVAILABLE AS SOON AS PRACTICABLE.—Subject to paragraph (2), the Secretary of Agriculture shall make disaster assistance available under this chapter, as soon as practicable after the date on which appropriations are made available to carry out this chapter.

“(2) COMPLETED APPLICATION.—No payment or benefit provided under this chapter shall be payable or due until such time as a completed application for the payment or benefit for a crop of a commodity has been approved.

“(b) MANNER.—The Secretary may make payments available under subchapter A in the form of cash, commodities, or commodity certificates, as determined by the Secretary.

“SEC. 2268. COMMODITY CREDIT CORPORATION.

“(a) USE.—Except as provided in section 2271, the Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation in carrying out this chapter.

“(b) EXISTING AUTHORITY.—The authority provided by this chapter shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

“SEC. 2269. EMERGENCY LOANS.

“Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) shall not apply for a calendar year to persons who otherwise would be eligible for an emergency loan under subtitle C of such Act, if the eligibility is the result of damage to an annual crop planted for harvest in the year.

“SEC. 2270. REGULATIONS.

“The Secretary of Agriculture or the Commodity Credit Corporation, as appropriate, shall issue regulations to implement this chapter as soon as practicable after the date on which appropriations are made to carry out this chapter, without regard to the requirement for notice and public participation in rulemaking prescribed in section 553 of title 5, United States Code, or in any directive of the Secretary.

"Subchapter E—Appropriations

"SEC. 2271. AUTHORIZATION OF APPROPRIATIONS.

"Any benefits or assistance (including the forgiveness of unearned advanced deficiency payments or any emergency loans) made available under this chapter shall be provided for a year only to the extent provided for in advance in appropriations Acts. To carry out this chapter, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 and 1992. Sums appropriated under this section shall remain available until expended.

"SEC. 2272. PRORATION OF BENEFITS.

"Any funds made available for carrying out this chapter for a calendar year in appropriations Acts shall be prorated to all producers eligible for assistance under this chapter in the year.

"Subchapter F—Application of Chapter

"SEC. 2273. ELIGIBLE CROP.

"(a) ELIGIBLE CROP.—For the purposes of this chapter, the term 'eligible crop' means the 1990 or 1991 crop of wheat, feed grains, upland cotton, extra long staple cotton, rice, peanuts, oilseeds, sugarcane, sugar beets, tobacco, or nonprogram crop.

"(b) ADVERSE IMPACT OF DAMAGING WEATHER.—Assistance under this chapter shall be provided for—

"(1) the 1990 crops of wheat, feed grains, upland cotton, extra long staple cotton, rice, peanuts, oilseeds, sugarcane, sugar beets, tobacco, and nonprogram crops only with respect to crop damage caused by damaging weather or related condition occurring during 1990 (or with respect to a fall seeded crop, the fall of 1989); and

"(2) the 1991 crops of wheat, feed grains, upland cotton, extra long staple cotton, rice, peanuts, oilseeds, sugarcane, sugar beets, tobacco, and nonprogram crops only with respect to crop damage caused by damaging weather or related condition occurring during 1991 (or with respect to a fall seeded crop, the fall of 1990).

"(c) ELECTION OF APPLICABLE BENEFITS.—Producers on a farm eligible for benefits under this chapter with respect to both the 1990 and 1991 crop year may elect to receive benefits with respect to either the 1990 or 1991 crop year, but not both.".

(b) CLERICAL AMENDMENTS.—The table of contents in section 1(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624; 104 Stat. 3359) is amended—

(1) by inserting after the item relating to the chapter heading of chapter 3 of subtitle B of title XXII of such Act the following new item:

"Sec. 2240. Short title.";

(2) by striking the item relating to section 2242 and inserting the following new item:

"Sec. 2242. Payments to program nonparticipants.";

(3) by striking the item relating to section 2244 and inserting the following new item:

"Sec. 2244. Oilseeds and nonprogram crops.";

(4) by striking the item relating to section 2247 and inserting the following new item:

"Sec. 2247. Crop insurance coverage.";

(5) by striking the item relating to section 2251 and inserting the following new items:

"Sec. 2251. De minimis yields.
"Sec. 2252. Definitions."; and

(6) by inserting after the item relating to section 2272 the following new items:

"SUBCHAPTER F—APPLICATION OF CHAPTER
"Sec. 2273. Eligible crop.".

SEC. 2. EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.

(a) INCLUSION OF PERMANENT FARMWORKERS AND PACKINGHOUSE WORKERS.—Section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a) is amended—

(1) by inserting ", permanent," after "migrant" each place it appears; and

(2) in subsection (b)—

(A) by inserting "(including a packinghouse worker)" after "an individual"; and

(B) by inserting "or packinghouse work" after "farm work" both places it appears.

(b) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The section heading of such section is amended to read as follows:

"SEC. 2281. EMERGENCY GRANTS TO ASSIST LOW-INCOME FARMWORKERS AND PACKINGHOUSE WORKERS.".

(2) TABLE OF CONTENTS.—The item relating to such section in the table of contents in section 1(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624; 104 Stat. 3359) is amended to read as follows:

"Sec. 2281. Emergency grants to assist low-income farmworkers and packinghouse workers.".

SEC. 3. EMERGENCY AQUACULTURE PROGRAM.

Subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note, 104 Stat. 3962) is amended by adding at the end the following new chapter:

"CHAPTER 5—EMERGENCY AQUACULTURE PROVISIONS

"SEC. 2276. EMERGENCY AQUACULTURE PROGRAM.

"(a) IN GENERAL.—The Secretary shall implement an emergency aquaculture program to assist owners and operators of established commercial fresh water aquaculture operations in restoring the retention levees and other structural improvements that have been damaged by damaging weather or related condition in 1991.

"(b) COST-SHARE.—Assistance under this section shall be provided through cost-share agreements entered into by the Secretary with the owners and operators for the restoration of the damaged levees and other structural improvements. The Secretary shall share half the costs incurred under each agreement based on damage surveys made pursuant to regulations issued by the Secretary.

"(c) FUNDING.—

"(1) IN GENERAL. The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section as provided in section 2268.

"(2) LIMITATION.—Not more than $1,000,000 of the funds of the Commodity Credit Corporation may be expended under paragraph (1).

"(3) PRORATION.—To ensure the equitable award of funds for agreements under this section as a result of the limitations in paragraphs (1) and (2), the Secretary may prorate, and adopt procedures to facilitate the proration of, funds made available under this section.".

SEC. 4. EMERGENCY LIVESTOCK FEED ASSISTANCE.

Section 604 of the Agricultural Act of 1949 (7 U.S.C. 1471b) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) The Secretary shall consider, if appropriate, the level of precipitation during a growing season in a State, county, or area in a State in making a determination whether to provide emergency livestock feed assistance or other additional assistance under this title.".

SUMMARY OF LUGAR DISASTER BILL

Crop losses in 1990 or 1991 are covered, at farmer's option but not both.

Crops covered are the same as in 1988 and 1989, i.e., essentially all program and nonprogram crops.

For farmers with crop insurance (or for whom crop insurance was not available):

For losses between 0 and 40% of normal yield: forgiveness of any refund requirement on advance deficiency payments

For losses above 40% of normal yield: Payments at 50% of target price (loan rate for non-participants and flex acres; market price for most other crops)

For farmers who did not purchase crop insurance:

For losses between 0 and 45% of normal yield: forgiveness of any refund requirement on advance deficiency payments

For losses above 45% of normal yield: Payments at 50% of target price (or other price, as above)

FmHA emergency loans are available whether or not crop insurance has been purchased.

Payments are limited to $100,000 per producer.

Producers with farm sales over $2 million are ineligible.•

• Mr. GRASSLEY. Mr. President, Senator LUGAR, on behalf of myself and several colleagues, has introduced legislation which will allow the U.S. Department of Agriculture to provide disaster assistance to farmers who have been hurt by adverse weather conditions.

Regardless of your feelings about present U.S. agricultural policy, I think it is important for everyone to know that even the most sound agriculture policy is powerless against the forces of Nature, as this year has proven again.

Crops and livestock have been severely stressed in much of the country this year and crop conditions in many parts of the Midwest have steadily deteriorated. In the upper Midwest, farmers spent months fighting fields to get their crops in, then conditions suddenly reversed. We went from cold and wet to hot and dry.

Despite these conditions, many farmers in the upper Midwest hoped for a near-average year as long as we could avoid an early "killing frost." Unfortunately, as we could avoid an early "killing frost." Unfortunately, as has been the case all year, our worst fears came true. Last week two "killing frosts" hit the State of Iowa with a devastating one-two punch. Many corn producers escaped the worst, although damage assessments are still going on.

Soybean producers, however, will be severely affected by the freeze. Many farmers in northern Iowa and southern Minnesota were unable to plant soybeans until late June or July. Whether or not they had purchased Federal crop insurance, many found themselves without adequate coverage. Even those who had purchased insurance had their coverage level reduced or eliminated because of the lateness of planting. This delay in planting was not due to anything in the farmer's power. It was an act of Nature. The farmers were left without protection. In response to the farmers' plight, the administration, and especially Secretary of Agriculture Edward Madigan, has taken action to alleviate these problems. Several days ago, it made $1 billion in assistance available for use in disaster assistance to farmers, provided Congress took action before the new fiscal year begins.

Unfortunately, some have demanded that we hold out for the total amount of estimated damages. I want the full amount too. But we must move now, with what is available. Playing political games may squirrel away our chance to get anything to our farmers. I am more than willing to work to get all the remaining funds necessary to keep the safety net underneath our farmers. But to treat this offer by the administration as an insult can only hurt those who have been hit the hardest by the weather. I ask my congressional colleagues on both sides of the isle to put politics aside in order to move this legislation quickly.●

ADDITIONAL COSPONSORS

S. 68

At the request of Mr. THURMOND, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 68, a bill to amend title 10, United States Code, to authorize the appointment of chiropractors as commissioned officers in the Armed Forces to provide chiropractic care, and to amend title 37, United States Code, to provide special pay for chiropractic officers in the Armed Forces.

S. 451

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 451, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion for amounts received under qualified group legal service plans.

S. 493

At the request of Mr. KENNEDY, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 493, a bill to amend the Public Health Service Act to improve the health of pregnant women, infants, and children through the provision of comprehensive primary and preventive care, and for other purposes.

S. 717

At the request of Mr. SYMMS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 717, a bill to amend title XVIII of the Social Security Act to provide for the exclusion of all rural areas from medicare payment reductions for the services of new physicians provided in such areas.

S. 737

At the request of Mr. DASCHLE, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 737, a bill to require a comprehensive analysis of long-term requirements of Federal, State, and local regulators and resource managers for scientific data and information about the Nation's coastal and marine environment and the conditions and phenomena affecting the quality of that environment; to require an evaluation of federally conducted or supported coastal and marine scientific research programs and activities on light of those requirements; and to require the preparation and submission to Congress of a report of the results of the analysis and evaluation, including recommendations for legislation, if appropriate, to restructure or otherwise enhance the performance of those programs and activities.

S. 1423

At the request of Mr. DODD, the names of the Senator from Colorado [Mr. BROWN] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1503

At the request of Mr. NUNN, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1503, a bill to amend the Higher Education Act of 1965 to provide more stringent requirements for the Robert T. Stafford Student Loan Program, and for other purposes.

S. 1505

At the request of Mr. DECONCINI, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1505, a bill to amend the law relating to the Martin Luther King, Jr. Federal Holiday Commission.

S. 1647

At the request of Mr. BAUCUS, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1647, a bill to amend the Internal Revenue Code of 1986 to provide that the deduction for State and local income and franchise taxes shall not be allocated to foreign source income.

S. 1691

At the request of Mr. DIXON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1691, a bill to amend title 18, United States Code, to govern participation of Federal Prison Industries in Federal procurements, and for other purposes.

S. 1730

At the request of Mr. ADAMS, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1730, a bill to provide early childhood staff training and professional enhancement grants, and for other purposes.

S. 1737

At the request of Mr. DOLE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1737, a bill to prohibit the import from Yugoslavia of defense articles on the United States Munitions List.

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 133

At the request of Mr. HOLLINGS, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Kansas [Mr. DOLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Ohio [Mr. METZENBAUM], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 133, a joint resolution in recognition of the 20th anniversary of the National Cancer Act of 1971 and the over 7 million survivors of cancer alive today because of cancer research.

SENATE JOINT RESOLUTION 176

At the request of Mr. DIXON, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 176, a joint resolution to designate March 19, 1992, as "National Women in Agriculture Day."

SENATE JOINT RESOLUTION 184

At the request of Mr. DOLE, the names of the Senator from Missouri [Mr. BOND], the Senator from Montana [Mr. BURNS], the Senator from Wisconsin [Mr. KOHL], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 184, a joint resolution designating the month of November 1991, as "National Accessible Housing Month."

SENATE JOINT RESOLUTION 196

At the request of Mr. SIMON, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Kansas [Mr. DOLE], the Senator from Montana [Mr. BURNS], the Senator from New Mexico [Mr. DOMENICI], the Senator from California [Mr. SEYMOUR], the Senator from New York [Mr. D'AMATO], the Senator from Vermont [Mr. JEFFORDS], the Senator from Virginia [Mr. ROBB], the Senator from New Jersey [Mr. BRADLEY], the Senator from South Dakota [Mr. DASCHLE], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. GLENN], the

Senator from Massachusetts [Mr. KENNEDY], the Senator from Georgia [Mr. NUNN], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. RIEGLE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. SASSER], the Senator from Hawaii [Mr. AKAKA], the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. DECONCINI], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Georgia [Mr. FOWLER], the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. GRAHAM], the Senator from California [Mr. CRANSTON], the Senator from Maine [Mr. MITCHELL], the Senator from Nebraska [Mr. EXON], the Senator from Rhode Island [Mr. PELL], the Senator from Pennsylvania [Mr. WOFFORD], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 196, a joint resolution to designate October 1991 as "Ending Hunger Month."

AMENDMENT NO. 1229

At the request of Mr. BIDEN the names of the Senator from Colorado [Mr. WIRTH] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of amendment No. 1229 proposed to H.R. 2521, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

AMENDMENTS SUBMITTED

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT

DANFORTH AMENDMENT NO. 1238

Mr. DOLE (for Mr. DANFORTH) proposed an amendment to the bill (H.R. 1988) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, research and program management, and Inspector General, and for other purposes, as follows:

On page 46, between lines 15 and 16, insert the following new section:

NATIONAL SCHOLARS PROGRAM

SEC. 109. (a) The Administration shall conduct a study to evaluate the feasibility of initiating a National Scholars Program, as described under subsection (b), under which a select group of students would receive Federal support for education in mathematics, science, and related disciplines. The purpose of the National Scholars Program would be to help increase the number of Ph.D. recipients in mathematics, science, and related disciplines among the Nation's economically disadvantaged.

(b) Under the National Scholars Program referred to in subsection (a), the Administrator would—

(1) select economically disadvantaged high school students for attendance at science summer camps supported by the National Aeronautics and Space Administration where they would receive specialized instruction in mathematics and science and would learn about practical applications of mathematics and science in the programs and activities of the National Aeronautics and Space Administration; and

(2) select economically disadvantaged undergraduate and graduate students as recipients of Federal financial support for predoctoral and doctoral studies in mathematics, science, and related disciplines.

(c) The study required by subsection (a) shall address, among other matters—

(1) whether the National Aeronautics and Space Administration could adequately implement the National Scholars Program;

(2) different options for structuring the National Scholars Program, including its establishment as a pilot program;

(3) the cost of the Program, with annual cost estimates for the first 10 years of the Program;

(4) alternative funding sources for the Program;

(5) the criteria for selecting students for participation in the program;

(6) the appropriate number of students for annual participation in the Program;

(7) the organizational location within the National Aeronautics and Space Administration at which the Program and its activities would be administered;

(8) the management of the Program;

(9) the possible ways in which the Program or its concepts can be extended to other Federal agencies, State agencies, educational institutions, and private organizations;

(10) the existence of any current public or private sector programs which are similar to the Program, the benefits and disadvantages of those similar programs, and whether a new program would unnecessarily duplicate current efforts; and

(11) the extent to which existing Federal, State, and other science education programs and activities could be used to complement or supplement Program.

(d) Within 6 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report on the results of the study required by subsection (a).

PRESSLER (AND DASCHLE) AMENDMENT NO. 1239

Mr. DOLE (for Mr. PRESSLER, for himself and Mr. DASCHLE) proposed an amendment to the bill H.R. 1988, supra, as follows:

On page 42, between lines 10 and 11, insert the following:

LANDSAT DATA

(K) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for converting Landsat data collected during the 19-year period preceding the date of the enactment of this Act into a more durable archive medium, $2,000,000.

GORE AMENDMENT NOS. 1240 AND 1241

Mr. BUMPERS (for Mr. GORE) proposed two amendments to the bill H.R. 1988, supra, as follows:

AMENDMENT NO. 1240

Strike all on page 34, lines 22 through 25, and insert in lieu thereof the following:

(6) Earth science and applications, $783,600,000, of which (A) $5,000,000 shall be made available only for the purchase of Landsat data at cost for global change research, and (B) $3,000,000 shall be made available for a pilot study and prototype demonstration to convert remotely-sensed aircraft and satellite data into machine readable form for global change research.

AMENDMENT NO. 1241

On page 36, line 2, strike "$2,945,600,000" and insert in lieu thereof "$2,984,600,000".

On page 36, line 3, strike "$329,900,000" and insert in lieu thereof "$290,900,000".

Strike all on page 42, lines 6 through 10, and insert in lieu thereof the following:

(j) Section 103(a)(1)(S) of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1991 (Public Law 101-611; 104 Stat. 3192), is amended—

(1) by striking "$1,600,000,000" and inserting in lieu thereof "$1,300,000,000";

(2) in clause (i)—

(A) by striking "$490,000,000" and inserting in lieu thereof "$425,000,000"; and

(B) by inserting ", of which not more than $263,000,000 shall be available for fiscal year 1992 for the Cassini mission, with no funds authorized after fiscal year 1991 for the Comet Rendezvous Asteroid Flyby mission" immediately after "1989";

(3) in clause (ii), by striking "$370,000,000" and inserting in lieu thereof "$285,000,000";

(4) in clause (iii), by striking "$640,000,000" and inserting in lieu thereof "$520,000,000"; and

(5) in clause (iv), by striking "$100,000,000" and inserting in lieu thereof "$70,000,000".

DECONCINI AMENDMENT NO. 1242

Mr. BUMPERS (for Mr. DECONCINI) proposed an amendment to the bill H.R. 1988, supra, as follows:

On page 47, after line 7, add the following:

TITLE VI—DISCLAIMER

SEC. 401. Nothing in this Act shall be construed as prohibiting the National Aeronautics and Space Administration from expending any funds for the deployment of the Assured Shuttle Availability Multifunction Electronic Display System Program in fiscal year 1992.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on legal pollution of the Great Lakes, on Friday, October 4, 1991, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on Asian organized crime.

These hearings will take place on Thursday, October 3, 1991, at 9 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Daniel Rinzel of the subcommittee's minority staff at 224-9157.

AUTHORIZATION FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Friday, September 27, 1991, at 10 a.m. to conduct a hearing on the nominations of Shirlee Bowne to be a member of the board of the National Credit Union Administration; and Russell Paul, to be an Assistant Secretary of Housing and Urban Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. Bumpers. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, September 27, at 10 a.m. to hold an executive business meeting on Clarence Thomas, of Georgia, to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PRIVATE RETIREMENT PLANS AND OVERSIGHT OF THE INTERNAL REVENUE SERVICE

Mr. BUMPERS. Mr. President. I ask unanimous consent that the Subcommittee on Private Retirement Plans and Oversight of the Internal Revenue Service of the Committee on Finance be authorized to meet during the session of the Senate on September 27, 1991, at 10 a.m.. to hold a hearing on S. 1364, the Employee Benefits Simplification and Expansion Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, September 27, at 11 a.m. to hold an executive session to discuss the inquiry regarding the release of the Iranian hostages in 1980.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, September 27, 1991, at 9:30 a.m., in open session, to consider the nomination of Gen. Colin L. Powell, USA, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Friday September 27, at 9:30 a.m., for a hearing on the subject: consumer protection at the food and drug administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CHIEF FINANCIAL OFFICERS ACT OF 1990

• Mr. GLENN. Mr. President, I rise to speak on a subject that is of great importance to the strength of our National Government—the need for sound, reliable financial management—and the vehicle that Congress enacted to achieve this—the Chief Financial Officers Act of 1990.

I rise at this time because the appropriations bills are starting to go into conference. I want to urge the conferees to support the important goals of the CFO Act by providing the funding which is so critical to its success.

Mr. President, every corporation in America has comprehensive spreadsheets—a bottom line—a method of gauging assets against liabilities. Our Federal Government does not.

True, the Office of Management and Budget keeps track of which agency gets what, and those agencies are then held accountable—in theory. In reality, after that money reaches the agency, we have no sure way to verify spending. There are no audited financial statements.

The very size of the Federal Government makes it susceptible to scandals. Scandals such as the one at HUD cost American taxpayers billions. We should not be learning of these scandals second-hand. The numbers are ours to check and double-check.

In my role as chairman of the Governmental Affairs Committee, I see how vulnerable we are. In hearing after hearing, I hear testimony about programs on the high risk list, of which we are all well aware. I hear of management problems in DOE cleanup of nuclear waste, in asset forfeitures, in guaranteed loan programs and many others. And, Mr. President, the numbers speak for themselves:

Asset forfeitures: inadequate controls for over $1 billion in assets;

Customs Service: inadequate accounting systems for over $19 billion in import revenue;

Medicare: insufficient safeguards with $1.8 billion at risk;

Student loans: defaults are increasing by nearly $1 billion annually;

Pension Benefit Guaranty Corporation: estimated underfunding of $20 to $30 billion; and the list goes on and on.

When one considers that OMB has put the "hidden" liabilities from credit and other insurance programs at $6.2 trillion, the magnitude of the problem becomes clear.

Mr. President, we are forewarned of these financial risks. It is the responsibility of this body to address them. It is the responsibility of this body to face up to instances of inefficiency and poor management in Federal Government and do something about it.

The problem to a large extent is that we just don't have the financial management systems necessary to know where our Federal dollars are going. Right now there are hundreds of accounting systems scattered in and among Federal agencies. Many of these systems are incompatible and obsolete. These systems generate financial information which is unreliable, untimely, and incomplete. Information that Government managers just can't trust—let alone Congress and the American public.

In October 1990, this body took an important step to tackle this mess when it passed the Chief Financial Officers Act. It was passed with bipartisan support in both Houses. It enjoyed strong support from the administration and the inspector general community. The Comptroller General called the CFO Act the most important financial management reform in 40 years.

The CFO Act accomplishes two important purposes. First, it establishes a single point of responsibility in OMB for the coordination of Government-wide management. Second, the act creates an OMB Office of Federal Financial Management and establishes chief financial officers at 23 departments and agencies. Together, the new OMB office and agency CFO's have a broad mandate to improve financial management across the Federal Government. And, most importantly, the agency CFO's have the power necessary to make real improvements in their agency financial management systems.

Under the act, agencies will prepare financial statements for revolving funds, trust funds, and commercial functions. These financial statements will be audited by the inspectors general, adding an important new function to their ongoing audit and investigate responsibilities.

Mr. President, these audited financial statements are vital if we are to get a handle on that $6 billion of hidden liabilities. They will let us know what our total liabilities. really are, and what kind of financial risks the Nation is facing. In addition, they will become an important source of information for the inspectors general in their ongoing efforts to eliminate waste, fraud, and abuse. Altogether, this initiative will produce financial information that program managers and Congress can rely on.

Congress recognized the importance of this effort when it passed the CFO

Act last October. The act was quickly signed into law, and OMB and the agencies went to work to implement its provisions.

But Mr. President, no sooner were they out of the gate than Congress began throwing up hurdles.

When the appropriations process began, there were those in the other body who opposed any funding for the CFO Act. But thanks to resounding support in the House and to the efforts in the Senate, particularly by the distinguished chairman of the Appropriations Committee, the initial attempt to prohibit CFO funding was defeated.

Unfortunately, that was not enough. As the appropriations bills moved forward, CFO and IG funds were cut and even cut again. In many cases, management initiatives were seen as expendable parts which could be cannibalized for more politically popular programs.

These cuts have seriously damaged the ability of many agencies of implement the provisions of the CFO Act. If this body is committed to improving the efficiency and accountability of the Federal Government, those funds must be restored.

These cuts have been made in various ways. In some cases the reductions have directly affected CFO financial management activities. In others, the cuts have been made in IG accounts. And though the IG cuts were not always targeted at CFO activities, many IG's will have to choose between CFO functions and other audits and investigations.

Let me read off some of the numbers:

The Commerce IG needs $1.4 million for CFO audits. Both the House and Senate made significant cuts: $2.3 million in the House and $1.9 million in the Senate. In addition, both the House and Senate denied $3 million needed for the development of the Department's core financial management system.

The HHS IG needs $9.5 million in new funding for CFO audits. Both the House and Senate denied that funding, and then, on the Senate floor, the IG account was cut an additional $5.6 million in order to increase program funding. The Senate-passed bill doesn't even maintain current services, let alone provide for the new CFO Act audits. With these cuts, the HHS IG will be forced to reduce its current on-board staff by 200 positions. And this at an agency which encompasses more than one-third of the Federal budget. Alternatively, the HHS IG estimates that if we restore the $15 million to that account, we could see $½ billion in returns. Even in these tight budget times, that's a return worth taking.

The Interior IG needs $2.3 million for CFO audits. That funding was denied in the House, but partially restored in the Senate. At the same time, the Senate cut the funds for Interior's Office of Financial Management by $1 million, which would reduce their budget by about half. These cuts will seriously set back work on consolidated financial systems, audited financial systems, cost recovery activities, and internal controls.

The Justice IG needs $1.4 million for CFO audits. The House cut the total IG request by $8.1 million and the Senate cut it by $5.3 million.

The Education IG needs $1.5 million for CFO audits. The House denied that amount and the Senate made still further reductions.

The Small Business Administration IG needs $2.1 million for CFO audits. The House cut the IG request by $3.7 million and the Senate cut it by $2.4 million.

Now, Mr. President, I appreciate the hard work performed by the distinguished chairman and the ranking minority member of the Appropriations Committee as well as the other members of the committee, particularly the chairman and ranking minority members of the Appropriations Subcommittees, in bringing the appropriations bills to the floor. I recognize that under the budget agreement of last October, they are faced with competing priorities and difficult decisions as never before.

But if these funds are not restored, they will weaken the work of both the CFO's and the IG's. And we can be sure, Mr. President, we either pay now or we will pay later. If we pay now—it is an investment. If we pay later—It is a loss, and we pay tenfold. The CFO Act is a good investment.

The figures we are talking about are not large. In fact, if all appropriations bills contained funding at requested levels, our investment in the CFO Act this year would amount to a modest $105 million. Of that, OMB would receive $1.5 million for its CFO functions. The remaining funds would go to the agencies, and two-thirds of that to their IG's.

How could an investment in financial management improvements be unwise? Just look at the track record of the IG's. In 1990 alone:

They successfully prosecuted over 5,000 individuals they caught robbing the Federal Government;

They recovered over $754 million from their investigations; and

They made recommendations resulting in $5.9 million in restitutions to the Federal Government and improvements in the management of another $27.7 billion.

The IG's have proven time and time again that they can pull their weight. The HHS Office of the Inspector General estimates that it pulls more than 60 times its weight: For every dollar spent, it uncovers $62 in savings and restitutions.

Mr. President, in 1978 when we decided it was time to clamp down on waste, fraud, and abuse, we passed the Inspector General Act. In 1990, when we decided to stop throwing billions down the drain and instead find out exactly where our program dollars are going, we passed the Chief Financial Officers Act.

Mr. President, we made the right decision. But let us not cut this initiative off at the knees. Denying agencies funding for CFO activities will save us $105 million this year. But what will we lose in the long run? If this funding is denied we could lose $105 million in a single agency—even in a single program.

I admit times are tough, and that the call for more program dollars is hard to deny. But again, remember how small this investment is. And remember that the choice is ours—either pay now with a small investment, or pay later for a very big loss.

There is still time this year to make this investment. I urge the conferees to restore funding for these critical activities.●

A HERITAGE OF FAITH, A FUTURE OF PROMISE

● Mr. COATS. Mr. President, today I have the unique privilege to praise a Fort Wayne institution that has played a pivotal role in the growth and development of my hometown. Zion Lutheran Church began its faithful service in 1883 and promises to continue well into the future. I wish to congratulate this Fort Wayne congregation as it celebrates the 100-year anniversary of the dedication of their church building and thank them for their selfless sacrifice to our community.

In February 18, 1883, 80 families living just south of the Pennsylvania Railroad and east of Harrison Street decided to take a step of faith and sacrifice. They left their home church and decided to build a church that could provide services and leadership for the growing population of Fort Wayne. For over 100 years, this church has continued to grow and provide an ever increasing range of community services.

Realizing the importance of a strong commitment to community outreach, Zion proclaimed its mission to preach the Gospel throughout the immediate neighborhood and entire city by providing a friendly, vibrant, centrally located church with a rich tradition of worship and music; and through a school that combines knowledge of God with an education whose excellence enriches the lives of the congregation's children and families.

As Fort Wayne began to change in its needs and demographics, Zion made the unusual decision to invest a half-million dollars to stay in an area where others were leaving. As Fort Wayne transformed so did the ministries of Zion. When other city churches responded to the cultural transfiguration by following their members to the suburbs, Zion confronted the shifting membership by sponsoring the city's first Vietnamese refugee family. This was followed by other acts of faithful service. Today, Zion provides assistance to the elderly, shut-in and hospitalized. Choosing to serve the entire community, Zion has successfully developed a ministry to serve the Hispanic and Asian population. The immeasurable benefits to Fort Wayne for over 100 years are a tribute to the sacrifices, courage, and faith of its founders.

Zion Lutheran Church is a shining example of what one church can do when sincerely committed to its community and people. Zion has grown to be a shining example of the diversity of culture in Fort Wayne. It has also become an essential stabilizing force in this community. The congregation of this historic church has given ardently of its service to God through its service to my hometown. It stands at the heart of the Fort Wayne community and has provided the city, and its people, with the great news of Christian hope through word and deed. It has shown the compassionate activism of Christian conscience. And it has our best wishes for another century of distinguished service.•

RETIREMENT OF ERNIE HARWELL AND PAUL CAREY—VOICES OF THE DETROIT TIGERS

• Mr. LEVIN. Mr. President, it has been said, "When our Maker handed out the larynx and vocal cords marked 'made for baseball,' He gave maybe the purest set to Ernie Harwell." His voice is mellow, it is steady, no screaming and hollering, no hyperbole. And to complement Ernie's soft Georgia drawl is the deep resonant voice of Paul Carey calling the plays during the middle innings and giving us the wrapup and the play of the game at the end. They tell us what is going on out there on the diamond. We can see the action through their words.

And in between innings, or during pitching changes or rain delays, we are treated to wonderful stories about great plays at shortstop, no-hit pitching performances, catches against the centerfield wall, home runs out of the stadium, antics of the players, idiosyncrasies of the managers. Oh yes, Ernie is a great storyteller. He has seen a lot of baseball in his over 50 years on radio and television, and he has shared those stories with millions and millions of listeners.

Ernie's wife Lulu tells us that Ernie is much more than a sportscaster. He is a man who values his relationship to his God, his family, and his job, in that order. He is an inventor, holding a U.S. patent on a bottle-can opener. He is an actor—we heard his voice in "One Flew Over the Cuckoo's Nest" and other movies. He is a songwriter with 46 recordings to his credit. He is a world traveler. He was a U.S. Marine. He was Margaret Mitchell's paper boy in Atlanta. He had a racehorse named after him. And he once sang a duet with Pearl Bailey. But most of all, he is a baseball announcer and the first to be named to the Baseball Hall of Fame while still active.

And Paul Carey has been a wonderful teammate for Ernie. He considers it a privilege to do Tigers baseball with Ernie Harwell and the two are close friends. As much as Paul loves announcing baseball, there is something he cherishes equally, if not more. For 35 years, his has been the voice Michigan parents, athletes, and coaches listened to on WJR's Michigan High School Football Scoreboard Show.

Every Friday at midnight, radios are tuned in all over the State of Michigan, and if Paul is not on the road with the Tigers he reports every high school football score he can come up with—and the list runs into the hundreds. The concept for this show was Paul's, and when he is not on vacation or down at spring training with the Tigers, he will do a Friday scoreboard of high school basketball games as well. People love hearing his voice. Someone once remarked that when he dies and goes to Heaven, he is certain God will sound just like Paul Carey.

But now, summer is over, and the Detroit Tigers will play their last game of the regular season on October 6. And that will be a sad day for all of us in Michigan because when the last out is recorded, unless a semimiracle occurs and my beloved Tigers win the division, that will be the last time we will hear Ernie Harwell say, "The game is over," and that is the last time we will hear Paul Carey do his wrap-up and his play of the game. And what will these two say to each other on this last broadcast together, these two who have been in the WJR booth together for 19 years? I guess we will just have to tune in on that Sunday afternoon and hear for ourselves.

Ernie wrote his own definition of baseball some years ago. What better way to end a salute to Ernie and Paul than to recite that now:

> Baseball is the President tossing out the first ball of the season. And a scrubby schoolboy playing catch with his Dad on a Mississippi farm.
>
> A tall, thin old man waving a scorecard from the corner of his dugout—that's baseball. So is the big, fat guy with a bulbous nose running home one of his 714 home runs.
>
> There's a man in Mobile who remembers that Honus Wagner hit a triple in Pittsburgh 46 years ago—that's baseball. And so is the scout reporting that a 16 year old sandlot pitcher in Cheyenne is the coming Walter Johnson.
>
> Baseball is a spirited race of man against man, reflex against reflex. A game of inches. Every skill is measured. Every heroic, every failing is seen and cheered—or booed. And then becomes a statistic.
>
> In baseball, democracy shines its clearest. The only race that matters is the race to the bag. The creed is the rule book. And color, merely something to distinguish one team's uniform from another's.
>
> Baseball is a rookie (his experience no bigger than the lump in his throat) as he begins fulfillment of his dream. It's a veteran, too—a tired old man of 35 hoping those aching muscles can pull him through another sweltering August and September.
>
> Nicknames are baseball. Names like Zeke and Pie and Kiki, and Home Run and Cracker and Dizzy and Dazzy.
>
> Baseball is the clear, cool eyes of Rogers Hornsby; the flashing spikes, of Ty Cobb; and an overaged pixie named Rabbit Maranville.
>
> Baseball? Just a game—as simple as a ball and bat. And yet, as complex as the American spirit it symbolizes. A sport, business and sometimes almost a religion.
>
> Why, the fairytale of Willie Mays making a brilliant World Series catch and then dashing off to play stickball in the streets with his teenage pals—that's baseball. So is the husky voice of a doomed Lou Gehrig saying: "I consider myself the luckiest man on the face of this Earth."
>
> Baseball is cigar smoke, hot roasted peanuts, "The Sporting News," Ladies Day, Down in Front,
>
> "Take Me Out to the Ballgame," and "The Star Spangled Banner."
>
> Baseball is a tongue-tied kid from Georgia growing up to be an announcer and praising the Lord for showing him the way to Cooperstown. This is a game for America. Still a game for America—this baseball!

It will not be quite the same next spring—we will not have Ernie Harwell and Paul Carey back with us for another 162 play-by-plays, starting off the baseball season with the Song of Songs:

> Lo the winter is past,
> the rain is over and gone,
> the flowers appear on the earth,
> the time of the song of birds is come,
> and the voice of the turtle is heard in our land.

They will not be with us when we drive home from work, or on those hot summer nights when we sit around outside trying to catch a little breeze—or when we take our radio with us to the ballpark to hear the action we are witnessing.

No, it will not be the same—but we will have the memories they gave us, and we are thankful for that.•

ROTH BASE CLOSURE AMENDMENT NO. 1231

• Mr. SMITH. I would like to make an inquiry of the senior Senator from Delaware regarding the fiscal year 1992 Defense appropriation bill. As a further clarification to the Roth base closure amendment which was adopted last evening, would you agree that your amendment was intended to apply to all bases closed under the Base Closure Act of 1988, and the 1990 Base Closure Act, and that we will work together to ensure that Pease Air Force Base would qualify for a no-cost transfer under this amendment.

Mr. ROTH. That was indeed the intention of my amendment, and if that is not the case, I assure the Senator that we can work to ensure that the language can be modified to provide such a transfer.

Mr. SMITH. May I further inquire of the floor manager whether such clarifying language could be adopted in conference.

Mr. INOUYE. To the extent that the Roth amendment is adopted by the conference, I assure the Senator that such changes will be made to ensure that Pease Air Force is not excluded from this provision.

Mr. RUDMAN. I would also like to draw my colleagues' attention to the eligible States and political subdivisions provision which establishes the prioritization for the receipt of conveyances. As my colleagues may be aware, Pease Air Force Base has already closed, and the State of New Hampshire has designated the Pease Redevelopment Authority as the legally designated entity to receive conveyed properties. Since this process is so far along at Pease, would the two Senators also agree that this provision can be clarified so as to prevent a disruption of this process. Specifically, that the Pease Redevelopment Authority would remain the designated State authority, and would not be subject to local control.

Mr. ROTH. It was not our intention to disrupt the ongoing redevelopment process at Pease, and I agree that our amendment can be clarified to ensure that this will not happen.

Mr. INOUYE. To the extend that the Roth amendment is adopted by the conference committee, I can assure the Senator that this language can be clarified to ensure that the Pease Redevelopment Authority will be the sole legal authority to receive conveyances of this land.

Mr. SMITH. I would like to thank my colleagues for their clarification on this issue, and I look forward to working with you on this issue.

Mr. RUDMAN. I would like to join my fellow Senator in thanking the two Senators for their most gracious efforts.•

HOOSIER HEROES

• Mr. COATS. Mr. President, I am pleased to announce the launching of a project called Hoosier Heroes, designed to honor the efforts of Hoosiers who have contributed significantly to the diverse tapestry of Indiana history or life by promoting Hoosier values, while at the same time serving as inspirational examples for the entire Nation. Hopefully, by bringing the efforts of these Hoosiers to the attention of the Nation, people throughout the United States will be inspired to emulate their behavior.

The first to be so honored is Eric A. Holm of West Lafayette, IN. Eric represents what is best about Indiana: the tradition of volunteerism and generosity. He is a true Hoosier hero, and his list of accomplishments speaks for itself.

Eric Holm has been helping Indiana youth achieve a better understanding of their communities and of the world for nearly 50 years. He became a member of the Indiana 4-H staff in 1942 after having directed the Tippecanoe County 4-H for 5 years. He founded the Indiana International 4-H Youth Exchange, the Purdue Collegiate 4-H Club and the Purdue University Extension Specialist Association. During his time as International 4-H Youth Exchange leader, the Collegiate 4-H Club raised more than $350,000 to finance trips for Hoosier youth to travel abroad and for Hoosiers to host foreign students in Indiana. Since 1965, over 110 Hoosier youth have represented Indiana abroad thanks to the International 4-H Youth Exchange.

Eric's life has touched generations of Hoosiers and has helped instill in them the highest sense of loyalty to others and to their communities. I am proud that Eric's achievements will serve as an example for the Hoosier Heroes who will follow. I hope that the Hoosier Heroes project will bring to light the efforts of individuals, like Eric, who are making a difference in America.•

IN HONOR OF UNICO DISTRICT 2'S ANNUAL COLUMBUS DAY LUNCHEON

• Mr. LAUTENBERG. Mr. President, I rise in honor of Columbus Day on the occasion of Unico District II's annual Columbus Day luncheon.

On Columbus Day, we pay tribute to Christopher Columbus as the first Italian who discovered America. We remember Columbus for the daring and vision that propelled him on his extraordinary voyage of discovery. But in honoring the first Italian in America, let us not forget the bravery or determination of the Italian-Americans who followed him.

For many Italian immigrants, America was almost as unknown as it was to Columbus. Most Italians arrived in America with very little money. But Italian-Americans put their industry and their grit to work and prospered in America. Just as Columbus achieved greatness from humble beginnings. So too did Italian immigrants make their mark on the New World. Their contributions to the richness of the mosaic of American life are numerous and well-known.

In many ways, the story of Italian immigrants is the story of America. They helped build our industries and our universities. They manned our business and our professions. They built our churches and helped make our Government work.

Those who followed Columbus became teachers and scholars, doctors and artists, judges, industrialists, and priests. Italian-Americans even gave America its first saint, Francesca Cabrini.

It is impossible to count the enormous contributions Italian-Americans have made to American life. But more than anything else, their love of country and community has made the most difference in American life.

I join with them in celebrating Christopher Columbus' discovery of the world, and the contributions Italian-Americans have made to make it a better one.

KOREA AND THE UNITED NATIONS

• Mr. LUGAR. Mr. President, on September 17, South and North Korea were both formally admitted to membership in the United Nations. That was an historic day for our friends in South Korea and another significant milestone toward universal membership of all countries in the United Nations.

This week, President Roh Tae Woo delivered a speech at the 46th session of the U.N. General Assembly marking the entry of South Korea in the world body. This was the first address to the United Nations General Assembly by a Korean President as head of a full U.N. member state.

President's Roh's speech was significant for any number of reasons. He layed out a broad outline of where he hopes his country will head in the years to come. It is visionary and strikes a very hopeful and positive tone. Specifically, he expressed his hope that the situation on the Korean peninsula would change in ways consistent with the general thaw in the cold war and the hostilities that have characterized the past.

I want to alert my colleagues to just a few points in his historic address. President Roh, among other things, suggested that South Korea prefers a formal peace agreement to replace the current armistice on the peninsula. He suggested a variety of military confidence measures, including the exchange of military observes and, under certain circumstances, discussions with the North on nuclear matters. President Roh also urged the expansion of trade, information, and human exchanges between the South and the North.

Finally, the President also stressed that his country was prepared to be helpful in providing assistance to countries in need of external support. He included the Soviet Union and the countries of Eastern Europe in his offer.

Mr. President, there is much to be commended in this remarkable address to the U.N. General Assembly by President Roh. I urge all Members to read this address and I am, therefore, requesting that it be printed in the RECORD for that reason.

The address follows:

TOWARD A PEACEFUL WORLD COMMUNITY

(Address by H.E. Roh Tae Woo, President of the Republic of Korea, to the 46th Session of the U.N. General Assembly)

Mr. President, Mr. Secretary-General, distinguished delegates, three years ago, I had the pleasure of reporting to you from this very rostrum the refreshing and heart-warming scenes of the Seoul Olympic Games. Those athletes from across the world gave us an inspiring vision of global harmony, transcending the divisions of race, religion, and ideology.

Soon thereafter, revolutionary changes swept across the world. As we look around today and take stock of the changes, we may truly recognize the progress made toward the Olympic ideal of "one peaceful world."

Today, I am proud to stand here once more, this time as President of a Member State. To me, this itself represents a significant expression of the new tide of history.

It was 43 years ago that the Republic of Korea first applied formally to become a member of the United Nations. If you consider the decades of patience we have had to endure, you will perhaps understand the enthusiasm displayed by the Korean people on this occasion.

To those who have supported and encouraged our admission to this august body and to those who have acted and spoken on our behalf during all the years that we had no seat here, I offer the heartfelt gratitude of the Korean people.

Today, the Cold War system, which had prevented our entry to the United Nations, has become a relic of the past.

From the workers of the Solidarity Movement in Gdansk, who raised the banner of reform in Poland to the courageous Government in Budapest; from those freedom-inspired crowds who filled Praque's Vaclavske Plaza to those former East Germans who tore down the Berlin Wall—not only did they free themselves, but they opened the road toward a genuine world peace.

In removing the physical walls which denied them liberty, they also brought down the barriers which divided mankind into hostile camps forcing confrontation and rivalry. It was, unquestionably, the Soviet reforms that touched off these great changes. But these changes have also been inspired by the achievements of those nations which attained prosperity on the strength of freedom and individual values. I share a deep sense of satisfaction over this outcome with those who have aspired for a truly harmonious world, and I pay tribute to the courage of those who made into reality what had been considered impossible in the past.

Mr. President, I offer my congratulations on your election as President of the 46th Session of the General Assembly, and express my confidence that this Session under your leadership will produce fruitful and rewarding achievements.

Mr. President, I regard it no less significant that along with the Republic of Korea, the Democratic People's Republic of Korea [DPRK] has also become a member of this Organization.

As our North Korean brothers join us in the journey toward peace and unification, I extend hearty congratulations to them on their entry.

The Republic of Korea has long pursued parallel membership of both Koreas in the United Nations in the belief that it is the most realistic approach to the attainment of peace and unification on the Korean Peninsula. For a continuation of wasteful confrontation, refusing to recognize each other, will only prolong the painful tragedy of national division.

For this reason, the entry of both South and North Korea into the United Nations marks an important turning-point in inter-Korean relations since the division of our land in 1945.

As responsible members of the international community, the two Koreas are now both bound by the United Nations Charter to carry out the duties incumbent on all members for the maintenance of world peace.

Now that the delegates of South and North Korea have taken their seats together in this hall of peace, we are convinced that a new chapter of reconciliation and cooperation will open on the Korean Peninsula.

The Korean people may live under two separate systems, but we have never forgotten that we are one nation.

Imperfect as it may be, the separate membership of the two Koreas in the United Nations is an important interim step on the road to national unification.

It has taken more than 40 years for us to move the short distance from the observer's to a member's seat. It took the two Germanies 17 years to combine their UN seats. I sincerely hope that it will not take as long for the two Korean seats to become one.

In this hall of peace, the two Koreas will open a new avenue of dialogue and cooperation that will lead to our national unity.

The cold war system that brought on the tragedy of territorial division in Korea has itself collapsed. Now, we will seek to achieve national unification: peacefully—without the use of military force; independently—on the basis of self-determination; and democratically—according to the free will of the Korean people.

I earnestly hope that all the members of the United Nations will encourage and support Korean efforts to join the human progress toward a more peaceful world by achieving their national unity.

Mr. President and distinguished delegates:

The world is undergoing epochal changes.

Systems that oppressed freedom and human dignity are being dismantled and the tragedies stemming from dogmatic ideologies are coming to an end everywhere.

Around the world nations are seeking to chart their own destinies.

What is truly momentous about this process is that history is being advanced not by the forces of bloody revolution but by the power of reason and free spirit. But, the great change has only just begun.

This epic change brings enormous opportunities and is the source of hope for all mankind. Even so, we must travel a long and tortuous road before we can successfully mode the current process into a new order of world peace.

The recent Soviet political crisis is a clear demonstration of this fact.

The entire world spent those three stressful days in a state of shock and dismay. However, the courageous citizens of Moscow braved the crisis, and placed flowers in the muzzles of tank guns. Indeed, their victory is the victory of all freedom—and peace-loving peoples of the world. Once again, the world has been reminded that indeed "peace is indivisible."

We have to recognize that any attempt at reform, however minor, is bound to require an element of sacrifice and pain. In the cases of the Soviet Union and the Eastern European countries, we know they are currently engaged in thorough-going reforms of their political, economic and social foundations. In moving away from a system of strict control that pervaded every aspect of their lives for decades, the difficulties and costs of creating new structures must be truly enormous.

We all know that throughout the cold war period, the nations of the world spent an exorbitant amount of resources on national security and military preparedness. Now, the success of current reforms promises to bring benefits the world over in the form of peace; and we will enjoy this "peace dividend" for a long time to come.

As the benefits of peace are shared, it is only fair that the burdens and sacrifices should also be shared.

Consequently, I call upon all the well-to-do nations to extend active support and assistance to the countries which used to have centrally planned economic systems, in their transition to democracy and free market economies.

Due to the imperatives of the cold war, the Korean people have had to sustain enormous sacrifices throughout the postwar period. Accordingly, we yearn for a world of peace, perhaps more than any nation on earth.

As a nation that has risen only a generation ago from the ashes of war, and as a recently democratized nation that is growing in prosperity, the Republic of Korea feels a special affinity toward the emerging democracies, and understands from experience the acute imperative that these nations are facing in common: to achieve democratic and economic development in tandem.

Korea is neither a wealthy nor an advanced country. But, we are prepared to extend support to the reform efforts not only in Eastern Europe and the Soviet Union but in all parts of the world, and to offer them cooperation to the best of our ability.

Mr. President, in my speech before the 43rd Session of the General Assembly, I declared that a durable peace would arrive in our world the day we "beat swords into ploughshares" on the Korean Peninsula. I said this because our own land was visited by untold trials and tribulations stemming from the international imperatives of the 20th century, and because the yoke was still upon us.

However, the external climate surrounding the Korean Peninsula has undergone significant changes over the past years.

Even before the onset of worldwide reform movements, we took the initiative of going beyond the limits of the cold war. Subsequently, we established diplomatic relations with the Central and Eastern European countries as well as the Soviet Union. We also opened mutual exchanges and cooperative relations with neighboring China.

For the previous half century, Korea's relations with these countries has been officially severed, and in practice were often confrontational. However, with our new friendships and cooperation we sense the onrush of the waves of contemporary history. Indeed, we have discovered the power of reconciliation.

We are firmly convinced that the day of peace and unification is also coming to our land, in spite of territorial division and the ever present military threat.

With the entry of the two Koreas to the United Nations, we have embarked on a new phase of coexistence. Now, it is our task to build on this foundation a positive relationship, which will soon bring peace, stability and national unity.

To this end, I propose that the two Korean Governments agree on and specifically carry out the following three measures:

First, the two Koreas should replace the fragile armistice with a permanent peace structure.

Even at this very moment, a total of 1.7 million heavily armed soldiers confront each other on the Korean Peninsula, concentrated along the 250-kilometer-long Demilitarized Zone.

It might come as a surprise to some of you, but we have been living under this unstable condition of neither peace nor war for the last four decades.

In light of these precarious realities, I believe the two Koreas should conclude a peace treaty, thus renouncing the use of force against each other, and proceeding to normalize bilateral relations in all areas.

My second proposal is that, in order to reduce the threat of war on the Korean Peninsula, the two sides should seek to bring about realistic arms reductions beginning with measures designed to build mutual confidence.

In order to remove military confrontation on the Korean Peninsula, it is imperative that South and North Korea agree upon a number of military confidence-building measures, including the exchange of military information, the advance notification of field exercises as well as troop movements, and the exchange of permanent observer teams to prevent surprise attacks.

Above all, the development of nuclear weapons on the Korean Peninsula will present a threat not only to the peace of Northeast Asia but also to the peace of the whole world.

Atomic energy must never be used for destructive military purposes, but must only be used for peaceful purposes of promoting the well-being of all mankind. Since the DPRK is a signatory to the Nuclear Non-proliferation Treaty, it should immediately abandon the development of nuclear weapons, and submit, unconditionally, all of its nuclear-related materials and facilities to international inspection.

Once the DPRK abandons its development of nuclear weapons and as confidence-building measures are implemented between South and North Korea, I am prepared to take up discussions with North Korea not only on the reduction of conventional forces but also on the nuclear issues on the Korean Peninsula.

Finally, and on a more humanitarian plane, the two Koreas should bring an end to the period of disassociation, and open a new era of free exchange of products, information and people.

On our Peninsula today, there are over 10 million Koreans who live separated from their families and loved ones as a result of the territorial division in 1945 and of the Korean War. They are denied even the most basic humanitarian right of knowing whether or not their parents, brothers and sisters are still alive, let alone exchanging letters or telephone calls. I do not believe we can talk meaningfully about improving inter-Korean relations or mutual confidence-building without first resolving this urgent humanitarian problem.

Just as it is a universal practice among all civilized nations, so must the two Koreas open doors toward each other and guarantee free travel, communication and trade.

We must promote substantive relations by resolving, through dialog and negotiations, issues of mutual interest including inter-Korean exchanges and cooperation as well as political and military issues.

Next month, for the first time since the two Koreas became members of this Organization, the two Government delegations will meet for a fourth round of the South-North High-level Talks.

I sincerely hope that the Talks will produce an agreement on the basic principles governing inter-Korean relations.

Recently, some limited exchanges between the two Koreas have taken place in such areas as sports, culture, and trade. Small as they are, we value this progress.

For our part, we will do our best to promote a relationship of common prosperity in which the two Koreas offer each other assistance for mutual development.

The Republic of Korea is prepared to actively pursue economic cooperation with the DPRK in all areas, including trade, tourism, joint exploration of underground resources and establishment of joint venture plants.

Please bear in mind that the Korean people have been living as a single national community for over 1,300 years. Therefore, once exchanges and cooperation begin, conditions for a political integration of the two parts of Korea will ripen very quickly, given our historical homogeneity.

I do not believe that the Korean Peninsula should be left as the only land remaining divided by the cold war. At a time when all the divisive barriers are collapsing, the unification of the Korean Peninsula must be a matter of time and the natural course of history. A unified Korea will be a land of freedom and happiness for all inhabitants, and will become a nation devoted to the promotion of world peace and the well-being of all mankind.

Mr. President, the Korean people desire to see peace prevail not only on the Korean Peninsula but in all regions of dispute as well.

I am gratified to note that there are real signs of progress in peace-making efforts in many areas of the world, including the Middle East, Cambodia, Angola, Western Sahara, and Central America. I am highly encouraged to see the United Nations play leading roles in these areas, and I wish to pay my respects to the Honorable Secretary-General, Javier Perez de Cuellar, for his devoted efforts.

Along with efforts to prevent regional disputes and to remove their root causes, we should strengthen the enforcement of collective security measures.

The recent war in the gulf region confirmed that the United Nations is the only independent global body capable of asserting and giving force to the rule of law in today's international community. Our faith that peace and justice will prevail throughout the world under a new international order was bolstered when countries put aside their differences and joined the UN action in a coalition.

Members of this body will of course recall that the Republic of Korea was able to survive and preserve its integrity thanks to the very first collective security action on the part of the United Nations. Now as a member, we will participate more actively in all UN endeavors toward the peaceful settlement of disputes as well as the enforcement of international justice.

Peace can be built only when a common conviction prevails that nations do not threaten each other and that we may in fact live in tranquility. We shall never win faith in peace so long as we let our safety hinge on the might of formidable weapons that can reduce this world to ashes in an instant.

Confrontations that brought about the "balance of terror" have now disappeared.

We welcome the signing in July of the START treaty between the United States and the Soviet Union. We hope that it will accelerate arms control negotiations around the world.

The Republic of Korea fully supports a complete elimination of all chemical weapons, and will readily join an international convention as soon as it emerges.

In this connection, I believe that the countries of Northeast Asia should now take a fresh look at, and approaches toward, the question of tension reduction and arms control in this region.

Mr. President, it is said that peace is more than the absence of war. To ensure real and lasting peace, we must remove the underlying sources of conflict.

Just as the world is passing beyond ideological divisiveness, we must remove all barriers of discrimination; race, color, religion, national origin.

I therefore welcome the positive efforts of South Africa to build a united, democratic and discrimination-free society.

Mr. President, the Independent Commission on International Development Issues concluded in its final report that where poverty reigns there can be no peace.

Because the Korean people underwent similar experiences, we feel compassion toward the poverty-stricken countries and have a deep understanding of the problems they are presently facing; poverty, hunger, underdevelopment, foreign debts.

Since the Republic of Korea made the transition from an underdeveloped to newly industrializing country within the span of one generation, we may have become a model for those developing countries, with a message that they, too, can succeed given time and national resolve.

Thirty years ago, my country was a poor agrarian society with a per capita GNP of under $100. Today, Korea has become a country with the 13th largest trade volume and 15th largest GNP in the world. Korea's rapid development is due largely to the advantages of free market economics and the openness of democratic societies.

The vast global market served as the seedbed of development for an industrious people and innovative businesses. The Korean people have continued their efforts for further progress. Many countries around the world as well as the United Nations itself rendered assistance in the process of Korea's development, and became our partners for common prosperity.

Today, the Republic of Korea lies at a midway stage between the advanced and the developing countries. As such, we hope to return the benefits we received from around the world by playing an active role in solving the global North-South problem. In addition to sharing our experience and know-how with the developing countries, we will seek to play the role of a bridge between the advanced and the developing world by promoting global exchanges and cooperation and by facilitating the flow of commodities, capital and information.

The advanced countries should actively extend assistance to the developing countries with a view to mitigating the latter's difficulties.

These measures by themselves cannot fundamentally solve the North-South problem, and so we encourage the advanced countries to move forward with the horizontal specialization of industries among nations by speeding up the process of readjusting their domestic industrial structures. In addition, they should refrain from monopolizing information and technology.

In order to assist the economic growth of the developing countries, global markets should be opened wider and the expansion of trade should be encouraged. Tendencies toward protectionism and mutually exclusive regional economic blocs should be discouraged.

The international community should adopt a more positive posture toward the solution of these critical problems within the framework of the United Nations system. In addition, we should jointly meet such new and serious global challenges as drug trafficking, terrorism, and environmental damage.

Mr. President, a new century is almost upon us. The 20th century has seen a great number of achievements, certainly much more than was achieved in previous millennia. At the same time, however, this century has also been a period of unspeakable trials and tribulations brought on by wars, confrontations, inequities, and irrationality.

With the 21st century near at hand, the human race is embarking on a new era of peace and reason. The irresistible waves of history today are those propelled by freedom, democracy, and respect for human dignity and individual values.

A new era is upon us in which mutual respect prevails among nations and where conflicts are resolved by peaceful means. Revolutionary advancements in science and technology, particularly in the fields of transportation, information and communication, have transformed the world into a global village in which mankind can pursue common prosperity as neighbors.

Ever since the beginning of history, the human race has aspired for a realization of a "peaceful community" on this turbulent planet. That aspiration is no longer a dream but a realistic goal that we can attain. As partners for peace and common prosperity, all the nations on earth should now open their societies and broaden the avenues of exchange and cooperation to build this peaceful community.

As the pivotal organization for world peace, I believe the United Nations is fully capable of fulfilling this historic task by faithfully carrying out the letter and spirit of the Charter.

As a full-fledged member of this world body, the Republic of Korea now proudly joins the world of nations in our common task of realizing the long-held dreams of all mankind.

We may ask for your help and understanding with our own problems, but we also care deeply for the welfare of other peoples.

We renew our commitment to the United Nations and will march forward hand in hand with all nations in the cause of this Organization.

Henceforth, the Republic of Korea will play a leading role in building a world that will be a blessing to our posterity—a world that will be freer, safer and happier; above all, a world of peace.

Thank you.•

PRIVATE PROPERTY RIGHTS ACT OF 1991

• Mr. JEFFORDS. Mr. President, I rise today to discuss the issue of private property rights. Recently, I supported Senator SYMMS' Private Property Rights Act of 1991. Private property rights is an important issue that we must address. I understand that this issue will be part of next week's EPA Cabinet bill debate. I would like to speak briefly on this subject.

I strongly believe that private property rights is an important part of the environmental debate. I also strongly believe we need to elevate EPA to Cabinet level. Why? Because I believe if we are to succeed in our efforts to protect the environment, we must have the support of individuals across the country and at the highest levels of government.

In this Congress, we will wrestle with two issues that directly relate to private property rights. The first is wetlands. The second is interstate transport of solid waste. I will address the second issue at a later date. I would, however, like to point out to my colleagues that interstate waste bans are an intrusion on private property rights. We should treat the private property rights of the wetland owner the same as those of the landfill owner.

As to wetlands, all across America, property owners are furious that they cannot use their land as they want. Environmental protection has reached the level of the individual and at least some of those individuals do not like it. I believe that this is the first of many such encounters to come. Each year, the magnitude of man's activities become larger in relation to the environment. Thus, now more than ever, each individual must do his or her part to protect the environment and to be a good steward of the resources they own. But, we should not expect or require the individual to do what we will not do collectively.

We have set up a system that rewards development. For example, we tax land at its highest and best use. Collectively, we have defined highest and best use to mean developed. What does this mean? It means collectively, we've said condos are more important than condors. Rambler houses are more desirable than rambling brooks and meadows. Given these collective statements of our valuers, why are we surprised when the wetland owner seeks to reach this goal? How can we tell the individual he cannot do what collectively we've said is good?

Obviously, something needs to change. Unlimited development is not good. Better stewardship is good. I believe, however, that we need to start with our Government, not with the individual. We must work collectively to change the system to reward conservation not exploitation. We can only do this by having an advocate for the environment at the highest levels of government. We need an environmental presence in the Cabinet. If we are ultimately to protect the environment, we must lead the way.

Right now across America, cities are competing for new industry. They are offering tax breaks to lure industry to new green field sites. New roads, new sewers, new plants built, and green space destroyed. Meanwhile, elsewhere in America, old factories lie dormant, and workers, and in infrastructure sit idle. We throw away the old, and build anew. That's wrong.

Right now in America, we're spending hundreds of millions of dollars on high-tech planes designed to reduce cities to rubble. Meanwhile, here in America, cities are being reduced to rubble from neglect and lack of money. That's wrong.

Right now in America, we have a property and estate tax system in this country which encourages development, not conservation. How can what we build be better than what was provided for us? We should reward Earth's preservation, not tax its conservation.

Given the priorities we're setting, it is no wonder that there is such concern over private property rights. I believe one of the main strengths of our Constitution is that it protects our citizens from a Government that expects more from them than it does from itself.

I believe that if we continue to focus environmental protection on the citizen without first fixing government, we are likely to lose the battle to protect our environment. Let me give a case in point. I represent a State of small communities. These towns are at the high cost end of the spectrum when it comes to environmental compliance. In some cases, EPA regulations cost well over $1,000 per household per year. Yes, I have a problem with that.

My constituents, for the most part, are not wealthy. Our laws in some cases have asked them to spend large sums of money to protect against the 1-in-a-million risk, when many cannot afford medical care. Many of my constituents fail the first test given to them by their physician: the billfold biopsy. We can't expect our citizens to spend money to protect against future illness when they cannot afford to be treated for what ails them today.

Before we ask the individual to make sacrifices for the good of all, we must make changes here. In the greatest country in the world, environmental protection should be affordable for everyone. I hope that by raising EPA to Cabinet level, we can begin to change the way government looks at the environment. When this happens, then we can begin to ask our citizens to follow the example we set. We should not trample on the rights of our citizens to achieve what we are not willing to do here.

Each agency must be more respectful of the individuals they serve. In this light, I would like to suggest to my colleague from Idaho that he consider some modifications to his forthcoming amendment. I agree with him that private property rights are important. I am concerned that some unnecessary delays to important regulations could occur, however. I believe a time limit on the review should be considered. We must use private property rights as a means to strengthen environmental protection, not as a means to delay environmental protection.

Second, I feel that in fact this amendment could be counterproductive. What I believe my colleague is trying to accomplish is to increase the awareness of the various agencies that their actions affect the lives and rights of millions of Americans. To accomplish this, the bureaucracies must internalize the values embodied in the Constitution. Executive Order 12630 may not accomplish this goal. Instead of debating the issue of protecting our citizens rights, we will end up debating the merits of Executive Order 12630. My colleagues may win the battle, but ultimately lose the war.

Instead, I propose that my colleague modify the language of his amendment as follows. No regulation promulgated after the date of enactment of this act by any agency shall become effective until the issuing agency has developed procedures to assess the potential for the taking of private property in the course of Federal regulatory activity, with the goal of minimizing such taking where possible. I suggest that such language would accomplish more and would be more likely to survive conference.

While such language changes may not gain the support of either all of the proponents or opponents of this issue, I believe most groups on either side, including the environmental organizations, would wholeheartedly support such changes. My colleague will have accomplished a great deal toward his goal of protecting the citizens of our country from an occasionally overreaching Government.•

TRIBUTE TO BOB STEELE

• Mr. LIEBERMAN. Mr. President, I rise today to honor one of Connecticut's leading citizens, and surely its most durable radio personality—Bob Steele—who for the past 55 years has broadcast on WTIC radio in Hartford.

Bob grew up in the wide-open spaces of Kansas City, MO, but he liked what he saw when he arrived in the winding Connecticut River valley and, to our good fortune, stayed. He started his illustrious career as a staff announcer, logging in at WTIC back on October 1, 1936.

In 1939, he introduced listeners to a unique and witty sports program called "Strictly Sports." Since then he has developed a legendary reputation as a sports prognosticator. Not because he was accurate in his predictions, but because he was not. He has a great knack for picking losers, except for himself who is a total winner.

Although he never really officially left the world of sports, fans of Bob Steele may recall his boxing career. Even though many members of Bob Steele's audience didn't attend those boxing matches, I know they have had ample opportunity to relive them, blow by blow, each time Bob resurrects them on the air.

In 1939, Bob became the announcer for the "G. Fox Morning Watch," which evolved into the "Bob Steele Show." Ever since, day in and day out, decade after decade, through times of war and peace, thousands of people have woken up to the voice of Bob Steele. All of us who consider ourselves his fans have come to rely on Bob to bring us up-to-the-minute news, sports, traffic, and weather—all laced with good humor, charm, and a comforting tone. The sound of Bob's voice echoing through the kitchen is as much a part of early morning in Connecticut as the newspaper on the doorstep, and coffee brewing on the stove.

Bob has had a wonderful opportunity to teach us all a little something about the world in which we live and the people around us, whether it is through his birthday greetings for our neighbors, or his "word for the day" feature.

Bob Steele has really been a part of our lives, of our families in Connecticut, helping us to greet each day with a chuckle that eases us through the morning. The day may be rainy, snowy, and cold, and the news may be of mayhem or war, but the voice of Bob Steele cut through that static, steady and clear, and got us ready to go out into the world.

And Bob's service to his listeners did not end with his signoff each day. He has always been a loyal supporter of the community, helping numerous charities and causes along the way. The list of those he has helped through his years of service is—quite literally—too long to mention.

Mr. President, next Monday, September 30, 1991, after 55 years of broadcasting, Bob Steele will sign off for the final time on WTIC radio. And, even though he will be missed, it is time that we, his listeners, let Bob enjoy life, and maybe even sleep a little later in the morning. As he bids us farewell, I wish him God's blessings, and thank him for enriching the lives of generations of families who have heard his voice on the air each morning. But, frankly, mornings in Connecticut will never be quite the same

Bob, the word for the day is "Thanks."•

ILLINOIS TEACHER OF THE YEAR: ARTHUR PEEKEL

• Mr. SIMON. Mr. President, I am pleased to congratulate Arthur Peekel of Palatine, IL, for being selected as Illinois Teacher of the Year. I admire his dedication to teaching and I commend him for earning this marvelous honor.

Arthur Peekel, a social studies teacher at Rolling Meadows High School, has won the admiration and confidence of teachers, parents, and students for making a difference in the lives of his students. He is known for having strong personal relationships with his students as both a teacher and a friend. His involvement in and support of extracurricular activities demonstrates that he is interested in developing the whole student. Over his career as an educator, he has spent many hours not only helping to develop students' minds but also their character.

Arthur Peekel has spent his career helping students to critically examine issues in the world and to take risks. He creates a classroom atmosphere that invites all students to participate actively rather than sit passively. He never forgets that there is much he can learn from his students, and he encourages them to share their ideas with him.

As Illinois Teacher of the Year, Arthur Peekel will spend a semester traveling through the State to speak to teacher workshops, education conferences and seminars, and community and civic groups. He will receive a lifetime tuition waiver to State universities and 1 year of paid leave to pursue graduate work, which will enable him to continue to meet his goal of lifelong learning. In addition, he will represent Illinois in the National Teacher of the Year Program sponsored by Encyclopedia Brittanica.

In these challenging times, we should all be grateful to Arthur Peekel and the example he sets. One of his favorite quotations is from Gertrude Stein, "It is better to ask questions than to give answers, even good answers." This philosophy guides not only teachers in the classroom but also inspires us to seek truth in our lives. We can all learn from his dedication and commitment to our children—the future of our Nation. We need more teachers like Arthur Peekel.•

(Earlier the following occurred and appears at this point by unanimous consent:)

ORDERS FOR MONDAY, SEPTEMBER 30, AND TUESDAY, OCTOBER 1, 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12:30 p.m. on Monday, September 30; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that there be a period for the transaction of morning business not to extend beyond 1 p.m., with Senators permitted to speak for up to 10 minutes each; that at 1 p.m. on Monday, the Senate proceed to the consideration of Calendar No. 121, S. 533, the EPA Cabinet-level bill, and that it be considered under the following agreement: That following opening statements, Senator GLENN be recognized to offer two amendments, the first a Glenn amendment with respect to the Bureau of Statistics and the second an amendment on behalf of Senator SYMMS with respect to the Government's taking of private property; that if a rollcall vote is requested on or in relation to either of these amendments, it be delayed to occur at 2:15 p.m. on Tuesday following the luncheon conferences, notwithstanding the provisions of rule XXII; that following both amendments either being agreed to or laid aside on Monday, Senator COATS then be recognized to offer an amendment with respect to interstate transfer of trash, on which there be no limitation on time of amendments thereto; that following the conclusion of Monday's session, the Senate stand in recess until 9:15 a.m. on Tuesday, October 1; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that there be a period for the transaction of morning business not to extend beyond 10 a.m., under the control of the majority leader, or his designee, with Senators permitted to speak therein; that following the disposition of the conference report on S. 1722, the unemployment benefits bill, on Tuesday morning, as under the previous agreement, the Senate proceed to vote on the motion to invoke cloture on the motion to proceed to the consideration of S. 5, the family medical leave bill; and that the Senate stand in recess on Tuesday from 12:30 p.m. until 2:15 p.m. for the two-party luncheon conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, let me then summarize briefly for Senators the schedule over the next 3 days. First with these agreements having been obtained, I can now announce that there will be no rollcall votes today or on Monday. There will be rollcall votes on Tuesday morning, as I will shortly describe.

On today, there will be debate completed on the unemployment insurance bill conference report. Upon the conclusion of that debate, that matter will then be laid aside until Tuesday morning at 10 a.m. At 10 a.m. on Tuesday, there will be 1 hour for debate on that confernce report and on a point of order made with respect to the conference report with a vote occurring on that point of order—it will actually be on the motion to waive the point of order—at 11 a.m. on Tuesday morning.

After conclusion of the debate today on the unemployment insurance bill, I will make a motion to proceed to the family leave bill. It is my understanding that there is opposition to that. I will then, by prior agreement, file a cloture motion on the motion to proceed to that bill. Upon filing the cloture motion, I will withdraw the motion to proceed and, by agreement, the vote on that cloture motion on the motion to proceed to the family leave bill will occur following the disposition of the conference report on the unemployment bill on Tuesday morning.

On Monday, the Senate will begin consideration of the EPA Cabinet-level bill, and following opening statements, two amendments will be offered: One by Senator GLENN on his behalf and one by Senator GLENN on behalf of Senator SYMMS. We expect both of those amendments to be accepted without a vote. In the event a vote does occur on either or both of those amendments, those votes will occur at 2:15 p.m. on Tuesday.

Following those amendments either being disposed of or set aside on Monday, Senator COATS will be recognized to offer his amendment. There is no agreement with respect to that amendment. We expect extended debate on that and that matter will be for the Senate's determination.

Mr. President, I believe that takes us through next Tuesday until early afternoon, and by that time, of course, we will be in a better position to assess where we go from there. But there will be no rollcall votes today or on Monday. There will be several rollcall votes on Tuesday, beginning at 11 a.m.

Mr. President, I would like to yield to the distinguished Republican leader, who has cooperated in the development of this agreement, and invite any comments he may have or, if I have misstated anything, to correct me.

Mr. DOLE. Mr. President, if the majority leader will yield, I think it accurately reflects the understanding we had. I think it does keep the Senate moving and at the same time accommodates some Senators who had other commitments on Monday and late this afternoon.

I thank the majority leader.

Mr. MITCHELL. Mr. President, I thank my colleague.

RECESS UNTIL MONDAY, SEPTEMBER 30, 1991, AT 12:30 P.M.

Mr. BUMPERS. Mr. President, if there be no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess, according to the previous order, until the hour of 12:30 p.m. Monday, September 30.

There being no objection, at 4:09 p.m., the Senate recessed until Monday, September 30, 1991, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate September 27, 1991:

FEDERAL RESERVE SYSTEM

SUSAN MEREDITH PHILLIPS, OF IOWA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF 14 YEARS FROM FEBRUARY 1, 1984, VICE MARTHA R. SEGER, RESIGNED.

DEPARTMENT OF JUSTICE

ERNEST WILSON WILLIAMS, OF TENNESSEE, TO BE U.S. ATTORNEY FOR THE MIDDLE DISTRICT OF TENNESSEE FOR THE TERM OF 4 YEARS VICE JOE B. BROWN, TERM EXPIRED.

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 1, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

ROBERT A. TAFT, OF CONNECTICUT

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 2, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF AGRICULTURE

SCOTT E. BLEGGI, OF VIRGINIA

DEPARTMENT OF COMMERCE

ROBERT J. BUCALO, OF PENNSYLVANIAEDGAR D.

FULTON, OF VIRGINIAJAMES L. JOY, OF FLORIDA

AGENCY FOR INTERNATIONAL DEVELOPMENT

HERMINIA B. PANGAN, OF VIRGINIA

U.S. INFORMATION AGENCY

CLAUDIA E. ANYASO, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 3, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA.

AG FOR INTERNATIONAL DEVELOPMENT

PAMELA MANDEL, OF CALIFORNIA
BRADLEY PAUL WALLACH, OF CALIFORNIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

CONSTANCE A. ANDERSON, OF VIRGINIA
CHARLES C. BARRY, OF CALIFORNIA
BRUCE BERTON, OF WASHINGTON
HOWARD H. BETTS, OF CALIFORNIA
MATTHEW J. BRYZA, OF ILLINOIS
FLETCHER MARTIN BURTON, OF TENNESSEE
WILLIAM EUGENE FITZGERALD, OF NEW YORK
LEO GALLAGHER, OF PENNSYLVANIA
CAROLYN M. GORMAN, OF NEW YORK
KATHERINE B. HADDA, OF NEW YORK
SCOTT R. HANCOCK, OF ARKANSAS
CINDERELLA B. HAZEL, OF NEW JERSEY
WILLIAM ALAN HEIDT, OF PENNSYLVANIA
GORDON K. HELLWIG, OF MISSOURI
LEO J. HESSION, JR., OF CALIFORNIA
ROBIN LYNN HILL, OF WASHINGTON
PETER S. HINZ, OF VIRGINIA
PAUL RUSSELL HUGHES, JR., OF VIRGINIA
THOMAS M. KING, OF NEW MEXICO
BENNETT LOWENTHAL, OF OHIO
SCOTT M. MCGEHEE, OF VIRGINIA
KENNETH H. MERTEN, OF OHIO
PETER FRANCIS MULREAN, OF NEW YORK
JUNE MARIE O'CONNELL, OF MARYLAND
MICHAEL E. O'MALLEY, OF PENNSYLVANIA
PETER ALAN PRAHAR, OF CALIFORNIA
THOMAS A. PRASTER, OF PENNSYLVANIA
CHRISTOPHER JAY RANDALL, OF INDIANA
THOMAS G. ROGAN, OF NEW HAMPSHIRE
PAUL E. ROHRLICH, OF NEW YORK
DANIEL F. ROMANO, OF WASHINGTON
KAREN H. SASAHARA, OF MASSACHUSETTS
RAPHAEL SEMMES, III, OF MARYLAND
CAROL D. SHUH, OF IOWA
WILLIAM H. SPENCER, IV, OF CALIFORNIA
KEVIN K. SULLIVAN, OF THE DISTRICT OF COLUMBIA
PETER JONATHAN SWAVELY, OF PENNSYLVANIA
JAMES CARY THOMPSON, SR., OF FLORIDA
HEATHER ANN TOWNSEND, OF MAINE
KATHLEEN LENORE WALZ, OF THE DISTRICT OF COLUMBIA
PAMELA QUANRUD WEBER, OF CONNECTICUT
JOHN H. WINART, OF CALIFORNIA
JOYCE SU WONG, OF CALIFORNIA
EUGENE STEWART YOUNG, OF THE DISTRICT OF COLUMBIA
STEVEN EDWARD ZATE, OF FLORIDA

U.S. INFORMATION AGENCY

NICOLE R. LORENZINI, OF ILLINOIS

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF STATE AND COMMERCE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

CHERYL OWENS AUSTIN, OF VIRGINIA
RICHARD K. BELL, OF KENTUCKY
SUZANNE S. BLACK, OF VIRGINIA
STEPHEN F. BLACKBURN, OF VIRGINIA
ANTOINETTE ROSE BOECKER, OF TEXAS
MATTHEW P. BRADY, OF VIRGINIA
STEVEN M. BRADY, OF VIRGINIA
MATTHEW J. BRAZIL, OF CALIFORNIA
DAVID ALBERT BROOKBANK, JR., OF WASHINGTON
ROBERT J. BRUTON, OF VIRGINIA
LYNN S. CHAMBERS, OF VIRGINIA
WILLIAM . CHRISTOPHER, OF CALIFORNIA
TORAH LYN COTTRILL, OF FLORIDA
ALEXIS C. DE ALVAREZ, OF TEXAS
ROBERT C. DEWITT, OF MARYLAND
PAMELA DUNHAM, OF OREGON
ROBERT FRANK ENSSLIN, III, OF FLORIDA
ALBERT R. FOURNIER, OF GEORGIA
PAUL F. FRITCH, JR., OF WYOMING
STEVEN GIEGERICH, OF NEW YORK
MAE BYRNE BIULIANO, OF VIRGINIA
THOMAS B. GORDON, OF VIRGINIA
JAIME A. GUTIERREZ, OF VIRGINIA
PETER G. HANCON, OF ILLINOIS
KIMBERLY M. HAROZ, OF NEW MEXICO
DAVID F. HARRISON, OF VIRGINIA
CAMILLE DIANE HILL, OF CALIFORNIA
RICHARD ALAN HINSON, OF FLORIDA
ANDREW P. HOGENBOOM, OF NEW YORK
SHERRI A. HOLLIDAY, OF KANSAS
DOUGLAS DAVID JONES, OF MARYLAND
RUSSELL W. JONES, JR., OF ILLINOIS
THOMAS F. KADY, OF VIRGINIA
ROBERT J. KEE, JR., OF VIRGINIA
THOMAS YANN LARNED, OF VIRGINIA
KEVIN P. MALLORY, OF NEVADA
TIMOTHY G. MCLAUGHLIN, OF VIRGINIA
MARCUS R. J. MICHELI, OF CONNECTICUT
MARK A. MILAT, OF VIRGINIA
ANDREW LEONARD MORRISON, OF ARKANSAS
JONATHAN EDWARD MUDGE, OF CALIFORNIA
TULINABO SALAMA MUSHINGI, OF VIRGINIA
MICHAEL J. MURPHY, OF VIRGINIA
STEPHEN PATRICK O'DOWD, OF VIRGINIA
KATHLEEN J. OLSON, OF MINNESOTA
MARK CHRISTOPHER PAREDES, OF UTAH
MARY RAMSEY PAVITT, OF VIRGINIA
JAMES M. PERIARD, OF VIRGINIA
THOMAS C. PIERCE, OF OREGON
JAMES R. POTRATZ, OF VIRGINIA
DEBBIE LYNN POTTER, OF WASHINGTON
RICHARD C. REED, OF CONNECTICUT
PHILIP F. REILLY, OF VIRGINIA
DAVID REIMER, OF VIRGINIA
MAURA L. ROLLS, OF WEST VIRGINIA
CHRISTOPHER ROWAN, OF TENNESSEE
ANN D. SAGRAVES, OF CONNECTICUT
ANTHONY RUDOLPH SIMON, OF VIRGINIA
WILLIAM STOCKTON, OF PENNSYLVANIA
THOMAS G. TAYLOR, OF VIRGINIA
KRIS B. TEUTSCH, OF VIRGINIA
ELLEN BARBARA THORBURN, OF MICHIGAN
CHRISTOPHER L. TURNER, OF VIRGINIA
HALE C. VANKOUGHNETT, OF THE DISTRICT OF COLUMBIA
PAUL VAN LOON, OF WYOMING
PATRICIA A. VEATCH, OF VIRGINIA
LEO FRANCIS VOYTKO, JR., OF VIRGINIA
WADE V. WALTERS, IV, OF VIRGINIA
ROBERT B. WALDROP, OF ILLINOS
ERIC M. WATKINS, OF VIRGINIA
WARREN CLIFTON WEBB, OF NORTH CAROLINA
AMY P. WESTLING, OF COLORADO
CRAIG MICHAEL WHITE, OF VIRGINIA
MARK A. WILKINS, OF VIRGINA
MICHAEL G. WILLIAMS, OF VIRGINIA
WILLIAM RANDALL WISELL, OF MARYLAND
ELIZABETH MOBERLY WOLFSON, OF TEXAS
ERIC A. ZOLLINGER, OF VIRGINIA

CONSULAR OFFICERS OF THE UNITED STATES OF AMERICA:

FAITH N. HUNT, OF CALIFORNIA

SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

GARY GALLAGHER, OF OKLAHOMA
ROGER W. WALLACE, OF TEXAS

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION WITHIN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE APRIL 7, 1991:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

LAURENCE E. POPE, II, OF MAINE

HOUSE OF REPRESENTATIVES—*Friday, September 27, 1991*

CONFERENCE REPORT ON H.R. 2508

Pursuant to the order of September 27, 1991, Mr. FASCELL submitted the following conference report and statement on the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that Act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that Act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-225)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that Act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that Act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Cooperation Act of 1991".

SEC. 2. ORGANIZATION OF ACT; TABLE OF CONTENTS.

(a) ORGANIZATION OF ACT.—This Act is organized into titles as follows:

Title I—Economic Assistance
Title II—Military Assistance and Sales and Related Programs
Title III—International Narcotics Control
Title IV—Special Authorities, Restrictions, Reporting Requirements, Administrative and General Provisions, Definitions, and Conforming Amendments and Repeals
Title V—Europe
Title VI—Middle East
Title VII—Latin America and the Caribbean
Title VIII—Enterprise for the Americas
Title IX—Asia and the Pacific
Title X—Africa
Title XI—Aid, Trade, and Competitiveness
Title XII—Peace Corps
Title XIII—International Development and Finance
Title XIV—Miscellaneous

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act; table of contents.
Sec. 3. Statement of United States foreign policy.

TITLE I—ECONOMIC ASSISTANCE

Sec. 101. General policies and objectives.
Sec. 102. Authorizations of appropriations for development assistance.
Sec. 103. Assistance for individuals with disabilities and for displaced children.
Sec. 104. Agriculture, rural development, and nutrition.
Sec. 105. Population planning.
Sec. 106. Health.
Sec. 107. Private sector, environment, energy, and other development assistance.
Sec. 108. Appropriate technology international.
Sec. 109. Private sector guarantee program.
Sec. 110. Cost sharing.
Sec. 111. Women in development.
Sec. 112. Environment and natural resources.
Sec. 113. Private voluntary organizations.
Sec. 114. Evaluation.
Sec. 115. American schools and hospitals abroad.
Sec. 116. Housing and other credit guarantee programs.
Sec. 117. Overseas Private Investment Corporation.
Sec. 118. Microenterprise development.
Sec. 119. Assistance for human rights and democratic initiatives.
Sec. 120. Voluntary contributions to international organizations and programs.
Sec. 121. Debt for development.
Sec. 122. International disaster assistance.
Sec. 123. Economic Support Fund.
Sec. 123. Authorizations of appropriations for economic support fund assistance.
Sec. 124. Purchase of United States goods and services.
Sec. 125. Trade and Development Agency.
Sec. 126. Authorizations of appropriations for operating expenses.
Sec. 127. Cooperation with nongovernmental sector.
Sec. 128. Policy and report on further management reform.

TITLE II—MILITARY ASSISTANCE AND SALES AND RELATED PROGRAMS

CHAPTER 1—MILITARY ASSISTANCE AND RELATED PROGRAMS

Sec. 201. Statement of policy and objectives.
Sec. 202. Foreign military financing assistance.
Sec. 203. Authorizations of appropriations for foreign military financing assistance.
Sec. 204. Conditions of eligibility.
Sec. 205. Defense drawdown special authorities.
Sec. 206. Improved accountability with respect to financed commercial arms sales.
Sec. 207. Stockpiles.
Sec. 208. Overseas management of assistance and sales programs.
Sec. 209. Excess defense articles.
Sec. 210. International military education and training.
Sec. 211. Peacekeeping operations.
Sec. 212. International terrorism.
Sec. 213. Responsibilities of the Secretary of Defense for end-use monitoring.
Sec. 214. Quarterly reports on procurement outside the United States.

CHAPTER 2—FOREIGN MILITARY SALES PROGRAM

Sec. 221. Arms transfer policy.
Sec. 222. Improved accounting for foreign military sales.
Sec. 223. Designation of major non-NATO allies.
Sec. 224. Certification thresholds.
Sec. 225. Standardizing congressional review procedures for arms transfers.
Sec. 226. Foreign availability.
Sec. 227. Economic impact on United States of arms sales.
Sec. 228. Coproduction agreements.
Sec. 229. Enforcement of arms export licensing requirements.
Sec. 230. Biennial review of the international traffic in arms regulations.
Sec. 231. Contract administrative service charges for NATO subsidiary bodies.
Sec. 232. Sales of depleted uranium shells.

CHAPTER 3—TECHNICAL AND CONFORMING AMENDMENTS; REPEAL OF OBSOLETE AND INCONSISTENT PROVISIONS

Sec. 241. Conforming amendments.
Sec. 242. Amendments to eliminate obsolete and inconsistent provisions.
Sec. 243. Technical corrections.

CHAPTER 4—TRANSFERS OF SPOILS OF WAR

Sec. 261. Short title.
Sec. 262. Transfers of spoils of war.
Sec. 263. Construction of provisions.
Sec. 264. Definitions.

CHAPTER 5—ARMS TRANSFERS RESTRAINT POLICY FOR THE MIDDLE EAST AND PERSIAN GULF REGION

Sec. 281. Findings.
Sec. 282. Multilateral arms transfer and control regime.
Sec. 283. Limitation on United States arms sales to the region.
Sec. 284. Reports to the Congress.
Sec. 285. Relevant congressional committees defined.

TITLE III—INTERNATIONAL NARCOTICS CONTROL

Sec. 301. Authorizations of appropriations.
Sec. 302. Amendments relating to certain authorities and requirements.
Sec. 303. Annual reporting and certification requirements.
Sec. 304. Technical and conforming provisions; repeal of obsolete provisions.
Sec. 305. Exemption of narcotics-related military assistance for fiscal years 1992 and 1993 from prohibition on assistance for law enforcement agencies.
Sec. 306. Waiver of restrictions for narcotics-related economic assistance.
Sec. 307. Export-Import Bank financing of antinarcotics-related sales of defense articles or services.

TITLE IV—SPECIAL AUTHORITIES, RESTRICTIONS, REPORTING REQUIREMENTS, ADMINISTRATIVE AND GENERAL PROVISIONS, DEFINITIONS, AND CONFORMING AMENDMENTS AND REPEALS

Chapter 1—Contingency and Other Special Authorities

Sec. 401. Presidential Contingency Fund.
Sec. 402. Democracy Contingency Fund.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Sec. 403. Unanticipated contingencies.
Sec. 404. Transfer authority.
Sec. 405. Special waiver authority.

Chapter 2—Restrictions on Assistance and Exemptions From Restrictions

Sec. 411. Restrictions on law enforcement assistance: applicability to non-funded assistance, consolidation of exceptions.
Sec. 412. Consolidation of certain restrictions.
Sec. 413. Exemptions from restrictions.

Chapter 3—Reports

Sec. 421. Human rights policy and reports.
Sec. 422. Congressional presentation documents for economic assistance.
Sec. 423. Notification of program changes.
Sec. 424. Annual allocation reports.

Chapter 4—Administrative and General Provisions

Sec. 431. Use of private enterprise.
Sec. 432. Procurement.
Sec. 433. Reimbursable programs.
Sec. 434. Special accounts for and use of host-country owned local currency.
Sec. 435. Authority for extended period of availability of appropriations.
Sec. 436. Termination expenses.
Sec. 437. Interest on local currency accruing to nongovernmental organizations.
Sec. 438. Exemptions from certain provisions restricting the availability of funds.
Sec. 439. Requirement of Senate confirmation for specific positions in the Agency for International Development.
Sec. 440. Personnel detailed to the Agency for International Development.
Sec. 441. Funds allocated to the Export-Import Bank and the Overseas Private Investment Corporation.
Sec. 442. Terms and conditions of assistance.
Sec. 443. Contracting with individuals.
Sec. 444. Facilities abroad.
Sec. 445. Coordination of United States policies and programs affecting development.
Sec. 446. Recognition of American generosity.
Sec. 447. Discrimination against United States personnel providing assistance.

Chapter 5—Definitions

Sec. 451. Definitions designating various assistance programs.
Sec. 452. Definition of appropriate congressional committees.
Sec. 453. Additional definitions.

Chapter 6—Conforming Amendments and Repeals

Sec. 461. Conforming amendments and repeal of obsolete provisions of the Foreign Assistance Act.
Sec. 462. Repeal of obsolete provisions of annual foreign assistance Acts.
Sec. 463. Some conforming amendments to other Acts.

TITLE V—EUROPE

Chapter 1—Support for East European Democracy Act

Sec. 501. Amendments to SEED Act of 1989.
Sec. 502. United States policy regarding Eastern Europe.
Sec. 503. East European countries eligible for SEED benefits.
Sec. 504. Structural adjustment.
Sec. 505. Private sector development.
Sec. 506. Trade and investment.
Sec. 507. Educational, cultural, and scientific activities.
Sec. 508. Other assistance programs.
Sec. 509. Additional SEED Program actions.
Sec. 510. Funding of SEED Program.
Sec. 511. Conforming amendments to list of SEED actions.
Sec. 512. Regional Environmental Center for Central and Eastern Europe.

Chapter 2—Other Provisions Relating to the Region

Sec. 521. Soviet-Eastern European Research and Training Program.
Sec. 522. Condemnation of anti-semitism and ethnic intolerance in Romania.
Sec. 523. Nagorno-Karabakh crisis.
Sec. 524. Andrei Sakharov educational exchange program.
Sec. 525. Crisis in Yugoslavia.
Sec. 526. Anglo-Irish International Fund.
Sec. 527. United States policy regarding the Eastern Mediterranean.
Sec. 528. Assistance for the Eastern Mediterranean.

TITLE VI—MIDDLE EAST

Sec. 601. Assistance for Israel.
Sec. 602. Assistance for Egypt.
Sec. 603. Promoting pluralism and democracy in the Middle East and North Africa.
Sec. 604. West Bank and Gaza program.
Sec. 605. Middle East cooperative scientific and technological projects.
Sec. 606. Cooperative development projects.
Sec. 607. Israeli-Palestinian people-to-people activities.
Sec. 608. Policy toward and assistance for Lebanon.
Sec. 609. Restrictions and reports with regard to Syria.
Sec. 610. Peace and stability in the Middle East.
Sec. 611. Cumulative impact on Israel of United States conventional arms transfers to the Middle East.
Sec. 612. Restrictions on negotiations with the Palestine Liberation Organization.
Sec. 613. PLO commitments compliance.
Sec. 614. United Nations General Assembly Resolution 3379.
Sec. 615. Democratic reform and human rights in Kuwait.
Sec. 616. Use of United States subcontractors in Kuwait.
Sec. 617. Iraqi war crimes and crimes against humanity.
Sec. 618. Report on transfers of spoils of war.
Sec. 619. 1981 Israeli preemptive strike against the Iraqi nuclear reactor at Osirak.

TITLE VII—LATIN AMERICA AND THE CARIBBEAN

Chapter 1—Central America and the Caribbean

SUBCHAPTER A—CENTRAL AMERICA

Sec. 701. Promoting Central American recovery and development.
Sec. 702. Assistance for Guatemala.
Sec. 703. Assistance for Nicaragua.
Sec. 704. Assistance for refugees and displaced persons.
Sec. 705. Assistance for democratic legislatures.
Sec. 706. Central American journalism program and the regional administration of justice program.
Sec. 707. Policy on military base rights in Panama.

SUBCHAPTER B—THE CARIBBEAN

Sec. 711. Caribbean regional development.
Sec. 712. Assistance for Haiti.
Sec. 713. Haitian sugar cane harvesters in the Dominican Republic.
Sec. 714. Assistance for Guyana.
Sec. 715. Democracy in Suriname.
Sec. 716. Human rights in Cuba.
Sec. 717. Prohibition on certain transactions between certain United States subsidiaries and Cuba.

SUBCHAPTER C—PROVISIONS RELATING TO BOTH CENTRAL AMERICA AND THE CARIBBEAN

Sec. 721. Military aircraft transfers.

CHAPTER 2—SOUTH AMERICA

SUBCHAPTER A—ANDEAN INITIATIVE

Sec. 731. Economic assistance and administration of justice programs for Andean countries.
Sec. 732. Military and law enforcement assistance for Andean countries.
Sec. 733. General provisions relating to assistance for Andean countries.
Sec. 734. Colombia's efforts to combat international narcotics trafficking.

SUBCHAPTER B—OTHER PROVISIONS RELATING TO SOUTH AMERICA

Sec. 741. Argentina and Brazil's common nuclear policy.
Sec. 742. Military assistance and sales for Chile.

CHAPTER 3—OTHER PROVISIONS PERTAINING TO THE REGION

Sec. 751. Inter-American Foundation.
Sec. 752. Support of international efforts against the spread of cholera.
Sec. 753. Strengthening civilian control over the military.
Sec. 754. Assistance for law enforcement.
Sec. 755. Indigenous peoples in Latin America and the Caribbean.
Sec. 756. Authority to forgive repayment of an Alliance for Progress loan.

TITLE VIII—ENTERPRISE FOR THE AMERICAS INITIATIVE

Sec. 801. Short title.

CHAPTER 1—FOREIGN ASSISTANCE ACT DEBT REDUCTION

Sec. 811. Purpose.
Sec. 812. Definitions.
Sec. 813. Eligibility for benefits under the facility.
Sec. 814. Reduction of certain debt.
Sec. 815. Repayment of principal.
Sec. 816. Interest on new obligations.
Sec. 817. Establishment of, deposits into, and disbursements from an Enterprise for the Americas Fund.
Sec. 818. Americas Framework Agreements.
Sec. 819. Enterprise for the Americas Board.

CHAPTER 2—EXPORT-IMPORT BANK DEBT REDUCTION

Sec. 821. Export-Import Bank debt reduction.

CHAPTER 3—PARTICIPATION OF THE INTER-AMERICAN DEVELOPMENT BANK

Sec. 831. Role of Inter-American Development Bank and other programs in fostering investment reform.
Sec. 832. Enterprise for the Americas Investment Fund.

CHAPTER 4—INTERNATIONAL UNIVERSITY FOR THE AMERICAS

Sec. 841. Purpose.
Sec. 842. Establishment.
Sec. 843. Faculty, students, and curriculum.
Sec. 844. Funding.

CHAPTER 5—REPORTS

Sec. 851. Annual reports to Congress.

TITLE IX—ASIA AND THE PACIFIC

CHAPTER 1—EAST ASIA AND THE PACIFIC

Sec. 901. Burma.
Sec. 902. Cambodia.
Sec. 903. Arms transfers by the People's Republic of China to certain countries.
Sec. 904. Prohibition on military assistance to Fiji.
Sec. 905. Support of humanitarian projects in Laos.
Sec. 906. Malaysia.
Sec. 907. Assistance for Mongolia.
Sec. 908. Multilateral Assistance Initiative for the Philippines

Sec. 909. South Pacific regional program.
Sec. 910. Policy toward the future of Taiwan.
Sec. 911. Admission of Asian countries into the OECD.

CHAPTER 2—SOUTH ASIA

Sec. 921. Assistance for Afghanistan.
Sec. 922. United States support for democracy and development in Bangladesh.
Sec. 923. Human rights in India.
Sec. 924. Nepal.
Sec. 925. Pakistan.
Sec. 926. Promotion of human rights in Sri Lanka.

CHAPTER 3—ECONOMIC COOPERATION PROJECTS IN CHINA AND TIBET

Sec. 941. Statement of principles.
Sec. 942. Registration requirement.
Sec. 943. Reporting requirement.
Sec. 944. Definitions.
Sec. 945. Enforcement of current law.

TITLE X—AFRICA

CHAPTER 1—DEVELOPMENT FUND FOR AFRICA

Sec. 1001. Development Fund for Africa.

CHAPTER 2—OTHER ASSISTANCE FOR AFRICA

Sec. 1021. African Development Foundation.
Sec. 1022. Support for the Southern Africa Development Coordination Conference.
Sec. 1023. Economic Support assistance for Sub-Saharan Africa.
Sec. 1024. Support for democratization in Sub-Saharan Africa.
Sec. 1025. African Center for Conflict Resolution.

CHAPTER 3—PROVISIONS RELATING TO SPECIFIC COUNTRIES

Sec. 1041. Limited assistance for Angola.
Sec. 1042. Burundi.
Sec. 1043. Kenya.
Sec. 1044. Liberia.
Sec. 1045. Malawi.
Sec. 1046. Mozambique.
Sec. 1047. South Africa.
Sec. 1048. Zaire.

CHAPTER 4—HORN OF AFRICA RECOVERY AND FOOD SECURITY

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SEC. 3. STATEMENT OF UNITED STATES FOREIGN POLICY.

The Congress finds that peace and prosperity depend on the United States providing leadership in a world community increasingly receptive to democracy, open and competitive markets, and cooperation against aggression. The United States has assisted other countries to strengthen the capacity to develop their economies and human resources, improve security, and build responsible democratic institutions. The Congress recognizes that for over 40 years the threat of international communism weighed heavily on the programs and priorities of United States economic and security assistance. The economic prosperity and security of the people of the United States and of the world are best maintained and enhanced in an international community that respects individual civil and political rights and economic freedoms, provides for fundamental human needs, uses wisely the world's limited resources in a sustainable manner, and works toward the achievement of eco-

nomic well-being for all people. Freedom can only be sustained by governments whose legitimacy rests firmly on the expressed consent of the governed; who are themselves agents and protectors of individual civil, political and economic rights; and who are committed to building the economic, political and social institutions which will improve the quality of the lives of all their people.

Fostering economic, military, and other forms of international cooperation is vital to United States foreign policy. Likewise, addressing the manifestations of pervasive poverty through development assistance is essential to establishing the political, economic, and social environment necessary for sustained economic growth. Assistance under this Act should serve the following five mutually reinforcing goals:

(1) Promoting and consolidating democratic values and institutions.

(2) Promoting United States national security interests and securing peace.

(3) Promoting economic growth through competitive markets with equitable distribution of benefits.

(4) Promoting human resource development and meeting urgent humanitarian needs.

(5) Promoting common approaches to transnational threats including environmental degradation, narcotics trafficking, and terrorism.

Assistance under this Act should be coordinated with the other relevant international activities of the United States Government so as to achieve these goals.

Because strong and effective multilateralism will improve the prospects for peace and prosperity regionally and globally, other countries able to contribute should be urged to join in undertaking to meet common goals and objectives.

TITLE I—ECONOMIC ASSISTANCE

SEC. 101. GENERAL POLICIES AND OBJECTIVES.

Sections 101 and 102 of the Foreign Assistance Act of 1961 are amended to read as follows:

"SEC. 101. POLICIES CONCERNING ECONOMIC ASSISTANCE.

"(a) REASONS FOR ECONOMIC ASSISTANCE.—The Congress finds and declares as follows:

"(1) Fundamental and pervasive economic, political, and technological changes have resulted in the growing interdependence of countries and have created an increasing awareness in the United States and around the world of the need for all countries to participate in efforts to promote broad based, sustainable development.

"(2) As a people endowed with a spirit of humanitarian generosity, United States citizens have long demonstrated a moral imperative to help those in need. Economic assistance authorized by this part reflects the traditional humanitarian ideals of the American people and a commitment—

"(A) to assist in the alleviation of hunger, poverty, disease, disability, and ignorance in developing countries, and

"(B) to help alleviate the suffering brought about by natural and manmade disasters.

"(3) The efforts of developing countries to build and maintain the social, political, and economic institutions necessary to achieve self-sustaining growth and to provide opportunities to improve the quality of life for their people depend primarily upon successfully marshalling their own economic and human resources. The Congress recognizes that the magnitude of these efforts exceeds the resources of developing countries and therefore accepts that there will be a long-term need for wealthy countries to contribute additional resources for development purposes. The United States should take the lead in concert with other nations to mobilize such resources from public and private sources.

"(b) NEED FOR COORDINATED APPLICATION OF RESOURCES.—The Congress recognizes that successful achievement of the four basic objectives set forth in section 102 depends on the coordinated application of resources. Accordingly, the President should—

"(1) develop and implement a coordinated international economic and development policy and program of action designed to make progress toward the achievement of those objectives, bringing to bear all relevant activities of the United States Government, including policies concerning international trade and debt, contributions to multilateral development banks, policies concerning international monetary issues, policies concerning the furnishing of foreign military financing assistance, and policies in such areas as agriculture, the environment, and health; and

"(2) work with other donor countries and institutions to coordinate international development programs and policies.

"SEC. 102. BASIC OBJECTIVES OF ECONOMIC ASSISTANCE PROGRAMS AND UNITED STATES DEVELOPMENT COOPERATION POLICY.

"(a) FOUR BASIC OBJECTIVES.—The primary purpose of United States economic assistance is the promotion of broad based, sustainable, participatory development, with particular focus on the poor. In pursuit of that purpose, development assistance, assistance from the Development Fund for Africa, and other economic assistance programs to the extent specified in this Act, and United States economic cooperation policy generally, shall have the following four basic objectives, which are interrelated and mutually reinforcing:

"(1) POVERTY ALLEVIATION.—Alleviation of the worst manifestations of poverty through the development of human resource capacity.

"(2) SUSTAINABLE ECONOMIC GROWTH.—Promotion of broad based economic growth.

"(3) SUSTAINABLE RESOURCE MANAGEMENT.—Promotion of improved environmental, natural resource, and agricultural management to enable developing countries to achieve environmentally and economically sustainable patterns of development.

"(4) DEMOCRACY.—Promotion of democracy, respect for human rights, and political, social, and economic pluralism.

"(b) POVERTY ALLEVIATION.—

"(1) RATIONALE.—It is in the interest of the United States to assist developing countries to achieve patterns of growth and development that will measurably and sustainably alleviate the worst manifestations of poverty and allow all people, especially those with low incomes, to lead economically and socially productive lives. Further, peace and stability in the world cannot be achieved without economic development that also alleviates the worst manifestations of poverty.

"(2) ELABORATION OF OBJECTIVE.—(A) Broad based economic growth is necessary for the alleviation of the worst manifestations of poverty. Conversely, neither growth nor the alleviation of poverty can be sustained unless all people, especially the poor, have the basic assets and capabilities that foster the opportunity for participation in the economic, social, and political life of the country.

"(B) To achieve the objective of alleviating the worst manifestations of poverty will entail, among other things—

"(i) the expansion of education to all segments of the society;

"(ii) improvement in coverage, quality, and sustainability of health services;

"(iii) the systematic expansion of voluntary family planning services;

"(iv) support for activities that enhance secure access of all to adequate food and nutrition derived from sustainable agricultural production, including the effectiveness and development contribution of food assistance made available under the Agricultural Trade Development and Assistance Act of 1954 and other food assistance programs; and

"(v) support for activities that enhance universal access to safe drinking water, basic sanitation, and basic shelter necessary for health.

"(c) SUSTAINABLE ECONOMIC GROWTH.—

"(1) RATIONALE.—Broad based, sustainable economic growth is in the interest of the United States because it permits countries to progress toward economic self-reliance, to improve the living standards of their citizens, and to increase opportunities for international trade and investment. Market-oriented economic growth establishes the basis for sustainable development and reinforces democratic ideals and practices. Successful long-term development cannot occur without broad based, sustainable economic growth that enables the poor to increase their incomes and access to productive resources and services so that they can satisfy their basic needs and lead lives of decency, dignity, and hope.

"(2) ELABORATION OF OBJECTIVE.—Implementation of the objective of promoting broad based economic growth should recognize that economic, social, political, and environmental conditions vary among countries. While taking account of such differences, the economic assistance programs carried out in furtherance of the four basic objectives set forth in this section shall emphasize the following principles:

"(A) Security of economic rights for all citizens without regard to sex, race, religion, language, or social status.

"(B) Economic policies based on free market principles that increase the opportunity for all, especially the poor, to participate in economic activity.

"(C) Economic reforms, such as deregulation, privatization, labor market reform, and reduction in barriers to the free flow of trade and investment, that benefit or are sensitive to and minimize adverse impact on the poor and on the environment.

"(D) Government policies protecting economic rights, fair and open markets, and the fulfillment of basic human needs.

"(E) Adherence by governments to international economic agreements, particularly those relating to free and fair trade practices and to respect for worker rights.

"(d) SUSTAINABLE RESOURCE MANAGEMENT.—

"(1) RATIONALE.—The economic and social well-being and the security of the United States and other countries are affected by how the world's environment and physical resource base are managed. Consumption patterns, systems of industrial and agricultural production, demographic trends, and the manner of use of natural resources all impact on the opportunities for long-term development and growth and survival for all countries. Both developed and developing countries share responsibility for the rational and sustainable management of natural resources.

"(2) ELABORATION OF OBJECTIVE.—Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Economic assistance programs authorized by this part should assist countries to adopt policies and programs that promote ecologically sound patterns of growth and that assure that the burdens of improved resource management do not fall disproportionately on the poor.

"(e) DEMOCRACY.—

"(1) RATIONALE.—Democratic development, political pluralism, and respect for internationally recognized human rights are intrinsically linked to economic and social progress. Democracy can only be sustained in a society in which the legitimacy of the government rests firmly on the expressed consent of the governed; the rights

of all citizens, including minorities, are respected and protected; and there is effective civilian control over the military and security forces. It is in the interest of the United States and in keeping with our democratic traditions to support democratic aspirations and values, foster the spread of democratic institutions, and encourage universal respect for civil and political liberties.

"(2) ELABORATION OF OBJECTIVE.—Furtherance of the basic objective of democracy requires that the United States promote—

"(A) the ability of all citizens of a country to organize and associate freely and independently of the government;

"(B) the ability of all citizens to choose freely their government, to hold that government accountable, and to participate in political life;

"(C) increased respect for internationally recognized human rights and the rule of law;

"(D) respect for the diversity among the citizens of a country;

"(E) acceptance of and respect for civilian authority by all elements of society; and

"(F) processes of accountability and transparency to eliminate corruption and abuses of power.

"(f) CROSS-CUTTING ELEMENTS.—The following key elements are applicable to the design and implementation of economic assistance programs to promote the four basic objectives set forth in subsection (a):

"(1) PARTICIPATION AND CONSULTATION.—Development is a process of change that requires the best possible information and judgment about the needs, capabilities, and aspirations of those most affected, either as participants in the delivery of assistance or as beneficiaries of assistance. For development to be broad based and sustainable, it is imperative to consult with, and fully engage in the policy and program planning process, governmental and nongovernmental organizations representative of and knowledgeable about local people and their interests. It is critical to involve beneficiaries in the assessment of the social, economic, and environmental impact of development projects and programs. Use of local nongovernmental organizations is an effective means to accomplish this objective.

"(2) WOMEN IN DEVELOPMENT.—The expansion of women's economic opportunities is essential to alleviate poverty and to bring about effective broad based, sustainable development. Women must be an integral part of all aspects of any development program. The active involvement of women in economic, political, and social activities is necessary to promote democracy and to assure sustainable development. Women must participate in development as agents of change, not merely as recipients and beneficiaries of change. Women should, therefore, be integrally involved in policies, programs, and projects undertaken to achieve the objectives set forth in subsection (a).

"(3) NONGOVERNMENTAL COOPERATION IN DEVELOPMENT.—(A) Nongovernmental organizations (including private voluntary organizations, cooperatives, and credit unions) provide important mechanisms to increase the participation of rural and urban poor people in broad based sustainable development efforts and in the building of more pluralistic and open societies. The contributions of United States and indigenous nongovernmental organizations that represent and involve indigenous groups and communities should be fully utilized in meeting the four basic objectives set forth in subsection (a).

"(B) Cooperatives, credit unions, and other United States and indigenous nongovernmental organizations provide an opportunity for people to participate directly in democratic decision-making for their economic and social benefit through ownership and control of business enterprises and through the mobilization of local capital and savings. Such organizations should be fully utilized in fostering free market principles and the adoption of self-help approaches to development.

"(C) In implementing the policies expressed in this paragraph, specific mechanisms shall be developed for regular consultation with nongovernmental organizations in the formulation of development strategies for countries and sectors.

"(D) Nongovernmental organizations participating in the furnishing of assistance under this part should have a grassroots base and receive a significant portion of their financial support from other than government sources.

"(4) APPROPRIATE TECHNOLOGY.—The United States can make a significant contribution to development through the application of its vast array of technology. The President should ensure that such technology is appropriate for the level of development and factors of production prevalent in a particular country. In promoting such appropriate technology, the President should focus particularly on the capabilities of the private sector.

"(5) COLLABORATION.—The capabilities of many developing countries have evolved sufficiently that their institutions can collaborate on an equal basis with institutions in developed countries. At the same time, transnational threats that endanger political, economic, social, and environmental well-being require collaborative efforts among developed and developing countries. United States economic assistance should increasingly be focused on efforts to strengthen institutions in developing countries so that they may become partners in international efforts to address transnational threats. United States collaborative programs should include association with institutions in advanced developing countries.

"(6) UTILIZATION OF UNITED STATES INSTITUTIONAL CAPABILITIES.—Programs and projects undertaken to achieve the basic objectives set forth in subsection (a) should recognize and take advantage of United States capabilities in science and technology and in access to education and training in United States colleges, universities, and technical training facilities. Long-term collaboration between public and private institutions of science, technology, and education in the United States and developing countries should be promoted and encouraged, with emphasis on increasing professional capabilities in developing countries for the provision of technical assistance in activities supported by the United States.

"(7) HUMAN RIGHTS.—United States economic assistance programs and policies, while encompassing due respect for differences in cultural values and national histories, should reflect the United States commitment, in keeping with its constitutional heritage and traditions and in accordance with its international obligations as set forth in the Charter of the United Nations, to promote and encourage increased respect for human rights and fundamental freedoms (as set forth in the Universal Declaration of Human Rights) throughout the world without regard to sex, race, language, religion, or social status.

"(g) EFFECTIVE USES OF ASSISTANCE.—

"(1) BENEFICIARY COUNTRIES.—Assistance furnished under this part should be concentrated in countries that will make the most effective use of that assistance in promoting the four basic objectives set forth in subsection (a).

"(2) ASSISTANCE WITHIN COUNTRIES.—Activities should be undertaken in regions of recipient countries that offer potential for successful development and should not be undertaken if the relevant sector or national economic policies of the country are clearly unfavorable to the sustainability or broadest possible impact of the assisted program or project.

"(3) TYPES OF ACTIVITIES.—Assistance should focus on those types of activities that the United States can provide most effectively.".

SEC. 102. AUTHORIZATIONS OF APPROPRIATIONS FOR DEVELOPMENT ASSISTANCE.

(a) AMOUNTS AUTHORIZED.—Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by inserting after section 102 the following:

"SEC. 102A. AUTHORIZATIONS OF APPROPRIATIONS FOR DEVELOPMENT ASSISTANCE.

"(a) SUSTAINABLE ECONOMIC BASE.—

"(1) AMOUNTS AUTHORIZED.—To carry out section 103 (relating to agriculture, rural development and nutrition) and section 106 (relating to private sector, environment, energy, and other development assistance), there are authorized to be appropriated to the President $614,000,000 for each of fiscal years 1992 and 1993.

"(2) TARGET FOR AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION.—The administrator of the agency primarily responsible for administering this part (hereafter in this section referred to as the 'Administrator') should target at least $465,000,000 of the funds made available each fiscal year pursuant to paragraph (1) for use in carrying out section 103.

"(b) SUSTAINABLE HUMAN RESOURCES DEVELOPMENT.—

"(1) POPULATION PLANNING.—To carry out section 104(b) (relating to population planning), there are authorized to be appropriated $300,000,000 for each of fiscal years 1992 and 1993.

"(2) OTHER HUMAN RESOURCES DEVELOPMENT PROGRAMS.—To carry out section 104(c) (relating to health) and section 105 (relating to education and human resources development) including the assistance authorized by section 102B, there are authorized to be appropriated $466,000,000 for each of fiscal years 1992 and 1993.

"(3) CHILD SURVIVAL ACTIVITIES.—The Administrator should target at least $140,000,000 of the funds made available each fiscal year pursuant to paragraph (2) for use in carrying out section 104(c)(2).

"(4) AIDS.—The Administrator should target at least $65,000,000 of the funds made available each fiscal year pursuant to paragraph (2) for use in carrying out section 104(c)(4).

"(c) ADDITIONALITY OF FUNDS.—Amounts authorized to be appropriated by subsections (a)(1), (b)(1), and (b)(2) are in addition to any amounts otherwise authorized to be made available for the purposes specified in those subsections.".

(b) CONFORMING AMENDMENTS.—Chapter 1 of part I of that Act is amended—

(1) in section 103(a)—

(A) by striking out "(a)(1)" and inserting in lieu thereof "(a) AUTHORITY TO PROVIDE ASSISTANCE.—";

(B) by repealing paragraphs (2) and (3); and

(C) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively;

(2) by repealing section 103(g);

(3) in section 104(c)(2), by striking out "(2)(A)" and inserting in lieu thereof "(2) CHILD SURVIVAL ACTIVITIES.—" and by striking subparagraphs (B) and (C); and

(4) in section 104, by repealing subsection (g); and

(5) in section 105(a), by repealing the last sentence.

SEC. 103. ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES AND FOR DISPLACED CHILDREN.

Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by inserting after section 102A, as added by the preceding section of this Act, the following:

"SEC. 102B. ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES AND FOR DISPLACED CHILDREN.

"Funds authorized to be appropriated for any fiscal year by section 102A(b)(2) for human resources development under sections 104(c) and 105 may be used for—

"(1) assistance to meet the needs of individuals with disabilities, including technical and other assistance for scientific and technical exchange with governmental and private entities in foreign countries that provide rehabilitation-related assistance; and

"(2) assistance to meet the needs of displaced children who have been abandoned or orphaned as a result of poverty or manmade or natural disasters.".

SEC. 104. AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION.

Section 103(b)(1) of the Foreign Assistance Act of 1961 is amended by striking out "and" following the last semicolon and by inserting before the period "; and strengthening and expanding marine fisheries and aquaculture programs".

SEC. 105. POPULATION PLANNING.

Section 104(b) of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(1) General Authority.—" before the first sentence; and

(2) by adding at the end the following:

"(2) Referral.—In order to reduce reliance on abortion in developing countries, funds allocated under this part for voluntary family planning projects shall be available only for projects which offer, either directly or through referral to or information about access to, a broad range of family planning methods and services. In using such funds to award grants for natural family planning, no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the first sentence of this paragraph.

"(3) Limitation on Diversion of Population Funds to Other Purposes.—In implementing requirements or authorities to provide assistance from funds appropriated to carry out this chapter or this part, the amount available to carry out this subsection pursuant to section 102A(b)(1) shall not be reduced by a greater proportion than—

"(A) the amount made available pursuant to section 102A(a)(1) is reduced, or

"(B) the amount made available pursuant to section 102A(b)(2) is reduced.

"(4) United Nations Population Fund.—(A) Up to $20,000,000 of the funds authorized to be appropriated each fiscal year to carry out this subsection shall be made available only for the United Nations Population Fund only for the provision of contraceptive commodities and related logistics, notwithstanding any other provision of law or policy.

"(B) Amounts made available under this subsection for the United Nations Population Fund shall be maintained in a separate account, administered jointly by the Fund and the Permanent Representative of the United States to the United Nations General Assembly. The Fund shall be required to not commingle those funds with any other funds.

"(C) Amounts made available under this subsection for the United Nations Population Fund shall only be disbursed to Fund projects subject to the approval of the Permanent Representative of the United States to the United Nations General Assembly.

"(D) Amounts made available for the United Nations Population Fund under this subsection shall not be made available for programs in the People's Republic of China.

"(E) The prohibitions contained in subsection (f) of this section (relating to prohibitions on funding for abortion as method of family planning, coercive abortion, and involuntary sterilization) apply to the funds made available pursuant to subparagraph (A). None of the funds made available to carry out this subsection may be obligated or expended pursuant to subparagraph (A) if the President certifies that the use of those funds by the United Nations Population Fund would violate any of those prohibitions.

"(F) Any agreement entered into by the United States and the United Nations Population Fund to obligate funds pursuant to subparagraph (A) shall expressly state that the full amount granted by such agreement will be refunded to the United States if, during its five-year program which commenced in 1990, the United Nations Population Fund provides more than $57,000,000 for family planning programs in the People's Republic of China.

"(5) Eligibility.—In determining eligibility for assistance under this subsection, the President shall not subject nongovernmental and multilateral organizations to requirements more restrictive than requirements applicable to foreign governments for such assistance.".

SEC. 106. HEALTH.

Section 104(c) of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"(4) AIDS.—In carrying out this section and in order to address the international health threat posed by the Acquired Immune Deficiency Syndrome, the President is authorized to furnish assistance for assistance to prevent and control this disease, with special emphasis on community-based education programs focused on changing attitudes and behavior. In carrying out this paragraph, the agency primarily responsible for administering this part shall seek to ensure adequate coordination with other Federal agencies, international organizations, and private and voluntary organizations. Assistance activities pursuant to this paragraph should include support for appropriate activities which are carried out by international organizations and by private and voluntary organizations.".

SEC. 107. PRIVATE SECTOR, ENVIRONMENT, ENERGY, AND OTHER DEVELOPMENT ASSISTANCE.

Section 106 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 106. PRIVATE SECTOR, ENVIRONMENT, ENERGY, AND OTHER DEVELOPMENT ASSISTANCE.

"(a) General Authority.—The President is authorized to furnish assistance for developing countries in accordance with this section.

"(b) Private Sector.—Assistance may be provided under this section to support the establishment of viable, competitive markets and the expansion of private enterprise, including cooperatives, in developing countries. Such assistance may include support for a country's efforts to reform policies, procedures, regulations, and laws affecting the role of the private sector in the economy, and for projects, particularly intermediary activity, to stimulate the growth of the indigenous private sector and development in both rural and urban areas.

"(c) Private and Voluntary Organizations and Cooperatives.—Private and voluntary organizations and cooperatives bring unique skills to bear on the development process. By virtue of their links with private institutions in developing countries, such organizations and cooperatives often serve effectively to engage rural and urban poor in their country's development. In order to foster the activities of private and voluntary organizations and cooperatives (as well as regional and international development organizations), assistance may be provided under this section for programs of technical cooperation and development in conjunction with those organizations.

"(d) Sustainable Development and Environment and Conservation Activities.—Assistance may be provided under this section in order to help developing countries support sustainable development and for environment and conservation activities, including activities that address global warming, tropical deforestation, and biological diversity.

"(e) Energy.—In order to help developing countries alleviate their energy problems, including the improvement of their ability to use indigenous energy resources to produce the energy needed by their economies, assistance may be provided under this section to enable such countries to prepare and undertake sustainable energy strategies based on 'least-cost' integrated resource plans, to improve the efficiency of energy use and supply, and to develop energy generation capabilities reliant upon resources that are secure over the long-term and available in sufficient quantity to maintain stable pricing.

"(f) Special Development Problems and Research Needs.—Assistance may also be provided under this section to address special development problems and research needs. Such assistance may include—

"(1) programs of research into, and evaluation of, the process of economic development in developing countries and areas, the factors affecting the relative success and costs of development activities, and the means, techniques, and such other aspects of development assistance in order to render such assistance of increasing value and benefit;

"(2) programs of reconstruction following natural or manmade disasters and programs of disaster preparedness, prevention, and mitigation, including the prediction of, and contingency planning for, natural disasters abroad;

"(3) programs of urban development; and

"(4) other programs designed to help solve special development problems, including efforts to make possible proper utilization of infrastructure and related projects funded with earlier United States assistance.".

SEC. 108. APPROPRIATE TECHNOLOGY INTERNATIONAL.

Section 107 of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"(c) Eligibility of Appropriate Technology International as a PVO.—Appropriate Technology International qualifies along with any cooperative development organization for development assistance funds made available for United States private voluntary organizations.

"(d) Additional Funding.—Of the funds made available for economic support assistance for fiscal year 1992, $2,000,000 should be provided to Appropriate Technology International to enable it to emphasize large-scale replication of successful projects and partnerships with major development and financial institutions.".

SEC. 109. PRIVATE SECTOR GUARANTEE PROGRAM.

Section 108 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 108. PRIVATE SECTOR GUARANTEE PROGRAM.

"(a) Findings and Policy.—The Congress finds and declares that—

"(1) the development of private enterprise, including cooperatives, is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system;

"(2) it is, therefore, in the best interests of the United States to assist the development of the private sector in developing countries and to engage the United States private sector in that process; and

"(3) the support of private enterprise is best served by programs providing credit, training, and technical assistance in coordination with policy reform efforts.

"(b) ACTIVITIES THAT MAY BE SUPPORTED.—Assistance under this section may be provided in developing countries only to support financially viable private sector activities that are consistent with the four basic objectives set forth in section 102 and that meet one or both of the following criteria:

"(1) SMALL BUSINESS AND CAPITAL MARKETS.—The activity addresses capital and credit market imperfections and assists financial institutions in meeting the financial needs of the private sector. Such activity shall be primarily directed toward making available to small business enterprises and cooperatives necessary credit, training, and support services that are not otherwise available to them.

"(2) UNITED STATES BUSINESS.—The activity engages the United States private sector in projects to meet the needs of developing countries.

"(c) AUTHORITY.—

"(1) AUTHORITY.—To carry out the policy set forth in subsection (a) and the activities authorized in subsection (b), the President is authorized to issue guarantees assuring against losses incurred in connection with loans for activities that meet the requirements of subsection (b).

"(2) FULL FAITH AND CREDIT.—All guarantees issued under this section shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(3) TERMS AND CONDITIONS.—Unless the President determines otherwise, the following shall apply:

"(A) The aggregate amount of all guarantees that are provided under this section for a project may not exceed 50 percent of the total cost of the project, or $6,000,000, whichever amount is less.

"(B) The term of any such guarantee may not exceed 10 years.

"(C) As a condition to receiving a guarantee or guarantees for loans to small business enterprises and cooperatives authorized under subsection (b)(1)—

"(i) the lender shall agree to reduce its collateral requirements for loans so guaranteed, to the maximum extent possible;

"(ii) loans so guaranteed shall be to new borrowers or, if to an existing customer of the lender, shall be additional credit and may not be solely a renewal or extension of an existing loan;

"(iii) the maximum amount of any such guaranteed loan may not exceed $325,000 for a recipient that is a sole proprietor, or, if the recipient is an enterprise other than a sole proprietor, $325,000 for each coowner, shareholder, partner, cooperative member, or other owner of the enterprise; and

"(iv) the agency primarily responsible for administering this part shall work with participating lenders to develop training and technical assistance programs in cash flow analysis and lending to encourage such lenders to reduce, to the maximum extent practicable, their collateral requirements for loans guaranteed under this subparagraph.

The limitation set forth in clause (iii) shall apply for at least 85 percent of all individual beneficiaries of loans guaranteed under this section.

"(D) The President shall maintain an information system that contains operating financial data relating to loans guaranteed under this section (and any subloans made from such loans), and the projects for which the loans were made, that describes all beneficiaries of each such project, and that tracks the developmental impact of each such project, including the effect on employment, the gender of the loan recipients, and loan collateral practices. In addition, the President shall provide to the Congress, by January 31 of each year (beginning in 1993), a report that describes in detail each project for which loans guaranteed under this section are made, and includes the information referred to in the preceding sentence with respect to such project.

"(E) Not more than 20 percent of the total amount of funds loaned and contingent liabilities incurred under this section may support projects in any one country.

"(F) In determining whether an enterprise is a small business enterprise, the President shall take into account the relevant definition used by the host country government, the International Bank for Reconstruction and Development, and other international organizations.

"(4) ENFORCEABILITY.—Any guarantee issued under this section shall be conclusive evidence that such guarantee has been properly obtained, and that the underlying obligation as contracted qualifies for such guarantee. Except for fraud and material misrepresentation for which the parties seeking payment under such guarantee are responsible, such guarantee shall be presumed to be valid, legal, and enforceable.

"(5) DENOMINATION OF LIABILITY.—The losses guaranteed under this subsection may be in dollars or other currencies. In the case of losses guaranteed in currencies other than dollars, the guarantees issued shall be subject to an overall payment limitation expressed in dollars.

"(6) DISCHARGE OF LIABILITIES.—Any payments made to discharge liabilities under guarantees issued under this section shall be paid—

"(A) first, out of fees as provided in paragraph (8); and

"(B) then, out of funds made available pursuant to subsection (d).

"(7) PILOT PROGRAM FOR LIMITED DIRECT LOANS.—On a limited basis, the President is authorized to make direct loans, and charge interest therefor, to support activities authorized in subsection (b), under the following conditions:

"(A) The amount of any individual direct loan for a project may not exceed 50 percent of the total cost of the project or $3,000,000, whichever amount is less.

"(B) The aggregate amount of all such direct loans issued in any fiscal year may not exceed $10,000,000.

"(C) The term of any such loan shall not exceed 10 years.

"(D) Notification and opportunity for consultation shall be provided, at least 30 days in advance of the obligation of any funds for such direct loans in any fiscal year, to the appropriate congressional committees. Any such committee may waive such notification and opportunity for consultation with respect to that committee.

"(8) FEES.—

"(A) IN GENERAL.—A fee shall be charged for each guarantee and loan issued under this section in an amount to be determined by the President.

"(B) FINANCING ACCOUNT.—All fees collected under this paragraph in connection with direct loans obligated and guarantee commitments made after September 30, 1991, together with earnings on those fees collected with respect to such guarantees and income on claims receivable with respect to such guarantees, shall be deposited in financing accounts established under section 505 of the Federal Credit Reform Act of 1990.

"(C) USE OF FEES.—Amounts collected in the financing accounts established under subparagraph (B) shall be used to offset the cost of guarantees and loans issued under this section.

"(d) APPROPRIATIONS REQUIREMENT.—Direct loan obligations may be entered into under this section, and guarantee commitments may be issued under this section, only to the extent that the budget authority for the resulting additional cost (within the meaning of the Federal Credit Reform Act of 1990) has been provided in advance in appropriations Acts.

"(e) PROGRAM CEILING.—The level of activity under this section may not exceed—

"(1) $10,000,000 in loans in each of the fiscal years 1992 and 1993; and

"(2) $57,000,000 in contingent liability for guarantees in fiscal year 1992 and $75,000,000 in contingent liability for guarantees in fiscal year 1993.

"(f) AUTHORIZATIONS OF APPROPRIATIONS FOR ADMINISTRATIVE EXPENSES.—There are authorized to be appropriated to the President for each of fiscal years 1992 and 1993, $1,500,000 for administrative expenses to carry out this section.

"(g) GUARANTEES AND LOANS UNDER FORMER AUTHORITY.—Guarantees committed or outstanding under this section on or before September 30, 1991, loans obligated under this section on or before such date, the fees collected in connection with such guarantees and loans, and income on claims receivable with respect to such guarantees, shall continue to be subject to provisions of this Act originally applicable to those guarantees and the Federal Credit Reform Act of 1990.".

SEC. 110. COST SHARING.

Section 110 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 110. COST SHARING.

"To ensure local commitment to, and the sustainability of development activities assisted under this chapter and chapter 10, the beneficiary country should bear an appropriate share of the costs of the entire program or project with respect to which the assistance is to be furnished. A country may bear such costs on an 'in kind' basis.".

SEC. 111. WOMEN IN DEVELOPMENT.

(a) STEPS TO ENSURE WOMEN'S PARTICIPATION IN DEVELOPMENT.—Section 113 of the Foreign Assistance Act of 1961 is amended by striking out the section designation and section heading and subsection (a) and inserting in lieu thereof the following:

"SEC. 113. WOMEN IN DEVELOPMENT.

"(a) PARTICIPATION OF WOMEN.—In recognition of the essentiality that women's participation is to the success and sustainability of development projects and achievement of the objectives of this chapter, the administrator of the agency primarily responsible for administering this part shall seek to ensure that—

"(1) activities carried out under this chapter incorporate, wherever feasible, the active participation of local women and local women's organizations (including their involvement in the planning, design, implementation, and evaluation of such activities);

"(2) sex-disaggregated data is—

"(A) included in country development strategy statements for major sectors in which assistance is to be provided; and

"(B) included in project papers and program assistance approval documents;

"(3) programs, projects, and activities, where appropriate, are designed so that the percentage of women who benefit from such assistance exceeds the approximate traditional level of participation of women in the sector for which assistance is being provided;

"(4) country development strategy statements identify, for each major assistance sector—

"(A) the obstacles to increasing the level of participation of women beyond the traditional level of participation;

"(B) the steps being taken to remove or overcome such obstacles;

"(C) to the extent that steps are not being taken to remove or overcome such obstacles, why such steps are not being taken; and

"(D) the extent to which women are being integrated into the development process generally; and

"(5) project and program assistance evaluations include an assessment of the extent to which women are participating in such activity and, where appropriate, the impact of such activity on enhancing the self-reliance of women and improving their incomes.".

(b) MATCHING FUNDS FOR AID MISSIONS.—Section 113(b)(1) of that Act is amended by adding at the end the following: "Up to $6,000,000 of the funds used each fiscal year pursuant to this subsection shall be made available as matching funds to support those activities of the missions of the agency primarily responsible for administering this part that demonstrate potential for integrating women into the programs of those missions.".

(c) REPORTS.—Section 113(c) of that Act is amended to read as follows:

"(c) Not later than March 1, 1993, and every second year thereafter, the administrator of the agency primarily responsible for administering this part shall report to the Congress on—

"(1) the specific steps taken as of the time of the report in implementing each paragraph of subsection (a);

"(2) the additional steps to be taken to implement each such paragraph; and

"(3) the use of funds pursuant to subsection (b).".

SEC. 112. ENVIRONMENT AND NATURAL RESOURCES.

Section 117 of the Foreign Assistance Act of 1961 (relating to the environment and natural resources), as so redesignated by the Special Foreign Assistance Act of 1986, is amended in subsection (c)(1)—

(1) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(2) by inserting before those subparagraphs the following new subparagraph (A):

"(A) to prepare and take fully into account an initial environmental examination of every program or project to determine whether it significantly affects the environment;".

SEC. 113. PRIVATE VOLUNTARY ORGANIZATIONS.

(a) FUNDING TARGETS.—Section 123(f) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "of the fiscal years 1986 through 1989" and inserting in lieu thereof "fiscal year";

(2) by striking out "thirteen and one-half" and inserting in lieu thereof "eighteen";

(3) by striking out "121, and 491" and inserting in lieu thereof "491, and 496"; and

(4) by striking out "sixteen" and inserting in lieu thereof "twenty-five".

(b) DEVELOPMENT EDUCATION PROGRAMS.—

(1) POLICY.—Section 123 of that Act is amended by adding at the end the following:

"(i) DEVELOPMENT EDUCATION PROGRAMS.—The administrator of the agency primarily responsible for administering this part is authorized to support fully and encourage development education programs. Private and voluntary organizations and cooperatives can play an important and catalytic role in development education to inform, motivate, and involve United States citizens in programs about developing countries or in the development process. Such programs—

"(1) increase the understanding of Americans about the importance of the developing world;

"(2) transfer factual information on global, social, economic, and political structures and problems; and

"(3) foster understanding of development as a process that involves all nations.".

(2) CONFORMING AMENDMENT.—Section 316 of the International Security and Development Cooperation Act of 1980 is repealed.

SEC. 114. EVALUATION.

Section 125 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 125. EVALUATION AND ACCOUNTABILITY.

"(a) NEED FOR EVALUATION.—In order to manage effectively and responsibly the resources with which it is provided, the agency primarily responsible for administering this part must have a capacity to evaluate objectively the extent of its progress in achieving development results and to derive lessons from its development experience.

"(b) ACTIONS TO BE TAKEN.—In furtherance of subsection (a), the Administrator shall establish a program performance evaluation capacity with the following functions:

"(1) To develop a program performance information system to afford agency managers a means for monitoring achievement of impact and interim performance of the agency's major programs.

"(2) To prepare and disseminate objective and periodic reports on the agency's progress in meeting stated development objectives for major assistance categories and recipient countries, regions, sectors, and policies.

"(3) To strengthen, through training and other means, the use of evaluation as a management tool, by both the agency and its counterparts in countries receiving assistance, in the planning, designing, and implementation of foreign assistance projects and programs.

"(4) To coordinate with the Inspector General of the agency so as to ensure appropriate complementarity of efforts, recognizing that—

"(A) it is the responsibility of the agency to direct a program of independent evaluation of its programs and policies, and the operational and management systems that affect the development impact of those programs and policies; and

"(B) it is the responsibility of the Inspector General to conduct regular and comprehensive assessments and audit of financial management and administrative systems, including the adequacy of the systems for monitoring and evaluating agency projects and programs.

"(c) ROLE OF EVALUATION.—In recognition of the importance of evaluation in determining, among other things, the extent to which programs are promoting the basic objectives set forth in section 102, the Administrator shall take such steps as the Administrator deems appropriate to ensure that the agency primarily responsible for administering this part is—

"(1) planning, implementing, and disseminating programmatic evaluations of the economic assistance programs under this part that are administered by the agency;

"(2) designing and managing technical assistance and support programs to enhance the integrity and quality of all project and program evaluation work done by such agency;

"(3) maintaining and making accessible the agency's data base on project and program experience, including both the historical record and measures of impact and performance;

"(4) coordinating information exchange on evaluation priorities, findings, and methods with other donor countries and organizations; and

"(5) ensuring the quality, objectivity, and independence of the evaluation by such measures as external review of findings, use of outside governmental and nongovernmental expertise, and other measures to protect against potential conflict of interest.

"(d) ACCOUNTABILITY.—The President shall prepare an annual report, which shall be submitted to the Congress as a separate part of the annual congressional presentation documents required by section 634. This report shall include the following:

"(1) An assessment of progress toward the achievement of the four basic objectives set forth in section 102, based on the findings of evaluation studies conducted by the agency primarily responsible for administering this part and on such other empirical analyses as may be appropriate.

"(2) An analysis, on a country-by-country basis (with each country receiving economic assistance under this part being included at least once every 5 years), of the impact on economic development in each country during the preceding 3 to 5 fiscal years of United States economic assistance programs, with a discussion of the United States interests that were served by the assistance. For each such country, the analysis shall—

"(A) to the extent possible, be done on a sector-by-sector basis and identify trends within each sector;

"(B) identify economic policy reforms conducive to sustainable economic growth (in particular, reforms along market economic principles) that were promoted by the assistance;

"(C) describe, in quantified terms to the extent practicable, the specific objectives the United States sought to achieve in providing economic assistance and specify the extent to which those objectives were not achieved;

"(D) describe the amount and nature of economic assistance provided by other major donors during the preceding 3 to 5 fiscal years, set forth by the development sector to the extent possible;

"(E) discuss the commitment of the host government to addressing the country's needs in each development sector, including, to the extent possible, a description of the resources devoted by that government to each development sector during the preceding 3 to 5 fiscal years; and

"(F) describe the progress being made by such country in adopting economic policies that foster and enhance the freedom and opportunity of individuals to participate in and promote economic growth in that country, as described in section 102(c) as a basic objective of economic assistance.

The analyses pursuant to paragraph (2)(F) shall include the development of a series of factors that provide a common standard by which such progress can be evaluated and compared between countries and within countries over time.".

SEC. 115. AMERICAN SCHOOLS AND HOSPITALS ABROAD.

Section 214(c)(1) of the Foreign Assistance Act of 1961 is amended by striking out all that follows "President" and inserting in lieu thereof "$35,000,000 for each of fiscal years 1992 and 1993.".

SEC. 116. HOUSING AND OTHER CREDIT GUARANTEE PROGRAMS.

(a) AUTHORITY FOR HOUSING GUARANTEE PROGRAM.—

(1) AUTHORIZATION.—Section 222(a) of the Foreign Assistance Act of 1961 is amended—

(A) by striking out "$2,558,000,000" and inserting in lieu thereof "$3,400,000,000"; and

(B) by striking out "1992" and inserting in lieu thereof "1993".

(2) ACTIVITIES FOR WHICH GUARANTEES ISSUED.—Section 222(b) of such Act is amended—

(A) in the matter preceding paragraph (1) by striking out "shall emphasize" and inserting in lieu thereof "shall be directed to the shelter and urban services needs of the poor, including—";

(B) in paragraph (4) by striking out "and" after the semicolon;

(C) in paragraph (5) by striking out "the shelter occupied by poor." and inserting in lieu thereof "urban services; and"; and

(D) by adding at the end the following:

"(6) other urban services of particular importance to the needs of the poor.".

(3) REPEAL OF CERTAIN PROVISIONS.—Section 222 of that Act is amended by repealing subsections (c) and (k).

(b) Repeal of Obsolete Program.—Section 222A of that Act is repealed.

(c) General Provisions.—Section 223 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 223. GENERAL PROVISIONS.

"(a) Fees.—A fee shall be charged for each guarantee issued under section 222 in an amount to be determined by the President. All fees collected in connection with guarantee commitments made under section 222 after September 30, 1991, shall be available to offset the cost of guarantee obligations under this section.

"(b) Interest Rate on Guaranteed Investments.—In the case of any loan investment guaranteed under section 222, the President shall prescribe the maximum rate of interest allowable to the eligible investor. The maximum allowable rate of interest under this subsection shall be prescribed by the President as of the date the project covered by the investment is officially authorized and, prior to the execution of the contract, the President may amend such rate at his discretion, consistent with the provisions of this subsection.

"(c) Limitation on Guarantees for Each Country.—The face value of guarantees issued under section 222 in any fiscal year with respect to any country may not exceed $50,000,000.

"(d) Ceiling on Average Face Value.—The average face value of guarantees issued under section 222 in any fiscal year may not exceed $25,000,000.

"(e) Maintenance of Program Level.—The principal amount of guarantees issued under section 222 for each fiscal year shall be comparable to the total principal amount of such guarantees issued for fiscal year 1984, subject to dollar limitations on the issuance of guarantees under this section which are contained in section 222(a) and subject to subsection (f).

"(f) Appropriations Act Required.—New credit authority provided for in section 222 may be exercised only to such extent or in such amount as is provided in advance in an appropriation Act.

"(g) Certain Losses Not Covered by Guarantees.—No payment may be made under any guarantee issued under section 222 (or under the former guarantee authority of section 222A or predecessor guarantee authorities) for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(h) Financing Account.—All fees collected under this section in connection with guarantee commitments made after September 30, 1991, together with earnings on those fees and income on claims receivable with respect to such commitments, shall be deposited in a financing account established under section 505 of the Federal Credit Reform Act of 1990. Amounts collected in the financing account may be used for the purposes specified in the last sentence of subsection (a).

"(i) Discharge of Liabilities.—Any payments made to discharge liabilities under guarantees issued under section 222 shall be paid—

"(1) first, out of fees referred to in subsection (a); and

"(2) then, out of funds made available pursuant to subsection (k).

"(j) Full Faith and Credit.—All guarantees issued under section 222 (or under the former guarantee authority of section 222A or under predecessor guarantee authorities) shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(k) Authorization of Appropriations.—

"(1) For guarantee obligations.—There are authorized to be appropriated to the President not more than $15,900,000 for fiscal year 1992 and not more than $10,000,000 for fiscal year 1993 to pay the cost of guarantee obligations under section 222 with a face value of $125,000,000 for each such fiscal year.

"(2) For administrative expenses.—There are authorized to be appropriated to the President not more than $8,500,000 for each of the fiscal years 1992 and 1993 for administrative expenses necessary to carry out section 222.

"(l) Guarantees Under Former Authority.—Guarantees committed or outstanding under section 222 on or before September 30, 1991, or under the guarantee authority formerly contained in section 222A, the fees collected in connection with such guarantees, and income on claims receivable with respect to such guarantees, shall continue to be subject to provisions of this Act originally applicable to those guarantees and the Federal Credit Reform Act of 1990.

"(m) Israel Programs.—The authority of section 222 may be exercised to issue guarantees in connection with loans made for the purpose of providing housing and infrastructure in Israel for Soviet refugees, except that such guarantees shall not be subject to the second sentence of section 222(a) (relating to total principal amount of guarantees), or to subsection (c) or (d) of this section, and subsection (k) shall not apply with respect to guarantees issued under this subsection.".

SEC. 117. OVERSEAS PRIVATE INVESTMENT CORPORATION.

Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) Section 234(c) is amended by striking the third paragraph.

(2) Section 234(d) is amended by striking "except that—" and all that follows through the end of paragraph (2) and inserting the following: ", except that the Corporation shall not finance any survey to ascertain the existence, location, extent, or quality of oil or gas resources.".

(3) Section 234(g) is amended—

(A) by striking paragraph (2) and redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively; and

(B) in paragraph (4), as so redesignated, by striking "$10,000,000 from its income and revenues" and inserting the following: "$35,000,000 (less amounts transferred to the fund before the date of the enactment of the International Cooperation Act of 1991) from its noncredit account revolving fund. The Corporation shall transfer to the fund in each fiscal year all amounts received by the Corporation during the preceding fiscal year as income on securities acquired under this subsection, and from the proceeds on the disposition of such securities. Purchases of, investments in, and other acquisitions of equity from the fund are authorized for any fiscal year only to the extent or in such amounts as are provided in advance in appropriations Acts.".

(4) Section 235(a) is amended—

(A) in paragraph (2) by striking "$1,500,000,000" and inserting "$2,500,000,000";

(B) by striking paragraphs (3), (4), and (5) and inserting the following:

"(3) Notwithstanding section 504(b) of the Federal Credit Reform Act of 1990 but subject to spending authority provided in advance in appropriations Acts, the Corporation is authorized to transfer up to $1,500,000 from its noncredit account revolving fund to pay for the estimated subsidy cost of a program level for the loan guarantee program under section 234(b) of $375,000,000 for fiscal year 1992. Such funds are authorized to remain available in fiscal year 1993."; and

(C) by redesignating paragraph (6) as paragraph (4).

(5) Section 235(b) is amended to read as follows:

"(b) Direct Loan Program.—Notwithstanding section 504(b) of the Federal Credit Reform Act of 1990 but subject to spending authority provided in advance in appropriations Acts, the Corporation is authorized to transfer up to $4,800,000 from its noncredit account revolving fund to pay for the estimated subsidy cost of a program level for its direct loan program under section 234(c) of $50,000,000 for fiscal year 1992. Such amounts are authorized to remain available for fiscal year 1993.".

(6) Section 235(c) is amended to read as follows:

"(c) Insurance Reserve.—

"(1) Maintenance and purposes.—The Corporation shall maintain an insurance reserve. Such reserve shall be available for the discharge of liabilities, as provided in subsection (d), until such time as all such liabilities have been discharged or have expired or until such reserve has been expended in accordance with the provisions of this section.

"(2) Funding.—The insurance reserve shall consist of—

"(A) any funds in the insurance reserve of the Corporation on the date of the enactment of the International Cooperation Act of 1991,

"(B) amounts transferred to the reserve pursuant to this title, and

"(C) such sums as are appropriated pursuant to subsection (f) for such purposes.".

(7) Section 235(d) is amended by striking the second sentence and inserting the following: "Any payments made to discharge liabilities under guarantees issued under section 234(b), or under similar predecessor guaranty authority, shall be paid in accordance with the Federal Credit Reform Act of 1990.".

(8) Section 235(f) is amended in the first sentence—

(A) by striking "and guaranty fund" and inserting "reserve"; and

(B) by striking ", reinsurance, or guaranties" and inserting "or reinsurance".

(9) Section 235 is amended by adding at the end the following:

"(g) Administrative Expenses.—Subject to spending authority provided in advance in appropriations Acts, the Corporation is authorized to transfer up to $12,000,000 from its noncredit account revolving fund for the administrative costs of its direct loan and loan guarantee programs for fiscal year 1992. Such funds are authorized to remain available in fiscal year 1993.".

(10) Section 236 is amended—

(A) by striking "whatever source derived" and inserting "its noncredit activities";

(B) by redesignating subsections (a), (b), and (c) as paragraphs (1), (2), and (3), respectively;

(C) in paragraph (2), as so redesignated, by striking "or guaranty reserves, the Direct Investment Fund established pursuant to section 235," and inserting "reserve"; and

(D) in paragraph (3), as so redesignated, by striking "subsections (a) and (b) thereof" and inserting "paragraphs (1) and (2)".

(11) Section 237(d) is amended to read as follows:

"(d) Fees.—

"(1) In general.—Fees may be charged for providing insurance, reinsurance, guarantees, financing, and other services under this title in amounts to be determined by the Corporation.

"(2) Credit transaction costs.—Project-specific transaction costs incurred by the Corporation relating to loan obligations or loan guarantee commitments covered by the provisions of the Federal Credit Reform Act of 1990, including the costs of project-related travel and expenses for legal representation provided by persons outside the Corporation and other similar expenses

which are charged to the borrower, shall be paid out of the appropriate financing account established under section 505(b) of such Act.

"(3) NONCREDIT TRANSACTION COSTS.—Fees paid for the project-specific transaction costs and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 (other than those covered in paragraph (2)), including financing, insurance, reinsurance, missions, seminars, conferences, and other preinvestment services, shall be available for obligation for the purposes for which they were collected, notwithstanding any other provision of law.".

(12) Section 238 is amended—

(A) in subsection (c) by striking "and" at the end;

(B) by redesignating subsection (d) as subsection (f); and

(C) by inserting after subsection (c) the following:

"(d) the term 'noncredit account revolving fund' means the account in which funds under section 236 and all funds from noncredit activities are held;

"(e) the term 'noncredit activities' means all activities of the Corporation other than its loan guarantee program under section 234(b) and its direct loan program under section 234(c); and".

(13) By inserting after section 240A the following new section:

"SEC. 240B. PROHIBITION ON NONCOMPETITIVE AWARDING OF INSURANCE CONTRACTS ON OPIC SUPPORTED EXPORTS.

"(a) REQUIREMENT FOR CERTIFICATION.—

"(1) IN GENERAL.—Except as provided in paragraph (3), the investor on whose behalf insurance, reinsurance, guaranties, or other financing is provided under this title with respect to a project shall be required to certify to the Corporation that any contract for the export of goods as part of that project will include a clause requiring that United States insurance companies have a fair and open competitive opportunity to provide insurance against risk of loss of such export.

"(2) WHEN CERTIFICATION MUST BE MADE.—The investor shall be required, in every practicable case, to so certify before the insurance, reinsurance, guarantee, or other financing is provided. In any case in which such a certification is not made in advance, the investor shall include in the certification the reasons for the failure to make a certification in advance.

"(3) EXCEPTION.—Paragraph (1) does not apply with respect to an investor who does not, because of the nature of the investment, have a controlling interest in fact in the project in question.

"(b) REPORTS BY THE UNITED STATES TRADE REPRESENTATIVE.—The United States Trade Representative shall review the actions of the Corporation under subsection (a) and, after consultation with representatives of United States insurance companies, shall report to the Congress in the report required by section 181(b) of the Trade Act of 1974 with respect to such actions.

"(c) DEFINITIONS.—For purposes of this section—

"(1) the term 'United States insurance company' includes—

"(A) an individual, partnership, corporation, holding company, or other legal entity which is authorized, or in the case of a holding company, subsidiaries of which are authorized, by a State to engage in the business of issuing insurance contracts or reinsuring the risk underwritten by insurance companies; and

"(B) foreign operations, branches, agencies, subsidiaries, affiliates, or joint ventures of any entity described in subparagraph (A); and

"(2) United States insurance companies shall be considered to have had a 'fair and open competitive opportunity to provide insurance' if they—

"(A) have received notice of the opportunity to provide insurance; and

"(B) have been evaluated on a nondiscriminatory basis.".

SEC. 118. MICROENTERPRISE DEVELOPMENT.

Chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by adding after title V the following:

"TITLE VI—MICROENTERPRISE DEVELOPMENT

"SEC. 251. MICROENTERPRISE DEVELOPMENT.

"(a) PURPOSES.—The purposes of this section are—

"(1) to provide for the continuation and expansion of the commitment of the agency primarily responsible for administering this part (hereinafter in this section referred to as the 'Agency') to microenterprise development;

"(2) to increase the amount of assistance going to credit activities designed to reach the poorest sector in developing countries; and

"(3) to increase the percentage of such credit that goes to women beneficiaries.

"(b) GENERAL AUTHORITY.—The President, acting through the administrator of the Agency (hereinafter in this section referred to as the 'Administrator'), is authorized to provide assistance for programs of credit and other assistance for microenterprises in developing countries. In addition to providing financial resources for direct credit activities of indigenous financial intermediaries, assistance under this section may include assistance for institutional development of such intermediaries (including assistance to enable private and voluntary organizations to develop the capability to serve as financial intermediaries), technical assistance, training, and policy reform. Microenterprise credit and related activities assisted under this section shall be carried out primarily through those indigenous financial intermediaries and private voluntary organizations that are oriented toward working directly with the poor and women.

"(c) ELIGIBILITY CRITERIA FOR FINANCIAL INTERMEDIARIES.—The mission of the Agency that is responsible for a country receiving assistance under this section shall establish criteria for determining the financial intermediaries that will receive assistance under this section, taking into account the following:

"(1) The extent to which the recipients of credit from the intermediary lack collateral.

"(2) The extent to which the recipients of credit from the intermediary do not have access to the local formal financial sector.

"(3) The extent to which the recipients of credit from the intermediary have relatively limited amounts of fixed assets.

"(4) The extent to which the recipients of credit from the intermediary are among the poorest people in the country.

"(5) The extent to which interest rates charged by the intermediary on loans reflect the real cost of lending.

"(6) The extent to which the intermediary reaches women as recipients of credit.

"(7) The extent to which the intermediary is oriented toward working directly with the poor and women.

"(d) LOWER TIER FOR POVERTY LENDING ACTIVITIES.—A significant portion of the amount made available each fiscal year to carry out this section shall be used to support direct credit assistance by, and the institutional development of, those financial intermediaries with a primary emphasis on assisting those people living in absolute poverty, especially women.

"(e) FOCUS ON WOMEN.—The Office of Small and Microenterprise Development in the Agency shall include in its annual action plans a strategy for increasing the access of women in developing countries to credit and other microenterprise development activities, with the goal of increasing to at least 50 percent the percentage of microenterprise credit that goes to women beneficiaries. This strategy shall be developed in consultation with the Agency's Women in Development Office.

"(f) FUNDINGS SOURCES.—Funds to carry out this section shall be derived from the following sources:

"(1) Funds available for development assistance.

"(2) Funds available for assistance from the Development Fund for Africa.

"(3) Funds available for economic support assistance.

"(4) Local currency proceeds resulting from the provision of development assistance, assistance from the Development Fund for Africa, or economic support assistance.

"(5) Local currency proceeds available for use under section 306(a) of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990).

"(6) Local currency proceeds resulting from assistance provided under the Agricultural Trade Development and Assistance Act of 1954 as in effect immediately before the effective date of the amendment made by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990.

"(7) Local currency generated under subsection (g).

"(g) AUTHORITY TO GENERATE LOCAL CURRENCIES.—In order to generate local currencies for use in providing assistance under this section, the President is authorized to use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa to provide assistance to the governments of developing countries on a loan basis repayable in local currencies, at a rate of exchange to be negotiated by the President and the foreign government. Such loans shall have a rate of interest and a repayment period determined by the President.

"(h) NONAPPLICABILITY OF CERTAIN LAWS.—Local currencies used under subsection (f)(7) shall not be subject to the requirements of section 1306 of title 31, United States Code, or other laws governing the use of foreign currencies owned by, owed to, or accruing to the United States.

"(i) FUNDING FOR FISCAL YEARS 1992 AND 1993.—

"(1) IN GENERAL.—The Administrator should use at least $85,000,000 for each of fiscal years 1992 and 1993 for microenterprise assistance pursuant to this section.

"(2) ASSISTANCE FOR THE POOREST SECTORS.—

"(A) FUNDING LEVEL.—Of the amounts used pursuant to paragraph (1), at least $20,000,000 for fiscal year 1992 and at least $30,000,000 for fiscal year 1993 should be used to support loans having a purchasing power equal to or less than $300 (in United States dollars).

"(B) INSTITUTIONAL DEVELOPMENT.—In addition to amounts made available for direct credit activities involving loans described in subparagraph (A), amounts used for institutional development of a financial intermediary described in subsection (d) shall be considered to support such loans for purposes of that subparagraph to the same extent as the aggregate amount loaned by such institution represents loans described in that subparagraph.

"(3) USE OF LOCAL CURRENCIES.—In carrying out this subsection, local currencies described in subsection (f) may be used in lieu of an equivalent amount of dollars.

"(j) MONITORING.—The Administrator shall develop a monitoring system to track the performance of the microenterprise development ac-

tivities of the Agency, including their effectiveness in reaching the poor and women. In developing this system, the Administrator shall consult with the appropriate congressional committees and with appropriate private and voluntary organizations.

"(k) REPORTS TO CONGRESS.—The Administrator shall report to the Congress annually on the microenterprise development activities of the Agency, including the agency's strategy for complying with subsections (i)(1) and (2).".

SEC. 119. ASSISTANCE FOR HUMAN RIGHTS AND DEMOCRATIC INITIATIVES.

(a) AUTHORIZATION OF ASSISTANCE.—Title IX of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended to read as follows:

"TITLE IX—HUMAN RIGHTS AND DEMOCRACY

"SEC. 281. ASSISTANCE FOR HUMAN RIGHTS AND DEMOCRATIC INITIATIVES.

"(a) AUTHORIZATION AND GENERAL PURPOSES OF ASSISTANCE.—The President may use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa to furnish assistance to support the programs and activities described in subsection (b) in order to—

"(1) promote increased adherence to internationally recognized human rights, as set forth in the Universal Declaration of Human Rights; and

"(2) improve the performance of institutions of democracy.

"(b) PROGRAMS AND ACTIVITIES THAT MAY BE SUPPORTED.—Funds made available under this section shall be available to support only the following:

"(1) Programs and activities to enhance the independence and effectiveness of institutions of democratic governance, including support for administrative, judicial, electoral, and legislative processes.

"(2) Programs and activities—

"(A) to encourage the growth of independent associations by strengthening professional, civic, trade union, business, community, and other organizations that contribute to the promotion of democracy, and

"(B) to enhance the organizational and leadership skills of the members of such organizations in order to increase effective citizen participation in democratic processes.

"(3) Programs and activities to increase awareness of internationally recognized human rights (including by increasing the availability of information concerning the status of respect for internationally recognized human rights) and improve the effective exercise of those rights.

"(4) Programs and activities—

"(A) to support victims of abuses of internationally recognized human rights, including (i) the direct provision of legal services, and (ii) the provision of rehabilitation services for victims of torture; and

"(B) to support organizations and institutions seeking to bring to justice those responsible for perpetrating such abuses.

"(5) Programs and activities to support a free and independent media.

"(6) Programs and activities to strengthen respect for the rule of law, including by—

"(A) providing specialized professional training, scholarships, and exchanges for continuing legal education;

"(B) promoting the role of the bar in judicial selection, enforcement of ethical standards, and legal reform;

"(C) increasing the availability of legal materials and publications; and

"(D) supporting the revision and modernization of legal codes and procedures.

"(c) ELIGIBLE RECIPIENTS OF ASSISTANCE.—Assistance under this section may be furnished to countries and organizations, both public and nongovernmental, including local, national, regional, and international organizations. A substantial portion of the funds made available each fiscal year to carry out this section shall be used for assistance provided to nongovernmental organizations.

"(d) PROHIBITION RELATING TO ELECTIONS.—Assistance under this section may not be used to influence the outcome of any election in any country.

"(e) NOTIFICATION TO CONGRESS.—At least 15 days before obligating funds under this section, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(f) LIMITATION ON USE OF FUNDS FOR AFRICA.—Funds made available for assistance under the Development Fund for Africa may be used to carry out this section only with respect to countries in sub-Saharan Africa.".

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a detailed report describing the programs and activities designed to promote democracy in foreign countries that are funded by the Department of State, the Agency for International Development, or the United States Information Agency, including funding for programs and activities of the National Endowment for Democracy. Such report shall include the budget allocations for democracy programs for fiscal year 1992 and any specific recommendations of the President for ways to improve coordination and delineate responsibilities among the various agencies.

SEC. 120. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—Section 302(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a) AUTHORIZATIONS OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to funds otherwise available for such purposes, the following amounts for the following purposes:

"(1) For the United Nations Development Program, $125,000,000 for each of fiscal years 1992 and 1993.

"(2) For the United Nations Children's Fund, $85,000,000 for each of fiscal years 1992 and 1993.

"(3) For the United Nations Environment Program, $19,000,000 for each of fiscal years 1992 and 1993.

"(4) For the Organization of American States, $11,500,000 for each of fiscal years 1992 and 1993, of which $600,000 for fiscal year 1993 should be used for an additional contribution for the purpose of establishing an electronic network for the exchange of information on science and technology among professors, researchers, and scientists at universities in the countries that are members of the Organization of American States.

"(5) For the Special Program for Africa of the International Fund for Agricultural Development, $5,000,000 for each of fiscal years 1992 and 1993.

"(6) For the United Nations Development Fund for Women, $1,000,000 for each of fiscal years 1992 and 1993.

"(7) For the Intergovernmental Oceanographic Commission, $1,000,000 for each of fiscal years 1992 and 1993.

"(8) For the United Nations University Endowment Fund, $1,000,000 without fiscal year limitation.

"(9) For grants to international organizations, and to programs administered by such organizations, other than the organizations or programs referred to in the preceding paragraphs of this subsection, $62,910,000 for each of fiscal years 1992 and 1993.".

(b) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT.—Section 301 of that Act is amended by inserting after subsection (a) the following:

"(b) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT.—The President may continue United States participation in and may make contributions to the International Fund for Agricultural Development.".

(c) AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS.—Section 301(e) of that Act is amended to read as follows:

"(e) AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS.—

"(1) UNITED NATIONS ORGANIZATIONS.—In the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President should (acting through the United States representatives to such organizations), propose and actively seek the establishment by the governing authorities of such organizations of external, professionally qualified groups of appropriate size for the purpose of providing an independent and continuous program of selective examinations, review, evaluation, and audits of the programs and activities of such organizations.

"(2) MULTILATERAL DEVELOPMENT BANKS.—

"(A) IN GENERAL.—In the case of each of the organizations specified in subparagraph (B), the President should, acting through the United States representative to such organization, propose and actively seek the establishment by the governing authorities of that organization of professionally qualified groups of appropriate size for the purpose of providing an independent and continuous program of selective examination, review, evaluation, and audits of the programs and activities of that organization.

"(B) MDBS SUBJECT TO SUBPARAGRAPH (A).—The organizations to which subparagraph (A) applies are the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, the Asian Development Fund, the Asian Development Bank, and the European Bank for Reconstruction and Developemnt.".

(d) REPORTS ON VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS BY ALL UNITED STATES GOVERNMENT AGENCIES.—Section 306(b) of that Act is amended—

(1) in paragraph (1), by striking out the first three sentences and inserting in lieu thereof the following: "Not later than January 31 each year, the President shall submit a report to the Congress listing all voluntary contributions by the United States Government to international organizations during the preceding fiscal year."; and

(2) in paragraph (2), by striking out "promptly" and by inserting "on a quarterly basis" after "Budget".

(e) WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.—Section 307 of that Act is amended to read as follows:

"SEC. 307. WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.

"(a) REQUIREMENT TO WITHHOLD.—Funds authorized to be appropriated by this chapter shall not be available for the United States proportionate share for programs for countries or organizations or for projects described in subsection (d). This prohibition applies notwithstanding any provision of law that earmarks funds under

this chapter for a particular international organization or program.

"(b) USE OF FUNDS WITHHELD.—Funds returned or not made available for programs or projects pursuant to subsection (a) shall remain available until expended for use under this chapter.

"(c) OBLIGATIONS.—The President—

"(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any funds authorized to be appropriated by this chapter; and

"(2) shall report to the appropriate congressional committees the amounts of funds expended by each such organization for programs or projects described in subsection (d) and the amount contributed by the United States to each such organization.

"(d) DESIGNATION OF PROGRAMS AND PROJECTS.—Subsection (a) applies with respect to programs for Cuba, Iran, Libya, or the Palestine Liberation Organization and to projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it.".

(f) PARTICIPATION BY ISRAEL IN THE UNITED NATIONS.—Chapter 3 of part I of that Act is amended by adding at the end the following new section:

"SEC. 308. PARTICIPATION BY ISRAEL IN THE UNITED NATIONS.

"If Israel is illegally expelled, suspended, denied its credentials, or in any other manner denied its right to participate in any principal or subsidiary organ or in any specialized, technical, or other agency of the United Nations, the United States shall suspend its contributions under this chapter to such organ or agency until the illegal action or denial of rights is reversed.".

SEC. 121. DEBT FOR DEVELOPMENT.

Chapter 7 of part I of the Foreign Assistance Act of 1961 is amended to read as follows:

"CHAPTER 7—DEBT FOR DEVELOPMENT

"SEC. 471. DEBT EXCHANGE.

"(a) AUTHORITY.—In order to promote the four basic objectives set forth in section 102, the President may use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa for grants to and contracts with nongovernmental organizations to enable those organizations to—

"(1) purchase debt obligations owed by a developing country to any commercial lending institution or other private party; and

"(2) cancel such debt obligation, subject to the approval of the President, to the extent that such country makes available assets or policy commitments to promote the four basic objectives set forth in section 102.

"(b) INTEREST RETENTION.—A grantee or contractor (or any subgrantee or subcontractor) of the grants or contracts referred to in subsection (a) may retain, notwithstanding any other provision of law, without deposit in the Treasury of the United States and without further appropriation by Congress, interest earned on the proceeds of any resulting debt-for-development or debt-for-environment purchase or exchange pending the disbursement of such proceeds and interest for the purposes for which assistance was provided to such party, which may include the establishment of an endowment, the income of which is used for such purposes.".

SEC. 122. INTERNATIONAL DISASTER ASSISTANCE.

(a) DISASTER PREVENTION AND MITIGATION.—Section 491(b) of the Foreign Assistance Act of 1961 is amended by inserting "prevention, and mitigation" after "preparedness,".

(b) AUTHORIZATIONS OF APPROPRIATIONS.—The first sentence of section 492(a) of that Act is amended to read as follows: "There are authorized to be appropriated to the President to carry out section 491, $70,000,000 for each of fiscal years 1992 and 1993.".

(c) BORROWING AUTHORITY.—Section 492(b) of that Act is amended to read as follows:

"(b) BORROWING AUTHORITY.—

"(1) AUTHORITY.—In addition to amounts otherwise available to carry out this chapter, up to $70,000,000 in any fiscal year may be obligated against appropriations described in paragraph (2) for use in providing assistance in accordance with the authorities and general policies of this chapter.

"(2) SOURCES OF FUNDS.—The appropriations referred to in paragraph (1) are any appropriations to carry out this Act, without regard to whether the funds are earmarked in this or any other Act. In any fiscal year, the sum of the amount obligated under paragraph (1) against appropriations for development assistance and the amount obligated under paragraph (1) against appropriations for assistance from the Development Fund for Africa may not exceed $30,000,000.

"(3) REIMBURSEMENT.—Amounts subsequently appropriated to carry out this chapter with respect to a disaster may be used to reimburse any appropriation account against which obligations were incurred under paragraph (1) with respect to that disaster.".

SEC. 123. AUTHORIZATIONS OF APPROPRIATIONS FOR ECONOMIC SUPPORT FUND ASSISTANCE.

Section 532 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 532. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out the purposes of this chapter, the following amounts for the following purposes:

"(1) For Israel, $1,200,000,000 for each of fiscal years 1992 and 1993. Provisions relating to the terms of such assistance are contained in section 601 of the International Cooperation Act of 1991.

"(2) For Egypt, $815,000,000 for each of fiscal years 1992 and 1993. Provisions relating to the terms of such assistance are contained in section 602 of the International Cooperation Act of 1991.

"(3) For Turkey, $190,000,000 for each of fiscal years 1992 and 1993.

"(4) For United States contributions to the International Fund for Ireland pursuant to the Anglo-Irish Agreement Support Act of 1986, $22,500,000 for each of fiscal years 1992 and 1993.

"(5) For Cyprus for a scholarship program, bicommunal projects, and measures aimed at the reunification of the island and designed to reduce tensions and to promote peace and cooperation between the two communities on Cyprus, $15,000,000 for each of fiscal years 1992 and 1993.

"(6) For Nepal, $10,000,000 for each of fiscal years 1992 and 1993.

"(7) For the South Pacific Regional Program, $10,000,000 for each of fiscal years 1992 and 1993, of which $2,000,000 for each fiscal year is authorized be appropriated for scholarships for study at postsecondary institutions of education in the United States. The amounts authorized to be appropriated by this paragraph are in addition to the amounts made available under paragraph (9) of this section for the South Pacific Regional Program under the Fisheries Treaty Program.

"(8) To finance, and (where appropriate) for United States participation in, regional cooperative programs in the Middle East in accordance with section 202(c) of the International Security and Development Cooperation Act of 1985, $7,000,000 for each of fiscal years 1992 and 1993.

"(9) To carry out the purposes of this chapter for recipients or purposes other than the countries and purposes specified in the preceding paragraphs of this subsection, $966,000,000 for each of fiscal years 1992 and 1993 .".

SEC. 124. PURCHASE OF UNITED STATES GOODS AND SERVICES.

Chapter 4 of part II of the Foreign Assistance Act of 1961 is amended—

(1) by repealing existing section 533; and

(2) by inserting after section 532 the following new section 533:

"SEC. 533. PURCHASE OF UNITED STATES GOODS AND SERVICES.

"(a) GENERAL POLICY REGARDING FORMS OF ASSISTANCE.—Assistance under this chapter should be provided principally through commodity import programs, project assistance, sector programs, or the provision of United States goods and services. The purpose of this section is to encourage foreign governments that receive cash transfer assistance under this chapter to agree to purchase United States goods and services with the funds made available by that assistance or with equivalent amounts of funds.

"(b) AGREEMENTS TO PURCHASE UNITED STATES GOODS AND SERVICES.—Subsection (c) shall not apply to any foreign government that, prior to October 1, 1992, enters into an agreement with the United States in which that foreign government agrees to spend no less than the amounts specified in subsection (c)(2) to purchase United States goods and services with respect to each fiscal year for which that government receives cash transfer assistance under this chapter. A government shall be exempted pursuant to this subsection only so long as that government continuously maintains such an agreement.

"(c) REQUIREMENT TO PURCHASE UNITED STATES GOODS AND SERVICES.—

"(1) IN GENERAL.—Effective fiscal year 1993, assistance under this chapter may be provided to a foreign government as a cash transfer only pursuant to an agreement requiring that such government spend not less than the amount specified in paragraph (2) to purchase United States goods and services.

"(2) MINIMUM AMOUNTS REQUIRED TO BE SPENT.—The minimum amount that a foreign government receiving cash transfer assistance under this chapter for a fiscal year is required to spend to purchase United States goods and services is the amount that is not less than 75 percent of the amount of the cash transfer assistance provided to that government for that fiscal year, except that in order to achieve an orderly and efficient implementation of the requirement of paragraph (1), the minimum amount shall be the following for the following fiscal years:

"(A) For fiscal year 1993, 15 percent.

"(B) For fiscal year 1994, 35 percent.

"(C) For fiscal year 1995, 55 percent.

"(D) For fiscal year 1996 and each fiscal year thereafter, 75 percent.

"(3) EQUITABLE DISTRIBUTION.—The President should ensure that purchases of United States goods pursuant to agreements under this subsection, and the ports of departure for those goods, are distributed equitably throughout the United States.

"(4) GAO AUDITS.—Each agreement pursuant to which cash transfer assistance is provided under this subsection shall include provisions to ensure that representatives of the Comptroller General have the access to records and personnel necessary to carry out such monitoring and auditing as the Comptroller General deems appropriate.

"(d) PROVISIONS APPLICABLE TO AGREEMENTS PURSUANT TO SUBSECTION (b) OR (c).—Nothing in subsection (b) or (c), or in any agreement described in either such subsection, shall prevent a recipient government from purchasing, with cash transfer assistance under this chapter,

goods or services produced in that country. United States goods purchased pursuant to an agreement under subsection (b) or (c) shall be deemed to have been furnished in connection with funds advanced by the United States. The United States goods purchased pursuant to an agreement under subsection (b) or (c) shall be United States goods that are available in the United States at fair prices for such goods.

"(e) Exempted Governments.—In addition to any government exempted by subsection (b), this section shall not apply to the following:

"(1) Any government that receives cash transfer assistance under this chapter of less than $25,000,000 for a fiscal year.

"(2) Any government—

"(A) that, as of April 1, 1989, was receiving cash transfer assistance under this chapter and had an agreement with the United States under which that government agreed—

"(i) to spend an amount equal to the amount of the cash transfer on the purchase of United States goods and services,

"(ii) to carry 50 percent of all bulk shipments of United States grain on 'privately owned United States-flag commercial vessels', to the extent such vessels are available at fair and reasonable rates for such vessels, and

"(iii) to purchase United States grain at levels comparable to those purchased in prior years; and

"(B) that, within 30 days after the date of enactment of the International Cooperation Act of 1991, agrees to comply thereafter, or to cause private entities to comply thereafter, with the requirements described in clauses (i), (ii), and (iii) of subparagraph (A) with respect to any fiscal year in which it receives cash transfer assistance under this chapter, except that a government shall cease to be exempted by this paragraph if, at any time after so agreeing, it ceases to agree to comply, or to cause private entities to comply, with those requirements.

"(f) Waiver.—The President may waive the provisions of this section with respect to a foreign government to the extent the President determines that it is important to the national interest to do so. Any such waiver shall be reported to the appropriate congressional committees.

"(g) Definition of United States Goods.—For purposes of this section, the term 'United States goods' means goods (including components) and commodities (including agricultural commodities) grown, processed, produced, or manufactured in the United States.".

SEC. 125. TRADE AND DEVELOPMENT AGENCY.

(a) In General.—Section 661 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 661. TRADE AND DEVELOPMENT AGENCY.

"(a) Purpose.—The Trade and Development Agency shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Trade and Development Agency is to promote United States private sector participation in development projects in developing and middle-income countries, in order to promote the four basic objectives set forth in section 102 of this Act.

"(b) Authority To Provide Assistance.—

"(1) Authority.—The Director of the Trade and Development Agency is authorized to work with foreign countries, including those in which the United States development programs have been concluded or those not receiving assistance under part I, to carry out the purpose of this section by providing funds for feasibility studies, engineering design, and other activities related to development projects which provide opportunities for the use of United States exports.

"(2) Use of funds.—Funds under this section may be used to provide support for feasibility studies for the planning, development, and management of, and procurement for, bilateral and multilateral development projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States goods and services in such projects. Funds under this section may also be used for engineering design, including—

"(A) concept design, which establishes the basic technical and operational criteria for a project, such as architectural drawings for a proposed facility, evaluation of site constraints, procurement requirements, and equipment specifications; and

"(B) detail design, which sets forth specific dimensions and criteria for structural, mechanical, electrical, and architectural operations, and identifies other resources required for project operations.

"(3) Information dissemination.—(A) The Trade and Development Agency shall disseminate information about its project activities to the private sector.

"(B) Other Federal departments and agencies shall cooperate with the Trade and Development Agency in order for the Agency to provide more effectively informational services to persons in the private sector concerning trade development and export promotion related to development projects.

"(4) Nonapplicability of other provisions.—Any funds used for purposes of this section may be used notwithstanding any other provision of law.

"(c) Director and Personnel.—

"(1) Director.—There shall be at the head of the Trade and Development Agency a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

"(2) Officers and employees.—(A) The Director may appoint such officers and employees of the Trade and Development Agency as the Director considers appropriate.

"(B) The officers and employees appointed under this paragraph shall have such functions as the Director may determine.

"(C) Of the officers and employees appointed under this paragraph, 2 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

"(D) Under such regulations as the President may prescribe, any individual appointed under subparagraph (C) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

"(d) Annual Report.—The President shall, not later than December 31 of each year, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the activities of the Trade and Development Agency in the preceding fiscal year.

"(e) Inspector General.—

"(1) Authority.—The Inspector General of the agency primarily responsible for administering part I—

"(A) shall have full and independent authority to conduct audits, investigations, and inspections of all phases of the program and operations of the Trade and Development Agency for the purpose of promoting economy, efficiency, and effectiveness, and detecting and preventing fraud and abuse; and

"(B) shall conduct all security activities of the Trade and Development Agency relating to personnel and the control of classified material.

"(2) Relation to director of trade and development agency.—The Inspector General shall report to and be under the general supervision of the Director of the Trade and Development Agency with respect to activities undertaken pursuant to this section, except that the Director shall not prevent or prohibit the Inspector General from initiating, carrying out, or completing any such activity in accordance with the duties, authorities, and responsibilities contained in the Inspector General Act of 1978, and any other applicable laws and regulations.

"(3) Inspector general act.—For purposes of the Inspector General Act of 1978, the Trade and Development Agency shall be considered to be a Federal entity and the Director of the Trade and Development Agency shall be considered to be the head of the Federal entity.

"(4) Semiannual report.—The semiannual report required under section 5 of the Inspector General Act of 1978 shall include information relating to activities of the Inspector General undertaken pursuant to this section.

"(f) Funding.—There are authorized to be appropriated for purposes of this section, in addition to funds otherwise available for such purposes, $55,000,000 for each of fiscal years 1992 and 1993.".

(b) Renaming of Trade and Development Program; Conforming Changes.—

(1) Renaming of trade and development program.—The Trade and Development Program shall, on or after the effective date of this section, be known as the Trade and Development Agency.

(2) Appointment of present director not affected.—The enactment of this Act shall not affect the appointment of the individual who is the Director of the Trade and Development Program on the effective date of this section.

(3) Trade and development enhancement act of 1983.—Sections 644, 645, and 646 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635q, 635r, and 635s) are each amended by striking "Trade and Development Program" each place it appears and inserting "Trade and Development Agency".

(4) Title 5.—Section 5314 of title 5, United States Code, is amended by striking out
"Director, Trade and Development Program."
and inserting in lieu thereof
"Director, Trade and Development Agency.".

(5) Reference in other laws.—Any reference in any law to the Trade and Development Program shall be deemed to be a reference to the Trade and Development Agency.

SEC. 126. AUTHORIZATIONS OF APPROPRIATIONS FOR OPERATING EXPENSES.

(a) In General.—Section 667 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "(a)" and by repealing subsection (b); and

(2) by amending paragraph (1) to read as follows:

"(1) $483,300,000 for each of fiscal years 1992 and 1993 for necessary operating expenses of the agency primarily responsible for administering part I of this Act; and".

(b) Operating Expenses, Office of the Inspector General.—That Act is amended by inserting after section 667 the following:

"SEC. 668. OPERATING EXPENSES, OFFICE OF THE INSPECTOR GENERAL.

"There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

"(1) $37,739,000 for each of fiscal years 1992 and 1993 for necessary operating expenses of the Office of the Inspector General of the agency primarily responsible for administering part I of this Act; and

"(2) such amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such office.".

SEC. 127. COOPERATION WITH NONGOVERNMENTAL SECTOR.

(a) Establishment of Centers and Advisory Committees.—Part III of the Foreign Assistance

Act of 1961 is amended by adding at the end the following:

"CHAPTER 4—COOPERATION WITH NONGOVERNMENTAL SECTOR

"SEC. 681. CENTER FOR UNIVERSITY COOPERATION IN DEVELOPMENT.

"(a) FINDINGS.—The Congress finds that—

"(1) United States public and private institutions of higher education can contribute significantly to enhancing the development of developing countries;

"(2) sustained participation of United States institutions of higher education in the economic development programs of these countries and the building of indigenous university systems that support the educational, research, and service needs of their societies is vital to their achieving sustainable economic growth and open democratic political systems; and

"(3) at the same time, the participation of United States institutions of higher education in these international development efforts also supports the internationalization of those institutions by strengthening their faculty and the programs available to their students, and enhancing the quality and relevance of their research and extension efforts.

"(b) ESTABLISHMENT OF A CENTER.—The President shall maintain a Center for University Cooperation in Development (hereinafter in this section referred to as the 'Center') within the agency primarily responsible for administering part I. The Center shall seek to promote and strengthen mutually beneficial development cooperation and partnerships between such agency, United States institutions of higher education that are engaged in education, research, and public service programs relevant to the development needs of developing countries, and institutions of higher education, research, and extension in those developing countries. The Center shall—

"(1) develop basic policies, procedures, and criteria for education, research, and development programs involving United States institutions of higher education and developing country institutions;

"(2) encourage and support the development of collaborative programs that strengthen the capacity of United States institutions of higher education to undertake sustainable, long-term partnerships with institutions in developing countries and that also deepen the commitment of United States institutions of higher education to internationalization and development cooperation;

"(3) encourage and support the development of cooperative programs between United States institutions of higher education and the private sector that contribute to the sustainable development of developing countries;

"(4) undertake specialized programs that seek to bring the unique capabilities of historically black colleges and universities to bear on the development problems of developing countries and strengthen their capacity to enter into sustainable partnerships with institutions in developing countries;

"(5) facilitate access by developing countries and the agency primarily responsible for administering part I to the resources of United States institutions of higher education and the participation of these institutions in the development programs of developing countries; and

"(6) undertake studies and analyses and specialized reviews necessary to the accomplishment of paragraphs (1) through (5).

"SEC. 682. ADVISORY COMMITTEE ON UNIVERSITY COOPERATION IN DEVELOPMENT.

"The administrator of the agency primarily responsible for administering part I shall establish a permanent Advisory Committee on University Cooperation in Development, whose membership shall consist primarily of individuals who are from institutions of higher education eligible to participate in programs under part I and who have expertise and administrative experience in education, research, and public service relevant to the development needs of developing countries. The function of the Advisory Committee shall be to advise the administrator regarding programs that the agency primarily responsible for administering part I carries out with or through institutions of higher education.

"SEC. 683. CENTER FOR VOLUNTARY COOPERATION IN DEVELOPMENT.

"(a) ESTABLISHMENT.—The President shall maintain a Center for Voluntary Cooperation in Development (hereinafter in this section referred to as the 'Center') within the agency primarily responsible for administering part I.

"(b) PURPOSE.—The purpose of the Center shall be to strengthen the partnership for development among the United States Government and United States private voluntary organizations, cooperatives, and credit unions that are engaged in activities that are relevant to the development needs of developing countries and to the attainment of the four basic objectives set forth in section 102.

"(c) FUNCTIONS.—The Center shall—

"(1) participate in the development of policies, procedures, and criteria for all programs of the agency primarily responsible for administering part I that involve private voluntary organizations, cooperatives, and credit unions;

"(2) under the general policy guidance of the administrator of that agency, develop program policies, procedures, and funding criteria for support by the agency primarily responsible for administering part I of worldwide activities of such entities; and

"(3) administer comprehensive grant programs in support of long-term, worldwide programs of such entities.

"SEC. 684. ADVISORY COMMITTEE ON VOLUNTARY COOPERATION IN DEVELOPMENT.

"The administrator of the agency primarily responsible for administering part I shall establish a permanent Advisory Committee on Voluntary Cooperation in Development, whose membership shall consist primarily of representatives from private voluntary organizations, cooperatives, and credit unions that have experience working in developing countries. The function of the Advisory Committee shall be to advise the administrator regarding programs that the agency primarily responsible for administering part I carries out with or through private voluntary organizations, cooperatives, and credit unions.".

(b) CONFORMING AMENDMENT.—Title XII of chapter 2 of part I of the Foreign Assistance Act of 1961 is repealed.

SEC. 128. POLICY AND REPORT ON FURTHER MANAGEMENT REFORM.

(a) POLICY.—Section 621A of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 621A. FURTHER MANAGEMENT REFORM.

"It is the sense of the Congress that the President should continue to make efforts to improve the management of United States economic assistance programs, including—

"(1) efforts to streamline the project development process and shorten the time from project conception to implementation, including streamlining the application process for private and voluntary organizations;

"(2) efforts to increase decentralization of field missions;

"(3) efforts to reduce the number of projects and to increase the duration, and to increase the sustainability, of projects which are funded;

"(4) efforts to decrease recurring costs;

"(5) efforts to expand overseas tours for personnel and streamline mid-level management;

"(6) efforts to streamline the contract process, including streamlining the application process for businesses and others seeking funding under contracts with the agency primarily responsible for administering part I;

"(7) consistent with section 640B of this Act, efforts to improve coordination of the United States economic assistance effort, including review of existing interagency coordinating practices; and

"(8) efforts to examine the need for and importance of multidonor coordination, including in field missions.".

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a report on—

(1) the feasibility and impact on United States foreign policy and foreign assistance objectives of reducing the number of countries receiving economic assistance; and

(2) ways to improve coordination within the United States Government and with other donors and to improve management of United States economic assistance programs, including—

(A) the feasibility of eliminating the Agency for International Development and incorporating its functions into the Department of State,

(B) the feasibility of establishing the Agency for International Development as an independent agency, and

(C) the feasibility of reorganizing the Agency for International Development to function as a foundation that funds but does not carry out programs.

TITLE II—MILITARY ASSISTANCE AND SALES AND RELATED PROGRAMS

CHAPTER 1—MILITARY ASSISTANCE AND RELATED PROGRAMS

SEC. 201. STATEMENT OF POLICY AND OBJECTIVES.

(a) REVISION.—Section 501 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 501. MILITARY ASSISTANCE POLICIES.

"(a) STATEMENT OF POLICY.—United States policy must foster a climate in which all nations can live in peace, security, and stability. It is in the interest of the United States to address those threats to such a climate that arise through the persistence of regional conflicts, the threat of aggression fostered by military imbalances among neighboring nations, the proliferation of weapons of mass destruction, the continued proliferation of conventional weapons of increasing capability, or the persistent attempts by armed groups violently to overthrow democratically elected governments.

"The United States is prepared to consider requests for assistance by foreign countries lacking the resources to meet their legitimate national security needs. Together with other assistance provided under this Act, military assistance should contribute to the development of economic and social improvements that enhance the development and maintenance of democratic political systems. Military assistance provided to friendly foreign countries should serve as a necessary transition to achieve self-sufficiency.

"Military assistance should foster cooperative security arrangements and support multilateral efforts through the United Nations and other international organizations to promote peaceful settlements of disputes.

"The President should continue to seek, through negotiations with other principal countries supplying or receiving defense articles and defense services, the establishment of effective multilateral controls on the transfer of defense articles and defense services, including controls on the furnishing of assistance for the procurement of such articles and services.

"(b) OBJECTIVES OF MILITARY ASSISTANCE.—The authorities to furnish military assistance that are provided in this part shall be exercised (subject to the supervision and direction of the Secretary of State pursuant to section 622(c)) solely to achieve the following objectives:

"(1) Exerting maximum efforts to achieve international arms control and reduction.

"(2) Promoting the establishment of a relationship between civilian and military sectors appropriate to a democratic system of government.

"(3) Enhancing the military capability of foreign countries to meet their legitimate security needs, and permitting the recipient countries to participate in regional or collective arrangements or measures consistent with the Charter of, or requested by, the United Nations.

"(4) Providing support to foreign countries to meet transnational threats, in particular to combat the flow of illicit narcotics and to combat international terrorism.

"(5) Meeting urgent humanitarian needs by improving the capability of the armed forces of foreign countries to respond to natural and manmade disasters.

"(6) Increasing the awareness of nationals of friendly countries of basic issues involving democratic values and institutions, especially respect for internationally recognized human rights.

"(7) Promoting self-defense and defense cooperation by assisting friendly countries to acquire United States defense articles and services.

"(8) Promoting the effectiveness and professionalism of military forces of friendly foreign countries.

"(9) Promoting rationalization, standardization, and interoperability of the military forces of friendly foreign countries with the Armed Forces of the United States.".

(b) CONFORMING AMENDMENT.—Section 502 of that Act is amended to read as follows:

"SEC. 502. UTILIZATION OF DEFENSE ARTICLES AND DEFENSE SERVICES BY RECIPIENT COUNTRIES.

"Defense articles and defense services may be furnished to a foreign country under chapter 2 of this part for use solely for the following purposes:

"(1) Legitimate self-defense.

"(2) Participation in regional or collective arrangements or measures consistent with the Charter of the United Nations, or participation in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security.

"(3) Internal security.

"(4) Responding to natural and manmade disasters in order to meet urgent humanitarian needs.

"(5) Such other purposes as may be explicitly provided for in particular provisions of law.".

SEC. 202. FOREIGN MILITARY FINANCING ASSISTANCE.

(a) AUTHORITY TO FURNISH ASSISTANCE.—Section 503(a) of the Foreign Assistance Act of 1961 is amended—

(1) in the text preceding paragraph (1), by inserting "grant" after "furnish";

(2) by inserting "and" at the end of paragraph (1); and

(3) by striking paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) by financing on a grant basis (except as provided in subsection (j))—

"(A) the sale of defense articles or defense services; or

"(B) procurement by commercial leasing under subsection (d).".

(b) ARTICLES AND SERVICES LOANED UNDER DRAWDOWN AUTHORITY.—Section 503(c)(2) of that Act is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(C) to any defense article or defense service that is made available under the special drawdown authority of section 506(a)(1).

In the case of defense articles made available under section 506(a)(1) that are loaned under subsection (a)(1) of this section, the value of the defense articles (in terms of their replacement cost less any depreciation in their value) shall be counted against the limitation in that section.".

(c) PROVISIONS APPLICABLE TO ASSISTANCE.—Section 503 of that Act is amended by adding at the end the following:

"(d) FINANCING PROCUREMENT BY COMMERCIAL LEASING.—

"(1) AUTHORIZATION.—Financing may be provided under this section to Israel and Egypt for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under the Arms Export Control Act.

"(2) MAJOR DEFENSE EQUIPMENT.—The authority of this subsection may not be used to finance the procurement of major defense equipment (as defined in section 47(5) of the Arms Export Control Act) except for helicopters and other types of aircraft having possible civilian application.

"(3) NOTIFICATION TO CONGRESS.—The authority of this subsection may be exercised only if the appropriate congressional committees are notified at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(4) LIMITATION.—Any exercise of the authority of this subsection shall be subject to specific amounts provided in advance in an appropriations Act.

"(e) OBLIGATION OF FUNDS.—

"(1) OBLIGATION UPON APPORTIONMENT.—Funds appropriated to carry out this chapter on a grant basis may be obligated for a particular country or international organization upon apportionment in accordance with paragraph (5)(C) of section 1501(a) of title 31, United States Code.

"(2) LIMITATION.—Funds appropriated to carry out this chapter on a grant basis shall be available to finance the procurement of defense articles and defense services that are not sold by the United States Government only if the country or international organization proposing to make such procurement has first signed a grant agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds.

"(f) EXCLUSION OF CERTAIN COSTS FROM CERTAIN SALES.—Sales under the Arms Export Control Act which are wholly paid from funds—

"(1) which are made available on a grant basis under this chapter, or

"(2) which, prior to the effective date of this subsection, were transferred under the former authority of subsection (a)(3) of this section or were made available on a nonrepayable basis under the former authority of section 23 of the Arms Export Control Act,

shall be priced to exclude the costs of salaries of members of the Armed Forces of the United States (other than the Coast Guard).

"(g) FINANCING FOR COPRODUCTION OR LICENSED PRODUCTION.—Assistance may not be furnished under this chapter in any case involving coproduction or licensed production outside the United States of any defense article of United States origin unless the President furnishes full information regarding the proposed transaction to the appropriate congressional committees. Such information shall be furnished before the coproduction or licensed production arrangement is approved by the United States Government or, if the decision to provide assistance is made after the arrangement is approved, before the assistance is furnished. Such information shall include—

"(1) a description of the defense article that would be coproduced or produced under license outside the United States;

"(2) the estimated value of such coproduction or licensed production; and

"(3) an analysis of the economic impact on the United States of furnishing or not furnishing the proposed assistance.

"(h) PROCUREMENT INVOLVING CERTAIN VESSELS OF WAR.—

"(1) PROHIBITION.—Except as provided in paragraph (2), if the President so determines, assistance described in paragraph (3) may not be used for the procurement of—

"(A) any vessel of war built pursuant to a prime contract awarded to a foreign shipyard; or

"(B) any weapons system or other major system or subsystem for any vessel of war built pursuant to a prime contract awarded to foreign shipyard rather than a United States shipyard because of unfair foreign competition (such as subsidization or the provision of financial or material incentives to the foreign country for which the vessel is built).

"(2) EXCEPTIONS.—Paragraph (1) does not apply with respect to—

"(A) a vessel of war that is built in the foreign country that is the recipient of the assistance;

"(B) a vessel of war that is built pursuant to a prime contract signed before the effective date of this subsection; or

"(C) procurement necessary for the maintenance, repair, or replacement of any weapons system or other major system or subsystem.

"(3) ASSISTANCE SUBJECT TO PROHIBITION.—The prohibition in paragraph (1) applies with respect to any obligation of assistance under this section, and any expenditure of FMS or FMF assistance, totaling more than $1,000,000.

"(4) DEFINITIONS.—For the purposes of this subsection—

"(A) the term 'FMS or FMF assistance' means any assistance under the former authorities of section 23 of the Arms Export Control Act; and

"(B) the term 'vessel of war' means any vessel of war in Category VI of the United States Munitions List, without regard to whether the vessel is imported into or exported from the United States.

"(i) COMMITMENT OF PRIOR YEAR MILITARY ASSISTANCE FUNDS.—

"(1) AUTHORITY.—Subject to paragraphs (2) and (3), if the President at any time notifies the appropriate congressional committees that, after the date of such notification, no further sales will be made pursuant to the Arms Export Control Act to a specified country under circumstances then prevailing—

"(A) any uncommitted funds allocated for such country that, prior to the enactment of this section, were transferred under the former authority of subsection (a)(3) of this section for the purpose of financing such sales, and

"(B) any uncommitted funds allocated for such country under the former authority of section 23 of the Arms Export Control Act,

may be committed to finance sales to other eligible countries under this chapter.

"(2) CONGRESSIONAL REVIEW.—Any notification under paragraph (1) shall be submitted to the appropriate congressional committees, at least 15 days before funds are to be committed, in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(3) LIMITATION.—Any exercise of the authority of paragraph (1) shall be subject to specific amounts provided in advance in an appropriation Act.

"(j) AUTHORITY FOR CREDIT ASSISTANCE FOR FISCAL YEARS 1992 AND 1993.—

"(1) IN GENERAL.—Subject to the requirements of the Federal Credit Reform Act of 1990, financing assistance may be provided under subsection (a)(2)(A) of this section on a credit basis for fiscal years 1992 and 1993 in accordance with this subsection.

"(2) LIMITATION ON CREDIT COMPONENT OF ASSISTANCE TO INDIVIDUAL COUNTRIES.—If, pursuant to this subsection, a country receives financing assistance under this chapter both on a grant basis and on a credit basis—

"(A) not more than 60 percent of the aggregate amount of such assistance for fiscal year 1992 may be provided on a credit basis, and

"(B) not more than 30 percent of the aggregate amount of such assistance for fiscal year 1993 may be provided on a credit basis.

"(3) TERMS OF CREDITS.—

"(A) REPAYMENT PERIOD.—In the case of credits provided under this subsection, the President shall require repayment in United States dollars within a period not to exceed 12 years after the loan agreement is signed on behalf of the United States Government.

"(B) INTEREST RATE.—The President shall charge interest on credits provided under this subsection at such rate as the President considers appropriate, except that such rate may not be less than 5 percent per year.

"(4) CONGRESSIONAL NOTIFICATION OF CHANGES IN CREDIT ASSISTANCE.—At least 15 days before obligating funds for credits under this subsection for a fiscal year—

"(A) for any country for which credits were not justified for that fiscal year, or

"(B) for any country in an amount greater than the amount of credits justified for that country for that fiscal year,

the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(5) CERTAIN GENERIC AUTHORIZATIONS SUPERSEDED.—The authorizations of appropriations provided in section 505(a) of the Federal Credit Reform Act of 1990 for the costs associated with loan programs do not apply with respect to credits under this subsection.".

SEC. 203. AUTHORIZATIONS OF APPROPRIATIONS FOR FOREIGN MILITARY FINANCING ASSISTANCE.

Section 504(a) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(a) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out the purposes of this chapter the following amounts for the following purposes:

"(1) For Israel, $1,800,000,000 for each of fiscal years 1992 and 1993. Provisions relating such assistance are contained in section 601 of the International Cooperation Act of 1961.

"(2) For Egypt, $1,300,000,000 for each of fiscal years 1992 and 1993. Provisions relating such assistance are contained in section 602 of the International Cooperation Act of 1961.

"(3) For Turkey, $500,000,000 for each of fiscal years 1992 and 1993.

"(4) For Greece, $350,000,000 for each of fiscal years 1992 and 1993.

"(5) For recipients or purposes other than those specified in the preceding paragraphs of this subsection, $512,000,000 for each of fiscal years 1992 and 1993.".

SEC. 204. CONDITIONS OF ELIGIBILITY.

(a) RESTRICTIONS THAT MUST BE AGREED TO BY RECIPIENT COUNTRY.—Section 505(a) of the Foreign Assistance Act of 1961 is amended—

(1) in the text preceding paragraph (1), by striking out "on a grant basis" and inserting in lieu thereof "under this chapter" ; and

(2) by striking out paragraphs (1) through (4) and inserting in lieu thereof the following:

"(1) it will not, without the consent of the President—

"(A) transfer title to, or possession of, such articles or services to anyone who is not an officer, employee, or agent of that country; or

"(B) use or permit the use of such articles or services for purposes other than those for which furnished; and

"(2) it will maintain the security of such articles or services, and will provide substantially the same degree of security protection afforded to such articles or services by the United States Government.".

(b) CONFORMING AMENDMENTS.—Section 505(f) of that Act is amended—

(1) by striking out the first sentence; and

(2) in the last sentence, by striking out all that follows "requirement" through "Government" and inserting in lieu thereof "formerly imposed pursuant to this subsection and subsection (a)(4)".

SEC. 205. DEFENSE DRAWDOWN SPECIAL AUTHORITIES.

(a) MILITARY ASSISTANCE DRAWDOWN.—Section 506(a)(1) of the Foreign Assistance Act of 1961 is amended by striking out "$75,000,000" and inserting in lieu thereof "$100,000,000".

(b) NONMILITARY ASSISTANCE DRAWDOWN.—Section 506 of that Act is amended—

(1) in subsection (a)(2)(A), by striking out "direct—" and all that follows through the period and inserting in lieu thereof the following: "direct the drawdown of such articles, services, and education and training for the purposes and under the authorities of—

"(i) chapter 8 of part I (relating to international narcotics control assistance),

"(ii) chapter 9 of part I (relating to international disaster assistance), or

"(iii) the Migration and Refugee Assistance Act of 1962.";

(2) in subsection (a)(2)(B)—

(A) by striking out "$75,000,000" and inserting in lieu thereof "$100,000,000"; and

(B) by inserting before the period ", not more than $75,000,000 of which may be provided pursuant to clause (i) of that subparagraph"; and

(3) in subsection (b)(1), by adding at the end the following: "In the case of drawdowns authorized by clauses (i) and (iii) of subsection (a)(2)(A), notifications shall be provided to those committees at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A."

(c) NOTICE TO CONGRESS OF EXERCISE OF SPECIAL AUTHORITIES.—Section 652 of that Act is amended by striking out "prior to the date" and inserting in lieu thereof "before".

SEC. 206. IMPROVED ACCOUNTABILITY WITH RESPECT TO FINANCED COMMERCIAL ARMS SALES.

Chapter 2 of part II of the Foreign Assistance Act is amended by inserting after section 506 the following:

"SEC. 507. IMPROVED ACCOUNTABILITY WITH RESPECT TO FINANCED COMMERCIAL ARMS SALES.

"(a) IMPROVED ACCOUNTABILITY.—To improve accountability with respect to financed commercial arms sales, the President shall establish monitoring and auditing controls providing those sales shall be subject to requirements no less stringent in terms of accountability than those requirements of the Federal Acquisition Regulation relating to improper business practices and personal conflict of interest that are applicable to sales under the Arms Export Control Act.

"(b) DEFINITIONS.—As used in this section—

"(1) the term 'Federal Acquisition Regulation' means the single system of Government-wide procurement regulation referred to in section 6(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(a)); and

"(2) the term 'financed commercial arms sales' means any procurement of defense articles or defense services (other than by sale or lease under the Arms Export Control Act)—

"(A) which is financed in whole or in part with assistance under this chapter, and

"(B) with respect to which an export license is required under section 38 of Arms Export Control Act.

"(c) EFFECTIVE DATE.—The controls established pursuant to this section shall be established not later than one year after the date of enactment of this section.".

SEC. 207. STOCKPILES.

(a) ADDITIONS IN FISCAL YEARS 1992 AND 1993.—Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(2) The value of such additions to stockpiles in foreign countries shall not exceed $429,000,000 for fiscal year 1992 and shall not exceed $429,000,000 for fiscal year 1993.".

(b) CLARIFYING AMENDMENT.—Section 514(b)(1) of that Act is amended by inserting "additional" after "value of".

(c) LOCATION OF STOCKPILES.—Section 514(c) of that Act is amended to read as follows:

"(c) LOCATION OF STOCKPILES.—

"(1) LIMITATION.—Except as provided in paragraph (2), no stockpile may be located outside the boundaries of a United States military base or a military base used primarily by the United States.

"(2) EXCEPTIONS.—Paragraph (1) does not apply with respect to stockpiles located in the Republic of Korea, Thailand, any country that is a member of the North Atlantic Treaty Organization, any country that is a major non-NATO ally, or any other country the President may designate. At least 15 days before designating a country pursuant to the last clause of the preceding sentence, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.".

SEC. 208. OVERSEAS MANAGEMENT OF ASSISTANCE AND SALES PROGRAMS.

(a) SIZE OF GROUPS.—Section 515(c) of the Foreign Assistance Act of 1961 is amended by striking out "(c)(1)" and all that follows through "(2)" and inserting in lieu thereof "(c) SIZE OF GROUPS.—".

(b) COSTS.—Section 515(d) of that Act is amended by striking out "(d) Effective October 1, 1989, the entire costs (excluding salaries of the United States military personnel)" and inserting in lieu thereof "(d) COSTS.—The entire costs (excluding salaries of members of the Armed Forces, other than the Coast Guard)".

SEC. 209. EXCESS DEFENSE ARTICLES.

(a) DEFENSE MODERNIZATION ON NATO'S SOUTHERN FLANK.—

(1) RENEWAL OF AUTHORITY.—Section 516 of the Foreign Assistance Act of 1961 is amended—

(A) in subsection (a)—

(i) by striking out "during the fiscal years 1987 through 1991";

(ii) by striking out "fiscal year 1990" and inserting in lieu thereof "fiscal year 1991"; and

(B) by adding at the end of the section the following:

"(f) DURATION OF AUTHORITY.—The authority of this section shall be effective during fiscal years 1992 through 1996.".

(2) EXCESS COAST GUARD PROPERTY.—Section 516(e) of that Act is amended—

(A) by striking out "DEFINITION.—" and inserting in lieu thereof of "DEFINITIONS.—(1)"; and

(B) by adding at the end the following:

"(2) As used in this section, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard, and the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.".

(3) MILITARY BALANCE IN THE EASTERN MEDITERRANEAN.—Section 516 of that Act is further amended—

(A) by striking out the last sentence of subsection (a); and

(B) by adding at the end the following:

"(g) MAINTENANCE OF MILITARY BALANCE IN THE EASTERN MEDITERRANEAN.—

"(1) UNITED STATES POLICY.—Excess defense articles shall be made available under this section and section 519 consistent with the United States policy, established in section 620C of this Act, of maintaining the military balance in the Eastern Mediterranean.

"(2) MAINTENANCE OF BALANCE.—Accordingly, the President shall ensure that, over the 3-year period beginning on October 1, 1992, the ratio of—

"(A) the value of excess defense articles made available for Turkey under this section and section 519, to

"(B) the value of excess defense articles made available for Greece under this section and section 519,

closely approximates the ratio of—

"(i) the amount of foreign military financing assistance provided for Turkey under this chapter, to

"(ii) the amount of foreign military financing assistance provided for Greece under this chapter.

"(3) EXCEPTION TO REQUIREMENT.—This subsection shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles under this section and section 519.

"(4) DEFINITION.—As used in this subsection, the term 'made available' means a good faith offer is made by the United States to furnish the excess defense articles to a country.".

(b) COUNTERNARCOTICS PROGRAMS.—Section 517 of that Act is amended—

(1) in the section heading, by striking out "MILITARY CAPABILITIES OF CERTAIN MAJOR ILLICIT DRUG PRODUCING" and inserting in lieu thereof "COUNTERNARCOTICS CAPABILITIES OF CERTAIN";

(2) in subsection (a)(1), by striking out "(as defined in section 481(i)(2))" and inserting in lieu thereof "or a major drug-transit country";

(3) in subsection (a)(3), by striking out "(as defined in section 502B(d)(1))";

(4) in subsection (b)—

(A) by inserting "and local law enforcement agencies" after "military forces"; and

(B) by striking out "with local law enforcement agencies" and inserting in lieu thereof "cooperatively";

(5) in subsection (d), by striking out "4601 of the International Narcotics Control Act of 1988" and inserting in lieu thereof "481(b) of this Act";

(6) in subsection (i), by striking out "30" and inserting in lieu thereof "15"; and

(7) by adding at the end the following:

"(j) EXCESS COAST GUARD PROPERTY.—As used in this section, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard, and the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.".

(c) ANNUAL CEILING.—Section 31 of the Arms Export Control Act is amended—

(1) by striking out the section designation and section heading and subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 31. TRANSFERS OF EXCESS DEFENSE ARTICLES."; and

(2) in subsection (d)—

(A) by striking out "(d)" and inserting in lieu thereof "(a) ANNUAL CEILING.—"; and

(B) by striking out "$250,000,000" and inserting in lieu thereof "$500,000,000".

(d) ANNUAL REPORT.—

(1) REVISION OF REQUIREMENTS.—Section 31 of that Act, as so amended, is further amended by adding at the end the following:

"(b) ANNUAL REPORT.—The annual presentation materials for security assistance programs shall include a table listing by country the total value of all deliveries of excess defense articles during the preceding fiscal year under this Act or section 503, section 506, section 516, section 517, section 518, or section 519 of the Foreign Assistance Act of 1961 (respectively), disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery.".

(2) CONFORMING AMENDMENTS.—(A) Sections 8 and 11 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", enacted January 21, 1971 (Public Law 91-672), are repealed.

(B) Subsection (e) of section 519 of the Foreign Assistance Act of 1961 is repealed, and subsection (f) of that section is redesignated as subsection (e).

(e) EXCESS COAST GUARD PROPERTY.—Section 31 of that Act, as so amended, is further amended by adding at the end the following:

"(c) EXCESS COAST GUARD PROPERTY.—As used in this section, the term 'excess defense articles' shall be deemed, where appropriate in the context, to include excess property of the Coast Guard.".

(f) EXCLUSION OF CONSTRUCTION EQUIPMENT FROM DEFINITION OF EXCESS DEFENSE ARTICLES.—Section 644(g) of that Act is amended by inserting "(other than construction equipment, including tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators, and compressors)" after "articles" the first place it appears.

(g) REPEAL OF OBSOLETE AUTHORIZATION.—Section 573 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, is amended by repealing subsections (a) through (d) and subsections (f) and (g).

SEC. 210. INTERNATIONAL MILITARY EDUCATION AND TRAINING.

(a) PARTICIPANTS.—Section 541 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting ", and may also include legislators," after "ministries of defense"; and

(2) by striking out "or (iii)" and inserting in lieu thereof "(iii) contribute to cooperation between military and law enforcement personnel with respect to counternarcotics law enforcement efforts, or (iv)".

(b) AUTHORIZATIONS OF APPROPRIATIONS.—Section 542 of that Act is amended by striking out all that follows "chapter" and inserting in lieu thereof "$50,500,000 for each of fiscal years 1992 and 1993.".

SEC. 211. PEACEKEEPING OPERATIONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—Section 551 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "friendly" and inserting in lieu thereof "foreign"; and

(2) by striking out "other programs carried out in furtherance of the national security interests of the United States" and inserting in lieu thereof "and activities and related programs".

(b) AUTHORIZATIONS OF APPROPRIATIONS.—Section 552(a) of that Act is amended by striking out all that follows "chapter," and inserting in lieu thereof "$28,000,000 for fiscal year 1992 and $28,000,000 for fiscal year 1993.".

(c) RELATION TO OTHER PROVISIONS.—Chapter 6 of part II of that Act is amended by inserting after section 552 the following:

"SEC. 553. RELATION TO OTHER PROVISIONS.

"The authority provided by this chapter to furnish assistance for the purposes specified in section 551 is in addition to any other authority which may be available for those purposes. Assistance provided under this chapter may be made available notwithstanding any provision of law that restricts assistance to foreign countries.".

SEC. 212. INTERNATIONAL TERRORISM.

(a) AUTHORIZATIONS OF APPROPRIATIONS FOR ANTITERRORISM ASSISTANCE.—Section 575(a) of the Foreign Assistance Act of 1961 is amended by striking out all that follows "chapter" and inserting in lieu thereof "$15,000,000 for fiscal year 1992 and $15,000,000 for fiscal year 1993.".

(b) CONSIDERATIONS IN PROVIDING ASSISTANCE.—Chapter 1 of part III of that Act is amended by inserting after section 620A the following:

"SEC. 620B. CONSIDERATION OF COOPERATION REGARDING INTERNATIONAL TERRORISM.

"In providing assistance under this Act, the President should take into account the cooperation provided by other countries in connection with matters related to international terrorism, including such matters as whether a country grants sanctuary from prosecution to individuals or groups that have engaged in international terrorism.".

SEC. 213. RESPONSIBILITIES OF THE SECRETARY OF DEFENSE FOR END-USE MONITORING.

Section 623(a)(3) of the Foreign Assistance Act of 1961 is amended by striking out "supervision" and inserting in lieu thereof "monitoring".

SEC. 214. QUARTERLY REPORTS ON PROCUREMENT OUTSIDE THE UNITED STATES.

Section 36(a) of the Arms Export Control Act is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by adding at the end after paragraph (11) the following:

"(12) a listing by country of the estimated amount of funds which will be used for procurement of defense articles and defense services outside the United States as a result of any determination made during the preceding quarter pursuant to section 604 of the Foreign Assistance Act of 1961, together with a statement of the reasons for any such determination.".

CHAPTER 2—FOREIGN MILITARY SALES PROGRAM

SEC. 221. ARMS TRANSFER POLICY.

(a) POLICY STATEMENT.—Section 1 of the Arms Export Control Act is amended to read as follows:

"SECTION 1. UNITED STATES ARMS TRANSFER POLICY.

"(a) In General.—The Congress reaffirms that an ultimate goal of the United States continues to be a world which is free from the scourge of war and the dangers and burdens of armaments. It shall be the policy of the United States to exert leadership in the world community to bring about arms control arrangements and to limit conventional arms transfers in the interest of international peace and stability.

"The Congress recognizes, however, that the United States and other free and independent countries continue to have valid requirements for effective and mutually beneficial defense relationships in order to maintain and foster international peace and security essential to social, economic, and political progress.

"(b) POLICY OBJECTIVES IN IMPLEMENTING ACT.—The policy of the United States in implementing the authorities of this Act relating to *sales and other transfers of defense articles, defense services, and design and construction services shall be based upon the following objectives:*

"(1) Ensuring that such transfers are fully consistent with the foreign policy interests, national security, and arms control policies of the United States.

"(2) Ensuring that such transfers directly enhance or achieve specific national defense requirements of the recipient country or objectives of mutual concern and contribute directly to the common defense, with particular regard being given to the impact of such transfers on programs of social and economic development and on existing or incipient arms races.

"(3) Promoting defense cooperation and rationalization, standardization, and interoperability of foreign military forces with the Armed Forces of the United States.

"(4) Contributing to the deterrence of aggression and promoting regional security by enabling recipient countries to negotiate peaceful solutions to conflicts with confidence.

"(5) Enabling recipient countries to participate in regional or collective arrangements or other measures consistent with the Charter of the United Nations.

"(6) Complementing United States efforts to restrain and control the international transfer of defense articles and defense services and to encourage international conventional arms control arrangements.

"(c) Multilateral Controls on Transfers of Defense Articles and Defense Services.—The President should continue to seek, through negotiations with other principal countries supplying or receiving defense articles and defense services, the establishment of effective multilateral controls on the transfer of defense articles and defense services.".

(b) Conforming Amendments Relating to Purposes for Which Defense Articles May Be Used.—

(1) Repeal of existing purpose section.—Section 4 of that Act is repealed.

(2) Ineligibility.—Section 3(c) of that Act is amended—

(A) in paragraph (1), as amended by chapter 3 of this title—

(i) by striking out "not authorized under section 4" and inserting in lieu thereof "not specified in paragraph (5) of this subsection (or in the case of articles or services furnished before the date of enactment of the International Cooperation Act of 1991, a purpose that was not authorized under section 4)";

(ii) by striking out "authorized under section 4" the second place it appears and inserting in lieu thereof "purposes"; and

(B) by adding at the end the following:

"(5) The purposes referred to in paragraph (1) are the following:

"(A) Legitimate self-defense.

"(B) Participation in regional or collective arrangements or measures consistent with the Charter of the United Nations, or participation in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security.

"(C) Internal security.

"(D) Responding to natural and manmade disasters in order to meet urgent humanitarian needs.

"(E) Such other purposes as may be explicitly provided for in particular provisions of law.".

SEC. 222. IMPROVED ACCOUNTING FOR FOREIGN MILITARY SALES.

Section 37 of the Arms Export and Control Act is amended by adding at the end the following:

"(d) FMS Financial Management.—The President shall take the following steps to continue to improve the financial management problems with respect to payments on accounts of FMS sales:

"(1) Trust fund management.—Certify, in accordance with the Chief Financial Officers Act of 1990, that payments with respect to any FMS sale are properly recorded by case and country with regard to financial accounts for each customer.

"(2) Coordination of FMS systems.—Improve the coordination and uniformity of the military services systems that are used to account for, control, and report upon the operation of the FMS program.

"(3) Reconciliation of FMS cases.—Reconcile the discrepancies between reported disbursements and reported performance for all uncompleted FMS sales agreements executed prior to March 1989.

"(4) Notification.—Should the President determine that all efforts to reconcile reported disbursements and reported performance of FMS cases executed prior to March 1989 are to be terminated, he shall notify in writing the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. Such notification shall provide the reasons for such termination and a list of unreconciled balances by country which are to be uncollected.

"(5) Report on financial management of FMS cases.—The President shall report to the Congress no later than January 31 of each year on the following:

"(A) The status of trust fund management of FMS cases, including a list of any unreconciled balances for FMS cases executed after March 1989.

"(B) The results of efforts to improve coordination and uniformity of the military services systems that are used to account for, control, and report upon the operation of the FMS program.

"(C) The status of all unreconciled FMS cases executed prior to March 1989, including—

"(i) a listing of FMS cases closed, detailed by country and value, that have occurred since the Department of Defense implemented its revised case closure procedures;

"(ii) an aggregate value of the unreconciled balance of FMS cases;

"(iii) a list of the unreconciled balance by country; and

"(iv) a list by country of those cases closed with unreconciled balance and the amount uncollected.

"(6) FMS defined.—As used in this subsection, the term 'FMS' means sales of defense articles, defense services, or design and construction services under section 21, 22, or 29 of this Act.".

SEC. 223. DESIGNATION OF MAJOR NON-NATO ALLIES.

(a) Designation.—Chapter 4 of the Arms Export Control Act is amended by adding at the end the following:

"SEC. 48. DESIGNATION OF MAJOR NON-NATO ALLIES.

"(a) Initial Designations.—Australia, Egypt, Israel, Japan, New Zealand, and the Republic of Korea are hereby designated as major non-NATO allies for purposes of this Act and the Foreign Assistance Act of 1961, except that New Zealand shall be eligible for special treatment authorized by such Acts for major non-NATO allies only to the extent that the President determines (and so notifies the appropriate congressional committees) that such special treatment is in the national security interest of the United States.

"(b) Authority to Designate Additional Countries.—A country not designated by subsection (a) shall be considered to be a major non-NATO ally for purposes of this Act and the Foreign Assistance Act of 1961 if the President so designates that country. Such a designation by the President shall be effective only if the President provides at least 15 days advance notification to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.".

(b) Conforming Amendments.—That Act is amended—

(1) in section 21(g)—

(A) in the first sentence, by striking out "Japan, Australia, and New Zealand, and with other countries which are", and

(B) by repealing the last sentence;

(2) in section 47—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(9) 'major non-NATO ally' means a country that is so designated in accordance with section 48."; and

(3) in section 65(d)—

(A) by striking out "or major non-NATO", and

(B) by striking out "or a" and all that follows through "Code".

SEC. 224. CERTIFICATION THRESHOLDS.

(a) Increase in Dollar Thresholds.—The Arms Export Control Act is amended—

(1) in section 3(d)—

(A) in paragraphs (1) and (3), by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000"; and

(B) in paragraphs (1) and (3), by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000";

(2) in section 36—

(A) in subsections (b)(1), (b)(5)(C), and (c), by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000";

(B) in subsections (b)(1), (b)(5)(C), and (c), by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000"; and

(C) in subsections (b)(1) and (b)(5)(C), by striking out "200,000,000" and inserting in lieu thereof "$300,000,000"; and

(3) in section 63—

(A) by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000"; and

(B) by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000".

(b) Effective Date.—The amendments made by subsection (a) apply with respect to certifications submitted on or after the effective date of those amendments.

SEC. 225. STANDARDIZING CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS.

(a) Third Country Transfers Under FMS Sales.—Section 3(d)(2) of the Arms Export Control Act is amended—

(1) in subparagraph (A), by striking out ", as provided for in sections 36(b)(2) and 36(b)(3) of this Act";

(2) in subparagraph (B), by striking out "law" and inserting in lieu thereof "joint resolution"; and

(3) by adding at the end the following:

"(C) If the President states in his certification under subparagraph (A) or (B) that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States, thus waiving the requirements of that subparagraph, the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate immediate consent to the transfer and a discussion of the national security interests involved.

"(D)(i) Any joint resolution under this paragraph shall be considered in the Senate in ac-

cordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(b) THIRD COUNTRY TRANSFERS UNDER COMMERCIAL SALES.—Section 3(d)(3) of that Act is amended—

(1) by inserting "(A)" after "(3)";

(2) in the first sentence—

(A) by striking out "at least 30 calendar days", and

(B) by striking out "report" and inserting in lieu thereof "certification"; and

(3) by striking out the last sentence and inserting in lieu thereof the following: "Such certification shall be submitted—

"(i) at least 15 calendar days before such consent is given in the case of a transfer to a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand, and

"(ii) at least 30 calendar days before such consent is given in the case of a transfer to any other country,

unless the President states in his certification that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States. If the President states in his certification that such an emergency exists (thus waiving the requirements of clause (i) or (ii), as the case may be, and of subparagraph (B)) the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that consent to the proposed transfer become effective immediately and a discussion of the national security interests involved.

"(B) Consent to a transfer subject to subparagraph (A) shall become effective after the end of the 15-day or 30-day period specified in subparagraph (A)(i) or (ii), as the case may be, only if the Congress does not enact, within that period, a joint resolution prohibiting the proposed transfer.

"(C)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(c) COMMERCIAL SALES.—Section 36(c)(2) of that Act is amended by amending subparagraphs (A) and (B) to read as follows:

"(A) in the case of a license for an export to the North Atlantic Treaty Organization, any member country of that Organization, or Australia, Japan, or New Zealand, shall not be issued until at least 15 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 15-day period, enacts a joint resolution prohibiting the proposed export; and

"(B) in the case of any other license, shall not be issued until at least 30 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 30-day period, enacts a joint resolution prohibiting the proposed export.".

(d) COMMERCIAL MANUFACTURING AGREEMENTS.—Section 36(d) of that Act is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "for or in a country not a member of the North Atlantic Treaty Organization"; and

(3) by adding at the end the following:

"(2) A certification under this subsection shall be submitted—

"(A) at least 15 days before approval is given in the case of an agreement for or in a country which is a member of the North Atlantic Treaty Organization, Australia, Japan, or New Zealand; and

"(B) at least 30 days before approval is given in the case of an agreement for or in any other country;

unless the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States.

"(3) If the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States, thus waiving the requirements of paragraph (4), he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate approval of the agreement and a discussion of the national security interests involved.

"(4) Approval for an agreement subject to paragraph (1) may not be given under section 38 if the Congress, within the 15-day or 30-day period specified in paragraph (2)(A) or (B), as the case may be, enacts a joint resolution prohibiting such approval.

"(5)(A) Any joint resolution under paragraph (4) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under paragraph (4), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(e) GOVERNMENT-TO-GOVERNMENT LEASES.—

(1) CONGRESSIONAL REVIEW PERIOD.—Section 62 of that Act is amended—

(A) in subsection (a) by striking out "Not less than 30 days before" and inserting in lieu thereof "Before";

(B) in subsection (b)—

(i) by striking out "determines, and immediately reports to the Congress" and inserting in lieu thereof "states in his certification,"; and

(ii) by adding at the end of the subsection the following: "If the President states in his certification that such an emergency exists, he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that the lease be entered into immediately and a discussion of the national security interests involved."; and

(C) by adding at the end of the section the following:

"(c) The certification required by subsection (a) shall be transmitted—

"(1) not less than 15 calendar days before the agreement is entered into or renewed in the case of an agreement with the North Atlantic Treaty Organization, any member country of that Organization, Australia, Japan, or New Zealand; and

"(2) not less than 30 calendar days before the agreement is entered into or renewed in the case of an agreement with any other organization or country.".

(2) LEGISLATIVE REVIEW.—Section 63(a) of that Act is amended—

(A) by striking out "(a)(1)" and inserting in lieu thereof "(a)";

(B) by striking out the "30 calendar days after receiving the certification with respect to that proposed agreement pursuant to section 62(a)," and inserting in lieu thereof "the 15-day or 30-day period specified in section 62(c) (1) or (2), as the case may be,"; and

(C) by striking out paragraph (2).

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to certifications required to be submitted on or after the effective date of those amendments.

SEC. 226. FOREIGN AVAILABILITY.

(a) GOVERNMENT-TO-GOVERNMENT ARMS SALES NOTIFICATION.—Section 36(b)(1) of the Arms Export Control Act is amended—

(1) by inserting after the first sentence the following: "Such certifications shall also contain an analysis of the extent to which comparable kinds and amounts of defense articles, defense services, or design and construction services are available from other countries, and shall specify the countries with respect to which either a letter of offer to sell such articles or services has been issued under this Act, a license to export such articles or services has been issued under section 38, or approval for a commercial technical assistance or manufacturing licensing agreement for such articles or services has been given under section 38.";

(2) by striking out clause (K) and by redesignating clauses (L) through (P) as clauses (K) through (O), respectively; and

(3) in the first sentence following those clauses, by inserting ", and the information required by the second sentence of this subsection," after "subsection (a)".

(b) COMMERCIAL ARMS SALES NOTIFICATIONS.—Section 36(c)(1) of that Act is amended—

(1) in the first sentence—

(A) by striking out "and" immediately before "(C)"; and

(B) by inserting before the period ", (D) the extent to which comparable kinds and amounts of items are available from other countries, and (E) the countries with respect to which either a letter of offer to sell such item has been issued under section 21 or 22, a license to export such item has been issued under section 38, or approval for a commercial technical assistance or manufacturing licensing agreement for such item has been given under section 38"; and

(2) in the last sentence by inserting ", (D), or (E)" after "clause (B)".

SEC. 227. ECONOMIC IMPACT ON UNITED STATES OF ARMS SALES.

(a) CONGRESSIONAL PRESENTATION MATERIALS.—Section 25(a) of the Arms Export Control Act is amended—

(1) by redesignating paragraphs (11) and (12) as paragraphs (12) and (13), respectively; and

(2) by inserting the following new paragraph (11) after paragraph (10):

"(11) an analysis of the economic benefits or disadvantages to the United States of sales and licensed commercial exports under this Act during the preceding fiscal year;".

(b) ARMS SALE NOTIFICATIONS.—Section 36(b)(1) of that Act, as amended by the preceding section of this chapter, is further amended—

(1) by striking out "and" at the end of subparagraph (N);

(2) by striking out the period at the end of subparagraph (O) and inserting in lieu thereof "; and"; and

(3) by inserting after subparagraph (O) the following:

"(P) an analysis of the economic benefits or disadvantages to the United States of the proposed sale.".

SEC. 228. COPRODUCTION AGREEMENTS.

(a) QUARTERLY REPORTS ON COPRODUCTION AGREEMENTS.—

(1) INFORMATION TO BE REPORTED.—Section 36(a) of the Arms Export Control Act, as amend-

ed by chapter 1 of this title, is further amended—

(A) by striking out "and" at the end of paragraph (11);

(B) by striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (12) the following:

"(13) a report on all concluded government-to-government agreements governing foreign coproduction of defense articles of United States origin (including coproduction memoranda of understanding or agreement) that have not been previously reported under this paragraph, which shall include—

"(A) the identity of the foreign countries or international organizations involved;

"(B) a description and the estimated value of the articles authorized to be produced, and an estimate of the quantity of the articles authorized to be produced;

"(C) a description of any restrictions on third party transfers of the foreign-manufactured articles; and

"(D) if any such agreement does not provide for United States access to and verification of quantities of articles produced overseas and their disposition in the coproducing country, a description of alternative measures and controls incorporated in the coproduction program to ensure compliance with restrictions in the agreement on production quantities and third party transfers.".

(2) Effective date.—The amendment made by paragraph (1)(C) does not apply with respect to agreements entered into before the date of enactment of this Act.

(b) Sanctions for Unauthorized Third Country Transfers of Coproduced Defense Articles.—The Arms Export Control Act, as amended by chapter 3 of this title, is amended by inserting after section 32 the following:

"SEC. 33. UNAUTHORIZED THIRD COUNTRY TRANSFERS OF DEFENSE ARTICLES COPRODUCED OR MANUFACTURED UNDER LICENSE ABROAD.

"(a) When Sanctions Required.—The sanctions described in subsection (c) shall be applied as hereinafter provided if—

"(1) the foreign party to a coproduction agreement violates the restrictions in that agreement regarding unauthorized third country or third party transfers or other unauthorized dispositions of—

"(A) defense articles produced under that agreement, or

"(B) technical data or defense services provided under that agreement, and

"(2) that violation is substantial (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved).

"(b) Determination Required.—The sanctions described in this section shall apply if—

"(1) the President so determines and states in writing to the Congress, or

"(2) the Congress so determines by joint resolution.

"(c) Sanctions To Be Applied.—If a determination is made under subsection (b) with respect to a foreign party to a coproduction agreement—

"(1) the authority or license to produce defense articles abroad that is granted by all coproduction agreements to which that foreign party is a party shall be suspended during the sanction period; and

"(2) licenses may not be issued and approval may not be granted under section 38 with respect to that foreign party during the sanction period.

"(d) Sanction Period.—As used in this section, the term 'sanction period' means the period—

"(1) beginning on the date on which the President notifies the Congress that he has made a determination pursuant to subsection (b)(1) or on which the Congress enacts a joint resolution pursuant to subsection (b)(2); and

"(2) ending on the date on which the President reports to the Congress that—

"(A) the violation has ceased; and

"(B) the foreign party has given assurances satisfactory to the President that such a violation will not recur.

"(e) Report to Congress.—The President shall report to the Congress promptly on the receipt of information a violation described in subsection (a) may have occurred.

"(f) Definitions.—As used in this section—

"(1) the term 'coproduction agreement' means an arrangement for foreign production of United States origin defense articles—

"(A) that is authorized or approved by a memorandum of understanding or a memorandum of agreement between a foreign government and the United States Government, or

"(B) that is pursuant to a manufacturing license agreement approved under section 38 of this Act; and

"(2) the term 'foreign party' means a foreign government or foreign business entity that is granted authority or license to produce defense articles abroad by a coproduction agreement.

"(g) Effective Date.—This section does not apply to violations occurring before the effective date of this section, but does apply with respect to all coproduction agreements without regard to whether they were entered into before or after that date.".

SEC. 229. ENFORCEMENT OF ARMS EXPORT LICENSING REQUIREMENTS.

(a) Violations of International Traffic in Arms Regulations.—

(1) Disqualification and forfeiture.—Section 38 of that Act is amended by inserting after subsection (c) the following:

"(d)(1) No contract between a foreign government and a person convicted or debarred for a violation of this section or section 39, or any rule or regulation issued under either section, may be approved for financing under chapter 2 of part II of the Foreign Assistance Act of 1961 during the 12 months following the date of such conviction or debarment.

"(2)(A) Any person who is convicted for a violation of this section or section 39, or any rule or regulation issued under either section, shall (in addition to any other penalty) forfeit to the United States—

"(i) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was the subject of the violation;

"(ii) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was used in—

"(I) the export or import or attempt to export or import, or

"(II) the contribution, gift, commission, or fee that was paid or offered or agreed to be paid,

that was the subject of the violation; and

"(iii) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

"(B) The procedures in any forfeiture under this paragraph, and the duties and authorities of the courts of the United States and the Attorney General with respect to any forfeiture action under this paragraph or with respect to any property that may be subject to forfeiture under this paragraph, shall be governed by section 1963 of title 18, United States Code. Any new budget authority provided by this subparagraph may be exercised only to such extent or in such amounts as are provided in advance in appropriation Acts.".

(2) Effective date.—Subsection (d) of section 38 of that Act, as enacted by paragraph (1) of this subsection, shall take effect on the date of enactment of this Act or October 1, 1991 (whichever is later), and applies—

(A) in the case of paragraph (1) of subsection (d), with respect to convictions or debarments occurring on or after the effective date of that subsection; and

(B) in the case of paragraph (2) of subsection (d), with respect to convictions based on conduct occurring on or after the effective date of that subsection.

(3) Conforming amendment.—(A) Section 38(e) of that Act is amended by striking out "(e), and (g)" and inserting in lieu thereof "and (e)".

(B) The amendment made by subparagraph (A) does not apply with respect to convictions based on conduct occurring before the date specified in paragraph (2)(B).

(b) Enforcement Procedures.—Section 38(g) of the Arms Export Control Act is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking out "are the subject of an indictment for, or have been convicted of," and inserting in lieu thereof "have been convicted of"; and

(B) in subparagraph (B), by striking out "are the subject of an indictment or";

(2) in paragraph (3)—

(A) by striking out subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) at the end of the first sentence, by striking out "may disapprove the application" and inserting in lieu thereof "should disapprove the application if doing so is necessary to further law enforcement objectives or otherwise serve the national interest";

(3) in paragraph (4), by inserting before the period at the end "or that foreign policy or national security considerations justify the issuance of the license to that person";

(4) in paragraph (5), by inserting "or international organization" after "foreign government"; and

(5) in paragraph (8)—

(A) by inserting "within 60 days" after "shall"; and

(B) by inserting before the period at the end ", and to assist with the processing of registration statements".

(c) Registration Fees.—

(1) Transfer of authority to AECA.—Section 38(b)(3)(A) of that Act is amended by striking out "of the fiscal years 1988 and 1989, $250,000" and inserting in lieu thereof "fiscal year, $700,000".

(2) Technical and conforming amendments.—(A) That section is further amended by striking out "munitions" each place it appears and inserting in lieu thereof "defense trade".

(B) Section 45 of the State Department Basic Authorities Act of 1956 is repealed.

SEC. 230. BIENNIAL REVIEW OF THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.

Section 38(f) of the Arms Export Control Act is amended by striking out the first sentence and inserting in lieu thereof the following: "Not later than one year after the date of enactment of this sentence and at least once every 2 years thereafter, the President shall review the regulations issued to carry out this section, including the items listed on the United States Munitions List, for the purpose of determining what changes in those regulations are appropriate, including determining what items, if any, no longer warrant export controls under this section. Based on each such review, the President shall revise those regulations as necessary and shall publish a revised compilation of those regulations.".

SEC. 231. CONTRACT ADMINISTRATIVE SERVICE CHARGES FOR NATO SUBSIDIARY BODIES.

Section 21(h)(1)(A) of the Arms Export Control Act is amended by inserting "or by a North Atlantic Treaty Organization subsidiary body on behalf of such foreign government" after "North Atlantic Treaty Organization".

SEC. 232. SALES OF DEPLETED URANIUM SHELLS.

(a) PROHIBITION.—Except as provided in subsection (b), none of the funds authorized to be appropriated by this or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells, or any comparable antitank shells containing a depleted uranium penetrating component, to any country other than—

(1) a country which is a member of the North Atlantic Treaty Organization; or

(2) a country which has been designated as a major non-NATO ally (as defined in section 47(9) of the Arms Export Control Act).

(b) EXCEPTION.—Subsection (a) shall not apply if the President determines that its application is not in the national security interest of the United States.

CHAPTER 3—TECHNICAL AND CONFORMING AMENDMENTS; REPEAL OF OBSOLETE AND INCONSISTENT PROVISIONS

SEC. 241. CONFORMING AMENDMENTS.

(a) FOREIGN ASSISTANCE ACT.—The Foreign Assistance Act of 1961 is amended—

(1) in section 505(d)(1), by inserting "or under the Arms Export Control Act" after "Assistance Act"; and

(2) in section 573(b), by striking out "Credits" and all that follows through "Act" and inserting in lieu thereof "Foreign military financing assistance".

(b) ARMS EXPORT CONTROL ACT.—The Arms Export Control Act is amended as follows:

(1) Section 2(b) is amended—

(A) by striking out "or financing for" in paragraph (1); and

(B) by striking out "financing" both other places it appears.

(2) Section 3 is amended—

(A) in subsection (c)(1), by striking out "(1)(A) No" and all that follows through "(B) No" and inserting in lieu thereof "(1) No";

(B) in subsection (c)(1), as amended by subparagraph (A), by striking out "under this Act, or any predecessor Act," and inserting in lieu thereof ", through sale, financing or otherwise, under this Act or the Foreign Assistance Act of 1961 (or under any predecessor military sales or foreign assistance legislation)";

(C) in subsection (c)(3)(A), by striking out "subparagraph (A)" and all that follows through "such paragraphs," and inserting in lieu thereof "paragraph (1)";

(D) in subsection (c)(3)(B), by striking out "subparagraph (B) of"; and

(E) in subsection (d), by striking out "or 505(a)(4)".

(3) Section 5(a) is amended by striking out ", and no credits (including participations in credits) or guaranties extended to or for" and inserting in lieu thereof "to".

(4) Section 6 is amended—

(A) by striking out ", no credits or guarantees may be extended,"; and

(B) by inserting "and no foreign military financing assistance may be furnished under the Foreign Assistance Act of 1961" after "this Act".

(5) Section 21(c)(1) is amended to read as follows:

"(c)(1) Members of the Armed Forces assigned or detailed to provide defense services sold under this Act may not perform duties of a combatant nature, including any duty related to training and advising that may engage United States Armed Forces personnel in combat activities, outside the United States in connection with the performance of those defense services.".

(6) Section 21(e)(1)(B) is amended by striking out "either from" and all that follows through "nonrepayable basis under" and inserting in lieu thereof "from either (i) funds made available on a grant basis under chapter 2 of part II of the Foreign Assistance Act of 1961, or (ii) funds which, prior to the effective date of this clause and clause (i), were transferred under the former authority of section 503(a)(3) of the Foreign Assistance Act of 1961 or were made available on a nonrepayable basis under the former authority of".

(7) Section 23 is amended—

(A) by striking out "CREDIT SALES.—(a)" and all that follows through "(e)(1)" inserting in lieu thereof "USE OF ASSISTANCE FOR REPAYMENT OF FMS DEBT; LIMITATION.—(a) AUTHORITY.—";

(B) by striking out "out this section" both places it appears and inserting in lieu thereof "out chapter 2 of part II of the Foreign Assistance Act of 1961";

(C) by inserting "or that chapter" after "under this section";

(D) by striking out "paragraph (2)" and inserting in lieu thereof "subsection (b)";

(E) by striking out "(2) Funds" and inserting in lieu thereof "(b) LIMITATION.—Funds"; and

(F) by striking out "paragraph (1)" and inserting in lieu thereof "subsection (a)".

(8) Section 24 is amended—

(A) by amending the section caption to read "PROVISIONS RELATING TO FORMER CREDIT AND GUARANTY AUTHORITIES";

(B) in subsection (a), by striking out "The" in the first sentence and inserting in lieu thereof "To the extent necessary to carry out the provisions under the heading "Foreign Military Sales Debt Reform" in title III of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100-202), the";

(C) in subsection (b), by inserting "under the former authority of" before "section 23"; and

(D) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The single reserve established under this section for the payment of claims under guaranties issued under the authority of this section may be referred to as the 'Foreign Military Loan Liquidating Account'.

"(d) Any guaranties issued under the authority of this section are backed by the full faith and credit of the United States.

"(e) Any exercise of the authority of this section shall be subject to specific amounts provided in advance in an appropriations Act.".

(9) Section 25(a) is amended—

(A) in paragraph (5)(A), by striking out "military education" and all that follows through "guarantees," and inserting in lieu thereof "and assistance under chapter 2 or chapter 5 of part II of the Foreign Assistance Act of 1961,";

(B) in paragraph (5)(B), by striking out "credits or guaranties under this Act" and inserting in lieu thereof "financing under chapter 2 of part II of the Foreign Assistance Act of 1961"; and

(C) in paragraph (11)—

(i) by striking out "the Arms Export Control Act" and inserting in lieu thereof "section 23 or 24 of this Act"; and

(ii) by inserting before the semicolon at the end of the paragraph the following: ", and the status of each extension of credit for the procurement of defense articles or defense services under chapter 2 of title II of the Foreign Assistance Act of 1961 with respect to which there remains outstanding any unpaid obligation or potential liability".

(10) Section 25(d), as added by section 112(a) of the International Security and Development Cooperation Act of 1985, is amended by striking out "this Act or under section 503(a)(3)" and inserting in lieu thereof "chapter 2 of part II".

(11) Section 37 is amended—

(A) in the section caption by striking out "RELATING TO FOREIGN MILITARY SALES CREDITS";

(B) in subsection (a), by striking out "section 23" and inserting in lieu thereof "the former authority of section 23 or under the authority of chapter 2 of part II of the Foreign Assistance Act of 1961"; and

(C) in subsection (b), by inserting "the former authority of" after "extended pursuant to".

(12) Section 42 is amended—

(A) in subsection (a), by striking out ", but subject to subsection (b) of this section," in the first sentence and inserting in lieu thereof a semicolon;

(B) by repealing subsections (b) and (c) and by redesignating subsections (d) through (f) as subsections (b) through (d), respectively; and

(C) in subsection (b)(1), as so redesignated, by striking out "and guaranties under sections 21, 22, 23, 24," and inserting in lieu thereof "under sections 21, 22,".

SEC. 242. AMENDMENTS TO ELIMINATE OBSOLETE AND INCONSISTENT PROVISIONS.

(a) FOREIGN ASSISTANCE ACT.—Sections 502A and 505(b) and chapters 3 and 7 of part II of the Foreign Assistance Act of 1961 are repealed.

(b) ARMS EXPORT CONTROL ACT.—The Arms Export Control Act is amended as follows:

(1) Section 5(d) is repealed.

(2) Section 25(a) is amended by repealing paragraphs (7) and (9), by redesignating paragraph (8) as paragraph (7), and by redesignating paragraphs (10) through (13) (as added and so redesignated by chapter 2 of this title) as paragraphs (8) through (11), respectively; and

(3) Sections 33, 34, and 35 are repealed.

(4) Section 36 is amended—

(A) in subsection (a) (as amended by chapters 1 and 2 of this title), by striking out paragraphs (5) and (6), by redesignating paragraphs (7) through (13) as paragraphs (5) through (10), respectively, and by striking out "(11)" in the text preceding paragraph (1) and inserting in lieu thereof "(9)"; and

(B) in subsection (b)(1), by striking out "(9)" and "(8)" and inserting in lieu thereof "(7)" and "(6)", respectively.

(5) Section 41 is repealed.

(6) Sections 44 and 45 are amended—

(A) by repealing all of section 45 except the last sentence;

(B) by amending that sentence by striking out "Except for the laws specified in section 44, no" and inserting in lieu thereof "No"; and

(C) by inserting that sentence at the end of section 44.

(7) Section 46 is repealed.

SEC. 243. TECHNICAL CORRECTIONS.

(a) CORRECTION OF CROSS REFERENCES TO INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—

(1) FOREIGN ASSISTANCE ACT.—Section 505(e) of the Foreign Assistance Act of 1961 is amended in the second sentence—

(A) by striking out "significant defense articles" and inserting in lieu thereof "significant military equipment"; and

(B) by striking out "such defense articles" both places it appears and inserting in lieu thereof "such significant military equipment".

(2) ARMS EXPORT CONTROL ACT.—(A) Section 3(a) of the Arms Export Control Act is amended in the second sentence following paragraph (4)—

(i) by striking out "significant defense articles" and inserting in lieu thereof "significant military equipment"; and

(ii) by striking out "such defense articles" both places it appears and inserting in lieu "such significant military equipment".

(B) Section 36(d) is amended by striking out "combat" and inserting in lieu thereof "military".

(b) CLERICAL ERRORS IN 1985 AUTHORIZATION ACT.—Section 25 of the Arms Export Control Act is amended—

(1) in subsection (d), as added by section 112(b) of the International Security and Development Cooperation Act of 1985—

(A) by redesignating that subsection as subsection (e), and

(B) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(2) in subsection (a)(5)(B), by striking out "(d)" and inserting in lieu thereof "(e)".

(c) CLERICAL ERROR IN 1988 DOD APPROPRIATIONS ACT.—Section 38(b)(1) of the Arms Export Control Act is amended by redesignating subparagraph (B), as enacted by the Department of Defense Appropriations Act, 1988, as subparagraph (C).

CHAPTER 4—TRANSFERS OF SPOILS OF WAR

SEC. 261. SHORT TITLE.

This chapter may be cited as the "Spoils of War Act of 1991".

SEC. 262. TRANSFERS OF SPOILS OF WAR.

(a) ELIGIBILITY FOR TRANSFER.—Spoils of war in the possession, custody, or control of the United States may be transferred to any other party by sale, grant, loan, or in any other manner, only to the extent and in the same manner that property of the same type, if otherwise owned by the United States, may be so transferred.

(b) TERMS AND CONDITIONS.—Any transfer pursuant to subsection (a) shall be subject to all of the terms, conditions, and requirements applicable to the transfer of property of the same type otherwise owned by the United States.

SEC. 263. CONSTRUCTION OF PROVISIONS.

Nothing in this chapter shall apply to—

(1) the abandonment or failure to take possession of spoils of war by troops in the field for valid military reasons related to conduct of the immediate conflict, including the burden of transporting such property or a decision to allow allied forces to take possession of certain property solely for use during the immediate conflict;

(2) the abandonment or return of any property obtained, borrowed, or requisitioned for temporary use during military operations without intent to retain possession of such property;

(3) the destruction of spoils of war by troops in the field;

(4) the return of spoils of war to previous owners from whom such property has been seized by enemy forces; or

(5) minor articles of personal property which have lawfully become the property of individual members of the Armed Forces as war trophies pursuant to public written authorization from the Department of Defense.

SEC. 264. DEFINITIONS.

As used in this chapter—

(1) the term "enemy" means any country, government, group, or person that has been engaged in hostilities, whether or not lawfully authorized, with the United States;

(2) the term "party" means (A) any government, (B) any natural person, (C) any corporation, partnership, or other legal entity, and (D) any organization, association, or group;

(3) the term "relevant congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives or, where required by law for certain reporting purposes, the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives; and

(4) the term "spoils of war" means enemy movable property lawfully captured, seized, confiscated, or found which has become United States property in accordance with the laws of war.

CHAPTER 5—ARMS TRANSFERS RESTRAINT POLICY FOR THE MIDDLE EAST AND PERSIAN GULF REGION

SEC. 281. FINDINGS.

The Congress finds that—

(1) nations in the Middle East and Persian Gulf region, which accounted for over 40 percent of the international trade in weapons and related equipment and services during the decade of the 1980's, are the principal market for the worldwide arms trade;

(2) regional instability, large financial resources, and the desire of arms-supplying governments to gain influence in the Middle East and Persian Gulf region, contribute to a regional arms race;

(3) the continued proliferation of weapons and related equipment and services contribute further to a regional arms race in the Middle East and Persian Gulf region that is politically, economically, and militarily destabilizing;

(4) the continued proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons, poses an urgent threat to security and stability in the Middle East and Persian Gulf region;

(5) the continued proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads undermines security and stability in the Middle East and Persian Gulf region;

(6) future security and stability in the Middle East and Persian Gulf region would be enhanced by establishing a stable military balance among regional powers by restraining and reducing both conventional and unconventional weapons;

(7) security, stability, peace, and prosperity in the Middle East and Persian Gulf region are important to the welfare of the international economy and to the national security interests of the United States;

(8) future security and stability in the Middle East and Persian Gulf region would be enhanced through the development of a multilateral arms transfer and control regime similar to those of the Nuclear Suppliers' Group, the Missile Technology Control Regime, and the Australia Chemical Weapons Suppliers Group;

(9) such a regime should be developed, implemented, and agreed to through multilateral negotiations, including under the auspices of the 5 permanent members of the United Nations Security Council;

(10) confidence-building arms control measures such as the establishment of a centralized arms trade registry at the United Nations, greater multinational transparency on the transfer of defense articles and services prior to agreement or transfer, cooperative verification measures, advanced notification of military exercises, information exchanges, on-site inspections, and creation of a Middle East and Persian Gulf Conflict Prevention Center, are important to implement an effective multilateral arms transfer and control regime;

(11) as an interim step, the United States should consider introducing, during the ongoing negotiations on confidence security-building measures at the Conference on Security and Cooperation in Europe (CSCE), a proposal regarding the international exchange of information, on an annual basis, on the sale and transfer of military equipment, particularly to the Middle East and Persian Gulf region; and

(12) such a regime should be applied to other regions with the ultimate objective of achieving an effective global arms transfer and control regime, implemented and enforced through the United Nations Security Council, that—

(A) includes a linkage of humanitarian and developmental objectives with security objectives in Third World countries, particularly the poorest of the poor countries; and

(B) encourages countries selling military equipment and services to consider the following factors before making conventional arms sales: the security needs of the purchasing countries, the level of defense expenditures by the purchasing countries, and the level of indigenous production of the purchasing countries.

SEC. 282. MULTILATERAL ARMS TRANSFER AND CONTROL REGIME.

(a) IMPLEMENTATION OF THE REGIME.—

(1) CONTINUING NEGOTIATIONS.—The President shall continue negotiations among the 5 permanent members of the United Nations Security Council and commit the United States to a multilateral arms transfer and control regime for the Middle East and Persian Gulf region.

(2) PROPOSING A TEMPORARY MORATORIUM DURING NEGOTIATIONS.—In the context of these negotiations, the President should propose to the 5 permanent members of the United Nations Security Council a temporary moratorium on the sale and transfer of major military equipment to nations in the Middle East and Persian Gulf region until such time as the 5 permanent members agree to a multilateral arms transfer and control regime.

(b) PURPOSE OF THE REGIME.—The purpose of the multilateral arms transfer and control regime should be—

(1) to slow and limit the proliferation of conventional weapons in the Middle East and Persian Gulf region with the aim of preventing destabilizing transfers by—

(A) controlling the transfer of conventional major military equipment;

(B) achieving transparency among arms suppliers nations through advanced notification of agreement to, or transfer of, conventional major military equipment; and

(C) developing and adopting common and comprehensive control guidelines on the sale and transfer of conventional major military equipment to the region;

(2) to halt the proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons and the technologies necessary to produce or assemble such weapons;

(3) to limit and halt the proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads;

(4) to maintain the military balance in the Middle East and Persian Gulf region through reductions of conventional weapons and the elimination of unconventional weapons; and

(5) to promote regional arms control in the Middle East and Persian Gulf region.

(c) ACHIEVING THE PURPOSES OF THE REGIME.—

(1) CONTROLLING PROLIFERATION OF CONVENTIONAL WEAPONS.—In order to achieve the purposes described in subsection (b)(1), the United States should pursue the development of a multilateral arms transfer and control regime which includes—

(A) greater information-sharing practices among supplier nations regarding potential arms sales to all nations of the Middle East and Persian Gulf region;

(B) applying, for the control of conventional major military equipment, procedures already developed by the International Atomic Energy Agency, the Multilateral Coordinating Committee on Export Controls (COCOM), and the Missile Technology Control Regime (MTCR); and

(C) other strict controls on the proliferation of conventional major military equipment to the Middle East and Persian Gulf region.

(2) HALTING PROLIFERATION OF UNCONVENTIONAL WEAPONS.—In order to achieve the purposes described in subsections (b)(2) and (3), the United States should build on existing and future agreements among supplier nations by pursuing the development of a multilateral arms transfer and control regime which includes—

(A) limitations and controls contained in the Enhanced Proliferation Control Initiative;

(B) limitations and controls contained in the Missile Technology Control Regime (MTCR);

(C) guidelines followed by the Australia Group on chemical and biological arms proliferation;

(D) guidelines adopted by the Nuclear Suppliers Group (the London Group); and

(E) other appropriate controls that serve to halt the flow of unconditional weapons to the Middle East and Persian Gulf region.

(3) PROMOTION OF REGIONAL ARMS CONTROL AGREEMENTS.—In order to achieve the purposes described in subsections (b)(4) and (5), the United States should pursue with nations in the Middle East and Persian Gulf region—

(A) the maintenance of the military balance within the region, while eliminating nuclear, biological, and chemical weapons and associated delivery systems, and ballistic missiles;

(B) the implementation of confidence-building and security-building measures, including advance notification of certain ground and aerial military exercises in the Middle East and the Persian Gulf; and

(C) other useful arms control measures.

(d) MAJOR MILITARY EQUIPMENT.—As used in this chapter, the term "major military equipment" means—

(1) air-to-air, air-to-surface, and surface-to-surface missiles and rockets;

(2) turbine-powered military aircraft;

(3) attack helicopters;

(4) main battle tanks;

(5) submarines and major naval surface combatants;

(6) nuclear, biological, and chemical weapons; and

(7) such other defense articles and defense services as the President may determine.

SEC. 283. LIMITATION ON UNITED STATES ARMS SALES TO THE REGION.

Beginning 60 days after the date of enactment of the International Cooperation Act of 1991 or the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, whichever is enacted first, no sale of any defense article or defense service may be made to any nation in the Middle East and Persian Gulf region, and no license may be issued for the export of any defense article or defense service to any nation in the Middle East and Persian Gulf region, unless the President—

(1) certifies in writing to the relevant congressional committees that the President has undertaken good faith efforts to convene a conference for the establishment of an arms suppliers regime having elements described in section 282; and

(2) submits to the relevant congressional committees a report setting forth a United States plan for leading the world community in establishing such a multilateral regime to restrict transfers of advanced conventional and unconventional arms to the Middle East and Persian Gulf region.

SEC. 284. REPORTS TO THE CONGRESS.

(a) QUARTERLY REPORTS.—Beginning on January 15, 1992, and quarterly thereafter through October 15, 1993, the President shall submit to the relevant congressional committees a report—

(1) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 282(b); and

(2) describing efforts by the United States and progress made to induce other countries to curtail significantly the volume of their arms sales to the Middle East and Persian Gulf region, and if such efforts were not made, the justification for not making such efforts.

(b) INITIAL REPORT ON TRANSFERS AND REGIONAL MILITARY BALANCE.—Not later than 60 days after the date of enactment of the International Cooperation Act of 1991 or the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, whichever is enacted first, the President shall submit to the relevant congressional committee a report—

(1) documenting all transfers of conventional and unconventional arms by any nation to the Middle East and Persian Gulf region over the previous calendar year and the previous 5 calendar years, including sources, types, and recipient nations of weapons;

(2) analyzing the current military balance in the region, including the effect on the balance of transfers documented under paragraph (1);

(3) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 282(b);

(4) describing any agreements establishing such a regime; and

(5) identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that violates or undermines such a regime.

(c) ANNUAL REPORTS ON TRANSFERS AND REGIONAL MILITARY BALANCE.—Beginning July 15, 1992, and every 12 months thereafter, the President shall submit to the relevant congressional committees a report—

(1) documenting all transfers of conventional and unconventional arms by any nation to the Middle East and Persian Gulf region over the previous calendar year, including sources, types, and recipient nations of weapons;

(2) analyzing the current military balance in the region, including the effect on the balance of transfer documented under paragraph (1);

(3) describing the progress in implementing the purposes of the multilateral arms transfer and control regime as described in section 282(b); and

(4) identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that violates or undermines such a regime.

SEC. 285. RELEVANT CONGRESSIONAL COMMITTEES DEFINED.

As used in this chapter, the term "relevant congressional committees" means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

TITLE III—INTERNATIONAL NARCOTICS CONTROL

SEC. 301. AUTHORIZATIONS OF APPROPRIATIONS.

Section 482(a)(1) of the Foreign Assistance Act of 1961 is amended by striking out "$115,000,000 for fiscal year 1990" and inserting in lieu thereof "$171,500,000 for each of fiscal years 1992 and 1993".

SEC. 302. AMENDMENTS RELATING TO CERTAIN AUTHORITIES AND REQUIREMENTS.

(a) POLICY STATEMENT.—Section 481 of the Foreign Assistance Act of 1961 is amended by striking out the section designation and section heading and subsection (a)(1) and inserting in lieu thereof the following:

"SEC. 481. POLICY, GENERAL AUTHORITIES, AND GENERAL PROVISIONS.

"(a) POLICY AND GENERAL AUTHORITIES.—

"(1) STATEMENTS OF POLICY.—(A) International narcotics trafficking poses an unparalleled transnational threat in today's world, and its suppression is among the most important foreign policy objectives of the United States.

"(B) Under the Single Convention on Narcotic Drugs, 1961, and under the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, the parties are required to criminalize certain drug-related activities, provide appropriately severe penalties, and cooperate in the extradition of accused offenders.

"(C) International narcotics control programs should include, as priority goals, the suppression of the illicit manufacture of and trafficking in narcotic and psychotropic drugs, money laundering, and precursor chemical diversion, and the progressive elimination of the illicit cultivation of the crops from which narcotic and psychotropic drugs are derived.

"(D) The international community should provide assistance, where appropriate, to those producer and transit countries which require assistance in discharging these primary obligations.

"(E) Effective international cooperation is necessary to control the illicit cultivation, production, and smuggling of, trafficking in, and abuse of narcotic and psychotropic drugs.".

(b) AUTHORITY TO CONCLUDE AGREEMENTS.—Section 481(a)(2) of that Act is amended by inserting ", including reciprocal maritime agreements," after "agreements".

(c) COORDINATION OF ALL UNITED STATES ANTINARCOTICS ASSISTANCE TO FOREIGN COUNTRIES.—Section 481(b) of that Act is amended to read as follows:

"(b) COORDINATION OF ALL UNITED STATES ANTINARCOTICS ASSISTANCE TO FOREIGN COUNTRIES.—

"(1) RESPONSIBILITY OF SECRETARY OF STATE.—Consistent with subtitle A of title I of the Anti-Drug Abuse Act of 1988, the Secretary of State shall be responsible for coordinating all assistance provided by the United States Government to support international efforts to combat illicit narcotics production or trafficking.

"(2) RULE OF CONSTRUCTION.—Nothing contained in this subsection or section 489(c) shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333.".

(d) MARITIME LAW ENFORCEMENT IN ARCHIPELAGIC WATERS.—Section 481(c)(4) of that Act is amended by inserting "or archipelagic waters" after "sea".

(e) PROCUREMENT OF WEAPONS AND AMMUNITION.—Section 482(b) of that Act is amended to read as follows:

"(b) PROCUREMENT OF WEAPONS AND AMMUNITION.—

"(1) PROHIBITION.—Except as provided in paragraph (2), funds made available to carry out this chapter shall not be made available for the procurement of weapons or ammunition.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to funds for the procurement of—

"(A) weapons or ammunition provided only for the defensive arming of aircraft used for narcotics-related purposes, or

"(B) firearms and related ammunition provided only for defensive purposes to employees or contract personnel of the Department of State engaged in activities under this chapter,

if, at least 15 days before obligating those funds, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.".

(f) REQUIREMENTS RELATING TO AIRCRAFT AND OTHER EQUIPMENT.—

(1) RETENTION OF TITLE.—Section 484 of that Act is amended to read as follows:

"SEC. 484. REQUIREMENTS RELATING TO AIRCRAFT AND OTHER EQUIPMENT.

"(a) RETENTION OF TITLE TO AIRCRAFT.—

"(1) IN GENERAL.—(A) Except as provided in paragraph (2), any aircraft which are made *available to a foreign country under this chapter, or are made available to a foreign country primarily for narcotics-related purposes under any other provision of law, shall be provided only on a lease or loan basis.*

"(B) Subparagraph (A) applies to aircraft made available at any time after October 27, 1986 (which was the date of enactment of the International Narcotics Control Act of 1986).

"(2) EXCEPTIONS.—(A) Paragraph (1) shall not apply to the extent that—

"(i) the application of that paragraph with respect to particular aircraft would be contrary to the national interest of the United States; and

"(ii) the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(B) Paragraph (1) does not apply with respect to aircraft made available to a foreign country under any provision of law that authorizes property that has been civilly or criminally forfeited to the United States to be made available to foreign countries.

"(3) ASSISTANCE FOR LEASING OF AIRCRAFT.—(A) For purposes of satisfying the requirement of paragraph (1), funds made available for foreign military financing assistance may be used to finance the leasing of aircraft under chapter 6 of the Arms Export Control Act.

"(B) Section 61(a)(3) of that Act shall not apply with respect to leases so financed; rather the entire cost of any such lease (including any renewals) shall be an initial, one time payment of the amount which would be the sales price for the aircraft if they were sold under section 21(a)(1)(B) or section 22 of that Act (as appropriate).

"(C) To the extent that aircraft so leased were acquired under chapter 5 of that Act, funds used pursuant to this paragraph to finance such leases shall be credited to the Special Defense Acquisition Fund under chapter 5 of that Act (excluding the amount of funds that reflects the charges described in section 21(e)(1) of that Act). The funds described in the parenthetical clause of the preceding sentence shall be available for payments consistent with sections 37(a) and 43(b) of that Act.".

(2) PERMISSIBLE USES OF AIRCRAFT AND OTHER EQUIPMENT.—Chapter 8 of part I of that Act is amended—

(A) by striking out the section designation and section heading of section 489;

(B) in subsection (a) of section 489, by striking out "IN GENERAL" and inserting in lieu thereof "PERMISSIBLE USES OF AIRCRAFT AND OTHER EQUIPMENT";

(C) in subsection (b) of section 489 by striking out "subsection (e)" and inserting in lieu thereof "section 489(a)";

(D) by redesignating subsections (a) and (b) of section 489 as subsections (b) and (c) and by inserting those subsections after subsection (a) of section 484 (as amended by paragraph (1) of this subsection); and

(E) by repealing subsections (c) and (d) of section 489.

(3) RECORDS OF AIRCRAFT USE.—Section 485 of that Act is amended by striking out "Secretary of State" both places it appears and inserting in lieu thereof "President".

(g) REALLOCATION OF FUNDS WITHHELD FROM COUNTRIES WHICH FAIL TO TAKE ADEQUATE STEPS TO HALT ILLICIT DRUG PRODUCTION OR TRAFFICKING.—Section 486 of that Act is amended—

(1) in the text preceding paragraph (1), by striking out "shall" and inserting in lieu thereof "may"; and

(2) in paragraph (2), by striking out "Any such funds not used under paragraph (1) shall" and inserting in lieu thereof "In the alternative, any such funds may".

SEC. 303. ANNUAL REPORTING AND CERTIFICATION REQUIREMENTS.

(a) REVISION OF REQUIREMENTS FOR FISCAL YEARS 1992 AND 1993.—Chapter 8 of part I of the Foreign Assistance Act of 1961, as amended by the preceding section of this title, is amended by adding at the end the following:

"SEC. 489. REPORTING REQUIREMENTS FOR FISCAL YEARS 1992 AND 1993.

"(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT.—Not later than April 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a comprehensive report with respect to all countries which are members of the United Nations—

"(1) on the state of international narcotics production and trafficking, money-laundering, and precursor chemical control; and

"(2) on United States efforts to prevent—

"(A) the illicit cultivation and manufacture of and trafficking in narcotic and psychotropic drugs and other controlled substances,

"(B) the diversion of precursor chemicals, and

"(C) money laundering.

"(b) CONTENTS OF REPORT.—Each report pursuant to subsection (a) shall include the following:

"(1) For each country that is a member of the United Nations, a report on the extent to which the country has—

"(A) met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, including action on such issues as illicit cultivation, production, distribution, sale, transport, and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction;

"(B) accomplished the goals described in an applicable bilateral narcotics agreement with the United States or a multilateral agreement; and

"(C) taken legal and law enforcement measures to prevent and punish public corruption, especially by senior government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

"(2)(A) A description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including appropriate information on the status of negotiations between the United States and other countries on updated extradition treaties, mutual legal assistance treaties, precursor chemical controls, money laundering, and agreements pursuant to section 2015 of the International Narcotics Act of 1986 (relating to interdiction procedures for vessels of foreign registry).

"(B) Information on multilateral and bilateral strategies with respect to money laundering pursued by the Department of State, the Department of Justice, the Department of the Treasury, and other relevant United States Government agencies, either collectively or individually, to ensure the cooperation of foreign governments with respect to narcotics-related money laundering and to demonstrate that all United States Government agencies are pursuing a common strategy with respect to major money laundering countries.

"(3) The identity of those countries which are—

"(A) major illicit drug producing countries or major drug-transit countries as determined under section 490(h),

"(B) the significant direct or indirect sources of narcotics and psychotropic drugs and other controlled substances significantly affecting the United States,

"(C) major sources of precursor chemicals used in the production of illicit narcotics, or

"(D) major money laundering countries.

"(4) In addition, for each country identified pursuant to paragraph (3), the following:

"(A) A description of the plans, programs, and timetables adopted by such country, including efforts to meet the objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with those plans.

"(B) Whether as a matter of government policy, such country encourages or facilitates the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions; and whether any senior official of the government of such country engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

"(5) In addition, for each country identified pursuant to paragraph (3)(A) or (3)(B), a detailed status report, with such information as can be reliably obtained, on the narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported through such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

"(6) In addition, for those countries identified pursuant to paragraph (3)(C)—

"(A) which countries are parties to international agreements on a method for maintaining records of transactions of an established list of precursor and essential chemicals;

"(B) which countries have established a procedure by which such records may be made available to United States law enforcement authorities; and

"(C) which countries have enacted national chemical control legislation which would impose specific recordkeeping and reporting requirements for listed chemicals, establish a system of permits or declarations for imports and exports of listed chemicals, and authorize government officials to seize or suspend shipments of listed chemicals.

"(7) In addition, for those countries identified pursuant to paragraph (3)(D)—

"(A) which countries have not reached agreement with the United States authorities on a mechanism for exchanging adequate records in connection with narcotics investigations and proceedings; and

"(B) which of the countries identified pursuant to subparagraph (A) are negotiating in good faith with the United States to establish such a record-exchange mechanism, or have adopted laws or regulations that ensure the availability to appropriate United States Government personnel of adequate records in connection with narcotics investigations and proceedings.

"(8) In addition, for each country identified pursuant to paragraph (3)(D), detailed information on the country's adoption of laws and regulations considered essential to prevent narcotics-related money laundering. Such information shall include whether a country has—

"(A) criminalized narcotics money laundering;

"(B) required financial institutions to record large currency transactions at thresholds appropriate to that country's economic situation;

"(C) required financial institutions to report suspicious transactions;

"(D) established systems for identifying, tracing, freezing, seizing, and forfeiting narcotics-related assets;

"(E) enacted laws for the sharing of seized narcotics assets with other governments; and

"(F) cooperated when requested with appropriate law enforcement agencies of other governments investigating financial crimes related to narcotics.

The report shall also detail instances of refusals to cooperate by foreign governments, and any actions taken by the United States Government to address such obstacles, including the imposition of sanctions or penalties.

"(c) ANNUAL REPORTS ON ASSISTANCE.—

"(1) IN GENERAL.—At the time that the report required by subsection (a) is submitted each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance provided or proposed to be provided by the United States Government during the preceding fiscal year, the current fiscal year, and the next fiscal year to support international efforts to combat illicit narcotics production or trafficking.

"(2) INFORMATION TO BE INCLUDED.—Each report pursuant to this subsection shall—

"(A) specify the amount and nature of the assistance provided or to be provided;

"(B) include, for each country identified in subsection (b)(3)(A), information from the Drug Enforcement Administration, the Customs Service, and the Coast Guard describing in detail—

"(i) the assistance provided or to be provided to such country by that agency, and

"(ii) the assistance provided or to be provided to that agency by such country,

with respect to narcotic control efforts during the preceding fiscal year, the current fiscal year, and the next fiscal year; and

"(C) list all transfers, which were made by the United States Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the United States Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

"(3) REPORTS MAY BE CLASSIFIED.—The reports required by this subsection may be provided on a classified basis to the extent necessary.

"(d) DEFINITIONS.—As used in this section—

"(1) the term 'precursor chemical' has the same meaning as the term 'listed chemical' has under paragraph (33) of section 102 of the Controlled Substances Act (21 U.S.C. 902(33)); and

"(2) the term 'major money laundering country' means a country whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking.

"(e) EFFECTIVE DATES OF SECTIONS.—This section applies only during fiscal years 1992 and 1993. Section 489A does not apply during those fiscal years.

"SEC. 489A. REPORTING REQUIREMENTS APPLICABLE AFTER SEPTEMBER 30, 1993.

"(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT.—

"(1) REQUIREMENT FOR REPORT.—Not later than March 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on United States policy to establish and encourage an international strategy to prevent the illicit cultivation and manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances.

"(2) CONTENTS.—Each report pursuant to this subsection shall include the following:

"(A) A description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including policy development, bilateral and multilateral funding and other support for international narcotics control projects, representations of the United States Government to international organizations and agencies concerned with narcotics control, training of foreign enforcement personnel, coordination of the international narcotics control activities of United States Government agencies, and technical assistance to international demand reduction programs.

"(B) A description of the activities of the United States in international financial institutions to combat the entry of narcotic and psychotropic drugs and other controlled substances into the United States for the fiscal year just ended, for the current fiscal year, and for the next fiscal year.

"(C) The identity of those countries which are the significant direct or indirect sources of narcotic and psychotropic drugs and other controlled substances significantly affecting the United States. For each such country, each report shall include the following:

"(i) A detailed status report, with such information as can be reliably obtained, on the narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported through such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

"(ii) A description of the assistance under this chapter and the other kinds of United States assistance which such country received in the preceding fiscal year, which are planned for such country for the current fiscal year, and which are proposed for such country for the next fiscal year, with an analysis of the impact that the furnishing of each such kind of assistance has had or is expected to have on the illicit cultivation and manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances in such country.

"(iii) A description of the plans, programs, and timetables adopted by such country for the progressive elimination of the illicit cultivation of narcotic and psychotropic drugs and other controlled substances, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with these plans.

"(iv) A discussion of the extent to which such country has cooperated with United States narcotics control efforts through the extradition or prosecution of drug traffickers, and, where appropriate, a description of the status of negotiations with such country to negotiate a new or updated extradition treaty relating to narcotics offenses.

"(D) For each major illicit drug producing country for which the President is proposing to furnish United States assistance for the next fiscal year, a determination by the President of the maximum reductions in illicit drug production which are achievable during the next fiscal year. Each such determination shall be expressed in numerical terms, such as the number of acres of illicitly cultivated controlled substances which can be eradicated.

"(E) For each major illicit drug producing country which received United States assistance for the preceding fiscal year, the actual reductions in illicit drug production achieved by that country during such fiscal year.

"(F) Specific comments and recommendations by appropriate Federal agencies involved in drug enforcement, including the United States Customs Service and the Drug Enforcement Administration, with respect to the degree to which countries listed in the report have, during the preceding year, cooperated fully with such agencies (as described in section 490A(b)).

"(G) A description of the United States assistance for the preceding fiscal year which was denied, pursuant to section 490 or 490A, to each major illicit drug producing country and each major drug-transit country.

"(b) MIDYEAR REPORT.—Not later than September 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed midyear report on the activities and operations carried out under this chapter prior to such date. Such midyear report shall include the status of each agreement concluded prior to such date with other countries to carry out this chapter.

"(c) ANNUAL REPORTS ON ASSISTANCE.—

"(1) IN GENERAL.—At the time that the report required by subsection (a) is submitted each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance provided by the United States Government during the preceding fiscal year to support international efforts to combat illicit narcotics production or trafficking.

"(2) INFORMATION TO BE INCLUDED.—Each report pursuant to this subsection shall—

"(A) specify the amount and nature of the assistance provided;

"(B) include, for each country which is a significant direct or indirect source of narcotic and psychotropic drugs and other controlled substances significantly affecting the United States, a section prepared by the Drug Enforcement Administration, a section prepared by the Customs Service, and a section prepared by the Coast Guard, which describes in detail—

"(i) the assistance provided or to be provided (as the case may be) to such country by that agency, and

"(ii) the assistance provided or to be provided (as the case may be) to that agency by such country,

with respect to narcotic control efforts during the preceding fiscal year, the current fiscal year, and the next fiscal year; and

"(C) list all transfers, which were made by the United States Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the United States Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

"(3) REPORTS MAY BE CLASSIFIED.—The reports required by this subsection may be provided on a classified basis to the extent necessary.

"SEC. 490. ANNUAL CERTIFICATION PROCEDURES FOR FISCAL YEARS 1992 AND 1993.

"(a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION TO MULTILATERAL DEVELOPMENT ASSISTANCE.—

"(1) BILATERAL ASSISTANCE.—Fifty percent of the United States assistance allocated each fiscal year in the report required by section 653 for each major illicit drug producing country or major drug-transit country (as determined under subsection (h)) shall be withheld from obligation and expenditure, except as provided in subsection (b). This paragraph shall not apply with respect to a country if the President determines that its application to that country would be contrary to the national interest of the United States, except that any such determination shall not take effect until at least 15 days after the President submits written notification of that determination to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

"(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the United States Executive Director of the International Development Association, the United States Executive Director of the Inter-American Development Bank, and the United States Executive Director of the Asian Development Bank to vote, on and after April 1 of each year, against any loan or other utilization of the funds of their respective institution to or for any major illicit drug producing country or major drug-transit country (as determined under subsection (h)), except as provided in subsection (b).

"(b) CERTIFICATION PROCEDURES.—

"(1) WHAT MUST BE CERTIFIED.—Subject to subsection (d), the assistance withheld from a country pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the submission of the report required by section 489(a), that—

"(A) during the previous year the country has cooperated with the United States, or has taken adequate steps on its own, to achieve full compliance with the goals and objectives established by the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988; or

"(B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld pursuant to subsection (a)(1) be provided and that the United States not vote against multilateral development bank assistance for that country pursuant to subsection (a)(2).

"(2) CONSIDERATIONS REGARDING COOPERATION.—In making the determination described in paragraph (1)(A), the President shall consider the extent to which the country has—

"(A) met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, including action on such issues as illicit cultivation, production, distribution, sale, transport and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction;

"(B) accomplished the goals described in an applicable bilateral narcotics agreement with the United States or a multilateral agreement; and

"(C) taken legal and law enforcement measures to prevent and punish public corruption, especially by senior government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

"(3) INFORMATION TO BE INCLUDED IN NATIONAL INTEREST CERTIFICATION.—If the President makes a certification with respect to a country pursuant to paragraph (1)(B), the President shall include in such certification—

"(A) a full and complete description of the vital national interests placed at risk if United States bilateral assistance to that country is terminated pursuant to this section and multilateral development bank assistance is not provided to such country; and

"(B) a statement weighing the risk described in subparagraph (A) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

"(c) LICIT OPIUM PRODUCING COUNTRIES.—The President may make a certification under subsection (b)(1)(A) with respect to a major illicit drug producing country, or major drug-transit country, that is a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

"(d) CONGRESSIONAL REVIEW.—Subsection (e) shall apply if, within 45 calendar days after receipt of a certification submitted under subsection (b) at the time of submission of the report required by section 489(a), the Congress enacts a joint resolution disapproving the determination of the President contained in such certification.

"(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.—If the President does not make a certification under subsection (b) with respect to a country or the Congress enacts a joint resolution disapproving such certification, then until such time as the conditions specified in subsection (f) are satisfied—

"(1) funds may not be obligated for United States assistance for that country, and funds previously obligated for United States assistance for that country may not be expended for the purpose of providing assistance for that country; and

"(2) the requirement to vote against multilateral development bank assistance pursuant to subsection (a)(2) shall apply with respect to that country, without regard to the date specified in that subsection.

"(f) RECERTIFICATION.—Subsection (e) shall apply to a country described in that subsection until—

"(1) the President, at the time of submission of the report required by section 489(a), makes a certification under subsection (b)(1)(A) or (b)(1)(B) with respect to that country, and the Congress does not enact a joint resolution under subsection (d) disapproving the determination of the President contained in that certification; or

"(2) the President, at any other time, makes the certification described in subsection (b)(1)(B) with respect to that country, except that this paragraph applies only if either—

"(A) the President also certifies that—

"(i) that country has undergone a fundamental change in government, or

"(ii) there has been a fundamental change in the conditions that were the reason—

"(I) why the President had not made a certification with respect to that country under subsection (b)(1)(A), or

"(II) if he had made such a certification and the Congress enacted a joint resolution disapproving the determination contained in the certification, why the Congress enacted that joint resolution; or

"(B) the Congress enacts a joint resolution approving the determination contained in the certification under subsection (b)(1)(B).

Any certification under subparagraph (A) of paragraph (2) shall discuss the justification for the certification.

"(g) CONGRESSIONAL REVIEW PROCEDURES.—

"(1) SENATE.—Any joint resolution under this section shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(2) HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and enactment of joint resolutions under this section, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(h) DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT DRUG PRODUCING COUNTRIES FOR FISCAL YEARS 1992 AND 1993.—Not later than January 1 of each year, the President shall notify the appropriate committees of the Congress of which countries have been determined to be major drug-transit countries, and which countries have been determined to be major illicit drug producing countries, for purposes of this Act.

"(i) EFFECTIVE DATES OF SECTIONS.—This section applies only during fiscal years 1992 and 1993. During those fiscal years, section 490A does not apply and the definitions provided in section 481(e)(2) and (5), as so redesignated by section 304(b)(3) of this title, do not apply.

"SEC. 490A. ANNUAL CERTIFICATION PROCEDURES AFTER SEPTEMBER 30, 1993.

"(a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION TO MULTILATERAL DEVELOPMENT ASSISTANCE.—

"(1) BILATERAL ASSISTANCE.—Fifty percent of the United States assistance allocated each fiscal year in the report required by section 653 for each major illicit drug producing country or major drug-transit country shall be withheld from obligation and expenditure, except as provided in subsection (b).

"(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the United States Executive Director of the International Development Association, the United States Executive Director of the Inter-American Development Bank, and the United States Executive Director of the Asian Development Bank to vote, on and after March 1 of each year, against any loan or other utilization of the funds of their respective institution to or for any major illicit drug producing country or major drug-transit country, except as provided in subsection (b).

"(b) CERTIFICATION PROCEDURE.—

"(1) WHAT MUST BE CERTIFIED.—Subject to subsection (d), the assistance withheld from a country pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the submission of the report required by section 489A(a), that—

"(A) during the previous year the country has cooperated fully with the United States, or has taken adequate steps on its own—

"(i) in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States (as described in paragraph (2)) or a multilateral agreement which achieves the objectives of paragraph (2),

"(ii) in preventing narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States,

"(iii) in preventing and punishing the laundering in that country of drug-related profits or drug-related moneys, and

"(iv) in preventing and punishing bribery and other forms of public corruption which facilitate the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts; or

"(B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld pur-

suant to subsection (a)(1) be provided and that the United States not vote against multilateral development bank assistance for that country pursuant to subsection (a)(2).

"(2) BILATERAL NARCOTICS AGREEMENT.—A bilateral narcotics agreement referred to in paragraph (1)(A)(i) is an agreement between the United States and a foreign country in which the foreign country agrees to take specific activities, including, where applicable, efforts to—

"(A) reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution;

"(B) increase drug interdiction and enforcement;

"(C) increase drug treatment;

"(D) increase the identification of and elimination of illicit drug laboratories;

"(E) increase the identification of, and elimination of trafficking in, essential precursor chemicals for use in the illicit production of narcotic and psychotropic drugs and other controlled substances;

"(F) increase cooperation with United States drug enforcement officials; and

"(G) where applicable, increase participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.

"(3) REQUIREMENT FOR NARCOTICS AGREEMENT FOR CERTAIN COUNTRIES.—A country which in the previous year was designated as a major illicit drug producing country or a major drug-transit country may not be determined to be cooperating fully under paragraph (1)(A) unless it has in place a bilateral narcotics agreement with the United States or a multilateral agreement which achieves the objectives of paragraph (2).

"(4) INFORMATION TO BE INCLUDED IN CERTIFICATION.—If the President makes a certification with respect to a country pursuant to paragraph (1)(B), the President shall include in such certification—

"(A) a full and complete description of the vital national interests placed at risk if United States bilateral assistance to that country is terminated pursuant to this section and multilateral development bank assistance is not provided to such country; and

"(B) a statement weighing the risk described in subparagraph (A) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

"(5) LICIT OPIUM PRODUCING COUNTRIES.—The President may make a certification under paragraph (1)(A) with respect to a major illicit drug producing country, or major drug-transit country, that is a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

"(c) MATTERS TO BE CONSIDERED.—In determining whether to make the certification required by subsection (b) with respect to a country, the President shall consider the following:

"(1) Have the actions of the government of that country resulted in the maximum reductions in illicit drug production which were determined to be achievable pursuant to section 489A(a)(2)(D)? In the case of a major illicit drug producing country, the President shall give foremost consideration, in determining whether to make the determination required by subsection (b)(1)(A), to whether the government of that country has taken actions which have resulted in such reductions.

"(2) Has that government taken the legal and law enforcement measures to enforce in its territory, to the maximum extent possible, the elimination of illicit cultivation and the suppression of illicit manufacturing of and trafficking in narcotic and psychotropic drugs and other controlled substances, as evidenced by seizures of such drugs and substances and of illicit laboratories and the arrest and prosecution of violators involved in the traffic in such drugs and substances significantly affecting the United States?

"(3) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, the laundering in that country of drug-related profits or drug-related moneys, as evidenced by—

"(A) the enactment and enforcement by that government of laws prohibiting such conduct,

"(B) that government entering into, and cooperating under the terms of, mutual legal assistance agreements with the United States governing (but not limited to) money laundering, and

"(C) the degree to which that government otherwise cooperates with United States law enforcement authorities on anti-money laundering efforts?

"(4) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts, as evidenced by the enactment and enforcement of laws prohibiting such conduct?

"(5) Has that government, as a matter of government policy, encouraged or facilitated the illicit production or distribution of narcotic and psychotropic drugs and other controlled substances?

"(6) Does any senior official of that government engage in, encourage, or facilitate the illicit production or distribution of narcotic and psychotropic drugs and other controlled substances?

"(7) Has that government investigated aggressively all cases in which any member of an agency of the United States Government engaged in drug enforcement activities has been the victim, since January 1, 1985, of acts or threats of violence, inflicted by or with the complicity of any law enforcement or other officer of such country or any political subdivision thereof, and energetically sought to bring the perpetrators of such offense or offenses to justice?

"(8) Having been requested to do so by the United States Government, does that government fail to provide reasonable cooperation to lawful activities of United States drug enforcement agents, including the refusal of permission to such agents engaged in interdiction of aerial smuggling into the United States to pursue suspected aerial smugglers a reasonable distance into the airspace of the requested country?

"(9) Has that government made necessary changes in legal codes in order to enable law enforcement officials to move more effectively against narcotics traffickers, such as new conspiracy laws and new asset seizure laws?

"(10) Has that government expeditiously processed United States extradition requests relating to narcotics trafficking?

"(11) Has that government refused to protect or give haven to any known drug traffickers, and has it expeditiously processed extradition requests relating to narcotics trafficking made by other countries?

"(d) CONGRESSIONAL REVIEW.—Subsection (e) shall apply if, within 45 days of continuous session (within the meaning of section 601(b)(1) of the International Security Assistance and Arms Export Control Act of 1976) after receipt of a certification under subsection (b), the Congress enacts a joint resolution disapproving the determination of the President contained in such certification.

"(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.—If the President does not make a certification under subsection (b) with respect to a country or the Congress enacts a joint resolution disapproving such certification, then until such time as the conditions specified in subsection (f)(1) are satisfied—

"(1) funds may not be obligated for United States assistance for that country, and funds previously obligated for United States assistance for that country may not be expended for the purpose of providing assistance for that country; and

"(2) the requirement to vote against multilateral development bank assistance pursuant to subsection (a)(2) shall apply with respect to that country, without regard to the date specified in that subsection.

"(f) RECERTIFICATION.—

"(1) TIME OF RECERTIFICATION; CONGRESSIONAL ACTION.—Subsection (e) shall apply to a country described in that subsection until—

"(A) the President makes a certification under subsection (b) with respect to that country, and the Congress does not enact a joint resolution under subsection (d) disapproving the determination of the President contained in that certification; or

"(B) the President submits, at any other time, a certification described in subparagraph (A) or (B) of subsection (b)(1) with respect to such country, and the Congress enacts a joint resolution approving the determination of the President contained in that certification.

"(2) CONGRESSIONAL REVIEW PROCEDURES.—(A) Any joint resolution under this section shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under this section, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(g) DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT DRUG PRODUCING COUNTRIES AFTER SEPTEMBER 30, 1993.—

"(1) ESTABLISHMENT OF GUIDELINES.—For each calendar year, the Secretary of State, after consultation with the appropriate committees of the Congress, shall establish numerical standards and other guidelines for determining which countries will be considered to be major drug-transit countries under subparagraphs (A) and (B) of section 481(e)(5).

"(2) NOTICE TO CONGRESS OF PRELIMINARY STANDARDS.—Not later than September 1 of each year, the Secretary of State shall make a preliminary determination of the numerical standards and other guidelines to be used pursuant to paragraph (1) with respect to that year and shall notify the appropriate committees of the Congress of those standards and guidelines.

"(3) NOTICE TO CONGRESS OF PRELIMINARY DETERMINATIONS.—Not later than October 1 of each year, the Secretary of State shall notify the appropriate committees of the Congress of—

"(A) which countries have been determined to be major drug-transit countries for that year under the numerical standards and other guidelines developed pursuant to this subsection; and

"(B) which countries have been determined to be major illicit drug producing countries for that year.".

(b) DEFINITION OF UNITED STATES ASSISTANCE.—Paragraph (4) of section 481(i) of that Act is amended to read as follows:

"(4) the term 'United States assistance' means—

"(A) any assistance under this Act (including programs under title IV of chapter 2, relating to the Overseas Private Investment Corporation), other than—

"(i) assistance under this chapter,

"(ii) any other narcotics-related assistance under this part (including chapter 4 of part II), but any such assistance provided under this clause shall be subject to the prior notification procedures applicable to reprogrammings pursuant to section 634A of this Act,

"(iii) disaster relief assistance, including any assistance under chapter 9 of this part,

"(iv) assistance which involves the provision of food (including monetization of food) or medicine, and

"(v) assistance for refugees;

"(B) sales under the Arms Export Control Act;

"(C) the provision of agricultural commodities, other than food, under the Agricultural Trade Development and Assistance Act of 1954; and

"(D) financing under the Export-Import Bank Act of 1945;".

SEC. 304. TECHNICAL AND CONFORMING PROVISIONS; REPEAL OF OBSOLETE PROVISIONS.

(a) STATUTORY REFERENCES TO ANNUAL REPORTS AND CERTIFICATIONS.—After September 30, 1993, any reference in any provision of law to section 489 or 490 of the Foreign Assistance Act of 1961 shall be deemed to be a reference to the corresponding provision of section 489A or 490A, respectively, unless the content requires otherwise. Any reference in any provision of law enacted before the date of enactment of this Act to section 481(e), section 481(h), or section 481(i) of that Act shall be deemed to be a reference to section 489, section 490, or section 481(e), respectively.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Chapter 8 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(1) Section 481(d)(3) is amended by striking out "subsection (e)" and inserting in lieu thereof "section 489(a)".

(2) Subsections (e), (f), (g), (h), (j), and (k) of section 481 are repealed.

(3) Subsection (i) of section 481 is amended by striking out "(i) As used in this section—" and inserting in lieu thereof "(e) DEFINITIONS.—Except as provided in sections 490(h) and (i) with respect to the definition of major illicit drug producing country and major drug-transit country, for purposes of this chapter and other provisions of this Act relating specifically to international narcotics matters—".

(4) Subsection (d) of section 482 is redesignated as subsection (c) of that section.

(5) Section 486 is amended—

(A) in subsection (a)—

(i) in the text preceding paragraph (1), by striking out "481(h)" and inserting in lieu thereof "490"; and

(ii) in paragraph (1), by repealing the last sentence; and

(B) in subsection (b)—

(i) by striking out "grant military assistance program" and inserting in lieu thereof "foreign military financing assistance"; and

(ii) by striking out ", or the Arms Export Control Act (relating to foreign military sales financing)".

(6) Section 487 is amended—

(A) by striking out "and the Arms Export Control Act"; and

(B) by striking out "(as defined in section 481(i)(3) of this Act)".

(c) REPEAL OF OBSOLETE PROVISIONS.—

(1) 1988 DRUG ACT.—The International Narcotics Control Act of 1988 (which is title IV of the Anti-Drug Abuse Act of 1988) is repealed except for section 4001, 4306, 4308, 4309, 4501, 4702, and 4804. Section 4501(b) of that Act is amended by striking out "section 4601 of this title" and inserting in lieu thereof "section 489(c) of the Foreign Assistance Act of 1961".

(2) 1986 DRUG ACT.—The International Narcotics Control Act of 1986 (which is title II of the Anti-Drug Abuse Act of 1986) is repealed except for section 2001, 2010, 2015, 2018, and 2029.

SEC. 305. EXEMPTION OF NARCOTICS-RELATED MILITARY ASSISTANCE FOR FISCAL YEARS 1992 AND 1993 FROM PROHIBITION ON ASSISTANCE FOR LAW ENFORCEMENT AGENCIES.

(a) EXEMPTION.—For fiscal years 1992 and 1993, section 660 of the Foreign Assistance Act of 1961 shall not apply with respect to—

(1) transfers of excess defense articles under section 517 of that Act;

(2) foreign military financing assistance that is provided for narcotics-related purposes; or

(3) international military education and training that is provided for narcotics-related purposes.

(b) NOTIFICATION TO CONGRESS.—At least 15 days before any transfer under subsection (a)(1) or any obligation of funds under subsection (a)(2) or (a)(3), the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

(c) COORDINATION WITH INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAM.—Assistance provided pursuant to this section shall be coordinated with international narcotics control assistance.

SEC. 306. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE.

For fiscal years 1992 and 1993, narcotics-related assistance under part I of the Foreign Assistance Act of 1961 may be provided notwithstanding any provision of law that restricts assistance to foreign countries if, at least 15 days before obligating funds for such assistance, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A.

SEC. 307. EXPORT-IMPORT BANK FINANCING OF ANTINARCOTICS-RELATED SALES OF DEFENSE ARTICLES OR SERVICES.

Section 2(b)(6)(B)(vi) of the Export-Import Bank Act of 1945 is amended by striking out "1992" and insert in lieu thereof "1994".

TITLE IV—SPECIAL AUTHORITIES, RESTRICTIONS, REPORTING REQUIREMENTS, ADMINISTRATIVE AND GENERAL PROVISIONS, DEFINITIONS, AND CONFORMING AMENDMENTS AND REPEALS

CHAPTER 1—CONTINGENCY AND OTHER SPECIAL AUTHORITIES

SEC. 401. PRESIDENTIAL CONTINGENCY FUND.

There are authorized to be appropriated to the President, in order to meet unanticipated contingencies in the programs within the International Affairs Budget Function (150), $10,000,000 for each of fiscal years 1992 and 1993. Amounts appropriated under this section are authorized to remain available until expended. Funds appropriated under this section are authorized to be made available notwithstanding any other provision of law, except that the President shall notify the appropriate congressional committees at least 15 days before any obligation of such funds in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

SEC. 402. DEMOCRACY CONTINGENCY FUND.

Title IX of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended by title I of this Act, is amended by adding at the end the following:

"SEC. 282. DEMOCRACY CONTINGENCY FUND.

"(a) AUTHORITY TO PROVIDE ASSISTANCE.—The President is authorized to provide assistance for a foreign country under this section if the President determines that that country—

"(1) is emerging as a democracy; or

"(2) is emerging from civil strife and either has a democratically elected government or is making substantial progress toward a democratic form of government.

"(b) PURPOSES OF ASSISTANCE.—Assistance under this section shall be provided—

"(1) in the case of a country described in subsection (a)(1), to encourage and facilitate the process of creating and institutionalizing democracy and to meet urgent economic and political needs; and

"(2) in the case of a country described in subsection (a)(2), to meet the immediate economic and human needs resulting from the civil strife.

"(c) AUTHORITIES FOR ASSISTANCE.—Assistance under this section may be provided in accordance with the authorities applicable to assistance under chapter 4 of part II (relating to economic support assistance) or any other provision of this Act, other than chapter 2 of part II (relating to foreign military financing assistance) or chapter 5 of that part (relating to international military education and training).

"(d) NONAPPLICABILITY OF CERTAIN OTHER PROVISIONS OF LAW.—If the President notifies the appropriate congressional committees at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A, assistance may be provided under this section notwithstanding any provision of law that would otherwise prohibit such assistance.

"(e) FUNDS AVAILABLE FOR USE.—The authority of this section may be exercised with respect to funds made available to carry out any provision of this Act for any fiscal year, except that not more than $75,000,000 may be obligated in each fiscal year for assistance under this section.".

SEC. 403. UNANTICIPATED CONTINGENCIES.

Section 451(a) of the Foreign Assistance Act of 1961 is amended by striking out "$25,000,000" and inserting in lieu thereof "$45,000,000".

SEC. 404. TRANSFER AUTHORITY.

(a) NOTICE TO CONGRESS.—Section 610(b) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(b) NOTIFICATION TO CONGRESS.—The authority of subsection (a) may be exercised only if the appropriate congressional committees are notified at least 15 days in advance of the exercise of that authority in accordance with the procedures applicable to reprogramming notifications under section 634A.".

(b) CONFORMING AMENDMENTS.—Subsection (a) of that section is amended—

(1) by striking out "pursuant to title IV of chapter 2 of part I" and insert in lieu thereof "for the costs of loan or guarantee programs in accordance with the requirements of the Federal Credit Reform Act of 1990"; and

(2) by striking out "or for section 23 of the Arms Export Control Act".

SEC. 405. SPECIAL WAIVER AUTHORITY.

(a) LAWS AFFECTED.—Section 614 of the Foreign Assistance Act of 1961 is amended by striking out subsections (a)(1) and (a)(2) and inserting in lieu thereof the following:

"(a) AUTHORITY TO AUTHORIZE ASSISTANCE, SALES, AND OTHER ACTIONS; LIMITATIONS.—(1) The President may authorize assistance, sales, or other action under this Act, the Arms Export Control Act, or any annual (or periodic) foreign assistance authorization or appropriations legislation, without regard to any of the provisions *described in subsection (b) if the President determines, and notifies the appropriate congressional committees in writing—*

"(A) with respect to assistance or other actions under chapter 2 or 5 of part II of this Act, or sales or other actions under the Arms Export Control Act, that to do so is vital to the national security interests of the United States; and

"(B) with respect to other assistance or actions that to do so is important to the national interests of the United States.

"(2) The President may waive any provision described in paragraph (1), (2), or (3) of subsection (b) that would otherwise prohibit or restrict assistance or other action under any provision of law not described in those paragraphs if the President determines, and notifies the appropriate congressional committees in writing, that to do so is important to the national interest of the United States.".

(b) ANNUAL CEILING.—Section 614(a)(4)(C) of that Act is amended—

(1) by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000"; and

(2) by striking out "victim of active Communist or Communist-support aggression" and inserting in lieu thereof "victim of active aggression".

(c) LAWS WHICH MAY BE WAIVED.—Section 614 of that Act is amended by repealing subsections (b) and (c) and inserting in lieu thereof the following:

"(b) LAWS WHICH MAY BE WAIVED.—The provisions referred to in subsections (a)(1) and (a)(2) are—

"(1) the provisions of this Act;

"(2) the provisions of the Arms Export Control Act;

"(3) the provisions of any annual (or periodic) foreign assistance authorization or appropriations legislation, including any amendment made by any such Act;

"(4) any other provision of law that restricts assistance, sales or leases, or other action under the Acts referred to in paragraphs (1), (2), or (3); and

"(5) any law relating to receipts and credits accruing to the United States.".

(d) CONFORMING AMENDMENTS.—Section 614(a)(4) of that Act is amended—

(1) in subparagraph (A)(ii), by striking out "or the Arms Export Control Act"; and

(2) in subparagraph (B), by striking out "the Arms Export Control Act or under".

CHAPTER 2—RESTRICTIONS ON ASSISTANCE AND EXEMPTIONS FROM RESTRICTIONS

SEC. 411. RESTRICTIONS ON LAW ENFORCEMENT ASSISTANCE: APPLICABILITY TO NONFUNDED ASSISTANCE, CONSOLIDATION OF EXCEPTIONS.

Section 660 of the Foreign Assistance Act of 1961 is amended by striking out subsections (b), (c), and (d) and inserting in lieu thereof the following:

"(b) EXCESS DEFENSE ARTICLES, ETC.—The prohibition in subsection (a) shall be deemed to apply to the furnishing of any assistance that is authorized to be provided under this Act without regard to section 632(c) or (d).

"(c) EXCEPTIONS.—The prohibition in subsection (a) does not apply with respect to—

"(1) international narcotics control assistance under chapter 8 of part I;

"(2) assistance, including training, in maritime law enforcement and other maritime skills;

"(3) assistance for a country which has a longstanding democratic tradition, does not have standing armed forces, and does not engage in a consistent pattern of gross violations of internationally recognized human rights;

"(4) assistance in protecting and maintaining wildlife habitats and in developing sound wildlife management and plant conservation programs;

"(5) antiterrorism assistance under chapter 8 of part II;

"(6) the assistance for law enforcement in Latin America and the Caribbean that is authorized by section 534; and

"(7) other assistance if another provision of law expressly provides that the prohibition contained in this section does not apply to such assistance.".

SEC. 412. CONSOLIDATION OF CERTAIN RESTRICTIONS.

Part III of the Foreign Assistance Act of 1961, as amended by title I of this Act, is amended by adding at the end the following:

"CHAPTER 5—RESTRICTIONS ON ASSISTANCE

"SEC. 691. INELIGIBLE COUNTRIES AND PROJECTS.

"(a) RESTRICTIONS.—Except as provided in subsection (b), assistance under this Act may not be furnished to any of the following:

"(1) COMMUNIST COUNTRIES.—A communist country, as designated under subsection (c).

"(2) HUMAN RIGHTS VIOLATORS.—A country described in subsection (d).

"(3) EXPROPRIATION OF UNITED STATES PROPERTY.—A country whose government—

"(A) on or after January 1, 1962, has—

"(i) expropriated the property of any United States person,

"(ii) repudiated or nullified any contract with any United States person, or

"(iii) taken any other action (such as discriminatory taxes or other exactions) which has the effect of seizing ownership or control of the property of any United States person, and

"(B) has not within a reasonable period of time provided adequate and effective compensation and is not engaged in good faith efforts to negotiate a settlement, if the United States person has exhausted host country legal and other formal remedies.

For purposes of this paragraph, the term 'United States person' means a United States citizen or corporation, partnership, or association at least 50 percent beneficially owned by United States citizens.

"(4) MILITARY COUPS.—A country whose duly-elected head of government is deposed by military coup or decree unless subsequent to the military coup or decree a democratically-elected government has taken office.

"(5) COUNTRIES IN ARREARS ON ASSISTANCE REPAYMENTS.—The government of any country which is more than 1 year in arrears to the United States Government on any payment of interest or principal on any loan made or credit extended under this Act (or under the former authorities of section 23 of the Arms Export Control Act).

"(6) COMPETITION WITH UNITED STATES EXPORTS.—Direct support for any project or activity that is specifically designed to increase exports of any agricultural, textile, or apparel commodity from a developing country if such exports—

"(A) would be in direct competition with United States exports, and

"(B) can reasonably be expected to cause substantial injury to United States exporters of the same or substantially similar commodity.

"(7) COUNTRIES THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—A country which provides lethal military equipment to a country, the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act of 1979. The prohibition under this paragraph with respect to a country shall terminate 12 months after that country ceases to provide such military equipment. This paragraph applies with respect to lethal military equipment provided under a contract entered into after the effective date of this section.

"(b) EXCEPTIONS.—

"(1) CRITERIA.—Assistance restricted by subsection (a), or any similar provision of law, may be furnished under either of the following circumstances:

"(A) NATIONAL INTEREST.—The President determines that furnishing such assistance is important to the national interests of the United States.

"(B) ALLEVIATING SUFFERING RESULTING FROM A DISASTER.—The assistance is furnished for the alleviation of suffering resulting from a natural or manmade disaster.

"(2) REPORT TO CONGRESS.—Assistance restricted by subsection (a), or any similar provision of law, may not be furnished under this subsection until the President has submitted to the appropriate congressional committees a report with respect to such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance meets the criteria specified in paragraph (1). In the case of a report with respect to assistance provided under subparagraph (A) of paragraph (1), the report shall be submitted, in accordance with the procedures applicable to reprogramming notifications under section 634A, at least 15 days before any funds are obligated for such assistance.

"(3) APPLICABILITY TO OTHER RESTRICTED ACTIVITIES.—With respect to the restrictions imposed pursuant to subsection (d)(3) or any other provision of law to which this subsection applies, references in this subsection to furnishing assistance shall be deemed to include the taking of other actions that, but for this subsection, would be restricted by such provision.

"(c) COMMUNIST COUNTRY LIST.—

"(1) ESTABLISHMENT.—The President shall designate those countries that are Communist countries for purposes of subsection (a)(1).

"(2) PUBLICATION OF LIST.—The initial list of countries designated pursuant to this subsection shall be published in the Federal Register and shall be provided to the appropriate congressional committees. Thereafter, any additions to or deletions from such list shall be similarly published and provided.

"(3) REMOVAL OF COUNTRIES FROM THE LIST; EXEMPTIONS.—The President may remove a country from the Communist country list established pursuant to this subsection, or may exempt a listed country from the application of subsection (a)(1) or other provisions of law that reference subsection (a)(1), if the President promptly reports such removal or exemption to the appropriate congressional committees.

"(4) CONFORMING CROSS REFERENCES.—Any generic reference in any provision of law enacted before the date of enactment of this section to countries listed under section 620(f) shall be deemed to refer to countries listed pursuant to this subsection.

"(d) HUMAN RIGHTS VIOLATORS.—

"(1) INELIGIBILITY.—Subsection (a)(2) shall apply to any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights.

"(2) MATTERS TO BE CONSIDERED.—In implementing subsection (a)(2), consideration shall be given to the following:

"(A) The relevant findings of appropriate international organizations and nongovernmental organizations.

"(B) The extent of cooperation by the government in question in permitting an unimpeded investigation by indigenous nongovernmental organizations, other nongovernmental organizations, and international organizations (such as the International Committee of the Red Cross), of alleged violations of internationally recognized human rights.

"(C) Specific actions that have been taken by the President or the Congress relating to the human rights practices of the government in question.

"(3) RELATED RESTRICTIONS.—Subsection (a)(2) shall be deemed to prohibit, in addition to the furnishing of assistance under this Act—

"(A) sales of defense articles, defense services, or design and construction services under the Arms Export Control Act;

"(B) licenses under section 38 of that Act with respect to the export of defense articles or defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country; and

"(C) licenses required under the Export Administration Act of 1979 for the export of crime control and detection instruments and equipment.

"(e) VALUATION OF EXPROPRIATED PROPERTY.—If the President requests such an evaluation, the Foreign Claims Settlement Commission is authorized to evaluate the value of the property which is the subject of an action described in subsection (a)(3) and render an advisory report with respect to the value of such property to the President.".

SEC. 413. EXEMPTIONS FROM RESTRICTIONS.

(a) ASSISTANCE THROUGH NGOs AND ASSISTANCE TO ADDRESS CERTAIN SPECIAL DEVELOPMENTAL NEEDS.—Chapter 5 of part III of the Foreign Assistance Act of 1961, as added by the preceding section of this title, is amended by adding at the end the following:

"SEC. 692. EXEMPTION FOR NONGOVERNMENTAL ORGANIZATIONS FROM RESTRICTIONS OF ASSISTANCE.

"(a) RESTRICTIONS NOT APPLICABLE.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under part I in support of programs of nongovernmental organizations.

"(b) CRITERIA.—The President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this section, whether assistance for programs of nongovernmental organizations directly benefits the poor people, directly promotes increased respect for human rights and the development of democracy, or otherwise is in the national interest of the United States.

"(c) NOTICE TO CONGRESS.—The President shall notify promptly the appropriate congressional committees with respect to each use of the authority of this section to furnish assistance for a program of a nongovernmental organization. Such notification shall describe the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance.

"SEC. 693. EXEMPTION FROM PROHIBITIONS FOR ASSISTANCE TO ADDRESS CERTAIN SPECIAL NEEDS.

"(a) EXEMPTION FROM PROHIBITIONS.—Notwithstanding any provision of law that restricts foreign assistance to foreign countries except those provisions described in subsection (b), funds made available for assistance under chapter 1 or chapter 10 of part I or under chapter 4 of part II may be used to support activities described in—

"(1) section 102B(1) (relating to assistance to meet the needs of individuals with disabilities);

"(2) section 102B(2) (relating to assistance to address the needs of displaced children);

"(3) section 104(c)(2) (relating to child survival activities);

"(4) section 104(c)(3) (relating to immunization and oral rehydration);

"(5) section 104(c)(4) (relating to the prevention and control of acquired immune deficiency syndrome (AIDS));

"(6) section 106(d) (relating to environmentally sound, sustainable resource management); or

"(7) section 106(e) (relating to more efficient energy systems).

"(b) EXCEPTIONS.—Subsection (a) does not apply with respect to—

"(1) section 620A or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

"(2) section 691(a)(2) or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.".

(b) ACTIVITIES UNDER CERTAIN LAWS NOT AFFECTED.—Section 638(a) of that Act is amended to read as follows:

"(a) ACTIVITIES UNDER CERTAIN LAWS NOT AFFECTED.—Unless expressly provided to the contrary, provisions of this Act and other provisions applicable to foreign assistance shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Mutual Educational and Cultural Exchange Act of 1961, the Export-Import Bank Act of 1945, the Agricultural Act of 1949, the Agricultural Trade Development and Assistance Act of 1954, the Food for Progress Act of 1985, the Inter-American Foundation Act, the African Development Foundation Act, or the Migration and Refugee Assistance Act of 1962, or commercial export promotion activities of the Department of Agriculture (including the Commodity Credit Corporation).".

(c) EXEMPTION OF TRAINING ACTIVITIES FROM CERTAIN PROHIBITIONS.—Section 638(b) of that Act is amended to read as follows:

"(b) EXEMPTION OF TRAINING ACTIVITIES FROM CERTAIN PROHIBITIONS.—Provisions of this or any other Act shall not be construed to prohibit assistance for any training activity funded under this Act for a country as long as that country has a democratically elected government and the assistance is otherwise consistent with—

"(1) section 490 (relating to the annual narcotics cooperation certification process);

"(2) section 620A (relating to countries that support international terrorism);

"(3) section 660 (relating to police training);

"(4) section 691(a)(1) (relating to communist countries); and

"(5) section 691(a)(2) (relating to human rights violators).".

CHAPTER 3—REPORTS

SEC. 421. HUMAN RIGHTS POLICY AND REPORTS.

(a) CONSOLIDATION OF REPORTING REQUIREMENTS.—Title IX of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended by title I of this Act and chapter 1 of this title, is amended by adding at the end the following:

"SEC. 283. HUMAN RIGHTS POLICY AND REPORTS.

"(a) PROMOTION OF HUMAN RIGHTS.—The United States shall, in accordance with its international obligations as set forth in the Charter of the United Nations and in keeping with the constitutional heritage and traditions of the United States, promote and encourage increased respect for human rights and fundamental freedoms throughout the world without distinction as to race, sex, language, or religion. Accordingly, a principal goal of the foreign policy of the United States shall be to promote the increased observance of internationally recognized human rights by all countries.

"(b) CONDUCT OF ASSISTANCE AND MILITARY SALES PROGRAMS.—In furtherance of subsection (a), the President shall formulate and conduct United States assistance and military sales programs in a manner which will—

"(1) promote and advance human rights;

"(2) strengthen a relationship between civilian and military sectors appropriate to a democratic system of government; and

"(3) avoid identification of the United States, through these programs, with governments which deny to their people internationally recognized human rights and fundamental freedoms in violation of international law or in contravention of the policy of the United States as expressed in this section or otherwise.

"(c) MATTERS TO BE CONSIDERED.—In carrying out subsection (b) and in preparing the annual reports required by subsection (d) and any special report submitted pursuant to subsection (e), consideration shall be given to the following:

"(1) The relevant findings of appropriate international organizations and nongovernmental organizations.

"(2) The extent of cooperation by the government in question in permitting an unimpeded investigation by indigenous nongovernmental organizations, other nongovernmental organizations, and international organizations (such as the International Committee of the Red Cross) of alleged violations of internationally recognized human rights.

"(d) ANNUAL HUMAN RIGHTS REPORT.—In furtherance of subsections (a) and (b), the President shall transmit to the Congress, not later than February 28 each year, a full and complete report with respect to practices regarding the observance of and respect for internationally recognized human rights in every foreign country. Wherever applicable, such reports shall include information on practices regarding coercion in population control, including coerced abortion and involuntary sterilization.

"(e) SPECIAL REPORTS.—Upon the request of the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives, the President should, within 30 days after receipt of such request, transmit to both committees a special report with respect to the country designated in such request. The report shall set forth—

"(1) all information, which has become available since submission of the last report under subsection (d), with respect to the matters described in subsections (f)(1) and (2);

"(2) the steps the United States has taken to—

"(A) promote respect for and observance of human rights in the country in question and discourage any practices which are inimical to internationally recognized human rights;

"(B) publicly or privately call attention to such practices;

"(C) disassociate the United States, and any United States assistance or military sales provided for such country, from such practices; and

"(3) such other information as the committee may request.

"(f) INFORMATION TO BE PROVIDED.—Each annual report under subsection (d), and each special report pursuant to subsection (e), shall include—

"(1) all information available about observance of and respect for human rights and fundamental freedom in the country in question, and

"(2) a detailed description of practices by the recipient government with respect to human rights and fundamental freedom, including information provided by appropriate organizations, including nongovernmental organizations.

"(g) DEFINITIONS.—For the purposes of this section—

"(1) the term 'assistance' means any assistance authorized by this Act; and

"(2) the term 'military sales' means—

"(A) sales of defense articles, defense services, and design and construction under the Arms Export Control Act; and

"(B) licenses under section 38 of that Act with respect to the export of defense articles or defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country.".

(b) CONFORMING AMENDMENTS.—Section 624(f) of that Act (relating to the duties of the Assist-

ant Secretary of State For Human Rights) is amended—

(1) in paragraphs (1) and (2), by inserting "civilians and noncombatants in situations of armed conflict," after "refugees,";

(2) by repealing the last sentence of paragraph (1); and

(3) in paragraph (2)—

(A) in subparagraph (A), by striking out "to which the requirements of sections 116 and 502B of this Act are relevant";

(B) in subparagraph (B) by striking out "502B" and inserting in lieu thereof "283";

(C) by redesignating subparagraph (D) as subparagraph (E); and

(D) by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) making recommendations to the Secretary of State and the administrator of the agency primarily responsible for administering part I regarding compliance with sections 283 and 691(a)(2);

"(D) as part of the Assistant Secretary's overall policy responsibility for the creation of United States Government human rights policy, advising the administrator on the policy framework under which assistance under paragraphs (3) and (4) of section 281(b) will be developed, and consulting with the administrator on the selection and implementation of programs and activities assisted under those paragraphs; and".

SEC. 422. CONGRESSIONAL PRESENTATION DOCUMENTS FOR ECONOMIC ASSISTANCE.

(a) Annual Submissions.—Section 634 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 634. CONGRESSIONAL PRESENTATION DOCUMENTS FOR ECONOMIC ASSISTANCE.

"(a) Requirement for Submission.—The President shall prepare, and submit to the appropriate congressional committees in a timely manner, annual congressional presentation documents for economic assistance programs under part I.

"(b) Materials for Development and Economic Support Assistance.—For development assistance and economic support assistance the documents submitted pursuant to subsection (a) shall include the following:

"(1) The rationale for the allocation of assistance to each country, regional program, or centrally funded program. In the case of economic support assistance, this rationale shall include a justification for the provision of economic support assistance and for the particular use of that assistance.

"(2) A brief description of each country program, regional program, and centrally funded program, including—

"(A) in the case of development assistance, a discussion of how each program supports, as appropriate, the four basic objectives set forth in section 102 of this Act; and

"(B) in the case of economic support assistance, a discussion of the extent to which each program supports the four basic objectives set forth in section 102.

"(3) A description of new activities to be undertaken in the coming fiscal year.

"(c) Development Fund for Africa.—The documents submitted pursuant to subsection (a) shall include a description of the progress made during the previous fiscal year in carrying out chapter 10 of part I in three countries in sub-Saharan Africa which represent differing economic situations and levels of progress. The description shall include—

"(1) the nature and extent of consultation to ensure local perspectives, as described in subsections (e)(1) and (f) of section 496;

"(2) the degree of involvement of local people in the implementation of projects having a local focus;

"(3) the extent to which there has been expansion of the participation and integration of African women in each of the critical sectors specified in section 496(i);

"(4) program assistance provided, including the amounts obligated, the criteria used for assisting reforms, and the provisions made pursuant to section 496(h)(2)(B) to protect vulnerable groups from possible negative consequences of the reforms; and

"(5) a description of the assistance for the critical sector priorities specified in section 496(i), by sector, including the amounts obligated.

"(d) Other Economic Assistance Programs.—The documents submitted pursuant to subsection (a) shall include for each economic assistance program (other than those programs specified in subsections (b) and (c))—

"(1) a summary of program activities for the previous year; and

"(2) a description of activities anticipated in the current fiscal year and the coming fiscal year.

"(e) Report on Unexpended Balances.—For development assistance, assistance under the Multilateral Assistance Initiative for the Philippines, assistance from the Development Fund for Africa, and economic support assistance, the documents submitted pursuant to subsection (a) shall include—

"(1) an identification of any funds that, as of September 30 of the preceding fiscal year, had been obligated for a period of 5 years or more but had not been expended; and

"(2) with respect to each project or other activity for which such funds remain unexpended, the justification for such funds not having been expended.

"(f) Report on Child Survival and Basic Education.—In conjunction with the submission of the documents pursuant to subsection (a), the President shall submit to the Congress a report describing—

"(1) United States contributions to the achievement of the goals and strategies enunciated in the World Declaration on the Survival, Protection and Development of Children; the Plan of Action for Implementing the World Declaration on the Survival, Protection and Development of Children; the World Declaration on Education for All; and the Framework for Action to Meet Basic Learning Needs;

"(2) the progress achieved during the preceding fiscal year in carrying out section 104(c)(3); and

"(3) the funding provided for child survival activities and for basic education under United States foreign assistance programs for the current fiscal year and the preceding fiscal year, as well as the planned funding levels for the next fiscal year and (to the extent feasible) for subsequent fiscal years.

"(g) Additional Materials.—In conjunction with the submission of the documents pursuant to subsection (a), the President shall submit to the Congress a report which sets forth the following:

"(1) The dollar value of all foreign assistance, by category and by country, furnished by the United States Government by any means to each foreign country and international organization—

"(A) from 1946 to the fiscal year immediately preceding the fiscal year in which the report is submitted;

"(B) as obligated during the immediately preceding fiscal year;

"(C) as presented for the fiscal year in which the report is submitted; and

"(D) as proposed for the fiscal year following the year in which the report is submitted.

"(2) A summary of the net aid flow from the United States to each country, taking into consideration the repayments to the United States from previous foreign assistance loans and the debt relief granted by the United States.

"(3) The status of the debt servicing capacity of each country receiving assistance under part I, and a statement summarizing the debt relief granted to each country by the United States and the purpose for which it was granted.".

(b) Report by Inspector General Regarding Unexpended Balances.—As soon as possible after the submission to the Congress of the congressional presentation documents for fiscal year 1994, the Inspector General for the agency primarily responsible for administering part I shall submit to the appropriate congressional committees—

(1) such comments as the Inspector General considers appropriate with regard to the justifications provided pursuant to section 634(e)(2) of that Act (as amended by this section) regarding unexpended balances, and

(2) such recommendations as the Inspector General considers appropriate with respect to such unexpended balances.

SEC. 423. NOTIFICATION OF PROGRAM CHANGES.

Section 634A of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 634A. NOTIFICATION OF PROGRAM CHANGES.

"(a) Increased Assistance and New Programs.—Unless the appropriate congressional committees are notified at least 15 days in advance, funds appropriated for a fiscal year to carry out this Act may not be obligated for the following:

"(1) Increase in assistance level.—Any assistance under any provision of this Act—

"(A) for a country or international organization for which assistance under that provision was not justified in congressional presentation documents for that fiscal year, or

"(B) in excess of the amount justified in the congressional presentation documents and allocated pursuant to section 653(a) for that country or organization under that provision for that fiscal year.

"(2) New activities.—Any economic assistance for a program, project, or activity under any provision of this Act—

"(A) which was not justified in congressional presentation documents for that fiscal year; and

"(B) for which assistance was not furnished for the preceding fiscal year.

"(b) Congressional Presentation Documents.—For purposes of this section, the term 'congressional presentation documents' means the annual congressional presentation documents for assistance under this Act or the justification documents accompanying a request for supplemental authorizations of appropriations or supplemental appropriations for assistance under this Act.

"(c) Appropriations Subject to Requirement.—Subsection (a) applies with respect to all funds appropriated for assistance under this Act (including international narcotics control assistance) other than—

"(1) assistance under section 221 (relating to the housing and other credit guarantee program),

"(2) assistance under title IV of chapter 2 of part I (relating to the Overseas Private Investment Corporation),

"(3) assistance for programs of disaster relief and rehabilitation, including international disaster assistance programs under chapter 9 of part I,

"(4) assistance from the Development Fund for Africa, and

"(5) assistance under section 661 (relating to the Trade and Development Agency).

"(d) Emergency Exceptions.—

"(1) Waiver.—Subject to paragraph (2), the President may waive the requirement of sub-

section (a), or any similar requirement contained in foreign assistance authorization or appropriations legislation to provide advance notification to the Congress or specified congressional committees, if the President determines that failure to do so would pose a substantial risk to human health or welfare.

"(2) EXERCISE OF AUTHORITY.—Before exercising the authority of this subsection, the President shall notify the appropriate congressional committees, the Congress, or the specified congressional committees (as the case may be). Any notification under this paragraph shall contain an explanation of the circumstances necessitating the use of the authority of this subsection.".

SEC. 424. ANNUAL ALLOCATION REPORTS.

Section 653(b) of the Foreign Assistance Act of 1961 is amended by inserting "for a period of less than 90 days" after "continuing appropriations".

CHAPTER 4—ADMINISTRATIVE AND GENERAL PROVISIONS

SEC. 431. USE OF PRIVATE ENTERPRISE.

Section 601 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 601. USE OF PRIVATE ENTERPRISE.

"(a) IN GENERAL.—In order to encourage and facilitate participation by private enterprise to the maximum extent practicable in achieving any of the purposes of this Act, the President shall—

"(1) to the maximum extent practicable carry out programs of assistance through private channels and, to the extent practicable, in conjunction with local private or governmental participation;

"(2) utilize wherever practicable the services of United States private enterprise to provide the necessary skills to develop and implement a specific project or program of assistance, and provide where appropriate for the transfer of equity ownership in such project or program to private investors at the earliest feasible time.

"(b) TECHNICAL ASSISTANCE.—In providing technical assistance under this Act, the President shall utilize, to the fullest extent practicable, goods and professional and other services from private enterprise on a contract basis. The facilities and resources of agencies of the United States Government which do not administer programs under this Act may be utilized when such facilities are particularly or uniquely suitable for technical assistance, are not competitive with private enterprise, and can be made available without interfering unduly with domestic programs.

"(c) MILITARY ASSISTANCE.—The Secretary of Defense shall assure that there is made available to suppliers in the United States, and particularly to small independent enterprises, information with respect to purchases made by the Department of Defense pursuant to part II. Such information shall be furnished as far in advance as possible.".

SEC. 432. PROCUREMENT.

Section 604 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 604. PROCUREMENT.

"(a) LIMITATIONS ON PROCUREMENT OUTSIDE THE UNITED STATES.—Funds made available for assistance under this Act may be used for procurement—

"(1) in the United States, the recipient country, or a developing country; or

"(2) in any other country but only if—

"(A) the provision of such assistance requires commodities or services, or defense articles or defense services, of a type that are not produced in and available for purchase in any country specified in paragraph (1); or

"(B) the President determines, on a case-by-case basis, that procurement in such other country is necessary—

"(i) to meet unforeseen circumstances, such as emergency situations, where it is important to permit procurement in a country not specified in paragraph (1), or

"(ii) to promote efficiency in the use of United States foreign assistance resources, including to avoid impairment of foreign assistance objectives.

"(b) PROCUREMENT METHOD FOR INSTITUTIONS OF HIGHER EDUCATION.—The President may establish separate procurement standards and procedures for projects under part I to limit competition to a selection among institutions of higher education when the projects would benefit substantially from the resources and special capabilities of such institutions.".

SEC. 433. REIMBURSABLE PROGRAMS.

Section 607(a) of the Foreign Assistance Act of 1961 is amended by adding after paragraph (2) the following:

"Limitations on assistance in this or any other Act do not apply with respect to this subsection.".

SEC. 434. SPECIAL ACCOUNTS FOR AND USE OF HOST-COUNTRY OWNED LOCAL CURRENCY.

Section 609 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 609. SPECIAL ACCOUNTS FOR AND USE OF HOST-COUNTRY OWNED LOCAL CURRENCY.

"(a) SPECIAL ACCOUNT.—If assistance is furnished to the government of a foreign country under part I under arrangements which will result in the generation of local currencies of that country, the President shall—

"(1) require that local currencies be deposited in a special account established by that government;

"(2) enter into an agreement with that government which sets forth—

"(A) the amount of the local currencies to be so generated, and

"(B) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

"(3) establish by agreement with that government the responsibilities of the agency primarily responsible for administering part I and that government to monitor and account for deposits into and disbursements from the special account.

"(b) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a special account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

"(1) to carry out part I for such purposes as project or sector assistance activities or debt and deficit financing, or

"(2) for the administrative requirements of the United States Government.

"(c) PROGRAMMING ACCOUNTABILITY.—The agency primarily responsible for administering part I shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (b)(1) from the special account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

"(d) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under part I, any unencumbered balances of funds which remain in a special account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

"(e) REQUIREMENTS NOT APPLICABLE TO CERTAIN PROGRAMS.—This section does not apply with respect to chapter 8 of part I or chapter 6 or 8 of part II.".

SEC. 435. AUTHORITY FOR EXTENDED PERIOD OF AVAILABILITY OF APPROPRIATIONS.

(a) UNIFORMITY OF AUTHORITY.—Section 616 of the Foreign Assistance Act of 1961 is amended by adding at the end the following: "Unless otherwise specified, amounts appropriated to carry out this Act are authorized to be made available, in appropriations Acts, until expended.".

(b) CONFORMING AMENDMENTS.—That Act is amended—

(1) in section 214(c), by striking out "(1)" and by repealing paragraph (2);

(2) in section 482(a) by striking out "(1)" and by repealing paragraph (2);

(3) in section 491, by repealing the last sentence;

(4) in section 497, by striking out the first sentence and in the second sentence by striking out "subsection" and inserting in lieu thereof "section 616";

(5) in section 552, by repealing subsection (b), by redesignating subsections (c) and (d) as subsections (b) and (c), respectively, and in subsection (c) as so redesignated by striking out "(c)(2)" and inserting in lieu thereof "(b)(2)"; and

(6) in section 575, by striking out "(a)" and by striking out subsection (b).

SEC. 436. TERMINATION EXPENSES.

Section 617 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 617. TERMINATION EXPENSES.

"(a) IN GENERAL.—Funds made available under this Act shall remain available for obligation for a period not to exceed 8 months from the date of any termination of assistance under this Act for the necessary expenses of winding up programs related to such termination. Funds obligated under the authority of this Act prior to the effective date of the termination of assistance may remain available for expenditure for the necessary expenses of winding up programs related to such termination notwithstanding any provision of law restricting the expenditure of funds. In order to ensure the effectiveness of assistance under this Act, such expenses for orderly termination of programs may include the obligation and expenditure of funds to complete the training or studies outside their countries of origin of students whose course of study or training program began before assistance was terminated.

"(b) LIABILITY TO CONTRACTORS.—For the purpose of making an equitable settlement of termination claims under extraordinary contractual relief standards, the President is authorized to adopt as a contract or other obligation of the United States Government, and assume (in whole or in part) any liabilities arising thereunder, any contract with a United States or third-country contractor that had been funded with assistance under this Act prior to the termination of assistance.

"(c) GUARANTY PROGRAMS.—Provisions of this or any other Act requiring the termination of assistance under this Act shall not be construed to require the termination of guarantee commitments that were entered into prior to the effective date of the termination of assistance.

"(d) RELATION TO OTHER PROVISIONS.—Unless specifically made inapplicable by another provision of law, the provisions of this section shall be applicable to the termination of assistance pursuant to any provision of law.".

SEC. 437. INTEREST ON LOCAL CURRENCY ACCRUING TO NONGOVERNMENTAL ORGANIZATIONS.

Chapter 1 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 617 the following:

"SEC. 618. INTEREST ON LOCAL CURRENCY ACCRUING TO NONGOVERNMENTAL ORGANIZATIONS.

"A nongovernmental organization may invest local currencies which accrue to that organization as a result of assistance provided under part I of this Act, the Agricultural Trade Development and Assistance Act of 1954, section

416(b) of the Agricultural Act of 1949, or the Food for Progress Act of 1985, and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization (including for the establishment of an endowment).".

SEC. 438. EXEMPTIONS FROM CERTAIN PROVISIONS RESTRICTING THE AVAILABILITY OF FUNDS.

Chapter 1 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 618, as added by the preceding section of this title, the following:

"SEC. 619. EXEMPTIONS FROM CERTAIN PROVISIONS RESTRICTING THE AVAILABILITY OF FUNDS.

"(a) CRITERIA FOR EXEMPTIONS.—Funds authorized to be appropriated to carry out any provision of this Act may be made available by the President without regard to any provision of law described in subsection (b) if—

"(1) the President determines that compliance with such provision is made impossible by operation of law, or

"(2) the President determines, after consultation with the appropriate congressional committees, that the country or organization for which such funds would have been made available has significantly reduced its military or economic cooperation with the United States during the preceding 12 month period.

"(b) PROVISIONS WAIVABLE.—The provisions of law to which subsections (a)(1) and (a)(2) apply are—

"(1) any provision requiring that a specified amount of funds appropriated to carry out any provision of this Act shall be available only for a particular country, organization, or purpose; and

"(2) any provision that authorizes the appropriation of a specified amount of funds expressly for a particular country, organization, or purpose.

"(c) EXCEPTIONS FOR CERTAIN COUNTRIES.—This section does not apply with respect to funds specified for Israel or Egypt.".

SEC. 439. REQUIREMENT OF SENATE CONFIRMATION FOR SPECIFIC POSITIONS IN THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

Section 624(a) of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) No appointment pursuant to paragraph (1) may be made to a position within the agency primarily responsible for administering part I of this Act unless the appointee has been nominated for a specific position and the Senate has given its advice and consent to the appointment to that same position.".

SEC. 440. PERSONNEL DETAILED TO THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 630 the following:

"SEC. 630A. PERSONNEL DETAILED TO ADMINISTERING AGENCY FOR PART I.

"(a) REIMBURSEMENT OF COSTS.—Funds made available to carry out part I may be used to reimburse an agency of the United States Government, an agency of a State government, a private and voluntary organization, or an institution of higher education for the full costs of any employee which that agency or institution details or assigns to the agency primarily responsible for administering part I to carry out programs under that part that require specialized technical skills.

"(b) PERSONNEL CEILINGS.—Employees so detailed or assigned shall not be included within any personnel ceiling applicable to any agency of the United States Government during the period of detail or assignment.".

SEC. 441. FUNDS ALLOCATED TO THE EXPORT-IMPORT BANK AND THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

Section 632(f) of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(1)" after "(f); and

(2) by adding at the end the following:

"(2) Loans, guaranties, or investments made by the Overseas Private Investment Corporation with funds—

"(A) allocated under subsection (a) of this section or transferred from other sources (public or private), or

"(B) received in foreign currency by the Corporation as a result of insurance activities conducted pursuant to section 234(a) of this Act, shall not be considered in determining whether the Corporation has made or has outstanding loans, guaranties, or investments to the extent of any limitation on obligations, commitments, and equity investments imposed by or pursuant to this Act.

"(3) The provisions of section 504(b) of the Federal Credit Reform Act of 1990 shall not apply to direct loan obligations or loan guarantee commitments, including insurance provided under the Export-Import Bank Act of 1945, made with funds described—

"(A) in paragraphs (1) or (2)(A) of this subsection to the extent that an amount equivalent to their cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) is transferred to the associated financing account established pursuant to such Act, if the appropriate congressional committees are notified at least 10 days before any such transfer, or

"(B) in paragraph (2)(B) of this subsection.".

SEC. 442. TERMS AND CONDITIONS OF ASSISTANCE.

(a) UNIFORM AUTHORITY.—Section 635(a) of the Foreign Assistance Act of 1961 is amended by adding at the end the following: "The President may furnish assistance under this Act on such terms and conditions (consistent with other provisions of law) as the President deems appropriate."

(b) CONFORMING AMENDMENTS.—That Act is amended—

(1) in section 103(a), by striking out ", on such terms and conditions as he may determine,";

(2) in section 104(b), by striking out ", on such terms and conditions as he may determine,";

(3) in section 104(c)(1), by striking out ", on such terms and conditions as he may determine,";

(4) in section 105(a), by striking out "on such terms and conditions as he may determine,";

(5) in section 122(d), by striking out ", on such terms and conditions as the President may determine,";

(6) in section 214(a), by striking out ", on such terms and conditions as he may specify,";

(7) in section 301(a), by striking out ", on such terms and conditions as he may determine,";

(8) in section 301(f), by striking out " on such terms and conditions as he may determine";

(9) in section 301(h), by striking out "(on such terms and conditions as the President may determine)";

(10) in section 481(a)(4), by striking out ", on such terms and conditions as he may determine,";

(11) in section 491(b), by striking out ", on such terms and conditions as he may determine,";

(12) in section 496(b), by striking out "on such terms and conditions as he may determine";

(13) in section 503(a), by striking out ", on such terms and conditions as he may determine,";

(14) in section 531(a), by striking out ", on such terms and conditions as he may determine,";

(15) in section 541(a), by striking out ", on such terms and conditions consistent with this Act as the President may determine (but whenever feasible on a reimbursable basis)," and by inserting before the period at the end of the first sentence " (but such education and training should be furnished whenever feasible on a reimbursable basis)";

(16) in section 551, by striking out ", on such terms and conditions as he may determine,";

(17) in section 571, by striking out ", on such terms and conditions as the President may determine,"; and

(18) in section 573(b), by striking out ", on such terms and conditions consistent with this Act as he may determine,".

SEC. 443. CONTRACTING WITH INDIVIDUALS.

Section 636(a)(3) of the Foreign Assistance Act of 1961 is amended by striking out "contracting with individuals for personal services abroad" and inserting in lieu thereof "contracting on a limited term basis for the personal services of individuals engaged primarily in furnishing assistance abroad".

SEC. 444. FACILITIES ABROAD.

Section 636 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (c)—

(A) in the first sentence, by striking out "not to exceed $6,000,000 of the"; and

(B) by adding at the end the following: "Overseas property acquired under this subsection may be disposed of, and the proceeds of such disposal shall remain available until expended for use for the purposes specified in this subsection."; and

(2) in subsection (d), by striking out "Not to exceed $2,500,000 of funds" and inserting in lieu thereof "Funds".

SEC. 445. COORDINATION OF UNITED STATES POLICIES AND PROGRAMS AFFECTING DEVELOPMENT.

Chapter 2 of part III of the Foreign Assistance Act of 1961 is amended—

(1) in section 622(a), by adding at the end the following: "Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State."; and

(2) by striking out section 640B and inserting in lieu thereof the following:

"SEC. 640B. COORDINATION OF UNITED STATES POLICIES AND PROGRAMS AFFECTING DEVELOPMENT.

"(a) COORDINATION.—The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of developing countries.

"(b) COORDINATION ABROAD.—The President shall prescribe appropriate procedures to assure coordination among—

"(1) the various agencies of the United States Government having representatives in diplomatic missions abroad; and

"(2) representatives of the United States Government in each country, under the direction of the chief of the United States diplomatic mission.

"(c) CONSULTATION WITH CONGRESS.—The President shall consult with the appropriate congressional committees in carrying out this section.

"(d) ROLE OF THE ADMINISTRATOR.—Under the foreign policy guidance of the Secretary of State, the administrator of the agency primarily responsible for administering part I should have the responsibility for coordinating all United States development-related activities.".

SEC. 446. RECOGNITION OF AMERICAN GENEROSITY.

Section 641 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 641. RECOGNITION OF AMERICAN GENEROSITY.

"The administrator of the agency primarily responsible for administering part I of this Act shall take steps to ensure that for assistance projects under that part there shall be displayed an acknowledgement that the project was funded in part or in whole by the people of the United States.".

SEC. 447. DISCRIMINATION AGAINST UNITED STATES PERSONNEL PROVIDING ASSISTANCE.

(a) APPLICATION OF POLICY TO ALL ASSISTANCE PROGRAMS.—Section 666 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 666. DISCRIMINATION AGAINST UNITED STATES PERSONNEL PROVIDING ASSISTANCE.

"(a) ASSIGNMENT OF UNITED STATES PERSONNEL.—The President shall not take into account, in assigning officers and employees of the United States to carry out any assistance program funded under this Act in any foreign country, the race, religion, national origin, or sex of any such officer or employee. Such assignments shall be made solely on the basis of ability and relevant experience.

"(b) UNITED STATES POLICY.—It is the policy of the United States that assistance under this Act should not be furnished to any foreign country, the laws, regulations, official policies, or governmental practices of which prevent any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1986) from participating in the furnishing of assistance under this Act on the basis of race, religion, national origin, or sex.".

(b) CONFORMING AMENDMENT.—Section 505(g) of that Act is repealed.

CHAPTER 5—DEFINITIONS

SEC. 451. DEFINITIONS DESIGNATING VARIOUS ASSISTANCE PROGRAMS.

Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 644 the following:

"SEC. 644A. DEFINITIONS DESIGNATING VARIOUS ASSISTANCE PROGRAMS.

"(a) TYPES OF ASSISTANCE.—For purposes of this Act and the other provisions of law described in subsection (b), the following terms have the following meanings:

"(1) ANTITERRORISM ASSISTANCE.—The term 'antiterrorism assistance' means assistance under chapter 8 of part II.

"(2) ASSISTANCE FROM THE DEVELOPMENT FUND FOR AFRICA.—The term 'assistance from the Development Fund for Africa' means assistance under chapter 10 of part I.

"(3) DEVELOPMENT ASSISTANCE.—The term 'development assistance' means assistance under chapter 1 of part I.

"(4) ECONOMIC SUPPORT ASSISTANCE.—The term 'economic support assistance' means assistance under chapter 4 of part II.

"(5) FOREIGN MILITARY FINANCING ASSISTANCE.—The term 'foreign military financing assistance' means assistance under chapter 2 of part II, except that the term also includes, if appropriate in the context, assistance provided on any terms under section 23 of the Arms Export Control Act for fiscal years prior to fiscal year 1992.

"(6) INTERNATIONAL DISASTER ASSISTANCE.—The term 'international disaster assistance' means assistance under chapter 9 of part I.

"(7) INTERNATIONAL MILITARY EDUCATION AND TRAINING.—The term 'international military education and training' means assistance under chapter 5 of part II, and does not include military education and training under chapter 2 of part II.

"(8) INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.—The term 'international narcotics control assistance' means assistance under chapter 8 of part I.

"(9) MILITARY ASSISTANCE.—The term 'military assistance' means assistance under part II, except as otherwise provided with respect to assistance under chapter 6 of that part (relating to assistance for peacekeeping operations) and chapter 8 of that part (relating to antiterrorism assistance).

"(10) MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES.—The term 'assistance under the Multilateral Assistance Initiative for the Philippines' means assistance under chapter 4 of part I.

"(b) LAWS TO WHICH DEFINITIONS ARE APPLICABLE.—Unless otherwise provided or inconsistent in the context, the definitions provided in this section, section 644B, and section 644C apply with respect to references that are contained in this Act, the Arms Export Control Act, or any annual or periodic foreign assistance authorization legislation.".

SEC. 452. DEFINITION OF APPROPRIATE CONGRESSIONAL COMMITTEES.

Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 644A, as added by the preceding section of this title, the following:

"SEC. 644B. DEFINITION OF APPROPRIATE CONGRESSIONAL COMMITTEES.

"Unless otherwise provided or inconsistent in the context, for purposes of this Act and the other provisions of law described in section 644A(b), the term 'appropriate congressional committees' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.".

SEC. 453. ADDITIONAL DEFINITIONS.

Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by inserting after section 644B, as added by the preceding section of this title, the following:

"SEC. 644C. ADDITIONAL DEFINITIONS.

"Unless otherwise provided or inconsistent in the context, for purposes of this Act and the other provisions of law described in section 644A(b)—

"(1) the term 'Administrator' means the administrator of the agency primarily responsible for administering part I,

"(2) the term 'developing country' includes advanced developing country and, for purposes of chapter 1 of part I, includes areas;

"(3) the term 'gross violations of internationally recognized human rights' includes torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, arbitrary arrest, incommunicado detention, forced or involuntary disappearance by abduction and clandestine detention, and other flagrant denial of the right to life, liberty, or the security of person;

"(4) the term 'includes' means includes but is not limited to;

"(5) the term 'institution of higher education' has the same meaning that term is given by section 1201(a) of the Higher Education Act of 1965;

"(6) the term 'major non-NATO ally' means a country which is designated in accordance with section 48 of the Arms Export Control Act as a major non-NATO ally for purposes of that Act and this Act; and

"(7) the term 'notwithstanding any other provision of law' (and any comparable 'notwithstanding' clause), unless otherwise expressly provided, does not supersede section 1341 of title 31 of the United States Code (commonly referred to as the 'Anti-Deficiency Act'), the Federal Credit Reform Act of 1990, or subsections (c) and (d) of section 632 of this Act, or any comparable provision of law.".

CHAPTER 6—CONFORMING AMENDMENTS AND REPEALS

SEC. 461. CONFORMING AMENDMENTS AND REPEAL OF OBSOLETE PROVISIONS OF THE FOREIGN ASSISTANCE ACT.

(a) REPEALS.—The following provisions of the Foreign Assistance Act of 1961 are repealed: the last two sentences of section 104(c)(3); section 111; section 116; section 117 (as added by Public Law 99-440); section 120; section 123(e); section 124; section 127; section 128; title I of chapter 2 of part I; section 214(d); section 219; section 224; title V of chapter 2 of part I; sections 301(d) and (g); sections 302(b), (i), and (j); section 303; chapter 6 of part I; sections 494, 495, and 495B through 495K; section 502B; section 535; section 602; section 606; section 611; the first sentence of section 616 (as amended by chapter 4 of this title); all subsections of section 620 except subsections (a), (e), and (s); section 620D; the last sentence of section 626; section 634B; section 637; section 640A; section 645; section 647; section 648; section 650; and section 663.

(b) AMENDMENTS.—That Act is amended—

(1) in section 122, by striking out "GENERAL AUTHORITIES.—" and all that follows through "(d)" and inserting in lieu thereof "RESEARCH AND EDUCATIONAL INSTITUTIONS.—" and by repealing subsection (e);

(2) in section 214(b), by striking out ", notwithstanding the provisions of the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.),";

(3) in section 301(a), by striking out ", and in" and all that follows through "part";

(4) in section 302 (as amended by subsection (a) of this section), by redesignating subsections (e) (as amended by title I of this Act), (f), and (h) as subsections (d), (e), and (f), respectively;

(5) in section 301 (as amended by subsection (a) of this section), by redesignating subsection (c) as subsection (b);

(6) in section 620, by striking out "PROHIBITIONS AGAINST FURNISHING ASSISTANCE" in the section caption and inserting in lieu thereof "PROHIBITIONS RELATING TO CUBA; FEDERAL ACT OF STATE DOCTRINE; AND OTHER PROVISIONS";

(7) in section 620(e)—

(A) by striking out "(e)(1)" and all that follows through "(2)" and inserting in lieu thereof "(b) FEDERAL ACT OF STATE DOCTRINE.—"; and

(B) by striking out "this subsection" and inserting in lieu thereof "subsection (e) as in effect before the enactment of the International Cooperation Act of 1991";

(8) by redesignating subsection (s) of section 620 as subsection (c); and

(9) in section 621, by striking out the last sentence of subsection (a), by striking out "(a)", and by striking out subsection (b).

(c) SECTION 124(c) AUTHORITY.—For purposes of section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), section 124(c) of the Foreign Assistance Act of 1961, as in effect before the date of enactment of this Act, shall be deemed to remain in effect on and after that date.

SEC. 462. REPEAL OF OBSOLETE PROVISIONS OF ANNUAL FOREIGN ASSISTANCE ACTS.

(a) 1986 ASSISTANCE ACT.—The Special Foreign Assistance Act of 1986 is repealed except for section 1, title I, and section 204.

(b) 1985 ASSISTANCE ACT.—The International Security and Development Cooperation Act of 1985 is amended—

(1) in section 202, by repealing subsections (a) and (b);

(2) in section 203, by repealing subsection (a);

(3) in section 1205, by striking out "Turkey, and Portugal" both places it appears and inserting in lieu thereof ", and Turkey"; and

(4) by repealing all provisions of that Act (other than the sections amended in the preceding paragraphs of this subsection), except for section 1, section 131, section 132, section 502, section 504, section 505, part B of title V (other than section 558 and section 559), section 803, section 904, section 906, section 1302, and section 1303.

(c) 1985 JORDAN SUPPLEMENTAL ACT.—The Jordan Supplemental Economic Assistance Authorization Act of 1985 is repealed.

(d) 1985 AFRICAN FAMINE ACT.—The African Famine Relief and Recovery Act of 1985 is repealed.

(e) 1983 ASSISTANCE ACT.—The International Security and Development Assistance Authorization Act of 1983 is repealed.

(f) 1983 LEBANON ASSISTANCE ACT.—The Lebanon Emergency Assistance Act of 1983 is repealed.

(g) 1981 ASSISTANCE ACT.—The International Security and Development Cooperation Act of 1981 is repealed except for section 1, section 709, section 712, section 714, section 735, and section 737.

(h) 1980 ASSISTANCE ACT.—The International Security and Development Cooperation Act of 1980 is repealed except for section 1, section 110, section 315, and title V.

(i) 1979 DEVELOPMENT ASSISTANCE ACT.—The International Development Cooperation Act of 1979 is repealed.

(j) 1979 SECURITY ASSISTANCE ACT.—The International Security Assistance Act of 1979 is repealed.

(k) 1979 SPECIAL SECURITY ASSISTANCE ACT.—The Special International Security Assistance Act of 1979 is repealed.

(l) 1978 DEVELOPMENT ASSISTANCE ACT.—The International Development and Food Assistance Act of 1978 is repealed, except for section 1, title IV, and section 603 (which is amended by repealing subsection (b)).

(m) 1978 SECURITY ASSISTANCE ACT.—The International Security Assistance Act of 1978 is repealed.

(n) 1977 DEVELOPMENT ASSISTANCE ACT.—The International Development and Food Assistance Act of 1977 is repealed except for section 1, section 132, and section 133.

(o) 1977 SECURITY ASSISTANCE ACT.—The International Security Assistance Act of 1977 is repealed.

(p) 1976 SECURITY ASSISTANCE ACT.—The International Security Assistance and Arms Export Control Act is repealed except for section 1, section 201 (which is amended by repealing subsection (a)), section 212 (which is amended by repealing subsection (a)), section 601, and section 608.

(q) 1975 DEVELOPMENT ASSISTANCE ACT.—The International Development and Food Assistance Act of 1975 is repealed.

(r) 1975 BIB ACT.—Public Law 94–104 is repealed.

(s) 1974 ASSISTANCE ACT.—The Foreign Assistance Act of 1974 is repealed.

(t) 1973 EMERGENCY ASSISTANCE ACT.—The Emergency Security Assistance Act of 1973 is repealed.

(u) 1973 ASSISTANCE ACT.—The Foreign Assistance Act of 1973 is repealed.

(v) 1971 ASSISTANCE ACT.—

(1) REPEAL.—The Foreign Assistance Act of 1971 is repealed.

(2) CONFORMING AMENDMENT.—Section 531 of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"(f) Except where expressly provided to the contrary, any reference to part I of this Act shall be deemed to be a reference also to this chapter, and any reference to part II of this Act shall be deemed not to include this chapter."

(w) 1971 SPECIAL ASSISTANCE ACT.—The Special Foreign Assistance Act of 1971 is repealed except for the first section and section 7.

(x) 1971 FMS ACT.—The Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (Public Law 91–672), is repealed, except for section 10 and section 12.

(y) 1969 ASSISTANCE ACT.—The Foreign Assistance Act of 1969 is repealed except for the first section and part IV.

(z) 1968 ASSISTANCE ACT.—The Foreign Assistance Act of 1968 is repealed.

(aa) 1964 ASSISTANCE ACT.—The Foreign Assistance Act of 1964 is repealed except for the first section and part V.

(bb) LATIN AMERICAN DEVELOPMENT ACT.—The Latin American Development Act is repealed.

(cc) 1959 MUTUAL SECURITY ACT.—The Mutual Security Act of 1959 is repealed.

(dd) 1954 MUTUAL SECURITY ACT.—Section 402 and section 417 of the Mutual Security Act of 1954 are repealed.

(ee) SAVINGS PROVISION.—The repeal by this Act of any provision of law that amended or repealed another provision of law does not affect in any way that amendment or repeal.

SEC. 463. SOME CONFORMING AMENDMENTS TO OTHER ACTS.

(a) PUBLIC LAW 480.—Section 414(b) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out "as defined in section 481(i)(2)" and inserting in lieu thereof "for purposes of chapter 8 of part I".

(b) EXPORT ADMINISTRATION ACT.—The Export Administration Act of 1979 is amended—

(1) in section 5(b)(1), by striking out "set forth in section 620(f)" and inserting in lieu thereof "on the list established pursuant to section 691(c)"; and

(2) in section 6(m)(2), by striking out "section 502B" and inserting in lieu thereof "sections 691(a)(2) and 283(a)".

(c) ANGLO-IRISH AGREEMENT SUPPORT ACT.—Section 4(a)(1) of the Anglo-Irish Agreement Support Act of 1986 is amended by striking out "Revolving Fund" and inserting in lieu thereof "Guarantee Program".

(d) EXPORT-IMPORT BANK ACT.—Section 2(b)(6) of the Export-Import Bank Act of 1945 is amended—

(1) in subparagraph (B)(iii), by striking out "481(h)(5)" and insert in lieu thereof "490(e)";

(2) in subparagraph (C)(ii), by striking out "as defined in section 481(i)(2)" and inserting in lieu thereof "for purposes of chapter 8 of part I"; and

(3) in subparagraph (E), by striking out "security assistance for purposes of section 502B of the Foreign Assistance Act of 1961" and insert in lieu thereof "assistance under the Foreign Assistance Act of 1961 for purposes of section 691(a)(2) of that Act".

TITLE V—EUROPE

CHAPTER 1—SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

SEC. 501. AMENDMENTS TO SEED ACT OF 1989.

Except as otherwise expressly provided, whenever in this chapter an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Support for East European Democracy (SEED) Act of 1989 (Public Law 101–179).

SEC. 502. UNITED STATES POLICY REGARDING EASTERN EUROPE.

(a) STATEMENT OF POLICY.—The provisions preceding title I are amended—

(1) by redesignating section 2 (22 U.S.C. 5401) as section 3; and

(2) by inserting the following new section 2 after the table of contents in section 1(b):

"SEC. 2. UNITED STATES POLICY REGARDING EASTERN EUROPE.

"(a) IN GENERAL.—It shall be the policy of the United States to facilitate the reintegration of the East European countries into the community of democratic nations and to end the artificial division of Europe. In furtherance of these objectives, the United States shall support economic and political reform in East European countries, both through—

"(1) the provision of assistance to governments and private individuals and entities in those countries, and

"(2) the promotion of a United States commercial presence in those countries.

"(b) ASSISTANCE.—Pursuant to subsection (a)(1), the United States should provide assistance for East European countries under the authorities of this Act to the extent that such countries are taking steps toward—

"(1) political pluralism, based on progress toward free and fair elections and a multiparty political system;

"(2) economic reform, based on progress toward a market-oriented economy;

"(3) respect for internationally recognized human rights; and

"(4) a willingness to build a friendly relationship with the United States.

"(c) REINTEGRATION OF EASTERN EUROPE INTO THE COMMUNITY OF DEMOCRATIC NATIONS.—

"(1) FINDINGS.—The Congress finds that—

"(A) the process in Eastern Europe of building democratic institutions and governments based on the rule of law and of developing market-oriented economies, will be far from complete during the 3-year period originally authorized in this Act;

"(B) the process of reintegrating Eastern Europe into the community of democratic nations will be slower and more difficult than was expected at a time of general euphoria following the democratic revolutions of 1989;

"(C) grant and loan assistance provided to date to Eastern Europe through the G–24 process (through the member governments of the Organization for Economic Cooperation and Development) has been generous but frequently duplicative;

"(D) successful reintegration of Eastern Europe into the community of democratic nations will require broader outreach by United States and G–24 assistance programs to populations, enterprises, and local and regional governments outside of national capitals.

"(2) POLICIES.—Accordingly—

"(A) the United States should commit itself, and seek the commitment of other G–24 governments, to the completion of Eastern Europe's reintegration into the community of democratic nations, and future requests for assistance should reflect the commitment of the United States to this task;

"(B) the United States and other G–24 governments should coordinate their assistance more thoroughly in order to prevent duplication of effort and to maximize the effectiveness of assistance provided; and

"(C) the United States should ensure that the assistance provided to each eligible East European country under this Act is distributed equitably through the country.".

(b) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended by striking out the item relating to section 2 and inserting in lieu thereof the following:

"Sec. 2. United States policy regarding Eastern Europe.
"Sec. 3. Support for East European Democracy (SEED) Program.".

SEC. 503. EAST EUROPEAN COUNTRIES ELIGIBLE FOR SEED BENEFITS.

(a) ELIGIBILITY CRITERIA.—The provisions preceding title I are amended by inserting after section 3 (22 U.S.C. 5401), as so redesignated by section 502 of this Act, the following new section:

"SEC. 4. COUNTRIES ELIGIBLE FOR SEED BENEFITS.

"(a) ELIGIBLE EAST EUROPEAN COUNTRY.—For purposes of this Act, the term 'eligible East European country' means—

"(1) Poland,

"(2) Hungary,

"(3) the Czech and Slovak Federal Republic,

"(4) Bulgaria,

"(5) Albania,

"(6) Romania,

"(7) Lithuania,

"(8) Latvia,

"(9) Estonia, and

"(10) any other East European country if the President has reported to the Congress that he has determined that that country is taking the steps described in section 2(b).

"(b) YUGOSLAVIA.—Yugoslavia shall also be considered to be an eligible East European country for purposes of this Act, unless the President determines, and reports to the Congress, that Yugoslavia is not taking the steps described in section 2(b).".

(b) CONFORMING AMENDMENTS.—

(1) SUMMARY DESCRIPTION OF SEED PROGRAM.—Subsection (a) of section 3, as so redesignated by section 502 of this Act, is amended by striking out "countries" and all that follows through "pluralism" and inserting in lieu thereof "East European countries that are taking the steps described in section 2".

(2) TABLE OF CONTENTS.—The table of contents in section 1(b), as amended by section 502(b) of this Act, is further amended by inserting after the item relating to section 3 the following:

"Sec. 4. Countries eligible for SEED benefits.".

SEC. 504. STRUCTURAL ADJUSTMENT.

(a) MULTILATERAL ASSISTANCE.—Subsection (a) of section 101 (22 U.S.C. 5411) is amended—

(1) in the subsection heading, by striking out "FOR POLAND AND HUNGARY"; and

(2) in paragraph (1)—

(A) by striking out "Poland and Hungary continue" and inserting in lieu thereof "an eligible East European country continues"; and

(B) by striking out "Poland and Hungary" the second place it appears and inserting in lieu thereof "that country".

(b) STABILIZATION ASSISTANCE AND DEBT RELIEF.—

(1) MULTILATERAL SUPPORT.—Section 101 is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) STABILIZATION ASSISTANCE.—To the extent that an eligible East European country continues to evolve toward pluralism and democracy and to develop and implement comprehensive economic reform programs, the United States Government, in conjunction with other member governments of the Organization of Economic Cooperation and Development (OECD) and international financial institutions (including the International Monetary Fund), shall support the implementation of a program to address key structural economic problems, address pressing social problems, carry out comprehensive economic reform, and relieve immediate and urgent balance of payments requirements, through the use of mechanisms such as—

"(1) the Exchange Stabilization Fund pursuant to section 5302 of title 31, United States Code, and in accordance with established Department of the Treasury policies and procedures; and

"(2) the authority provided in section 102(c) of this Act.

"(c) DEBT RELIEF.—To the extent that an eligible East European country continues to evolve toward pluralism and democracy and to develop and implement comprehensive economic reform programs, the United States Government, as appropriate for individual eligible East European countries—

"(1) shall urge all members of the 'Paris Club' of creditor governments and other creditor governments to adopt, and participate in, a generous and early debt rescheduling program, as well as a program of reductions, on a case-by-case basis, of official debt and official debt service owed to such governments by the government of an eligible East European country; and

"(2) shall seek, in coordination with other creditor governments, to expedite consultations between the government of that East European country and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owed to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.".

(2) AUTHORIZATION FOR STABILIZATION ASSISTANCE.—Section 102(c) (22 U.S.C. 5412) is amended—

(A) in the subsection heading by striking out "ADDITIONAL";

(B) in paragraph (1)—

(i) by striking out "paragraph (1) of";

(ii) by striking out "for Poland" and inserting in lieu thereof "for an eligible East European country";

(iii) by striking out "urgent";

(iv) by striking out "Polish economy" and inserting in lieu thereof "economy of that country"; and

(v) by striking out "Poland" and inserting in lieu thereof "the eligible East European country"; and

(C) in paragraph (2) by inserting "with respect to Poland" after "fund)".

(c) SUPPORT FOR FREE MARKET AGRICULTURAL POLICIES.—Section 103(a) is amended by adding at the end the following:

"(4) SUPPORT FOR FREE MARKET AGRICULTURAL POLICIES.—The President shall seek to support adoption of agricultural policies in each eligible East European country that are based on free-market policies and shall seek to discourage policies that distort market signals through protective import barriers or government export subsidies.".

(d) DEBT-FOR-EQUITY AND DEBT-FOR-DEVELOPMENT SWAPS.—Section 104 (22 U.S.C. 5414) is amended—

(1) in subsection (a), by striking out "East European countries which have taken substantive steps toward political democracy and economic pluralism" and inserting in lieu thereof "eligible East European countries"; and

(2) in subsection (b), by striking out "East European country which has taken substantive steps toward political democracy and economic pluralism" and inserting in lieu thereof "eligible East European country".

(e) CONFORMING AMENDMENTS.—

(1) SECTION HEADINGS.—(A) Section 101 is amended in the section heading by striking out "IN POLAND AND HUNGARY".

(B) Section 102 is amended in the section heading by striking out "FOR POLAND".

(2) CROSS REFERENCES.—(A) Section 102(a)(2) (22 U.S.C. 5412) is amended by striking out "(1)(A)" and inserting in lieu thereof "(1)".

(B) Section 103(b) (22 U.S.C. 5413) is amended by striking out "Pursuant to section 101(b)(3)" and inserting in lieu thereof "To the extent that Poland continues to evolve toward pluralism and democracy and to implement comprehensive economic reform programs".

(3) TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(A) in the item relating to section 101 by striking out "in Poland and Hungary"; and

(B) in the item relating to section 102 by striking out "for Poland".

SEC. 505. PRIVATE SECTOR DEVELOPMENT.

(a) ASSISTANCE FOR PRIVATE ENTERPRISE DEVELOPMENT.—Title II is amended—

(1) by redesignating sections 202 through 206 as sections 203 through 207, respectively; and

(2) by inserting after section 201 the following new section 202:

"SEC. 202. PRIVATE ENTERPRISE DEVELOPMENT.

"(a) AUTHORITY TO PROVIDE ASSISTANCE.—For purposes of promoting private sector development in eligible East European countries, the Agency for International Development is authorized to provide assistance—

"(1) for activities similar to those for which assistance is authorized by section 201, such assistance to be provided in a manner similar to the manner in which assistance is authorized to be provided by that section; and

"(2) to support United States participation in capital projects, both public infrastructure projects and private investment projects.

"(b) NOTICE TO CONGRESS OF MANNER IN WHICH ASSISTANCE WILL BE PROVIDED.—Each notification pursuant to section 706 with respect to funds to be obligated to carry out subsection (a)(1) shall specify the manner in which assistance will be provided.

"(c) NONAPPLICABILITY OF OTHER LAWS.—Funds made available for assistance under this section may be used notwithstanding any other provision of law.".

(b) LABOR MARKET TRANSITION.—Section 203 (22 U.S.C. 5422), as so redesignated by subsection (a) of this section, is amended—

(1) in the section heading, by striking out "in Poland and Hungary";

(2) in subsection (a), by striking out "Poland and Hungary" in paragraphs (1) and (2) and inserting in lieu thereof "eligible East European countries";

(3) in subsection (c)(3), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(4) in subsection (g), by striking out all that follows "section" and inserting in lieu thereof "$5,000,000."; and

(5) by adding at the end the following:

"(h) AID AUTHORITY.—The President, acting through the Administrator of the Agency for International Development, is authorized to use funds made available to carry out this Act to provide the assistance described in this section for eligible East European countries. Assistance may be provided under this subsection notwithstanding any other provision of law.".

(c) TECHNICAL TRAINING AND ASSISTANCE.—

(1) EXPANSION OF AUTHORITY.—Section 204 (22 U.S.C. 5423), as so redesignated by subsection (a) of this section, is amended—

(A) in the section heading, by striking out "for" and all that follows through "Hungary" and inserting in lieu thereof "and assistance"; and

(B) by amending subsection (a) to read as follows:

"(a) TECHNICAL TRAINING AND ASSISTANCE PROGRAMS.—The President, acting through the Administrator of the Agency for International Development, shall develop and implement programs of technical training and technical assistance for eligible East European countries to enable them to better meet their needs as they develop market economies and democratic institutions. These programs may include—

"(1) training in skills of agribusiness (including agricultural extension), commerce, entrepreneurship, finance, science (including environmental science), pollution control, business and government administration and management, auditing, accounting, drafting legal codes and regulations, and other relevant areas; and

"(2) technical assistance in areas specified in paragraph (1).".

(2) PARTICIPATION OF NGOS.—Paragraph (6) of subsection (b) is amended to read as follows:

"(6) United States private and voluntary organizations and private sector entities, and private and voluntary organizations and private sector entities of eligible East European countries.".

(3) COMPETITIVE PROCEDURES.—That section is further amended—

(A) by redesignating subsections (c) through (e) as subsections (d) through (f), respectively; and

(B) by inserting after subsection (b) the following new subsection (c):

"(c) COMPETITIVE PROCEDURES.—In carrying out this section, the Agency for International Development shall use competitive procedures to the maximum extent practicable in making grants to, and entering into contracts with, nongovernmental entities.".

(4) TECHNICAL CORRECTIONS.—That section is amended—

(A) in subsection (b), by striking out "406(a) (1) and (2)" and inserting in lieu thereof "501"; and

(B) in subsection (f), as so redesignated by paragraph (2)(A) of this subsection—

(i) by striking out "406(a) (1) and (2)" and inserting in lieu thereof "501(a)"; and

(ii) by striking out "1107 of the Food Security Act of 1985 (7 U.S.C. 1736 note)" and inserting in lieu thereof "501(c) of that Act (7 U.S.C. 1737(c))".

(d) PEACE CORPS PROGRAMS.—Section 205 (22 U.S.C. 204), as so redesignated by subsection (a) of this section, is amended—

(1) in the section heading, by striking out "in Poland and Hungary";

(2) by striking out the first sentence;

(3) in the second sentence by striking out "Such programs" and inserting in lieu thereof "Peace Corps programs in eligible East European countries"; and

(4) in paragraph (2), by striking out "technical skills described in section 203(a) to the people of Poland and Hungary" and inserting in lieu thereof "training in technical skills described in section 204(a)(1) to the people of eligible East European countries".

(e) USE OF LOCAL CURRENCIES.—

(1) EXPANSION OF AUTHORITY.—Section 206 (22 U.S.C. 5425), as so redesignated by subsection (a) of this section, is amended—

(A) in the section heading, by striking out "Polish" and inserting in lieu thereof "local"; and

(B) in subsection (a)—

(i) by striking out "FOR POLAND" in the subsection heading;

(ii) by striking out "Poland" in the text preceding paragraph (1) and inserting in lieu thereof "the recipient country";

(iii) in paragraph (1), by striking out "for Poland authorized by sections 103(b), 201, and 203" and inserting in lieu thereof "provided for in sections 103, 201, 202, and 204";

(iv) in paragraph (2), by inserting "in the case of Poland," after "(2)";

(v) in subsection (b), by striking out "in Poland"; and

(vi) in subsection (c), by striking out "Poland for fiscal years 1990, 1991, and 1992" and inserting in lieu thereof "an eligible East European country".

(2) CROSS REFERENCE.—Section 204(f), as so redesignated by subsections (a) and (c)(2)(A), is amended by striking out "205" and inserting in lieu thereof "206".

(f) CREDIT UNIONS.—

(1) UNITED STATES POLICY.—Section 207 (22 U.S.C. 5426), as so redesignated by subsection (a), is amended—

(A) in the section heading, by striking out "Polish and Hungarian"; and

(B) in subsection (a)—

(i) in the text preceding paragraph (1), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(ii) in paragraph (1), by striking out "Poland and Hungary" and inserting in lieu thereof "those countries"; and

(iii) in paragraph (2), by striking out "Poland and Hungary" and inserting in lieu thereof "those countries".

(2) CONFORMING AMENDMENT TO FEDERAL CREDIT UNION ACT.—Paragraph (16) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) (as added by the Support for East European Democracy (SEED) Act of 1989) is amended by striking out "Poland and Hungary" and inserting in lieu thereof "countries that are eligible Eastern European countries for purposes of the Support for East European Democracy (SEED) Act of 1989".

(g) CONFORMING AMENDMENTS TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(1) by striking out "202", "203", "204", "205", and "206" and inserting in lieu thereof "203", "204", "205", "206", and "207", respectively;

(2) by inserting after the item relating to section 201 the following:

"Sec. 202. Private enterprise development.";

(3) in the item relating to section 203 (as so redesignated), by striking out "in Poland and Hungary";

(4) in the item relating to section 204 (as so redesignated), by striking out all that follows "training" and inserting in lieu thereof "and assistance.";

(5) in the item relating to section 205 (as so redesignated), by striking out "in Poland and Hungary";

(6) in the item relating to section 206 (as so redesignated), by striking out "Polish" and inserting in lieu thereof "local"; and

(7) in the item relating to section 207 (as so redesignated), by striking out "Polish and Hungarian".

SEC. 506. TRADE AND INVESTMENT.

(a) REPEAL OF EXECUTED AMENDMENTS AND OBSOLETE PROVISIONS.—Section 301, section 302 (22 U.S.C. 2199 note), section 305 (22 U.S.C. 2421 note), and section 307 are repealed. The repeal of those sections does not affect any amendment made by any such section.

(b) EXPORT-IMPORT BANK PROGRAMS.—Section 303 (22 U.S.C. 635 note) is amended—

(1) by redesignating that section as section 301;

(2) in the section heading, by striking out "for Poland and Hungary";

(3) in the heading for subsection (a), by striking out "TO POLAND AND HUNGARY"; and

(4) in subsection (a), by inserting after "thereof" the first place it appears ", by the Czech and Slovak Federal Republic or any agency or national thereof,".

(c) TRADE CREDIT INSURANCE PROGRAM FOR POLAND.—Section 304, and section 225 of the Foreign Assistance Act of 1961 (22 U.S.C. 2185), are repealed.

(d) BILATERAL INVESTMENT TREATIES.—Section 306 is amended—

(1) by redesignating that section as section 302;

(2) in the section heading, by striking out "with Poland and Hungary"; and

(3) by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries".

(e) CONFORMING AMENDMENTS TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(1) by striking out the items relating to sections 301, 302, 304, 305, and 307;

(2) in the item relating to section 303, by striking "303" and inserting in lieu thereof "301" and by striking out "for Poland and Hungary"; and

(3) in the item relating to section 306, by striking out "306" and inserting in lieu thereof "302" and by striking out "with Poland and Hungary".

SEC. 507. EDUCATIONAL, CULTURAL, AND SCIENTIFIC ACTIVITIES.

(a) EDUCATIONAL AND CULTURAL EXCHANGES AND SISTER INSTITUTIONS PROGRAMS.—Section 401 (22 U.S.C. 5441) is amended—

(1) in the section heading by striking out "with Poland and Hungary";

(2) in subsection (a)(1)—

(A) by striking out "SUPPORT FOR EXPANDED U.S. PARTICIPATION" in the paragraph heading and inserting in lieu thereof "FREEDOM INTERNATIONAL PROGRAM";

(B) by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries"; and

(C) by adding at the end the following: "United States Government support for such activities shall be known as the 'Freedom International Program'.";

(3) in subsection (a)(2), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(4) in subsection (b), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(5) in subsection (c), by striking out "Poland and the United States and in Hungary" and inserting in lieu thereof "eligible East European countries"; and

(6) in subsection (d), by striking out "and Polish organizations and between American and Hungarian organizations" and inserting in lieu thereof "organizations and organizations of eligible East European countries".

(b) SCHOLARSHIP PARTNERSHIP.—Section 402 (22 U.S.C. 5442) is amended—

(1) in the section heading, by striking out "Poland-Hungary";

(2) in subsection (a), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(3) in subsection (b)—

(A) by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries", and

(B) by striking out "in the United States";

(4) in subsection (c), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(5) in subsection (g)—

(A) by striking out "Poland or Hungary, as the case may be" and inserting in lieu thereof "his or her country of nationality", and

(B) by striking out "in the United States";

(6) by striking out subsection (i) and by inserting in lieu thereof the following:

"(i) COMPETITIVE PROCEDURES.—In carrying this section, the Agency for International Development shall use competitive procedures to the maximum extent practicable in making grants to, and entering into contracts with, nongovernmental entities.";

(7) in subsection (j), by striking out "Poland and Hungary" and inserting in lieu thereof "an eligible East European country"; and

(8) by inserting at the end the following:

"(l) AMERICAN INSTITUTIONS ABROAD.—The Administrator of the Agency for International Development may use funds made available each fiscal year to carry out this section in order to provide scholarships to enable students from eligible East European countries to study at American institutions of higher education in Europe.".

(c) USE OF POLISH CURRENCIES FOR HOLOCAUST EDUCATION.—TITLE IV IS AMENDED BY ADDING AT THE END THE FOLLOWING:

"SEC. 404. USE OF POLISH CURRENCIES FOR HOLOCAUST EDUCATION.

"(a) AUTHORIZATION.—Consistent with other United States priorities in Poland, the President

may make available for the Research Center on Jewish History and Culture of the Jagiellonian University of Krakow, Poland, established for the study of events related to the Holocaust in Poland, up to the equivalent of $500,000 of Polish currencies described in subsection (b).

"(b) CURRENCIES THAT MAY BE USED.—The currencies that are available for use under subsection (a) are nonconvertible Polish currencies held by the United States that are derived from programs administered by the Commodity Credit Corporation or pursuant to the Agricultural Trade Development and Assistance Act of 1954, section 416(b) of the Agricultural Act of 1949, or the Food for Progress Act of 1985.".

(d) CONFORMING AMENDMENTS TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(1) in the item relating to section 401, by striking out "with Poland and Hungary";

(2) in the item relating to section 402, by striking out "Poland-Hungary scholarship" and inserting in lieu thereof "Scholarship"; and

(3) by adding at the end of the items relating to title IV the following:

"Sec. 404. Use of Polish currencies for Holocaust education.".

SEC. 508. OTHER ASSISTANCE PROGRAMS.

(a) SUPPORT FOR DEMOCRATIC INSTITUTIONS.—

(1) IN GENERAL.—Section 501 (22 U.S.C. 5451) is amended—

(A) in the section heading, by striking out "in Poland and Hungary";

(B) by striking out the text of subsection (a) and inserting in lieu thereof the following: "The President, acting through the Administrator of the Agency for International Development, is authorized to provide assistance in support of democratic institutions and activities in eligible East European countries consistent with subsections (a) through (e) of section 281 of the Foreign Assistance Act of 1961 (relating to human rights and democratic initiatives)."; and

(C) by adding at the end the following:

"(c) COMPETITIVE PROCEDURES.—In carrying section (a), the Agency for International Development shall use competitive procedures to the maximum extent practicable in making grants to, and entering into contracts with, nongovernmental entities.".

(2) SUPPORT FOR PARLIAMENTARY DEVELOPMENT.—That section is further amended by adding at the end the following:

"(d) MULTILATERAL SUPPORT FOR PARLIAMENTARY DEVELOPMENT.—From the funds made available to carry out this section, the President should allocate up to $750,000 annually to contribute support, in conjunction with appropriate contributions from parliaments of other North Atlantic Treaty Organization members, to the North Atlantic Assembly's plan for expanded East European participation.".

(b) ENVIRONMENTAL INITIATIVES; ENVIRONMENTAL IMPACT OF PROGRAMS.—Section 502 (22 U.S.C. 5452) is amended—

(1) in the section heading, by striking out "initiatives for Poland and Hungary" and inserting in lieu thereof "initiatives; environmental impact of programs";

(2) in subsection (a)—

(A) in the first sentence, by striking out "Poland and Hungary" and inserting in lieu thereof "Eastern and Central Europe"; and

(B) in the second sentence—

(i) by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries"; and

(ii) by striking out "and the restoration of the natural resource base on which a sustainable, healthy economy depends" and inserting in lieu thereof ", the restoration of the natural resource base, and the alleviation of health problems resulting from environmental degradation";

(3) in subsection (b), by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(4) in subsection (g)—

(A) by striking out "Hungary and Poland" and inserting in lieu thereof "East European countries"; and

(B) by striking out "Poland and Hungary" and inserting in lieu thereof "eligible East European countries";

(5) in subsection (h)—

(A) by striking out "IN HUNGARY" in the subsection heading; and

(B) by striking out "Government of Hungary" and inserting in lieu thereof "governments of eligible East European countries"; and

(6) by adding at the end the following new subsections:

"(i) ENVIRONMENT AND ENERGY ASSISTANCE.—The President, acting through the Administrator of the Agency for International Development and the Administrator of the Environmental Protection Agency, is authorized to provide assistance for environment and energy activities in eligible East European countries, with emphasis on assistance in developing policies encouraging and providing incentives for end-use energy efficiency (including preparation of least-cost energy plans), conservation, and reliance on renewable energy resources. Assistance under this subsection may include training, technical assistance for related energy and environmental investments or regulation, local production of environmental or energy-related equipment, promotion of United States technologies, and dealing with health problems directly associated with pollution.

"(j) COORDINATION OF ENVIRONMENTAL INITIATIVES.—The Administrator of the Environmental Protection Agency and the Administrator of the Agency for International Development shall jointly, and in cooperation, select the environmental initiatives and policies for carrying out subsections (b), (c), (d), and (i). Specific environmental programs or projects shall be evaluated and carried out by those United States Government agencies or departments with traditional and recognized expertise in the program area, or by nongovernmental organizations, as appropriate to their respective expertise.

"(k) REGIONAL PROGRAM FOR ENVIRONMENTAL HEALTH ACTIVITIES IN THE CZECH AND SLOVAK FEDERAL REPUBLIC.—

"(1) ESTABLISHMENT.—The President shall work with officials of the Government of the Czech and Slovak Federal Republic to establish and support a regional program to study and facilitate cooperative activities to address the public health aspects of environmental degradation.

"(2) FUNDING.—Of the funds allocated to carry out subsection (i), up to $1,000,000 for fiscal year 1992 may be made available to carry out paragraph (1).

"(l) ASSESSMENT OF ENVIRONMENTAL IMPACT.—Assistance under this Act (other than assistance provided through Enterprise Funds under section 201 or through enterprise funds or similar entities under section 202) shall be provided consistent with section 117(c) of the Foreign Assistance Act of 1961 (as so redesignated by section 301 of the Special Foreign Assistance Act of 1986).

"(m) AGRICULTURAL ASSISTANCE.—Activities carried out under section 204 (relating to technical training and assistance) or section 206 (relating to use of local currency generated by agricultural assistance) that are designed to increase agricultural production shall emphasize the principles of low-input sustainable agriculture and integrated pest management, including promotion of alternative production systems that minimize pesticide residues on food.".

(c) MEDICAL ASSISTANCE.—Section 503 (22 U.S.C. 5453) is amended—

(1) in the section heading, by striking out all that follows "medical" and inserting in lieu thereof "assistance."; and

(2) by amending the text of subsection (a) to read as follows: "The President, acting through the Administrator of the Agency for International Development, is authorized to provide to eligible East European countries (1) medical training, (2) assistance with respect to health care planning and policy, and (3) other assistance to improve the quality of health care.".

(d) ASSISTANCE FOR HOUSING.—Title V is amended by adding at the end the following:

"SEC. 504. ASSISTANCE FOR HOUSING.

"(a) AUTHORITY TO PROVIDE ASSISTANCE.—The President, acting through the Administrator of the Agency for International Development, is authorized to provide technical assistance, and assistance to support the infrastructure, necessary to support a viable housing sector in eligible East European countries. Such assistance may be provided notwithstanding any other provision of law.

"(b) HOUSING INVESTMENT GUARANTY PROGRAM.—Guaranties may be issued under section 221 of the Foreign Assistance Act of 1961 for projects in eligible East European countries notwithstanding any other provision of law which would prohibit assistance for projects in such countries.".

(e) CONFORMING AMENDMENTS TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(1) in the item relating to section 501, by striking out "in Poland and Hungary";

(2) in the item relating to section 502, by striking out "initiatives for Poland and Hungary" and inserting in lieu thereof "initiatives; environmental impact of programs";

(3) by amending the item relating to section 503 to read as follows:

"Sec. 503. Medical assistance."; and

(4) by inserting after the item relating to section 503 the following:

"Sec. 504. Assistance for housing.".

SEC. 509. ADDITIONAL SEED PROGRAM ACTIONS.

(a) EASTERN EUROPEAN BUSINESS INFORMATION CENTER SYSTEM.—Section 602 (22 U.S.C. 5462) is amended to read as follows:

"SEC. 602. EASTERN EUROPEAN BUSINESS INFORMATION CENTER SYSTEM.

"(a) PURPOSE.—The President shall encourage and facilitate United States investment in East European business enterprises through the widest possible dissemination of commercial and legal information on Eastern Europe to the United States business community through United States information services companies.

"(b) REQUIREMENT FOR BUSINESS INFORMATION CENTER SYSTEM.—Under the direction of the President, the SEED Program coordinator shall maintain an Eastern European Business Information Center System, employing (as appropriate) the services and expertise of United States information services companies. This system shall work in coordination with the Foreign Commercial Service and the governments of eligible East European countries.

"(c) FUNCTIONS.—The Eastern European Business Information Center System shall serve as a central clearinghouse and data resource service for United States and Eastern European businesses, providing information relating to—

"(1) business conditions in Eastern Europe;

"(2) legal and regulatory information needed by United States companies seeking to do business in Eastern Europe;

"(3) investment and trade opportunities for United States companies resulting from the region's efforts to privatize state enterprises and move toward a market economy; and

"(4) voluntary assistance efforts to countries in Eastern Europe.

"(d) AMERICAN BUSINESS CENTERS.—Where the President deems it would be effective in pro-

moting the purposes of this Act, the President should establish American Business Centers to support American business initiative in Eastern Europe. Such Centers should—

"(1) be designed to provide economies of time and scale to American businesses seeking to initiate trade and investment; and

"(2) operate, where feasible and to the maximum extent possible, on a user-fee basis.

"(e) INFORMATION ACCESS.—The Eastern European Business Information Center System shall be made accessible to the widest possible number of United States businesses through commercially available on-line information services. The SEED Program coordinator shall also endeavor to make information accessible to local enterprises in Eastern Europe seeking trade with or investment from the United States through the establishment of Eastern European trade information centers at such locations as the coordinator may designate.".

(b) ENCOURAGING VOLUNTARY ASSISTANCE.—Section 603 (22 U.S.C. 5463) is amended—

(1) in the section heading, by striking out "for Poland and Hungary";

(2) in subsection (a), by striking out "Poland and to refugees from Romania who are in Hungary" and inserting in lieu thereof "eligible East European countries"; and

(3) in subsection (b)—

(A) in the subsection heading, by striking out "TO POLAND";

(B) in paragraph (1), by striking out "Poland" and inserting in lieu thereof "eligible East European countries"; and

(C) in paragraph (3), by striking out "Poland" and inserting in lieu thereof "eligible East European countries".

(c) UNITED STATES REPRESENTATION IN EASTERN EUROPE.—Section 604 (22 U.S.C. 5464) is repealed.

(d) CONFORMING AMENDMENTS TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended—

(1) by amending the item relating to section 602 to read as follows:

"Sec. 602. Eastern European Business Information Center System.";

(2) in the item relating to section 603, by striking out "for Poland and Hungary"; and

(3) by striking out the item relating to section 604.

SEC. 510. FUNDING OF SEED PROGRAM.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—Title VIII (22 U.S.C. 5491–5495) is amended by adding at the end the following:

"SEC. 806. FUNDING OF SEED PROGRAM.

"(a) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to the President under the heading 'AGENCY FOR INTERNATIONAL DEVELOPMENT' $415,000,000 for fiscal year 1992 and $415,000,000 for fiscal year 1993 to provide the assistance authorized by the provisions of this Act specified in subsection (c). Such amounts are in addition to any amounts made available under part I of the Foreign Assistance Act of 1961 to provide such assistance. Amounts authorized to be appropriated by this subsection are authorized to remain available until expended.

"(b) RECOMMENDED AMOUNTS OF ASSISTANCE TO THE BALTIC COUNTRIES.—Of the amounts authorized to be appropriated by subsection (a), at least $15,000,000 for each fiscal year should be used for assistance for Lithuania, Latvia, and Estonia.

"(c) RECOMMENDED AMOUNTS FOR CERTAIN TYPES OF ASSISTANCE.—The amounts authorized to be appropriated by subsection (a) for each fiscal year should be allocated as follows (with proportional reductions in each amount if the appropriation is less than the amount authorized to be appropriated):

"(1) $175,000,000 should be allocated for use under sections 201 and 202 (relating to Enterprise Funds and private enterprise development).

"(2) $25,000,000 should be allocated for use under section 501 (relating to support for democratic institutions).

"(3) $75,000,000 should be allocated for use under subsection (i) of section 502 (relating to assistance for environment and energy activities).

"(4) $140,000,000 should be allocated for use under—

"(A) subsection (c)(1) of section 102 (relating to stabilization assistance),

"(B) subsection (h) of section 203 (relating to labor market transition),

"(C) section 204 (relating to technical training and assistance),

"(D) section 402 (relating to scholarships),

"(E) section 503 (relating to medical assistance), and

"(F) subsection (a) of section 504 (relating to assistance for housing).

"(d) AUTHORIZATIONS PROVIDED IN OTHER SECTIONS OF THIS ACT.—Authorizations of appropriations provided in other sections of this Act, other than section 403 (relating to science and technology exchange agreements), shall cease to be effective as of the date of enactment of this section.

"(e) RELATION TO OTHER LAWS.—Funds made available under this section may be used to provide assistance under this Act notwithstanding any other provision of law.

"(f) FOREIGN ASSISTANCE ACT ADMINISTRATIVE AUTHORITIES.—Funds authorized to be appropriated by subsection (a) shall be considered to be funds made available to carry out part I of the Foreign Assistance Act of 1961 (relating to economic assistance programs). This subsection does not supersede any provision which authorizes assistance to be provided under this Act 'notwithstanding any other provision of law'.".

(b) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents in section 1(b) is amended by adding at the end the following:

"Sec. 806. Funding of SEED program.".

SEC. 511. CONFORMING AMENDMENTS TO LIST OF SEED ACTIONS.

Subsection (c) of section 3 (22 U.S.C. 5401), as so redesignated by section 502(a)(1) of this Act, is amended as follows:

(1) DEBT-FOR-EQUITY AND DEBT-FOR-DEVELOPMENT SWAPS.—In paragraph (3), by inserting before the period at the end of the paragraph ", and debt-for-equity and debt-for-development swaps".

(2) STABILIZATION ASSISTANCE.—By—

(A) redesignating paragraphs (4) through (25) as paragraphs (5) through (26), respectively, and

(B) inserting after paragraph (3) the following new paragraph (4):

"(4) STABILIZATION ASSISTANCE.—Balance of payments support and other assistance to stabilize a country's economy and promote longer-term economic growth and stability, based on movement toward free market principles.".

(3) ENTERPRISE FUNDS.—In paragraph (6), as so redesignated by paragraph (2) of this section, by striking out "so is designated" and inserting in lieu thereof "is so designated".

(4) PRIVATE ENTERPRISE DEVELOPMENT.—By—

(A) redesignating paragraphs (7) through (26), as so redesignated by paragraph (2) of this section, as paragraphs (8) through (27), respectively, and

(B) inserting after paragraph (6), as so redesignated by paragraph (2) of this section, the following new paragraph (7):

"(7) PRIVATE ENTERPRISE DEVELOPMENT.—In order to support private enterprise development, assistance similar to that authorized to be provided by the Enterprise Funds and assistance to support United States participation in capital projects, both public infrastructure projects and private investment projects.".

(5) TECHNICAL TRAINING AND ASSISTANCE.—By amending paragraph (9), as so redesignated by the preceding paragraphs of this section, to read as follows:

"(9) TECHNICAL TRAINING AND ASSISTANCE.—Technical training and assistance to assist eligible East European countries as they develop a market economy and democratic institutions.".

(6) SCHOLARSHIPS.—Paragraph (22), as so redesignated by the preceding paragraphs of this section, is amended by inserting "and at American institutions of higher education abroad" after "States".

(7) MEDICAL ASSISTANCE.—Paragraph (26), as so redesignated by the preceding paragraphs of this section, is amended to read as follows:

"(26) MEDICAL ASSISTANCE.—Medical training and other assistance to improve the quality of health care.".

(8) ASSISTANCE FOR HOUSING.—By—

(A) redesignating paragraph (27), as so redesignated by the preceding paragraphs of this section, as paragraph (28), and

(B) inserting after paragraph (26), as so redesignated by the preceding paragraphs of this section, the following new paragraph (27):

"(27) ASSISTANCE FOR HOUSING.—Assistance to support a viable housing section.".

(9) EASTERN EUROPEAN BUSINESS INFORMATION CENTER SYSTEM.—Paragraph (28), as so redesignated by the preceding paragraphs of this section, is amended by striking out "a SEED Information Center" and inserting in lieu thereof "an Eastern European Business Information Center System".

SEC. 512. REGIONAL ENVIRONMENTAL CENTER FOR CENTRAL AND EASTERN EUROPE.

The Regional Environmental Center for Central and Eastern Europe located in Budapest, Hungary, which is authorized under section 502(d) of the Support for East European Democracy (SEED) Act of 1989, shall be treated as an international organization for the purpose of detailing United States Government personnel.

CHAPTER 2—OTHER PROVISIONS RELATING TO THE REGION

SEC. 521. SOVIET-EASTERN EUROPEAN RESEARCH AND TRAINING PROGRAM.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated for such purpose, there are authorized to be appropriated $5,000,000 for fiscal year 1992 and $5,000,000 for fiscal year 1993 to carry out the Soviet-Eastern European Research and Training Act of 1983.

(b) ANNUAL REPORTS.—Section 807 of the Soviet-Eastern European Research and Training Act of 1983 (22 U.S.C. 4506) is amended to read as follows:

"ANNUAL REPORTS

"SEC. 807. At the end of each fiscal year, the Secretary of State shall prepare and submit to the Congress a report on the implementation of this title during that fiscal year. This report shall include—

"(1) an analysis of the extent to which the payments made pursuant to this title were successful in supporting the functions referred to in section 802(3);

"(2) a financial statement showing how the funds paid to each institution pursuant to this title were used, with a summary of the results of any audit conducted by the United States Government with respect to those funds;

"(3) a listing of all institutions receiving payments under this title whose administrative expenses that were covered by such payments represented more than 10 percent of the amount of

those payments, with an explanation for each such institution of why its administrative expenses exceeded 10 percent of the amount of those payments; and

"(4) such recommendations as the Advisory Committee deems advisable.".

SEC. 522. CONDEMNATION OF ANTI-SEMITISM AND ETHNIC INTOLERANCE IN ROMANIA.

(a) FINDINGS.—The Congress finds that—

(1) in December 1989, after decades of harsh repression by successive Communist regimes in Romania, a violent uprising overthrew the brutal dictatorship of Nicolae Ceausescu;

(2) this historic event has opened the way for the people of Romania to join the other nations of Central and Eastern Europe in establishing a free and democratic political system and a free market economy;

(3) a reunited Europe, meaning a harmonious community of free and friendly nations, must be established on the basis of full respect for human rights, including the rights of minorities, and a rejection of anti-Semitism and other forms of ethnic and religious intolerance;

(4) the newly gained freedom in Romania has allowed the formation of new social and political organizations and the establishment of new publications free of direct government control;

(5) this freedom has also given rise to a revival of extremist organizations and publications promulgating national chauvinism, ethnic hatred, and anti-Semitism;

(6) Romania's parliament, instead of condemning these developments, itself stood in a moment of silence recently for the extreme nationalist Ion Antonescu who was responsible for the murder of approximately 250,000 Romanian Jews and was executed as a war criminal;

(7) the Nobel Peace laureate author and humanist Elie Wiesel recently visited Romania, the country of his birth, to participate in the commemoration of the 50th anniversary of the mass murder of Romania's Jews by the Antonescu government;

(8) even that recent solemn commemoration was marred by anti-Semitic heckling against Professor Wiesel; and

(9) these extremist organizations and their activities continue despite the Romanian Government's reaffirmation of its commitment to fight against discrimination on the grounds of race, color, national origin, or religion.

(b) CONDEMNATION OF ANTISEMITISM AND ETHNIC ANIMOSITY.—The Congress—

(1) condemns the resurgence of organized anti-Semitism, and ethnic animosity in Romania, including the existence of extremist organizations and publications dedicated to such repugnant ideas;

(2) urges the Government of Romania to continue to speak out against anti-Semitism and to work actively to promote harmony among Romania's ethnic and religious groups;

(3) calls on the people of Romania to resist the negative appeal of these repugnant organizations and their activities and to strengthen the forces of tolerance and pluralism existing in Romanian society;

(4) calls on the Government of Romania to continue to take steps toward greater respect for internationally recognized human rights, including the rights of minorities; and

(5) calls on the President of the United States to ensure that progress by the Government of Romania in combating anti-Semitism and in protecting the rights and safety of its ethnic minorities shall be a significant factor in determining levels of assistance to Romania.

SEC. 523. NAGORNO-KARABAKH CRISIS.

The Congress—

(1) condemns the attacks by internal security forces and the forces of the Azerbaijani government on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia;

(2) condemns the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders;

(3) calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, and calls for the withdrawal of forces newly deployed for the purpose of intimidation;

(4) calls for an immediate end to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes;

(5) calls for dialogue among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict;

(6) reaffirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various republics; and

(7) expresses its deep concern over acts of retribution or intimidation against those republics which are seeking greater independence.

SEC. 524. ANDREI SAKHAROV EDUCATIONAL EXCHANGE PROGRAM.

(a) ESTABLISHMENT.—Section 112(a) of the Mutual Educational and Cultural Exchange Act of 1961 (relating to the exchange programs managed by the Bureau of Educational and Cultural Affairs in the United States Information Agency) is amended—

(1) by striking out "and" at the end of paragraph (8);

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(10) the Andrei Sakharov Educational Exchange Program, to facilitate international exchanges and cooperation in the fields of environmental protection and the health sciences that involve graduate students who have demonstrated a commitment to the application of science in furtherance of the humanitarian ideals embodied by Andrei Sakharov.".

(b) SEED ACTIONS.—

(1) EDUCATIONAL AND CULTURAL EXCHANGES.—Section 401(a)(1) of the Support for East European Democracy (SEED) Act of 1961 is amended by inserting "the Andrei Sakharov Educational Exchange Program," after "Memorial Exchange Program,".

(2) LIST OF SEED ACTIONS.—Section 3(c)(19) of that Act, as so redesignated by section 502(a) and section 511 of this Act, is amended by inserting before the period ", and participation in exchanges under the Andrei Sakharov Educational Exchange Program".

SEC. 525. CRISIS IN YUGOSLAVIA.

It is the sense of the Congress that—

(1) the United States strongly supports the initiatives of the European Community to achieve a peaceful, negotiated settlement of the crisis in Yugoslavia, including their call for agreement by all parties in Yugoslavia on a cease-fire to be observed by monitors mandated by the Conference on Security and Cooperation in Europe and the convening of a peace conference;

(2) all parties to the conflict must implement immediately an unconditional cease-fire in Croatia and cooperate fully with the peacekeeping steps initiated by the European Community;

(3) the use of force to solve political differences or to change the internal or external borders of Yugoslavia is not acceptable and represents a serious violation of international norms and the principles of the Conference on Security and Cooperation in Europe process:

(4) those who resort to force in Yugoslavia will achieve nothing but tragedy for the peoples of Yugoslavia and themselves and will only confirm their own isolation from the international community;

(5) the legitimate concerns of all Yugoslav peoples, including Serbs inside and outside Serbia, about their future in the event of the disintegration of Yugoslavia cannot justify the use of force and repression;

(6) all peoples of Yugoslavia must resolve their future in a peaceful, democratic, and negotiated manner which will preserve the rights of all peoples in the country, particularly the full human rights of ethnic minorities living in all republics and provinces.

SEC. 526. ANGLO-IRISH INTERNATIONAL FUND.

(a) ANNUAL REPORTS AND CERTIFICATION.—The Anglo-Irish Agreement Support Act of 1986 is amended—

(1) by striking out section 5(c); and

(2) by amending section 6 to read as follows:

"SEC. 6. ANNUAL REPORTS.

"(a) REQUIREMENT FOR REPORTS.—At the end of each fiscal year in which the United States Government makes any contribution to the International Fund (but not later than December 31), the President shall report to the Congress on the degree to which—

"(1) the International Fund has contributed to reconciliation between the communities in Northern Ireland;

"(2) United States contributions to the International Fund are meeting their objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity;

"(3) the International Fund has increased respect for the human rights and fundamental freedoms of all people in Northern Ireland;

"(4) the Board of the International Fund, as a whole, is broadly representative of the interests of the communities in Ireland and Northern Ireland; and

"(5) disbursements from the International Fund—

"(A) are distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation; and

"(B) address the needs of both communities in Northern Ireland.

"(b) INDEPENDENT REVIEW OF THE FUND.—The reports submitted pursuant to subsection (a) shall discuss the results of any independent reviews that have been conducted of the programs and projects supported by the International Fund, with particular regard to the achievement of the objectives specified in paragraphs (1) through (5) of subsection (a).".

(b) UNITED STATES CONTRIBUTIONS TO THE FUND.—Section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act) authorizes the appropriation of $22,500,000 for each of fiscal years 1992 and 1993 for United States contributions to the International Fund for Ireland pursuant to the Anglo-Irish Agreement Support Act of 1986.

SEC. 527. UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN.

Section 620C of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 620C. UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN.

"(a) CONGRESSIONAL FINDINGS REGARDING CYPRUS SETTLEMENT.—The Congress declares that the achievement of a just and lasting Cyprus settlement is and will remain a central objective of United States foreign policy. The Congress finds that—

"(1) a just settlement on Cyprus must involve the establishment of a free and independent government on Cyprus and must provide reasonable guarantees that the rights of all the people of Cyprus, including displaced persons, are fully protected;

"(2) a just settlement on Cyprus must include the withdrawal of Turkish military forces from Cyprus;

"(3) the United Nations resolutions regarding Cyprus provide a sound basis for negotiation of a just settlement on Cyprus;

"(4) serious negotiations, under United Nations auspices, will be necessary to achieve agreement on, and implementation of, constitutional and territorial arrangements critical to a just settlement on Cyprus;

"(5) the return of the refugees displaced from Famagusta/Varosha is a matter of high priority and the United States should actively support the efforts of the Secretary General of the United Nations with respect to this issue; and

"(6) the continued deployment of a United Nations peacekeeping force is essential to reducing tensions and maintaining the cease-fire on Cyprus.

"(b) PRINCIPLES GOVERNING UNITED STATES POLICY.—United States policy regarding Cyprus, Greece, and Turkey shall be directed toward restoring and maintaining a stable and peaceful atmosphere in the Eastern Mediterranean region and shall therefore be governed by the following principles:

"(1) The United States shall actively support the resolution of differences through negotiations and internationally established peaceful procedures, shall encourage all parties to avoid provocative actions, and shall strongly oppose any attempt to resolve disputes through force or threat of force.

"(2) The United States will accord full support and high priority to efforts, including those of the United Nations, to bring about a prompt, peaceful settlement on Cyprus.

"(3) All defense articles furnished by the United States to countries in the Eastern Mediterranean region will be used only in accordance with the requirements of this Act, the Arms Export Control Act, and the agreements under which those defense articles were furnished.

"(4) The United States will furnish military assistance for Greece and Turkey only when furnishing that assistance is intended solely for defensive purposes, including when necessary to enable the recipient country to fulfill its responsibilities as a member of the North Atlantic Treaty Organization, and shall be designed to ensure that the present balance of military strength between Greece and Turkey is preserved. Nothing in this paragraph shall be construed to prohibit the transfer of defense articles to Greece or Turkey for legitimate self defense or to enable Greece or Turkey to fulfill their North Atlantic Treaty Organization obligations.

"(5) The United States shall use its influence to ensure the continuation of the cease-fire on Cyprus until an equitable negotiated settlement is reached.

"(6) Any agreement entered into by the United States for the sale or other provision of any defense article on the United States Munitions List (established pursuant to section 38 of the Arms Export Control Act) shall expressly state that the article is being provided by the United States only with the understanding that the article will not be transferred to Cyprus or otherwise used to further the severance or division of Cyprus. The President shall report to the Congress any substantial evidence that equipment provided under any such agreement has been used in a manner inconsistent with the purposes of this paragraph.

"(7) The United States shall use its influence to achieve the withdrawal of Turkish military forces from Cyprus in the context of a solution to the Cyprus problem.

"(c) REVIEW AND REPORTS REGARDING PROGRESS TOWARD A SETTLEMENT.—

"(1) CONTINUAL REVIEW.—Because progress toward a Cyprus settlement is a high priority of United States policy in the Eastern Mediterranean, the President and the Congress shall continually review that progress and shall determine United States policy in the region accordingly.

"(2) PERIODIC REPORTS.—To facilitate such a review, the President shall transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, every 90 days, a report on progress made toward the conclusion of a negotiated solution of the Cyprus problem. Such reports shall include any relevant reports prepared by the Secretary General of the United Nations for the Security Council.".

SEC. 528. ASSISTANCE FOR THE EASTERN MEDITERRANEAN.

(a) ECONOMIC SUPPORT ASSISTANCE.—Section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act), relating to economic support assistance, authorizes the appropriation of—

(1) $15,000,000 for each of fiscal years 1992 and 1993 for Cyprus for a scholarship program, bicommunal projects, and measures aimed at the reunification of the island and designed to reduce tensions and to promote peace and cooperation between the two communities on Cyprus; and

(2) $190,000,000 for each of fiscal year 1992 and 1993 for Turkey.

(b) FOREIGN MILITARY FINANCING ASSISTANCE.—Section 504 of the Foreign Assistance Act of 1961 (as amended by title II of this Act), relating to foreign military financing assistance, authorizes the appropriation of—

(1) $500,000,000 for each of fiscal years 1992 and 1993 for Turkey; and

(2) $350,000,000 for each of fiscal years 1992 and 1993 for Greece.

TITLE VI—MIDDLE EAST

SEC. 601. ASSISTANCE FOR ISRAEL.

(a) ECONOMIC SUPPORT ASSISTANCE.—

(1) AUTHORIZED ASSISTANCE LEVEL.—This subsection applies with respect to the $1,200,000,000 that is authorized to be appropriated for each of fiscal years 1992 and 1993 for economic support assistance for Israel by section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act).

(2) TERMS OF ASSISTANCE.—The total amount of such funds allocated for Israel each fiscal year shall be made available as a cash transfer on a grant basis. Such transfer shall be made on an expedited basis within 30 days after the beginning of the fiscal year or the date of enactment of the Act appropriating such funds, whichever is later. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfer made to Israel does not cause an adverse impact on the total level of nonmilitary exports from the United States to Israel.

(b) FOREIGN MILITARY FINANCING ASSISTANCE.—

(1) AUTHORIZED ASSISTANCE LEVEL.—This subsection applies with respect to the $1,800,000,000 that is authorized to appropriated for each of fiscal years 1992 and 1993 for foreign military financing assistance for Israel by section 504 of the Foreign Assistance Act of 1961 (as amended by title II of this Act). Such assistance shall be provided on a grant basis.

(2) EXPEDITED DELIVERY OF ASSISTANCE.—The total amount of such funds allocated for Israel each fiscal year shall be disbursed within 30 days after the beginning of the fiscal year or the date of enactment of the Act appropriating such funds, whichever is later.

(3) ADVANCED WEAPONS SYSTEMS.—To the extent that the Government of Israel requests that funds be used for such purposes, funds described in paragraph (1) shall, as agreed by the Government of Israel and the Government of the United States, be available for advanced weapons systems as follows:

(A) Up to $150,000,000 for each fiscal year shall be available for research and development in the United States.

(B) Up to $475,000,000 for each fiscal year shall be available for procurement in Israel of defense articles and defense services, including research and development.

(c) SPECIAL DRAWDOWN AUTHORITY FOR ISRAEL.—Section 599B of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991, is amended—

(1) in subsection (a)—

(A) by striking out "As a result" and all that follows through "the President" and inserting in lieu thereof "During fiscal year 1992, the President", and

(B) by striking out "of $700,000,000" and all that follows through the period and inserting in lieu thereof "that equals the difference between $700,000,000 and the value of any such articles, services, and education and training that were authorized by the President to be drawndown under the authority of this section before the enactment of the International Cooperation Act of 1991."; and

(2) in subsection (d), by adding at the end the following: "Such report shall be submitted at the same time to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.".

SEC. 602. ASSISTANCE FOR EGYPT.

(a) ECONOMIC SUPPORT ASSISTANCE.—

(1) AUTHORIZED ASSISTANCE LEVEL.—This subsection applies with respect to the $815,000,000 that is authorized to be appropriated for each of fiscal years 1992 and 1993 for economic support assistance for Egypt by section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act).

(2) CONDITIONS FOR SECTOR GRANTS.—Assistance provided for Egypt with such funds may include sector grants only if Egypt implements agreed upon reforms in the relevant sector.

(3) LAW ENFORCEMENT ASSISTANCE.—Notwithstanding section 660 of the Foreign Assistance Act of 1961, assistance provided for Egypt with funds described in paragraph (1) may include support for instruction and training for Egyptian civilian law enforcement personnel with respect to human rights, democratic pluralism, and comparative criminal justice systems, including support for related curriculum development and research. Such assistance may be provided only through United States institutions of higher education or through the International Criminal Investigative Training Assistance Program of the United States Department of Justice.

(b) FOREIGN MILITARY FINANCING ASSISTANCE.—Section 504 of the Foreign Assistance Act of 1961 (as amended by title II of this Act) authorizes the appropriation of $1,300,000,000 for each of fiscal years 1992 and 1993 for foreign military financing assistance for Egypt. Such assistance shall be provided on a grant basis.

SEC. 603. PROMOTING PLURALISM AND DEMOCRACY IN THE MIDDLE EAST AND NORTH AFRICA.

Of the amounts allocated by the Agency for International Development for democratic initiatives and human rights, up to $10,000,000 for each of fiscal years 1992 and 1993 shall be used to support the growth of indigenous nongovernmental organizations that contribute to increased pluralism, democracy, and respect for human rights and the rule of law in the Middle East and North Africa.

SEC. 604. WEST BANK AND GAZA PROGRAM.

Of the amounts made available for economic support assistance, up to $16,000,000 for each of fiscal years 1992 and 1993 shall be available for the West Bank and Gaza program.

SEC. 605. MIDDLE EAST COOPERATIVE SCIENTIFIC AND TECHNOLOGICAL PROJECTS.

Section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act), relating to economic support assistance, authorizes the appropriation of $7,000,000 for each of fiscal *years 1992 and 1993 for regional cooperative programs in the Middle East in accordance with section 202(c) of the International Security and Development Cooperation Act of 1985.*

SEC. 606. COOPERATIVE DEVELOPMENT PROJECTS.

(a) COOPERATIVE DEVELOPMENT PROJECTS.—Of the amounts made available for development assistance, $5,000,000 for each of fiscal years 1992 and 1993 should be used to finance cooperative development projects among the United States, Israel, and eligible East European countries (as defined in section 4 of the Support for East European Democracy (SEED) Act of 1989) or developing countries.

(b) COOPERATIVE DEVELOPMENT RESEARCH PROJECTS.—Of the amounts made available for development assistance, $5,000,000 for each of fiscal years 1992 and 1993 should be used to finance cooperative development research projects among the United States, Israel, and eligible East European countries (as defined in section 4 of the Support for East European Democracy (SEED) Act of 1989) or developing countries.

SEC. 607. ISRAELI-PALESTINIAN PEOPLE-TO-PEOPLE ACTIVITIES.

It is the sense of the Congress that, in order to promote better understanding and mutual respect between the Israeli and Palestinian peoples, the United States should support educational, cultural, and humanitarian activities that bring Israelis together with Palestinians living in the West Bank and Gaza.

SEC. 608. POLICY TOWARD AND ASSISTANCE FOR LEBANON.

(a) UNITED STATES POLICY.—It is the sense of the Congress that United States policy toward Lebanon should—

(1) support the unity, sovereignty, and territorial integrity of Lebanon;

(2) work for the immediate release of American hostages seized in Lebanon;

(3) encourage the Government of Lebanon to undertake political reforms to establish representative democratic institutions;

(4) oppose Syrian control of Lebanon and the use of Lebanese territory by Syria for illegal narcotics production and trafficking;

(5) seek the removal of all Syrian, other Arab, and Iranian troops from Lebanon;

(6) seek the removal of Israeli forces from Lebanon as soon as the Government of Lebanon is capable of effectively guaranteeing an end to cross-border terrorism;

(7) provide, under present circumstances, humanitarian and economic assistance to the people of Lebanon through United States and international private voluntary organizations and to American institutions in Lebanon, such as the American University of Beirut, Beirut University College, and International College; and

(8) ensure that none of the assistance provided to Lebanon benefits the Government of Syria.

(b) ECONOMIC SUPPORT ASSISTANCE.—Of the amounts available for economic support assistance, $4,000,000 for each of fiscal years 1992 and 1993 should be made available for Lebanon.

(c) DEVELOPMENT ASSISTANCE.—Of the amounts available for development assistance, $6,000,000 for each of fiscal years 1992 and 1993 should be made available for Lebanon.

SEC. 609. RESTRICTIONS AND REPORTS WITH REGARD TO SYRIA.

(a) RESTRICTIONS ON ASSISTANCE.—United States assistance may not be provided to Syria until the President determines, and so reports to the appropriate congressional committees, that—

(1) the Government of Syria has demonstrated its willingness to enter into direct bilateral negotiations with the State of Israel;

(2) the Government of Syria—

(A) does not deny its citizens, or any segment of its citizens, the right or opportunity to emigrate,

(B) does not impose any tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever, and

(C) does not impose any tax, levy, fine, or other charge (other than a nominal fee for administrative expenses) on any citizen as a consequence of the desire of such citizen to emigrate to the country of his or her choice;

(3) the Government of Syria is assisting the United States Government in obtaining the release of American hostages seized in Lebanon;

(4) the Government of Syria no longer supports groups responsible for acts of international terrorism and no longer provides safe haven for terrorists;

(5) the Government of Syria is withdrawing its armed forces from Lebanon;

(6) the Government of Syria is no longer acquiring chemical, biological, or nuclear weapons, and the President has received credible assurances that any such weapons now in the Syrian arsenal will not be used to threaten Syria's neighbors;

(7) the Government of Syria is fully cooperating with United States antinarcotics efforts and is taking steps to remove those members of the Syrian Government who are involved in the drug trade; and

(8) the Government of Syria has made progress in improving its record of respect for internationally recognized human rights.

(b) DEFINITION.—As used in this section, the term "United States assistance" means United States assistance as defined in section 481(i)(4) of the Foreign Assistance Act of 1961 as in effect immediately prior to the enactment of this Act.

SEC. 610. PEACE AND STABILITY IN THE MIDDLE EAST.

(a) EFFORTS TO ACHIEVE.—It is the sense of the Congress that the United States should encourage all Arab states—

(1) to support actively efforts to achieve peace and stability in the Middle East and to settle the Arab-Israeli conflict through direct negotiations; and

(2) to take specific steps to—

(A) recognize unequivocally Israel's right to exist as a sovereign nation within secure and recognized borders;

(B) terminate the diplomatic and economic boycott of Israel, including the secondary and tertiary economic boycotts;

(C) cease efforts to expel Israel from international organizations or to deny Israel the opportunity to participate in the activities of such organizations; and

(D) terminate assistance to countries or groups that commit or support acts of international terrorism.

(b) ANNUAL REPORTS ON IMPLEMENTATION OF POLICIES.—Not later than 12 months after the date of enactment of this Act and every 12 months thereafter, the Secretary of State shall submit to the appropriate congressional committees a report on progress in implementing the policies expressed in subsection (a).

SEC. 611. CUMULATIVE IMPACT ON ISRAEL OF UNITED STATES CONVENTIONAL ARMS TRANSFERS TO THE MIDDLE EAST.

Not later than January 31 each year, the President shall submit to the appropriate congressional committees a report containing—

(1) an analysis of the impact on Israel of both United States commercial and government-to-government transfers of defense articles and defense services to the Middle East;

(2) a description of the policies being pursued by the United States to maintain Israel's qualitative edge; and

(3) a description of the steps being taken to preserve Israel's qualitative edge.

SEC. 612. RESTRICTIONS ON NEGOTIATIONS WITH THE PALESTINE LIBERATION ORGANIZATION.

Section 1302 of the International Security and Development Cooperation Act of 1985 is amended—

(1) in subsection (b)—

(A) by inserting "and amends or supersedes its charter to reflect that recognition" after "recognizes Israel's right to exist", and

(B) by inserting "and ceases" after "renounces"; and

(2) by adding at the end the following:

"(c) PLO SUPPORT FOR IRAQ'S INVASION OF KUWAIT.—In 1990 the United States, along with other members of the United Nations Security Council, condemned Iraq's invasion and annexation of Kuwait and called upon Iraq to withdraw from Kuwait. In 1991, the United States led a 28 nation coalition in military action to eject Iraq from Kuwait and implement the 12 Security Council resolutions regarding Iraq's invasion of Kuwait. The Palestine Liberation Organization opposed these policies of the United States and worked against their implementation.".

SEC. 613. PLO COMMITMENTS COMPLIANCE.

(a) REPORT ON PLO ACTIVITIES DURING THE PERSIAN GULF CONFLICT.—Not later than 60 days after the date of enactment of this Act, the President shall submit a report in accordance with subsection (c) containing—

(1) a description of PLO support (including all statements and activities) of the goals and objectives of Saddam Hussein and the Iraqi occupation of Kuwait; and

(2) a description of efforts by the PLO to open a "second front" against Israel from Lebanon during the Persian Gulf conflict.

(b) ANNUAL REPORTS ON PLO TERRORIST ACTIVITIES.—Not later than 12 months after the date of enactment of this Act and every 12 months thereafter, the President shall submit a report in accordance with subsection (c) containing—

(1) a description of the terrorist acts committed or supported by the PLO;

(2) a description of actions or statements by the PLO as they relate to the Geneva commitments of December 1988 regarding cessation of terrorism and recognition of Israel's right to exist, including actions or statements that contend that the declared "Palestinian state" encompasses all of Israel;

(3) a description of the steps, if any, taken by the PLO to evict or otherwise discipline individuals or groups taking actions inconsistent with the Geneva commitments;

(4) a statement of whether the PLO, in accordance with procedures in Article 33 of the Palestinian National Covenant, has repealed provisions in that covenant which call for Israel's destruction;

(5) a statement of whether the PLO has obstructed efforts by any Arab state to recognize Israel and enter into direct negotiations with Israel, or end its economic boycott of Israel;

(6) a statement of whether "Force 17" and the "Hawari Group", or other units directed by Yasser Arafat that have carried out terrorist attacks, have been disbanded and not reconstituted under different names;

(7) a statement of the PLO's position on the unrest in the West Bank and Gaza, and whether the PLO threatens, through violence or other intimidation measures, Palestinians in the West Bank and Gaza who advocate a cessation of, or who do not support, the unrest and who might be receptive to engaging in a peace process;

(8) a statement of the position of the PLO regarding the prosecution and extradition, if so requested, of known terrorists such as Abu Abbas, who directed the Achille Lauro hijacking during which Leon Klinghoffer was murdered,

and Muhammed Rashid, implicated in the 1982 bombing of the Pan Am jet and the 1986 bombing of a TWA jet in which four Americans were killed;

(9) a statement of the position of the PLO on providing compensation to the United States victims or the families of United States victims of PLO terrorism;

(10) a description of PLO involvement in illicit drug trafficking; and

(11) a description of the financial resources, assets, and holdings of the PLO and the sources of such resources, including the amount of financial support from each and every country contributing to the PLO.

(c) SUBMISSION OF REPORTS.—The reports required by this section shall be submitted to the Speaker of the House of Representatives and to the Chairman of the Committee on Foreign Relations of the Senate. Such reports shall be submitted in unclassified form to the maximum extent practicable.

(d) DEFINITION OF PLO.—The term "PLO" includes the Palestine Liberation Organization, any of its constituent groups or factions, and any successors thereto or agents thereof, including any of its officers, officials, representatives, or spokespersons.

SEC. 614. UNITED NATIONS GENERAL ASSEMBLY RESOLUTION 3379.

It is the sense of the Congress that the United States should lead an effort to repeal United Nations General Assembly Resolution 3379 (XXX).

SEC. 615. DEMOCRATIC REFORM AND HUMAN RIGHTS IN KUWAIT.

(a) REPORT.—Not later than 90 days after the date of enactment of this Act, the President shall report to the appropriate congressional committees whether the Government of Kuwait has taken steps to—

(1) end the occurrences of arbitrary arrest, torture, and other extrajudicial actions;

(2) bring to justice those responsible for perpetrating such actions;

(3) ensure that those detained have access to legal counsel, the right to an open and speedy trial, and other internationally recognized standards of due process of law;

(4) allow the presence and activities of international human rights and humanitarian organizations;

(5) comply with international law relating to deportations; and

(6) establish conditions to ensure that the October 1992 elections are free and fair, and permit universal suffrage.

(b) UNITED STATES POLICIES TOWARD KUWAIT.—Respect for internationally recognized human rights by the Government of Kuwait and the development of democratic institutions in Kuwait, including progress on the factors listed in paragraphs (1) through (6) of subsection (a), shall be a significant factor in the determination of United States policies toward Kuwait, including policies regarding the sale of defense articles and defense services.

SEC. 616. USE OF UNITED STATES SUBCONTRACTORS IN KUWAIT.

It is the sense of the Congress that—

(1) United States businesses engaged in rebuilding Kuwait should, to the maximum extent possible, use United States subcontractors and available United States goods and services; and

(2) the Department of Commerce should monitor and encourage the implementation of this policy.

SEC. 617. IRAQI WAR CRIMES AND CRIMES AGAINST HUMANITY.

It is the sense of the Congress that the President should confer with members of the United Nations Security Council and seek appropriate Security Council action to establish an appropriate international tribunal to try all individuals, including Iraqi President Saddam Hussein, who were involved in the planning or execution of war crimes and crimes against humanity during and after Iraq's August 1990 invasion of Kuwait.

SEC. 618. REPORT ON TRANSFERS OF SPOILS OF WAR.

(a) SUBMISSION; CONTENTS—Not later than 90 days after the date of enactment of this Act, the President shall submit to the relevant congressional committees a report describing any spoils of war that were obtained subsequent to August 2, 1990, and that were transferred (within the meaning of the Spoils of War Act of 1991, which is chapter 4 of title II of this Act) to any party before the date of enactment of this Act. Such report may be submitted in classified or unclassified form.

(b) DEFINITIONS.—As used in this section, the terms "enemy", "party", "relevant congressional committees", and "spoils of war" have the same meaning they have for purposes of the Spoils of War Act of 1991.

SEC. 619. 1981 ISRAELI PREEMPTIVE STRIKE AGAINST THE IRAQI NUCLEAR REACTOR AT OSIRAK.

(a) FINDINGS.—The Congress finds that—

(1) on June 7, 1981, the Israeli air force launched a preemptive strike against the Iraqi nuclear reactor at Osirak;

(2) on June 19, 1981, the United Nations Security Council adopted Resolution 487 which condemned that Israeli preemptive strike;

(3) in the years following that Israeli preemptive strike, Iraq demonstrated an ability and willingness to use weapons of mass destruction, as evidenced by chemical weapons attacks against both Iranian military forces and Kurdish Iraqi citizens;

(4) in 1990, Iraqi President Hussein attempted to illegally acquire triggering devices for atomic bombs, and also threatened to use weapons of mass destruction against both neighboring Arab countries and Israel;

(5) in August 1990, Iraq invaded and occupied Kuwait, demonstrating a continuing policy of aggression;

(6) after United States-led coalition forces attacked the Iraqi forces on January 16, 1991, Iraq attempted to draw Israel, a nonbelligerent country, into the conflict by launching 42 Scud missiles at Israel; and

(7) there is no evidence that the Israeli preemptive strike against the Iraqi nuclear reactor at Osirak delayed efforts to resolve the Arab-Israeli conflict.

(b) POLICY DECLARATIONS.—It is the sense of the Congress that—

(1) the 1981 Israeli preemptive strike against the Iraqi nuclear reactor at Osirak was a legitimate and justifiable exercise of self-defense which also reduced the threat of Iraqi nuclear aggression against countries bordering Iraq; and

(2) the United States should seek the repeal of United Nations Security Council Resolution 487 which condemned that 1981 Israeli preemptive strike.

TITLE VII—LATIN AMERICA AND THE CARIBBEAN

CHAPTER 1—CENTRAL AMERICA AND THE CARIBBEAN

Subchapter A—Central America

SEC. 701. PROMOTING CENTRAL AMERICAN RECOVERY AND DEVELOPMENT.

(a) IN GENERAL.—The Congress accepts with confidence that the countries of Central America will successfully direct their own economic and human resources to build and maintain the political, social, and economic institutions necessary to achieve peace and prosperity for their people. Accordingly, it shall be the policy of the United States to encourage and support the Central American countries in their efforts to build democracy, restore peace, establish respect for human rights, expand economic opportunities through the achievement of sustained and sustainable development, and improve living conditions in the countries of Central America. It further shall be the policy of the United States to support and encourage dialogue as the proper means of resolving armed conflicts in Central America.

(b) UNITED STATES ASSISTANCE FOR IMPLEMENTATION OF AN INTERNATIONAL PROGRAM FOR CENTRAL AMERICAN RECOVERY AND DEVELOPMENT.—In order to build upon the programs established pursuant to the National Bipartisan Commission on Central America and to establish a Central American Recovery and Development Program, it shall be the policy of the United States, consistent with implementation of the Esquipulas, Tesoro Beach, Tela, San Isidro, and Montelimar Accords and the Antigua Declaration, to assist in the implementation of recommendations of the International Commission on Central American Recovery and Development, including proposals—

(1) to provide additional economic assistance to the countries of Central America to assist with relocation and resettlement of refugees and other displaced persons in the region, expand educational opportunity and access to health care, foster progress in respect for human rights, bolster democratic institutions, strengthen institutions of justice, conserve natural resources and protect the environment, and otherwise promote sustainable economic development;

(2) to facilitate the ability of the economies of individual Central American countries to grow through the development of the infrastructure of those countries, expansion of exports, and strengthening of investment opportunities, goals which are enhanced by the Caribbean Basin Economic Recovery Expansion Act of 1990; and

(3) to develop those initiatives in concert with the governments of Central America, Western Europe, Japan, Canada, and other democracies.

(c) REFUGEES AND DISPLACED PERSONS.—Consistent with the recommendations of the International Commission on Central American Recovery and Development, it shall be the policy of the United States to support, participate in, and contribute to the United Nations Development Program for its Special Plan of Economic Cooperation for Central America, which is designed to—

(1) reintegrate the displaced and refugee populations,

(2) create employment opportunities, and

(3) establish a system to ensure adequate food supplies and health facilities for the poor.

(d) MULTILATERAL AND REGIONAL COOPERATION.—

(1) MULTILATERAL COOPERATION.—It shall be the policy of the United States to encourage and secure greater international cooperation and support for implementing the recommendations of the International Commission on Central American Recovery and Development. In carrying out this policy, the President should exert continued leadership in multilateral and regional forums and at economic summits to further multidonor responses to the pressing development needs in Central America.

(2) PARTNERSHIP FOR DEMOCRACY AND DEVELOPMENT.—It further shall be the policy of the United States to help organize a partnership among donor countries and the Central American countries to provide a coordinated, organized means of mobilizing resources and promoting a forum for dialogue about issues of development, democracy, social justice, and human rights.

(3) REGIONAL COOPERATION.—If requested by the governments of Central America, the United States, in an effort to support full participation in a partnership for democracy and develop-

ment, shall provide appropriate support and assistance for the development of a coordination mechanism for Central America which includes participation of governments and nongovernmental organizations. Such mechanism has been designated as the Central American Development Coordination Commission (CADCC) by the International Commission on Central American Recovery and Development.

SEC. 702. ASSISTANCE FOR GUATEMALA.

(a) PROHIBITION FOR MILITARY ASSISTANCE.—Foreign military financing assistance may not be provided for Guatemala for fiscal years 1992 and 1993, except as provided in subsection (b) which authorizes the transfer of certain funds to the Lasting Peace Fund for Guatemala.

(b) FUND IN SUPPORT OF TRANSITION TO LASTING PEACE.—

(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund, to be known as the Lasting Peace Fund for Guatemala, to assist with the costs of implementing provisions of a peace agreement reached pursuant to the procedures specified in the Accord of Mexico (which provides for "a firm and lasting peace agreement that would include political agreements, implementation of such by the parties, and verification terms set by the National Reconciliation Commission, the United Nations, and other international organizations to be designated by the parties by common agreement") and in fulfillment of the Accord of Oslo or other subsequent accords reached by the parties to the conflict.

(2) TRANSFER OF CERTAIN MILITARY ASSISTANCE FUNDS.—For each of fiscal years 1992 and 1993, the President may transfer to the Fund, from amounts made available under chapter 2 of part II of the Foreign Assistance Act of 1961, such sums as may be necessary to carry out the purposes of paragraph (4).

(3) CONDITIONS FOR USE OF FUNDS.—Amounts in the Fund shall be available for obligation and expenditure only upon notification by the President to the appropriate congressional committees that the Government of Guatemala and representatives of the Guatemalan National Revolutionary Unity (URNG) have signed an agreement providing for a "lasting peace agreement" pursuant to the Accord of Mexico and in fulfillment of the Accord of Oslo or any other subsequent accords reached by the parties to the conflict.

(4) USE OF FUND.—Amounts transferred to the Fund are authorized to be used for, and shall be available only for—

(A) costs of retraining, relocation, and reemployment in civilian pursuits of former combatants and noncombatants affected by the conflict in Guatemala, and

(B) costs of monitoring activities associated with provisions set forth in an agreement for lasting peace pursuant to the Accord of Mexico and in fulfillment of the Accord of Oslo or other subsequent accords reached by the parties to the conflict.

(5) DEFINITIONS.—As used in this subsection—

(A) the term "Accord of Mexico" means the Accord on the Procedure to Attain Peace Through Peaceful Means agreed to by the parties in Mexico City on April 26, 1991;

(B) the term "Accord of Oslo" means the Accord of Oslo of March 30, 1990; and

(C) the term "Fund" means the Lasting Peace Fund for Guatemala established pursuant to this subsection.

(c) PROHIBITION RELATING TO MILITARY SALES AND COMMERCIAL SALES.—During fiscal years 1992 and 1993, the authority of the Arms Export Control Act may not be used to sell to the Government of Guatemala and licenses may not be issued under section 38 of that Act for the export to Guatemala of—

(1) any weapons or ammunition; or

(2) any aircraft, unless those aircraft are unarmed and the Government of Guatemala has agreed that those aircraft will not be armed.

(d) ECONOMIC AND FOOD ASSISTANCE.—

(1) LIMITATIONS.—For fiscal years 1992 and 1993, development assistance, economic support assistance, and assistance under the Agricultural Trade Development and Assistance Act of 1954 that is provided for Guatemala—

(A) may be provided to and used only by civilian government agencies and nongovernmental organizations;

(B) shall be targeted for assistance—

(i) for programs that directly address poverty, basic human needs, and environmental concerns;

(ii) to improve the performance of democratic institutions or otherwise to promote pluralism;

(iii) for the National Reconciliation Commission;

(iv) for fiscal reform and fiscal administration; or

(v) for programs that promote foreign and domestic trade and investment; and

(C) may not be used for partisan political purposes or as an instrument of counterinsurgency.

(2) WAIVER.—The President may waive subparagraph (B) of paragraph (1) if the President reports to the appropriate congressional committees that the Government of Guatemala has made significant progress toward eliminating human rights violations and in investigating and bringing to trial those responsible for major human rights cases, such as those relating to Sister Dianna Ortiz, Michael Devine and Myrna Mack.

(3) CONGRESSIONAL REVIEW OF CERTAIN ASSISTANCE.—Funds may be obligated for fiscal years 1992 and 1993 pursuant to a waiver under paragraph (2) only if the appropriate congressional committees are notified at least 15 days in advance of such obligation in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

SEC. 703. ASSISTANCE FOR NICARAGUA.

(a) CONSIDERATIONS IN PROVIDING ASSISTANCE.—Prior to providing assistance to Nicaragua for fiscal year 1992 or 1993 under the Foreign Assistance Act of 1961, the President should take into account the extent to which the Government of Nicaragua has—

(1) brought the Nicaraguan armed forces under full civilian control, including—

(A) effectively eliminating the influence of political parties within the military command; and

(B) stemming the illegal export of lethal equipment consistent with Nicaraguan obligations in the Central American peace process; and

(2) undertaken thorough and professional investigations into, and prosecution of those responsible for, human rights violations including—

(A) the deaths or disappearances of former members of the Nicaraguan resistance; and

(B) the February 1991 murder of Enrique Bermudez.

(b) CONSIDERATIONS IN PROVIDING MILITARY ASSISTANCE.—In providing any foreign military financing assistance to the Government of Nicaragua for fiscal year 1992 or 1993, the President should consider the extent to which such assistance will further the goals of strengthening civilian control over the military, ending human rights abuses, and stemming the export of lethal military equipment.

(c) ASSISTANCE TO MEMBERS OF THE SANDINISTA POPULAR ARMY.—Notwithstanding any other provision of law, assistance provided under the Foreign Assistance Act for 1961 for fiscal year 1992 or 1993 may not be used by or made available, directly or indirectly, for use by members of the Sandinista Popular Army unless specifically requested and authorized in advance by the President of Nicaragua. Such requests shall be provided to the appropriate congressional committees within 15 days of receipt by the Secretary of State; and the appropriate congressional committees shall be notified at least 15 days before any funds are obligated for any such assistance in accordance with the procedures applicable to reprogramming notification under section 634A of the Foreign Assistance Act of 1961.

(d) LIMITATION ON ASSISTANCE TO MEMBERS OF THE NICARAGUAN RESISTANCE.—During fiscal years 1992 and 1993, assistance under the Foreign Assistance Act of 1961 may not be provided for any member of the Nicaraguan resistance who has not disarmed or is not abiding by the terms of the cease-fire agreement and the addenda to the Toncontin Agreement signed on April 19, 1990.

(e) WAIVER OF BROOKE-ALEXANDER AMENDMENT.—For fiscal years 1992 and 1993, section 691(a)(5) of the Foreign Assistance Act of 1961, and any similar provision of the Foreign Operations, Export Financing, and Related Programs Appropriations Act for fiscal years 1992 and 1993, shall not apply with respect to assistance for Nicaragua under the Foreign Assistance Act of 1961.

(f) EXPROPRIATION CLAIMS.—It is the sense of the Congress that the Government of Nicaragua should expedite the processing of claims by private citizens based on expropriation of property by the former Sandinista government.

SEC. 704. ASSISTANCE FOR REFUGEES AND DISPLACED PERSONS.

Of the amounts authorized to be appropriated for economic support assistance for fiscal years 1992 and 1993 that are made available for bilateral or regional programs for Central America, a total of $25,000,000 may be made available through organizations such as the United Nations High Commissioner for Refugees and the United Nations Development Program to carry out programs within the framework established by the Concerted Plan of Action in Favor of Central American Refugees, Returnees and Displaced Persons, such plan having resulted from the International Conference on Central American Refugees (CIREFCA) convened in May 1989 as an element of the Esquipulas peace process.

SEC. 705. ASSISTANCE FOR DEMOCRATIC LEGISLATURES.

(a) FINDINGS.—The Congress finds that—

(1) the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama all have freely elected governments and freely elected legislatures for the first time in the history of Central America;

(2) the Central American legislatures face economic, political, social, and institutional challenges in fulfilling their constitutional responsibilities; and

(3) the lack of equipment and resources poses an additional challenge for Central American legislatures in fulfilling their constitutional responsibilities.

(b) STRENGTHENING DEMOCRATIC LEGISLATURES.—It is the sense of the Congress that—

(1) consistent with section 281(b) of the Foreign Assistance Act of 1961, the United States should seek to strengthen the democratic legislatures in Central America by using foreign assistance funds made available under that Act to provide equipment and training to those legislatures; and

(2) efforts to support legislatures in Central America should be coordinated with and otherwise involve appropriately qualified private and public sector experts.

SEC. 706. CENTRAL AMERICAN JOURNALISM PROGRAM AND THE REGIONAL ADMINISTRATION OF JUSTICE PROGRAM.

Of the aggregate amounts authorized to be appropriated for development assistance and eco-

nomic support assistance for Latin America and the Caribbean, $2,800,000 for each of fiscal years 1992 and 1993 should be used for assistance to the Central American Journalism Program and Regional Administration of Justice Program's Center for the Administration of Justice to support democracy building activities in the region.

SEC. 707. POLICY ON MILITARY BASE RIGHTS IN PANAMA.

(a) FINDINGS.—The Congress finds that—

(1) the Panama Canal is a vital strategic asset to the United States and its allies;

(2) the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and the Panama Canal Treaty, both signed on September 7, 1977, mandate that (A) no United States troops are to remain in Panama after December 31, 1999; (B) the Canal Zone is to be incorporated into Panama; (C) United States Panama-based communications facilities are to be phased out; (D) all United States training in Panama of Latin American soldiers is to be halted; and (E) management and operational control of the Canal is to be turned over to Panamanian authorities;

(3) the government of President Guillermo Endara has demonstrated its determination to restore democracy to Panama by quickly moving to implement changes in the nation's political, economic, and judicial systems;

(4) friendly cooperative relations currently exist between the United States and the Republic of Panama;

(5) the region has a history of unstable governments which pose a threat to the future operation of the Panama Canal, and the United States must have the discretion and the means to defend the Canal and ensure its continuous operation and availability to the military and commercial shipping of the United States and its allies in times of crisis;

(6) the Panama Canal is vulnerable to disruption and closure by unforeseen events in Panama, by terrorist attack, and by air strikes or other attack by foreign powers;

(7) the United States fleet depends upon the Panama Canal for rapid transit ocean to ocean in times of emergency, as demonstrated during World War II, the Korean Conflict, the Vietnam Conflict, the Cuban Missile Crisis, and the Persian Gulf Conflict, thereby saving 13,000 miles and three weeks steaming effort around Cape Horn;

(8) the presence of the United States Armed Forces offers a viable defense against sabotage or other threat to the Panama Canal; and

(9) the 10,000 United States military personnel now based in Panama, including the headquarters of the United States Southern Command, cannot remain there beyond December 31, 1999, without a new agreement with Panama.

(b) POLICY.—It is the sense of the Congress that the President—

(1) should begin negotiations with the Government of Panama, at a mutually acceptable time, to consider whether the two Governments should allow the permanent stationing of United States military forces in Panama beyond December 31, 1999; and

(2) should consult with the Congress throughout those negotiations.

Subchapter B—The Caribbean

SEC. 711. CARIBBEAN REGIONAL DEVELOPMENT.

Part I of the Foreign Assistance Act of 1961, as amended by chapter 6 of title IV of this Act, is amended by inserting after chapter 5 the following:

"CHAPTER 6—CARIBBEAN REGIONAL DEVELOPMENT

"SEC. 461. SHORT TITLE.

"This chapter may be cited as the 'Caribbean Regional Development Act of 1991'.

"SEC. 462. UNITED STATES POLICIES.

"(a) IN GENERAL.—It is the sense of the Congress that it should be the policy of the United States in providing development and other economic assistance to the Caribbean—

"(1) to help the poor to participate in the development of their societies through a process of equitable economic growth that enables them to increase their incomes and their access to productive resources and services, to protect and advance their rights, and to influence decisions that affect their lives;

"(2) to support development that is environmentally sustainable;

"(3) to promote Caribbean self-reliance by providing assistance to indigenous national and regional governmental and nongovernmental institutions that have the capacity or potential to carry out development programs effectively;

"(4) to support food production for national and regional consumption;

"(5) to promote the diversification of industrial and agricultural production, the development of new products, and the integration of agricultural production with the development of industry and tourism;

"(6) to help advance the process of regional economic integration; and

"(7) to preserve and reinforce traditional Caribbean culture and social values.

"(b) SUPPORTING INDIGENOUS DEMOCRATIC INSTITUTIONS.—Priority in providing development assistance to the Caribbean should be given to supporting indigenous democratic Caribbean institutions that represent, work with, and benefit the poor, and through which the poor participate in making the decisions that affect their lives and their development. Such assistance should be channeled, as appropriate, through United States institutions and Caribbean regional and national institutions that directly fund such democratic Caribbean institutions.

"SEC. 463. PRIORITY AREAS FOR ASSISTANCE.

"To implement the policies set forth in section 462, priority in the allocation of development assistance funds and the economic support assistance funds for the Caribbean, and in the allocation of the local currencies accruing as a result of the use of those funds, should be given to the following:

"(1) INCREASED FOOD PRODUCTION.—Support to national ministries of agriculture, the appropriate specialized agencies of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States, the Caribbean Development Bank, and indigenous nongovernmental organizations for efforts to achieve increased food production, as appropriate, through increased staple food production for domestic consumption, including support for—

"(A) the gathering of agricultural data;

"(B) the coordination of agricultural research;

"(C) the improvement of marketing, storage, and transportation systems;

"(D) the provision of credit to agricultural producers; and

"(E) improved coordination of regional planning for increased food production.

"(2) RURAL DEVELOPMENT.—Support for rural development efforts designed to increase rural employment opportunities, enhance the quality of rural life, and retard rural-to-urban migration, including programs that provide access to land and necessary assistance to small producers and cooperatives.

"(3) COMMUNITY-BASED AGROINDUSTRIES.—Support for locally owned cooperative and other small- and medium-scale industries engaged in the processing of indigenous resources, including support for the establishment of a marketing network to facilitate intraregional trade in food through programs that incorporate or serve small producers.

"(4) FINANCIAL RESOURCES FOR SMALL- AND MEDIUM-SIZED FARM AND MANUFACTURING ENTERPRISES.—Provision of financial resources to small- and medium-sized farm and manufacturing enterprises through—

"(A) the creation and capitalization of appropriate financial mechanisms; and

"(B) measures to encourage Caribbean commercial banks and credit unions to provide risk capital to such enterprises.

"(5) EXPANSION OF TOURISM.—Support for the expansion of tourism in the Caribbean through its fuller integration into the local economy, by providing assistance—

"(A) to appropriate governmental and nongovernmental regional organizations for the design and coordination of programs for—

"(i) the expansion of the use of local goods and services;

"(ii) the development and implementation of a marketing strategy for tourism in the Caribbean; and

"(iii) the promotion of investments in tourism integrated with the local economy; and

"(B) for training and utilizing local expertise in hotel and restaurant management and other necessary skills.

"(6) REGIONAL INTEGRATION.—Support for regional integration and institutions, including seeking the cooperation of other donor countries in promoting regional development in the Caribbean and including support for—

"(A) efforts to regionalize and coordinate activities and prevent the proliferation and duplication of regional bureaucracies;

"(B) the efforts of governmental and nongovernmental regional institutions to strengthen the infrastructure necessary to promote regional commercial activity and economic and social development;

"(C) regional research institutes; and

"(D) inter-island transportation and communication links, roads, and port facilities.

"(7) UPGRADING TECHNICAL AND MANAGERIAL SKILLS.—Support for efforts of the countries of the Caribbean to upgrade the technical and managerial skills of their people.

"(8) NATURAL RESOURCE BASE.—Promoting those small-scale, affordable, agricultural and industrial methods suited to local environmental, resource, and climatic conditions, and supporting such actions as the establishment of protected areas, the development of environmental curricula, and programs of public education and dialogue designed to sustain and enhance the renewable natural resource base of the Caribbean.

"(9) PRIVATE SECTOR DEVELOPMENT.—Support for the diversification and promotion of Caribbean exports, for investments in the Caribbean that are appropriate to the needs of each country and of the region, and for the strengthening of private sector institutions, that would continue to promote private sector-led growth through increased trade and investment and that recognizes each country's economic comparative advantage; and support for the strengthening of community-based enterprises that would promote economic growth that benefits the majority of the people of the region.

"(10) DEMOCRATIC DEVELOPMENT AND THE ADMINISTRATION OF JUSTICE.—Support to broaden and deepen democratic institutions and values in the Caribbean and to assist countries in areas such as the administration of justice where requested by the recipient governments.

"(11) ACCESS TO HUMAN SERVICES AND ASSISTANCE FOR HUMAN RESOURCES DEVELOPMENT.—Support for the provision of basic services to the citizens of the Caribbean using, as appropriate, governmental and nongovernmental entities, with emphasis on sustainability of service delivery in areas such as basic education, primary health care, child survival, family planning, and prevention and control of acquired immune deficiency syndrome (AIDS).

"SEC. 464. PROTECTION OF WORKER RIGHTS.

"In considering whether to provide assistance under this Act to the government of any country

in the Caribbean and in considering how much assistance to allocate to such government, the President shall take into account whether such government has failed to extend, protect, and enforce internationally recognized worker rights for workers in that country (including workers within any designated zone) and, if so, whether such government is taking steps to adopt and implement laws that demonstrate significant, tangible, and measurable overall advancement in providing internationally recognized worker rights throughout the country (including in any designated zone).

"SEC. 465. PROTECTION OF PUBLIC HEALTH.

"The agency primarily responsible for administering this part should not provide any assistance, directly or indirectly, for the use of any chemical or other substance in a country in the Caribbean if—

"(1) that use is not permitted under laws of that country relating to protection of public health, or

"(2) that use would not be permitted in the United States under laws of the United States relating to protection of public health.

"SEC. 466. SUPPORT FOR WOMEN'S ROLE IN DEVELOPMENT.

"In providing assistance to the Caribbean, the agency primarily responsible for administering this part should place emphasis on ensuring the active participation of Caribbean women in the development process, particularly through—

"(1) the promotion of greater access by women to productive resources and services, such as land, credit, and markets;

"(2) programs that respond to and support women's domestic needs and activities, including the strengthening of community-based education, health, and childcare programs and other critical social services identified by poor women; and

"(3) the involvement of Caribbean women in research on the factors that contribute to their economically vulnerable situation and in programs that address these factors.

"SEC. 467. CONSULTATION.

"In implementation of assistance policies, programs, and projects in the Caribbean, the agency primarily responsible for administering this part should take into account the perspectives of the rural and urban poor through consultation with Caribbean organizations that work with the poor and that have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in the Caribbean, as described in section 462(a). The agency should reflect the results of such consultations in its annual planning documents.

"SEC. 468. DEFINITION OF CARIBBEAN.

"As used in this chapter, the term 'Caribbean' includes Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Cayman Islands, Montserrat, Netherlands Antilles, Saint Christopher-Nevis, Turks and Caicos Islands, and the British Virgin Islands.".

SEC. 712. ASSISTANCE FOR HAITI.

(a) HAITI'S DEMOCRATIC TRANSITION.—The Congress congratulates—

(1) the Haitian people for accomplishing Haiti's first transition to democracy;

(2) President Jean-Bertrand Aristide, who was elected by the Haitian people as their first democratically elected President;

(3) the Haitian military, which abided by the Haitian Constitution and supported the democratic transition; and

(4) the private voluntary organizations that remained in Haiti under difficult circumstances and which will have a significant role to play in Haiti's democratic future.

(b) UNITED STATES ASSISTANCE.—It is the sense of the Congress that the United States should provide assistance to the Government of Haiti so long as it abides by the Haitian Constitution and respects freedom of expression and human rights, and should continue to provide assistance to Haitian private voluntary organizations, in order to assist Haiti in institutionalizing democracy and to promote economic development that will benefit the Haitian people.

(c) AMOUNTS OF ECONOMIC ASSISTANCE.—It is the sense of the Congress that, for each of fiscal years 1992 and 1993, the United States should provide a total of $100,000,000 in economic assistance for Haiti under the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954, including $35,000,000 in economic support assistance and $40,000,000 in development assistance.

(d) MILITARY ASSISTANCE AND SALES.—

(1) CONGRESSIONAL REVIEW.—At least 15 days before obligating any funds for foreign military financing assistance for Haiti and at least 15 days before issuing any letter of offer to Haiti under the Arms Export Control Act, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(2) PROHIBITION ON NONLETHAL ASSISTANCE.—Foreign military financing assistance may not be provided to the Haitian military for fiscal years 1992 and 1993, except for nonlethal assistance. Any nonlethal assistance is subject to the requirements of paragraph (1) and section 284 (relating to strengthening civilian control over the military in Latin America and the Caribbean, as enacted by chapter 3 of this title).

SEC. 713. HAITIAN SUGAR CANE HARVESTERS IN THE DOMINICAN REPUBLIC.

(a) UNITED STATES POLICY.—It shall be the policy of the United States to encourage the Government of the Dominican Republic to act expeditiously and forcefully to improve respect for the internationally recognized human rights of Haitian laborers engaged in the sugar cane harvesting industry in the Dominican Republic, including—

(1) the enforcement of provisions in the individual work contracts mandated by President Balaguer's decree of October 15, 1990, including minimum wage requirements, prohibitions on the use of child labor, and guaranteed freedom of movement;

(2) the termination of the deceptive recruitment, and the forcible assembly and transportation to sugar cane plantations, of Haitians who are at the border between Haiti and the Dominican Republic or are within the Dominican Republic;

(3) actions to ensure that personnel employed by, or under contract with, the Government of the Dominican Republic do not carry firearms in the ordinary course of transporting or supervising Haitian workers engaged in sugar cane harvesting;

(4) measures to ensure that the military forces and police of the Dominican Republic act in strict accordance with Dominican law, and refrain from all arbitrary and oppressive conduct, with respect to Haitian workers; and

(5) implementation of provisions to permit any individual entitled to citizenship under the Constitution of the Dominican Republic to obtain a birth certificate and any other document needed to remain and work in the Dominican Republic.

(b) WITHHOLDING OF ASSISTANCE.—Of the amounts made available for economic support assistance for the Dominican Republic for each of fiscal years 1992 and 1993, $1,000,000 shall be withheld from expenditure until the President reports to the appropriate congressional committees on the steps taken by the Government of the Dominican Republic to improve respect for the internationally recognized human rights of Haitian laborers engaged in the sugar cane harvesting industry in the Dominican Republic, including the enforcement of the provisions mandated by President Balaguer's decree of October 15, 1990.

(c) SUGAR QUOTA.—The President should consider increasing the Dominican Republic's annual allocation of the United States sugar quota for each of fiscal years 1992 and 1993, and providing additional economic and development assistance in such fiscal years that may be available if the Government of the Dominican Republic makes significant progress in the areas enumerated in subsection (a).

SEC. 714. ASSISTANCE FOR GUYANA.

(a) RESTRICTION.—For fiscal years 1992 and 1993, assistance may be provided to the Government of Guyana under the Foreign Assistance Act of 1961 or the Agricultural Trade Development and Assistance Act of 1954 only if the President reports to the appropriate congressional committees that the Government of Guyana is in power as a result of free and fair elections. In making such a determination, the President shall, if appropriate, take into account the findings of international observers with respect to the elections.

(b) EXCEPTIONS.—Subsection (a) does not apply with respect to—

(1) international narcotics control assistance; or

(2) assistance for the holding of free and fair elections.

(c) ECONOMIC ASSISTANCE FOLLOWING INSTALLATION OF A DEMOCRATICALLY ELECTED GOVERNMENT.—It is the sense of the Congress that, following submission of a report pursuant to subsection (a), the United States should provide economic assistance for Guyana under chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance), chapter 4 of part II of that Act (relating to the economic support fund), and the Agricultural Trade Development and Assistance Act of 1954.

(d) ASSISTANCE FOR BASIC HUMAN NEEDS.—

(1) AMOUNT OF ASSISTANCE.—Of the assistance described in paragraph (2), at least $3,000,000 should be used for each of fiscal years 1992 and 1993 to meet basic human needs in Guyana. Such assistance may be provided only through nongovernmental organizations or (if a report is made under subsection (a)) through the Government of Guyana.

(2) SOURCES OF ASSISTANCE.—Paragraph (1) applies with respect to development assistance, economic support assistance, or assistance under title II or title III (including the use of local currency proceeds) under the Agricultural Trade Development and Assistance Act of 1954.

SEC. 715. DEMOCRACY IN SURINAME.

The Congress—

(1) condemns the armed forces of Suriname for the December 1990 coup and for their historic disregard for civilian authority;

(2) strongly urges the armed forces of Suriname to permit a peaceful transfer of power to the duly elected civilian government following the elections held on May 25, 1991; and

(3) calls upon the President to withhold United States assistance from Suriname until such a peaceful transfer of power has taken place, and to use such assistance to bolster civilian rule and to encourage the military to permit the civilian government to exercise genuine authority.

SEC. 716. HUMAN RIGHTS IN CUBA.

(a) FINDINGS.—The Congress finds the following:

(1) On March 6, 1991, the United Nations Human Rights Commission passed a resolution, 22 to 6 with 15 abstentions, requesting the Secretary General to name a special representative to monitor the human rights situation in Cuba.

(2) The resolution mandates the special representative to "maintain direct contact with the Government and citizens of Cuba" and to report the results to the Commission in 1992.

(3) The Cuban Ambassador to the United Nations Human Rights Commission Raul Roa stated at the time that Cuba would not accept "a single letter or comma" of the resolution.

(4) On July 2, 1991, the Secretary General of the United Nations appointed Rafael Rivas Posada, a former Colombian legislator and member of the 1988 Cuba Working Group of the United Nations Commission on Human Rights, to serve as special representative and, at that time, the Cuban Government again rejected the mandate of the resolution and indicated its continued unwillingness to cooperate with the special representative.

(5) The continued widespread denial of human rights by the Government of Cuba continues to be of great concern to the people and the Congress of the United States.

(b) SENSE OF CONGRESS.—The Congress—

(1) applauds the actions of the United Nations Human Rights Commission of March 6, 1991; and

(2) calls on the Government of Cuba to cooperate fully with the special representative of the United Nations Human Rights Commission.

SEC. 717. PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES SUBSIDIARIES AND CUBA.

Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction where undertaken by a firm organized under the laws of any of the States of the United States, except that this section applies only with respect to a foreign subsidiary or affiliate (including any permanent foreign establishment) of a domestic concern which is controlled in fact by such domestic concern (as determined under regulations of the President).

Subchapter C—Provisions Relating to Both Central America and the Caribbean

SEC. 721. MILITARY AIRCRAFT TRANSFERS.

(a) NOTIFICATION OF TRANSFERS BY THE UNITED STATES.—During fiscal years 1992 and 1993, the appropriate congressional committees shall be notified in writing at least 15 days in advance if—

(1) the authorities of part II of the Foreign Assistance Act of 1961 or the Arms Export Control Act are to be used to make available to any country in Central America and the Caribbean any helicopters or other aircraft for military use, or

(2) licenses are to be issued under section 38 of the Arms Export Control Act for the export of any such aircraft to any country in Central America and the Caribbean.

(b) NOTIFICATION OF TRANSFERS BY OTHER COUNTRIES.—During fiscal years 1992 and 1993, the Secretary of State shall promptly notify the appropriate congressional committees whenever any helicopters or other aircraft for military use are provided to any country in Central America and the Caribbean by any foreign country.

CHAPTER 2—SOUTH AMERICA

Subchapter A—Andean Initiative

SEC. 731. ECONOMIC ASSISTANCE AND ADMINISTRATION OF JUSTICE PROGRAMS FOR ANDEAN COUNTRIES.

(a) AUTHORIZATION OF ASSISTANCE.—Of the aggregate amounts authorized to be appropriated for development assistance and economic support assistance, $275,000,000 for each of the fiscal years 1992 and 1993 are authorized to be appropriated for Andean countries.

(b) PRIORITIES IN USE OF ASSISTANCE.—In addition to the use of funds pursuant to subsection (c), priority in the use of funds that are allocated for Bolivia and Peru under subsection (a) shall be given to support programs that focus on providing coca farmers with alternative sources of income, including the introduction of alternative crops, agricultural research and extension, the provision of credit, assistance with land titles, agroindustry, microenterprise development, and infrastructure development.

(c) ADMINISTRATION OF JUSTICE PROGRAMS.—

(1) ADDITIONAL ASSISTANCE FOR BOLIVIA, COLOMBIA, AND PERU.—Of the funds appropriated for economic support assistance under subsection (a), up to $16,000,000 for each fiscal year should be used to provide assistance for Bolivia, Colombia, and Peru—

(A) pursuant to section 534 of the Foreign Assistance Act of 1961 (relating to assistance for law enforcement); and

(B) pursuant to paragraphs (2) and (3) of this subsection.

(2) PROTECTION AGAINST NARCOTERRORIST ATTACKS.—Funds used in accordance with paragraph (1) may be used, notwithstanding section 660 of the Foreign Assistance Act of 1961 (relating to the prohibition on assistance to law enforcement agencies), to provide to Bolivia, Colombia, and Peru such assistance as the government of that country may request to provide protection against narco-terrorist attacks on judges, other government officials, and members of the press.

(3) ASSISTANCE FOR HUMAN RIGHTS OFFICES.—Up to a total of $1,000,000 of the funds used in accordance with paragraph (1) each fiscal year should be used to provide training, technical assistance, and equipment—

(A) for the Office of Special Investigations and the Special Prosecutor for Human Rights, both of which are within the Office of the Attorney General of the Government of Colombia; and

(B) for the Office of Human Rights in the Office of the Attorney General of the Government of Peru.

(4) RELATION TO SECTION 534(g) FUNDS.—The authority to use funds provided in paragraph (1) of this subsection is in addition to the authority provided in section 534(g) of the Foreign Assistance Act of 1961.

(5) PERIOD OF AVAILABILITY.—Funds allocated for use in accordance with paragraph (1) of this subsection shall remain available until expended notwithstanding any other provision of law.

SEC. 732. MILITARY AND LAW ENFORCEMENT ASSISTANCE FOR ANDEAN COUNTRIES.

(a) AUTHORIZATION OF ASSISTANCE.—Of the amounts authorized to be appropriated for foreign military financing assistance, $118,000,000 for each of the fiscal years 1992 and 1993 are authorized to be appropriated for assistance for Andean countries.

(b) PURPOSES OF ASSISTANCE.—Assistance under subsection (a) shall be designed to—

(1) enhance the ability of the government of the recipient country to control illicit narcotics production and trafficking;

(2) strengthen the bilateral ties of the United States with that government by offering concrete assistance in this area of great mutual concern;

(3) strengthen respect for internationally recognized human rights and the rule of law in efforts to control illicit narcotics production and trafficking; and

(4) assist the armed forces of the Andean countries in their support roles for those countries' law enforcement agencies, which are charged with the main responsibility for the control of illicit narcotics production and trafficking.

(c) CONDITIONS OF ELIGIBILITY.—Assistance may be provided for an Andean country under subsection (a) only—

(1) so long as that country has a democratic government; and

(2) the government of that country, including the armed forces and law enforcement agencies, does not engage in a consistent pattern of gross violations of internationally recognized human rights.

(d) LAW ENFORCEMENT TRAINING AND EQUIPMENT.—Subject to subsection (e), funds made available to carry out subsection (a) may be used—

(1) to provide to law enforcement units, that are organized for the specific purpose of narcotics enforcement, education and training in the operation and maintenance of equipment used in narcotics control interdiction and eradication efforts;

(2) for the expenses of deploying, upon the request of the Government of Bolivia, the Government of Colombia, or the Government of Peru, Department of Defense mobile training teams in that country to conduct training in military-related individual and collective skills that will enhance that country's ability to conduct tactical operations in narcotics interdiction; and

(3) for the procurement of defense articles or commodities for use in narcotics control, eradication, and interdiction efforts by law enforcement units that are organized for the specific purpose of narcotics enforcement.

Section 305 of this Act (relating to the exemption of narcotics-related assistance from the prohibition on assistance for law enforcement agencies) applies with respect to the use of funds under this subsection.

(e) MILITARY AND LAW ENFORCEMENT ASSISTANCE.—

(1) LIMITATIONS ON AMOUNTS.—The aggregate amount of military and law enforcement assistance provided for Bolivia, Colombia, and Peru for each of the fiscal years 1992 and 1993 may not exceed $250,000,000. Of that amount—

(A) not more than $150,000,000 for each such fiscal year may be assistance for the armed forces; and

(B) not more than $150,000,000 for each such fiscal year may be assistance for law enforcement units or agencies.

(2) DEFINITION OF MILITARY AND LAW ENFORCEMENT ASSISTANCE.—For purposes of paragraph (1), the term "amount of military and law enforcement assistance" means the sum of—

(A) the amount obligated for foreign military financing assistance;

(B) the amount obligated for international narcotics control assistance;

(C) the amount obligated for international military education and training;

(D) the value of defense articles, defense services, and military education and training made available under the special drawdown authority of paragraphs (1) and (2)(A)(1) of section 506(a) of the Foreign Assistance Act of 1961; and

(E) the value of excess defense articles made available under sections 517, 518, and 519 of the Foreign Assistance Act of 1961.

(f) PROHIBITION ON ASSISTANCE TO PERUVIAN POLICE UNITS THAT VIOLATE HUMAN RIGHTS.—A Peruvian police organization that engages in a consistent pattern of gross violations of internationally recognized human rights shall not be eligible to be considered, for purposes of this section, to be a law enforcement unit that is organized for the specific purpose of narcotics enforcement.

SEC. 733. GENERAL PROVISIONS RELATING TO ASSISTANCE FOR ANDEAN COUNTRIES.

(a) PRESIDENTIAL DETERMINATION REQUIRED.—Assistance may be provided for an Andean country pursuant to section 731(a) and section 732(a), and excess defense articles may be transferred to Bolivia, Colombia, or Peru in fiscal years 1992 and 1993 pursuant to sections

517, 518, or 519 of the Foreign Assistance Act of 1961, only if, before any such assistance is provided or any such defense articles are transferred for that fiscal year, the President determines that—

(1) that country is implementing programs to reduce the flow of cocaine to the United States in accordance with a bilateral or multilateral agreement, to which the United States is a party, that contains specific, quantitative and qualitative, performance criteria with respect to those programs;

(2) the armed forces and law enforcement agencies of that country are not engaged in a consistent pattern of gross violations of internationally recognized human rights, and the government of that country has made significant progress in protecting internationally recognized human rights, particularly in—

(A) ensuring that torture, cruel, inhuman, or degrading treatment or punishment, incommunicado detention or detention without charges and trial, disappearances, and other flagrant denials of the right to life, liberty, or security of the person, are not practiced; and

(B) permitting an unimpeded investigation of alleged violations of internationally recognized human rights, including providing access to places of detention, by appropriate international organizations (including nongovernmental organizations such as the International Committee of the Red Cross) or groups acting under the authority of the United Nations or the Organization of American States; and

(3) the government of that country has effective control over police and military operations related to counternarcotics and counterinsurgency activities.

Paragraph (2) does not apply with respect to assistance under section 731(a) for programs that focus on providing coca farmers with alternative sources of income, including the introduction of alternative crops, agricultural research and extension, the provision of credit, assistance with land titles, agro-industry, micro-enterprise development, and infrastructure development.

(b) NOTIFICATIONS TO CONGRESS.—Not less than 15 days before funds are obligated pursuant to section 731(a) or 732(a), the President shall transmit to the appropriate congressional committees a written notification in accordance with the procedures applicable to reprogrammings under section 634A of the Foreign Assistance Act of 1961. Such notification shall specify—

(1) the country to which the assistance is to be provided;

(2) the type and value of the assistance to be provided;

(3) in the case of assistance provided pursuant to section 732(a), the law enforcement or other units that will receive the assistance; and

(4) an explanation of how the proposed assistance will further—

(A) the objectives specified in subsection (a) of this section, and

(B) in the case of assistance under section 732(a), the purposes specified in section 732(b).

(c) COORDINATION WITH INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAM.—Assistance authorized by section 731(a) and section 732(a) shall be coordinated with international narcotics control assistance.

(d) BROOKE-ALEXANDER AMENDMENT.—If the President makes the determination described in subsection (a) of this section, section 691(a)(5) of the Foreign Assistance Act of 1961, and any similar provision of the Foreign Operations, Export Financing, and Related Programs Appropriations Act for fiscal years 1992 and 1993, shall not apply with respect to narcotics-related assistance for an Andean country for fiscal years 1992 and 1993.

SEC. 734. COLOMBIA'S EFFORTS TO COMBAT INTERNATIONAL NARCOTICS TRAFFICKING.

(a) FINDINGS.—The Congress makes the following findings:

(1) President Cesar Gaviria of Colombia, and the members of his government, have made important progress in the war against international narcotics trafficking, most notably the arrest and prosecution of members of the Medellin Cartel, and the implementation of extensive programs in law enforcement cooperation and intelligence sharing with the United States.

(2) President Gaviria and the members of his government have taken these initiatives at significant risk to their lives and the safety of their families.

(3) The Medellin and Cali Cartels are made up of the world's most ruthless drug lords and international terrorists responsible for the assassination of politicians, police officers, judges, journalists, and countless innocent persons in Colombia.

(4) Pablo Emilio Escobar Gaviria, the leader of the Medellin Cartel, one of the world's most wanted criminals, is responsible for thousands of narcotics-related deaths worldwide and the smuggling of millions of dollars worth of illegal drugs into the United States.

(5) Pablo Escobar and other leaders of the Medellin Cartel have surrendered to Colombian authorities in exchange for leniency and the guarantee that they will not be extradited to the United States.

(6) The Colombian assembly has recently voted to bar extradition of Colombian nationals under the Colombian Constitution, and the other Andean nations are considering similar measures.

(7) Cooperative agreements between the United States and other nations are essential to our efforts to dismantle drug cartels and bring international drug kingpins to justice.

(b) POLICY.—It is the sense of the Congress that—

(1) the Government of Colombia should continue its efforts to dismantle the Medellin Cartel;

(2) the Government of Colombia should continue to ensure that Pablo Escobar and the other leaders of the Medellin Cartel are isolated from any international drug trafficking, money laundering, and other illegal activities;

(3) the Government of Colombia should show the same resolve in bringing the leaders of the Cali Cartel to justice;

(4) the United States should continue to support the efforts of the Government of Colombia to eradicate the intimidation, bombings, kidnappings, murders, and other domestic violence associated with the narcotics trafficking in Colombia;

(5) though extradition of international drug kingpins would be an effective tool of justice, the United States, Colombia, and the other Andean nations nevertheless should continue to work for additional cooperative agreements to combat narcotics traffickers;

(6) the President should assess the progress of the Government of Colombia in implementing each of the criteria set forth in paragraphs (1), (2), (3) and (5) in determining whether to make a certification for 1992 that Colombia is cooperating in efforts to control international narcotics trafficking.

Subchapter B—Other Provisions Relating to South America

SEC. 741. ARGENTINA AND BRAZIL'S COMMON NUCLEAR POLICY.

(a) RENOUNCING THE PRODUCTION OF NUCLEAR WEAPONS.—The Congress recognizes and congratulates the Government of Argentina and the Government of Brazil for—

(1) the signing, on November 28, 1990, of a joint Declaration on the Common Nuclear Policy of Argentina and Brazil, which bans nuclear weapons production and testing;

(2) creating a bilateral inspection authority to systematize the exchange of information and the reciprocal monitoring of all nuclear facilities in Argentina and Brazil and their respective central accounting systems;

(3) undertaking negotiations with the International Atomic Energy Agency (hereinafter in this section referred to as the "IAEA") on comprehensive full-scope safeguard inspections;

(4) declaring the intention, pending completion of negotiations with the IAEA, to initiate actions leading to the full entry into force of the Treaty for the Prohibition of Nuclear Weapons in Latin America (hereinafter in this section referred to as the "Treaty of Tlatelolco"); and

(5) unilaterally undertaking efforts to promote nuclear nonproliferation, such as calls for all nations in Latin America and the Caribbean to ban all nuclear explosives, including those for peaceful purposes.

(b) FURTHER PROGRESS URGED.—The Congress urges the Government of Argentina and the Government of Brazil to continue their progress towards nuclear nonproliferation by—

(1) meeting the agreed-upon deadline for completing negotiations with the IAEA on full-scope safeguard inspections;

(2) actively pursuing, pending the conclusion of the safeguards agreement with the IAEA, the full entry into force of the Treaty of Tlatelolco; and

(3) increasing controls and limitations on the export of sensitive military-related nuclear technologies.

SEC. 742. MILITARY ASSISTANCE AND SALES FOR CHILE.

During fiscal years 1992 and 1993, foreign military financing assistance may be provided to Chile, and sales may be made to Chile under the Arms Control Export Act, provided the appropriate congressional committees are notified of the amount and nature of the proposed assistance or sale (as the case may be) at least 15 days in advance in accordance with procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

CHAPTER 3—OTHER PROVISIONS PERTAINING TO THE REGION

SEC. 751. INTER-AMERICAN FOUNDATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 401(s)(2) of the Foreign Assistance Act of 1969 is amended to read as follows: "There are authorized to be appropriated $28,800,000 for fiscal year 1992 and $31,000,000 for fiscal year 1993 to carry out this section.".

(b) BOARD OF DIRECTORS.—

(1) QUALIFICATIONS.—Section 401(g) of that Act is amended by adding at the end the following: "All individuals appointed to the Board shall possess an understanding of and sensitivity to community level development processes. No more than 5 members of the Board may be members of any one political party.".

(2) TRANSITION RULE.—The requirements established by the amendment made by paragraph (1) do not affect appointments made to the Board of the Inter-American Foundation before the date of enactment of this Act.

(c) PRINCIPAL OFFICE.—Section 401(q) of that Act is amended to read as follows:

"(q) The Foundation shall maintain its principal office in the metropolitan Washington, D.C., area. The Foundation may establish agencies, branch offices, or other offices in any place or places outside the United States in which the Foundation may carry on all or any of its operations and business.".

(d) EXPENSES FOR MEETINGS AND PRINTING.—Section 401 of that Act is amended by adding at the end the following:

"(v) Funds made available to the Foundation may be used for the expenses described in section 1345 of title 31 of the United States Code (relating to travel, transportation, and subsistence expenses for meetings).

"(w) Funds made available to the Foundation may be used for printing and binding without regard to section 501 of title 44, United States Code.".

(e) Relation to Amendments in Foreign Relations Authorization Act.—If the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, contains amendments to section 401 of the Foreign Assistance Act of 1961 that are identical to the amendments described in this section, then whichever of such amendments are enacted later shall not be effective.

SEC. 752. SUPPORT OF INTERNATIONAL EFFORTS AGAINST THE SPREAD OF CHOLERA.

(a) Findings.—The Congress finds that—

(1) in recognition that the cholera epidemic that originated in Peru is rapidly spreading throughout Latin America, and that some cases have been confirmed in the United States;

(2) by the first week of May 1991, Peru had reported 175,780 probable cases of cholera, with 1,288 deaths;

(3) during 1991, the Americas will account for over 90 percent of all cholera cases worldwide;

(4) the poor have been most affected by the disease because of contaminated water supplies, poor sewage systems and sanitary conditions, and inadequate health services; and

(5) unless strong measures are taken to improve this situation, according to the Pan American Health Organization, as many as six million cases, resulting in 40,000 deaths, could occur if the epidemic spreads throughout Latin America and the Caribbean.

(b) Amount of Assistance.—The Congress recognizes that prompt United States assistance is necessary to alleviate the human suffering arising from the cholera epidemic in 6 countries in Latin America and to prevent and control its spread to other countries in the region. Accordingly, $25,000,000 of the funds authorized to be appropriated for economic support assistance for each of the fiscal years 1992 and 1993 may be made available for remedial efforts to deal with this epidemic, in addition to amounts otherwise available for such purpose.

(c) Use of Funds.—Such funds shall be utilized to provide assistance—

(1) directly through national and municipal agencies responsible for health, water, and sanitation services;

(2) through the Pan American Health Organization, the United Nations Children's Fund (UNICEF), and other international and nongovernmental organizations;

(3) for emergency medical needs, such as the purchase of oral rehydration salts, antibiotics, and intravenous fluids;

(4) to the appropriate authorities for epidemiological surveillance, environmental health actions, laboratory support, food safety and public education materials, and operational expenses; and

(5) to improve the health and infrastructure systems in order to prevent another epidemic once this one is brought under control.

SEC. 753. STRENGTHENING CIVILIAN CONTROL OVER THE MILITARY.

Title IX of chapter 2 of part I of the Foreign Assistance Act of 1961 (relating to human rights and democracy), as amended by title I and title IV of this Act, is amended by adding at the end the following:

"SEC. 284. STRENGTHENING CIVILIAN CONTROL OVER THE MILITARY IN LATIN AMERICA AND THE CARIBBEAN.

"(a) Requirement for Civilian Approval of Military Assistance and Sales.—In order to strengthen the control of democratically elected civilian governments over the armed forces, military assistance and sales may be delivered to the armed forces of any country in Latin America or the Caribbean having such a civilian government only with the prior approval of that country's head of government.

"(b) Definition of Military Assistance and Sales.—For purposes of this section, the term 'military assistance and sales' means—

"(1) assistance under chapter 2 of part II, including deliveries under the special drawdown authority of section 506 and deliveries of excess defense articles under section 517, 518, and 519;

"(2) international military education and training; and

"(3) sales under the Arms Export Control Act.".

SEC. 754. ASSISTANCE FOR LAW ENFORCEMENT.

Section 534 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 534. ASSISTANCE FOR LAW ENFORCEMENT.

"(a) General Authority.—Assistance under this section shall be provided for countries in Latin America and the Caribbean with democratically elected governments—

"(1) to promote respect for the rule of law and internationally recognized human rights by all elements of society;

"(2) to improve the professionalism and effectiveness of law enforcement agencies in the Western Hemisphere based upon the traditional role of civilian law enforcement agencies within a democratic system;

"(3) to improve the capacity of law enforcement officials and the courts to render independent, fair, timely, and accessible justice and to punish all who abuse human life and dignity; and

"(4) to enhance the interaction among courts, prosecutors, and police in the investigation of crime.

"(b) Types of Assistance Authorized.—The funds specified in subsection (g) shall be available for assistance under this section for countries in Latin America and the Caribbean that have a democratically elected government to support programs and activities, without regard to section 660 of this Act—

"(1) to enhance professional capabilities to carry out investigative and forensic functions conducted under judicial and prosecutorial control;

"(2) to assist in the development of academic instruction and curricula for training law enforcement personnel;

"(3) to improve the administrative and management capabilities of law enforcement agencies, especially their capabilities relating to career development, personnel evaluation, and internal discipline procedures;

"(4) to improve penal institutions and the rehabilitation of offenders; and

"(5) to enhance protection of participants in judicial cases.

"(c) Assistance Subject to Notification Requirement.—Assistance under this section may be provided only if at least 15 days before each obligation of funds the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of this Act.

"(d) Prohibition on Lethal Equipment.—Funds made available to carry out this section may not be used to provide any lethal equipment.

"(e) Prohibition on DOD Participation.—Personnel of the Department of Defense and members of the United States Armed Forces may not participate in the provision of training under this section.

"(f) Law Enforcement Training for the Caribbean.—Training in law enforcement functions provided under this Act for the police or other law enforcement personnel of a country in the Caribbean may only be provided under the auspices of the International Criminal Investigative Training Assistance Program of the Department of Justice. This subsection does not apply with respect to narcotics-related training or to training under chapter 8 of part II (relating to antiterrorism assistance).

"(g) Amounts Available for Law Enforcement Assistance.—Of the funds available to carry out this chapter for each of fiscal years 1992 and 1993, $10,000,000 should be made available to carry out this section, of which $2,500,000 should be for countries in the Caribbean.

"(h) Expiration.—The authority of this section shall expire on September 30, 1993.".

SEC. 755. INDIGENOUS PEOPLES IN LATIN AMERICA AND THE CARIBBEAN.

(a) Annual Reports.—On February 28, 1992, and annually thereafter, the Secretary of State shall submit to the Congress a report, prepared in cooperation with the Administrator of the Agency for International Development, on the status and treatment of indigenous peoples in Latin America and the Caribbean. Such report should contain all available information about—

(1) the promotion and protection of civil, political, social, cultural, and economic rights and traditions of indigenous peoples in the countries of Latin America and the Caribbean;

(2) the extent to which indigenous peoples are able to participate in decisions affecting the protection of their lands, cultures, and traditions, and the allocation of natural resources; and

(3) the steps the United States has taken to ensure that United States development assistance programs promote the well-being of indigenous peoples in the countries of Latin America and the Caribbean.

(b) Effective Date.—This section shall remain in effect until September 30, 1993.

SEC. 756. AUTHORITY TO FORGIVE REPAYMENT OF AN ALLIANCE FOR PROGRESS LOAN.

(a) Forgiveness.—Subject to subsection (b), the President may direct the Administrator of the Agency for International Development to release the Institute Centroamericano de Administration de Empresas from its obligation to make further payments to the United States Government on account of the loan made to that organization pursuant to the Alliance for Progress Loan Agreement dated April 25, 1972 (current loan number: 524–L–035).

(b) Federal Credit Reform Act Requirements.—The authority of subsection (a) may be exercised only to the extent that the budget authority for the resulting additional cost (within the meaning of the Federal Credit Reform Act of 1990) has been provided in advance in appropriations Acts.

TITLE VIII—ENTERPRISE FOR THE AMERICA INITIATIVE

SEC. 801. SHORT TITLE.

This title may be cited as the "Enterprise for the Americas Act of 1991".

CHAPTER 1—FOREIGN ASSISTANCE ACT DEBT REDUCTION

SEC. 811. PURPOSE.

The purpose of this chapter is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with interrelated actions to promote debt reduction, investment reforms, community based conservation and sustainable use of the environment, and child survival and child development. The Facility will support these objectives through administration of debt reduction operations under this chapter for those countries with democratically elected governments that *meet investment reforms and other policy conditions.*

SEC. 812. DEFINITIONS

For purposes of this chapter—

(1) the term "administering body" means the entity provided for in section 818(c);

(2) the term "Americas Framework Agreement" means the agreement provided for in section 818;

(3) the term "Americas Fund" means an Enterprise for the Americas Fund provided for in section 817(a);

(4) the term "beneficiary country" means an eligible country with respect to which the authority of section 814(a)(1) is exercised;

(5) the term 'eligible country' means a country designated by the President in accordance with section 813;

(6) the term "Enterprise for the Americas Board" or "Board" means the board established by section 610 of Agricultural Trade Development and Assistance Act of 1954 (as amended by section 819(c) of this chapter); and

(7) the term 'Facility' means the entity established in the Department of the Treasury by section 601 of that Act.

SEC. 813. ELIGIBILITY FOR BENEFITS.

(a) REQUIREMENTS.—To be eligible for benefits from the Facility under this chapter, a country must be a Latin American or Caribbean country—

(1) whose government is democratically elected;

(2) whose government has not repeatedly provided support for acts of international terrorism;

(3) whose government cooperates on international narcotics control matters;

(4) whose government (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights;

(5) that has in effect, has received approval for, or, as appropriate in exceptional circumstances, is making significant progress toward—

(A) an International Monetary Fund standby arrangement, extended Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, a Fund monitored program or its equivalent, unless the President determines (after consultation with the Enterprise for the Americas Board) that such an arrangement or program (or its equivalent) could reasonably be expected to have significant adverse social or environmental effects; and

(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association, unless the President determines (after consultation with the Enterprise for the Americas Board) that the resulting adjustment requirements could reasonably be expected to have significant adverse social or environmental effects;

(6) has put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise is implementing, or is making significant progress toward, an open investment regime; and

(7) if appropriate, has agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(b) ELIGIBILITY DETERMINATIONS.—Consistent with subsection (a), the President shall determine whether a country is eligible to receive benefits under this chapter. The President shall notify the appropriate congressional committees of his intention to designate a country as a eligible country at least 15 days in advance of any formal determination.

SEC. 814. REDUCTION OF CERTAIN DEBT.

(a) AUTHORITY TO REDUCE DEBT.—

(1) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1991, as a result of concessional loans made to an eligible country by the United States under part I of the Foreign Assistance Act of 1961 (or predecessor foreign economic assistance legislation).

(2) APPROPRIATIONS ACT REQUIREMENT.—The authority of this section may be exercised only in such amounts or to such extent as is specifically provided in advance by appropriations Acts.

(3) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(b) IMPLEMENTATION OF DEBT REDUCTION.—

(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of the date specified in subsection (a)(1).

(2) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of the agreement with an eligible country to exchange a new obligation for outstanding obligations pursuant to this subsection. At the direction of the Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the agency primarily responsible for administering part I of that Act shall make an adjustment in its accounts to reflect the debt reduction.

SEC. 815. REPAYMENT OF PRINCIPAL.

(a) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to section 814(b) shall be repaid in United States dollars.

(b) DEPOSIT OF PAYMENTS.—Principal repayments of new obligations shall be deposited in the United States Government account established for principal repayments of the obligations for which those obligations were exchanged.

SEC. 816. INTEREST ON NEW OBLIGATIONS.

(a) RATE OF INTEREST.—New obligations issued by a beneficiary country pursuant to section 814(b) shall bear interest at a concessional rate.

(b) CURRENCY OF PAYMENT; DEPOSITS.—

(1) LOCAL CURRENCY.—If the beneficiary country has entered into an Americas Framework Agreement under section 818, interest shall be paid in the local currency of the beneficiary country and deposited in the Americas Fund provided for in section 817(a). Such interest shall be the property of the beneficiary country, until such time as it is disbursed pursuant to section 817(d). Such local currencies shall be used for the purposes specified in the Americas Framework Agreement.

(2) UNITED STATES DOLLARS.—If the beneficiary country has not entered into an Americas Framework Agreement under section 818, interest shall be paid in United States dollars and deposited in the United States Government account established for interest payments of the obligations for which the new obligations were exchanged.

(c) INTEREST ALREADY PAID.—If a beneficiary country enters into an Americas Framework Agreement subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the Americas Fund established for that country pursuant to section 817(a).

SEC. 817. ESTABLISHMENT OF, DEPOSITS INTO, AND DISBURSEMENTS FROM AN ENTERPRISE FOR THE AMERICAS FUND.

(a) ESTABLISHMENT.—Each beneficiary country that enters into an Americas Framework Agreement under section 818 shall be required to establish an Enterprise for the Americas Fund to receive payments in local currency pursuant to section 816(b)(1).

(b) DEPOSITS.—Local currencies deposited in an Americas Fund shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(c) INVESTMENT.—Deposits made in an Americas Fund shall be invested until disbursed. Any return on such investment may be retained by the Americas Fund, without deposit in the Treasury of the United States and without further appropriation by Congress.

(d) DISBURSEMENTS.—Funds in an Americas Fund shall be disbursed only pursuant to an Americas Framework Agreement under section 818.

SEC. 818. AMERICAS FRAMEWORK AGREEMENTS.

(a) AUTHORITY.—The Secretary of State is authorized, in consultation with other appropriate Government officials, to enter into an Americas Framework Agreement with any eligible country concerning the operation and use of the Americas Fund for that country. In the negotiation of such Agreements, the Secretary shall consult with the Enterprise for the Americas Board in accordance with section 819.

(b) CONTENTS OF AGREEMENTS.—An Americas Framework Agreement with an eligible country shall—

(1) require that country to establish an Americas Fund;

(2) require that country to make interest payments under section 816(b)(1) into an Americas Fund;

(3) require that country to make prompt disbursements from the Americas Fund to the administering body described in subsection (c);

(4) when appropriate, seek to maintain the value of the local currency resources of the Americas Fund in terms of United States dollars;

(5) specify, in accordance with subsection (d), the purposes for which amounts in an Americas Fund may be used; and

(6) contain reasonable provisions for the enforcement of the terms of the agreement.

(c) ADMINISTERING BODY.—

(1) IN GENERAL.—Funds disbursed from the Americas Fund in each beneficiary country shall be administered by a body constituted under the laws of that country.

(2) COMPOSITION.—The administering body shall consist of—

(A) one or more individuals appointed by the United States Government,

(B) one or more individuals appointed by the government of the beneficiary country, and

(C) individuals who represent a broad range of—

(i) environmental nongovernmental organizations of the beneficiary country,

(ii) child survival and child development nongovernmental organizations of the beneficiary country,

(iii) local community development nongovernmental organizations of the beneficiary country, and

(iv) scientific or academic organizations or institutions of the beneficiary country.

A majority of the members of the administering body shall be individuals described in subparagraph (C).

(3) RESPONSIBILITIES.—The administering body—

(A) shall receive proposals for grant assistance from eligible grant recipients (as determined under subsection (e)) and make grants to eligible

grant recipients in accordance with the priorities agreed upon in the Americas Framework Agreement, consistent with subsection (d);

(B) shall be responsible for the management of the program and oversight of grant activities funded from resources of the Americas Fund;

(C) shall be subject, on an annual basis, to an audit of financial statements conducted in accordance with generally accepted auditing standards by an independent auditor;

(D) shall be required to grant to representatives of the United States General Accounting Office such access to books and records associated with operations of the Americas Fund as the Comptroller General of the United States may request;

(E) shall present an annual program for review each year by the Enterprise for the Americas Board; and

(F) shall submit a report each year on the activities that it undertook during the previous year to the Chair of the Enterprise for the Americas Board and to the government of the beneficiary country.

(d) ELIGIBLE ACTIVITIES.—Grants from an Americas Fund shall be used for—

(1) activities that link the conservation and sustainable use of natural resources with local community development; and

(2) child survival and other child development activities.

(e) GRANT RECIPIENTS.—Grants made from an Americas Fund shall be made to—

(1) nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations of the beneficiary country;

(2) other appropriate local or regional entities; and

(3) in exceptional circumstances, the government of the beneficiary country.

(f) REVIEW OF LARGER GRANTS.—Any grant of more than $100,000 from an Americas Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

(g) ELIGIBILITY CRITERIA.—In the event that a country fails to meet the eligibility requirements set forth in section 813(a), as determined by the President pursuant to section 813(b), then grants from the Americas Fund for that country may only be made to nongovernmental organizations until such time as the President determines that such country meets the eligibility requirements set forth in section 813(a).

SEC. 819. ENTERPRISE FOR THE AMERICAS BOARD.

(a) RESPONSIBILITIES.—For purposes of this chapter, the Enterprise for the Americas Board shall—

(1) advise the Secretary of State on the negotiations of Americas Framework Agreements pursuant to section 818;

(2) ensure, in consultation with—

(A) the government of the beneficiary country,

(B) nongovernmental organizations of the beneficiary country,

(C) nongovernmental organizations of the region (if appropriate),

(D) environmental, scientific, child survival and child development, and academic leaders of the beneficiary country, and

(E) environmental, scientific, child survival and child development, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Americas Fund; and

(3) review the programs, operations, and fiscal audits of each administering body.

(b) SUPPLEMENTAL VIEWS IN ANNUAL REPORT.—Each member of the Board shall be entitled to receive a copy of any report to be transmitted to the Congress pursuant to chapter 5 of this title at least 14 days before the report is to be so transmitted, to have 14 days within which to prepare and submit supplemental views with respect to the implementation of this chapter for inclusion in such report, and to have those views included in the report when it is so transmitted.

(c) AMENDMENTS RELATING TO THE BOARD.—Section 610 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) in the section heading, by striking out "ENVIRONMENT" and inserting in lieu thereof "ENTERPRISE";

(2) in subsection (a), by striking out "Environment" and inserting in lieu thereof "Enterprise";

(3) in subsection (b)(1)(A)—

(A) by striking out "five" and insert in lieu thereof "six", and

(B) by inserting ", at least one of whom shall be a representative of the Department of Agriculture" after "Government"; and

(4) in subsection (b)(1)(B)—

(A) by striking out "four" and inserting in lieu thereof "five",

(B) by inserting "child survival and child development," after "environmental,", and

(C) by inserting ", at least one of whom shall be a representative from a child survival and child development organization" after "Caribbean".

CHAPTER 2—EXPORT-IMPORT BANK DEBT REDUCTION

SEC. 821. EXPORT-IMPORT BANK DEBT REDUCTION.

The Export-Import Bank Act of 1945 (12 U.S.C. 635-635i-4) is amended—

(1) by inserting after the first section the following:

"TITLE I—GENERAL PROVISIONS"; and

(2) by adding at the end the following:

"TITLE II—ENTERPRISE FOR THE AMERICAS INITIATIVE

"SEC. 51. PURPOSE.

"The purpose of this title is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with interrelated actions to promote debt reduction, investment reforms, community based conservation and sustainable use of the environment. The Facility will support these objectives through administration of debt reduction operations under this title for those countries with democratically elected governments that meet investment reforms and other policy conditions.

"SEC. 52. DEFINITIONS.

"As used in this title:

"(1) The term 'eligible country' means a country designated by the President in accordance with section 53.

"(2) The term 'Facility' means the entity established in the Department of the Treasury by section 601 of the Agricultural Trade Development and Assistance Act of 1954.

"(3) The term 'IMF' means the International Monetary Fund.

"SEC. 53. ELIGIBILITY FOR BENEFITS UNDER THE FACILITY.

"(a) REQUIREMENTS.—To be eligible for benefits from the Facility under this title, a country must—

"(1) be a Latin American or Caribbean country;

"(2) have in effect, have received approval for, or, as appropriate in exceptional circumstances, be making significant progress toward—

"(A) an IMF standby arrangement, extended IMF arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, an IMF monitored program or its equivalent; and

"(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association;

"(3) have put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise be implementing, or making significant progress toward, an open investment regime; and

"(4) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

"(b) ELIGIBILITY DETERMINATIONS.—The President shall determine whether a country is an eligible country for purposes of subsection (a).

"SEC. 54. LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.

"(a) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this title—

"(1) sell to any eligible purchaser any loan or portion thereof made to any eligible country or any agency thereof, before January 1, 1991, pursuant to this Act; and

"(2) on receipt of payment from the eligible purchaser, reduce or cancel such loan or portion thereof,

only for the purpose of facilitating debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

"(b) TERMS AND CONDITIONS.—Notwithstanding any other provision of law other than this title, the President shall establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this title.

"(c) TREATMENT UNDER SECURITIES LAWS.—Any sale made pursuant to this title by the Bank of a loan (including any interest therein) to an eligible purchaser described in section 57 of this Act shall be a transaction not required to be registered pursuant to section 5 of the Securities Act of 1933. For purposes of the Securities Act of 1933, the Bank shall not be deemed to be an issuer or underwriter with respect to any subsequent sale or other disposition of such loan (include any interest therein) or any security received by an eligible purchaser pursuant to any debt-for-equity swap, debt-for-development swap, or debt-for-nature swap.

"(d) ADMINISTRATION.—The Facility shall notify the Bank of purchasers the President has determined to be eligible under section 57, and shall direct the Bank to carry out the sale, reduction, or cancellation of a loan pursuant to this title. The Bank shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

"(e) LIMITATIONS.—The authorities of this section may be exercised beginning in fiscal year 1992 and only to such extent as provided for in advance in appropriations Acts for fiscal year 1992 or thereafter, as necessary to implement section 13201 of the Budget Enforcement Act of 1990.

"SEC. 55. AUTHORIZATION OF APPROPRIATIONS.

"For the sale, reduction, and cancellation pursuant to section 54 of loans or portions thereof made pursuant to this Act, there are authorized to be appropriated to the President such sums as may be necessary, which shall remain available until expended.

"SEC. 56. DEPOSIT OF PROCEEDS.

"The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this title shall be deposited in the United States Government account or accounts established for the repayment of such loan.

"SEC. 57. ELIGIBLE PURCHASERS.

"A loan may be sold pursuant to this title only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

"SEC. 58. DEBTOR CONSULTATION.

"Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this title of any loan made to an eligible country, the President shall consult with the country concerning, among other things, the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.".

CHAPTER 3—PARTICIPATION OF THE INTER-AMERICAN DEVELOPMENT BANK

SEC. 831. ROLE OF INTER-AMERICAN DEVELOPMENT BANK AND OTHER PROGRAMS IN FOSTERING INVESTMENT REFORM.

(a) The Secretary of the Treasury shall work closely with the management of the Inter-American Development Bank (in this section referred to as the "IDB") to ensure the full implementation of the IDB's proposed investment sector reform program and the coordination of United States bilateral assistance programs with the efforts of the IDB to enhance the likelihood of full implementation of liberalization efforts by countries in the region served by the IDB.

(b) Within 6 months after the date of enactment of this Act, the Secretary of the Treasury shall transmit a written report to the Chairman of the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate describing the specifics of the investment sector reform programs that are being carried out by the IDB. Such report shall include—

(1) a detailed description of the elements of the investment sector reform program;

(2) the percentage of the annual lending program of the IDB which will be utilized in conjunction with any investment reform efforts;

(3) a list of the countries that have entered into investment sector reform programs with the IDB, or are in the process of negotiating such programs;

(4) an analysis of how United States bilateral programs have complemented investment reform efforts; and

(5) a description of measures taken by the IDB, the United States, and recipient countries to ensure that any negative effects of such reform efforts are not borne disproportionately by the poorest segments of such countries, and will not have an adverse impact on the natural resources of such countries.

SEC. 832. ENTERPRISE FOR THE AMERICAS INVESTMENT FUND.

The Inter-American Development Bank Act (22 U.S.C. 283-283z-8) is amended by adding at the end the following:

"SEC. 37. ESTABLISHMENT OF THE ENTERPRISE FOR THE AMERICAS INVESTMENT FUND.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary of the Treasury $100,000,000 for each of the fiscal years 1992 through 1996 solely to carry out the purposes of this section. Such funds shall remain available until expended.

"(b) ESTABLISHMENT OF FUND.—The Secretary of Treasury is hereby authorized to contribute and to make payment of up to $500,000,000 of funds appropriated pursuant to subsection (a), to the Enterprise for the Americas Investment Fund (in this section referred to as the "Fund") which shall be administered by the Bank, provided that the following conditions have been met:

"(1) An agreement establishing the Fund has been signed by the United States Government and the President of the Bank, specifying the terms and conditions under which the United States is to provide monies to the Fund and the terms and conditions under which the Bank is to disburse monies from the Fund.

"(2) At least two additional donors have also entered into the agreement referred to in paragraph (1) and have pledged to the Fund contributions which, in the aggregate, total not less than $500,000,000.

"(3) At least 15 days before the first such contribution to the Fund, the Secretary of Treasury has transmitted the agreement establishing the Fund at the Bank to the Chairman of the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate.

"(4) The agreement includes a provision that requires the Bank to prepare and make public annual reports regarding the operations of the Fund.

"(c) PRINCIPAL ACTIVITIES OF FUND.—

"(1) IN GENERAL.—In negotiating the terms and conditions of the Fund agreement, the Secretary of Treasury shall ensure that United States assistance to the Fund shall be disbursed only for the following purposes:

"(A) Technical assistance to eligible countries for the purpose of identifying and resolving domestic constraints to investment.

"(B) Assistance to private enterprises, and to enterprises the ownership of which is in the process of being transferred from public institutions to private persons, in eligible countries in such activities as enterprise development, venture capital, preparation of investment proposals, and equity support for financial intermediaries to fund and assist enterprises in eligible countries.

"(C) Assistance in building human capital potential, alleviating poverty, reducing legal, regulatory, and policy barriers to economic and social progress as described in section 64(a) of the Bretton Woods Agreements Act, in eligible countries, including programs related to the relocation and retraining of workers displaced by investment reform activities such as the privatization or restructuring of public enterprises, as well as for educational grants to develop expertise in business-related skills necessary for the conduct of private sector activities.

"(D) Assistance to support the development and strengthening of host country capacities for insuring the environmental soundness of investment activities, including the use of taxes, fees, tax rebates, and other market-based incentives and penalties to promote environmentally sound investment decisions by private investors, including support in the form of technical assistance to government agencies and other entities for the development of environmental regulations, standards, and effective enforcement mechanisms applicable to private investment activities.

"(2) LIMITATION.—In negotiating the terms and conditions of the Fund agreement, the Secretary of Treasury shall ensure that not more than 40 percent of the amounts available to the Fund may be used for the purposes described in any particular subparagraph of paragraph (1).

"(d) PERIOD OF AVAILABILITY OF FUNDS.—Notwithstanding subsection (a), if the requirements set forth in subsections (b) and (c) have not been met within 2 years after the date of the enactment of this section, any monies appropriated to carry out the purposes of this section shall no longer be available for obligation or expenditure.

"(e) ASSESSMENT OF ENVIRONMENTAL IMPACT OF PROPOSED ACTIONS OF THE FUND.—If an Enterprise for the Americas Investment Fund is established pursuant to this section, the Secretary of the Treasury shall instruct the United States representative to the Fund not to vote in favor of any action proposed to be taken by the fund which may have a significant adverse effect on the environment unless an assessment of the impact of the action on the environment has been available for at least 120 days before the vote.

"(f) ELIGIBILITY REQUIREMENTS.—With respect to United States assistance to the Fund, to be eligible for disbursements of assistance from the Fund, a country must—

"(1) be a Latin American or Caribbean country;

"(2) have in effect, have received approval for, or, as appropriate in exceptional circumstances, be making significant progress toward—

"(A) an International Monetary Fund standby arrangement, extended International Monetary Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, an International Monetary Fund monitored program or its equivalent, unless the President determines (after consultation with the Enterprise for the Americas Board) that such an arrangement or program (or its equivalent) could reasonably be expected to have significant adverse social or environmental effects; and

"(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association, unless the President determines (after consultation with the Enterprise for the Americas Board) that the resulting adjustment requirements could reasonably be expected to have significant adverse social or environmental effects;

"(3) have put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise be implementing, or making significant progress toward, an open investment regime;

"(4) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction;

"(5) have a democratically elected government;

"(6) not harbor or sponsor international terrorists;

"(7) be cooperating in narcotics matters; and

"(8) not have a government with a consistent pattern of gross human rights violatons by its instrumentalities, including its military or security forces.

"(g) ELIGIBILITY DETERMINATIONS.—The President shall determine whether a country is an eligible country for purposes of subsection (f).".

CHAPTER 4—INTERNATIONAL UNIVERSITY FOR THE AMERICAS

SEC. 841. PURPOSE.

The purpose of this title is to promote economic integration and the consolidation and strengthening of democratic institutions in the Hemisphere, and to commemorate the 500th anniversary of the discovery of the Americas by Christopher Columbus through the establishment of an institution of higher education, which shall be known as the "International University for the Americas".

SEC. 842. ESTABLISHMENT.

The Secretary of State, in consultation with other governments in the Hemisphere, shall determine the most appropriate location for the International University for the Americas. In making that determination the Secretary shall ensure that the location chosen is—

(1) in the Americas;

(2) is easily accessible to all peoples in the region;

(3) has demonstrated a commitment to economic integration and democratic values through its policies and programs; and

(4) has expressed an interest in being chosen as a site and has agreed to contribute some amount of assistance, either in cash or kind, toward the costs of developing the institution.

SEC. 843. FACULTY, STUDENTS, AND CURRICULUM.

In developing the bylaws of the International University for the Americas, the Secretary shall ensure that it contains provisions to ensure that faculty and students are drawn from all the nations in the hemisphere, and that the curriculum is designed to develop expertise in fields that will promote the economic integration of the Americas and the consolidation of democracy throughout the Hemisphere.

SEC. 844. FUNDING.

Of the development assistance and economic support assistance funds that are allocated for Latin America and the Caribbean, $500,000 may be made available to carry out the site location and design phase of the International University for the Americas.

CHAPTER 5—REPORTS

SEC. 851. ANNUAL REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report on the implementation of this title, title II of the Export-Import Bank Act of 1945, section 37 of the Inter-American Development Bank Act, and title VI of the Agricultural Trade Development and Assistance Act of 1954. Such report shall include—

(1) a description of the activities undertaken by the Enterprise for the Americas Facility during the previous fiscal year;

(2) a description of any Americas Framework Agreements entered into under chapter 1 of this title and a description of any Enviromental Framework Agreement entered into under that title VI;

(3) a description of any grants that have been extended by administering bodies pursuant to an Americas Agreement under that chapter or pursuant to an Enviromental Framework Agreement under that title VI; and

(4) a progress report on the selection of a site and design for the establishment of the International University for the Americas.

(b) CONFORMING AMENDMENT.—Section 614 of the Agricultural Trade Development and Assistance Act of 1954 (relating to annual reports to the Congress on the Enterprise for the Americas Facility) is repealed.

TITLE IX—ASIA AND THE PACIFIC

CHAPTER 1—EAST ASIA AND THE PACIFIC

SEC. 901. BURMA.

(a) CONSIDERATIONS IN FURNISHING ASSISTANCE AND MAKING MILITARY SALES.—During fiscal years 1992 and 1993, in determining whether to furnish assistance to Burma under the Foreign Assistance Act of 1961 or the Agricultural Trade Development and Assistance Act of 1954 (other than emergency humanitarian assistance under either such Act), and whether to make any sales of defense articles or defense services to Burma under the Arms Export Control Act, the President shall take into account whether—

(1) the Government of Burma has—

(A) ceded legal authority to a civilian government as mandated by the elections of May 1990;

(B) released persons arrested for the peaceful expression of their political views, including Aung San Suu Kyi and other leaders of the National League for Democracy; and

(C) ceased harassment of persons and political parties attempting to exercise freedoms of expression, association, and assembly; and

(2) the President has made a certification concerning Burma under section 490 of the Foreign Assistance Act of 1961 (relating to international narcotics cooperation).

(b) NOTIFICATION REQUIREMENT.—During fiscal years 1992 and 1993, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961, at least 15 days before—

(1) obligating funds for any assistance for Burma under the Foreign Assistance Act of 1961 (other than emergency humanitarian assistance); or

(2) issuing a letter of offer to sell any defense articles or defense services to Burma under the Arms Export Control Act.

(c) STATEMENT OF CONGRESS REGARDING ECONOMIC SANCTIONS AGAINST BURMA.—In view of Burma's failure to comply with the human rights and narcotics control provisions of section 138 of the Customs and Trade Act of 1990, including that it transfer authority to a civilian government, release political prisoners, lift martial law, and meet the certification requirements of section 802(6) of the Narcotics Control Trade Act, the Congress—

(1) welcomes the decision of the President not to negotiate a new textile agreement with Burma;

(2) would welcome a decision by the President to impose additional economic sanctions upon Burma under section 138 of the Customs and Trade Act of 1990, giving primary consideration to the imposition of sanctions on other products that constitute major imports from Burma (including fish, tropical timber, and aquatic animals); and

(3) calls upon other industrialized countries to impose similar sanctions upon Burma.

(d) ASSISTANCE FOR DISPLACED BURMESE AND TO SUPPORT DEMOCRATIC PLURALISM.—

(1) AUTHORITY TO PROVIDE ASSISTANCE.—Notwithstanding any provision of law that restricts assistance to countries, funds described in paragraph (2) may be made available—

(A) for training and education assistance for Burmese outside of Burma who are displaced as a result of civil conflict, and

(B) for activities which support democratic pluralism in Burma.

(2) FUNDS THAT MAY BE USED.—The funds that may be used pursuant to paragraph (1) are—

(A) up to $1,000,000 of development assistance funds for each of fiscal years 1992 and 1993; and

(B) any funds that were made available for development assistance or economic support assistance for prior fiscal years by foreign assistance appropriations Acts and that were allocated or obligated for assistance for Burma.

(3) NOTICE TO CONGRESS OF USE OF PRIOR YEAR FUNDS.—At least 15 days before using the authority of paragraph (2)(B), the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

SEC. 902. CAMBODIA.

(a) ACTS OF GENOCIDE IN CAMBODIA.—As a party to the Genocide Convention, the United States reaffirms that genocide is a crime under international law which it undertakes to prevent and punish, and calls upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide in Cambodia.

(b) HUMANITARIAN AND DEVELOPMENT ASSISTANCE FOR CAMBODIA.—

(1) AUTHORIZATION.—Except as provided in paragraph (2), not more than $20,000,000 of the funds made available for fiscal years 1992 and 1993 for development assistance and economic support assistance shall be made available, predominantly through international relief agencies and United States private and voluntary organizations, for humanitarian and development assistance exclusively for Cambodian civilians and in accordance with the priority needs identified by the Agency for International Development's Report to Congress on Cambodia's Humanitarian and Development Assistance Priorities (transmitted pursuant to the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991), notwithstanding any other provision of law.

(2) ADDITIONAL FUNDING IF THERE IS A SETTLEMENT.—In the event of a settlement of the Cambodian conflict acceptable to the United States, additional amounts of funds made available for fiscal years 1992 and 1993 for development assistance and economic support assistance may be used under paragraph (1). At least 15 days before obligating any such additional funds, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(3) DEFINITION.—For purposes of this subsection, the term "humanitarian assistance" includes food, clothing, medicine, and other humanitarian assistance, including equipment for the surveying and eradication of explosive mines, but such term does not include (A) the provision of any weapons, weapon systems, or ammunition, or (B) the provision to Cambodian military units of any other equipment, vehicles, or material.

(c) HUMANITARIAN ASSISTANCE TO CHILDREN.—In addition to funds otherwise available for such purposes under subsection (b), not more than $5,000,000 of the funds made available for each of fiscal years 1992 and 1993 for development assistance and economic support assistance shall be made available to provide humanitarian assistance to children and war victims in Cambodia, notwithstanding any other provision of law. Until a settlement of the Cambodian conflict acceptable to the United States, such assistance shall be provided through international relief agencies and United States private and voluntary organizations.

(d) TRAINING OF CAMBODIANS IN SUPPORT OF AN INTERNATIONAL SETTLEMENT OF THE CAMBODIAN CONFLICT.—Notwithstanding any other provision of law, the President may use such amounts (in addition to those otherwise provided for in this section) as may be necessary of funds made available for development assistance and economic support assistance for fiscal years 1992 and 1993 to provide for the nonmilitary training of Cambodians, including Cambodians outside Cambodia and the United States, in appropriate skills that would be used by them in direct support of an internationally acceptable political settlement in that country.

(e) TERMINATION OF ASSISTANCE.—The President shall terminate assistance under this section to any Cambodian organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations.

(f) ONSITE ASSESSMENT OF NEEDS FOR ASSISTANCE.—Not later than 120 days after the date of enactment of this Act, the President shall conduct an onsite assessment on a multilateral basis in cooperation with the United Nations, or on an independent basis, within Cambodia (including Phnom Penh) to determine the requirements for the development of social economic and social infrastructure and for the eradication of explosive mines.

(g) REPORT REGARDING THE KHMER ROUGE.—Not later than February 1, 1992, the President shall submit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report describing all instances of military cooperation since January 1, 1991, between the Khmer Rouge and any individual, group, or faction of the noncommunist resistance and describing all instances of human rights abuses by the Khmer Rouge. Such report shall be submitted in both classified and unclassified form.

(h) APPLICABILITY OF EXISTING LAW.—

(1) TRADE RESTRICTIONS.—Funds shall be made available under this section notwithstanding any law or regulation prohibiting trade with Cambodia or any national of Cambodia.

(2) REPROGRAMMING NOTIFICATIONS.—Funds shall be made available under this section subject to the provisions of section 634A of the Foreign Assistance Act of 1961.

(3) PROHIBITIONS.—Any funds made available under this section shall be subject to the prohibitions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security Development Cooperation Act of 1985.

(i) CLARIFICATION OF AUTHORITIES GRANTED.—

(1) CERTAIN FUNDING NOT AFFECTED.—Nothing in this section supersedes any provision of this Act that authorizes the appropriation of funds for a specific country, region, organization, or purpose or any provision of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that earmarks funds for a specific country, region, organization, or purpose.

(2) APPROPRIATIONS ACT LIMITATIONS NOT AFFECTED.—Nothing in this section supersedes any provision of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that specifically refers to the assistance authorized by this section and establishes limitations with respect to such assistance.

(3) APPROPRIATION ACT REPROGRAMMING REQUIREMENTS NOT AFFECTED.—Nothing in this section supersedes the requirements of any provision of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that requires prior notification to congressional committees of proposed reprogrammings of funds.

SEC. 903. ARMS TRANSFERS BY THE PEOPLE'S REPUBLIC OF CHINA TO CERTAIN COUNTRIES.

(a) PROHIBITION.—In any calendar year, sales may not be made to the People's Republic of China under the Arms Export Control Act, and licenses may not be issued under section 38 of that Act for the export to the People's Republic of China, of any item on the United States Munitions List for military end-users if the President has determined that there is convincing, credible evidence that—

(1) any United States defense article or technology (including United States licensed technology) was used in—

(A) a cruise missile or ballistic missile,

(B) a advanced fighter aircraft, or

(C) a major component or technology for any such missile or aircraft,

and was transferred willingly to Algeria and Pakistan and such terrorist states as Iran, Iraq, Libya, and Syria by the People's Republic of China in the previous calendar year in contravention of the Arms Export Control Act or regulations issued under section 38 of that Act; or

(2) any chemical weapon, or any material, equipment, or technology intended for use by a military end-user for any nuclear explosive device, or for research on or development of any nuclear explosive device, was transferred willingly to Algeria and Pakistan and such terrorist states as Iran, Iraq, Libya, and Syria by the People's Republic of China in the previous calendar year.

(b) EXCEPTION.—The prohibitions contained in subsection (a) shall not apply to sales or exports of systems or components designed specifically for inclusion in civil products and controlled as defense articles only for purpose of export to a controlled country, unless the President determines that the intended recipient of such items is the military or security forces of the People's Republic of China.

SEC. 904. PROHIBITION ON MILITARY ASSISTANCE TO FIJI.

No foreign military financing assistance and no international military education and training which is made available for fiscal year 1992 or fiscal year 1993 may be provided to Fiji unless the President certifies to the Congress that Fiji has held elections in which there has been broad participation by all communities in Fiji.

SEC. 905. SUPPORT OF HUMANITARIAN PROJECTS IN LAOS.

It is the sense of the Congress that, consistent with section 490 of the Foreign Assistance Act of 1961 (relating to international narcotics cooperation), the President should use available authority and appropriations to provide up to $200,000 in each of fiscal years 1992 and 1993 for support of humanitarian projects in Laos associated with joint United States-Laotian cooperative efforts to resolve questions concerning Vietnam era prisoners of war or those missing in action.

SEC. 906. MALAYSIA.

The Congress—

(1) notes the long tradition of friendship and common interests and values between the Government of Malaysia and the Government of the United States, reflected in part by the Malaysian Government's endorsement of the goal of removing Iraq from Kuwait and its vote in support of United Nations Security Council Resolution 678, which authorized the use of force to obtain that goal;

(2) expresses its deep distress and concern about the current policy and practice of the Government of Malaysia of denying first asylum to Indochinese asylum-seekers, which conflicts with humanitarian practices to which the Malaysian Government had been committed from 1975 to 1989;

(3) urges the Government of Malaysia to reestablish the policy of first asylum and thereby to bring its practices into conformity with internationally recognized humanitarian standards;

(4) expresses its appreciation to the Government of Indonesia, which has provided first asylum to nearly all of the more than 11,000 asylum seekers who have been denied refuge in Malaysia since 1989; and

(5) expresses its readiness to support efforts to provide supplemental assistance to Indonesia to accommodate the increased burden on that country that has resulted from the denial of first asylum by Malaysia.

SEC. 907. ASSISTANCE FOR MONGOLIA.

In recognition of Mongolia's movement toward democracy in establishing a multiparty system and the steps it has taken to establish a free market economy, it is the sense of the Congress that additional assistance should be provided for Mongolia.

SEC. 908. MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

Part I of the Foreign Assistance Act of 1961 is amended by inserting after chapter 3 the following:

"CHAPTER 4—MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

"SEC. 401. FINDINGS AND STATEMENT OF POLICY.

"(a) FINDINGS.—The Congress makes the following findings:

"(1) The people of the Philippines and the people of the United States continue to enjoy a longstanding relationship of mutual respect and cooperation.

"(2) The return of democracy to the Philippines under the leadership of President Corazon Aquino has brought our two countries closer together and offers an opportunity to the Philippines to again become an economic, social, and political leader in Southeast Asia.

"(3) The threat to democratic government in the Philippines from both the Communist insurgency and dissident elements in the Philippine military forces jeopardizes the efforts of the Government of the Philippines to broaden the participation of the people of the Philippines in the development of their country.

"(4) It is in the mutual interest of our two peoples that the Philippines be provided all possible assistance, including voluntary debt reduction programs under appropriate circumstances, in its efforts to redress the problems caused by economic deterioration and social inequity which have fueled the domestic insurgency.

"(5) The promotion of democracy and achievement of sustainable economic growth require a partnership among the Philippines, multilateral institutions, bilateral donors, and the private sector to help the Philippines restructure its economy and alleviate its debt service in order to achieve broadly based, self-sustaining growth and to improve the quality of life of the people of the Philippines.

"(6) The Philippines is facing a serious environmental crisis stemming from the loss of tropical forests, growing soil erosion, pollution of rivers, lakes, and estuaries, and deterioration of fisheries. The promotion of sound environmental, natural resource, and agricultural management will enable the Philippines to achieve environmentally and economically sustainable development.

"(7) Since its inauguration in Tokyo in July, 1989, the Multilateral Assistance Initiative for the Philippines has resulted in the pledging of more than $6,800,000,000 in assistance from 26 donor countries and organizations.

"(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

"(1) the United States should continue to participate with the multilateral financial institutions and other bilateral donors in a coordinated economic reform and development program in the Philippines, including voluntary debt reduction programs and environmental restoration and sustainable natural resource management programs; and

"(2) a multiyear commitment of resources by the United States, other bilateral donors, and the multilateral financial institutions, with a continued reform effort and leadership role by the Government of the Philippines, will continue to be necessary in order to ensure economic growth in the Philippines and enhanced participation of the people of the Philippines in the democratic process.

"SEC. 402. ASSISTANCE.

"(a) AUTHORITY.—In order to promote the four basic objectives set forth in section 102, the President is authorized to provide assistance for the Philippines to carry out the purposes of this chapter. Such assistance shall have as its ultimate objective, in conjunction with assistance provided by other donors, support of democracy in the Philippines, promotion of sustained economic growth led by the private sector, and improvement of living conditions for the people of the Philippines, and shall build upon the progress that the Government of the Philippines has made in the development and implementation of economic, structural, judicial, and administrative reforms and the implementation of sustainable natural resources management programs.

"(b) PROGRESS OF REFORMS NECESSARY FOR PROVISION OF ASSISTANCE.—The provision of assistance under this chapter shall be linked to progress by the Government of the Philippines *in the implementation of its economic, structural, judicial, and administrative reform program.*

"(c) USES OF ASSISTANCE.—Assistance under this chapter may include support for—

"(1) economic, structural, and administrative reforms, and voluntary debt reduction programs, that are necessary to stimulate growth led by the private sector, import liberalization, export growth and diversification, and the privatization of enterprises owned or controlled by the government;

"(2) infrastructure needed by the private sector, particularly in rural areas;

"(3) strengthening the private sector, including promoting greater participation of the United States private sector in the development of the Philippines;

"(4) natural resource management (including coastal environment management) which supports sustained economic growth; and

"(5) such other programs as are consistent with the purposes of this chapter.

"SEC. 403. REPORTS TO CONGRESS.

"(a) ANNUAL CONGRESSIONAL PRESENTATION DOCUMENTS.—The President shall submit congressional presentation documents regarding programs under this chapter on the same basis as the President submits such documents pursuant to section 634 of this Act regarding development assistance and economic support assistance programs.

"(b) REPORT ON PROGRAMS FOR PREVIOUS FISCAL YEARS.—Within 60 days after the date of enactment of this chapter, the President shall submit a report to the Congress on the accomplishments of programs carried out for fiscal years 1990 and 1991 to carry out the purposes of this chapter, as well as on the objectives of such programs for fiscal year 1992.

"(c) ANNUAL REPORT.—As soon as possible after the transmittal by the President of the Budget of the United States for each fiscal year beginning with fiscal year 1993, the President shall submit a report to the Congress on the progress made in carrying out this chapter. Such report shall include a review of—

"(1) the actions of the Government of the Philippines to achieve the objectives for which assistance under this chapter has been provided, including implementation of economic, structural, judicial, and administrative reforms;

"(2) the participation of other bilateral donors and multilateral financial institutions in the multilateral assistance program for which assistance under this chapter is authorized, including the level of their assistance, and the effectiveness of efforts to coordinate assistance activities;

"(3) the progress being made toward the achievement of the objectives of this chapter and the obstacles to such achievement; and

"(4) the budget request for the relevant fiscal year.

"SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this chapter, in addition to amounts otherwise available for such purposes, $1,000,000,000 (less amounts appropriated to carry out the purposes of this chapter for fiscal years 1990 and 1991), of which—

"(1) not more than $160,000,000 is authorized to be appropriated for fiscal year 1992; and

"(2) such sums as may be necessary are authorized to be appropriated for fiscal year 1993.

"SEC. 405. APPROPRIATIONS IN FUTURE YEARS.

"It is the sense of the Congress that, before requesting the appropriation of additional amounts to carry out this chapter, the President should take into account the progress being made by the Government of the Philippines toward achieving the reform objectives of this chapter, the extent of financial and other participation of other bilateral donors and multilateral financial institutions, and efforts to coordinate the multilateral assistance program for which assistance under this chapter is authorized. Such considerations will be primary factors in decisions by the Congress to provide additional appropriations to carry out this chapter.

"SEC. 406. DONOR COORDINATION.

"It is the sense of the Congress that critical to the success of the multilateral assistance program for which assistance under this chapter is authorized will be the ability of the bilateral donors, the multilateral financial institutions, and the Government of the Philippines to coordinate effectively their objectives and programs. It is further the sense of the Congress that all bilateral donors to this multilateral assistance program should take steps to simplify procurement and disbursement procedures and to ensure that any conditions on the provision or use of assistance are complementary, and that the Government of the Philippines should establish such internal procedures and processes as will ensure the most effective use of the resources provided by the bilateral donors and the multilateral financial institutions.".

SEC. 909. SOUTH PACIFIC REGIONAL PROGRAM.

(a) ADDITIONAL ECONOMIC ASSISTANCE.—In addition to the amounts of development assistance for South Pacific regional development projects and the amounts of economic support assistance under the Fisheries Treaty Program that are authorized to be appropriated by this Act pursuant to the executive branch request, section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act) authorizes the appropriation of $10,000,000 for each of fiscal years 1992 and 1993 for economic support assistance for the South Pacific Regional Program. Of that amount, $2,000,000 for each fiscal year is authorized to be appropriated for scholarships for study at postsecondary institutions of education in the United States.

(b) NOTICE TO CONGRESS OF CHANGES IN PROPOSED PROGRAM.—If the President proposes to allocate less development assistance for the South Pacific Regional Program for fiscal year 1992 or 1993 than the amount specified in the congressional presentation materials for that fiscal year, the President shall notify the appropriate congressional committees at least 15 days in advance of such allocation in accordance with the procedures applicable to reprogramming procedures under section 634A of the Foreign Assistance Act of 1961.

SEC. 910. POLICY TOWARD THE FUTURE OF TAIWAN.

(a) FINDINGS.—The Congress finds that—

(1) although peace has prevailed in the Taiwan Strait for the past decade, on June 4, 1989, the Government of the People's Republic of China showed its willingness to use force against the Chinese people who were demonstrating peacefully for democracy; and

(2) in the Taiwan Relations Act, the United States made clear that its decision to enter into diplomatic relations with the People's Republic of China rested upon the expectation that the future of Taiwan would be determined by peaceful means.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the future of Taiwan should be settled peacefully, free from coercion, and in a manner acceptable to the people of Taiwan; and

(2) good relations between the United States and the People's Republic of China depend upon the willingness of the Chinese authorities to refrain from the use or the threat of force in resolving Taiwan's future.

SEC. 911. ADMISSION OF ASIAN COUNTRIES INTO THE OECD.

(a) FINDINGS.—The Congress finds that—

(1) the Republic of Korea, Taiwan, Hong Kong, and Singapore all now have gross national products at per capita levels that exceed those of some of the least developed members of the Organization for Economic Cooperation and Development (hereinafter in the section referred to as the "OECD");

(2) these Asian countries and territories have a substantial interest in furthering the health of the world economy and should assume a more prominent role in managing regional and global economic affairs; and

(3) the ideals of the OECD, namely liberalized trade and investment flows, assistance to the developing countries, and better coordination of national economic policies, are goals that should be strongly embraced and promoted by the newly industrialized countries and territories in Asia.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the President should encourage the OECD to actively undertake the process of study and consultation appropriate to consider for membership in the OECD the Governments of the Republic of Korea, Taiwan, Hong Kong, and Singapore.

CHAPTER 2—SOUTH ASIA

SEC. 921. ASSISTANCE FOR AFGHANISTAN.

(a) AUTHORIZATION.—Section 904(a) of the International Security and Development Cooperation Act of 1985 is amended to read as follows:

"(a) AUTHORIZATION.—The President may make available funds authorized to be appropriated to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961—

"(1) for the provision of food, medicine, or other humanitarian assistance to the Afghan people, and

"(2) for the development and implementation of long-range bilateral and multilateral reconstruction efforts for Afghanistan and the establishment of a broad-based freely-elected Afghan Government.

Such assistance may be provided notwithstanding any provision of law that restricts assistance to countries.".

(b) AUTHORITY TO USE DEVELOPMENT ASSISTANCE FUNDS.—Section 904(b) of that Act is amended by inserting "chapter 1 of part I and" after "carry out".

SEC. 922. UNITED STATES SUPPORT FOR DEMOCRACY AND DEVELOPMENT IN BANGLADESH.

The Congress—

(1) congratulates the people of Bangladesh on the successful transition to a freely and democratically elected government in Bangladesh following national elections held on February 27, 1991;

(2) welcomes the new government's commitment to the democratic process and to economic adjustment measures being implemented in coordination with the International Monetary Fund;

(3) appreciates Bangladesh's support for international law and collective security, reflected in part by its endorsement of United Nations sanctions against Iraq and its decision to send troops to help defend Saudi Arabia during the Gulf crisis;

(4) finds that Bangladesh's level of income and its commitment to economic reforms meet the requirements for debt relief under section 411 of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and further finds that, in the absence of Public Law 480 debt relief, Bangladesh will ultimately risk being forced to make substantial debt payments that it did not anticipate; and

(5) urges the President to take action to provide to Bangladesh, at the earliest opportunity, debt relief under section 411 of the Agricultural Trade Development and Assistance Act of 1954.

SEC. 923. HUMAN RIGHTS IN INDIA.

The Congress—

(1) recognizes that India is the world's most populous democracy, with a long tradition of free elections, competing political parties, and vibrant civilian institutions, including an independent judiciary and a free press;

(2) expresses its deep concern that, despite India's history of democratic government and tradition of respect for the rule of law, there exist in parts of the country serious human rights problems, which include arbitrary arrests and detentions without trial, torture, deaths in custody, and disappearances and extrajudicial killings of unarmed civilians and suspected militants;

(3) calls upon the Government of India to take action to promote adherence to internationally recognized human rights standards, including measures to—

(A) fulfill recommendations, made by respected human rights organizations and experts, that call for review of security-related laws, whose application has reportedly contributed to human rights abuses;

(B) ensure against long-term detention without trial, in camera trials, and the holding of persons in incommunicado detention;

(C) ensure that all detainees are brought before a judicial authority promptly after arrest, and to permit family members and lawyers immediate access to all persons in detention;

(D) maintain safeguards against the use in court of confessions that may have been coerced;

(E) curb human rights abuses committed by security and police forces, and to affirm that all members of the security forces will be held responsible and subject to prosecution for human rights abuses in Punjab, Kashmir, and other areas of civil strife;

(F) investigate all reports of human rights violations by members of the security forces and prosecute those who are found responsible; and

(G) permit unrestricted access for international human rights monitoring organizations, such as Amnesty International and Asia Watch, so that they may conduct investigations into alleged human rights violations;

(4) urges the Government of India to pursue discussion and dialogue with representatives of a broad spectrum of the populations of Punjab, Kashmir, and other areas of civil conflict, in order to encourage a process of political normalization and address popular grievances in those regions;

(5) condemns gross abuses by militants in Kashmir and Punjab, who have been responsible for kidnapping, executions of civilians, and attacks on civilian institutions, and urges all militant groups to cease the use of force to achieve political objectives;

(6) urges the Secretary of State to raise Indian human rights issues with the Government of India; and

(7) calls upon Pakistani authorities not to provide arms or training to militants in Punjab or Kashmir, and urges the Secretary of State to convey this message to Pakistani officials.

SEC. 924. NEPAL.

(a) STATEMENT OF CONGRESS.—The Congress—

(1) welcomes the establishment of a democratically elected government in Nepal;

(2) recognizes that broad-based economic growth and development in Nepal will facilitate the strengthening of democratic political institutions; and

(3) declares its readiness to generously support the economic development effort of the democratically elected government of Nepal.

(b) ADDITIONAL ECONOMIC ASSISTANCE.—In addition to the amounts of development assistance authorized to be appropriated by this Act pursuant to the executive branch request for Nepal, section 532 of the Foreign Assistance Act of 1961 (as amended by title I of this Act) authorizes the appropriation of $10,000,000 for each of fiscal years 1992 and 1993 for economic support assistance for Nepal.

(c) NOTICE TO CONGRESS OF CHANGES IN PROPOSED PROGRAM.—If the President proposes to allocate less development assistance for Nepal for fiscal year 1992 or 1993 than the amount specified in the congressional presentation materials for that fiscal year, the President shall notify the appropriate congressional committees at least 15 days in advance of such allocation in accordance with the procedures applicable to reprogramming procedures under section 634A of the Foreign Assistance Act of 1961.

SEC. 925. PAKISTAN.

(a) STATEMENT OF POLICY.—Section 620E of the Foreign Assistance Act of 1961 is amended—

(1) in the section caption, by inserting "; NUCLEAR PROLIFERATION IN SOUTH ASIA" after "PAKISTAN"; and

(2) by amending subsection (a) to read as follows:

"(a)(1) The Congress recognizes that an independent and democratic Pakistan with continued friendly ties with the United States is in the interest of both nations. The United States provides assistance to Pakistan in order to help the people and Government of Pakistan establish enduring democratic institutions and in order to ensure respect for fundamental human rights, including freedom of expression, freedom of association, and freedom of conscience. The conduct of regular and free elections open to all political parties and political leaders is an essential element of democracy.

"(2) United States assistance shall be provided to Pakistan only to the extent it serves to help avoid the profoundly destabilizing effects of the proliferation of nuclear weapons in South Asia and of the capability to manufacture nuclear weapons. The Congress recognizes that a successful nuclear nonproliferation policy in South Asia can best be achieved through a regional United States policy aimed at securing concurrent agreement on nonproliferation by the Government of Pakistan, the Government of India, and the Government of the People's Republic of China. Such a policy should have as its ultimate goal concurrent accession by Pakistan, India, and the People's Republic of China to the Treaty on the Non-Proliferation of Nuclear Weapons.".

(b) EXTENSION OF SYMINGTON AMENDMENT WAIVER.—Section 620E(d) of that Act is amended—

(1) by striking out "April 1, 1992," and inserting in lieu thereof "April 1, 1993,"; and

(2) by adding at the end the following: "The President may not exercise the waiver authority of this subsection unless a certification under subsection (e) is in effect.".

SEC. 926. PROMOTION OF HUMAN RIGHTS IN SRI LANKA.

(a) STATEMENT OF THE CONGRESS.—The Congress—

(1) finds that the United States and Sri Lanka have a long tradition of friendship and share common interests in economic development, international peace and stability, political pluralism, and constitutional, multiparty democracy;

(2) expresses its deep concern that, despite Sri Lanka's tradition of democratic governance, there are continued reports that the Sri Lankan security forces or persons acting under their control or influence are responsible for serious abuses of human rights, including disappearances, torture, and failure to provide family members or lawyers with information on or access to detainees;

(3) welcomes statements by Sri Lankan officials indicating that they recognize the seriousness of these problems and the importance of bringing an end to abuses;

(4) welcomes efforts by the Sri Lankan Government to begin to address human rights concerns through measures that include permitting representatives of international human rights monitoring organizations to visit Sri Lanka, permitting access to international humanitarian organizations such as the International Committee of the Red Cross, permitting access to United Nations organizations dealing with investigations of human rights concerns, and establishing official bodies to investigate disappearances and other allegations of human rights abuses;

(5) believes that continuing progress on these issues will help to ensure further improvement in the relationship between the United States and Sri Lanka based on mutual trust and respect; and

(6) strongly condemns ongoing acts of terror, including killings of civilians and other violations of humanitarian law, by insurgents operating in Sri Lanka.

(b) CONSIDERATIONS IN FURNISHING ASSISTANCE AND MAKING MILITARY SALES.—During fiscal years 1992 and 1993, in determining whether to furnish assistance to Sri Lanka under the Foreign Assistance Act of 1961 or the Agricultural Trade Development and Assistance Act of 1954 (other than emergency humanitarian assistance under either such Act), and whether to make any sales of defense articles or defense services to Sri Lanka under the Arms Export Control Act, the President shall take into account whether the Government of Sri Lanka has—

(1) established a public register of detainees and ensured that detainees have access to lawyers and family members;

(2) taken steps designed to deter disappearances and killings of civilians in all provinces by persons under the control or influence of government forces, such as enhanced efforts to pursue criminal investigations and prosecutions of those responsible for such abuses;

(3) taken measures designed to minimize civilian casualties in its combat operations in the north and east; and

(4) made serious and substantial efforts to investigate and prosecute those involved in the murder of journalist Richard DeZoysa.

(c) ASSISTING THE SRI LANKAN GOVERNMENT TO PROVIDE HUMAN RIGHTS TRAINING AND EDUCATION.—The President should encourage and assist the Government of Sri Lanka to provide effective human rights education and training to members of the military and in Sri Lankan educational institutions and within the society at large.

CHAPTER 3—ECONOMIC COOPERATION PROJECTS IN CHINA AND TIBET

SEC. 941. STATEMENT OF PRINCIPLES.

(a) PURPOSE.—It is the purpose of this chapter to create principles governing the conduct of United States economic cooperation projects in the People's Republic of China and Tibet.

(b) PRINCIPLES.—It is the sense of the Congress that any United States economic cooperation project in the People's Republic of China or Tibet should adhere to the following principles:

(1) Seek to ensure that decisions concerning employment in the United States economic cooperation project do not entail discrimination based on sex, religion, ethnic or national background, political belief, nonviolent political activity, or political party membership.

(2) Ensure, through consultation with relevant government authorities where appropriate, that methods of production used in the United States economic cooperation project do not pose an unnecessary physical danger to workers, to neighboring populations and property, and to the surrounding environment.

(3) Ensure that no convict or forced labor under penal sanctions is knowingly used in the United States economic cooperation project.

(4) Ensure that no goods that are mined, produced, or manufactured, in whole or in part, by convict or forced labor under penal sanctions are knowingly used in the United States economic cooperation project.

(5) Undertake to protect freedom of assembly and association among the employees of the United States economic cooperation project, and to foster positive and constructive consultation between employees and management of the United States economic cooperation project.

(6) Promote the training of employees of the United States economic cooperation project, in particular the training of Chinese employees in managerial positions in the principles of market-oriented business management.

(7) Undertake to protect freedom of expression for the employees of the United States economic cooperation project, including the freedom to seek, receive, and impart information and ideas of all kinds.

(8) Discourage compulsory political indoctrination on the premises of the operations of the United States economic cooperation project.

(9) Attempt to raise with the relevant agencies of the Chinese Government those individuals detained, arrested, or convicted since March 1989 solely for nonviolent expression of their political views, and to urge the officials concerned to release publicly a list of the names of those individuals.

(c) PROMOTION OF PRINCIPLES TO OTHER NATIONS.—The Secretary of State shall forward a copy of the principles set forth in subsection (b) to the member nations of the Organization for Economic Cooperation and Development and encourage them to promote principles similar to these principles.

SEC. 942. REGISTRATION REQUIREMENT.

(a) IN GENERAL.—The United States parent company of each United States economic cooperation project in the People's Republic of China or Tibet shall register with the Secretary of State and indicate whether the United States economic cooperation project will implement the principles set forth in section 941(b). No fee shall be required for registration under this subsection.

(b) EFFECTIVE DATE.—The registration requirement of subsection (a) shall take effect 6 months after the date of enactment of this Act.

SEC. 943. REPORTING REQUIREMENT.

(a) REPORT.—The United States parent company of each United States economic cooperation project in the People's Republic of China or Tibet shall report to the Department of State describing the United States economic cooperation project's adherence to the principles set forth in section 941(b). The United States parent company providing such report shall do so by completing and submitting a reporting form furnished by the Department of State. The first report shall be submitted not later than 1 year after the date on which the United States economic cooperation project registers under section 942 and not later than the end of each 1-year period occurring thereafter.

(b) REVIEW OF REPORT.—The Secretary of State shall review each report submitted under subsection (a) and determine whether the United States economic cooperation project which is the subject of the report is adhering to the principles. The Secretary may request additional information from the United States parent company submitting the report and from other sources, in order to verify the information submitted.

(c) ANNUAL REPORT.—The Secretary of State shall submit to the Congress and to the Secretariat of the Organization for Economic Cooperation and Development a report describing the level of adherence to the principles by United States economic cooperation projects subject to the reporting requirement of subsection (a). Such report shall be submitted not later than 2 years after the date of enactment of this Act and not later than the end of each 1-year period occurring thereafter.

(d) ASSISTANCE FROM PRIVATE PARTIES.—The Secretary of State may use funds otherwise available to the Secretary for such purposes to enter into contracts with one or more private organizations or individuals to assist the Secretary in carrying out this section.

SEC. 944. DEFINITIONS.

For purposes of this chapter—

(1) the terms "adhere to the principles", "adhering to the principles" and "adherence to the principles" mean—

(A) agreeing to implement the principles set forth in section 941(b);

(B) implementing those principles by taking good faith measures with respect to each such principle; and

(C) reporting accurately to the Department of State on the measures taken to implement those principles;

(2) the term "United States economic cooperation project" means—

(A) an enterprise legally incorporated in the People's Republic of China or Tibet—

(i) which is either—

(I) a wholly owned subsidiary of a corporation, partnership, or other business association organized under the laws of the United States; or

(II) a joint venture undertaken by 2 or more persons, at least 1 of which is a wholly owned subsidiary of a corporation, partnership, or other business association organized under the laws of the United States; and

(ii) which employs more than 50 individuals in the People's Republic of China or Tibet; or

(B) a branch office or representative office of a corporation, partnership, or other business association organized under the laws of the United States, which employs more than 25 employees in the People's Republic of China or Tibet;

(3) the "United States parent company of a United States economic cooperation project" is a corporation, partnership, or other business association organized under the laws of the United States, of which—

(A) the United States economic cooperation project, or (in the case of a United States economic cooperation project that is a joint venture) 1 of the persons undertaking such project, is a wholly owned subsidiary; or

(B) the United States economic cooperation project is a branch office or representative office; and

(4) the term "organized under the laws of the United States" means organized under the laws of the United States, any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

SEC. 945. ENFORCEMENT OF CURRENT LAW.

Beginning 3 months after the date of enactment of this Act, and every 12 months thereafter, the Secretary of State shall submit to the appropriate congressional committees a report describing—

(1) enforcement procedures with respect to the implementation of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307);

(2) steps taken to investigate which goods, wares, articles, or merchandise are mined, produced, or manufactured, in whole or in part, by convict labor or forced labor in the People's Republic of China and Tibet; and

(3) the results of such investigations.

TITLE X—AFRICA

CHAPTER 1—DEVELOPMENT FUND FOR AFRICA

SEC. 1001. DEVELOPMENT FUND FOR AFRICA.

(a) HEALTH AND AIDS PREVENTION.—Section 496(i)(2) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(2) HEALTH AND AIDS PREVENTION.—

"(A) HEALTH.—Improving health conditions, with special emphasis on meeting the health needs of mothers and children (including displaced children) through the establishment of primary health care systems that give priority to preventive health and that will be ultimately self-sustaining.

"(B) ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS).—Preventing and controlling the spread of acquired immune deficiency syndrome (AIDS), with a special emphasis on community-based education programs focused on changing attitudes and behavior.".

(b) MINIMUM LEVELS OF ASSISTANCE FOR CERTAIN CRITICAL SECTORS.—Section 496(j) of that Act is amended to read as follows:

"(j) MINIMUM LEVEL OF ASSISTANCE FOR CERTAIN CRITICAL SECTORS.—The Administrator should target the equivalent of the following percentages of the amount appropriated for each fiscal year to carry out this chapter for each of the following:

"(1) NATURAL RESOURCE BASE.—Ten percent for activities described in subsection (i)(1)(B), including identifiable components of agricultural production projects.

"(2) HEALTH.—Ten percent for activities described in subsection (i)(2)(A).

"(3) AIDS PREVENTION AND CONTROL.—Five percent for activities described in subsection (i)(2)(B). In determining compliance with this paragraph, funds provided through international organizations shall be excluded.

"(4) VOLUNTARY FAMILY PLANNING SERVICES.—Ten percent for activities described in subsection (i)(3).".

(c) SUPPORT FOR SADCC PROJECTS.—Section 496(o)(2) of that Act is amended by inserting "communications;" after "electricity);".

(d) AUTHORIZATIONS OF APPROPRIATIONS.—Section 497 of that Act is amended by inserting before the first sentence the following: "There are authorized to be appropriated to carry out this chapter $1,000,000,000 for each of fiscal years 1992 and 1993.".

CHAPTER 2—OTHER ASSISTANCE FOR AFRICA

SEC. 1021. AFRICAN DEVELOPMENT FOUNDATION.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that the purposes of the African Development Foundation, as set forth in the African Development Foundation Act, which include supporting self-help activities at the local level, fostering effective participation, and encouraging the establishment and growth of indigenous development institutions which can respond to the requirements of the poor, are consistent with the purpose specified in section 496(c) of the Foreign Assistance Act of 1961.

(b) AUTHORIZATIONS OF APPROPRIATIONS.—Section 510 of the African Development Foundation Act is amended by striking out all of the first sentence that follows "purpose," and inserting in lieu thereof "$14,950,000 for fiscal year 1992 and $14,950,000 for fiscal year 1993.".

SEC. 1022. SUPPORT FOR THE SOUTHERN AFRICA DEVELOPMENT COORDINATION CONFERENCE.

(a) FUNDING FOR SADCC PROJECTS FROM DEVELOPMENT FUND FOR AFRICA.—Funds made available for assistance from the Development Fund for Africa for fiscal year 1992 and fiscal year 1993 shall be used to assist sector projects described in section 496(o) of the Foreign Assistance Act of 1961. It is the sense of the Congress that $60,000,000 of such funds for fiscal year 1992 and $75,000,000 of such funds for fiscal year 1993 should be made available to assist such sector projects.

(b) WAIVER OF BROOKE-ALEXANDER AMENDMENT.—Funds made available pursuant to this section may be used without regard to section 691(a)(5) of the Foreign Assistance Act of 1961 or any similar provision.

SEC. 1023. ECONOMIC SUPPORT ASSISTANCE FOR SUB-SAHARAN AFRICA.

Of the amounts made available for economic support assistance, at least $28,300,000 for fiscal year 1992 and $28,300,000 for fiscal year 1993 should be made available only for sub-Saharan Africa.

SEC. 1024. SUPPORT FOR DEMOCRATIZATION IN SUB-SAHARAN AFRICA.

It is the sense of the Congress that the United States should strongly encourage and support efforts to strengthen the independence and effectiveness of democratic institutions in sub-Saharan Africa. The President is encouraged, therefore, to provide substantially increased assistance under section 281 of the Foreign Assistance Act of 1961 (relating to human rights and democratic initiatives) for programs and activities designed to promote the growth and development of democratic institutions, including independent judiciaries, in sub-Saharan Africa.

SEC. 1025. AFRICAN CENTER FOR CONFLICT RESOLUTION.

(a) ESTABLISHMENT.—The Administrator of the Agency for International Development shall take such steps as may be necessary to provide for the establishment of an African Center for Conflict Resolution. The purpose of the center shall be to review, analyze, research, and resolve conflicts on the continent of Africa, including regional, national, and subnational conflicts.

(b) FUNDING.—Funds made available for assistance from the Development Fund for Africa for fiscal year 1992 shall be used to support the establishment of the African Center for Conflict Resolution pursuant to subsection (a).

CHAPTER 3—PROVISIONS RELATING TO SPECIFIC COUNTRIES

SEC. 1041. LIMITED ASSISTANCE FOR ANGOLA.

(a) DEMOCRACY-BUILDING AND OTHER ASSISTANCE.—Beginning with fiscal year 1992, the President shall provide—

(1) nonpartisan election and democracy-building assistance to Angola for support in developing democratic institutions and supporting such institutions; and

(2)(A) assistance for the voluntary relocation and resettlement of refugees and displaced persons, and the demobilization and retraining of former military members of the National Union for the Total Independence of Angola (UNITA) and the armed forces of the Government of the People's Republic of Angola,

(B) humanitarian assistance, with a special emphasis on the medical needs of children, and

(C) other appropriate assistance to implement the Angola peace accords.

(b) SUPERSEDING EXISTING LAW.—Assistance under this section shall be provided without regard to any provision of law which prohibits direct or indirect assistance for Angola.

(c) PROHIBITION.—In the event that the Government of the People's Republic of Angola or the National Union for the Total Independence of Angola systematically violates the Angola peace accords, then none of the funds made available under this section may thereafter be obligated or expended for Angola.

(d) REPORTING REQUIREMENT.—The Secretary of State shall submit a report to the Congress on June 1, 1992, and every 6 months thereafter, providing details of how funds have been used under this section.

(e) DEFINITION.—As used in this section, the term "Angola peace accords" means the document entitled Fundamental Principles for the Establishment of Peace in Angola, done at Lisbon on May 31, 1991.

SEC. 1042. BURUNDI.

For fiscal years 1992 and 1993, in determining whether to furnish assistance under the Foreign Assistance Act of 1961 to Burundi, the President shall take into account that the Government of Burundi—

(1) has made substantial progress in reforming its military by engaging in a massive Hutu recruitment program, which is unprecedented in Burundi history;

(2) has taken important steps to reverse the pattern of discrimination against the Hutu; and

(3) has embarked on a major repatriation effort to accommodate the return of thousands of Hutu who fled the country in fear.

SEC. 1043. KENYA.

(a) STATEMENTS OF POLICY.—The Congress—

(1) condemns the arrest and detention of Kenyan citizens for the peaceful expression of their political views;

(2) condemns the Government of Kenya's disregard of human rights and fundamental freedoms;

(3) calls upon the Government of Kenya to end the intimidation and harassment of those who are critical of government policies and those working for democracy in Kenya, particularly individuals within the church, the press, and the legal and academic communities;

(4) calls upon the Government of Kenya to respect internationally recognized human rights, including implementing effective safeguards to ensure freedom of the press, the independence of the judiciary, and the rights of individuals imprisoned or detained by the government; and

(5) calls upon the Government of Kenya to permit access to Somalian refugees in Kenya by relief agencies, including nongovernmental organizations and the United Nations High Commissioner for Refugees.

(b) ASSISTANCE AND MILITARY SALES.—

(1) SUSPENSION.—Subject to paragraph (2), economic and military assistance to Kenya shall be suspended as of the date of the enactment of this Act. This subsection applies to any economic and military assistance for fiscal year 1990, 1991, 1992, or 1993 (including deliveries of assistance obligated for fiscal year 1990 or 1991).

(2) WAIVER.—The President may waive the restriction in paragraph (1) if the President determines and reports to the appropriate congressional committees that the Government of Kenya is taking steps to—

(A) release political detainees and end the prosecution of individuals for the expression of their political beliefs;

(B) cease any physical abuse or mistreatment of prisoners;

(C) restore judicial independence; and

(D) restore freedom of expression to the people of Kenya.

(3) DEFINITION.—For purposes of this subsection, the term "economic and military assistance" means economic support assistance and foreign military financing assistance.

SEC. 1044. LIBERIA.

(a) FINDINGS.—The Congress finds that—

(1) as a result of a protracted civil war, a general breakdown of law and order, the displacement of up to one-half of the country's population, the destruction of significant sections of the infrastructure, and the resulting economic collapse, the people of Liberia are suffering from—

(A) severe malnutrition and life-threatening disease conditions;

(B) a total collapse of Liberia's agricultural market due to abandoned farmlands and displaced farmers; and

(C) a nationwide dismantling of the health, educational, and sanitation systems; and

(2) because of a long, historical, and special relationship with the Republic of Liberia, it is in the interest of the United States and the international community to respond to the urgent needs of the people of Liberia and to assist in every way possible that country's effort to restore democracy and promote democratic institutions.

(b) STATEMENT OF POLICY REGARDING ASSISTANCE FOR LIBERIA.—It is the policy of the United States to continue to commit increased diplomatic resources for the purposes of resolving the fundamental political conflicts that underlie the protracted humanitarian emergency in Liberia.

(c) SUPPORT FOR PEACEKEEPING EFFORTS.—It is the sense of the Congress that the President should continue to support the peacekeeping efforts in Liberia being carried out by the Economic Community of West African States (ECOWAS).

(d) USE OF FUNDS TO SUPPORT PEACEKEEPING EFFORTS.—

(1) IN GENERAL.—Funds authorized to be appropriated by this Act for foreign military financing assistance and funds described in paragraphs (2) and (3) may be made available, notwithstanding any provision of law that restricts eligibility for assistance, to support the efforts of the Economic Community of West African States (ECOWAS) to expand the military involvement of its members in peacekeeping efforts in Liberia.

(2) USE OF FMF PIPELINE FUNDS.—The President is authorized to deobligate any funds that have been obligated for foreign military financing assistance for any prior fiscal year but that are unexpended on the date of enactment of this Act and use such funds pursuant to paragraph (1).

(3) USE OF ESF PIPELINE FOR LIBERIA FUNDS.—The President is authorized to deobligate funds that have been obligated for economic support assistance for Liberia for any prior fiscal year but that are unexpended on the date of enactment of this Act and use such funds pursuant to paragraph (1).

(4) REQUIREMENT FOR APPROPRIATIONS ACTION.—The authority provided in this subsection may be exercised only to the extent provided in advance in an appropriations Act.

(e) INTERNATIONAL DISASTER ASSISTANCE FOR LIBERIA.—Chapter 9 of part I of the Foreign Assistance Act of 1961, as amended by chapter 6 of title IV of this Act, is amended by inserting after section 493 the following new section:

"SEC. 494. LIBERIAN CIVIL STRIFE ASSISTANCE.

"(a) IN GENERAL.—The President is authorized to provide assistance for civil strife relief, rehabilitation, and general recovery in Liberia. In providing such assistance, priority shall be given to activities that—

"(1) coordinate and enhance the efforts of the United States, Liberia, and international private and voluntary organizations to provide relief, rehabilitation, and recovery projects in Liberia;

"(2) assist in the restoration of services in Liberia that provide water and power;

"(3) encourage and facilitate the provision of health care, including activities relating to the provision of primary health care;

"(4) encourage and facilitate the restoration of educational services, including activities relating to the provision of educational services to displaced children; and

"(5) contribute to efforts by the international community to respond to the relief and development needs of the people of Liberia.

"(b) HUMANITARIAN PURPOSES.—Assistance provided under this section shall be for humanitarian purposes.

"(c) AVAILABILITY OF FUNDS.—Funds made available for the purposes of this chapter may be used to carry out this section.

"(d) GENERAL POLICIES AND AUTHORITIES.—Except as otherwise provided in this section, assistance under this section shall be furnished in accordance with the policies and general authorities contained in section 491.".

(f) RESTRICTIONS ON ASSISTANCE TO LIBERIA.—For fiscal years 1992 and 1993, assistance under the Foreign Assistance Act of 1961 may be pro-

vided to the Government of Liberia only if the President determines and reports to the Congress that the Government of Liberia has achieved substantial progress toward reconciliation and toward free and fair elections that are monitored by international observers. This subsection shall not be construed to affect the provision of humanitarian assistance or the provision of assistance to nongovernmental organizations for activities to enhance progress toward reconciliation and free and fair elections in Liberia.

(g) WAIVER OF BROOKE-ALEXANDER AMENDMENT.—Assistance may be provided under this section notwithstanding section 691(a)(5) of the Foreign Assistance Act of 1961 or any similar provision.

SEC. 1045. MALAWI.

(a) FINDINGS.—The Congress finds that—

(1) the Government of Malawi has provided refuge to some 920,000 refugees from Mozambique despite great costs to the Malawian economy, and since 1986 has generously supported the work of the United Nations High Commissioner for Refugees;

(2) President H. Kamazu Banda has ruled Malawi since 1964, and his rule has been characterized by severe repression and abuses of human rights, including political imprisonment, torture, unfair trials, and deaths in detention;

(3) the Government of Malawi continues to detain without charge or trial a number of prominent Malawian citizens because of their political views, including Goodluck Mhango, Aleke Banda, Orton and Vera Chirwa, and approximately 20 other prisoners;

(4) according to the Department of State's Country Reports on Human Rights Practices for 1990, the Government of Malawi restricts freedom of the press and prohibits political meetings outside the framework of the ruling party; and

(5) the Malawi Young Pioneers are a force in the suppression of freedom of expression and in the intimidation of Malawian citizens, hindering prospects for the democratization of the country.

(b) STATEMENTS OF POLICY.—The Congress—

(1) recognizes and commends the Banda Government's response to the influx of refugees from Mozambique;

(2) condemns the abuse of human rights of Malawian citizens which has characterized the Banda presidency; and

(3) urges President Banda to release remaining prisoners of conscience, to end incommunicado detention and torture and abuse of prisoners, and to permit freedom of speech and association in Malawi.

(c) RESTRICTIONS ON MILITARY ASSISTANCE.—For fiscal years 1992 and 1993, foreign military financing assistance for Malawi—

(1) may not be provided for the Malawi Young Pioneers; and

(2) may only be provided to support the Malawian military's effort to secure the Nacala Railroad, for programs which support conservation and biological diversity, and for military activities which assist in the Mozambique peace process, including the protection of Mozambican refugees.

SEC. 1046. MOZAMBIQUE.

(a) STATEMENTS OF POLICY.—It shall be the policy of the United States—

(1) to give priority to encouraging a constitutional transition to multiparty democracy in Mozambique and to securing a fair negotiated political settlement between the Government of Mozambique and Mozambique National Resistance (RENAMO), which includes a cease-fire and free and fair elections;

(2) to continue to expand its bilateral development assistance to Mozambique through appropriate private and public channels and through the Southern African Development Coordination Conference (SADCC); and

(3) to encourage international support for adequate levels of emergency humanitarian assistance (including food, medical care, shelter, and agricultural assistance) for the one-third of Mozambique's population that is displaced or otherwise at-risk in that country, as well as the approximately 1,000,000 Mozambican refugees located in neighboring countries.

(b) RELATION OF ASSISTANCE TO HUMAN RIGHTS.—The provision to Mozambique of economic support assistance and foreign military financing assistance for fiscal years 1992 and 1993 shall bear a relation to significant steps by the Government of Mozambique to increase respect for internationally recognized human rights in Mozambique, and thereby promote a political settlement to the conflict in the country.

SEC. 1047. SOUTH AFRICA.

(a) ASSISTANCE FOR SOUTH AFRICA.—Chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by inserting after title IX the following:

"TITLE X—SOUTH AFRICA

"SEC. 291. SOUTH AFRICA.

"It is the sense of the Congress that—

"(1) the United States should support the elimination of apartheid and the establishment of democratic majority rule in South Africa through a comprehensive policy to bring about a nonracial democracy;

"(2) this policy should include, among other measures, assistance for disadvantaged South African groups and organizations which are neither controlled nor financed by the Government of South Africa, and such assistance should include the encouragement of private investment in firms owned by disadvantaged South Africans consistent with the Comprehensive Anti-Apartheid Act of 1986, scholarships, assistance to promote the participation of disadvantaged South Africans in trade unions and private enterprise, and alternative education and community development programs;

"(3) United States firms in South Africa should provide similar assistance; and

"(4) the President should seek the cooperation of United States allies in Western Europe and Japan to join in similar multilateral initiatives to aid disadvantaged South Africans.

"SEC. 292. FOSTERING A JUST SOCIETY AND HELPING VICTIMS OF APARTHEID IN SOUTH AFRICA.

"(a) USE OF FUNDS.—Of the amounts made available to carry out section 281 of this Act, $1,500,000 for each fiscal year should be made available for grants to nongovernmental organizations in South Africa promoting political, economic, social, judicial, and humanitarian efforts to foster a just society and to help victims of apartheid.

"(b) PRIORITIES.—In making grants under this section, priority should be given to those organizations or activities which contribute, directly or indirectly, to promoting a just society, to aiding victims of official discrimination, and to the nonviolent elimination of apartheid. Priority should also be given to those organizations whose programs and activities evidence community support.

"(c) POLITICAL PRISONERS; NONVIOLENT RESISTANCE TO APARTHEID.—Of the funds made available to carry out this section each fiscal year, not less than $500,000 should be made available for—

"(1) direct legal and other assistance to political detainees and prisoners and their families, including the investigation of the killing of protesters and prisoners; and

"(2) support for actions of black-led community organizations to resist, through nonviolent means, the enforcement of apartheid policies.

"(d) LIMITATIONS.—Grants may be made under this section only for organizations whose character and membership reflect the objective of a majority of South Africans for an end to the apartheid system of separate development and for interracial cooperation and justice. Grants may not be made under this section to governmental institutions or organizations or to organizations financed or controlled by the Government of South Africa.

"SEC. 293. ASSISTANCE FOR DISADVANTAGED SOUTH AFRICANS.

"(a) ASSISTANCE AUTHORIZED.—Funds made available each fiscal year for economic support assistance, development assistance, and assistance from the Development Fund for Africa may be made available for assistance for disadvantaged South Africans, notwithstanding any other provision of law.

"(b) ACTIVITIES SUPPORTED.—Assistance furnished under this section and, in the case of paragraph (3), under section 292—

"(1) shall be provided for activities that are consistent with the objective of a majority of South Africans for an end to the apartheid system and the establishment of a society based on nonracial principles;

"(2) should, in the case of education programs, to the maximum extent possible, be used for study within South Africa and place greater emphasis on improving primary and secondary education in South Africa; and

"(3) shall give priority to working with and through South African nongovernmental organizations whose leadership and staff are selected on a nonracial basis, and which have the support of the disadvantaged communities being served by such organizations.

"(c) USES OF ASSISTANCE.—

"(1) ASSISTANCE WITHIN FY 1991 LEVELS.—

"(A) USE.—During each fiscal year, $40,000,000 of the funds made available pursuant to subsection (a) shall be used for assistance for such activities as scholarships, assistance to promote the participation of disadvantaged South Africans in trade unions and private enterprise, and alternative education and community development programs.

"(B) LIMITATION.—Assistance furnished under this paragraph may not be used to provide support to organizations or groups which are financed or controlled by the Government of South Africa. This paragraph shall not be construed to prohibit or limit scholarship or bursaries programs.

"(2) ASSISTANCE IN EXCESS OF $40,000,000.—

"(A) USE.—During each fiscal year, funds made available pursuant to subsection (a) that are in excess of $40,000,000 may be used for assistance for programs only in the health, education, and housing sectors.

"(B) LIMITATION.—Except as provided in subparagraph (C), assistance furnished under this paragraph may not be used to provide support to organizations or groups which are financed or controlled by the Government of South Africa. This subparagraph shall not be construed to prohibit or limit scholarship or bursaries programs.

"(C) EXCEPTION.—Notwithstanding subparagraph (B), assistance under this paragraph may be furnished through nongovernmental organizations to support health, educational, and housing institutions or facilities even if such institutions or facilities are financed or controlled by the Government of South Africa if the President—

"(i) consults with the appropriate congressional committees before making a determination under clause (ii); and

"(ii) determines, and so reports to the Congress 15 days in advance of the proposed obligation of funds in accordance with the procedures applicable to reprogramming notifications under section 634A of this Act, that—

"(I) the provision of assistance to such institutions or facilities is in support of the objec-

tives of this section to assist disadvantaged South Africans, and

"(II) the Government of South Africa is continuing to make progress toward dismantling apartheid and establishing a nonracial democracy.

"(d) CONSULTATION WITH SOUTH AFRICAN ORGANIZATIONS; COMMITMENT BY SOUTH AFRICAN GOVERNMENT.—Before obligating any funds under this section, the President should—

"(1) consult with South African organizations representative of the majority population of South Africa; and

"(2) seek a commitment from the Government of South Africa that it will provide additional resources to meet the needs of disadvantaged South Africans.

"(e) REPORTS TO CONGRESS.—Beginning on January 1, 1992, and every 6 months thereafter, the President shall submit to the Congress a report describing the extent and type of assistance provided under this section during the preceding 6-month period.".

(b) LIMITATION ON ASSISTANCE.—Assistance for any fiscal year under the Foreign Assistance Act of 1961, including assistance with funds appropriated before the date of enactment of this Act, may not be delivered to the Communist Party of South Africa or any affiliated or associated organization. The President shall undertake efforts to ensure that recipients of United States assistance in South Africa are not engaged in violations of internationally recognized human rights, including the unlawful detention of individuals, and do have in place democratic processes for internal decisionmaking and the selection of leaders.

SEC. 1048. ZAIRE.

(a) FINDINGS.—The Congress finds that—

(1) the people of the United States and the people of Zaire have cooperated in educational programs, cultural affairs, foreign policy issues, and economic development efforts in the 30 years since the independence of Zaire;

(2) the people of the United States support the development of democratic institutions in Zaire that reflect the will of the people of Zaire;

(3) in a speech given on April 24, 1990, President Mobutu Sese Seko of Zaire stated that he was committed to the establishment of a multiparty democracy and the holding of free and fair elections in Zaire;

(4) the people of Zaire have clearly endorsed the introduction of political pluralism in Zaire, as reflected in the establishment of political parties, and have engaged in public debate on the political future of Zaire;

(5) there are continued reports of arrests and other harassment of persons attempting to exercise their rights;

(6) in May 1990, students in Lubumbashi University were violently attacked by Zairian security forces, leading to an undetermined number of casualties;

(7) in April 1991, security forces attempted to suppress political rallies in Lubumbashi and Mbuji-Mayi, provoking a confrontation that led to the death and injury of dozens of Zairian civilians;

(8) to ensure a successful political transition which enjoys credibility in Zaire, the process that culminates in national elections must have the strong support of a broad spectrum of Zairian society, including all major opposition political parties, as well as labor, professional, and other nongovernmental organizations, and the direct participation of these groups in drafting a new constitution and in organizing the procedures and the timing of national elections; and

(9) important elements of that process will include—

(A) respect for freedoms of expression, association, and assembly;

(B) fair access to the broadcast media for opposition candidates and parties;

(C) an electoral law and procedures that guarantee fairness; and

(D) an effective transition government that is politically neutral.

(b) STATEMENT OF THE CONGRESS.—The Congress—

(1) congratulates all the people of Zaire for their efforts to form political parties and encourage political pluralism in their country;

(2) urges the Government of Zaire to agree to the establishment of independent international inquiries into attacks on students at Lubumbashi University in May 1990, and into the incidents at Lubumbashi and Mbuji-Mayi in April 1991;

(3) urges the Government of Zaire to implement quickly and fully the commitment to provide fair access to the broadcast media for opposition candidates and parties;

(4) urges the Government of Zaire to ensure respect for freedom of expression, association, and assembly at all levels and throughout Zaire and to protect from harassment all citizens exercising their democratic rights;

(5) urges the creation of a politically neutral transition government with full authority for administering the country prior to national elections, including effective control over security forces and finances;

(6) urges the direct participation of a broad spectrum of Zairian society, including all major opposition political parties, as well as labor, professional, and other nongovernmental organizations, in the drafting of a new constitution;

(7) stresses the importance of an electoral law and electoral procedures that guarantee impartiality in electoral administration, provide adequate resources and legal authority to those responsible for administering the elections, allow an adequate time period for newly established political parties to organize and campaign, and permit international election observers; and

(8) expresses its readiness to explore ways of providing support to facilitate the holding of free and fair elections in Zaire.

(c) FOREIGN MILITARY FINANCING ASSISTANCE.—Except as provided in subsection (g), foreign military financing assistance may not be provided for Zaire for fiscal years 1992 and 1993.

(d) INTERNATIONAL MILITARY EDUCATION AND TRAINING.—Except as provided in subsection (g), international military education and training may not be provided for Zaire for fiscal years 1992 and 1993.

(e) ECONOMIC SUPPORT ASSISTANCE.—Except as provided in subsection (g), economic support assistance may not be provided for Zaire for fiscal years 1992 and 1993.

(f) DEVELOPMENT ASSISTANCE.—Except as provided in subsection (g), for fiscal years 1992 and 1993 assistance from the Development Fund for Africa and development assistance shall not be transferred to the Government of Zaire. This subsection does not prohibit nongovernmental organizations from working with appropriate ministries or departments of the Government of Zaire.

(g) WAIVER IF THERE ARE FREE AND FAIR ELECTIONS.—

(1) AUTHORIZATION.—The President may waive the prohibitions in subsections (c) through (f) if the President determines, and reports in accordance with paragraph (2), that free and fair national elections have been held in Zaire and that the elected government demonstrates a commitment to bring about freedom of expression for the people of Zaire, a reformed and independent judiciary, and reform of, and applications of the rule of law to, Zaire security forces.

(2) CONGRESSIONAL REVIEW OF DETERMINATION.—A determination under paragraph (1) shall not become effective until 15 days after it is reported to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(3) CONGRESSIONAL REVIEW OF ASSISTANCE.—If the President has made the determination required by paragraph (1), the President shall notify the appropriate congressional committees, in accordance with the procedures applicable to reprogramming notifications under section 634A of that Act, at least 15 days before obligating any funds for any assistance for Zaire described in subsections (c) through (f).

CHAPTER 4—HORN OF AFRICA RECOVERY AND FOOD SECURITY

SEC. 1061. FINDINGS.

The Congress makes the following findings:

(1) The Horn of Africa (the region comprised of Ethiopia, Somalia, Sudan, and Djibouti) is characterized by an extraordinary degree of food insecurity as a result of war, famine, mounting debt, recurrent drought, poverty, and agricultural disruption, as well as gross violations of human rights, political repression, environmental destruction, and the breakdown of such essential services as primary education and health care.

(2) Internal conflict and famine have killed an estimated 2,000,000 people in Ethiopia, Sudan, and Somalia since 1985, and generated another 8,000,000 displaced persons and refugees, a number so high as to make millions wards of the United Nations and the international community. Relief officials now estimate that another 15,000,000 to 20,000,000 people are threatened by starvation as civil war and drought continue to ravage the area.

(3) Governments and armed opposition groups in Ethiopia, Sudan, and Somalia have been guilty of gross violations of human rights, which further erode food security in those countries.

(4) Assistance policies have failed in large part because of political and economic insecurity, which have prevented the development of programs to achieve sustainable development and programs to achieve food security.

(5) Appropriate assistance should promote real food security, which means access by all people at all times to enough food for an active and healthy life and the availability of sufficient income and food to prevent chronic dependency upon food assistance.

(6) The end of the Cold War rivalries in the Horn of Africa affords the United States the opportunity to develop a policy which addresses the extraordinary food security problem in the region.

(7) Notwithstanding other pressing needs, the United States must accordingly fashion a new foreign policy toward the Horn of Africa and cooperate with other major donors and the United Nations—

(A) to develop an emergency relief plan which meets the immediate basic human needs that arise as long as civil strife and famine afflict the region;

(B) to promote immediately cease-fires, secure relief corridors, and an end to these conflicts; and

(C) to provide creative developmental assistance which attacks the root causes of famine and war and assists these nations on the path to long-term security, reconstruction, voluntary repatriation, economic recovery, democracy, and peace, and which targets assistance to assist the poor majority more effectively.

SEC. 1062. STATEMENT OF POLICY REGARDING INDIVIDUAL COUNTRIES.

(a) ETHIOPIA.—It is the sense of the Congress that the President should—

(1) call upon the authorities who now exercise control over the central government in Ethiopia

to protect the basic human rights of all citizens, to release from detention all political prisoners and other detainees who were apprehended by the Mengistu regime, and to facilitate the distribution of international relief and emergency humanitarian assistance throughout the country;

(2) urge all authorities in Ethiopia to make good faith efforts to—

(A) make permanent the cease-fire now in place and to permit the restoration of tranquility in the country, and

(B) make arrangements for a transitional government that is broadly-based, that accommodates all appropriate points of view, that respects human rights, and that is committed to a process of reform leading to the writing of a constitution and the establishment of representative government; and

(3) support efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future, and call upon the authorities in Eritrea to keep open the ports of Mitsiwa and Aseb and to continue to permit the use of those ports for the delivery and distribution of humanitarian assistance to Eritrea and to Ethiopia as a whole.

(b) SOMALIA.—It is the sense of the Congress that the President should—

(1) use whatever diplomatic steps he considers appropriate to encourage a peaceful and democratic solution to the problems in Somalia;

(2) commit increased diplomatic resources and energies to resolving the fundamental political conflicts which underlie the protracted humanitarian emergencies in Somalia; and

(3) ensure, to the maximum extent possible and in conjunction with other donors, that emergency humanitarian assistance is being made available to those in need, and that none of the beneficiaries belong to military or paramilitary units.

(c) SUDAN.—It is the sense of the Congress that the President should—

(1) urge the Government of Sudan and the Sudanese People's Liberation Army to adopt at least a temporary cessation of hostilities in order to assure the delivery of emergency relief to civilians in affected areas;

(2) encourage active participation of the international community to meet the emergency relief needs of Sudan; and

(3) take steps to achieve a permanent peace.

SEC. 1063. HORN OF AFRICA RELIEF AND REHABILITATION PROGRAM.

(a) EQUITABLE DISTRIBUTION OF RELIEF AND REHABILITATION ASSISTANCE.—It should be the policy of the United States in promoting equitable distribution of relief and rehabilitation assistance in the Horn of Africa—

(1) to assure noncombatants (particularly refugees and displaced persons) equal and ready access to all food, emergency, and relief assistance and, if relief or relief agreements are blocked by one faction in a region, to continue supplies to the civilian population located in the territory of any opposing faction;

(2) to provide relief, rehabilitation, and recovery assistance to promote self-reliance; and

(3) to assure that relief is provided on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

(b) MAXIMIZING INTERNATIONAL RELIEF EFFORTS.—It should be the policy the United States in seeking to maximize relief efforts for the Horn of Africa—

(1) to redouble its commendable efforts to secure safe corridors of passage for emergency food and relief supplies in affected areas and to expand its support for the growing refugee population;

(2) to commit sufficient resources under title II of the Agricultural Trade Development and Assistance Act of 1954 (relating to emergency and private assistance programs), and under chapter 9 of part I of the Foreign Assistance Act of 1991 (relating to international disaster assistance), to meet urgent needs in the region and to utilize unobligated security assistance to bolster these resources;

(3) to consult with member countries of the European Community, Japan, and other major donors in order to increase overall relief and developmental assistance for the people in the Horn of Africa;

(4) to lend the full support of the United States to all aspects of relief operations in the Horn of Africa, and to work in support of United Nations and other international and voluntary agencies, in breaking the barriers currently threatening the lives of millions of refugees and others in need; and

(5) to urge the Secretary General of the United Nations to immediately appoint United Nations field coordinators for each country in the Horn of Africa who can act with the Secretary General's full authority.

(c) HORN OF AFRICA CIVIL STRIFE AND FAMINE ASSISTANCE.—

(1) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide international disaster assistance under chapter 9 of part I of the Foreign Assistance Act of 1961 for civil strife and famine relief and rehabilitation in the Horn of Africa.

(2) DESCRIPTION OF ASSISTANCE TO BE PROVIDED.—Assistance pursuant to this subsection shall be provided for humanitarian purposes and shall include—

(A) relief and rehabilitation projects to benefit the poorest people, including—

(i) the furnishing of seeds for planting, fertilizer, pesticides, farm implements, crop storage and preservation supplies, farm animals, and vaccine and veterinary services to protect livestock;

(ii) blankets, clothing, and shelter;

(iii) emergency health care; and

(iv) emergency water and power supplies;

(B) emergency food assistance (primarily wheat, maize, other grains, processed foods, and oils) for the affected and displaced civilian population of the Horn of Africa; and

(C) inland and ocean transportation of, and storage of, emergency food assistance, including the provision of trucks.

Assistance described in subparagraphs (B) and (C) shall be in addition to any such assistance provided under title II of the Agricultural Trade Development and Assistance Act of 1954.

(3) USE OF PVOS FOR RELIEF, REHABILITATION, AND RECOVERY PROJECTS.—Assistance under this subsection should be provided, to the maximum extent possible, through United States, international, and indigenous private and voluntary organizations.

(4) MANAGEMENT SUPPORT ACTIVITIES.—Up to two percent of the amount made available for each fiscal year under paragraph (5) for use in carrying out this subsection may be used by the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 for management support activities associated with the planning, monitoring, and supervision of emergency humanitarian and food assistance in the Horn of Africa provided under this subsection and subsection (d).

(5) TRANSFER OF SECURITY ASSISTANCE FUNDS.—The authority of section 610 of the Foreign Assistance Act of 1961 may be used to transfer for use in carrying out this subsection, without regard to the 20-percent increase limitation contained in that section, unobligated security assistance funds made available for fiscal year 1992 and 1993. As used in this paragraph, the term "security assistance funds" means funds available for economic support assistance, foreign military financing assistance, or international military education and training.

(d) EMERGENCY FOOD ASSISTANCE.—The President is urged to use the authorities of title II of the Agricultural Trade Development and Assistance Act of 1954 to provide supplemental emergency food assistance for the various civilian victims of civil strife in the Horn of Africa, in accordance with paragraphs (2)(B), (2)(C), and (3) of subsection (c), in addition to the assistance otherwise provided for such purposes.

SEC. 1064. HORN OF AFRICA PEACE INITIATIVE.

(a) SUPPORT FOR GRASSROOTS PARTICIPATION.—It shall be the policy of the United States in promoting peace and development in the Horn of Africa—

(1) to support expanded pluralistic and popular participation, the process by which all groups of people are empowered to involve themselves directly in creating the structures, policies, and programs to contribute to equitable economic development, and to local, national, and regional peace initiatives;

(2) to ensure that all citizens enjoy the protection of civil, political, economic, social, religious, and cultural rights, an independent judiciary, and representative governmental institutions, regardless of gender, religion, ethnicity, occupation, or association; and

(3) to provide assistance to indigenous nongovernmental institutions that carry out activities in government-controlled or opposition-controlled territories and have the capacity or potential to promote conflict resolution, to advance development programs, or to carry out relief activities such as those described in section 1063(c)(2).

(b) CONSULTATIONS.—The President is encouraged to undertake immediate consultations with the Soviet Union and other countries, with armed and unarmed parties in the Horn of Africa, and with the Secretary General of the United Nations, in order to bring about negotiated settlements of the armed conflicts in the Horn of Africa.

(c) MECHANISMS.—It is the sense of the Congress that, to best achieve the policy under subsection (a), the President should—

(1) direct the United States representative to the United Nations to—

(A) urge the Secretary General of the United Nations to make cease-fires, safe corridors for emergency relief, and negotiated settlements of the armed conflicts in the Horn of Africa a high and urgent priority;

(B) propose that the United Nations Security Council establish a United Nations arms embargo to end the supply of arms to the region, pending the resolution of civil wars and other armed conflicts; and

(C) pledge diplomatic and material resources for enhanced United Nations peacekeeping and peacemaking activities in the region, including monitoring of cease-fires;

(2) play an active and ongoing role in other fora in pressing for negotiated settlements to armed conflicts in the Horn of Africa; and

(3) support and participate in regional and international peace consultations that include broad representation from the countries and factions concerned.

SEC. 1065. HORN OF AFRICA FOOD SECURITY AND RECOVERY STRATEGY.

(a) TARGETING ASSISTANCE TO AID THE POOR MAJORITY; USE OF PVOS AND INTERNATIONAL ORGANIZATIONS.—

(1) TARGETING ASSISTANCE.—United States developmental assistance for the Horn of Africa should be targeted to aid the poor majority of the people of the region (particularly refugees, women, the urban poor, and small-scale farmers and pastoralists) to the maximum extent prac-

ticable. United States Government aid institutions should seek to—

(A) build upon the capabilities and experiences of United States, international, and indigenous private and voluntary organizations active in local grassroots relief, rehabilitation, and development efforts;

(B) consult closely with such organizations and significantly incorporate their views into the policymaking process; and

(C) support the expansion and strengthening of their activities without compromising their private and independent nature.

(2) PVOs AND INTERNATIONAL ORGANIZATIONS.—While support from indigenous governments is crucial, sustainable development and food security in the Horn of Africa should be enhanced through the active participation of indigenous private and voluntary organizations, as well as international private and voluntary organizations, and international organizations that have demonstrated their ability to work as partners with local nongovernmental organizations and are committed to promoting local grassroots activities on behalf of long-term development and self-reliance in the Horn of Africa.

(3) POLICY ON ASSISTANCE TO GOVERNMENTS.—United States assistance should not be provided to the Government of Ethiopia, the Government of Somalia, or the Government of Sudan until concrete steps toward peace, democracy, and human rights are taken in the respective country.

(4) SUPPORT FOR PVOS.—Meanwhile, the United States should provide developmental assistance to those countries by supporting United States, indigenous, and international private and voluntary organizations working in those countries. Such assistance should be expanded as quickly as possible.

(b) EXAMPLES OF PROGRAMS.—Assistance pursuant to this section should include programs to—

(1) reforest and restore degraded natural areas and reestablish resource management programs;

(2) reestablish veterinary services, local crop research, and agricultural development projects;

(3) provide basic education, including efforts to support the teaching of displaced children, and rebuild schools;

(4) educate young people outside of their countries if conflict within their countries continues;

(5) reconstitute and expand the delivery of primary and maternal health care; and

(6) establish credit, microenterprise, and income generation programs for the poor.

(c) VOLUNTARY RELOCATION AND REPATRIATION.—Assistance pursuant to this section should also be targeted to the voluntary relocation and voluntary repatriation of displaced persons and refugees after peace has been achieved. Assistance pursuant to this chapter may not be made available for any costs associated with any program of involuntary or forced resettlement of persons.

(d) DEBT RELIEF; INTERNATIONAL FUND FOR RECONSTRUCTION.—Developmental assistance for the Horn of Africa should be carried out in coordination with long-term strategies for debt relief of countries in the region and with emerging efforts to establish an international fund for reconstruction of developing countries which settle civil wars within their territories.

(e) ASSISTANCE THROUGH PVOS AND INTERNATIONAL ORGANIZATIONS.—Unless a certification has been made with respect to that country under section 1067, development assistance and assistance from the Development Fund for Africa for Ethiopia, Somalia, and Sudan shall be provided only through—

(1) United States, international, and indigenous private and voluntary organizations (as the term "private and voluntary organization" is defined in section 496(e)(2) of the Foreign Assistance Act of 1961); or

(2) through international organizations that have demonstrated effectiveness in working in partnership with local nongovernmental organizations and are committed to the promotion of local grassroots activities on behalf of development and self-reliance in the Horn of Africa (such as the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program).

This subsection does not prohibit the organizations referred to in paragraphs (1) and (2) from working with appropriate ministries or departments of the respective governments of such countries.

(f) WAIVER OF RESTRICTIONS.—Assistance pursuant to this section may be made available to Ethiopia, Somalia, and Sudan notwithstanding any provision of law (other than the provisions of this chapter) that would otherwise restrict assistance to such countries.

(g) UNITED STATES VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS FOR DEVELOPMENTAL ASSISTANCE FOR THE HORN OF AFRICA.—It should be the policy of the United States to provide increasing voluntary contributions to United Nations agencies (including the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program) for expanded programs of assistance for the Horn of Africa and for refugees from the Horn of Africa who are in neighboring countries.

(h) DEVELOPMENTAL ASSISTANCE AUTHORITIES.—Assistance to carry out this section shall be provided pursuant to the authorities of chapter 1 of part I (relating to development assistance) and chapter 10 of part I (relating to the Development Fund for Africa) of the Foreign Assistance Act of 1961.

SEC. 1066. PROHIBITIONS ON SECURITY ASSISTANCE TO ETHIOPIA, SOMALIA, AND SUDAN.

(a) PROHIBITION.—Economic support assistance, foreign military financing assistance, and international military education and training may not be provided for fiscal year 1992 or 1993 for the Government of Ethiopia, the Government of Somalia, or the Government of Sudan unless the President makes the certification described in section 1067 with respect to that government.

(b) ASSISTANCE FOR ETHIOPIA; CONDITIONAL WAIVER OF BROOKE-ALEXANDER AMENDMENT.—If the President makes the certification described in section 1067 with respect to the Government of Ethiopia, the President may provide economic support assistance, foreign military financing assistance, and international military education and training for Ethiopia for fiscal years 1992 and 1993 notwithstanding section 691(a)(5) of the Foreign Assistance Act of 1961 or any similar provision.

SEC. 1067. CERTIFICATION.

The certification required by sections 1065(e) and 1066 is a certification by the President to the appropriate congressional committees that the government of the specified country—

(1) has begun to implement peace agreements, national reconciliation agreements, or both;

(2) has demonstrated a commitment to human rights within the meaning of sections 283 and 691(a)(2) of the Foreign Assistance Act of 1961;

(3) has manifested a commitment to democracy, has held, or established a timetable for, free and fair elections, and has agreed to implement the results of those elections; and

(4) in the case of a certification for purposes of section 1065(e), has agreed to distribute developmental assistance on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

SEC. 1068. REPORTING REQUIREMENT.

Not later than 180 days after the date of enactment of this Act and each 180 days thereafter, the President shall submit a report to the appropriate congressional committees on the efforts and progress made in carrying out this chapter.

CHAPTER 5—OTHER PROVISIONS

SEC. 1081. UNITED STATES TRADE RESTRICTIONS ON PRODUCTS FROM SUB-SAHARAN AFRICA.

It is the sense of the Congress that special efforts should be undertaken to reduce trade barriers and to promote economic interchange between the United States and developing countries in sub-Saharan Africa.

SEC. 1082. RECOGNITION OF SUB-SAHARAN AFRICAN SUPPORT DURING THE PERSIAN GULF CRISIS.

It is the sense of Congress that—

(1) the countries of Sub-Saharan Africa which supported United Nations efforts in the Persian Gulf conflict are to be applauded and paid a public debt of gratitude and appreciation for their courageous stance, a signal to the world of their commitment to the rule of law; and

(2) those countries are to be commended for their support of the United States in a time of crisis.

SEC. 1083. CONDITIONS ON FURNISHING IMET FOR SUB-SAHARAN AFRICA.

(a) CONSIDERATIONS IN PROVIDING ASSISTANCE.—In deciding whether to provide international military education and training to a country in sub-Saharan Africa, the President shall consider—

(1) whether that country has a government that—

(A) was democratically elected as the result of free and fair elections, or

(B) is committed to respecting internationally recognized human rights and to permitting freedom of expression and has achieved substantial progress in a process of democratization;

(2) whether the armed forces of that country are involved in human rights violations or the government of that country otherwise fails to respect internationally recognized human rights; and

(3) whether the armed forces or other elements of the government of that country are actively engaged in destabilization efforts aimed at any other country.

(b) REPORTS TO CONGRESS.—If international military education and training is provided to any country in sub-Saharan Africa that is not described in paragraph (1) of subsection (a) or that is described in paragraph (2) or (3) of subsection (a), the President shall, within 30 days after obligating funds for such assistance to that country, submit to the appropriate congressional committees a report setting forth the reasons for providing such assistance.

SEC. 1084. PREEMPTION OF STATE AND LOCAL SANCTION MEASURES AGAINST NAMIBIA.

(a) PREEMPTION.—Effective upon the date of enactment of this Act, any sanction imposed by any State or any governmental subdivision thereof, that is directed at South Africa or persons engaging in commercial or financial transactions in or with South Africa, and that also applies with respect to Namibia, shall be null and void to the extent that such sanction applies to Namibia or persons engaging in commercial or financial transactions in or with Namibia, unless such application is consistent with Federal law.

(b) DEFINITION.—For purposes of this section, the term "State" means any of the Several

States, the District of Columbia, and any territory or possession of the United States.

SEC. 1085. STUDY ON THE IMPACT OF ADJUSTMENT SUPPORTED PROGRAMS ON THE DEVELOPMENT FUND FOR AFRICA.

There is concern that programs related to Structural Adjustment Programs may have retarded progress toward the achievement of goals established by the Congress for the Development Fund for Africa. It is the sense of the Congress that a detailed study should be undertaken by the Office of Technology Assessment, in a cross-section of sub-Saharan African countries, of the process of formulation of, and the economic, social, and environmental impact of, the programs of adjustment supported or leveraged by the Agency for International Development through the Development Fund for Africa.

TITLE XI—AID, TRADE, AND COMPETITIVENESS

SEC. 1101. SHORT TITLE.

This title may be cited as the "Aid, Trade, and Competitiveness Act of 1991".

SEC. 1102. CAPITAL PROJECTS OFFICE WITHIN THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) ESTABLISHMENT OF OFFICE.—The Administrator of Agency for International Development shall establish a capital projects office to carry out the purposes described in subsection (b).

(b) PURPOSES OF OFFICE.—The purposes referred to in subsection (a) are—

(1) to develop an AID program that would focus solely on developmentally sound capital projects, taking into consideration the development needs of the host country and the export opportunities for United States firms; and

(2) to consider specifically opportunities for United States high-technology firms, including small- and medium-sized firms, in putting together capital projects for developing countries and for SEED eligible East European countries.

(c) ACTIVITIES OF AID.—The Administrator of AID, acting through the capital projects office in coordination with the Export-Import Bank of the United States (as appropriate) and the Trade and Development Agency—

(1) shall put together capital projects in developing countries and in SEED eligible East Europe countries;

(2) shall periodically review infrastructure needs in developing countries and SEED eligible East European countries and shall explore opportunities for United States firms in the development of new capital projects in these countries, keeping both United States firms and the Congress informed of these reviews;

(3) shall determine whether each capital project for which AID provides funding is developmentally sound, as set forth in the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development;

(4) shall coordinate its activities with other AID offices, and work with AID country missions, in developing capital projects that provide opportunities for United States firms consistent with AID's primary mission to help these countries with traditional development projects;

(5) shall coordinate where appropriate funds available to AID for "tied-aid" purposes; and

(6) shall play a special role in helping to meet the infrastructure needs of SEED eligible East European countries by meeting the challenge of infrastructure assistance provided by foreign governments to those countries, including by undertaking a comprehensive study of the infrastructure needs of the various SEED eligible East European countries—

(A) to identify those sector in the economies of these countries that are most in need of rebuilding, and

(B) to identify the state of technology in these countries and the opportunity for United States high technology firms to help develop a technological infrastructure in these countries, as well as an assessment of export opportunities for United States high technology companies.

The results of the study conducted pursuant to paragraph (6) shall be reported to the appropriate congressional committees within 12 months after the date of enactment of this Act.

SEC. 1103. COORDINATION.

The President shall utilize the existing interagency coordinating mechanism to coordinate activities under this title with other relevant activities of the United States Government.

SEC. 1104. REPORTS TO CONGRESS ON CAPITAL PROJECTS.

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing—

(1) the extent to which United States Government resources have been expended specifically to support capital projects in developing countries and SEED eligible East European countries;

(2) the extent to which the activities of the United States Government have been coordinated pursuant to section 1103; and

(3) the extent to which United States Government capital projects and tied-aid programs have affected United States exports.

SEC. 1105. NEGOTIATIONS OF THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT.

If by February 1, 1992, a new agreement within the Organization for Economic Cooperation and Development has not been reached that meets the objective of reducing the levels of concessional financing by member countries of the Organization other than the United States, the Secretary of the Treasury, together with the President of the Bank, shall submit a report to the Congress on the status of the negotiations, including an analysis of the negotiations since 1987, the causes for the failure to reach an agreement by that date, and reasons the United States Government believes that continued negotiations will result in achieving the above mentioned objective.

SEC. 1106. FUNDING FOR CAPITAL PROJECTS.

The Congress strongly urges the President to use at least $650,000,000 for fiscal year 1992 and at least $700,000,000 for fiscal year 1993 of the total amounts made available for economic support assistance, assistance under the Multilateral Assistance Initiative for the Philippines, and assistance under the Support for East European Democracy (SEED) Act of 1989, for grants for developmentally sound capital projects. Such grants may be combined with financing offered by private financial entities or other entities.

SEC. 1107. REPORT ON THE FEASIBILITY OF AID CREDIT GUARANTEES TO FINANCE CAPITAL PROJECTS.

Not later than February 1, 1992, the President shall submit to the appropriate congressional committees a report on the feasibility of allowing AID to offer credit guarantees for the financing of capital projects.

SEC. 1108. DEFINITIONS.

For purposes of this title—

(1) the term "AID" means the Agency for International Development";

(2) the term "Bank" means the Export-Import Bank of the United States;

(3) the term "capital projects" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic services;

(4) the term "SEED eligible East European country" means a country that is an eligible East European country under section 4 of the Support for East European Democracy (SEED) Act of 1989 (as amended by title V of this Act); and

(5) the term "tied-aid credit" has the meaning given to such term in section 15(h)(1) of the Export-Import Bank Act of 1945.

SEC. 1109. AUTHORIZATION OF ADDITIONAL FUNDING FOR THE TRADE AND DEVELOPMENT AGENCY FOR FISCAL YEAR 1993.

In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated for the Trade and Development Agency $20,000,000 for fiscal year 1993 to carry out section 661 of the Foreign Assistance Act of 1961.

TITLE XII—PEACE CORPS

SEC. 1201. AUTHORIZATIONS OF APPROPRIATIONS.

Section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)) is amended to read as follows:

"(b) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the purposes of this Act $200,000,000 for fiscal year 1992, which are authorized to remain available until September 30, 1993, $200,000,000 for fiscal year 1993, which are authorized to remain available until September 30, 1994.".

SEC. 1202. PEACE CORPS FOREIGN CURRENCY FLUCTUATIONS.

(a) ESTABLISHMENT OF FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.—The Peace Corps Act (22 U.S.C. 2501 et seq.) is amended by inserting after section 15 the following new section:

"SEC. 16. FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.

"(a) ESTABLISHMENT.—(1) There is established in the Treasury of the United States an account to be known as the 'Foreign Currency Fluctuations, Peace Corps, Account'. The account shall be used for the purpose of providing funds to pay expenses for operations of the Peace Corps outside the United States which, as a result of fluctuations in currency exchange rates, exceed the amount appropriated for such expenses.

"(2) Funds in the account may be transferred, upon the certification of the Director of the Peace Corps (or the Director's designee) that the transfer is necessary for the purpose specified in paragraph (1), to the account containing funds appropriated for the expenses of the Peace Corps.

"(b) USE OF FUNDS IN THE ACCOUNT.—Funds transferred under subsection (a) shall be merged with, and be available for the same time period, as the appropriation to which they are applied. Notwithstanding any provision of law limiting the amount of funds the Peace Corps may obligate in any fiscal year, such amount shall be increased to the extent necessary to reflect fluctuations in exchange rates from those used in preparing the budget submission.

"(c) EXCHANGE RATES APPLICABLE TO OBLIGATIONS.—An obligation of the Peace Corps payable in the currency of a foreign country may be recorded as an obligation based upon exchange rates used in preparing a budget submission. A change reflecting fluctuations in exchange rates may be recorded as a disbursement is made.

"(d) TRANSFERS BACK TO ACCOUNT.—Funds transferred from the Foreign Currency Fluctuations, Peace Corps, Account may be transferred back to that account—

"(1) if the funds are not needed to pay obligations incurred because of fluctuations in currency exchange rates of foreign countries in the appropriation to which the funds were originally transferred; or

"(2) because of subsequent favorable fluctuations in the rates or because other funds are, or become, available to pay such obligations.

"(e) LIMITATION ON TRANSFERS BACK.—A transfer of funds back to the account under sub-

section (d) may not be made after the end of the fiscal year or other period for which the appropriation, to which the funds were originally transferred, is available for obligation.

"(f) TRANSFERS TO THE ACCOUNT FROM REGULAR APPROPRIATIONS.—(1) At the end of the fiscal year or other period for which appropriations for the expenses of the Peace Corps are made available, unobligated balances of such appropriation may be transferred into the Foreign Currency Fluctuations, Peace Corps, Account, to be merged with and available for the same period and purposes as that account.

"(2) The authority of this subsection shall be exercised only to the extent that specific amounts are provided in advance in an appropriation Act.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Foreign Currency Fluctuations, Peace Corps, Account for each fiscal year such sums as may be necessary to maintain a balance of $5,000,000 in such account at the beginning of such fiscal year.

"(h) REPORTS.—The Director of the Peace Corps shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives, and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate, each year a report on funds transferred under this section.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to each fiscal year after fiscal year 1991.

SEC. 1203. EVALUATION OF HEALTH-CARE SERVICES PROVIDED TO PEACE CORPS VOLUNTEERS.

(a) IN GENERAL.—The Director of the Peace Corps shall contract with an eligible organization or organizations to conduct before January 1, 1997, a total of three evaluations of the health-care needs of the Peace Corps volunteers and the adequacy of the system through which the Peace Corps provides health-care services in meeting those needs.

(b) REQUIREMENTS OF THE EVALUATIONS.—Each evaluation shall include an assessment of the adequacy of the Peace Corps health-care system—

(1) to provide diagnostic, treatment, and referral services to meet the health-care needs of Peace Corps volunteers, and

(2) to conduct health examinations of applicants for enrollment as Peace Corps volunteers and to provide immunization and dental care preparatory to service of applicants for enrollment who have accepted an invitation to begin a period of training for service as a Peace Corps volunteer.

(c) REPORTS TO THE PEACE CORPS.—An organization making an evaluation under this section shall submit to the Director of the Peace Corps a report containing its findings and recommendations not later than December 31, 1992, December 31, 1994, and December 31, 1996, as the case may be. Each report shall include recommendations regarding appropriate standards and procedures for ensuring the furnishing of quality medical care and for measuring the quality of care provided to Peace Corps volunteers.

(d) REPORT TO CONGRESS.—Not later than 90 days after receipt of a report required by subsection (c), the Director of the Peace Corps shall transmit the report, together with the Director's comments, to the appropriate congressional committees.

(e) DEFINITIONS.—For purposes of this section—

(1) the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives; and

(2) the term "eligible organization" means an independent health-care accreditation organization or other independent organization with expertise in evaluating health-care systems similar to that of the Peace Corps.

SEC. 1204. REPORTING REQUIREMENT ON EMPLOYMENT-RELATED MATTERS.

(a) IN GENERAL.—Not later than August 31, 1992, the Director of the Peace Corps and the Secretary of Labor shall jointly submit to the appropriate congressional committees a report which describes—

(1) the information provided by the Peace Corps to its volunteers and to applicants for volunteer service in the Peace Corps regarding the benefits to and services to which Peace Corps volunteers or trainees may be entitled or for which they may be eligible in the event that they sustain injuries or become disabled during their service, or their training for service, with the Peace Corps;

(2) the efforts by the Peace Corps and the Department of Labor to coordinate the provision of such information to Peace Corps volunteer-applicants and volunteers and the processing of claims by Peace Corps volunteers under the Federal Employees Compensation Act (FECA);

(3) the number of Peace Corps volunteers and volunteer-applicants who have filed claims under the Federal Employees Compensation Act (FECA) and the percentage of the claims that have been approved; and

(4) the timeliness of approvals or denials of claims of Peace Corps volunteers and volunteer-applicants under the Federal Employees Compensation Act (FECA).

(b) RECOMMENDATIONS.—The report required by subsection (a) shall also include such recommendations as the Director of the Peace Corps and the Secretary of Labor may determine necessary to facilitate the filing and processing of claims by Peace Corps volunteers regarding the benefits described in that subsection.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives; and

(2) the term "Federal Employees Compensation Act (FECA)" means chapter 81 of title 5, United States Code.

SEC. 1205. PEACE CORPS PROGRAMS IN THE SOVIET UNION.

Up to $6,000,000 of the funds made available to carry out the Peace Corps Act for each of fiscal years 1992 and 1993 shall be made available for establishing Small Business Development Programs in the Soviet Union or any successor entity or entities. The program shall include the promotion of local economic development by providing technical assistance and training in municipal restructuring and financing, privatization, valuation of state owned enterprises, business association development and promotion, and identification of investment opportunities and requirements.

TITLE XIII—INTERNATIONAL DEVELOPMENT AND FINANCE

CHAPTER 1—INTERNATIONAL MONETARY FUND

SEC. 1301. UNITED STATES QUOTA INCREASE; AMENDMENTS TO ARTICLES OF AGREEMENT; APPROVAL OF PLEDGE TO SELL GOLD.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding at the end thereof the following new sections:

"SEC. 56. QUOTA INCREASE.

"The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 8,608,500,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.

"SEC. 57. ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.

"The United States Governor of the Fund is authorized to consent to the amendments to the Articles of Agreement of the Fund approved in resolution numbered 45-3 of the Board of Governors of the Fund.

"SEC. 58. APPROVAL OF FUND PLEDGE TO SELL GOLD TO PROVIDE RESOURCES FOR THE RESERVE ACCOUNT OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY TRUST.

"The Secretary of the Treasury is authorized to instruct the United States Executive Director of the Fund to vote to approve the Fund's pledge to sell, if needed, up to 3,000,000 ounces of the Fund's gold, to restore the resources of the Reserve Account of the Enhanced Structural Adjustment Facility Trust to a level that would be sufficient to meet obligations of the Trust payable to lenders which have made loans to the Loan Account of the Trust that have been used for the purpose of financing programs of Fund members previously in arrears to the Fund.".

SEC. 1302. SOVIET ACCESS TO THE FINANCIAL RESOURCES OF INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) FINDINGS.—The Congress finds that—

(1) it is in the interest of the United States to encourage emerging democracies and market oriented economies in the territory of the former Union of Soviet Socialist Republics;

(2) at the same time, the course of internal politics and economic developments in the Soviet Union has been changing rapidly making the situation unclear;

(3) the Soviet Union is rapidly changing its aid and trade relationships with various repressive regimes, but this is still a cause for serious concern;

(4) it is in the interest of the United States to encourage Soviet cooperation on international problems, to foster the transition towards open market economies, and to promote private and entrepreneurial initiatives, while supporting the principles of multiparty democracy and pluralism;

(5) expanded economic ties to the West can advance these processes and would help to stabilize international economic and political conditions;

(6) however, Western financial assistance also carries substantial risks and could result in unacceptable financial losses; and

(7) given these views, concerns, and the rapidly evolving internal and international political situation, the United States should follow policies of caution, balance, and flexibility which are most appropriate to achieve United States foreign policy objectives, and which should serve as a guide to the relationship of the Soviet Union to international financial institutions.

(b) SOVIET ACCESS TO THE RESOURCES OF THE INTERNATIONAL MONETARY FUND.—The Secretary of the Treasury may instruct the United States Executive Director of the International Monetary Fund to support Soviet membership in the Fund only after the President has certified, with at least 30 days notification to the Congress, the following:

(1) ECONOMIC REFORM.—That, as an indication that the Government of the Soviet Union is implementing free market economic policies, the following actions are being taken:

(A) the right to own private property and engage freely in commerce is being established, and progress towards the creation of a legal and administrative framework to permit the free exercise of such rights is being made;

(B) progress toward the implementation of procedures for privatization of government enterprises is being made;

(C) significant progress in dismantling central planning mechanisms, in eliminating price controls, and in establishing a market-based pricing system is being made; and

(D) progress in adopting international norms regarding trade, protection of foreign investors, and protection of intellectual property rights is being made.

(2) ROLE OF THE CENTRAL GOVERNMENT.—That, as an indication that the Soviet Union is reducing the size and scope of government expenditures, especially categories of expenditure that threaten world security and divert resources from market-based economic reform, the following actions have been taken:

(A) progress toward significantly reducing the Soviet defense budget as a percentage of gross domestic product, including reducing strategic nuclear weapons arsenals and other weapons of mass destruction, with the objective of reducing such percentage to levels approximating those of the Western democracies; and

(B) substantial progress toward the termination of economic subsidies and military assistance, including an end to transfers of destabalizing missiles, other sophisticated weapons systems, and nuclear technology to countries that have supported international terrorism, such as Syria, Libya, and Iraq, or that have participated in efforts to destabilize neighboring states, such as Cuba, North Korea, and Vietnam.

(3) POLITICAL REFORM.—That, as an indication that the Soviet Union has embraced democratic processes upon which successful economic development is predicated, the following actions are being undertaken:

(A) free and fair multiparty elections for the national parliament and leadership;

(B) good faith negotiations between the Government of the Soviet Union and leaders of the Baltic states and other republics that have elected to become independent of the Soviet Union; and

(C) sustained commitment to peaceful resolution of disputes with republican governments and democratic movements.

(c) EXPANDED SOVIET ACCESS TO THE RESOURCES OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT.—The Secretary of the Treasury may instruct the United States Executive Director of the European Bank for Reconstruction and Development to use the voice and vote of the United States to support the expansion of access by the Soviet Union to the resources of the Bank pursuant to paragraph 4 of Article 8 of the Bank's Articles of Agreement only after the President has made the certification and report required under subsection (b).

(d) DEFINITIONS.—For purposes of this section:

(1) The term "Soviet membership" includes any association with the Fund involving contribution or borrowing of Fund resources, but excludes associated status with the Fund.

(2) The term "Soviet Union" includes all successor states (other than the Baltic states) to the Soviet Union.

SEC. 1303. SENSE OF THE CONGRESS RELATING TO THE PROBLEMS OF NATIONS MAKING THE TRANSITIONS TO MORE OPEN POLITICAL AND ECONOMIC SYSTEMS.

(a) FINDINGS.—The Congress finds that—

(1) in many areas of the world, nations may be experiencing substantial difficulties in making the transitions to more open political and economic systems;

(2) as an example, the study, entitled "The Economy of the U.S.S.R.", which was prepared jointly by the International Monetary Fund, the International Bank for Reconstruction and Development, the Organization for European Cooperation and Development, and the European Bank for Reconstruction and Development, found that substantial changes need to be made in the Soviet economy to provide a viable basis for monetary stability, economic growth, and development, and such finding applies to other nations making the transitions to more open political and economic systems; and

(3) these nations may be experiencing special difficulties in making such transitions.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) encouragement should be given to the efforts being made to address the political and economic problems of nations making the transitions to more open political and economic systems; and

(2) consideration should be given to developing relationships between such nations, the International Monetary Fund, the International Bank for Reconstruction and Development, and the other international financial institutions, as part of the process of assisting such nations in making such transitions.

SEC. 1304. PUBLICATION OF REPORTS ON ECONOMIES OF MAJOR INDUSTRIALIZED NATIONS.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by section 1301 of this Act the following:

"SEC. 59. PUBLICATION OF REPORTS ON ECONOMIES OF MAJOR INDUSTRIALIZED NATIONS.

"The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to encourage the Fund to adopt procedures for the publication of the economic reviews of the major industrialized nations and such other commentary as may be appropriate.".

SEC. 1305. SENSE OF THE CONGRESS RELATING TO COORDINATION OF DEVELOPMENT ACTIVITIES OF INTERNATIONAL FINANCIAL INSTITUTIONS.

It is the sense of the Congress that procedures should be instituted to review the activities of the International Monetary Fund and the International Bank for Reconstruction and Development, for the purpose of coordinating the international economic activities of international financial institutions at the Board level, the managerial level, and the staff level.

SEC. 1306. COOPERATION WITH INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT IN EFFORTS TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301 and 1304 of this Act the following:

"SEC. 60. EFFORTS OF THE FUND TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.

"(a) FINDINGS.—The Congress finds that—

"(1) compatible with the primary purpose of the international financial institutions and with development, growth, and reduction of poverty, is improving the lives of the people of the nations that borrow from such institutions, improving their access to economic opportunity, and reducing barriers to their economic and social progress;

"(2) the Bank has recently reaffirmed the central priority of poverty reduction in its mission, in the World Development Report 1990;

"(3) the Bank has committed itself to the integration of poverty strategies into country assistance strategies;

"(4) there is increasing cooperation between the Fund, the Bank, and borrowing countries in the preparation of Policy Framework Papers as a joint framework for adjustment policies and measures; and

"(5) there is movement toward developing social safety nets and other practical mechanisms to alleviate negative impacts of structural adjustment on the most vulnerable sectors of the population of borrowing countries.

"(b) EFFORTS OF THE FUND TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.—The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to advocate vigorously and continually, through formal initiatives in the Board and in discussion with other directors of the Fund, the following:

"(1) Considerations of poverty alleviation and the reduction of barriers to economic and social progress (as set forth in section 64(a)) should be incorporated into all Fund programs and all consultations under article IV of the Articles of Agreement of the Fund.

"(2) Preparation of Policy Framework Papers should be extended to all nations which have Fund programs and active Bank or International Development Association lending programs, and existence of a Policy Framework Paper should be a precondition for new lending to such nations by the Fund.

"(3) All Policy Framework Papers should articulate the principal poverty, economic, and social measures that the borrowing nation needs to address, and this portion of the Policy Framework Paper (or a summary thereof that includes specific measures and timing) should be made available when the Policy Framework Paper is submitted to the Executive Directors of the Bank and of the Fund or consideration.

"(4) In considering whether to allocate resources of the Fund to a borrower, the Fund should take into consideration the nature of the program and commitment of the borrower to address the issues referred to in paragraph (2).

"(5) The Fund should establish procedures to enable the Fund to cooperate with the Bank in evaluating the effectiveness of such measures, at the levels of policy, project design, monitoring, and reporting, in the international financial institutions and in the borrowing nations.".

SEC. 1307. DEBT AND DEBT SERVICE REDUCTION PROGRAMS.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301, 1304, and 1306 of this Act the following:

"SEC. 61. DEBT AND DEBT SERVICE REDUCTION PROGRAMS OF THE FUND.

"(a) FINDINGS.—The Congress finds that—

"(1) in May 1989, the Fund approved the use of its resources to support debt and debt service reduction operations for highly indebted countries;

"(2) at that time, it was estimated that approximately $30,000,000,000 should be made available from official sources over a 3-year period, approximately $20,000,000,000 of which was expected to be furnished by the Fund and the Bank combined;

"(3) the objectives of this program were to assist debtor nations to resolve problems of excessive debt, restore creditworthiness, and diminish the systemic threat to world financial institutions posed by developing country debt;

"(4) as of February 1991, after 2 years of the program, approximately $5,700,000,000 had been committed by the Fund and the Bank for these purposes;

"(5) according to findings of the Fund in February 1991, the program and strategy adopted in 1989 has generally fulfilled these objectives, at that time 5 nations had concluded debt and debt service reduction agreements and a number of

other developing nations were presently negotiating debt relief inside and outside of the 1989 framework;

"(6) the Fund's assessment emphasized the importance of the voluntary case-by-case approach taken by the program, the innovations required to satisfy the parties, and the remaining problems in concluding such agreements;

"(7) these debt and debt service reduction programs, which have been encouraged by the Congress and the Executive Branch, have made progress; and

"(8) these debt and debt service reduction programs are material to the development and growth of, and the reduction of economic and social barriers in, borrowing countries.

"(b) URGE RENEWAL OF DEBT AND DEBT SERVICE REDUCTION PROGRAMS WITH MODIFICATIONS.—The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to use the voice and vote of the United States to urge—

"(1) the Fund to renew, for another 3-year period, the arrangements described in subsection (a)(1), subject to appropriate modifications;

"(2) that reductions in commercial debt and debt service should be comparable to, and in concert with, reductions in official debt and debt service; and

"(3) that the renewal of such arrangements, and such reductions in debt and debt service, should not result in an excessive shift in the proportion of debt or risk assumed by public sector institutions.

"(c) REPORT ON SOVIET UNION DEBT HELD BY COMMERCIAL BANKS.—The Secretary of the Treasury shall, using resources of the Fund, the Bank, and other appropriate international financial institutions, gather information upon, and report, not later than December 31, 1991, to the Congress on, the debt of the Soviet Union held by commercial banks outside the Soviet Union, and the prospects for the repayment of such debt.".

SEC. 1308. ENVIRONMENTAL CONSIDERATIONS IN FUND PROGRAMS.

(a) FINDING.—The Congress finds that the International Monetary Fund has created an environmental unit.

(b) ENVIRONMENTAL CONSIDERATIONS IN FUND PROGRAMS.—The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301, 1304, 1306, and 1307 of this Act the following:

"SEC. 62. ENVIRONMENTAL CONSIDERATIONS IN FUND PROGRAMS.

"The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to—

"(1) encourage the Fund to make further progress toward environmentally sound policies and programs;

"(2) incorporate environmental considerations into all Fund programs, including consultations under article IV of the Articles of Agreement of the Fund;

"(3) encourage the Fund to support the efforts of nations to implement systems of natural resource accounting in their national income accounts;

"(4) encourage the Fund to assist and cooperate fully with the statistical research being undertaken by the Organization for Economic Cooperation and Development and by the United Nations in order to facilitate development and adoption of a generally applicable system for taking account of the depletion or degradation of natural resources in national income accounts; and

"(5) encourage the Fund to consider and implement, as appropriate, revisions in its national income reporting systems consistent with such new systems as are of general applicability.".

SEC. 1309. CRITERIA FOR ASSESSING DEFENSE EXPENDITURES.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301, 1304, 1306, 1307, and 1308(b) of this Act the following:

"SEC. 63. CRITERIA FOR ASSESSING DEFENSE EXPENDITURES.

"(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director of the Fund and the United States Executive Director of the Bank to urge the Fund and the Bank, respectively, to develop, and report to the member nations, criteria for determining whether a nation seeking a loan from the Fund or the Bank, as the case may be, is engaged in arms and weapons expenditures that are—

"(1) appropriate to its national circumstances; or

"(2) an impediment to sound management of its economy and achievement of sustained long-term growth.

"(b) REPORTS TO THE CONGRESS.—Not later than 1 year after the date of the enactment of this section, the Secretary of the Treasury shall submit to the Congress a report containing—

"(1) the criteria developed pursuant to subsection (a); and

"(2) a discussion of how such criteria may be appropriately applied in United States decisions on loans by the Fund or the Bank.".

SEC. 1310. HUMAN RIGHTS.

Section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) is amended by striking "and the African Development Bank" and inserting "the African Development Bank, and the International Monetary Fund".

CHAPTER 2—INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND AFFILIATES

Subchapter A—International Finance Corporation

SEC. 1311. CAPITAL INCREASE.

The International Finance Corporation Act (22 U.S.C. 282-282k) is amended by adding at the end the following:

"SEC. 14. CAPITAL STOCK INCREASE.

"(a) SUBSCRIPTION AUTHORIZED.—

"(1) IN GENERAL.—The United States Governor of the Corporation may—

"(A) vote for an increase of 1,000,000 shares in the authorized capital stock of the Corporation; and

"(B) subscribe on behalf of the United States to 250,000 additional shares of the capital stock of the Corporation.

"(2) PRIOR APPROPRIATION REQUIRED.—The subscription authority provided in paragraph (1) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the subscription authorized in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $250,000,000 for payment by the Secretary of the Treasury.".

Subchapter B—International Bank for Reconstruction and Development

SEC. 1321. EFFORTS TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.

(a) IN GENERAL.—The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301, 1304, 1306, 1307, 1308(b), and 1309 of this Act the following:

"SEC. 64. EFFORTS OF THE BANK TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.

"(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to advocate, in replenishment negotiations and in discussion with the other directors of the Bank and with the Bank the following:

"(1) The Bank should enhance its abilities to alleviate poverty and reduce economic and social barriers to sustainable economic growth, and to measure progress toward such goals.

"(2) The Bank should adopt a process to assess periodically and systematically the degree to which each borrowing nation's policies, programs, and institutions are consistent with the reduction of poverty. Such process should be reviewed in connection with the process of developing Policy Framework Papers with the borrowing country and the Fund, and, unless clearly inappropriate, at the time of the evaluation of long term lending projects.

"(3) The Bank should provide recommendations to governments on their policies and programs related to the matters described in paragraph (2).

"(4) The Bank should ensure that the volume and composition of assistance from the Bank supports and complements the efforts of the borrowing nation to alleviate poverty and reduce barriers to economic and social progress.

"(5) The Bank should work to improve the use of its methodologies for such indicators as were set forth in the World Development Report 1990 and other appropriate statistical data as a means of assessing the effectiveness of strategies for alleviating poverty and reducing barriers to economic and social progress.

"(6) The Bank should cooperate with and provide technical assistance and financial support, as necessary, to governments of borrowing nations to improve their statistical data so that progress toward the goals set forth in this subsection can be better monitored.

"(7) The Bank should improve the use of such indicators and methodologies to evaluate the effectiveness of its country assistance policies and strategies related to these matters.

"(b) PROGRESS REPORT.—Not later than 1 year after the date of the enactment of this section, the Secretary of the Treasury shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the appropriate committees of the Senate a description of the progress made in implementing subsection (a) of this section and section 1613(c) of the International Financial Institutions Act.".

(b) SENSE OF THE CONGRESS ON GIVING GREATER PRIORITY TO CHILD SURVIVAL AND DEVELOPMENT.—It is the sense of the Congress that the International Bank for Reconstruction and Development and the International Development Association each should—

(1) give greater programmatic and budgetary priority to the survival and development of children, including support of basic education activities; and

(2) make a commitment to devoting 5 percent or more of the amount of the annual lending of the International Bank for Reconstruction and Development and of the International Development Association to primary health and 5 percent of such amount to basic education.

SEC. 1322. DEBT AND DEBT SERVICE REDUCTION PROGRAMS.

The Bretton Woods Agreements Act (22 U.S.C. 286-286kk) is amended by adding after the sections added by sections 1301, 1304, 1306, 1307, 1308(b), 1309, and 1321(a) of this Act the following:

"SEC. 65. DEBT AND DEBT SERVICE REDUCTION PROGRAMS OF THE BANK.

"(a) FINDINGS.—The Congress finds that—

"(1) in May 1989, the Bank approved the use of its resources to support debt and debt service reduction operations for highly indebted countries;

"(2) at that time, it was estimated that approximately $30,000,000,000 should be made available from official sources over a 3-year period, approximately $20,000,000,000 of which was expected to be furnished by the Fund and the Bank combined;

"(3) the objectives of this program were to assist debtor nations to resolve problems of excessive debt, restore creditworthiness, and diminish the systemic threat to world financial institutions posed by developing country debt;

"(4) as of February 1991, after 2 years of the program, approximately $5,700,000,000 had been committed by the Fund and the Bank for these purposes;

"(5) according to findings of the Bank in February 1991, the program and strategy adopted in 1989 has generally fulfilled these objectives, at that time 5 nations had concluded debt and debt service reduction agreements and a number of other developing nations were presently negotiating debt relief inside and outside of the 1989 framework;

"(6) the Bank's assessment emphasized the importance of the voluntary case-by-case approach taken by the program, the innovations required to satisfy the parties, and the remaining problems in concluding such agreements;

"(7) these debt and debt service reduction programs, which have been encouraged by the Congress and the Executive Branch, have made progress; and

"(8) these debt and debt service reduction programs are material to the development and growth of, and the reduction of economic and social barriers in, borrowing countries.

"(b) URGE RENEWAL OF DEBT AND DEBT SERVICE REDUCTION PROGRAMS WITH MODIFICATIONS.—The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to use the voice and vote of the United States to urge—

"(1) the Bank to renew, for another 3-year period, the arrangements described in subsection (a)(1), subject to appropriate modifications;

"(2) that reductions in commercial debt and debt service should be comparable to, and in concert with, reductions in official debt and debt service; and

"(3) that the renewal of such arrangements, and such reductions in debt and debt service, should not result in an excessive shift in the proportion of debt or risk assumed by public sector institutions.".

SEC. 1323. TECHNICAL ASSISTANCE FOR THE BALTIC STATES AND THE SOVIET UNION.

The Bretton Woods Agreements Act (22 U.S.C. 286–286kk) is amended by adding after the sections added by sections 1301, 1304, 1306, 1307, 1308(b), 1309, 1321(a), and 1322 of this Act the following:

"SEC. 66. TECHNICAL ASSISTANCE BY THE BANK FOR THE BALTIC STATES AND THE SOVIET UNION.

"(a) FINDINGS.—The Congress finds that—

"(1) at the Houston Economic Summit in July 1990, the heads of State and Government of the 7 major industrial democracies and the President of the Commission of the European Communities requested that the Fund, the Bank, the Organization for Economic Cooperation and Development, and the designated president of the European Bank for Reconstruction and Development, in close consultation with the Commission of the European Communities, undertake a detailed study of the Soviet economy, make recommendations for its reform, and establish the criteria under which Western economic assistance could effectively support such reforms;

"(2) in the resulting report, the organizations concluded that timely technical assistance can play a major role in easing the transition to a market economy, and that such technical assistance could be particularly helpful in the fields of fiscal and monetary policies, foreign exchange and banking, and the development of statistical and accounting systems;

"(3) technical assistance provided by the Bank should be coordinated with the technical assistance provided by the private sectors of Western countries so that technical assistance provided by the Bank complements and enhances technical assistance provided by the private sector, and other international donors;

"(4) the provision of timely technical assistance can greatly facilitate trade with and direct investment in the Baltic states and the Soviet Union; and

"(5) the provision of timely technical assistance by the Bank to the Baltic states and the Soviet Union can support democratic reforms, respect for human rights, and the rule of law.

"(b) URGE ESTABLISHMENT OF TECHNICAL ASSISTANCE PROGRAMS BY THE BANK TO THE BALTIC STATES AND THE SOVIET UNION.—The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to use the voice and vote of the United States to urge—

"(1) the Bank to establish a program to provide technical assistance to the Baltic states and the Soviet Union in support of democratic reforms, human rights, the rule of law, and market-oriented reforms; and

"(2) the Bank to endeavor to coordinate its technical assistance to the Baltic states and to the Soviet Union so that technical assistance provided by the Bank complements and enhances technical assistance provided by the private sector, and other international donors.

"(c) REPORT ON TECHNICAL ASSISTANCE BY THE BANK.—Not later than May 1, 1992, the Secretary of the Treasury shall, using resources of the Bank, report to the Congress on technical assistance by the Bank for the Baltic states and the Soviet Union, and on the progress made by such states toward implementing democratic reforms, respect for human rights, the rule of law, and market-oriented reforms.

"(d) SOVIET UNION DEFINED.—As used in this section, the term 'Soviet Union' includes all successor states (other than the Baltic states) to the Soviet Union.".

Subchapter C—Financial Assistance for Global Environmental Protection

SEC. 1331. SHORT TITLE.

This subtitle may be cited as the "Global Environmental Protection Assistance Act of 1991".

SEC. 1332. FINDINGS.

The Congress finds that—

(1) the Global Environmental Facility (which was established in November 1990) has as its goal the raising and expending of $1,500,000,000 to address 4 worldwide environmental concerns, namely, reduction of global warming, preservation of biological diversity, protection of international waters, and prevention of further depletion of the planet's ozone layer;

(2) more than 20 nations, 8 of which are in the developing world, have contributed a total of approximately $800,000,000 to the Global Environmental Facility for these purposes;

(3) the United States should be a participant and a leader in accomplishing the worthwhile missions of the Global Environmental Facility;

(4) the International Bank for Reconstruction and Development has been given the responsibility for administering the Global Environmental Facility Trust Fund, the United Nations Development Programme has been given the responsibility for the preparation of projects and the provision of technical assistance through its 113 resident representative offices throughout the world, and the United Nations Environment Programme has been given the responsibility for providing scientific and technological guidance in the selection of projects;

(5) the United States should make a direct contribution to financing the international activities of the Global Environmental Facility with the understanding that—

(A) clear guidelines must be established for the selection of projects;

(B) a balance must be struck among the objectives of the Facility;

(C) interested governmental and nongovernmental parties must be accorded appropriate opportunities for input into the processes of the Facility;

(D) the funds of the Facility must be used with maximum leverage to attain the objectives of the Facility;

(E) the Facility will consult with the Organization for Economic Coordination and Development to obtain the benefit of efforts undertaken pursuant to part B of title VII of the International Development and Finance Act of 1989;

(F) the Facility will fund innovative projects that would not have been funded in the absence of the Facility, and the results of successful innovative measures will be introduced into mainstream lending activities of bilateral and multilateral donors, including the multilateral development banks;

(G) the Facility governance process will provide for contributor country oversight of individual projects in the work program, and specific provisions will be established for the participation of nongovernmental organizations in all phases of the project cycle, including identification, appraisal, implementation, and evaluation; and

(H) the Scientific and Technical Advisory Panel will play a prominent role in programs of the Facility, developing guidelines for Facility activities in key areas and providing guidance on scientific and technical aspects of individual projects and on the composition of the Facility's portfolio of projects; and

(6) the extent to which progress is made toward realization of these understandings will be a major factor in future consideration of these matters.

SEC. 1333. UNITED STATES CONTRIBUTION.

(a) CONTRIBUTION AUTHORIZED.—The Secretary of the Treasury may contribute on behalf of the United States $50,000,000 to the Global Environmental Facility of the International Bank for Reconstruction and Development if the Secretary has certified to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and to the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives that the Global Environmental Facility has made significant progress toward implementing the understandings set forth in section 1332(5).

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the contribution authorized by subsection (a), there are authorized to be appropriated to the Secretary of the Treasury $50,000,000 for fiscal year 1992, which shall remain available until expended.

SEC. 1334. REPORT ON INTERNATIONAL DEBT EXCHANGES AND THE ENVIRONMENT.

Title XVII of the International Financial Institutions Act (22 U.S.C. 262r–262r-2) is amended by adding at the end the following:

"SEC. 1704. REPORT ON INTERNATIONAL DEBT EXCHANGES AND THE ENVIRONMENT.

"Not later than 6 months after the date of the enactment of this section, the Secretary of the Treasury shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate regarding the progress made by the multilateral development banks (within the meaning of title XVI) in achieving the objectives of sections 1614, 1615, and 1616.".

CHAPTER 3—ASIAN DEVELOPMENT BANK

SEC. 1341. UNITED STATES SUBSCRIPTION TO SPECIAL CAPITAL INCREASE.

The Asian Development Bank Act (22 U.S.C. 285–285z) is amended by adding at the end the following:

"SEC. 30. CAPITAL INCREASE.

"(a) SUBSCRIPTION AUTHORIZED.—

"(1) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to 35,230 additional shares of the capital stock of the Bank.

"(2) Any subscription by the United States to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the increase in the United States subscription to the Bank provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $424,997,105 for payment by the Secretary of the Treasury.".

CHAPTER 4—AFRICAN DEVELOPMENT FUND

SEC. 1351. UNITED STATES CONTRIBUTION.

The African Development Fund Act (22 U.S.C. 290g-290g-14) is amended by adding at the end the following:

"SEC. 216. SIXTH REPLENISHMENT.

"(a) CONTRIBUTION AUTHORIZED.—The United States Governor of the Fund is authorized to contribute $405,000,000 to the sixth replenishment of the resources of the Fund, except that such authority shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the United States contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $405,000,000 for payment by the Secretary of the Treasury.".

CHAPTER 5—EXPORT-IMPORT BANK

SEC. 1361. REPEAL OF INADVERTENTLY INSERTED MATERIAL.

Paragraph (7) of section 101(b) of the International Development and Finance Act of 1989 (Public Law 101-240), and the amendment made thereby, are hereby repealed, and the Export-Import Bank Act of 1945 shall be applied and administered as if such paragraph had never been enacted.

SEC. 1362. APPOINTMENT AND COMPENSATION OF BANK PERSONNEL.

Section 3(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(c)) is amended by adding at the end the following:

"(9) PERSONNEL.—

"(A) APPOINTMENT AND COMPENSATION.—The Board of Directors shall fix the compensation of, and appoint and direct, employees of the Bank other than the directors. The Board may set and adjust rates of basic pay for such employees without regard to the provisions of chapter 51, or subchapter III of chapter 53, of title 5, United States Code. The Board of Directors may provide additional compensation and benefits to employees of the Bank if the same type of compensation or benefits are then being provided by any Federal bank regulatory agency or, if not then being so provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees of the Bank, the Board of Directors shall, in consultation with the Federal bank regulatory agencies, seek to maintain comparability with the total amount of compensation and benefits provided by such agencies to employees of such agencies, except that the Board shall not apply this sentence to reduce the total amount of compensation and benefits provided to any employee as of the date of the enactment of this paragraph.

"(B) FUNDING.—The salaries, expenses, and benefits of the officers and employees of the Bank shall continue to be paid from earnings of the Bank and repayments of loans and from borrowings.".

SEC. 1363. INCREASE IN MEMBERSHIP OF ADVISORY COMMITTEE.

Section 3(d)(1)(A) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)(1)(A)) is amended by striking "twelve" and inserting "15".

SEC. 1364. WAIVER OF LIMITATIONS ON FINANCING FOR EXPORTS TO THE SOVIET UNION.

(a) IN GENERAL.—Section 7(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635e(b)) is amended—

(1) by inserting "(1)" before "After the date"; and

(2) by adding at the end the following:

"(2) The President may waive any limitation of this subsection if the President determines that it is important to the national interest of the United States.".

(b) CONFORMING AMENDMENT.—Section 613 of the Trade Act of 1974 (19 U.S.C. 2487) is amended by adding at the end the following: "The President may waive any limitation of this section if the President determines that such action is in the national interest of the United States.".

SEC. 1365. FINANCING OF HIGH TECHNOLOGY EXPORTS TO EMERGING DEMOCRACIES.

Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by adding at the end the following:

"(H)(i) It is further the policy of the United States to foster the development of democratic institutions and market economies in countries seeking such development, and to assist the export of high technology items to such countries.

"(ii) In exercising its authority, the Bank shall develop a program for providing guarantees and insurance with respect to the export of high technology items primarily to SEED program countries (as defined in section 303(c) of the Support for Eastern European Democracy (SEED) Act of 1989).

"(iii) As part of the ongoing marketing and outreach efforts of the Bank, the Bank shall, to the maximum extent practicable, inform high technology companies, particularly small business concerns (as defined in section 3 of the Small Business Act), about the programs of the Bank for United States companies interested in exporting high technology goods to any SEED program country (as defined in section 303(c) of the Support for Eastern European Democracy (SEED) Act of 1989).

"(iv) In carrying out clause (iii), the Bank shall—

"(I) work with other agencies involved in export promotion and finance; and

"(II) invite State and local governments, trade centers, commercial banks, and other appropriate public and private organizations to serve as intermediaries for the outreach efforts.".

SEC. 1366. PROMOTION OF COMPETITIVE OPPORTUNITIES FOR UNITED STATES INSURANCE COMPANIES.

Section 2(d) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(d)) is amended by striking paragraphs (2) and (3) and inserting the following:

"(2) In the case of any long-term loan or guarantee of at least $10,000,000, the Bank shall seek to ensure that United States insurance companies are accorded a fair and open competitive opportunity to provide insurance against risk of loss in connection with any transaction with respect to which such loan or guarantee is provided.

"(3) In any case in which the Bank becomes aware that a fair and open competitive opportunity is not available to any United States insurance company in a country with respect to which the Bank is considering a loan or guarantee, the Bank—

"(A) may approve or deny the loan or guarantee after considering whether such a denial would be likely to achieve competitive access for United States insurance companies; and

"(B) shall forward information regarding any country that denies United States insurance companies a fair and open competitive opportunity to the Secretary of Commerce who shall determine whether to—

"(i) refer such trade barrier to the Trade Policy Committee created pursuant to the Trade Expansion Act of 1962 (19 U.S.C. 1872); or

"(ii) bring the matter before the existing interagency coordinating mechanism for consideration of a recommendation to the President that access by such country to export credit of the United States be restricted.

"(4) In any case in which the Bank approves a loan or guarantee notwithstanding information regarding denial of competitive opportunities for United States insurance companies, the Bank shall include notice of such approval and the reason for such approval in the report on competition in officially supported export credit required by subsection (b)(1)(A).

"(5) For purposes of this section:

"(A) The term 'United States insurance company'—

"(i) includes an individual, partnership, corporation, holding company, or other legal entity which is authorized (or in the case of a holding company, subsidiaries of which are authorized) by a State to engage in the business of issuing insurance contracts or reinsuring the risk underwritten by insurance companies; and

"(ii) includes foreign operations, branches, agencies, subsidiaries, affiliates, or joint ventures of any entity described in clause (i).

"(B) The term 'fair and open competitive opportunity' means, with respect to the provision of insurance by a United States insurance company, that the company—

"(i) has received notice of the opportunity to provide such insurance; and

"(ii) has been evaluated for such opportunity on a nondiscriminatory basis.".

SEC. 1367. REPORT ON DEMAND FOR TRADE FINANCE FOR THE BALTIC STATES, AND FOR THE SOVIET UNION AND ITS SUCCESSOR STATES.

Not later than May 1, 1992, the Export-Import Bank of the United States shall transmit to the Congress a report analyzing the demand for loans, guarantees, and insurance for trade between the United States and the Baltic states, and between the United States and the Soviet Union, and shall make recommendations for the promotion of trade between the United States and such countries. As used in this section, the term "Soviet Union" includes all successor states (other than the Baltic states) to the Soviet Union.

SEC. 1368. SENSE OF THE CONGRESS THAT THE PRESIDENT SHOULD GRANT WAIVERS FOR ESTONIA, LATVIA, AND LITHUANIA.

It is the sense of the Congress that the President should make the determination that Estonia, Latvia, and Lithuania each have ceased to be a Marxist-Leninist country for purposes of section 2(b)(2) of the Export-Import Bank Act of 1945.

SEC. 1369. EFFECTIVE DATE.

The amendments and repeals made by this title shall take effect on October 1, 1991.

CHAPTER 6—MULTILATERAL DEVELOPMENT BANKS

Subchapter A—Energy Efficiency

SEC. 1371. SHORT TITLE.

This subchapter may be cited as the "International Energy Efficiency Financing Act of 1991".

SEC. 1372. ADVANCING THE BENEFITS OF ENERGY EFFICIENCY THROUGH MULTILATERAL DEVELOPMENT BANKS.

(a) FINDINGS.—The Congress finds that—

(1) between one-sixth and one-fifth of the total loans of the multilateral development banks have been for energy supply;

(2) since 1980, less than 1 percent of energy-related spending has been for end-use energy efficiency improvements;

(3) per capita energy use in developing countries is at 5 to 10 percent of the level of per capita energy use in countries of the Organization for Economic Cooperation and Development

(4) from 1973 to 1988, energy use in developing countries has increased rapidly, from 14 to 23 percent of world energy consumption;

(5) energy consumption in developing countries over the past 30 years has quadrupled, and if present population and energy use trends continue, in approximately 20 years developing countries could be consuming as much energy as industrialized countries;

(6) the capital required to finance the growth in energy supply at current levels of energy efficiency has been estimated at $1,000,000,000,000 over the next decade by the International Bank for Reconstruction and Development, increasing to between $145,000,000,000 to $200,000,000,000 per year during the first quarter of the next century, making the range of capital expenditures for energy purposes in developing countries approximately $4,300,000,000,000 for the next 35 years;

(7) careful studies by agencies of the international financial institutions, agencies of the United States, and private nonprofit organizations estimate that 20 to 25 percent of energy costs could be avoided over the near term by using commercially available technologies, and that perhaps 30 to 60 percent of such costs could be avoided over the long term as capital investments are made in generation and transmission equipment, new buildings, appliances, and industrial processes;

(8) every possible effort should be made to realize as much of these potential capital savings as possible in the interest of optimizing the deployment by developing nations of their development funds, conserving the capital of international financial institutions and their donor nations, restraining environmental degradation, improving the debt situation of energy importers, and constraining the demand for energy imports for national security purposes; and

(9) the United States should take the lead in advocating programs at the multinational financial institutions that have the best prospects of maximizing potential savings from energy efficiency over the near- and long-term periods.

(b) ADVANCING THE BENEFITS OF ENERGY EFFICIENCY THROUGH MULTILATERAL DEVELOPMENT BANKS.—Title XIII of the International Financial Institutions Act (22 U.S.C. 262m-262m-7) is amended by adding at the end the following:

"SEC. 1308. ADVANCING THE BENEFITS OF ENERGY EFFICIENCY THROUGH MULTILATERAL DEVELOPMENT BANKS.

"(a) DEMONSTRATION OF BENEFITS OF ENERGY EFFICIENCY.—The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to use the voice and vote of the United States to take the lead in demonstrating to the respective bank and potential borrowers programs for measuring the efficacy of the application of systems energy efficiency planning and techniques, in energy supply matters and in such areas as affordable shelter, the built environment and urban development generally, transportation of persons and freight and related land use, and agricultural and industrial processes.

"(b) INCENTIVES FOR ENERGY EFFICIENCY PROGRAMS.—The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to use the voice and vote of the United States to take a leadership position in devising a system of incentives, for adoption by the respective bank, that would promote the application of cost effective energy efficiency programs.

"(c) AVAILABILITY OF ASSESSMENTS BEFORE VOTE ON ACTION SIGNIFICANTLY AFFECTING ENERGY EFFICIENCY.—

"(1) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to use the voice and vote of the United States to advocate that, beginning 2 years after the date of the enactment of this section, the respective bank establish procedures to ensure that, at the time of any vote in favor of any action proposed to be taken by the respective bank which would have a significant effect on energy efficiency—

"(A) assessments analyzing the impacts on energy efficiency of the proposed action and of alternatives to the proposed action have been completed by the borrowing country and the institution, and have been made available to the board of directors of the institution for at least 120 days before the date of the vote; and

"(B) except as provided in paragraph (2), such assessments or a comprehensive summary of such assessments have been made available to the multilateral development bank, affected groups, and nongovernmental organizations.

"(2) EXCEPTIONS AND REPORTS.—

"(A) EXCEPTIONS.—The requirement of paragraph (1)(B) shall not apply where the Secretary finds compelling reasons to believe that disclosure in any case described in paragraph (1) would jeopardize the confidential relationship between the borrower country and the respective bank.

"(B) REPORTS BY SECRETARY.—The Secretary shall submit an annual report in writing to the Committees specified in subsection (h)(1) of the findings described in subparagraph (A).

"(d) ACCESS TO ASSESSMENTS IN ALL MEMBER COUNTRIES.—The Secretary of the Treasury shall seek the adoption of policies and procedures, through discussions and negotiations with the other member countries of the multilateral development banks and with the management of such banks, which result in access by governmental agencies and interested members of the public of such member countries to energy efficiency assessments by the borrowing country and the lending institution or documentary information containing comprehensive summaries of such assessments which discuss the impact on energy efficiency of prospective projects and programs being considered by such banks. Such assessments or summaries should be made available to such governmental agencies and interested members of the public at least 120 days before scheduled board action, and public participation in review of the relevant energy efficiency information should be encouraged.

"(e) CONSIDERATION OF ASSESSMENTS.—The Secretary of the Treasury shall—

"(1) ensure that an energy efficiency impact assessment prepared by the borrowing nation or a comprehensive summary of such assessment as described in subsection (c), and a reviewing assessment by the lending institution, accompanies loan proposals through the agency review process; and

"(2) take into consideration recommendations from all other interested Federal agencies and interested members of the public.

"(f) DEVELOPMENT OF PROCEDURES FOR SYSTEMATIC ENERGY EFFICIENCY ASSESSMENTS.—The Secretary of the Treasury, in consultation with other appropriate Federal agencies, shall—

"(1) instruct the United States Executive Director of each multilateral development bank to initiate discussions with the other executive directors of the respective bank and to propose that the respective bank develop and make available to member governments of, and borrowers from, the respective bank, within 12 months after the date of the enactment of this section, a procedure for the systematic assessment of the energy efficiency aspects of development projects and other activities for which the respective bank provides financial or technical assistance, taking into consideration general professional standards for assessing energy efficiency matters, and bilateral or multilateral assessment procedures; and

"(2) in determining the position of the United States on any action proposed to be taken by a multilateral development bank, develop and prescribe procedures for the consideration of, among other things—

"(A) the energy efficiency impact assessments of the action described in subsection (c);

"(B) interagency and public review of such assessments; and

"(C) other energy efficiency review and consultation of such actions that is required by other law.

"(g) USE OF UNITED STATES PERSONNEL.—The Secretary of the Treasury, in consultation with other appropriate Federal agencies, shall—

"(1) make available to the multilateral development banks, without charge, appropriate United States Government personnel to assist in—

"(A) training staff of the bank and appropriate personnel of borrowing countries in energy efficiency impact assessment procedures;

"(B) providing advice on energy efficiency issues;

"(C) preparing energy efficiency studies for projects with potentially significant energy efficiency impacts; and

"(D) preparing documents for public release, and developing procedures to provide for the inclusion of interested nongovernmental organization in the energy efficiency review process; and

"(2) encourage other member countries to such banks to provide similar assistance.

"(h) REPORTS.—

"(1) IN GENERAL.—The Secretary of the Treasury shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives—

"(A) not later than the end of the 2-year period beginning on the date of the enactment of this section, a progress report on the efficacy of efforts by the United States to encourage consistent and timely energy efficiency impact assessment of actions proposed to be taken by the multilateral development banks and on the progress made by the multilateral development banks in developing and instituting energy efficiency assessment policies and procedures; and

"(B) not later than the end of the 3-year period beginning on the date of the enactment of this section, a detailed report on the matters described in subparagraph (A).

"(2) AVAILABILITY OF REPORTS.—The reports required by paragraph (1) shall be made available to the member governments of, and the borrowers from, the multilateral development banks, and to the public.

"(i) MULTILATERAL DEVELOPMENT BANK DEFINED.—As used in this section, the term 'multilateral development bank' has the meaning given such term in section 1701(c)(4).

"(j) SCOPE OF ENERGY EFFICIENCY.—For purposes of the assessments referred to in this section, energy efficiency shall be measured by the

general principle of increased output per unit of input, and such assessments shall consider such concepts and techniques as systems energy efficiency, energy conservation, reduction of energy waste, end use energy efficiency, integrated resource planning, least cost planning, and alternative and renewable sources of energy.".

Subchapter B—Alleviation of Poverty, Reduction of Barriers to Economic and Social Progress, and Other Provisions

SEC. 1381. EFFORTS TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS.

Section 1613 of the International Financial Institutions Act (22 U.S.C. 262p-4h) is amended by adding at the end the following:

"(c) Efforts of Regional Multilateral Development Banks to Alleviate Poverty and Reduce Barriers to Economic and Social Progress.—The Secretary of the Treasury shall instruct the United States Executive Director of each regional multilateral development bank to advocate in discussion with the other directors of the respective bank and with the respective bank that the respective bank should, in pursuing the objectives described in section 64(a) of the Bretton Woods Agreements Act, establish an organizational unit to aid the management of the respective bank in developing and monitoring policies and strategies for the sustained reduction of poverty and for the reduction of legal, regulatory, and policy barriers to economic and social progress and equity, including land reform, tax policy, and access to credit and social services, especially for women.".

SEC. 1382. UNITED STATES POLICY REGARDING DEBT RESTRUCTURING.

Title XV of the International Financial Institutions Act (22 U.S.C. 262o) is amended by adding at the end the following:

"SEC. 1502. UNITED STATES POLICY REGARDING DEBT RESTRUCTURING.

"The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank that, notwithstanding the need of the respective bank to assess country creditworthiness in extending loans, it is against the policy of the United States for the respective bank to impose, as a condition of approving a loan or releasing funds under any loan that has been approved by the bank, that the borrowing country reach an agreement on debt reduction with its commercial bank creditors.".

SEC. 1383. PARTICIPATION OF WOMEN IN DEVELOPMENT ACTIVITIES.

Title XIX of the International Financial Institutions Act (22 U.S.C. 262t) is amended by adding at the end the following:

"SEC. 1902. PARTICIPATION OF WOMEN IN DEVELOPMENT ACTIVITIES.

"The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and the vote of the United States—

"(1) to continue to advance policies that provide for the participation of women in economic, social, and policy development activities; and

"(3) to encourage borrowing countries to fully involve women in the identification, planning, implementation, and evaluation of mainstream development activities financed by the respective institution.".

SEC. 1384. EMPLOYMENT OPPORTUNITIES AND COMPARABLE PAY.

Title XIX of the International Financial Institutions Act (22 U.S.C. 262t) is amended by adding after the section added by section 1383 of this Act the following:

"SEC. 1903. EMPLOYMENT OPPORTUNITIES AND COMPARABLE PAY.

"The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and the vote of the United States—

"(1) to urge the respective institution to reflect the diversity of the population in its hiring practices;

"(2) to encourage the respective institution to be attentive to, and to strengthen and expand, its policies on employment opportunities in recruiting, hiring, promoting, and compensating minorities and women; and

"(3) to encourage the respective institution to adopt compensation policies and programs to ensure that in the institution comparable pay is provided for people in comparable jobs.".

SEC. 1385. DIRECTIVE RELATING TO MULTILATERAL AID TO THE HORN OF AFRICA.

Title XV of the International Financial Institutions Act (22 U.S.C. 262o) is amended by adding after the section added by section 1382 of this Act the following:

"SEC. 1503. DIRECTIVE RELATING TO MULTILATERAL AID TO THE HORN OF AFRICA.

"(a) Instructions to United States Executive Directors.—The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to use the voice and vote of the United States to oppose any loan, except to meet basic human needs, of the respective institution to Ethiopia, Somalia, or Sudan, until the President makes the certification described in subsection (b) for the country.

"(b) Certification.—The certification referred to in subsection (a) for a country is a certification by the President to the Committee on Foreign Relations of the Senate, and the Committee on Banking, Finance and Urban Affairs and the Committee on Foreign Affairs of the House of Representatives, that the government of the country—

"(1) has begun to implement peace agreements, national reconciliation agreements, or both;

"(2) has demonstrated a commitment to human rights (within the meaning of sections 283 and 691(a)(2) of the Foreign Assistance Act of 1961);

"(3) has manifested a commitment to democracy, has held or scheduled free and fair elections, and has agreed to implement the results of those elections; and

"(4) has agreed to distribute developmental assistance on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

"(c) Definition.—For purposes of this section, the term 'multilateral development bank' includes the International Bank for Reconstruction and Development, the International Development Association, the African Development Bank, and the African Development Fund.".

SEC. 1386. ENCOURAGEMENT OF FAIR LABOR PRACTICES.

Title XIX of the International Financial Institutions Act (22 U.S.C. 262t) is amended by adding after the sections added by sections 1383 and 1384 of this Act the following:

"SEC. 1904. ENCOURAGEMENT OF FAIR LABOR PRACTICES.

"The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution—

"(1) to use the voice and vote of the United States to urge such institution to encourage borrowing countries, as an instrument of economic development, to engage in fair labor practices consistent with internationally recognized worker rights, within the context of their own level of economic development; and

"(2) to report to the Secretary of the Treasury, on a regular basis, on actions taken by such institution to promote the goal of fair labor practices referred to in paragraph (1).".

Subchapter C—Financial Integrity

SEC. 1391. ESTABLISHMENT OF PROCEDURES FOR INTERNAL AUDITS AND INVESTIGATIONS.

Title XV of the International Financial Institutions Act (22 U.S.C. 262o) is amended by adding after the sections added by sections 1382 and 1385 of this Act the following:

"SEC. 1504. ESTABLISHMENT OF PROCEDURES FOR INTERNAL AUDITS AND INVESTIGATIONS.

"(a) Propose Establishment of Office of Inspector General in Each Multilateral Financial Institution.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution (as defined in section 1701(c)(2)) to use the voice and vote of the United States to ensure that within their respective institutions an office of Inspector General or the equivalent thereof is established that undertakes the activities described in subsection (b).

"(b) Activities.—The purposes of such office must be—

"(1) to conduct and supervise audits and investigations relating to the programs and operations of the institution;

"(2) to provide recommendations for economy, efficiency, and effectiveness in the administration of such programs and operations;

"(3) to prevent and detect fraud and abuse in such programs and operations; and

"(4) to provide a means for keeping the chief executive officer and the board of directors of the institution fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.

"(c) Supervision and Other Administrative Provisions.—

"(1) Appointment of Head of Office.—The chief executive officer of the institution should appoint the head of such office, without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

"(2) Independence of Head of Office.—The head of such office should report to and be under the general supervision of the chief executive officer of the institution, or to the extent such authority is delegated, the officer next in rank below the chief executive officer, but must not report to, and be subject to the supervision of, any other officer of the institution. The head of such office should not be prevented or prohibited from initiating, carrying out, or completing any audit or investigation.

"(3) Removal of Head of Office.—The head of such office should be removable from such position only by the chief executive officer of the institution who must communicate the reasons for any such removal to the board of directors of the institution.

"(d) Duties and Responsibilities of the Head of Such Office.—The head of such office should have duties substantially equivalent to the following:

"(1) To provide policy direction for the audit and investigative functions of the office, and conduct, supervise, and coordinate audits and investigations relating to the programs and operations of the institution.

"(2) To recommend policies for, and to conduct, supervise, and coordinate relationships between the institution and other international financial institutions with respect to audit and investigative functions.

The head of such office should conduct, supervise, and coordinate audits relating to the programs and operations of the institution in accordance with appropriate accounting and auditing principles.

"(e) TERM OF OFFICE OF HEAD OF SUCH OFFICE.—The head of such office should be appointed for a term that is of sufficient duration to ensure the independence of such official.

"(f) PROVISION OF RESOURCES.—Such office should be provided with sufficient resources relating to staff to enable the office to carry out its duties.

"(g) REPORTS.—The head of such office should prepare detailed annual reports summarizing the activities of such office during the immediately preceding 12-month period, and should submit such reports simultaneously to—

"(1) the officer of the institution with general supervisory authority over the head of such office; and

"(2) the Chairman of the Board of Directors of the institution, or a committee of the board duly constituted for such purpose.".

CHAPTER 7—CONSOLIDATION OF REPORTS

SEC. 1399. CONSOLIDATION OF CERTAIN REPORTS.

Section 1701(b) of the International Financial Institutions Act (22 U.S.C. 262r(b)) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "; and"; and

(3) by adding at the end the following:

"(12) a compilation of the text or summary of, or references to, any other reports required by the Bretton Woods Agreements Act or this Act.".

TITLE XIV—MISCELLANEOUS

SEC. 1401. FOOD AS A HUMAN RIGHT.

(a) THE RIGHT TO FOOD AND UNITED STATES FOREIGN POLICY.—

(1) IN GENERAL.—The United States shall, in accordance with its international obligations and in keeping with the longstanding humanitarian tradition of the United States, promote increased respect internationally for the rights to food and to medical care, including the protection of these rights with respect to civilians and noncombatants during times of armed conflict (such as through ensuring safe passage of relief supplies and access to impartial humanitarian relief organizations providing relief assistance).

(2) RESPONSIBILITIES OF THE ASSISTANT SECRETARY OF STATE FOR HUMAN RIGHTS AND HUMANITARIAN AFFAIRS.—The responsibilities of the Assistant Secretary of State for Human Rights and Humanitarian Affairs shall include promoting increased respect internationally for the rights to food and to medical care in accordance with paragraph (1).

(b) UNITED NATIONS CONVENTION ON THE RIGHT TO FOOD.—It is the sense of the Congress that a major effort should be made to strengthen the rights to food in international law to assure the access of all persons to adequate food supplies. Toward that end, the Secretary of State, through the United States Representative to the United Nations, should propose to the United Nations General Assembly that a Declaration and a Convention concerning the right to food be adopted and submitted to the countries of the world for ratification.

SEC. 1402. ENVIRONMENTAL SECURITY AND FOREIGN POLICY.

(a) SHORT TITLE.—This section may be cited as the "United States Environmental Security and Foreign Policy Act of 1991".

(b) FINDINGS.—The Congress makes the following findings:

(1) Environmental protection must play a pivotal role in United States foreign policy, especially in light of rapidly increased understanding of the pervasive nature of global environmental problems.

(2) Transnational environmental threats to the economic and social well-being of individuals, nations, and the global community and the means to adequately address such problems are likely to pose an increasing challenge in the formulation of United States foreign policy, and international diplomacy on environmental issues must constitute a high priority in the conduct of United States foreign policy.

(3) If sustainable economic development is to be achieved, protection of the environment, especially through prevention of environmental degradation, must be a major goal of United States foreign policy.

(c) CONGRESSIONAL DECLARATION OF ENVIRONMENTAL SECURITY AND FOREIGN POLICY.—In order to encourage the establishment of global environmental security, the Congress declares the following to be the policy of the United States:

(1) Current and potential threats to the global environment shall be assessed, and appropriate measures shall be taken to obtain international cooperation on environmental protection.

(2) United States foreign policy to achieve global environmental security shall be based on the following fundamental principles:

(A) Protection of human life from the adverse effects of environmental degradation.

(B) Protection of the atmosphere from degradation or adverse changes arising from human activity.

(C) Protection of biological diversity.

(D) Protection of the world's forest cover.

(E) Protection of the oceans from human induced pollution and from misuse of living marine resources.

(F) Broad-based environmentally sustainable development as a basic objective of United States foreign assistance.

(G) Integration of economic and environmental decisionmaking processes.

(3) In recognition of the environmental factors that affect relations among countries, the President, in consultation with appropriate government agencies, shall—

(A) identify and evaluate elements of environmental programs of the United States Government with significant international implications or applications;

(B) identify and evaluate international environmental developments with significant implications for or applications in the United States; and

(C) initiate and participate in international environmental activities directed to the identification and resolution of international environmental problems and issues.

(4) In order to implement the policies set forth in this section, the Secretary of State shall have primary responsibility, subject to and in accordance with other applicable provision of law, to coordinate and oversee all major environmental agreements and activities between the United States and foreign countries, international organizations, and commissions of which the United States and one or more foreign countries are members.

(d) REPORT TO CONGRESS.—On May 1, 1992, and biennially thereafter, the Secretary of State shall submit a report to the Congress containing information and recommendations with respect to the following:

(1) Major multilateral environmental initiatives and negotiations concluded or in process, including identification of key issues and United States positions.

(2) Bilateral agreements on the environment in effect, by issue.

(3) United States participation in and support of environment programs in international organizations and multilateral development banks, including policies on environment protection encouraged by the United States and actions taken with regard to the policies by such institutions.

(4) International cooperation activities with respect to research and monitoring of environmental and natural resource conditions, including identification of United States funding levels and in-kind participation.

(5) Environmental policies and activities of the United States in providing foreign assistance.

SEC. 1403. REFORMING THE UNITED NATIONS RESPONSE TO INTERNATIONAL DISASTERS.

It is the sense of the Congress that a major effort should be made to reform and restructure the United Nations mechanism for responding to international disasters and other humanitarian emergencies. Toward that end, the Secretary of State, through the United States Representative to the United Nations, shall evaluate the role of the United Nations Disaster Relief Organization (UNDRO) and shall develop a proposal for strengthening the United Nations response to such emergencies. In formulating such proposal, the Secretary of State and the United States Representative to the United Nations shall give strong consideration to proposals that have been made for strengthening the United Nations responsiveness to disasters, including the following:

(1) The appointment by the Secretary General of a senior representative to be responsible for humanitarian affairs (including disaster response), whose office would be vested with sufficient authority, support, and resources to develop new procedures and coordination mechanisms to become the United Nations lead agency in international disaster relief matters.

(2) Creation of a standing interagency group, consisting of all United Nations agencies involved in disaster assistance, with a secretariat based in the office referred to in paragraph (1).

SEC. 1404. NUCLEAR NONPROLIFERATION REGIMES IN SOUTH ASIA AND OTHER REGIONS.

(a) POLICY.—It is the sense of the Congress that—

(1) the problems of halting international commerce in nuclear-weapons-related technology, of prohibiting the development, acquisition, or use of nuclear weapons, and of responding to the effects of nuclear war are global in nature;

(2) progress toward resolving these problems requires the agreement of all countries to undertake binding, universal, and nondiscriminatory commitments to global principles represented by the Treaty on the Non-Proliferation of Nuclear Weapons and the safeguards system implemented pursuant to that Treaty by the International Atomic Energy Agency;

(3) the design, negotiation, and development of regional nuclear nonproliferation regimes in South America, the Middle East, South Asia, East Asia, and in other regions can serve the global interest by reinforcing the universal standards and principles of the Treaty on the Non-Proliferation of Nuclear Weapons and the safeguards verification system of that Treaty, as implemented by the International Atomic Energy Agency;

(4) agreements among countries promising not to attack one another's nuclear facilities are useful measures that can contribute to the creation of nuclear nonproliferation regimes;

(5) timely information about the progress of these nonproliferation regimes toward achievement of these global nonproliferation objectives is essential to the Congress in the deliberation, formulation, and oversight of United States nuclear nonproliferation policy; and

(6) the President should pursue a regional negotiated solution to the issue of nuclear nonproliferation in the countries of South Asia, including at least the countries of the People's Republic of China, India, and Pakistan, and the President should seek an accord to be signed by

all nuclear weapon states in the Asian region which would prohibit nuclear attacks or the threat to use nuclear weapons by nuclear weapon states on countries in South Asia.

(b) REPORT.—The President shall submit to the Congress in January of 1992, and in January of each year thereafter, a report describing the progress made and obstacles encountered in establishing regional nuclear nonproliferation regimes in South America, the Middle East, South Asia, East Asia, and other regions. Each such report shall include a description of—

(1) any new regional agreements, treaties, or institutions that are created to advance global nuclear nonproliferation objectives;

(2) any new regional verification procedures and sanctions mechanisms to ensure progress toward achieving global nuclear nonproliferation objectives;

(3) any new proposals from countries in these regions to foster the development of regional regimes that promote global nuclear nonproliferation objectives; and

(4) a classified evaluation of any evidence that any country has engaged in the previous year in activities described in subparagraphs (A) through (D) of section 601(a)(3) of the Nuclear Non-Proliferation Act of 1978 or any other nuclear-weapon-related activity described in section 669 or 670 of the Foreign Assistance Act of 1961, together with an unclassified summary of this evidence.

And the Senate agree to the same.

From the Committee on Foreign Affairs, for consideration of the House bill, and the Senate amendment (except title IX), and modifications committed to conference:

DANTE B. FASCELL,
LEE H. HAMILTON,
GUS YATRON,
STEPHEN J. SOLARZ,
SAM GEJDENSON,
MERVYN M. DYMALLY,
ROBERT G. TORRICELLI,
BEN GILMAN,

As additional conferees from the Committee on Foreign Affairs, for consideration of title IX of the Senate amendment, and modifications committed to conference:

SAM GEJDENSON,

As additional conferees from the Committee on Agriculture, for consideration of section 502 of the House bill, and section 516 of the Senate amendment, and modifications committed to conference:

E DE LA GARZA,
CHARLIE ROSE,
DAN GLICKMAN,
PAT ROBERTS,
SID MORRISON,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 401, 403, 644(g), 844(b), and 846(b) of the House bill, and sections 515–16, 520(B), 606, 721–23, 731, 741–42, 771–74, and titles IX and XVIII of the Senate amendment, and modifications committed to conference:

MARY ROSE OAKAR,
STEVE NEAL,
JOHN J. LAFALCE,
ESTEBAN EDWARD TORRES,

Signature only for those provisions under the jurisdiction of the Banking Committee.

JIM LEACH,

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 848(b) and 1104 of the House bill, and title XVI of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
AL SWIFT,
DENNIS E. ECKART,
NORMAN F. LENT,
DON RITTER,

As additional conferees from the Committee on the Judiciary, for consideration of that portion of section 621 which adds a section 7202(f) to the Foreign Assistance Act and section 642(b) of the House bill, and modifications committed to conference:

JACK BROOKS,
ROMANO L. MAZZOLI,
MIKE KOPETSKI,
BILL MCCOLLUM,
LAMAR SMITH,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of that portion of section 101 which adds a section 1303 to the Foreign Assistance Act of 1961, and that portion of section 621 which adds a section 7403 to the Foreign Assistance Act of the House bill, and sections 305 and 680A of the Senate amendment, and modifications committed to conference:

WALTER B. JONES,
GERRY E. STUDDS,
BILLY TAUZIN,
BOB DAVIS,
NORMAN F. LENT,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 848(b) of the House bill, and title XVI of the Senate amendment, and modifications committed to conference:

ROBERT A. ROE,
HENRY J. NOWAK,
JAMES A. HAYES,
JOHN PAUL HAMMERSCHMIDT,
THOMAS E. PETRI,

As additional conferees from the Committee on Ways and Means, for consideration of sections 642(c), 901, and 1071 of the House bill, and sections 514–16, 607A and 690 of the Senate amendment, and modifications committed to conference:

DAN ROSTENKOWSKI,
SAM GIBBONS,
ED JENKINS,
BILL ARCHER,
PHIL CRANE,
Managers on the Part of the House.

CLAIBORNE PELL,
PAUL SARBANES,
JOE BIDEN,
ALAN CRANSTON,
CHRISTOPHER J. DODD,
HARRIS WOFFORD,
NANCY LANDON KASSEBAUM,
FRANK H. MURKOWSKI,
MITCH MCCONNELL,

Solely for chapter 7 of title VII and chapter 1 of title IX:

DON RIEGLE,
PAUL S. SARBANES,
JAKE GARN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that Act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that Act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

INTRODUCTION

The House bill (titles I–VI) undertakes to rewrite entirely the Foreign Assistance Act of 1961, as amended, in order to revise and streamline the authorities and requirements of that act and to delete obsolete provisions which have accumulated over the last 30 years. The Senate amendment does not rewrite the entire Foreign Assistance Act; however, it does streamline the former authorities governing development assistance and deletes many obsolete provisions of law. In cases where the Senate agreed with the consolidation or policy change of the House rewrite, the Senate amendment amends current law.

The committee of conference, during consideration of the House bill and the Senate amendment thereto, accepted the Senate approach of amending the current Foreign Assistance Act rather than rewriting the Act. Therefore, the provisions of the conference substitute, where appropriate, are written as amendments to the Foreign Assistance Act.

The committee of conference notes that, in cases where the Senate amendment does not contain provisions comparable to the rewritten Foreign Assistance Act provision of the House bill, current law is retained unless specifically noted. The committee of conference also notes that repeals of specific provisions of the Foreign Assistance Act and other legislation authorizing foreign assistance programs are primarily listed in section 645 of the conference report.

EARMARKS

Since the enactment of the last foreign assistance authorization bill, the principle has been established clearly in the Senate that authorizing legislation is not to contain floors of funds for specific purposes. The House bill contains numerous earmarks; the Senate amendment is written with specific line item authorizations or ceilings instead. In order to facilitate consideration of the conference report, the committee of conference adopted the Senate approach of line item authorizations and ceilings instead of earmarks.

AUTHORIZATIONS

The following table shows the authorizations of appropriations agreed to in the conference substitute:

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 1992 AND 1993

[In thousands of dollars]

	Fiscal year 1992—				Plus or minus House	Conference agreement fiscal year 1993
	Request (reestimate)	House-passed H.R. 2508	Senate-passed S. 1435	Conference agreement		
Development assistance (151):						
Int'l, organizations	250,212	300,612	311,280	310,410	9,798	310,410
Bilateral DA	1,277,000	1,077,000	1,310,736	1,380,000	3,000	1,380,000
Agriculture (AG/SDA)			463,051	614,000		614,000
Population		300,000	257,688	300,000		300,000
Health (HEALTH/ED/CSF/AIDS)		(327,000)	301,291	466,000		466,000
(Child survival)		(130,000)				
(AIDS)		(62,000)				
Education			126,355			
Private sector			162,351			
Fund for Africa	800,000	1,000,000	800,000	1,000,000	0	1,000,000
Special assist, initiative	560,000	548,500	560,000	575,000	26,500	575,000
Philippines	160,000	160,000	160,000	160,000	0	160,000
SEED		388,500	400,000	415,000	26,500	415,000
Enter. for the Amer. Initiative	285,000	242,356	409,748	285,000	42,644	285,000
ASHA	30,000	35,000	35,000	35,000	0	35,000
Disaster assistance	40,000	70,000	40,000	70,000	0	70,000
AID operating expenses	483,300	483,300	483,300	483,300	0	483,300
AID IG	37,739	37,739	37,739	37,739	0	37,739
Housing guaranties	15,900	2,000	9,500	15,900	13,900	10,000
HIG admin. expenses	8,500	8,500		8,500	0	8,500
TDP	35,000	55,700	40,000	55,000	(700)	75,000
OPIC	10,649	12,300	0	12,300	0	12,300
Priv. Sec. Loan Prog.	1,500	1,500	1,367	1,500	0	1,500
Peace Corps	200,000	200,000	207,000	200,000	0	200,000
IAF	28,794	28,800	28,794	28,800		31,000
ADF	14,950	14,950	14,950	14,950	0	14,950
Narcotics control	171,500	171,500	171,500	171,500	0	171,500
Sov-E.E. research	0	5,000	0	5,000	0	5,000
Pres. contingencies	20,000	0	10,000	10,000	10,000	10,000
Subtotal	4,270,044	4,594,757	4,470,914	4,699,899	105,142	4,716,199
Security assistance (152)						
FMF unallocated		718,000	560,500	512,000	(206,000)	512,000
FMF Buydown		270,000	0			
Israel FMF		(1,800,000)	1,800,000	1,800,000		1,800,000
Egypt FMF		(1,300,000)	1,300,000	1,300,000		1,300,000
Greece FMF		65,000	350,000	[1]350,000		[1]350,000
Turkey FMF		(500,000)	500,000	500,000		500,000
FMF, Total	4,640,000	4,386,444	4,510,500	4,462,000	75,556	4,462,000
ESF unallocated		1,175,200	966,000	966,000	(209,200)	966,000
Israel ESF		(1,200,000)	1,200,000	1,200,000		1,200,000
Egypt ESF		(815,000)	815,000	815,000		815,000
Regional ME ESF		(7,000)	7,000	7,000		7,000
Cyprus ESF		(15,000)	15,000	15,000		15,000
Ireland ESF		(20,000)	25,000	22,500		22,500
Turkey ESF		(190,000)	175,000	190,000		190,000
S. Pacific ESF		(10,000)		10,000		10,000
Nepal ESF		(10,000)		10,000		10,000
ESF, Total	3,228,000	3,322,500	3,203,000	3,235,500	(87,000)	3,235,500
MAP	10,000	0				
Peacekeeping	28,000	28,000	28,000	28,000	0	28,000
IMET	52,500	52,500	47,196	50,500	(2,000)	50,500
Anti-terrorism,	15,000	15,000	15,000	15,000	0	15,000
Subtotal	8,243,500	7,804,444	7,803,696	7,791,000	(13,444)	7,791,000
U.S.-Mexico Env. Fund			10,000	0		0
Advisory Committee			500	0		0
Int'l. Bound/Water Fund			5,000	0		0
Project EDEN			10,000	0		0
Total (151 & 152)	12,513,544	12,399,201	12,300,110	12,490,899	[2]91,698	12,507,199

[1] Program authority level.

[2] This amount is more than offset by savings in the FMFP program pursuant to credit reform.

TITLE I—ECONOMIC ASSISTANCE

REVISION OF ECONOMIC ASSISTANCE PROGRAMS

The House bill revises, consolidates, and streamlines existing development, economic support fund (ESF), and other economic and humanitarian assistance programs authorized under the Foreign Assistance Act and other legislation authorizing and appropriating foreign assistance.

The Senate amendment amends current law, consolidating and streamlining development assistance policies under the Foreign Assistance Act.

The conference substitute reflects the Senate approach.

FINDINGS

The House bill (sec. 1101) sets forth findings regarding the reasons for providing economic assistance and the need for coordination.

The Senate amendment (sec. 101) contains a policy statement which defines five goals for U.S. foreign assistance programs as follows:

(1) promoting and consolidating democratic values and institutions:

(2) promoting U.S. national security interests and securing peace;

(3) promoting economic growth through competitive markets with equitable distribution of benefits;

(4) promoting human resource development and meeting urgent humanitarian needs; and

(5) protecting against transnational threats including environmental degradation, narcotics trafficking, and terrorism.

The conference substitute (sec. 3) sets forth five general goals for U.S. foreign policy and foreign assistance programs. The conference substitute (sec. 101) also amends section 101 of the Foreign Assistance Act of 1961 (hereafter referred to as the Foreign Assistance Act) to enunciate reasons for economic assistance and the need for the coordinated application of resources.

OBJECTIVES

The House bill (sec. 1102 (a)-(e)) defines the four basic objectives of U.S. economic assistance programs as sustainable economic growth, sustainable resource management poverty alleviation, and democracy.

The Senate amendment (sec. 102 (a) and (b)) sets forth similar goals without elaborating on each objective.

The conference substitute (sec. 101) rewrites section 102(a)-(e) of the Foreign Assistance Act to set forth four basic objectives of economic assistance programs and U.S. development cooperation policy: poverty alleviation, sustainable economic growth, sustainable resource management, and democracy. In listing poverty alleviation as the first objective, it is the intention of the committee of conference to emphasize that poverty alleviation remain the central focus of all U.S. development assistance activities.

CROSS-CUTTING ELEMENTS

The House bill (sec. 1102(f)) identifies participation and consultation, women in development, nongovernmental cooperation in development, appropriate technology, utilization of U.S. institutional capabilities, and human rights as cross-cutting elements of all U.S. economic assistance activities.

The Senate amendment (sec. 101) amends section 102 of the Foreign Assistance Act to set forth involvement of socially disadvantaged populations, contributions of U.S. scientific and research capabilities, use of U.S. technology, utilization of nongovernmental organizations, and promotion of human rights as cross-cutting elements.

The conference substitute (sec. 101) amends section 102(f) of the Foreign Assistance Act to include the House provision.

EFFECTIVE USE OF ASSISTANCE

The House bill (sec. 1102(g)(1-3)) sets forth requirements for the effective use of assistance.

The Senate amendment (sec. 102(d)) contains a similar provision.

The conference substitute (sec. 101) amends section 102(g) of the Foreign Assistance Act to include the House provision.

CHILD SURVIVAL AND BASIC EDUCATION PRIORITY COUNTRIES

The House bill (sec. 1102(g)(4) and (5)) directs the President to establish child survival and basic education programs in priority countries.

The Senate amendment contains no comparable provisions.

The conference substitute is the same as the Senate position. However, the committee on conference intends that the Agency for International Development (AID) should support child survival and basic education programs in all appropriate countries, recognizing that in some instances AOD assistance in these program areas may be inappropriate for various reasons such as the activities of other donors in those sectors, a lack of necessary infrastructure, or inadequate domestic policy.

DEVELOPMENT ASSISTANCE AUTHORITIES

The House bill (sec. 1201) authorizes the provision of development assistance and lists 19 functions for which development assistance may be provided.

The Senate amendment does not contain a comparable provision, although various Senate provisions, referenced separately below, provide new or revised development assistance authorities in addition to the authorities contained in sections 103, 104, 105 and 106 of the Foreign Assistance Act.

The conference substitute is the same as the Senate position.

DEVELOPMENT ASSISTANCE AUTHORIZATIONS

The House bill (sec. 1202) authorizes $1.077 billion in each of the fiscal years 1992 and 1993 to carry out the development assistance programs authorized under the Foreign Assistance Act. The House bill (sec. 1204 (a) and (b)) also authorizes $300 million in fiscal year 1992 and $350 million in fiscal year 1993 for assistance for voluntary population planning.

The Senate amendment (secs. 102–105) makes the following authorizations for each of the fiscal years 1992 and 1993:

	Millions
Agriculture, rural development and nutrition	$463.051
Population assistance	300
Health programs, (including child survival and AIDS activities)	345
Education and human resources development	126.355
Private sector, environment, energy, and other development assistance	161.351

The conference substitute (sec. 102) creates a new section 102A of the Foreign Assistance Act which authorizes $614 million in each of fiscal years 1992 and 1993 for activities to promote sustainable economic base, and $766 million in each of fiscal years 1992 and 1993 for activities to promote sustainable human resource development.

The sustainable economic base authorization provides funding for agriculture, rural development, and nutrition activities authorized in section 103 of the Foreign Assistance Act, and private sector, environment, energy, and other development assistance authorized in section 106 of the Foreign Assistance Act, with a target of $465 million for section 103 activities. The issues of food and agriculture, and related natural resource concerns, continue to be basic to the economic growth of developing countries. In consolidating the funding for the agriculture, rural development, and nutrition account with the private sector, environment, energy and other development assistance account, the committee of conference emphasizes its intention that the critical importance of food and agriculture as a central element in long-term development assistance not be diminished. Accordingly, the legislation establishes a target, which equals approximately 75 percent of this authorization, for agriculture-related activities.

The sustainable human resource development authorization includes $300 million in each of fiscal years 1992 and 1993 specifically for population activities, and $466 million in each fiscal year for health assistance, including child survival and AIDS prevention, and education and other human resource development activities. The committee of conference intends that AID establish funding targets of $140 million for child survival activities and $65 million for AIDS prevention and control activities in each of fiscal years 1992 and 1993. The committee of conference intends that for each of fiscal years 1992 and 1993, 45 percent of the amount made available in each year for AIDS prevention control should be provided directly to the World Health Organization Global Program on AIDS, including activities implemented by the Pan American Health Organization.

EARMARKS FOR HEALTH, CHILD SURVIVAL, AIDS, VITAMIN A DEFICIENCY, AND BASIC EDUCATION ACTIVITIES

The House bill (sec. 1203(a)) earmarks $327 million of the development assistance total in each of fiscal years 1992 and 1993 to carry out health, child survival, and AIDS prevention and control activities and directs the AID Administrator to target $135 million for health, $130 million for child survival activities, and $62 million for AIDS prevention and control in each fiscal year. The section also earmarks $275 million for child survival activities in fiscal year 1992 and $335 million in fiscal year 1993 from development assistance, the Development Fund for Africa, and economic support fund (ESF) assistance. Section 1203(b) earmarks $12 million in fiscal year 1992 and $15 million in fiscal year 1993 from development assistance funds for activities to reduce vitamin A deficiency. Section 1203(c) earmarks $135 million in fiscal year 1992 and $175 million in fiscal year 1993 from development assistance, the Development Fund for Africa, and economic support assistance programs in support of basic education.

The Senate amendment (sec. 103(c)) provides specific authorization for AIDS prevention and control and state that 45 percent of health funds should be provided directly to the World Health Organization Global Program on AIDS.

The Senate amendment (sec. 103(d)) calls on AID to establish a goal of reducing under 5 mortality rates by at least one-third by the year 2000.

The conference substitute (sec. 102) includes in new section 102A of the Foreign Assistance Act targets for child survival and AIDS prevention and control programs as outlined above. The committee of conference urges AID to attempt to allocate for each fiscal year from all economic assistance sources the following: $275 million for child survival programs; $135 million for basic education activities, including early childhood education, primary education, teacher training, and other necessary activities in support of early childhood and primary education, and literacy training for adults; and $12 million for programs to reduce Vitamin A and other micro-nutrient deficiencies. The conference substitute (sec. 106) also amends section 104(c) of the Foreign Assistance Act to authorize AIDS prevention and control programs.

POPULATION POLICY

The House bill (sec. 1204(c)) provides that the amounts available for population assistance shall not be reduced by a greater proportion than other development activities in order to meet other earmarks. The House bill (sec. 6205(b)) also requires that funding be available only for voluntary family planning projects which offer information or referral to a broad range of family planning methods and services.

The Senate amendment contains no comparable provisions.

The conference substitute (sec. 105) amends section 104(b) of the Foreign Assistance Act to reflect the House provisions.

MEXICO CITY POLICY

The House bill (sec. 1204(d)) provides that funds made available to carry out economic assistance programs shall not be denied to nongovernmental organizations (NGOs) or multilateral organizations on the basis of any criterion that is not applicable to foreign governments that receive such funds.

The Senate amendment (sec. 103(a)) amends sec. 104 of the FAA to provide that in determining eligibility for population assistance, the AID Administrator shall not subject NGOs and multilateral organizations to requirements more restrictive than requirements applicable to foreign governments for such assistance.

The conference substitute is the same as the Senate provision.

UNITED NATIONS POPULATION FUND

The House bill (sec. 1205) earmarks $20 million or 16 percent of total population assistance, whichever is less, for the United Nations Population Fund (UNFPA), provided that: the UNFPA be required to maintain these funds in a separate account; that none of these funds be available for programs for the People's Republic of China; that an agreement between the United States and the UNFPA obligating these funds include a provision expressly stating that the full amount of the U.S. contribution will be refunded if any U.S. funds are use for any family planning programs in the People's Republic of China or for abortions in any country; and the agreement between the United

States and the UNFPA also state that the full amount granted by such agreement be refunded to the United States if, during the period 1990-94, the UNFPA provides more than $57 million for planning programs in the People's Republic of China.

The Senate amendment (sec. 103(e)(D)) provides that up to $20 million may be made available to the UNFPA for the provision of contraceptives and related logistics, subject to conditions similar to those in the House bill.

The conference substitute (sec. 105) amends section 104(b) of the Foreign Assistance Act with language which is essentially the same as the Senate provision with additional requirements that the separate account for the U.S. contribution to the UNFPA be administered jointly by the UNFPA and the U.S. Permanent Representative to the U.N. General Assembly, and that disbursement be made to UNFPA projects only subject to the approval of the U.S. Permanent Representative. The committee of conference intends that the Office of Population at AID advise the U.S. Permanent Representative regarding the disbursement of funds.

ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES AND FOR DISPLACED CHILDREN

The House bill (sec. 1201(d)(6)) provides authority to address the health, education, nutrition, and other special needs of displaced children.

The Senate amendment (sec. 217) mandates the establishment of an Office of and an Advisory Board for International Rehabilitation and Therapy in AID and authorizes $20 million in ESF.

The conference substitute (sec. 103) creates a new section 102B of the Foreign Assistance Act which provides that funds available for human resource development under the health and education authorities may be used for assistance to meet the needs of individuals with disabilities, and to assist displaced children who have been abandoned or orphaned as a result of poverty or man-made or natural disaster.

The committee of conference notes that the conference substitute includes an authorization of funds under section 102A(b)(2) for assistance for individuals with disabilities and for displaced children. The committee of conference intends that this provision reflect the U.S. commitment, as demonstrated by the recent enactment of the Americas with Disabilities Act, to assisting persons with disabilities to become independent and productive members of their society.

MARINE FISHERIES AND AQUACULTURE PROGRAMS

The Senate amendment (sec. 102(b)) amends section 103 of the Foreign Assistance Act with findings and a directive that in the allocation of agriculture, rural development, and nutrition funds, special attention be given to strengthening and expanding marine fisheries and aquaculture programs and projects.

The House bill contains no comparable provision.

The conference substitute (sec. 104) amends section 103 of the Foreign Assistant Act to include the directive contained in the Senate provision. Marine fisheries/aquaculture production and living aquatic resources are increasingly important to economic development and to the diets of people around the world. Therefore, the committee of conference directs the AID Administrator to review the proposed elimination of marine fisheries and aquaculture programs and projects in the Bureau for Science and Technology and to report to the Senate Committee on Foreign Relations within 60 days on the status of all projects, including all those supported over the past two years. The report should also include proposals for potential expansion of existing programs or projects and a discussion of new opportunities in aquaculture and marine fisheries. The committee of conference urges the Administrator to ensure that no reductions are made in support for the marine fisheries and aquaculture programs.

PRIVATE SECTOR, ENVIRONMENT, ENERGY, AND OTHER DEVELOPMENT ASSISTANCE

The Senate amendment (sec. 105) revises section 106 of the Foreign Assistance Act to place greater emphasis on environmental and private sector development programs to help developing countries support sustainable management of their resources.

The House bill contains no comparable provision

The conference substitute (sec. 107) generally reflects the Senate provision.

COST SHARING

The House bill (sec. 1242) revises section 110 of the Foreign Assistant Act to provide that the recipient country should bear an appropriate share of the cost of a program or project for which assistance is furnished. A country must bear such costs on an "in kind" basis.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 110) amends section 110 of the Foreign Assistance Act to reflect the House provision.

WOMEN IN DEVELOPMENT

The Senate amendment (sec. 111) sets forth findings on the vital role of women in development and amends section 113 of the Foreign Assistance Act to seek to ensure: the involvement of women in AID projects; the use of sex-disaggregated data; An increase in women's participation in sectors supported by AID; that country development strategy statements identify by sector the obstacles to increasing the levels of participation of women; and inclusion of assessments of impact of AID-assisted activities on women's participation in AID evaluations and assessments. The Senate amendment also authorizes up to $3 million for matching funds to support AID mission women in development (WID) programs and requires a biennial report from AID on the activities under this section.

The House bill contains no comparable provision.

The conference substitute (sec. 111) is similar to the Senate provision except that it does not include the findings and provides up to $6 million for matching funds for AID mission WID programs.

DEVELOPMENT EDUCATION

The House bill (sec. 12220 rewrites section 316 of the International Security and Development Cooperation Act of 1980, generally referred to as the "Biden-Pell" development education provision, to authorize the use of development assistance, ESF, and Development Fund for Africa assistance to support development education in the United States.

The Senate amendment (sec. 109(c)) contains a similar provision.

The conference substitute (sec. 113(b)) conforms generally to the senate provision, amending section 123 of the Foreign Assistance Act to direct the AID Administrator to support fully and encourage development education programs, and repeals section 316 of the International Security and Development Cooperation Act of 1980. It is the intention of the committee of conference that such programs create a broad global consciousness and awareness of transnational problems; promote values and attitudes which encourage a feeling of responsibility to correct injustices; and engage citizens in activities which lead to the improvement of the quality of life for all people.

STRENGTHENING NONGOVERNMENTAL ORGANIZATIONS

The House bill (sec. 1223) restates authorities in section 1229d) and 123 of the Foreign Assistance Act to use economic assistance to strengthen the capacity of NGOs, including research and educational institutions.

The Senate bill contains no comparable provision, retaining current law.

The conference substitute reflects the Senate position.

MICROENTERPRISE DEVELOPMENT

The House bill (sec. 1224) authorizes a program to support microenterprise development and earmarks $85 million in each of fiscal years 1992 and 1993 for microenterprise assistance, of which $20 million in fiscal year 1992 and $30 million in fiscal year 1993 shall be used to support loans which have a purchasing power of $300 or less, of which initial loans should be $150 or less.

The Senate amendment (title XVII) is essentially the same as the House provision except that it provides a line item authorization of $20 million in fiscal year 1992 and $30 million in fiscal year 1993 for programs of poverty lending.

The conference substitute (sec. 118) adds a new title VI to chapter 2 of part I of the Foreign Assistance Act which authorizes a program of microenterprise development. The conference substitute is essentially the same as the House provision except that it does not include the findings, provides that the AID Administrator should use not less than $85 million in each of the fiscal years 1992 and 1993 for micreoenterprise development, of which $20 million in fiscal year 1992 and $30 million in fiscal year 1993 should be used to support loans of $300 or less, and deletes the requirement concerning initial loans of $150 or less.

ASSISTANCE FOR HUMAN RIGHTS AND DEMOCRATIC INITIATIVES

The House bill (sec. 12210 establishes the framework by which the United States may provide assistance to governments and NGOs to promote democracy and respect for human rights. The House bill authorizes the President to use funds available for development assistance, ESF, and the Development Fund for Africa for programs and activities to promote increased respect for internationally-recognized human rights and improve the performance of institutions of democracy. The programs and activities under this section are a consolidation and expansion of current law including section 116(e) (the human rights fund) and section 534 (the administration of justice program) of the Foreign Assistance Act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 119), which is similar to the House provision, creates a new section 281 of the Foreign Assistance Act. The conference substitute contains an elaboration of the specific programs and activities that are authorized, describes the eligible recipients of assistance, and continues the current prohibition on assistance to influence the outcome of any election.

The committee of conference emphasizes that this language prohibits the financing of campaigns or candidates for public office. This prohibition does not preclude efforts to ensure free, fair, and open electoral and political processes. Assistance may be provided to register voters and ensure voter participation in elections, develop democratic election laws, monitor elections, ensure equitable access to media outlets during elections, strengthen the capabilities of political parties and institutions to compete effectively, and support other efforts to "level the playing field" in those countries where democratic political forces are at a distinct disadvantage in relation to the government.

The committee of conference notes that AID this year declared the promotion of democracy to be one of its primary functions and endorses the use of foreign assistance for this purpose. However, it is the intent of the committee of conference that AID's traditional function of promoting development will not be diminished as a result of the burgeoning democratic initiative.

The committee of conference believes that great care must be taken to structure U.S. democracy programs so as to minimize, if not eliminate, political and diplomatic interference. It is essential to effective programs aimed at strengthening democratic institutions that they not be subject to political pressures emanating from the United States or other governments. In many countries, strengthening democracy will mean supporting organizations and activities intended to place limits on government authority or to assure accountability of government agencies. Many political organizations, by their very nature, will be involved in trying to replace a particular government. Effective programs aimed at strengthening democratic institutions inevitably will create tensions with governments. U.S. diplomatic personnel and AID officials will have to maintain their focus on the long-term importance of these programs and resist allowing other considerations to undermine their effectiveness. AID will face unique management challenges to maintain an appropriate distance between it and those implementing activities to strengthen democracy while assuring appropriate oversight.

The committee of conference believes that AID should not be involved in directly assisting political parties or groups in civil society that have explicitly or potentially political missions and that risks coming into conflict with their governments. The committee of conference, therefore, fully expects AID to use other appropriate institutions such as the National Endowment for Democracy (NED), a non-governmental entity which has a proven track record of grant-giving to private, politically active organizations, parties, institutions, or media whose independence from government is essential to their work, in the planning and implementation of this type of program.

The committee of conference is further concerned that AID also proposes to involve itself in activities within the traditional purview of the United States Information Agency (USIA) and by the apparent lack of executive branch coordination in devising and structuring, as well as funding, U.S. support for democracy abroad. There appears to be significant overlap and fragmentation among the various U.S. Government-funded agencies involved in the promotion of democracy, namely the Department of State, USIA, NED, and AID. The committee of conference shares the views regarding the roles of each of these agencies expressed in the report accompanying the House bill and expects AID to fully utilize the experience and expertise of USIA and NED in the planning and implementation of programs authorized under this section. The committee of conference intends that AID provide funding for appropriate projects of USIA and NED to further the purposes of this section.

Because of the aforementioned concerns and because the committee of conference notes a lack of coordination within AID, the conference substitute requires advance congressional notification, pursuant to the procedures applicable to reprogramming contained in section 634A of the Foreign Assistance Act, of all projects under this section.

The committee of conference also expects greater overall coordination by the executive branch and, to this end, the conference substitute (sec. 119(b)) requires the President to submit a report, not later than six months after the date of enactment, to the appropriate congressional committees on the role and responsibilities of each of the abovementioned agencies in the promotion of democracy, including budget allocations. The report should include specific recommendations for improving coordination and the delineation of responsibilities among agencies.

PRIVATE VOLUNTARY ORGANIZATION ACTIVITIES

The House bill (sec. 1225) earmarks $275.4 million in each fiscal years 1992 and 1993 to support activities of private voluntary organizations (PVOs).

The Senate amendment (sec. 109(b)) amends section 123(h) of the Foreign Assistance Act to raise the PVO funding floor for development assistance and ESF from 13.5 percent to 18 percent, and raises the PVO funding target from 16 to 25 percent.

The conference substitute (sec. 113) adopts the Senate provision as section 123(f) of the Foreign Assistance Act.

ENVIRONMENTAL ASSESSMENT

The House bill (sec. 1241) restates existing section 117(c) of the Foreign Assistance Act and adds new language directing the President to prepare and take into account an initial environmental examination or review of all development assistance projects and programs.

The Senate amendment (sec. 107) amends section 117(c) with a similar provision and adds a new section 117(d) requiring that no funds be obligated or expended for any project or program requiring an environmental impact statement, assessment, or analysis until any options under consideration with respect to a project or program have been considered and received public comment.

The conference substitute (sec. 112) contains the Senate provision amending section 117(c) of the Foreign Assistance Act and adopts the Senate position with regard to a new section 117(d).

TROPICAL FORESTS

The Senate amendment (sec. 108) amends section 118 of the Foreign Assistance Act to provide that no funds be used for any project that would result in any significant loss of primary tropical forests.

The House bill contains no comparable provision.

The conference substitute reflects the House position. However, the committee of conference believes that AID should make every effort to prevent loss of primary tropical forests.

ECONOMIC REFORM AND ENVIRONMENTAL PROTECTION

The Senate amendment (sec. 112) adds a new section 130 to the Foreign Assistance Act requiring that economic policy reforms undertaken under the act include provisions to protect long-term environmental interest from possible negative consequences of reforms.

The House bill (sec. 1102) provides that economic assistance programs should assist countries to adopt policies and programs that promote ecologically sound patterns of growth.

The conference substitute (sec. 102(d)) reflects the House provision.

ASSISTANCE LIMITED TO ECONOMIC PROGRAMS

The House bill (sec. 1243) restates section 531(e) of the Foreign Assistance Act. It prohibits the use of development assistance, economic support fund assistance, and the Development Fund for Africa for military or paramilitary purposes.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

INTERNATIONAL TRAINING ASSISTANCE

The Senate amendment (sec. 216) encourages AID to maintain current funding or increase funding for international training programs and establishes criteria and authorizes funding for administration of coordinating offices.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

POLICY ON DEVELOPING NATION GROWTH

The Senate amendment (sec. 2006) expresses the sense of Congress that the United States should urge developing countries to pursue policies conducive to growth through private direct investment and to adopt "national treatment" for private direct investors and should urge industrial countries not to erect trade barriers.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. However, the committee of conference notes that section 102(c) of the conference substitute links the objective of sustainable economic growth to support for free market principles, economic reforms such as deregulation and privatization, and adherence by governments to international economic agreements, particularly those relating to free and fair trade practices.

ECONOMIC SUPPORT FUND OBJECTIVES

The House bill (sec. 1301) restates section 531(a) of the Foreign Assistance Act which authorizes use of ESF to promote economic or political stability.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ECONOMIC SUPPORT FUND AUTHORIZATIONS

The House bill (sec. 1302) authorizes $3.3225 billion for each of fiscal years 1992 and 1993 for the economic support fund. (Authorization of ESF funds for specific countries and programs are found as earmarks in the regional titles of the House bill rather than in this section).

The Senate amendment (sec. 301) provides a total of $3.203 billion in ESF assistance for each of fiscal years 1992 and 1993. The Senate amendment makes the following authorizations for each of the fiscal years 1992 and 1993: $1.2 billion in each fiscal year for Israel, to be made available on an expedited basis; $815 million for Egypt, which may include sector grants subject to certain conditions and may include certain support for Egyptian civilian law enforcement personnel; $7 million for cooperative scientific and technological projects involving Israel, Egypt, and other Middle Eastern countries, and, where appropriate, the United States; $15 million for Cyprus, for scholarships and other activities; $25 million for the U.S. contribution to the International Fund for Ireland; $75 million for Turkey; and $966 million for those countries and programs not specifically authorized.

The conference substitute (sec. 123) provides a total of $3.235 billion in ESF assistance for each of the fiscal years 1992 and 1993. The conference substitute makes the following authorizations for each of the fiscal years 1992 and 1993: $1.2 billion for Israel; with provisions relating to the terms for such assistance in section 601 of the conference substitute; $815 million for Egypt, with provisions relating to the terms of such assistance in section 602 of the conference substitute; $190 million for Turkey; $22.5 million for the U.S. contributions to the International Fund for Ireland; $15 million for Cyprus for scholarships and other activities; $10 million for Nepal; $10 million for the South Pacific regional program, of which $2 million is authorized each year for scholarships for postsecondary study in the United States; $7 million for cooperative scientific and technological projects involving Israel, Egypt, and other Middle Eastern countries, and, where appropriate, the United States; and $966 million for countries and purposes not specifically authorized.

ADMINISTRATION OF JUSTICE PROGRAM FOR THE PHILIPPINES

The Senate amendment (sec. 302) contains a provision which designates the Philippines as an eligible country to receive assistance under section 534(a) of the Foreign Assistance Act (relating to the administration of justice program).

The House bill contains no comparable provision.

The conference substitute deletes the authority in section 534(a) of the Foreign Assistance Act to conduct programs to strengthen the administration of justice in Latin America and the Caribbean and consolidates it with the worldwide authority (contained in the conference substitute section 119) to conduct programs and activities to promote respect for internationally recognized human rights and improve the performance of institutions of democracy, including judicial institutions.

The committee of conference urges the President to exercise this authority to carry out programs and activities designed to strengthen respect for the rule of law and improve the independence and effectiveness of judicial institutions in the Philippines.

RESTRICTIONS OF USE OF FUNDS FOR NUCLEAR FACILITIES

The Senate amendment (sec. 304) prohibits the use of ESF for costs related to nuclear facilities unless the President certifies that the recipient country is a signatory to the Nuclear Nonproliferation Treaty or the Treaty for the Prohibition of Nuclear Weapons in Latin America, cooperates fully with the International Atomic Energy Agency, and pursues nonproliferation policies.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. The committee of conference notes that sec. 741 of the bill contains provisions related to Argentina's and Brazil's common nuclear policy.

PURCHASE OF U.S. GOODS AND SERVICES

The House bill (sec. 1303) generally requires that governments receiving cash transfer assistance enter into agreements to spend an amount equal to 100 percent of that cash transfer assistance on U.S. goods and services. The goods are required to be shipped as though furnished by the U.S. Government (which language brings into effect section 901 of the Merchant Marine Act of 1936); directs the President to ensure the equal distribution of ports of departure and that goods are available at fair prices; and requires that the General Accounting Office have access to the records and personnel necessary to carry out monitoring and auditing as appropriate. The House bill exempts from the application of this provision any country (1) that receives such transfers of less than $25 million in a fiscal year: (2) that, as of April 1, 1989, was receiving cash transfer, and as of the time of cash transfer, has an agreement (a) to spend an amount equal to the cash transfer on purchases of U.S. goods and services; (b) to carry 50 percent of all bulk shipments on U.S. grain on privately owned U.S.-flag commercial vessels, to the extent such vessels are available at fair and reasonable rates; and (c) to purchase U.S. grain at levels comparable to those purchased in prior years, except only if the country continues to agree to those conditions; or, (3) that, as of the effective date of this section, has an agreement requiring that country to spend an amount equal to the cash transfer to purchase U.S. goods and services, except only if the country continues to agree to that condition. The President may waive the requirements of this provision with respect to a country if he determines that it is important to the national interest. Any such waiver shall be reported to the appropriate congressional committees.

The Senate amendment (sec. 305) contains a similar provision. The differences are that the Senate amendment: requires the country rather than the recipient government to purchase U.S. goods and services; restricts the reimbursement for the costs of U.S. vessels to no more than 30 percent of international rates; and, applies the exemption from the provision to a country (a) that receives ESF cash transfers of less than $10 million or (b) that agrees to spend an equal amount on U.S. goods and services and to ship 50 percent of all bulk shipments of U.S. grain on privately owned U.S.-flag commercial vessels, but only as long as the country continues to agree to those conditions.

The conference substitute (sec. 124) which creates a new section 533 of the Foreign Assistance Act provides that:

(A) effective fiscal year 1993, ESF cash transfers may be provided only pursuant to an agreement under which the recipient government spend an amount equal to not less than 75 percent of the cash transfer on U.S. goods and services, except that the requirement shall be phased in over a period of four years, so that the minimum amount of ESF which must be spent on U.S. goods and services is equal to 15 percent of ESF cash transfer payments in fiscal year 1993, 35 percent in fiscal year 1994, 55 percent in fiscal year 1995, and 75 percent in fiscal year 1996;

(B) the President ensure that the purchase of U.S. goods and ports of departure be equitably distributed throughout the United States;

(C) access be available for the GAO to records and personnel necessary to monitor and audit cash transfer assistance;

(D) nothing in this provision shall prevent a recipient government from purchasing with the cash transfer assistance goods or services produced in that country; U.S. goods purchased shall be those available at fair prices; and U.S. goods purchased shall be deemed to have been furnished in connection with funds advanced by the United States (which language brings into effect cargo preference law);

(E) the requirements of paragraphs (B) and (C) do not apply to a foreign government that, prior to October 1, 1992, enters into an agreement whereby the government agrees to spend no less than the amounts set forth above for the purchase of U.S. goods and services;

(F) exempted from the requirements of this provision is any government: (1) that receives cash transfer assistance of less than $25 million in a fiscal year; or, (2) that, as of April, 1989, was receiving cash transfer and had an agreement (a) to spend an amount equal to the cash transfer on purchases of U.S. goods and services, (b) to carry 50 percent of all bulk shipments of U.S. grain on privately owned U.S.-flag commercial vessels, to the extent such vessels are available at fair and reasonable rates, and (c) to purchase U.S. grain at levels comparable to those purchased in prior years, but only if within thirty days of the date of enactment the country agrees to continue in effect these conditions and continues to agree to comply. The second exemption is available only to the Government of Israel which last had a qualifying agreement for fiscal year 1989 governing the provision of cash transfer assistance. Many purchases of U.S. grain and associated grain shipping services are made by private entities involved in privatization efforts rather than the Israeli Government itself. The Israeli Government is responsible for ensuring that these privatized purchases are made in accordance with the U.S. purchase and shipping requirements provided in the exemption, and these purchases count towards the requirement; and

(G) the President may waive the requirements of this provision with respect to a foreign government to the extent that he determines it is important to the national interest to do so. Any such waiver shall be reported to the appropriate congressional committees.

The conference substitute eliminates as ambiguity in both the House bill and the Senate amendment by clarifying that U.S. purchase and shipping requirements do not apply to purely private commercial purchases. However, recipient governments remain responsible for ensuring full compliance with the provisions of this section even if the entity that actually purchases the commodities may be a private entity.

ECONOMIC SUPPORT FUND REPORT

The Senate amendment (sec. 513) requires a report on the extent to which ESF greater than $10 million provided to any country in any of the fiscal years 1987–1991 has contributed to economic reform along market principles.

The House bill contains no comparable provision.

The conference substitute (sec. 114) requires that the annual evaluation report required by section 125 of the Foreign Assistance Act identifies economic policy reforms along market economic principles that were promoted by U.S. economic assistance.

VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The House bill (sec. 1401) restates section 301(a) of the Foreign Assistance Act concerning authority to provide assistance to international organizations and programs.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORIZATIONS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The House bill (sec. 1402) authorizes $300.612 million for fiscal year 1992 and $318.712 million for fiscal year 1993 for U.S. voluntary contributions to international organizations and programs. The House bill also includes the following earmarks: $125 million in fiscal year 1992 and $135 million in fiscal year 1993 for the U.N. Development Program (UNDP); $83 million in each fiscal year for the U.N. Fund for Children (UNICEF); $18 million in fiscal year 1992 and $25 million in fiscal year 1993 for the U.N. Environment Program (UNEP); $18.362 million in each fiscal year for the International Fund for Agricultural Development (IFAD); $4 million in each fiscal year for the IFAD Special Program for Africa (IFAD/SPA); $500,000 in fiscal year 1992 and $1 million in fiscal year 1993 for the U.N. University (UNU); and $600,000 in fiscal year 1993 for an additional contribution to the Organization of American States (OAS) to establish an electronic network.

The Senate amendment (sec. 205) provides a total of $311.280 million for U.S. voluntary contributions to international organizations and programs. The Senate amendment amends section 302(a) of the Foreign Assistant Act to make the following authorizations for each of the fiscal years 1992 and 1993: $120 million for the UNDP; $85 million for UNICEF; $1 million for the U.N. Development Fund for Women (UNIFEM); $1.2 million for the Intergovernmental Oceanographic Commission (IOC); $12 million for the OAS development assistance programs; and $83.08 million for international organizations and programs other than the organizations listed above. The Senate amendment also creates a new section 304 of the Foreign Assistance Act which authorizes $1 million for the UNU Endowment Fund.

The conference substitute (sec. 120) provides a total of $310.410 million for U.S. voluntary contributions to international organizations and programs in each fiscal year. The conference substitute amends section 302(a) of the Foreign Assistance Act to make the following authorizations for each of fiscal years 1992 and 1993: $125 million for UNDP; $85 million for UNICEF; $19 million for UNEP; $11.5 million for the OAS, of which $600,000 for fiscal year 1993 should be used to establish an electronic network; $5 million for the IFAD/SPA; $1 million for UNIFEM; $1 million for the IOC; and $62.410 million for international organizations and programs other than those specified. $1 million is authorized for the UNU endowment fund without fiscal year limitation.

The committee of conference expects that $200,000 of the amount authorized for UNIFEM should be provided to carry out the important and complementary work of the International Research and Training Institute for the Advancement of Women (INSTRAW). Both of these U.N. agencies strengthen a weak link in the development process by promoting the vital role of women.

The committee of conference recommends that the funding for the OAS be utilized for programs that, to the maximum extent possible, encompass all member states. In particular, these activities would include support for the Foreign Trade Information Service (SICE) of at least $1 million, the University Information Interchange, which are also supported by NASA and NSF, of $600,000, travel for on-site case reviews by the Inter-American Human Rights Commission of $300,000, interparliamentary meetings to follow up on democracy initiatives of $200,000 and in support for education programs through the Inter-American Children's Institute.

AUTHORIZATION OF U.S. PARTICIPATION IN IFAD

The Senate amendment (sec. 205(a)) amends section 301(h) of the Foreign Assistance Act to authorize continued U.S. participation in the International Fund for Agricultural Development.

The House bill contains no comparable provision.

The conference substitute (sec. 120) is the same as the Senate amendment.

PARTICIPATION BY ISRAEL IN THE UNITED NATIONS

The House bill (sec. 1403) provides that the United States may contribute to the International Atomic Energy Agency (IAEA) only if the Secretary of State determines and certifies to Congress that Israel is not being denied its right to participate in that organization.

The Senate amendment (sec. 205(d)) amends the Foreign Assistance Act to add a new section 308 which provides that the United States shall suspend contributions to any United Nations organization in which Israel is illegally expelled, suspended, denied its credentials, or in any other manner denied its right to participate.

The conference substitute (sec. 120(e)) is the same as the Senate provision.

WITHHOLDING OF U.S. PROPORTIONAL SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS

The House bill (sec. 1404) reflects section 307 of the Foreign Assistance Act, which provides that no U.S. funds shall be available for the U.S. proportionate share for programs for Libya, Iran, Cuba, or the Palestine Liberation Organization (PLO) or entities associated with it.

The Senate amendment (sec. 522) amends section 307 of the Foreign Assistance Act with a provision essentially the same as the House bill except that it adds Iraq, North Korea, Yemen, and Syria.

The conference substitute (sec. 120(d)) is an amendment to section 307 of the Foreign Assistance Act that is identical to the House provision.

RESTRICTION OF CONTRIBUTIONS TO THE U.N. RELIEF AND WORKS AGENCY (UNRWA)

The House bill (sec. 1405) restates section 301(c) of the Foreign Assistance Act prohibiting U.S. assistance to UNRWA unless UNRWA takes all possible measures to prevent U.S. funds form going to any refugee receiving training by the PLO or engaged in terrorism.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ANNUAL REPORTS ON VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS BY ALL U.S. GOVERNMENT AGENCIES

The House bill (sec. 1406(b)) rewrites section 306 of current law. The House bill requires an annual report on all U.S. voluntary contributions to international organizations during the previous fiscal year from all sources, including cash and "in kind" contributions, and requires U.S. Government agencies to report promptly to the Office of Management and Budget (OMB) on their voluntary contributions to international organizations.

The Senate amendment (sec. 521) amends to section 306 of the Foreign Assistance Act with a provision similar to the House bill except that agencies are required to report to OMB on a quarterly basis.

The conference substitute (sec. 120(c)) is the same as the Senate provision.

AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS

The House bill (sec. 1407) restates section 301 (d) and (e) of current law to direct the President to support the establishment of independent audit capabilities in the United Nations and its affiliated organizations and in the multilateral development banks (MDBs).

The Senate amendment (sec. 520) is similar to the House provision but is expressed as a sense of Congress provision.

The conference substitute (sec. 120(b)) amends section 301(e) of the Foreign Assistance Act to reflect the House bill.

INTEGRATION OF WOMEN

The House bill (sec. 1408) rewrites section 305 of the Foreign Assistance Act to require the President to instruct U.S. representatives to international organizations to encourage and promote the integration of women into the national economies of member or recipient countries and into professional and policymaking positions within these organizations.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

HOUSING AND URBAN DEVELOPMENT GUARANTEES

The House bill (sec. 1501) updates and rewrites the Housing and Investment Guarantee Authority (sec. 221–223 of the Foreign Assistance Act) to reflect compliance with the Federal Credit Reform Act of 1990 and to expand the authority to include urban infrastructure. The House bill also increases the annual country guarantee ceiling to $50 million, limits the average project guarantee level to $25 million, and raises the aggregate ceiling level to $3.4 billion. The House bill also provides an $8.5 million authorization for administrative expenses in each of the fiscal years 1992 and 1993, and authorizes $2 million in fiscal year 1992 and $8.1 million in fiscal year 1993 for the estimated subsidy cost of an annual program level of $150 million.

The Senate amendment (sec. 204), although not a rewrite of the existing HIG authorities, is similar to the House bill. The Senate amendment expands the authority of the program to include urban infrastructure and compliance with credit reform. The Senate amendment also includes language authorizing the issuance of guarantees for housing and infrastructure in Israel for Soviet refugees. Finally, the Senate amendment authorizes $2.5 million in each of the fiscal years 1992 and 1993 for the estimated subsidy cost of an annual program level of $100 million and authorizes $7 million in each fiscal year for administrative expenses.

The conference substitute (sec. 116) retains the legislative language in section 221 of the Foreign Assistance Act, amends section 222 of the Foreign Assistance Act by adding urban infrastructure, deletes section 222A, and substitutes language in the House bill for section 223 of the Foreign Assistance Act (regarding fee collection). The conference substitute also retains the Senate language regarding guarantees for fair housing and infrastructure in Israel for Soviet refugees. Finally, the conference substitute authorizes $15.9 million for fiscal year 1992 and $10.1 million for fiscal year 1993 for the estimated subsidy cost of an annual program level of $125 million and $8.5 million for administrative expenses for each fiscal year.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The House bill (sec. 3102) rewrites sections 231–240A of the Foreign Assistance Act to update OPIC's original legislation and eliminate outdated programs. The House bill also eliminates the language restricting OPIC's equity finance program to Sub-Saharan Africa and the Caribbean, deletes language restricting OPIC activities in the PRC (since similar restrictions exist in Public Law 101-246), and removes language restricting loans for mineral extraction. The House bill also raises the ceiling to $7.5 billion on maximum contingent insurance liability and $2.5 billion on maximum contingent guarantee liability, and authorizes funding for a $375 million guarantee program, a $50 million direct loan program, and $12 million for administrative expenses. The remaining changes are technical and reflect compliance with the Federal Credit Reform Act of 1990.

The Senate amendment (sec. 514) contains a provision which requires an investor obtaining insurance, reinsurance, guaranties or other financing from OPIC to certify to the Corporation that any contract for the export of goods contain a clause requiring U.S. insurance companies to have a fair and open competitive opportunity to provide insurance against the risk of loss on such exports.

The conference substitute (sec. 117) amends current law, title IV of chapter 2 of part I of the Foreign Assistance Act, by inserting the funding authorization levels contained in the House bill as well as the technical language reflecting compliance with the Credit Reform Act of 1990. The conference substitute also retains two substantive changes from the House bill: the elimination of some restrictions on the equity finance program and the removal of language restricting loans for mineral extraction. The conference substitute retains language contained in the Senate amendment with respect to insurance, but states that the certification requirement does not apply to investors who do not have controlling interest in fact in the project in question.

PRIVATE SECTOR GUARANTEE PROGRAM

The House bill (sec. 1502) rewrites section 108 of the Foreign Assistance Act which provides the authority for the Private Sector Revolving Fund. The House bill authorizes activities to address credit imperfections and states that the activities should be primarily directed toward providing to small business enterprises and cooperatives credit and support services that are not otherwise available. The House bill sets the terms by which a guarantee may be issued, authorizes a pilot direct loan program not to exceed $10 million, and directs the President to maintain a data system which includes information on the beneficiaries of each project. Finally, the House bill establishes a ceiling of $57 million for fiscal year 1992 and $75 million for fiscal year 1993 for contingent liabilities for guarantees, and authorizes $1.5 million for each of the fiscal years 1992 and 1993 for administrative expenses.

The Senate amendment (sec. 203) amends section 108 of the Foreign Assistance Act to reflect credit reform. The Senate amendment also sets a ceiling on guarantees at $57 million for each of the fiscal years 1992 and 1993 and authorizes $1.37 million for administrative costs for each of the fiscal years 1992 and 1993.

The conference substitute (sec. 109) amends section 108 of the Foreign Assistance Act to include the House findings and adds cooperatives to the list of private enterprises that may be assisted. The conference substitute also retains the House restrictions on the issuance of loans and guarantees and retains the Senate ceilings for guarantees. Finally, the conference substitute authorizes $1.5 million for administrative expenses in each of the fiscal years 1992 and 1993.

TRADE AND DEVELOPMENT AGENCY

The House bill (sec. 3107) is similar to section 661 of the Foreign Assistance Act. The House bill renames the Trade and Development Program as the Trade and Development Agency, which will be an independent Agency under the foreign policy guidance of the Department of State. The House bill expands the mandate of the Agency to cover the preliminary stages of engineering design, requires the Director to work with the Office of Major Projects of the Department of Commerce, permits the Director to appoint four officers and employees without regard to the provisions of USC title V (relating to personnel matters), establishes authorities for the Inspector General, and provides an authorization of $55.7 million in fiscal year 1992 and $70 million in fiscal year 1993 for the activities of the TDP.

The Senate amendment (sec. 209) amends section 661 of the Foreign Assistance Act with language similar to the House bill except it does not include language for engineering design, permits the Agency to appoint only 2 individuals without regard to USC title V, and authorizes $40 million for fiscal 1992 only.

The conference substitute (sec. 125) is similar to Senate amendment, amending section 661 of the Foreign Assistance Act, but it includes language authorizing engineering design and provides an authorization of $55 million for each of the fiscal years 1992 and 1993.

DISASTER ASSISTANCE POLICIES

The House bill (secs. 1601) reflects sections 491(a) and (c) of current law to affirm U.S. willingness to provide assistance for disaster relief and rehabilitation abroad and direct the President to assure, to the maximum extent possible, that this assistance reaches those most in need.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORITY TO PROVIDE DISASTER ASSISTANCE

The House bill (sec. 1602) revises section 491(b) of the Foreign Assistance Act to authorize the President, notwithstanding any other provision of law, to furnish disaster assistance related to disaster preparedness, prevention, mitigation, prediction, and contingency planning.

The Senate amendment (sec. 206) amends section 491(b) of the Foreign Assistance Act to extend disaster assistance authority to the prevention and mitigation of disasters.

The conference substitute (sec. 122) is the same as the Senate amendment.

AUTHORIZATION FOR DISASTER ASSISTANCE

The House bill (sec. 1603) authorizes $70 million in each of the fiscal years 1992 and 1993 for the provision of disaster assistance.

The Senate amendment (sec. 206) amends section 492(a) of the Foreign Assistance Act to authorize $40 million in each of the fiscal years 1992 and 1993 for the provision of disaster assistance.

The conference substitute (sec. 122) amends section 492(a) of the Foreign Assistance Act to authorize $70 million in each of the fiscal years 1992 and 1993 for the provision of disaster assistance.

BORROWING AUTHORITY FOR DISASTER ASSISTANCE

The House bill (sec. 1604) revises section 492(b) of current law to increase to $100 million the amount that may be transferred in any fiscal year from all accounts in this act for international disaster assistance and provides that no more than 30 percent of the amount "transferred" in any fiscal year under this section may be from development assistance and the Development Fund for Africa.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 122) amends section 492(b) of the Foreign Assistance Act to provide that up to $70 million in any fiscal year may be transferred from other accounts in this act to be used for disaster assistance. No more than $30 million in any fiscal year may be transferred from the development assistance and Development Fund for Africa accounts.

AMERICAN SCHOOLS AND HOSPITALS ABROAD (ASHA) AUTHORITIES

The House bill (sec. 1701) reflects section 214(a) of the Foreign Assistance Act which authorizes assistance for schools, libraries, and hospitals outside the United States which are founded or sponsored by U.S. citizens and which serve as study and demonstration centers for U.S. ideas and practices.

The Senate amendment (sec. 201) amends section 214(a) of the Foreign Assistance Act to define the term "school" to include any institution for the mentally retarded.

The conference substitute adopts neither the House bill nor the Senate amendment, but retains section 214(a) of the Foreign Assistance Act. The committee of conference notes that it supports the additional guidelines recommended in the report of the House Committee on Foreign Affairs accompanying H.R. 2508.

DEBT EXCHANGE

The House bill (sec. 1721) authorizes the use of economic assistance funds for grants to NGOs to purchase debt obligations owed by a developing country to any commercial lending institution or other private party and to cancel such debt in exchange for that country making available assets or policy commitments to promote the four basic objectives set forth in section 1102 of the House bill. Grantees are authorized to retain any interest received on such funds.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 121) amends section 471 of the Foreign Assistance Act to incorporate the House provision, except that reference is made to the four basic objectives contained in section 102 of the conference substitute.

APPROPRIATE TECHNOLOGY INTERNATIONAL

The House bill (sec. 1731) provides that Appropriate Technology International (ATI) qualifies for development assistance as a PVO and earmarks $2 million in ESF for fiscal year 1992 in addition to the $3 million made available to ATI under its cooperative agreement with AID.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 108) amends section 107 of the Foreign Assistance Act to provide that ATI qualifies as a PVO and to direct that $2 million in ESF for fiscal year 1992 should be made available to ATI to enable it to emphasize large-scale replication of successful projects and partnerships with major development and financial institutions.

EVALUATION AND ACCOUNTABILITY/INDEX OF ECONOMIC FREEDOM

The House bill (sec. 1921) revises and expands the authorities contained in sections 125 and 128 of the Foreign Assistance Act. The House bill: Sets forth the rationale for an objective, strategically focused evaluation system competent to assess AID's progress toward the achievement of specific results; directs AID to take specific actions to fulfill these requirements, including development of a program performance information system, better dissemination of evaluation reports, improved use of evaluation as a management tool, and effective coordination with the Inspector General; requires the President to ensure that AID is carrying out its mandated evaluation responsibilities; and requires an annual report to inform the Congress of AID's progress toward achieving the four basic objectives contained in section 1102 of the House bill based on evaluation studies and other empirical information as necessary.

The Senate amendment (title XVIII) requires AID to develop for every country receiving development assistance a system of determining and evaluating the progress being made to increase the freedom and opportunity of individuals to participate in economic growth; lists the factors to be evaluated by this index, including issues of property rights, regulations, the informal sector, wage and price controls, taxation, trade policy, restrictions on investment and capital flows, size of state sector, and banking; requires an annual report; and directs that the index should be taken into consideration in providing U.S. development assistance and assistance through the MDBs.

The conference substitute (sec. 114) amends section 125 of the Foreign Assistance Act. It generally reflects the House provision, with the following exceptions; references are corrected to apply to the Foreign Assistance Act as amended by this act; section 114(d)(2)(B), dealing with periodic country reports, directs the identification of economic policy reforms conducive to sustainable economic growth, in particular reforms along market economic principles, that were promoted by U.S. economic assistance and requires an analysis of the progress being made by countries receiving economic assistance in adopting economic policies that foster and enhance the freedom and opportunity of individuals to participate in and promote economic growth in that country, including the development of a series of factors that provide a common standard by which such programs can be evaluated and compared between countries and within countries over time. The committee of conference urges AID to review such factors as property rights, government regulations, activities of the so-called informal sector, wage and price controls, tax and trade policy, restrictions on investment and capital flows, the size of the state sector, and banking regulations and policies.

CENTER FOR UNIVERSITY COOPERATION IN DEVELOPMENT

The House bill (sec. 1941) directs the President to maintain within AID a Center for University Cooperation in Development to strengthen the partnership for development among the U.S. Government and public and private institutions of higher education. The House bill also repeals Title XII of chapter 2 of part I of the Foreign Assistance Act, which establishes the Board for International Food and Agricultural Development (BIFAD).

The Senate amendment (sec. 213), which amends chapter 2 of part III of the Foreign Assistance Act to add a new section 640D, is essentially identical to the House bill, except that it adds a provision dealing with source of funds for the Center. The Senate amendment does not repeal Title XII of the Foreign Assistance Act.

The conference substitute (sec. 127) adds to part III of the Foreign Assistance Act new sections 681 and 682 and deletes Title XII. Section 681 is identical to the House bill. Section 682 establishes a permanent advisory committee on university cooperation in development. The members of the advisory committee are to be appointed by the AID Administrator and will consist primarily of individuals who are from institutions of higher education eligible to participate in development assistance and ESF programs and who have expertise and administrative experience in education, research, and public service relevant to the development needs of developing countries. The committee of conference expects that the Board's chairperson will be a representative of the higher education community. The committee's function is to advise the administrator regarding AID programs carried out with or through institutions of higher education. The committee of conference expects the Board to facilitate involvement of U.S. institutions of higher education in AID programs, including regional and country-level programs.

The Center and the advisory committee are expected to carry forward BIFAD's existing activities and to expand AID cooperation with universities in areas in addition to agriculture, such as health, family planning, and the environment.

Institutions of higher education are important national assets which can be of significant benefit to international development efforts. AID, through the Center and Advisory Board should take full advantage of development resources available in U.S. institutions of higher education. Many U.S. colleges and universities have on-going efforts to internationalize their programs, which present opportunities for increased collaboration between AID and these institutions.

Under the former authorities of title XII of the Foreign Assistance Act, U.S. institutions of higher education have played an integral role in many AID programs, particularly in the agriculture sector and many institutions have received significant strengthening from AID to provide technical resources in agriculture and related fields to meet the needs of developing countries. Agricultural research programs have been initiated which benefit both developing countries and the U.S. agricultural economy, and institutional relationships have been established between U.S. colleges and universities and counterpart institutions in the developing world. This legacy should be an important asset for the University Center.

It is the expectation of the committee of conference that the new University Center will build on these experiences, broadening AID's partnerships with U.S. colleges and universities and deepening cooperative relationships between U.S. institutions of higher education and comparable educational institutions in the developing countries. The participation of U.S. colleges and universities in the economic development programs of poor countries and the building of educational institutions that support the educational, research, and service needs of their societies in a variety of social and economic sections is vital to the achievement of sustainable economic growth and building democratic political systems. The University Center and Advisory Board can play an innovative role, serving as a catalyst for the initiation of sustainable partnerships between U.S. institutions of higher education and colleges and universities in developing countries.

CENTER FOR VOLUNTARY COOPERATION IN DEVELOPMENT

The House bill (secs. 1942 and 1943) directs the President to maintain within AID a Center for Voluntary Cooperation in Development to strengthen the partnership for development among the U.S. government and U.S. PVOs, cooperatives, and credit unions and requires the creation of a permanent Advisory Committee on Voluntary Cooperation in Development.

The Senate amendment (sec. 213), which amends chapter 2 of part III of the Foreign Assistance Act to add new sections 640E and 640F, is essentially identical to the House language, except that it adds a provision dealing with the source of funds for the Center.

The conference substitute (sec. 127) adds to part III of the Foreign Assistance Act new sections 683 and 684, which are identical to the House bill.

In creating the Center for Voluntary Cooperation, the committee of conference reaffirms its strong support for the international development work of PVOs, cooperatives, and credit unions. These nonprofit organizations provide high quality services to the U.S. Government at less cost (about half the cost of AID professional staff or for-profit-contractors) with more sustainable results. PVOs build independent sectors in developing countries which promote more equitable development, pluralism, and democracy. In addition, they promote international voluntarism and express the best humanitarian spirit of the American public.

The committee of conference share a long-standing commitment to the work of PVOs. On May 2, 1989, then AID Administrator Alan Woods testified to the Committee on Foreign Relations of the Senate that "[AID] could not operate without private and voluntary organizations. They are our hands and arms in so many places in the world . . . and it is terribly important that the Agency have a very intimate relationship with private and voluntary organizations."

The role of the Center is to assure that these organizations and indigenous PVOs, cooperatives, and credit unions are appropriately utilized in meeting the objectives of the Foreign Assistance Act. The committee of conference believes that the Center, and its advisory board, should work closely with AID's regional bureaus in order to encourage and facilitate appreciation of the contributions of NGOs. The committee of conference expects that all current programs within the Office of Private Voluntary Cooperation will be made part of the Center, including administration of the farmer-to-farmer program and development education programs as authorized under section 113 of the conference substitute. The committee of conference supports funding for worldwide programs of U.S. PVOs, cooperatives, and credit unions at $60 million in fiscal year 1992, consistent with directives from the Committees on Appropriations of the House of Representatives and the Senate in prior years.

POLICY AND REPORT ON FURTHER MANAGEMENT REFORM

The Senate bill (sec. 512) contains a sense of Congress provision that the President should continue to make efforts to improve the management of the foreign economic assistance program and lists a number of areas in which such efforts should be made. It requires that the AID Administrator prepare a report describing the actions the agency has taken to improve AID management and directs the President to conduct a study on the implications of reducing the number of countries receiving U.S. economic assistance and on the feasibility of incorporating AID into the Department of States.

The House bill contains no comparable provision.

The conference substitute (sec. 128) reflects the Senate provision. Section 128(a) lists areas in which reform of the management of foreign economic assistance programs can be made, including: (1) streamlining the project development process; (2) increasing AID's decentralization; (3) reducing the number of projects and increasing their duration; (4) decreasing recurring costs; (5) expanding overseas tours and streamlining mid-level management; (6) streamlining the contract process; (7) improving the coordination of U.S. economic assistance; and (8) reviewing multidonor coordination practices. It requires the President, within 6 months of enactment of this Act, to report to the Congress on the feasibility of reducing the number of countries receiving economic assistance, on ways to improve coordination for economic assistance within the U.S. government and with other governments, and on ways to improve management of U.S. economic assistance programs, including several specific options for reorganization of the U.S. government with regard to provision of foreign economic assistance.

TITLE II—MILITARY ASSISTANCE SALES AND RELATED PROGRAMS

STATEMENT OF POLICY AND OBJECTIVES

The House bill (sec. 2101) establishes a number of findings and includes a statement of policy on military assistance designed to serve as general policy guidance to enhance program implementation and oversight of military assistance programs in foreign countries.

The Senate amendment (sec. 401) contains a similar provision.

The conference substitute (sec. 201(a)) amends section 501 of the Foreign Assistance Act, combining major elements from the House bill and the Senate amendment.

The committee of conference expects the provision of military assistance to be consistent with the achievement of economic assistance objectives. Military assistance should not be provided if such assistance would hinder the achievement of the overall objectives of the Foreign Assistance Act such as sustainable economic growth, poverty alleviation, and democracy.

OBJECTIVES OF MILITARY ASSISTANCE

The House bill (sec. 2102) contains nine objectives concerning military assistance.

The Senate amendment (sec. 401) contains a similar provision.

The conference substitute (sec. 201(b)) is the same as the Senate amendment except that it includes the House objective addressing the importance of increasing the awareness of nationals of friendly countries of basic issues involving democratic values and institutions, especially respect for internationally recognized human rights.

The committee of conference emphasizes that military assistance programs should support the establishment in friendly foreign countries of a relationship between civilian and military sectors appropriate to a democratic system of government.

FOREIGN MILITARY FINANCING

The House bill (sec. 2201(a)) restates section 503(a) of the Foreign Assistance Act to provide general authority to the President to furnish military assistance by: (1) acquiring from any source and providing by grant, credit financing, or loan any defense article or defense service; (2) financing the sale of defense articles or defense services; and (3) financing the procurement for commercial leasing in the case of major non-NATO allies.

The Senate amendment (sec. 402(a)) amends section 503(a) of the Foreign Assistance Act to provide general authority for the President to furnish military assistance by: (1) acquiring from any source and providing only by grant any defense article or defense service; and (2) financing the procurement for commercial leasing for Israel and Egypt. The Senate amendment is identical to the all grant military assistance authority adopted by the Senate Committee on Foreign Relations in 1989, at the request of the executive branch.

The conference substitute (sec. 202(a)) is the same as the House bill, except it provides that no country can receive more than 60 percent in fiscal year 1992 and 30 percent in fiscal year 1993 of its FMF assistance in the form of concessional interest rate loans. This provision moves toward the trend repeatedly advocated by the executive branch to move the FMF financing program to an all grant program. As the executive branch stated in its budget submission to Congress for fiscal year 1991, "The Administration believes that grant FMF is fully justified because, by enhancing the economic value of U.S. military assistance, many countries are better able to devote more of their scarce financial resources to economic development activities."

FINANCING PROCUREMENT IN COMMERCIAL LEASING

The House bill (sec. 2201(b)) restates section 23 of the Arms Export Control Act to provide that FMF assistance may be provided to any NATO member country or any major non-NATO ally for the procurement of defense articles by leasing from commercial sources subject to a Presidential determination and congressional notification procedures.

The Senate amendment (sec. 402(b)) states that FMF assistance may be provided to Israel and Egypt for the procurement of defense articles by leasing from commercial sources, excluding Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), subject to a Presidential determination and congressional notification procedures. The Senate amendment also provides that the leasing authority is subject to specific amounts provided in advance in an appropriation act.

The conference substitute (202(c)) is the same as the Senate amendment.

OBLIGATION OF FUNDS

The House bill (sec. 2201(c)) provides limited authority for FMF assistance to be considered obligated upon apportionment of funds by the Office of Management and Budget without a signed bilateral agreement with the recipient. The House bill also states that any agreement to provide FMF assistance must expressly grant the U.S. Government the right to deobligate uncommitted funds after three years.

The Senate amendment (sec. 402(d)) is similar to the House bill except that it does not contain a deobligation provision.

The conference substitute (sec. 202(c)) is the same as the House bill except that it deletes the provision which requires the U.S. Government to obtain the right to deobligate uncommitted FMF funds after three years. However, the committee of conference believes that the executive branch should insist on the inclusion of deobligation authority in all bilateral agreements.

The House bill (sec. 2201(d)) restates sections 505(b) and 505(c) of the Foreign Assistance Act to state the conditions under which defense articles can be provided on a loan basis.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute, (sec. 202(b)) amends section 505(c) of the Foreign Assistance Act to provide for the value of defense articles to be counted against limitations in section 506(a)(1) of the Foreign Assistance Act.

EXCLUSION OF CERTAIN COSTS FROM CERTAIN SALES

The House bill (sec. 2201(e)) restates section 503(a)(3)) of the Foreign Assistance Act provides that military sales financed by the grant MAP or the grant FMS financing programs not include the cost of salaries of members of the U.S. Armed Forces (other than the Coast Guard) and the unfunded estimated costs of civilian retirement and other benefits.

The Senate amendment (sec. 402(c)) contains a similar provision and amends section 503 of the Foreign Assistance Act to require grant military sales to include the unfunded estimated costs of civilian retirement and other benefits.

The conference substitute (sec. 202(c)) is the same as the Senate amendment.

FINANCING FOR COPRODUCTION AND LICENSED PRODUCTION

The House bill (sec. 2201(f)) restates sections 42 (b) and (c) of the Arms Export Control Act to prohibit the use of military assistance funds for coproduction or licensed production of defense articles outside the United States unless the President provides full information on the proposed transaction.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 202(c)) creates a new section 503(h) of the Foreign Assistance Act which is the same as the House bill. The committee of conference notes that the provision applies to agreements and arrangements approved, with respect to those entered into, by the U.S. Government.

PROCUREMENT INVOLVING CERTAIN VESSELS OF WAR

The House bill (sec. 2201(g)) establishes discretionary authority for the President to prohibit FMF and prior year FMS and MAP from being used to procure certain vessels of war and associated systems subject to certain exceptions.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 202(c)) is similar to the House bill but adds an additional exception for maintenance and repair of weapons systems.

CIVIC ACTION IN AFRICA

The House bill (sec. 2201(h)) specifies that funds made available in title II of the House bill may be used for civic action programs in Africa. The House bill also waives section 6204 of the House bill, the "Brooke-Alexander" amendment, which prohibits countries more than one year in arrears on payments on past U.S. Government loans from receiving additional funds.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate provision.

TERMS OF FINANCING MILITARY ASSISTANCE

The House bill (sec. 2202) stipulates that military financing assistance may be provided on a grant or credit basis, or as guaranties, subject to the Federal Credit Reform Act of 1990 and certain foreign policy and economic criteria and includes a provision enabling military assistance to be used for debt repayment.

The Senate amendment (sec. 402(e)) authorizes the financing of military assistance only on a grant basis. The Senate amendment also includes an amendment to section 503 of the Foreign Assistance Act permitting military assistance to be used for debt repayment.

The conference substitute (sec. 202(c)) is the same as the Senate amendment.

CONDITIONS OF ELIGIBILITY

The House bill (sec. 2203) restates 502 and 505 of the Foreign Assistance Act concerning the eligibility provisions for foreign military assistance.

The Senate amendment (sec. 404) amends section 505 of the Foreign Assistance Act to encourage the President to consider the practice of a country with respect to the law of war as a condition of eligibility in furnishing military assistance under the Foreign Assistance Act or authorizing sales under the Arms Export Control Act.

The conference substitute (sec. 201(b)) amends section 502 of the Foreign Assistance Act to state the purposes for which military assistance may be furnished to a foreign country. The conference substitute (sec. 204) also amends section 505 of the Foreign Assistance Act to include a provision from the House bill which places restrictions on financing to procure defense articles and services consistent with those restrictions presently applicable under the Arms Export Control Act.

APPROVAL OF THIRD COUNTRY TRANSFERS

The House bill (sec. 2204) restates section 505(e) of the Foreign Assistance Act to establish controls and limits on the transfer of such defense articles services to a third country.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate provision.

IMPROVED ACCOUNTABILITY WITH RESPECT TO FINANCED COMMERCIAL ARMS SALES

The House bill (sec. 2205) requires the establishment of new fiscal and accounting controls on financed commercial arms sales comparable to current standards on government-to-government arms sales.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 206) adds a new section 507 of the Foreign Assistance Act, which is similar to the House provision, requires the establishment of controls that are no less stringent in terms of accountability relating to improper business practices and personal conflict of interest than those requirements of the Federal Acquisition Regulation that are applicable to sales under the Arms Export Control Act.

The committee of conference notes that in establishing this requirement the Defense Security Assistance Agency should improve its access to records concerning fiscal and accounting controls to improve monitoring of the implementation of these controls on all government-financed commercial arms sales.

CONSIDERATIONS IN FURNISHING ASSISTANCE

The House bill (sec. 2206) restates section 511 of the Foreign Assistance Act which requires that decisions to furnish military assistance be made in coordination with the U.S. Arms Control and Disarmament Agency.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORIZATIONS OF APPROPRIATIONS

The House bill (sec. 2207) authorizes $4,411,444,000 for fiscal year 1992 and $4,840,000,000 for fiscal year 1993 for the FMF program. This section also includes a provision that requires two percent of the aggregate amount of financing provided for the FMF program for each fiscal year be available only for assistance to non-earmarked countries.

The Senate amendment (sec. 403) authorizes $4,510,500,000 for the FMF program for each of the fiscal years 1992 and 1993.

The conference substitute (sec. 203) amends section 504(a) of the Foreign Assistance Act to authorize $1.8 billion for Israel, $1.3 billion for Egypt, $500 million for Turkey, $350 million for Greece, and $512 million unallocated FMF for each of the fiscal years 1992 and 1993, for a total FMF program of $4.462 billion. The conference substitute does not retain the two percent fund for non-earmarked countries.

COMMITMENT OF PRIOR YEAR MILITARY ASSISTANCE FUNDS

The House bill (sec. 2208) provides that if the President determines that no further sales will be made pursuant to the Arms Export Control Act to a specified country, prior year FMS and MAP funds which have been allocated to that country but remain uncommitted may be recommitted to other eligible countries to finance sales under the Arms Export Control Act subject to 15-day advance notification procedures.

The Senate amendment (sec. 413(b)) contains a similar provision except that it also states the authority is subject to specific amounts provided in advance in an appropriation act.

The conference substitute (sec. 202(c)) is the same as the Senate amendment.

MODERNIZATION OF DEFENSE CAPABILITIES

The House bill (sec. 2301) provides that during fiscal years 1992-96 the President may transfer excess defense articles for purposes of modernization to NATO southern flank countries, major non-NATO allies on the southern and southeastern flank, and countries which received FMF assistance in fiscal year 1990 and which, as of October 1, 1990, contributed armed forces to deter Iraqi aggression in the Persian Gulf. Further, the House bill provides that excess defense articles may be transferred without cost to the recipient country and requires that at least 15 days prior to the designation of a country as an eligible country to receive excess defense articles and prior to the transfer of excess defense articles the President must notify the relevant congressional committees. The House bill also establishes that excess defense articles be made available to Greece and Turkey consistent with the policy contained in section 5501 of the House bill and also be made available in approximately the same ratio that FMF is provided to the two countries.

The Senate amendment (sec. 407) amends section 516 of the Foreign Assistance Act for each of the fiscal years 1992 and 1993 to include Coast Guard property as eligible for the purpose of this section.

The conference substitute (sec. 209(a)) is similar to the Senate amendment but extends the authority to the transfer of excess defense articles to fiscal years 1992-1996 and requires that excess defense articles to Greece and Turkey shall be made available in approximately the same ratio as FMF is provided over the 3-year period beginning on October 1, 1992. The conference substitute also makes a technical correction.

The committee of conference notes that section 411 of the conference substitute extends the prohibition contained in section 660 of the Foreign Assistance Act (relating to training of host country law enforcement officials) to this provision.

MODERNIZATION OF COUNTERNARCOTICS CAPABILITIES

The House bill (sec. 2302) authorizes the President to transfer excess defense articles to eligible drug producing countries only for the purpose of encouraging military forces and law enforcement agencies of those countries to participate cooperatively in a comprehensive national counternarcotics program conceived and developed by the government of that country, and only if that country ensures that those excess defense articles will be used primarily in support of counternarcotics activities. The Secretary of State is authorized to determine the eligibility of countries to receive excess defense articles under this section, and is directed to ensure that the transfer of excess defense articles under this section is coordinated with other counternarcotics programs assisted by the U.S. Government. The value of excess defense articles transferred under this section is limited to $10 million per country. The same conditions contained in section 2301 (relating to transfers of excess defense articles for modernization purposes) are applied to transfers under section 2302, including advance notification to relevant congressional committees. The House bill (sec. 2302) further defines an eligible drug producing country as a major illicit drug producing country in Latin America and the Caribbean that has a democratic government, and whose security forces do not engage in a consistent pattern of gross violations of internationally recognized human rights, and that is eligible for foreign military financing assistance at the time the excess defense articles are transferred. Finally, the House bill (sec. 2303) further defines the term excess defense articles to include excess property of the Coast Guard, and for the purposes of this section defines the term "Department of Defense", with respect to such excess property, to include the Coast Guard and clarifies that the purpose of this section is the modernization of counternarcotics capabilities of major illicit drug producing countries, instead of the modernization of military capabilities of these countries (as suggested in section 517 of the Foreign Assistance Act).

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 209(b)) which is essentially the same as the House bill, amends section 517 of the Foreign Assistance Act to reduce advance notification to congressional committees from 30 days to 15 days, and clarify that major drug transit countries as well as major drug producing countries are eligible recipients.

The committee of conference notes that although section 411 of the conference substitute extends the prohibition contained in section 660 of the Foreign Assistance Act to excess defense articles transferred under section 517, this prohibition is waived for fiscal years 1992 and 1993 in section 305 of the conference substitute, subject to the same limitations on host country police force recipients as those on assistance to military forces, including the requirement for democratic governments and respect for human rights.

NATURAL RESOURCES AND WILDLIFE MANAGEMENT

The House bill (sec. 2303) restates section 518 of the Foreign Assistance Act to provide the authority to transfer nonlethal excess defense articles and small arms to friendly countries and to international organizations and private and voluntary organizations for natural resource and wildlife management purposes subject to certain limitations and advance notification requirements.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ADDITIONAL AUTHORITIES RELATING TO MODERNIZATION OF MILITARY CAPABILITIES

The House bill (sec. 2304) revises section 519 of the Foreign Assistance Act to establish a number of controls and limits on the transfer of non-lethal excess defense articles to foreign countries.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position. The committee of conference notes that section 411 of the conference substitute extends the prohibition contained in section 660 of the Foreign Assistance Act (relating to training of host country law enforcement officials) to this section.

ANNUAL CEILING ON THE TRANSFERS OF EXCESS DEFENSE ARTICLES

The House bill (sec. 2305) establishes an annual ceiling of $250 million on the value of excess defense articles as determined by the aggregate acquisition cost.

The Senate amendment (sec. 411) amends section 37 of the Arms Export Control Act to establish an annual ceiling of $500 million on the value of excess defense articles as determined by the aggregate acquisition cost.

The conference substitute (sec. 209(c)) is the same as the Senate amendment.

ANNUAL REPORT ON TRANSFERS OF EXCESS DEFENSE ARTICLES

The House bill (sec. 2306) requires that the annual congressional presentation document for security assistance programs include a listing by country of the total value of all excess defense articles transferred during the preceding fiscal year, including the acquisition cost of each transfer and the value at the time of delivery.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 209(d)), which amends section 31 of the Arms Export Control Act, is similar to the House bill, but repeals an obsolete reporting requirement. The committee of conference notes that the reporting requirements formerly contained in section 519(e) of the Foreign Assistance Act are incorporated in section 209 of the conference substitute.

DEFINITION OF EXCESS DEFENSE ARTICLES

The House bill (sec. 7601(b)) defines excess defense articles as those defense articles, other than construction equipment (including, but not limited to, tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators and compressors) owned by the U.S. Government, and not procured in anticipation of military assistance or sales requirements, or pursuant to a military assistance or sales order, which are in excess of the Approved Force Acquisition Objective and Approved Force Retention Stock of all Department of Defense (DOD) Components at the time such articles are dropped from inventory by the supplying agency for delivery to countries or international organizations under the Foreign Assistance Act.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 209(f)), which amends section 644(g) of the Foreign Assistance Act, is the same as the House bill.

OVERSEAS MANAGEMENT OF ASSISTANCE AND SALES PROGRAMS

AUTHORIZED FUNCTIONS

The House bill (sec. 2401) restates section 515 of the Foreign Assistance Act to provide that the President may assign members of the U.S. Armed Forces overseas to manage military assistance overseas programs. The House bill also provides advisory and training assistance but limits this function overseas. Further, the House bill provides that at least one member of the Armed Forces assigned to each country under this chapter be given responsibility primarily for monitoring the international security assistance and sales program in that country.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 208) is similar to the House bill but deletes the requirement that a member of the U.S. Armed Forces overseas assigned to a foreign country must monitor the international security assistance and sales program in that country. However, the committee of conference fully expects that one member of the U.S. Armed Forces assigned to a foreign country under this section will continue to monitor the international security assistance and sales program in that country.

LIMIT ON SIZE OF GROUPS

The House bill (sec. 2402) provides that the total number of members of U.S. Armed Forces assigned under this chapter to a foreign country in a fiscal year, may not exceed the number justified to the Congress for that fiscal year, unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified 30 days in advance of the introduction of the additional personnel.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 208(a)) is similar to the House bill.

COSTS

The House bill (sec. 2403) mandates that the entire costs (excluding salaries of members of the U.S. Armed Forces, other than the Coast Guard) of overseas management of military assistance and sales program be charged to or reimbursed from funds made available to carry out the FMF program, other than the costs which are either paid directly under a sale of services from the stocks of the Defense Department, or reimbursed from administrative services and other charges paid directly by foreign governments.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 208(b)) amends section 515(d) of the Foreign Assistance Act to add language which exempts Coast Guard salaries from costing provisions.

ROLE OF CHIEF OF MISSION

The House bill (sec. 2404) provides that members of the U.S. Armed Forces assigned to a foreign country under this chapter shall serve under the direction and supervision of the Chief of the United States Diplomatic Mission to that country.

The Senate amendment contains no comparable amendment, retaining current law.

The conference substitute is the same as the Senate position.

GENERAL AUTHORITIES FOR IMET

The House bill (sec. 2501) provides authority for the President to furnish international military education and training (IMET) assistance to military and related civilian personnel of foreign countries and allows IMET to be provided to civilians employed at ministries other than the defense ministry and to legislators of foreign countries under limited circumstances and purposes.

The Senate amendment contains no comparable provisions, retaining current law.

The conference substitute (sec. 210) amends section 541 of the Foreign Assistance Act to include authority to train legislators of foreign countries and add cooperation between military and law enforcement personnel with respect to counternarcotics law enforcement efforts as an objective of the program. Inclusion of the objective of cooperation between military and law enforcement personnel reflects the successful experience of the United States, particularly the essential distinction between internal security and national defense.

TERMS OF ASSISTANCE FOR IMET

The House bill (sec. 2502) restates section 543 of the Foreign Assistance Act to authorize military education and training on a grant basis and, whenever feasible, under the FMF program.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

EXCHANGE TRAINING

The House bill (sec. 2503) restates section 544 of the Foreign Assistance Act to authorize the President to provide for attendance of foreign military personnel at professional military education institutions other than service academies without charge, if such attendance is pursuant to a reciprocal agreement.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

TRAINING IN MARITIME SKILLS

The House bill (sec. 2504) restates section 545 of the Foreign Assistance Act to encourage the President to allocate a portion of IMET funds each fiscal year for use for education and training in maritime search and rescue, operation and maintenance of aids to navigation, port security, and other maritime skills.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORIZATION OF APPROPRIATIONS FOR IMET

The House bill (sec. 2565) authorizes $52.5 million for each of the fiscal years 1992 and 1993 for the IMET program.

The Senate amendment (sec. 408) amends section 542 of the Foreign Assistance Act to authorize $47.196 for each of the fiscal years 1992 and 1993 for the IMET program.

The conference substitute (sec. 210(b)) amends section 542 of the Foreign Assistance Act to authorize $50.5 million for each of the fiscal years 1992 and 1993 for the IMET program.

GENERAL AUTHORITY FOR PEACEKEEPING OPERATIONS

The House bill (sec. 2601) provides general authority for the President to furnish assistance to foreign countries and international organizations for peacekeeping operations and activities and related programs.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 211) amends section 551 of the Foreign Assistance Act with a technical modification which includes peacekeeping-related programs.

PEACEKEEPING DRAWDOWN AND TRANSFER AUTHORITIES

The House bill (sec. 2602) restates section 552(c) of the Foreign Assistance Act to provide the President with emergency drawdown authority for unforeseen emergencies requiring additional U.S. support for peacekeeping operations, as well as authority to make certain transfers from ESF.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ADMINISTRATIVE AUTHORITIES

The House bill (sec. 2603) restates section 553 of the Foreign Assistance Act to that provide administrative authorities used to govern assistance under part I of the Foreign Assistance Act apply to peacekeeping operations assistance.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

RESTRICTIONS ON STOCKPILES

The House bill (sec. 2701) restates section 514 of the Foreign Assistance Act to set forth the restrictions under which certain U.S. stockpiles abroad may be established and further defines the value of stockpiled defense articles.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

LOCATION OF STOCKPILES

The House bill (sec. 2702(a)) limits the locations of a stockpile outside the boundaries of a U.S. military base or a military base used primarily by the United States. The House bill (sec. 2702(b)) further states that the prohibition detailed in section 2702(a) does not apply to stockpiles located in the Republic of Korea, Thailand, any country that is a member of NATO, any country that is a major non-NATO ally, or any other country the President may designate, subject to advance notification procedures.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 207(b)) amends section 514(a) of the Foreign Assistance Act to allow the President to designate other countries eligible for stockpiles subject to advance notification procedures.

ADDITIONS TO WAR RESERVE STOCKS

The House bill (sec. 2703 (a) and (b)) states that the value of additional defense articles, other than for NATO purposes, in certain stockpiles located in foreign countries, may not exceed in any fiscal year an amount specified in legislation authorizing military assistance programs for that fiscal year. The House bill (sec. 2703(b)) provides the value of additions to such stockpiles in foreign countries shall not exceed $429 million for each of the fiscal years 1992 and 1993.

The Senate amendment (sec. 406) amends section 514(b) of the Foreign Assistance Act with a provision similar to the House bill.

The conference substitute (sec. 207(a)) is the same as the Senate amendment but clarifies the limitation of additions to stockpiles.

COORDINATION OF ALL UNITED STATES TERRORISM-RELATED ASSISTANCE TO FOREIGN COUNTRIES

The House bill (sec. 2801) restates section 502 of the International Security and Development Cooperation Act of 1985 which designates the Secretary of State as coordinator of all terrorism assistance and requires an annual report not later than February 1 on the provision of such assistance provided in the preceding fiscal year. Such reports may be provided on a classified basis.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

CONSIDERATIONS IN PROVIDING ASSISTANCE

The House bill (sec 2802) revises section 571 of the Foreign Assistance Act to authorize the President to furnish antiterrorism assistance, including the provision of commodities, to foreign countries to enhance the ability of law enforcement personnel to deter terrorism and terrorist groups from engaging in acts of international terrorism. The House bill includes additional language concerning terrorism as a transnational threat which poses a danger to a stable world order and to the traveling public, and urging the President to take into account the cooperation provided by other countries in connection with matters related to international terrorism, including such matters as whether a country grants sanctuary from prosecution to individuals or groups that have engaged in international terrorism.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 212)(b)) amends section 620B of the Foreign Assistance Act to include consideration of cooperation regarding international terrorism.

ANTITERRORISM ASSISTANCE

The House bill (sec. 2803) restates section 572 of the Foreign Assistance Act regarding the purposes for which antiterrorism assistance may be provided.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORITIES AND LIMITATIONS

The House bill (sec. 2804) restates section 573 of the Foreign Assistance Act which includes various authorities and limitations on providing antiterrorism assistance to eligible foreign countries.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

REPORTS TO CONGRESS

The House bill (sec. 2805) restates section 574 of the Foreign Assistance Act which requires an annual report on the antiterrorism assistance program and advance notification to Congress on the eligibility of foreign countries and the provision of assistance to such countries.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ADMINISTRATIVE AUTHORITIES

The House bill (sec. 2806) restates section 576 of the Foreign Assistance Act to set forth various restrictions and administrative authorities of the aniterrorism assistance program.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

PROHIBITION ON ASSISTANCE TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

The House bill (sec. 2808) restates section 620A of the Foreign Assistance Act which prohibits the provision of assistance to countries which the President has determined grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism or otherwise supports international terrorism.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

SPECIAL DRAWDOWN AUTHORITIES

The House bill (sec. 2901) revises section 506 of the Foreign Assistance Act to provide that the President may drawdown defense articles from stocks or services from DOD for unforeseen emergencies requiring immediate military assistance to a foreign country or international organization; provide authority allowing the President to drawdown commodities from stocks or services from DOD for special circumstances requiring nonmilitary assistance for purposes of providing international narcotics control assistance, international disaster assistance or refugee assistance; include language mandating annual aggregate ceilings of $100 million for those defense articles and services provided for emergencies requiring military assistance and an annual aggregate ceiling of $75 million for those emergencies requiring non-military assistance; and include additional provisions regarding congressional notification procedures and costing issues.

The Senate amendment (sec. 405) amends section 506 of the Foreign Assistance Act to increase the ceilings for both military and non-military emergency drawdowns to $100 million and include various technical clarifications.

The conference substitute (sec. 205) is the same as the Senate amendment except that it places a sublimit of $75 million for any drawdowns of commodities of stocks or defense services from DOD in circumstances requiring non-military assistance for purposes of providing international narcotics control assistance. The conference substitute also includes a 15-day advance reprogramming notification to appropriate congressional committees if the President is to exercise the authority to drawdown non-military assistance for purposes of providing international narcotics assistance or refugee assistance.

RESPONSIBILITIES OF THE SECRETARY OF STATE

The House bill (sec. 2921) restates sec. 622(c) of the Foreign Assistance Act to set forth the responsibilities and functions of the Secretary of State in the case of assistance provided under title II.

The Senate amendment contains no comparable position, retaining current law.

The conference substitute is the same as the Senate position.

RESPONSIBILITIES OF THE SECRETARY OF DEFENSE FOR END-USE MONITORING

The House bill (sec. 2922) is similar to section 623 of the Foreign Assistance Act and sets forth the responsibilities and functions of the Secretary of Defense in the case of assistance provided under title II.

The Senate amendment (sec. 411) amends section 623 of the Foreign Assistance Act to clarify the Secretary of Defense's responsibility for monitoring end-item use by recipient countries.

The conference substitute (sec. 213) is the same as the Senate amendment. The committee of conference notes that in adopting the Senate amendment the Secretary of Defense should continue to monitor, to the extent possible, the end-item use of defense articles transferred to foreign countries.

QUARTERLY REPORTS ON PROCUREMENT OUTSIDE THE UNITED STATES

The Senate amendment (sec. 411) amends section 36(a) of the Arms Export Control Act to add a requirement for a listing by country of the estimated amount of funds which will be used for procurement of defense articles and services outside the United States as a result of any determination made pursuant to section 604 of the Foreign Assistance Act along with the reasons for any such determination

The House bill contains no comparable provision.

The conference substitute (sec. 214) is the same as the Senate amendment.

SECURITY ASSISTANCE COORDINATION

The House bill (sec. 2923) restates section 624(e) of the Foreign Assistance Act to provide for the appointment of a Security Assistance Coordinator. The section also requires the Chief of the U.S. diplomatic Mission abroad to coordinate military assistance recommendations with political and economic considerations.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

PERSONNEL LIMITED TO NONCOMBATANT DUTIES

The House bill (sec. 2941) restates section 21(c)(1) of Arms Export Control Act limiting the duties of U.S. personnel providing defense services by prohibiting duties of a combatant nature.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

CONFORMING AMENDMENTS TO ARMS EXPORT CONTROL ACT

The House bill (sec. 202) contains 15 conforming amendments required as a result of the consolidation of the MAP and FMS accounts into the new FMF program.

The Senate amendment (sec. 411) contains a similar provision.

The conference substitute (sec. 241) contains the following conforming amendments:

(1) An amendment to section (2)b of the Arms Export Control Act to strike the reference to military financing among the responsibilities delegated to the Secretary of State under the Arms Export Control Act since military financing is no longer authorized under that Act;

(2) An amendment to section 3(c) of the Arms Export Control Act striking a prohibition on credit sales to countries found to be ineligible for military financing;

(3) An amendment to section (5) of the Arms Export Control Act to remove a prohibition on the use of FMS credits to countries who discriminate against U.S. personnel on the basis of race, religion, national origin, or sex. The prohibition will apply only to military sales since military financing will no longer be authorized under the Arms Export Control Act as a result of the creation of the consolidated FMF program;

(4) An amendment to section 6 of the Arms Export Control Act to broaden the prohibition on the use of FMS credits to any country which engages in a consistent pattern of intimidation and harassment against individuals in the United States to include all foreign assistance as well as military sales;

(5) An amendment to section 21(c)(1) of the Arms Export Control Act to clarify that members of the U.S. Armed Forces assigned or detailed to provide defense services under the AECA may not perform duties of a combatant nature including any duty related to training and advising that may engage U.S. Armed Forces personnel in combat activities, outside the U.S. in connection with the performance of those defense services.

(6) An amendment to section 21(e)(1)(B) to insert language which exempts from nonrecurring costs equipment paid for on a grant basis.

(7) Repeal of section 23 of the Arms Export Control Act, the basic authority for FMS credit sales (this authority is superseded by the authority for the consolidated FMF program);

(8) An amendment to section 24 of the Arms Export Control Act to maintain authority to refinance and reschedule past debt incurred under the old FMS credit and guaranty programs in operation prior to the effective date of this legislation to make the exercise of the authority of this section subject to specific amounts provided in advance in an appropriations act;

(9) An amendment to section 25(a) of the Arms Export Control Act to conform reporting of dollar values of military assistance, countries eligible for cash flow financing, and credit and guaranty agreements with foreign countries under that section to the reporting requirements of the FMF program;

(10) An amendment to section 25(d) of the Arms Export Control Act to include the FMF program in the definition of funds affected by cash flow financing authorized for certain military assistance recipients;

(11) An amendment to section 37 of the Arms Export Control Act to include the FMF program in fiscal provisions for the military assistance and sales program; and

(12) An amendment to section 42 of the Arms Export Control Act to make technical corrections on reporting of coproduction agreements necessitated by new reporting provisions on such agreements mandated by the new FMF program.

TRANSITION RULE CONCERNING DISPOSITION OF CERTAIN PREVIOUSLY PROVIDED MILITARY EQUIPMENT

The House bill (sec. 203) restates section 505(a)(4) of the Foreign Assistance Act to provide that the President may waive the requirements which mandate the return of defense articles and services when they are no longer needed by foreign countries or the return of proceeds of sales of items required by section 505(f).

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 204(b)) is similar to the House bill. It allows the President to waive the former requirements of section 505(a)(4) of the Foreign Assistance Act with respect to items delivered prior to 1985 pursuant to MAP authorities.

ARMS TRANSFER POLICY

The House bill (sec. 221) identifies the primary policy objectives of U.S. foreign arms sales and transfers and changes the title, Arms Export Control Act, to the Defense Trade and Export Control Act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 221) amends section 1 of the Arms Export Control Act to merge the House bill and the Senate amendment and clarifies the purposes for which transfers under the Arms Export Control Act can be made. The committee of conference retains the major policy objectives currently in the Arms Export Control Act and retains the title "Arms Export Control Act."

IMPROVED ACCOUNTING FOR FOREIGN MILITARY SALES

The House bill (sec. 222) adds a new requirement to section 37 of the Arms Export Control Act for the establishment of a new centralized accounting system for the military sales program.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 222) is similar to the House bill but makes the following changes: amends section 37 of the Arms Export Control Act to require that the President take the following steps to continue to improve the financial management problems with respect to payments on accounts of FMS sales: (1) certify that payments with respect to any FMS sale are properly recorded by case and country with regard to financial accounts for each customer; (2) improve the coordination and uniformity of the military services systems that are used to account for, control, and report upon the operation of FMS program; (3) reconcile the discrepancies between reported disbursements and reported performance for all uncompleted FMS sales agreements executed prior to March, 1989; (4) notify the Committees on Foreign Affairs and on Foreign Relations in writing of the reasons for such terminations of unreconciled accounts and provide a list of unreconciled balances by country which are to be uncollected; and (5) submit annual reports to the Congress on the status of the fiscal management of the foreign military sales program.

DESIGNATION OF MAJOR NON-NATO ALLIES

The House bill (sec. 223) adds a new section 48 to the Arms Export Control Act which designates Australia, Egypt, Israel, Japan and Korea as major non-NATO allies for purposes under the Defense Trade and Export Control Act and the Foreign Assistance Act and requires the President to notify the Congress 30 days before making additional designations or terminating designations under this authority.

The Senate amendment (sec. 412) adds a new section 48 to the Arms Export Control Act which designates Australia, New Zealand, Egypt, Israel, Japan, and the Philippines as major non-NATO allies.

The conference substitute (sec. 223) designates Australia, Egypt, Israel, Japan, New Zealand, and the Republic of Korea as major non-NATO allies and requires the President to provide 15-day advance notification to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act if he designates a new non-NATO ally.

The committee of conference has agreed to language with respect to New Zealand which requires that for New Zealand to be designated as a major non-NATO ally the President would have to determine that it is in the national security interest of the United States. Special treatment of New Zealand is necessitated by the fact that country, although still a party to the Australia-New Zealand-United States (ANZUS) defense treaty, is not currently in an active military alliance with the United States. The U.S.-New Zealand defense relationship under ANZUS was suspended by the Reagan Administration in response to New Zealand's exclusion of U.S. naval vessels from its ports as part of that country's anti-nuclear policies. The committee of conference also notes that in response to New Zealand's actions, the Reagan administration also withdrew the special privileges available to New Zealand under the Arms Export Control Act, the Foreign Assistance Act, and other authorities. These actions, which reflect the suspension of the bilateral alliance relationship, by and large continue in effect today.

The committee of conference further notes that the designation of New Zealand as a major non-NATO ally reflects the hope and expectation that U.S.-New Zealand relations in the security area will be eventually restored. The exception limiting application of the related privileges pending a Presidential determination based on U.S. national security interests reflects that reestablishment of the various elements of U.S.-New Zealand defense cooperation will depend on continued improvements in bilateral and multilateral security relations. The exception is broadly drafted, however, to permit the President to make specific, and if desirable, case-by-case, determinations with respect to any proposed activity or to take other actions short of full restoration of New Zealand's privileges as an active major non-NATO ally of the United States.

CERTIFICATION THRESHOLDS

The House bill (sec. 224) amends the Arms Export Control Act to increase the dollar thresholds with respect to three separate classifications of military equipment and services: from $14 million to $18 million for major defense equipment; from $50 million to $75 million for defense articles and services; and from $200 million to $300 million for design and construction services. The House bill also stipulates that these changes apply only to those certifications required to be submitted on or after the effective date of the House bill.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 224) is the same as the House bill.

STANDARDIZING CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS

The House bill (sec. 225) standardizes the period for prior congressional review and possible disapproval by joint resolution for the six types of arms transfers conducted under the Arms Export Control Act. This section eliminates conflicting and confusion review procedures and replaces them with standardized procedures for congressional review of arms transfers, thereby enhancing congressional oversight of those transfers.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 225), which amends section 3(d) of the Arms Export Control Act, is similar to the House bill but clarifies language with respect to New Zealand.

MEMORANDUM OF UNDERSTANDING

The Senate amendment (sec. 415) amends section 36 of the Arms Export Control Act to require the President to transmit the text of memoranda of understanding regarding government-to-government sales, commercial sales, and manufacturing licenses before notifications made pursuant to that section.

The House bill contains no comparable provision.

The conference substitute is the same as the House bill. The committee of conference notes its adoption of new quarterly reporting requirements on coproduction agreements to enhance congressional control and oversight of all future coproduction agreements in section 228 of the conference substitute.

FOREIGN AVAILABILITY

The House bill (sec. 226) restates sections 36 and 37 of the Arms Export Control Act which requires the President, in notifying the Congress of all government-to-government arms sales and commercial sales, to provide an analysis of the extent to which comparable kinds and amounts of defense articles, services or design and construction services are available to the proposed recipient of the arms sales.

The Senate amendment (sec. 411(12)) amends section 36 of the Arms Export Control Act with a similar provision.

The conference substitute (sec. 226) is similar to the Senate amendment except that it includes language which broadens the factors to include design and construction services.

ECONOMIC IMPACT ON THE UNITED STATES OF ARMS SALES

The House bill (sec. 227) amends section 25(a) of the Arms Export Control Act to require that congressional presentation documents and all arms sales notification requirements include an analysis of the economic benefits or disadvantages to the United States of arms sales and associated licenses commercial exports.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 227) is the same as the House bill.

COPRODUCTION AGREEMENTS

The House bill (sec. 228) amends section 36(a) of the Arms Export Control Act and adds a new section 31 to that act to require that a quarterly report under section 36(a) include new additional information on all concluded government-to-government agreements governing foreign coproduction of defense articles of U.S. origin, including memoranda of understanding or agreements that have not been previously reported under section 36(a). The House bill all provides for additional penalties on foreign governments or business entities that violate coproduction agreements.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 228) is the same as the House bill except that the penalties provision is contained in a new section 33 of the Arms Export Control Act.

The committee of conference adopts this provision with the expectation that the executive branch will provide Congress with greater information on a more timely and forthcoming basis on all future coproduction agreements. The committee of conference notes that adoption of this provision is aimed at enhancing congressional understanding and oversight of coproduction agreements. The committee of conference also notes that the reporting requirements apply to agreements entered into after the date of enactment of the conference substitute.

ENFORCEMENT OF ARMS EXPORT LICENSING REQUIREMENTS

The House bill (sec. 229) includes a number of new provisions regarding enforcement and processing of arms export licenses to provide for greater accountability, enforcement, and sanctions against illicit or illegal arms export activities.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 229), which amends section 38 of the Arms Export Control Act, is the same as the House bill.

FAIR PRICING

The House bill (sec. 231) amends section 21(e) of the Arms Export Control Act to exempt non-recurring costs for research and development for non-major defense equipment.

The Senate amendment (sec. 411) is similar to the House bill but provides the President with discretionary authority to waive nonrecurring costs for research and development.

The conference substitute contains no provision. The committee of conference was advised by the Department of Defense that this exception would cause disproportionate administrative problems and expenses.

CONTRACT ADMINISTRATIVE SERVICE CHARGES FOR NATO SUBSIDIARY BODIES

The House bill (sec. 232) amends section 21(h) of the Arms Export Control Act to treat NATO subsidiary bodies, when acting on behalf of an identified NATO member government, the same as that member government for purposes of the reciprocal waiver of charges for contract administrative services.

The Senate contains no comparable provision, retaining current law.

The conference substitute (sec. 231) is the same as the House bill.

SALES OF DEPLETED URANIUM SHELLS

The House bill (sec. 241) specifies that none of the funds authorized to be appropriated by this act or any other act may be used to facilitate the sale of M-833 anti-tank shells or any comparable anti-tank shells containing depleted uranium warheads to any country other than a country that is a member of the North Atlantic Treaty Organization, or has been designated as a major non-NATO ally and includes a national security interest waiver.

The Senate amendment (sec. 413) contains a similar provision with no waiver authority granted to the President.

The conference substitute (sec. 232) is the same as the House bill.

AMENDMENTS TO ELIMINATE OBSOLETE AND INCONSISTENT PROVISIONS

The House bill (sec. 233) amends various sections of the Arms Export Control Act to repeal obsolete and inconsistent provisions.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 242) repeals the following provisions:

(a) Section 5(d) which required a report upon request of the Senate Foreign Relations Committee or House Foreign Affairs Committee on all available information about the discriminatory practices with respect to race, religion, national origin or sex, of countries receiving assistance;

(b) Section 25(a)(7), concerning the use of reserve funds, and section 25(a)(9), dealing with reports on the modernization of the armed forces of the Republic of Korea;

(c) Section 33, which expressed the sense of Congress that the President exercise restraint in providing military assistance to countries in sub-Saharan Africa;

(d) Section 34, which required the President to establish standards and criteria for military credit and guaranty transactions;

(e) Section 35, which terminated military assistance and sales to any country which is diverting development assistance provided by the United States to military expenditures or is diverting its own resources to unnecessary military expenditures;

(f) Sections 36(a) (5) and (6), which required reports on cumulative dollars amounts of military assistance by foreign country or international organization, projections of dollar amounts of sales expected to be made with foreign countries in an upcoming quarter, and projections of dollar amounts of sales expected to be made with foreign countries for the entire fiscal year;

(g) Section 41, concerning the effective date;

(h) Section 45, with the exception of the provision requiring specific references to the Arms Export Control Act, which is included in section 44; and

(i) Section 46, which concerned savings provisions which have already been implemented by other sections.

TECHNICAL CORRECTIONS

The House bill (sec. 234) makes several technical corrections in the Arms Export Control Act. These corrections involve: (1) changing the term "significant defense articles" to "significant military equipment" to conform this term to revised arms export regulations; (2) changing the word "combat" to "military" in section 36(d) to conform to the accepted usage of the term; and (3) a technical correction to section 25(d) necessitated by a repeal of an obsolete provision.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 243) is the same as the House bill.

TRANSFERS OF SPOILS OF WAR

The Senate amendment to H.R. 1415, the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, (secs. 401-3 and 405-6) requires that spoils of war in the custody or control of the United States may be transferred to any other party, only to the extent and in the same manner that property of the same type, if otherwise owned by the United States, may be so transferred.

The House bill contains no comparable provision.

The conference substitute (secs. 261–264) is similar to Senate amendment with technical modifications. The committee of conference deemed this provision to be germane to this legislation as a provision requiring a report before the transfer of any captured Iraqi equipment (sec. 810) was contained in the House bill.

ARMS TRANSFER RESTRAINT POLICY FOR THE MIDDLE EAST AND PERSIAN GULF

Chapter 5 of title II of the conference substitute (secs. 281–5) incorporates and merges those provisions the House bill (sec. 242) with the Senate amendment (secs. 641–50 and 414) and establishes a new arms transfer restraint policy for the nations of the Middle East and Persian Gulf.

FINDINGS

The House bill (sec. 242(a)) contains findings on the worldwide transfer of arms to nations in the Middle East and Persian Gulf which demonstrate the urgent need for establishment of a multinational arms transfer and control policy.

The Senate amendment (secs. 641 and 642) establishes the Arms Suppliers Act of 1991 and make findings comparable to those contained in the House bill.

The conference substitute (sec. 281) is the same as the House bill.

POLICY

The House bill (sec. 242(b)) establishes new and additional policy guidelines on U.S. arms transfers to the Middle East and the Persian Gulf.

The Senate amendment (sec. 414) contains a similar provision.

The conference substitute does not include provisions from the House bill or the Senate amendment.

MULTILATERAL ARMS TRANSFER AND CONTROL REGIME

The House bill (sec. 242(c)) stipulates that as soon as practicable after the date of enactment of this act the President shall seek negotiations and undertake good faith efforts to convene a conference among the five permanent members of the U.N. Security Council, and other nations as appropriate, to establish a multilateral arms transfer and control regime toward the Middle East and Persian Gulf and specifies five purposes that should be achieved by that regime.

The Senate amendment (sec. 647) stipulates that the Secretary of State should undertake good faith efforts to convene a conference among representatives from the five permanent members of the U.N. Security Council and other appropriate countries to establish an arms suppliers regime. The Senate amendment also specifies a set of comparable purposes for the achievement of such a regime.

The conference substitute (sec. 282(a)) requires the President to continue negotiations already initiated under his direction among the five permanent members of the U.N. Security Council and to commit the United States to a multilateral arms transfer and control regime toward the Middle East and Persian Gulf. The conference substitute (sec. 282(b)) also encourages that within the context of these ongoing negotiations the President should propose to the five permanent members of the U.N. Security Council the adoption of a temporary moratorium on the transfer of major military equipment to the Middle East and Persian Gulf until such time that an agreement on a multinational arms transfer and control regime is concluded.

The conference substitute (sec. 282(b)) also incorporates the purposes of a multinational arms transfer and control regime specified in the House bill. The conference substitute specifies that one of those purposes is to control the transfer of conventional major military equipment by achieving transparency among arms suppliers through advance notification of both the agreement to transfer and the actual transfer of conventional major military equipment and by developing and adopting common and comprehensive control guidelines on the transfer of conventional major military equipment.

The conference substitute (sec. 282(c)) also identifies recommendations to achieve the purposes specified with respect to conventional and unconventional weapons, and regional arms control efforts in the Middle East and Persian Gulf.

The conference substitute (sec. 282) also specifies the need to develop a multilateral arms transfer and control regime on conventional major military equipment and unconventional weapons and further specifies the definition of the term "major military equipment." The conference substitute permits the President to include other defense articles and defense services as major military equipment upon his determination.

The committee of conference does not intend this section to include surface-to-air missiles as a major military equipment.

LIMITATION ON UNITED STATES ARMS SALES TO THE MIDDLE EAST AND PERSIAN GULF

The House bill (sec. 242(d)) establishes an immediate moratorium on the transfer and sale of major military equipment by the United States to nations in the Middle East and Persian Gulf as an inducement to encourage the other permanent members of the U.N. Security Council and other major arms suppliers to join in the establishment of a multinational arms transfer and control regime. The House bill also allows the President to lift the moratorium if he reports to Congress that there has been agreement by another major arms supplier to transfer major military equipment to any nation in the Middle East and Persian Gulf.

The Senate amendment (sec. 647) specifies that, beginning 60 days after the date of enactment, no sale of any defense article or defense service may be made to any nation in the Middle East and no license for the export to any nation in the Middle East of any defense article or defense service may be issued, unless and until the President certifies in writing that the Secretary of State has undertaken good faith efforts to convene a conference on the establishment of an arms supplier regime. The Senate amendment also requires a report setting forth a U.S. plan for leading the world community in establishing a multilateral regime to restrict the transfer of conventional and unconventional arms to the Middle East.

The conference substitute (sec. 283) is essentially the same as the Senate amendment. Under the conference substitute, beginning 60 days after enactment, sales could be made and licenses issued to nations in the Middle East and Persian Gulf only after the President certifies that he has undertaken good faith efforts to convene a conference for the establishment of an arms supplier regime having elements described in section 282 of the conference substitute.

The committee of conference believes that the President has met the requirements to undertake good faith efforts to convene multilateral negotiations among the five permanent members of the U.N. Security Council. The committee of conference also believes that the President can easily meet the certification requirements of this section. The submission of such a report is consistent with the practice of preconsultation, consultation, and advance notification requirements that are currently associated with U.S. arms sales policy worldwide. The committee of conference does not believe this provision to be an onerous burden or an impingement on the authority to the President to conduct and conclude arms sales. The committee of conference notes that the language of the House bill was modified pursuant to the understanding that good faith efforts would continue to be pursued by the executive branch with respect to establishing a multilateral arms transfer and control regime. The committee of conference further notes that in the absence of good faith efforts on the part of the executive branch to implement successfully a multilateral arms transfer restraint policy, it would be the intention of a majority of the committee of conference to use all available means to achieve the purposes of this section.

The committee of conference commends the President for his efforts to date and expects that additional progress toward transparency and advance notification on the sale of major military equipment to the Middle East and Persian Gulf can be achieved at the upcoming round of U.S.-requested negotiations. The committee of conference also believes these negotiations will be both evolving and ongoing in nature and encourages their rapid and successful conclusion.

REPORTS TO CONGRESS

The House bill (sec. 242(e)) requires the President to submit the following reports to Congress: a report setting forth a U.S. plan for leading the world community in establishing a multilateral regime to restrict the transfers of conventional and unconventional weapons to the Middle East and Persian Gulf; and a report analyzing the feasibility of applying other agreed upon arms control regimes to the Middle East and Persian Gulf. The House bill also stipulates that not later than October 1 of each year the President shall submit a report documenting all transfers of conventional and unconventional arms to the Middle East and Persian Gulf over the previous year and previous five years, analyzing the current military balance of power in the Middle East and Persian Gulf, describing the operation of any agreement comprising the multinational arms transfer and control regime, and identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that undermines or violates that regime.

The Senate amendment (sec. 646) contains a similar provision.

The conference substitute (sec. 284) requires the President, beginning on January 15, 1992, and quarterly thereafter through October 15, 1993, to submit to the relevant congressional committees a report describing the progress in implementing the purposes of the multinational arms transfer and control regime described in section 282(b) of the conference report, and describing efforts made by the United States to induce other countries to curtail significantly the volume of arms sales to the Middle East and Persian Gulf, and if such efforts were not made, a justification of why they were not made. The conference substitute further requires the President, within 60 days of the date of enactment, to submit an initial report on arms transfers to and the military balance of power in the Middle East and Persian Gulf and mandates the submission of a similar report annually beginning on January 15, 1992. Finally, the conference substitute (sec. 285) defines the term "relevant congressional committees" as the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

The committee of conference believes the submission of quarterly reports on the progress of U.S. efforts is complementary to traditional executive branch consulting practices with Congress on the progress of other ongoing U.S. arms control negotiations and views these reporting requirements as an impetus to the successful conclusion of the ongoing negotiations among the five permanent members of the U.N. Security Council. The committee of conference also believes the initial baseline report on arms transfers to and the military balance of power in the Middle East and Persian Gulf will provide Congress with an authoritative assessment of the regional balance of power in the Middle East and Persian Gulf. The committee of conference further believes that the annual report required by this section will enhance congressional understanding and awareness of the military balance of power in and the volume of arms transfers to the Middle East and Persian Gulf. The intention of the committee of conference in requiring these reports to overlap is to allow the executive branch the ability to meet these reporting requirements concurrently and on a timely basis. The committee of conference believes that the submission of these reports is consistent with the practice of preconsultation, consultation, and advance notification requirements that are currently associated with U.S. arms sales policy worldwide.

TITLE III—INTERNATIONAL NARCOTICS CONTROL

Title III is the product of an intensive review of current law and the executive branch request regarding a number of narcotics control-related matters. It attempts to streamline current law, give the executive branch the flexibility it requested where possible, but retain important principles about which the committee of conference feels strongly. Highlights of the significant changes from current law in this and other titles follow:

—Adds counternarcotics military and police cooperation as a purpose for IMET;

—Makes minor changes in U.S. narcotics control policy language;

—Clarifies executive branch authority to enter into reciprocal maritime agreements;

—Provides authority, with prior notice, to provide narcotics-related economic assistance to countries ineligible to receive U.S. assistance for non-narcotics reasons;

—Consolidates reporting, record-keeping, and regulation requirements on aircraft use;

—Allows a national interest waiver of the requirement for the U.S. to retain title to narcotics control aircraft provided to a foreign country with prior notice and provides a technical correction for Department of Defense permanent leasing authority;

—Allows INM to acquire arms and ammunition only for defensive arming of narcotics control aircraft and for INM direct-hire and contract personnel with prior notice;

—Expands narcotics-related excess defense articles authority from major producers in Latin America to major producers and transit countries in Latin America under conditions in current law, reduces the period of time for prior notification to Congress, and clarifies purposes for which such assistance may be provided;

—Provides a general waiver of the prohibition on providing assistance to law enforcement units for narcotics-related purposes for FMF, IMET, and narcotics-related excess defense articles (EDA) for a two-year period, with prior notice; clarifies that this waiver is only for narcotics-related EDA and not modernization EDA; contains a requirement for respect for human rights and a democratic government in order to provide assistance; and

—Clarifies the definition of U.S. assistance for international narcotics control purposes.

CHANGES IN THE CERTIFICATION PROCESS AND THE ANNUAL INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT (INCSR)

—Expands the INCSR to include every U.N. member country as in the annual human rights report;

—Requires special emphasis in the INCSR on major money-laundering countries and precursor chemical producers in addition to producer and transit countries;

—Ties reporting requirements and annual certifications to obligations under the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; significantly streamlines current conditions;

—Waives requirement for the withholding of 50% of assistance with a Presidential determination and prior notice;

—Reduces the congressional review of certifications from 45 legislative to 45 calendar days;

—Provides a national interest waiver for recertifying countries which have been decertified, when circumstances have changed;

—Changes certification standard from "fully cooperating" to "cooperating with the U.S. to achieve full compliance with the goals and objectives of the 1988 U.N. Convention", and streamlines the list of matters to be considered in making certifications, with special attention to bilateral goals and the issue of corruption; and

—Allows the President to determine which countries are subject to certification and changes the date for determining countries subject to certification from October 1 to January 1.

All of the above have been limited to a two-year "trial period", at which time the current certification and reporting provisions, with some minor revisions, would resume unless subsequent legislation is enacted.

The committee of conference notes that the executive branch requested a repeal or substantial modification of virtually all of the international narcotics control laws which have been enacted during the past ten years. The committee of conference did not accept that proposal; however, it believes that title III and related provisions in other titles reflect a reasonable compromise. As a general rule, when the executive branch presented valid arguments, the committee of conference granted waivers of prohibitions in current law, with prior notice to the Congress. On the two most salient issues, the certification process and the annual INCSR, the committee of conference has provided special rules for a two-year "trial" period, in addition to the requirement for prior notice.

To address the executive branch's stated need for increased flexibility, this title streamlines current language in the law regarding the certification and INCSR process, gives the President the flexibility to determine which countries are included on the certification list and changes the date for submission of the list, waives the current 50% aid withholding requirement if the President determines it is in the national interest and gives prior notice to Congress, reduces the congressional review period from 45 legislative days to 45 calendar days, clarifies the definition of "U.S. assistance" for international narcotics control purposes, and provides a special waiver to address unique situations in which conditions in decertified countries undergo a sudden and fundamental change. The committee of conference proposes to try this new approach for a two-year period; at the end of that time, current law would become applicable unless subsequent legislation was enacted.

The committee of conference notes that the executive branch expressed support for numerous provisions now contained in title III of the conference report, including the authority for INM to procure weapons, the national interest waiver for aircraft titling, the waiver of narcotics-related economic assistance, the flexibility in determining major drug producer and transit countries, and most aspects of the revisions to the certification process. The committee of conference does not intend the revised certification standard to be "potentially stricter," as stated in a communication from the Department of State. The standard is intended to reflect the fact that narcotics control has become a truly multilateral issue with the entry into force of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. Rather than interpreting the standard as "stricter," the committee of conference expects the executive branch to see the new standard as an opportunity to link countries' narcotics control performance to the multilateral standards in the landmark 1988 U.N. Convention.

The committee of conference has considered the objections raised by the Department of State to the allegedly burdensome reporting requirements contained in the amended section 489 of the Foreign Assistance Act requirements for the International Narcotics Control Strategy Report. In considering such objections, the committee of conference notes that the State Department's Bureau of International Narcotics Matters is authorized its requested funding level in the conference report for fiscal year 1992, a level of funding that represents a 94 percent increase over fiscal year 1990. The committee of conference strongly believes that the expansion of the INCSR to encompass more information on the international narcotics situation is in keeping with a joint congressional-executive branch approach to the issue President Bush has stated is his number one peacetime priority. The committee of conference believes that the revised INCSR reporting requirement is a reasonable provision that does not unduly add to the workload of a bureau which has received such favorable funding treatment from Congress.

POLICY STATEMENTS

The House bill (sec. 4101) contains statements of policy regarding international narcotics control. The House bill is similar to section 481(a)(1) of the Foreign Assistance Act, with the only substantive addition being an updated reference to the 1988 United Nations Convention Against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances.

The Senate amendment (sec. 207) contains a similar provision.

The conference substitute (sec. 302(a)) is similar to the House bill but amends section 481 of the Foreign Assistance Act.

AUTHORITY TO CONCLUDE MARITIME AGREEMENTS

The Senate amendment (sec. 207) amends section 481(a)(2) of the Foreign Assistance Act to add a specific authority for the President to conclude reciprocal maritime agreements.

The House bill contains a similar provision.

The conference substitute (sec. 302(b)) is identical to the Senate amendment.

COORDINATION OF U.S. ANTI-NARCOTICS ASSISTANCE

The House bill (sec. 4102) makes the Secretary of State responsible for coordinating all assistance provided by the U.S. Government to support international efforts to combat illicit narcotics production or trafficking. The House bill further states that nothing contained in this section or section 4401(c) shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333. This section is the same as sections 4601 (a) and (c) of the Anti-Drug Abuse Act of 1988.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 302(c)) is the same as the House bill but amends section 481(b) of the Foreign Assistance Act.

MARITIME LAW ENFORCEMENT IN ARCHIPELAGIC WATERS

The House bill (sec. 4501) restates section 481(c) of the Foreign Assistance Act and adds the phrase "and archipelagic waters" which permits maritime law enforcement operations in the archipelagic waters of an archipelagic state as well as the territorial waters of a country, with the agreement of the country.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 302(d)) is the same as the House bill but amends section 481(c)(4) of the Foreign Assistance Act.

PROCUREMENT OF WEAPONS AND AMMUNITION

The House bill (sec. 4205) modifies the prohibition contained in section 482(b) of the Foreign Assistance Act on using funds authorized under this chapter to procure weapons or ammunition. The House bill restates the prohibition in current law on using INM funds for the procurement of weapons and ammunition except as provided in subsection (b). Section 4205(b) states that the prohibition contained in subsection (a) shall not apply with respect to funds for the procurement of (1) weapons and ammunition for the defensive arming of aircraft used for narcotics-related purposes, and (2) firearms and related ammunition to be provided for defensive purposes for State Department employees engaged in activities under this title. Section 4205(b) also requires prior notice of any procurement of weapons and ammunition pursuant to regular reprogramming procedures.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 302(e)) is similar to the House bill, but amends section 482(b) of the Foreign Assistance Act, and adds a specific reference to contract employees to clarify the intent of the provision.

This modification of the prohibition in current law is provided pursuant to the request of the executive branch outlined in testimony before the House Committee on Foreign Affairs' Task Force on International Narcotics Control on May 2, 1991. The committee of conference recognizes that monitoring and implementing U.S. narcotics control programs overseas often involves working in a dangerous environment. Counternarcotics aircraft may face hostile ground fire and INM personnel may have to travel to areas frequented by armed traffickers or narco-insurgents. In past years, the Congress has regularly earmarked foreign military financing funds for defensive aircraft arming purposes but has been reluctant to allow INM to become directly involved in the procurement of lethal equipment. However, because the current situation has resulted in long delays and bureaucratic difficulties in procuring arms for antinarcotics aircraft, and because there are no alternatives for Department of State personnel to acquire defensive firearms other than personal purchase, the committee of conference has modified a prohibition which was first enacted in 1978. Any procurement of weapons and ammunition is subject to advance notification in accordance with procedures applicable under section 634A of the Foreign Assistance Act. The committee of conference expects that the executive branch will use this authority only for the unique situations which have been discussed with the Congress in hearing testimony and informal meetings.

AIRCRAFT AND OTHER EQUIPMENT

The House bill (sec. 4206) combines and modifies sections 485 and 489 of the Foreign Assistance Act and deletes the requirements of current law in sections 489(c) and 489(d) for the President to issue regulations, with advance congressional review, to ensure proper use of aircraft provided under this chapter.

In addition, the House bill (sec. 4207) allows the President to waive the requirement to retain title contained in section 484 of the Foreign Assistance Act if that requirement's application is contrary to the national interest, and the President notifies the Congress in accordance with the procedures contained in section 634A of the Foreign Assistance Act. The House bill also clarifies the authority of the Department of Defense to finance the leasing of aircraft for the purposes of satisfying the requirements of this section (which is the same as section 3(g) of the International Narcotics Control Act of 1990 (Public Law 101-623).

The Senate amendment contains no comparable provisions, retaining current law.

The conference substitute (sec. 302(f)) is essentially the same as the House bill, but consolidates the modifications of the provisions of sections 484 and 489 of the Foreign Assistance Act and makes technical corrections to section 485 of the Foreign Assistance Act. It further deletes the provision in current law (section 484) which waives the requirement to retain title to aircraft provided through Export-Import Bank financing. That provision was unnecessary because section 638(a) of the Foreign Assistance Act already states that no provision of that Act applies to assistance extended through the Export-Import Bank.

The Congress has long mandated the retention of title for aircraft provided under this chapter for reasons based on a series of historical experiences of misuse, abuse, and a lack of recourse in such situations. However, the committee on conference recognizes that there may be circumstances in which the level of confidence of the executive branch in the recipient countries' intentions, U.S. monitoring capabilities, or other mitigating factors might justify transfer of aircraft titles. In such cases, the President must provide the Congress with advance notification. To the degree that narcotics control aircraft are to be provided through military assistance channels and the United States retains title, the committee of conference has made permanent the authority contained in section 3(g) of Public Law 101-623 for fiscal year 1991 for the Department of Defense to provide such aircraft on a lease or loan basis.

The committee of conference notes that on numerous occasions the executive branch has testified that the Bureau of International Narcotics Matters' "air wing" is the result of the 1986 law requiring the United States to retain title to narcotics control aircraft. Given the flexibility now provided in this section to waive that requirement, the committee of conference requests that the Bureau of International Narcotics Matters submit a report to the appropriate committees of Congress no later than three months after the date of enactment of this legislation detailing the impact of this new authority on the Bureau's "air wing". The report should include plans for coordinating funding, support, and operations of aircraft for which transfer is titled (whether by the

Department of State or the Department of Defense) with the management of aircraft currently in its inventory. This report should be coordinated with the Defense Security Assistance Agency.

REALLOCATION OF FUNDS

The House bill (sec. 4303) modifies the provisions of section 486 of current law to increase executive branch flexibility in the reprogramming of narcotics-related assistance by making that provision discretionary.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 302(g)) is similar to the House bill but amends section 486 of the Foreign Assistance Act.

ANNUAL REPORTING AND CERTIFICATION REQUIREMENTS

The House bill (sec. 4401) substantially rewrites section 481(e) of current law. Section 4401(a) requires the President to submit a comprehensive report to the Congress not later than April 1 of each year on all countries which are members of the United Nations on the state of international narcotics production and trafficking, money laundering, and precursor chemical control, and on U.S. efforts to prevent illicit drug cultivation and trafficking, the diversion of precursor chemicals, and money laundering.

Section 4401(b) details what must be included in that report. Section 4401(b)(1) requires that, for all countries which are members of the United Nations, the report shall include the matters identified in section 4402(b)(2) (relating to matters to be considered for certification of cooperation).

Section 4401(b)(2)(A) requires a description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including the status of negotiations between the U.S. and other countries on updated extradition treaties, mutual legal assistance treaties, precursor chemical controls, money laundering, and agreements pursuant to section 2015 of the International Narcotics Control Act of 1986 (relating to interdiction procedures for vessels of foreign registry). Section 4401(b)(2)(B) requires information on multilateral and bilateral strategies with respect to money laundering pursued by the Departments of State, Justice, and the Treasury, and other relevant U.S. Government agencies, either collectively or individually, to ensure the cooperation of foreign governments with respect to narcotics-related money laundering and to demonstrate that all U.S. Government agencies are pursuing a common strategy with respect to major money laundering countries.

Section 4401(b)(3) requires the report to identify which countries are (A) major illicit drug producing and drug transit countries (as determined under section 4403), (B) significant direct or indirect sources of illicit drugs affecting the United States, (C) major sources of precursor chemicals used in the production of illicit narcotics, or (D) major money laundering countries.

Section 4401(b)(4) requires in addition, for each of the four categories of countries identified in (b)(3), the report to include: (1) a description of the plans, programs and timetables adopted by each such country, including efforts to meet the objectives of the 1988 U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with those plans; (2) whether as a matter of government policy, each such country encourages or facilitates the production or distribution of illegal drugs or the laundering of proceeds from illegal drug transactions; (3) and whether any senior official of the government of each such country engages in, encourages, or facilitates the production or distribution of illegal drugs, or the laundering of proceeds from illegal drug transactions.

Section 4401(b)(5) requires in addition, for the major producer and transit countries and the significant source and transit countries identified in (b)(3) (A) and (B), a detailed status report, with such information as can be reliably obtained, on the illicit narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported though such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

Section 4401(b)(6) requires, in addition, for those countries identified as major sources of precursor chemical in paragraph (3)(C), information on which countries are parties to international agreements on a method for maintaining records of transactions of an established list of precursor and essential chemicals; have established a procedure by which such records may be made available to U.S. law enforcement authorities; and have enacted national chemical control legislation which impose specific recordkeeping and reporting requirements for listed chemicals, establish a system of permits or declarations for imports and exports of listed chemicals, and authorize government officials to seize or suspend shipments of listed chemicals.

Section 4401(b)(7) further requires, for those countries identified as major money laundering countries pursuant to paragraph (3)(D), information on which countries have not reached agreement with the United States authorities on a mechanism for exchanging adequate records in connection with narcotics investigations and proceedings, and which of those countries which have not reached such an agreement are negotiating in good faith with the United States to establish such a record-exchange mechanism, or have adopted laws or regulations that ensue the availability to appropriate U.S. Government personnel of adequate records in connection with narcotics investigations and proceedings.

Section 4401(b)(8) also requires in addition, for those countries identified as major money laundering countries, findings on the country's adoption of laws and regulations considered essential to prevent narcotics-related money laundering. Such findings are to include whether a country has criminalized narcotics money laundering, required financial institutions to record large currency transactions at thresholds appropriate to that country's economic situation, required financial institutions to report suspicious transactions, established systems for identifying, tracing, freezing, seizing, and forfeiting narcotics-related assets, enacted laws for the sharing of seized narcotics assets with other governments, and cooperated when requested with appropriate law enforcement agencies of other governments investigating financial crimes related to narcotics. The report shall also detail instances of refusals to cooperate on the part of foreign governments, and any actions taken by the United States Government to address such obstacles, including the imposition of sanctions or penalties.

Section 4401(b)(9) provides definitions for terms used in this section. The term "precursor chemical" has the same meaning as the term "listed chemical" has under paragraph 33 of section 102 of the Controlled Substances Act (21 USC 920), and the term "major money laundering country" means a country whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking.

Section 4401(c)(1) requires the annual report to include information on U.S. assistance provided during the preceding, current and next fiscal years to support international efforts to combat illicit narcotics production and trafficking. Section 4401(c)(2) requires the report to include (A) the amount and nature of assistance provided or to be provided, (B) for countries identified as major producers and major transit countries under subsection (b)(3)(A), information from the Drug Enforcement Administration, the Customs Service, and the Coast Guard describing in detail the assistance provided or to be provided to such country by that agency, and the assistance provided or to be provided to that agency by such country, with respect to narcotic control efforts during the preceding, current and next fiscal year, and (C) a list of all transfers which were made by the U.S. Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the U.S. Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

Section 4401(c)(3) provides that the reports required by the subsection may be provided on a classified basis to the extent necessary.

Section 4401(d) states that this section only applies during fiscal years 1992 and 1993, and that section 4401A does not apply during those fiscal years.

In addition, the House bill (sec. 4402) substantially revises section 481(h) of current law, relating to certification procedures for major drug countries, for fiscal years 1992 and 1993.

Section 4402(a)(1)(A) requires that 50 percent of U.S. assistance allocated at the beginning of each fiscal year for each major illicit drug-producing or drug-transit country shall be withheld from obligation and expenditure, except as provided in paragraph (B) and subsection (b). Section 4402(a)(1)(B) states that subparagraph (A) shall not apply with respect to a country if the President determines that its application to that country would be contrary to the national interest of the United States, except that any such determination shall not take effect until at least 15 days after the President submits written notification of that determination to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act.

Section 4402(a)(2) further requires the Secretary of the Treasury to direct the U.S. Executive Directors to multilateral banks to vote, on and after April 1 of each year, against any loan to or for any major illicit drug-producing or drug-transit country except as provided in subsection (b).

Section 4402(b) establishes what must be certified under the certification process. It states that, subject to subsection (d), the 50% of aid withheld pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the annual INCSR report, that (A) during the previous year the country has cooperated with the United States, or has taken adequate steps on its own, to achieve full compliance with the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988; or (B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld be provided and that the U.S. not vote against multilateral development bank assistance for that country.

Section 4402(b)(2) provides that, in making the determination described in paragraph (1)(A), the President shall consider the extent to which the country has:

(A) met the goals and objectives of the 1988 U.N. Convention, including action on such issues as illicit cultivation, production, distribution, sale, transport, financing, money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemicals, and demand reduction;

(B) accomplished the goals in an applicable bilateral narcotics agreement with the United States or a multilateral agreement; and

(C) taken legal and law enforcement measures to prevent and punish public corruption (especially by senior government officials) that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

Section 4402(c) states that the President may make a certification under subsection (b)(1)(A) with respect to a major illicit drug producing country, or major drug-transit country which is also a producer of licit opium, only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, and that such country maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

Section 4402(d) prescribes procedures for congressional review of the President's certifications. If, within 30 days of continuous session after the certification is received, the Congress enacts a joint resolution disapproving the President's determination, the 50% withholding requirement and the requirement to vote against further multilateral development bank loans shall continue in effect.

Section 4402(e) clarifies what assistance is to be denied in a case where either the President or the Congress determines that a country shall not be certified as fully cooperating. Funds may not be obligated for U.S. assistance to that country, and funds previously obligated for U.S. assistance may not be expended. Further, the requirement to vote against further multilateral development bank loans shall apply regardless of the April 1 date contained in subsection (a)(2).

Section 4402(f) specifies procedures for recertifying countries which have been denied certification. Denial of assistance and voting against multilateral development bank loans shall continue until the President makes a certification under subsection (b)(1)(A) of (B) for a country and the Congress does not enact a joint resolution of disapproval pursuant to subsection (d), or until the President submits at any other time a national interest certification pursuant to subsection (b)(1)(B) for a country. In the second case this only applies if either the President did not submit a certification with respect to that country under subsection (b)(1) at the time of the April 1 report, or if the Congress enacted a joint resolution under subsection (d) disapproving the President's certification determination.

Section 4402(g) specifies congressional review procedures for recertification. Any joint resolution under this subsection shall be considered in the Senate in accordance with the expedited procedures specified in section 601(b) of the International Security Assistance and Arms Export Control Act of 1976; in the House of Representatives, a motion to proceed to the consideration of any such joint resolution shall be treated as highly privileged in the House.

Section 4402(h) specifies that this section applies only during fiscal years 1992 and 1993.

The House bill (section 4403) also makes inapplicable during fiscal years 1992 and 1993 the numerical standards for determining major drug producing countries and the requirement for the Secretary of State to establish qualitative and quantitative standards for determining major drug transit countries.

Finally, the House bill (secs. 4401A, 4402A, and 4403A) makes modifications to the certification procedures and reporting requirements, and the determination of major producing and transit countries in current law which become effective after September 30, 1993. These include deleting obsolete requirements for consultations and congressional hearings, and obsolete references to country plans submitted pursuant to 1962 Single Convention on Narcotic Drugs.

The Senate amendment contains no comparable provisions, retaining current law.

The conference substitute (sec. 303) is similar to the House bill, but makes technical corrections necessary in amending current law (sections 489, 489a, 490, and 490A of the Foreign Assistance Act), clarifies under what circumstances the President may recertify a country previously decertified for fiscal years 1992 and 1993, changes the period for congressional review of certifications for fiscal years 1992 and 1993 from 45 legislative days to 45 calendar days, changes the date for submitting the determination of which countries are subject to the provisions of section 490 from October 1 to January 1, and modifies the definition of "U.S. assistance" for purposes of this chapter.

This revision of annual reporting requirements was designed in part to address concerns raised by the executive branch over the number of reporting requirements concerning narcotics control issues that have been enacted over the past decade. In response to this concern the committee of conference has deleted certain duplicative requirements, deleted the requirement for an annual mid-year report (currently section 481(b) of the Foreign Assistance Act), consolidated other reporting requirements within the annual report required by this section, and deleted obsolete language in current law.

However, the committee of conference has also considerably expanded the reporting requirements for the annual International Narcotics Control Strategy Report (INCSR) in two significant areas: first, by requiring the inclusion of information on all members of the United Nations (as does the annual Country Reports on Human Rights); and, second, by broadening detailed reporting on major money laundering and major precursor chemical source countries as well as on significant producer and transit countries. The committee of conference believes that the unparalleled transnational threat posed to the U.S. by the international traffic in illicit narcotics, as well as the increasing multilateral consensus manifest in the entry into force of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, merits increased emphasis on rating counternarcotics performance with an accepted international standard and more comprehensive reporting on individual nations' counternarcotics efforts. As Drug Enforcement Administration Administrator, Robert C. Bonner, said in congressional testimony in March of 1991, "[The entry into force of the 1988 U.N. Convention] is a milestone, I believe, in the international effort to fight drug traffickers because this far-reaching treaty will go a long way toward providing the tools and international framework for combating drug trafficking, and as more nations ratify this convention, even more international cooperation will be possible."

The committee of conference also believes that by expanding the report to cover all member states of the United Nations, as is the case with the annual human rights report, the issue of narcotics control will become a more firmly entrenched component of U.S. foreign policy. By expanding the need for increased attention to narcotics by foreign service officers in countries not currently covered by INM personnel, and by stressing the importance of the narcotics issue to the foreign service, the process of "weaving the issue into the fabric of our foreign policy" which was noted by Assistant Secretary of State for International Narcotics Matters Melvyn Levitsky in recent congressional testimony, will continue to be enhanced. The committee of conference notes that it does not intend the reference to "compliance with goals and objectives" to refer solely to signatories of the 1988 U.N. Convention; on the contrary, the committee of conference desires to build upon the international standards established by the Convention and explicitly avoid creating any disincentives for countries to sign and ratify the Convention.

In addition, the committee of conference has moved to a more comprehensive focus by requiring more detailed reporting on the issues of money laundering and precursor chemical production, as well as on the more traditional issues of production and transit, in recognition of the fact that effectively addressing these two important aspects of the international narcotics trade are integral to any international efforts.

While there is virtually no country in the world unaffected by international narcotics trafficking, the committee of conference recognizes that there are significant variations in the scope of the problem among countries. For countries which are not major drug producers, drug transit countries, money laundering centers, or listed chemical sources, the subjects for reporting are identified as the extent to which a country has met the goals and objectives of the 1988 U.N. Convention, accomplished the goals in an applicable bilateral or multilateral narcotics agreement, and addressed narcotics-related corruption. The committee of conference does not expect reporting on countries not included in the four categories listed above to be as detailed as for countries such as Peru or Mexico. This section would require reasonable efforts to examine the status of the 1988 U.N. Convention and any implementing legislation, and a brief description of efforts to address narcotics-related developments, including corruption, in a given country. Much of this information concerning the status of legal measures, ratification of the Convention, seizures, arrests, etc. should be readily available, as evidenced by the U.N. International Narcotics Control Board's annual report covering all member states of the United Nations. In addition, as long as each member of the United Nations is addressed, reporting could be done on a regional basis if appropriate for countries which are not major drug producers, drug transit countries, money laundering centers, or precursor chemical sources. The committee of conference expects that the regional format would only be used for countries in areas not currently covered in the INCSR, such as island-states in the South Pacific or smaller states in West Africa, but not for regions such as Western Europe and the Southern Cone.

By broadening the INCSR beyond its traditional focus on narcotics production and transit, this section requires a more comprehensive view of all major elements of the international narcotics trade and addresses the issues raised by the "Kerry amendment" on money laundering (Section 4702 of the 1988 Anti-Drug Abuse Act, Public Law 100-690) and the "McConnell amendment" on precursor chemicals (Section 599H of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991, Public Law 101-513).

With respect to the changes in certification, as noted previously, debates about the efficacy of the certification process have taken place since its enactment. However, the committee of conference firmly believes that certification serves a useful purpose in focusing attention on narcotics issues, both within the Congress and the executive branch. Although the executive branch was vehemently opposed to certification in the beginning, over the years this position has changed. In testimony before the Congress in recent years, executive branch officials have repeatedly stated that the certification process, while flawed in their judgment, has succeed in highlighting to foreign governments the seriousness which the U.S. Government attaches to the issues of narcotics control.

Therefore, in an effort to accommodate concerns of the executive branch about the certification process while maintaining the leverage provided by the process, the committee of conference has in this section provided the President with a waiver of the 50-percent withholding requirement, reduced the congressional review period, given the President increased flexibility in determining the list of countries which are subject to certification, and provided a more streamlined method for recertifying countries in special circumstances.

In addition, in concert with the more multilateral approach the committee of conference has adopted with respect to the annual INCSR report, the standard for certifying countries has been changed from "fully cooperating" with the United States to one based on meeting the goals and objective of the 1988 U.N. Convention.

With respect to the changes for fiscal years 1992 and 1993 in the recertification process, the committee of conference notes the following: under current law, for a country decertified either by the President or by congressional resolution of disapproval, a Presidential recertification for that country either on grounds of full cooperation or on grounds of national interest requires affirmative congressional action. Under the new procedures, the President could recertify a country on national interest grounds any time after April 1 without affirmative congressional action, if (1) he certifies that any such country has undergone a fundamental change in government, or (2) there has been a fundamental change in the conditions that were the reason why the country was decertified. However, the procedures for recertifying on full cooperation grounds would still require affirmative congressional action. This change was provided at the request of the executive branch, which asserted that the recertification procedures in current law resulted in substantial delays in resuming assistance to Panama after the December 1989 U.S. action in that country. The committee notes that, in that case, the President transmitted to the Congress a recertification based on "full cooperation" for Panama on January 29, 1990 (Executive Communications 2373, Presidential Certification Number 90-9). Less than two weeks later, on February 7, 1990, both Houses of Congress had passed legislation to recertify Panama on the basis of national interest (see House Report 101-401, part I, sections 102 and 103). The committee therefore does not find the assertion that recertification procedures in current law delayed the resumption of assistance to Panama persuasive. Nonetheless, the committee has provided the requested change in order to eliminate such assertions in fiscal years 1992 and 1993.

TECHNICAL AND CONFORMING PROVISIONS

The House bill (sec. 4403) contains statutory clarifications resulting from the change in reporting requirements and certification procedures for fiscal years 1992 and 1993.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 304) is similar to the House bill, but makes additional technical corrections to chapter 8 of the Foreign Assistance Act necessitated by other amendments made by this title. The conference substitute also incorporates provisions of section 645 of the House bill repealing obsolete provisions of current law.

EXEMPTION OF NARCOTICS-RELATED MILITARY ASSISTANCE

The House bill (sec. 402) states that for fiscal years 1992 and 1993, section 660 of the Foreign Assistance Act shall not apply with respect to transfers of excess defense articles under section 2302, foreign military financing assistance that is provided for narcotics-related purposes, or for international military education and training that is provided for narcotics-related purposes.

Section 402(b) requires that at least 15 days before any excess defense articles are transferred or any funds are obligated for FMF or IMET under this section, the President shall notify Congress in accordance with the procedures applicable to reprogramming notifications under section 6304.

Section 402(c) states that assistance provided pursuant to this section shall be coordinated with international narcotics control assistance.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 305) is essentially identical to the House bill, but makes necessary technical and conforming changes.

This section responds to an executive branch request for a waiver of the prohibition contained in section 660 of current law, for all economic and military foreign assistance accounts worldwide, for narcotics-related purposes. The committee of conference has provided such a waiver only for military assistance accounts (narcotics-related excess defense articles, FMF, and IMET), with prior notice to Congress, for a two-year "trial period" through fiscal year 1993.

The committee of conference notes that narcotics control assistance provided under this title is permanently exempted from the prohibition contained in section 660 of the Foreign Assistance Act. Section 660 itself also exempts overseas activities conducted through the Drug Enforcement Administration. Section 506(a)(2) of the Foreign Assistance Act also contains a permanent waiver from this prohibition. The Congress has on numerous occasions provided narcotics-related waivers of this provision for specific purposes, primarily in Latin America. The committee of conference has therefore agreed to provide a global waiver of this requirement for the relevant military assistance accounts for a two-year period. In the case of the Andean Initiative this waiver is provided in explicit recognition of the executive branch's recent emphasis on assistance to the police vis-a-vis assistance to the military. The committee of conference stresses that this waiver is provided for narcotics-related purposes only, and that it will closely monitor any use of this authority for purposes which extend beyond those related to narcotics control objectives.

WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE

The House bill (sec. 4304) provides authority for the President to provide narcotics-related economic assistance notwthstanding any other provision of law except for those relating to ineligibility due to a lack of cooperation on narcotics control issues.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 306) is similar to the House bill, but limits the waiver authority to fiscal years 1992 and 1993, and makes necessary technical and conforming changes.

Under current law, assistance provided through INM is exempt from virtually any cut-off of assistance. This new section authorizes, in addition, the provision of other narcotics-related economic assistance to countries otherwise ineligible for U.S. assistance, with prior notification pursuant to the procedures contained in section 634A of the Foreign Assistance Act. The committee of conference recognizes that there may be unique crcumstances in which a country is ineligible for assistance due to non-narcotics related reasons where the provision of narcotics-related economic assistance could support U.S. counternarcotics goals. However, the committee of conference also notes that the authority provided in this new section could be misinterpreted as a "loophole" to provide broad economic assistance to countries which are otherwise prohibited from receiving assistance, such as Pakistan. The committee of conference therefore limited this authority to fiscal years 1992 and 1993 for a two-year "trial period". The committee of conference will insist that "narcotics-related assistance" provided pursuant to this authority in fact has a demonstrable and direct relevance to narcotics control objectives.

EXPORT-IMPORT BANK FINANCING

The House bill (sec. 403) extends through 1994 the exemption, contained in section 2(b)(6)(B)(vi) of the Export-Import Bank Act of 1945, from the general prohibition on Export-Import Bank financing for sales of defense articles and services to developing countries if those sales are primarily for anti-narcotics purposes.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 307) is identical to the House bill.

PROHIBITION ON USE OF NARCOTICS CONTROL ASSISTANCE TO ACQUIRE REAL PROPERTY

The House bill (sec. 4208) modifies the prohibition on the use of funds made available to carry out this title to acquire any real property for use by foreign military, paramilitary, or law enforcement forces (section 488 of the Foreign Assistance Act) to allow such acquisition with advance notification pursuant to the procedures in section 634A of the Foreign Assistance Act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

USE OF HERBICIDES FOR AERIAL ERADICATION

The House bill (sec. 4204) modifies section 481(d) of the Foreign Assistance Act which requires the Secretary of State to inform the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency of the use or intended use of aerial herbicides.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

TITLE IV—SPECIAL AUTHORITIES, RESTRICTIONS, REPORTING REQUIREMENTS, ADMINISTRATIVE AND GENERAL PROVISIONS, DEFINITIONS, AND CONFORMING AMENDMENTS AND REPEALS

TRANSFER AUTHORITY

The House bill (sec. 6101) restates section 610(a) of the Foreign Assistance Act which permits the transfer of up to 10 percent of funds from any account, except that no account may be increased by more than 20 percent.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 404) amends section 610(a) of the Foreign Assistance Act to add a prohibition on the transfer from funds authorized to finance the subsidy costs of credit reform and requiring 15-day advance notification of appropriate congressional committees pursuant to the procedures contained in section 634A of the Foreign Assistance Act before funds may be transferred.

WAIVER AUTHORITY

The House bill (section 6102) rewrites section 614 of the Foreign Assistance Act to authorize the President to take action otherwise prohibited if he determines: (1) in the case of military assistance and sales, it is essential to U.S. national security interests and (2) in the case of economic assistance, it is in the U.S. national interest. It also raises from $50 million to $100 million the amount of assistance that can be provided under this authority to any one country in a year.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 405) amends section 614 of the Foreign Assistance Act to authorize the President to waive provisions in foreign assistance legislation in order to provide assistance or take other action if he determines: (1) with respect to military assistance and sales that it is vital to U.S. national security interests, and (2) with respect to other assistance (economic) and with respect to assistance and action under other acts, that it is important to U.S. national interests. The conference substitute also makes the provision applicable to the provisions of annual foreign assistance authorizations or appropriations acts and provisions of other acts that restrict action under foreign assistance legislation and raises from $50 million to $75 million the amount of assistance that can be provided under this authority to any one country in a given year.

UNANTICIPATED CONTINGENCIES

The House bill (sec. 6103) rewrites section 451 of the Foreign Assistance Act to authorize the President to use up the $50 million for unanticipated contingencies, other than the provision of military assistance.

The Senate amendment (sec. 501) amends section 451 of the Foreign Assistance Act to raise the authorized level to $40 million.

The conference substitute (sec. 403) amends section 451 of the Foreign Assistance Act to raise the authorized level to $45 million.

EMERGENCY ASSISTANCE

The Senate amendment (sec. 502) amends section 533 of the Foreign Assistance Act to authorize the President to use up to $75 million of ESF for emergency use when the U.S. National interests requires economic support to promote economic or political stability.

The House bill contains no comparable provision, retaining current law.

The conference substitute is the House position.

DEMOCRACY CONTINGENCY FUND

The House bill (sec. 6104) authorizes the President to use up to $100 million annually for assistance to countries emerging from civil strife or into democracy, with fifteen day notification of the appropriate congressional committees. The assistance may be used to encourage and facilitate the process of creating and institutionalizing democracy and to meet economic and human needs resulting from civil strife.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 402) creates a new section 282 in title IX of chapter 2 of part I of the Foreign Assistance Act which permits the obligation of up to $75 million in any fiscal year for the purposes contained in the House bill. These funds are in addition to other funds which may be available for such purposes. The committee of conference emphasizes that this authority is intended to be used only to meet unanticipated circumstances and should only be used one time for an individual country.

TERMINATION EXPENSES

The House provision (sec. 6105) revises section 617 of the Foreign Assistance Act which authorizes obligations for up to eight months to terminate programs.

The Senate amendment (sec. 503) amends section 617 of the Foreign Assistance Act with a similar provision, except it does not include reobligation authority for expenses arising from termination of assistance.

The conference substitute (sec. 436) is the same as the Senate provision with an amendment specifying that provisions of law requiring the termination of assistance are not to be construed to require the termination of guarantee commitments.

PRESIDENTIAL CONTINGENCY

The Senate amendment (sec. 1001) authorizes $10 million to the President to meet unanticipated contingencies in program needs within the international affairs (150) budget function.

The House bill contains no comparable provision.

The conference substitute (sec. 401) is the same as the Senate amendment.

EXEMPTION FOR NON-GOVERNMENTAL ORGANIZATIONS

The House bill (sec. 6106) provides that restrictions on assistance do not apply to assistance provided through nongovernmental organizations. In exercising this authority, the President is to consider whether assistance for programs of nongovernmental organizations is in the national interest of the United States. The appropriate committees of congress must be notified of any use of this authority.

The Senate amendment (sec. 504) contains a similar provision.

The conference substitute (sec. 413) adds a new section 692 to chapter 5 of part III of the Foreign Assistance Act which is essentially the same as the Senate amendment, but includes the House provision requiring the President to take into consideration whether use of this authority to continue assistance directly benefits poor people and whether it promotes increased respect for human rights and the development of democracy.

TRAINING EXEMPTIONS

The House bill (sec. 6107) rewrites section 638(b) of the Foreign Assistance Act to provide that no provision of law shall prohibit the provision of assistance for training if the recipient country has a democratically-elected government and assistance would not be prohibited for reasons contained in sections 2808 (relating to support for international terrorism), 4402 (relating to non-cooperation on narcotics control), 6201(a)(1) (relating to communist countries), 6201(a)(2) (relating to expropriation) and 6202 (relating to police training) of the House bill.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 413(c)) revises section 638(b) of the Foreign Assistance Act to add the substance of the House provision.

EXEMPTIONS FOR CERTAIN SPECIAL NEEDS

The House bill (sec. 6108) provides that assistance activities undertaken in the areas of child survival, AIDS prevention and control, displaced children, the environment, and energy are exempt from prohibitions and restrictions in law except for the prohibition against assistance to countries supporting international terrorism.

The Senate amendment (sec. 110) contains a similar provision exempting child survival, AIDS prevention and control, and environment and energy activities from prohibitions and restrictions on assistance, except for restrictions relating to human rights violators and countries supporting international terrorism.

The conference substitute (sec. 413) adds a new section 693 to chapter 5 of part III of the Foreign Assistance Act which exempts from prohibitions on assistance activities undertaken under the following provisions: section 102A(1) (individuals with disabilities); section 102A(2) (displaced children); section 104(c)(2) (child survival); section 104(c)(3) (immunization and oral rehydration); section 104(c)(4) (AIDS); section 106(d) (environmentally sound, sustainable resource management); and section 106(e) (efficient energy systems) of the Foreign Assistance Act, except prohibitions under section 620A (terrorism) and section 691(a)(2) (human rights).

ACTIVITIES UNDER CERTAIN LAWS NOT AFFECTED

The House provision (sec. 6109) states that provisions in foreign assistance legislation shall not be construed to prohibit or restrict activities authorized under the following specific laws: the Peace Corps Act; the Mutual Educational and Cultural Exchange Act of 1961; the Export-Import Bank Act of 1945; the Agricultural Act of 1949; the Agricultural Trade Development and Assistance Act of 1954; the Food for Progress Act of 1985; the Inter-American Foundation Act; the African Development Foundation Act; or the Migration and Refugee Act of 1962; or commercial export promotion activities of the Department of Agriculture, including the Commodity Credit Corporation, unless such prohibition is expressly provided.

The Senate amendment (sec. 511) contains a similar provision, with the addition of several laws authorizing intelligence and defense activities not specified in the House provision.

The conference substitute (sec. 413(b)) amends section 638(a) of the Foreign Assistance Act with a provision identical to the House bill.

INELIGIBLE COUNTRIES

The House bill (sec. 6201) rewrites the various restrictions contained in sections 620, 116, and 502B of the Foreign Assistance Act to prohibit assistance to a country that (1) is a Communist country, (2) violates human rights, (3) expropriates U.S. property, (4) whose elected head-of-state is overthrown by military coup, (5) engages in nuclear proliferation, (6) provides military equipment to a terrorist state, or (7) to a project which would increase exports of any agricultural, textile, or apparel commodity in direct competition with U.S. exports. Exceptions to these prohibitions are permitted (1) where the President determines that providing assistance is in the national interest, (2) for assistance that will alleviate suffering from a disaster, (3) for assistance which is furnished through nongovernmental organizations which directly benefits poor people, or (4) for assistance which is furnished through nongovernmental organizations to promote increased respect for internationally recognized human rights and the development of democracy. Any use of this waver authority must be reported to the appropriate committees of congress.

The House bill also requires the President to issue a list of communist countries, and any removal or exemption from the list requires notification of the appropriate congressional committees. In addition, the House bill includes the standards contained in sections 116 and 502B of the Foreign Assistance Act which specifies factors to be considered in determining whether a country engages in a consistent pattern of gross violations of international recognized human rights. Finally, the House bill (sec. 6204) revises section 620(q) of the Foreign Assistance Act to prohibit assistance to a country that is more than one year (six months in current 620(q)) in arrears on payments on U.S. foreign assistance loans.

The Senate amendment contains two provisions which include elements of the House provision. Section 505 of the Senate amendment rewrites section 620(f) of the Foreign Assistance Act in a manner similar to the House provision, imposing restrictions on assistance to communist countries. Similar to the House restriction, section 506 of the Senate amendment amends section 620(i) to prohibit assistance to any country whose elected head-of-state is overthrown by military coup.

The conference substitute (sec. 412), which creates a new section 691 of the Foreign Assistance Act, is similar to the House bill, except for (1) the addition of the prohibition against assistance to a country more than one year in arrears on debt repayment to the U.S. Government, (2) the deletion of the prohibition against countries engaged in nuclear proliferation (which is retained in sections 669, and 670 (a) and (b) of the Foreign Assistance Act), and (3) the deletion of the explicit exemption for assistance through NGOs which directly benefits the poor and in support of human rights and democracy (which are covered under the broader waiver for assistance through NGOs created by section 413(a) of the conference substitute).

LAW ENFORCEMENT ASSISTANCE

The House bill (sec. 6202) restates section 660 of the Foreign Assistance Act to prohibit the use of foreign assistance for police training except for certain explicit purposes.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 411) amends section 660 of the Foreign Assistance Act to clarify that that prohibition against police training applies to the furnishing of excess defense articles under sections 516, 517, 518, and 519 of that Act. The conference substitute further specifies that the prohibition does not apply to international narcotics control assistance (as defined in section 644A(a)(9) of the Foreign Assistance Act as amended by the conference substitute), assistance in maritime law enforcement and other maritime skills, assistance to a democratic country which does not have a standing army and is not a human rights violator, assistance in wildlife protection and management, and is not a human rights violator, assistance in wildlife protection and management, antiterrorism assistance, assistance provided for administration of justice through section 534 of the Foreign Assistance Act, as amended by the conference substitute, and other expressly authorized assistance.

The committee of conference notes that the addition of the requirement for an explicit waiver means that the term "notwithstanding any other provision of law" does not apply to section 660. The committee of conference also notes that section 305 of the conference substitute waives the application of this prohibition to assistance provided under section 517 of the Foreign Assistance Act for fiscal years 1992 and 1993.

INTELLIGENCE ACTIVITIES

The House bill (sec. 6203) retains section 662 of the Foreign Assistance Act, known as the "Hughes-Ryan" amendment, which restricts the use of foreign assistance funds by the CIA.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

NUCLEAR NON-PROLIFERATION

The House bill (sec. 6206) consolidates the restrictions contained in sections 669, 670(a), and 670(b) of the Foreign Assistance Act on assistance to countries engaged in the proliferation of nuclear weapons capabilities.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

VIOLATIONS OF THE TERMS OF ASSISTANCE

The House bill (sec. 6207) requires the termination of assistance if the recipient uses the assistance in violation of the agreement under which the assistance is provided.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

CONGRESSIONAL PRESENTATION DOCUMENTS

The House bill (sec. 6301) revises section 634 of the Foreign Assistance Act to consolidate requirements for annual congressional presentation documents (CPD) on economic assistance. The House bill requires the CPD to include: (a) the rationale for allocation of assistance to each country, (b) a brief description of each program, (c) a description of new activities, (d) a description of progress in implementing the Development Fund for Africa, (e) a summary of other economic programs, (f) an identification of funds obligated for more than two years and certification that the purposes remain valid, (g) the dollar value of all foreign assistance by category and country since 1946, (h) a summary of net aid flows to each country, and (i) the status of debt servicing capacity of each recipient country. In addition, the House bill (sec. 6310) requires a report from the AID Inspector General on ways to reduce the unexpended balance in the AID pipeline.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 422) amends section 634 of the foreign Assistance Act to reflect that the House provision, with the exceptions that the requirement for identification of funds obligated for more than two years is changed to identification of funds obligated for more than five years, the deletion of the requirement of certification that the purposes of funds in the pipeline more than two years remain valid, addition of a report on U.S. contributions to the achievement of child survival goals and project funding levels for programs in subsequent years, and other minor technical changes.

HUMAN RIGHTS

The House bill (section 6302) consolidates the policy and reporting requirements contained in sections 116 and 502B of the Foreign Assistance Act of 1961, eliminates repetitive language, and adds new language.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (section 421(a)) creates a new section 283 of the Foreign Assistance Act which contains language identical to the House bill.

New section 283(a) of the Foreign Assistance Act, as contained in the conference substitute, restates the policy language contained in section 502B of current law asserting that the promotion of human rights is a principal goal of the foreign policy of the United States. In the furtherance of that goal, section 283(b) mandates the President to formulate and conduct U.S. assistance and military sales programs in a manner which promotes human rights and avoids identification of the United States with governments which violate human rights. New language in this subsection requires that these programs, especially military assistance and sales programs, be formulated and conducted in a manner which will strengthen the relationship between the civilian and military sectors of the recipient countries appropriate to a democratic system of government.

New section 283(c) further requires that, in carrying out this human rights policy and in preparing these reports, consideration be given to the relevant findings of appropriate international and nongovernmental organizations, and the extent to which the government in question is permitting the unimpeded investigation of alleged violations of internationally recognized human rights by indigenous NGOs, other NGOs, and international organizations, such as the International Committee of the Red Cross.

Reference to the information provided by appropriate organizations was added to this section by the committee of conference in recognition of the important contribution made by nongovernmental and other human rights organizations in documenting human rights abuses and of the difficulties some human rights organizations, including indigenous groups, face in investigating alleged violations of human rights in some countries.

New section 283(d) contains the requirements for the Secretary of State to submit to the Congress, by February 28 of each year, the annual "County Reports on Human Rights Practices" for every foreign country. This subsection extends by one month the date in current law by which the report must be submitted to the Congress to allow the Assistant Secretary of State for Human Rights and Humanitarian Affairs, under whose direction the report is prepared, additional time for its preparation and printing. The change was made on the condition that, on or before February 28, the Congress will receive the published version of the report which will be ready for immediate public release and distribution.

New section 283(e) requires the Secretary of State, at the request of either the Committee on Foreign Relations of the State or the Committee on Foreign Affairs of the House of Representatives, to transmit, within 30 days after receipt of such a request, a special report, also prepared under the direction of the Assistant Secretary of State for Human Rights and Humanitarian Affairs, on whatever country is specified in the request. Section 283(f) provides that both reports are to contain all information available about observance of and respect for human rights and fundamental freedoms in a country, and a detailed description of practices by the government of that country with respect to human rights and fundamental freedoms, including information provided by nongovernmental and other appropriate organizations.

New section 283(f) defines the term "assistance" and "military assistance" for the purposes of this section.

The conference substitute (section 421(b)) also contains conforming amendments to section 624(f) of the Foreign Assistance Act which relates to the duties of the Assistant Secretary of State for Human Rights and Humanitarian Affairs. The conference substitute modifies current law by adding matters relating to civilians and noncombatants in situations of armed conflict to the list of specific human rights and humanitarian issues for which the Assistant Secretary is responsible.

International humanitarian law, including the Geneva Conventions of 1949, recognizes the right of civilians and noncombatants in situations of armed conflict. Those rights include respect for the basic dignity of the person, free and safe passage of relief supplies, access of impartial humanitarian organizations providing relief assistance, and the protection of commodities indispensable to the survival of the civilian population, including foodstuffs and drinking water.

In recent years, humanitarian relief organizations have encountered increasing difficulties in providing humanitarian assistance in situations of armed conflict. The problem has not simply been one of heightened physical danger to relief personnel. In many instances, protagonists in conflicts have used food and other humanitarian assistance as weapons.

This provision affirms the importance of the protection afforded by international humanitarian law to civilians and noncombatants in situations of armed conflict by placing specific responsibility for monitoring and reporting violations of humanitarian law in armed conflicts with the Assistant Secretary for Human Rights and Humanitarian Affairs. The committee of conference urges the Assistant Secretary, under whose direction the annual Country Reports on Human Rights Practices are prepared, to include a specific section addressing any violations of humanitarian law in the reports on those countries experiencing such conflicts.

ANNUAL ALLOCATION REPORT

The House bill (sec. 6303) restates section 653 of the Foreign Assistance Act to require the President to notify the Congress of the allocation of funds within thirty days of enactment of an appropriations act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 424) amends section 653 of the Foreign Assistance Act to exempt from the notice requirement continuing resolutions of less than 90 days.

NOTIFICATION OF PROGRAM CHANGE

The House bill (sec. 6304) rewrites section 634A of the Foreign Assistance Act which requires notification of the appropriate congressional committees 15 days prior to any change in funding allocation. Notification is required for an increase in the level of assistance to a country or for a new activity not previously justified or not funded in the preceding year. The President may waive this requirement under emergency circumstances if the committees are provided with prior notification.

The Senate amendment (sec. 214) amends section 634A of the Foreign Assistance Act with a similar provision, except that it allows the President to waive the requirement if failure to do so would pose substantial risk to human health or welfare.

The conference substitute (sec. 423) is the same as the Senate provision except that the private sector credit program is not excluded from the requirement and the Development Fund for Africa is added to the list of programs excluded from the requirement. The committee of conference intends that notifications should also be transmitted for increases of more than 10 percent in fiscal year funding for on-going centrally-funded and regional projects. The committee of conference expects that centrally funded programs and regional programs be notified consistent with the provisions of this section.

QUARTERLY REPORTS

The House bill (sec. 6305) requires quarterly reports to the Congress on the obligation of funds.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

INFORMATION REQUESTED BY CONGRESS AND GAO

The House bill (secs. 6306 and 6307) restates section 633A of the Foreign Assistance Act to require the executive branch to provide information to the General Accounting Office and to the Congress.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

PRESIDENTIAL FINDINGS

The House bill (sec. 6308) restates section 654 of the Foreign Assistance Act to require that Presidential findings and determinations required by law be reduced to writing and signed by the President.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

REPORT ON RECIPIENT MILITARY EXPENDITURES

The House provision (sec. 6309) revises section 620(s) of the Foreign Assistance Act to require every three years (rather than annually) a report on the resources devoted to military purposes by recipients of U.S. assistance.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

DELEGATIONS BY THE PRESIDENT

The House bill (sec. 7101) modifies section 621(a) of the Foreign Assistance Act which authorizes the President to carry out provisions of this act through any U.S. Government agency or officer.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

DESIGNATION OF ADMINISTERING AGENCY FOR TITLE I

The House bill (sec. 7102) restates section 621 of the Foreign Assistance Act which requires that a single agency be designated by the president to administer economic assistance provided under title I (economic assistance), and chapter 1 (Development Fund for Africa) and chapter 2 (multilateral assistance initiative for the Philippines) of title V of the House bill.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORITY TO ESTABLISH MISSIONS

The House bill (sec. 7103) restates sections 631(a) and (d) of the Foreign Assistance Act authorizing the President to establish special missions abroad to carry out the purposes of this act and providing that smaller economic assistance programs may be administered by the principal economic officer of the U.S. diplomatic mission.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

AUTHORITY TO CONDUCT REIMBURSABLE PROGRAMS

The House bill (secs. 1801 and 1802) reflects section 607 of the Foreign Assistance Act which authorizes the U.S. Government to make available assistance to other countries, to be paid for by the recipient.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 433) amends section 607(a) of the Foreign Assistance Act to provide that limitations on assistance do not apply with respect to this section.

COORDINATION OF U.S. POLICIES AND PROGRAMS

The House bill (sec. 7104) rewrites section 640B of the Foreign Assistance Act regarding coordination of U.S. policies and programs which affect U.S. interest in the development of developing countries. The House bill eliminates the designation of a specific entity or participants to carry out this coordination function but directs the President to establish a coordination mechanism.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 445) amends section 640B of the Foreign Assistance Act to comport to the House provision and adds a requirement for consultation with Congress on the proposed coordination mechanism.

FUNDS ALLOCATED TO THE EXPORT-IMPORT BANK AND OPIC

The House bill (sec. 7201) retains the provisions of section 632 of the Foreign Assistance Act providing various administrative authorities for the allocation of funds and reimbursements among federal agencies.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 441) is the same as the Senate position with a technical amendment to bring section 632 into compliance with credit reform.

GENERAL AUTHORITIES

The House bill (sec. 7202) modifies the general authorities in section 635 of the Foreign Assistance Act for carrying out the purposes of this act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 442) is identical to the Senate position, with the exception of an amendment to section 635(a) which specifies that the President may furnish assistance on such terms and conditions (consistent with other provisions of law) as he deems appropriate. This amendment provides a generic statement which replaces numerous similar statements in the Act that accompany specific provisions of law.

FACILITIES ABROAD AND PERSONNEL DETAILED TO AID

The House bill (sec. 7203) modifies the authorities of section 636 of the Foreign Assistance Act regarding compensation of personnel, procurement of administrative supplies and services, travel, housing, purchase and maintenance of motor vehicles, construction of facilities, education of dependents, training of personnel, and other operating authorities.

The Senate amendment (sec. 509) contains a provision amending section 636(a) to expand the contract authority for personal services.

The conference substitute (secs. 440, 443 and 434) is similar to the Senate amendment, but retains the provisions of the House bill relating to facilities abroad as an amendment to section 636 of the Foreign Assistance Act and personnel detailed to the administering agency for title I as a new section 630A of the Foreign Assistance Act.

The committee of conference has amended existing authority relating to employment of individuals as personal services contractors. This new authority would permit the employment of individuals in the United States and overseas to design, implement, and evaluate economic assistance activities. For example, this authority would allow AID to employ the services in the United States of an environmental expert so long as the expert is primarily working on matters pertaining to the furnishing of assistance overseas as the design and implementation of regional and bilateral environmental programs.

REQUIREMENT FOR AUTHORIZATION

The House bill (sec. 7301) incorporates into the Foreign Assistance Act the requirement of Public Law 91-672 for the specific authorization of funds for foreign assistance programs.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senatde positions, retaining the requirement of Public Law 91-672 in a separate statute.

AUTHORITY FOR EXTENDED PERIOD OF AVAILABILITY OF APPROPRIATIONS

The House bill (sec. 7302) authorizes amounts appropriated to carry out this act to remain available until expended unless otherwise specified. Availability of funds, except as otherwise provided for, is on a fiscal year basis under section 616 of the Foreign Assistance Act.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 435) which is identical to the substance of the House bill, amends section 616 of the Foreign Assistance Act to specify that funds are available until expended.

EXEMPTION FROM CERTAIN PROVISIONS RESTRICTING THE AVAILABILITY OF FUNDS

The House bill (sec. 7303) provides for the proportional reduction in earmarks if funds appropriated or made available under any sequestration order are less than authorized. The House bill also provides a waiver of earmarks if compliance is made impossible by operation of law or if the President determines, after consultation with the appropriate congressional committees, that a country or organization has significantly reduced its military, political, or economic cooperation with the United States during the preceding 12 months. The House bill also provides an exemption from this provision for Israel and Egypt.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 438) is similar to the House bill, but deletes the proportional reduction in earmarks as the conference substitute contains no earmarks, and authorizes a waiver of earmarks if a country or organization has significantly reduced its military or economic cooperation with the United States.

DEOBLIGATION OF UNEXPENDED BALANCES

The House bill (sec. 7304) requires the deobligation and return to the Treasury of funds that have been obligated for more than three years unless the President determines, on a case-by-case basis, that the funds for a construction project requires more than three years to complete or because of unforeseen circumstances.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

SPECIAL ACCOUNTS FOR LOCAL CURRENCIES

The House bill (sec. 7321) revises section 609 of the Foreign Assistance Act which establishes guidelines for accounting and utilization of host-country owned local currencies accruing under title I and chapters 1 and 2 of title V of the House bill (relating to the Development Fund for Africa and the Multilateral Assistance Initiative for Philippines).

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 434) amends section 609 of the Foreign Assistance Act with the House provision with minor changes to comport the provision to section 575(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 1991.

In adopting the House provision, the committee of conference intends that its requirements apply to local currencies generated under cash transfer or non-project sector assistance agreements with governments that provide for separate accounts for such assistance. The annual foreign assistance appropriations act provides for an exemption from the requirement to deposit non-project sector assistance into a separate account. In the event that exemption is exercised, it is the intention of the committee of conference that the provisions of section 609 of the Foreign Assistance Act need not apply to local currencies generated from that non-project sector assistance.

USE OF CERTAIN FOREIGN CURRENCIES

The House bill (sec. 7322) modifies section 612 of the Foreign Assistance Act which authorizes the use of U.S.-owned excess foreign currencies to provide economic assistance under title I and chapters 1 and 2 of title V of the House bill (relating to the Development Fund for Africa and Multilateral Assistance Initiative for the Philippines).

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

INTEREST ON FOREIGN CURRENCIES

The House bill (sec. 7323) retains the provision contained in section 612 of the Foreign Assistance Act requiring interest to be paid on foreign currencies accruing to the United States unless the President determines it is not in the national interest.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

USE OF LOCAL CURRENCIES

The House bill (sec. 7324) modifies section 636(h) of the Foreign Assistance Act which directs the President to ensure that countries receiving assistance contribute, to the maximum extent practical, their local currencies to help meet the costs of providing such assistance.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

INTEREST ON LOCAL CURRENCIES ACCRUING TO NGOS

The House bill (sec. 7325) permits NGOs to invest and earn interest on local currencies generated by U.S. economic and food assistance provided to them and allows any interest earned to be used for the purposes for which the assistance was originally provided.

The Senate amendment (sec. 215) contains a similar provision, but includes only currencies accrued under part I of the Foreign Assistance Act.

The conference substitute (sec. 437) creates a new section 618 of the Foreign Assistance Act which is identical to the House bill.

USE OF PRIVATE ENTERPRISE

The House bill (sec. 7401) modifies section 601(b)(5) and (8), 602(c), and 621(a) of the Foreign Assistance Act regarding the participation of private enterprise in achieving the purpose of the act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 431) amends section 610 of the Foreign Assistance Act to include the language of the House bill.

PROCUREMENT

The House bill (sec. 7402) rewrites section 604 of the Foreign Assistance Act which authorizes procurement outside the United States and establishes conditions for such procurement.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 432) is virtually identical to the House bill with technical corrections. The committee of conference notes that new section 604(a)(2)(B) of the Foreign Assistance Act provides a measure of flexibility in order to meet unforeseen circumstances, such as emergency situation, where it is important to permit procurement from countries other than the United States, the recipient country, or less developed countries, or to permit such procurement in order to promote efficiency in the use of foreign assistance resources, including to avoid impairment of foreign assistance objectives.

SHIPPING ON U.S. VESSELS

The House bill (sec. 7403) retains sections 603 and 640C of the Foreign Assistance Act which exempt from cargo preference restrictions the transportation of certain goods acquired with foreign currencies and transiting between foreign ports, and allows the use of funds to pay freight differential between U.S. and foreign flag carriers on cargos financed under this act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

EXCESS PROPERTY

The House bill (sec. 7404) modifies sections 607(c) and 608 of the Foreign Assistance Act, providing policy with respect to the use of excess and other available property.

Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

RETENTION AND USE OF CERTAIN ITEMS

The House bill (sec. 7405) modifies section 605 of the Foreign Assistance Act which authorizes the retention, transfer, use, or disposal of any commodities or defense articles procured for a foreign country or international organization when changed circumstances make it inadvisable to furnish such commodities or defense articles.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

LAW RELATING TO CONTRACTS

The House bill (sec. 7406) retains section 633(a) of the Foreign Assistance Act which allows the President to waive provisions of law regulating the making, performance, amendment, or modification of contracts and the expenditure of funds.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

CERTAIN TRANSPORTATION COSTS

The House bill (sec. 7407) retains section 123(b) of the Foreign Assistance Act which permits the use of economic assistance funds to pay transportation charges on shipments by the American Red Cross and by registered U.S. PVOs.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

RECOGNITION OF AMERICAN GENEROSITY

The Senate amendment (sec. 510) contains congressional findings regarding foreign assistance and directs the Administrator of AID to take steps to ensure that for all assistance projects there shall be prominently displayed an acknowledgment that the project was funded in whole or in part by the people of the United States.

The House bill contains no comparable provision.

The conference substitute (sec. 446), which amends section 641 of the Foreign Assistance Act, is similar to the Senate amendment but deletes the findings.

STATUTORY OFFICERS

The House bill (sec. 7501) modifies section 624(a) and (b) of the Foreign Assistance Act which permits the President to appoint 12 statutory officers in the economic assistance agency, with the advice and consent of the Senate, and allows the President to designate titles and fix order of succession among the officers appointed.

The Senate amendment (sec. 210) amends section 624 of the Foreign Assistance Act to require nominations for the specific positions and Senate confirmation of all statutory officers.

The conference substitute (sec. 439) is identical to the Senate amendment.

EMPLOYMENT OF PERSONNEL

The House bill (sec. 7502) modifies section 625 of the Foreign Assistance Act which authorizes the hiring of personnel to carry out the purposes of the act and sets forth compensation limits and other administrative provisions.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

EXPERT, CONSULTANTS AND RETIRED OFFICERS

The House bill (sec. 7503) modifies section 626 of the Foreign Assistance Act which authorizes the employment of individual experts, consultants, and organizations thereof.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

DETAIL OF PERSONNEL

The House bill (sec. 7504) consolidates provisions of sections 627, 628, 629, and 630 of the Foreign Assistance Act regarding the assignment of personnel to foreign governments and international organizations to assist in carrying out the purposes of the act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

CHIEF OF ECONOMIC MISSION

The House bill (sec. 7505) retains section 631(b) of the Foreign Assistance Act which authorizes the President to appoint chiefs of economic assistance missions abroad and provides for compensation and allowances.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

CHAIRMAN OF OECD DEVELOPMENT ASSISTANCE COMMITTEE

The House bill (sec. 7506) retains section 631(c) of the Foreign Assistance Act which authorizes the President to appoint the Chairman of the OECD Development Assistance Committee and provides for compensation allowances to be received by the appointee.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

ASSIGNMENT OF DOD PERSONNEL

The House bill (sec. 7507) retains section 633(c) of the Foreign Assistance Act which authorizes the President to detail Department of Defense personnel to civil offices to carry out the purposes of the act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute is the same as the Senate position.

DISCRIMINATION AGAINST U.S. PERSONNEL

The House bill (sec. 7508) modifies section 666 and 505(g) of the Foreign Assistance Act to prohibit the President from taking into account race, religion, national origin, or sex in assigning officers or employees to carry out any assistance programs funded under the act in any foreign country and requires that such assignments be made solely on the basis of ability and relevant experience.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 447), which amends section 666 of the Foreign Assistance Act, is identical to the House bill.

DEFINITIONS

The House bill (sec. 7601) combines various provision of the Foreign Assistance Act which provide definitions of terms used in this act. The House bill (sec. 1102) also contains a definition regarding the term "foreign military financing assistance" as it relates to provisions of section 23 of the Arms Export Control Act.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 451) adds a new section 644(a) to the Foreign Assistance Act to add definitions from the House provision not currently in law and includes the definition of foreign military financing assistance.

SAVINGS PROVISIONS

The House bill (sec. 641) continues in force and effect all actions taken under the authority of any law repealed or modified under titles I–VI of the House bill until modified by appropriate authority.

The Senate amendment contains no comparable provision

The conference substitute is the same as the Senate position.

RETENTION OF CERTAIN PROVISIONS

The House bill (sec. 642) retains the provisions of sections 624(f) establishing the position of Assistant Secretary of State for Human Rights and Humanitarian Affairs), 620(e)(2) (concerning application of federal act of state doctrine), 620(a)(1) (relating to the embargo on trade with Cuba), 613 (regarding valuation and accounting of foreign credits), and 620(e)(1) (relating to evaluation of the value of expropriated U.S. property) of the Foreign Assistance Act.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

REPEAL OF OBSOLETE PROVISIONS

The House bill (sec. 645) repeals various provisions of the Foreign Assistance Act.

The Senate amendment (sec. 801) contains a similar provision.

In addition to repeals contained in other sections, the conference substitute (sec. 461) repeals the following provisions of the Foreign Assistance Act of 1961, which are obsolete or which have been reformulated in other provisions of the conference substitute:

(1) the last two sentences of section 104(c)(3), which contain an obsolete earmark for the Child Survival Fund;

(2) section 111, Development and Use of Cooperatives;

(3) section 116, Human Rights;

(4) section 117, Assistance for Disadvantaged South Africans;

(5) section 120, Sahel Development Program;

(6) section 123(e), concerning the application of various prohibitions in the act to ongoing activities of private voluntary organizations; .

(7) section 124, Relatively Least Developed Countries;

(8) section 127, Accelerated Loan Repayments;

(9) section 128, Targeted Assistance;

(10) title I of chapter 2 of part I, Other Programs;

(11) section 214(d), a directive relating to the ASHA program;

(12) section 219, Prototype Desalting Plant;

(13) section 224, Trade Credit Insurance Program for Central America;

(14) title V of chapter 2 of part I, Disadvantaged Children in Asia;

(15) sections 301(d), concerning audits of international funds established solely by U.S. contributions and 301(g), regarding provision of technical assistance by U.N. specialized agencies;

(16) sections 302(b), authorization for Indus Basin Development, 302(i), authorization for the IAEA, and 302(j), authorizations to multilateral and regional drug abuse control programs;

(17) Section 303, Indus Basin Development;

(18) chapter 6 of part I, Central America Democracy, Peace and Development Initiative;

(19) sections 494, 495, and 495B through 495K, obsolete authorizations of disaster assistance;

(20) section 502B, Human Rights;

(21) section 535, Economic Support for Disadvantaged South Africans;

(22) section 602, Small Business;

(23) section 606, Patents and Technical Information;

(24) section 611, Completion of Plans and Cost Estimates;

(25) the first sentence of section 616, concerning availability of funds;

(26) all subsections of section 620, Prohibitions Against Furnishing Assistance, except subsection (a), concerning Cuba, subsection (e)(2), concerning the federal act of state doctrine, and subsection (s) concerning recipient country military expenditure;

(27) section 620D, Prohibition of Assistance to Afghanistan;

(28) the last sentence of section 626, concerning employment of persons of outstanding experience without compensation;

(29) section 634B, Classification of Reports;

(30) section 637, Administrative Expenses;

(31) section 640A, False Claims and Ineligible Commodities;

(32) section 645, Unexpended Balances;

(33) section 648, Special Authorization for Use of Foreign Currencies;

(34) section 650, Use of United States Armed Forces; and

(35) section 663, Exchanges of Certain Materials.

The conference substitute (sec. 461(b)) makes conforming amendments in a number of provisions of the Foreign Assistance Act of 1961.

The conference substitute (sec. 462) repeals obsolete provisions of annual foreign assistance acts, as follows:

(a) the Special Foreign Assistance Act of 1986, except for the short title and section 204, concerning recovery by Haiti of assets stolen by the Duvalier regime;

(b) the International Security and Development Cooperation Act of 1985, except for: (1) the short title; (2) section 131, Certification Concerning AWACS Sold to Saudi Arabia; (3) section 132, Cooperative Agreements on Air Defense in Central Europe; (4) section 202(c), Cooperative Scientific and Technological Projects; (5) section 203(b) Cyprus Peace and Reconstruction Fund; (6) section 502, Coordination of All United States Terrorism-Related Assistance to Foreign Counties; (7) section 504, Prohibition on Imports from and Exports to Libya; (8) section 505, Ban on Importing Goods and Services from Countries Supporting Terrorism; (9) part B of title V, the Foreign Airport Security Act, (except for section 558, Hijacking of TWA Flight 847, and section 559, effective date); (10) section 904, Assistance for Afghanistan; (11) section 906, Prohibition on Certain Assistance to the Khmer Rouge; (12) section 1205, Reports on Economic Conditions in Certain Countries; (13) section 1302, Codification of Policy Prohibiting Negotiations with the Palestine Liberation Organization; and (14) section 1303, Commission for the Preservation of America's Heritage Abroad;

(c) the 1985 Jordan Supplemental Act;

(d) the African Famine Relief and Recovery Act of 1985;

(e) the International Security and Development Assistance Authorization Act of 1983;

(f) the Lebanon Emergency Assistance Act of 1983;

(g) the International Security and Development Cooperation Act of 1981, except for: (1) the short title; (2) section 709, Use of Certain Polish Currencies; (3) section 712, Findings and Declaration of Policy Regarding World Hunger; (4) section 714, Immigrant Visas for Taiwan; (5) section 735, Report on Nuclear Activities; and (6) section 737, Prohibitions Relating to Nuclear Transfers and Nuclear Detonations;

(h) the International Security and Development Cooperation Act of 1980, except for: (1) the short title; (2) section 110, Exportation of Uranium Depleted in the Isotope 235; (3) section 315, Caribbean Development Bank; and (4) title V, the African Development Foundation;

(i) the International Development Cooperation Act of 1979;

(j) the International Security Assistance Act of 1979;

(k) the Special International Security Assistance Act of 1979;

(l) the International Development and Food Assistance Act of 1978, except for: (1) the short title; (2) title IV, Establishment of a Unified Personnel System; and (3) section 603(a)(2), Reports to Congress on Debt Relief Agreements;

(m) the International Security Assistance Act of 1978;

(n) the International Development and Food Assistance Act of 1977, except for: (1) the short title; (2) section 132, Missing in Action in Vietnam; and (3) section 133, Plan for Increased Minority Business Participation in Foreign Activities;

(o) the International Security Assistance Act of 1977;

(p) the 1976 Security Assistance Act, except for: (1) the short title; (2) section 201(b) and 212(b), which concern reference to the Arms Export Control Act; (3) section 601, Expedited Procedure in the Senate; and (4) section 608, Extension of Airport at Pinecreek, Minnesota;

(q) the International Development and Food Assistance Act of 1975;

(r) the 1975 Board for International Broadcasting Act;

(s) the Foreign Assistance Act of 1974;

(t) the Emergency Security Assistance Act of 1973;

(u) the Foreign Assistance Act of 1973;

(v) the Foreign Assistance Act of 1971; except for the short title and section 7, assistance for Vietnam;

(w) the Special Foreign Assistance Act of 1971;

(x) the 1971 Foreign Military Sales Act, except for sections 10 and 12;

(y) the Foreign Assistance Act of 1969, except for the short title and part IV, the Inter-American Foundation Act;

(z) the Foreign Assistance Act of 1968;

(aa) the Foreign Assistance Act of 1964, except for the short title and part V, Religious Persecution;

(bb) the Latin American Development Act;

(cc) the Mutual Security Act of 1959; and

(dd) Sections 402 and 407 of the Mutual Security Act of 1954.

The conference substitute (sec. 462(v)(2)) amends section 531 of the Foreign Assistance Act to retain a provision of current law that states that ESF is part of economic assistance. The conference substitute (sec. 462(ff)) is a savings provision which states that the repeal by this act of any provision of law that amended or repealed another provision of law does not affect in any way that amendment or repeal.

The conference substitute (sec. 463) contains conforming amendments to other acts.

TITLE V—EUROPE

Chapter I—Support for East European Democracy Act

AMENDMENTS TO THE SEED ACT OF 1989

The House bill (sec. 841) contains technical amendments to the SEED Act.

The Senate amendment (sec. 621) amends the preamble to the SEED Act to refer to emergence from tyranny and legacy of communist rule.

The conference substitute (sec. 501) is identical to the House bill.

U.S. POLICY REGARDING EASTERN EUROPE

The House bill (sec. 842) adds a policy statement as new section 2 of the SEED Act, stating that: (a) support for reform in East European countries shall be through (1) the provision of assistance, and (2) the promotion of a U.S. commercial presence in Eastern Europe; and (b) the U.S. should provide assistance to the extent that such countries are taking steps toward political pluralism, economic reform, human rights, and a willingness to build a friendly relationship with the United States.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 502) is identical to the House bill.

EAST EUROPEAN COUNTRIES ELIGIBLE FOR SEED BENEFITS

The House bill (sec. 843) adds a new section 4 to the SEED Act which establishes as eligible for assistance Poland, Hungary, the Czech and Slovak Federal Republic, Bulgaria, and Yugoslavia (unless the President determines otherwise), and any other East European country taking steps toward political pluralism, economic reform, human rights, and friendship with the United States, as determined by the President.

The Senate amendment (sec. 622) defines Eastern Europe as all nations of Europe which experienced communist rule after World War II; makes the authorities for Poland and Hungary available to other countries of Eastern Europe if the President determines (1) that those countries have taken steps toward democracy and a market-oriented economy, (2) the activity would promote democracy and a market economy, and (3) the activity would not fortify governments or organizations inimical to democracy and a market economy.

The conference substitute (sec. 503) is similar to the House bill, buts adds Albania, Romania, Lithuania, Latvia and Estonia to the list of eligible SEED countries.

STRUCTURAL ADJUSTMENT

The House bill (sec. 844) expands title I of the SEED Act to eligible Eastern European countries.

The Senate amendment (sec. 623) amends SEED sections 103(a) to direct the Secretary to support market-oriented agricultural policies, 103(b) to direct the Secretary to seek to establish Institutes for Agricultural Policies, and 103(c) to provide that 20 percent of food assistance should be in the form of value-added products.

The conference substitute (sec. 504) is similar to the House bill, and adds a new section 103(a)(4) to the SEED Act incorporating the Senate amendment.

The committee of conference notes that agricultural policies in Eastern Europe are just beginning to take shape, presenting a tremendous opportunity to farmers of the United States and the world. The committee of conference takes particular note that the European Community is aggressively advocating adoption in Eastern Europe of Common Agricultural Policy (CAP)-style policies. The cost of such programs could severely hinder the economic recovery of the emerging democracies. The United States should take the lead in advocating free-market alternatives to this expensive and damaging CAP policy.

The committee of conference urges AID, acting through the U.S. Department of Agriculture (USDA), to provide funding for programs to educate and train Eastern European agricultural policymakers and other experts. Such training and education would be an effective way to develop support and expertise at the highest levels of government for market-based agricultural policies.

The committee of conference believes that to the extent the United States provides agricultural products to Eastern Europe, consideration should be given to value-added products, such as poultry and pork, as a larger percentage of U.S. assistance efforts, in addition to food grains and feed grains. The United States should also insure that agricultural products that are provided do not serve as a disincentive for local agricultural production and distort market signals.

PRIVATE SECTOR DEVELOPMENT

The House bill (sec. 845) adds to title II of the SEED Act authority for additional enterprise funds and for infrastructure and private investment projects; expands Title II to other eligible Eastern European countries; broadens the scope of technical assistance beyond the private sector to include government-to-government assistance; requires competitive bidding procedures; and adds a policy statement that assistance to state enterprises is not prohibited under the SEED authorities.

The Senate amendment (sec. 624) amends section 201 of the SEED Act to provide that the authorities and limitations of the Polish and Hungarian Enterprise Funds shall apply to other enterprise funds. The Senate amendment also expresses the sense of Congress that the Funds should take risks and be judged by their overall contribution to the transformation of Eastern Europe. The Senate amendment (sec. 630b) also authorizes the President to make available Federal employees on a volunteer basis to assist SEED countries.

The conference substitute (sec. 505) is similar to the House bill, but deletes the policy statement on assistance to state enterprises.

The committee of conference believes that the Enterprise Funds should be guided by an entrepreneurial philosophy that—

(1) weighs costs, risks, and potential benefits;

(2) recognizes that certain undertakings, such as training and start-up activities, may require temporary subsidy; and

(3) assesses the success of the Enterprise Funds not solely by their balance sheet but by their overall contribution to the transformation of East European countries from a state-controlled to a free market economy.

TRADE AND INVESTMENT

The House bill (sec. 846) expands title III of the SEED Act to other eligible East European countries and repeals provisions that have been implemented or are now carried in other statutes (section 301, relating to the Generalized System of Preferences; section 302, relating to OPIC activities; section 305, relating to TDP; and section 307, relating to tax exemption for Polish bonds).

The Senate amendment contains no comparable provision.

The conference substitute (sec. 506) is identical to the House bill.

EDUCATIONAL, CULTURAL AND SCIENTIFIC ACTIVITIES

The House bill (sec. 847) expands title IV of the SEED Act to other eligible Eastern European countries; requires competitive procedures; and makes eligible for assistance U.S. educational institutions in Europe.

The Senate amendment (sec. 630) amends title IV of the SEED Act to authorize up to $500,000 of nonconvertible Polish currencies for the Research Center of Jewish History and Culture of the Jagiellonian University in Krakow, Poland.

The conference substitute (sec. 507) incorporates provisions from both the House bill and Senate amendment, makes the provision discretionary as in the Senate amendment, and makes Polish currencies available consistent with other U.S. priorities in Poland.

OTHER ASSISTANCE PROGRAMS

The House bill (sec. 848) expands title V of the SEED Act to other eligible East European countries; requires competitive procedures; expands environmental activities to include health issues; adds specific authority for AID to engage in environmental activities; and requires AID/Environmental Protection Agency (EPA) coordination. The House bill also earmarks $1 million for a Czech and Slovak Federal Republic program on health aspects of the environment; requires environmental impact assessments; requires agricultural assistance to emphasize the principles of low-input and integrated pest management; expands medical assistance to training and health care planning and policy; authorizes technical assistance for housing; and authorizes housing investment guaranties.

The Senate amendment (sec. 627) creates a new section 504 of the SEED Act, which expresses the sense of Congress regarding the North Atlantic Assembly (NAA) and increased participation of East European countries in the NAA, and that the President should allocate $750,000 annually to support NAA plan to expand participation by East European countries. The Senate amendment also creates a new section 505 of the SEED Act, which sets forth findings, authorizes up to $5 million for assistance to strengthen democratic institutions by promoting the empowerment of civilian managers in justice, defense, and internal security institutions through conferences and exchanges; prohibits assistance to governments that are non-elected, abuse human rights, or neglect the prosecution of hate crimes; prohibits the participation of intelligence personnel from the CIA or DOD in law enforcement training; encourages the use of FBI training and the International Criminal Investigative Training Assistance Program (ICITAP); calls on USIA to translate books and relevant materials; and requires reports on sites for three legal attache posts.

In addition, the Senate amendment (sec. 630C) contains findings on assistance for legal reform and urges the President to continue cooperation with the American Bar Association on its Central and East European Law Initiatives program of training programs for lawyers and judges.

The conference substitute (sec. 508) is similar to the House bill, but deletes the earmark for the Czech and Slovak Federal Republic environmental program and incorporates a statement that the President should allocate up to $750,000 annually to contribute to the NAA's plan for expanded East European participation.

The committee of conference believes it is important to strengthen democratic institutions in East European countries by promoting civilian control of the justice, defense, and internal security establishments of such countries through conferences and exchanges designed to familiarize such managers with institutional models of the administration of civil justice and relations between civilian authorities and military and internal security forces. United States participation in such instruction should, to the extent practicable, reflect a distinction between internal security and national defense requirements embodied in the principle of posse comitatus.

Personnel for any development and training in law enforcement activities undertaken should be limited to bona fide criminal justice personnel and civilian development specialists.

The committee of conference believes training should include, as a primary goal, civilian control of police forces, the removal of police forces from the control of the nation's political parties and armed forces, and the direct accountability of police forces to the nation's civilian political leadership.

The committee of conference recognizes the important work done to date under the SEED Act, and supports a partnership of universities, professional associations, and government in the promotion of the rule of law.

ADDITIONAL SEED PROGRAM ACTIONS

The House bill (sec. 849) changes the name of the SEED Information Center System to the Eastern European Business Information Center System (EEBICS); adds findings; expands EEBICS functions to information on business conditions and on legal and regulatory information; provides for the participation of information companies in EEBICS; requires information to be accessible through commercial on-line information services; authorizes a U.S. company to carry out the functions of the Center; authorizes $500,000 for the Center; and states that the Center should develop information in the fields of communications, broadcasting, and information. The House bill also expands title VI of the SEED Act to other eligible East European countries, and repeals section 604 of the SEED Act (relating to U.S. representation).

The Senate amendment (sec. 625) adds to the title III of the SEED Act a sense of the

Congress that the President should (1) designate within the Department of Commerce a director for American business initiatives in Eastern Europe, with specified responsibilities, and (2) establish American Business Centers to support American business initiatives in Eastern Europe, with specified responsibilities.

The conference substitute (sec. 509) amends section 602 of the SEED Act, renaming the SEED Information Center System as the Eastern European Business Information Center System (EEBICS), outlines its purpose and function, calls on the President to establish American Business Centers in Eastern Europe, and calls on the EEBICS to make information accessible to the widest possible number of U.S. businesses.

FUNDING OF SEED PROGRAM

The House bill (sec. 850) repeals existing authorizations and authorizes $388.5 million in each of the fiscal years 1992 and 1993 for SEED activities, with sub-allocations of $164 million for the Enterprise Funds and the private sector, 420 million for democracy, $75 million for environment and energy activities, and $129.5 million for technical assistance and economic stabilization, labor, scholarship, medical, and housing assistance. The House bill provides that funds may be reallocated with 15-day notification in accordance with the procedures contained in section 634A of the Foreign Assistance Act, and that funds authorized to be appropriated for SEED activities shall be considered to be funds made available to carry out title I of the Foreign Assistance Act.

The Senate amendment (sec. 622) authorizes $400 million for each of the fiscal years 1992 and 1993 for SEED activities.

The Senate amendment (sec. 628) adds a new section to title VIII of the SEED Act, that assistance under this Act shall be considered to be economic assistance under part I of the Foreign Assistance Act.

The conference substitute (sec. 510) is similar to the House bill, but increases the authorization to $415 million for each of the fiscal years 1992 and 1993, recommends that at least $15 million should be used for assistance to the Baltic States, and revises the sub-allocation of funding to $175 million for Enterprise Funds and private enterprise development, $25 million for democratic institutions, $75 million for energy and environment activities, and $140 million for technical assistance and other programs.

CONFORMING AMENDMENTS TO LIST OF SEED ACTIONS

The House bill (sec. 851) contains various conforming amendments to the SEED Act.

The Senate amendment contains no comparable provisions.

The conference substitute (sec. 511) is identical to the House bill.

REGIONAL ENVIRONMENTAL CENTER

The Senate amendment (sec. 629) designates the Regional Environmental Center for Central and Eastern Europe as an international organization for the purposes of detailing U.S. Government personnel.

The House bill contains no comparable provision.

The conference substitute (sec. 512) is identical to the Senate amendment.

TASK FORCE OF REGULATORY REFORM

The House bill (sec. 852) creates a task force to review and make recommendations on AID's regulations governing the application process for activities relating to Eastern Europe.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The Committee of conference believes Eastern Europe should be included in a worldwide review of AID's regulations governing the application process, as contained in section 128 of the conference substitute.

INDUSTRIAL DEVELOPMENT FOUNDATION

The Senate amendment (title XIII) authorizes the establishment of an Industrial Development for Eastern Europe Foundation to support non-defense cooperative research and development and other projects; creates a board of governors and advisory council; and outlines the structure and operations of the Foundation.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. The committee of conference request that the executive branch study and report promptly to the appropriate committees of Congress on the feasibility of establishing an Industrial Development for Eastern Europe Foundation, modeled after the Binational Industrial Research and Development Foundation, to foster the growth of high-technology industry in the nations of Central and Eastern Europe. The committee of conference is persuaded that East European scientific and technological capabilities can play an increasingly important role in strengthening East-West cooperation. The committee of conference notes that a foundation funded by contributions from Central and East European nations wishing to participate, as well as the United States, may be a cost-effective way to develop programs to assist in the economic transformation of Central and Eastern Europe while developing programs that will benefit American businesses.

CSCE PARLIAMENTARY EXCHANGE

The Senate amendment (sec. 632-636) establishes a U.S. congressional delegation to the Parliamentary Assembly of the Commission on Security and Cooperation in Europe (CSCE), establishes procedures for appointment of the delegation, and authorizes $750,000 for U.S. annual contributions to the Assembly and $80,000 for the annual expenses of the U.S. delegation.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. For reasons of germaneness, the committee of conference notes that this issue will be addressed in the conference on H.R. 1415, the Foreign Relations Authorization Act, Fiscal years 1992 and 1993, and the Senate amendment thereto.

TECHNICAL ASSISTANCE FOR THE BALTIC STATES

The House bill (sec. 862) earmarks $15 million in ESF in each of the fiscal years 1992 and 1993 for technical assistance, 50 percent for Estonia, Latvia and Lithuania and 50 percent for eligible recipients in the Soviet Union, notwithstanding any other provision of law prohibiting such assistance. The House bill also authorizes assistance to be provided directly to the governments of the Baltic States, to elected republics in the Soviet Union or through non-governmental organizations, or for technical assistance in support of democratic reforms, human rights, the rule of law, and market reforms in the Soviet Union.

The Senate amendment (title XII) authorizes the President to appoint a special advisor for Baltic and Soviet republics assistance; urges that assistance should be provided to the Citizens Democracy Corps for a pilot program in the Baltic and Armenian Republics; expresses the sense of Congress that NED should establish programs for the Baltic and Soviet republics; calls for implementation of a Gift of Democracy program in the Baltic and Soviet republics; enumerates activities which the Departments of Commerce, Treasury, and Justice, the Federal Reserve Board, USIA, and EPA should undertake; urges the assignment of a commercial officer in Moscow to foster better economic relations between the United States and the Baltic and Soviet republics; states that assistance should be provided to the International Executive Service Corps to develop programs in the Baltics; notes the OECD should undertake a study of the economics of the Baltic and Soviet republics; and urges the United States to discuss with the European Bank for Reconstruction and Development (EBRD) programs to assist directly the Baltic and Soviet republics.

The conference substitute incorporates the Baltic States as countries eligible for SEED assistance (sec. 503 of the conference substitute) and recommends that at least $15 million be used for assistance to the Baltic States (sec. 510 of the conference substitute).

HUMANITARIAN ASSISTANCE FOR THE BALTIC STATES

The Senate amendment (sec. 631) amends section 495A of the Foreign Assistance Act to authorize $20 million in disaster relief assistance for humanitarian purposes for Estonia, Latvia, and Lithuania, authorizes the funds to remain available until expended, prohibits the transfer of such funds to other accounts, and authorizes the U.S. Transportation Command to provide all transportation for such assistance.

The House bill contains no comparable provision.

The conference substitute incorporates the Baltic States as countries eligible for SEED assistance (sec. 503 of the conference substitute) and recommends that at lest $15 million be used for assistance to the Baltic States (sec. 510 of the conference substitute).

IMPORTATION OF SPORTING AND HUNTING RIFLES AND SHOTGUNS

The House bill (sec. 867) expresses the sense of Congress that Defense Trade and Export Control Act regulations should be changed to allow the importation of certain sporting and hunting rifles and shotguns manufactured in Poland, Hungary, or the Czech and Slovak Federal Republic.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The committee of conference has been informed that the executive branch is in the process of revising the applicable regulations to allow the importation into the United States of sporting and hunting rifles and shotguns manufactured in Poland, Hungry, or the Czech and Slovak Federal Republic.

ALBANIA

The House bill (sec. 869) expresses the sense of Congress regarding democracy in Albania.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The committee of conference notes that Albania is made an eligible recipient of SEED assistance in section 503 of the conference substitute.

LIBRARY BUILDING FOR THE POLISH PARLIAMENT

Consistent with section 908 of the Senate amendment to H.R. 1415, the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, the committee of conference calls upon the President, in consultation with the Librarian of Congress, to conduct a study on the feasibility of constructing a library building for the Polish parliament, as a symbol of the friendship of the people of the United States for the people of Poland.

Chapter 2—Other Provisions Relating to the Region

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING PROGRAM

The House bill (sec. 864) authorizes $5 million in each of the fiscal years 1992 and 1993, in addition to amounts otherwise authorized, for Soviet-East European research and training and adds a new annual reporting requirement to section 807 of the Soviet-East European Research and Training Act of 1983.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 521) is identical to the House bill.

CONDEMNATION OF ANTI-SEMITISM AND ETHNIC INTOLERANCE IN ROMANIA

The Senate amendment (sec. 630A) expresses the sense of Congress condemning resurgent anti-Semitism and ethnic intolerance in Romania.

The House bill contains no comparable provision.

The conference substitute (sec. 522) incorporates the text of H. Con. Res. 186, which passed the House of Representatives on July 29, 1991, which condemns resurgent anti-Semitism and ethnic intolerance in Romania.

NAGORNO-KARABAKH CRISIS

The House bill (sec. 870) expresses the sense of Congress regarding ethnic violence in Azerbaijan and Armenia.

The Senate amendment (sec. 2005) expresses the sense of Congress regarding violence in Nagorno-Karabakh; condemns the attacks by internal security forces and the forces of the Azerbaijani government on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia, and the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders; calls for (a) the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, (b) the withdrawal of forces newly deployed for the purpose of intimidation, (c) an immediate end to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes, (d) dialogue among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict; reaffirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various republics; and expresses its deep concern over acts of retribution or intimidation against those republics which are seeking greater independence.

The conference substitute (sec. 523) is identical to the Senate amendment.

ANDREI SAKHAROV EDUCATIONAL EXCHANGE PROGRAM

The Senate amendment (sec. 626) amends the Mutual Education and Cultural Exchange Act to establish the Andrei Sakharov Educational Exchange Program, and amends the SEED Act to urge funding for the Sakharov exchange program.

The House bill contains no comparable provision.

The conference substitute (sec. 524) adds to section 112(a) of the Mutual Educational and Cultural Exchange Act, which lists the elements of the Fulbright Exchange Program, and to sections 3(c)(19) and 401(a)(1) of the SEED Act, the Andrei Sakharov Educational Exchange Program for exchanges in the fields of environmental protection and health sciences.

CRISIS AND ETHNIC MINORITIES IN YUGOSLAVIA

The House bill (sec. 865) expresses the sense of Congress regarding conflict in Yugoslavia. The House bill (sec. 866) also expresses the sense of Congress regarding discrimination against ethnic minorities in Yugoslavia.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 525) contains a revised sense of Congress statement on the crisis in Yugoslavia.

INTERNATIONAL FUND FOR IRELAND

The House bill (sec. 861) earmarks $20 million in ESF in each of the fiscal years 1992 and 1993 for U.S. contributions to the International Fund for Ireland, and requires a report at the end of each fiscal year on the activities and contributions of the Fund.

The Senate amendment (sec. 301) authorizes $25 million in each of the fiscal years in ESF for U.S. contributions to the International Fund for Ireland.

The conference substitute (sec. 526) is similar to the House bill but cross-references the authorization of $22.5 million in ESF in each of the fiscal years 1992 and 1993 for the International Fund for Ireland contained in section 123 of the conference substitute.

UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN

The House bill (sec. 5501) updates policy language on the Eastern Mediterranean contained in section 620C of the Foreign Assistance Act and amends current law to change the reporting requirement on Cyprus from every 60 days to every 120 days.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 527) is similar to the House bill but adds a reference to the high priority placed by the United States on the return of the refugees displaced from Famagusta/Varosha and requires a report on Cyprus every 90 days.

CYPRUS

The House bill (sec. 821) earmarks $15 million in ESF in each of the fiscal years 1992 and 1993 for Cyprus only for scholarships or bicommunal projects.

The Senate amendment (sec. 301) contains a similar provision.

The conference substitute (sec. 528) is similar to the House bill but cross-references the authorization of $15 million in ESF in each of the fiscal years 1992 and 1993 for scholarships, bicommunal projects, and measures aimed at the reunification of the island and designed to promote peace and cooperation between the two communities contained in section 123 of the conference substitute.

GREECE

The House bill (sec. 822) earmarks $350 million in FMF in each of the fiscal years 1992 and 1993 for Greece.

The Senate amendment (sec. 403) authorizes $350 million in FMF in each of the fiscal years 1992 and 1993 for Greece.

The conference substitute (sec. 528) cross-references the authorization of $350 million in FMF in each of the fiscal years 1992 and 1993 contained in section 203 of the conference substitute.

TURKEY

The House bill (sec. 823) earmarks $500 million in FMF in each of the fiscal years 1992 and 1993 for Turkey.

The Senate amendment (sec. 301) authorizes $500 million in FMF and $175 million in ESF in each of the fiscal years 1992 and 1993 for Turkey.

The conference substitute (sec. 528) cross-references the authorizations in each of the fiscal years 1992 and 1993 of $500 million in FMF contained in section 203 of the conference substitute and $190 million in ESF contained in section 123 of the conference substitute.

ADMISSION OF TURKEY INTO EC AND WEU

The House bill (sec. 824) expresses the sense of Congress that the U.S. should support Turkey's inclusion in the full range of political, economic, and military institutions in Europe.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

U.N. SECRETARY GENERAL'S PEACE INITIATIVES FOR CYPRUS

The House bill (sec. 825) expresses the sense of Congress supporting U.N. Secretary General's peace initiatives regarding Cyprus and encouraging both parties on Cyprus to cooperate with the Secretary General.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

AMERICAN SCHOOLS IN EASTERN EUROPE AND THE SOVIET UNION

The Senate amendment (sec. 202) expresses the sense of Congress that U.S. citizens and institutions of higher learning should give consideration to founding schools in Eastern Europe and commends the University of Maine for founding an American school in Bulgaria.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. However, the committee of conference commends the University of Maine for founding an American school in Bulgaria.

AMERICAN CENTERS ACT

The Senate amendment (sec. 637–640) calls on the President to establish American Centers in Russia, the Ukraine, Byelorussia, Georgia, Armenia, and other Soviet Republics to promote partnerships; authorizes the President to appoint an Executive Board and Directors of Centers; authorizes up to $15 million in fiscal year 1992 and $25 million in subsequent fiscal years in ESF to establish and support such centers; and establishes eligible recipients.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. Given rapidly changing events the committee of conference chose not to prejudice the nature of any U.S. presence in the Soviet Union. The committee of conference believes the concept of establishing an American presence in the constituent republics of the Soviet Union to promote commercial, professional, civic, and other partnership between the people of the United States and people of the Soviet Union has merit.

ASSISTANCE FOR ARMENIA

The House bill (sec. 863) authorizes $5 million, in addition to amounts otherwise authorized, for disaster assistance for each of the fiscal years 1992 and 1993 for assistance to victims of the 1988 earthquake in Armenia, with such assistance provided through U.S. PVOs and NGOs.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

The committee of conference understands that as of September 17, 1991, previously authorized and appropriated funds still remain available for humanitarian and relief efforts in Armenia. The committee of conference believes that, should these funds be expended and more needed, additional funds for Armenia should be provided.

SOVIET AID TO CUBA

The House bill (sec. 868) expresses the sense of Congress regarding the provision of assistance to Cuba by the Soviet Union.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate amendment.

LIMITATIONS ON ASSISTANCE TO THE SOVIET UNION

The House bill (sec. 871) prohibits assistance to the Soviet Union unless the President certifies that certain conditions have been met, allows for a national interest waiver, and provides an exemption for technical assistance under section 862 of the House bill. The House bill (sec. 872) also prohibits assistance to the Government of the Soviet Union in fiscal years 1992 and 1993 unless the Soviet Union terminates all direct or indirect military assistance to Cuba.

The Senate amendment (sec. 518) contains a provision similar to section 871 to the House bill, but makes no reference to START, calls for a 10-day legislative review instead of 30 days, and makes no reference to credit assistance. In addition, the Senate amendment (sec. 517) prohibits disbursement of any assistance to the Government of the Soviet Union unless the President certifies to Congress that the Soviet Union has ceased all direct or indirect military or economic assistance to Cuba.

The conference substitute does not address this issue.

The committee of conference notes that the House bill and Senate amendment were adopted prior to the August 19, 1991 failed coup in the Soviet Union. The committee of conference recognizes that the future configuration and powers of the Soviet Central Government and the governments of the individual republics are matters of great uncertainty. Clearly, the economic, political, and government reforms now underway in the Soviet Union, which were not expected before the August coup, will affect the provision of U.S. assistance to the Soviet central government and the governments of the republics. The committee of conference expects that the executive branch will consult and work with the appropriate congressional committees to develop appropriate legislative responses to the needs of the central Soviet government and the governments of the republics.

The committee of conference also commends the steadfast and courageous opposition of all democratic forces to the August coup attempt in the Soviet Union. The people of the Baltic states, the cities of Moscow and St. Petersburg, and coup opponents in all republics as well as their elected leaders, including President of the Russian Republic Boris Yeltsin, have won high praise and admiration for their defense of democracy and constitutional processes of government.

TITLE VI—THE MIDDLE EAST

ASSISTANCE FOR ISRAEL

The House bill (sec. 801) earmarks $1.2 billion in ESF cash transfers and $1.8 billion FMF in each of the fiscal years 1992 and 1993 for Israel; allows up to $150 million in FMF to be used for research and development of advanced weapons systems in the U.S. and not less than $475 million in FMF to be used for procurement in Israel of defense articles and services; earmarks $300 million in each of the fiscal years 1992 and 1993 for stockpiles in Israel; and extends $700 million for drawdowns through fiscal year 1993.

The Senate amendment (secs. 301 and 403) authorizes $1.2 billion in ESF cash transfer and $1.8 billion in FMF in each of the fiscal years 1992 and 1993 for Israel; and authorizes up to $150 million for research and development in the U.S. and up to $475 million for procurement in Israel.

The conference substitute (sec. 601) maintains the authorizations in sections 123 (relating to ESF) and 203 (relating to FMF) of the conference substitute and include the terms of assistance in section 601 of the conference substitute. In addition, the conference substitute extends for fiscal year 1992 the $700 million drawdown authority for Israel enacted as section 599B of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 1991 (Public Law 101-513)

The committee of conference agrees that the drawdown authority for Israel enacted initially in Public Law 101-513 should remain in force and be extended for fiscal year 1992. This authorization is included in the conference substitute because of the disagreement between the Departments of State and Defense as to the duration of the drawdown authority and whether or not the authority could be exercised after September 30, 1991 on the basis of the authority contained in Public Law 101-513.

The committee of conference agrees that, of amounts authorized by section 514 of the Foreign Assistance Act for additions to stockpiles, $300 million in each of the fiscal years 1992 and 1993 may be available for stockpiles in Israel.

The committee of conference realizes that the economic burdens on Israel may increase dramatically in the next few years, and urges the President to consider in discussions with Israel appropriate future levels of military and economic assistance.

ASSISTANCE FOR EGYPT

The House bill (sec. 802) earmarks $815 million in ESF (which may be provided as sectoral grants and may include law-enforcement training and assistance) and $1.3 billion in FMF in each of the fiscal years 1992 and 1993 for Egypt.

The Senate amendment (secs. 301 and 403) is virtually identical to the House bill, but provides FMF and ESF for Egypt as line-item authorizations.

The conference substitute (sec. 602) maintains the authorizations in sections 123 (relating to ESF) and 203 (relating to FMF) of the conference substitute and includes the terms of assistance in section 602 of the conference substitute. These provisions are identical to the authorities contained in the Senate amendment.

PROMOTING PLURALISM AND DEMOCRACY IN THE MIDDLE EAST AND NORTH AFRICA

The House bill (sec. 803) provides that up to $10 million in each of the fiscal years 1992 and 1993 of funds for AID democratic initiatives and human rights projects shall be used to support NGOs that contribute to pluralism, democracy, and human rights in the Middle East.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 603) is similar to the House bill, but expands the provision to include North Africa.

WEST BANK AND GAZA PROGRAM

The House bill (sec. 804) earmarks $16 million in each of the fiscal years 1992 and 1993 in ESF for the West Bank and Gaza program.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 604) provides that up to $16 million shall be available.

WEST BANK AND GAZA SCHOOLS AND UNIVERSITIES

The Senate amendment (sec. 2001) expresses the understanding that all Palestinian schools and universities will remain open and will be respected and regarded by all parties as places of learning.

The House bill contains no comparable provision.

The conference substitute is the same as the House position. The committee of conference urges that all Palestinian schools and universities in the West Bank and Gaza Strip be opened at an early date, and expresses the hope that they will remain open and will be respected and regarded by all parties as places of learning.

MIDDLE EAST COOPERATIVE SCIENTIFIC AND TECHNOLOGICAL PROJECTS

The House bill (sec. 805) earmarks $7 million in ESF in each of the fiscal years 1992 and 1993 for cooperative regional science and technology projects.

The Senate amendment (sec. 301) is virtually identical to the House bill but provides that funding as a line-item authorizaton.

The conference substitute (sec. 605) cross-references the authorization of $7 million in ESF for this purpose contained in section 123 of the conference substitute.

COOPERATIVE DEVELOPMENT PROJECTS

The House bill (sec. 806) earmarks $5 million in each fiscal year in development assistance for projects under the Cooperative Development Program and earmarks $2.5 million in each fiscal year in development assistance for cooperative development research projects.

The Senate amendment (secs. 651-2) is similar to the House bill, but does not contain mandatory earmarks. In addition, the Senate amendment (sec. 653) authorizes that $7 million be used for cooperative projects among the U.S., Israel and Eastern Europe.

The conference substitute (sec. 606) is similar to the Senate amendment but increases the authorization for cooperative development research projects from $2.5 million to $5 million in section 606(b) and expands the authority to include Eastern Europe. The committee of conference expects that the $2.5 million additional authority will be used for projects in Eastern Europe.

ENVIRONMENTAL COOPERATION AND RESTORATION

The Senate amendment (title XIX) contains findings regarding environmental damage caused by the Persian Gulf conflict; requires the President through AID to establish a Middle East Environmental Defense Network program (Project EDEN) to accomplish various environmental objectives in the Middle East; authorizes $10 million in fiscal year 1992 and each fiscal year thereafter for U.S. participation; establishes an environmental planning council with members from the Departments of State, Agriculture, and the Interior, AID, EPA, the National Oceanographic and Atmospheric Administration, the Trade and Development Program, the National Academy of Sciences Board on Science and Technology in Development, and the Council on Environmental Quality; requires an annual report not later than June 1; authorizes the President to enter into negotiations and agreements with governments in the Middle East for the purpose of concluding by September 1, 1992 an international agreement establishing several international entities to support the objectives of Project EDEN; and outlines the responsibilities, composition and duties of these entities.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

The committee of conference supports the objectives of the Senate amendment and believes that more attention should be focussed on the environmental problems of the Middle East and that more funding should be devoted to projects to deal with environmental problems in the region. The committee of conference also believes that a study should be made and hearings held to explore how this issue can be dealt with on a regional basis as suggested by the Senate amendment. The committee of conference urges interagency cooperation and discussion of such a regional approach.

POLICY TOWARD AND ASSISTANCE FOR LEBANON

The House bill (sec. 808) contains findings regarding U.S. assistance to Lebanon; earmarks $4 million in ESF and $6 million in development assistance in each of the fiscal years 1992 and 1993 for Lebanon; expresses the sense of Congress regarding the American University of Beirut (AUB); and requires 15-day advance notification before any defense articles or services are provided to Lebanon.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 608) states that the funding level for Lebanon should be $4 million in ESF and $6 million in development assistance in each of the fiscal years 1992 and 1993.

The committee of conference believes that any defense articles or services provided to the Government of Lebanon should be provided for the purpose of helping the Government of Lebanon establish effective control over Lebanese territory and promote Lebanon's territorial integrity and independence and that, before such defense articles and services are provided, there should exist sufficient safeguards to ensure that those defense articles and services will not benefit the Government of Syria.

For many years, the United States has strongly supported AUB as an intellectual, cultural, and humanitarian bridge between the United States and the countries of the Middle East. Of special significance has been AUB's commitment to fostering the rationalism, tolerance, and open dialogue which are essential to a democratic society. In light of recent events in the Middle East, the committee of conference finds that it is particularly important to reaffirm support of AUB because of the important contribution it can continue to make it encouraging democratization in the region.

In the past, U.S. assistance to AUB has been largely devoted to meeting the deficits of AUB's hospital, which have resulted from the treatment of casualties during 15 years of civil war. Despite the current peace, the need for continued medical assistance, particularly for rehabilitation, is still great. In addition, in order to contribute fully to the further stabilization of Lebanon, AUB will need to revitalize its academic programs and expand its involvement in the country's physical and social reconstruction.

Despite AUB's demonstrated needs, over the past few years the level of U.S. assistance to AUB has decreased. The committee of conference believes that AUB's continued vitality cannot be ensured unless adequate and stable levels of assistance are provided. Therefore, the committee of conference urges AID and the Department of State to work to ensure that AUB receives such funding from available program accounts.

RESTRICTIONS AND REPORTS WITH REGARD TO SYRIA

The House bill (sec. 809) prohibits assistance to Syria unless the President makes a determination on various conditions; requires a report six months after a determination on U.S. policy towards Syria; and requires an annual report on third country arms transfers to Syria.

The Senate amendment (sec. 654) is similar to the House bill.

The conference substitute (sec. 609) requires a one-time report on several issues of concern if any assistance is to be provided to Syria.

The committee of conference requests that the Department of State provide a report within six months of the date of enactment to the Congress on defense articles and services the Government of Syria purchased with foreign assistance it received from other members of the international coalition confronting Iraq during the Gulf Crisis and from whom those defense articles and services were purchased.

IRAQI COMPENSATION AND DAMAGES

The House bill (sec. 811) expresses the sense of Congress that Iraq is directly liable for any direct loss, damage, or injury as a result of its invasion of Kuwait and that Israel should be able to receive compensation from Iraq.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

The committee of conference notes that under international law and the terms of United Nations Security Council Resolutions 674 (approved October 29, 1990) and 687 (approved April 3, 1991), Iraq is liable for any direct loss, damage, or injury to foreign governments, nationals, and corporations as a result if Iraq's invasion and illegal occupation of Kuwait. The committee of conference notes that Israel is one country that suffered such damage and is, therefore, entitled to compensation commensurate with that damage.

PEACE AND STABILITY IN THE MIDDLE EAST

The House bill (sec. 812) expresses the sense of Congress regarding U.S. efforts to achieve peace and stability in the Middle East in the aftermath of the Persian Gulf conflict and steps taken by Arab Coalition partners in the Persian Gulf war to promote peace and stability, and requires a report three months after enactment and every six months thereafter, on program in implementing policies in this regard.

The Senate amendment (sec. 657) is identical to the House bill.

The conference substitute (sec. 610), which also addresses issues raised in section 818 of the House bill and section 656 of the Senate amendment, expresses the sense of Congress that the United States should encourage all Arab states to (a) support actively efforts to achieve peace and stability in the Middle East and to settle the Arab-Israeli conflict through direct negotiations, (b) take specific steps to recognize unequivocally Israel's right to exist as a sovereign nation within secure and recognized borders, (c) terminate the diplomatic and economic boycott of Israel, including the secondary and tertiary economic boycotts, (d) cease efforts to expel Israel from international organizations or to deny Israel the opportunity to participate in the activities of such organizations, and (e) terminate assistance to countries or groups that commit or support acts of international terrorism. The conference substitute also requires a report 12 months after enactment and annually thereafter on progress in implementing these policies. The committee of conference expects that this report will include a description of U.S. efforts at the GATT and the OECD to lift the boycott of Israel.

SAUDI POLICY TOWARD ISRAEL

The House bill (sec. 818) expresses the sense of Congress urging the Saudi Government to recognize Israel's right to exist, end the economic boycott of Israel, and agree to direct negotiations with Israel.

The Senate amendment contains no comparable provision.

The conference substitute addresses this issue in section 610 above.

BELLIGERENCY TOWARD ISRAEL BY ARAB STATES

The Senate amendment (sec. 656) expresses the sense of Congress regarding the refusal of Arab states to recognize Israel's right to exist, end the economic boycott of Israel, and enter into direct negotiations with Israel for purposes of concluding peace agreements and establishing diplomatic relations.

The House bill contains no comparable provision.

The conference substitute addresses this issue in section 610 above.

CUMULATIVE IMPACT ON ISRAEL OF U.S. CONVENTIONAL ARMS TRANSFERS TO THE MIDDLE EAST

The House bill (sec. 813) requires an annual report on the arms balance in the Middle East, the impact of arms sales on Israel and its qualitative edge in the region, and U.S. policy regarding arms transfers to the region.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 611) requires an annual report on the impact on Israel of U.S. commercial and government-to-government arms transfers in the Middle East and the policies the U.S. is pursuing and the steps being taken to maintain Israel's qualitative edge.

The committee of conference believes this report should include (a) an analysis of possible military or economic compensation as a result of the transfers described in section 611 to countries whose qualitative military advantage the United States is committed to maintain; and (b) a detailed description of steps taken to preserve this qualitative military advantage.

RESTRICTIONS ON NEGOTIATIONS WITH THE PLO

The House bill (sec. 814) updates section 1302 of the International Security and Development Cooperation Act of 1985 with reference to the 1990 Iraqi invasion of Kuwait and adds further restrictions on the conditions under which U.S. officials can negotiate with the Palestine Liberation Organization.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 612) modifies section 1302(b) by adding the phrase "and amends or supersedes its charter to reflect that recognition" in referencing the PLO's recognition of Israel's right to exist, and in calling for the PLO to renounce terrorism, adds the phrase "and ceases the use of". The conference substitute also contains a new section 1302(c) that references the 1991 Gulf War.

PLO COMMITMENTS COMPLIANCE

The House bill authorizing funds for the Department of State (H.R. 1415, sec. 301) requires a report thirty days after enactment and every 120 days thereafter on: (a) PLO activities in support of Iraq and against Israel during the Persian Gulf conflict, (b) terrorist acts committed or supported by the PLO, (c) statements and actions of the PLO with respect to the peace process, and dealing with terrorists, drug trafficking, and compensation of U.S. victims of PLO terrorism, and (d) PLO financial resources, assets, and holdings and the source of those resources.

The Senate amendment to H.R. 1415 (sec. 901) contains a similar provision.

The conference substitute (sec. 613) requires a one-time report 60 days after enactment on PLO activities during the Persian Gulf conflict, and an annual report on the PLO activities, statements, and resources mentioned in the House bill and Senate amendment.

UNITED NATIONS GENERAL ASSEMBLY RESOLUTION 3379

The House bill (sec. 815) expresses the sense of Congress regarding rescission of United Nations General Assembly (UNGA) Resolution 3379.

The Senate amendment (sec. 658) expresses the sense of Congress that the U.S. and Soviet Union should lead an effort to repeal UNGA Resolution 3379.

The conference substitute (sec. 614) expresses the sense of the Congress that the United States should lead an effort to repeal UNGA Resolution 3379.

DEMOCRATIC REFORM AND HUMAN RIGHTS IN KUWAIT

The House bill (sec. 817) expresses the sense of Congress regarding human rights and democracy in Kuwait; requires a report not later than 60 days after enactment on human rights practices of the Government of Kuwait, and states that respect for human rights and the development of democratic institutions shall be significant factors in determining U.S. Policy toward Kuwait.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 615) requires a report from the President within 90 days after the date of enactment on steps the Government of Kuwait has taken to: end the occurrences of arbitrary arrest, torture and extrajudicial actions; bring to justice those responsible for perpetrating such actions; ensure that those detained have access to legal counsel, the right to an open and speedy trial, and other internationally recognized standards of due process of law; allow the presence and activities of international human rights and humanitarian organizations; comply with international law relating to deportations; and establish conditions to ensure that the October 1992 elections are free and fair, and permit universal sufferage.

The conference substitute also states that respect for human rights and the development of democratic institutions shall be a significant factor in determining U.S. policies toward Kuwait.

USE OF U.S. SUBCONTRACTORS IN KUWAIT

The Senate bill (sec. 2004) contains findings regarding Kuwait's intentions with respect to the awarding of contracts for the reconstruction of that country and the use of American contractors and subcontractors in this rebuilding and expresses the sense of Congress that U.S. businesses involved in rebuilding Kuwait should, to the maximum extent possible, use American subcontractors and available American goods and services and that the Department of Commerce should monitor and encourage the implementation of this policy.

The House bill contains no comparable provision.

The conference substitute (sec. 616) expresses the sense of Congress that U.S. businesses engaged in rebuilding Kuwait should, to the maximum extent possible, use U.S. subcontractors and available U.S. goods and services, and that the Department of Commerce should monitor and encourage the implementation of this policy.

PROHIBITION ON ASSISTANCE TO JORDAN

The House bill (sec. 819) prohibits military assistance to Jordan in fiscal years 1992 and 1993 unless the President certifies that Jordan: (1) has demonstrated its willingness to enter into direct bilateral negotiations with Israel; (2) has recognized Israel's right to exist; and (3) is not providing non-humanitarian assistance to Iraq.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

IRAQ WAR CRIMES AND CRIMES AGAINST HUMANITY

The House bill (sec. 820) expresses the sense of Congress that the President should consult with members of the U.N. Security Council and seek appropriate Security Council action to establish an appropriate international tribunal to try all individuals, including Iraqi President Saddam Hussein, who were involved in the planning or execution of war crimes during and after Iraq's August 1990 invasion of Kuwait.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 617) is identical to the House bill.

REPORT ON TRANSFERS OF SPOILS OF WAR

The House bill (sec. 810) requires 15-day advance notification before the transfer of any captured Iraqi equipment to any country in the Middle East.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 618) incorporates the provision contained of the Senate amendment to H.R. 1415 (sec. 404) which requires a one-time report on the disposition of captured Iraqi equipment.

ISRAELI PRE-EMPTIVE STRIKE AGAINST THE IRAQI NUCLEAR REACTOR AT OSIRAK

The House bill (sec. 816) expresses the sense of Congress regarding the 1981 Israeli attack against the Iraqi nuclear reactor at Osirak.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 619) is identical to the House bill.

THE AMERICAN INSTITUTE REVIVAL PROJECTS

The committee of conference supports efforts to fund the American Research Institutes Revival projects. These institutes have been significant leaders in Middle Eastern archeological research for nearly 100 years and have suffered economically as a result of the Gulf Crisis.

TITLE VII—LATIN AMERICA AND THE CARIBBEAN

CENTRAL AMERICAN RECOVERY AND DEVELOPMENT

The House bill (sec. 721) sets forth U.S. policy for assistance to Central America.

The Senate amendment contains no comparable provision. However, the House bill is identical to S. 100 as passed the Senate and H.R. 554 as introduced in the House.

The conference substitute (sec. 701) is the same as the House bill, except that subsection (e) of the House bill, relating to the Enterprise for the Americas Initiative, is deleted.

ASSISTANCE FOR GUATEMALA

The House bill (sec. 723) prohibits lethal military assistance to Guatemala, authorizes the transfer of military assistance into a transition fund, and limits the use of economic assistance, during fiscal years 1992 and 1993.

The Senate amendment (sec. 662) contains a similar provision.

The conference substitute (sec. 702) is the same as the Senate amendment. The committee of conference intends that the prohibition on the provision of lethal military assistance also apply to authorities to transfer excess defense articles and services under the Foreign Assistance Act.

ASSISTANCE FOR NICARAGUA

The House bill (sec. 724(a)) states that, before providing assistance to Nicaragua for fiscal years 1992 and 1993, the President should take into account the extent to which the government of Nicaragua has brought the armed forces under civilian control and investigated and prosecuted human rights violations. The House bill (sec. 724(b)) states that, in providing foreign military financing assistance to the Government of Nicaragua during fiscal years 1992 and 1993, the President should consider the extent to which such assistance will further civilian control of the military and human rights and stem exports of military equipment. In addition, the House bill (sec. 724(c)) prohibits FMF from being provided for any member of the Nicaraguan resistance who has not disarmed or is not abiding by the terms of the ceasefire agreement. Finally, the House bill (sec. 724(d)) states the sense of Congress that the Government of Nicaragua should expedite the processing of expropriation claims.

The Senate amendment (sec. 665) prohibits any assistance, directly or indirectly, to members of the Sandinista Popular Army, unless requested by the President of Nicaragua and submitted to Congress under reprogramming procedures. The Senate amendment (sec. 665) prohibits assistance for use by members of the Sandinista Popular Army, unless specifically requested and authorized by the President of Nicaragua and notice is given the appropriate committees of Congress under the reprogramming procedures of section 634A of the Foreign Assistance Act. The Senate amendment (sec. 2003) authorizes the President to provide assistance to Nicaragua notwithstanding any other provision of law, provided that the President certifies to the Congress that Nicaragua has made significant progress toward democratization and that the provision of such assistance will assist Nicaragua in making further progress and is otherwise in the U.S. national interest.

The conference substitute (sec. 703) includes element from both the House bill and the Senate amendment. The conference substitute provides that: in providing assistance to Nicaragua, the President shall take into consideration the extent to which the Government of Nicaragua has brought the armed forces under full civilian control and is prosecuting those responsible for human rights abuses, and the extent to which the assistance will further those goals; no assistance may be provided for use by members of the Sandinista Popular Army unless specifically requested and authorized by the President of Nicaragua, with notification of the appropriate congressional committees under section 634A of the Foreign Assistance Act; no assistance may be provided to any member of the Nicaraguan resistance who has not disarmed or is not abiding by the terms of the ceasefire; a waiver of section 691(a)(5) restricting assistance to countries more than one year in arrears in debt payment to the U.S. Government; and, that the Government of Nicaragua should expedite the processing of claims arising from expropriation of property.

The committee of conference urges that, of funds made available for Nicaragua, $200,000 be provided to the medical school in Managua and $200,000 be provided to the medical school in Leon, for each of the fiscal years 1992 and 1993, for the purpose of implementing curriculum changes and training in primary health care at the medical schools and at community health centers.

CENTRAL AMERICAN REFUGEES AND DISPLACED PERSONS

The House bill (sec. 725) earmarks $25 million for each of the fiscal years 1992 and 1993, to be provided to nongovernmental organizations through the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Development Program (UNDP), to implement the Concerted Plan of Action in Favor of Central American Refugees, Returnees and Displaced Persons (CIREFCA).

The Senate amendment (sec. 664) authorizes a total of $25 million for fiscal years 1992 and 1993, to be provided to governmental and nongovernmental organizations such as UNHCR, UNDP, and the Organization of American States, for programs consistent with CIREFCA. The conference substitute (sec. 704) authorizes a total of $25 million for fiscal years 1992 and 1993, through organizations such as UNHCR and UNDP, to carry out programs within the framework of CIREFCA.

The committee of conference notes that under the CIREFCA framework, priority is given to programs administered by national and international nongovernmental organizations. It is the committee's expectation that the assistance provided under this section will reflect this priority. It is the intent of the committee that assistance under this section should be provided only to governments that themselves operate within the CIREFCA framework by encouraging the full participation of nongovernmental organizations in CIREFCA programs implementing humanitarian assistance programs in a nonpolitical manner, and permitting nongovernmental organizations the freedom to carry out programs with refugees, repatriates, and displaced persons throughout the country.

ASSISTANCE FOR CENTRAL AMERICAN LEGISLATURES

The House bill (sec. 726) expresses the sense of Congress that the United States should help strengthen democratic legislatures in Central America.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 705) is the same as the House bill.

CENTRAL AMERICAN JOURNALISM AND ADMINISTRATION OF JUSTICE

The House bill (sec. 784) earmarks $2.8 million for each of the fiscal years 1992 and 1993 for the Central American Journalism Program and the Regional Administration of Justice Program's Center for the Administration of Justice to support democracy-building activities in the region.

The Senate amendment has no comparable provision.

The conference substitute (sec. 706) authorizes $2.8 million for these programs for each of the fiscal years 1992 and 1993.

MILITARY BASE RIGHTS IN PANAMA

The Senate amendment (sec. 680A) expresses the sense of Congress that the President should negotiate a new base rights agreement with Panama to allow the stationing of U.S. military forces in Panama beyond December 31, 1999.

The House bill contains no comparable provision.

The conference substitute (sec. 707) expresses the sense of Congress that the President should begin negotiations with Panama at a mutually acceptable time to consider whether the two governments should allow the stationing of U.S. military forces in Panama beyond December 31, 1999.

CARIBBEAN REGIONAL DEVELOPMENT ACT

The House bill (secs. 5301–5308) creates a new chapter 3 of title V of the Foreign Assistance Act, which sets forth policies and priorities for U.S. assistance to the Caribbean; requires the President, in considering assistance for Caribbean governments, to take into account the performance of those governments in extending, protecting, and enforcing internationally recognized worker rights; and provides that the Agency for International Development should not provide assistance for the use of substances in the Caribbean whose use is not permitted under Caribbean laws or would not be permitted under U.S. laws, should emphasize the active participation of women in the development process, and should consult with the Caribbean poor, through their own grassroots organizations, in implementing its assistance policies in the Caribbean.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 711) is identical to the House provision.

ASSISTANCE FOR HAITI

The House bill (sec. 741) expresses the sense of Congress with respect to Haiti's democratic transition and U.S. assistance to Haiti, and provides that FMF and military sales may be provided for Haiti only under reprogramming procedures.

The Senate amendment (sec. 666) is similar, and in addition provides that military assistance for Haiti for fiscal years 1992 and 1993 may consist only of nonlethal assistance.

The conference substitute (sec. 712) is similar to the Senate amendment.

HAITIAN SUGARCANE HARVESTERS IN THE DOMINICAN REPUBLIC

The House bill (sec. 742) states that it shall be U.S. policy to encourage the Government of the Dominican Republic to improve respect for the rights of Haitian sugarcane harvesters and withholds $1 million in economic support funds until the President reports to Congress on the steps the government has taken in this regard.

The Senate amendment (sec. 667) contains similar but more detailed policy language, but does not withhold funds and states that the President should consider increasing the Dominican Republic's assistance levels and sugar quota if the government makes significant progress in this regard.

The conference substitute (sec. 713) combines the provisions of both the House bill and the Senate amendment and includes both the withholding provision and the directive to consider additional support to the Dominican Republic if progress is made.

ASSISTANCE FOR GUYANA

The House bill (sec. 743) prohibits assistance to the Government of Guyana unless the President reports that the government is in power as a result of free and fair elections, provides exceptions to the prohibition of narcotics control and elections assistance, states the sense of Congress with respect to economic assistance for Guyana following free and fair elections, and earmarks $3 million in economic assistance for basic human needs in Guyana for each of the fiscal years 1992 and 1993 subject to the above prohibition.

The Senate amendment (sec. 668) is similar except that in lieu of the earmark it expresses the sense of Congress that $3 million should be provided for basic human needs for each of the fiscal years 1992 and 1993.

The conference substitute (sec. 714) is the same as the Senate amendment, except that it recommends that at least $3 million in economic and food assistance be provided to Guyana for basic human needs in each of the fiscal years 1992 and 1993.

Due to the time required to deliver commodities following the signing of a Public Law 480, Title I agreement, the committee of conference does not intend this section to prohibit the signing of a Public Law 480, title I agreement with the Government of Guyana, provided that commodities are not delivered unless the President certifies that a free and fair election has occurred in that country.

DEMOCRACY IN SURINAME

The House bill (sec. 744) condemns the December, 1990, military coup in Suriname, urges a peaceful transfer of power to the civilian government that was duly elected on May 25, 1991, and urges the President to withhold U.S. Assistance until such a transfer takes place.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 715) is identical to the House provision.

HUMAN RIGHTS IN CUBA

The Senate amendment (sec. 679) contains findings and expresses the sense of the Senate with respect to human rights in Cuba.

The House bill contains no comparable provision.

The conference substitute (sec. 716) is similar to the Senate amendment.

CERTAIN TRANSACTIONS BETWEEN CERTAIN U.S. FIRMS AND CUBA

The Senate amendment (sec. 2007) provides that no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United States.

The House bill contains no comparable provision.

The conference substitute (sec. 717) is the same as the Senate provision, with the addition of an amendment that specifies that this provision applies only to the export and import activities in the interstate or foreign commerce of the United States of a foreign subsidiary or affiliate of a domestic concern which is controlled in fact. The intent of the additional language is to avoid the extraterritorial element of the original amendment by directing the restriction in law against the parent and controlled subsidiaries with respect to U.S. Interstate and foreign commerce. As explicitly specified in the amendment, the exact definition "U.S. Interstate and foreign commerce" and of "controlled in fact" are to be determined by the President through regulations. It is the intent of the conference that these regulations effectively restrict U.S. Trade with Cuba.

MILITARY AIRCRAFT TRANSFERS

The House bill (sec. 722) requires notification to Congress of military aircraft transfers to Central America during fiscal year 1992 and 1993.

The Senate amendment (sec. 661) requires notification of such transfers to both Central America and the Caribbean.

The conference substitute (sec. 721) is the same as the Senate amendment.

ECONOMIC ASSISTANCE FOR ANDEAN COUNTRIES

The House bill (sec. 761(a)) authorizes $300 million in each of the fiscal years 1992 and 1993 of the aggregate amounts authorized to be appropriated for development assistance and ESF for the Andean countries.

The Senate amendment (sec. 669(a)) contains a similar provision

The conference substitute (sec. 731(a)) is similar to the House bill but reduces the authorization to $275 million for each of the fiscal years 1992 and 1993, the executive branch request level.

ADMINISTRATION OF JUSTICE PROGRAMS FOR ANDEAN COUNTRIES

The House bill (sec. 761(c)(3)) provides that up to $1 million in ESF to support human rights offices in Colombia and Peru.

The Senate amendment (sec. 669(b)(2)) provides up to $2 million for this purpose.

The conference substitute (sec. 731(c)(3)) is identical to the House provision.

MILITARY AND LAW ENFORCEMENT ASSISTANCE FOR ANDEAN COUNTRIES

The House bill (sec. 762) authorizes $118 million of foreign military financing funds for each of the fiscal years 1992 and 1993 for military and law enforcement assistance to the Andean countries, under certain conditions, including that assistance may be provided only so long as a country has a democratic government and the armed forces and law enforcement agencies of the country do not engage in a consistent pattern of gross violations of internationally recognized human rights. The House bill further limits the aggregate amount of military and law enforcement assistance (including FMF, INM assistance, IMET, DOD drawdown authorities, and the value of excess defense articles and services) to Bolivia, Colombia, and Peru to $250 million, of which not more than $150 million may be used for assistance to the military and not more than $150 million may be used for assistance to law enforcement units. Finally, the House bill states that Peru's Sinchi Police may not be considered to be a law enforcement unit that is organized for the specific purpose of narcotics enforcement, having the effect of prohibiting U.S. Law enforcement assistance for the Sinchi police.

The Senate amendment (sec. 670) is virtually identical, except that regarding the Sinchi police it also states that no other Peruvian policy organization that has a consistent pattern of gross human rights violations against the Peruvian people may receive assistance.

The conference substitute (sec. 732) is the same as the House bill, except that subsection (f) states that no Peruvian police organization which is identified as having a consistent pattern of gross human rights violations against the Peruvian people shall be considered to be a law enforcement unit that is organized for the specific purpose of narcotics enforcement.

The committee of conference has agreed to drop any explicit reference to the Sinchi police from the text of the bill only following assurances from the executive branch that U.S. Assistance to the Sinchis shall not go beyond that incidental to training activities that the committee of conference understands is currently taking place at the Mazamari base. The committee of conference is very concerned by the serious human rights situation in Peru and believes that U.S. Assistance to Peru must be geared to seeking a significant improvement in that situation. Specifically, law enforcement assistance must first and foremost be directed at improving respect for human rights by the Peruvian police, and therefore any police organization, specifically the Sinchi police, shall be immediately prohibited from receiving any additional assistance under this section if any future incidents of human rights abuses are attributed to any member of such organization.

GENERAL PROVISIONS RELATING TO ASSISTANCE FOR ANDEAN COUNTRIES

The House bill (section 763) requires that before ESF and FMF assistance is provided to Bolivia, Colombia, or Peru in fiscal years 1992 or 1993 pursuant to this title, the President must make a determination that (1) that country is implementing programs to reduce the flow of cocaine to the United States in accordance with a bilateral or multilateral agreement that contains specific qualitative and quantitative performance criteria, and (2) that the armed forces and law enforcement agencies of that country are not engaged in a consistent pattern of gross violations of, and have made significant progress in, protecting certain internationally recognized human rights. However, the determination required on human rights grounds does not apply with respect to economic assistance for programs that focus on providing coca farmers with alternative sources of income. The House bill further requires prior notification to Congress under the reprogramming procedures applicable under section 634A of the Foreign Assistance Act, specifies that ESF and FMF assistance shall be coordinated with international narcotics control assistance, and waives applicable prohibitions relating to countries which are more than one year in arrears in repayments of past loans from the United States, provided the President has made the determination required by this section.

The Senate amendment (secs. 671 and 672) is virtually identical to the House bill.

The conference substitute (sec. 733) is the same as the House bill.

The committee of conference notes that these provisions relating to the Andean countries reflect ongoing interest in and concern about the implementation of the President's Andean Initiative. These provisions continue to codify the stated objectives of the Andean Initiative, which include the concept that counternarcotics efforts in the Andean countries are primarily the responsibility of host country law enforcement agencies, with the support of host country militaries, and that economic and military assistance provided by the United States will be conditioned on narcotics control performance criteria as well as respect for human rights. The committee of conference notes that while host country law enforcement agencies are supposed to play a lead role, with armed forces playing a supporting role, both past, present and future funding levels for these two groups have been in inverse proportion to this stated premise, with the armed forces receiving more than twice the funding of law enforcement agencies. The committee of conference has addressed this discrepancy by setting equivalent funding ceilings for both groups. The committee of conference further notes that continued support for the Andean Initiative will depend on improved progress in meeting narcotics control performance criteria and respect for internationally recognized human rights.

COLOMBIAN NARCOTICS CONTROL EFFORTS

The Senate amendment (sec. 674A) expresses the sense of Congress with regard to Colombian narcotics control efforts.

The House bill contains no comparable provision.

The conference substitute (sec. 734) is similar to the Senate provision.

ARGENTINA AND BRAZIL'S COMMON NUCLEAR POLICY

The Senate amendment (sec. 673) expresses the sense of Congress congratulating Argentina and Brazil for their common nuclear policy and urging them to take further steps toward nuclear nonproliferation.

The House bill contains no comparable language.

The conference substitute (sec. 741) is identical to the Senate amendment.

MILITARY ASSISTANCE AND SALES FOR CHILE

The House bill (sec. 783) provides that foreign military financing assistance may be provided for Chile only in accordance with the reprogramming procedures contained in section 634A of the Foreign Assistance Act.

The Senate amendment (sec. 674) is similar.

The conference substitute (sec. 742) is identical to the Senate provision.

The committee of conference welcomes the restoration of democracy in Chile and takes note of the impressive progress made by the Aylwin Government in working to strengthen democratic institutions throughout the nation and to ensure civilian control over the military. In that regard, the committee supports the executive branch's efforts to restore normal relations between the U.S. and Chilean militaries. Such actions must be with the full knowledge and approval of Chilean civilian authorities and consistent with a subordinate role of the military to civilian authorities.

The committee of conference also believes that the Chilean Government has made significant progress in its efforts to investigate and bring to justice those responsible for the Letelier-Moffitt murders and subsequent cover-up and looks forward to the final resolution of this matter.

INTER-AMERICAN FOUNDATION

The House bill (sec. 782) authorizes $28.8 million for fiscal year 1992 and $31 million for fiscal year 1993 for the Inter-American Foundation, and provides that funds made available to the Foundation may be used for printing and binding without regard to any other provision of law.

The Senate amendment (sec. 678) is similar, except that it authorizes $28.8 million for each of the fiscal years 1992 and 1993.

The conference substitute (sec. 751) amends section 401(s)(2) of the Foreign Assistance Act with a provision similar to the House bill which authorizes $28.8 million in fiscal year 1992 and $31 million in fiscal year 1993 for the Inter-American Foundation. The committee of conference notes that the authorized level is fiscal year 1993 does not reflect an increase in funding for the IAF; it partially offsets the loss of resources to the Foundation because of the decline in usable Social Progress Trust Funds available in fiscal year 1993.

SUPPORT OF INTERNATIONAL EFFORTS AGAINST THE SPREAD OF CHOLERA

The Senate amendment (sec. 675) sets forth findings on cholera in the Americas, authorizes the use of $25 million in ESF for narcotics-related assistance for remedial efforts, and provides that such assistance shall be provided through agencies responsible for health, water, and sanitation services and through the Pan American Health Organization, UNICEF, and other international and nongovernmental organizations for emergency and longer-term medical needs and improvements in health and infrastructure systems.

The House bill contains no comparable provision.

The conference substitute (sec. 752) is similar to the Senate amendment, except that the source of funds is identified as any ESF rather than narcotics-related economic assistance.

STRENGTHENING CIVILIAN CONTROL OVER THE MILITARY

The House bill (sec. 5502) provides that military assistance may be provided to the armed forces of any country in Latin America or the Caribbean only with the prior approval of the democratically elected government of such country.

The Senate amendment (sec. 677) contains a similar provision. The Senate amendment (sec. 2008) is a statement of congressional findings and a requirement for a report on empowerment of civilian managers in defense and security issues in order to establish democratic control over the military.

The conference substitute (sec. 753) adds a new section 284 to the Foreign Assistance Act which is the same as sec. 677 of the Senate amendment.

LAW ENFORCEMENT TRAINING FOR THE CARIBBEAN

The House bill (sec. 781) establishes the purposes, types of activities, and restrictions on law enforcement assistance; provides that law enforcement training for the Caribbean may be provided only by the International Criminal Investigative Training Assistance Program of the Department of Justice (ICITAP); and establishes a ceiling of not more than $10 million for law enforcement assistance for each of the fiscal years 1992 and 1993, of which not less than $2.5 million for each fiscal year shall be for the Caribbean.

The Senate amendment (sec. 676) contains a similar provision, but provides that law enforcement training for the Caribbean may be provided only under the auspices of ICITAP and authorizes $10 million for each of the fiscal years 1992 and 1993 for the law enforcement training assistance program in Latin America and the Caribbean, of which $2.5 million for each fiscal year should be made available for the Caribbean.

The conference substitute (sec. 754) amends section 534 of the Foreign Assistance Act with language similar to the Senate provision.

The committee of conference notes that the authority to carry out programs and activities to improve other aspects of the administration of justice in countries of Latin America and the Caribbean, which was previously contained in section 534 of the Foreign Assistance Act, has in the conference substitute (sec. 119) been expanded to a worldwide authority and consolidated in the human rights and democratic initiatives program contained in a new section 283 of the Foreign Assistance Act.

By shifting certain authorities formerly contained in section 534 of the Foreign Assistance Act to other parts of that act, the committee of conference does not intend that authorities to undertake assistance for law enforcement contained in this section be viewed as separate from efforts to improve other elements of the administration of justice. The committee of conference considers assistance for law enforcement in Latin America and the Caribbean to be a complementary component of judicial reform. The committee of conference expects that assistance under this section will be planned and implemented in conjunction with assistance to strengthen democratic institutions of governance, including independent judiciaries, under section 119 of the conference substitute.

INDIGENOUS PEOPLES

The Senate amendment (sec. 680) amends sec. 116(d) of the Foreign Assistance Act to require that the treatment and status of indigenous peoples in Latin America and the Caribbean be included in the annual report required by that section.

The House bill contains no comparable provision.

The conference substitute (sec. 755) requires the Secretary of State to submit annually for each of the next two years a report to Congress, prepared in cooperation with the Administrator of AID, on the protection of the rights and traditions of indigenous peoples, the extent of their participation in decisions affecting their lands, cultures, traditions, and the allocation of natural resources, and the steps the United States has taken to ensure that U.S. development assistance programs promote the well-being of indigenous peoples of Latin America and the Caribbean.

The conference substitute requires that the report be submitted on February 28 of each year, to coincide with the date on which the Country Reports on Human Rights Practices are due, so that the information gathered by the Assistant Secretary for Human Rights and Humanitarian Affairs in connection with the preparation of the Country Reports can, where applicable, be used in the report mandated by this section. The committee of conference urges that, in addition to whomever else the Secretary designates, the Assistance Secretary of State for Human Rights and Humanitarian Affairs also be consulted in the preparation of the report mandated by this section.

AUTHORITY TO FORGIVE REPAYMENT OF AN ALLIANCE-FOR-PROGRESS LOAN

The House bill (sec. 1108) directs the Administrator of AID to release the Central American Business Administration Institute (INCAE) from further payments on an Alliance-for-Progress loan.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 756) provides that the President may direct the Administrator to release INCAE from further payment on the loan.

UNITED STATES-MEXICAN BORDER ENVIRONMENTAL PROTECTION ACT

The Senate amendment (secs. 1601–1614) establishes a United States-Mexico Border Environmental Protection Fund.

The House bill contains no comparable provision.

The conference substitute is the same as the House bill.

TITLE VIII—ENTERPRISE FOR THE AMERICAN INITIATIVE

Title VIII authorizes the Enterprise for the Americas Initiative, a program proposed by the President in June 1990 and designed to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market oriented reforms and economic growth with interrelated actions to promote debt reduction, investment reforms, and community-based conservation and sustainable use of the environment.

PURPOSE OF THE INITIATIVE

The House bill (sec. 5402) establishes the purpose of the Enterprise for the Americas Initiative (EAI) as supporting market-oriented reform and economic growth through interrelated actions to promote debt reduction, investment reforms and community-based conservation and sustainable use of the environment. These objectives will be supported through debt-reduction operations which provide resources for environmental protection for countries which meet the eligibility criteria.

The Senate amendment (secs. 711 and 721) contains a broad statement of purpose and findings related to trade, investment, external debt and the environment in Latin America and the Caribbean.

The conference substitute (sec. 811) is similar to the House bill, but adds promotion of child survival and development programs as an additional focus of the EAI.

ELIGIBILITY FOR BENEFITS UNDER THE FACILITY

The House bill (sec. 5403) establishes four basic criteria which Latin American or Caribbean countries must meet in order to qualify for debt reduction benefits and leaves discretion to the President to make the eligibility determination. Countries must have in effect, or be making progress toward: an IMF standby agreement, or related equivalent agreement; an IDA or World Bank structural adjustment loan; major investment reforms; and an agreement with commercial bank lenders on a financing program including debt or debt service reduction. The President may waive the IMF and World Bank criteria if he determines that such an arrangement or program would have a significant adverse social or environmental impact.

The Senate amendment (sec. 731) states that in order to be eligible for benefits under the EAI, including for debt reduction, countries in Latin America or the Caribbean must have in effect, or be making significant progress toward investment liberalization and economic reforms in conjunction with the IMF, the World Bank and the Inter-American Development Bank. The Senate amendment also stipulates that, with the exception of section 620(q) and 620(r) of the Foreign Assistance Act (relating to default on past foreign assistance loans and prohibition against debt relief) and section 621 of the International Development and Food Assistance Act of 1975, countries must otherwise qualify for foreign assistance. The Senate amendment also requires the President to notify the Congress of his intention to designate a country as eligible for debt reduction 15 days in advance.

The conference substitute (sec. 813) is similar to the House bill but adds the following eligibility criteria: a country must have a democratically elected government; it must be cooperating on antinarcotics activities; it must not harbor or sponsor international terrorists; and it must respect human rights. The conference substitute also applies the above eligibility standards to debt reduction and the Americas Fund.

ENTERPRISE FOR THE AMERICAS FACILITY AND ENTERPRISE FOR THE AMERICAS BOARD

The House bill (sec. 5401) states that the Enterprise for the Americas Facility and the Environment for the Americas Board are the same as those created in sections 601 and 610 of the Agricultural Trade Development and Assistance Act of 1954.

The Senate amendment (sec. 741) is similar to the House bill but establishes the Facility in the Department of Treasury and states that local currency interest payments on reduced debt shall be administered by AID.

The conference substitute (sec. 812) is similar to the House bill but adopts the Senate approach with respect to giving countries the option of using local currencies monies for grants to organizations pursuing child survival and child development activities, which would encompass such programs as primary health care, immunization, and basic education. The conference substitute also changes the name of the Environment for the Americas Board to the Enterprise for the Americas Board to reflect the broader mandate of the initiative in this program.

REDUCTION OF CERTAIN DEBT

The House bill (sec. 5404) authorized debt reduction for bilateral foreign assistance debt owed to the U.S. government as of January 1, 1990 to such extent as is approved in advance in appropriation Acts. The section describes the mechanics of the exchange of old debt obligations for new, and the corresponding adjustment in AID's accounts. The House bill also authorizes $242.3 million for fiscal year 1992 and $224.6 million for fiscal year 1993 to cover the cost of debt reduction. Funds authorized by this section shall not be considered assistance for the purposes of any provision of law limiting assistance to a country.

The Senate amendment (sec. 751) authorizes debt reduction for bilateral foreign assistance debt owed to the U.S. government as of January 1, 1991 to such extent as is provided for by specific appropriations Acts for fiscal year 1992 or thereafter. The mechanics of this exchange of old debt obligations for new, and the corresponding adjustment in AID's accounts is described. The Senate amendment also encourages the President to consider granting full debt relief and impose a five year moratorium on new loans to governments of countries benefitting from debt reduction under the EAI. The Senate amendment further requires the President to report on the overall financial health of the beneficiary countries.

The conference substitute (sec. 814) is similar to the House bill but substitutes January 1, 1991 for 1990 and adopts the Senate open-ended authorization.

INTEREST ON NEW OBLIGATIONS

The House bill (sec. 5406) provides that the restructured debt will bear a concessional interest rate and requires that an Environmental Framework Agreement between the United States and the beneficiary country be negotiated before interest payments may be made in local currencies. The local currencies are the property of the beneficiary country until they are disbursed to local administering bodies established pursuant to an Environmental Framework Agreement. In the absence of a Framework Agreement, interest must be repaid in dollars to the U.S. Treasury and may not be retroactively applied to the Environmental Fund.

The Senate amendment (sec. 7530 provides that if an eligible country has entered into an Enterprise for the Americas Agreement (Americas Agreement), AID interest shall be paid into a special account established for this purpose. The local currencies are the property of the beneficiary country until they are disbursed in accordance with the terms established in sections 761 and 762 of the Senate amendment.

The conference substitute (sec. 816) is similar to the House bill but changes the name of the Environmental Framework Agreement to the Americas Framework Agreement to reflect the broadened mandate of the Americas Fund.

AMERICAS FUND

The House bill (sec. 5407) requires each beneficiary country that enters into an Environmental Framework Agreement to establish an Environmental Fund to receive payments in local currencies. A country may still be eligible for benefits under the Facility even if it does not sign an Environmental Framework Agreement. However, those countries would be required to pay interest on their debt in dollars to the U.S. Treasury. Local currency payments are not to be considered assistance for the purpose of laws which limit assistance to a country. Deposits made into the Environmental Fund may be invested, and any return on the investment may be retained by the Environment Fund. The administering body may make grants from either the principal deposited in the Fund or from accrued interest only in accordance with an Environmental Framework Agreement between the United States and an eligible country.

The Senate amendment (sec. 761) requires each eligible country that enters into an Americas Agreement with the United States to establish an Enterprise for the Americas Account (Americas Account) to receive payments in local currencies. Deposits into an Americas Account shall be considered assistance for the purpose of laws which limit assistance to a country. Deposits made into the Americas Account may be invested, and any return on the investment may be retained by the Americas Account. Funds may be disbursed only in accordance with the terms set forth in an Americas Agreement.

The conference substitute (sec. 817) is similar to the House bill but conforms the name of the Environmental Fund to the Americas Fund to reflect the decision of the committee of conference to accept the Senate approach with respect to the broadening of eligible activities to be undertaken by the fund.

AMERICAS FRAMEWORK AGREEMENTS

The House bill (sec. 5408) authorizes the Secretary of State to negotiate an Environmental Framework Agreement with eligible countries, in consultation with the Enterprise for the Americas Board, and sets forth six guidelines to be included in an Environmental Framework Agreement, including the establishment of an Environmental Fund; interest payments to the Fund; prompt disbursements of funds; maintenance of the value of local currencies; uses of the Fund; and enforcement provisions.

The House bill also requires that funds disbursed from the Fund be administered by a body legally constituted under the laws of the beneficiary country and sets forth specifications for the administering body. The administering body is to be comprised of a limited number of representatives nominated by the U.S. Government and the host government (one or more from each), and a majority from local NGOs, and scientific and academic communities. The duties of the administering body shall include: receiving and making grants in accordance with the Framework Agreements; program management and grant oversight; submitting an annual program for review by the Environment for the Americas Board; submitting an annual report of activities to the America's Board Chairman, and host country government. Grants over $100,000 are subject to veto by either government.

Eligible activities are described by the House bill as being those that link the conservation and sustainable use of natural resources with local community development.

Grants may only be made to: beneficiary country NGOs, local or regional entities; and, in rare cases, to the beneficiary countries.

The Senate amendment (sec. 762) states that AID shall negotiate Americas Agreements with eligible countries and sets forth the contents of such an agreement. Projects or programs eligible for funding from the Americas Account are those related to child health-activities, the environment, primary and secondary education and alternative crop development.

The conference substitute (sec. 818) merges the following elements of the Senate amendment with the House bill: the name Americas Fund replaces the Environment Fund; the General Accounting office is to have access to the books and records of the Administering Bodies, the list of activities that may be funded out of the Americas Account is expanded to include child survival and development, which includes health care and basic education activities; and the list of eligible grant recipients is altered to include nongovernmental child survival and child development organizations of the beneficiary country. By using the terms "child survival" and "child development" it is the intention of the committee of conference that funding be permitted for development programs which are directly related to children, rather than those with broader development objectives.

ENTERPRISE FOR THE AMERICAS BOARD

The House bill (secs. 5409) establishes the responsibilities of the Environment for the Americas Board with respect to foreign assistance debt reduction. The Board is to be composed of eleven members appointed by the President (6 representatives of U.S Government agencies and 5 representatives of non-governmental organizations) and chaired by a representative from a U.S. Government agency. The responsibilities of the Board, which are advisory, review and non-management in nature, are outlined in the House bill. An annual report on the EAI shall be submitted to Congress pursuant to section 614 of the Agricultural Trade Development and Assistance Act of 1954, to which members of the Board may submit supplemental views. The 11-member Board represents a two member increase over the Board as outlined in the Agricultural Trade Development and Assistance Act of 1954 and is intended to accommodate the appointment of a representative from U.S. Department of Agriculture as well as another representative from the NGO community.

The Senate amendment (sec. 791) provides for an annual report to be sent to the Speaker of the House and the Chairman of the Committee on Foreign Relations of the Senate. That report includes a description of debt reduction, debt swaps, Americas Agreements, local grants, trade negotiations and a progress report on the International University for the Americas. The Senate amendment contains no comparable provision with respect to the Board.

The conference substitute (sec. 819) is similar to the House bill but changes the name of the Board to the Enterprise for the Americas Board to reflect its broadened mandate, specifies that the fifth NGO representative shall be a recognized expert in child survival and development matters, adds child survival and child development leaders in the beneficiary country and in the region to the list of those who are to be consulted by the Board in ensuring that a suitable administering body is identified in the beneficiary country, and includes a limited version of the report required by the Senate amendment. It is the view of the committee of conference that the NGO representative from the child survival community should recuse himself from consideration of issues before the Board that are strictly related to Public Law 480 debt reduction.

CONFORMING AMENDMENTS RELATING TO THE ENTERPRISE FOR THE AMERICAS BOARD

The House bill (sec. 502) amends the Agricultural Trade Development and Assistance Act of 1954 by expanding the Environment for the Americas Board from nine to eleven members.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 819(c)) is similar to the House bill, but adds a technical amendment to the Agricultural Trade Development and Assistance Act of 1954 which changes the name of the Environment for the Americas Board to the Enterprise for the Americas Board and modifies section 610(b)(1)(B) of the Agricultural Trade Development and Assistance Act of 1954 to include child survival and child development organizations to the organizations that will be drawn from in composing the Board.

INTERNATIONAL UNIVERSITY OF THE AMERICAS

The Senate amendment (sec. 784) authorizes $500,000 for site location and design activities by the Secretary of State leading to the establishment of an institution of higher learning to be known as the International University of the Americas.

The House bill contains no comparable provision.

The conference substitute (sec. 820) is similar to the Senate amendment.

TITLE IX—ASIA AND PACIFIC

MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

The House bill (secs. 5201–5207) authorizes $1 billion for the Multilateral Assistance Initiative for the Philippines over a five year period.

The Senate amendment (secs. 601–607) contains a similar provision.

The conference substitute (sec. 908) creates a new chapter 4 in part I of the Foreign Assistance Act which combines the provisions of the House bill and the Senate amendment.

The committee of conference notes that because a foreign aid authorization for fiscal year 1990 and 1991 was not enacted, the legislation authorizing the Multilateral Assistance Initiative (MAI) for the Philippines has never been signed into law. The committee of conference believes the passage of the MAI legislation is important, not only because it authorizes the full $1 billion requested by the executive branch for this burdensharing initiative, but also because it contains several reporting requirements that will enable the Congress to better assess the merits of this program in the future.

The committee of conference emphasizes that the basic concept behind the MAI is that of a quid pro quo. The willingness of the United States and other donors to provide a significant increase in resources to the Philippines will continue to be contingent on the demonstration by the Government of the Philippines of its willingness and ability to enact fundamental economic reforms.

The committee of conference notes that the funding for the MAI was not included in the compensation package associated with the base agreement, and, therefore, should not be effected by the outcome of the current debate in the Philippines on the bases treaty.

ASSISTANCE FOR PAKISTAN AND INDIA

The House bill (sec. 5504) contains statements of policy regarding relations with Pakistan; reaffirms the 1959 agreement with Pakistan relating to aggression from a Communist or Communist-dominated state; states the U.S. intention that defense articles provided should be used solely for defensive purposes; authorizes the President to waive restrictions on assistance to Pakistan upon a certification that to do so is in the national interest of the United States, except that no waiver may be issued until a certification regarding Pakistan's possession of a nuclear explosive device is in effect, pursuant to section 620E(e) of the Foreign Assistance Act (the "Pressler amendment"); restates the provisions of the Pressler amendment; limits the provision of assistance in fiscal years 1992 and 1993, in those cases where a Pressler certification is made no later than the last day of the preceding fiscal year; and allows for a reprogramming of funds of a subsequent appropriation for Pakistan in those cases where Pakistan receives a Pressler certification later than the last of the proceeding year.

The House bill further (sec. 5505) prohibits assistance and military sales or transfers to India unless the President has certified that India has not developed any additional nuclear explosive devices after September 30, 1991, and that the proposed U.S. assistance will reduce significantly the risk that India will develop such devices.

The Senate amendment (secs. 519 and 611) contains statements of policy about the need for regional non-proliferation regimes; requires an annual presidential report describing efforts to establish regional nuclear nonproliferation regimes, as well as evidence that any nation has engaged in certain specified nuclear activities; permits Public Law 480 food assistance to Pakistan until April 1, 1993 even if Pakistan fails to receive a Pressler certification, but only if the President determines that to do so is in the U.S. national interest and would advance U.S. nonproliferation objectives; and authorizes the President to waive restrictions contained in section 620E(d) of the Foreign Assistance Act until April 1, 1993, if he determines that to do so is in the national interest of the United States.

The conference substitute (secs. 1404 and 925) reflects the Senate amendment with three exceptions. First, new sec. 1404 contains a revised statement of policy regarding U.S. assistance to Pakistan and the desirability of a South Asian regional nuclear non-proliferation policy (replacing the statements of policy in section 519 of the Senate amendment). Secondly, new section 925 amends section 620E of the Foreign Assistance Act to authorize the President to waive the restrictions contained in section 620E(d) of the Foreign Assistance Act until April 1, 1993, if he determines that to do so is in the national interest of the United States, and if Pakistan has received a Pressler certification. Finally, the waiver requirement for Public Law 480 food assistance contained in section 519 of the Senate amendment is deleted.

RESTRICTIONS ON ASSISTANCE AND TRADE WITH BURMA

The House bill (sec. 901) requires the President to take into consideration four factors relating to human rights and narcotics control efforts in Burma in determining whether Burma will receive any foreign assistance in 1992 and 1993 and urges the President to impose sanctions against Burma pursuant to section 138 of the Customs and Trade Act of 1991 (104 Stat. 653). Section 138 authorizes economic sanctions against Burma if the Government of Burma does not meet specified human rights and narcotics control conditions.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 901(a)-(c)) is similar to the House bill, but modifies the statement of policy on sanctions by welcoming the executive branch's announcement that, pursuant to the sanctions provision of the Customs and Trade Act, it will not renew its bilateral textile agreement with Burma. The conference substitute also urges the President to impose additional economic sanctions against Burma pursuant to the Customs and Trade Act.

The committee of conference expresses deep concern about the human rights situation in Burma. While the committee welcomes the President's decision not to renew the textile agreement with Burma, section 138 of the Customs and Trade Act provides authority for the President to impose sanctions on other products which constitute major imports from Burma, such as fish, tropical timber, and aquatic animals. The committee of conference would welcome a presidential decision to impose such additional sanctions.

ASSISTANCE FOR DISPLACED BURMESE AND TO SUPPORT DEMOCRATIC PLURALISM

The House bill (sec. 909) provides $1 million in assistance authorized by this Act for humanitarian assistance for displaced Burmese nationals in Thailand and Burma, to be administered by the Department of State's Bureau of Refugee Programs.

The Senate amendment (sec. 609) authorizes the use of funds authorized under this act, notwithstanding any other provision of law, for training and education assistance for displaced Burmese who are outside of Burma, and for activities which support democratic pluralism in Burma. In addition to making available for such uses funds authorized for fiscal years 1992 and 1993, the Senate amendment provides authority to use other funds made available in prior foreign assistance appropriation acts which were allocated for development assistance or ESF for Burma.

The conference substitute (sec. 910(d)) is similar to the Senate amendment, but includes a provision authorizing up to $1 million in development assistance in each of the fiscal years 1992 and 1993 for education and training of displaced Burmese and for activities which support democratic pluralism in Burma.

In addition to supporting AID efforts to provide such assistance overseas, the committee of conference would support AID efforts to develop, in conjunction with other appropriate agencies such as USIA, programs that would enable displaced Burmese to study in the United States and thereby enhance their long-term ability to assist in the economic, social, and political development of Burma when conditions in the country permit their return. In addition, the committee of conference expects that the Refugee Bureau of the Department of State will provide generous support for humanitarian assistance to displaced Burmese on both sides of the border between Thailand and Burma.

ASSISTANCE FOR CAMBODIA

The House bill (sec. 902) expresses the sense of Congress regarding negotiations for a Cambodian settlement and the obligations of the United States under the Genocide Convention; authorizes for each of the fiscal years 1992 and 1993 not more than $20 million in development assistance and ESF for humanitarian and development assistance for Cambodians along the Thai-Cambodian border and throughout Cambodia, notwithstanding any other provision of law; defines the term humanitarian assistance for purposes of the section; sets limitations on the mode of delivery of assistance both for Cambodians on the Thai-Cambodian border and within areas controlled by the Phnom Penh regime; repeats the existing statutory prohibition against any U.S. assistance which would enhance the combat capacity of the Khmer Rouge; authorizes for each of the fiscal years 1992 and 1993 not less than $5 million of funds made available under the Foreign Assistance Act for humanitarian assistance to children and war victims in Cambodia, with a limitation on the mode of delivery; authorizes such funds as may be necessary from DA and ESF for each of the fiscal years 1992 and 1993 to provide for the nonmilitary training of noncommunist Cambodians who are outside of Cambodia in appropriate skills that would be used by them upon returning to Cambodia in the context of an internationally acceptable political settlement in that country; authorizes such funds as may be necessary from DA and ESF for each of the fiscal years 1992 and 1993 for contributions and programs by the United States as part of an international program of relief and reconstruction in Cambodia in the context of an internationally acceptable political settlement in that country; and clarifies certain authorities granted.

The Senate amendment (sec. 608) authorizes, from funds made available for fiscal years 1992 and 1993 for DA and ESF: (1) not more than $5 million in each fiscal year for humanitarian and development assistance for civilian members of the Cambodian noncommunist resistance; and (2) not more than $15 million in each fiscal year for humanitarian and development assistance for other civilians within Cambodia; makes clarifications concerning the applicability of existing law; requires that the President terminate assistance under this section to any Cambodian organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations; requires that, to the maximum extent possible, all funds made available under this section be administered directly by the AID Administrator; requires that the Administrator contract with a private-sector employee to establish an office in Phnom Penh to oversee program activities and thereby ensure accountability for funds expended inside Cambodia; requires that the AID Administrator conduct an on-site assessment within Cambodia to determine the requirements for the development of infrastructure and for the eradication of explosive mines; requires that, not later than February 1, 1992, the President shall report to the Congress concerning military cooperation between the Khmer Rouge and individuals or units of the noncommunist resistance, and human rights abuses by the Khmer Rouge; authorizes for each of the fiscal years 1992 and 1993 not less than $5 million of funds made available under the Foreign Assistance Act for humanitarian assistance to children and war victims in Cambodia, with a limitation on the mode of delivery; and contains certain definitions.

The conference substitute (sec. 902) expresses the sense of Congress affirming the United States position regarding the crime of genocide and calling upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide in Cambodia; notwithstanding any other provision of law, authorizes not more than $20 million from DA and ESF in each of the fiscal year 1992 and 1993 which shall be made available predominately through international relief agencies and United States PVOs for humanitarian and development assistance exclusively for Cambodian civilians and in accordance with the priority needs identified by AID's "Report to Congress on Cambodia's Humanitarian and Development Assistance Priorities" (transmitted pursuant to Public Law 101-513); and provides that in the event of a settlement of the Cambodian conflict acceptable to the United States, the President may make additional funds available in accordance with the reprogramming procedures contained in section 634A of the Foreign Assistance Act and consistent with the purposes of this section.

The conference substitute further defines the term humanitarian assistance for purposes of the section; makes a statement concerning the applicability of existing law; requires that the President terminate assistance under this section to any Cambodian organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations; requires the on-site assessment concerning Cambodia's infrastructure and mine-clearing needs contained in the Senate amendment but provides that it may be conducted on a multilateral basis in cooperation with the United Nations; requires the report concerning military cooperation with the Khmer Rouge contained in the Senate amendment; authorizes humanitarian assistance to children and war victims contained in the House bill, except that the amount authorized is limited to not more than $5 million; authorizes assistance for the nonmilitary training of Cambodians contained in the House bill, except that the skills transferred should be in direct support of an internationally acceptable political settlement in that country; and clarifies authorities granted.

The committee of conference welcomes the substantial progress that has been made toward an international settlement of the Cambodian conflict. It expresses the hope that the settlement will facilitate Cambodia's independence and democratic development, based on the principles of self-determination, will foster the rebuilding of the country's economic and social life, and will prevent the return to power by the Khmer Rouge.

It is the intent of committee conference that the obligation of the United States to prevent and punish genocide in Cambodia applies both prospectively and retrospectively, to include the period of Khmer Rouge rule from April 1975 to January 1979, during which an estimated one to two million Cambodians lost their lives under Pol Pot's barbaric rule and several national, ethnic, racial, and religious groups were targeted for physical destruction.

It is the intent of the committee of conference that the allocation of funds within the program authorized in sec. 901(b) be used to address the legitimate and compelling humanitarian needs of innocent civilians within Cambodia where, according to the executive branch's own assessment, "there are vast unmet assistance needs." The committee conference is additionally concerned that, as severe flooding and warfare during the 1991 rainy season have exacerbated internal problems, the U.S. assistance program be redirected to assist the economic and social problems of the 6.9 million Cambodians residing inside Cambodia.

It is the intent of the committee of conference that in providing humanitarian and development assistance to Cambodia, the executive branch ensure strict accountability. To that end, it urges that, to the maximum extent possible, all funds made available under this section be administered directly by the Administrator of AID. The committee of conference is aware of the difficulty of overseeing a program in an area in which the United States does not have direct representation and urges the Administrator to contract with a private-sector entity to establish an office in Phnom Penh to oversee program activities in the event that direct representation is not established by the United States.

In the event that an international settlement of the Cambodian conflict does not occur, or if it cannot be implemented, the committee of conference intends that the executive branch will consult closely with the appropriate committees of Congress prior to making any changes in the purposes and delivery of assistance, in order to determine what modifications of U.S. policy and programs may be necessary. The committee of conference recognizes that, in the event a settlement does not occur, emergency humanitarian assistance to Cambodian civilians who might otherwise be deprived of such basic necessities of life as food, clothing, and medicine may be necessary.

PROHIBITION ON MILITARY ASSISTANCE TO FIJI

The House bill (sec. 903) prohibits IMET and FMF assistance to Fiji for fiscal years 1992 and 1993 unless the President certifies that Fiji has held elections in which there has been broad participation by all communities in Fiji.

The Senate amendment had no comparable provision.

The conference substitute (sec. 904) is identical to the House bill

The committee of conference is concerned that the mere holding of elections pursuant to a constitution that has been promulgated without being put to a referendum will not necessarily result in the restoration of democratic government in Fiji. Indeed, many opposition leaders have called for a boycott of the elections, on the grounds that the new constitution relegates the ethnic Indian community, which comprises approximately half of the population, to a permanent position of political inferiority. Therefore, the committee of conference believes that the standard for the resumption of U.S. military assistance to Fiji should not be the holding of elections, but rather, the holding of elections in which there has been broad participation by all communities in Fiji.

MALAYSIA

The House bill (sec. 904) express the deep concern of the Congress about the policy and practice of denial of first asylum to Indochinese asylum-seekers in Malaysia, and urges the Malaysian Government to bring its practices into conformity with international humanitarian standards.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 906) is similar to the House provision. The committee of conference is extremely concerned by the Malaysian Government's continued practice of denying first asylum. The committee of conference notes that, in June 1989, the governments of 29 countries affirmed the principle of granting temporary asylum to asylum-seekers in the "Comprehensive Plan of Action for Indochinese Refugees," and that the Government of Malaysia chaired the international conference at which the Plan was adopted. The committee of conference also notes that the Government of Malaysia has traditionally maintained humane policies toward Indochinese asylum-seekers, permitting hundreds of thousands temporary refuge over the past 16 years. The committee of conference strongly urges the Malaysian authorities to reestablish first asylum in Malaysia. Finally, the committee of conference notes that the actions of the Malaysian Government have imposed considerable burdens on Indonesia, which has maintained the policy of first asylum and has received the majority of Indochinese asylum-seekers denied refuge in Malaysia. The committee of conference expresses its readiness to support humanitarian assistance to Indonesia to help that government meet the increased burden imposed as result of Malaysian actions.

SOUTH PACIFIC REGIONAL PROGRAM

The House bill (sec. 905) earmarks an additional $10 million in each of the fiscal years 1992 and 1993 above the levels requested by the executive branch in DA, ESF or disaster relief funds for the South Pacific Regional Program. Of this amount, $2 million shall be used for a scholarship program.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 909) references section 532 of the Foreign Assistance Act, as amended by the conference substitute, which establishes a $10 million line item authorization in the ESF account for the South Pacific Regional Program. Of this amount, $2 million is authorized to be used solely for scholarships.

It is the intent of the committee of conference that these funds be in addition to the $19.25 million in DA and ESF that the executive branch requested in its congressional presentation materials for fiscal year 1992.

TAIWAN'S CONTRIBUTIONS TO OPERATIONS DESERT SHIELD/DESERT STORM

The House bill (sec. 906) commends Taiwan for sharing in the international responsibilities associated with Operations Desert Shield and Desert Storm and calls on the President to accept future contributions from Taiwan for similar multilateral operations regardless of the position of the People's Republic of China.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

SUPPORT OF HUMANITARIAN PROJECTS IN LAOS

The House bill (sec. 907) expresses the sense of Congress that the United States should give the highest national priority to accounting as fully as possible for Americans still missing in Southeast Asia, and that the President should provide up to $200,000 in each of the fiscal years 1992 and 1993 for support of humanitarian projects in Laos associated with joint U.S.-Laotian cooperative efforts to resolve questions concerning Vietnam era prisoners of war or those missing in action.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 905) is identical to the House bill.

ADMISSION OF ASIAN COUNTRIES INTO THE OECD

The House bill (sec. 908) expresses the sense of Congress that the President should encourage the OECD to consider for membership the Governments of the Republic of Korea, Taiwan, Hong Kong, and Singapore.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 911) is identical to the House bill.

The committee of conference notes that the Republic of Korea, Taiwan, Hong Kong and Singapore all have gross national products at per capita levels that exceed those of some of the less developed members of the OECD. Therefore, these Asian countries and territories have a substantial interest in furthering the health of the world economy and should assume a more prominent role in managing regional and global economic affairs. Furthermore, the committee of conference believes that the ideals of the OECD, namely liberalized trade and investment flows, assistance to developing countries, and better coordination of national economic policies, are goals that should be strongly embraced and promoted by the newly industrialized countries and territories in Asia.

ARMS TRANSFERS BY THE PRC TO CERTAIN COUNTRIES

The House bill (sec. 910) prohibits arms sales to the People's Republic of China if the President determines that the PRC was engaged in specified types of proliferation concerning ballistic missiles, advanced fighter aircraft, chemical weapons, or nuclear weapons.

The Senate had no comparable positions.

The conference substitute (sec. 903) is essentially the same as the House bill.

SUPPORT OF TAIWAN'S MEMBERSHIP IN GATT

The Senate amendment (sec. 607A) expresses the sense of Congress that the United States should fully support Taiwan's accession to the General Administration on Tariffs and Trade.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

ECONOMIC COOPERATION WITH JAPAN

The House bill (sec. 912) expresses the sense of Congress that the Secretary of State should initiate discussions with the Government of Japan to increase scientific research, medical technology, infrastructure development, agriculture, telecommunications, environmental protection and other areas beneficial to the United States and Japan as well as other nations in order to improve the quality of life worldwide and foster cooperation between the United States and Japan.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. However, the committee of conference believes that cooperation between the United States and Japan in the areas of scientific research, medical technology, infrastructure development, agriculture, telecommunications, environmental protection can make a substantial contribution to global development, particularly for poor countries, and therefore encourages such participation.

MEMBERSHIP OF THE REPUBLIC OF KOREA IN THE UNITED NATIONS

The House bill (sec. 913) expresses the sense of Congress that the President should actively support the application of the Republic of Korea for admission as a member of the United Nations.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position in view of the fact that the Republic of Korea has recently been admitted to the United Nations.

ALLEGATIONS OF COERCIVE ABORTION IN CHINA

The House bill (sec. 914) expresses the sense of Congress that the People's Republic of China should be subject to export controls or other economic sanctions until the President certifies that China is not engaged in coercive abortions or involuntary sterilization.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

OPIC OPERATIONS IN LAOS

The House bill (sec. 915) prohibits any programs by the Overseas Private Investment Corporation in Laos until the President determines and reports to the Congress that the government of Laos has taken legal and law enforcement measures to prevent and punish public corruption, especially by government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The committee of conference reaffirms that, in accordance with the provisions of the conference substitute, U.S. assistance (including OPIC programs) to Laos and other foreign countries shall be contingent on the compliance with the goals and objectives of the 1998 U.N. Convention Against Illicit Traffic in Narcotics Drugs and Psychotropic Substances of the governments concerned, including preventing and punishing narcotics-related corruption, having taken legal and law enforcement measures to prevent and punish public corruption, especially by government officials, that facilitates the production, processing or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

ASSISTANCE FOR MONGOLIA

The Senate amendment (sec. 610) expresses the sense of Congress that additional assistance should be provided for Mongolia.

The House bill contains no comparable provision.

The conference substitute (sec. 907) is identical to the Senate provision.

ASSISTANCE FOR AFGHANISTAN

The House bill (sec. 921) authorizes the President, notwithstanding any other provision of law, to make available development assistance and ESF for provision of humanitarian assistance to the Afghan people, for the development and implementation of reconstruction efforts, and for the establishment of a broad-based, freely elected government. The House bill (sec. 922) also urges the United Nations, the United States and the Soviet Union, and parties to the Afghan conflict to take a series of actions to facilitate location and removal of land mines and to protect civilians from the effects of mines. Finally, the House bill (sec. 923) welcomes the executive branch's commitment to a U.S.-Soviet mutual termination of arms supplies to Afghanistan, and urges the Soviet Union to accept such a termination.

The Senate amendment (sec. 612) which amends sec. 904 of the International Security and Development Cooperation Act of 1985, is very similar to section 921 of the House bill.

The conference substitute (sec. 921) is identical to the Senate amendment.

U.S. SUPPORT FOR DEMOCRACY AND DEVELOPMENT IN BANGLADESH

The House bill (sec. 924) congratulates the people of Bangladesh on the successful transition to a freely and democratically elected government, welcomes the new government's commitment to democratic government and an economic adjustment program being implemented in conjunction with the International Monetary Fund, and urges the President to take action to provide to Bangladesh, at the earliest opportunity, P.L. 480 debt relief under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 922) is similar to the House bill.

The committee of conference reiterates its support for Public Law 480 debt relief for Bangladesh and urges the President to act on this issue. Bangladesh is a longtime ally of the United States, endorsed U.N. sanctions against Iraq and sent troops to help defend Saudi Arabia during the Gulf Crisis. Bangladesh's level of income and its commitment to economic reform meet the requirements for debt relief under section 411 of the Agricultural Trade Development Assistance Act of 1954, as amended by Public Law 101-624. In the absence of Public Law 480 debt relief, Bangladesh will ultimately risk being forced to make substantial debt payments that it had not anticipated.

NEPAL

The House bill (sec. 925) contains a provision allocating $10 million in additional assistance to Nepal for fiscal year 1992, above the amount requested for Nepal 1992 in the fiscal year congressional presentation materials, if a democratically elected government assumes office in Napal pursuant to free and fair elections.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 924) welcomes the establishment of a democratically elected government in Nepal, recognizes that broad-based economic growth and development in Nepal will facilitate the strengthening of democratic political institutions, and declares the readiness of Congress to support economic development efforts in Nepal. The conference substitute (sec. 123) also authorizes $10 million in ESF to Nepal in each of the fiscal years 1992 and 1993, which is to be in addition to development assistance projected for Nepal for these fiscal years. The committee of conference expects that the major portion of this additional funding will also be used to support development-related activities in Nepal.

PROMOTION OF HUMAN RIGHTS IN SRI LANKA

The House bill (sec. 926) expresses deep concern about systematic abuses of human rights in Sri Lanka, welcomes statements by Sri Lankan government officials indicating that they recognize the serious nature of these problems and the importance of bringing an end to abuses, and welcomes official actions that, if fully and vigorously implemented, could seriously address important human rights concerns. The House bill also condemns abuses of humanitarian law by militants operating in Sri Lanka. Finally, the House bill directs the President, in determining whether to furnish foreign assistance or make defense articles or services available to Sri Lanka, to take into account whether the Government has taken a series of actions to improve the human rights situation and urges the President to encourage and assist the Government of Ski Lanka to provide effective human rights education and training within.

The Senate amendment (sec. 613) is virtually identical to the House bill.

The conference substitute (sec. 926) is similar to both the House and Senate provisions.

HUMAN RIGHTS IN INDIA

The House bill contains three provisions (secs. 927, 928, and 929) on human rights relating to India. The House bill (sec. 927) expresses the concern of the Congress about reports of human rights viloations in India and declares that it shall be U.S. policy to urge the Government of India to permit unrestricted access for international human rights organizations, to undertake a process of political dialogue with representatives of a broad spectrum of the Kashmiri community, leading to restoration of local elections in Kashmir, and to make significant progress in curbing human rights abuses. The House bill also directs the President to attempt to ensure that the International Military Education and Training Program for India instills program participants with an enhanced understanding and appreciation of internationally recognized human rights and humanitarian standards.

The House bill (sec. 928) also expresses deep congressional concern about human rights abuses in India, and contains a statement of policy recommending a series of steps the Indian government should take to curb abuses. The provision also condemns gross abuses by militants in Kashmir and Punjab, and urges militant groups to cease the use of force to achieve political objectives.

Finally, the House bill (sec. 929) expresses congressional concern about the human rights situation in Kashmir, and urges the Government of India to take a series of actions to protect human rights and meet the grievances of the people of Kashmir. The provision also condemns acts of terror by militants in Kashmir, and urges them to cease the use of force to achieve political objectives.

The Senate amendment contains no comparable provisions.

The conference substitute (sec. 923) is similar to section 928 of the House bill and also incorporates elements of sec. 927.

The committee of conference notes that all three House provisions were added as floor amendments and that most of the concerns expressed in sections 927 and 929 of the House bill are also contained in section 928. The committee of conference also notes that the conference substitute retains what appears to be the most important human rights recommendations that have been made by respected international human rights monitoring groups.

The conference substitute did not retain the House provision relating to IMET for India. The committee of conference believes it is very important to use IMET to promote respect for human rights in India and elsewhere and notes that section 543(3) of the Foreign Assistance Act contains a generic provision directing that the IMET program be used to increase participant awareness of basic issues involving internationally recognized human rights.

INDUSTRIAL COOPERATION PROJECTS IN CHINA AND TIBET

The House bill (secs. 941-945) expresses the sense of Congress concerning principles to which U.S. industrial cooperation projects (ICP) China and Tibet (ICP) should adhere; requires such ICPs to register with the Secretary of State and indicate whether they intend to implement such principles; requires U.S. nationals conducting ICPs to report annually to the Department of State describing their adherence to such principles; requires the Secretary of State to review such reports and report on them to the Congress and the OECD; forbids departments and agencies of the U.S. Government from interceding with a foreign government or foreign national regarding export marketing activities in the PRC or Tibet on behalf of U.S. nationals conducting ICPs which do not adhere to the principles; and sets forth certain definitions.

The Senate amendment (secs. 1501-1505) contains a similar provision, except that it omits the prohibition concerning export marketing activities and includes a requirement that the president report annually concerning enforcement, with respect to China, of current law concerning the export to the United States of products produced by convict labor under penal servitude.

The conference substitutes (secs. 941-945) includes a revised statement of the sense of Congress concerning principles to which U.S. economic cooperation projects (ECP) in China and Tibet should adhere; retains the registration requirement; maintains reporting requirements and authorizes the Secretary of State to enter into contracts with private organizations or individuals to assist in implementing this section; states a revised set of definitions; and retains the reporting requirement in the Senate amendment concerning Chinese export to the United States of products produced by convict labor under penal servitude.

JAPAN'S DEFENSE OF AIR SPACE AND SEA LANES

The House bill (sec. 946) expresses the sense of Congress concerning Japan's acquisition of airborne-early-warning and command-and-control capabilities.

The Senate contains no comparable provision.

The conference substitute is the same as the Senate position.

TITLE X—AFRICA

DEVELOPMENT FUND FOR AFRICA

The House bill (sec. 1501) restates chapter 10 of part 1 of the Foreign Assistance Act establishing the Development Fund for Africa (DFA). The House bill amends current law as follows:

(a) designates Acquired Immune Deficiency Syndrome (AIDS) prevention as a critical sector priority;

(b) establishes a target of 5 percent of amounts appropriated for the DFA for AIDS prevention activities; and

(c) provides that target levels of assistance for natural resources, health, AIDS prevention, and populations activities are to be based on amounts appropriated instead of amounts authorized.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 1001(a) and (b)) incorporates into the Foreign Assistance

Act the amendments contained in the House bill.

SUPPORT FOR SOUTHERN AFRICA DEVELOPMENT COORDINATION CONFERENCE PROJECTS

The House bill (sec. 5102) restates section 496(o) of the Foreign Assistance Act which provides authority to assist sector projects by the Southern Africa Development Coordination (SADCC). The House bill also describes the sectors for which assistance may be provided.

The Senate amendment contains no comparable provision, retaining current law.

The conference substitute (sec. 1001(c)) amends current law to add communications to the list of sectors which may be assisted.

AUTHORIZATION FOR THE DFA

The House bill (sec. 5103(a)) authorizes $1 billion for fiscal year 1992 and $1.2 billion for fiscal year 1993 for the DFA.

The Senate amendment (sec. 681) authorizes of $800 million for each of the fiscal years 1992 and 1993.

The conference substitute (sec. 1001(d)) amends section 497 of the Foreign Assistance Act to authorize $1 billion for each of the fiscal years 1992 and 1993

SOUTH AFRICA

The House bill (sec. 5503(a)) contains a revised version of the authority formerly contained in section 116(e)(2) of the Foreign Assistance Act regarding the South Africa human rights fund. The House bill authorizes $1.5 million of the amount made available to carry out section 119 of the Foreign Assistance Act, the human rights and democratic initiatives program, to be used for grants to NGOs in South Africa promoting political, economic, social, juridical, and humanitarian efforts to foster a just society and to help victims of apartheid.

The Senate contains no comparable provision.

The conference substitute (sec. 1047) adds a new section 287 to the Foreign Assistance Act which reflects the House position.

ASSISTANCE FOR DISADVANTAGED SOUTH AFRICANS

The House bill (sec. 5503(b)) is a revision of the authority contained in section 535 of the Foreign Assistance Act. The House bill requires that up to $40 million dollars of the funds made available for ESF, the DFA, and development assistance shall be available to support activities consistent with the objective of ending apartheid. Assistance may not be provided to institutions financed or controlled by the South African Government and priority in granting assistance is to be given to working with South African NGOs.

The Senate amendment (sec. 106) urges that funds provided for education activities be used for study within South Africa and that greater emphasis should be placed on improving primary and secondary education.

In addition, the Senate amendment (sec. 2002) provides that funds authorized to be appropriated for the DFA that are allocated for programs to assist disadvantaged South Africans and are in excess of amounts allocated for such purposes for fiscal year 1991, may be used in the health, education, and housing sectors, with assistance through the Government of South Africa available only subject to a Presidential determination and in consultation with Congress.

The conference substitute (sec. 1047) adds a new section 288 to the Foreign Assistance Act which combines the House and Senate provisions. The conference substitute removes the $40 million cap on assistance while retaining provisions on the type of activities to be supported and the limitation on assistance to organization financed or cotrolled by the South African Government.

The conference substitute also incorporates the Senate provision on the use of funds for assistance to the education sector. Further, the conference substitute incorporates the Senate provision relating to the use of funds in excess of the amounts allocated for fiscal year 1991. This figure is set at $40 million in the conference substitute, which is the amount the exceutive branch has advised the committee of conference will be allocated for fiscal year 1991.

The committee of conference expects that increased assistance under the new guidelines will continue to be utilized to build the institutional capacity of disadvantaged South Africans. It is further expected that this effort will be reflected in higher levels of assistance to traditional black institutions in which disadvantaged South Africans are included in the leadership and management.

The committee of conference notes that approximately half of the money authorized and appropriated by Congress for South African education is spent on scholarships for study in the United States. Recognizing that it is an important time of transition in South Africa, the committee of conference believes that U.S.-sponsored education programs should emphasize building and strengthening South Africa institutions that will be an important part of a new post-apartheid South Africa, including the traditional black universities. Several black universities, including the University of the Western Cape, the University of the North, the University of Fort Hare, and the University of Durban-Westville, are undertaking a significant role in this sector. The committee of conference recommends that AID support the expansion of programs aimed at strengthening these universities with a special emphasis on expanding the areas of faculty skills, research capacities, and student resources in order to contend with the disparity that exist within the educational systems in South Africa. Another necessary step will be increasing U.S. support for primary and secondary education for disadvantaged South Africans. While recommending the shift in emphasis in U.S. education assistance programs in South Africa contained in section 1047 of the conference substitute, the committee of conference recognizes that in appropriate circumstances, the United States should also support overseas study programs for South Africans.

The committee of conference also strongly encourages AID to allocate funds in each of fiscal years 1992 and 1993 to provide assistance for the development, construction, and financing of low-cost housing in South Africa. It is expected that assistance to the housing sector will not reinforce apartheid patterns of housing segregation.

AFRICAN DEVELOPMENT FOUNDATION

The House bill (sec. 1001) expresses the sense of Congress that the purposes of the African Development Foundation (ADF) are consistent with the purposes expressed in the DFA and amends section 510 of the African Development Foundation Act to authorize $14.95 million for the ADF for each of the fiscal years 1992 and 1993.

The Senate amendment (sec. 683) contains a similar provision.

The conference substitute (sec. 1021) is identical to the House bill.

SUPPORT FOR SADCC SECTOR PROJECTS

The House bill (sec. 1002) provides that funds made available from the DFA for assistance to SADCC shall be used to assist sector projects as specified in section 5102 of the House bill. This section also waives the application of section 620(q) of the Foreign Assistance Act or similar provisions commonly referred to as "Brooke-Alexander" amendments, which prohibit assistance to a country which has defaulted in payment of loans made available under the Foreign Assistance Act. The House bill also urges the President to use diplomatic means, including multilateral negotiations and cooperation with international organizations, to protect the security of SADCC projects from external attacks and urges the Government of South Africa to respect the territorial integrity of the states in the southern African region.

The Senate amendment (sec. 682) expresses the sense of Congress that up to $75 million of the funds made available for the DFA should be used to assist SADCC sector projects.

The conference substitute (sec. 1022) provides that $60 million should be used in fiscal year 1992 and $75 million should be used in fiscal year 1993 for SADCC sector projects and provides a "Brooke-Alexander" waiver.

ECONOMIC SUPPORT ASSISTANCE FOR SUB-SAHARAN AFRICA

The House bill (sec. 1003) earmarks $28.3 million in ESF for each of the fiscal years 1992 and 1993 for sub-Saharan Africa.

The Senate amendment contains on comparable provision

The conference substitute (sec. 1023) eliminates the earmark and states that at least $28.3 million in ESF should be made available for each of fiscal years 1992 and 1993 for sub-Saharan Africa.

SUPPORT FOR DEMOCRATIZATION IN SUB-SAHARAN AFRICA

The House bill (sec. 1004) welcomes the commitment of several governments in sub-Saharan Africa to move toward democracy and urges the President to increase substantially assistance designed to promote the growth and development of democratic institutions in Africa. The House bill contains examples of the kinds of programs and activities that should be supported.

The Senate amendment (sec. 688) amends the Foreign Assistance Act by adding a new section 538 which authorizes the President to furnish assistance to support judicial reform and strengthen judicial institutions in Africa. The Senate amendment describes the specific programs and activities that should be supported.

The conference substitute (sec. 1024) reflects the fact that section 119 of the conference substitute creates a worldwide authority to conduct programs and activities to promote the growth and development of democratic institutions, including independent judiciaries, and encourages the President to increase substantially assistance under that authority to countries in sub-Saharan Africa.

The committee of conference notes that AID has allocated $10 million for fiscal year 1992 to carry out such programs in sub-Saharan Africa and urges that at least that amount be spent to: (1) strengthen the civilian institutions necessary for the growth and development of democracy such as free and independent media, independent electoral commissions and electoral monitoring organizations, human rights organizations, and other NGOs that critically assess government policies and promote citizen participation in democratic processes; (2) support the growth and development of democratic political parties and organizations, including by providing them with infrastructure support; (3) improve the capabilities of newly elected legislatures and support the constitutional, legal code, and electoral code revision process; (4) support judicial and legal reform, and strengthen the independence and effectiveness of judicial institutions in sub-Saharan Africa; and (5) support educational programs and exchanges designed to foster understanding and respect for democratic values.

As is the case when implementing programs and activities authorized under section 119 of the conference substitute in other parts of the world, the committee of conference expects that the President will utilize those organizations with expertise in promoting democratic development and political pluralism in the implementation of these programs in sub-Saharan Africa, including NED and USIA.

AFRICAN CENTER FOR CONFLICT RESOLUTION

The House bill (sec. 1005) directs the Administrator of AID to take steps to establish an African Center for Conflict Resolution whose purpose will be to assist in resolving regional, sub-national, and national conflicts on the continent of Africa. The House bill also requires that funds made available for assistance from the DFA be used to support the establishment of the center.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1025) is the same as the House bill.

In creating the Center, advice should be sought from a wide range of organizations. In particular, the committee of conference recommends that the Administrator reach beyond traditional grantees and seek institutions and individuals with special expertise in the field of conflict resolution. The committee of conference urges the Administrator of AID to work closely with the appropriate congressional committees during the formation of the Center.

ANGOLA

The House bill (sec. 1021(a)) expresses the sense of the Congress concerning the signing of the Angola peace accords by the parties to the conflict in Angola and U.S. assistance to Angola under the Foreign Assistance Act and authorizes the use of ESF and FMF for mine clearing operations in Angola.

The Senate amendment (sec. 693) directs the President, beginning in fiscal year 1992, to provide to Angola: election and democracy building assistance; assistance for the voluntary relocation and resettlement of refugees; assistance for the demobilization and retraining of former military members of the opposition forces in Angola; emergency medical assistance focusing on the needs of children, and other appropriate assistance to implement the Angola peace accords. The Senate amendment also states that assistance is to be provided without regard to provisions of law prohibiting assistance to Angola and provides that in the event either party violates the peace accords, assistance under this Act or any other Act shall terminate. Finally, the Senate amendment defines the term "Angola peace accords" as referring to the document entitled "Fundamental Principles for the Establishment of Peace in Angola" and requires periodic reporting.

The conference substitute (sec. 1041) is similar to the Senate provision with a modification which expands recipients to include displaced persons; expands the provision of emergency medical assistance to include other humanitarian assistance; provides that violations of the peace accords must be systematic in order to trigger the termination of assistance; and provides that a systematic violation would terminate only that assistance authorized under this section.

While the conference substitute does not reflect sections 1021 (b) and (c) of the House bill, the committee of conference expresses its support for mine clearing operations as a necessary prerequisite for development in many areas of Angola. The committee of conference supports the use of funds for mine-clearing operations, if appropriate. In this instance, the committee of conference does not consider that such operations support military purposes.

UNITED STATES COMPANIES OPERATING IN ANGOLA

The Senate amendment (sec. 690) expresses the sense of the Senate that section 901(j) of the Internal Revenue Code should be amended to allow U.S. businesses in Angola a foreign tax credit for taxes paid in Angola.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

BURUNDI

The House bill (sec. 1022) sets forth certain conditions which the President is to consider in determining whether to furnish assistance under the Foreign Assistance Act to Burundi.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1042) is identical to the House bill.

ETHIOPIA

The House bill (sec. 1023) contains findings and a statement of policy concerning the collapse of the Mengistu regime in Ethiopia and efforts towards reconciliation and reconstruction in Ethiopia.

The Senate amendment (sec. 2003) authorizes the President to provide assistance to Ethiopia notwithstanding any other provision of law if he certifies that Ethiopia has made significant progress towards democratization and the provision of assistance will assist that process.

The conference substitute combines the House and Senate provisions with other provisions relating to assistance to the Horn of Africa contained in chapter 4 of title X of the conference substitute.

KENYA

The House bill (sec. 1024(a) and (b)) sets forth congressional findings concerning the friendly relations between the United States and Kenya; contains statements of U.S. policy condemning the detention of Kenyan citizens for the peaceful expression of their views and the government's disregard of human rights; and calls upon the Government of Kenya to end intimidation and harassment of those working for democracy and to provide safeguards to ensure freedom of the press, independence of the judiciary, and protection of the rights of those detained.

The Senate bill contains no comparable provision.

The conference substitute (sec. 1043(a)) is essentially the same as the House bill except that it deletes the findings and modifies the policy statments on respect for internationally recognized human rights and access by relief agencies to refugees from Somalia in Kenya.

The House bill (sec. 1024(c)) provides for the suspension of economic and military assistance (including deliveries of assistance previously obligated and sales previously made) to Kenya on the date of enactment of this Act. The House bill also provides for a presidential waiver if the President determines that the Government of Kenya is taking steps to: charge and try or release persons detained for political reasons; respect the independence of the judiciary; and respect freedom of expression.

The Senate amendment (sec. 685) is similar except that the prohibition on assistance applies to fiscal years 1992 and 1993 only.

The conference substitute (sec. 1043(b)) is similar to the Senate provision with an amendment making the prohibition on assistance applicable to economic and military assistance appropriated for fiscal years 1990, 1991, 1992, and 1993.

LIBERIA

The House bill (sec. 1025(a)) contains congressional findings concerning the impact of the civil war on the people and infrastructure in Liberia and the long and historical relationship between the United States and Liberia.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 144(a)) is identical to the House provision.

The House bill (sec. 1025(b)) states that it shall be U.S. policy to commit diplomatic resources and energies to resolving the fundamental conflicts which underlie the humanitarian emergencies in Liberia.

The Senate amendment (secs. 687(a) and (b)) contains a similar provision.

The conference substitute (sec. 1044(b)) is similar to the Senate position with a modification to change a sense of the Senate statement to sense of the Congress.

The House bill (sec. 1025(c)) provides that funds made available for international disaster assistance may be used to provide assistance for civil strife releif, rehabilitation, and general recovery in Liberia.

The Senate amendment (sec. 687(e)) adds a new section to the disaster assistance authorities in the Foreign Assistance Act which is similar to the House provision.

The conference substitute (sec. 1044(e)) creates a new section 494 of the Foreign Assistance Act which is identical to the Senate amendment.

The House bill (sec. 1025(d)) authorizes the use of unexpended economic support assistance previously obligated for Liberia to support peacekeeping efforts by the member states of the Economic Community of West African States (ECOWAS) in Liberia.

The Senate amendment (sec. 687(c)) authorizes the use of funds made available for military assistance under this Act or prior foreign assistance appropriations Acts to support peacekeeping efforts by ECOWAS.

The conference substitute (sec. 1044(d)) combines the two provisions to authorize economic support assistance and military assistance for peacekeeping efforts by ECOWAS.

The House bill (sec. 1025(e)) requires that assistance to Liberia may be provided only if the Government of Liberia has achieved substantial progress toward reconciliation among all parties to the conflict and if there is an elected government in office in Liberia. The President, in determining whether to provide assistance, shall consider whether that government is committed to respecting internationally recognized human rights.

The Senate amendment (sec. 687(f)) contains a similar provision.

The conference substitute (sec. 1044(f)) is the same as the Senate provision with a modification that the restrictions shall not apply to assistance to nongovernmental organizations for activities to enhance progress towards reconciliation and free and fair elections.

The Senate amendment (sec. 2003) authorizes the President to provide assistance to Liberia notwithstanding any other provision of law if he certifies that Liberia has made significant progress towards democratization and the provision of assistance will assist that process.

The House bill contains no comparable provision.

The conference substitute (sec. 1044(g)) is identical to the Senate provision.

MALAWI

The House bill (sec. 1026) contains congressional findings concerning the Government of Malawi's support to refugees from Mozambique and continued violations of internationally recognized human rights; contains a statement of policy that while the United States recognizes and commends the response of the Government of Malawi to the plight of refugees from Mozambique, it condemns the abuse of human rights by that government; and provides that FMF for Malawi for fiscal years 1992 and 1993 may not be provided for the Malawi Young Pioneers and may be provided only to support the Malawian military's effort to secure the Nacala railroad connecting Malawi with the Nacala Port in Mozambique and for military activities which assist the Mozambique peace process.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1045(a)) is similar to the House provision with modifications concerning the release of detainees by the Government of Malawi; striking a requirement for a periodic report on actions taken to implement this section; and adding a provision to also permit FMF for programs which support conservation and biological diversity.

MOZAMBIQUE

The House bill (sec. 1027) contains a statement of U.S. policy towards Mozambique; requires that the provision of ESF and FMF to Mozambique for fiscal years 1992 and 1993 shall bear a relation to significant steps by the Government of Mozambique to increase respect for human rights; and requires the Secretary of State to report on actions taken to implement this section.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1046(a)) is similar to the House provision with a modification to condense policy statement concerning U.S. assistance to be provided to Mozambique.

SOMALIA

The House bill (section 1028(a)) contains findings with regard to civil war and collapse of the Barre Government, with resulting refugee problems and a decline of the economical states that it shall be U.S. policy to encourage a peaceful and democratic resolution to the problems in Somalia and to commit diplomatic resources to resolving the fundamental conflicts which underlie the humanitarian emergencies in Somalia; and sets forth criteria for providing assistance to refugees under Public Law 480 for fiscal years 1992 and 1993.

The Senate amendment contains no comparable provision.

The conference substitute combines section 1028 with other provisions relating to assistance to the Horn of Africa contained in chapter 4 of title X of the conference substitute.

SOUTH AFRICA

The House bill (section 1029(a)) expresses the sense of the Congress concerning U.S. support for the elimination of apartheid and the establishment of democratic majority rule in South Africa.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1047) adds a new section 286 to the Foreign Assistance Act which is identical to the House bill.

The House bill (sec. 1029(b)) directs that funds made available under the DFA shall be used for low-income housing assistance in South Africa.

The Senate amendment (sec. 2002) authorizes assistance to the housing sector in South Africa.

The conference substitute (sec. 1047) is the same as the Senate amendment.

The House bill (sec. 1029(c)) provides that assistance for any fiscal year under the Foreign Assistance Act of 1961, including assistance with funds appropriated before the enactment of this Act, may not be delivered to the Communist Party of South Africa or any affiliated or associated organization. The President shall ensure that recipients of assistance in South Africa are not engaged in violations of human rights and have in place democratic processes for decisionmaking and selection of leaders.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1047(b)) is identical to the House bill.

SUDAN

The House bill (sec. 1030) states that it shall be U.S. policy to encourage negotiations between the Government and the Sudanese People's Liberation Army to end their conflict. This section also directs the President to ensure that humanitarian assistance provided to Sudan reaches the intended recipients.

The Senate amendment contains no comparable provision.

The conference substitute combines section 1030 with other provisions relating to assistance to the Horn of Africa contained in chapter 4 of title X of the conference substitute.

UGANDA

The Senate amendment (sec. 691) expresses the sense of the Senate regarding the deteriorating human rights situation in Uganda.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

ZAIRE

The House bill (sec. 1031(a) and (b)) contains a number of findings concerning relations between the United States and Zaire; the process of establishing a multiparty democracy in Zaire; and efforts by security forces to suppress political movements; and contains a statement of the Congress supporting efforts towards political pluralism in Zaire, including the creation of a politically neutral government to administer the country prior to national elections. The reference to political neutrality is in large part intended to communicate congressional support for an electoral process that will be free and fair.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1048(a) and (b)) is identical to the House provision.

The House bill (secs. 1031(c), (d) and (e)) prohibits FMF, IMET, and ESF to Zaire for fiscal years 1992 and 1993. The House bill (sec. 1031(f)) provides that development assistance for fiscal years 1992 and 1993 shall not be transferred to the Government of Zaire. This section does not prohibit nongovernmental organizations through which development assistance is provided from working with appropriate governmental ministries or departments. In addition, the House bill (sec. 1031(g)) authorizes the President to waive the prohibitions on foreign military financing, training, economic support assistance, and development assistance if the President determines that free and fair elections have been held in Zaire. Such determination is to be reported to the Congress and such determination shall not become effective until 15 days after it is reported to the Congress. The House bill also provides for notification to Congress before any obligation of funds for Zaire.

The Senate amendment (sec. 686) contains a similar provision.

The conference substitute (sec. 1048(c)) is similar to the House provision with a modification adding a requirement that an elected government must demonstrate a commitment to freedom of expression, an independent judiciary, and application of the rule of law to security forces in Zaire.

UNITED STATES COMMISSION ON SOUTHERN AFRICA

The House bill (secs. 1041–1050) provides for the establishment of the United States Commission on Southern Africa.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

HORN OF AFRICA RECOVERY AND FOOD SECURITY

The House bill (secs. 1061–1067) contains provisions relating to assistance to countries in the Horn of Africa (Ethiopia, Somalia, Sudan, and Djibouti).

The Senate amendment (sec. 692) contains findings and a policy statement concerning international relief efforts in the Horn of Africa. In addition, S. 985, the Horn of Africa Recovery and Food Security Act of 1991, which passed the Senate on July 16, 1991, is almost identical to the House provision.

The House bill (secs. 1023, 1028, and 1030) also contains separate provisions concerning Ethiopia, Somalia, and Sudan. The Senate amendment contains related provisions concerning Sudan and Ethiopia (secs. 684 and 2003).

The conference substitute (secs. 1061–1065) combines the applicable provisions of the House bill, related Senate provisions, and S. 985.

The conference substitute (sec. 1061) sets forth findings concerning food insecurity, impact of internal conflicts, violations of human rights, failure of development programs, and opportunities provided by the end of cold war rivalries to address problems in the Horn and states the need for a new U.S. policy, in cooperation with other donors and the United Nations, towards meeting the region's needs.

The conference substitute (sec. 1062) sets forth statements of policy and actions the President should take concerning the individual states of Ethiopia, Somalia, and Sudan.

The conference substitute (sec. 1063) sets forth what U.S. policy should be in promoting equitable distribution of relief and rehabilitation in the Horn. U.S. policy should assure equal access to assistance, provided on the basis of need, and consultation with other donors and the United Nations to maximize relief efforts. Relief and rehabilitation assistance is authorized to be provided under the authorities relating to international disaster assistance.

The conference substitute (sec. 1064) states that it shall be U.S. policy to promote peace and development toward ensuring that all persons enjoy civil, political, and economic rights. The President is encouraged to work with the Soviet Union and other nations, as well as the United Nations, to end conflicts in the region.

The conference substitute (sec. 1065) provides authorities for implementing the Horn of Africa Food Security and Recovery strategy. Assistance is authorized to be provided from funds authorized for development assistance and the DFA. This section sets forth the types of activities to be carried out under the various authorities.

Economic assistance is to be provided to each country only through NGOs unless a Presidential certification has been made with respect to the individual country that the government has: (a) begun to implement programs of national reconciliation; (b) demonstrated a commitment to protecting human rights, and; (c) manifested a commitment to democracy. In the absence of the certification, NGOs may work with appropriate ministries of the respective government. ESF, FMF, and IMET are prohibited unless the foregoing certification has been made. In the event the certification is made with respect to Ethiopia then security assistance may be provided to that Government notwithstanding provisions of law commonly referred to as "Brooke-Alexander" Amendments, which prohibit assistance to a country which has defaulted in payment of loans made available under the Foreign Assistance Act.

U.S. TRADE RESTRICTIONS ON PRODUCTS FROM SUB-SAHARAN AFRICA

The House bill (sec. 1071) expresses the sense of the Congress that a special effort should be made to reduce trade barriers and promote economic interchange between the United States and the countries of sub-Saharan Africa.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1081) is identical to the House bill.

RECOGNITION OF SUB-SAHARAN AFRICAN SUPPORT DURING THE PERSIAN GULF CRISIS

The House bill (sec. 1072) contains congressional findings concerning the support from certain sub-Saharan Africa countries for the United States in the United Nations during the Persian Gulf crisis and expresses the sense of the Congress commending these countries for their support.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1082) is similar to the House bill but deletes the findings.

CONDITIONS ON FURNISHING IMET FOR SUB-SAHARAN AFRICA

The House bill (sec. 1073) provides that IMET may be provided to a sub-Saharan Africa country only if the President considers certain conditions, including whether the country has a democratically-elected government and is committed to respecting internationally recognized human rights, whether the country's armed forces are engaged in human rights violations and whether elements of the government of the country are engaged in destabilization efforts directed at another country. The House bill also requires a report on the implementation of these provisions.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1083) is essentially the same as the House provision.

The committee of conference expects reports under this section to be brief statements, similar to the discussions of policy consideration in the annual Congressional Presentation for Security Assistance prepared jointly by the Department of State and the Defense Security Assistance Agency.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

The House bill (section 1074) transfers $6 million from the DFA to be made available only for a U.S. contribution to the IFAD Special Program for Africa in each of fiscal years 1992 and 1993.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The committee of conference notes that $5 million is authorized for this purpose in section 120 of the conference substitute.

EXEMPTIONS FROM RESTRICTIONS ON ASSISTANCE

The House bill (sec. 1075) provides that restrictions on assistance contained in this title shall not apply to international narcotics control assistance and assistance provided through PVOs and NGOs for the holding of free and fair elections.

The Senate amendment contains no comparable provision.

The conference substitute contains similar waivers in title III and IV of the conference substitute.

UNITED NATIONS EDUCATIONAL AND TRAINING PROGRAM FOR SOUTHERN AFRICA

The House bill (sec. 1076) allocates $400,000 from the DFA for a U.S. contribution to the United Nations Educational and Training Program for Southern Africa.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

PREEMPTION OF STATE AND LOCAL SANCTION MEASURES AGAINST NAMIBIA

The House bill (sec. 1077) declares null and void any sanction imposed by any state or governmental institution with respect to Namibia.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1084) is the same as the House position. The committee of conference notes that U.S. economic sanctions were imposed against Namibia by the Comprehensive Anti-Apartheid Act of 1986. Namibia has achieved independence through free and fair elections and U.S. sanctions have lapsed.

STUDY ON THE IMPACT OF ADJUSTMENT SUPPORTED PROGRAMS ON THE DEVELOPMENT FUND FOR AFRICA

The Senate amendment (sec. 689) expresses the sense of the Senate that a study should be undertaken by the Office of Technology Assessment on the impact of adjustment supported programs on the achievement of the goals established by the DFA.

The House bill contains no comparable provision.

The conference substitute (sec. 1085) is the same as the Senate amendment with a technical modification.

MOROCCO AND THE WESTERN SAHARA

The committee of conference commends and strongly supports the efforts of United Nations Secretary General Javier Peres de Cuellar to bring about a peaceful resolution to the conflict in the Western Sahara. The committee of conference hopes that the parties to the conflict in the Western Sahara will continue to support the U.N. initiative so that the full implementation of the referendum on the Western Sahara may be concluded by the end of 1991.

TUNISIA

The committee of conference encourages the executive branch to consider an increase of $2.5 million is ESF for Tunisia in fiscal year 1992. The committee of conference believes that this additional assistance is necessary to continue existing programs in Tunisia which, in turn, contribute to Tunisia's economic growth. The committee of conference remains encouraged by Tunisia's significant progress toward economic reform. Tunisia has undertaken a structural adjustment program designed to open its economy, encourage foreign investment, reduce subsidies and privatize government-run industries. The committee of conference urges Tunisia to continue its efforts toward political reform.

Tunisia is poised for significant economic expansion. If Tunisia's economic take-off is successful, it could become a more significant market for American goods and services. Providing a modest increase in ESF will demonstrate that the ties between Tunisia and the U.S. are close and mutually beneficial.

DJIBOUTI

The committee of conference recommends that AID reexamine the sectoral needs and potential of Djibouti with a view toward providing assistance from the DFA to Djibouti during fiscal years 1992 and 1993.

In addition to providing support for the Government of Djibouti's efforts to enhance the economic development of its own citizens, such assistance would assist the Government of Djibouti to deal effectively with the recent influx of refugees from Ethiopia and Somalia as a result of the internal conflicts in those countries.

TITLE XI—AID, TRADE, AND COMPETITIVENESS

SHORT TITLE

The Senate amendment (sec. 1401) establishes a short title of the "Aid, Trade, and Competitiveness Act of 1991" for this title.

The House bill contains no comparable provision.

The conference substitute (sec. 1101) is the same as the Senate amendment.

FINDINGS

The Senate amendment (sec. 1402) contains findings regarding U.S. exports and U.S. foreign assistance.

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

CAPITAL PROJECTS OFFICE WITHIN AID

The Senate amendment (sec. 1403) establishes a capital projects office within AID's Bureau for Private Enterprise. The purpose of this office is to develop a program to focus on developmentally sound capital projects, taking into consideration the export opportunities of U.S. firms, especially high technology firms. The Senate amendment also directs the Administrator of AID to work with AID regional bureaus and the Export-Import Bank of the United States to develop capital projects in developing countries and Eastern Europe. The Senate amendment (sec. 1404) also instructs AID to play a special role in helping to develop adequate infrastructure in Eastern Europe, and calls for a study of the infrastructure requirements of Eastern European countries.

The House bill contains no comparable provision.

The conference substitute (sec. 1102) which is similar to the Senate amendment, establishes a capital projects office within AID whose function is to create a strategy for developmentally sound capital projects, taking into consideration the particular development needs of the host country and the export opportunities of United States firms. The conference substitute deletes language in the Senate amendment directing the AID Administrator to place the office in the Bureau for Private Enterprise. The capital project office is directed to work with the regional bureaus within AID, the Export-Import Bank of the United States, and the Trade and Development Agency to review periodically the potential capital projects and infrastructure requirements of Eastern Europe and developing countries. The conference substitute also requires AID to undertake a comprehensive study of the infrastructure needs of eligible SEED countries AID to undertake a comprehensive study of the infrastructure needs of eligible SEED countries in order to provide appropriate assistance through capital projects.

INTERAGENCY BOARD

The Senate amendment (sec. 1405) establishes a Capital Project Interagency Board to coordinate the development of a strategic approach to the support of capital projects among the agencies represented on the Board.

The House bill contains no comparable provision.

The conference substitute (sec. 1103) requires the President to use the existing interagency coordinating mechanism, the Trade Policy Coordinating Committee (TPCC) to coordinate activities under this title with other relevant activities of the U.S. Government.

REPORTS ON CAPITAL PROJECTS

The Senate amendment (sec. 1407(a)(4)) requires the President to submit to Congress not later than January 1, 1992, a report on the feasibility of allowing AID to offer credit guarantees for the financing of capital projects.

The House bill contains no comparable provision.

The conference substitute (sec. 1104) requires the President to submit a report on February 1, 1993, and annually thereafter, on the extent to which the United States has expended resources for capital projects, the extent to which the TPCC has coordinated this effort, and the effects that capital projects and tied aid have had on U.S. exports.

NEGOTIATIONS OF THE OECD

The Senate amendment (sec. 1406) states that, if the Secretary of the Treasury and the President of the Export-Import Bank to negotiate an agreement with the OECD to reduce concessional financing by December 31, 1991, they must submit a report to Congress on the status of the negotiations and whether or not they believe future negotiations will achieve a reduction in tied aid.

The House bill contains no comparable provision.

The conference substitute (sec. 1105) requires the Secretary of the Treasury and the President of the Export-Import Bank to report to the appropriate congressional committees should OECD negotiations fail by February 1, 1992.

FUNDING FOR CAPITAL PROJECTS

The Senate amendment (sec. 1407) authorizes to be available for capital projects $750 million for fiscal year 1992 and $1 billion for fiscal year 1993, from ESF, SEED, and the Multilateral Initiative for the Philippines, and limits the amount of ESF cash transfers of economic support fund assistance to 60% in 1992 and 50% in 1993. The amendment also contains restrictions on "Buy America" waivers.

The House bill contains no comparable provision.

The conference substitute (sec. 1106) urges the President to use at least $650 million in fiscal year 1992 and $700 million in fiscal year 1993 for capital projects. Funding is to come from amounts made available for ESF, the Multilateral Assistance Initiative for the Philippines, and assistance provided under the SEED Act. The conference substitute also provides that regulation of procurement is governed, as for other assistance funds, by section 604 of the Foreign Assistance Act, as amended by the conference substitute. The conference substitute (sec. 1109) also authorizes $20 million in fiscal year 1993 for the Trade and Development Agency to complement and strengthen the capital projects activities authorized under this section.

DEFINITIONS

The Senate amendment (sec. 1408) provides definitions of capital projects and tied-aid credit for purposes of this title.

The House bill contains no comparable provision.

The conference substitute (sec. 1108) is similar to the Senate amendment but adds definitions of AID, Bank, and SEED eligible East European country.

TITLE XII—PEACE CORPS

AUTHORIZATIONS OF APPROPRIATIONS

The House bill (sec. 1103) amends section 3 of the Peace Corps Act to authorize $200 million in each of the fiscal years 1992 and 1993 for the Peace Corps.

The Senate amendment (sec. 1101) authorizes $207 million in fiscal year 1992 for the Peace Corps.

The conference substitute (sec. 1201) authorizes $200 million in each of the fiscal years 1992 and 1993 for the Peace Corps.

INSPECTOR GENERAL

The House bill (sec. 1103(b)) amends section 7 of the Peace Corps Act to add new language giving the Peace Corps Inspector General authority to authorize a one-year extension of appointment for his or her staff.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

PEACE CORPS FOREIGN CURRENCY FLUCTUATIONS

The Senate amendment (sec. 1102) amends the Peace Corps Act to add a new section 16, establishing an account in the Treasury for payment of overseas activities of the Peace Corps which exceed appropriation due to foreign currency fluctuations and authorizes sufficient appropriations to maintain a balance of $5 million in the account.

The House bill contains no comparable provision.

The conference substitute (sec. 1202) is essentially the same as the Senate provision, except that unobligated funds may be transferred to the Peace Corps foreign currency fluctuation account at the end of the fiscal year or other period for which appropriations for Peace Corps expenses were made available, rather than after three years.

EVALUATION OF HEALTH-CARE SERVICES PROVIDED TO PEACE CORPS VOLUNTEERS

The Senate amendment (sec. 1103) requires three independent evaluations of the health care needs of Peace Corps volunteers and the adequacy of the current health care system, with such evaluations due at the end of 1992, 1994, and 1996.

The House bill contains no comparable provision.

The conference substitute (sec. 1203) is the same as the Senate amendment.

REPORTING REQUIREMENT ON EMPLOYMENT-RELATED MATTERS

The Senate amendment (sec. 1104) requires the Director of the Peace Corps and the Secretary of Labor to report jointly to the Congress not later than August 31, 1992, regarding volunteers' claims for federal workers compensation benefits for disabilities incurred during Peace Corps service.

The House bill contains no comparable provision.

The conference substitute (sec. 1204) is the same as the Senate amendment.

PEACE CORPS THIRD GOAL ACTIVITIES

The Senate amendment (sec. 1105) encourages the Director of the Peace Corps, in carrying out the third goal of the Peace Corps Act relating to increasing understanding among U.S. citizens of other peoples, to continue to develop and implement education related programs.

The House bill contains no comparable provision.

The conference substitute is the same as the Senate position.

PEACE CORPS PROGRAMS IN THE SOVIET UNION

The conference substitute (sec. 1205) provides that up to $6 million in each of the fiscal years 1992 and 1993 be made available for establishing Small Business Development Programs in the Soviet Union or any successor entity or entities.

The committee of conference recognizes that a small business program must be carried out in consultation with and at the invitation of the Soviet Union or its successor states. The unique events in the Soviet Union have prompted the committee of conference to propose this program to take advantage of the Peace Corps' ability to recruit technical experts who can make a positive contribution to the economic and business reforms critical to the Soviet Union's future development.

TITLE XIII—INTERNATIONAL DEVELOPMENT AND FINANCE

The Senate amendment, in title IX, authorizes the Administration's request for a quota increase for the International Monetary Fund, and replenishments for the Asian Develoment Bank and the African Development Fund.

The House bill has no comparable provisions.

The conference substitute (title XIII, International Development and Finance) includes the authorities of the Senate amendment, and a comprehensive package of provisions relating to the International Financial Institutions put forward by the House conferees as described below.

CHAPTER 1—INTERNATIONAL MONETARY FUND

U.S. QUOTA INCREASE AND AMENDMENTS TO ARTICLES OF AGREEMENT

The Senate amendment (sec. 901) amends the Bretton Woods Agreements Act to authorize the U.S. share of the IMF quota increase in full, consent to the "rights approach" to extinguish arrears, and authorize the sale of gold to back up the rights approach.

The House bill has no comparable provisions.

The conference substitute (sec. 1301) is identical to the Senate amendment.

SOVIET ACCESS TO THE FINANCIAL RESOURCES OF INTERNATIONAL FINANCIAL INSTITUTIONS

The Senate amendment (sec. 902) contains a series of findings relating to activities of the Soviet Union, requires that the Secretary of the Treasury instruct the U.S. Executive Director of the IMF to use the voice and vote of the U.S. to oppose Soviet membership in the Fund unless the President certifies and reports to Congress on economic reform in the Soviet Union, the role of the Central Government, and political reform in the Soviet Union. The Senate amendment further requires that the Secretary of the Treasury instruct the Executive Director to the European Bank for Reconstruction and Development to use the voice and vote of the U.S. to oppose expansion of access by the Soviet Union to the resources of the Bank unless the President has certified and reported to Congress as required for Soviet membership in the IMF.

The House bill has no comparable provision.

The conference substitute (sec. 1302) authorizes U.S. support for Soviet membership in the IMF and expanded access to EBRD resources but only after the President certifies and reports to the Congress that progress is being made on a broad range of economic, political and government reforms. The requirements would apply to the government of the Soviet Union and to all successor states other than the Baltic states, which are specifically excluded. The requirements would not apply to any status short of full membership, such as special associate status in which a country receives only technical assistance.

The committee of conference does not intend that U.S. support be contingent on complete transformation of the Soviet economy and political system but the provision does require that progress be demonstrated on an enunciated list of specific reforms. In one case, a higher standard than mere progress is established. The committee intends that the Soviet government must show "substantial" progress toward terminating economic subsidies and military assistance, including transfer of sophisticated arms, to countries that have supported international terrorism and those that have participated in efforts to destablize neighboring states.

The committee of conference recognizes that it would be unreasonable to expect that longstanding economic relationships, including normal trade and development assistance, would be completely terminated between sovereign states. However, continuation of the massive subsidies and destabilizing arms transfers that have characterized Soviet relations with these countries in the past is totally unacceptable for a government wishing to participate fully in world financial institutions and cooperate with the industrial countries. In this regard, substantial progress would be demonstrated by a reduction of 75 percent or more in economic subsidies in the near term and a like reduction in military assistance.

In establishing the conditions in this provision, the committee of conference recognizes the future configuration and powers of the Soviet central government and the governments of individual republics are matters of great uncertainty. Nonetheless, it is the intent of the committee that the conditions set down in the provision should apply to any republic individually or any successor government just as they would apply to the Soviet Union as a whole. The committee of conference attaches equal importance to economic and political reform in Russia or Georgia as would be attached to attainment of those goals in the Soviet Union as a single nation.

At the same time, the committee of conference recognizes the great differences in the economic and political circumstances of individual republics. For a number of republics, excessive spending on defense and nuclear weapons or aid to terrorist states are not an issue and the force of the provision would then be limited to economic and political reform by those republics. In using the term "Soviet Union", further defined as any successor governments except the Baltic states, there is no intent that until collective progress is achieved by all the constituent political subdivisions of the Soviet Union that any individual republic should be barred from IMF or expanded EBRD access.

The uncertainty regarding the future political configuration of the Soviet Union extends to the relationship of any successor state or states with the IMF and EBRD. Entry into the Fund could be contemplated for a single economic entry comprising most of the Soviet Union or each republic could apply for membership individually. In the EBRD, the share subscription of the Soviet Union could be maintained for a successor state or divided up among republic governments, or new quotas and subscriptions may be authorized for individual republics. In any event, application of the provision will have to be interpreted in light of those circumstances.

Applying restrictions to individual republics is most complicated in the case of the EBRD because the existing Soviet access restrictions are based on a subscription and share allocation for that single country. The Soviet subscription could be divided up among republic or successor governments, each of which would then have a new subscription authorized. It is possible in purely legal terms that the restrictions on Soviet access cited in the charter would not apply to those new subscriptions. In apply the restrictions required by this provision, it is the intent of the committee of conference that Treasury not support unrestricted access for any successor state or republic that has not demonstrated progress toward the stated objectives.

SENSE OF THE CONGRESS RELATING TO THE PROBLEMS OF NATIONS MAKING THE TRANSITION TO MORE OPEN POLITICAL AND ECONOMIC SYSTEMS

The House proposal expresses the Sense of Congress that appropriate relationships between international financial institutions and nations making the transition to more open economic and political systems be encouraged for purposes of assisting such nations in resolving their economic problems.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1303) adopts the House proposal. The committee of conference notes that inclusion of this provision places Congress on record as being sympathetic to an evolutionary relationship between the international financial institutions and transition nations. The type of relationship is not spelled out; the intent is that an appropriate relationship be developed under whatever circumstances prevail.

PUBLICATION OF REPORTS ON ECONOMIES OF MAJOR INDUSTRIALIZED NATIONS

The House proposal amends the Bretton Woods Agreements Act to direct the Secretary of Treasury to instruct the U.S. Executive Director of the IMF to encourage the Fund to establish procedures for publication of country economic reports on major industrialized nations.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1304) adopts the House proposal. The committee of conference is persuaded that the Reviews of Economic Development, arising out of the periodic Article IV consultations, should be published because the information will constitute a valuable contribution to economic policy making and evaluation. The committee recognizes that the IMF may exercise appropriate limitations as to the content and the timeliness of publication to protect the confidentiality of the IMF policy making and the interest of the nations being consulted.

SENSE OF THE CONGRESS RELATING TO COORDINATION OF DEVELOPMENT ACTIVITIES OF INTERNATIONAL FINANCIAL INSTITUTIONS

The House proposal expresses the Sense of Congress that procedures should be instituted to provide for greater cooperation between the IMF and the World Bank at the Board, management and staff levels.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1305) adopts the House proposal.

COOPERATION WITH INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT IN EFFORTS TO ALLEVIATE POVERTY AND REDUCE BARRIERS TO ECONOMIC AND SOCIAL PROGRESS

The House proposal amends the Bretton Woods Agreements Act to state findings relating to movement in the IMF and the World Bank toward integrating poverty considerations into programs and advocates further initiatives for alleviating poverty and reducing barriers to economic and social development by such means as assessing country economic policies through the extension of the Policy Framework Paper process, and through considering such factors in allocating resources and evaluating the results of borrowing country programs.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1306) adopts the House proposal. The committee of conference notes that the World Bank has stated its intention to upgrade its efforts in alleviating poverty, as indicated in its July 1, 1991 release on Operating Results of the past fiscal year. The conference substitute makes specific suggestions to assist the Fund, as the leader in the international financial community, in cooperating with the World Bank in efforts to reduce poverty and economic and social barriers to development. An example of such barriers are that in many nations, women, who head one-third of the world's families, cannot own land or other property or contract in their own names. The committee of conference believes that alleviation of poverty and reduction of such barriers to economic and social progress should be given priority, through such instruments as an expanded process of Policy Framework Papers (long-range country strategy plans) and through the enhanced evaluation of major long-term lending programs. The conference substitute is intended to extend support for statistical programs, based upon the criteria set forth in the World Development Report 1990 (including such elements as nutrition, health, literacy, housing and sanitation), so that both borrowing nations and the lending institutions can measure progress toward agreed upon goals.

DEPT AND DEBT SERVICE REDUCTION PROGRAMS

The House proposal amends the Bretton Woods Agreements Act to set forth Congressional findings relative to debt and debt service reduction programs, to direct the Secretary of the Treasury to instruct the U.S. Executive Director of the IMF to urge that the facility adopted by the IMF in 1989 for financing debt and debt service restructuring arrangements, as encouraged by the United States, be renewed for another three year period, with any appropriate modifications, and expresses Congressional concern that public institutions should not assume an excessive proportion of debt or risk as part of this process, and that reductions in commercial debt reductions proceed in concert with reductions of official debt. The House proposal further requires a report on Soviet debt held by commercial banks.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1307) adopts the House proposal. The committee of conference notes that the longstanding interest of Congress in debt relief helped prompt the March, 1989 Brady Plan for debt and debt service restructuring. Although developing country debt is not the crisis it was in the mid-1980s, it is still a major obstacle to development. The conference substitute provides encouragement for the IMF and the World Bank to continue their successful efforts in this area and urges that the countries in greatest economic difficulty and most in need of debt relief, be included in this process.

ENVIRONMENTAL CONSIDERATION IN FUND PROGRAMS

The House proposal notes the establishment of an Environment Unit at the Fund, and amends the Bretton Woods Agreements Act to direct the Secretary of the Treasury to instruct the U.S. Executive Director to encourage that environmental considerations be incorporated into all IMF programs, including its Article IV consultations, and requires the U.S. Executive Director of the IMF to encourage the Fund to help nations implement systems of natural resources accounting and encourage the Fund to work with the OECD in developing a national accounting system which takes into consideration the degradation and depletion of natural resources.

The Senate amendment has no comparable provisions.

The conference substitute (sec. 1308) adopts the House proposal. The committee of conference emphasizes its strong view that environmental issues be involved in all economic policies, as well as in the development process, and that these issues be integrally considered in the economic and financial decisions of the Fund.

EXCESSIVE EXPENDITURES ON WEAPONS

The House proposal requires the Secretary of the Treasury to instruct the U.S. Executive Director to the International Monetary Fund and the International Bank for Reconstruction and Development to urge the Bank and Fund to develop criteria for determining whether a nation seeking a loan is engaged in defense expenditures that are appropriate to its national circumstances or an impediment to sound management of its economy. The Secretary of the Treasury shall report to the Congress within one year on the development of such criteria.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1309) is identical to the House proposal.

IMF HUMAN RIGHTS

The House proposal requires the U.S. representative to the International Monetary Fund to vote against loans to countries displaying a pattern of human rights violations and countries providing refuge for terrorists.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1310) is identical to the House proposal.

Chapter 2—International Bank for Reconstruction and Development and Affiliates

SUBCHAPTER A—INTERNATIONAL FINANCE CORPORATION

The House proposal amends the International Finance Corporation Act to authorize the U.S. share of the quota increase of the International Finance Corporation.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1311) adopts the House proposal.

SUBCHAPTER B—INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Efforts to alleviate poverty and reduce barriers to economic and social progress

The House proposal amends the Bretton Woods Agreements Act to require the Secretary of the Treasury to instruct the U.S. Executive Director of the Bank to advocate further steps to enhance the capabilities of the World Bank to pursue its mission of alleviating poverty and reducing legal, regulatory, and policy barriers to economic and social progress. In addition, the House proposal expresses the sense of the Congress that the World Bank should give priority to child survival and development by committing itself to devote 5 percent or more of the amount of the annual lending of the Bank to primary health care and 5 percent to basic education.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1321) adopts the House proposal. The committee of conference notes that this section is the counterpart to section 1306. It is intended that the Bank, the central development institution, take the lead on poverty and related issues, and that the IMF and other multilateral institutions assist the work of the Bank in cooperative endeavors, and in their own work.

Debt and debt service reduction programs

The House proposal amends the Bretton Woods Agreements Act to set forth Congressional findings and to direct the Secretary of the Treasury to instruct the U.S. Executive Director of the Bank to urge that the facility established by the World Bank in 1989 for financing the restructuring of debt and debt service arrangements be renewed for another three years.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1322) adopts the House proposal. The committee of conference notes that this section is parallel to the debt reduction section relating to the IMF (sec. 1307).

World Bank Technical Assistance Program to Soviets

The House proposal requires the United States Executive Director to the World Bank to urge the Bank to establish a program of technical assistance in the Bank for the Baltic states and the Soviet Union.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1323) is identical to the House proposal.

SUBCHAPTER C—FINANCIAL ASSISTANCE FOR GLOBAL ENVIRONMENTAL PROTECTION

The House proposal makes a series of findings regarding the mission of the new Global Environmental Facility, finds that it would be desirable for the U.S. to join the 20 other members of the Facility in working toward these goals, and states certain understandings associated with U.S. membership.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1331, 1332) adopts the House proposal. The committee of conference believes that international development matters have a strong bearing upon international development and trade, that the new Facility holds promise for addressing these matters, and that the U.S. should exercise leadership in supporting the Facility.

U.S. contribution

The House proposal authorizes a direct contribution of $50 million to the Global Environmental Facility for fiscal year 1992, to remain available until expended.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1333) adopts the House proposal, with a modification conditioning the U.S. contribution on the Secretary's certification to Congress that the Facility has made significant progress toward meeting the objectives of the Facility.

Report on international debt exchanges and the environment

The House proposal amends title XVII of the International Financial Institutions Act to require the Secretary of the Treasury to report to Congress on the progress being made by the multilateral development banks to achieve the goals of environmental protection, resource conservation and sustainable development advocated by the International Development Act of 1989 in its requirement that the MDBs establish departments on environmental protection, resource conservation and sustainable use.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1334) adopts the House proposal.

Chapter 3—Asian Development Bank

U.S. SUBSCRIPTION TO SPECIAL CAPITAL INCREASE

The Senate amendment (sec. 911) amends the Asian Development Bank Act to authorize a $51 million permanent contribution to the capital of the Bank over two years ($25.5 million in each of the fiscal years 1992 and 1993), and an increase in callable capital of $186,972,187 for fiscal years 1992 and 1993, for a total authorization of $424,977,106.

The House bill has no comparable provision.

The conference substitute (sec. 1341) is identical to the Senate amendment.

Chapter 4—African Development Fund

U.S. CONTRIBUTION

The Senate amendment (sec. 921) authorizes a $405 million replenishment of the African Development Fund over a three-year period, $135 million of which is to be available in fiscal year 1992.

The House bill has no comparable provision.

The conference substitute (sec. 1351) is identical to the Senate amendment.

Chapter 5—Export-Import Bank

REPEAL OF INADVERTENTLY INSERTED MATERIAL

The House proposal repeals a redundant provision of the International Development and Finance Act of 1989.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1361) is identical to the House proposal.

APPOINTMENT AND COMPENSATION OF BANK PERSONNEL

The House proposal amends section 3 of the Export-Import Bank Act of 1945 to authorize the Bank to provide additional compensation and benefits to Bank employees if similar compensation and benefits are being provided by Federal bank regulatory agencies.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1362) is identical to the House proposal. The committee of conference has included this provision because similar authority was granted in the 1989 Savings and Loan Act (FIRREA). The Ex-Im Bank has experienced a loss of key personnel because of more generous compensation packages elsewhere in the financial regulatory agencies. The committee of conference believes that the Bank should be allowed to offer compensation and benefits that are comparable to such agencies.

INCREASE IN MEMBERSHIP OF ADVISORY COMMITTEE

The House proposal increases the number of members on the Export-Import Bank Advisory Committee from 12 to 15.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1363) is identical to the House proposal.

WAIVER OF LIMITATIONS ON FINANCING FOR EXPORTERS TO THE SOVIET UNION

The House proposal repealed the limitations of section 7(b) of the Export-Import Bank Act of 1945 and section 613 of the Trade Act of 1974 relating to financing exports by the Export-Import Bank to the Soviet Union.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1364) retains the limitations of existing law, but authorizes Presidential waivers of the limitations if the President determines such action to be in the national interest of the United States.

FINANCING OF HIGH TECHNOLOGY EXPORTS TO EMERGING DEMOCRACIES

The House proposal amends section 2 of the Export-Import Bank to authorize up to $125 million of support for financing of U.S. high technology exports to emerging democracies, primarily to SEED eligible countries, with particular attention to small businesses.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1365) is the House proposal but without the paragraph placing a limit of $125 million on total support. The committee of conference intends that the Bank provide substantial support for high technology exports to emerging democracies but does not wish to limit those efforts if financing opportunities in excess of $125 million should arise.

PROMOTION OF COMPETITIVE OPPORTUNITIES FOR U.S. INSURANCE COMPANIES

The Senate amendment (sec. 515) amends the Export-Import Bank Act of 1945 to prohibit the Bank from providing any support for U.S. exports unless the Bank receives a certification that any contract relating to the export of goods requires that U.S. insurance companies have a fair and open competitive opportunity to provide insurance on such exports.

The House bill has no comparable provision.

The conference substitute (sec. 1366) expands upon language already in the charter of the Export-Import Bank that requires the Bank to work to ensure an equal and nondiscriminatory opportunity for U.S. insurance companies to bid for insurance in connection with Bank-assisted transactions. It is the intent of the committee of conference that for those transactions in which the Bank has the opportunity to deal directly with the importer, defined in the provision as long-term loans or guarantees of at least $10 million, the Bank is to pursue the issue of bidding opportunities for U.S. insurance companies.

The provision is not intended to limit the independence of the Board in approving or denying loans or guarantees on their merits. However, it does require a judgment by the Board in considering any loan or guarantee where competitive access is denied U.S. insurance firms as to whether denial would be likely to achieve such access. If the Bank approves a credit notwithstanding information that competitive opportunities are denied, such approval and an explanation of the decision are to be included in the Bank's report on competitiveness.

The Bank is also required to forward information to the Secretary of Commerce in any case in which it becomes aware of denial of competitive opportunities for U.S. insurance companies. The Commerce Department is the lead agency in international negotiations to open foreign markets to U.S. insurance companies and the Secretary chairs the Trade Promotion Coordinating Committee, a Cabinet council created to better coordinate the activities of the U.S. export credit and trade promotion agencies. The Secretary would then determine whether to refer the market barrier identified to the Trade Policy Committee chaired by the U.S. Trade Representative for possible inclusion in the annual report on trade barriers or action under section 301 of the Trade Act of 1974. The Secretary is also authorized to bring the matter before the existing interagency coordinating mechanism for export credit issues, the Trade Promotion Coordinating Committee, for consideration of a recommendation to the President that export credit should be restricted to such country. The Secretary would be authorized to take these actions if, in the Secretary's judgment, this would encourage greater market opportunities for U.S. insurance companies.

EXPORT-IMPORT BANK REPORT ON TRADE FINANCE

The House proposal requires the Export-Import Bank to prepare and submit a report to Congress analyzing the demand for trade financing for the Baltic states and the Soviet Union and its successor states.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1367) is identical to the House proposal. It is the intent of the committee of conference that the Export-Import Bank report may make recommendations for the promotion of trade with countries with which the United States has normal trade relations.

SENSE OF CONGRESS REGARDING THE BALTIC STATES

The House proposal expresses the sense of Congress that the President should make the determination that Estonia, Latvia, and Lithuania each have ceased to be a Marxist-Leninist country for purposes of section 2(b)(2) of the Export-Import Bank Act of 1945.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1368) is identical to the House proposal.

EFFECTIVE DATE

The House proposal establishes October 1, 1991 as the effective date for the provisions of this title.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1369) is identical to the House proposal.

Chapter 6—Multilateral Development Banks

SUBCHAPTER A—ENERGY EFFICIENCY

Short title

The House proposal entitles this subchapter the "International Energy Efficiency Financing Act of 1991".

The Senate amendment has no comparable provision.

The conference substitute (sec. 1371) is identical to the House proposal.

Advancing the benefits of energy efficiency through multilateral development banks

The House proposal sets forth findings that MDBs currently devote one-sixth to one-fifth of their resources to financing energy supply, less than 1 percent of which goes for end-use energy efficiency, the capital required to finance the growth in energy supply at current levels, and potential savings from energy efficiency of 20-25 in the near term and 30-60 percent in the long term. The House proposal further amends title XIII of International Financial Institutions Act to direct the Secretary of Treasury to instruct the U.S. Executive Director of each MDB to take a leadership position in advancing energy efficiency and devising a system of incentives to promote energy efficiency programs, including procedures to ensure assessments of energy efficiency impact by prospective borrowers and lending institutions prior to approval of loans with major energy saving potential.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1372) is identical to the House proposal.

SUBCHAPTER B—ALLEVIATION OF POVERTY, REDUCTION OF BARRIERS TO ECONOMIC AND SOCIAL PROGRESS, AND OTHER PROVISIONS

The House proposal amends section 1613 of the International Financial Institutions Act to require the Secretary of Treasury to instruct the U.S. Executive Director of each MDB to advocate creation of organization units in the regional development institutions for the purposes of alleviating poverty and reducing legal, regulatory, and policy barriers to economic and social progress.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1381) is identical to the House proposal. This section complements sections 1306 and 1321 in advancing the efforts of the MDBs in alleviating poverty and economic and social barriers to economic development, and encourages these institutions to explore creating an organizational unit as a focus for promoting these efforts.

U.S. policy regarding debt restructuring

The House proposal amends title XV of the International Financial Institutions Act to require the Secretary of the Treasury to instruct the U.S. Executive Director of each MDB that it is contrary to U.S. policy for a multilateral development bank to condition the approval or disbursement of any loan upon the reaching of a debt or debt service restructuring arrangement with the creditors of the borrowing nations.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1382) is identical to the House proposal.

Participation of women in development activities

The House proposal amends title XIX of the International Financial Institutions Act to require the Secretary of Treasury to instruct the U.S. Executive Director of each international financial institution to advance the participation of women in development activities.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1383) is identical to the House proposal.

Employment opportunities and comparable pay

The House proposal amends title XIX of the International Financial Institutions Act to require the Secretary of Treasury to instruct the U.S. Executive Director of each international financial institution to use the voice and vote of the U.S. to promote equal employment opportunities and comparable pay policies.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1384) is identical to the House proposal.

Directive relating to multilateral aid to the Horn of Africa

The House proposal amends title XV of the International Financial Institutions Act to require the Secretary of Treasury to instruct the U.S. Executive Director of each MDB to oppose loans to Horn of Africa nations unless there is a certification that the government of the specified country has begun to implement peace agreements, national reconciliation agreements, or both, has demonstrated a commitment to human rights, has manifested a commitment to democracy, and has agreed to distribute development assistance without discrimination.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1385) is identical to the House proposal.

International financial institutions/fair labor standards

The House proposal requires the Secretary of the Treasury to instruct the U.S. Executive Director to each international financial institution to use the voice and vote of the United States to urge such entities to encourage borrowing countries to engage in fair labor practices, consistent with internationally recognized worker rights, within the context of their own level of economic development. In addition, each Executive Director is required to report to the Secretary of the Treasury on a regular basis actions taken by the institution to promote the goal of fair labor practices.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1386) is identical to the House proposal. It is the intent of the committee of conference that practices to be examined include provisions for health and safety protections in the workplace, limitations on excessive work hours per day and per week, prohibitions against child labor, and minimum wage standards appropriate to the overall economic development of each borrowing country.

SUBCHAPTER C—FINANCIAL INTEGRITY

Establishment of procedures for internal audits and investigations

The House proposal amends title XV of the International Financial Institutions Act to direct the Secretary of Treasury to instruct the U.S. Executive Director of each international financial institution to use the voice and vote of the U.S. to ensure that each respective institution establish an office of Inspector General, or the equivalent thereof, to conduct and supervise audits and investigations, make recommendations for more efficient administration of the programs and operations, prevent and detect fraud and abuse, and keep the officer and board of the institution informed about administrative problems and deficiencies.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1391 is identical to the House proposal. The Committee of conference notes that this provision is patterned on the Inspector General Act of 1978, as amended, and includes provisions to protect the independence of the Inspector General, or their equivalent, and to assure adequate resources and staffing for these Offices.

CHAPTER 7—CONSOLIDATION OF REPORTS

CONSOLIDATION OF CERTAIN REPORTS

The House proposal amends section 171(b) of the International Financial Institutions Act to provide that all reports to Congress called for by the Bretton Woods and the International Financial Institutions Act under the umbrella of the National Advisory Council (NAC) Report, but allowing these reports be included in the annual NAC Report in full, summary form, or incorporated by reference.

The Senate amendment has no comparable provision.

The conference substitute (sec. 1399) is identical to the House proposal.

TITLE XIV—MISCELLANEOUS PROVISIONS

FOOD AS A HUMAN RIGHT

The House bill (sec. 1106) contains findings concerning the basic right of all people to food; states that the United States shall promote increased respect for the rights to food and medical care; assigns responsibility for promoting these rights to the Assistant Secretary of State for Human Rights and Humanitarian Affairs; and expresses the sense of Congress that a major effort should be made to strengthen the right to food in international law and directs the Secretary of State to propose to the U.N. General Assembly the adoption of a Declaration and a Convention concerning the right to food.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1401) is similar to the House bill, but deletes the findings.

ENVIRONMENTAL SECURITY AND FOREIGN POLICY

The House bill (sec. 1104) expresses the sense of Congress regarding the importance of environmental security to U.S. foreign policy and requires a report on May 1, 1992, and biennially thereafter, from the Secretary of State regarding environmental issues.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1402) in the same as the House bill.

U.S. SUPPORT FOR UNCED

The House bill (sec. 1105) expresses the sense of Congress regarding U.S. participation in and support for the U.N. Conference on Environment and Development (UNCED).

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. The committee of conference notes that this provision will be included in the conference substitute to H.R 1415, the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993.

REFORMING THE U.N. RESPONSE TO INTERNATIONAL DISASTERS

The House bill (sec. 1107) expresses the sense of Congress regarding the need to reform the U.N. mechanism for responding to international disasters.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1403) is the same as the House bill.

NUCLEAR NON-PROLIFERATION REGIMES IN SOUTH ASIA AND OTHER REGIONS

The Senate amendment (sec. 519(a) and (b)) expresses the sense of Congress concerning the global nature of nuclear proliferation issues and requires the President to report annually on the progress made and obstacles encountered in establishing regional nuclear non-proliferation regimes.

The House bill contains no comparable provision.

The conference substitute (sec. 1404) is the same as the Senate provision. The committee of conference notes that section 519(c) of the Senate amendment is addressed in section 925 of the conference substitute. The statement of managers discussion of that section also makes reference to section 1404 of the conference substitute as it concerns South Asia.

SENSE OF CONGRESS CONCERNING THE OUTBREAK OF NEO-NAZI VIDEO GAMES IN EUROPE

The House bill (sec. 1109) expresses the sense of Congress that Germany and Austria should take steps to halt the production and sale of neo-Nazi video games.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

RESTRICTION ON SECURITY ASSISTANCE TO COUNTRIES HAVING AN OFFENSIVE CHEMICAL WEAPONS PROGRAM

The House bill (sec. 1110) prohibits security assistance to countries having offensive chemical weapons programs.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position. However, the committee of conference reiterates that this is an important issue to take into account in considering provision of security assistance to countries that have an offensive chemical weapons program and are not willing to support the multilateral chemical weapons convention being negotiated in Geneva. The committee of conference further notes that countries which have offensive chemical weapons programs and which do not support and sign the chemical weapons convention banning all chemical weapons worldwide should not receive any U.S. security assistance in the future.

GAO STUDY ON IMPACT OF REDIRECTING FOREIGN ASSISTANCE FUNDS TO DOMESTIC PROGRAMS

The House bill (sec. 1111) requires the Comptroller General to conduct a study and prepare a report on redirecting $3 billion each year from foreign assistance programs to domestic programs.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the Senate position.

U.S. TELECOMMUNICATIONS TRAINING INSTITUTE

In view of the U.S. Telecommunications Training Institute (USTTI)'s continued effective training outreach throughout the developing world and in light of the important training needs and opportunities in Eastern Europe that the USTTI is seeking to meet through its 53-course core curriculum and a special East European training module, the committee of conference recommends that AID's funding for fiscal years 1992 and 1993 for the USTTI should be at least $700,000. AID should also consider providing additional funds to USTTI to support activities which may be appropriate for the Soviet Union or successor entities.

From the Committee on Foreign Affairs, for consideration of the House bill, and the Senate amendment (except title IX), and modifications committed to conference:

Dante B. Fascell,
Lee H. Hamilton,
Gus Yatron,
Stephen J. Solarz,
Sam Gejdenson,
Mervyn M. Dymally,
Robert G. Torricelli,
Ben Gilman,

As additional conferees from the Committee on Foreign Affairs, for consideration of title IX of the Senate amendment, and modifications committed to conference:

Sam Gejdenson,

As additional conferees from the Committee on Agriculture, for consideration of section 502 of the House bill, and section 516 of the Senate amendment, and modifications committed to conference:

E de la Garza,
Charlie Rose,
Dan Glickman,
Pat Roberts,
Sid Morrison,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 401, 403, 644(g), 844(b), and 846(b) of the House bill, and sections 515–16, 520(b), 606, 721–23, 731, 741–42, 771–74, and titles IX and XVIII of the Senate amendment, and modifications committed to conference:

Mary Rose Oakar,
Steve Neal,
John J. LaFalce,
Esteban Edward Torres,

Signature only for those provisions under the jurisdiction of the Banking Committee.

Jim Leach,

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 848(b) and 1104 of the House bill, and title XVI of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Al Swift,
Dennis E. Eckart,
Norman F. Lent,
Don Ritter,

As additional conferees from the Committee on the Judiciary, for consideration of that portion of section 621 which adds a section 7202(f) to the Foreign Assistance Act and section 642(b) of the House bill, and modifications committed to conference:

Jack Brooks,
Romano L. Mazzoli,
Mike Kopetski,
Bill McCollum,
Lamar Smith,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of that portion of section 101 which adds a section 1303 to the Foreign Assistance Act of 1961, and that portion of section 621 which adds a section 7403 to the Foreign Assistance Act of the House bill, and sections 305 and 680A of the Senate amendment, and modifications committed to conference:

Walter B. Jones,
Gerry E. Studds,
Billy Tauzin,
Bob Davis,
Norman F. Lent,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 848(b) of the House bill, and title XVI of the Senate amendment, and modifications committed to conference:

Robert A. Roe,
Henry J. Nowak,
James A. Hayes,
John Paul
Hammerschmidt,
Thomas E. Petri,

As additional conferees from the Committee on Ways and Means, for consideration of sections 642(c), 901, and 1071 of the House bill, and sections 514–16, 607A and 690 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Bill Archer,
Phil Crane,
Managers on the Part of the House.

Claiborne Pell,
Paul Sarbanes,
Joe Biden,
Alan Cranston,
Christopher J. Dodd,
Harris Wofford,
Nancy Landon
Kassebaum,
Frank H. Murkowski,
Mitch McConnell,

Solely for chapter 7 of title VII and chapter 1 of title IX:

Don Riegle,
Paul S. Sarbanes,
Jake Garn,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 2519

Pursuant to the order of September 27, 1991, Mr. TRAXLER submitted the following conference report and statement on the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes:

CONFERENCE REPORT (H. REPT. 2519)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2519) "making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 17, 18, 19, 22, 27, 51, 55, 56, 57, 59, 60, 61, 62, 63, 64, 65, 68, 69, 82, 83, 84, 86, 93, 94, 97, 103, 104, 108, 109, 110, 113, 114, 115, 116, 117, 118, 132, 136, 137, 144, 158, 169, 170, and 171.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 7, 8, 11, 12, 15, 16, 23, 32, 33, 42, 43, 44, 45, 46, 47, 48, 52, 54, 66, 90, 99, 100, 105, 120, 128, 129, 130, 134, 138, 141, 143, 145, 149, 152, 154, 155, 157, 160, 163, 166, and 167, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$13,512,920,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the sum named in said amendment insert *$8,740,000,000*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$414,250,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$161,000,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,500,000,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$17,700,000*; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,450,000,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,025,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$33,930,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,500*; and the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,040,500,000*; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$323,000,000*; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$39,300,000*; and the Senate agree to the same.

Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$56,500,000*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$240,000,000*; and the Senate agree to the same.

Amendment numbered 125:

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$875*; and the Senate agree to the same.

Amendment numbered 126:

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,010,000*; and the Senate agree to the same.

Amendment numbered 127:

That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment insert: *$5,000,000*; and the Senate agree to the same.

Amendment numbered 135:

That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,413,800,000*; and the Senate agree to the same.

Amendment numbered 140:

That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,242,300,000*; and the Senate agree to the same.

Amendment numbered 161:

That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$31,900,000*; and the Senate agree to the same.

Amendment numbered 165:

That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment and

Delete the matter inserted by said amendment.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 6, 9, 10, 14, 20, 21, 25, 26, 28, 29, 30, 34, 35, 36, 37, 40, 49, 53, 58, 67, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 85, 89, 92, 95, 98, 106, 107, 111, 112, 119, 121, 122, 123, 124, 131, 133, 139, 142, 146, 147, 148, 150, 151, 153, 156, 159, 162, 164, 168, 172, 173, 174, and 175.

BOB TRAXLER,
LOUIS STOKES,
ALAN MOLLOHAN
JIM CHAPMAN,
CHET ATKINS,
MARCY KAPTUR,
JAMIE L. WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
BILL LOWERY,
JOSEPH M. MCDADE,
Managers on the Part of the House.

BARBARA A. MIKULSKI,
PAT LEAHY,
J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
WYCHE FOWLER, JR.,
BOB KERREY,
ROBERT C. BYRD,
JAKE GARN,
ALFONSE M. D'AMATO,
CHRISTOPHER S. BOND,
DON NICKLES,
PHIL GRAMM,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying report.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

Amendment No. 1: Inserts center heading as proposed by the Senate.

Amendment No. 2: Appropriates $13,512,920,000 for medical care, instead of $13,495,096,000 as proposed by the House and $13,527,920,000 as proposed by the Senate.

The conference agreement reflects the following changes from the budget estimate:

+$60,524,000 for increased salary costs of special pay legislation for doctors and dentists.

+$10,000,000 above the budget request to expand the post-traumatic stress disorder program, including funds to establish the Pacific Center for PTSD and War Related Disorders to be located on the Island of Hawaii.

+$75,000,000 above the budget request for 1,500 additional nurses at the 60 largest tertiary and secondary hospitals as indicated by the VA's May 3, 1991, complexity measurement rating system. The increase is only for nursing (RNs, LPNs, LVNs, and NAs) requirements on wards, intensive care units, operating rooms, and emergency rooms; and is in addition to the staffing level that otherwise would have been allocated to each medical center. The Department is to provide a specific plan for the use of these nurses with the 1992 operating plan, subject to normal reprogramming procedures.

+$3,600,000 above the budget request to establish a new satellite outpatient clinic in the Fox River Valley area of Wisconsin.

+$1,500,000 above the budget request to establish a new community-based outpatient clinic in the Decatur or Springfield, Illinois area.

−$3,000,000 below the budget request in telecommunications costs due to unanticipated savings.

+$12,000,000 above the budget request for quality assurance activities, including up to $3,000,000 to be transferred to the medical administration and miscellaneous operating expenses account for quality assurance activities. A report on the specific use of these funds is to be submitted with the operating plan.

+$50,000,000 above the budget request for special pay for nurses.

+$10,000,000 above the budget request of $397,837,000 for medical equipment.

+$5,000,000 above the budget request for prosthetic devices.

+$700,000 above the budget request for a rural mobile clinic in northern Vermont.

+$500,000 above the budget request for a demonstration project involving the Clarksburg VA Medical Center and Ruby Memorial Hospital to reduce the number of West Virginia veterans receiving medical care out of the State.

The committee of conference directs the Department to establish a Geriatric Research, Education and Clinical Center at the Baltimore VA Medical Center. Funds are included for this GRECC in the fiscal year 1992 budget.

The conferees believe that a nurse education loan repayment program has significant potential in aiding VA to recruit and retain highly qualified nurses. Therefore, VA is directed to submit a proposal within 90 days of enactment of this Act for a nurse education loan repayment program. The program would require a minimum amount of service to VA in exchange for the repayment of a certain amount of educational loans. Those willing to serve in areas where the nurse shortfall is most acute would be given priority. The VA is directed to prepare a cost-benefit analysis of such a program, and a comparison to the existing programs and methodologies geared toward recruitment and retention of nurses.

The conference agreement provides funding for the enlargement of the Medical Evaluation Reentry Program in Des Moines.

The conferees are concerned with the use of special pay for physicians, dentists and nurses that are funded in the medical administration and miscellaneous operating expenses appropriation for personnel that provide central policy direction and administrative oversight to the medical system's operations. The purposes of special pay under Title 38 was to bring on par the compensation for direct care providers with that of the private sector. The conferees are also concerned with the recent growth with Title 38 authorized physicians, dentists and nurses in central office staff. The conferees would like, to the extent possible, to have staff with direct patient care skill and training to be placed out in the field. Consideration should be given to out-placing as many clinical related functions to the field as possible with a dual responsibility of direct patient care and national oversight. The conferees direct that the Secretary submit a plan and accompanying legislation that will propose restructuring functions and reclassify all but the most essential personnel positions to be authorized under Title 5. Also, the plan should fully justify why each position that remains under the authority of Title 38 needs to be under that authority. This plan will be provided no later than 45 days after the enactment of the appropriations bill.

The Secretary recently announced a policy to remove tobacco products from the Veterans Canteen Service. The conferees direct the Secretary to review this policy, after consulting with veterans service organizations, health care professionals, and patients of VA facilities.

This total amount of funding is specifically intended to support 197,801 full-time equivalent employees (FTE) with the understanding that, in accordance with established congressional practice, any additional pay costs necessary to support that FTE level will be borne by the VA, using funds made available by this measure, funds made available by enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof.

Amendment No. 3: Restores language proposed by the House and stricken by the Senate earmarking $8,750,000,000 for personnel and compensation and benefits costs, amended to earmark $8,740,000,000.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$413,360,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *$3,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that not to exceed $3,000,000 to be available for transfer to the medical administration and miscellaneous operating expenses appropriation for quality assurance functions.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $700,000 for a rural mobile clinic in the State of Vermont.

Amendment No. 7: Appropriates $227,000,000 for medical and prosthetic research as proposed by the Senate, instead of $226,795,000 as proposed by the House.

The committee of conference agrees that the distribution of the $10,205,000 increase above the budget request is as follows:

+$1,500,000 for prosthetic research. The VA is urged to increase the amount of prosthetic research done in-house.

+$1,500,000 for prostate research, a major health problem for aging males.

+$4,000,000 for health service research and development.

+$3,205,000 for medical research.

The conferees support continued efforts to study the long-term health effects of veterans exposed to radiation at the Hanford Nuclear Reservation.

DEPARTMENTAL ADMINISTRATION

Amendment No. 8: Deletes language proposed by the House and stricken by the Senate regarding the purchase of passenger motor vehicles for use in cemeterial operations. This language is no longer needed in this account as operations of the National Cemetery System are being funded in a new separate appropriation.

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$796,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The committee of conference is in agreement with the following changes from the budget estimate:

+8,841,000 above the budget request for 220 FTE in Veterans Benefits Administration field offices to begin reducing the backlog of claims.

−$2,000,000 as a general reduction in general administration, subject to normal reprogramming requirements.

−$1,000,000 in central office renovation costs.

−$57,045,000 requested for the National Cemetery System as these activities are being funded in a new separate appropriation.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making the $14,100,000 provided for the unbudgeted 1992 costs Operation Desert Shield/Operation Desert Storm available only after submission of a formal budget request by the President that designates such funds as an emergency requirement.

Amendment No. 11: Appropriates $67,045,000 for the National Cemetery System in a new separate appropriation as proposed by the Senate, instead of $67,045,000 in the general operating expenses appropriation as proposed by the House. The $10,000,000 increases above the budget request will provide for additional staff and the purchase, maintenance, and repair of equipment. The additional funding will permit the VA to return the hallowed grounds to a level of beauty and dignity befitting the sacrifices of the men and women buried there.

Amendment No. 12: Appropriates $29,959,000 for the Office of Inspector General as proposed by the Senate, instead of $28,000,000 as proposed by the House.

Amendment No. 13: Appropriates $414,250,000 for construction, major projects, instead of $522,000,000 as proposed by the House and $309,850,000 as proposed by the Senate.

The conference agreement includes the following changes from the budget estimate:

+$16,800,000 for design of a $187,800,000 clinical addition project at the Ann Arbor VA Medical Center.

+$6,400,000 above the budget request for renovation activities, which together with $41,612,000 in the budget request for a 270-bed psychiatric building, will provide $48,012,000 for a combined project at the Tuscaloosa VA Medical Center.

+$7,300,000 above the budget request for design of a new clinical and bed addition project at the Reno VA Medical Center.

+$700,000 above the budget request for design of a central air conditioning project at the Fargo VA Medical Center.

−$60,900,000 requested for the environmental improvements (phase II) project at the North Chicago VA Medical Center. The conferees agree, based on a recent IG finding which recommended a scaled-back mission for this facility, that the scope of this project should be reexamined.

−$6,300,000 requested for the design of a clinical addition and parking garage project at the Tampa VA Medical Center. This action is taken without prejudice as the VA indicates it would not be able to obligate the funds in fiscal year 1992.

+$250,000 above the budget request for an environmental impact statement for a new national cemetery in south Florida.

−$25,000,000 from the $40,000,000 requested for structural steel for the clinical/bed tower project at the Palo Alto VA Medical Center. The conferees are concerned with the estimated cost ($252,000,000) and the scope of the project and direct the VA to redesign the project to an estimated cost of $180,000,000. The conferees urge the VA to move as quickly as possible to complete the redesign and submit a plan outlining the new schedule and the use of the $15,000,000.

+$25,000,000 for initial funding of an outpatient clinic and 120-bed nursing care unit in Martinez, California. The conferees are aware of the Department's recent decision to close the VA Medical Center in Martinez and establish a new outpatient clinic and 120-bed nursing home care unit in Martinez, and a new 234-bed medical center and 120-bed nursing home care unit in Davis, California. However, concerns have been expressed about closing the Martinez facility and the ability of other existing VA facilities to accept the patient workload for Martinez and to continue to provide quality medical care during the time after the Martinez Medical Center is closed and before the new facilities are opened. The $25,000,000 appropriation is for an innovative method of providing these services as fast as possible. A report is to be submitted by November 15, 1991, that details the method of construction, the schedule, and the sizing of the clinic and nursing home.

The conferees have deleted the $48,800,000 added above the budget requested by the House for a new ambulatory care facility in El Paso, Texas. This action is taken without prejudice due to budget restraints and an indication from the VA that the funds would not be obligated in fiscal year 1992. The committee of conference expects that construction funds for the El Paso ambulatory care facility would be appropriated in fiscal year 1993.

The committee of conference is concerned with three recent research leases at Nashville, Tennessee; Charleston, South Carolina; and San Diego, California. The use of such "capital leases" should not be seen as an alternative for projects funded under the construction, major projects appropriation. The VA is directed to consider more cost effective alternatives to meet its future programmatic needs. The conferees direct the VA to prepare a report no later than April 6, 1992, to address the future use of capital leases at the VA, with special attention to how the government interests are protected and how the most economical course of action is selected. A prioritization methodology for all future research leases is to be included in the report and will be used in evaluating all future requests.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

At the end of the matter proposed by said amendment, insert the following: . *Appropriations available to the Department of Veterans Affairs for the purchase, lease-purchase, or lease of a capital asset shall be obligated in accordance with the scorekeeping guidelines found on page 1172 through 1176 of the conference report to accompany H.R. 5835, H.R. Conf. Rep. No. 964, 101st Cong., 2d Sess. (1990)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides for an earmark of $100,000 for the purchase of land adjacent to the Beckley, West Virginia, VA Medical Center, as proposed by the Senate, and adds language clarifying the budgeting treatment of appropriations for the Department for capital asset acquisition.

Amendment No. 15: Appropriates $190,701,000 for construction, minor projects as proposed by the Senate, instead of $189,701,000 as proposed by the House. The reduction of $5,000,000 below the budget request is taken from the Office of Facilities.

Amendment No. 16: Establishes a limitation on expenses of the Office of Facilities at not more than $41,176,000 as proposed by the Senate, instead of $45,176,000 as proposed by the House. The conferees are concerned with the inordinate number of cost overruns on various VA construction projects. The 1992 major construction request includes $13,647,000 for judgments against VA and $82,200,000 for cost overruns and misestimates on various projects. Thus, approximately 21 percent of the 1992 request results from past mistakes. Use of scarce funds for cost overruns means that veterans suffer because of the lack of funds for much needed new facilities and the rehabilitation of others. The VA needs to modify the method by which it manages the construction program. There have been suggestions that the "construction management" approach to construction projects saves money. Greater reliance upon private architects and engineers will reduce the requirement for VA staffing.

Amendment No. 17: Appropriates $19,200,000 for the parking garage revolving fund as proposed by the House, instead of $8,536,000 as proposed by the Senate.

The conferees agree with the following changes from the budget request:

+$5,664,000 for the parking garage at Nashville. The conferees have denied the use of funds from the Detroit parking garage project for the Nashville project.

+$5,000,000 for a parking garage with at least 180 spaces at the Miami VA Medical Center.

Amendment No. 18: Restores language proposed by the House and stricken by the Senate requiring the VA to construct parking facilities with at least 1,500 spaces at the Detroit VA Medical Center.

Amendment No. 19: Deletes language proposed by the Senate that would allow the transfer of up to $10,000,000 between the general operating expenses account and the National Cemetery System account.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows;

In lieu of the matter proposed in said amendment, insert the following:

Notwithstanding the funding limitations contained in section 346 of Public Law 100–322 (May 20, 1988), appropriations available to the Department of Veterans Affairs for fiscal year 1992 for the National Cemetery System shall be available for the operation and maintenance of the National Memorial Cemetery of Arizona (formerly the Arizona Veterans Memorial Cemetery): Provided, That the provisions of this paragraph regarding the National Memorial Cemetery of Arizona shall be effective until (a) enactment into law of legislation concerning funding for the National Memorial Cemetery of Arizona or (b) November 30, 1991, whichever first occurs.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to augment presently authorized funding sources for the National Memorial Cemetery of Arizona but limit the use of additional funds for two months (until November 30, 1991) or enactment into law of legislation dealing with this matter, whichever first occurs. The conferees have taken this action so that cemeterial operations do not deteriorate due to a lack of funding.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring the Secretary to comply with regulations to be issued by the Department of Health and Human Services regarding clinical laboratories.

Amendment No. 22: Deletes language proposed by the Senate naming the Northampton VA Medical Center as the Silvio O. Conte VA Medical Center. The conferees have deleted the provision because they understand the authorizing committee plans to address this matter.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

Amendment No. 23: Inserts center heading as proposed by the Senate.

Amendment No. 24: Appropriates $161,000,000 for HOPE I (public and Indian housing) grants, instead of $151,000,000 as proposed by the House and $175,000,000 as proposed by the Senate.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$95,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees recommend an allocation of $3,000,000 of the $95,000,000 provided for HOPE II (multifamily) grants to the National Center for Tenant Ownership in affiliation with the Harrison Institute at the Georgetown University Law Center.

Amendment No. 26: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$95,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 27: Appropriates $10,000,000 for the HOPE for Elderly Independence Demonstration Program as proposed by the House, instead of $10,400,000 as proposed by the Senate. The conferees agree that a portion of the $10,000,000 in supportive service shall be used in connection with the multifamily demonstration project authorized by section 803(h) of the National Affordable Housing Act along with an appropriate amount of section 8 authority.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting mutual housing associations to qualify for HOPE II grants.

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which gives existing residents of Indian and public housing first preference for admission as homeowners under the HOPE III (single-family) grants program.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that $225,000,000 of the amount recommended for HOPE grants be derived by transfer from unreserved, nonincremental carryover funds in the annual contributions for assisted housing account.

Amendment No. 31: Appropriates $1,500,000,000 for the HOME investment partnerships program, instead of $500,000,000 as proposed by the House and $2,000,000,000 as proposed by the Senate.

Amendment No. 32: Deletes language proposed by the House and stricken by the Senate earmarking the $25,000,000 requested for grants to States and local governments for lead-based paint abatement in privately-owned housing. The conferees have provided $50,000,000 for such activities in the annual contributions for assisted housing account.

Amendment No. 33: Deletes language proposed by the House and stricken by the Senate lowering the allocation threshold consistent with the reduced appropriations recommended.

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate waiving the matching requirements for fiscal year 1992. The conferees agree that the waiver is for only one year—but is essential due to the continuing effects of the current recession which have already affected well over one-half of the States and a substantial portion of America's cities.

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(INCLUDING RESCISSION OF FUNDS)

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) 42 U.S.C. 1437), not otherwise provided for, $8,070,201,000, to remain available until expended: Provided, That to be added to and *merged with the foregoing amounts, there shall be $2,287,000,000, consisting of $537,000,000 of budget authority previously made available under this head for nonincremental purposes which remains unreserved at the end of fiscal year 1991; and $1,750,000,000 of section 8 funds arising from the conversion to the new capital advance program of projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act: Provided further, That, from the foregoing total of $10,357,201,000, $227,170,000 shall be for the development of acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb; $573,983,000 shall be for the development or acquisition cost of public housing, including $15,719,158 for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and, notwithstanding the 20 per centum limitation under section 5(j)(2) of the Act, of the $573,983,000 for the development or acquisition of public housing, $200,000,000 shall be awarded competitively for construction or major reconstruction of obsolete public housing projects, other than for Indian families; Provided further, That of the $10,357,201,000 total under this head, $2,800,975,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 14371), including funds for the comprehensive testing, abatement, and risk assessment of lead, of which $25,000,000 shall be for the risk assessment of lead and $5,000,000 shall be for technical assistance and training under section 20 of the Act (42 U.S.C. 1437r), and $7,437,600 shall be for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): Provided further, That of the $10,357,201,000 total under this head, $915,750,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f), including $50,000,000 for a Foster Child Care demonstration program involving 11 States, $12,840,790 for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and $20,000,000 for a demonstration involving five cities with populations exceeding $400,000 in metropolitan areas with populations exceeding 1,500,000, under which the Secretary shall carry out metropolitan-wide programs, designed to assist families with children to move out of areas with high concentrations of persons living in poverty, through contracts with nonprofit organizations and through annual contributions contracts with public housing agencies for administration of housing assistance payments contracts: Provided further, That of the $10,357,201,000 total provided under this head, $794,167,000 shall be for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)); $2,300,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended, including $70,000,000 which shall be for rental adjustments resulting from the application of an annual adjustment factor in accordance with section 801 of the Department of Housing and Urban Development Reform Act of 1989 (P.L. 101–235); $618,462,000 shall be for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intent to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and of the $618,462,000 made available for such assistance, up to $25,000,000 shall be for use by nonprofit organizations, pursuant to of the Emergency Low Income Housing Preservation Act of 1987, as amended by the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and for tenant and community-based nonprofit education, training and capacity building and the development of State and local preservation strategies; $88,884,000 shall be for section 8 assistance for property disposition; and $257,000,000 shall be for loan management: Provided further, That any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1)(42 U.S.C. 1437f(b)(1)) shall be obligated for a contract term that is no more than five years: Provided further, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b) and (o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: Provided further, That up to $167,000,000 of amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and, except as herein provided, for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1992, shall be rescinded: Provided further, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 101–628, 102 Stat. 3224, 3268) shall not be rescinded, or in the case of cash, shall not be remitted to the Treasury, and such amounts of budget authority or cash shall be used by State housing finance agencies in accordance with such section: Provided further, That of the $10,357,201,000 total, $50,000,000 shall be for housing opportunities for persons with AIDS under Title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) and $50,000,000 shall be for grants to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately-owned rental units: Provided further, That such grant funds shall be available only for projects conducted by contractors certified and workers trained through a federally- or State-accredited program: Provided further, That, to be eligible for such grants, States and units of general local government must demonstrate the capability to identify significant-hazard housing units, to oversee the safe and effective conduct of the abatement, and to assure the future availability of abated units to low- and moderate-income persons; and $4,200,000 shall be for the housing demonstration under section 304(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625); Provided further, That of the $54,250,000 earmarked in Public Law 101–507 for special purpose grants (104 Stat. 1351, 1357), $667,000 made available for the city of Chicago to assist the Ashland II Redevelopment Project shall instead be made available for the city of Chicago to assist the Marshway Project: Provided further, That notwithstanding the language preceding the first proviso of this paragraph, $150,000,000 shall be used for special purpose grants in accordance with the terms and conditions specified for such grants in the committee of conference report and statement of managers (H. Rept. 102–226) accompanying this H.R. 2519, including $500,000 for the city of Kansas City, Kansas to operate a social service center.*

Of the $10,357,201,000 total under this head, $538,808,000 shall be for capital advances for housing for the elderly as authorized by section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $451,200,000 shall be for projects rental assistance for supportive housing for the elderly under such section 202(c)(2) of the Housing Act of 1959; $148,700,000 shall be for amendments to rental assistance contracts for projects for the elderly that receive capital advances or projects reserved under section 202 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act; and $16,250,000 shall be for service coordinators pursuant to section 202(g) of the Housing Act of 1959, as amended by section 808 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): Provided, That to the extent that the funding provided herein for rental assistance contracts for the elderly that receive capital advances is insufficient to match the units provided through capital advances, funds deemed excess in other section 8 programs may be added to and merged with the rental assistance funding to ensure that sufficient rental assistance units are available.

Of the $10,357,201,000 total under this head, $102,860,000 shall be for capital advances for housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $100,159,000 shall be for project rental assistance for persons with disabilities under section 811(b)(2) of the Cranston-Gonzalez National Affordable Housing Act; and $23,300,000 shall be for amendments to rental assistance contracts for projects for the handicapped that receive capital advances, including projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act.

The Secretary of Housing and Urban Development shall make a commitment and provide capital advance assistance under section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, or section 811 of such Act if the project is for persons with disabilities, for any project for which there is a loan reservation under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act, if the loan has not been executed and recorded, and if the project is making satisfactory progress under 24 CFR section 885.230: Provided, That the Secretary shall not make such commitments and provide such capital advance assistance before January 1, 1992: Provided further, That the Secretary shall have the discretion until April 1, 1992 not to terminate a project and not to convert a project to capital advance assistance: Provided further, That upon converting a project to capital advance assistance, the loan reservation for such project shall be terminated: Provided further, That a project not making satisfactory progress under 24 CFR section 885.230 shall not have its loan reservation terminated before January 1, 1992, and the Secretary shall ensure that the processing of all projects through loan execution and recordation or the making of the capital advance is expedited, and that no project being so processed shall have the order in which it is processed arbitrarily changed: Provided further, That an owner of a project that is converted pursuant to this paragraph shall be permitted voluntarily to provide *funds for capital costs in addition to the capital advance, from debt or other non-Federal sources.*

With respect to each project that has a loan reservation terminated pursuant to the immediately foregoing paragraph, the Secretary of Housing and Urban Development shall convert each funding reservation that was made under section 8 of the United States Housing Act of 1937 or section 202(h) of the Housing Act of 1959, before enactment of the Cranston-Gonzalez National Affordable Housing Act, to a commitment for project rental assistance under such section 202 as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act or section 811 of the Act.

The managers on the part of the Senate will offer a motion to recede and concur in the amendment of the House to the amendment to the Senate.

The conferees expect the Department and the Office of Management and Budget to adhere to the 1992 program detailed in the following table:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FY 1992—BUDGETARY RESOURCES

	Units	Cost	Term	Budget authority
Recaptures	NA	NA	NA	$167,000,000
Rescission of Recaptures	NA	NA	NA	(167,000,000)
Budget Authority (Including Carryover)	NA	NA	NA	10,357,201,000
Total Available	NA			10,357,201,000
New Housing				
Public/Indian Housing:				
Public Housing	7,500	76,531	NA	573,983,000
Indian Housing	2,800	81,132	NA	227,170,000
Subtotal, Public/Indian	10,300			801,153,000
Section 8 and Other:				
Section 202 (Elderly):				
Capital Grants	(9,400)	57,320	NA	538,808,000
Rental Assistance	9,400	2,400	20	451,200,000
Subtotal, Elderly	9,400			990,008,000
Section 811 (Disabled):				
Capital Grants	(1,850)	55,600	NA	102,860,000
Rental Assistance	1,850	2,707	20	100,159,000
Subtotal, Disabled	1,850			203,019,000
Total, Elderly/Disabled	11,250			1,193,027,000
Vouchers:				
Incremental	25,000	6,220	5	777,500,000
Elderly Independence	(1,500)	6,220	5	(35,800,000)
Total, Vouchers	25,000			777,500,000
Certificates:				
Incremental	25,905	7,070	5	915,750,000
Foster Child Care	(1,414)	7,070	5	(50,000,000)
Housing Opportunities for Persons with AIDS	924	2,707	20	50,000,000
Subtotal New Housing (Incremental)	73,379			3,737,430,000
Preservation of Existing Housing				
Public Housing:				
Amendments	17,600	NA	NA	88,000,000
Modernization	NA	NA	NA	2,800,975,000
Tech. Assist. & Training	NA	NA	NA	(5,000,000)
Lease Adjustments	NA	NA	NA	24,000,000
Subtotal, Public & Indian	17,600			2,912,975,000
Section 8 and Other:				
Elderly and Handicapped Amendments:				
Section 202 (Elderly) Amendments	4,264	NA	NA	76,700,000
Service Coordinators	NA	NA	NA	16,250,000
Section 202(h) (Handicapped) Amendments	1,300	NA	NA	23,300,000
Cap. Grants Amend. (Elderly Rent. Assist)	1,549	NA	NA	72,000,000
Subtotal, Elderly/Handicapped	7,113			188,250,000
Vouchers:				
Opt Outs/Prepayments/Relocation	536	6,220	5	16,667,000
Preservation/Homeownership:				
Incentives/Homeownership	312,352	NA	NA	569,420,000
Vouchers	1,577	6,220	5	49,042,000
Subtotal, Home/Preser	32,929			618,462,000
Property Disposition	953	6,220	15	88,884,000
Loan Management	10,648	4,827	5	257,000,000
Rent Supp/RAP Conversions	833	4,000	5	16,667,000
Section 23 Conversions	901	3,700	5	16,666,0000
Housing Demonstration, Section 304(c)(1)	NA	NA	NA	4,200,000
Amendments:				
Existing Housing	505,577	NA	1	1,135,261,000
Project Reserves	317,908	NA	[1] 7	945,138,000
Moderate Rehab	8,065	NA	[1] 10	131,076,000
Property Disposition	924	NA	15	18,525,000
Rainier View Requirements	22,000	NA	NA	70,000,000
Subtotal, Amendments	854,474			2,300,000,000
Special Purpose Grants	NA	NA	NA	150,000,000
Lead-Based Paint Abatement Demonstration	NA	NA	NA	50,000,000
Subtotal, Preservation of Exist. Housing	925,987			6,619,771,000
Subtotal, Annual Contributions	999,366			10,357,201,000
Carryover (Nonincremental)	NA	NA	NA	(537,000,000)
Subtoal, Annual Contributions	999,366			9,820,201,000
Sec. 8 Recaptures from Sec. 202 Conversions	NA	NA	NA	(1,750,000,000)
Total, Annual Contributions	999,366			8,070,201,000

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FY 1992—BUDGETARY RESOURCES—Continued

	Units	Cost	Term	Budget authority
Rescission of Recaptures	NA	NA	NA	(167,000,000)
Budget authority (net)	999,366			7,903,201,000
HOPE, Transfer of ACC Carryover	NA	NA	NA	[225,000,000]
Incremental Units:				
Annual Contributions	73,379			
Related Programs:				
Shelter Plus Care	1,000			
Moderate Rehabilitation (SRO)	4,891			
HOME	91,760			
Total Incremental	171,030			

[1] Amendments are for the lesser of the contract expiration date or 7 years in the case of Project Reserves and the lesser of the contract expiration date or 10 years in the case of Moderate Rehabilitation.

The conferees are in agreement with the following special purpose grants:

+$30,000 for health and safety repairs on housing units at the Tri-Cities Vista Terrace in East Pasco, Washington.

+$750,000 for low-income housing and economic revitalization in the southeast section of Seattle, Washington.

+$1,000,000 for the Tacoma, Washington, Hill Top Housing and Redevelopment Project.

+$2,000,000 for a land bank for Oregon's public housing authorities.

+$3,000,000 for the renovation of a training facility for the blind, deaf, and elderly blind in Lafayette, Louisiana.

+$1,500,000 for a rural community-based health insurance program in two communities in the Mississippi River Delta region of Arkansas.

+$1,500,000 for the northwest Mississippi regional medical center.

+$2,000,000 to help partially fund the San Mateo County, California, employee homeownership program.

+$1,600,000 for the Council of Jewish Organizations to establish business outreach centers in New York and Connecticut.

+$2,900,000 for the riverfront recapture economic development project in Hartford, Connecticut.

+$500,000 for the City of Wichita, Kansas, domestic violence program.

+$750,000 for the construction of a new children's center at the Wyanddotte House in Kansas City, Kansas.

+$1,500,000 for a municipal center in Bloomfield, New Mexico.

+$200,000 for the National Association of Southern Poor.

+$750,000 for the success through academic and recreational support program run by the Fort Myers, Florida, housing authority.

+$1,750,000 for low-income homeownership under the Sioux City, Iowa, housing demonstration project.

+$2,000,000 for economic development in the downtown areas of Davenport, Iowa.

+$4,370,000 for the City of Portland, Oregon, to establish a northeast Portland revolving loan fund to be used for urban economic development.

+$1,200,000 for infrastructure development of Hawaiian home lands, and bill language to guarantee its timely implementation.

+$1,300,000 for job retention of agricultural workers at two sugarcane mills on Hawaii's Hilo-Hamakua coast.

+$5,000,000 for development of a center in New Orleans, Louisiana, to train residents of public housing, particularly teenage parents, literacy, and job training skills.

+$500,000 for the New Jersey Institute of Technologies to study innovative housing technologies.

+$20,000 for a feasibility study on commercial redevelopment for Clayton, New Jersey.

+$500,000 for the Center for Health Technologies in Miami, Florida, for technology and economic development activities.

+$50,000 for a feasibility study on the creation of a business park in Wildwood, New Jersey.

+$80,000 to revitalize the central business district in Paulsboro, New Jersey.

+$2,500,000 for the construction of a residential facility at St. Joseph's School for the Blind in Jersey City, New Jersey.

+$500,000 for the Newark Public Library to develop literacy training and reading rooms at five public housing developments in Newark, New Jersey.

+$1,500,000 for the downtown revitalization of Rutland, Vermont.

+$2,000,000 to the Vermont Housing and Conservation Board for use in the development of affordable housing projects for low- and moderate-income individuals and families.

+$4,000,000 for the capital costs for a housing and detoxification center for homeless individuals in San Francisco, California.

+$1,000,000 to assist residents of the Windsor Park subdivision of north Las Vegas, Nevada, to participate in a plan developed by HUD to mitigate serious damage to homes that have sunk as a result of ground failure.

+$250,000 for the community stabilization and revitalization project sponsored by the Genesee Economic Revitalization Inc. for Flint, Michigan, and Genesee County, Michigan.

+$1,000,000 for infrastructure improvements for the Town of Clinton, Tennessee.

+$2,000,000 for the City of Homer, Alaska, for costs associated with the construction of an innovative waste water treatment plant. Delays and imprudent oversight of this project by the Federal Government threaten system users with onerous charges and may jeopardize the city's financial ability to meet other federally mandated standards.

+$750,000 for drug elimination efforts for the Fort Worth housing authority in Fort Worth, Texas.

+$500,000 for a community drug elimination program in housing projects in the Oklahoma City, Oklahoma, area.

+$1,000,000 to the Atlantic Economic Development Corp. for the Sweet Auburn Curb Market project.

+$5,000,000 for a homeless demonstration project at the Luther Place Church in Washington, DC.

+$500,000 for a grant for the City of Provo, Utah, for land acquisition and development of an alternate access route to the municipal airport and industrial park.

+$2,000,000 for job creation and economic revitalization activities in Newark, New Jersey.

+$300,000 for the Savannah, Georgia, housing authority to conduct a feasibility study on the need for scattered-site public housing.

+$500,000 for the North Dakota Business Marketing Alliance for a revolving fund for rural, home-based micro businesses.

+$500,000 for a capitalization of a statewide revolving loan fund and technical assistance program to promote new high-technology small business development in Utah. This grant shall be matched by local governments and other non-Federal sources.

+$400,000 for the Great Plains Native American Crafts Cooperative to provide business assistance to native American entrepreneurs.

+$250,000 for additional infrastructure development for a light industrial park in West Valley City, Utah.

+$2,000,000 for the Center for Innovation and Development for a university-based, technology incubator facility in Grand Forks, North Dakota, to create new manufacturing jobs in rural areas.

+$250,000 for a low- and moderate-income housing assistance demonstration project cooperatively funded by the city and county of Salt Lake, Utah. Funds provided in a similar grant for fiscal year 1991 may be merged with this appropriation for greater project effectiveness.

+$900,000 for the renovation of an abandoned building to convert into an economic development and training center at Elkins, West Virginia.

+$700,000 for purchase and renovation of an abandoned building for use as an Alzheimer's clinic and adult day-care center at Parkersburg, West Virginia.

+$500,000 for a rural health care clinic in McDowell County, West Virginia.

+$800,000 for the development of a water supply system for the City of Crawford, Nebraska.

+$1,300,000 for the North Omaha Family Resource Center in Omaha, Nebraska.

+$300,000 for the Nebraska Center for Rural Health Education and Drug Information, to be established at the University of Nebraska Medical Center, to connect 30 rural communities across the State of Nebraska, providing drug and health care information to health professionals and consumers.

+$500,000 for the Harold Edgerton Educational Center in Aurora, Nebraska.

+$2,000,000 for the Navajo Nation to develop housing for handicapped and elderly individuals who live on remote portions of Navajo reservations.

+$100,000 for improvements to the West Side Community Center in Asbury Park, New Jersey.

+$250,000 for a statewide drug education program administered by the Oklahoma Alliance Against Drugs.

+$500,000 for the City of Kansas City, Kansas, to operate a social service center.

+$850,000 for continuing a housing rehabilitation program in Ogden, Utah.

+$850,000 for rural development assistance demonstration activities through the State of Utah Department of Community and Economic Development.

+$300,000 for the Phyllis Wheatley Association for youth activities in Cleveland, Ohio.

+$300,000 for the St. Clair-Superior Coalition for community development in Cleveland, Ohio.

+$300,000 for the Harvard Community Services Center in Cleveland, Ohio.

+$500,000 for community drug abuse resistance education program for youth in low-income and subsidized housing in San Diego, California.

+$150,000 for San Diego, California, Filipino and Southeast Asian high-risk youth program for delinquency and youth gang prevention and education.

+$600,000 for grants for Alzheimer's Treatment and Care Centers in San Diego, California, to be managed by the Alzheimer's Association ($300,000) and the Alzheimer Family Center ($300,000).

+$1,000,000 to revitalize central city recreation infrastructure serving low- and moderate-income citizens in the city of San Bernardino, California.

+$850,000 for low-income housing, community and economic development activities through the Redwood Economic Development Commission in Humboldt County, California.

+$1,000,000 to improve low-income medical care to be applied in equal amounts to the Mothers and Children Clinic in Clearwater, Florida, and the Judeo-Christian Health Clinic in Holiday, Florida.

+$950,000 to acquire and renovate a food storage warehouse and to assist in the distribution of food for the Food Share organization in Oxnard, California.

+$700,000 for housing rehabilitation for low- and moderate-income families in Dubuque, Iowa.

+$1,000,000 to Seneca County, Ohio, of which $900,000 is for facility development and $100,000 is to develop an Old Fort Community Center.

+$1,000,000 to be equally allocated among crime prevention, senior nutrition and assistance in the Bay Ridge Community in Brooklyn, New York, senior nutrition and assistance at Staten Island University Hospital and crime prevention in Staten Island, New York.

+$1,000,000 for the Pennsylvania Housing Finance Agency to complete renovation and revitalization of the Saquoit Silk Mills in Scranton into low-income elderly apartments.

+$950,000 for renovations to reopen the vacant Florence Apartments in Scranton, Pennsylvania, for handicapped, single mothers with children, and homeless individuals.

+$575,000 for emergency construction of water lines in Auburn, Massachusetts, to address presently irreversible hazardous contamination of the sole source of water for certain sections of the town.

+$510,000 for emergency construction of water lines in Uxbridge and Millville, Massachusetts, to address presently irreversible hazardous contamination of the sole source of water for certain sections of these towns.

+$400,000 for Holliston, Massachusetts, to defray the cost of the extension of critically needed water lines to areas of the town whose sole source of water has been contaminated.

+$1,000,000 to the City of Chicago, Illinois, for the Neighborhood Home Improvement Program.

+$250,000 for the Women's Resource Center to shelter victims of family violence in northern San Diego County, California.

+$1,000,000 to the City of Chicago, Illinois, for the Low-Income Housing Trust Fund.

+$400,000 for the City of Lynn, Massachusetts, to complete renovation of the Multi-Service Center, a centralized facility for the delivery of social services to meet the needs of homeless families and individuals.

+$1,500,000 for the Covenant House of New York City, New York.

+$1,500,000 for the Alliance of Residence Theatres of New York, New York, for acquisition and renovation of theater space.

+$500,000 for the Carbon Hill, Alabama, water system.

+$500,000 to Bishop State Community College, Mobile, Alabama, for innovative training for access to high technology for minority students.

+$421,000 to Franklin Borough, Pennsylvania, to settle a long-standing dispute with the Federal Government.

+$2,000,000 to reclaim Toledo, Ohio, neighborhoods through the combined efforts of local churches, expanded training for nonprofit community developers and residents in self-help apprenticeship to tear down, rehabilitate, and finance downpayments of homes.

+1,000,000 for an innovative lead-paint abatement demonstration project in Westchester County, New York.

+$1,200,000 for improvements to the Cherokee Nation of Oklahoma's waste water treatment facilities located in Tahlequah, Oklahoma.

+$3,900,000 for land acquisition, construction, public improvements, and other purposes in Bay City, Michigan.

+$400,000 for the Karst Topography Rehabilitation Project in the Fountain Water District, Illinois.

+$290,000 for communications and other equipment in Marquette, Michigan.

+$690,000 for water, sewer, and roads projects in Boyne City, Michigan.

+$500,000 for a multi-service homeless shelter in Joliet, Illinois.

+$1,300,000 to help fund the Second Precinct Rehabilitation Project in Minneapolis, Minnesota.

+$1,072,000 to assist in acquisition of facilities and other purposes in Saginaw, Michigan.

+$4,200,000 for the New England Shelter for Homeless Veterans in Boston, Massachusetts.

+$950,000 to acquire, renovate, construct, and equip facilities to provide alternative housing, and educational and recreational opportunities for at-risk youth in the City of Wheeling, West Virginia.

+$850,000 to purchase, remodel, and equip a vacant Jewish Community Center building in Lawrence, Massachusetts, for use as a Girls' Club facility.

+$250,000 for the City of Lowell, Massachusetts, for a youth gang prevention program for adolescents in and around federally assisted housing, and for programs for at-risk adolescent girls.

+$250,000 to the Town of Framingham, Massachusetts, for school drop-out prevention activities.

+$900,000 for surface transportation in Portland, Oregon.

+$1,000,000 for the Oxbow Corporation for construction of the Oxbow project in Castlewood and Saint Paul, Virginia.

+$300,000 for the Business and Industrial Development Center at Northeast Texas Community College, Mt. Pleasant, Texas, to promote rural economic development programs.

+$3,000,000 for community development activities in Texas: Hopkins County ($1,500,000), and the Greater Paris Development Foundation Fund, Inc. in the City of Paris ($1,500,000).

+$400,000 to complete the acquisition, clearance, and relocation activities in the Central Norristown, Pennsylvania, redevelopment project.

+$700,000 to refurbish the Cresson Street tressel in Manayunk, Pennsylvania.

+$211,000 for a water main project in Adamsville, Jefferson County, Alabama.

+$1,000,000 to rehabilitate the Pease Auditorium, a historic building in Ypsilanti, Michigan.

+$2,900,000 for demolition and park construction in Tampa, Florida.

+$1,000,000 for the purchase of the Prince Carrollton Apartments in New Carrollton, Maryland, for low-income housing.

+$505,000 for the North Miami Beach, Florida, Performing Arts Cultural Center.

+$65,000 for improvement of recreational facilities in Biscayne Park, Florida.

+$2,500,000 for a Center for Advanced Care for the Elderly with the New England Deaconess Hospital in Boston, Massachusetts.

+$101,000 to improve recreational facilities in the Borough of Myersdale, Pennsylvania.

+$1,500,000 to improve the community recreational facilities in three communities, Portage Borough, Portage Township, and the City of Greensburg, Pennsylvania.

+$2,000,000 for construction of a multi-use facility, which will aid in the revitalization effort in Buffalo, New York.

+$500,000 for the Community Housing Improvement Systems and Planning Association for the purposes of predevelopment of Rancho Los Robles in North Montery County, California.

+$2,500,000 for a demonstration project to create a revolving loan fund account for low-interest loans for renovation of store front business facades in the "Four Corners" area of downtown Newark, New Jersey.

+$1,000,000 for a parking garage in Ashland, Kentucky.

+$500,000 to support housing rehabilitation in Benton Harbor, Michigan.

+$985,000 for neighborhood revitalization and community development in the City of Fairmont, West Virginia.

+$150,000 for a new government center in Warren, Rhode Island.

+$5,950,000 to Peoria, Illinois, to settle a dispute with the Federal Government and for other purposes.

+$625,000 for a demonstration project to establish a community development priority list in the Commonwealth of Pennsylvania.

+$1,500,000 for community revitalization activities in Philadelphia, Pennsylvania.

+$1,000,000 for housing and other purposes in El Paso, Texas.

+$200,000 for improvement and revitalization of the rental business district of Perth Amboy, New Jersey.

+$1,000,000 for housing programs and other purposes in Ft. Wayne, Indiana.

+$2,500,000 for expanding the North Miami Center for Contemporary Art, Florida.

+$500,000 for a transitional housing assistance program in San Diego, California, to be administered by the St. Vincent DePaul Center for the Homeless.

The conferees have recommended $50,000,000 for the family unification program authorized by the 1990 Housing Authorization Act. The Department is directed to allocate the approximately 1,400 certificates provided to housing authorities in 11 States for a demonstration program consistent with the terms specified in the Senate report. The Secretary shall allocate these funds, upon receipt of the proper application, to the following 11 States: Missouri, New York, New Jersey, California, Maryland, Michigan, Ohio, Texas, Pennsylvania, Florida, and Massachusetts. Consistent with the authorization Act, the conferees direct HUD to issue proposed regulations within 60 days of enactment, and a final rule within 180 days of enactment. The Department should evaluate the results of this demonstration, in consultation with other appropriate Federal agencies and outside experts, and submit the results to the Committees on Appropriations.

The first proviso in the fourth paragraph under the assisted housing account allows the Secretary the discretion not to convert direct loan projects to capital advance grants, until April 1, 1992.

The third proviso in the fourth paragraph establishes a moratorium for the first quarter of fiscal year 1992 on loan terminations resulting from the failure of a project to make satisfactory progress. Nevertheless, except for these projects, all projects—whether for loans or capital advances—will continue to be processed in an expeditious manner, and their standing in the processing pipeline in relation to other projects will not arbitrarily be changed. In addition, the committee of conference assumes that there will be no additional budget authority scored from those projects that do not convert.

The fourth proviso in the fourth paragraph makes clear that capital funding, in addition to the Federal capital advance, is permitted for projects that are converted from loan to grant financing. The added funding may be from sources based on secured or unsecured debt, or from any other non-Federal source.

The conferees are concerned that the Secretary has not complied with language in the National Affordable Housing Act to provide $25,000,000 in discretionary funding for earthquake-related rehabilitation and replacement of low-income housing in the Bay Area and urges him to do so.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, $7,355,128,000 to remain available until expended: Provided, That funds provided under this paragraph may not be obligated for a contract term that is less than five years: Provided further, That the Secretary may maintain consolidated accounting data for funds disbursed at the Public Housing Agency or Indian Housing Authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts.

Further, for the forgoing purposes, $850,000,000, to become available for obligation on October 1, 1992, and to remain available for obligation until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are deeply concerned with the $1,180,539,000 shortfall in the estimate for section 8 contract renewals in 1992. Because of the concern that no family should lose its housing assistance due to a contract terminating, the conferees have little real choice but to provide the additional funding. Because of the budget restraints imposed by the Summit Agreement, the conferees, in consultation with the Administration, are providing $330,539,000 of the additional estimate in 1992 and the balance of $850,000,000 as an advance appropriation in 1993. The conferees have reservations about this method of funding but feel that under the circumstances there are no other options. To avoid forcing a choice between continuing housing assistance for families already receiving such assistance and the provision of housing assistance for additional families, the conferees urge the Administration to consider scoring all increases in section 8 contract renewal costs above the budget baseline as mandatory increases.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

For those projects in the State of Maine, the owners of which have converted their section 23 leased housing contracts (former section 23 of the Act, as amended by section 103(a), Housing and Urban Development Act of 1965, Public Law 89–117, 79 Stat. 451, 455) to section 8, the subsidy provided shall be for a five-year extension of such projects' current housing assistance payments contracts.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 38: Appropriates $17,700,000 for congregate services, instead of $9,500,000 as proposed by the House and $26,000,000 as proposed by the Senate.

Amendment No. 39: Appropriates $2,450,000,000 for payments for operation of low-income housing projects, instead of $2,188,844,000 as proposed by the House and $2,500,000,000 as proposed by the Senate.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *Provided*, That of the funds provided under this heading, $294,156,000 shall not become available for obligation until September 20, 1992

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 41: Appropriates $6,025,000 for housing counseling assistance, instead of $8,350,000 as proposed by the House and $3,700,000 as proposed by the Senate.

Amendment No. 42: Appropriates $50,000,000 for the flexible subsidy fund as proposed by the Senate, instead of $52,413,000 as proposed by the House.

HOMELESS ASSISTANCE

Amendment No. 43: Appropriates $73,164,000 for the emergency shelter grants program as proposed by the Senate, instead of $71,000,000 as proposed by the House.

Amendment No. 44: Deletes language proposed by the House and stricken by the Senate earmarking funds for two homeless projects.

Amendment No. 45: Appropriates $11,263,000 for supplemental assistance for facilities to assist the homeless as proposed by the Senate, instead of $57,000,000 as proposed by the House. The conferees agree that these funds are not to be used to fund the homeless programs currently being operated by the Departments of Health and Human Services, Education, and Labor.

Amendment No. 46: Appropriates $105,000,000 for section 8 moderate rehabilitation single room occupancy as proposed by the Senate, instead of $55,000,000 as proposed by the House.

Amendment No. 47: Appropriates $73,333,000 for shelter plus care: section 8 moderate rehabilitation, single room occupancy as proposed by the Senate, instead of $50,000,000 as proposed by the House.

Amendment No. 48: Deletes language proposed by the House and stricken by the Senate appropriating $116,000,000 for shelter plus care: homeless rental housing assistance.

COMMUNITY PLANNING AND DEVELOPMENT

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $3,400,000,000 for community development grants, instead of $3,265,000,000 as proposed by the House.

Amendment No. 50: Earmarks $33,930,000 for grants to Indian tribes, instead of $32,600,00 as proposed by the House and $34,000,000 as proposed by the Senate.

Amendment No. 51: Restores language proposed by the House and stricken by the Senate earmarking $500,000 for a grant to develop an integrated data base system and computer mapping tool as authorized by the National Affordable Housing Act of 1990. The conferees are in agreement that this grant is for the Population and Marketing Analysis Center in Towanda, Pennsylvania, for mapping projects in Lackawanna County, Dunmore, Carbondale, Tioga County, Wilkes-Barre, and Hazelton.

Amendment No. 52: Inserts reference to appropriation amount as proposed by the Senate, instead of the amount proposed by the House.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $2,000,000 for the Neighborhood Development Demonstration Program.

POLICY DEVELOPMENT AND RESEARCH

Amendment No. 54: Appropriates $25,000,000 for research and technology as proposed by the Senate, instead of $29,500,000 as proposed by the House.

The conferees are in agreement on the following changes to the budget request:

+$400,000 for the State of Hawaii Real Estate Commission for a nationwide study to be conducted by the Hawaii Real Estate Research and Education Center to evaluate the advantages and disadvantages of reforming the Internal Revenue Code to qualify residential ground lease financing for deductions or tax credits.

+$250,000 for the Alliance to End Childhood Lead Poisoning to convene a consensus group to help facilitate the development of interim containment guidelines on the abatement of lead in housing.

−$10,650,000 as a general reduction to be applied in accordance with normal reprogramming guidelines and to be done in such a way as to have minimal effect on the annual housing survey.

Amendment No. 55: Restores language proposed by the House and stricken by the Senate earmarking $1,000,000 for innovative building technologies research with the Research Center of the National Association of Home Builders.

MANAGEMENT AND ADMINISTRATION

Amendment No. 56: Appropriates $744,078,000 for salaries and expenses as proposed by the House, instead of $879,453,000 as proposed by the Senate.

The conferees are in agreement with the following changes from the budget request:

+$2,000,000 for the Housing Assistance Council.

+$500,000 for the National American Indian Housing Council.

+$1,135,000 for 25 FTE for the field to implement the new Office of Lead Based Paint Abatement and Poisoning Prevention.

+$1,000,000 for 20 FTE for headquarters expenses of the new Office of Lead Based Paint Abatement and Poisoning Prevention.

+$808,000 for 19 FTE for field legal services to increase fair housing enforcement activity.

−$5,443,000 as a general reduction in the salaries and expenses and departmental management accounts, subject to normal reprogramming procedures—other than the Housing Assistance Council, the National American Indian Housing Council, the new Office of Lead Based Paint Abatement and Poisoning Prevention, or field legal services.

Amendment No. 57: Transfers $394,609,000 from the various funds of the Federal Housing Administration as proposed by the House, instead of $435,000,000 as proposed by the Senate.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *Provided, That there shall be established, in the Office of the Secretary, an Office of Lead Based Paint Abatement and Poisoning Prevention to be headed by a career Senior Executive Service employee who shall be responsible for all lead-based paint abatement and poisoning prevention activities (including, but not limited to, research, abatement, training regulations and policy development): Provided further, That such office shall be allocated a staffing level of 20 staff years*

The managers on the part of the Senate will offer a motion to recede and concur in the amendment of the House to the amendment of the Senate.

The conferees deleted the language proposed by the Senate requiring a qualified industrial hygienist for each field office to oversee the lead-based paint abatement and poisoning prevention activities and establish timeframes for such appointments. However, the conferees expect the Department to abide by those requirements as outlined in the Senate's report.

Amendment No. 59: Restores language proposed by the House and stricken by the Senate appropriating $55,580,000 in a new personal services and travel, Office of Housing account, instead of providing such funding in a new consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 60: Restores language proposed by the House and stricken by the Senate appropriating $10,424,000 in a new personal services and travel, Office of Public and Indian Housing account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 61: Restores language proposed by the House and stricken by the Senate appropriating $17,872,000 in a new personal services and travel, Office of Community Planning and Development account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 62: Restores language proposed by the House and stricken by the Senate appropriating $10,705,000 in a new separate personal services and travel, Office of Policy Development and Research account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 63: Restores language proposed by the House and stricken by the Senate appropriating $10,516,000 in a new separate personal services and travel, Office of Fair Housing and Equal Opportunity account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 64: Restores language proposed by the House and stricken by the Senate appropriating $9,293,000 for a new separate personal services and travel, Department of Management account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 65: Restores language proposed by the House and stricken by the Senate appropriating $14,985,000 in a new personal services and travel, Office of General Counsel account, instead of providing such funding in a consolidated salaries and expenses account as proposed by the Senate.

Amendment No. 66: Appropriates $44,665,000 for the Office of Inspector General as proposed by the Senate, instead of $43,645,000 as proposed by the House. The conferees are concerned with the lack of quality financial information regarding section 8 amendment and contract renewal funds. The conferees expect that the Office of Inspector General will begin an audit of such activities and submit at least a preliminary report by January 1, 1992.

ADMINISTRATIVE PROVISIONS

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Notwithstanding any other provision of law or other requirement, the city of Vallejo, California, is authorized to retain any land disposition proceeds or urban renewal grants funds that remain after the financial closeout of the Marina Vista Urban Renewal Project, and to use such funds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The city of Vallejo shall retain such funds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such funds, including any interest.

Notwithstanding any provisions of law or other requirement, the Urban Renewal Authority of the City of Oklahoma City, in the State of Oklahoma, is authorized to retain any land disposition proceeds and other income from the financially closed-out Central Business District Number 1A Urban Renewal Project (OKLA. R–30) and John F. Kennedy Urban Renewal Project (OKLA. R–35) in accordance with the Close-out Agreements executed pursuant to 24 CFR 570.804(b)(5) October 16, 1979, and concurred in by the Secretary, which agreements obligated such proceeds to completion of project activities in consideration for the reduction of an approved categorical settlement grant in satisfaction of the repayment requirements of 24 CFR 570.486. The Urban Renewal Authority of the City of Oklahoma City shall retain such proceeds and other income in a lump sum and shall be entitled to retain and use, subject only to the provisions of 24 CFR 570.504(b)(5), such past and future proceeds, including any interest, for the completion of such project activities.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 68: Restores language proposed by the House and stricken by the Senate limiting the number of non-career senior executive service positions at the Department of Housing and Urban Development to 15.

Amendment No. 69: Restores language proposed by the House and stricken by the Senate establishing separate fair market rents for Monroe County, Pennsylvania.

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsection:

"(p) With respect to amounts available for obligation on or after October 1, 1991, the criteria established under section 213(d)(5)(B) of the Housing and Community Development Act of 1974 for any competition for assistance for new construction, acquisition, or acquisition and rehabilitation of public housing shall give preference to applications for housing to be located in a local market area that has an inadequate supply of housing available for use by very low-income families. The Secretary shall establish criteria for determining that the housing supply of a local market area is inadequate, which shall require—

"(1)(A) information regarding housing market conditions showing that the supply of rental housing affordable by very low-income families is inadequate, taking into account vacancy rates in such housing and other market indicators; and

"(B) evidence that significant numbers of families in the local market area holding cetificates and vouchers under section 8 are experiencing significant difficulty in leasing housing meeting program and family-size requirements; or

"(2) evidence that the proposed development would provide increased housing opportunities for minorities or address special housing needs.".

Section 14(k)(5)(A) of the Housing Act of 1937, as amended, is hereby amended as follows:

By striking in the first sentence thereof the word "initial"

In subsection (i) thereof by substituting the phrase "for each of the preceding three fiscal years" for the phrase "for each of fiscal years of 1989, 1990 and 1991".

Adding a new subsection (iii) which provides: "(iii) In determining whether an agency is 'troubled with respect to the modernization program', the Department shall consider only the agency's ability to carry out that program effectively based upon the agency's capacity to accomplish the physical work: (a) with decent quality; (b) in a timely manner; (c) under competent contract administration; and (d) with adequate budget controls. No other criteria shall be applied in the determination."

Section 14(k)(5)(E) of said Act is repealed.

No appropriated funds may be used to implement the rule proposed in 56 FEDERAL REGISTER 45814, September 6, 1991 relating to "Low-income Public and Indian Housing—Vacancy Rule" or any revision thereof or any other rule related or similar thereto.

Section 6(j)(1) of the Housing Act of 1937, 42 U.S.C. 1437 d(j)(1), [section 502 a) of the National Affordable Housing Act] is amended as follows:

(1) by adding at the end of subparagraph (H) the following language: "which shall not exceed the seven factors in the Statute, plus an additional five"; and

(2) by adding as subparagraph (I) the following:

(I) "The Secretary shall: (1) administer the system of evaluating public housing agencies

flexibly to ensure that such agencies are not penalized as a result of circumstances beyond their control; (2) reflect in the weights assigned to the various indicators the differences in the difficulty of managing individual projects that result from their physical condition and their neighborhood environment; and (3) determine a public housing agency's status as "troubled with respect to the program under section 14" based upon factors solely related to its ability to carry out that program.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees believe that the Department's April 17, 1991, proposed rule implementing Section 502 of the National Affordable Housing Act subverted Congress' intention to set up a simple, objective system to evaluate public housing agency management. For this reason, the conferees direct the Department to use the indicators in the statute, as amended, rather than the 32 additional factors in the proposed rule. The relative weights of individual factors should be based solely on their importance to effective delivery of public housing services to residents and this system should not penalize housing authorities for circumstances beyond their control.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate forgiving a public facilities loan to the Sale Creek Utility District in Soddy Daisy, Tennessee.

Amendment No. 72: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

The Secretary of Housing and Urban Development shall transfer title to the repossessed property known as the Roosevelt Homes Project (No. 074-84006) located in Davenport, Iowa, to a nonprofit organization. Such property shall be used only for the provision of an integrated program of shelter and social services to the homeless, or for other nonprofit uses, for a period of not less than 20 years following the date of the transfer. Use of the transferred property before the expiration of the 20-year period following the date of the transfer for any other purpose other than those described herein shall cause title to revert back to the Secretary of Housing and Urban Development. The nonprofit organization selected by the Department shall have the right to use or not use the section 8 certificates attached to the property.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 73: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding section 8 assistance provided for the Ganado Acres project.

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate allowing any public housing agency or Indian housing authority to purchase insurance from a nonprofit insurance standards.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate establishing the timeframe for insurance standards.

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding standards for nonprofit insurance entities.

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

At the end of matter inserted by said amendment, insert the following:

Hereafter, until the Department of Housing and Urban Development has adopted regulations specifying the nature and quality of insurance covering the potential personal injury liability exposure of public housing authorities and Indian housing authorities (and their contractors, including architectural and engineering services) as a result of testing and abatement of lead-based paint in federally subsidized public and Indian housing units, said authorities shall be permitted to purchase insurance far such risk, as an allowable expense against amounts available for capital improvements (modernization): Provided, That such insurance is competitively selected and that coverage provided under such policies, as certified by the authority, provides reasonable coverage for the risk of liability exposure, taking into consideration the potential liability concerns inherent in the testing and abatement of lead-based paint, and the managerial and quality assurance responsibilities associated with the conduct of such activities.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement modifies language proposed by the Senate relating to the eligibility of nonprofit insurance entities to offer insurance on a noncompetitive basis with the inclusion of additional language expanding the availability of liability insurance for lead-based paint testing and abatement activities.

The added language responds to very serious concerns raised by a September 24, 1991, HUD Inspector General examination of the Department's selection of a particular insurance contract which public housing agencies have been required to purchase to cover potential liability claims associated with the testing and abatement of lead-based paint. This report was prepared at the request of the Senate Committee on Appropriations. The Inspector General found that the Department ". . . did not implement adequate management controls and procedures to justify and support its procurement activities." Additionally, a number of ambiguities were identified by the IG report which have raised substantial questions as to the adequacy of the coverage provided by the vendor's insurance policy.

The conferees are very concerned that the weaknesses of this insurance policy may expose public housing authorities, and ultimately the Federal Government, to substantial financial liability. This adverse potential is also heightened because the form of insurance selected by the Department excludes any underwriting which would otherwise serve to promote safe and effective testing and abatement.

Until the Department addresses the major deficiencies identified in the IG report, and has adopted final regulations regarding this important insurance requirement, the conferees agree that public housing authorities should be permitted to seek more adequate and effective insurance coverage. The provision included in the conference agreement requires that these authorities utilize competitive procedures and certify to HUD that the policies selected are adequate to meet potential liability and serve to limit risk by providing for more effective quality assurance and project management.

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate limiting HUD central office staffing.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Section 14(a) of the Housing Act of 1937, as amended, (42 U.S.C. 14371(a)) is amended by:

(1) striking "and" at the end of clause "(1)";

(2) adding clauses (3), (4), and (5) as follows:

"(3) to assess the risks of lead-based paint poisoning through the use of professional risk assessments that include dust and soil sampling and laboratory analysis in all projects constructed before 1980 that are, or will be, occupied by families; and

(4) to take effective interim measures to reduce and contain the risks of lead-based paint poisoning recommended in such professional risk assessments;

(5) the costs of testing, interim containment, professional risk assessments and abatement of lead are eligible modernization expenses. The costs of professional risk assessment are eligible modernization expenses whether or not they are incurred in connection with insurance and costs for such assessments that were incurred or disbursed in fiscal year 1991 from other accounts shall be paid or reimbursed from modernization funds in fiscal year 1992."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included bill language modifying a provision proposed by the Senate that would make clear that public and Indian housing modernization funds can be used for lead-based paint risk assessments and interim containment measures. The provision also makes clear that housing authorities who have paid for risk assessments in fiscal year 1991 shall be paid or reimbursed for modernization funds in fiscal year 1992.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate waiving the 25 percent presale requirements for the award of Nehemiah funds.

The conferees have included language to amend section 606(c) of the Housing and Community Development Act of 1987 to give past and future Nehemiah recipients flexibility within program presale requirements. Current requirements have been found to impede Nehemiah production in many areas of the country. Jurisdictions have found it difficult to sell 25 percent of all units funded under an allocation prior to the start of any construction activities. Phasing will permit a recipient to presell and construct a portion of units, consistent with a project's development schedule. Land holding costs can be reduced while preserving other program objectives related to economy of scale production. It is intended that the HUD Secretary shall permit phasing upon the request of the Nehemiah grantee and that phasing shall apply to both past and future grantees.

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate regarding the Pascua Yaqui tribe.

Amendment No. 82: Deletes language proposed by the Senate modifying section 382(a) of the National Affordable Housing Act.

Amendment No. 83: Deletes language proposed by the Senate regarding approval of housing subdivisions.

Amendment No. 84: Deletes language proposed by the Senate modifying section 673 of the Omnibus Reconciliation Act of 1981.

TITLE III—INDEPENDENT AGENCIES

COMMISSION ON NATIONAL AND COMMUNITY SERVICE

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $2,000,000 for salaries and expenses of the Commission, to remain available until September 30, 1993. The language also appropriates $73,000,000 for program activities of the Commission, to remain available until September 30, 1993.

CONSUMER PRODUCT SAFETY COMMISSION

Amendment No. 86: Appropriates $40,200,000 for salaries and expenses of the Consumer Product Safety Commission as proposed by the House, instead of $39,200,000 as proposed by the Senate.

The conferees are in agreement on the following change to the budget request:

+$1,000,000 for the Little Cigar and Cigarette Safety Study.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 87: Provides a limitation of $5,500 for official reception and representation expenses, instead of $6,000 as proposed by the House and $5,000 as proposed by the Senate.

Amendment No. 88: Appropriates $1,040,500,000 for salaries and expenses instead of $1,084,000,000 as proposed by the House and $1,029,000,000 as proposed by the Senate.

The committee of conference is in agreement on the following changes to the budget request:

−$3,500,000 from travel and transportation of persons.

−$6,000,000 from other services. The conferees have made this reduction because of increasing concern about the extensive use of contractors by the Agency. EPA should prepare a report to the Committees on Appropriations delineating the Agency's use of other contractural services in all operating program appropriation accounts for the last three fiscal years. This report should be submitted to the Committees on Appropriations by February 1, 1992.

−$40,000,000 to be taken as a general reduction at the discretion of the Administrator.

The conferees direct EPA to reprogram from within the Office of Water, $550,000 and 10 FTEs for the implementation of the section 319 nonpoint source program. The conferees do not concur with the House directive to transfer $200,000 from the Office of Air and Radiation's program management to other elements within the office.

The committee of conference directs EPA to provide such sums as necessary to establish and staff the Long Island Sound program office. The conferees direct the agency to provide such sums as necessary for the implementation of the Medical Waste Tracking Program. Further, the conferees direct the agency to provide such sums as necessary for lead-based paint activities, including the establishment of a national accreditation system for training programs. The use of funds for the above purposes in subject to review by the Committees on Appropriations.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate withholding $500,000 from the Immediate Office of the Administrator until EPA's Strategic Plan is provided to the Committees on Appropriations.

Amendment No. 90: Appropriates $41,200,000 for the Office of Inspector General as proposed by the Senate, instead of $39,661,000 as propose by the House.

The committee of conference is concerned that the Inspector General has not aggressively pursued potential fraud by EPA contractors, especially with regard to the Superfund program. Therefore, the conferees direct the inspector general to provide increased audit and investigative oversight of Superfund activities. In particular, the inspector general is directed to examine the Superfund alternative remedial contracting system and provide its findings and recommendations to the Committees on Appropriations by February 3, 1992.

Amendment No. 91: Appropriates $323,000,000 for research and development instead of $333,875,000 as proposed by the House and $313,000,000 as proposed by the Senate.

The committee of conference is in agreement on the following changes from the budget request:

+$3,200,000 for the Center for Environmental Management.

+$2,000,000 for indoor air research.

+$1,000,000 for pollution prevention research.

+1,000,000 for electromagnetic field research.

+$3,100,000 for the purchase of specialized equipment for neural science research.

+$1,000,000 for the Center for Excellence in Polymer Research and Environmental Study.

+$600,000 for the Natural Resources Research Institute's Minerals Research Laboratory.

+$800,000 for the Adirondack Destruction Assessment Program.

+$1,300,000 for a research project to recycle mixed office waste at Western Michigan University.

+$90,000 for a pollution abatement demonstration program in Hamburg, New York.

+$250,000 for continued research on the zebra mussel.

+$750,000 for EPA's Earth Observing System activities.

+$3,200,000 for the Southern Oxidants Study.

+$2,000,000 for the Southwest Environmental Research and Policy Center.

+$2,000,000 for the Great Lakes national program office. These funds are to be used for a cooperative agreement between the Duluth/Grosse Ile Labs for Great Lakes work on the Rouge River, Saginaw Bay and Buffalo River as well as enhanced monitoring activities.

The conferees are disappointed that EPA did not meet the June 30, 1991, deadline for the issuance of draft Great Lakes water quality guidance as required by the Great Lakes Critical Programs Act of 1990 (P.L. 101–596). The conferees direct the Administration to provide the Congress, within 30 days of enactment of this Act, with a revised timetable for meeting all missed deadlines under P.L. 101–596 and an estimate of the feasibility of meeting any other deadlines provided in that Act.

+$2,500,000 for global warming and stratospheric ozone depletion mitigation research. This funding will provide for high priority stratospheric ozone and global warming emission reduction research including a 200 kilowatt fuel cell demonstration powerplant which consumes waste methane produced in the anaerobic digestion of solid waste at a sewage treatment plant. The treatment facility should comply with the criteria outlined in the Senate Committee report.

−$2,000,000 from global warming activities, other than mitigation research.

Further, the conferees direct EPA to provide from within its program, additional funds for other priority stratospheric ozone and global warming research including evaluating/demonstrating replacements for ozone depleting compounds, biomass utilization technologies, and tropospheric ozone.

+$1,500,000 for multi-year cost-shared commercialization projects to demonstrate the use of solar and renewable energy.

+$750,000 for an agriculture pollution research model associated with confined feeding operations. While the conferees were not able to provide the amount in the Senate bill, EPA is strongly urged to provide an additional $250,000 from within its existing program.

+$300,000 for the Mickey Leland National Urban Air Toxics Research Center.

+$116,000 for two wetlands research projects at the University of Nebraska.

+$150,000 for a National Center on Solid Waste Research and Management.

−$2,500,000 from the Environmental Monitoring and Assessment Program. The conferees are concerned that EPA may consider disproportionate research reductions applicable to agroecosystems and arid ecosystems. These major resources areas of the country are a critical component of any comprehensive national environmental monitoring effort. Furthermore, termination of ongoing efforts will jeopardize long overdue coordination between Federal and state entities attempting to address ecological concerns of these areas. The conferees therefore agree that prior to making substantial changes in the EMAP research plan, EPA should assess such negative impacts and consult with the Committees on its findings.

The committee of conference supports the proposal to establish a Center for Marine and Environmental Analyses which would establish a data base, computer modeling, and other innovative methodologies for assessing the impacts of human activities, including global climate change, on the Earth's biosphere.

−$4,221,000 from administrative expenses.

−$945,000 from the Limestone Injection Multistage Burner.

−$5,440,000 from other services.

−$2,500,000 from funds previously appropriated for a coke oven emissions demonstration.

The conferees wish to make clear that, except for personnel compensation and benefits and travel costs, all expenses supporting research and development activities are to be paid for out of the research and development account.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting the agency to use the research and development account for minor facility repair and improvements.

Amendment No. 93: Appropriates $1,133,625,000 for abatement, control, and compliance as proposed by the House instead of $1,142,500,000 as proposed by the Senate.

The conferees are in agreement on the following changes to the budget request:

+$27,500,000 for the section 319 nonpoint source grants.

+$7,000,000 for the Clean Lakes Program. Of this amount, $500,000 is included for Lakes Allatoona and Lanier in Georgia, and $500,000 for Lakes Cranberry, Wawayanda, Marcia, Sylvan and other lakes in New Jersey.

+$37,000,000 for the asbestos in schools loans and grants program. While $37,000,000 in budget authority has been provided for the asbestos in schools loans and grants program, the conferees note that this amount will provide for a total fiscal year 1992 program of approximately $57,000,000. Due to credit reform legislation, only the estimated subsidy portion of loan program levels must be appropriated. Bill language has been included in a later amendment to support up to a $17,000,000 subsidy level and to fund the administrative expenses.

+$1,000,000 for academic training.

+$2,200,000 for multimedia grants to Indian tribes. Of this amount, $500,000 is for the International Council of Arizona; $1,500,000 for the Washington State Indian tribal initiative; and $200,000 is for other Indian reservations.

+$5,250,000 for rural water grants. Of this amount, $3,300,000 is for the National Rural Water Association; $1,000,000 is for NRWA's groundwater protection program; $700,000 is for the Rural Community Assistance Program; and $250,000 is for RCAP's small communities technical assistance program.

+$7,000,000 for the Global Climate Change Protection Program. Of this amount, $1,500,000 is for global change policy activities; $3,000,000 is for methane research; and $2,500,000 is for the phase-out of Chlorofluorocarbons.

+$1,250,000 for wastewater operator training activities.

+$2,000,000 for pollution prevention grants.

+$4,240,000 for EPA's lead paint abatement program. The conferees are concerned with EPA's continued sluggishness on the issue of lead-based paint. The conferees note that EPA has yet to develop a model worker training program for abatement workers, and the model programs for inspectors and supervisors remain unfinished. The conferees direct EPA to move expeditiously to meet the requirements of the certification and training mandate. The conferees understand that EPA may develop a National Exam for lead-based paint abatement contractors. This test would not in any way obviate the training and certification requirement, but would be intended to promote reciprocity among state programs and to serve as a supplement to the accreditation program.

+$1,000,000 for erosion and sedimentation in the Great Lakes Basin.

+$400,000 for the South Coast Air Quality Management District Alternative Fuels Demonstration Project.

+$2,000,000 for the San Francisco Estuary Project.

+$1,000,000 for EPA's National Training Center at West Virginia University.

+$2,200,000 for EPA's supercomputer operations.

+$1,000,000 for a heavy duty engine dynamometer.

+$300,000 for Canaan Valley, West Virginia, wetlands complex.

+$2,000,000 for the Lackawanna Institute for Environmental Renewal.

+$800,000 for the cleanup of the Buffalo River. Of this amount, $125,000 is for waterfront planning activities.

+$1,000,000 for the Small Flows Clearinghouse at West Virginia University.

+$1,300,000 for the Maumee River and Bay basinwide assessment of hazardous waste sites.

+$1,000,000 for the Saginaw Bay National Watershed Initiative Pilot Project.

+$25,000 for the Lackawanna River Corridor Association water quality testing program.

+$300,000 for the Northeast Interstate Ozone Nonattainment and Visibility Project.

+$500,000 for EPA's Water Conservation Task Force.

+$500,000 for the Water Pollution Control Federation Research Foundation. The committee of conference directs the WPCF Research Foundation to provide the Committees with their strategy and schedule for achieving self-sufficiency, work products to be produced in fiscal year 1992, and its relationship to EPA research activities. To ensure that the Foundation does not stifle the development of new technologies for the wastewater treatment industry by usurping the traditional role of the private sector in research and development, the WPCF Research Foundation's research should focus on defining the problems currently confronting the industry, identifying those areas where research and development funds should be directed, and developing scientific data which would aid the private sector in its research and development activities.

+$200,000 for the Underground Injection Control Public Information Program.

+$625,000 for the Florida Keys National Marine Sanctuary.

+$100,000 for a wetlands comprehensive plan in Eugene, Oregon.

+$1,575,000 for a new Small Business Technical Assistance Program under the Clean Air Act Amendments.

+$1,000,000 for the Spokane Aquifer.

+$500,000 for a Lake Roosevelt Water Quality Recovery Plan.

−$15,000,000 from the Montreal Protocol facilitation fund.

−$500,000 from the new Teacher Environmental Awards program.

+$750,000 for a West Virginia rural water demonstration project.

+$300,000 for Water Regulations Compliance Training Project.

+$1,000,000 for the continutation of a stormwater management project on the Patuxent River. The State of Maryland will provide a $500,000 match.

+$500,000 for a Chesapeake Bay water quality model.

+$400,000 for a pollution reduction strategy in the Tar-Pamlico River Basin.

+$1,500,000 for the New Jersey Institute of Technology Integrated Pollution Prevention Initiative.

+$1,200,000 for Medical Waste Tracking Act grants.

+$1,250,000 for drinking water research by the American Water Works Association Research Foundation, to be matched by industry. These resources are to be expended in close consultation with the water utilities industry.

+$750,000 for a solar aquatic wastewater treatment demonstration project.

+$1,200,00 for sewage sludge composting techniques in the State of New Jersey.

+$1,200,000 for a dredge spoil assessment and decontamination project.

$700,000 for identifying and evaluating sources of visibility impairment in class I areas. The 1990 Clean Air Act Amendments authorized the development of regional air quality models to assist in determining the sources of visibility impairment in Class I regions. It is the intent of Congress that this research proceed as rapidly as possible. The conferees urge EPA to use discretionary funds to begin work, in conjunction with the Secretary of the Interior and the National Park Service, on developing computer models and a data base adequate to identify and evaluate sources of visibility impairment in these areas. In addition, EPA is urged to request funding for these studies in fiscal year 1993.

+$500,000 for a National High Altitude Heavy Duty Engine Research and Technology Center.

+$1,500,000 for an alternate fuel vehicle training program.

+$1,450,000 for a nonpoint source pollution project at the University of Kansas, Iowa State University, and University of Nebraska at Lincoln.

+$500,000 for the Illinois River basin nonpoint source pollution program.

+$1,750,000 for the Lake Champlain Management Conference, of which $250,000 is to be used for toxic sediment research.

+$1,250,000 for the Lake Onondaga Management Conference.

+$750,000 for establishment of the Long Island Sound Program Office and for activities specified in the Senate Committee report.

+$100,000 for Connecticut River water quality work.

+$1,000,000 for a demonstration project to clean up contaminated areas resulting from leaking underground storage tanks in Council Bluffs and Shenandoah, Iowa.

+$100,000 for grants to train minority and women contractors in radon mitigation.

+$390,000 for an environmental science course by satellite.

+$800,000 for an inhouse facility for biological testing of pesticides. The conference agreement includes $800,000 and bill language directing EPA to maintain an in-house laboratory facility for the biological testing of pesticides, hospital disinfectants and related products.

The conferees expect the laboratory facility to conduct a pre- and post-registration testing program to verify selective pesticide efficacy claims, ensure the quality and integrity of registrant-submitted data, and assist in enforcement cases. In light of Federal budget constraints, the conferees recommend that the Administrator explore options for pooling resources from the Food and Drug Administration, the Centers for Disease Control, Agricultural Research Service, the states, users groups and industry to implement a national pesticide efficacy testing and enforcement strategy. The Agency should also focus its efforts on those product claims that are of greatest significance to public health, such as sporicidal and tuberculocidal claims, randomly check the efficacy of pesticides in the marketplace, and selectively target those products or chemicals with suspected efficacy problems. The conferees direct the Agency to report back to the Committees on Appropriations not later than May 1, 1992, on the progress in implementing this testing program and provide information on the number and type of products tested and the results.

+$1,250,000 for the implementation of farm worker safety regulations.

+$250,000 for pesticide registration activities.

+$70,000 for the National Wood Energy Association for a biomass gasification demonstration project.

+$600,000 for an environmental health effects study conducted by the State of Louisiana Departments of Health and Hospitals in environmental quality.

−$6,000,000 from the Coastal America Initiative.

−$500,000 from the Environmental Statistics Compendium.

−$1,000,000 from the Health Effects Institute Asbestos Research. The conferees note that the HEI-Asbestos Research was originally funded in fiscal year 1989 in the research and development account. EPA has since moved funding for this program to the abatement, control and compliance account. The conferees question whether this action was appropriate and direct EPA to provide a report within 60 days of enactment of this Act stating the reasons for moving this research activity to abatement, control and compliance. The conferees expect that, should there be a request for future year funding for HEI-AR, it will be in the research and development account so as not to violate the integrity of the individual accounts.

+$350,000 for an interagency effort to restore the Chesapeake Bay oyster community. This project will involve the restoration of oyster reef topography, which has significant implications for the restoration of the Chesapeake Bay's water quality.

The conferees direct EPA to provide $7,300,000 or such sums as necessary for the transportation and storage of hazardous materials in Buyers warehouse in Saint Joseph, Missouri. Further, the committee on conference directs EPA to support an agricultural plastics recycling pilot project in Adison and Franklin Counties, Vermont.

The Committee of Conference believes that, in order to encourage highly effective and innovative state nonpoint source control and water quality programs, section 319 and section 106 grants should be awarded to states with effective programs in an expeditious manner.

Amendment No. 94: Deletes language inserted by the Senate transferring not less than $2,900,000 to the Council on Environmental quality Management Fund for the National Acid Precipitation Assessment Programs.

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That of the amount provided under this heading, up to $1,000,000 shall be available for the chemical Safety and Hazard Investigation Board, as authorized by the Clean Air Act Amendments of 1990 and the sum of $17,000,000 shall be for subsidizing loans under the Asbestos School Hazard Abatement Act, and $2,400,000 shall be for administrative expenses to carry out the loan and grant program*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 96: Appropriates $39,300,000 for buildings and facilities instead of $39,700,000 as proposed by the House and $18,000,000 as proposed by the Senate.

The conferees are in agreement on the following changes to the budget request:

+$200,000,000 for site acquisition and preparation, planning and design of a Training and Ecology Center for dock facilities and infrastructure in Bay City, Michigan.

+$6,700,000 for a grant for the renovation of space and construction of shared and individual laboratories at the Neural Science Center and its related laboratory sites in New York City, New York.

+$5,000,000 for the design of a modern facility in Research Triangle Park (RTP), North Carolina. The current facilities at KTP are overcrowded and in need of repair. The conferees agree that a new, consolidated facility is needed for EPA to achieve its standards in providing quality data, which must be consistently reliable and accurate.

The conferees have provided the seed money for the design of this facility, however, it is their expectation that the construction of this facility will be the responsibility of the General Services Administration (GSA). Based on current reports made by GSA to the House Public Works Committee, federal construction is the most cost-effective means of providing a new facility.

−$5,400,000 from funds previously appropriated for the Environmental Technology and Engineering Center.

Amendment No. 97: Restores language proposed by the House and stricken by the Senate providing $6,700,000 for a neural science center in New York City, New York.

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing EPA with the authority to issue a grant to the Christopher Columbus Center.

Amendment No. 99: Appropriates $1,616,228,000 for the Hazardous Substance Superfund as proposed by the Senate, instead of $1,630,000,000 as proposed by the House.

The conferees are in agreement on the following changes from the budget request:

+$10,500,000 for NIEHS worker training grants.

+$18,700,000 for NIEHS basic research grants.

+$12,000,000 for ATSDR. From within this amount, $4,000,000 of the funds provided are for a research program in cooperation with the Association of Minority Health Professions Schools, and $2,000,000 is for a study of human health impacts of contaminated fish.

+$2,500,000 for Superfund research at Clark Atlanta University.

+$2,500,000 for the Gulf Coast Hazardous Substance Research Center.

+$115,000 for technical assistance at Fort Devens Sudbury Annex Superfund site.

+$213,000 for a new pumping system in St. Anthony, Minnesota.

+$300,000 for training grants for small, minority and women contractors.

+$2,500,000 for development of a low-temperature plasma process technology.

−$183,100,000 as a general reduction to be applied at the discretion of the Administrator.

The conferees are concerned about EPA's oversight of the alternative remedial contracting system (ARCS). It is noted that a number of EPA's 45 ARCS contractors either do not have enough work, or do not perform quality clean-ups. The conferees expect that EPA will begin to phase out such contractors immediately while ensuring that the amount of capacity in the Superfund program is not reduced below the projected level of need.

The conferees are also alarmed about the proportion of ARCS funds spent on program management. The conferees direct that EPA spend no more than 15 percent of the total ARCS budget on program management. The Agency projects that program management will make up approximately 12 percent of the total ARCS budget for fiscal year 1992. It is the expectation of the conferees that EPA will make every effort to meet this target. EPA is to report to the Committees on Appropriations on a quarterly basis on the amount of funds spent on both the ARCS program and program management costs. Finally, the conferees expect that expeditious consideration will be given to the recommendations made by the Administrator's Task Force to review the ARCS program. The Administrator's implementation plan of these recommendations is to be submitted to the Committee on Appropriations within 30 days of enactment of this Act.

The conferees are aware of situations in which National Priority List Superfund sites may be experiencing overlapping authorities imposed by EPA and appropriate state agencies, resulting in delays and duplicative costs. In such cases the conferees urge EPA to coordinate with state agencies to ensure that duplicative requirements and costs are mitigated and resolved.

The conferees are pleased with the advances the Agency has made in its research and development program. During this time of fiscal constraint, EPA is encouraged to focus its activities on the development, testing and use of innovative treatment technologies and to continue its support of the Superfund Innovative Technology Evaluation (SITE) program in addressing and achieving this goal.

Amendment No. 100: Provides $1,366,228,000 from the Superfund trust fund and $250,000,000 from general revenues as proposed by the Senate instead of all funds derived from the Superfund trust fund as proposed by the House.

Amendment No. 101: Provides $56,500,000 to the Agency for Toxic Substances and Disease Registry, instead of $50,000,000 as proposed by the House and $59,500,000 as proposed by the Senate.

Amendment No. 102: Limits funds available for administrative expenses to $240,000,000, instead of $260,000,000 as proposed by the House and $180,000,000 as proposed by the Senate.

A Superfund administrative expense limitation of $240,000,000 has been provided. The conferees note that in fiscal year 1987, EPA's Superfund administrative expenses were $135,000,000. Thus, administrative expenses will have grown by 56 percent in that five year period. The conferees are concerned with the escalating growth of Superfund administrative expenses. Therefore, EPA is directed to complete a study, within 90 days of enactment of this Act, to review and evaluate financing for the administrative expenses associated with the Superfund cleanup program.

The design and scope of the study are to be prepared in consultation with the Committees on Appropriations, and should be submitted to the Committees within 30 days. The study should include an examination of various alternatives to financing administrative expenses, including immediately moving administrative expenses to another appropriation, a gradual phase out, and the rationale underlying the continuation of the current structure. The discussion of each alternative financing method is to include the benefits and drawbacks of the alternative, potential benefits to the program, and implications to the workforce. As part of the study, a baseline is to be established that will be used to evaluate the three alternatives. The baseline is to use current definitions of administrative expense activities and available data on current administrative expenses.

In examining the current structure, the study should include a breakdown by office, and object classification within each office, of the amount charged to the Superfund trust fund.

Finally, in examining the possibility of shifting administrative expenses to another appropriation, the study should include EPA's plans and methodologies which would be used to accomplish this beginning in fiscal year 1993.

Amendment No. 103: Restores language proposed by the House and stricken by the Senate providing up to $213,000 for a new pumping station in St. Anthony, Minnesota.

Amendment No. 104: Restores language proposed by the House and stricken by the Senate allowing for relocation of residents at Koppers Texarkana Superfund site from previously appropriated funds.

Amendment No. 105: Appropriates $75,000,000 for the leaking underground storage tank trust fund as proposed by the Senate, instead of $85,000,000 as proposed by the House.

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $2,400,000,000 for construction grants/state revolving loan fund.

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$1,948,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Provides $1,948,500,000 for the state revolving loan fund, instead of $1,783,500,000 proposed by the House and $2,383,500,000 proposed by the Senate.

Amendment No. 108: Deletes the "and" inserted by the Senate instead of without the "and" as proposed by the House.

Amendment No. 109: Deletes language inserted by the Senate allowing up to one-half of one percent to be available for direct grants to Indian tribes for sewage treatment facility construction.

Amendment No. 110: Restores language proposed by the House and stricken by the Senate providing $49,000,000 for section 510 of the Water Quality Act of 1987 for an international sewage treatment facility in Tijuana, Mexico.

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

$340,000,000 shall be for making grants under title II of the Federal Water Pollution Control Act, as amended, to the appropriate instrumentality for the purpose of constructing secondary sewage treatment facilities to serve the following localities, and in the amounts indicated:

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees intend for the Administration to award these funds directly to the cities as 55 percent matching grants under title II.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Back River Wastewater Treatment Plant, Maryland, $40,00,000; Boston, Massachusetts, $100,000,000;

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 113: Restores language proposed by the House and stricken by the Senate providing $70,000,000 for a construction grant in New York, New York.

Amendment No. 114: Restores language proposed by the House and stricken by the Senate providing $55,000,000 for a construction grant to Los Angeles, California.

Amendment No. 115: Restores language proposed by the House and stricken by the Senate providing $40,000,000 for a construction grant in San Diego, California.

Amendment No. 116: Restores the word "and" as proposed by the House and deleted by the Senate.

Amendment No. 117: Restores language proposed by the House and stricken by the Senate providing $35,000,000 for a construction grant in Seattle, Washington.

Amendment No. 118: Restores language proposed by the House and stricken by the Senate providing $46,000,000 for the Rouge River National Wet Weather Demonstration Project in Wayne County, Michigan.

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following : *Provided further, That the U.S. Environmental protection Agency shall not prohibit the Massachusetts Water Resources Authority (MWRA) from utilizing the most appropriate technology for the treatment, disposal, and or beneficial re-use of sludge, unsold fertilizer pellets, and grit and screenings outside the Commonwealth of Massachusetts through lease, contract, or by other legal means. The EPA may require sufficient backup capacity for the disposal or treatment of sludge in the Commonweatlh through ownership, lease, contract, or by other legal means. The MWRA shall not be required to construct a backup landfill or facility if other alternatives approved through EPA NEPA review of MWRA long-term residuals management, are or become available through ownership, lease, contract, or other legal means prior to September 1, 1992, and as long as such alternatives remain available.*

Any facility or technology used by the MWRA shall meet all applicable federal and state environmental requirements. Any facility or technology must be on-line when a contract between the MWRA and NEFCO, which is responsible for the marketing and disposal of sludge, expires in 1995

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 120: Changes center heading as proposed by the Senate.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the Environmental Protection Agency shall not exceed: (1) 51 workyears for the Immediate Office of the Administrator, (2) 45 workyears for the Office of Congressional and Legislative Affairs, (3) 77 workyears for the Office of Communications and Public Affairs, (4) 187 workyears for the Office of General Counsel, (5) 61 workyears for the Office of International Activities, (6) 32 workyears for the Office of Federal Activities, (7) 259 workyears for the Office of Policy, Planning, and Evaluation, and (8) 1,386 workyears for the Office of Administration and Resources Management.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

The Administrator shall establish, within 60 days of enactment of this Act, a new staff of 5 workyears within the Immediate Office of the Administrator, which shall be responsible for guiding, directing, and mediating all policy activities associated with Pollution Prevention. The Pollution prevention Policy Council shall be chaired by the Deputy Administrator.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included bill language establishing a new staff of 5 workyears within the Immediate Office of the Administrator. This office will guide, direct, and mediate all pollution prevention policy activities and will work in conjunction with the Pollution Prevention Division which will move to the new Office of Pollution Prevention and Toxics. The conferees agree that the current Pollution Prevention Division, and 21 associated workyears, will move from the Office of Policy, Planning, and Evaluation. The balance of 5 workyears will be established concurrently in the Immediate Office of the Administrator. These 5 workyears will become a new Pollution Prevention Policy staff, to be headed by a staff director who is a career service employee. The Pollution Prevention Policy Council will be chaired by the Deputy Administrator. The conferees believe this arrangement will best foster a pollution prevention effort throughout the agency, and will facilitate cross-media coordination of the pollution prevention principle.

Amendment No. 123: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate directing the Administrator of EPA to promulgate specific standards governing training, accreditation, and certification of individuals engaged in lead-based paint abatement activities and laboratories engaged in testing substances for lead content.

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate directing the Administrator of EPA to maintain a facility within EPA to conduct biological testing of pesticides.

The conferees direct EPA to develop, within 60 days and in conjunction with the Secretaries of the Military Departments, expedited procedures for administrative processes associated with a pilot Expedited Environmental Cleanup Program for active military facilities in region IV with Superfund sites for which EPA and the Department of Defense are developing streamlined administrative procedures.

The conferees reiterate their directive to the Administrator off EPA to annually establish a goal of at least eight percent of the total value of prime and subcontracts awarded under this program for minority-and women-owned businesses. As requested in last year's report, the conferrees expect the Administrator to provide a report in November, 1991, outlining the Agency's effort in achieving the eight percent level. Further, the Agency is direct to provide a follow-up report one year after the enactment of this Act.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Amendment No. 125: Limits official reception and representation expenses to $875, instead of $1,000 as proposed by the House and $750 as proposed by the Senate.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Amendment No. 126: Appropriates $6,010,000 for the Office of Science and Technology Policy, instead of $3,880,000 as proposed by the House and $9,410,000 as proposed by the Senate.

The conference agreement includes the following changes from the budget request:

+$1,600,000 for critical technology.

+$530,000 for the Presidential Council of Advisors on Science and Technology.

The conferees have provided $1,600,000 for the Critical Technologies Institute, which has been authorized as a federally funded research and development center (FFRDC) chartered to aid OSTP and other executive branch officials in the formulation of technology policy. The conferees note that the Institute, like other FFRDCs will not have a policy-making role. Its function is to develop information for and to provide analyses to the executive branch policy-makers it serves. The conferees believe that the Institute could play a particularly important role in bringing a private sector perspective to technology policy formulation and in defining possible approaches to government-industry cooperative activities in pre-competitive development of critical generic technologies. The conferees urge OSTP and OMB to take prompt action to establish the Institute.

POINTS OF LIGHT FOUNDATION

Amendment No. 127: Appropriates $5,000,000 for salaries and expenses of the newly established foundation instead of $7,500,000 as proposed by the Senate.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 128: Appropriates $163,113,000 for salaries and expenses as proposed by the Senate, instead of $165,113,000 as proposed by the House.

The committee of conference is in agreement on the following changes to the budget request:

-$700,000 from civil defense.

-$1,300,000 from Federal preparedness.

-$1,250,000 from the Disaster Relief Administration. This amount was proposed by the Administration in its budget amendment.

The committee of conference agrees to provide $500,000 to establish a disaster assistance office on the Island of Hawaii. However, the conferees further direct that the initial staffing of this office not exceed 3 FTEs. The conferees further direct that FEMA consult in advance with the Committees on Appropriations on any proposed staffing increase above 3 FTEs. To offset this provision, a general reduction should be made.

Amendment No. 129: Appropriates $5,144,000 for the Office of Inspector General as proposed by the Senate, instead of $3,600,000 as proposed by the House.

Amendment No. 130: Appropriates $285,827,000 for emergency management planning and assistance as proposed by the Senate, instead of $277,827,000 as proposed by the House.

The conferees agree to the following changes from the budget request:

+$1,000,000 for the replacement of Chicago's warning siren system.

+$3,000,000 for section 305(a) grants authorized by Superfund Amendments and Reauthorization Act, title III.

+$1,000,000 for a hazardous materials training facility in Waterloo, Iowa.

-$2,875,000 as a general reduction to be taken at the discretion of the Director.

+$2,000,000 to identify, monitor, replace, and clean up the aging underground storage tanks.

+$2,000,000 for emergency management assistance grants.

-$5,705,000 from Federal Preparedness, Government Preparedness program.

+$1,500,000 for an emergency operating center in Iowa.

+$50,000 for the planning and design of an emergency operating center in Vermont.

+$115,000 for a hazardous materials training facility in Vermont.

+$2,500,000 to construct an earthquake research laboratory facility at the University of Nevada, Reno.

+$2,260,000 for building safety and maintenance at the National Emergency Training Center and U.S. Fire Administration facilities, Emmitsburg, Maryland.

The conferees direct that FEMA's next report assessing threats facing local communities (page 125, Senate Report 102–107) shall include an evaluation of the implications that the major political reformations taking place in the USSR and Eastern Europe have for FEMA's program emphases.

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing $1,155,000 to install new sirens in Kansas.

Amendment No. 132: Restore language proposed by the House and stricken by the Senate under the National Insurance Development Fund cancelling FEMA's obligation to repay interest on the Federal Crime Insurance Program.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That notwithstanding any other provision of law, that Office may accept and deposit to this account, during fiscal year 1992,gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and educational materials; may expend up to $1,100,000 of those gifts for those purposes, in addition to amounts otherwise appropriated; and the balance shall remain available for expenditure for such purposes to the extent authorized in subsequent appropriation Acts*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The U.S. Office of Consumer Affairs has encountered difficulty in achieving funding from other Federal agencies to print a sufficient quantity of the new edition of the "Consumer's Resource Handbook." On a trial basis, USOCA is authorized to seek gifts from non-Federal sources. These funds from the private sector are to be used to offset the costs of developing and printing educational materials for the public such as the *Handbook* and to conduct other consumer education compaigns which USOCA is currently authorized to perform. The Conferees instruct the U.S. Office of Consumer Affairs to maintain its standards of independence and to exert total control over the content of publications funded in any way from the private sector. The Committees will review the success and management of the gifts accepted to insure that funds are used appropriately and in accordance with Federal regulations.

INTERAGENCY COUNCIL ON THE HOMELESS

Amendment No. 134: Limits the availability of salaries and expenses for the Interagency Council on the Homeless until September 30, 1993, as proposed by the Senate, instead of until expended as proposed by the House.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

Amendment No. 135: Appropriates $6,413,800,000 for research and development, instead of $6,023,600,000 as proposed by the House and $6,549,000,000 as proposed by the Senate.

The conferees are recommending the full budget request of $2,028,900,000 for the space station program. In addition, the conference agreement "caps" the fiscal year 1993 funding for space station at $2,250,000,000. In recommending this amount, funding is being provided for the descoped and redesigned space station initiated as a result of the directives of the Committees on Appropriations set forth in House Report 101–900, the conference report for the fiscal year 1991 VA, HUD, and Independent Agencies Appropriations Act.

The conferees believe that the space station's redesigned configuration meets virtually all the conditions set forth in last year's conference report and expects that the commitment to those conditions will be honored in connection with the expenditure of these funds.

The conferees are also in agreement with the report language contained in the Senate Report which directs NASA to seek maximum savings in program management and indirect support areas in order to ensure adequate reserves for hardware and test activities that are needed to achieve mandated capability on the current schedule.

In connection with space station, NASA is urged to establish a bio-medical microgravity protocol in cooperation with the National Institutes of Health and report on such an effort to the Committees on Appropriations by May 1, 1992. NASA is also urged to evaluate, in cooperation with private industry, advanced liquid dispensing technology applicable to both space station and other zero gravity conditions and report to the Committees on Appropriations by May 1, 1992.

The conference agreement reflects the following changes from the budget request:

-$28,900,00 from the CASSINI Upper State consistent with a one year programmatic schedule slip.

-$5,000,00 from the transfer orbit stage (TOS) option. This reduction is made without prejudice, and the Committees on Appropriations urge NASA to submit a funding proposal with the fiscal year 1992 operating plan accommodating long term requirements for shuttle/ELV upper stages.

-$10,000,000 from the shuttle production improvement program.

-$36,000,000 from space lab development.

-$26,000,00 from engineering and technical base.

-10,000,000 from payload operators.

-20,000,000 from advance programs. Within the remaining $33,800,000, $5,000,00 is made available for National Launch System studies.

+$950,000 for a study of a reusable space capsule landing site at the White Sands Missile Test Range.

−$147,000,000 from the National Launch System (NLS). The conferees direct that the remaining $28,000,000 be allocated to new engine development.

−$60,000,000 from the Advance X-ray Astrophysics Facility.

−$15,900,000 (the amount requested) from the space infra-red telescope facility.

−$11,000,00 (the amount requested) from the orbital solar laboratory.

−$2,200,000 from gravity probe "B".

−$5,000,000 from the physics and astronomy research and analysis activity, including $3,700,000 from advanced technology development.

−$15,000,000 from life sciences research and analysis to be derived primarily from activities associated with Moon-Mars efforts.

−$5,000,000 from life science flight experiments.

+$5,000,000 for the astro-two mission.

−$15,000,000 from the LIFESAT project, terminating the program.

+$22,500,000 for the Mars Observer mission.

−$117,300,000 from the Comet Rendezvous Asteroid Flyby/CASSINI mission. The conferees agree that the CRAF mission is restored. In that connection, the conferees are aware that the CRAF/CASSINI mission assumes that the propulsion system will be funded as part of a cooperative agreement with the German government. The conferees are also aware that such agreement may be threatened by funding constraints within the German national space program. In the event that the propulsion system is not provided through the above agreement, NASA should report to the Committee on Appropriations as soon as possible its recommendation concerning the future disposition and funding profile of this mission.

−$1,000,000 from planetary research and analysis.

−$65,000,000 from the Earth Observing System platform. The conferees have included $271,000,000 for the EOS program, including the full budget request of $82,600,000 for the EOSDIS activity. The conferees concur in the Senate language that directs the restructuring of the EOS program with the following adjustments:

First, the program is capped through fiscal year 2000 at $11,000,000,000.

Second, NASA is directed to place the EOS instrument configuration on smaller, multiple platforms rather that the single platform approach proposed in the fiscal year 1992 budget submission. NASA should assess the various launch option configurations available before recommending a final framework to the Committees.

Third, in designing the project as an interdisciplinary effort, NASA should outline how its revised instruments for EOS will answer the issues on global climate change outlined in the EPA report "Policy Options for Stabilizing Global Climate" submitted to the Committees in 1990.

Finally, NASA should submit its restructured EOS program to the Committees for their approval by February 1, 1992. NASA should refrain from any additional contract awards for any instruments until the Committees on Appropriations have approved the restructuring plan.

+$25,000,000 for the Consortium for International Earth Science Network (CIESIN) to continue study and development of an interdisciplinary earth science data and information network consistent with the fiscal year 1990 VA-HUD-Independent Agencies Appropriations Act.

+$20,000,000 for the Earth Probes program, including $5,000,000 for additional instruments on the Tropical Rainfall Measuring Mission (TRMM) and $15,000,000 to initiate the Climsat mission.

−$5,000,000 from the Remotely Piloted Aircraft.

+$2,500,000 for LANDSAT. The conferees direct that these funds should not be released until the Space Council has submitted its plan on LANDSAT for the Committees' review and approval.

+$4,000,000 for Applied Research in Earth Sciences for increased climate modeling studies.

−$5,000,000 for materials research.

−$29,000,000 from commercial programs. Included within the funds provided is not less than $20,000,000 for the commercially provided payload module (SPACEHAB); $14,000,000 for the commercial experiment transporter (COMET); and $9,000,000 for the National Technology Transfer Center.

+$2,000,000 for AdaNET.

−$17,000,000 from aeronautical research and technology, to be taken as a general reduction.

−$16,000,000 from the space research and technology base program. Within the funds provided, not less than $3,100,000 is made available for the rotary engine enablement program.

+$5,000,000 to space research and technology to initiate a modest technology program on solar dynamic power.

+$2,000,000 to space research and technology for a laser beam electric propulsion demonstration project.

−$34,800,000 from the civil space technology initiative. The conferees direct that the aeroassist flight experiment program be terminated.

−$45,000,000 from the flight telerobotic servicer (FTS) within the space automation and telerobotic activity. The remaining $10,000,000 of the $55,000,000 requested for FTS shall be applied to advanced competitive robotics efforts.

−$25,000,000 from exploration technology.

−$10,000,000 from exploration mission studies.

−$67,000,000 from transatmospheric research and technology and the National Aerospace Plane (NASP). The conferees deeply regret, owing to budget pressures, the severe curtailment of this program. A total of $5,000,000 has been provided to maintain a small NASA presence as part of the joint program effort.

+$2,250,000 to academic programs including $1,500,000 for the classroom of the future program at Wheeling Jesuit College, and $750,000 for planning and design activities associated with the Delta College Learning Center, at University Center, Michigan.

−$5,000,000 from information systems.

−$2,900,000 from the Explorer program.

−$18,200,000 from the Upper Atmospheric Research Satellite (UARS).

+$625,000 from within available funds for Rural Enterprises, Inc.

The conferees have agreed to temporarily set aside all programmatic "caps" included in the Senate report (with the exception of the space station program) in fiscal year 1993. However, the conferees direct that NASA submit, in connection with the fiscal year 1992 operating plan, proposed "caps" for all development (and where applicable) operations activities covering all programs funded within the agency. The conferees believe that this action is essential in view of the anticipated extremely limited budget resources available in the coming fiscal year.

Finally, the conferees concur in the Senate language enumerating a series of principles designed to adjust NASA's expectations and strategic planning to leaner budget allocations in the coming years.

Amendment No. 136: Deletes language inserted by the Senate "capping" the CASSINI mission.

Amendment No. 137: Appropriates $5,157,075,000 for space flight, control, and data communications as proposed by the House, instead of $4,907,000,000 as proposed by the Senate.

The conference agreement reflects the following changes from the budget request:

+$115,000,000 for the advanced solid rocket motor (ASRM) program. Taken together with $150,000,000 provided under the construction of facilities account, a total program level of $465,000,000 is available for ASRM.

−$27,700,000 from the structural spares program.

−$40,000,000 from the assured shuttle availability program. The conferees are aware that in connection with the advanced turbo pump program, the improved existing hydrogen fuel pump has met all test criteria and is ready for flight. Therefore, the conferees believe that the fuel pump being developed under the ATP program should be terminated—particularly in view of the $250,000,000 increase in the original program estimate.

−$330,000,000 from shuttle operations.

−$24,300,000 (the requested amount) from the mobile sat expendable launch vehicle. The conferees agree that the Committees on Appropriations will consider reprogramming funds for this activity (consistent with budget limitations) if the conditions enumerated in the Senate report are met.

−$39,000,000 from funds included for the purchase of a launch vehicle for the tracking and data relay satellite (TDRS) "G" payload. The conferees direct that the TDRS G satellite be launched on the space shuttle in view of the severe budget constraints facing the agency.

−$50,900,000 from funds requested for the purchase of a launch vehicle for the CASSINI mission. The conferees understand that NASA has sufficient funds available to proceed with the purchase of Titan IV launch vehicles as part of a joint purchase with the Department of Defense.

−$35,625,000 from space and ground networks, communications and data systems. The conferees direct that none of this reduction shall be taken from tracking operations.

−$10,000,000 as a general reduction from the shuttle production activity.

−$3,400,000 as a general reduction from the shuttle production activity.

−$5,000,000 from launch and mission support.

Amendment No. 138: Appropriates $525,000,000 for construction of facilities as proposed by the Senate, instead of $497,900,000 as proposed by the House.

The conference agreement reflects the following changes to the budget request:

+$11,800,000 for continued long-term rehabilitation at NASA's field centers.

−$30,000,000 to be taken as a general reduction.

+$6,000,000 to construct, equip, and integrate a classroom of the future facility on the campus of Wheeling Jesuit College.

+$3,400,000 for CIESIN architecture and engineering design studies and facility development management.

+$13,500,000 to construct, equip, and integrate facilities related to the National Technology Transfer Center.

+$20,000,000 for construction of the Christopher Columbus Center of Marine Research and Exploration.

+$10,000,000 for the constructing, equipping, and integrating of an independent software validation and verification at West Virginia University, consistent with the Senate report language. The conferees note that this facility will be interdisciplinary in nature, involving multiple NASA programs and program offices. As a result, the conferees direct NASA to review the value of placing a supercomputer at this facility. Such a system could potentially enhance the speed, cost-effectiveness, and efficiency of the work undertaken for NASA at this new facility. It is expected that the agency will complete this assessment in an expeditious fashion.

Finally, the conferees agree that up to $10,000,000 from within available funds may be used to implement the improvement and modernization program at the Poker Flat Research Range located at Fairbanks, Alaska. The conferees expect that these funds will be made available subject to submission of a facilities development plan to the Committees on Appropriations.

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking funds for various NASA construction projects enumerated above.

Amendment No. 140: Appropriates $2,242,300,000 for research and program management, instead of $2,211,900,000 as proposed by the House and $2,342,300,000 as proposed by the Senate.

The conference agreement reflects the following changes from the budget request:

−$13,600,000 for replacement aircraft at the Marshall Space Flight Center.

−$1,100,000 for replacement vehicles.

−$18,900,000 requested for the conversion of support contractors to civil service status.

−$3,000,000 from funds requested for printing, consistent with the recommendations of a recent inspector general report.

−$173,400,000 to be taken as a general reduction from the operation of installation activity.

Amendment No. 141: Appropriates $14,600,000 for the Office of Inspector General as proposed by the Senate, instead of $10,500,000 as proposed by the House.

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate modifying language covering contracts or grants that provide a guaranteed customer base in connection with new commercial space hardware.

Amendment No. 143: Deletes language inserted by the House permitting the administrator of NASA to authorize certain grants and contracts, in consultation with the Committees on Appropriations.

Amendment No. 144: Restores language proposed by the House and stricken by the Senate establishing fellowships with funds derived from the National Aeronautics and Space Administration Endeavor Teacher Fellowship Trust Fund.

Amendment No. 145: Deletes language inserted by the House establishing a rate of operations for programs, projects, and activities under the National Aeronautics and Space Administration in fiscal year 1992.

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the National Aeronautics and Space Administration shall not exceed: (1) 51 staff years for the Office of the Administrator; (2) 117 staff years for the Office of the Comptroller; (3) 56 staff years for the Office of Commercial Programs; (4) 191 staff years for the Office of Headquarters Operations; (5) 30 staff years for the Office of Equal Opportunity Programs; (6) 43 staff years for the Office of the General Counsel; (7) 132 staff years for the Office of Procurement; (8) 4 staff years for the Office of Small and Disadvantaged Business Utilization; (9) 33 staff years for the Office of Legislative Affairs; (10) 520 staff years for the Office of Space Flight, including Level I and Level II Activities for the Space Station; (11) 210 staff years for the Office of Management; (12) 62 staff years for the Office of Space Operations; (13) 64 staff years for the Office of Public Affairs; (14) 183 staff years for the Office of Safety and Mission Quality; (15) 172 staff years for the Office of Aeronautics, Exploration and Technology; (16) 288 staff years for the Office of Space Science and Applications; and (17) 77 staff years for the Office of External Relations: Provided, That the Administrator may reorganize these offices and reallocate the staff years among these Offices as long as the aggregated number of staff years at NASA Headquarters does not exceed 2,220 staff years: Provided further, That no funds may be used from amounts provided in this or any other Act for details of employees from any organization in the National Aeronautics and Space Administration to any organization included under the budget activity "Research and Program Management," except those details which involve developmental or critical staffing assignments: Provided further, That, of the amount provided for "Research and Program Management," up to $675,722,000 may be transferred to "Research and Development" and "Space Flight, Control and Data Communications," and of this amount such sums as may be necessary are provided for the lease, hire, maintenance and operation of mission management aircraft: Provided further, that the funds made available in the preceding proviso may only be used for the purpose of operations of facilities: Provided further, That, notwithstanding any provision of this or any other Act, not to exceed an additional $100,000,000 may be transferred or otherwise made available to the National Aeronautics and Space Administration in fiscal year 1992 from any funds appropriated to the Department of Defense and such funds may only be provided to the "Space flight, control and data communications" appropriation: Provided further, That the limitation in the immediately preceding proviso shall not apply to funds transferred or otherwise made available under existing reimbursement arrangements.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to modify the language proposed by the Senate which limits NASA's headquarters staffing by program office in fiscal year 1992. This language gives flexibility to restructure Headquarters offices in view of the major organizational restructuring taking place as a result of the recommendations and findings of the Augustine Commission. The conferees expect to be notified of the final roles, responsibilities and missions of the new offices of Human Resources and Education, Exploration, Space Flight Development and Space Flight Operations, as well as the final staff year allocation for each Headquarters office, as soon as possible.

The conferees also direct that the Committee on Appropriations be notified regarding any other reorganization of offices, programs or activities prior to the planned implementation of such reorganizations.

In addition, the conferees have provided for the permissive transfer of the balance of operation of installation funds (after the reduction enumerated above) to the research and development and space flight, control, and data communications appropriation accounts. This action will provide substantial increased flexibility to the Agency in the use of funds available from within these parent accounts for the operation and maintenance of NASA's facilities. The conferees agree, however, that in providing for this transfer authority, all of the funds transferred must be made available only for operation of installation activities.

NATIONAL COMMISSION ON FINANCIAL INSTITUTION REFORM, RECOVERY, AND ENFORCEMENT

Amendment No. 147: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $1,000,000 for salaries and expenses for this newly established commission.

NATIONAL COMMISSION ON AMERICAN INDIAN, ALASKAN NATIVE, AND NATIVE HAWAIIAN HOUSING

Amendment No. 148: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $500,000 for salaries and expenses to this newly established commission.

NATIONAL COMMISSION ON DISTRESSED PUBLIC HOUSING

The conferees expect the Commission on severely distressed public housing to submit their preliminary report by June 1, 1992. Furthermore, it is expected that this report will address the manner in which the Congress can address this issue through existing public housing funding programs or those programs which the Commission might recommend which serve to preserve this vital national resource.

NATIONAL INSTITUTE OF BUILDING SCIENCES

PAYMENT TO THE NATIONAL INSTITUTE OF BUILDING SCIENCES

Amendment No. 149: Appropriates no funds for the Institute as proposed by the Senate, instead of $250,000 as proposed by the House.

The committee of conference notes that the intent of Cognress was to establish the Institute as a financially self-sufficient entity.

NATIONAL SCIENCE FOUNDATION

Amendment No. 150: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$1,879,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are in agreement with the following changes to the budget request:

+$12,500,000 for astronomy facilities for an advanced adaptive optics program and operations and maintenance.

+$7,500,000 for arctic research and logistics.

+$4,000,000 for the Experimental Program to Stimulate Competitive Research (EPSCOR).

−$108,500,000 to be taken as a general reduction subject to the normal reprogramming procedures.

The National Academy of Sciences Astronomy and Astrophysics Survey Group recommended an infrared-optimized eight-meter U.S. telescope operating on Mauna

Kea, Hawaii. The conferees have recommended $16,000,000 be provided for construction of this telescope and suggest that the Foundation arrange for the National Research Council to provide technical advice to ensure the telescope satisfies the survey committee recommendation.

The conferees reiterate their commitment that the United States provide no more than one-half the total required funding for the two eight-meter telescopes requested by the Foundation. An update on the international commitment for the additional 50 percent contribution to this project should be provided by January 1, 1992. In the event that foreign funds are not fully committed by this date, the conferees direct the Foundation to proceed only with the Northern Infrared-Optimized Eight-Meter telescope for U.S. use only at a total cost of $85,000,000.

The conferees agree that there are two areas which require increased national attention and are basic to the NSF mission. These areas are the severe undersupply of computer scientists and computer engineers at advanced degree levels and an even shorter supply of computational scientists and engineers. These shortages are directly related to national economic competitiveness. The White House has transmitted several reports to Congress raising alarms about the lack of high performance computing capability in higher education and the ground the Nation may potentially lose in the struggle to remain economically competitive. The conferees have, therefore, included $2,000,000 for NSF to initiate planning for two national/state demonstration test beds for shared supercomputer use, including teleconferencing capability, by facilities of higher education. Since higher education is an important state responsibility, the conferees direct that the two states must be willing to contribute 50 percent of the cost of the test bed in their state and pay operating costs. The conferees believe that the Nation would be best served if the test beds could be located to build upon the experiences gained in operating NSFNET and in conducting global change research programs. Further, the conferees believe one of the test beds should be located in conjunction with a federal high performance computer center.

Amendment No. 151: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

ACADEMIC RESEARCH FACILITIES AND INSTRUMENTATION

For necessary expenses in carrying out an academic research facilities and instrumentation program pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $33,000,000, to remain available until September 30, 1993.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to adopt a combined account consolidating the academic research facility modernization and academic research instrumentation activities. A total of $33,000,000 is included for fiscal year 1992 and the Foundation is directed to allocate not less than $16,500,000 to either facilities or instrumentation.

Amendment No. 152: Appropriates $78,000,000 for the United States Antarctic research activities as proposed by the Senate, instead of $118,000,000 as proposed by the House.

Amendment No. 153: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate restricting the purchase of aircraft.

Amendment No. 154: Inserts center head as proposed by the Senate.

Amendment No. 155: Appropriates $10,000,000 for United States Antarctic logistical support activities as proposed by the Senate, instead of $75,000,000 as proposed by the House.

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That up to $9,000,000 may be transferred to and merged with funds made available under "United States Antarctic Research Activities": Provided further, That section 104 of Public Law 100–570 is repealed*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

For many years the legislative authorization for the National Science Foundation has included language permitting the transfer of up to 10 percent from and between various NSF appropriation accounts. In the past, the Committee on Appropriations had no objection to this language. However, in view of exceedingly constrained fund availability for the Antarctic and other Foundation programs, the conferees have agreed to set aside this transfer authority.

Amendment No. 157: Appropriates $465,000,000 for education and human resources activities as proposed by the Senate, instead of $435,000,000 as proposed by the House.

The conference agreement reflects the following changes from the budget request:

+$27,000,000 for teacher preparation enhancement, including not less than $20,000,000 for additional "summer institute program activities".

+$5,000,000 for the systematic statewide initiative program.

+$10,000,000 for informal science education activities.

+$5,000,000 for programs that utilize advanced technology, networks, and distance learning, including the newly authorized Distance Learning Program under section 221(b) of the Excellence in Mathematics, Science, and Engineering Act of 1990.

+$3,000,000 for studies, evaluation, and dissemination.

+$2,000,000 for the NSF career access summer science camp programs.

+$23,000,000 for a new NSF graduate traineeship program.

The conferees believe that through a fully developed telecommunications education network, student access to science and mathematics curriculum, including those students in remote locations, could be greatly expanded. To further progress in this area, the conferees urge NSF to work with States to develop programs built upon existing technology systems (telephone, computer, word processing, data base management, and satellite telecommunications systems) to demonstrate the possibility of using the new technology to further science and mathematics education.

Amendment No. 158: Appropriates $109,000,000 for salaries and expenses as proposed by the House, instead of $117,000,000 as proposed by the Senate. The conferees agree that the $13,000,000 reduction shall be taken at the agency's discretion subject to the normal reprogramming procedure.

Amendment No. 159: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate modifying existing language to allow NSF to compensate visiting scientists and engineer "rotators" with per diem payments in lieu of relocation expenses, for the time they serve at NSF.

Amendment No. 160: Appropriates $3,500,000 for the Office of Inspector General as proposed by the Senate, instead of $3,300,000 as proposed by the House.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Amendment No. 161: Appropriates $31,900,000 for the Corporation, instead of $26,900,000 as proposed by the House and $36,900,000 as proposed by the Senate.

Amendment No. 162: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided, That of the new budget authority provided herein, $5,000,000 shall be for the purpose of providing local neighborhood revitalization organization revolving homeownership lending capital, and equity capital for affordable lower-income rental and mutual housing association projects, to remain available until September 30, 1994: Provided further, That the $5,000,000 shall be available for obligation to Neighborhood Reinvestment Corporation in quarterly payments of $625,000 beginning with September 1 of fiscal year 1992*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE IV—CORPORATIONS

FEDERAL DEPOSIT INSURANCE CORPORATION

FSLIC RESOLUTION FUND

Amendment No. 163: Appropriates $15,867,000,000 for the Fund as proposed by the Senate, instead of $15,899,000,000 as proposed by the House.

RESOLUTION TRUST CORPORATION

OFFICE OF INSPECTOR GENERAL

Amendment No. 164: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

The Office of Inspector General of the Resolution Trust Corporation shall review by September 30, 1993, each of the agreements described in section 21(A)(b)(11)(B) of the Federal Home Loan Bank Act and determine whether there is any legal basis sufficient for a rescission of the agreement, including but not limited to, fraud, misrepresentation, failure to disclose a material fact, failure to perform under the terms of the agreement, improprieties in the bidding process, failure to comply with any law, rule or regulation regarding the validity of the agreement, or any other legal basis sufficient for rescission of the agreement. After such review has been completed, and based upon the information available to the Inspector General, the Inspector General shall certify its findings to the Resolution Trust Corporation and to the Congress: Provided, That any agreement which has been *renegotiated and certified pursuant to section 518(b) of this Act may be excluded from further review under this provision based upon a review by the Inspector General of the appropriate evidence, and a determination that the government has achieved significant and substantial savings as a result of the renegotiation: Provided further, That the Inspector General report the basis for the exclusion in writing to Congress prior to any exclusion of further review under this provision.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE V—GENERAL PROVISIONS

Amendment No. 165: Deletes language proposed by the House and stricken by the Senate regarding first class travel and deletes language proposed by the Senate regarding first class travel.

Amendment No. 166: Deletes language proposed by the House and stricken by the Senate regarding the Chief Financial Officers Act.

Amendment No. 167: Amends section number as proposed by the Senate.

Amendment No. 168: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

At the end of the matter proposed by said amendment, insert the following:

(d) The provisions of this section shall be effective until (1) enactment into law of legislation concerning the price of drugs and biologicals paid by the Department of Veterans Affairs or (2) June 30, 1992, whichever first occurs.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to remove the prices paid for drugs paid by the Department of Veterans Affairs from the best price calculations used to determine Medicaid rebates, with a provision that the effect of the section shall terminate upon enactment into law of legislation dealing with this matter or June 30, 1992, whichever first occurs. The conferees have taken this temporary action so that the Department of Veterans Affairs will not be required to needlessly utilize medical care funds to pay higher costs for pharmaceutical products. It is anticipated that the authorizing committees will bring forth legislation to permanently address this matter.

Amendment Nos. 169, 170, and 171: Deletes language proposed by the Senate rescinding and appropriating fiscal year 1991 funds for the Commission on National and Community Service.

Amendment No. 172: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 521. Notwithstanding any provision of this Act, none of the funds appropriated or otherwise made available by this Act or by any other Act may be used to move Federal Housing and Urban Development offices from downtown Jacksonville, Florida, (as defined by the Downtown Development Authority of Jacksonville) or to finance the operation of such Federal Housing and Urban Development offices in any area of Florida other than the downtown area of Jacksonville, Florida (as defined by the Downtown Development Authority of Jacksonville).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 173: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring a General Accounting Office study of the Federal Housing Administration's Mutual Mortgage Insurance Fund.

Amendment No. 174: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 526. ESTABLISHMENT OF REGIONAL OFFICE.—The President may establish within the Environmental Protection Agency an eleventh region, which will be comprised solely of the State of Alaska, and a regional office located therein.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 175: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 527. EXTENSION OF PERIOD APPLICABLE TO SINGLE FAMILY HOUSING.—(a) IN GENERAL.—Section 21A(c)(2)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(2)(B)) is amended by striking "3-month" each place it appears and inserting "3-month and one week".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to eligible single family properties acquired by the Resolution Trust Corporation on or after the date of enactment of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1992 recommended by the Committee of Conference, with comparisons to the fiscal year 1991 amount, the 1992 budget estimates, and the House and Senate bills for 1992 follow:

New budget (obligational) authority, fiscal year 1991	$78,940,555,400
Budget estimates of new (obligational) authority, fiscal year 1992	82,230,434,000
House bill, fiscal year 1992	80,926,701,000
Senate bill, fiscal year 1992	80,976,874,000
Conference agreement, fiscal year 1992	80,941,044,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1991	+2,000,488,600
Budget estimates of new (obligational) authority, fiscal year 1992	−1,289,390,000
House bill, fiscal year 1992	+14,343,000
Senate bill, fiscal year 1992	−35,830,000

BOB TRAXLER,
LOUIS STOKES,
ALAN MOLLOHAN,
JIM CHAPMAN,
CHET ATKINS,
MARCY KAPTUR,
JAMIE L. WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
BILL LOWERY,
JOSEPH M. MCDADE,
Managers on the Part of the House.

BARBARA A. MIKULSKI,
PAT LEAHY,
J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
WYCHE FOWLER, JR.,
BOB KERREY,
ROBERT C. BYRD,
JAKE GARN,
ALFONSE M. D'AMATO,
CHRISTOPHER S. BOND,
DON NICKLES,
PHIL GRAMM,
MARK O. HATFIELD,
Managers on the Part of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, September 30, 1991*

The House met at 12 noon and was called to order by the Speaker pro tempore (Mr. LEWIS of Georgia).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 30, 1991.

I hereby designate the Honorable JOHN LEWIS to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Hear these words from Psalm 19:

The law of the Lord is perfect, reviving the soul; the testimony of the Lord is sure, making wise the simple. The precepts of the Lord are right, rejoicing the heart; the commandment of the Lord is pure, enlightening the eyes. The fear of the Lord is clean, enduring for ever; the ordinances of the Lord are true, and righteous altogether. More to be desired are they than gold, even much fine gold; sweeter also than honey and drippings of the honeycomb.

Gracious God, of faith, hope, and love, be present in our lives and may the words of the psalmist touch our hearts and be with us this day and every day. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1988. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control, and data communications, construction of facilities, research and program management, and Inspector General, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1035. An act to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyright works;

S. 1742. An act to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, to expand the awareness and use of farmers' markets, and to increase sales at the markets, and for other purposes;

S. 1766. An act relating to the jurisdiction of the U.S. Capitol Police; and

S.J. Res. 172. Joint resolution to authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month."

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will recognize the gentleman from Nebraska [Mr. BARRETT] to lead us in the Pledge of Allegiance.

Mr. BARRETT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

NEVER TOO OLD TO LEARN NOR TO BE SURPRISED

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I never thought I would live so long. First, to see the Berlin Wall shattered and reduced to dust, and then to see the U.S.S.R., the former Evil Empire, spinning apart and disintegrating before our very eyes. Then, last week, to see a U.S. President urging unilateral disarmament and being cheered, not impeached.

Mr. Speaker, that is exactly the outcome of the President's very appropriate and very much welcomed speech of last week, in which he suggested that there is room to reduce short-range nuclear missiles and other kinds of nuclear armament in the new world in which we are entering. It was received very well at home, abroad, and throughout the world's communities.

Mr. Speaker, I think this bids well for a much more pacific and much more peaceful world. It also offers us the opportunity of finally securing that illusive peace dividend that we have heard about for so long.

Not least, Mr. Speaker, it suggests that we are never too old to learn, and we are never too old to be surprised.

TIME TO RESOLVE CONGRESSIONAL ABUSES

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, several days ago two constituents in my district, at different occasions, directed my attention to September's Reader's Digest story entitled "Pigtails for Taxpayers."

This article depicts the indifferent abuse that surrounds the appropriations process here, in other words, the reckless manner by which the Congress spends taxpayers' money.

Mr. Speaker, in the wake of this story came the report that many Members of Congress are either incapable of or unwilling to balance their personal checkbooks. The suggestion that these violators be publicly identified and that the congressional bank be permanently closed deserves serious consideration.

As we say in the rural South, it is high time these abuses are resolved. The people we represent deserve at least this much of a response from the Congress.

AIDS COMMISSION IS RIGHT

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, last week the National Commission on AIDS called for a national plan to fight AIDS, which has already taken twice as many American lives as the Vietnam war. This distinguished Commission includes Secretary Sullivan and two other members of the President's Cabinet, as well as our colleague, Dr. ROY ROWLAND.

One of its recommendations is to give greater priority and funding to behavioral research. The Commission said.

Government restrictions on certain HIV programs and on behavior-oriented research studies impede the fight against HIV disease. HIV prevention programs and research into sexual and drug using behaviors must be conducted and evaluated.

Yet, as the Commission report appears, the National Institutes of Health has backed away from funding an important, well-designed research project on adult sexual behavior—because it was afraid to ask permission from the Department of Health and Human Services.

We need survey research to understand what leads to the high-risk sexual behavior that spreads the AIDS virus, and what we can do to change that behavior. Only 2 months ago, this House rejected an attempt to cut off funding for this kind of research.

The Commission has made some excellent recommendations, and has put responsibility for addressing this epidemic squarely where it belongs—at the doors of this Congress and the White House. I urge my colleagues, the President, and Secretary Sullivan to heed the Commission's urgent advice.

BANKING REFORM MUST PROTECT SMALL BUSINESS JOB CREATION

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, very shortly we will commence debate of H.R. 6, the most comprehensive and, some would say, controversial piece of banking legislation since the Glass-Steagall Act.

In rushing to reform the banking industry, we must be aware of the impact that sweeping reform will have on the small business community.

Small businesses generate some 40 percent of the gross national product. In order to continue to fuel our economy, small businesses need access to loans, loans which are typically supplied by local community banks.

It is small business that will provide the permanent solution to our unemployment problem, full-time jobs for the unemployed.

Any comprehensive reform package enacted must protect the traditional sources of funds for small business. That is our local community bank. But as we debate this banking legislation, big banks, big business, and big government, will get all the headlines. But the most essential part of our economy that will be at stake during that debate is small business.

Mr. Speaker, I would urge Members to remember when the time comes that it is easy to say you are all for small business, but it is how you vote that counts.

□ 1210

THE POOR WERE BETTER OFF UNDER THE REAGAN ADMINISTRATION

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, time and time again we have heard from this floor attacks on former President Ronald Reagan and attacks on his administration as if that was a time period when the poor lived in a very wretched condition and their conditions got worse and worse and worse. I would like to share with the American people some clippings from the papers late last week. It says, "A rise in poverty for the first time since 1983." What does that mean?

Apparently it means that during the 1980's once Ronald Reagan's policies had a chance to work, actually there was no increase in the rise in poverty and actually the poor were better off.

It also indicates, Mr. Speaker, that we are now having a rise in poverty for the first time since the 1980's. That could be because President Bush was forced to cave in to the Democratic policies of high taxes and high spending last year and their policies are now having an impact.

Who cares about the poor? Let us see what the results are. Liberal spending, liberal big spending Democrats gave us a rise in poverty and hurt the middle class. During Ronald Reagan's administration there was no increase in poverty. In fact, the poor got better and everyone was better off.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McDERMOTT). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, October 1, 1991.

CIVIL RIGHTS COMMISSION REAUTHORIZATION ACT OF 1991

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3350) to extend the U.S. Commission on Civil Rights.

The Clerk read as follows:

H.R. 3350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Commission Reauthorization Act of 1991".

SEC. 2. REAUTHORIZATION.

The United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975 et seq.) is amended—

(1) in section 7, by adding at the end the following: "There are authorized to be appropriated $6,000,000 for each fiscal year thereafter through fiscal year 1993."; and

(2) in section 8, by striking "1991" and inserting "1993".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes and the gentleman from Illinois [Mr. HYDE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3350, the Civil Rights Commission Reauthorization Act of 1991, reauthorizes the U.S. Commission on Civil Rights for 2 years, through 1993, at an annual authorization level of $6 million. During the past reauthorizations, including the last one—which was for 22 months—in 1989, concerns were expressed about the Commission's commitment to its fact-finding mission. The Commission seemed to be expending its energies more on divisive rhetoric than on fulfilling its mandate to investigate and report on the complex issues surrounding the protection of civil rights.

This mandate has guided the Commission since its creation under the Civil Rights Act of 1957 as a fact-finding agency. Despite changes in the Commission's structure—from a Presidentially appointed body to a joint Presidential-Executive Commission—the Commission's goals of studying discrimination and the denial of equal protection under the law have remained constant for over 30 years. This mission is important to ensuring that all of our citizens are treated fairly.

With the appointment of a new Chairman and the creation of a Staff Director position since the last reauthorization, the Commission has shown some signs of moving in a productive direction. The 2-year reauthorization allows that progress to continue and will encourage the agency to focus its resources on fulfilling its important statutory responsibilities.

Mr. Speaker, the chairman of our Civil and Constitutional Rights Subcommittee, the gentleman from California [Mr. EDWARDS] has done an excellent job on this important piece of legislation. I also commend the ranking minority member of the subcommittee Mr. HYDE, for his leadership and support of this legislation.

Since the authorization of the Civil Rights Commission expires today, it is important that we adopt this legislation and send it to the Senate. I urge the Members' support.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3350, to reauthorize the U.S. Commission on Civil Rights for a period of 2 years at a funding level of $6 million per year.

The subcommittee has carefully reviewed the activities and programs of the Commission during its most recent 22-month authorization. Unfortunately, the record of the Commission in that time period is less than stellar. The Commission has had no hearings, no consultations, and has issued only one statutory report. In addition, the testimony from our oversight hearing with regard to future activities of the Commission was not comforting. While we are reassured by the sincerity of the Commissioners and its fine staff, it appears that, as a whole, the Commission is unable to focus its energy and resources on the completion of specific projects within its congressional mandate.

While the reauthorization may seem harsh, it is meant to send a clear message to the Civil Rights Commission: Your work is needed more than ever, but Congress and the American people must have the confidence that it is being performed in a focused and thoughtful manner.

The administration supports reauthorization of the Civil Rights Commission and has no objection to the passage of H.R. 3350. I offer a copy of the statement of administration policy for the RECORD.

STATEMENT OF ADMINISTRATION POLICY

The Administration supports reauthorization of the U.S. Commission on Civil Rights and has no objection to House passage of H.R. 3350. The Administration, however, is concerned that the appropriation authorizations in the bill are insufficient and the two-year extension of the Commission's termination date is too brief.

H.R. 3350 would authorize appropriations of $6 million for each of FYs 1992 and 1993 for the Commission. These levels are significantly below the $10.8 million requested for the Commission in the President's FY 1992 Budget and less than the amounts in the FY 1992 House and Senate appropriations bills. The two-year extension of the Commission's termination date is well below the 10-year extension previously endorsed by the Administration.

The Administration will work to address its concerns during the House/Senate conference.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. EDWARD], the distinguished chairman of the subcommittee that brought this bill out and channeled so much civil rights legislation to us over the years.

Mr. EDWARDS of California. Mr. Speaker, I thank my chairman, the gentleman from Texas [Mr. BROOKS] and subscribe to his remarks, and those of the ranking member of the subcommittee, the gentleman from Illinois [Mr. HYDE].

We did examine the work of the Civil Rights Commission with great care and were disappointed with the record of the past few years.

The Congress, in establishing the Civil Rights Commission in 1957, established a fact-finding agency. The Commission strayed from that mission, and we expect them to get back on track.

After the controversy of the 1980's, there is a new spirit in the Civil Rights Commission, thanks to the distinguished new chairman, Mr. Arthur Fletcher, new Commissioners, and the new staff director. We expect good things. We expect that they are going to get back to their fact-finding mandate.

That is the message that we are sending to the Civil Rights Commission, that we want them back on track. It has been and again can be a very valuable institution.

We believe the $6 million authorized in H.R. 3350 will provide sufficient resources for the Commission's fact-finding work. However, it will not allow them to open additional regional offices in different parts of the country. That should be down the road, after the Civil Rights Commission comes back to us in a year or two and says, "This is what we have been doing. You see we have made these improvements. We're back to our statutory mandate, and we are asking Congress to authorize and appropriate a little more money so that these necessary offices can be put in place."

At every stage of the subcommittee's reauthorization review, we have had the cooperation and have been working together in a most agreeable fashion with the minority members of the subcommittee. The minority members being led by the distinguished gentleman from Illinois [Mr. HYDE].

Mr. Speaker, we had no disagreement about the 2-year reauthorization and the $6 million appropriation. I must admit that there was some discussion among some of the members who, after listening to the testimony and reading the record, recommended less money and a 1-year authorization, but the administration wants more.

We think that with the admonitions that we have raised during this reauthorization, that we are doing the right thing.

□ 1220

So Mr. Speaker, I thank the chairman of the committee, I thank the gentleman from Illinois [Mr. HYDE] and the Members on the other side of the aisle. Both the minority and majority staff have done good work.

We wish the Commission well. We are going to be their partners in the next 2 years of the authorization, and we hope that next year and the year after that we can return to this body, Mr. Speaker, with a more favorable report.

I ask that the bill be enacted as reported by the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I yield 8 minutes to the distinguished gentleman from Wisconsin [Mr. SENSENBRENNER], who is the former ranking member on this subcommittee.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to this legislation. This legislation proposes to authorize $6 million per year for each of the next 2 years for a Federal agency that has been mismanaged, has not done anything, and is roundly criticized even by its supporters, as we have just heard from the last three speakers. It is time to put this Commission out of its misery. It is time for the Congress to abolish the Civil Rights Commission and to start up a new agency, in my opinion, which can act in a far more constructive and productive manner on the many issues relating to civil rights that face our society.

Even the supporters of the Commission within this Congress are less than enthusiastic about their endorsement. We have heard from the gentleman from Texas [Mr. BROOKS], the gentleman from California [Mr. EDWARDS], and the gentleman from Illinois [Mr. HYDE]. None of these three gentlemen who have spoken prior to my speech today have given the Commission an enthusiastic endorsement. As a matter of fact, if I heard them correctly, it was not an endorsement at all.

I think in these times of fiscal constraint, when we are looking for ways to save money, to reduce the deficit, and to reset priorities, keeping the Commission members and the Commission staff on the Federal payroll are something that we can do without.

According to the gentleman from California [Mr. EDWARDS] at the Judiciary Committee markup on September 24, 1991:

> During the last 2 years the Commission has only issued one report, and it has had no hearings or consultations.

Yet the appropriation has been a little bit less than $7 million per year for each of the last 2 years. Providing $14 million for one report and no hearings or consultations, in my opinion, is mismanagement of the highest order. To continue this Commission without any guarantees that there will be increased productivity I believe simply takes money out of the taxpayers' pocket and does not use it for good use.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I say to my distinguished friend, I would like to observe, and I know we Democrats are not perfect, we have many flaws, but we are not the ones who recommended the 10-year extension of this Commission at $10 million a year. That was this administration.

We thought that was a little much, and so we cut it back to $6 million, $1 million less than last year, and $4 million less than the administration requested. We did not make it for 10 years, we made it for 2 years.

I thought we used some judgment but also some compassion. We always are trying to help any administration when they are making an effort to do the Lord's work, and so we tried to help, but not too much.

Mr. SENSENBRENNER. Reclaiming my time, even my administration can be wrong, and I am awful afraid that it is on this one.

I think the administration's recommendation was 10 years too long and $10 million a year too high, given the track record of this Commission.

Twenty-two months ago when I was the ranking minority member of the subcommittee that my friend from California, Mr. EDWARDS, chairs, we took the floor and got an extension of this Civil Rights Commission and put them on notice that they were on strict probation during this 22-month period when their work would be carefully reviewed before the authorization was up, and before the Congress had to make a decision on what to do next.

I have carefully reviewed that record, as has my friend from Texas, and I think that one report, and no hearings, and no consultations for $7 million a year is missing the target. There is nothing in the record that indicates to me that this Commission is going to clean up its act. We do not have any kind of promises that there is going to be any more activity during the next 2 years than there was for the last 22 months.

Another member of the subcommittee, a member of my party, the gentleman from Florida [Mr. McCOLLUM] last Tuesday at the markup said:

> The Commission seems unable, in my judgment, to focus its energy and resources on the completion of specific projects within its congressional mandate.

The Commission members will be the same Commission members that we have had for the last 22 months and the same staff. Here the gentleman from Florida [Mr. McCOLLUM] says that it has been unable to focus on what its job is. Should we continue it? Should we reward it with another $12 million of the taxpayers' hard-earned dollars? I think the answer to that question is no.

During the last 22 months, the Commission has produced practically nothing. Many civil rights groups around the Nation have asked the Congress to close down the Commission, and in the words of my friend from California, the chairman of the subcommittee [Mr. EDWARDS] to get rid of it altogether. And I think the time has come for the Congress to accept that challenge and to get rid of it altogether, given its track record.

We have given this Commission chance after chance. We have funded them to keep most of their staff on the payroll, and there has been no results whatsoever.

At least they have gotten themselves out of the controversy that plagued the Commission during the decade of the 1980's, but apparently their way to avoid controversy is not to do anything except cash their paychecks. I think that given our deficit and given the fact that we cannot find money for unemployment compensation, we cannot find money for victims of crime, we cannot find money to help the police do their job, that a reallocation of resources away from a do-nothing Commission and into some programs that will help improve the quality of life for all Americans is very much in order.

I would hope that this Congress would defeat this bill today so that we can have a better focus on the issues of civil rights and save the taxpayers some money to boot.

I thank the gentleman from Illinois for yielding time, and yield back to him the balance of my time.]

Mr. HYDE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McDERMOTT). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 3350.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks on H.R. 3350, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS FOR YOUTH

Mr. MARTINEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3259) to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youths, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DRUG EDUCATION AND PREVENTION RELATING TO YOUTH GANGS.

(a) ELIGIBLE ENTITIES.—Section 3501 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11801) is amended by inserting "(including agencies described in paragraph (7)(A) acting jointly)" after "agencies" the first place it appears.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 3505 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11805) is amended by striking "$15,000,000" and all that follows through "1991", and inserting "$16,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993 and 1994".

(c) ANNUAL REPORT.—Chapter 1 of subtitle B of title III of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11801–11805) is amended by adding at the end the following:

"SEC. 3506. ANNUAL REPORT.

"Not later than 180 days after the end of each fiscal year, the Secretary shall submit, to the Speaker of the House of Representatives and the President pro tempore of the Senate, a report describing—

"(1) the types of projects and activities for which grants and contracts were made under this chapter for such fiscal year,

"(2) the number and characteristics of the youth and families served by such projects and activities, and

"(3) each of such projects and activities the Secretary considers to be exemplary.".

(d) TECHNICAL AMENDMENT.—The table of contents in title II of the Anti-Drug Abuse Act of 1988 is amended by inserting after the item relating to section 3505 the following:

"Sec. 3506. Annual report.".

SEC. 2. PROGRAM FOR RUNAWAY AND HOMELESS YOUTH.

Section 3513 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11823) is amended to read as follows:

"SEC. 3513. AUTHORIZATION OF APPROPRIATIONS.

"To carry out this chapter, there are authorized to be appropriated $16,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993 and 1994.".

SEC. 3. EFFECTIVE DATE.

This Act shall take effect on October 1, 1991.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MARTINEZ] will be recognized for 20 minutes and the gentleman from Nebraska [Mr. BARRETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3259 reauthorizes title III of the Antidrug Abuse Act of 1988 which created two antidrug programs for youth.

These two programs were developed by the House Education and Labor Committee as part of the Antidrug Abuse Act of 1988.

□ 1230

The first is drug education and prevention relating to juvenile gangs. Funded at a level of $14.8 million in fiscal year 1991, this program requires the involvement of families and communities in a range of projects designed to prevent or reduce illegal gang activities and drug abuse among youth.

The second program is drug education and prevention for runaway youth and homeless youth. Also funded at $14.8 million in fiscal year 1991, this program provides funding for service projects, research, and training designed to prevent or reduce the illicit use of drugs by this at-risk population of youth.

H.R. 3259 amends the act by including language to encourage the continuation of grants to multiagency consortiums, fostering cooperation between public and private agencies, and adding a requirement that the Secretary of HHS submit an annual report on the youth gang program to Congress, conforming it to the runaway and homeless youth program, which already requires an annual report.

Mr. Speaker, this bill represents a bipartisan effort to address the ravages of drugs on our youth in our communities. This effort is reflected by Chairman FORD'S cosponsorship of H.R. 3259, along with that of ranking minority members of the House Committee on Education and Labor, and the Human Resources Subcommittee, the gentleman from Pennsylvania [Mr. GOODLING], and the gentleman from Illinois [Mr. FAWELL].

Most of us have heard talk about the vulnerability of the people served by the programs under the jurisdiction of the Human Resources Subcommittee, but none are more vulnerable than our youth. These teenagers are impressionable and are struggling with a world of constantly changing values and are in the process of making the transition from childhood to being an adult, an extremely difficult task for even a young person fortunate enough to grow up in a good house with a caring family.

But for those who have no support at home and few places to turn other than the street, they are the disenfranchised who feel the real crunch. These who feel disenfranchised reach out for peer approval and find it where it is available, whether it is belonging to a gang or doing drugs. Some of these young people are just trying to hide their pain through the abusing of drugs, and others have just come through peer pressure wanting to be accepted.

Regardess of the reason, drugs have become a blight on our society. Every day you can pick up the paper and read about violence related to drugs or about some famous person who has or had a drug-abuse problem, and it is getting harder and harder to say that, "This is not my problem." These young people out there are all of our children.

Drug abuse is a classless phenomenon, and it no longer is just an inner-city problem. It is a rural problem as well.

America has declared war on drugs. We have not been fighting it adequately. We must now join our youth at the front line to fight that war.

Education and prevention are the most vital tools with which to arm them. I urge you all to support this effort. H.R. 3259 is the keystone in the foundation of the future of our children. Let us continue to build upon it.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering H.R. 3259 which reauthorizes two very worthwhile drug abuse education and prevention programs that are administered by the Department of Health and Human Services. Before I speak further about the programs, I would like to thank my colleagues on the Committee on Education and Labor for acting so expeditiously on this bill, as today is the final day for the current authorizations of these two programs. Although we once again are leading the way, I hope our colleagues in the other body, will also act with the recognition that time is of the essence.

The drug abuse education and prevention programs for youth gangs and for runaway and homeless youth, target drug education services toward groups of youth who often fall through the cracks of traditional school-based programs. These youth are those at the highest risk of falling prey to drug use, as positive adult role models are often lacking in their lives and they often see little opportunity for positive alternatives to drug use. In the context of youth gangs particularly, the economic incentives of involvement in the drug trade have been a powerful lure.

The Subcommittee on Human Resources, on which I sit, held several oversight hearings on the youth gang and the runaway and homeless youth programs, in preparation for the reauthorization. We heard compelling testimony from youth involved in several of the projects funded by the two programs, and they spoke volumes about how these projects not only directed them to just say no to drug use, but gave them reasons why to say no. Practitioners that work with youth involved in drug gangs or with runaway and homeless youth, highlight the fact that providing these youth with alternatives to drug use and showing them that there is a better way, that there can be more to their lives, is often half the battle in terms of drug abuse prevention.

Mr. Speaker, I rise in strong support of H.R. 3259, reauthorizing the drug abuse prevention and education programs for youth gangs and for runaway and homeless youth. I might add that the administration also supports reauthorization. For a relatively small sum of money, these programs provided needed drug education services to youth who are not otherwise served by traditional programs. I urge support for this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3259, the drug abuse education and prevention programs relating to youth gangs and runaway youth and I would like to commend the gentleman from California [Mr. MARTINEZ] for introducing this measure, and I would also like to recommend the extensive efforts of the distinguished chairman and ranking minority member of the Committee on Education and Labor respectively, the gentleman from Michigan [Mr. FORD] and the gentleman from Missouri [Mr. COLEMAN].

Mr. Speaker, H.R. 3259 would authorize approximately $32 million for fiscal year 1992 and additional sums for fiscal year 1993 and fiscal year 1994 for very worthy and much needed programs: Drug-abuse education and prevention activities for youth gangs, and prevention programs for runaway and homeless youths.

The drug scourge in our Nation has claimed too many victims. Our citizens are being caught in the drug dealers' crossfire, substance abuse addicts are dying of an overdose, and innocent babies born addicted to crack cocaine are dying only after a few short days of life. The most pitiable and preventable victims of our drug war are our children.

Mr. Speaker, there are children growing up today who are more familiar with a nine-millimeter weapon than a schoolbook. They are more familiar with the inside of the neighborhood crack house than their elementary school.

We talk about ending the drug war and triumphing over the drug kingpins in foreign countries, but we will not win this war unless we can stop our citizens from using drugs. Our young people are our future, and if their children become addicted, then our Nation will remain addicted.

Mr. Speaker, this bill seeks to fund programs which aim at prevention—preventing the most peripheral youth from becoming substance abusers. At-risk youth whom we fail to help today will be the criminals and the drug abusers of tomorrow. These programs can give our youth hope and alternatives, two very rudimentary things that these young people lack.

Accordingly, I wholeheartedly support this measure and urge my colleagues to vote in favor.

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from New York [Mr. GILMAN] for his support of the bill.

Mr. ALEXANDER. Mr. Speaker, I rise in strong support of H.R. 3259.

While the cold war thaws, there is another war—the one being waged against illegal drugs—which must be prosecuted to the fullest extent possible.

Because this problem has the potential to destroy us from within, I believe it is past time that we declared a national emergency to deal with this scourge on our society.

Mr. Speaker, it was about 20 years ago that I conducted the first seminar on illegal drugs in my district. At that time concerned speakers forecasted a grim outlook as drug pushers began to prey upon an unaware public.

Since that time, countless lives have been lost to or ruined by illegal drugs, and countless innocent people have been made the victims of crime as drug addicts prowl our streets in search of money to pay for their next fix.

The problem grows.

Therefore, it's vital that the Federal Government provide more assistance to help combat this plague.

A cloud will forever hang over our future until we adequately address the flood of illegal drugs flowing across our borders and into the veins of our people.

How can we compete if illegal drugs infect our workplace?

How can we educate when these drugs are sold on schoolyards?

How can we feel safe in our homes when drug addicts victimize us to support their habit?

How can we look to the future with confidence when so many babies are being born already addicted because of their mothers' drug usage?

Obviously, we can do none of those things until our country is free of drugs * * * and those who sell them.

The bill we debate today will help, but it will not win the war.

This is not to say that we are not making some progress.

For example, Congress has increased funding identified for the Federal antidrug abuse program. In fact, it increased by nearly 300 percent during the decade of the 1980's.

And, programs aimed at the war on drugs extend to almost every department in the Federal Government, including the Pentagon.

Many of these programs, however, are aimed at interdiction of the drug supply.

While this is an essential part of the overall effort, most experts agree that drug lords will find a way to move their product as long as there is demand, and that more should be done to try and reduce the demand level.

If there are no buyers, there will be no profit in pedaling this poison.

Yes, we have made progress.

But, there is much more the Federal Government can do.

For example, many officials in my district have told me that providing afterschool activities for young people would cut back on idle time and the temptations that hanging out presents.

The school facilities are there, staff is available, but the money isn't available. School district budgets are already strained to the breaking point in providing normal school day activities.

I believe that programs of this sort will help us win the war.

There is nothing less than the future of the Nation at stake.

We can have a future bright with promise or one clouded in the haze of mind altering drugs.

The choice is ours, the challenge is ours, the fight is ours.

Yes, we face a formidable enemy—an enemy wallowing in cash and armed to the teeth, but we can defeat that enemy if only we have the will.

Mr. KILDEE. Mr. Speaker, I rise today in support of H.R. 3259, a bill to authorize appropriations, for three additional years, for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth.

I commend the chairman of the Subcommittee on Human Resources, Mr. MARTINEZ, for his leadership and continuing support of these important programs, which were first authorized in 1988 when I held that chairmanship.

These drug education and prevention programs address pressing family and community problems in very effective yet economical ways. With regard to the program related to juvenile gangs, grants are made by the Secretary of Health and Human Services to community-based organizations in a manner designed to bring together and empower individuals, families, institutions, and organizations in our communities to begin minimizing the influence of gangs on impressionable, at-risk youth. This preventive approach complements the efforts of law enforcement by reducing the numbers of youth who become involved in gangs.

The drug education and prevention program related to runaway and homeless youth enables the Secretary of Health and Human Services to make grants to community-based organizations which, in most cases, already provide other types of services to runaway and/or homeless youth. This program ensures that local agencies which regularly deal with these youngsters will have the resources and expertise to provide critically needed education, prevention, and intervention services.

Mr. Speaker, the programs authorized by H.R. 3259 provide excellent examples of cost-effective ways that the Federal Government can assist our Nation's families and local communities. I urge my colleagues to support its passage.

Mr. ROTH. Mr. Speaker, drug abuse and gang violence continue to plague our schools and communities. Here in Washington, violent gangs are reported to be all over the city and are credited with being the main source of drugs and death.

Drug-related crimes and violence are not limited to the inner cities or large metropolitan areas in this Nation, however. Recently, a constituent of mine in Green Bay, WI, contacted me to express his frustration with drug abuse in his own community. "* * * the drug war must go beyond law enforcement. The next big step has to be education * * *," he states, and I agree. We must keep up the fight through improved education and prevention programs.

The Drug Abuse Education and Prevention Programs Relating to Youth and Gangs and Runaway Youth provides real solutions to problems caused by the effects of drug abuse and gang activities in our communities. Our communities cannot win the fight alone—let us in Congress today send a message of support home to the people by passing H.R. 3259.

Ms. NORTON. Mr. Speaker, I rise in strong support of this legislation because it provides renewed and increased funding for critical programs targeting those most at-risk of drug and alcohol abuse—runaway, homeless, and gang involved youth. During a hearing held earlier this summer on H.R. 3259, witnesses representing two programs located within the District of Columbia testified about the benefits which have been realized here—about the many young lives that have been helped as the result of their ability to provide direct service programs in this community. But the "Why Say No" Sports Camp and Youth Leadership Program, founded by Washington Redskin wide receiver Gary Clark, and the Early Intervention Program initiated by the Metropolitan Police Boys and Girls Clubs, are just two examples of many other creative initiatives which have been undertaken around the Nation since 1988 when the Congress created the Drug Education and Prevention Programs for Runaway and Homeless Youth and Juvenile Gangs.

The Metropolitan Police Boys and Girls Club received its first 1-year grant under the youth Gang Program for 1990 [$140,000]. It used the funds to open up satellite clubhouses in the Finsbury Square and Washington Highlands neighborhoods of Wards 7 & 8. These locations were targeted because of their high homicide rates and high levels of drug-related activity.

There are housing projects and 12 schools in the areas served by these facilities. As the result, the club's staff works closely with both the D.C. Public Schools and the Department of Public and Assisted Housing to coordinate the many educational, counseling, and recreational activities which are offered. A key element of the overall program is the involvement of parents. They are helped to improve communication with their children through various interactive activities including family retreats. During the past 21 months, considerable progress has been made with the boys and girls involved with the clubs. In particular, the Early Intervention Program, which involves 137 youth, has been successful in reducing juvenile crime related activity.

Based on merit, the Metropolitan Police Boys and Girls Club's grant was extended through 1991 [$112,000]. If this legislation before us today is enacted, an application will be filed to continue its activities through 1992. The club will seek additional funds in order to open a third satellite facility in the Valley Green Housing Complex, and, in addition, initiate a youth hotline, and longer family retreats. The club, today, is the only agency in the District of Columbia currently receiving funding. By continuing and increasing the Drug Education and Prevention Program's funding, more agencies can participate and much more intervention can be done.

Gary Clark's "Why Say No" Sports Camp, has not yet applied for funds under this program. However it is just the kind of community-based effort which could get that support in the future. Earlier this summer, Mr. Clark completed his first camp in the District of Columbia. The camp's purpose is "to provide youth with the developmental skills to enhance their chosen athletic specialty, as well as to instill positive feelings toward 'self' and [prevent] negative responses to drugs and alcohol." Guest speakers were brought in to talk with participants, drug education activities were held on a daily basis, and professional athletes interacted with the participants as counselors and role models.

Early prevention activities such as these have made a difference in my community. The enactment of H.R. 3259 will enable the District and the Nation, to offer young people a wider range of alternatives to gang and drug involvement. I urge my colleagues to support this legislation.

Mrs. MINK. Mr. Speaker, I rise in support of H.R. 3259, which will reauthorize the Drug Abuse Education and Prevention Program Relating to Youth Gangs and the program for Runaway and Homeless Youth. Originally established as a part of the 1988 Anti-Drug Abuse Act, these crucial programs are the MASH units in the war against drugs.

Drug abuse and gang warfare are no longer just big city problems, they are calamities for small towns and even tiny villages. No one is immune from the threat of illegal drugs or the murder and mugging that inevitably go along with it.

The youth drug problem in America is an international embarrassment. We have the highest rate of teenage drug use of any country in the industrialized world. Thirty-five percent of high school seniors reported heavy drinking within the last 2 weeks of being asked. One-third of all 12th graders had smoked marijuana. Cocaine was used by 8 percent of the students polled, and 1 out of 20 had used crack cocaine.

The youth gang program deals with the rapidly spreading danger of organized criminal behavior by teenagers. These bands of youths, emboldened by drugs and drug money, consume runaways and delinquents, and then breed violence in the streets of America. It is time to break this cycle by giving more help to these children and prying away their drugs. This program goes directly into communities and counsels families—how to get their kids out of gangs and how to keep them out. H.R. 3259 would increase authorized funding for this section from $14.8 million to $16 million.

The second phase of our antidrug battle provides for service projects, research, and training designed to prevent young people from using drugs. Convincing children who have never used drugs to never start and getting kids who are on drugs to give them up are its twin goals. The authorized funding for this section would also increase from $14.8 million to $16 million.

Winning the drug war is going to mean winning the drug battles each step of the way. Congress' unflagging and determined efforts are necessary to carry the day for the physical, mental, and social health of our young people.

Mr. Speaker, we must reauthorize appropriations for drug abuse education and prevention programs relating to runaway and homeless youth. This is a struggle we cannot afford to lose and I urge all of my colleagues to vote for H.R. 3259.

Mr. MARTINEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BARRETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MARTINEZ] that the House suspend the rules and pass the bill, H.R. 3259, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3259, the bill just passed.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from California?

There was no objection.

DECENNIAL CENSUS IMPROVEMENT ACT OF 1991

Mr. SAWYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3280) to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and on related matters, as amended.

The Clerk read as follows:

H.R. 3280

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Decennial Census Improvement Act of 1991".

SEC. 2. STUDY.

(a) IN GENERAL.—The Secretary of Commerce shall, within 30 days after the date of enactment of this Act, contract with the National Academy of Sciences (hereinafter in this Act referred to as the "Academy") to study—

(1) means by which the Government could achieve the most accurate population count possible; and

(2) consistent with the goal under paragraph (1), ways for the Government to collect other demographic and housing data.

(b) SPECIFIC CONSIDERATIONS.—In conducting its study, the Academy shall consider such matters as—

(1) with respect to subsection (a)(1)—

(A) ways to improve the Government's enumeration methods, especially with regard to those involving the direct collection of data from respondents:

(B) alternative methods for collecting the data needed for a basic population count, such as any involving administrative records, information from subnational or other surveys, and cumulative or rolling data-collection techniques; and

(C) the appropriateness of using sampling methods, in combination with basic data-collection techniques or otherwise, in the acquisition or refinement of population data; and

(2) with respect to subsection (a)(2)—

(A) the degree to which a continuing need is anticipated with respect to the types of data (besides data relating to the basic population count) which were collected through the last decennial census; and

(B) with respect to data for which such a need is anticipated, whether there are more effective ways to collect information using traditional methods and whether alternative sources or methodologies exist or could be implemented for obtaining reliable information in a timely manner.

(c) REPORTS.—(1) The Academy shall submit to the Secretary and to the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate—

(A) within 18 months after the date on which a contract is entered into under subsection (a), an interim report on its activities under this Act; and

(B) within 36 months after the date on which a contract is entered into under subsection (a), a final report which shall include a detailed statement of the Academy's findings and conclusions, as well as recommendations for any legislation or administrative action which the Academy considers appropriate.

(2) With respect to each alternative proposed or discussed in its final report, the Academy shall include—

(A) an evaluation of such alternative's relative advantages and disadvantages, as well as an analysis of its cost effectiveness; and

(B) for any alternative that does not involve the direct collection of data from individuals (about themselves or members of their household), an analysis of such alternative's potential effects on—

(i) privacy;

(ii) public confidence in the census; and

(iii) the integrity of the census.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. SAWYER] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SAWYER].

☐ 1240

Mr. SAWYER. Mr. Speaker, I yield myself such time as I may consume.

Today we are considering legislation that will provide for a comprehensive, objective, and authoritative study of census methods.

This may be the most important single effort of the Congress to launch a successful planning effort for the 2000 census.

There are many people who are not satisfied with the outcome of the 1990 census. The 1990 census was the first in modern history that was less accurate than the one before it.

The disproportionate undercount of minorities was the highest ever recorded.

But the 1990 census was not a failure of effort or execution. It was a failure of design. It is a design that clearly is no longer adequate to measure the large, diverse, and mobile Nation we have become.

We have all come to the conclusion that the census process is badly in need of reform. Not just bells and whistles on an outdated method. We need to rethink the purpose of the census and our objectives. We need to explore a wide range of methods that might improve the quality and accuracy of the data we collect.

We learned a lot from the planning that took place during the 1980's in preparation for the 1990 census.

The Census Bureau started out at the beginning of the decade—1980—trying to invent a light bulb. They wound up merely making improvements to the lantern instead, and as a result we lost our way in 1990.

I'm afraid that if we don't invent the light bulb this time around, we will all wind up in the dark. That old lantern is obsolete. And the quality of data we collect by it may be dimmed to the point where we can no longer be guided by the result.

H.R. 3280 provides for a broad-based 3-year study by the National Academy of Sciences. The Academy is well positioned to address the policy and technical issues surrounding the census as well as the broader statistical system. The legislation requires the Department of Commerce to enter into a contract with the Academy within 30 days of enactment.

The Academy will issue an interim report within 18 months, and a final report within 3 years to the Congress and the Commerce Department.

The study will include a review of 1990 census methods and of alternative ways to count the population. The Academy will recommend ways to make the population count more accurate. In addition, the Academy will address the Nation's other data needs. The Academy may recommend reducing the number of questions on the census questionnaire. If it does, it will recommend alternative ways to collect population characteristics and housing data.

I want to clarify that the funds for this study will come from discretionary accounts available to the Secretary of Commerce, subject to the availability of a fiscal year 1992 appropriation. The Academy estimates that the study will cost $1.4 million. That amount of money was carefully set aside for this study in the House-passed version of the fiscal year 1992 Commerce, Justice, State, and Judiciary appropriations bill.

H.R. 3280 enjoys the unanimous, bipartisan support of the Post Office and Civil Service Committee.

I particularly want to acknowledge the constant support and assistance of Congressman TOM RIDGE, the Census Subcommittee's ranking minority member. I also want to recognize the efforts of Chairman BILL CLAY, who provided invaluable assistance in drafting the legislation and moving the bill through committee expeditiously.

Finally, I want to thank my colleague from Kentucky, HAL ROGERS, for his foresight on the critical need for census reform, and Chairman NEAL SMITH for his attentiveness to the need to find that needed reform.

I urge my colleagues to support this important piece of legislation.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, permit me this opportunity to commend the chairman of the Subcommittee on Census and Population, Mr. SAWYER, and the ranking minority member, Mr. RIDGE, for their outstanding leadership and commitment to their oversight responsibilities through their subcommittee. I would also like to commend the chairman and the ranking minority member of the Committee on Post Office and Civil Service, Mr. CLAY and Mr. GILMAN, respectively, for effective and efficient leadership in expediting this legislation through the committee.

The timing is now critical for addressing the year 2000 planning for the census. H.R. 3280 would authorize a 3-year study by the National Academy of Sciences on improving the accuracy of the decennial census in the year 2000. I previously supported similar language that was included in the committee report to the Commerce-Justice-State appropriations bill for fiscal year 1992.

It is imperative that we recognize the mistakes of the 1990 decennial process and take the necessary steps not to repeat what happened. We must explore new methodologies and new approaches in taking the decennial census for the year 2000.

The information gathered by the decennial census is the basis upon which so many critical decisions are made. The techniques of enumeration must produce the most reliable data possible while protecting the integrity of the census.

I urge my colleagues to join with me in supporting this important legislation.

Mr. SAWYER. Mr. Speaker, I yield 5 minutes to the Delegate from the District of Columbia [Ms. NORTON] an outspoken member of the full Committee on Post Office and Civil Service on matters of census population.

Ms. NORTON. Mr. Speaker, I appreciate the leadership of the gentleman from Ohio and the leadership of the ranking minority member and of the chair and ranking minority member of the full committee on moving this important piece of legislation.

The census was greeted with some consternation by many of us in the committee and I very much appreciate the gentleman's expeditious handling of this matter that improves our hope that the next census will indeed be an improvement.

Mr. Speaker, I rise in support of H.R. 3280, the Decennial Census Improvement Act of 1991, designed to make the next census more accurate than the last one. The District of Columbia is but one of many jurisdictions in the United States victimized by an inaccurately low census count. Of the 50 States and the District of Columbia, the District was one of the most inaccurately counted, with between 5 and 6.2 percent undercount, depending on what figures are used.

This will mean $120 million in Federal funds we are due that we will not get.

The census has a constitutional status for a reason. The framers realized that government cannot work when it lacks the most basic information of all. Our Government has more experience counting people than doing any other mandated function.

The controversy surrounding this census might be more acceptable if the first census had been 1990, instead of 1790.

We have the methodology and the technology to improve the count. We have not adequately addressed the conditions in the big cities that make it more difficult to do the count.

The 1990 census was the first since we have had the capacity to measure an undercount that was less accurate than the one before it. The 1990 undercount is a tragic anticlimax to the 1980's. This was the decade that literally robbed the cities to pay the military.

In 1981, urban areas got $47.9 billion from the Federal Government for priority municipal programs. By 1990, that figure had fallen to $19.1 billion, less than half. During the same period, housing assistance to urban areas fell from $27 billion to $8 billion, and the revenue-sharing program and the Urban Development Action Grants were eliminated altogether.

An undercount is a cruel final blow for cities wracked with cumulative issues of neglect and bewildering new problems, such as AIDS and escalating gun violence.

□ 1250

The Census Bureau has not yet figured it out. Surely the National Academy of Sciences can help.

Mr. Speaker, we owe the estimated 5.3 million Americans who were not counted the effort to see that they do count.

Mr. SAWYER. Mr. Speaker, I thank the gentlewoman for her thoughtful comments and for her support for this measure.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the ranking member of the Committee on Post Office and Civil Service, who has been very interested in this subject and has been a real leader on this issue.

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to commend the distinguished committee chairman, the gentleman from Ohio [Mr. SAWYER] and the gentleman from Pennsylvania [Mr. RIDGE], the ranking member of the Census and Population Subcommittee for moving this important census improvement legislation. I supported similar language that was included in the report to accompany the Commerce-Justice-State appropriations bill for fiscal year 1992.

Mr. Speaker, despite some objections, I believe upon the whole that the

Census Bureau did a good job in conducting the 1990 census. However, it is obvious that major improvements can and should be made in the census-taking process. The 1990 census was taken in essentially the same manner as the prior censuses of 1970 and 1980. It is time that the basic design of the census should be reviewed and that viable alternatives should be considered.

I do not believe that any group or organization can objectively judge themselves from within and that is why the contract with the National Academy of Sciences to review our census process is so necessary. The National Academy of Sciences will be looking at alternatives to the census without any prior bias to light the way for more effective future censuses.

Accordingly, Mr. Speaker, I urge my colleagues to join me in supporting this very important proposal to improve our Nation's census.

Mrs. MORELLA. Mr. Speaker, I urge our colleagues to very swiftly pass this important legislation. We have done all right, but we owe it to the American people to do better with the next census.

Mr. Speaker, again I thank the chairman, the gentleman from Ohio [Mr. SAWYER] for his leadership in this important work.

Mr. Speaker, this bill was unanimously passed by the Committee on Post Office and Civil Service, and the administration has no objection.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SAWYER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Ohio [Mr. SAWYER] that the House suspend the rules and pass the bill, H.R. 3280, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GWEN B. GILES POST OFFICE BUILDING

Mr. SAWYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3322) to designate the Wellston Station facility of the U.S. Postal Service in St. Louis, MO, as the Gwen B. Giles Post Office Building, as amended.

The Clerk read as follows:

H.R. 3322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The building located at 1409 Hamilton Avenue, St. Louis, MO, known as the Wellston Station, is designated as the "Gwen B. Giles Post Office Building".

SEC. 2. REFERENCES.

Any reference in any law, map, regulation, document, record, or other paper of the United States to the building referred to in section 1 shall be deemed to be a reference to the Gwen B. Giles Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. SAWYER] will be recognized for 20 minutes, and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3322, a bill to designate the post office located at 1409 Hamilton Avenue in St. Louis, MO, as the Gwen B. Giles Post Office Building.

Gwen Giles, who passed away in 1986, was well known and well respected in the city of St. Louis. She was the first American woman of African descent elected to the Missouri State Senate. She was also the first female assessor for the city of St. Louis.

Ms. Giles was known for her work on civil rights issues, and for her efforts to help those in need. In this regard she served as the executive secretary of the St. Louis Council of Human Rights, was a founder of the West End Community Association, and director of the Civil Rights Enforcement Agency.

Ms. Giles lived in St. Louis virtually her entire life. The author of H.R. 3322, the honorable BILL CLAY, who represents St. Louis, has described her as "a community bridgebuilder, bringing together black and white, and Catholic, Protestant, and Jew."

It is altogether fitting for this post office building in St. Louis to bear her name.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to take this opportune time to advise my colleagues in the House of my support and the support of my colleagues on the committee, for H.R. 3322, to designate the postal facility at 1409 Hamilton Avenue in St. Louis as the Gwen B. Giles Post Office Building.

Gwen Giles was the first African-American woman to be elected to the Missouri State Senate, the first female assessor for the city of St. Louis and founder of the West End Community Association. The area of St. Louis in which I understand this postal facility is located.

In our full committee chairman's [Mr. CLAY] remarks, when he introduced H.R. 3322, he expertly laid before the House the justification for us adopting the measure this morning. On behalf of the minority, I concur in his comments and urge the adoption of the bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the ranking member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I want to take this opportunity to join with my colleagues from the committee and to add my voice in support of H.R. 3322, to designate the postal facility at 1409 Hamilton Avenue in St. Louis as the Gwen B. Giles Post Office Building.

Gwen Giles accomplished many significant "firsts" in her short life as described by our distinguished subcommittee chairman, the gentleman from Ohio [Mr. SAWYER] and the gentlewoman from Maryland [Mrs. MORELLA] and I urge my colleagues in the House to join us in taking note of those accomplishments and honoring her life in this fashion.

Mr. CLAY. Mr. Speaker, on Thursday, September 12, 1991, I introduced legislation to designate the Wellston Station facility of the U.S. Postal Service in St. Louis, MO, as the Gwen B. Giles Post Office Building. On Tuesday, September 24, 1991, I received correspondence which is representative of the sentiment of St. Louisians who were privileged to know Gwen B. Giles. I would like to insert for the RECORD that correspondence.

COUNTY OF ESSEX, DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT,
Cedar Grove, NJ, September 20, 1991.

HON. WILLIAM CLAY,
Rayburn House Office Building, Washington, DC.

DEAR BILL: I read your remarks in the CONGRESSIONAL RECORD of September 12, 1991, proposing to designate the Wellston Post Office as the Gwen B. Giles Post Office Building.

I take this opportunity to express my sincere appreciation for this recognition of our beloved friend and supporter.

Gwen was one of the first persons I met while in St. Louis, and that was on an occasion when she came to the Housing Authority to petition for consideration in behalf of some perceived community need. Gwen is remembered for her tireless efforts on behalf of her city. Her special interest in nurturing our minds and character through empowerment is reflected in the fond affection that I and thousands of others have for her.

I know your colleagues will join with you in support of this fine gesture. The memory of Gwen Giles will always be with me, we are better because of her being here.

Sincerely,

PHILLIP THIGPEN.

Mrs. MORELLA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SAWYER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. SAWYER] that the House suspend the rules and pass the bill, H.R. 3322, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to designate the building in St. Louis, MO, which is currently known as the Wellston Station, as the 'Gwen B. Giles Post Office Building' ".

A motion to reconsider was laid on the table.

PATRICK J. PATTON U.S. POST OFFICE BUILDING

Mr. SAWYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2935) to designate the building located at 6600 Lorain Avenue in Cleveland, OH, as the "Patrick J. Patton U.S. Post Office Building."

The Clerk read as follows:

H.R. 2935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The building located at 6600 Lorain Avenue in Cleveland, Ohio, is designated as the "Patrick J. Patton United States Post Office Building".

SEC. 2. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Patrick J. Patton United States Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. SAWYER] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2935, a bill to designate a post office in Cleveland, OH, as the Patrick J. Patton Post Office Building.

Patrick J. Patton was a prominent citizen of Cleveland, OH. As a first-generation American, he was known for his patriotism and his love of this country. He and his wife had four children, each of whom, by the way,worked in this post office building while on their way to successful careers in business and public service.

Mr. Patton spent his life in the construction industry, and was involved in the construction of many well-known buildings in the Cleveland area, including the Aluminum Co. of America, the Cleveland Terminal Tower, and the Fairview General Hospital.

Although Mr. Patton passed away in 1983, his family maintains ties with the community, and it is entirely appropriate that the post office located at 6600 Lorain Avenue be known as the Patrick J. Patton Post Office Building.

Mr. Speaker, I reserve the balance of my time.

□ 1300

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support the measure before us. This bill designates the postal building located at 6600 Lorain Avenue in Cleveland as the Patrick J. Patton Post Office Building.

Introduced by our good friend and colleague, Congresswoman MARY ROSE OAKAR, it seeks to recognize with great pride the many efforts of this first generation American, who lived near the post office in question for 63 years and whose four children all worked at that particular facility at various times in their lives. He is, I believe, deserving of this tribute and letting us have the opportunity to honor his memory in this fashion.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the ranking member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I want to join with my good friends from the committee in urging my colleagues on both sides of the aisle to give their support to the measure before us. This bill designates the postal building located at 6600 Lorain Avenue in Cleveland as the Patrick J. Patton Post Office Building.

Introduced by our colleague, the gentlewoman from Ohio [Ms. OAKAR], this legislation seeks to recognize with great pride the many efforts of this "son of Ireland" who became so important to the city of Cleveland.

I commend our distinguished committee chairman, the gentleman from Missouri [Mr. CLAY] and our subcommittee chairman, the gentleman from Indiana [Mr. MCCLOSKEY] as well as "our strong right arm" on the minority side of the committee, the gentlewoman from Maryland [Mrs. MORELLA] for bringing this issue before us and providing us with this opportunity to honor Patrick J. Patton in this fashion.

Mr. SAWYER. Mr. Speaker, I would like to close by offering my very special thanks to both the gentlewoman from Maryland [Mrs. MORELLA] and the gentleman from New York [Mr. GILMAN] for their thoughtful comments, not only on the two previous bills, but on the measure to enact the special study by the National Academy of Sciences. The gentlewoman from Maryland [Mrs. MORELLA] is a former member of the Subcommittee on Census and Population, and fully knowledgeable about the issues at hand and spoke with clarity on the issues of that, and the gentleman from New York [Mr. GILMAN], as the ranking member on the full committee, has been an active participant on census issues throughout the past year, and I would like to thank them both for their contributions on all three of these bills.

Ms. OAKAR. Mr. Speaker, I recently introduced H.R. 2935 to designate the building located at 6600 Lorain Avenue in Cleveland, OH, as the Patrick J. Patton Post Office Building. I would like to express my deep appreciation to Post Office and Civil Service Committee Chairman CLAY, Postal Operations Subcommittee Chairman MCCLOSKEY, and ranking full committee member, Congressman GILMAN, and ranking subcommittee member, Mr. HORTON for agreeing to expedite this legislation.

Patrick J. Patton was a first generation American who lived in the post office station A neighborhood for 63 years. Patrick Patton emigrated to the United States in 1922 from County Mayo, Ireland, and lived in the post office A neighborhood all of his married life with his wife, Mary Corrigan Patton. Mr. Patton rose to a position of prominence in the Cleveland construction industry as a construction supervisor. He took great pride in the fact that he built some of Cleveland's most famous landmarks, including, to name a few, the Aluminum Co. of America, the Fairview General Hospital, and the Cleveland Terminal Tower.

He also took great pride in being an American and would frequently say "Of all my travels, this country offers the greatest opportunities for those who are prepared to work for them." He was a very proud man who deeply loved America, for it gave him every thing he hoped for. He once received a commendation from the Governor of Ohio for voting in every election for 50 consecutive years.

Mr. Patton and his wife raised four children, all of whom went on to pursue successful careers in business and public service. The Patton family maintains its ties with this community and it is all the more fitting that this facility bear his name. All four of these children worked at this postal facility at different points in their lives. He was a devoted family man and would often say that his greatest achievement would be the success of his children.

Patrick Patton's concern for his fellow man is best reflected in a story told to me many years ago by a friend and fellow worker of his. At one point during the construction of Cleveland's Terminal Tower, two men were buried alive when they fell down a deep hole below the foundation. Patrick J. Patton was one of two men who volunteered to go down into that hole to rescue these men while the earth was slowly caving in around them. Mr. Patton passed away in August 1983 at the age of 87.

Mr. Speaker, this designation is a fitting tribute to an outstanding member of this community who exemplifies the work ethic and family values of the first generation Americans who built our Nation. It is important that, from time to time, the Congress recognize and honor average working Americans for their extraordinary contributions to their communities. I appreciate my Senator's support—Senator Government Affairs Chairman JOHN GLENN of Ohio. I urge all of my colleagues to support this legislation.

Mrs. MORELLA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Ohio [Mr. SAWYER] that the House suspend the rules and pass the bill, H.R. 2935.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 3280, H.R. 3322, and H.R. 2935, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONGRATULATING GREECE ON THE 2,500TH ANNIVERSARY OF THE ESTABLISHMENT OF DEMOCRACY IN ATHENS

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 209) congratulating the Government and people of Greece, and the municipal government and the people of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens.

The Clerk read as follows:

H. CON. RES. 209

Whereas, 2500 years ago, the ideals and institutions of democracy originated in the city of Athens;

Whereas Greece is recognized as the cradle of democracy;

Whereas Athenian democratic ideals inspired the founders of the United States to wisely establish democratic institutions for the perpetual benefit of the people of the United States;

Whereas the democratic ideals and institutions that originated in Athens now flourish not only in the United States and Greece but throughout the world;

Whereas the collapse of global communist totalitarianism represents the greatest victory for democratic ideals since the end of World War II, guaranteeing liberty and happiness to hundreds of millions of people and enhancing the prospects for world peace; and

Whereas, during September 26 through 28, 1991, the occasion of the 2500th anniversary of democracy will be celebrated in Athens: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress congratulates the Government and people of Greece, and the municipal government and people of Athens, on the occasion of the 2500th anniversary of the establishment of democracy in the city of Athens.

The SPEAKER pro tempore. (Mr. STALLINGS). Pursuant to the rule, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 209, a resolution congratulating the Government and people of Greece and the municipal government and people of the city of Athens on the occasion of the 2,500th anniversary of the establishment of democracy in the ancient city-state of Athens.

I want to commend my colleague, Mr. BROOMFIELD, the ranking member of the Committee on Foreign Affairs, for his leadership in bringing this resolution before us.

We celebrate this historic anniversary at a time when the principles of democratic government are flourishing as never before in our modern history. The ideas first developed in ancient Athens are today taking hold in the countries of the former Warsaw Pact and the Soviet Union. This is truly grounds for celebration.

Greece is an important friend of the United States, and many Americans take pride in our strong bilateral ties and our deep respect and admiration, for Greece's heritage, and its unique position as the source of democracy and of many of our modern political traditions.

I hope my colleagues will join me in saluting Greece, and the city of Athens, on this important milestone. The entire Western World owes a great debt to ancient Athens for its contributions to our democratic traditions.

I urge adoption of House Concurrent Resolution 209.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. BROOMFIELD. Mr. Speaker, I would like to thank the gentleman from Florida [Mr. FASCELL] for his assistance in bringing this resolution to the floor so quickly. The chairman, and the gentleman from Pennsylvania [Mr. YATRON], and the gentleman from New York [Mr. GILMAN] are original cosponsors of this legislative initiative, and I appreciate their support.

This resolution is an expression of the appreciation felt by the American people for the longstanding democratic tradition of Greece.

The tradition of representative democracy, established in Athens 2,500 years ago, has provided the world's most enduring political system.

The system which guides this great nation had humble origins. In about 508 B.C., Cleisthenes, a statesman in Athens, proposed a new constitution that made the state a democracy. Although unwritten, that democratic constitution stayed in effect for hundreds of years.

It is clear that now—in the last part of the 20th century—the ideal of democracy retains its appeal. Indeed, we have just seen the blossoming of new democracies in Eastern Europe, the Soviet Union, Africa, and in Latin America. Most of the nations on this planet are setting sail on the rising tide of democracy.

Only the governments of a few countries such as China, Cuba, Vietnam, and a handful of others continue to hold out against the force of democratic ideals. What greater proof could there be of the virtues of democratic government?

Mr. Speaker, it is my distinct pleasure to propose this resolution today in a spirit both of congratulation and gratitude. It is dedicated to the people and the Government of Greece for establishing the democratic ideal so long ago.

I am sure all my colleagues will give their warm support to this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise to express my strong support for House Concurrent Resolution 209, a resolution congratulating the government and people of Athens on the 2,500th anniversary of the establishment of democracy in Athens. I would like to commend the distinguished ranking Republican member of our Foreign Affairs Committee the gentleman from Michigan [Mr. BROOMFIELD], and the distinguished chairman of our Subcommittee on Europe and the Middle East, the gentleman from Indiana [Mr. HAMILTON], for their timely work on this measure.

For 2,500 years, the city of Athens has stood as a testimonial to the ideals and principles of democracy. It is the Athenian ideal that inspired the Founders of the United States to establish democratic Government in the United States.

The political sea-change in Eastern Europe and the concurrent demise of communism represents the single greatest victory for the concept of democracy since the end of the Second World War. We must take this opportunity to help those emerging democracies of Eastern Europe, in their attempt to emulate the type of government the people of Athens have experienced for thousands of years.

Mr. Speaker, on the occasion of the 2,500th anniversary of the establishment of democracy, let us join together and express our heartiest congratulations to the municipal government and people of Athens, as well as the Government and people of Greece.

Mr. PORTER. Mr. Speaker, 2,500 years ago, a man named Cleisthenes led a political movement in the city-state of Athens that has since changed the world and effected the lives of billions of people from Washington, DC to West Africa, from Moscow to Tienanmen Square.

The concepts that Cleisthenes promoted were rule by the people, free speech, and equality before the law—in a word, democracy. To Americans, these concepts are so commonplace that we forget that they have not always been the pinnacle of political systems to which peoples and societies have striven. These concepts had to be developed and refined, and Athens was the crucible where this important formative thinking took place.

I congratulate the Government and the people of Greece and the municipal government and the people of Athens on the 2,500th anniversary of the creation of democracy in Athens. This anniversary highlights the strong commitment to democracy shared by the United States and Greece and the importance of the bilateral relationship between the two nations.

It is especially fitting that we call attention to this anniversary in light of the dramatic shift toward democracy, and away from totalitarianism, we have seen in the world in the last year. Not only has all of Eastern Europe and the Soviet Union adopted the concept of democracy, but Africa is seeing a strong shift toward pluralism and even Mongolia has adopted rule by the people which was developed by Cleisthenes twenty-five centuries ago in Athens.

I thank Mr. FASCELL and Mr. BROOMFIELD for bringing this important resolution to the floor, and I join them in congratulating the people of Athens and the people of Greece.

Mr. FASCELL. Mr. Speaker, I want to express my appreciation to my friend and colleague, the gentleman from Michigan, for offering this resolution. This anniversary is certainly an event which deserves recognition by the Congress.

This afternoon this House pauses for a moment to honor events in a small city on the other side of the word, twenty-five centuries ago. The city of Athens and the people of Greece are celebrating the momentous accomplishments of their ancient ancestors whose lover of truth, whose quest for understanding, and whose respect for one another produced the most powerful political idea in all history: democracy.

Today, all over the world, men and women will gather in assemblies like this to freely debate the issues of the moment and to decide by majority vote the policies of our villages, towns, cities, regions, and nations. Each such meeting is a tribute to the wisdom and foresight of those ancient Greeks. The clarity of their vision was remarkable. Their achievement has inspired countless generations and especially the forefathers of our own republic.

Mr. Speaker, it is especially fitting that as we celebrate the 2,500 anniversary of Athenian democracy that we have entered a new age when democracy is triumphant in so many places across the globe. But as we here share in the joy of modern Greeks we must also ponder the dark side of history, those events which have so often seen the principles of majority rule and minority rights perish beneath the boot of tyranny.

Democracy, for all its power, as an idea is a fragile and tender system which needs the constant tending of those entrusted with the reins of power. Since World War II, when we served as the arsenal of democracy, the United States has stood fast with fellow democracies in combatting first fascism and then communism. It was our own tenacity which made possible this new era. Some would now heed the siren call that suggests all is well and that we can focus on our own priorities, that putting America first can be done in isolation. But the lessons of history cry out for continued involvement. Our well being is inextricably tied to the rest of the world. Yes, our priorities can change from military to economic, but this change in policy priorities must be joined to constancy in our political policy. Active involvement by the United States, in support of democratic values, is essential to assuring a peaceful and stable world. The strength of the alliance which brought down communism lies not in our military might but in the ideal of liberty in the hearts and minds of men and women everywhere, who are the heirs to those whose achievements long ago we honor here today.

Mr. ROEMER. Mr. Speaker, I rise today to recognize the extraordinary democratic achievements that the Government and people of Greece have made on this, the occasion of their 2,500 year anniversary.

The ideals and institutions of democracy that originated in the city of Athens have sustained themselves and flourished across the globe. From the cultural and intellectual achievements of the Golden Age of Pericles, which had profound influences on Western civilization, to the spread of Greek culture by Alexander the Great as he marched east to conquer the world, the Greeks have cultivated a legacy of enlightenment and democratic ideals.

The founders of our Nation followed the path that originated in Athens nearly 2,500 years ago. They created a framework through the Constitution, which relies on the power of the individual to protect and preserve basic rights. The branches of our Government, and the legislative body which I speak before today, Mr. Speaker, are the culmination of Greek ideals allied with the aspirations of the American people to govern themselves.

It is my hope, and one that I am sure is shared by many Members of this House, that the endeavors we have undertaken in perfecting our democracy during the last 200 years will be successfully followed by those countries currently emerging from communism. The countries of Eastern Europe have demonstrated an intense interest in following the democratic model set forth by the Greeks centuries ago, and they have made astonishing progress in the last 2 years toward realizing those goals. And, as was illustrated by the events the Soviet Union just a few short weeks ago, every nation which discovers democracy is willing to pay the price to sow its seeds.

Mr. Speaker, these seeds of democracy may be almost as old as history itself, but as we have seen time and time again, the basic desire of all peoples to govern themselves remains forever young. I share the joy and pride of the Greek people as they celebrate their own democracy, which is a living monument to freedom for nations across the globe.

Mr. MAVROULES. Mr. Speaker, I rise today to add my voice to the chorus of congressional congratulations for Greek democracy. Throughout the world, from the Soviet Union to Angola, democracy has risen from the ruins of dictatorship and apathy. Thus, during these days of democratic triumph, it is especially appropriate to congratulate the democratic heritage of Greece. It was in sixth century B.C. Greece that the reforms of Cleisthenes gave rise to the first true democratic government of the western world. Today, I am pleased to stand here before you as a living representation of these ideals.

However, within the cradle of free political expression there exists one nation, divided, and denied its democratic heritage. If we truly support democracy, we must continue to encourage the Cyprus peace process currently underway. The democratic heritage of both Greek and Turkish Cypriots represents a peaceful solution to the longstanding crisis. I am confident that the people of Cyprus are eager to take advantage of this opportunity to once again integrate their nation in a democratic union.

Mr. BILIRAKIS. Mr. Speaker, on Monday the House passed House Concurrent Resolution 209, a concurrent resolution congratulating the Government and people of Greece, and the municipal government and the people of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens.

I would like to commend my colleague from Florida [Mr. FASCELL] chairman of the Foreign Affairs Committee, and my friend from Michigan [Mr. BROOMFIELD] the ranking minority member of that committee, as well as the sponsors of the legislation, Mr. GILMAN and my good friend Mr. YATRON for their support.

This legislation is an expression of appreciation—a thank you from the American people to the people of Greece. Greece has provided us, as Americans, with the framework for our democratic system of government, the marvel of the world and the model for young democracies and democratic movements around the world.

Last year, I sponsored a resolution marking Greek Independence Day. Similar to House Concurrent Resolution 209, my legislation also recognized the 2,500th anniversary of the inception of democracy in Athens. It seems, Mr. Speaker, that we have a dispute here as to the exact year of this important anniversary—last year or this.

In my RECORD statement last year, I quoted Dr. Bernard M.W. Knox, Director Emeritus of the Center for Hellenic Studies here in Washington, DC, noting that " * * * In 510 B.C. Hippias, the last tyrant of Athens, was driven out of the city. Athens had been under his dictatorship and that of his father, Pisistratus before him, for 30 years. Out of the political chaos and factional infighting that followed his exclusion, there emerged a new political system." That system became, in fact, the world's first democracy.

Mr. Speaker, I understand that scholars may differ on the exact date of the implementation of the reforms. I am also well aware of the enormous challenge it is to determine the precise date when we are referring to a time well over 2,000 years ago. Indeed, I do not rise today to quibble. What is most important here is the use of which the world has put this important concept since it was born those many years ago.

The point is that ancient Greek democracy has served generations as a model for democratic forms of government around the world, is so serving today and will continue to do so—if the sparks of freedom growing today in the once dark corners of our globe in fact are shedding any light on the future.

That ancient Greek democracy was established under the stewardship of Cleisthenes, an aristocrat and one of the organizers—from exile—of Hippias' downfall. A democratic constitution was established toward the end of the sixth century. It has been said that this constitutional form of Government has provided the foundation for the Athenian democracy that we are celebrating.

The Athenians forged a notion of democracy that we would call direct democracy today. All citizens were members of the assembly and when the assembly met, it resembled a modern-day town meeting. Executive power was held, not by the assembly, nor by the council of 500, but by the 10 leaders called the Strategoi who were elected by the assembly and possessed both political and military experience.

During the early years of our republic, Greek—and Roman—sources were repeatedly cited by the Framers of our Constitution. Each time that we perform our constitutional duties in Washington, we do so in the legacy of the ancient Greeks. As Thomas Jefferson once said, "To the ancient Greeks * * * we are all indebted for the light which led ourselves * * * American colonists, out of gothic darkness."

Although the Founding Fathers used Greece as a model, the situation was reversed in the 1820s. At that time the Greek revolutionaries held up the example of the American colonists as a model for their own struggle.

In fact, the American Declaration of Independence was translated into Greek, and Greek intellectuals used it as their own declaration. Under the oppressive rule of the Ottoman Empire, a Greek commander in chief stated, "We shall imitate our ancestors and be thought worthy of them if we succeed in resembling you citizens of America."

Mr. Speaker, America truly has a special relationship with Greece and I would like to again congratulate the Greek people on the 2,500th anniversary of the inception of democracy in Athens.

Mr. SCHEUER. Mr. Speaker, I wish to express my strong support for House Concurrent Resolution 209, which congratulates the government and people of Greece and those of the city of Athens, on the occasion of the 2,500th anniversary of the establishment of democracy.

Two and one-half millennia ago, the people of Athens proposed a constitution that transformed their city-state into a democracy. Previously, they had endured the rule of tyrant kings, and had grown tired of the tendency for absolute power to corrupt.

So they decided that all citizens should play a role in the governance of their society, and ensured that each could participate in making the policies of the state—or, as they called it, the "polis."

Their example of "demos-cracy" has lived on, despite temporary setbacks, until the present day. It is an idea that is inextinguishable, irrepressible, and utlimately triumphant.

Recently, we have seen this essential truth proven again and again, as the peoples of Eastern Europe, the Baltics, and the Soviet Union shake off their totalitarian rulers who would have had them forget their democratic ideals. The reestablishment of democracy throughout the world today is fitting on this 2,500th anniversary.

We owe the people of Greece a deep debt of gratitude for sharing with us their tradition of democracy, and their rich cultural heritage, from which many of our modern political institutions arise.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 209).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 209, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. ROTH. Mr. Speaker, I ask unanimous consent to have my name removed from cosponsorship of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

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NATIONAL LAW ENFORCEMENT TRAINING WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 191) designating January 5, 1992, through January 11, 1992, as "National Law Enforcement Training Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. STALLINGS). Is there objection to the request of the gentleman from Ohio?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do so to yield to the gentleman from New York [Mr. GILMAN], the ranking member on the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of House Joint Resolution 191 designating January 5 through January 11, 1992, as "National Law Enforcement Training Week." I wish to commend the gentleman from Wisconsin [Mr. ASPIN] for introducing this legislation.

Our Nation is fortunate to have 500,000 law enforcement officers who work to protect our safety each and every day. These brave men and women fight drug pushers, violent criminals, and others who seek to disturb the lives of law-abiding citizens. Law enforcement is a dangerous job. In the past 10 years, more than 1,500 law enforcement officers have been killed in the line of duty. Every 57 hours, an officer loses his or her life while protecting the American public from crime; 200,000 officers have been injured on the job in the last 10 years, and 600,000 have been assaulted.

Law enforcement training is crucial for the safety of our officers and the citizens of our towns and cities. It is our duty to honor those selfless individuals who risk their lives daily for our protection. Further, it is in the best interests of our Nation to encourage our young people to recognize the importance of law enforcement in America.

Mr. Speaker, I urge my colleagues to join me in support of this important legislation.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman from New York for his laudatory comments, which are so important.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 191 and to thank the gentleman from Wisconsin [Mr. ASPIN] for introducing it and the gentleman from New York [Mr. GILMAN] for his thoughtful comments.

Mr. Speaker, I am a former mayor. As a mayor, I have some appreciation for the critical investment that cities all over the United States make in the training of their law enforcement officers. I do not think there has been a time in our history when that training has been more critical, as we deal not only with the skills, but with the science of law enforcement, and the willingness to both sacrifice the kind of family life that all of us sometimes take for granted and the need for a constant willingness to place personal risk and personal safety on the line on behalf of the communities that police officers serve.

Training is a critical component of that effort to protect this Nation from violent crime, to combat drug traffic, and to apprehend criminals. This particular resolution brings more attention to that undertaking.

Mr. Speaker, I am pleased to stand in support of this resolution.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I also rise in strong support of this commemoration of National Law Enforcement Training Week. It is true we have a tremendous reliance on our law enforcement officials to carry out their responsibilities and to protect our citizenry. We expect they are going to be psychiatrists, they are going to be criminologists, they are going to be compassionate and caring, as well as understanding all of the mechanisms they have about them. We expect they are going to take care of domestic violence problems, crime on the street, and drugs.

Mr. Speaker, this commemoration is intended to draw awareness to our whole society of the importance of law enforcement training. I hope it will become a tool to help to recruit and retain our very best law enforcement people.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 191

Whereas law enforcement training and sciences related to law enforcement are critical to the immediate and long-term safety and well-being of this Nation because law enforcement professionals provide service and protection to citizens in all sectors of society;

Whereas law enforcement training is a critical component of national efforts to protect the citizens of this Nation from violent crime, to combat the malignancy of illicit drugs, and to apprehend criminals who commit personal, property and business crimes;

Whereas law enforcement training serves the hard working and law abiding citizens of this Nation;

Whereas it is essential that the citizens of this Nation be able to enjoy an inherent right of freedom from fear and learn of the significant contributions that law enforcement trainers have made to assure such right;

Whereas it is vital to build and maintain a highly trained and motivated law enforcement work force that is educated and trained in the skills of law enforcement and sciences related to law enforcement in order to take advantage of the opportunities that law enforcement provides;

Whereas it is in the national interest to stimulate and encourage the youth of this Nation to understand the significance of law enforcement training to the law enforcement profession and to the safety and security of all citizens;

Whereas it is in the national interest to encourage the youth of this Nation to appreciate the intellectual fascination of law enforcement training; and

Whereas it is in the national interest to make the youth of this Nation aware of career options available in law enforcement and disciplines related to law enforcement; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That January 5, 1992 through January 11, 1992, is designated as "National Law Enforcement Training Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate exhibits, ceremonies, and activities, including programs designed to heighten the awareness of all citizens, particularly the youth of this Nation, of the importance of law enforcement training and related disciplines.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL HOSPICE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 78) to designate the month of November 1991 and 1992 as "National Hospice Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I would like to commend the gentleman from Ohio [Mr. GRADISON], the prime sponsor of this resolution designating the months of November 1991 and November 1992 as National Hospice Month.

Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN], the ranking member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 78, a measure designating the month of November in 1991 and 1992 as "National Hospice Month," and I commend the prime sponsor.

I want to take this opportunity to pay special tribute to the hospice organizations currently working within our 22d Congressional District in New York. I congratulate the board of directors and the many volunteers who have worked so hard to ease the burden of terminal illness on the patients and their families. Their love, kindness, compassion, and selflessness have made a tremendous difference and have contributed immeasurably to the quality of life for those individuals dealing with such an unfortunate situation.

The month of November was chosen as National Hospice Month because November 1, 1991, marks the eighth anniversary that hospice has been a Medicare option. This option provides many elderly people, previously financially incapable of obtaining hospice care, with the ability to do so. At a time when medical technology and therapeutic methodology have experienced unparalleled progression, the role of hospice care tempers traditional notions of patient care for those acutely and terminally ill. The medical profession is to be highly commended for its efforts to preserve and prolong human life.

Hospice was created to address the concerns of easing individuals into a relatively painless death in a familial and supportive environment. I have and will continue my support for this sensitive, interdisciplinary health care system which not only attends to the psychological needs of the patient, but of family members and friends as well.

The increase of hospices in our Nation reflects a mounting interest in addressing the medical needs of our elderly and terminally ill within an interdisciplinary framework which provides for personally tailored care, and death with dignity and self respect. Perhaps, most importantly, hospice care is compassionate in a world of increasing alienation between patient and health care providers, where specialization has become a double-edged sword of protracted longevity, yet unfamiliarity with one's providers.

Designation of November 1991 and 1992 as National Hospice Month deserves our support, and elicits deep gratitude for all those responsible for bringing understandings to the terminally ill and their families and friends. Accordingly, I urge my colleagues to participate in the events commemorating November as National Hospice Month.

☐ 1320

Mrs. MORELLA. Mr. Speaker, I think it is important that we do call attention to what is being done with the hospice movement and to congratulate and show our gratitude to all of the team of health care providers that have been involved. Indeed, the hospice care is a health care partner and, as was mentioned, it has brought compassion, understanding, and dignity to people who are terminally ill and to their families.

I think all of us have seen in some way or other, through families or friends, the work of the whole hospice movement. Indeed, I can, as an example in my own community of Montgomery County, MD, indicate the wonderful work that has been done by the hospice movement.

I strongly support this resolution.

Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from Ohio [Mr. SAWYER] the chairman of the subcommittee who has helped bring this resolution to us.

Mr. SAWYER. Mr. Speaker, I thank the gentlewoman from Maryland [Mrs. MORELLA] and take this opportunity only to associate myself with her remarks and those of the gentleman from New York [Mr. GILMAN] in expressing the gratitude of all of us to the gentleman from Ohio [Mr. GRADISON] for the extraordinary effort in bringing this matter to national attention in this appropriate way.

Mrs. MORELLA. Mr. Speaker, I withdrew my reservation of objection.

The SPEAKER pro tempore (Mr. STALLINGS). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 78

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individually and dignity;

Whereas hospice advocates care for the patient and family by attending to their physical, emotional, and spiritual needs and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and community volunteers trained in the hospice concept of care;

Whereas hospice is becoming a full partner in the Nation's health care system;

Whereas the enactment of a permanent medicare hospice benefit and an optional medicaid hospice benefit makes it possible for many more United States citizens to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November in 1991 and 1992 is designated as "National Hospice Month". The President is authorized and requested to issue a proclamation calling upon all government agencies, the health care community, appropriate private organizations, and people of the United States to observe such months with appropriate forums, programs and activities designed to encourage national recognition of and support of the terminally ill and as a viable component of the health care system in the Nation.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENTAL ILLNESS AWARENESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 156) to designate the week of October 6, 1991, through October 12, 1991, as "Mental Illness Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I am pleased to be a cosponsor of this resolution. I think it is important that we become aware of mental illnesses, with the various new cures and research being done, and to be able to contribute ourselves to this awareness and understanding.

Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN] who has been a greater supporter of this resolution and others that are compassionate resolutions.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I rise in strong support of Senate Joint Resolution 156, a measure to designate October 6, 1991, through October 12, 1991, as "Mental Illness Awareness Week."

As we know, since 1973, Federal law has prohibited discrimination on the basis of mental illness in federally funded programs. Those provisions, however, have not removed all the barriers that have kept our Nation's mentally disabled people from participating fully on the job and in the activities of daily life.

Unfortunately, many of these remaining barriers result from ignorance and misunderstanding. Mental Illness Awareness Week is intended to help to dispel the basis for much of the discrimination against the mentally disabled by education and by recognition.

Accordingly, Mr. Speaker, I urge my colleagues to join in support of this measure and to provide the mentally disabled with the greater help and the recognition that they so richly deserve.

Mrs. MORELLA. Mr. Speaker, continuing my reservation of objection, I thank the gentleman for his very moving words of support.

Mr. Speaker, I yield to the chairman of the subcommittee, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I think the gentlewoman for yielding. I seek to associate myself with the remarks of the gentleman from New York, particularly with regard to the importance of this recognition of the increasing treatability of mental illness.

It is a disability that has suffered from an unfair stigma over the ages but, through the increased investment in research and the provision of an adequate continuum of care that this measure seeks to call attention to, that stigma can be overcome and help to countless millions can be restored in the future.

Mr. WYDEN. Mr. Speaker, on behalf of 232 of my colleagues and myself, I come before you in support of House Joint Resolution 156 and its companion Senate Joint Resolution 156, to authorize the week of October 6 through 12, 1991, as "Mental Illness Awareness Week." Mental illness is a major national public health problem, affecting, at any time, 27 million adults and an estimated 7.5 to 14 million children.

A "Mental Illness Awareness Week" has been proclaimed since 1983. The American Psychiatric Association and numerous organizations throughout the country sponsor activities directed to their members, volunteers, the media, legislators, and the public.

But barriers to the recognition and treatment of mental illnesses continue, and we continue to pay the price. Inadequate treatment shows up in performance and absentee statistics in school and industry, in homelessness, in chronic physical problems, and in suicide, crime, and accident data. Mental illnesses take tens of thousands of lives and cost the Nation over $270 billion annually. The agony of the mentally ill and the impact on their families cannot be measured.

Children, our most vulnerable citizens, are burdened with their parents' untreated substance abuse and alcohol use and abuse from conception. They suffer from the disadvantages of impaired parenting and often act as parents for younger siblings. Attention deficit, obsessive-compulsive and conduct disorders, and childhood depression interfere with learning, peer and family relationships, and enjoyment of life. Resources are being stretched by the increased incidence of child abuse, particularly child sexual abuse. The demand for services must be met to prevent lifelong consequences and disabilities in the pediatric and adolescent population.

There is much to be done. Improvements in therapy and medications give encouraging response rates in the prompt treatment of depressive, bipolar, schizophrenic, and panic disorders. Yet only one-third of people currently having a mental disorder are receiving treatment. The National Institutes of Health consensus statement, released September 27, indicates only one in four individuals receives appropriate treatment for panic attacks, and the disorder is often misdiagnosed, further decreasing the use of appropriate therapies.

Some of the barriers to treatment are inherent in the disorders themselves, but others, such as public misperceptions, over-stretched resources, and the limited benefits for mental illness, we can correct. We need to increase public education about the role of biochemical, inherited, and environmental factors in the development of mental illness. With one in four families having a member with a mental illness, we must eliminate these attitudinal and access obstacles. Together, our efforts will contribute to early diagnosis and comprehensive treatment.

We must provide adequate funding for research and act as advocates for mental health, recognizing the diverse settings where mental illnesses are treated. We need to champion preventive and early diagnostic services and recognize the benefits of early treatment, a prerequisite of which is the goal of this annual proclamation: the formation of a national partnership to dispel the silence surrounding mental illness.

I would like to thank my colleagues for their support of this important resolution, and join with the Senate in presenting to the President a proclamation for his signature dedicating the first full week in October as "Mental Illness Awareness Week."

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 156

Whereas mental illness is a problem of grave concern and consequence in the United States, widely but unnecessarily feared and misunderstood;

Whereas 31,000,000 to 41,000,000 United States citizens annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, school attendance, and independent living;

Whereas more than 10,000,000 United States citizens are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas 33 percent of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 percent of adults in this country in any 6-month period;

Whereas mental illness in at least 12,000,000 of our children interferes with vital developmental and maturational processes;

Whereas mental disorder related deaths are estimated to be, at the very least 33,000 annually, with suicide accounting for at least 29,000 of such deaths;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas estimates indicate that 10 percent of AIDS patients will develop dementia or other psychiatric problems as the first sign of such disease, and that as many as two-thirds of AIDS patients will show neuropsychiatric symptoms before they die;

Whereas mental disorders result in staggering costs to society, estimated to be in excess of 249,000,000,000 dollars in direct treatment and support and indirect costs to society, including lost productivity;

Whereas the Federal research budget committed to the Alcohol, Drug Abuse, and Mental Health Administration represents only about 1 percent of the direct clinical costs of caring for persons with alcohol, drug, and mental disorders;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill persons and those persons themselves have begun to join self help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate an adequate continuum of care from hospital community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness, including schizophrenia, major affective disorders, phobias, and phobic disorders;

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced use of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period of October 6, 1991, through October 12, 1991, is designated as "Mental Illness Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

AMERICAN INDIAN HERITAGE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 172) to authorize and request the President to proclaim the month of November 1991, and each month of November thereafter, as "American Indian Heritage Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do support this resolution. We just had one earlier commemorating 2,500 years of the origin of democracy in Greece, and this one would recognize "American Indian Heritage Month," those people who were here first, our original inhabitants of the lands that now constitute the United States of America.

May I just indicate that it has been a great pleasure to be here representing the minority with the chairman of the Subcommittee on Census and Population. I used to serve on that, and it is just a pleasure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 172

To authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month".

Whereas American Indians are the original inhabitants of the lands that now constitute the United States of America;

Whereas American Indian governments developed fundamental principles of freedom of speech and the separation of powers in government, and these principles form the foundation of our own government today;

Whereas American Indian societies exhibited a respect for the finiteness of natural resources through deep respect for the earth, and such values continue to be widely held today;

Whereas American Indian people have served with valor in all wars since the Revolutionary War to the War in the Persian Gulf, often in a percentage well above their percentage in the population of the Nation as a whole;

Whereas American Indians have made distinct and important contributions to America and the rest of the world in many fields including agriculture, medicine, music, language and art;

Whereas it is fitting that American Indians be recognized for their individual contributions to American society as artists, sculptors, musicians, authors, poets, artisans, scientists and scholars;

Whereas the 500th anniversary of the arrival of Christopher Columbus to the Western Hemisphere is an especially appropriate time for all the people of the United States to study and reflect on the long history of the original inhabitants of this continent;

Whereas the Members of the Senate and the House of Representatives believe that a resolution and proclamation as requested in this resolution will encourage self-esteem, pride and self-awareness in American Indians young and old;

Whereas the month of November is the traditional harvest season of the American Indians and is generally a time of celebration and giving thanks: Now, therefore, be it *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. DESIGNATION OF MONTH.

That each of the months of November 1991 and 1992 are designated as "National American Indian Heritage Month", and the President is authorized and requested to issue a proclamation for each year calling upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe each such month with appropriate programs, ceremonies, and activities.

Passed the Senate September 26 (legislative day, September 19), 1991.

Attest:

Secretary.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on several joint resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

□ 1330

THE GREED FACTOR IN AMERICA'S ECONOMIC WOES

The SPEAKER pro tempore (Mr. STALLINGS). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, last week there was a news article that most of us saw that described the problems in this country with economic growth. It suggested that the economic situation in the country is still difficult. We are still apparently in a recession, or near a recession, or near the end of the recession. No one is quite sure.

It reminded me, as I was reading that article, about a piece of information that had come across my desk some months earlier, that when I read it, seemed to indicate to me the absurdity of the economic plan of the 1980's. I want to describe it today. It was a report that said that the U.S. Government ended up owning junk bonds in the Taj Mahal in Atlantic City, NJ.

We all recall about a year or year and a half ago Donald Trump was building the Taj Mahal, the biggest, the wealthiest, the glitziest, the brightest casino in all the world. And the question was, who was going to be at the grand opening, how extravagant will the grand opening be, and who will accompany this megabillionnaire who built this wonderful casino for America at the grand opening. It was kind of fun for the country to engage in conjecture, and for the gossip columnists to wonder.

About a year and a half later, Taj Mahal was opened and the world survived the grand opening. It is now broke. As I understand it, the Taj Mahal is part of the negotiations between Mr. Trump and his creditors in terms of who is going to own the assets, and who is going to manage it. It didn't turn out quite as well as people hoped.

What was interesting to me is that the junk bonds that were floated in order to build this grand casino in Atlantic City by Mr. Donald Trump ended up in the portfolio of Resolution Trust Corporation. In other words, the good old U.S. taxpayer now ends up having to guarantee the junk bonds used to build the Taj Mahal.

Now how could that happen? I want to describe part of that today, because I think it is an important lesson about what went wrong in the last decade.

Here is how it happened: We have a bunch of slick operators, financiers, investment companies, savings and loans, and they just want to borrow for everybody else. And they work back and forth with each other to move money around.

Here is how it worked with the junk bonds for the Taj Mahal, but it is not just the Taj Mahal. Did you know that the U.S. taxpayers, through the Resolution Trust Corporation, ended up owning junk bonds in Bali's Casino, Caesar's Casino, in Resorts International Casino, and the list goes on? Savings and loans were buying junk bonds. Although they should not have been; Government regulators were sitting on their hands here in this town, half asleep, not caring much what went on by savings and loans. In fact, the number of auditors and examiners was cut back by the Reagan White House in their budgeting schemes. They did not like government, so they are going to cut back on government. So they cut back on the number of examiners and auditors who were supposed to be looking over the shoulders to find out that institutions, like savings and loans, were not running off on tangents someplace. Well, some S&L's were and no one was watching.

So they were buying junk bonds. One savings and loan in California loaded up with junk bonds. The majority of the assets held in the S&L was represented by junk bonds.

So, an S&L bought a junk bond in the Taj Mahal, and the S&L goes broke. Who takes it over? The American taxpayer, because we've guaranteed its deposits, despite the fact that those who ran the S&L were gambling with the deposits by buying junk bonds.

So there it is, the ultimate obscenity of a decade of shame in an economic system that rewarded the greediest, at least for a while. Now, the U.S. taxpayer owns junk bonds in the Taj Mahal.

My understanding is they have since sold them. I wonder at how much of a loss.

We went through a decade in which the watch word was:

> Do as much as you can for yourself; get as rich as you can by almost any means, and that is the method by which we will measure success.

It was a decade of debt, not just Federal debt, and yes, Congress is responsible for a major part of the Federal failing. The failure of Congress it seems to me was to follow the President. We had conservative Presidents sending up here to Congress budgets calling for trillion dollar deficits, and Congress said yes. It was failed leadership from the White House that ought to have known better, and failed followship by a Congress that should never have swallowed the hook baited by the White House.

But it just was not debt here in this chamber or debt at the White House or Federal debt. It was debt in the private sector as well. It was load everything up with debt and make some money by doing it, and somehow it will benefit all of America.

So we went through a period in which leveraged buyouts, hostile takeovers, and junk bonds became the lexicon of Wall Street. Kids not yet rid of their acne, just out of graduate school were earning $500,000 a year in big fees. They were floating big bonds for the purpose of allowing some economic do-gooder out there to load up a corporation with bonds, take it apart, load it up with debt, take it apart, sell it, and make some quick money. They could destroy in a month what took 100 years to build by believing a corporation was undervalued on Wall Street. So you buy it, take it apart, and sell its pieces to make money for yourself. That was the game. It became an economic casino. We had people strutting around in this country who did not have enough money for lunch, but by the use of junk bonds, all of a sudden these people are going after megabillion dollar corporations in hostile takeover attempts.

In addition to hostile takeovers in the mid-1980's, the practice was to try and buy something, and let the corporation know you are chasing them. If they knew you were chasing them, then they'd pay greenmail to buy you out. Greenmail was a different way of saying blackmail, except greenmail is legal. It is "I will buy a chunk of this company, and I will make it look like I am going to go in with a hostile takeover, and at that point they will pay me off to take those shares so that I do not take them over." It is called greenmail. That is what we were faced with for decades, and the fact is it was a type of economic cannibalism in this country. It was buy up the companies, load them with debts and take them apart. American businesses weren't trying to figure out how you build a better product and sell it at a better price and compete more effectively with Japan and Germany. The question was how do we load up a company with debt, take it apart, and make as much money as we can for ourselves now.

Investment bankers, the Wall Street crowd, and the savings and loan crowd were all involved. They were all chasing and making megabucks, all flying jets, driving limousines, and talking about how wonderful things were. Greed was the code word.

When I came to Congress about 10 years ago I began to introduce some legislation to respond to megamergers. The first bill I introduced was in 1981 and was called the First Things First Credit Act. It suggested that if there is limited credit to go around in this country, then let us use it for something productive, not big megamergers between big corporations and hostile takeovers.

So, I introduced that again in 1983. In 1986, I introduced the Corporate Raider Tax Act which contained a provision that in 1987 I finally got enacted into law. It was a provision that was designed, and has in fact completely eliminated greenmail. There is no more greenmail in America. But the committee did not have jurisdiction to outlaw greenmail, but I serve on the Ways and Means Committee, and we have jurisdiction over the Tax Code. So I simply proposed that we tax it to death, which we have done. There is now, as a result of my amendment in 1987, a 50-percent excise tax above the 28 percent or 31 percent income tax on greenmail. Now, if you are taking greenmail or being paid greenmail, the Federal Government is effectively confiscating the money you made through the tax system. So greenmail is gone. This form of blackmail that was sanctioned in the corporate boardrooms to pay off someone who was trying to take you over is now done. We taxed it to death. And I am glad that is one component of what happened in the 1980's that is no longer happening.

In 1987, I also proposed, and the Ways and Means Committee passed, and this entire House of Representatives enacted, a provision that would have disallowed the deduction for interest paid on debt for the purpose of hostile takeovers.

□ 1340

I though it was a good thing. I still think it was a good thing to do. This House of Representatives passed that provision. It would have dramatically altered the proposition of hostile takeovers because if you cannot deduct the interest cost on debt, the billions of dollars of debt for these takeovers, it radically changes the economics of the takeover.

After the House passed that provision, in a reconciliation bill, the stock market crashed about 10 days—2 weeks later, the crash of 1987, and some analysts on Wall Street who had been obviously having too many martinis suggested that the crash was precipitated by the action of the House of Representatives in disallowing the interest deduction from income taxes for debt for hostile takeovers. No one sober, no one serious, or no one who thinks with any quality of thought at all represented that that was the case. But there were some Wall Street people who believed the actions of this House caused the crash. They did not understand, of course, that they were all acting about half drunk leading up to the crash.

We had 70-point-up days, 100-point-up days on Wall Street. Why? Because Wall Street was floating on a bubble in a sea of speculation, completely unsupported by economic principles and completely unsupported by any sort of firm economic foundation.

It should not have been a surprise to anyone that that was going to collapse at some point, and it did, having nothing to do with what we in the House of Representatives did.

But because the Senate got cold feet, that provision got knocked out in conference, and so the disallowance of interest deduction on debt for hostile takeovers did not get repealed despite the fact that we did what we should have done in the House of Representatives.

On June 15, 1989, I came to this microphone on this floor when we were debating the bailout of the savings and loans. I offered an amendment that the House of Representatives passed by a margin of 303 to 114. My amendment said it shall be illegal for savings and loans to buy junk bonds, and all savings and loans that currently hold junk bonds must divest themselves of the junk bonds they now hold. Well, the savings and loans industry had an apoplectic seizure over that. But, after a lengthy fight and after working hard in the conference with the Senate, I am pleased to say that that is now law, and this junk-bond game that the savings and loans were playing is no longer a game for the S&L's.

The S&L's, and for that matter other institutions whose deposits are guaranteed by the taxpayer, ought not be investing in junk bonds. That kind of risk ought to be reserved for people who want to lose their own money, but not taxpayers' money.

In 1989, after we passed the junk-bond prohibition, the savings and loans were a little angry about that, but we finally put them on the right course.

I also offered in 1989 a provision to shut down a scam that was going on in junk bonds called bunny bonds, which are zero-coupon bonds or payment-in-kind bonds. Here is the way a bunny bond works: If I am going to take over a corporation, I issue a bond which is an instrument of debt. When the interest comes due, I say, "Well, I am not going to give you a check for the interest. What I will do is give you more bonds for the interest." So when my interest payment comes due, I just issue some more bonds, but I deduct on my tax return the amount of bonds I gave you just as if I had paid you the interest in cash. These bunny bonds played a vital part in the largest megamergers or hostile takeovers in this country. Bunny bonds or zero-coupon bonds or payment-in-kind bonds were used, because they allowed those who issued the bonds to engage in a hostile takeover or a leveraged buyout to deduct interest and save money on taxes when, in fact, they never paid any interest in the first place.

Well, they cannot do that anymore. On September 14, of 1989, the Committee on Ways and Means passed my amendment that severely restricted the use of bunny bonds for hostile takeovers. On the same day in 1989, the Committee on Ways and Means passed my proposal that prohibits corporations from obtaining a refund on taxes paid in prior years by carrying back losses from target companies.

This was another scam. You do a hostile takeover, go in and take over a company, and if they have losses, use their losses to carry back against the profits you had to generate immediate tax refunds from the Government. In effect, they were saying, "Let us let the Federal Government pay for our high-style takeover by converting that target corporation's losses to tax refunds for us." That is not available anymore either because of the amendment I offered on September 14, 1989.

Mr. Speaker, those are five of the issues that I have been successful in pursuing that have now changed the law in this country with respect to the activities in the area of leveraged buyouts and hostile takeovers.

I want to describe just for a minute why I care so much about this issue. We face tough, shrewd international competition from foreign companies and foreign countries that make good products and the only way our American companies and American business men and women will win in the international marketplace is when we build the best tires, the best toasters, and the best television sets. And when a consumer somewhere else in the world goes to shop and takes a look at the label to find out where this is made, "Made in Japan," or "Made in the U.S.A.," and discovers it says "Made in the U.S.A.," and that consumer understands that "that is the finest I can buy."

When and if that happens, we win. But how can that happen when corporate America is embroiled in a factory of greed, is drowning in leveraged buyouts and debt from hostile takeovers? Who in the corporate boardroom is spending his or her time trying to build better products, planning for tomorrow, and determining how we invest in research and development, advertise, develop zero-defects programs, and do the kinds of things necessary to put our company on track to compete in the future?

One day I had a lobbyist come to see me because I had been such a nettlesome problem for those people. He was representing the hostile-takeover people. He came to my office in the Cannon Building and asked to see me. He sat down and described why the things I have been doing here in Congress is troublesome to him and to those he represents who want to take over America's corporations with debt.

I used the time he was in my office to explain to him why exactly I felt what he and the folks that he represents were doing was wrong for the country. I said to assume with me for a minute two companies. They operate across the street from each other. They are the same size and produce the same products. They have the same work force, and are managed by different people. The first company is managed by a glitzy Donald Trump-type. He is holding press conferences, trumpeting everything he does. It is a highflying company, and the assets of that company are managed for one purpose. The one purpose is to provide the maximum possible financial return for the next quarterly report. That is the goal.

Across the street there is an identical company managed by a person who has a much different perspective. His perspective is that he is in business for the long term. He is not so concerned about the next quarterly report. He is concerned about being able to compete against tough competition 5 and 10 years from now. So, he is building that company at the base with quality research and development. He is not a show person. He is not saying much. He is just doing all the right things to build that company at the bottom so that 2 years, 5 years, 10 years from now this company will be on the cutting edge of technology in that industry.

I asked this person in my office: "Which of these two companies do you think will be the candidate for a hostile takeover?" There is not any serious question about that. The second company. The first company is being managed in a glitzy way to maximize profits in the next quarterly return and the stock market will evaluate that and give that stock a higher value than the quieter person across the street who is managing for the long term. On the other hand, the assets of that second company will likely be undervalued. That company will be a candidate for a hostile takeover, and somebody will come in, leverage that company to the hilt, take it apart, sell its assets, make some money, and the company is gone.

Well, somebody made some money, but the company is gone. They will take the money they made and do it to another company and another and another, and they will especially do it to all the companies that are planning for the long term.

They could not do that in Japan. The reason you could not do that in Japan is because Japan will not allow hostile takeovers. They know it is bad. It does not make any sense. It is a form of economic cannibalization. You cannot do it in Japan. It weakens the business structure to believe that our best minds ought to be engaged in these takeover games.

☐ 1350

Our best minds ought to be engaged in an attempt to find out how we expand the economic pie in this country, not how do you slice a bigger piece for me. And yet a decade of neglect has put us in a position where we have a weaker economy in America because of this infection of greed, debt, hostile takeovers and leveraged buyouts. We need to end it.

The fact is I think a candidate running for President out in the country ought to be a candidate who says at least among the series of steps to put America back on track, that we are going to put an end to this kind of nonsense. It is weakening, not strengthening America.

This is an awfully good country, but it requires some regulation. You go all the way back to the 1930's and Will Rogers used to stand up and talk about it. You know, he talked about Wall Street, the Exchanges, and he talked about people buying things that they would never get from people who never had it, making money on both sides, while all the rest of the folks paid for it.

The fact is we went through a decade in which the philosophy at the White House was, "We don't care. We won't watch. We're not looking, so do what you want."

We had the Treasury Secretary come over and sit in the Ways and Means Committee. I asked him about junk bonds. I asked him about the fuel that is continuing this engine of takeovers and this massive accumulation of debt.

He said:

> Look, it's not a problem, Mr. DORGAN. It's not a problem. If there is a problem in this area, Wall Street will tell us about it and will also recommend some solutions.

I said:

> Are you kidding me. Are you joking? Since when do you think Wall Street is going to come to us and say we've got a problem. We've got all this money floating around, all these limousines, all these silk monogram shirts, we're all making millions of dollars and we've got a problem?

Of course, they do not have a problem. Unfortunately, many of them are now doing two years at hard tennis in minimum security prisons because it turns out they did have a problem. The problem was greed and corruption, and nobody in this town seemed to care much about it.

Regulators who were supposed to regulate failed to regulate, and why? Because those who were elected to serve in the White House had a creed that government was the problem and we are going to assume the reins of government so we do not have to govern. And they put people in regulatory areas of responsibility with exactly that same philosophy. You can name regulatory agency after regulatory agency that is supposed to be looking after the public interest. That is what regulatory responsibility is all about. Yet in agency after agency they have failed because they said the sky is the limit. You do whatever you like.

In the last couple years with the airlines, has anybody noticed what is happening to America's airlines? One of two things is happening. They are either going broke or they are getting bigger, and in some cases both. When they get bigger, does that mean there is more competition or less? It means less.

And yet the Secretary of Transportation downtown says there is not a problem here. We may end up with fewer airlines, but we still think there will be robust competition.

A couple years ago, I met with him along with some of my colleagues and said:

> For gosh sakes, don't allow the airlines to be put into this speculative play just like other corporations. The airlines are too sensitive for that. They are the first to feel the effects of any economic downturn. They are the first and hardest hit during a recession. Do not allow airlines to be loaded with debt.

And yet, you know what happened. Regulators sitting on their hands allowed airlines to be loaded with debt and an airline loaded with debt cannot fly through a recession. It's just that simple. So the airlines are going broke. Some airlines you used to fly on do not have a ticket counter because they are not around anymore. Others that you used to fly on have been amalgamated into another airline. Two losers buy a third loser. That makes three losers. I guess they all consider it a good merger, but still three losers.

Two companies losing money decide, "Let's go buy a third company losing money. That way we can get bigger. That way apparently we can lose more money."

No wonder people say there is a drug problem in this country. Nobody is thinking very straight, for gosh sakes.

Hostile takeovers and leveraged buyouts and that sort of greed in the 1980's, including and extending to the airlines, is weakening this country and it has to stop. The sooner it stops, the better off this country is going to be.

In the long term, this country, to survive and succeed as a strong world economic power, must be able to compete. How can it compete? By making sure that its best scientists, best engineers, and its best young minds coming out of college, are going into the private sector producing the best products to sell in the best markets around the world. That is the way we compete.

When and if our attention waivers, as it did for almost an entire decade and gets off track and is attracted by this notion that there is a better way to make money. The better way to make money is not to pay attention to fundamentals, but instead to get involved in this financial wave to greed. Then this country suffers.

This country, in my judgment, is too good to continue on this track for much longer. I know that junk bond issues have collapsed. The savings and loan industry has collapsed and most of you know that some banks are collapsing. It is all a symptom of the same disease, the lack of careful attention to regulatory responsibility.

I know some say that all this collapse means it is over. We start anew. It is a fresh beginning. It is not true. We still have people out there engaging in the same kind of activity who believe that if somebody did it in the eighties, they can do it in the nineties, and that you do not have to go back to fundamentals. You do not have to learn to walk before you run. We have the same mentality and the same kind of people involved, and it is time it seems to me for policymakers here in Washington to stand up and be heard on these issues. We need to decide that what happened in the 1980's is fundamentally wrong and that we need to put this country back on track.

The elements I have talked about here are just one step. There are several others, and they are obvious. One, we have to pay our bills. A country cannot continue not to pay its bills.

You know, Mr. Darman, and some folks here in Congress who work on budgets, tell us that the deficit is now $348 billion. That is nonsense. The deficit is not $348 billion. The operating budget deficit in this coming fiscal year is estimated to be $420 billion. Why the difference? Because $72 billion is the amount next year that will be collected in excess of expected expenditures in Social Security. We are doing that for a very simple reason. We need the money. Around the year 2010, 2015, or 2020, the largest group of retirees will retire in the history of this country. We need to save for that. It is one of the few responsible things that has been done in the 1980's.

But do you know what is happening? Now they use that money that we are saving and subtract it from the operating budget deficit to make the operating budget deficit look smaller.

So we have to pay our bills, and that is not easy. That requires legislative solutions that are very painful. It requires a level of leadership from the White House that we have not seen, but we have to do it.

Second, as I have expounded at great length, we must shut off this economic activity of hostile takeovers and leveraged buyouts and the accumulation of debt.

Third, we have got to decide that this country's future rests with having the best educational system in the world. We need to make sure we have the finest education system in the world.

When I came to Washington in 1981, I walked into the office of the oldest Member of Congress, Claude Pepper, a wonderful gentleman from Florida. He actually had come to Congress during Franklin Delano Roosevelt's term as President. I think the first term in fact. When I walked into his office in 1981, he was a fellow up in years at that point, and I was struck by two pictures that he had above his desk. He had an autographed picture of Orville and Wilbur Wright taking the first airplane flight. Orville had autographed the picture to Congressman Claude Pepper. It says, "To Congressman Claude Pepper, with deep admiration." Signed Orville Wright.

Beneath was a picture of Neal Armstrong standing on the Moon, autographed to Congressman Pepper.

I was struck by the difference between those two pictures. The first person to fly and the first person to step on the Moon, and what it meant. You think of the progress between these two pictures, both autographed by the participants to Congressman Pepper. The burst, the spurt of knowledge between learning to fly and stepping on the Moon in dozens of areas was almost breathtaking. In a few short decades we accomplished in scientific and other areas of knowledge an unprecedented burst of progress.

□ 1400

How did that happen? In my judgment, investment in education. Investment in education is the key, it seems to me, and the foundation for future economic growth.

Mr. Speaker, there are four or five other steps that I think are critical to put this country back on track. I shall not expound further on them. But, Mr. Speaker, I did want today to outline for the House some of the things that we in the House of Representatives, those few of us who have been working on this issue, have done in the 1980's to try to fight what we felt was a wave of greed and corruption, a wave of unhealthy economic activity that weakened, not strengthened, this country.

I think the American people expect us, probably demand us, to be more vigilant of those who are supposed to be regulated, those who are supposed to be doing the regulating and of those who would take advantage of this country's economic system.

The private sector in this country, regulated by healthy competition, is critically important to the survival and the long-term economy of this country. It has been neglected for far too long.

American enterprise and American ingenuity, in my judgment, will and can make America and keep America No. 1 for decades to come. But only with careful nurturing and only with some concern and some attention by this President and this Congress to make sure that it happens that way.

NATIONAL AMERICAN INDIAN HERITAGE MONTH, SENATE JOINT RESOLUTION 172

The SPEAKER pro tempore (Mr. STALLINGS). Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of Senate Joint Resolution 172, National American Indian Heritage Month.

This resolution has three purposes. First and foremost is to acknowledge the contributions that American Indians have made to this Nation. Second, by passing this resolution the Senate and House of Representatives will enable other Americans to learn more about and better understand their American Indian brothers. Third, we, as a Congress, will be providing young American Indians the positive benefits of self-esteem, pride and self-awareness.

Senate Joint Resolution 172 will set aside the months of November 1991 and 1992 as a time that we, as a nation, may honor past and present American Indians. This resolution cannot make up for past actions, but it does honor the contributions that American Indians have given to our Nation and indeed the world, for the past 5 centuries.

Mr. Speaker, as we consider this resolution I want to give special recognition to Senator DANIEL INOUYE, author of this resolution, for his continued commitment to this country's Indians and for ensuring passage of a resolution acknowledging the importance of American Indian heritage to world culture.

Chairman MILLER and Chairman SAWYER and their staffs have also been of tremendous assistance in getting this resolution and an earlier House version through the legislative process in a timely manner.

Mr. Speaker, last year it was a House resolution that asked the President to proclaim November as American Indian Heritage Month. In the spirit of mutual cooperation, it seems only fair that this year we adopt a Senate resolution, and I wholeheartedly support the Senate's efforts.

Mr. Speaker, next year will be 500 years since Christopher Columbus arrived in the Western Hemisphere. This resolution gives all interested groups more than a year to plan 1992's celebrations in recognition of this 500th anniversary. As this Nation prepares to celebrate this event, it is fitting that we ponder the significance that the Indians of this land have played over the past 500 years. Without the help and generosity Indians showed Columbus and his crews, they may not have survived their return trip to Europe. For 500 years they have tried to convince others with less foresight to cherish our Earth and nature. Their consistency on these fundamental values gives us all much to ponder.

Mr. Speaker, I cannot let this occasion pass without noting the irony in our Government's desire, even eagerness, to provide assistance to other countries with problems, while the indigenous people of our own country suffer the most from lack of good health and education and rate at the bottom of studies on who is benefiting from our society's programs.

Mr. Speaker, next year as we look back on the arrival of Columbus and all that has happened since then, I call upon the President and this body to remember the key role the Indians have played in our history, and I ask again, where would we be without the native Americans?

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mrs. MORELLA) to revise and extend his remarks and include extraneous material:)

Mr. DORNAN of California, for 60 minutes each day, on October 7, 8, 9, 10, 11, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, 30, and 31.

(The following Members (at the request of Mr. DORGAN of North Dakota) to revise and extend their remarks and include extraneous material:)

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 60 minutes, today.

Mr. BONIOR, for 60 minutes, today.

Mr. ANDREWS of New Jersey, for 5 minutes, on October 3.

Mr. BONIOR, for 60 minutes, on October 3.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DORGAN of North Dakota) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. KILDEE.

Mr. HALL of Ohio.

A BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

On September 27, 1991

H.J. Res. 23. Joint resolution to authorize the President to issue a proclamation designating each of the weeks beginning on November 24, 1991, and November 22, 1992, as "National Family Week";

H.J. Res. 332. Joint resolution making continuing appropriations for the fiscal year 1992, and for other purposes; and

H.R. 3291. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes.

ADJOURNMENT

Mr. FALEOMAVAEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 2 o'clock and 5 minutes p.m.), the House adjourned until tomorrow, Tuesday, October 1, 1991, at noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2142. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide funding for the resolution of failed thrifts and working capital for the Resolution Trust Corporation, to restructure the Oversight Board and the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

2143. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Final Audit on the D.C. Commission of Baseball", pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

2144. A letter from the Chairman, National Commission on Acquired Immune Deficiency Syndrome, transmitting the 1991 comprehensive report entitled, "America Living with Aids"; to the Committee on Energy and Commerce.

2145. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2146. A letter from the Comptroller General, General Accounting Office, transmitting the list of all reports issued or released in August 1991, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

2147. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the actuarial report on bankruptcy judges and magistrates retirement annuity program for the years ending December 31, 1988 and 1989, pursuant to Public Law 100-659, section 8 (102 Stat. 3920); to the Committee on Government Operations.

2148. A letter from the Manager, Compensation and Benefits, CoBank Cooperatives, transmitting the annual report for the retirement trust fund for the year ending December 31, 1990; to the Committee on Government Operations.

2149. A letter from the Deputy Executive Secretary, Federal Deposit Insurance Corporation, transmitting notice of proposed changes to an existing system of records, pursuant to 5 U.S.C. 552a(r); to the Committee on Government Operations.

2150. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting the annual report on royalty management and collection activities for Federal and Indian mineral leases in 1990, pursuant to 30 U.S.C. 237; to the Committee on Interior and Insular Affairs.

2151. A letter from the Secretary of Transportation, transmitting a report on activities by the U.S. Coast Guard on compling with section 3(b)(1)(A) of the act to prevent pollution from ships, pursuant to 33 U.S.C. 1902 note; to the Committee on Merchant Marine and Fisheries.

2152. A letter from the Director, U.S. Information Agency, transmitting a report on action taken by the United States in response to an official request from the Government of Peru for emergency import restrictions pertaining to cultural property, pursuant to 19 U.S.C. 2602(g)(1); to the Committee on Ways and Means.

2153. A letter from the Director, U.S. Information Agency, transmitting a report that action has been taken by the United States in response to an official request from the Government of Guatemala for emergency import restrictions regarding cultural property, pursuant to 19 U.S.C. 2602(g)(1); to the Committee on Ways and Means.

2154. A letter from the Acting Chairman, U.S. International Trade Commission, transmitting the sixth annual report on the impact of the Caribbean Basin Economic Recovery Act on U.S. industries and consumers, pursuant to 19 U.S.C. 2704; to the Committee on Ways and Means.

2155. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 16th annual report on the activities of Office of Consumer Affairs, pursuant to 15 U.S.C. 57a(f)(6); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

2156. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the transfer of property under the Panama Canal Treaty of 1977, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on September 27, 1991, the following report was filed on September 27, 1991]

Mr. FASCELL: Committee of Conference. Conference report on H.R. 2508 (Rep. 102-225). Ordered to be printed.

Mr. TRAXLER: Committee of Conference. Conference report on H.R. 2519 (Rep. 102-226). Ordered to be printed.

[Submitted September 30, 1991]

Mr. CLAY: Committees on Post Office and Civil Service. H.R. 3280. A bill to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and on related matters; with an amendment (Rep. 102-227). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

[Submitted September 27, 1991]

The Committee on Government Operations discharged from further consideration of H.R. 3039; H.R. 3039 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ (for himself and Mr. WYLIE (both by request), and Mrs. ROUKEMA):

H.R. 3435. A bill to provide funding for the resolution of failed savings associations and working capital for the Resolution Trust Corporation, to restructure the Oversight Board and the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DORGAN of North Dakota (for himself and Mr. JOHNSON of South Dakota):

H.R. 3436. A bill to amend the Agricultural Act of 1949 to target wheat and feed grain deficiency payments to family-sized farms, and for other purposes; to the Committee on Agriculture.

By Mr. HORTON:

H.R. 3437. A bill to require the Secretary of Education to submit to Congress a report on the use of Pell grants by prisoners; to the Committee on Education and Labor.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. OLVER and Mr. SLATTERY.

H.R. 710: Mr. SUNDQUIST, Mr. SHAYS, and Mrs. LLOYD.

H.R. 722: Mr. JEFFERSON, Mr. SANDERS, and Mr. BARNARD.

H.R. 723: Mr. JEFFERSON, Mr. SANDERS, Mr. BARNARD, Mr. PETERSON of Minnesota, Mr. HOCHBRUECKNER, and Mr. HERTEL.

H.R. 954: Mr. GAYDOS.

H.R. 955: Mr. GAYDOS.

H.R. 956: Mr. GAYDOS.

H.R. 958: Mr. GAYDOS.

H.R. 1354: Mr. DIXON, Mr. CARPER, and Mr. JOHNSTON of Florida.

H.R. 1456: Mr. FRANK of Massachusetts and Ms. SNOWE.

H.R. 1470: Mr. ATKINS, Mr. JOHNSON of South Dakota, Mr. BROOMFIELD, Mr. ANNUNZIO, Mr. WILLIAMS, Mr. JACOBS, Mr. BUSTAMANTE, Mr. TORRES, Mrs. BENTLEY, Mr. RICHARDSON, and Mr. SANDERS.

H.R. 1502: Mr. PORTER, Mr. LANTOS, Mr. MOLLOHAN, Mr. DOWNEY, Mr. CUNNINGHAM, Mr. SWIFT, Mr. SCHEUER, Mr. GILMAN, Mr. NOWAK, Mr. MINETA, and Mr. MANTON.

H.R. 1523: Mr. NICHOLS.

H.R. 1527: Mr. ROGERS, Mr. COX of California, and Mr. ANDREWS of New Jersey.

H.R. 1541: Mrs. ROUKEMA.

H.R. 1605: Mr. GAYDOS.

H.R. 1663: Mr. PALLONE.

H.R. 2071: Mr. BUSTAMANTE and Mr. COX of California.

H.R. 2215: Mr. GONZALEZ, Mr. HATCHER, and Mrs. MINK.

H.R. 2410: Mr. DICKINSON and Mr. EVANS.

H.R. 2485: Mr. SHAYS.

H.R. 2498: Mr. BEILENSON.

H.R. 2513: Mr. CARPER and Mr. SARPALIUS.

H.R. 2515: Mr. HAYES of Louisiana.

H.R. 2580: Mr. BROWN, Mr. KILDEE, and Mr. RICHARDSON.

H.R. 2721: Ms. ROS-LEHTINEN.

H.R. 2755: Mr. EVANS, Mr. CAMPBELL of Colorado, Mr. BEILENSON, Mr. ANDREWS of Maine, Mr. ANDREWS of New Jersey, and Mr. STUDDS.

H.R. 2766: Mr. MCCRERY and Mr. MINETA.

H.R. 2779: Mr. LEVIN of Michigan and Mr. STUDDS.

H.R. 2781: Mr. LEVIN of Michigan and Mr. STUDDS.

H.R. 2824: Mr. BACCHUS, Mr. CAMPBELL of Colorado, Mr. LANCASTER, Mrs. BOXER, Mr. PAYNE of Virginia, and Mrs. PATTERSON.

H.R. 2840: Mr. DE LUGO, Mr. SANDERS, and Mr. JEFFERSON.

H.R. 3048: Mr. CUNNINGHAM.

H.R. 3176: Mr. SMITH of Florida, Mr. COYNE, and Mr. JONTZ.

H.R. 3282: Mr. SMITH of Florida, Mr. SAWYER, Mr. JAMES, Mr. QUILLEN, Mr. ALLARD, Mr. STUDDS, Mr. JEFFERSON, Mr. DWYER of New Jersey, Mr. PERKINS, Mr. KOLTER, Mr. MRAZEK, Mr. FRANK of Massachusetts, Mr. LAUGHLIN, Mr. INHOFE, Mr. BORSKI, Mr. MARTIN, Mr. ANDREWS of Maine, Mr. SUNDQUIST, Mr. MANTON, Mr. ORTIZ, Mr. SPENCE, and Mr. BATEMAN.

H.J. Res. 284: Mr. BROWN, Mr. TAYLOR of Mississippi, Mr. HOBSON, Mr. TORRES, Mr. MONTGOMERY, Mr. WYLIE, Mr. WEBER, Ms. KAPTUR, and Mr. SUNDQUIST.

H.J. Res. 326: Mr. HARRIS, Mr. OWENS of New York, Mr. HORTON, Mr. GUNDERSON, Mr. JACOBS, Mr. HASTERT, Mr. SANDERS, Mr. CHANDLER, Mr. MARTIN, Mr. GUARINI, Mr. BROOMFIELD, Mr. COBLE, Mr. COX of Illinois, Mr. COUGHLIN, Mr. STUMP, Mr. GLICKMAN, Mr. RIGGS, Mr. MCDERMOTT, Mr. SCHAEFER, Mr. SABO, Mr. JEFFERSON, Mr. FASCELL, Mr. MCCOLLUM, Mr. DORNAN of California, Mr. CAMP, Mr. JENKINS, Mr. TOWNS, Mr. HAMMERSCHMIDT, and Mr. PAYNE of Virginia.

H. Res. 152: Mr. MCMILLAN of North Carolina and Mr. DOOLITTLE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

123. The SPEAKER presented a petition of the town of Southwick, Southwick, MA, relative to free expression; which was referred to the Committee on the Judiciary.

SENATE—*Monday, September 30, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 12:30 p.m., on the expiration of the recess, and was called to order by the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Eternal God of truth and justice, restore to us spiritual reality that we may heed the warning of Paul the apostle: *Put on the whole armour of God, that ye may be able to stand against the wiles of the devil. For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of darkness of this world, against spiritual wickedness in high places.* Ephesians 6:11–12.

Guide us, gracious Lord, lest we abandon entirely the spiritual legacy left us by our forebears, lest we revise our history and behave as though they did not think or say or write what has been recorded of those painful and creative days more than 200 years ago. In our materialism we act as though the Declaration of Independence did not speak of a Creator God who endowed us with inalienable rights, as though freedom emerged out of an evolutionary process or was granted by Congress or the Supreme Court.

Patient God, we have been deceived by the master of deception, whose strategy is his incognito, his insistence on his nonexistence. Nobody is afraid of nothing. In our spiritual poverty, we invent our enemies while the deceiver delivers his vital blows again and again. No wonder we are losing the war. No wonder, no matter how hard we try, our society, our culture is degenerating.

Awaken us, gracious God, for Your glory and our restoration. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC., September 30, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for a period not to exceed 10 minutes each.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, following the period for morning business, which expires at 1 p.m., under a previous unanimous-consent agreement, the Senate will proceed to the consideration of Calendar item No. 121, S. 533, the EPA Cabinet-level bill, with certain amendments in order to that bill.

Those amendments will be offered and debated today, and I anticipate that they will be accepted by voice vote. If not, if either or both of the amendments should require a rollcall vote, those votes will occur tomorrow beginning at 2:15 p.m. There will be no rollcall votes today.

THE RETIREMENT OF ROY L. McGHEE

Mr. MITCHELL. Mr. President, I would like now to pay a special tribute to Roy McGhee who, after 18 years as the Superintendent of the Senate Periodical Press Gallery, is retiring today. Last week, his colleagues and friends, which included the distinguished Republican leader, Senator DOLE, and myself, joined in a reception in the Capitol to congratulate him on a job well done.

Roy McGhee was born in Jefferson City, MO, and worked for his hometown newspaper and the Associated Press before joining United Press International's Kansas City bureau, where he covered the regional State legislatures, including the activities of the distinguished Republican leader, Senator DOLE, when he served in the Kansas State Legislature.

In 1959, Roy moved to Washington, DC, where he covered every major political event—campaigns, conventions, and elections—in the 1960's and 1970's for UPI. Roy also covered firsthand the invasion of the Dominican Republic.

In January 1973, Roy was elected as the Superintendent of the Senate Periodical Press Gallery, only the second person to hold that office. Since then, he has been involved in organizing press coverage for the members of the periodical gallery, including coverage of hundreds of Senate hearings from Watergate to the recent nominations of Robert Gates and Clarence Thomas.

In the mid-1970's, as Superintendent of the Gallery, Roy had the dubious distinction of being named as a defendant in a lawsuit regarding the process by which reporters on Capitol Hill receive press credentials. The lawsuit went all the way to the Supreme Court, where the views of the Gallery were sustained.

Roy is well known as an avid and accomplished tennis player. As a dedicated walker, he is quite possibly the only person to have walked every square inch of the Capitol Grounds and surrounding office buildings.

Roy has been a familiar face in the Capitol for many years. I have especially enjoyed visiting with him these past few years in the morning meetings which I have with the press, which are informally known as dugouts.

I know that I speak for all Members of the Senate when I say good luck and best wishes to Roy McGhee. He has served well. He will be missed by all.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota [Mr. WELLSTONE] is recognized.

Mr. WELLSTONE. Thank you, Mr. President.

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. WELLSTONE. Mr. President, the decision as to whether or not to confirm Clarence Thomas to be the 106th Supreme Court Justice in the United States of America is as important a decision as I will make in the U.S. Senate.

Mr. President, let me talk about this with a sense of history, perhaps as a former political science teacher or professor. At the Constitutional Convention, it was very clear that there would be two branches of Government, the executive and the legislative branches of Government.

The debate that took place had to do with how the judicial branch of Government would be created. The decision that was made was that the executive branch and the legislative branch were to be coequal partners in making this decision. And the reason that everybody understood that this was such an important decision has to do with the very distinctive and critical power that the Supreme Court has, which is the power of judicial review. That really is the power of validation; that is the power to declare constitutional or unconstitutional the laws of the land.

It was also understood, Mr. President, at that Constitutional Convention—and I think all of us in the country need to understand this—that the Supreme Court remains the one institution that can really protect all of us against any usurpation of power that might take place by the legislative branch, or might take place by the executive branch; that the Supreme Court of the United States of America is, in fact, the one branch of the Government which is the guardian of first amendment rights, which by the way are the rules that we agree to live by in a democracy; and that the Supreme Court of the United States of America is the only institution where every citizen, every citizen, regardless of income, has absolutely equal constitutional standing.

It is also important, Mr. President, to understand that a Supreme Court Justice is not elected; that a Supreme Court Justice can serve for decades; and that the consequences of the decisions rendered by a Supreme Court Justice have momentous consequences for the lives of people.

It was with this sense of history and this sense of understanding of the Constitution, Mr. President, that I have asked myself the question: What does the advise and consent function mean? What is necessary for all of us as Senators to be able to carry out that responsibility?

I said to people back in Minnesota that I had made no decision. I said that I wanted to wait until after the Judiciary Committee had a full hearing, and I wanted, Mr. President, that process to be a searching process.

Questions needed to be asked and questions needed to be answered. And it was important to understand Clarence Thomas' philosophy, the kind of framework that he works within, the kind of values that would undergird decisions that he would render.

Important questions needed to be asked about his position about the scope of privacy, about separation of church and State, about first amendment issues, about what constitutes cruel and unjust punishment. All these questions needed to be asked. It needed to be a searching process. And these questions needed to be answered.

I was attracted to Clarence Thomas in one respect before these Judiciary Committee hearings took place. I read just about everything that he wrote. I tried to follow his speeches. Clarence Thomas gave an interview in 1989 in which he said, "It is important that we stick by our principles. That really is important to me, that we don't yield on our principles."

I was attracted to that kind of philosophy. But something happened during the judiciary hearing process. What happened was that Clarence Thomas came in and he said, "The articles that I have written and the speeches that I have given, these were just creatures of the moment; ignore that." He said, "I am stripped like a runner, I am an empty vessel, I have no particular policy preferences."

Mr. President, I am now put in a position as a U.S. Senator where I cannot confirm someone who says they have no views. I cannot give my advice and consent to someone who says that he is an empty vessel. I cannot carry out my constitutional responsibility to do well for people in my State and do well as a U.S. Senator and do well for the people in this country unless I have an understanding of what the nominee stands for.

This has really been a difficult decision for me to make. I have really struggled with this. I have agonized over this question. I wanted us to have a full hearing process. I wanted it to be a searching process. I wanted to find out what would be the philosophy that would undergird the decision of Clarence Thomas.

The questions have not been answered. Mr. President, I would say to you that as a U.S. Senator I am going to be consistent in my standard. I am going to say to any administration, whether that administration is Democrat or whether that administration is Republican, it is simply unacceptable to send a nominee here to the U.S. Senate, coached or whatever, with the basic idea that a nominee just simply does not tell us where that nominee stands on the critical constitutional questions of our time. I will not support such a nominee. I do not think, as U.S. Senators, we can carry out our constitutional responsibility unless we know the views of such a nominee.

So I wish today on the floor of the U.S. Senate to say to the people of my State, Minnesota, and to say to the people of the country, I have tried to search and search about this question. I believe this is a thoughtful decision I have made. I know it is a terribly important decision. And the conclusion I have reached is I cannot give my advice and consent to someone who refuses to explain his basic philosophy on the critical constitutional issues of our time. I will not discharge my responsibility as a U.S. Senator by voting yes. Therefore I will note no.

Mr. President, I yield.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BREAUX. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAPITAL GAINS

Mr. BREAUX. Mr. President, if it is a fact that Nero fiddled while Rome burned, then it is no less certain that Congress has also fiddled while America has declined.

We talked about recession, but we offer no real solutions. We talk about unemployment, but we only offer the Band-aid of unemployment compensation, rather than cure the illness of no jobs. We talk about lack of competitiveness, but only offer cheerleader rhetoric about "let's be more competitive."

It is time, Mr. President, to put America first and face some facts. The facts are we have record unemployment, we are fighting a recession, our productivity is lagging, more and more businesses are relocating to other countries, and pessimism has replaced optimism as the official outlook of American business at a time when a world at peace should be anxiously planning for a brighter future.

A political leader once said:

> The chief problem confronting our economy * * * is its unrealized potential slow growth, under investment, unused capacity and persistent unemployment. The result is lagging wage, salary and profit income, smaller take home pay, insufficient productivity gains, inadequate federal revenues and persistent budget deficits.

Mr. President, while these words are accurate today, they were not spoken today or even this year. These words were spoken by President John F. Kennedy, on January 24, 1963, as he delivered his message to the Congress calling for a reduction in the capital gains tax rate.

It is time for us to look to history and once again take the action necessary to get this country moving again. It is time to end the bickering, the finger pointing, the partisan squabbling and for once let us join together in a bipartisan effort. A capital gains tax reduction can and must be a joint effort. When this issue was debated in

1978, 1981, 1986 and 1987, it enjoyed bipartisan support from the tax writing committees. It is time once again to renew that bipartisanship for the good of America.

I plan to offer a capital gains plan that will call for a reduction in the capital gains tax from the current rate of 28 percent which is the highest rate of any industrialized nation in the world, down to 20 percent for properties held for at least 3 years. Germany, Japan and South Korea among other economic competitors either exempt totally long-term capital gains, or tax them only slightly.

It is clear that our economy needs a real boost; it actually needs to be jump started. New companies are waiting to be started, but lack the investment capital necessary. New technological breakthroughs await the funding needed to create new jobs here in this country. While good intentions guided Congress, the record will now show that the Tax Reform Act of 1986 discouraged entrepreneurial investments which are so critical to a nation's growth.

As a Democrat, I am particularly sensitive to the argument of fairness in our Tax Code. It is clear in my opinion that middle-income taxpayers have not gotten a fair deal from their Government over the past decade.

But it is also clear to me that contrary to what some say, the fact is the American middle class not, the very wealthy is hit hardest by the capital gains tax increase of 1986. Capital gain taxes are not just paid by the rich; according to the IRS nearly three-fourths of all tax returns with capital gains had other income of less than $50,000 and less than 2 percent had other income of $200,000 or more. In fact, nearly one-half of all capital gains in dollar terms are received by people with wage and salary income of less than $50,000.

It is this Senator's opinion that the major stumbling block to adoption of a capital gains tax reduction is the question of whether such a proposal gains revenue for the Federal Treasury or losses money—resulting in a larger Federal deficit—with the resulting further drain on our national economy.

I have listened to and I have read estimates from the best economic minds in America on what a capital gains tax reduction would do to our economy. I must say, Mr. President, when we add up their advice, it does not add up at all.

The Joint Tax Committee estimates that such a cut would lose $11.4 billion between 1990 and 1995; while the Treasury Department estimates the same tax cut would actually raise $12.5 billion over the same period. With estimates like this, is it any wonder that confusion runs rampant?

The real problem now is that our hands have been tied behind our backs with regard to Congress taking any action on capital gains. If we lose revenue, we are required to find an offset to replace them, if it gains revenue, then we can reduce the deficit, but if no one knows, then we must sit and do nothing again like Nero watching Rome burn.

I have a proposal, Mr. President, that will allow us to quit doing nothing and move forward with a real effort to reduce capital gain taxes and to take care of the unanswered question of what will be the ultimate long-term effect on revenues.

My proposal is simple: Reduce the capital gains tax from the current 28-percent rate down to 20 percent for assets held 3 years or longer, to 22 percent for 2 years and 25-percent rate for 1 year. This measure would stimulate economic growth, job creation, improve our productivity and international competitiveness and make desperately needed capital available for new technology to be developed.

I believe, as do many noted economists, that this measure would actually generate new revenues through more taxes being paid by new workers and new businesses to be created by this cut.

I agree with the thrust of the Office of Treasury that we would generate as much as $12.5 billion between 1990–95.

However, if I am wrong, and if the Treasury Department is wrong, and we actually do lose revenues, then my proposal would offset that loss by imposing a new fourth top tax rate of 36 percent on taxpayers with taxable income of $500,000 or more. Mr. President, this increase would only effect between 150 and 200,000 taxpayers out of approximately 115 million taxpayers in this country. That is only two-tenths of 1 percent of the total taxpayers that would even be effected if my proposal lost the $11.4 billion estimated by the Joint Tax Committee.

We cannot continue to allow the unanswered question of whether a capital gains tax cut would lose or gain revenues stop us from proceeding. Under my plan, we can proceed forward again. Now, if it does not do what many noted economists and historians tells us it will, then we already have in place a mechanism that pays for it. In addition, only the very wealthiest among us would have to pay and I am certain they are ready to take that small risk.

Some may argue we cannot enact future tax cuts without knowing whether they will actually happen or not. I say to them Congress has already done just that. Do we not remember the windfall profits tax where Congress authorized in legislation a tax increase on the oil companies each year depending on what the market price of oil was during a given year—a future event which no one could predict?

The precedence and the logic are there for this type of approach; it is now time for us to move forward. My approach gives us all the advantages: Raising savings, reducing the costs of capital, making us more competitive and encouraging entrepreneurship while it also eliminates the risks.

Those who have argued it is too risky, we may lose money can have their fears laid aside; if the worst happens and revenues decrease, they will be made up by an automatic increase in individual income taxes but only for two-tenths of 1 percent of the wealthiest among us. Certainly such a plan with the tremendous potential benefits is worth this small risk.

Mr. President, I will be giving more details on my proposal in the very near future. I will in greater detail analyze how the revenue impact will be calculated and how Treasury will keep track of whether this proposal loses or gains revenues.

Mr. President, I think the answers to all the questions are clear; it is now time for Congress to be bold with a plan that can as President Kennedy said:

> Stimulate a free flow of investment funds and facilitate economic growth, as well as provide more even handed treatment of taxpayers across the board.

Mr. President, I ask unanimous consent that there be printed in the RECORD a one-sheet explanation of how the proposal would in fact work.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

CAPITAL GAINS TAX REDUCTION

Capital gains tax reduction would foster economic growth through increased investment incentives by reducing the cost of capital.

There are two barriers to enacting a capital gains tax reduction: First, it is perceived as a tax break for the rich; second, there is a real dispute as to whether reducing the capital gains tax rate is a revenue raiser (as Treasury estimates) or a revenue loser (as Joint Tax estimates).

The bill, which will be introduced shortly, provides a simple and realistic solution to both of these seemingly insurmountable barriers.

Elements:

First, the effective capital gains tax rate would be reduced from the current top rate of 28 percent. The lowest effective rate on capital gains would be 20 percent, the pre-1986 level.

Second, after the bill is enacted, if the tax rate reduction loses revenue as Joint Tax estimates, this will automatically trigger the imposition of a new and fourth top rate of 36 percent on joint filers with a taxable income of $500,000 or more. If the proposal raises revenue, no new tax increase would go into effect.

Relatively small universe of taxpayers affected by a tax increase (if needed), all Americans benefit from the capital gains tax reduction: Annually, there are an estimated 115 million tax returns filed. Of these, an estimated 100,000 to 200,000 total tax returns are filed by earners of taxable income of $500,000 or more—roughly one to two tenths of one percent of all tax returns filed. In addition, almost 50 percent of capital gains go to taxpayers with wage and salary income of $50,000 or less.

The "trigger" is not a new concept: The structure would provide that upon a certain event occurring (revenue loss), this would trigger the tax increase. There is precedent for tax triggers in the code (some examples, not complete list):

The Windfall Profits Tax (enacted in 1980 and repealed in 1989). The tax was imposed on the difference between the market price of oil, and a statutory 1979 base price that was adjusted for inflation.

Leaking Underground Storage Tanks Fund, Oil Spill Fund, Superfund—taxes no longer collected once the balance of each fund reaches a certain level.

Mr. BREAUX. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. METZENBAUM). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE ENVIRONMENT ACT OF 1991

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 533, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 533) to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes.

The Senate proceeded to consider the bill (S. 533) to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Department of the Environment Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Establishment of the Department of the Environment.
Sec. 104. Assistant Secretaries.
Sec. 105. Deputy Assistant Secretaries.
Sec. 106. Office of the General Counsel.
Sec. 107. Office of the Inspector General.
Sec. 108. Bureau of Environmental Statistics.
Sec. 109. Grant and contract authority for certain activities.
Sec. 110. Study of data needs.
Sec. 111. Miscellaneous employment restrictions.
Sec. 112. Administrative provisions.
Sec. 113. Inherently governmental functions.
Sec. 114. References.
Sec. 115. Savings provisions.
Sec. 116. Conforming amendments.
Sec. 117. Additional conforming amendments.

TITLE II—ENVIRONMENTAL ROLE OF THE UNITED STATES IN INTERNATIONAL ORGANIZATIONS TO WHICH IT BELONGS

Sec. 201. International energy conference.
Sec. 202. International greenhouse gas monitoring program.

TITLE III—ESTABLISHMENT OF THE COMMISSION ON IMPROVING ENVIRONMENTAL PROTECTION

Sec. 301. Establishment; membership.
Sec. 302. Commission responsibilities.
Sec. 303. Report to the President and Congress.
Sec. 304. Commission staff.
Sec. 305. Advisory groups.
Sec. 306. Funding; authorization of appropriations.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

SEC. 101. SHORT TITLE.

This title may be cited as the "Department of the Environment Act."

SEC. 102. FINDINGS.

The Congress finds that—

(1) recent concern with Federal environmental policy has highlighted the necessity of assigning to protection of the domestic and international environment a priority which is at least equal to that assigned to other functions of the Federal Government;

(2) protection of the environment increasingly involves negotiations with foreign states, including the most highly industrialized states all of whose top environmental officials have ministerial status;

(3) the size of the budget and the number of Federal civil servants devoted to tasks associated with environmental protection at the Environmental Protection Agency is commensurate with departmental status; and

(4) a cabinet-level Department of the Environment should be established.

SEC. 103. ESTABLISHMENT OF THE DEPARTMENT OF THE ENVIRONMENT.

(a) REDESIGNATION.—The Environmental Protection Agency is hereby redesignated as the Department of the Environment (hereafter referred to as the "Department") and shall be an executive department in the executive branch of the Government. The official acronym of the Department shall be the "U.S.D.E.".

(b) SECRETARY OF THE ENVIRONMENT.—(1) There shall be at the head of the Department a Secretary of the Environment who shall be appointed by the President, by and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(2) The Secretary may not assign duties for or delegate authority for the supervision of the Assistant Secretaries, the General Counsel, the Director of Environmental Statistics, or the Inspector General of the Department to any officer of the Department other than the Deputy Secretary.

(3) Except as described under paragraph (2) of this section and section 104(b)(2), and notwithstanding any other provision of law, the Secretary may delegate any functions including the making of regulations to such officers and employees of the Department as the Secretary may designate, and may authorize such successive redelegations of such functions within the Department as determined to be necessary or appropriate.

(c) DEPUTY SECRETARY.—There shall be in the Department a Deputy Secretary of the Environment, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such responsibilities as the Secretary shall prescribe and shall act as the Secretary during the absence or disability of the Secretary or in the event of a vacancy in the Office of Secretary.

(d) OFFICE OF THE SECRETARY.—The Office of the Secretary shall consist of a Secretary and a Deputy Secretary and may include an Executive Secretary and such other executive officers as the Secretary may determine necessary.

(e) REGIONAL OFFICES.—The Secretary is authorized to establish, alter, discontinue, or maintain such regional or other field offices as he may determine necessary to carry out the functions vested in him or other officials of the Department.

(f) INTERNATIONAL RESPONSIBILITIES OF THE SECRETARY.—(1) In addition to exercising other international responsibilities under existing provisions of law, the Secretary is—

(A) encouraged to assist the Secretary of State to carry out his primary responsibilities for coordinating, negotiating, implementing and participating in international agreements, including participation in international organizations, relevant to environmental protection; and

(B) authorized and encouraged to—

(i) conduct research on and apply existing research capabilities to the nature and impacts of international environmental problems and develop responses to such problems; and

(ii) provide technical and other assistance to foreign countries and international bodies to improve the quality of the environment.

(2) The Secretary of State shall consult with the Secretary of the Environment and such other persons as he determines appropriate on such negotiations, implementations, and participations described under paragraph (1)(A).

(g) AUTHORITY OF THE SECRETARY WITHIN THE DEPARTMENT.—Nothing in the provisions of this Act—

(1) authorizes the Secretary of the Environment to require any action by any officer of any executive department or agency other than officers of the Department of the Environment, except that this paragraph shall not affect any authority provided for by any other provision of law authorizing the Secretary of the Environment to require any such actions;

(2) modifies any Federal law that is administered by any executive department or agency; or

(3) transfers to the Department of the Environment any authority exercised by any other Federal executive department or agency prior to the date of the enactment of this Act, except the authority exercised by the Environmental Protection Agency.

(h) APPLICATION TO THE DEPARTMENT OF THE ENVIRONMENT.—The provisions of this Act apply only to activities of the Department of the Environment, except where expressly provided otherwise.

SEC. 104. ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department such number of Assistant Secretaries, not to exceed 10, as the Secretary shall determine, each of whom shall be appointed by the President, by and with the advice and consent of the Senate.

(b) RESPONSIBILITIES OF ASSISTANT SECRETARIES.—(1) The Secretary shall assign to Assistant Secretaries such responsibilities as the Secretary considers appropriate, including, but not limited to—

(A) enforcement and compliance monitoring;
(B) research and development;
(C) air and radiation;
(D) water;
(E) pesticides and toxic substances;
(F) solid waste;
(G) hazardous waste;

(H) hazardous waste cleanup;

(I) emergency response;

(J) international affairs;

(K) policy, planning, and evaluation;

(L) pollution prevention;

(M) congressional, intergovernmental, and public affairs; and

(N) administration and resources management, including financial and budget management, information resources management, procurement and assistance management, and personnel and labor relations.

(2) The Secretary may assign and modify any responsibilities at his discretion under paragraph (1), except that the Secretary may not modify the responsibilities of any Assistant Secretary without substantial prior written notification of such modification to the appropriate committees of the Senate and the House of Representatives.

(c) DESIGNATION OF RESPONSIBILITIES PRIOR TO CONFIRMATION.—Whenever the President submits the name of an individual to the Senate for confirmation as Assistant Secretary under this section, the President shall state the particular responsibilities of the Department such individual shall exercise upon taking office.

(d) CONTINUING PERFORMANCE OF FUNCTIONS.—On the effective date of this Act, the Administrator and Deputy Administrator of the Environmental Protection Agency shall be redesignated as the Secretary and Deputy Secretary of the Department of the Environment, Assistant Administrators of the Agency shall be redesignated as Assistant Secretaries of the Department, and the General Counsel and the Inspector General of the Agency shall be redesignated as the General Counsel and the Inspector General of the Department, without renomination or reconfirmation.

(e) CHIEF INFORMATION RESOURCES OFFICER.—(1) The Secretary shall designate the Assistant Secretary whose responsibilities include information resource management functions as required by section 3506 of title 44, United States Code, as the Chief Information Resources Officer of the Department.

(2) The Chief Information Resources Officer shall—

(A) advise the Secretary on information resource management activities of the Department as required by section 3506 of title 44, United States Code;

(B) develop and maintain an information resources management system for the Department which provides for—

(i) the conduct of and accountability for any acquisitions made pursuant to a delegation of authority under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759);

(ii) the implementation of all applicable government-wide and Department information policies, principles, standards, and guidelines with respect to information collection, paperwork reduction, privacy and security of records, sharing and dissemination of information, acquisition and use of information technology, and other information resource management functions;

(iii) the periodic evaluation of and, as needed, the planning and implementation of improvements in the accuracy, completeness, and reliability of data and records contained with Department information systems; and

(iv) the development and annual revision of a 5-year plan for meeting the Department's information technology needs; and

(C) report to the Secretary as required under section 3506 of title 44, United States Code.

SEC. 105. DEPUTY ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department such number of Deputy Assistant Secretaries as the Secretary may determine.

(b) APPOINTMENTS.—Each Deputy Assistant Secretary—

(1) shall be appointed by the Secretary; and

(2) shall perform such functions as the Secretary shall prescribe.

(c) MINIMUM NUMBER OF DEPUTY ASSISTANT SECRETARY POSITIONS IN THE CAREER SENIOR EXECUTIVE SERVICE.—At least one-half of the number of positions established under subsection (a) and filled under subsection (b) shall be in the career Senior Executive Service.

(d) FUNCTIONS.—(1) Subject to paragraph (2), functions assigned to an Assistant Secretary under section 104(b) may be performed by one or more Deputy Assistant Secretaries appointed to assist such Assistant Secretary.

(2) The following functions may be performed by a Deputy Assistant Secretary only if such Deputy Assistant Secretary is in a career Senior Executive Service position:

(A) Personnel management and labor relations functions.

(B) Equal opportunity functions.

SEC. 106. OFFICE OF THE GENERAL COUNSEL.

There shall be in the Department, the Office of the General Counsel. There shall be at the head of such office a General Counsel who shall be appointed by the President, by and with advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Department and shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

SEC. 107. OFFICE OF THE INSPECTOR GENERAL.

The Office of Inspector General of the Environmental Protection Agency, established in accordance with the Inspector General Act of 1978, is hereby redesignated as the Office of Inspector General of the Department of the Environment.

SEC. 108. BUREAU OF ENVIRONMENTAL STATISTICS.

(a) ESTABLISHMENT.—(1) There is established within the Department a Bureau of Environmental Statistics (hereafter referred to as the "Bureau"). The Bureau shall be responsible for—

(A) compiling, analyzing, and publishing a comprehensive set of environmental quality statistics which should provide timely summary in the form of industrywide aggregates, multiyear averages, or totals or some similar form and include information on—

(i) the nature, source, and amount of pollutants in the environment; and

(ii) the effects on the public and the environment of those pollutants;

(B) promulgating guidelines for the collection of information by the Department required for the statistics under this paragraph to assure that the information is accurate, reliable, relevant, and in a form that permits systematic analysis;

(C) coordinating the collection of information by the Department for developing such statistics with related information-gathering activities conducted by other Federal agencies;

(D) making readily accessible the statistics published under this paragraph; and

(E) identifying missing information of the kind described under subparagraph (A) (i) and (ii), reviewing these information needs at least annually with the Science Advisory Board, and making recommendations to the appropriate Department of Environment research officials concerning extramural and intramural research programs to provide such information.

(2) Nothing in the provisions of paragraph (1) shall authorize the Bureau to require the collection of any data by any other Department, or to establish observation or monitoring programs.

(3) Confidentiality of information compiled by the Bureau of Environmental Statistics shall be governed by the same confidentiality provisions in the statutes which authorized the collection of such information, regardless of whether the statute is administered by the Secretary, and including but not limited to the provisions of section 14 of the Toxic Substances Control Act (15 U.S.C. 2613), section 2(h) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h), section 114(c) of the Clean Air Act (42 U.S.C. 7414(c)), and section 1905 of title 18, United States Code.

(4) Any information published under the provisions of paragraph (1)(A) may not be published or released to the public in any form that permits the information provided by any person to be identified with such person. For purposes of this paragraph, the term "person" shall include individuals, corporations, or other entities, but shall not include governmental entities. This paragraph shall not affect the availability of data provided to the Department under any other provision of law administered by the Department.

(b) DIRECTOR OF ENVIRONMENTAL STATISTICS.—The Bureau shall be under the direction of a Director of Environmental Statistics (hereafter referred to as the "Director") who shall be appointed by the President, by and with the advice and consent of the Senate. The term of the Director shall be 4 years. The Director shall be a qualified individual with experience in the compilation and analysis of environmental statistics. The Director shall report directly to the Secretary. The Director shall be compensated at the rate provided for at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(c) ENVIRONMENTAL STATISTICS ANNUAL REPORT.—On January 1, 1992, and each January 1 thereafter, the Director shall submit to the President an Environmental Statistics Annual Report (hereafter referred to as the "Report"). The Report shall include, but not be limited to—

(1) statistics on environmental quality including—

(A) The environmental quality of the Nation with respect to all aspects of the environment, including, but not limited to, the air, aquatic ecosystems, including marine, estuarine, and fresh water, and the terrestrial ecosystems, including, but not limited to, the forest, dry-land, wetland, range, urban, suburban, and rural environment; and

(B) changes in the natural environment, including the plant and animal systems, and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(2) statistics on the effects of changes in environmental quality on human health and nonhuman species and ecosystems;

(3) documentation of the method used to obtain and assure the quality of the statistics presented in the Report;

(4) economic information on the current and projected costs and benefits of environmental protection; and

(5) recommendations on improving environmental statistical information.

(d) CONTINUING PERFORMANCE OF THE FUNCTIONS OF THE DIRECTOR PENDING CONFIRMATION.—An individual who, on the effective date of this Act, is performing any of the functions required by this section to be performed by the Director may continue to perform such functions until such functions are assigned to an individual appointed as the Director under this Act.

(e) ADVISORY COUNCIL ON ENVIRONMENTAL STATISTICS.—The Director shall appoint an Advisory Council on Environmental Statistics, comprised of no more than 6 private citizens who have expertise in environmental statistics and analysis (except that at least one of such appointees should have expertise in economics) to advise the Director on environmental statis-

tics and analyses, including whether the statistics and analyses disseminated by the Bureau are of high quality and are based upon the best available objective information. The Council shall be subject to the provisions of the Federal Advisory Committee Act.

(f) BUREAU AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,800,000 in fiscal year 1992, $5,400,000 in fiscal year 1993, and such sums as necessary in each fiscal year thereafter to carry out the provisions of this section.

SEC. 109. GRANT AND CONTRACT AUTHORITY FOR CERTAIN ACTIVITIES.

The Secretary shall make grants to and enter into contracts with State and local governments to assist them in meeting the costs of collecting specific data and other short-term activities that are related to the responsibilities and functions under section 108(a)(1) (A), (B), (C), and (D).

SEC. 110. STUDY OF DATA NEEDS.

(a) STUDY OF DATA NEEDS.—(1) No later than 1 year after the start of Bureau operations, the Secretary of the Department of Environment, in consultation with the Director of the Bureau and the Assistant Secretary designated as Chief Information Resources Officer, shall enter into an agreement with the National Academy of Sciences for a study, evaluation, and report on the adequacy of the data collection procedures and capabilities of the Department. No later than 18 months following an agreement, the National Academy of Sciences shall report its findings to the Secretary and the Congress. The report shall include an evaluation of the Department's data collection resources, needs, and requirements, and shall include an assessment and evaluation of the following systems, capabilities, and procedures established by the Department to meet those needs and requirements:

(A) data collection procedures and capabilities;

(B) data analysis procedures and capabilities;

(C) the ability of data bases to integrate with one another;

(D) computer hardware and software capabilities;

(E) management information systems, including the ability of management information systems to integrate with another;

(F) Department personnel; and

(G) the Department's budgetary needs and resources for data collection, including an assessment of the adequacy of the budgetary resources provided to the Department and budgetary resources used by the Department for data collection needs and purposes.

(2) The report shall include recommendations for improving the Department's data collection systems, capabilities, procedures, data collection, and analytical hardware and software, and for improving its management information systems.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as necessary to carry out the provisions of this section.

SEC. 111. MISCELLANEOUS EMPLOYMENT RESTRICTIONS.

(a) LIMITATION ON NUMBER OF NONCAREER SENIOR EXECUTIVES.—Notwithstanding section 3134(d) of title 5, United States Code, the number of Senior Executive Service positions in the Department which are filled by noncareer appointees in any fiscal year may not exceed 12 percent of the total number of senior executives employed in Senior Executive Service positions in the Department at the end of the preceding fiscal year.

(b) PROHIBITED EMPLOYMENT AND ADVANCEMENT CONSIDERATIONS.—Except as otherwise provided in this Act, political affiliation or political qualification may not be taken into account in connection with the appointment of any person to any position in the career civil service or in the assignment or advancement of any career civil servant in the Department.

(c) REPORTS ON IMPLEMENTATION.—One year after the date of the enactment of this title and again 3 years after the date of the enactment of this title, the Secretary shall report to the Senate Committees on Appropriations, Governmental Affairs, and Environment and Public Works and to the House of Representatives on the estimated additional cost of implementing this title over the cost as if this title had not been implemented, including a justification of increased staffing not required in the execution of this title.

SEC. 112. ADMINISTRATIVE PROVISIONS.

(a) ACCEPTANCE OF MONEY AND PROPERTY.—(1) The Secretary may accept and retain money, uncompensated services, and other real and personal property or rights (whether by gift, bequest, devise, or otherwise) for the purpose of carrying out the Department's programs and activities, except that the Secretary shall not endorse any company, product, organization, or service. Gifts, bequests, and devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be credited in a separate fund in the Treasury of the United States and shall be available for disbursement upon the order of the Secretary.

(2) The Secretary shall prescribe regulations and guidelines setting forth the criteria the Department shall use in determining whether to accept a gift, bequest, or devise. Such criteria shall take into consideration whether the acceptance of the property would reflect unfavorably upon the Department's or any employee's ability to carry out its responsibilities or official duties in a fair and objective manner, or would compromise the integrity of or the appearance of the integrity of a Government program or any official involved in that program.

(b) SEAL OF THE DEPARTMENT.—(1) On the effective date of this Act, the seal of the Environmental Protection Agency with appropriate changes shall be the seal of the Department of the Environment, until such time as the Secretary may cause a seal of office to be made for the Department of the Environment of such design as the Secretary shall approve.

(2) CRIMINAL PENALTY FOR UNAUTHORIZED USE OF SEAL.—(A) Chapter 33 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§716. Department of the Environment Seal

"(a) Whoever knowingly displays any printed or other likeness of the official seal of the Department of the Environment, or any facsimile thereof, in, or in connection with, any advertisement, poster, circular, book, pamphlet, or other publication, public meeting, play, motion picture, telecast, or other production, or on any building, monument, or stationery, for the purpose of conveying, or in a manner reasonably calculated to convey, a false impression of sponsorship or approval by the Government of the United States or by any department, agency, or instrumentality thereof, shall be fined not more than $250 or imprisoned not more than 6 months, or both.

"(b) Whoever, except as authorized under regulations promulgated by the Secretary of the Environment and published in the Federal Register, knowingly manufactures, reproduces, sells, or purchases for resale, either separately or appended to any article manufactured or sold, any likeness of the official seal of the Department of the Environment, or any substantial part thereof, except for manufacture or sale of the article for the official use of the Government of the United States, shall be fined not more than $250 or imprisoned not more than 6 months, or both.

"(c) A violation of subsection (a) or (b) may be enjoined at the suit of the Attorney General of the United States upon complaint by any authorized representative of the Secretary of the Department of the Environment.".

(B) The table of sections for chapter 33 of title 18, United States Code, is amended by adding at the end thereof:

"716. Department of the Environment Seal.".

(c) ACQUISITION OF COPYRIGHTS AND PATENTS.—The Secretary is authorized to acquire any of the following described rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.

(d) ADVISORY COMMITTEE STANDARDS OF CONDUCT AND COMPENSATION.—The Secretary may promulgate regulations, no less stringent than any other applicable provision of law, regarding standards of conduct for members of advisory committees (and consultants to advisory committees), including requirements regarding conflicts of interest or disclosure of past and present financial and employment interests. The Secretary is authorized to pay members of advisory committees and others who perform services as authorized under section 3109 of title 5, United States Code, at rates for individuals not to exceed the per diem rate equivalent to the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 113. INHERENTLY GOVERNMENTAL FUNCTIONS.

(a) GOVERNMENT OFFICERS AND EMPLOYEES.—(1) Inherently governmental functions of the Department shall be performed only by officers and employees of the United States. For purposes of this section, "inherently governmental" means any activity which is so intimately related to the public interest as to mandate performance by Government officers and employees. These inherently governmental functions include those activities which require either the exercise of discretion in applying Government authority or the use of value of judgment in making decisions for the Government. These functions shall include, but not be limited to, work of a policy, decisionmaking, or managerial nature which is the direct responsibility of Department officials.

(b) CONFLICTS OF INTEREST.—(1) The Secretary shall by regulation require any person proposing to enter into a contract, agreement, or other arrangement, whether by competitive bid or negotiation, for the conduct of research, development, evaluation activities, or for advisory and assistance services, to provide the Secretary, prior to entering into any such contract, agreement, or arrangement, with all relevant information, as determined by the Secretary, bearing on whether that person has a possible conflict of interest with respect to—

(A) being able to render impartial, technically sound, or objective assistance or advice in light of other activities or relationships with other persons; or

(B) being given an unfair competitive advantage.

(2) Such person shall ensure, in accordance with regulations prescribed by the Secretary, compliance with this section by subcontractors of such person who are engaged to perform similar services.

(c) REQUIRE AFFIRMATIVE FINDING; CONFLICTS OF INTEREST WHICH CANNOT BE AVOIDED; MITIGATION OF CONFLICTS.—(1) Subject to the provisions of paragraph (2), the Secretary may not enter into any such contract, agreement, or arrangement, unless he affirmatively finds, after evaluating all such information and any other

relevant information otherwise available to him, either that—

(A) there is little or no likelihood that a conflict of interest would exist; or

(B) that such conflict has been avoided after appropriate conditions have been included in such contract, agreement, or arrangement.

(2) If the Secretary determines that such conflict of interest exists and that such conflict of interest cannot be avoided by including appropriate conditions therein, the Secretary may enter into such contract, agreement, or arrangement, if he—

(A) determines that it is in the best interests of the United States to do so; and

(B) includes appropriate conditions in such contract, agreement, or arrangement to mitigate such conflict.

(d) Public Notice Regarding Conflicts of Interest.—The Secretary shall promulgate regulations which require public notice to be given whenever the Secretary determines that the award of a contract, agreement, or arrangement may result in a conflict of interest which cannot be avoided by including appropriate conditions therein.

(e) Disclaimer.—Nothing in this section shall preclude the Department from promulgating regulations to monitor potential conflicts after the contract award.

(f) Rules.—No later than 30 days after the effective date of this Act, the Secretary shall publish rules for the implementation of this section.

(g) Central File.—The Department shall maintain a central file regarding all cases when a public notice is issued. Other information required under this section shall also be compiled. Access to this information shall be controlled to safeguard any proprietary information.

(h) Definitions.—For purposes of this section, the term "advisory and assistance services" includes—

(1) management and professional support services;

(2) the conduct of studies, analyses, and evaluations; and

(3) engineering and technical services, excluding routine technical services.

SEC. 114. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining—

(1) to the Administrator of the Environmental Protection Agency shall be deemed to refer to the Secretary of the Environment;

(2) to the Environmental Protection Agency shall be deemed to refer to the Department of the Environment;

(3) to the Deputy Administrator of the Environmental Protection Agency shall be deemed to refer to the Deputy Secretary of the Environment; or

(4) to any Assistant Administrator of the Environmental Protection Agency shall be deemed to refer to an Assistant Secretary of the Department of the Environment.

SEC. 115. SAVINGS PROVISIONS.

(a) Continuing Effect of Legal Documents.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, by the Administrator of the Environmental Protection Agency, or by a court of competent jurisdiction, in the performance of functions of the Administrator or the Environmental Protection Agency, and

(2) which are in effect at the time this Act takes effect, or were final before the effective date of this Act and are to become effective on or after the effective date of this Act,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of the Environment, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) Proceedings Not Affected.—The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending before the Environmental Protection Agency at the time this Act takes effect, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) Suits Not Affected.—The provisions of this Act shall not affect suits commenced before the date this Act takes effect, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) Nonabatement of Actions.—No suit, action, or other proceeding commenced by or against the Environmental Protection Agency, or by or against any individual in the official capacity of such individual as an officer of the Environmental Protection Agency, shall abate by reason of the enactment of this Act.

(e) Administrative Actions Relating to Promulgation of Regulations.—Any administrative action relating to the preparation or promulgation of a regulation by the Environmental Protection Agency may be continued by the Department with the same effect as if this Act had not been enacted.

(f) Property and Resources.—The contracts, liabilities, records, property, and other assets and interests of the Environmental Protection Agency shall, after the effective date of this Act, be considered to be the contracts, liabilities, records, property, and other assets and interests of the Department.

(g) Savings.—The Department of the Environment and its officers, employees, and agents shall have all the powers and authorities of the Environmental Protection Agency.

SEC. 116. CONFORMING AMENDMENTS.

(a) Presidential Succession.—Section 19(d)(1) of title 3, United States Code, is amended by inserting before the period at the end thereof the following: ", Secretary of the Environment".

(b) Definition of Department, Civil Service Laws.—Section 101 of title 5, United States Code, is amended by adding at the end thereof the following: "The Department of the Environment".

(c) Compensation, Level I.—Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following: "Secretary of the Environment".

(d) Compensation, Level II.—Section 5313 of title 5, United States Code, is amended by striking out "Administrator of Environmental Protection Agency" and inserting in lieu thereof "Deputy Secretary of the Environment".

(e) Compensation, Level IV.—Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Inspector General, Environmental Protection Agency" and inserting in lieu thereof "Inspector General, Department of the Environment"; and

(2) by striking each reference to an Assistant Administrator of the Environmental Protection Agency and by adding at the end thereof the following: "Assistant Secretaries, Department of the Environment (10). "General Counsel, Department of the Environment.".

(f) Compensation, Level V.—Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director of the Bureau of Environmental Statistics, Department of the Environment.

"Executive Director of the Commission on Improving Environmental Protection.".

(g) Inspector General Act.—The Inspector General Act of 1978 is amended—

(1) in section 2(1)—

(A) by inserting "the Department of the Environment," after "Veterans Affairs,"; and

(B) by striking out "The Environmental Protection Agency,";

(2) in section 11(1) by striking out "or Veterans Affairs" and inserting "Veterans Affairs, or the Environment,"; and

(3) in section 11(2) by striking out "or Veterans Affairs" and inserting "Veterans Affairs, or the Environment,".

SEC. 117. ADDITIONAL CONFORMING AMENDMENTS.

After consultation with the Committee on Governmental Affairs and the Committee on Environment and Public Works and other appropriate committees of the United States Senate and the appropriate committees of the House of Representatives, the Secretary of the Environment shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to the United States Code, and to other provisions of law, to reflect the changes made by this Act. Such legislation shall be submitted not later than 6 months after the effective date of this Act.

TITLE II—ENVIRONMENTAL ROLE OF THE UNITED STATES IN INTERNATIONAL ORGANIZATIONS TO WHICH IT BELONGS

SEC. 201. INTERNATIONAL ENERGY CONFERENCE.

The Secretary of State, in consultation with the Secretary of Energy and the Secretary of the Environment, and with the advice of the Committee on Earth and Environmental Sciences, is authorized and strongly urged to convene an international meeting to be held in the United States with invitations to representatives of all countries of the world, the purpose of which shall be to encourage the exchange of information concerning energy efficiency and renewable energy resources that are environmentally acceptable and ecologically sustainable.

SEC. 202. INTERNATIONAL GREENHOUSE GAS MONITORING PROGRAM.

The President, with the advice of the Committee on Earth and Environmental Sciences, shall encourage the establishment of an office of the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) to monitor annual estimated generation and removal of carbon dioxide and other trace gases on a country-by-country basis.

TITLE III—ESTABLISHMENT OF THE COMMISSION ON IMPROVING ENVIRONMENTAL PROTECTION

SEC. 301. ESTABLISHMENT; MEMBERSHIP.

(a) Establishment.—There is established the Commission on Improving Environmental Protection (hereafter referred to as "the Commission") whose 13 members including the Chairman shall be composed of experts in governmental organization (with emphasis on environmental organization), management of organizations and environmental regulation and improved environmental governmental service delivery, consisting of—

(1) seven members to be appointed by the President;

(2) three members to be appointed by the Speaker of the House; and

(3) three members to be appointed by the Senate Majority Leader.

(b) CHAIRMAN.—The Chairman of the Commission shall be appointed by the President in consultation with the Congress.

SEC. 302. COMMISSION RESPONSIBILITIES.

(a) RESPONSIBILITIES.—The Commission shall be responsible for examining and making recommendations on the management and implementation of the environmental laws and programs within the jurisdiction of the Department of the Environment in order to enhance the ability of the Department to preserve and protect human health and the environment. The Commission shall make recommendations and otherwise advise the President and the Congress on the need to—

(1) enhance and strengthen the management and implementation of existing programs within the Department;

(2) enhance the organization of the Department to eliminate duplication and overlap between different programs;

(3) enhance the coordination between different programs and offices within the Department; and

(4) enhance the consistency of policies throughout the Department.

(b) RECOMMENDATIONS.—The Commission shall provide specific steps and proposals for implementing the Commission's recommendations including an estimate of the costs of implementing such recommendations, except that the Commission shall not suggest substantive changes in the policy expressed by existing laws.

SEC. 303. REPORT TO THE PRESIDENT AND CONGRESS.

The Commission shall report to the President and the Congress on its investigation, findings, and recommendations in an interim report no later than 12 months after the effective date of this title, and in a final report no later than 24 months after the effective date of this title. The interim report shall be made available for public review and comment, and the comments taken into account in finalizing the report.

SEC. 304. COMMISSION STAFF.

The Commission shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 title 5, United States Code. With the approval of the Commission the Executive Director may appoint and fix the compensation of staff sufficient to enable the Commission to carry out its duties.

SEC. 305. ADVISORY GROUPS.

The Chairman shall convene at least one advisory group to assist the Commission in developing its recommendations. One advisory group shall be composed of past staff of the Department of the Environment and its predecessor Environmental Protection Agency, other Federal and State officials experienced in administering environmental protection programs, members of the regulated community and members of public interest groups organized to further the goals of environmental protection. The Executive Director is authorized to pay members of advisory committees and others who perform services as authorized under section 3109 of title 5, United States Code, at rates for individuals not to exceed the per diem rate equivalent to the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code. The advisory group shall be subject to the provisions of the Federal Advisory Committee Act.

SEC. 306. FUNDING; AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $3,000,000 in fiscal year 1992 and $5,000,000 in fiscal year 1993 to carry out the provisions of this title.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on such date during the 6-month period beginning on the date of enactment, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect 6 months after the date of the enactment of this Act.

ORDER OF PROCEDURE

Mr. ROTH. Mr. President, I ask unanimous consent that I be able to read for 5 minutes a statement as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. I thank the President.

BABY BOOMERS AND SAVINGS

Mr. ROTH. Mr. President, as America focuses on the policies and practices our Nation needs to meet the challenges of the emerging global economic community, increasing our national rate of savings is high on the list. We all know that saving equals jobs. Saving equals research and development. It equals quality education and security for homes and families.

I read this week in Time magazine that except for the micro-processor, America has not introduced one new product into the world market in the past few years. What part of this dearth of new products is tied to the shrinking pool of capital, no one can say for certain. What we do know, however, is that there is a correlation, and without increased saving for capital formation we can expect more of the same. We also know that in the coming years, world leadership will be based not on a nation's military might, but on its economic prowess.

Continued U.S. leadership in the world will depend upon increased saving, increased investment, increased manufacturing, employment, and education—not to mention a renewed opportunity for self-reliance for our families and communities. And it is my opinion that we cannot sit back and hope that changing demographic forces or some intangible condition will rescue us from a future for which we have not adequately prepared. Tuesday's front page of the New York Times makes it clear that demographics will not rescue us from our savings slump as some would have us believe.

The article, "Baby Boomers Fail as Born-Again Savers," authoritatively disproves the theory that aging baby boomers will reverse the downward trend in America's saving status. We are last in savings among our industrial competitors. Japan, Germany, Canada—they're all ahead of us, with our dangerously low personal saving rate of about 4 percent. And according to the article, we can expect more of the same.

We can expect more of the same, Mr. President, unless we begin now to adopt policies that encourage Americans to save. The United States can secure its role as a future world leader. I agree with French writer and head of the European Bank for Reconstruction and Development, Jacques Attali, when he says, that "When confronted by a challenge, Americans have demonstrated that they can react and compete. The strong U.S. space industry is the result of the shock of Sputnik. Maybe what Americans need is to feel threatened."

We understand the threat, Mr. President. Now we need the right kinds of policies. And I believe that the Bentsen-Roth IRA proposal is the first shot we can fire toward improving America's competitive future. Clearly, I am not alone. More than two-thirds of my colleagues are cosponsors of the bill, and already more than half of the House has signed on. It is my hope that Bentsen-Roth starts the revolution of positive policies that create opportunities and incentives to save, to invest, and to grow—not only as families and communities, but as a nation.

Mr. President, I ask unanimous consent the article from the New York Times be printed in the RECORD in its entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 24, 1991]

BABY BOOMERS FAIL AS BORN-AGAIN SAVERS

(By Sylvia Nasar)

For years, optimists have been counting on the middle-aging of the baby-boom generation to lift the nation's sagging savings rate. As boomers abandoned late nights at discos for early dinners at home with the kids, they were supposed to start saving for retirement or college the way that June and Ward Cleaver did.

If only "Leave It to Beaver" were true today. Personal saving habits peaked in the early 1970's, when the average citizen stashed away more than 9 percent of his or her take-home pay, and declined through the late 80's when personal saving reached a nadir of less than 3 percent.

MATURING IS NOT ENOUGH

A few years ago it seemed that thrift was getting trendy again, but lately saving has slumped anew. Worse, economists have concluded that there is little reason to believe that younger Americans merely by maturing, will turn sufficiently thrifty to lift the nation's savings rate much.

One reason is that as the babyboom generation moves into middle age and saves more than it has, it is still saving less than earlier generations. What's more, older Americans spend more than they earn in retirement, and the ranks of seniors are growing rapidly—so much so that baby boomers would have to save a substantial part of their income to offset the spending pattern of retirees and raise the nation's modest savings rate.

Such a shift is unlikely, economists say, for several reasons, including the fact that average incomes for households headed by baby boomers are modest.

HUGE DEFICITS LIKELY

That finding is bad news for investment and, hence, for the economy's long-term ability to generate higher productivity growth and living standards. A smaller amount saved by the nation's households, businesses and governments put a ceiling on new investment—even if some of it can be financed by foreigners. There is already a broad consensus that the nation is investing too little.

The decline of personal thrift is particularly worrisome because Washington is likely to keep racking up huge deficits, and corporate saving, which may well strengthen in the 90's, is not likely to offset the decline in household saving.

But the maturation of the baby boomers will not rescue the nation from its spendthrift ways, many economists believe. "The baby boom has nothing to do with the long-term decline in saving, so I see no reason for expecting saving to rebound now," says Barry Bosworth, an economist at the Brookings Institution who was the co-author of a recent savings study.

Edward F. McKelvey, an economist at Goldman, Sachs & Company, dismisses as a "cruel hoax" the notion that shifting demographics will cause a savings surge.

In July, the most commonly cited measure of saving, the personal savings rate—after-tax personal income minus consumer expenditures—was 3.7 percent. That was down from 5.2 percent last May. Economists expect saving to edge up with real income in the recovery, but fewer and fewer expect it to reach its 6.5 percent post-World War II average, much less the double digits that some Wall Street economists have predicted. Forecasters at DRI/McGraw Hill project that the savings rate will hover around 4 percent in the 90's.

A SEDUCTIVE THEORY

It is easy to see why the prospect of a spontaneous revival of thrift has seemed so seductive. For Wall Street, more saving is the tide that could keep the stock and bond markets afloat. For people who fret about declining United States competitiveness, more savings would encourage investment. And for the baby boomers themselves, lacking faith in Social Security, more saving would improve the prospect of a more secure retirement.

More than anything, though, the demographic landscape seemed set for increased saving. Households headed by people 40 to 50 years old historically squirrel away a bigger slice of their income—as much as 16 percent of it, which is more than any other age group does. Now that the leading edge of the baby boom, the generation born between 1946 and 1961, is moving into that age bracket, it would seem to follow that the overall rate would rise.

Actually, it does not follow, several economists say. The boomers are saving more than they did when they were younger—for college education, first homes and retirement—but not as much as their parents did nor enough to affect the overall rate much.

"The pace of migration of baby boomers into the high-saving age bracket is much too glacial to deliver the promised increase in saving on its own," Mr. McKelvey of Goldman, Sachs said.

JOB FOR MIDDLE-AGED

According to a projection by the Bureau of the Census, the proportion of all households headed by people 45 to 54 years old should swell by less than five percentage points, to about 20 percent, by the year 2000.

To raise the savings rate even one percentage point, say to 5 percent from 4, the middle-aged would have to set aside an unlikely 20 percent of after-tax income, Mr. McKelvey said. To reach 10 percent, he added, this group would have to save practically its entire income.

A second problem is that while baby boomers are moving into the high-saving years, the population of Americans 75 and over will also be growing. Like very young Americans, the very old generally spend far more than their current income. "That produces a substantial offset to the small contribution of the aging of the babyboom generation," Mr. McKelvey said.

Mr. McKelvey also shoots holes in a variant of the aging baby-boomer theme, that of the repentant yuppie. These born-again savers supposedly shopped until they dropped in the 80's and are all shopped out. Besides, they are supposedly tired of materialism and plan to spend the 90's rediscovering traditional values.

But the overwhelming majority of households in the 35-to-44-year old bracket do not have high incomes to begin with, Mr. McKelvey said. Their average income, $40,000 before taxes in 1989, was "hardly enough to pay for BMW's and trips to the Bahamas on top of basic household expenses."

Besides, contrary to what one might expect if everybody had been splurging on luxuries instead of saving, the fraction of income Americans spent on cars, electronic gizmos and travel did not budge in the 80's. What did take a bigger bite out of budgets, though, was medical care, whose share jumped 4.5 percentage points. That is enough, Mr. McKelvey said, to account for the decline in the savings rate.

There is new historical evidence that casts more doubt on the idea that baby boomers are to blame for the savings slump—an idea advanced by the President's chief economic adviser, Michael J. Boskin, in an influential paper a few years ago. Much of that evidence is given in a recent study by three Brookings Institution economists, Mr. Bosworth, Gary Burtless and John Sabelhaus. The study examines data from household surveys in the United States, Japan and Canada.

SLIPPED IN ALL GROUPS

As it turns out, savings rates slipped in all age groups—and in Japan as well as in the United States and Canada—from the early 60's through the mid-80's. Contrary to what most economists have thought, the rates fell furthest among older households. Finally, demographic shifts between high savers and low savers explained virtually none of the slide in saving in the last decade.

One clue to why older households cut back on saving proportionately more than younger households: Saving by homeowners fell much more than that by renters. Prices of houses, which the middle-aged are much more likely to own, were appreciating rapidly in the late 70's and early 80's.

If neither a preponderance of youth nor yuppie excesses caused the decline in saving during the 70's, and 80's, middle age and newfound sobriety are not likely to raise it. Mr. McKelvey detects a number of trends that could discourage saving even more, among them the rising birth rate among women in their 30's and the leveling out of the percentage of women in the work force.

SPENDING ON DIAPERS

"The very generation that is supposed to stop buying too many BMW's may find itself spending money on diapers and day care instead of T-bills," he said.

The true culprit in the savings slump, Mr. Bosworth suggested, may be psychological. People operate with rules of thumb that are formed by critical experiences, like the Great Depression; he said. As the Depression, has receded in memory, he added, the rule of frugality has gradually broken down.

Lawrence H. Summers, chief economist at the World Bank, said he believed that people might have less to worry about than they used to. Twenty years ago the rate of poverty among the elderly was twice that of younger Americans. Today it is lower. "My guess," he added, "is that many more people form a view about retirement by looking at whether their parents seem rich or poor than by looking at the report of the Social Security actuaries."

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE ENVIRONMENT ACT OF 1991

The Senate continued with the consideration of the bill.

Mr. GLENN. Mr. President, what is the order of business?

The PRESIDING OFFICER. Under the previous order, the Senate has proceeded to the consideration of S. 533.

Mr. GLENN. Mr. President, I am very pleased today to rise to bring S. 533, the Department of the Environment Act, to the floor for passage by the Senate. The purpose of S. 533 is to establish the Environmental Protection Agency—EPA, as it is better known—as a Cabinet-level Department of the Environment, thus strengthening the Agency's management effectiveness and ability to execute national and international environmental policy.

The bill also establishes within the Department a Bureau of Environmental Statistics. S. 533 also creates a commission on improving environmental protection, which will examine and make recommendations to better integrate Federal environmental laws, regulations, and other authorities.

The legislation puts the Congress on record as supporting certain initiatives in the international environmental arena, including: authorizing the Secretary of State to convene in the United States an international meeting on energy efficiency and renewable energy resources, and encouraging the establishment of an international carbon dioxide monitoring program under the auspices of the United Nations Environment Program [UNEP] and the World Meteorological Organization.

Mr. President, I will offer a committee amendment which incorporates a number of changes that are the result of several separate negotiations with

Members of this body. The committee amendment clarifies the confidentiality provision respecting data compiled by the Bureau of Environmental Statistics. It changes some of the personnel hiring restrictions in the current bill and makes the Secretary's grant authority to State and local governments discretionary instead of mandatory, and clarifies that States and local governments cannot be required to collect data on the bureau's behalf. These changes are the result of negotiations with Senators ROTH, WALLOP, KOHL, and LEAHY.

Concern about the environment and the impact of human activities on it has existed for decades. Although considerable activity at the State level made environmental issues increasingly visible through the 1950's and 1960's, a movement toward an integrated Federal policy did not begin to occur until the late 1960's and early 1970's with the advent of an active environmental movement, perhaps best reflected in the holding of Earth Day, 1970. That year, President Nixon, acting under reorganization authority provided by the Congress, proposed the creation of an environmental agency within the Federal Government. Considerable debate ensued over the scope and the direction of our domestic and increasingly international environmental policy.

What sort of role should a Federal agency play in making and enforcing environmental standards? What kind of regulatory agency should it be? Should it be a Cabinet-level agency, or an independent agency?

The outcome of that debate at that time was the establishment of the Environmental Protection Agency as a primarily enforcement-driven organization with responsibility for overseeing the regulation of a handful of water and air pollutants and the registration of pesticides.

Along with the EPA, the Council on Environmental Quality, [CEQ], was created to play a key policy role in the environmental arena.

Today, the scope of EPA's activities has greatly expanded. In the past, it oversaw four major environmental statutes. Now its activity includes over 15 major statutes, and many minor ones. To match its increasing responsibilities, EPA has been given greater appropriations and personnel. Since its creation, the agency's total budget has increased some tenfold, from $384 million in 1970 to about $5 billion in 1989. Its staff has nearly tripled, from 5,700 in 1970 to over 15,000 today.

Last June, the General Accounting Office estimated that the economic effect of EPA programs—that is, all of the costs associated with pollution control and regulation, including cleanup, compliance, research and development—was more than $700 billion since 1970 and $86 billion annually. That is about 2 percent of our GNP.

Despite the general growth of the agency, over the course of the past decade, funding for EPA programs has steadily eroded. In real dollars, there has been a 12-percent decrease in EPA's budget since 1981, not even considering EPA's significant and relatively new responsibilities in such things as Superfund and RCRA [Resource Conservation and Recovery Act].

The number of employees in research and development, an area critical for establishing credible foundations for environmental policy, has fallen from about 2,300 to about 1,800, with a parallel increase in reliance upon contractors and consultants. As an aside, I would say that that shows some of our shortsightedness since, when we have to go outside for contractors and consultants, we usually do so at even more expense than if work is conducted inside.

Most recently, attention has been focused on environmental problems at the global level. Stratospheric ozone depletion, global warming, acid rain, and a number of other environmental concerns have occupied a steadily increasing amount of time and resources at EPA.

At the same time, new revelations at home about environmental degradation at Federal facilities and the ongoing debate over clean air have given new impetus to calls for increased attention to environmental problems.

Those calls have resulted in a growing realization that elevation of EPA to Cabinet-level status is not only warranted but is badly needed.

At this point, I want to provide some brief background on the history of this bill. In June of 1989, I requested and was granted a meeting with President Bush—that is over 2 years ago—to discuss my proposal to make the EPA a Cabinet Department, and the President at that meeting agreed to consider an appropriate proposal.

Over the next 6 months, negotiations involving myself and the ranking minority member of the Senate Governmental Affairs Committee, Senator ROTH, and the administration ensued. Finally, on January 23, 1990, S. 2006 was introduced, with the full support of President Bush and the backing of five cosponsors. That bill was marked up and ordered to be reported by the Governmental Affairs Committee on February 28, 1990. It failed to reach the Senate floor for a vote and died at the end of the 101st Congress.

S. 533, the bill I reintroduced in this Congress, now has 31 cosponsors. This new legislation reflects negotiations held in 1990 among four separate committees with interests in this subject. The bill was referred to the Governmental Affairs Committee and was marked up and favorably reported on May 23, 1991.

Mr. President, I am fully aware of and take seriously concerns expressed by students of government about the growth and consequent unwieldiness of the Presidential Cabinet. I believe, however, that these concerns are overridden by the benefits that will accrue from establishing a Department of the Environment. At our hearings in 1990, witnesses agreed on several key reasons why the new department is both desirable and important:

First, there is the question of Presidential access and attention. The history of Presidential attitudes toward environmental problems suggests that, independent of the stance of any particular President, there needs to be an institutional permanence at the highest level in the making and executing of environmental policy. Environmental policy matters frequently cut across the concerns and jurisdictions of Cabinet-level departments and vice versa. A seat at the Cabinet table for the Secretary of the Environment assures a level playing field for interagency discussions.

The question of Presidential access is also extremely important. Mr. William K. Reilly, current Administrator of EPA, argues that President Bush himself has taken a more interested environmental role and that, as a result, the EPA Administrator has had greater access than in the recent past. However, even Administrator Reilly admitted that, notwithstanding President Bush's support, some sense of permanence should be established. As he testified before the Governmental Affairs Committee:

> The chair of an invitee is removable, and a guest—particularly one charged with the range of controversial issues before EPA—can risk overstaying his or her welcome.

A second important reason for elevation is the benefits which accrue respecting policy integration and coordination. Many environmental protection programs require significant interaction with other Federal departments and agencies. Clean air and clean water programs involve, among others, EPA, the Department of Transportation, the Department of Agriculture, the Department of the Interior, Department of Defense, and many research agencies. The Committee on Government Affairs' activities in overseeing and investigating the cleanup of the Department of Energy's weapons production complex have revealed the considerable interface in regulation and policy between EPA and the DOE. International effects of environmental policy may involve the Departments of State, Commerce, perhaps even the U.S. Trade Representative, and DOD, as well as EPA. From the standpoint of efficiency and economy, these interactions suggest the virtue and wisdom of putting EPA on the same footing as other Cabinet-level Federal agencies.

There is considerable consensus on the importance of EPA's participation in debates and discussions with other agencies on the formulation, funding, and execution of environmental policy. As Administrator Reilly concluded at our hearings:

> Joining the Cabinet is a concrete step in integrating environmental issues across Departmental lines. It is essential that an agency whose priority is the environment, be in a position, as an equal, to cooperate with the Cabinet Departments that oversee the nation's economic, military, and general well-being.

Dexter Peach, GAO's witness on February 8, 1990, added another, more compelling note about the importance of such integration:

> * * * as demonstrated by numerous GAO reviews, other federal agencies do not always provide the support and cooperation necessary to further environmental policy goals. Instead, roadblocks are often created by jurisdictional conflicts, organizational structures, and cultures that are not conducive to cooperation with EPA or that place a low priority on environmental protection.

Mr. President, perhaps the most compelling reason for EPA's elevation to the Cabinet has to do with the increasingly global nature of environmental pollution problems and the consequent need for international negotiations on policies for mitigation. Action in these areas requires the presence and participation of U.S. Government personnel who are on par with their foreign counterparts. As Russell Train, former EPA Administrator, stated in congressional testimony, "I can personally attest to the fact that, in dealing with representatives of foreign States, rank and status are important."

Numerous witnesses at our hearings last year described the need to provide new stature for our environmental efforts abroad. The United States is a world leader in a number of environmental areas, yet it continues to present itself to the world with subministerial level officials for high-level negotiations and delicate political discussions.

Mr. Reilly, whom President Bush has said would be his choice as the first Secretary of the Environment, noted at our February 6, 1990, hearing:

> The perception that the United States Environmental Protection Agency is not headed by a cabinet officer I think strikes many other governments as odd and anomalous and difficult to understand, particularly now as we have these interactions on such fundamental, important issues.

Other witnesses also remarked upon the growing scope of America's involvement in international environmental questions. Ambassador Peter Jon de Vos, Principal Deputy Assistant Secretary at the Bureau of Oceans and International Environmental and Scientific Affairs in the State Department at our February 6 hearing cited some specific examples of that involvement:

> The process leading both to the Vienna Convention and Montreal Protocol on ozone depletion was but one example of an environmental initiative attributable to U.S. leadership. More recently, we strongly supported the establishment of the Intergovernmental Panel on Climate Change (IPCC) to serve as the primary forum for considering all aspects of this vital issue.

Thomas Stoel, Jr., of the Natural Resources Defense Council echoed this view:

> Lack of Cabinet status for EPA is even more harmful with respect to international problems. Many foreign countries have Cabinet-level environmental ministries. * * * These countries created cabinet-level agencies to demonstrate that they attach great importance to environmental protection. For the United States not to have such an agency is bound to send the opposite message, no matter what we say to the contrary.

Industry representatives also noted the desirability of enhancing our international image in the environmental area. Dr. Bruce Karrh of DuPont concluded:

> In international relationships and negotiations, where position and protocol may be especially important, having cabinet department status should prove very useful, especially because the Secretary will be dealing with his peers from other countries on an equal footing.

Industry witnesses also suggested that Cabinet status will confer on EPA a stronger ability to integrate environmental objectives with economic ones. The concern is for a check to ensure that domestic environmental laws and regulations do not unnecessarily hamper U.S. industrial competitiveness abroad. Mr. Ron Van Mynen, of the Chemical Manufacturers Association testified that he believes a new Department of the Environment should also have the ability to assess the effects of regulation and legislation on the international competitiveness of U.S. industry. And it should . . . seek to integrate environmental and economic decisionmaking.

In summary, Mr. President, compelling evidence exists for the elevation of EPA to Cabinet-level status. When the Committee on Governmental Affairs acted on a proposal to elevate the Veterans Administration to a Cabinet-level department 2 years ago it asked the National Academy of Public Administration to develop criteria to measure the value and ultimate wisdom of creating new Cabinet-level departments. According to NAPA, the EPA elevation proposal embodied in S. 533 meets at least 9 out of 14 of these criteria. Thus, from a purely good government and management standpoint, this elevation is justified.

Recent events in the Persian Gulf and elsewhere around the world make the case for a new Department even more persuasive. In the Persian Gulf we saw the call for EPA teams to come and help in some of the environmental degradation that was going on over there. Mr. President, I believe the time has come for the Senate to speak with one voice on this very important issue. We have waited too long to confirm what most people know is true—the environment is a precious and unique legacy which we must do everything in our power to protect. Elevating EPA to Cabinet-level status will send precisely the right signal to the American people and the world that we take that charge most seriously and that we plan to be a world leader in this area of environmental concern.

(Mr. FORD assumed the chair.)

Mr. ROTH. Mr. President, I have been pleased to work with both the chairman and the administration since 1989 in an effort to elevate EPA to full Cabinet status. I am optimistic that our efforts today will achieve just that.

Mr. President, I would like to point out that 21 countries already have executive status or Cabinet status for their environmental ministers. They include both large and small countries: Australia, Austria, Belgium, Canada, Denmark, Germany, France, India, Ireland, Israel, Japan, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Sweden, Taiwan, the United Kingdom, as well as the U.S.S.R., at least at last report.

I think it is critically important that we join these other countries in giving this status to our environmental ministry.

Mr. President, I am always reminded that environmental protection is crucially important. I cannot agree more with that assessment. I also believe that it should be of crucial importance to all nations of the world. As a leader in environmental protection efforts, we have over the past decade given the environment a place among the world's top political and economic concerns. That is why I have always been such a strong supporter of efforts to establish a Cabinet level department designed to manage national environmental goals and coordinate international ones. We must bring issues of global environmental protection to the level of critical importance to where they belong.

We now begin the last decade of a century studded with industrial growth. Though we have realized great advances, we have left in the wake a crippled environment worldwide. We must begin the healing and we must do so with great seriousness. Similarly we must ensure that international environmental standards be established. This is important both from the standpoint of clean air and clean water. It is also important from a competitive standpoint. If we adopt strict standard but others do not we will all be worse off. The GAO estimated that the economic effect of EPA programs was about 2 percent of our GNP. This gives our competitors a tremendous economic advantage to the extent that they do not impose all of the costs associated with pollution control and regulation that we impose. Because of its importance to all Americans, I expect the new Secretary be diligent in his efforts to establish firm international environmental standards. We cannot and must not tolerate countries that seek to gain a competitive edge by conducting environmentally dirty business.

These efforts will be even more important because we are on the threshold of a new era. As rapid industrialization of the Eastern bloc and Third World nations progresses, we are challenged to help these countries avoid costly environmental errors.

While always being concerned about unrestricted growth of the Federal Government, I have been a fully supportive partner of President Bush and Senator GLENN in the belief that we need a Department of the Environment. I am equally confident that this bill does not symbolize rampant Government growth, but embodies concepts that are both timely and necessary. Throughout the long hours of negotiations it has taken to bring this bill to the floor the Government Affairs Committee has benefited from the valuable input from many environmental groups, industry, the EPA, and the GAO. This effort has allowed the committee to come to a consensus and move the bill forward. A Department of the Environment puts environmental concerns at the President's Cabinet table and ensures that these concerns are considered in conjunction with all major administration policy decisions. The new Secretary of the Environment will be at the ministerial level, on par with ministers of the environment of other countries. His voice, in concert with that of the Secretaries of State, Defense, Treasury, Commerce, and other will make sure that no country attains an economic advantage.

I know that each of us has a true appreciation for the delicate nature of the environment. I believe that this bill represents a golden opportunity for Congress to ensure the preservation of the environment as a national priority into the future. The Department of the Environment that we help create today will continue efforts that make the environmental concerns of our individual States part of a national policy to achieve a cleaner world and better world for all of us.

So, Mr. President, I am happy to join with my colleagues in proposing the adoption of this legislation.

Mr. GLENN. I thank the distinguished Senator from Delaware. We have worked very closely together on this, and I very much appreciate his efforts. I know personally of his great concern with environmental matters. That is the reason we have kept this before this committee for so long.

Mr. CHAFEE. Mr. President, I rise today to express my support for S. 533, a bill to elevate the Environmental Protection Agency to a Cabinet level, Department of the Environment. I would like to commend my colleagues, the distinguished senior Senator from Ohio, and the senior Senator from Delaware, for taking the initiative to report this bill out of the Governmental Affairs Committee.

Congress created the Environmental Protection Agency a little over 20 years ago to consolidate Federal oversight of environmental issues. EPA has been forced to address some of the most complex and controversial issues of our time.

Under EPA's leadership we have seen the blood lead levels in children drop significantly due to the phaseout of leaded gasoline; we have returned most of our unsightly and polluted rivers to the point where they are now fishable and swimmable; and hazardous waste, which was once dumped into open pits where it threatened ground water, is now strictly regulated and disposed of in an environmentally sound manner. But many difficult problems remain.

Twenty years ago we did not fully recognize that the actions of one nation could upset the delicate balance of life around the world. But the fact is, the world is composed of interdependent countries which need to act collectively to confront global problems such as the greenhouse effect, ozone depletion, degradation of our marine environment, and acid rain. Increasingly, industrialized nations have begun to share our view. Many of these nations have moved the protection of the environment to the top of their agendas and have given their environmental officials ministerial ranking. A subcabinet EPA does not reflect the priority that should be given to the environment by our Nation, and undermines the Environmental Protection Agency's position in global talks. As environmental protection takes on an increasingly global nature, we need a Secretary of the Environment with the stature to deal effectively with foreign Environmental Ministers.

The Environmental Protection Agency requires Cabinet level status in domestic policy debate as well. Effective interaction between Federal executive departments requires officials of equal stature. To fully join national environmental policy debate, on issues such as fuel efficiency standards within our national energy policy or Government subsidies for pesticides within the Department of Agriculture, the EPA demands Cabinet status.

Presently, the EPA is responsible for the enforcement of 19 major environmental laws, employs approximately 15,000 people, and has a budget of about $6 billion. The EPA has a larger work force than the Department of Education and a budget larger than that of the State Department. Size alone cannot justify Cabinet status, but when coupled with the importance of its mission, EPA is deserving of Cabinet status. We must show our resolve and commitment to a clean environment, by placing a greater priority on environmental affairs. Foreign governments, the industrial sector and the American people should know that the United States places the highest degree of emphasis on improving the quality of our environment. Department status for the EPA will highlight our commitment.

Last year, President Bush stated that:

> Twenty years ago President Nixon established the EPA, the Environmental Protection Agency, by executive order. That is now one of the largest and most important regulatory agencies in the government * * *. Many countries have environmental ministers with Cabinet status, and I'm convinced that Cabinet status will help influence the world's environmental policies.

Mr. President, I urge adoption of S. 533. With the passage of this bill, the Congress will underscore the critical role the Environmental Protection Agency plays in guiding our domestic policy debate and in preserving our fragile global ecosystem.

AMENDMENT NO. 1243

(Purpose: To provide that information compiled by the Bureau of Environmental Statistics shall not be disclosed publicly in a certain manner, and for other purposes)

Mr. GLENN. At this point, Mr. President, I send the committee amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 1243.

Mr. GLENN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

> On page 48, strike out lines 12 through 16.
>
> On page 48, line 17, strike out all through "assigned" on line 18 and insert in lieu thereof "(d) FUNCTIONS.—Functions assigned".
>
> On page 48, line 21, strike out all through line 1 on page 49.
>
> On page 51, line 1, insert after the comma "State or local government".
>
> On page 51, strike out lines 3 through 22, and insert in lieu thereof the following:
>
> (3) Information compiled by the Bureau of Environmental Statistics, which has been submitted for purposes of statistical reporting requirements of this law, shall not be disclosed publicly in a manner that would reveal the identity of the submitter, including submissions by Federal, State, or local governments, or reveal the identity of any individual consistent with the provisions of section 552a of title 5, United States Code (the Privacy Act of 1974). This paragraph shall not affect the availability of data provided to the Department under any other provision of law administered by the Department. The confidentiality provisions of other statutes authorizing the collection of environmental statistics shall also apply, including but not limited to, section 14 of the Toxic Substances Control Act (15 U.S.C. 2613), section 2(h) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h), section

114(c) of the Clean Air Act (42 U.S.C. 741(c)), and section 1905 of title 18, United States Code.

On page 54, line 15, strike out "shall" and insert in lieu thereof "may".

On page 56, strike out lines 12 through 19.

On page 56, line 20, strike out "(b)" and insert in lieu thereof "(a)".

On page 57, line 3, strike out "(c)" and insert in lieu thereof "(b)".

Mr. GLENN. As I mentioned earlier this amendment involves the following matters:

Removing a limitation in the bill on minimum number of Deputy Assistant Secretary positions in the career Senior Executive Service.

Removing certain designations of Deputy Secretaries.

Adding "State or local government" to those entities prohibited from collecting data on the Bureau's behalf. They cannot be forced to do that, in other words.

Clarifying confidentiality provision respecting nondisclosure publicly of information collected by the Bureau.

Changing the Secretary's authority to make grants to States and localities for data collection from mandatory "shall" to discretionary "may."

Removing restrictions on the percentage of noncareer SES positions allowed in the new Department.

Mr. President at the appropriate time I will ask that the amendment be agreed to. I do not know whether my distinguished colleague from Delaware has any remarks to make before I do that or not.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. ROTH. Mr. President, I am happy to rise in support of the amendment just offered by the distinguished chairman, Senator GLENN. It removes, as he said, certain restrictions on noncareer personnel at both the deputy assistant and senior executive service level. Specifically, these are sections 105(c), 105(d)(2), and 111(a). To include these restrictions denies the Secretary management flexibility and unduly limits executive branch prerogatives through congressional micromanagement.

I hope, in agreeing to this amendment, Mr. President, that we can proceed to keep this bill clean except for the chairman's amendment and that it will not be weighed down with extraneous matter.

I thank the chairman for his persistence in efforts to have this legislation enacted into law.

Mr. GLENN. I thank my distinguished colleague and ask that the amendment be agreed to.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 1243) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, I also ask unanimous consent that Senator BINGAMAN be added as a consponsor of S. 533.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1244

(Purpose: To ensure that agencies establish the appropriate procedures for assessing whether or not regulation may result in the taking of private property, so as to avoid such taking where possible)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. SYMMS, proposes an amendment numbered 1244.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . PRIVATE PROPERTY RIGHTS ACT.

(a) SHORT TITLE.—This section may be cited as the "Private Property Rights Act".

(b) DEFINITIONS.—For purposes of this section:

(1) The term "agency" means all executive branch agencies, including any military department of the United States Government, any United States Government corporation, United States Government controlled corporation, or other establishment in the Executive Branch of the United States Government.

(2) The term "taking of private property" means any activity wherein private property is taken such that compensation to the owner of that property is required by the Fifth Amendment to the Constitution of the United States.

(c) PROTECTION OF PRIVATE PROPERTY.—(1) No regulation promulgated after the date of the enactment of this Act by any agency shall become effective until the issuing agency is certified by the Attorney General to be in compliance with Executive Order 12630 or similar procedures to assess the potential for the taking of private property in the course of Federal regulatory activity, with the goal of minimizing such taking where possible.

(2) Upon receipt of guidelines proposed by an agency for compliance with the procedures referenced in paragraph (1), the Attorney General shall, in a reasonably expeditious manner, either approve such guidelines, or notify the head of such agency of any revisions or modification necessary to obtain approval.

(d) JUDICIAL REVIEW.—(1) Judicial review of actions or asserted failures to act pursuant to this section shall be limited to whether the Attorney General has certified the issuing agency as in compliance with Executive Order 12630 or similar procedures. Such review shall be in the same forum and at the same time as the issued regulations are otherwise subject to judicial review. Only persons adversely affected or grieved by agency action shall have standing to challenge that action as contrary to this section. In no event shall such review include any issue for which the United States Court has jurisdiction.

(2) Nothing in this subsection shall affect any otherwise available judicial review of agency action.

Mr. ROTH. Mr. President, the Symms amendment would create a regulatory review scheme to protect private property rights.

On June 12, the Senate failed, by a vote of 44 to 55, to table this amendment when it was offered by Senator SYMMS to the Surface Transportation Efficiency Act of 1991. Although I supported the Senator from Idaho in the past, I do have to say I would prefer we did not accept this amendment since we have no need for this amendment on a bill that elevates EPA to Cabinet status. It will hinder us in the conference and I feel this should not be loaded down with extraneous matters.

However, because the Senate has previously spoken on this issue, I will be willing to accept the amendment at this time. I ask for its immediate adoption.

The PRESIDING OFFICER. Is there further debate? The Senator from Ohio.

Mr. GLENN. Mr. President, the Senator from Delaware, my distinguished colleague, has stated the situation well. This was up on the highway bill before. The Senate did express its will.

We have checked the amendment this morning. The language to that previous inclusion in the highway bill and the amendment submitted here is identical, word for word. There is no change in it. So I see no reason, really, to put the Senate through the throes of another debate on that particular issue. It was not a one- or two-vote margin when it went through before.

While my view on it is the same as that of my distinguished colleague, I accept it on this side of the aisle and urge its adoption.

Mr. SYMMS. Mr. President, our great Nation was based on a very simple principle—that individuals have certain rights, such as the right to free speech, the right to worship as you choose, and the right to peaceful assembly. Our Founding Fathers established the Government specifically to protect and preserve these rights; rights which were so obvious and necessary that Thomas Jefferson called them "self-evident."

These rights were so important to the Framers of the Constitution that they were detailed in the Bill of Rights as a constant reminder to posterity. Included among this listing of rights is the fifth amendment, which states that no person shall "be deprived of life, liberty, or property, without due process of the law; nor shall private property be taken for the public use, without just compensation."

Unfortunately, in our country the value of the right to own property is sometimes forgotten. Increased Government regulation has slowly, and in some cases not so slowly, taken precedence over individual rights. The fifth amendment to the Constitution has become, to some, not an intricate part of our lives but a concept which has outlived its usefulness. It was with this in mind that I introduce my amenment, the Private Property Rights Act.

The Private Property Rights Act ensures compliance with Executive Order 12630, signed by President Reagan in 1988. This order was issued after the Supreme Court handed down a series of landmark decisions regarding private property. These cases found that a taking can result from Government regulation even when it was not intended—such as when the Government was actually trying to achieve some other public goal—the protection of a wetland for example. As current Environmental Protection Agency Administrator William Reilly has described it:

> The purpose of the Executive order is to ensure that government decisionmakers evaluate carefully the effect of their actions on constitutionally protected property rights and thereby avoid unnecessary takings.

My legislation states, simply, that the Attorney General will have the authority to determine if Federal agencies have established guidelines to assess the potential for the taking of private property in the course of Federal regulatory activity. If proposed guidelines are found to be insufficient, the Attorney General will notify the agency of what revisions would be necessary to gain approval. Revised guidelines may then be resubmitted to the Attorney General's office for further review.

I felt this bill was necessary when I began to hear the horror stories of people who are denied the use of their own property by the Federal Government. There are several cases which I think are excellent examples of just what can happen when the expansion of government regulations go unchecked.

In Juneau, AK, a privately owned family shelter for the homeless wanted to expand. In order to add the five extra units they desired, the shelter was required by city ordinance to expand its parking facilities. When the owners of the shelter applied for a permit to pave a portion of the adjacent lot, the U.S. Fish and Wildlife Service objected. They claimed the lot was a wetland which served important ecological functions.

What the Fish and Wildlife Service failed to notice, however, was that the lot was in the middle of downtown Juneau and was surrounded by commercial buildings on three sides. The shelter owners waited nearly 9 months before approval was finally granted. This delay resulted in almost half of Juneau's homeless families spending another winter in the cold.

In my own State of Idaho we have also had to face intrusions on private land. A farmer just outside Moscow, ID, was asked by the county road supervisor to help remove some dirt that snow plowing operations had left piled by the roadside. Knowing that this dirt caused a safety hazard to drivers, the good farmer kindly agreed to allow the dirt to be scooped up and tossed over the fence into his field.

Little did he know that the Federal Government considered his field a wetland, and that by agreeing to allow dirt to be tossed on it, he was violating a Federal law, the Clean Water Act. When retelling of his predicament, the farmer expressed the same frustration many people have felt when confronted with similar regulations. He said, "I thought I owned my own land."

Unfortunately these cases are not isolated. In California, Maryland, Wyoming, and Missouri, indeed all across the United States, government agencies, while not always physically seizing property, have prevented people from being able to use their own land, thereby eliminating its value.

As you can see, something has to be done to protect the rights of individuals. Each year the Federal Government issues thousands of new pages relating to the use of private property. Maintaining the status quo will lead only to additional takings and cause people to live in the constant fear that their property could be taken from them at any moment.

As I see it, this body can either roll back the aggressiveness of our laws and regulations with regard to the environment, public health and public safety or it can allow these statutes to proceed aggressively but rely on safeguards that ensure that taking of private property is fairly compensated.

Since the willingness of the Congress to modify its many and diverse regulations on land use appears small—I doubt efforts along those lines would be successful. So I am left to hope that we can enact a simple safeguard which will be sufficient to protect the private property that makes American agriculture the envy of the world.

Over the years we have seen the results of private property ownership. The United States has grown from a fledgling nation to a world power. Our industrial and agricultural expansion has been almost beyond measure. This would simply not have been possible without private property.

Recent years have also allowed us to witness the absolute decline of those countries which reject the right to private ownership of property. Nothing speaks louder for the necessity of recognizing and protecting private property rights than the histories of those nations which have tried to do away with it. This fact is not lost on these newly emerging market economies. People across Eastern Europe and the Soviet Union have loudly proclaimed their desire, above all else, to have the right to own property.

These same nations are living proof that the environment does not prosper under Government control. We have all seen the pictures of the dirty, dying industrial cities of Eastern Europe and the Soviet Republics. The gray landscape and smog-filled air serve as constant reminders of Government sponsored neglect. Administrator Reilly recently wrote:

> The lifting of the Iron Curtain has revealed to the world that authoritarian, centrally planned societies pose much greater threats to the environment than capitalist democracies. Many environmental principles were undefendable in the absence of private property: Both the factory and the nearby farmland contaminated by its pollution were the property of the state.

The Private Property Rights Act forces the Government to respect private property, and requires that regulations be assessed for their potential to deny private property rights. The goal of such assessments would be to redirect the regulation so as to accomplish its goal while imposing on private property to the smallest degree possible. And if such an imposition is unavoidable, then the constitutionally required "just compensation" must be considered by the Agency.

This act will not lead to environmental catastrophe or pose a danger to the public health. It will permit private property owners to use their land and feel secure that that use will not be unjustly taken from them. The Government of the United States of America was formed to protect the essential rights to which all people are entitled. The Private Property Rights Act will serve to ensure that the Federal Government does just that.

Mr. CHAFEE. Mr. President, I oppose the amendment offered by Senator SYMMS—as I have in the past—and urge my colleagues to reject the amendment as unnecessary and unwise.

First, the amendment is unnecessary as private property rights are already fully protected under the U.S. Constitution. The fifth amendment states that the Government shall not take private property without providing just compensation. The question for the courts has been: what is considered a taking? While the Government must, in carrying out its duties, impose rules and regulations which affect individual rights—including property rights—the courts have generally held that when Government action denies a property owner all or virtually all viable use of his property, the owner must receive just compensation.

This amendment adds nothing to the protections for private property rights already contained in the Constitution. What it does is to codify an existing Executive order that is of questionable merit. Why is the Congress acting to adopt an Executive order as legislation; why is this necessary? Supposedly some agencies—including the EPA—have not yet come into full compliance with this Executive order. Yet, I understand that the EPA submitted its final proposal to the Justice Department for their review on June 20. The Justice Department has not yet—3 months later—completed their review of EPA's proposal. This is not because there are any substantive problems with the proposal—Justice has just not acted. Under Senator SYMMS amendment, the EPA would not be able to implement any new regulations until the Attorney General had certified that it was in compliance with the takings Executive order. This could delay the issuance of important regulations whether or not the regulations had takings implications.

Second, approving this amendment is unwise. This amendment would empower the Attorney General to block any regulation to implement any statute simply by withholding or withdrawing certification that the agency attempting to issue the regulation is in compliance with Executive Order 12630 or similar procedures. Furthermore, under the terms of this amendment, even after the Attorney General had certified that an agency had complied with the Executive order, he could at any time replace the requirements of the existing order with "similar procedures" at his discretion. Why does Congress want to issue a blank check to the Attorney General on whether to allow the issuance of congressionally mandated regulations?

Despite the broad scope of this amendment, no House or Senate Committee has considered this legislation or its potential impact on regulations to protect health, the environment, civil rights, to name just a few important topics. Again, I have to ask what is the rush to codify this Executive order? Where is the need to pass this amendment? And given the fact that the EPA submitted its final proposal to comply with the Executive order over 3 months ago and Justice has yet to respond, does it make any sense to give the Attorney General unfettered discretion to interfere with the regulatory process?

Executive Order 12630 is problematic in its own right in that it does not accurately reflect takings law as articulated by the Supreme Court. According to a report prepared by the Congressional Research Service, the Executive order greatly overstates the likelihood that agency actions would be found to constitute a taking under the Constitution. The Congressional Research Service report states that there appears to be no basis in Federal taking jurisprudence for the added demands imposed by the Executive order. This is particularly the case with Federal regulations aimed at protecting public health and safety, as these types of regulations are considered the least likely to be found by the courts to effect "a taking of private property."

So the question becomes—will this amendment help protect private property—a goal which I certainly support—or will it add yet another unnecessary and problematic layer to the regulatory review process and cede important legislative powers to the Executive? I think a careful reading of this amendment suggests the latter and I urge my colleagues to oppose it.

The PRESIDING OFFICER. Is there further debate? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1244) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. This is to the substitute.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, a little more than a year ago I came to the floor and offered my amendment on the interstate transportation of solid waste. The Senate very strongly supported that effort on a bipartisan basis by more than a 2-to-1 vote.

We recognized at the time that a more comprehensive solution, which would not be subject to being stripped in conference or lost in the business over in the House, would be the preferable route to follow. Since that time I have been working very closely with the Senator from Montana and Senator CHAFEE and other Members of the Environment Committee, to fashion a solution to this very significant problem.

Out-of-State trash continues to flow into States like Indiana and many others. Our landfill space continues to diminish. I think there is a general recognition on the part of my colleagues that something needs to be done. The best vehicle for that is the Resource Conservation Recovery Act reauthorization.

I had hoped, as many had, that the RCRA would be before us in this session of Congress. It appears that this is no longer the case. However, work proceeds with RCRA. Because our landfills are filling up and the clock is ticking, I am obviously anxious to move that legislation forward. I have had a number of discussions with the Senator from Montana, the chairman of the subcommittee, and he and I have reached agreement relative to how we should best proceed with this.

I thank him for his cooperation and for working with us. Our staffs have been working very closely, along with the staffs of many other interested Senators. We are going to enter into a very short colloquy here, relative to this agreement and how we think we should best proceed.

It is my understanding we will both work to bring RCRA to this Senate floor in as expeditious a manner as possible; that we will work to ensure that RCRA legislation contains an appropriate solution to this problem of interstate transportation of solid waste. We have worked on an agreement and I think we are relatively close to an agreement on how best to proceed.

Obviously we are interested in having this take place in this Congress. I have indicated to the Senator from Montana that it is my opinion that on or before the end of April we ought to sit down and assess where we are; what are the prospects for RCRA passing in this Congress. I am confident we can fashion what we think is an appropriate solution to the problem in a relatively short amount of time.

Whether or not we can fit that in to the entire RCRA structure and move, that is in question, but I think both of us and many in the Senate are pledged to do just that.

So we hope to do that. If we foresee that near the end of April we are not going to be able to accomplish that, then obviously I will be looking for another vehicle, and the Senator from Montana has indicated he wants to work with me on that. Our goal is to fashion a remedy, a permanent solution to a very difficult, complex but important problem that needs to be solved in this Congress.

So I thank the Senator from Montana for his cooperation. I know he is on the floor at this time, and I will yield to him to respond.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I thank the Senator from Indiana for raising this subject.

We all know the horrendous amount of solid waste this country produces each year. America leads the list. On a per capita basis, Americans produce more waste than any other people on the face of the Earth. Someone calculated that if all the solid waste produced in America were placed in Washington, DC, it would reach the height of the Washington Monument two times. That is a point that has a certain gratuitous appeal. I am certain there are a lot of people who would place in DC all the solid waste that is produced in this country. But more indicative is the amount of waste this country produces.

We in the Congress this year and the Environment and Public Works Committee in particular, and also in the House, are working to reauthorize the Resource Conservation Recovery Act. It is critical because we in our country produce a lot of solid waste. We have historically only been managing that waste. The management problems have become increasingly difficult as there is less and less space to locate landfills, to locate incinerators. We in our country must move away from just the management of solid waste; we must move much more into recycling waste that we do produce, and also minimizing the production of waste so we do not produce quite so much waste.

Interstate transport of solid waste is one component of a very complex matrix in this legislation.

Mr. President, many of us in the committee have been spending a good part of our time working with the Senator from Indiana and other Senators who have concerns about the interstate transportation of solid waste. I believe strongly, No. 1, we will get legislation brought up, passed out of the committee and authorized this year, by the full Senate, and No. 2, interstate transportation of waste will be a part of that.

If, on the other hand, for some reason the Resource Conservation Recovery Act is not passed out of committee and not acted on by the full Senate, then I indicated earlier to the Senator from Indiana that I work with him to try to find some other way he can bring up, or some other Senator can bring up, a measure dealing with the interstate transport of waste.

The Senator suggested by about the end of April. That is, I think, a very appropriate date. So that at the end of April, it is my understanding, with the Senator from Indiana and other Senators that we will assess where we are; that is, will the RCRA bill likely be brought up and passed by the Senate, likely to be enacted or not, and if it is likely, then we will proceed and the Senator will proceed and work with RCRA. If, on the other hand, it becomes reasonably apparent RCRA will not be brought up, I have given my assurance to the Senator I personally will not impose on his efforts to bring up the interstate transport measure outside of RCRA. This is a matter of judgment. It is a matter of trust and good faith. We, at the end of April, will try to determine what is the situation, what is the posture and exercise our best judgment at that time.

Mr. COATS. Mr. President, if I can respond in closing, I again thank the Senator from Montana for his work and for his efforts and cooperation. I think we have reached what most would consider not only a reasonable understanding but also a reasonable way and the most likely way of enacting into law legislation which would deal with this very serious problem of the generation of waste and particularly the interstate transportation of this waste.

I agree with the Senator that this is a problem that will not be solved by dealing only with the interstate transportation issue. Each of our States generate a great deal of waste. This needs to be part of a more comprehensive solution dealing with source reduction, recycling, conservation, and proper disposal. All of this is necessary if we are going to reach a true solution to the problem.

By the same token, we will not be able to successfully mandate to the States certain requirements that they must meet in terms of developing their own plans to deal with waste if we cannot solve this interstate transportation problem. No matter how ambitious or well intentioned a particular State plan might be to deal with recycling, source reduction, or disposal of waste, those plans will be totally overwhelmed if the States have no ability to regulate the flow of out-of-State trash into their States and into their landfill disposal facilities.

So it is important that we make this a key part of the RCRA reauthorization. I look forward to working with the Senator from Montana and others in fashioning a reasonable solution to this problem.

I think we have outlined now a timetable on which we can see the end of the tunnel and see that this will be signed into law in this Congress. If we cannot come to a reasonable conclusion at the end of April that this will effectively become law, or have every chance to become law, then I appreciate the Senator's efforts to work with me to find an appropriate vehicle to make it so. With that, Mr. President, I yield the floor.

Mr. REID. Mr. President, I was in my office listening to the colloquy between the Senator from Montana and the junior Senator from Indiana. I felt it appropriate to make a statement. The statement that I had planned to make was in the context of the Senator from Indiana offering an amendment. His amendment, in effect, would have set standards and limits on allowing the transportation of garbage between States. I believe that the junior Senator from Indiana was talking about an important principle, that is, working to solve the problem that faces almost every State in the Union.

By serving with the Senator from Montana on the committee having jurisdiction over this issue, I understand the reason that the arrangement was worked out between the two Senators. The committee having jurisdiction over this issue should be the one to set appropriate standards.

Having said that, the fact is in this Nation today there are States which are, against their will, being forced to accept the garbage of other States. For example, according to the Nevada Division of Environmental Protection, the U.S. Ecology landfill near Beatty, NV, disposed of approximately 63,000 tons of hazardous waste in 1986. By 1990, the total volume had risen to 138,000 tons per year, with 76,000 tons coming from California alone. There is a reason for this soaring growth in waste coming from California to Nevada. California has adopted, and I think properly so, new mandatory and very expensive treatment standards for waste stored in California. But they have not applied the same standards for waste that is sent out of the State. Waste that is being disposed of in the State of California is subject to very strong standards. But basically no standards for waste that is shipped out of the State.

This policy will clearly promote the export of hazardous waste to other States. Most of California borders on the State of Nevada. It is obvious they are trying to ship most of California's waste to the State of Nevada. Last year alone 76,000 tons of hazardous waste came from California to Nevada.

This policy is not right. This is the reason the Western Governors' Association has voted to endorse Federal legislation that would give States the constitutional authority to ban hazardous waste imports. Policies such as those adopted by California make it cheaper to send hazardous wastes to other States than to reduce and recycle these wastes. Actions like these by the waste-producing States will only make the problems the junior Senator from Indiana is trying to deal with today more serious in the years to come.

My comments, though, Mr. President, would not be complete today if I neglected an issue of great importance to the people of the State of Nevada. Over the past 5 years I have come to this floor many, many times to discuss the unfairness of Nevada being forced to accept another form of this Nation's garbage. That is nuclear garbage, the garbage that we call nuclear waste.

If the problem of being forced to accept solid or hazardous waste from other States is as serious as many States and many Senators representing those States have described in the past—and I believe their description is appropriate—then how much more serious is the problem that Nevada faces by being forced to accept nuclear waste from other States?

That is the proposition that is now before this country; whether the State of Nevada should be forced to accept nuclear waste generated in other States. We do not manufacture nuclear waste. Why then should we be forced to accept nuclear waste?

Nuclear waste is far more poisonous, far more hazardous, far more dangerous than any other form of solid waste. Mr. President, nuclear waste is the most poisonous substance known to man. Nevertheless, this body and the other body have, I would think with almost contempt, said Nevada has no say whether or not nuclear waste is placed in the State of Nevada.

So I say to the Members of this body again, if, in fact, solid waste is considered to be a serious problem, as I think it is and my colleague from Indiana has described it to be, then certainly we should take a look at the nuclear waste issue again.

As I mentioned earlier, we do have a serious problem here. The States of this Nation have been divided in two categories. Some States are becoming primarily waste producers, and I think we know who those States are. Other States are being singled out to become waste acceptors. This is wrong. It is unfair. This is a national problem. There is only one right national policy on any kind of waste, hazardous, solid or nuclear. If you produce it, then you should find a way to eliminate it.

The delegation and citizenry of the State of Nevada are opposed to becoming this Nation's nuclear waste dump. Some have said this is called the NIMBY syndrome—"not in my backyard." The reality is that instead of NIMBY we should be talking about PIIMNBY, the "put it in my neighbor's backyard" syndrome. That is where the real harm is taking place, not the NIMBY syndrome.

In fact, what has really prevailed here is, put it in my neighbor's backyard. Since we cannot handle our solid waste, we haul it someplace else. Let somebody else take care of it. Put it in my neighbor's backyard. Make it their problem. And it has become their problem.

So, Mr. President, I hope that the States that are opposed to becoming the recipients of the Nation's garbage now understand the concern of the people of the State of Nevada. We are not talking about garbage—that is plastics, bottles, cans, or paper. We are talking about a substance where a small speck will kill a human being.

A small amount of the substance in a machine was taken home by a garbage collector in Brazil recently. His child got hold of this and death and disease, swept that area.

Why has the State of Nevada, been singled out as the Nation's nuclear waste dump? We do not produce any of the waste, but we are told we must accept it.

A majority of the Members of the Senate refused to approve language that would ensure that the health and safety of the public would be considered first. That amendment, if you can believe it, was defeated in this body. This is hard to comprehend, it was hard to comprehend at the time and it is just as hard to comprehend now.

An amendment offered by this Senator from Nevada suggested that if, in fact, you are going to site a nuclear waste repository, then we should have as the number one consideration the health and safety of the public. This amendment was defeated.

In light of what we are learning now—and we have learned more since that amendment was offered—we need to take another hard look at that proposal. All Americans should be assured that it is the policy of this country on all issues, but certainly this issue, that the health and safety of the public is the No. 1 criteria in locating a nuclear waste repository any place.

So I hope that the underlying premise of the Coats amendment, which was going to be offered, is appreciated by my colleagues. I hope that when that amendment is offered, that it will pass, and I hope that when this problem we are having is brought before the Environment and Public Works Committee, that it will be given the consideration necessary. There is no one in the country that knows more about solid waste than Senator BAUCUS. He has a tremendous responsibility in his capacity as the chairman of the appropriate subcommittee in the Environment and Public Works Committee, to make sure that the solid wastes of this country is disposed of properly, that the guidelines function to allow States to dispose of their waste when and if it is appropriate, and how to dispose of it.

I would also ask other members of this body to be concerned about a problem that may not be as important to them because they have not been faced with the problem. It is important that we develop a national policy on what we are going to do with nuclear waste.

One of the problems, Mr. President, is the transportation of solid waste. Well, think how much more dangerous and how much more important the transportation of nuclear waste is. The only way to get it to Nevada is through our highways and railways. Some 70,000 tons of this substance is now ready to be taken someplace. There must be sufficient guidelines and safety features developed before nuclear waste can be transported. Therefore, I hope that this body would understand, as the testimony has clearly indicated in the Environment and Public Works Subcommittee on Nuclear Regulation, that there is no need to haul this nuclear garbage; that in fact for the next 100 years it can be stored safety on site through dry cask storage.

I hope that the nuclear industry, the people that have spent billions of dollars trying to locate this repository in Nevada, would step back and realize the best thing to do would be to leave it where it is. It can be done safely.

Mr. DURENBERGER. Mr. President, I am pleased to speak today in favor of legislation to make the Environmental Protection Agency a Cabinet Department. I want to commend the distinguished chairman of the Governmental Affairs Committee, Senator GLENN, and the ranking Republican member, Senator ROTH, for their tireless efforts on behalf of this bill.

Mr. President, over the past 3 years I have urged the Senate to take this step.

I first introduced a bill to elevate EPA to Cabinet status on June 28, 1988. I was joined on that bill by several Republican colleagues including Senator JOHN CHAFEE, the ranking Republican member of the Environment and Public Works Committee which has the principal oversight role on EPA programs here in the Senate.

Also on that bill was Senator RICHARD LUGAR, the ranking Republican member of the Agriculture Committee which has jurisdiction over the pesticide programs administered by EPA. Other Republican Senators, including Senator ROTH, Senator ROBERT STAFFORD, and Senator John Heinz, joined on that bill. All of the cosponsors were Republican Senators.

Our purpose was to send a message to George Bush about the environment. We were in the midst of a Presidential campaign in June 1988. But at that date serious debate on the environmental issues had not begun. We thought George Bush should be talking about environmental issues and we believed that a proposal to elevate EPA to Cabinet rank would be a good way to get the discussion going. In addition several of the cosponsors were running for reelection to the Senate and it was a way to signal that environmental issues were important to us.

After preparing the bill, we approached the Bush campaign to see if we could get Mr. Bush's endorsement of our proposal. Word came back that he would not endorse it. He indicated that he had an open mind on whether or not EPA would be a part of the Cabinet. But the first thing he wanted to do was to reduce the size of the Cabinet by removing some officials who sat at the table. Only after the size of the Cabinet was trimmed, would he want to take up the question of new members. And President Bush did trim the size of the Cabinet during his first weeks in office.

Even though we could not secure Mr. Bush's endorsement of the bill, we introduced it and pressed the case for elevation of EPA to departmental rank. Ironically, the Democratic candidate for President in 1988, Mr. Dukakis, endorsed the bill in midsummer. Environmental issues did play an important role in that Presidential campaign and significant commitments on specific issues were made by both of the candidates.

When the 101st Congress convened in January 1989, I introduced the EPA Cabinet bill a second time. By then the effort had become bipartisan. Congressman Jim Florio, now the Governor of New Jersey, introduced the bill on the House side and on the Senate side the distinguished Senator from New Jersey [Mr. LAUTENBERG] became the principal cosponsor. S. 276 had 25 Senate cosponsors when it was introduced in January 1989.

But we still hadn't persuaded President Bush, and it is, after all, his Cabinet. His support was critical. Bill Reilly, who was selected by President Bush to head EPA, was a strong advocate of Cabinet status and let the President know his views before he was appointed. We discussed the issue with Mr. Reilly at the time of his confirmation. And we were again told that President Bush had not foreclosed the option, but didn't think that it was time to endorse it either.

It fell to the chairman of the Senate Governmental Affairs Committee, Senator GLENN, to take the issue to the President. I believe that Senator GLENN became a convert to this cause in the summer of 1989. He took up the issue with the President personally and negotiated the details of an elevation proposal with various officials from the administration.

In January 1990, President Bush gave the nod to a Department of the Environment and Senator GLENN introduced his bill, S. 2006, implementing his discussions with the administration. That legislation was the direct predecessor of the bill which is now before the Senate. A companion bill was introduced on the House side by Representative JOHN CONYERS, chairman of the House Government Operations Committee.

Upon securing the endorsement of the President, I had expected the legislative path for this bill would be clear and enactment would follow shortly. Elevating an existing agency to departmental status is a simple proposition. There was strong bipartisan support for the bill. The chairmen of the committees with jurisdiction took up the issue and introduced their own bills. So, it seemed that Cabinet status might be enacted quickly.

But as sometimes happens, the legislation was loaded down with amendments in the House and the Senate that were controversial and on which there was strong disagreement. It has taken many months to remove those obstacles to enactment. And I for one want to express my appreciation to Senator GLENN and to Senator ROTH for the effort they have invested to bring the bill to this point.

Although the legislative hurdles have been difficult, the underlying proposal is simple. It takes what is now an executive branch agency created by President Nixon in 1970 and makes it a Cabinet department headed by a Secretary of the Environment.

The central issue here is the relationship between the President of the United States and the head of our Federal agency for environmental protection. In the last administration that was not a close relationship. The President was not directly involved in making environmental policy. And the Administrator of EPA did not have direct and frequent access to the President. EPA was not part of the Cabinet decisions which set the broad policies for our Nation.

President Bush and Bill Reilly have changed that history. Their work to produce the Clean Air Act Amendments of 1990 is an example of why the President should be involved in these questions. By all accounts, it was the President's decision to support clean air legislation that broke a 10-year deadlock here in the Congress on the issue of acid rain and allowed a comprehensive reauthorization of the Clean Air Act to become law.

One might conclude from this example that Presidents' can choose to involve themselves on environmental issues without EPA in the Cabinet. That is true. President Bush is to be commended for the commitment which he has demonstrated on these questions. But we can go beyond this example and this President, by establishing that commitment as an institutional arrangement which assures access and involvement by every President in the future.

A second concern is the relationship between the environmental agency and the other Cabinet departments. Unfortunately, some of our worst polluters are agencies and departments of the U.S. Government. We have big problems with hazardous wastes sites at Defense and Energy facilities. It may cost DOE as much as $30 billion to come into compliance with environmental laws at its currently operating facilities and many times that amount to cleanup the residue of previous activities.

EPA needs to be on an equal footing with those departments as the cleanup efforts at Federal facilities are designed and carried out.

There is a third dimension of the relationship issue which can be cited in support of this legislation. Environmental protection is a growing aspect of our international relations. We will increasingly see agreements like that recently signed to protect the ozone layer which reflect an international commitment to solve global environmental problems. Many of our most difficult environmental problems—air pollution, global warming, and marine protection—can only be dealt with an international context.

We are encouraged by the strong role that the United States took in developing the ozone protocol. Although we have fallen behind the aggressive posture of some other nations on the larger question of global warming, Cabinet rank for EPA may be just the kind of signal which is needed to bring the whole of the executive branch into serious consideration of policies that can avert the calamity that current trends foreshadow. And surely our voice in the international arena will be stronger if it is the voice of Cabinet Secretary with direct access to the President.

On this point it is interesting to note that environmental protection is a Cabinet function in almost every developed and many developing nations. Ministries of the Environment are to be found in Australia, Austria, Belgium, Canada, Denmark, Finland, West Germany, India, Ireland, Japan, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Norway, the Philippines, Poland, Sweden, Switzerland, the United Kingdom and the U.S.S.R. Among the OECD nations we stand with Italy as one of the few who have not made environmental protection a ministerial function.

A review of the cabinets of the American States would demonstrate the same point. In governments in many places and under many different circumstances, environmental protection is accorded the highest rank in the councils which make and implement policy.

Elevation of EPA to Cabinet rank has broad public support. It is endorsed by all of the major environmental organizations. All of the previous EPA Administrators are in favor of Cabinet status and urge us to adopt this bill.

Mr. President, let me again thank the chairman and ranking member of the Governmental Affairs Committee for their diligent efforts on behalf of this legislation. I hope that the House will not act swiftly on the companion bill and that we may soon see the Secretary of the Environment at the Cabinet table.

Mr. LIEBERMAN. Mr. President, I rise in strong support of S. 533, the Department of Environment Act and I am honored to have been one of the original cosponsors of the legislation. I commend my colleague, Senator GLENN, for his leadership and perseverance on this bill.

EPA is charged with one of the most complex and challenging missions in our Government. This bill reflects the growth of our knowledge of the environment and environmental management in the 20 years since EPA was created. While it is not a glamorous bill, it provides the essential institutional framework we need.

The United States is increasingly involved in environmental matters around the globe. In the last several years, we have come to realize that EPA's mission, in reality, extends to the preservation of life on this planet. The quality of our environment in this country is directly related to the policies of countries across the globe. Whether the issue is global warming, stratospheric ozone depletion, acid rain or the proliferation of toxic materials and hazardous waste, the United States must take a leading role in world environmental affairs. We will not fully realize that role until our environmental agency is a full-fledged member of the President's Cabinet.

Next June in Rio de Janeiro, the United Nations will convene a world Conference on Environment and Development. By elevating EPA to Cabinet level, this Nation will send a message to the world community on the importance of environmental protection. As Dr. Bruce Karrah of DuPont testified before the Government Affairs Committee: "In international relationships and negotiations, where position and protocol may be especially important, having Cabinet department status should prove very useful, especially because the Secretary will be dealing with his peers from other countries on an equal basis." The United States will not realize its leadership role in world environmental affairs until our environmental agency is a full fledged member of the President's Cabinet.

If this is true in global environmental policy, it is even more true in the domestic environmental policy. EPA is charged with protecting our health and preserving the quality of our natural environment.

From my own experience on the Environment and Public Works Committee, I know that EPA is constantly in battles with other parts of the administration about what level of protection is appropriate. Others in the administration concentrate on the economic consequences of environmental policies but EPA is the advocate for our health and the protection of our lakes and streams.

Many of the solutions to our environmental problems lie beyond the traditional scope of EPA programs. The quality of our air is directly related to energy and transportation policy. The quality of our drinking water is related to land-use decisions. The Federal Government may well be the largest generator of hazardous waste in the Nation. Our environmental future is bound up in the programs and policies of the agencies represented at the Cabinet table. It is time for a Secretary of the Environment to be a full partner at that table. This legislation will ensure that every significant environmental decision made by the executive branch will be debated among equals.

In this administration, the effects of this legislation could be very dramatic. It seeks to ensure that next time the President sends energy or transportation legislation to Congress, the Secretary of the Environment will be advising the President about any adverse effects to the environment caused by his legislation. Currently, the voice of EPA is virtually absent from this debate. On the other hand, the Secretary of Energy—as a member of the Cabinet—was extremely active in forming the President's position on clean air.

As EPA's mission has evolved, the Agency itself has matured. While I don't always agree with EPA's actions, there is no question that the Agency has proven its ability to contribute at the highest level of Government.

The creation of a Bureau of Environmental Statistics to compile data and evaluate the effect of pollutants is essential. In spending our limited resources, we must know which pollutants pose the greatest risk to human health and the environment. This knowledge will tell us which environmental problems to address first.

This legislation demonstrates our commitment to strong environmental programs in the future. The creation of a Department of Environment sends an unequivocal message to all Americans and to the world that the United States places environmental protection among its most important concerns.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

MORNING BUSINESS

Mr. GLENN. Mr. President, I ask unanimous consent there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. (Mr. BAUCUS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF CLARENCE THOMAS

Ms. MIKULSKI. Mr. President, I want to use this time as the Senate begins its weekly deliberations to give my views on the pending nomination of Judge Thomas to the Supreme Court.

Once again we are faced with the solemn task of evaluating a Supreme Court nominee. Each time I face this task I have as three times before in my Senate career viewed this as a matter of great and indeed tremendous responsibility. But we are faced in this body with a serious decision of enormous consequence.

I know of no other decision that is so totally irrevocable and irretrievable and so far-reaching. Once confirmed, a nominee bears no further burden of accountability. He or she will hold that position for a lifetime. That is why for me there must be no doubt whatsoever about a nominee's ability to serve or about his or her absolute unflinching and obvious commitment to the most basic tenets of the Constitution. I refer to the fundamental guarantees of individual rights and equality for all Americans.

In this country we, the people, are dependent upon the Constitution and its interpretation to protect our most basic rights. In that context, the Supreme Court is the final arbiter on decisions that are grave and complicated. Yet we must remember that the Court is a collection of individuals. They are people with their own ideas and their own beliefs as well as initial framework. That is why we in the Senate must look at each one of them with uncompromising scrutiny, and to each nominee I apply the same criteria.

First, is the nominee competent? Second, does the nominee possess the highest personal and professional integrity? Third, will the nominee protect and preserve the core constitutional values and guarantees that are central to our system of government, specifically freedom of speech and religion, equal protection of the law, and the right to privacy?

I hold all nominees to the same criteria without exception and without bias. They are the standards against which I measured Justice Kennedy, Justice Bork, and Justice Souter. You might recall that I voted against Bork and I voted against Justice Souter.

Before I apply them to Judge Thomas, I would like to comment on my previous knowledge of Judge Thomas. As I have moved around the State of Maryland many of my constituents, particularly of African-American background, said "Give the guy a chance. He has done a lot with his life." And I said, you know, I have given Judge Thomas a chance. I voted to put him on the court of appeals, a Federal court of appeals judges, and I do admire what he has done with his life. He is exceptional in two ways. He knew what to do with opportunities that God gave him, and he knew what to do with adversities, and used them to make himself stronger.

Who of us can walk away from the previous week's hearings and all the media coverage without an instant knowledge of the town of Pin Point, GA, and the courageous efforts of Judge Thomas' mother. All of us know what an exceptional man he is in terms of overcoming the odds that enable people to move up in our society. His personal story is an inspiring one.

However, Mr. President, individual perseverance is not my sole criteria. We are talking about voting for a Supreme Court nominee. Therefore, I looked again at Judge Thomas as I looked at all all Supreme Court nominees, specifically in terms of demanding constitutional criteria.

First, is he competent? I believe that he is professionally competent. I would not have voted for his nomination to the court of appeals if I did not believe that.

Second, does he possess the highest personal and professional integrity? Certainly Judge Thomas' life story is evidence enough of integrity. This is a man who is where he is today because of his own hard work, the support of a strong and loving family, and an opportunity of structure that was provided for him which he was able to make use of.

Third, will he protect and preserve the core constitutional values and guarantees that are central to our system of government; specifically, I reiterate, freedom of speech and religion, equal protection of the law, and the right of privacy?

I really do not know where he is on these issues, and therein lies the problem. On the two issues of equal protection of the law, and the right of privacy, I have seen little evidence of his commitment—not in his testimony, and certainly not in his work history. During the hours of hearings I was so disappointed to note how evasive Judge Thomas was.

He was either silent or he was evasive on many issues, and when questioned, would say that was a throwaway line.

I am voting for a lifetime appointment to the Supreme Court. I cannot judge whether, when we read somebody's lines, what is a throwaway line and what is not. I am very disturbed about that.

I also took a look at Judge Thomas' work history. As head of the EEOC, Judge Thomas held a position of power and authority. That is the Equal Employment Opportunity Commission. In that position, he could have used the power of his office to help those who were locked out and left behind. But he rarely did that. He showed little concern for older Americans, and even less for the laws designed to protect them.

I was deeply disturbed to find out that he deliberately failed to process 13,000 age discrimination complaints within the time allocated by the law, 13,000 cases of older Americans that he let languish.

The result was that he wreaked serious damage on the opportunities of these older Americans to sue for back pay—the time ran out—or to sue for the opportunity to work. The time ran out on Americans because Judge Thomas was not sweating the details, or did not have the commitment to do it. He had the power to pursue age discrimination cases, and he turned his back on them.

He failed to enforce the law and his Department's own policy on pension rights for workers over 65. That failure cost older workers more than $450 billion in lost pension benefits annually. That hurt people who had worked as hard to get where they were as Judge Thomas worked to get where he is.

Most recently, it has come to light that Judge Thomas drafted an opinion against affirmative action. A woman secured a radio broadcast license from the FCC under their minority preference policy. Her right to the license was challenged in court and she won the case. The case reached the court of appeals, where Judge Thomas now sits. Judge Thomas drafted the opinion that would deal with this issue, and would overturn her right to use the license on the basis that the preference program was illegal. His opinion has not yet been released.

Regardless about how one thinks about affirmative action, and there is plenty of room for debate and difference, he is, in the weeks of his confirmation hearing, withholding an opinion that would give us insight into his opinionmaking and judicial logic and judicial criteria.

Some say he did not want the Senate to see it. In the hearings, Judge Thomas said he had no problems with preference programs. It is hard to tell what his real feelings are on this matter.

Why did he withhold the opinion? Is it his own decision, and did he not want the Senate to hear it, so therefore, we will read about it years later while he is on the Supreme Court? Or was it the decision of his handlers? Mr. President, handlers, to be a Supreme Court nominee? Handlers are what you do for boxers; it is not what you do for Supreme Court nominees.

I do not know, and I really would hope that someone who has shown such strength of character to get where he was would not need people handling him to become the Supreme Court nominee. This is a man who demonstrated a lack of commitment for the very laws which he would be called upon to uphold, and a lack of compassion for the very people who will need his protection the most.

Finally, throughout hours of testimony, Judge Thomas refused repeatedly to discuss whether, and how, the Constitution protects women in this country. To find his beliefs, we had to turn to the body of his writings. There we find antagonism toward a woman's fundamental right to privacy; specifically, her right to choose an abortion in the circumstances of her life, her health, or as a victim of a crime, which would take her to that decision.

At one time, Judge Thomas was an active member of a White House working group on the family. Part of their job was to issue a final report, and they did. It was explicitly critical of the Supreme Court's decisions affirming the right to privacy. Specifically, it was very critical of Roe versus Wade.

Judge Thomas signed the report, but when asked what was his thinking when he signed the report, he said he never read it. He put his name on a White House report and never bothered to read it. Will he put his name on Supreme Court opinions and never bother to read those?

Finally, despite repeated questioning, Judge Thomas claimed he never discussed Roe versus Wade; not as a law student, not as a young lawyer. He was in law school when Roe versus Wade was decided.

Mr. President, you are a lawyer. You know that when cases are decided in the Court, particularly of such wide-ranging impact, law students set their strategies, and as if they are Supreme Court Justices, they tell you what they would think and do, and tell you what cases they looked at as precedent. He said he never discussed it.

I cannot believe that an appeals court judge never once discussed the issue of abortion. He spoke extensively on Griswold, that old Connecticut case that prohibited birth control information from being disseminated, which was struck down. If one has an opinion on Griswold and not Roe versus Wade, I find that hard to believe.

Most of all, I find his evasion unacceptable. I do not know where he is or where he stands on these issues, on the most basic issues of equal protection of the law and the fundamental right to privacy.

Therefore, regrettably, I am casting my vote against Judge Thomas. When my name is called in the U.S. Senate for his nomination, I will vote "no."

I think that the American people are entitled to know what their Supreme Court Justices believe about fundamental human rights. It is not acceptable for a nominee to hedge, or deny, or cloud the issues. What he believes is what he is, and that will shape the Court for the next 40 years, if he is confirmed.

I know how hard it is to get somewhere in this society. I stand here as the only Democratic woman in the U.S. Senate. I share Judge Thomas' struggle. But I do not share his reluctance to commit himself to defend equal protection of the law and the right to privacy.

Every day in this body, we work hard to expand rights and opportunities, not to restrict them. Every day, we are on the line to reveal our deepest beliefs about equality, privacy, and freedom.

I believe that we deserve the same from our Supreme Court nominees. I believe we have the right to know where they stand, and the right to know that they will take this Nation forward, and not hold it back. I believe that we have the right to know, and we have the responsibility to vote no on those who prohibit us from knowing where they stand.

So, Mr. President, that summarizes my thinking on the topic, and I will look forward to hearing the additional debate of my colleagues in the Senate.

I yield the floor.

IN HONOR OF KATIE FROHNMAYER

Mr. HATFIELD. Mr. President, it is with great sadness that I rise today to honor the life of a young friend from Oregon. Oregon's Attorney General Dave Frohnmayer's 12-year-old daughter died last Thursday of complications to a rare blood disease called Fanconi anemia. Katie Frohnmayer had courageously battled this disease for years.

Katie was born November 18, 1978, the third of five children of Dave and Lynn Frohnmayer. In 1983, Katie's older sister, Kirsten, was diagnosed with this dreaded disease.

Fanconi anemia is a rare and usually fatal disease which affects 2,000 Americans. The disease seems to strike each patient differently, but symptoms can include birth defects, damage to the heart and brain, retardation of growth, and other disfiguring effects. With most victims, the disease eventually attacks their bone marrow and destroys their ability to produce blood. The only known cure for the disease is a bone marrow transplant, and donors are very difficult to find. It was the search for a marrow donor for Kirsten which led to a second shock to the Frohnmayer family. In early 1984, the family learned that Katie also had the disease.

The Frohnmayer family searched vigorously for a donor for both girls, but the search was made even more difficult by the rare tissue type the girls had inherited. Hundreds of distant relatives were tested from as far away as Nova Scotia, but there were no tissue matches.

Researchers do not know what causes the disease, but they do know it is passed on much like cystic fibrosis. It is carried on a recessive gene and can lie dormant for generations. The disease is handed down when two latent carriers both pass the tainted gene to their child.

Mr. President, I cannot praise enough the dauntless effort of the Frohnmayers in their search for bone marrow donors for their children and their interest in helping other families in need of marrow donors. During the last decade, the couple has helped found the National Marrow Donor Program—a registry of potential bone marrow donors, founded a support group for families, and raised $500,000 for research.

This Nation has made great progress over the last several years in enlisting volunteer bone marrow donors. Bone marrow transplants, particularly from unrelated donors, are a relatively new medical therapy for patients with fatal blood diseases which offer hope to hundreds of afflicted individuals and their families each year. The National Marrow Donor Program registry, currently headed by my good friend and colleague Admiral Zumwalt, has grown from just over 30,000 volunteers in January 1989 to over 300,000 in 1991. As a result, more than 300 bone marrow transplantations came from registry donors in the past year, an increase of more than 50 percent over the previous year. Since the Congress transferred the administration of the bone marrow registry from the Department of Defense to the National Heart Lung and Blood Institute in 1989, Federal support has risen from approximately $3,000,000 to nearly $12,000,000 over a 3-year period.

Mr. President, this progress would not have been possible without the leadership and advocacy of individuals and families, like the Frohnmayers. Through their partnership with blood bank organizations, success has been achieved in expanding the number of donors dramatically, increasing individuals receiving bone marrow transplants and broadening research support. The Frohnmayer's were active participants in this effort. Their tireless commitment to this battle is a strong tribute to their dedication both to their daughters Katie and Kirsten and to the thousands of others afflicted with fatal blood diseases. Our only regret is that Katie could not be saved.

As an advocate for medical research in all diseases from the most orphan to the most politically popular, I could not let today pass without expressing my supreme gratitude to the Frohnmayer family and especially to Katie. We must celebrate Katie's life as God's precious gift to us. Her courage is a source of inspiration and strength to all who suffer from illness or disease and to those who love them.

TRIBUTE TO JOHN O. KIZER

Mr. HOLLINGS. Mr. President, I rise today to pay my respects to Mr. John O. Kizer, a distinguished West Virginian, who has volunteered untold hours of his professional and personal time to be the dominate presence for the enforcement of legal ethics in West Virginia. The West Virginia University College of Law has recognized his contribution to public service by awarding him with the college's Special Achievement Award.

For over 20 years, he has been the conscience of the West Virginia bar. Not only has he donated countless hours of his time to creating and enforcing the high standards to which attorneys are held, he has also led by example. If all lawyers gave back as much to their communities as John Kizer, there would be no lawyer jokes.

Mr. Kizer has practiced corporate law for 55 years in Charleston, WVA. He is former chairman of the State bar Legal Ethics Committee and continues as a leading member. He is a tribute not only to his profession but also to the community of Charleston. He is a former president of the Charleston Kiwanis and of the Charleston Children's Museum. Currently, he served as a director emeritus of the Charleston National Bank and is an elder at his church, First Presbyterian. Perhaps his most notable accomplishment is that he is the grandfather of an outstanding member of my staff, Caroline Ball Stinebower.

West Virginia University College of Law bestows the Special Achievement Award to an alumnus who has made an outstanding contribution of contemporary significance to public service, the legal profession or the development of law or legal institutions. John Kizer is the epitome of these qualifications. He has devoted a lifetime to the unenviable task of holding his colleagues to the highest standards of their profession. As a lawyer myself, I know how difficult it can be to point out shortcomings to a group that has always thought of themselves as the best. John Kizer has done it with intelligence and grace for these many years.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,389th day that Terry Anderson has been held captive in Lebanon.

ENVIRONMENTAL EDUCATION IN FROST VALLEY

Mr. MOYNIHAN. Mr. President, I recently learned from my friend Louis Resnick of Ellenville, NY, that a most impressive solid waste recycling program has been introduced at the century-old Frost Valley YMCA campsite in New York State's Ulster County. This new Resource Management Center is in keeping with the Frost Valley YMCA's tradition of meaningful communal service. Over 28,000 New Yorkers a year benefit from the YMCA's innovative programs under the skilled leadership of D. Halbe Brown. Mr. President, I ask unanimous consent that a description of this worthy project be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The Resource Management Center, Claryville, NY]

A SOLID WASTE MANAGEMENT PROGRAM OF THE FROST VALLEY YMCA

Protecting our environment from the relentless accumulation of solid waste—estimated at 6.5 lbs per person per day, or enough to fill the Superdome from floor to ceiling 730 times each year!—is a global concern. But the problem will only be solved as individuals and communities accept the challenge of local waste management.

Raising awareness, demonstrating solutions, and promoting community involvement are fundamental program principles at Frost Valley, a YMCA camping, conference, and environmental education center located deep in the heart of New York's Catskill Preserve. Here, where pristine rivers and streams supply one of the nation's largest metropolitan water systems, Frost Valley is working hard to improve our understanding of complex environmental processes and put that understanding to work for the nation as a whole.

Linked through its summer camp, Wawayanda, to the very origins of the YMCA camping movement, Frost Valley brings more than a century of experience to the task of helping people grow in Spirit, Mind, and Body. Today, this unique, 4500-acre wilderness YMCA serves more than 28,000 people each year, including 12,000 students and teachers—many from inner-city schools—who visit the facility to learn about environmental issues and practice the science and communication skills they will need to guide environmental decision-making in the 21st century.

A recognized leader in the worldwide environmental education movement, Frost Valley is currently involved in several major partnerships that are bringing environmental solutions within reach of the next generation. Since 1983, Frost Valley has worked closely with the United States Geological Survey in the development and staffing of National Acid Deposition Program monitoring sites throughout the Biscuit Creek Watershed. Frost Valley is also a member of the YMCA of the USA Task Force on the Environment now coordinating our national YMCA platform for the upcoming United Nations' Earth Summit (June '92).

Frost Valley has also teamed with several major universities and private foundations to develop New York State's first large-scale, static aerated pile composting and greenhouse complex. By updating a time-tested technology, this state-of-the-art Resource Management Center is modelling techniques that may soon revolutionize municipal solid waste management throughout the country.

Based in two fully-enclosed buildings, Frost Valley's static aerated pile composting system converts as much as 15 tons of kitchen garbage at a time into rich, humus-like soil conditioners. The process begins at mealtimes in the central dining facility where food residues are carefully separated from paper and other recyclables, then transported in unlined plastic cans to the RMC. There the fruit rinds, leftover pancakes, and vegetable peelings are mechanically shredded and mixed with wood chips, a by-product of forest management projects on the property, then moved by conveyer to one of several open bins.

The resulting piles are aerated internally with blower units that keep the material at optimum temperatures for aerobic decomposition. In about 12 weeks, the piles are filtered, the larger components returning for another trip through the compost cycle while the finer "pre-compost" is cured separately for another 4-6 weeks.

In the greenhouse, finished compost product is used to grow organic vegetables. A built-in classroom also helps draw the cycle to a close through hands-on educational experiences that turn scientific principles into understanding and commitment. Frost Valley recently published a solid waste teaching curriculum with support from the Geraldine R. Dodge Foundation and the Educational Foundation of America. Fully illustrated, *Revise, Recycle, & Recover: Realizing Our Resources* provides important resources for continuing the educational process in classrooms back home.

Estimates suggest that dedicated programs of composting and recycling can reduce the solid waste stream by as much as 75% while producing high-grade, marketable by-products, such as chemical-free fertilizer. University-level research under development at Frost Valley may someday provide even more data to guide policy-makers in their search for viable, self-sustaining solutions to the solid waste problem.

Global citizenship is demonstrated by people who accept responsibility for their own actions, for the wellbeing of others, and for the planet as a whole, all key points in an earlier Frost Valley publication, *Building Wellness Lifestyles*, regarded by many as a landmark text when it appeared in 1980. Frost Valley is pulling these principles into practice through innovative programs that reach out to people of all ages and abilities, races and religions, backgrounds and income. As one of the largest environmental education centers in the county; as the first YMCA camp to provide on-site dialysis treatment for young renal patients; as a major provider of values-based programming for youth, families and senior adults; and as a partner with institutions and individuals committed to responsible environmental management, Frost Valley is a leader in an expanding network of global citizens who are giving great ideas a chance to grow.

I yield the floor and suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are in morning business.

THE RETIREMENT OF ROY McGHEE, SUPERINTENDENT OF THE SENATE PERIODICAL PRESS GALLERY

Mr. DOLE. Mr. President, I would like to associate myself with the remarks made by my colleague, the distinguished majority leader, to pay tribute to an outstanding employee of the Senate, Roy McGhee, for 18 years, Roy McGhee has burned the midnight oil as the Superintendent of the Senate Periodical Press Gallery. That is more than a political lifetime for many—over those 18 years, Roy has seen 218 Senators come and go.

I do not know how many of my colleagues have been to Roy's shop, but he would be the first to tell you it is cozy, especially compared to the sizable gallery enjoyed by the daily press. And while periodicals, by definition, are often published only once a week or once a month, Roy's gallery is open every day. So make no mistake, there is nothing periodic about running the Periodical Press Gallery.

For more than three decades, Roy has been a fixture on the Senate scene, first in a distinguished career as a reporter for UPI, and since 1973 as the Superintendent of the gallery serving 1,600 credentialed reporters writing for publications ranging from industry newsletters to the major weekly news magazines.

Before coming to Washington, Roy worked on his hometown paper in Jefferson City, MO, before moving on to UPI's Kansas City bureau.

And on the way to becoming UPI's bureau chief in Denver, he covered State legislatures in Missouri and Kansas—and it was in Topeka, as a young State representative, that I first crossed paths with Roy McGhee. I am pleased our friendship has continued for so long here in the Senate.

Mr. President, today Roy McGhee retires from his service to the Senate. We will miss the cheerful demeanor of this good man from Missouri, and I know all my colleagues join me in wishing Roy all the best.

THE PRESIDENT'S PROPOSAL

Mr. DOLE. Mr. President, on another matter, I would just like to comment very briefly on the speech by President Bush to the American people on Friday evening. It was a bold and sweeping initiative that I hope will lead the United States and the Soviet Union, and for that matter any other country producing nuclear weapons, into a new era.

There has been a great deal of discussion about the new world order—what it will look like, what it means. For the Democrats, the new world order has meant a new excuse for slashing defense dollars and/or shifting them to domestic programs.

Well, the President—through his proposals—has put real meaning—not empty political gestures—into the phrase "new world order."

I commend the President for his leadership. He is launching a new course—a course that will move us beyond the cold war.

The President's comprehensive arms control and defense initiatives have the potential to lead us to a future of greater security and greater stability at substantially lower levels of nuclear weapons, and with defenses against ballistic missiles.

First, I would note the President's decision to accelerate the pace of ICBM reductions under the START treaty. I think this is an excellent idea.

But, more importantly, the President announced that the United States is prepared to go beyond START. He proposed that we negotiate with the Soviet Union the elimination of all ICBM's with multiple warheads—the most destabilizing nuclear weapons—and move to a regime of only single-warhead missiles.

Another initiative that has the potential of significantly contributing to our security is the President's proposal to negotiate with the Soviets an agreement that would clear the way for mutual deployment of ballistic missile defenses against limited strikes. Both the United States and the Soviet Union are threatened by the proliferation of ballistic missile and nuclear weapons technology. And both our nations have a mutual interest in being able to defend against an accidental or unauthorized launch of a nuclear weapon.

The President also announced several unilateral steps—measures that I believe underline his commitment to leading the United States and the world into an era of peace and security. The President has authorized the withdrawal and destruction of all nuclear artillery shells and nuclear warheads for short-range systems. In addition, the United States will be withdrawing all tactical nuclear weapons from our surface Navy and attack submarines. Moreover, the United States will be taking certain ICBMs—that are scheduled to be reduced under the START Treaty—of alert status.

Mr. President, many of these initiatives will need to be negotiated with the Soviet Union. But, I am confident that with the new leadership in the Soviet Union, the prospects for such negotiations are very good. And I trust that the new Soviet leadership will be able to meet this challenge.

But, another challenge remains and that challenge lies before the Congress. The Congress needs to get on board the President's program. Some of my colleagues have argued that the President is not responding to the developments in the Soviet Union. They have used this argument as a cover for gutting the defense budget.

Mr. President, this proposal is proof that these critics were absolutely wrong. We are already going to cut our defense budget $170 billion over the next 5 years and the President has recognized the new realities in the Soviet Union. He has identified the new threats to our security. He has assessed the situation. And, he has come forward with a historic initiative which will have momentous, and I believe, beneficial consequences for the security of the country and a lot of other countries into the next century.

No doubt many of my colleagues on the other side will run to the floor and say that the President should go further—that he should cancel the B-2 and SDI and other programs critical to our national defense. The dangers of this approach are discussed in an editorial in today's Wall Street Journal entitled, "Who Needs Arms Control?" While I do not agree with all of the points made in the piece, I agree with its analysis that the B-2 and SDI are ideally suited to meet the threats of the future. The President has made that judgment, as well.

I ask unanimous consent that this editorial be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. The bottom line is this, despite the dramatic developments in the Soviet Union, America still needs a strong defense to protect our national interests. The recent war in the gulf demonstrated that we still need the best troops and the best technology to defend these interests. As the President said:

> We must implement a coherent plan for a significantly smaller but fully capable military, one that enhances stability but is still sufficient to convince any potential adversary that the cost of aggression would exceed any possible gain.

Mr. President, I challenge my colleagues to support the President. Now is the time to abandon defense-bashing rhetoric and defense-gutting tactics and to follow the President's thoughtful lead to a more secure future.

EXHIBIT 1

WHO NEEDS ARMS CONTROL?

It is fitting that President Bush's first initiative after the fall of Soviet communism is a reduction of the nuclear arsenal. The lesson, which should not be lost on a watching world, is not that arms control worked but that containment worked. A hostile power kept in check eventually forswore its expansionist ambitions, and the West could take a step forward to a world built on Western principles of liberal democracy.

Indeed, Mr. Bush's unilateral decision to wind down the American inventory of tactical nuclear weapons makes stunningly clear that arms-control agreements are an irrelevant distraction. The United States hasn't needed arms-control agreements with Britain, France or Germany. It most likely will not need them with the new nations of Eastern Europe or the Soviet republics. And no agreement is likely to control pirate nations such as Saddam Hussein's Iraq, which even now flouts its agreements with the U.N. The key, forgotten in the last hours of the Gulf War, is political change.

The war with Iraq provided another lesson keenly relevant to Mr. Bush's announcement. In a world in which it is possible to defeat a hostile power by delivering computer-guided, conventional munitions to precise targets, nuclear weapons lose their importance. The nukes would have indiscriminately obliterated whole populations; smart weapons minimize civilian damage. This was clear in theory years ago, when the U.S. "smart" weapons systems were under development. Yet arms-control enthusiasts opposed the precision weapons that now make their goals feasible.

Their fear was that precise weapons could be used without blowing up the world. They had tied themselves to "mutual assured destruction," hoping to avoid war by ensuring that if it came millions of civilians would die. Indeed, it stretches the point only slightly to suggest that the political purpose of the tactical weapons Mr. Bush is now removing was to ensure that any European War would turn into a Soviet-American nuclear exchange.

Yet the Democratic party's most liberal wing and its supporters in the Washington arms-control community are asserting that Mr. Bush is merely embracing positions they advocated years ago. In fact, the positions made no sense then, before containment had succeeded. They are feasible now because of the political changes in the Soviet Union brought about by policies arms control advocates opposed, the Reagan defense build-up in particular.

This point will be especially pertinent to the new debate over defense policy. In dropping tactical nuclear weapons, President Bush stressed the necessity to go ahead with the strategic defense initiative and the B-2 Stealth bomber. These systems are ideally tailored to the kind of military threat we are likely to face after the Cold War, exemplified by Saddam's drive for nuclear terror. SDI provides the ability to both defend our populations against the most likely modes of future attack, while the B-2 provides a survivable offensive capability that stays home and operates under human control (you can call back a plane).

Yet it's clear that both SDI and the B-2 will be swept up in the wave of mindless defense cutting now being bruited about by the Democratic left. If the public believes that Mr. Bush is doing the right thing in cutting back the nuclear arsenal, it's going to have to provide support for his plans to defend the future. A world without tactical nukes, but defended by SDI and the B-2 is worth a great deal of political capital. Without SDI, U.S. response to a new threat sometime in the next generation would almost necessarily be overdue and hasty, at enormous danger, cost and waste.

We are not out of the woods yet. For example, the nuclear initiative itself adds a new and complicated dimension to the fault lines in the internal politics of the Soviet Union. Mr. Gorbachev competes for authority with Mr. Yeltsin and the leaders of the republics, notably Ukraine and Khazakistan, compete with both of them. The republics worry that Russian control of nuclear weapons now on their soil will be used as political leverage against them. If the republics come to see Mr. Bush's initiative as another U.S. attempt to tilt control back to the center and Mr. Gorbachev, they will resist, further destablizing the country's domestic politics.

Without question, 1991 is emerging as a seminal year in history. Much of the world has passed from totalitarianism to democracy, and now embarks on the path away from the total war of offensive nuclear weapons and toward defensive systems. The future can be brighter still, so long as we remember why we have succeeded thus far.

RECESS

Mr. DOLE. Mr. President, at the request of the distinguished majority leader I move the Senate stand in recess until the hour of 4:15 p.m.

The motion was agreed to, and at 3:06 p.m. the Senate recessed until 4:16:45

p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. WELLSTONE].

RECESS UNTIL 5 P.M.

The PRESIDING OFFICER. Without objection, the Senate will stand in recess until 5 p.m.

The Senate stands in recess.

There being no objection, at 4:16:55 p.m., the Senate recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. PELL].

The PRESIDING OFFICER. In my capacity as a Senator from Rhode Island, I suggest the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination reported today by the Committee on Armed Services: Gen. Colin L. Powell, to be Chairman of the Joint Chiefs of Staff.

I further ask unanimous consent that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

The following-named officer, under the provisions of title 10, United States Code, section 152, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general while serving in that position:

To be Chairman of the Joint Chiefs of Staff

To be general

Gen. Colin L. Powell, 113-28-4024, U.S. Army.

Mr. NUNN. Mr. President, the Committee on Armed Services has favorably reported the nomination of Gen. Colin L. Powell, U.S. Army, for a second 2-year term as the Chairman of the Joint Chiefs of Staff.

The committee received testimony from General Powell on Friday, September 27, and once again this afternoon. This afternoon's hearing involved both a closed and an open session. One of the items the committee reviewed in the closed session was the book "The Commanders." The committee also questioned General Powell about the implications of the President's arms control speech last Friday.

In recommending approval of General Powell's nomination, which I will shortly move that the Senate approve, I want the Senate to know that General Powell answered all the questions that Senator WARNER and I and other committee members asked of him. I also want to note that Senator WARNER and I and several members of our committee have recommended to Secretary Cheney and to General Powell that an investigation be conducted into leaks of classified information that might have been divulged in "The Commanders."

I also want to note that General Powell has answered a number of other important defense policy questions that were posed by committee members.

General Powell's first term as Chairman of the Joint Chiefs has seen our Armed Forces involved in conflicts in Panama—Operation Just Cause, and the Persian Gulf—Operations Desert Shield and Desert Storm. Our Armed Forces have also been involved in humanitarian and rescue operations in Liberia and Somalia, in Operation Provide Comfort to assist the Kurds, and in humanitarian operations to assist the victims of flooding in Bangladesh. General Powell has been instrumental in the planning and execution of all of these operations. His professionalism and leadership were essential ingredients of these military successes.

General Powell has also been instrumental in designing a new military strategy to adjust to the changed world at a time of declining defense resources. He has brought tremendous talent, insight, and experience to the challenges of the last 2 years. I am confident that he will be up to the unexpected challenges of the next 2 years as well.

General Powell's tour as Chairman of the Joint Chiefs expires as of midnight tonight and I want to thank the Senate leadership for keeping the Senate in session so that we can act on this nomination this evening.

Mr. WARNER. Mr. President, I rise to support the reconfirmation of Gen. Colin Powell to continue to serve the President and the Nation as the Chairman of the Joint Chiefs of Staff for another 2-year term.

General Powell is an extraordinary soldier and commander who has risen to the position of Chairman of the Joint Chiefs of Staff where he has served for the past 2 years as the principal military adviser to the President, the Secretary of Defense, and the National Security Council.

General Powell was born in New York City on April 5, 1937, and was raised in the south Bronx section of New York City. He graduated from the City College of New York in 1958, and was commissioned a second lieutenant in the Regular Army through the Reserve Officers' Training Corps Program.

He has had an illustrious military career. An infantry officer with two combat tours of duty in Vietnam, he commanded units from company level all the way to the U.S. Forces Command.

General Powell is truly the kind of example we have long sought for the youth of our country to emulate. He is a decorated combat soldier with five combat medals, including the Purple Heart. In addition, because of his calm but decisive manner, he has greatly increased the confidence of the American people in our Armed Forces.

General Powell has said of himself, "I just try to do my job and that's all I ever tried to do, from the day I was commissioned until the day I became Chairman of the Joint Chiefs of Staff."

General Powell has been tested under fire in his capacity as Chairman of the Joint Chiefs—perhaps more so than any other Chairman in recent history. The conduct of our military operations in both Panama and the Persian Gulf attest to General Powell's leadership, military skills, and devotion to duty.

I have enormous respect for General Powell and great confidence in his abilities. I can think of no other military leader I would prefer to have serving as Chairman of the Joint Chiefs at this critical juncture in our Nation's history.

Before closing, the RECORD should reflect that the committee, in both open and closed session, received General Powell's responses to a number of questions relating to the book entitled "The Commanders." A number of committee members, on both sides of the aisle, expressed concerns over representations contained in that book.

I urge my colleagues to support the confirmation of General Powell to be Chairman of the Joint Chiefs of Staff for another 2-year term.

Mr. DOLE. Mr. President, I rise in support of the President's renomination of Gen. Colin Powell to continue to serve as Chairman of the Joint Chiefs of Staff. In his tenure as the highest ranking military adviser to the President, and as the Chairman of the august body of our military service chiefs, General Powell has distinguished himself as one of the premier military thinkers and strategists of modern times.

General Powell's military record speaks for itself. His achievements are legion. America is stronger and more secure today because of his vision, leadership, and professionalism.

Indeed, these are uncertain times. In my view, there is no man better qualified than General Powell to serve as Chairman of the Joint Chiefs—now, or in the future. America already owes this soldier and patriot a great debt. Yet, we require his continued service and leadership to guide our military and ensure our security in the uncertain and dangerous times that lie ahead.

I urge my colleagues to join me in supporting this nomination. Gen. Colin Powell is exactly the right man at the right time.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

REPORT ON THE DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM-81

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, as modified on April 11, 1986, was referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Foreign Relations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Environment and Public Works, the Committee on Finance, and the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one deferral of budget authority for FY 1991, totaling $86,959,992, and seven deferrals of budget authority for FY 1992, totaling $1,817,019,817.

These deferrals affect International Security Assistance programs as well as programs of the Agency for International Development and the Departments of Agriculture, Defense, Health and Human Services, State, and Transportation. The details of these deferrals are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, *September 30, 1991.*

MESSAGES FROM THE HOUSE

At 2:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House had passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1426. An act to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes;

H.R. 2900. An act to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes; and

H.R. 2935. An act to designate the building located at 6600 Lorain Avenue in Cleveland, OH, as the "Patrick J. Patton United States Post Office Building."

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1426. An act to provide for the recognition of the Lumbee Tribe of Cheraw Indians of North Carolina, and for other purposes; to the Select Committee on Indian Affairs.

H.R. 2900. An act to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ENROLLED BILL SIGNED

The PRESIDENT pro tempore (Mr. BYRD) announced that on today, September 30, 1991, he had signed the following enrolled bill:

S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 30, 1991, he had presented to the President of the United States the following enrolled bill:

S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1963. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report that the program acquisition unit cost of a major defense acquisition program has increased by more than 15 percent and subsequently breaches the 25 percent reporting threshold; to the Committee on Armed Services.

EC-1964. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the multiyear contract for the Family of Medium Tactical Vehicles program; to the Committee on Armed Services.

EC-1965. A communication from the General Counsel of the Department of Defense, transmitting, pursuant to law, a draft of proposed legislation to authorize the Secretary of Defense to institute a voluntary separation incentive for members of the armed forces to ensure an orderly, effective, and fair reduction in the size of the armed forces, and for other purposes; to the Committee on Armed Services.

EC-1966. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report covering certain properties to be transferred to the Republic of Panama; to the Committee on Armed Services.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-211. A resolution adopted by the Municipal Council of Jersey City, New Jersey favoring retention in New Jersey of the 50th Armored Division of the Army National Guard; to the Committee on Armed Services

POM-212. A resolution adopted by the Independent Fundamental Churches of America commending United States leaders for courageous actions during the Persian Gulf War; to the Committee on Armed Services.

POM-213. A joint resolution adopted by the Legislature of the State of Wisconsin; to the Committee on Commerce, Science, and Transportation.

"1991 ASSEMBLY JOINT RESOLUTION 49

"Whereas, the American ship-building industry has a long record of success in the U.S. maritime service; and

"Whereas, foreign flagships now carry most of the international trade from the United States to other jurisdictions for want of American ships flying the U.S. flag; and

"Whereas, the U.S. ship-building industry has become victimized by the low or substandard wage and safety policies of foreign corporations involved in ship building; and

"Whereas, U.S. ship-building firms have had to minimize or shut down operations because they cannot get contracts to build vessels from the U.S. government or foreign export-import maritime corporations; and

"Whereas, the U.S. military commands to date have had to rely on foreign flagships to meet their needs around the world; and

"Whereas, the past shortcomings of non-U.S. flagships are well documented by the U.S. defense department and by each of the military commands; now, therefore, be it

"*Resolved by the assembly, the senate concurring,* That the Wisconsin legislature objects to the federal government's failure to use American ship-building firms to the fullest to supply modern vessels and urges congress to provide legislative relief to change current practices in the U.S. ship-building industry and thus protect that vital U.S. industry; and, be it further

"*Resolved,* That the chief clerk of the assembly shall transmit copies of this joint resolution to the president of the U.S. senate, to the speaker of the U.S. house of representatives and to each member of the congressional delegation from this state.".

POM-214. A resolution adopted by the House of Representatives of the State of Texas; to the Committee on Commerce, Science, and Transportation:

"H.R. No. 4

"Whereas, the Congress of the United States is considering legislation to set a national goal that by the year 2015 the United States establish an advanced communications system available to all homes, businesses, educational institutions, health care organizations, and other users; and

"Whereas, the United States economy is becoming increasingly dependent on the provision of services that require efficient distribution and dissemination of information; and

"Whereas, the more rapid deployment of an advanced communications infrastructure to every business, educational and health care institution, and home in America will fundamentally improve the United States' international competitiveness in the information age; and

"Whereas, the implementation of an advanced network will stimulate the development of American technology for domestic use and for export abroad, and will help ensure that the United States is not forced to import advanced communications systems and export the jobs to develop and manufacture the related technology; and

"Whereas, such an infrastructure will improve the ability of American businesses to compete in the global marketplace, allow employees to work at home, thereby reducing congestion in urban areas, and will bring educational opportunities to children and adults in all areas of the country through two-way interactive video education and training; and

"Whereas, this infrastructure will help contain health care costs through home-based health care delivery systems, improve access to affordable health care delivery systems, improve access to affordable health care through the transmission of medical imaging and diagnostics, and better enable the elderly to live at home through daily monitoring; and

"Whereas, this infrastructure will allow consumers to improve the quality of their lives through interactive services that permit remote ordering of city and county services and video shopping at home; and

"Whereas, the legislation encourages competition in both the telephone and cable television industries, with appropriate and strong safeguards to prohibit cross-subsidization and to assure equal and fairly priced access to a broadband communications network; now, therefore, be it,

"*Resolved*, That the House of Representatives of the 72nd Texas Legislature, 2nd Called Session, hereby memorialize the Congress of the United States to pass the "Communications Competitiveness and Infrastructure Modernization Act of 1991" (H.R. 2546/S. 1200) to move America forward into the Information Age of the 21st Century; and, be it further

"*Resolved*, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all members of the Texas delegation to the congress, with the request that this resolution be officially entered in the *Congressional Record* as a memorial to the Congress of the United States of America."

POM-215. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Energy and Natural Resources:

"HOUSE JOINT MEMORIAL 17

"Whereas the Legislative Assembly of the State of Oregon finds that the forest resources of the state are important to the economic, social, cultural and human needs of the nation and to Oregonians; and

"Whereas the forest products industry accounts for a significant percentage of the economic production of Oregon; and

"Whereas the Federal Government holds 52 percent of Oregon's productive, renewable forestland; and

"Whereas the Federal Government has recognized over the last 100 years the importance of productively managing forest resources to provide stability to natural resource dependent communities; and

"Whereas productive multiple-use management of federal lands is vital to natural resource dependent communities and includes forest management, all recreational activities, agricultural applications, and the stewardship of public resources; and

"Whereas the federal Endangered Species Act and other environmental laws are resulting in economic instability and hardship for natural resource dependent communities; and

"Whereas restriction of available timber supply will increase the price of wood and paper products; and

"Whereas the natural resource dependent communities of Oregon need explicit legislation recognizing their right to a stable and predictable natural resource base: Now, therefore, be it

"*Resolved by the Legislative Assembly of the State of Oregon:*

"(1) We urge the Congress of the United States to resolve federal forest management issues in the Northwest by enacting legislation that provides for continued management of federal forests for timber productivity while meeting the objectives of insuring the ecological health and viability of federal lands.

"(2) We urge the members of the Oregon Congressional Delegation to continue their unified effort to provide for a viable legislative solution to federal forest management issues through a set of agreed upon goals, bearing in mind that:

"(a) The relationship between management of national forests and the stability of those communities that have supported the economic objectives of management policies of the Federal Government is critical to all Oregonians and must be addressed as a goal in any serious effort to legislatively resolve forest management issues.

"(b) The objective of the Community Stability Act of 1991 to provide economic certainty to natural resource dependent communities in the Northwest is a fair and equitable expectation of families whose futures rest on stable and predictable federal management policies over time.

"(3) We urge the Congress and the Northwest Congressional delegations to facilitate efforts to bring together representatives of natural resource dependent industries, labor, environmental organizations and state government to negotiate a quick and certain resolution to forest management issues at the national level.

"(4) We urge the Congress and the Northwest Congressional delegations to develop a comprehensive policy for management of federal forestlands in the Northwest, for timber workers displaced by rapidly changing federal forest management policies and for stability of rural timber-dependent communities throughout the Northwest. Such a policy should include a recognition of the following elements:

"(a) The need of Northwest states for a predictable and stable supply of timber from federal forestlands managed under a sustained yield policy;

"(b) The need for a spotted owl recovery plan that provides for the recovery of the species and relies upon federal public lands so that Oregon's private forestlands are not adversely affected by unclear provisions of the federal Endangered Species Act;

"(c) The need for a federal policy that recognizes a federal responsibility for natural resource dependent workers displaced from their jobs by changes in federal land management policies that have resulted in reduction of income-producing opportunities;

"(d) The need for a federal policy that provides stability for natural resource dependent communities and counties that are facing dramatic social dislocation as they attempt to manage the severe economic consequences of an unprecedented shift in federal lands policy;

"(e) The responsibility of the Federal Government to make investments in federal forest management that will insure the productivity of federal forestlands as a future supply of timber while providing immediate family wage job opportunities for displaced timber workers;

"(f) The responsibility of the Federal Government to provide assistance to private forestland owners through existing state timber management assistance programs to compensate for timber supply reductions on federal lands by increasing the productivity of private forestlands;

"(g) The responsibility of the Federal Government to monitor implementation of federal forest management plans to insure that all objectives of new federal forest management policy are being achieved;

"(h) The responsibility of the Congress to promote the processing of timber domestically; and

"(i) The responsibility of the Congress to form a partnership with the State of Oregon and private industry to provide capital investments for both primary and secondary wood products manufacturing to strengthen Oregon's timber economy.

"(5) We urge the Congress of the United States to take the opportunity to establish a national precedent for balancing the management of our environment and the needs of people by establishing a comprehensive policy that addresses all aspects of the problems associated with sweeping changes in forest management in the Northwest.

"(6) We urge the Interior and Insular Affairs Subcommittee on National Parks and Public Lands of the United States Congress to hold hearings personally on HR 1590, the Ancient Forest Reserves Act, in the Northwest region of the United States.

"(7) A copy of this memorial shall be sent to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Secretary of the Interior, the Secretary of Agriculture and to each member of the Oregon Congressional Delegation."

POM-216. A resolution adopted by the Texas and Southwestern Cattle Raisers Association favoring amendment and revision of the Endangered Species Act of 1973 and the Federal Water Pollution Control Act of 1972; to the Committee on Environment and Public Works.

POM-217. A resolution adopted by the New Jersey State Federation of Women's Clubs, Junior Membership relative to truck size and weight limits; to the Committee on Environment and Public Works.

POM-218. A resolution adopted by the Ocean County, New Jersey Board of Chosen Freeholders urging the Fish and Wildlife Service to add certain undeveloped tracts along the Ocean County Barnegat Bay Shore as an expansion of the Edwin B. Forsythe

National Wildlife Refuge; to the Committee on Environment and Public Works.

POM-219. A resolution adopted by the Louisiana School Employees' Retirement System relative to amendments to the Internal Revenue Code relative to tax treatment of retirement benefits; to the Committee on Finance.

POM-220. A resolution adopted by the Assembly of the State of New Jersey; to the Committee on Finance.

"RESOLUTION

"Whereas, the Congress of the United States, as part of the Omnibus Budget Reconciliation Act of 1990, imposed on the first retail sale of a boat to be used for recreation a luxury excise tax equal to 10 percent of the sale price to the extent, that the sale price exceeds $100,000; and

"Whereas, this luxury tax is proving counterproductive in that it has discouraged the purchase of higher priced boats and, therefore, is failing to generate the revenues that were anticipated when the tax provision was enacted; and

"Whereas, the State of New Jersey, with 460 miles of water boundaries, has had a thriving recreational boating industry which is a significant component of New Jersey's attraction to tourists both from within and without the State; and

"Whereas, a survey of the State's boating industry, comprising companies that manufacture, sell and service boats, indicates that the imposition of the luxury tax has cost these New Jersey businesses $235,000,000 in reduced income and eliminated 3,415 jobs in the State's boating industry; and

"Whereas, these economic losses are compounded by the ripple effect on other businesses including equipment manufacturers, lenders, insurance companies, and have exacerbated the State's difficult fiscal situation by eroding sales tax corporation tax and gross income tax revenues; and

"Whereas, it is altogether fitting and proper for the General Assembly to join the voices of opposition to the luxury excise tax on boats raised by organizations such as the Coalition To Save Jobs in Boating: Now, therefore,

Be it Resolved by the General Assembly of the State of New Jersey:

"1. The General Assembly of the State of New Jersey, on behalf of the citizens of this State and for the purposes cited in the preamble hereto, respectively memorializes the Congress of the United States to approve the enactment of H.R. 951, the "Boating Industry Jobs Preservation Act of 1991," or legislation of substantially identical effect, repealing the present luxury excise tax or boats that is contrary to the best interests of an important section of the economy of this State.

"2. Duly authenticated copies of this concurrent resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States Senate and the Speaker of the United States House of Representatives, to the chairman and members of the appropriate congressional standing committees, and to each member of Congress elected from this State."

POM-221. A resolution adopted by the Legislature of the State of Michigan; to the Committee on Finance:

"SENATE RESOLUTION NO. 191

"Whereas, the unemployment insurance program was established under both federal and state law to provide for income maintenance during periods of involuntary unemployment; and

"Whereas, employers throughout the United States have been required to pay federal unemployment taxes, earmarked solely for purposes of financing both federal and state agencies that administer the national employment security system; and

"Whereas, sufficient administrative funds have not been released when needed to support the increasing costs of processing higher unemployment claims, but instead, multibillion dollar annual surpluses in the unemployment insurance administrative account serve to offset the overall federal deficit; and

"Whereas, administrative financing of the Unemployment Insurance program must be timely and adequate to fund UI administrative services and anticipated workload increases; and

"Whereas, administrative funding shortfalls have disrupted the ability of many local branch offices to process claims in a timely fashion; and

"Whereas, these shortfalls have resulted in a decline of services to claimants and employers alike; and

"Whereas, mid-year supplemental appropriations have been frequently required to maintain staffing levels and to keep local branch offices operational; and

"Whereas, these supplemental appropriations provide much-needed relief, but they often come too late in the process to avoid many needless delays, long lines, and staff shortages; and

"Whereas, the Budget Enforcement Act of 1991 will only exacerbate the problem, since UI costs are driven directly by changes in unemployment, but the Act has no mechanism to adjust the domestic discretionary spending cap to reflect increasing UI workload during an economic downturn; and

"Whereas, the creation of a contingency reserve fund in the fiscal year 1992 appropriation, which would be tapped only in the event of an unanticipated downturn in the economy resulting in an increased number of workers collecting unemployment benefits beyond those anticipated in the President's budget submission, should not be funded at the expense of other domestic discretionary programs; and

"Whereas, reserves accumulate in the Employment Security Administrative Accounts, which are projected by the Department of Labor to have a remaining balance of nearly $3 billion after outlays at the end of fiscal year 1992; and

"Whereas, as these reserves accumulate, many local branch offices still needlessly suffer under heavy workloads, continuing to threaten the payment of benefits to claimants and the delivery of services to employers; and

"Whereas, this proposed national contingency UI reserve fund was based on the establishment in 1989 of a Michigan UI Budget Stabilization fund, which helped Michigan employers and laid-off workers withstand the Federal UI administrative funding problems in 1990; and

"Whereas, the concept of this fund was the result of a bipartisan effort of government officials and business and labor interests; and

"Whereas, the entire Michigan Congressional delegation, both of Michigan's U.S. Senators, and the Governor of the State of Michigan have expressed their support for a contingency reserve fund, through separate letters to the President, federal officials, and leaders of the U.S. House and Senate Appropriations Committees which together played such an important role in securing approval by the U.S. House of Representatives of a contingency reserve fund for unemployment insurance administration; and

"Whereas, the avenue and forum by which the concept was developed was through the Michigan Ad Hoc Group on Unemployment Insurance Administration convened two years ago by The Economic Alliance for Michigan to develop a consensus approach to serious problems in the operation of the Michigan UI system that work to the detriment of both employers and laid-off workers; and

"Whereas, the Michigan Ad Hoc Group on Unemployment Insurance Administration is composed of key government officials from both parties: the Chair and Minority Vice Chair of the House Labor Committee, the Chair and Minority Vice Chair of the Senate Labor Committee, the Assistant Senate Majority Leader, and the Director of the Michigan Employment Security Commission, representing the State Administration; and

"Whereas, the Michigan Ad Hoc Group on Unemployment Insurance Administration is also composed of a wide range of business and labor groups concerned about the need for improving the operations of the unemployment insurance system, such as the Associated General Contractors-Detroit, Automotive Molding Company, Chrysler Corporation, Employers Unemployment Compensation Council, General Motors Corporation, K-Mart Corporation, Michigan Association of Home Builders, Michigan Building Trades Council, Michigan Manufactures Association, Michigan Merchants Council, Michigan Retailers Association, Michigan State AFL-CIO, Michigan State Chamber of Commerce, Michigan Teamsters Joint Council No. 43, Michigan UAW Community Action Program, National Federation of Independent Business-Michigan, SEIU Michigan Council, and the Small Business Association of Michigan; and

"Whereas, the Michigan Ad Hoc Group on UI Administration has also been instrumental in providing information and in organizing a delegation to visit Washington and in bringing this issue to the attention of our state and national officials: Now, therefore, be it

"*Resolved by the Senate*, That we hereby memorialize the Congress and the President of the United States to approve a Contingency Reserve Fund in the fiscal year 1992 Appropriations Bill, which has already been approved by the House Appropriations Committee and is soon to be acted on by the full House of Representatives; and be it further

"*Resolved*, That the Senate pledges its full support to Michigan's U.S. Senators, U.S. Representatives, the Governor, and the Michigan Ad Hoc Group on Unemployment Insurance Administration, to secure enactment by the Congress and the President, on a bipartisan basis, of a contingency reserve for administering unemployment insurance benefits and taxes to assure timely and adequate response to unexpected changes in employment for the benefit of both claimant workers and taxpaying employers; and be it further

"*Resolved*, That copies of this resolution be transmitted to the Office of the President of the United States; the United States Secretary of Labor; the Director of the United States Office of Management and Budget; the chairs and ranking minority members of the United States House and Senate Appropriations and Budget Committees, House Ways and Means Committee, and the Senate Finance Committee; each of the members of the Michigan Congressional delegation; and to each member of the Michigan Ad Hoc Group on Unemployment Insurance Administration."

POM-222. A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION 5

"Whereas, brave young men and women from throughout the state of Indiana and the United States have served with the forces of Operation Desert Shield and Operation Desert Storm; and

"Whereas, these service members were required to leave their regular jobs in order to serve their country in Operation Desert Shield and Operation Desert Storm; and

"Whereas, upon completion of their active military service, some of these service members have returned in good faith to their previously held jobs and have subsequently been laid off due to circumstances beyond their control; and

"Whereas, federal law denies unemployment benefits to ex-service members who were on active duty for less than a continuous period of 180 days and restricts the period of time for which unemployment benefits may be paid; and

"Whereas, limiting of unemployment benefits of ex-service members unfairly discriminates against these men and women who have temporarily given up their jobs in order to serve their country for the benefit of all citizens; and

"Whereas, the nation should be indebted to these individuals who, in the call of duty, willingly gave so much for their country, and should treat them as all other individuals are treated for purposes of unemployment benefits: Now, therefore, be it

"*Resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate Concurring:*

"Section 1. That we urge Congress to amend the federal laws that restrict unemployment benefits that may be paid to ex-service members so that these individuals may receive benefits equal to those to which all other unemployed persons are entitled. Specifically, we urge the amendment of Public Law 97-362, Title II, Section 201, to remove the requirement of 180 days of continuous active military service.

"Section 2. That we urge Congress to amend the federal law restricting to 13 weeks the period of time that unemployment benefits may be received by ex-service members to allow these individuals to receive benefits for 26 weeks, as allowed for all other unemployed persons. Further, we urge amendment of the federal law prohibiting ex-service members from receiving extended unemployment benefits during prolonged periods of unemployment.

"Section 3. That the Clerk of the House is requested to transmit copies of this Resolution to the majority and minority leadership of both houses of Congress of the United States and to each member of the Indiana Congressional Delegation."

POM-223. A petition from citizens of Concord, New Hampshire favoring measures to protect the Social Security Trust Fund; to the Committee on Governmental Affairs.

POM-224. A resolution adopted by the Board of Supervisors of Hanover County, Virginia concerning the POW/MIA legislation under consideration by the Congress; to the Committee on Governmental Affairs.

POM-225. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Governmental Affairs.

"RESOLUTION

"Whereas, seventeen years after the Vietnam War, there currently remain more than 2,272 Americans still missing or otherwise unaccounted for in Indochina; and

"Whereas, the families of servicemen and civilians missing in Indochina still suffer untold grief and uncertainty due to the lack of an adequate accounting; and

"Whereas, the President has declared the issue of America's missing or otherwise unaccounted for in Indochina a matter of high national priority and has had high level dialogue with the governments of the Lao Peoples' Democratic Republic and the Socialist Republic of Vietnam on this issue; and

"Whereas, in February 1984, the Socialist Republic of Vietnam promised to accelerate the resolution of this humanitarian issue and, in February 1985, indicated it was interested in normal relations with the United States; and

"Whereas, despite these assurances, there is a growing body of evidence that Americans continue to be held captive in Indochina; and

"Whereas, 114 Pennsylvanians who served in Vietnam are still unaccounted for; therefore be it

"*Resolved*, That the Senate of the Commonwealth of Pennsylvania support the President's pledge of high national priority to resolve the status of more than 2,272 Americans still missing and unaccounted for in Indochina; and be it further

"*Resolved*, That the strongest signal that can be sent to the governments of Vietnam and Laos is the united voice of the American people, demanding that the United States Government and Congress take more decisive and aggressive action to secure the freedom of our POW's and MIA's; and be it further

"*Resolved*, That the Senate urge the President and the Congress of the United States to ensure that this issue remains one of highest national priority and to accelerate efforts in every possible way to obtain the immediate release of Americans who are still being held captive in Indochina; and be it further

"*Resolved*, That the Senate memorialize the Congress of the United States to investigate the live sightings of POW's and MIA's in Southeast Asia and to investigate the current policy of the United States regarding the sightings of POW's and MIA's; and be it further

"*Resolved*, That copies of this resolution be transmitted to the Honorable George Bush, President of the United States, to the presiding officers of each house of Congress, and to each member of Congress from Pennsylvania."

POM-226. A joint resolution adopted by the Legislature of the State of Oregon; to the Select Committee on POW/MIA Affairs:

"HOUSE JOINT MEMORIAL 28

"Whereas there are more than 88,000 American service personnel missing in action from World War II, Korea and Vietnam; and

"Whereas recent information has been released regarding American service personnel held against their will after World War II, the Korean War and the Vietnam Conflict; and

"Whereas the United States Senate Foreign Relations Committee released an "Interim Report on the Southeast Asian POW/MIA Issue" in October 1990 that concluded that American service personnel were held in Southeast Asia after the end of the Vietnam Conflict and that information available to the United States government does not rule out the probability that American service personnel are still being held in Southeast Asia; and

"Whereas on April 12, 1973, the United States Department of Defense publicly stated that there was "no evidence" of live American prisoners of war (POWs) in Southeast Asia; and

"Whereas the public statement was given nine days after Pathet Lao leaders declared on April 3, 1973, that Laotian communist forces did, in fact, have live American POWs in their control; and

"Whereas no POWs held by the Laotian government and military forces were ever released; and

"Whereas there have been more than 11,700 live-sighting reports received by the Department of Defense since 1973 and, after detailed analysis, the Department of Defense admits there are a number of "unresolved" and "discrepancy" cases; and

"Whereas in October 1990, the United States Senate Foreign Relations Committee released an interim report that concluded that United States military and civilian personnel were held against their will in Southeast Asia, despite earlier public statements by the Department of Defense that there was "no evidence" of live POWs, and that information available to the United States government does not rule out the probability that United States citizens are still held in Southeast Asia; and

"Whereas the Senate interim report states that congressional inquiries into the POW/MIA issue have been hampered by information that was concealed from committee members or was "misinterpreted or manipulated" in government files; and

"Whereas the POW/MIA truth bill would direct the heads of the Federal Government agencies and departments to disclose information concerning the United States service personnel classified as prisoners of war or missing in action from World War II, the Korean War and the Vietnam Conflict; and

"Whereas this bill would censor the sources and methods used to collect the live-sighting reports thus protecting national security; and

"Whereas the families of these missing service personnel need and deserve the opportunity to have access to the information concerning the status of their loved ones after these many years: Now, therefore, be it

"*Resolved by the Legislative Assembly of the State of Oregon:*

"(1) The Congress of the United States is urged to appoint a select committee to assist the United States Senate Foreign Relations Committee in obtaining information in government files.

"(2) The Congress of the United States is urged to begin immediate committee hearings to consider enacting the POW/MIA truth bill.

"(3) The Congress of the United States is requested to continue funding of this investigation that is vital to resolving the POW/MIA issue in Southeast Asia.

"(4) Copies of this memorial shall be sent to the Secretary of State, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives and each member of the Oregon Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works, with amendments:

H.R. 794. A bill to establish the Connecticut River National Fish and Wildlife Refuge (Rept. No. 102–165).

EXECUTIVE REPORTS OF COMMITTEES

The following executive committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

The following named officer, under the provisions of title 10, United States Code, section 152, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general while serving in that position:

TO BE CHAIRMAN OF THE JOINT CHIEFS OF STAFF

To Be General

Gen. Colin L. Powell, [redacted], U.S. Army.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SASSER (for himself and Mr. GORE):

S. 1772. A bill to alter the boundaries of the Stones River National Battlefield, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INOUYE:

S. 1773. A bill to extend for a period of 31 days the legislative reinstatement of the power of Indian tribes to exercise criminal jurisdiction over Indians; considered and passed.

By Mr. BRYAN:

S. 1774. A bill to establish a silver congressional commemorative medal for members of the United States Armed Forces who served in a combat zone in connection with the Persian Gulf conflict; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ROTH (for himself, Mr. SYMMS, Mr. SIMON, Mr. GLENN and Mr. NUNN):

S. 1775. A bill to provide for equality of State taxation of domestic and foreign corporations; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. SIMPSON, Mr. SIMON and Mr. DECONCINI):

S. 1776. A bill to amend the Immigration and Nationality Act with respect to the admission of O and P nonimmigrants; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SASSER (for himself and Mr. GORE):

S. 1722. A bill to alter the boundaries of the Stones River National Battlefield, and for purposes; to the Committee on Energy and Natural Resources.

BOUNDARY ALTERATION AT STONES RIVER NATIONAL BATTLEFIELD

• Mr. SASSER. Mr. President, I rise today to introduce legislation that will protect and preserve for generations to come one of our country's great historic treasures—Stones River battlefield in my home State of Tennessee.

More than 23,000 soldiers were killed or injured in a pivotal Civil War confrontation that took place at Stones River battlefield from December 31, 1862, through January 2, 1863. In describing Stones River battle as pivotal, I am by no means overstating the case. As a result of the hard-won victory at Stones River, Union forces were able to establish an important stronghold in middle Tennessee with access to the tracks of the Nashville and Chattanooga railroad. The establishment of a major Union supply base at this strategic location no doubt influenced the outcome of the Civil War.

Today, Stones River battlefield, near Murfreesboro, TN, is increasingly threatened by encroaching development and rising real estate prices. Unless we act quickly and decisively, am important vestige of our national heritage will be lost forever.

The original battle site, including the headquarters of Union General Rosecrans and Confederate General Bragg, stretched across roughly 3,700 acres. Only a fraction of that historic acreage has been protected. In leaving so much of the original battlefield open to the possibility of commercial development, we have been remiss in fulfilling our obligation to protect an important part of our heritage.

So far this year, more than 175,000 visitors from across the Nation have come to see Stones River battlefield and the adjoining museum. This member is continuing to increase. Clearly, the American people do not want their history paved over and forgotten.

Secretary of the Interior Manuel Lujan, Jr., has given high priority to the Stones River battlefield by listing it among the 25 "critically threatened and significant" American battlefields that he has targeted for immediate attention. In light of this urgency, I am introducing this bill to expand the boundaries of the Stones River National Battlefields and to add 322 acres to the 400-acre park. A version of this legislation has already passed in the House. I encourage my colleagues in the Senate to join in this important effort to preserve Stones River battlefield for future generations.•

• Mr. GORE. Mr. President, I am pleased to have the opportunity today to join my friend and distinguished colleague, the senior Senator from Tennessee [Mr. SASSER], in the introduction of legislation to expand and improve the Stones River National Battlefield in Murfreesboro, TN.

This measure is badly needed to help protect an important Civil War battlefield from the pressures of urban growth and preserve this national resource for future generations. it should be noted that Rutherford County is one of the fastest-growing counties in the United States. In the last decade, the population increased by more than 40 percent.

Only a few years ago, Stones River National Battlefield was located in a rural setting, but the explosive growth of Murfreesboro and Rutherford County has endangered the character of the park and threatens to alter its nature. On October 5, 1987, then Assistant Interior Secretary William Horn stated in a letter to the Senate Committee on Energy and Natural Resources that "for the visitor and for the resources, the historic scene is being diminished." That diminishment continues, and for that reason I am strongly committed to the legislation being proposed today.

The 1980 general management plan for the park proposed the addition of 284 acres, but by the end of the decade, only 53 acres were being considered for acquisition. The process of purchasing those parcels is well underway with the help of appropriations just approved, and that is a very positive and necessary step.

Mr. President, still more needs to be done, and this legislation will help do it. Under this bill, a version of which already has been passed in the other body, authorization will exist to add approximately 322 additional acres to the 400-acre park. Almost doubling the size of Stones River National Battlefield will protect this historic site from developmental encroachment once and for all.

The Battle of Stones River, or the Battle of Murfreesboro as it was known in the South, took place between December 31, 1862, and January 2, 1863. After Union troops took control of this critical ground, they established a major supply base. The headquarters sites of both the Union General Rosecrans and Confederate General Bragg are located within the boundaries. The park was established in 1927, and there are more than 200,000 visitors annually.

So there is ample reason for every American to be concerned about the future of Stones River National Battlefield. I am pleased to help in the introduction of this bill, and I urge my colleagues to join me in supporting it.•

By Mr. BRYAN:

S. 1774. A bill to establish a silver congressional commemorative medal for members of the U.S. Armed Forces who served in a combat zone in connection with the Persian Gulf conflict; to the Committee on Banking, Housing, and Urban Affairs.

SILVER MEDAL FOR PERSIAN GULF VETERANS

• Mr. BRYAN. Mr. President, I am introducing legislation to establish a silver congressional medal for members of the U.S. Armed Forces who served in a combat zone in the recent Persian Gulf conflict. I believe we need to extend to the courageous men and women of Operation Desert Shield and Desert Storm a lasting token of our gratitude.

Congress bestowed gold medals of honor upon Generals H. Norman Schwarzkopf and Colin Powell. Having thus recognized these two great generals, I hope we can now pay similar respect to the soldiers, airmen, marines, and sailors who served in the campaign.

This legislation authorizes the striking of a bronze replica to defray the costs of bestowing these gold medals. I believe these medals will represent a small symbol of our gratitude.

I would like to commend my friend Congressman LaRocco for initiating this idea. Because of his fine leadership, the House has passed identical legislation (H.R. 1107). I urge my colleagues to cosponsor this bill.●

By Mr. ROTH (for himself, Mr. Symms, Mr. Simon, Mr. Glenn, and Mr. Nunn):

S. 1775. A bill to provide for equality of State taxation of domestic and foreign corporations; to the Committee on Finance.

DOMESTIC CORPORATION TAXATION EQUALITY ACT

● Mr. ROTH. Mr. President, we are in an era of increased international cooperation among nations. Yet there persists a longstanding disruption in the international tax area, caused by a small minority of States using a method of corporate tax assessment contradictory to the method used by the overwhelming majority of States, the Federal Government, and every single one of our trading partners. The bill I am introducing today for myself and Senators Nunn, Simon, Symms, and Glenn, the Domestic Corporation Taxation Equality Act of 1991, will solve the problems caused by the use of worldwide unitary taxation. Out of all of the taxing jurisdictions in the world, worldwide unitary tax is used generally by only California and North Dakota. Montana applies it to American companies with overseas subsidiaries, but not to overseas corporations with American subsidiaries. Alaska, by recent legislation, applies it only to corporations engaged in the oil or gas industries.

All international treaties to avoid double taxation require the use of the internationally accepted method of corporate tax assessment, the arm's length separate accounting method. Arm's length separate accounting is also required by the Internal Revenue Code. Arm's length separate accounting is the basis of the system that the United States and its trading partners have developed to enable corporate citizens to be taxed equitably among countries and to avoid multiple taxation.

Worldwide unitary taxation, ignoring the realities of a market economy, assumes the three factors upon which its apportionment formula is based—property, payroll, and sales—are equal worldwide. The mere presence of a corporation in California, for example, subjects the worldwide profits of all the members of its corporate group to State taxation. This is the case even though the income of the affiliate corporations not present in California are earned outside the State and the United States and are subject to the taxing jurisdiction of the country in which they are based. Double taxation naturally results from the application of worldwide unitary taxation. This risk of double taxation distorts investment decisions, thereby reducing the overall flow of investment into the United States and renders American-based corporate groups less competitive abroad.

The Federal Government has made it clear that its established tax policy is arm's length separate accounting, not worldwide unitary taxation. The most recent expression of its position was in a friend of the court brief filed by the Department of Justice in the supreme court of the State of California, which has before it an appeal by the State's taxing authority of lower court rulings that worldwide unitary taxation is unconstitutional. Over 20 nations that are our largest trading partners also filed briefs in opposition to the use of worldwide unitary taxation. Great Britain's Parliament has even enacted retaliatory legislation.

Our bill would limit the use of worldwide unitary taxation, but not alter the taxing jurisdiction of the States. It only requires the few States which utilize worldwide unitary taxation to use the same method for sourcing corporate income used by the other 41 of the 45 States which tax corporate income, the Federal Government, and every foreign taxing jurisdiction in the world. If the legislation is enacted, States will remain free to tax all income generated within their borders, at whatever rate they choose.

The bill also addresses the taxation by a few States of dividends paid to American corporations by their overseas subsidiaries without providing for a credit or exemption for taxes paid on the income where it was earned. Again, the purpose is to eliminate double taxation of income earned overseas by affiliates of American corporations.

There are compelling arguments that worldwide unitary taxation is a seriously flawed method of sourcing income for State corporate income tax purposes. Studies show that when worldwide factors are used, the formula results in foreign-sourced income being attributed to domestic sources, resulting in double taxation to the corporation.

In addition, recent and pending California case law may result in discriminatory tax law in the State—law which would place U.S. corporations at a distinct disadvantage as compared to foreign corporations. The result may very well be the imposition of worldwide unitary taxation on U.S.-based multinationals, coupled with an exemption from worldwide unitary taxation for foreign-based multinationals. Recently the California Court of Appeals held in Barclays Bank, a corporation based in England, that the imposition of worldwide unitary taxation on foreign-based multinational corporations violated the commerce clause of the United States Constitution. The same court, however, ruled against Colgate-Palmolive Co., a U.S.-based corporation, in a similar case. Therefore, in addition to addressing double taxation problems caused by worldwide unitary taxation, this bill would bring an end to the discriminatory nature of this tax in California, and place U.S. companies on a level playing field with foreign corporations for tax purposes.

In less than 10 years, 12 States have ceased using worldwide unitary taxation, joining the majority of the States, the Federal Government, and the rest of the world, in working for a consistent international tax policy. However, as the briefs filed in the California case by Australia, Austria, Belgium, Canada, Denmark, Finland, France, Federal Republic of Germany, Greece, Ireland, Italy, Japan, Luxembourg, The Netherlands, Norway Portugal, Spain, Sweden, Switzerland, the United Kingdom, and the United States attest, the problems persist. It is time the United States had one tax policy, and I hope that this body will help achieve it.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1775

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Domestic Corporation Taxation Equality Act of 1991".

SEC. 2. STATE TAXATION OF FOREIGN INCOME.

(a) In General.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 7524. STATE TAXATION OF FOREIGN INCOME.

"(a) State Use of Worldwide Unitary Method Prohibited.—No State shall impose tax on any taxpayer on a worldwide unitary basis. Notwithstanding the foregoing, this subsection shall not preclude any State from permitting a taxpayer to be taxed on a worldwide unitary basis pursuant to an unconditional election by such taxpayer.

"(b) State Taxation of Foreign-Source Dividends.—No State shall require the inclusion in the income base upon which State income tax of a corporation is calculated of more than an equitable portion of any dividend received from another corporation, other than a corporation described in one of the subparagraphs of subsection (c)(2). For purposes of this subsection, a State shall not be considered to include in the income base more than an equitable portion of dividends described in the preceding sentence if it—

"(1) excludes from the income base at least 85 percent of such dividends; or

"(2) excludes from the income base the portion of the dividend that effectively bears no Federal income tax after application of the foreign tax credit.

This subsection shall not be construed to permit State taxation of any dividend not subject to State taxation prior to enactment of this section.

"(c) DEFINITIONS.—

"(1) INCOME TAX.—For purposes of this section, the term 'income tax' shall include any State franchise or other tax which is imposed upon or measured by the income of the taxpayer.

"(2) WORLDWIDE UNITARY BASIS.— For purposes of this section, the term 'worldwide unitary basis' means that in computing its State income tax liability a corporation includes in the income base on which the tax is calculated any share of the income of any corporation other than a corporation that is a member of the same controlled group of corporations and is:

"(A) a domestic corporation (excluding a corporation that has made an effective election under section 936);

"(B) a corporation described in section 922;

"(C) a corporation organized in the Commonwealth of Puerto Rico, Guam, American Samoa, or the United States Virgin Islands;

"(D) any foreign corporation if (i) such corporation is subject to State income tax in at least one State by virtue of its business activities in that State, and (ii) the average of the percentages of such corporation's property (based on its aggregate original cost), compensation payments made for personal services (determined for its most recent Federal taxable year), and sales (determined for its most recent Federal taxable year) that are assignable to 1 or more locations in the United States is at least 20 percent; or

"(E) any foreign corporation described in paragraph (3).

"(3) CERTAIN FOREIGN CORPORATIONS.—A foreign corporation is described in this paragraph if such corporation—

"(A) is a member of a controlled group of corporations;

"(B) either carries on no substantial economic activity or makes at least—

"(i) 50 percent of its sales,

"(ii) 50 percent of its payments for expenses other than payments for intangible property, or

"(iii) 80 percent of all its payments for expenses,

to one or more corporations that are described in subparagraphs (A) through (D) of paragraph (2) and that are within the controlled group of corporations referred to subparagraph (A) of this paragraph; and

"(C) under standards established in regulations to be prescribed by the Secretary, is not subject to substantial foreign tax on its net income.

"(4) CERTAIN DOMESTIC CORPORATIONS TREATED AS FOREIGN CORPORATIONS.—For purposes of paragraphs (2) and (3), a domestic corporation shall be treated as a foreign corporation if the average of the percentages of such corporation's property (based on its aggregate original cost), compensation payments for personal services (determined for its most recent Federal taxable year), and sales (determined for its most recent Federal taxable year) that are assignable to one or more locations in the United States is less than 20 percent.

"(5) CONTROLLED GROUP.—For purposes of this section, the term 'controlled group' has the same meaning given to such term by section 267(f)(1), except that the determination shall be made without regard to section 1563(b)(2)(C).

"(6) CERTAIN BANK BRANCHES.—For purposes of this section, a domestic branch of a foreign corporation shall be treated as a separate corporation that is incorporated in the United States if such branch is engaged in the commercial banking business. For purposes of the preceding sentence, a branch is engaged in the commercial banking business if (A) the predominant part of its business consists of receiving deposits or making loans and discounts, and (B) it is subject to supervision and examination by State or Federal authorities having supervision over banking institutions. The Secretary may issue regulations providing that for purposes of this section domestic branches of foreign corporations in other specified industries shall be treated as separate corporations incorporated in the United States."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end thereof the following new item:

"Sec. 7524. State taxation of foreign income."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.•

By Mr. KENNEDY (for himself, Mr. SIMPSON, Mr. SIMON, and Mr. DECONCINI):

S. 1776. A bill to amend the Immigration and Nationality Act with respect to the admission of O and P nonimmigrants; to the Committee on the Judiciary.

NON-IMMIGRANT VISA REVISIONS

• Mr. KENNEDY. Mr. President, I am pleased to join today with my colleagues on the Immigration Subcommittee, Senator SIMPSON and Senator SIMON, in introducing some remedial legislation relating to certain narrow nonimmigrant visa categories created in last year's immigration reform legislation.

One of the more controversial provisions of the Immigration Act of 1990 has turned out to be the creation of new O and P nonimmigrant visas for performing artists and athletes. In the final drafting of the conference report on this section of the bill, the terms governing the issuance of these visas went considerably beyond what was understood during our discussions at the time.

As one of the principal conferees on last year's bill, I can assure my colleagues, and state for the record, that we accepted the House-drafted provisions without Senate hearings, with no action on the Senate floor, only because we believed the changes proposed were not controversial, had been discussed with all the affected groups, and would not substantially alter existing procedures and practices. Unfortunately, the end result has been quite different and a substantial departure from existing visa regulations.

To correct this, Mr. President, we have met over the last several months with representatives of organized labor and those representing the fields of the arts, culture, entertainment and athletics. The arts community had expressed alarm over the new O and P visa provisions. They perceived last year's changes as being not only a major departure from current practice, but a serious threat to their artistic programs.

To provide remedial changes while we study this issue further, over the past several months our subcommittee staff have undertaken lengthy consultations with all parties to reach a compromise. The bill we are offering today is that compromise, and it is supported by the following interested parties.

From organized labor, represented by the Department for Professional Employees, AFL-CIO, the following have been consulted: Actors' Equity Association; American Federation of Musicians; American Federation of Television and Radio Artists; American Guild of Musical Artists; International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada; International Brotherhood of Electrical Workers; National Association of Broadcast Employees and Technicians; Screen Actors' Guild, and the Writers' Guild of America—East.

From the arts community, the following have agreed: the American Symphony Orchestra League; OPERA America; Dance/USA; American Arts Alliance; Association of Performing Arts Presenters; International Society of Performing Arts Administrators; National Association of Performing Arts Managers and Agents; Western Alliance of Arts Administrators; North American Folk Music and Dance Alliance; Columbia Artist Management Inc.; International Creative Management Inc.; the Recording Industry Association of America; the League of American Theaters and Producers; Ringling Bros. and Barnum & Bailey Circus, and the Big Apple Circus.

It is not a lengthy or sweeping bill, but technical and narrowly drafted. And with the negotiations we have successfully completed, it should also not be controversial. I hope we can secure early Senate and House action.

For the record, Mr. President, let me review the principal revisions our bill makes to the new O and P visa categories:

First, we would repeal the proposed 25,000 ceiling. We then require the General Accounting Office to undertake a 2-year study and report to Congress. The GAO will be required to determine the actual usage of these visas, and assess their impact upon the American labor force, while also providing information on barriers to the employment of U.S. citizens in these same occupations abroad.

In undertaking this study, Mr. President, it is my intention to ask the GAO to review this issue in a very broad fashion. Our subcommittee is aware of the importance of encouraging the free and fair interchange of artists and cultural activity between nations. The new P-2 visa provision for reciprocal arrangements between organizations in this country and in other lands underscores this interest. The purpose of these arrangements should be to open doors of opportunity for U.S. citizen and resident alien artists, entertainers and support personnel while welcoming such people from other countries. More should be done.

Therefore, to assist the subcommittee, the GAO will study the employment opportunities of U.S. citizen and resident alien artists, entertainers and support personnel, the extent of nonimmigrant alien employment in these occupations and the impact of practices by other governments that may inhibit the ability of U.S. citizens and resident aliens to obtain employment in the arts, entertainment and supporting occupations, to have their art and skills embodied in audiovisual materials and sound recordings disseminated and enjoyed in other lands, and to earn fair compensation for their efforts abroad.

This will allow Congress to consider the GAO report, as well as to receive the first report of the new Commission on Immigration Reform established in last year's bill. That Commission is charged with reviewing all aspects of U.S. immigration law and policy, and the changes made by the 1990 act, including the nonimmigrant O and P visas.

We believe this is a fair compromise between those who believe these nonimmigrant visas should be capped at some limit, and those who have argued that any ceiling is arbitrary and unnecessary.

Second, we modify the requirement that P-1 visas applicants must have a 1-year association with the group he or she is entering with. As rigidly drawn last year, this requirement is unrealistic given the realities of the entertainment industry and the performing arts community. Our bill provides that the group should be together for a sustained and substantial period of time, but that all its members need not be for emergency or other unforeseen reasons.

Third, we clarify the consultation requirements to assure that where there is a union or collective bargaining representative from whom a petitioner has not sought an advisory opinion, it shall receive a copy of the petition and supporting documentation with an opportunity to comment before the Attorney General adjudicates the petition.

Fourth, we extend the requirement for the return transportation for dismissed employees, as is now done for other nonimmigrant visa categories. If an employee is dismissed before the end of the period of his authorized admission, then the employer should pay reasonable costs for return transportation home.

Fifth, we clarify the definition of extraordinary ability for O applicants; eliminate the 3-month out-of-country rule for P applicants; create a special provision for the fashion modeling industry as a specialty occupation under the law; and clarify the nature and purpose of P-3 applicants seeking to enter to perform culturally unique programs.

These are obviously technical immigration provisions, but they have enormous consequences for the performing arts community. We believe these revisions represent a fair and satisfactory compromise between the interests of organized labor and the foreign artists, performers and athletes who come each year to the United States, bringing their talents, their art, their performances to share with American audiences.

Finally, for the record, Mr. President—to clarify in more detail the revisions we are making to the new O and P visa categories—let me state the intent behind some of the statutory changes we are proposing.

The first relates to the new standards for classification of P-1 nonimmigrants in section (b) of our bill.

The P-1 visa category is for aliens who make an important contribution to the quality of a performance group that is recognized as being outstanding in more than one country, including the United States. Such international recognition is not earned easily; it reflects a consistently outstanding level of performance sustained over a substantial period during which time the group has been tested in a number of performances of varying material. Recognition for outstanding quality extends to the group itself and not to any particular entertainment, play, composition, or event the group may present.

The requirement that a group be together for a sustained and substantial period of time serves to ensure that its reputation is not ephemeral. The Attorney General, in his discretion, shall determine the length of time necessary to serve this purpose. Most groups should be able to produce appropriate documentation, the foreign sale of sound and/or video recordings, and significant critical reviews to demonstrate that their reputation is international in scope.

However, in subsection (b)(iii) we recognize that despite being outstanding in their discipline for a sustained and substantial period of time, it may be difficult for groups to demonstrate recognition in more than one country, due to such factors, for example, as limited access to media or geography. In these instances, the Attorney General shall consider other types of evidence, advisory opinions, and/or appropriate expert opinion to adjudicate the petition, and may waive this requirement.

Since the reputation of the group is paramount, this provision requires the integrity of the group as a cohesive unit to be maintained. Because the quality of the work for which the group has achieved recognition rests on the collective efforts of the individuals who comprise it, this provision requires that, except for overriding circumstances, individual alien performers and entertainers seeking to enter the United States as part of an outstanding group must establish that they have had a substantial relationship with the group ordinarily for at least 1 year.

To accommodate the ordinary business and artistic operations of various types and sizes of groups, subsection (b)(iii)(I) waives the requirement of 1-year's association for 25 percent of the performers or entertainers in a group. Subsection (B)(iii)(II) also enables the Attorney General to waive the 1-year association requirement for illness or other unanticipated and exigent circumstances, such as death, injury, discharge, or resignation of a member; unforeseen events such as natural disasters and unanticipated emergencies that require the substitution of long-term members by others, and the presentation of certain works which require that the group be augmented by additional personnel performing critical roles.

Subsection (B)(iv) recognizes the special circumstances and traditions of circuses where, within a single overall presentation, constituent parts of the circus perform separate, unrelated acts rather than performing as cohesive units or ensembles. In these circumstances, members of alien circus groups who are performers or essential support personnel may enter the United States as part of an organization that has been recognized nationally as being outstanding for a sustained and substantial period of time or as part of a group coming to join an organization that meets these standards.

In implementing these provisions, the Attorney General should avoid requiring unnecessary paperwork and documentation. For instance, for purposes of applying under subsections (B)(iii) or (iv), petitioners should be required only to provide a brief statement listing the particular circumstances that bring the alien within the exception. Further initial individual documentation should prove unnecessary, particularly because the key issue will be the reputation of the group itself. Also, of course, the Attorney General will be required to consult with a labor organization prior to adjudicating the petition. If an issue arises respecting a particular group member, the petitioner will have an opportunity to supply additional evidence.

Second, regarding section (c), the new consultation requirement, this provision is intended to afford petitioners for 0–1 aliens not involved in motion picture or television productions the flexibility to consult with a broad range of individuals, groups or other entities, including labor organizations, with expertise in the particular field, while providing the appropriate labor organization with notice of the petition and an opportunity to comment. Whenever the petitioner does not directly contact an appropriate labor organization, the Attorney General is obligated to notify the national office of the collective bargaining representative, if any, or an otherwise appropriate labor organization by forwarding a copy of the petition and supporting documents. Collective bargaining representative means the labor organization with which an employer has a legal obligation to bargain.

Where the petitioner establishes to the satisfaction of the Attorney General that no appropriate peer group, labor or other organization exists, the Attorney General should be free to render a decision without requiring an advisory opinion or comment. This does not preclude the Attorney General from obtaining the same from a closely related peer group, labor organization or other person or persons, nor does it obviate the need for an advisory opinion, letter of no objection, or comment upon the later establishment of such entity.

To expedite the adjudicatory process, the Attorney General should maintain a list of occupations for which no appropriate peer group, union or management organization exists. Upon request, the Attorney General shall provide notice of the disposition of each petition to any person, persons, labor or management organization that has provided an advisory opinion or comment.

In administering these provisions, it is essential that processing times be kept to an absolute minimum so as not to interfere with normal industry operations. For instance, in addition to the times specified in the statute, where additional evidence is required or rebuttal evidence may be appropriate, the Attorney General should ensure that the petitioner receives a request and a copy of any negative comments promptly, to enable the petitioner to respond without further delaying adjudication of the petition.

The Attorney General should adopt comparable procedures where appropriate for the administration of the consultation procedures contained in subsections 214(c)(3)(B), (4) (B) and (C) of the Immigration and Nationality Act, particularly with respect to timeframes and the provision of no-objection letters.

Third, regarding section (d), the definition of extraordinary ability for O nonimmigrants, we intend that the Attorney General adopt specific criteria to establish distinction in the arts, including essentially the same regulatory standards for prominent aliens of distinguished merit and ability as in effect on September 30, 1991. Thus, an alien could qualify under this section by meeting a number of standards for distinction; alternatively, the alien could qualify by winning a major, nationally or internationally recognized competition that is generally regarded as a benchmark for outstanding achievement in the alien's field. When the competition is of such prestigious nature, the Attorney General may consider second or third place ranking as sufficient qualification.

We recognize that most 0–1 individuals will be able to produce appropriate documentation to fulfill the specified criteria. However, some individuals may be unable to produce the types of documentation normally relied upon to prove extraordinary ability; for example, certain circus performers or persons who reside in societies where there has not been a modern tradition of compensation based on market principles or where access to media has been limited. In these instances, the Attorney General may consider other types of evidence combined with appropriate advisory opinions and other comment.

Finally, while the legislation does not contain a specific provision to establish a procedure for emergency approval of O and P visa petitions, it is the intent and expectation of the sponsors that the INS will provide for an expedited review including telephonic contact, through its regional adjudication centers for any employer petitioning for an O or P visa, when the emergency has occurred through no fault of the petitioner.

Mr. President, I simply wanted to state these clarifications for the record, and I ask that the text of our bill be printed at the appropriate point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADMISSION OF O AND P NONIMMIGRANTS.

(a) REPEAL OF NUMERICAL LIMITATIONS ON P–1 AND P–3 NONIMMIGRANTS; GAO REPORT.—

(1) IN GENERAL.—Section 214(g)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)), as added by section 205(a) of the Immigration Act of 1990, is amended—

(A) by adding "or" at the end of subparagraph (A),

(B) by striking ", or" at the end of subparagraph (B) and inserting a period, and

(C) by striking subparagraph (C).

(2) REPORT.—By not later than October 1, 1993, the Comptroller General of the United States shall submit to Committees on the Judiciary of the Senate and of the House of Representatives a report containing information relating to the admission of artists, entertainers, athletes, and related support personnel as nonimmigrants under subparagraphs (O) and (P) of section 101(a)(15) of the Immigration and Nationality Act, and information on the laws, regulations, and practices in effect in other countries that affect United States citizens and permanent resident aliens in the arts, entertainment, and athletics, in order to evaluate the impact of such admissions, laws, regulations, and practices on these citizens and resident aliens.

(3) CONGRESSIONAL HEARINGS.—Not later than 30 days after the date the Committees receive the report under paragraph (2), the Chairmen of the respective Committees shall make the report available to interested parties and shall hold a hearing respecting the report. No later than 90 days after the date of receipt of the report, each such Committee shall report to its respective House its findings and any legislation it deems appropriate.

(b) STANDARDS FOR CLASSIFICATION OF P–1 NONIMMIGRANTS.—

(1) Clause (i) of section 101(a)(15)(P) of the Immigration and Nationality Act, as added by section 207(a)(3) of the Immigration Act of 1990, is amended to read as follows:

"(i)(a) is described in section 214(c)(4)(A) (relating to athletes), or (b) is described in section 214(c)(4)(B) (relating to entertainment groups);".

(2) Section 214(c)(4) of such Act, as added by section 207(b)(2)(B) of the Immigration Act of 1990, is amended by redesignating subparagraphs (A) through (C) as subparagraphs (C) through (E) and by inserting before subparagraph (C), as so redesignated, the following new subparagraphs:

"(A) For purposes of section 101(a)(15)(P)(i)(a), an alien is described in this subparagraph if the alien—

"(i) performs as an athlete, individually or as part of a group or team, at an internationally recognized level of performance, and

"(ii) seeks to enter the United States temporarily and solely for the purpose of performing as such an athlete with respect to a specific athletic competition.

"(B)(i) For purposes of section 101(a)(15)(P)(i)(b), an alien is described in this subparagraph if the alien—

"(I) performs with or is an integral and essential part of the performance of an entertainment group that has (except as provided in clause (ii)) been recognized internationally as being outstanding in the discipline for a sustained and substantial period of time, and

"(II) in the case of a performer or entertainer, except as provided in clause (iii), has had a sustained and substantial relationship with that group (ordinarily for at least one year) and provides functions integral to the performance of the group, and

"(III) seeks to enter the United States temporarily and solely for the purpose of performing as such an entertainer or as an integral and essential part of a performance.

"(ii) In the case of an entertainment group that is recognized nationally as being outstanding in its discipline for a sustained and substantial period of time, the Attorney General may, in consideration of special circumstances, waive the international recognition requirement of clause (i)(I).

"(iii)(I) The one-year relationship requirement of clause (i)(II) shall not apply to 25 percent of the performers and entertainers in a group.

"(II) The Attorney General may waive such one-year relationship requirement for an alien who because of illness or unanticipated and exigent circumstances replaces an essential member of the group and for an alien who augments the group by performing a critical role.

"(iv) The requirements of subclauses (I) and (II) of clause (i) shall not apply to alien circus personnel who perform as part of a circus group or who constitute an integral and essential part of the performance of such group, but only if such personnel are entering the United States to join an organization that has been recognized nationally as outstanding for a sustained and substantial period of time or as part of such an organization.".

(c) CONSULTATION REQUIREMENT.—Section 214(c) of the Immigration and Nationality Act, as added by section 207(b)(2) of the Immigration Act of 1990, is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6)(A) In applying paragraph (3)(A) (other than with respect to aliens seeking entry for a motion picture or television production), the petitioner shall submit with the petition an advisory opinion from a peer group (or other person or persons of its choosing, which may include a labor organization) with expertise in the specific field of entertainment involved.

"(B) Unless such a petitioner submits with the petition an advisory opinion from an appropriate labor organization, the Attorney General shall forward a copy of the petition and all supporting documentation to the national office of an appropriate labor organization within 5 days of the date of receipt of the petition. If there is a collective bargaining representative of an employer's employees in the occupational classification for which the alien is being sought, that representative shall be the appropriate labor organization.

"(C) In those cases where such a petitioner establishes to the satisfaction of the Attorney General that an appropriate peer group, labor organization, or other person or persons does not exist, the Attorney General shall render a decision under paragraph (3)(A) without requiring such an advisory opinion or comment.

"(D) Any person or organization receiving a copy of such petition and supporting documents under this section shall have no more than 15 days following the date of receipt of such documents within which to submit a written advisory opinion or comment or to provide a letter of no objection. Once the 15-day period has expired and the petitioner has had an opportunity, where appropriate, to supply rebuttal evidence, the Attorney General shall adjudicate such petition in no more than 14 days. The Attorney General may shorten any specified time period for emergency reasons if no unreasonable burden would be thus imposed on any participant in the process.".

(d) DEFINITION OF EXTRAORDINARY ABILITY IN THE ARTS FOR O NONIMMIGRANTS.—Section 101(a) of the Immigration and Nationality Act, as amended by sections 123 and 204(c) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(46) The term 'extraordinary ability' means, for purposes of section 101(a)(15)(O)(i), in the case of the arts, distinction.".

(e) ELIMINATING 3-MONTH OUT-OF-COUNTRY RULE FOR P-2 AND P-3 NONIMMIGRANTS.—Section 214(a)(2)(B) of the Immigration and Nationality Act, as added by section 207(b)(1) of the Immigration Act of 1990, is amended—

(1) by striking "(B)(i)" and inserting "(B)", and

(2) by striking clause (ii).

(f) EXTENDING RETURN TRANSPORTATION REQUIREMENT TO O AND P NONIMMIGRANTS.—Section 214(c)(5) of the Immigration and Nationality Act, as added by section 207(b)(2) of the Immigration Act of 1990, is amended by inserting "(A)" after "(5)" and by adding at the end the following new subparagraph:

"(B) In the case of an alien who enters the United States in nonimmigrant status under section 101(a)(15)(O) or 101(a)(15)(P) and whose employment terminates for reasons other than voluntary resignation, the employer whose offer of employment formed the basis of such nonimmigrant status and the petitioner are jointly and severally liable for the reasonable cost of return transportation of the alien abroad. The petitioner shall provide assurance satisfactory to the Attorney General that the reasonable cost of that transportation will be provided.".

(g) PERFORMANCE OF TEACHING AND COACHING FUNCTIONS BY P-3 NONIMMIGRANTS.—Section 101(a)(15)(P)(iii)(II) of the Immigration and Nationality Act, as added by section 207(a)(3) of the Immigration Act of 1990, is amended—

(1) by striking "for the purpose of performing" and inserting "to perform, teach, or coach", and

(2) by inserting "commercial or noncommercial" before "program".

(h) TREATMENT OF FASHION MODELING AS SPECIALTY OCCUPATION.—For purposes of section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act—

(1) fashion modeling shall be deemed to be a specialty occupation described in section 214(i)(1) of such Act, and

(2) individuals shall be deemed to meet the requirements of section 214(i)(2) of such Act if they are of distinguished merit and ability in fashion modeling.

(i) TREATMENT OF FOREIGN ORGANIZATIONS FOR P-2 NONIMMIGRANTS.—Section 101(a)(15)(P)(ii)(II) of the Immigration and Nationality Act, as added by section 207(a)(3) of the Immigration Act of 1990, is amended by inserting "or organizations" after "and an organization".

(j) EFFECTIVE DATE.—The provisions of, and amendments made by, this section shall take effect 90 days after the date of enactment of this Act.•

• Mr. SIMON. Mr. President, I am pleased to join my colleagues on the immigration and Refugee Affairs Subcommittee in introducing this legislation to make some needed adjustment in the new O and P visa provisions of the Immigration and Nationality Act.

The Immigration Subcommittee is the smallest subcommittee in the Senate, and we three members have produced some far-reaching and major changes to our immigration law over the past 7 years. In one area of the Immigration Act of 1990 relating to entertainers and performers, we accept some changes that on further reflection were unwise.

Since early this year, I have met with and heard from individuals and communities closely affected by the O and P visa provisions. The bill we introduce today incorporates many suggestions and recommendations jointly agreed to on both sides of the entertainer and performer issue.

It was never our intention to artificially restrict the free flow of culture and entertainment so vital to the Nation. At the same time, in passing the Immigration Act of 1990, we did want to ensure that American actors, performers, technicians, and others in the arts were not limited in their employment and career opportunities by foreign workers. There has to be a balance and I believe the changes adopted by this legislation fine tune the O and P visa system. Again, this legislation is a product of many hours of negotiation and I commend the staff and the industry and labor representatives who have worked in good faith to reach some agreement on these matters.

Finally, let me add my views on a related matter regarding emergency consideration of petitions by the district director. I have written to the Commissioner of the Immigration and Naturalization Service about the difficulties members of the entertainment industry as having in Illinois with regional adjudication. The INS regional office has been most cooperative with my Chicago staff in addressing these matters as they arise. Regional offices are not always in the position, however, to be familiar with local considerations, including performance and community sites. I understand that report language or subsequent modifications of this bill will make Congress' intent clear that district directors should retain authority over these petitions at least in emergency situations.•

• Mr. DECONCINI. Mr. President, I am pleased to join Senators KENNEDY, SIMPSON, and SIMON, the members of the Judiciary Subcommittee on Immigration and Refugee Affairs, in introducing legislation to address concerns about the provision in the Immigration Act of 1990, Public Law 101-649, regarding the new nonimmigrant visa categories—O and P visas—for artists, athletes, and entertainers. Congress recognizes that this new law contains some flaws that need to be corrected. For this reason, the Senate adopted legislation to delay implementation of this provision from October 1, 1991, to April 1, 1992. This 6-month delay will give us time to enact the remedial legislation we are introducing today. In the interim, those persons seeking admission to this country as artists, athletes, entertainers, or fashion models, shall be admitted by the Attorney General under current law—H visas.

I want to commend my colleagues on the Judiciary Committee, the arts community and labor unions for their tireless efforts to reach a compromise on this issue. Among other things, this bipartisan bill does the following: Repeals the arbitrary 25,000 yearly limit on nonimmigrant O and P visas; requires the General Accounting Office

[GAO] to conduct a 2-year investigation regarding the usage of O and P visas, their impact on our labor force and what barriers, if any, U.S. citizens with the same occupations encounter in their efforts to seek similar employment abroad; amends the rigid requirement that all individuals applying for P-1 visas be affiliated with an institution or performing group for more than a year by only requiring that the group itself and 75 percent of its performers or entertainers be together for at least a year; clarifies the consultation requirement, including a 15-day limit for a union or collective bargaining unit to submit a written advisory opinion, or comment, or letter of no objection in response to an appropriate inquiry by the Attorney General; and eliminates the 3-month out-of-country rule for P-2 and P-3 nonimmigrants.

I believe these modifications to the Immigration Act of 1990 will encourage rather than discourage international artistic and cultural exchanges between our country and the rest of the world. At this point, I would like to list the artistic and labor groups who worked on this compromise bill with the Immigration and Refugee Affairs Subcommittee. Participants from the arts community included: The American Arts Alliance; the American Symphony Orchestra League; the Association of Performing Arts Presenters; Columbia Artist Management Inc.; International Creative Management Inc.; the International Society of Performing Arts Administrators; the National Association of Performing Arts Managers and Agents; the North American Folk Music and Dance Alliance; OPERA America; the Recording Industry Association of America; Ringling Bros. and Barnum & Bailey Circus; and the Western Alliance of Arts Administrators. Participants, represented by the Department of Professional Employment of the AFL-CIO, included: the Actors' Equity Association; the American Federation of Musicians; the American Federation of Television and Radio Artists; the American Guild of Musical Artists; the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada; the International Brotherhood of Electrical Workers; the National Association of Broadcast Employees and Technicians; the Screen Actors' Guild; and the Writers' Guild of America—East.

Mr. President, these groups represent a wide spectrum of people in our artistic community. I hope Congress acts quickly to respond to their concerns about the need to reform the Immigrant Act of 1990. More importantly, this legislation will enrich American audiences, and make American aritists and performers more welcome abroad. All sides win with this legislation.●

ADDITIONAL COSPONSORS

S. 493

At the request of Mr. KENNEDY, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 493, a bill to amend the Public Health Service Act to improve the health of pregnant women, infants and children through the provision of comprehensive primary and preventive care, and for other purposes.

S. 581

At the request of Mr. BOREN, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 581, a bill to amend the Internal Revenue Code of 1986 to provide for a permanent extension of the targeted jobs credit, and for other purposes.

S. 614

At the request of Mr. DASCHLE, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 614, a bill to amend title XVIII of the Social Security Act to provide coverage under such title for certain chiropractic services authorized to be performed under State law, and for other purposes.

S. 729

At the request of Mr. BURDICK, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 729, a bill to assist small communities in construction of facilities for the protection of the environment and human health.

S. 837

At the request of Mr. BUMPERS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 837, a bill to amend the Internal Revenue Code of 1986 with respect to the discharge, or repayment, of student loans of students who agree to perform services in certain professions.

S. 1257

At the request of Mr. BOREN, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from North Carolina [Mr. SANFORD], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1289

At the request of Mr. BIDEN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1289, a bill to amend the provisions of the Higher Education of 1965 relating to treatment by campus officials of sexual assault victims.

S. 1372

At the request of Mr. GORE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1372, a bill to amend the Federal Communications Act of 1934 to prevent the loss of existing spectrum to Amateur Radio Service.

S. 1381

At the request of Mr. GRAHAM, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1381, a bill to amend chapter 71 of title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with disability compensation.

S. 1424

At the request of Mr. CONRAD, the names of the Senator from Montana [Mr. BAUCUS], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 1424, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a mobile health care clinic program for furnishing health care to veterans located in rural areas of the United States.

S. 1505

At the request of Mr. DECONCINI, the names of the Senator from Washington [Mr. ADAMS], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1505, a bill to amend the law relating to the Martin Luther King, Jr. Federal Holiday Commission.

S. 1533

At the request of Mr. BRYAN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1533, a bill to establish a statute of limitations for private rights of action arising from a violation of the Securities Exchange Act of 1934.

S. 1710

At the request of Mr. LEAHY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1710, a bill to establish the Food for Freedom program whereby the United States may assist the developing democracies of the world through the provision of food assistance and other assistance programs.

S. 1736

At the request of Mr. SASSER, the names of the Senator from North Dakota [Mr. BURDICK], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 1736, a bill to amend title XVIII of the Social Security Act to provide for improved quality and cost control mechanisms to ensure the proper and prudent purchasing of durable medical equipment and supplies for which payment is made under the medicare program, and for other purposes.

SENATE JOINT RESOLUTION 133

At the request of Mr. HOLLINGS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 133, a joint resolution in recognition of the 20th anniversary of the National Cancer Act of 1971 and the over 7 million survivors of cancer alive today because of cancer research.

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 164, a joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week."

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 189

At the request of Mr. GORE, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 189, a joint resolution to establish the month of October, 1991, as "Country Music Month."

SENATE JOINT RESOLUTION 195

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 195, a joint resolution providing that the United States should support the Armenian people to achieve freedom and independence.

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUYE, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Maine [Mr. COHEN], the Senator from Virginia [Mr. WARNER], the Senator from Wyoming [Mr. SIMPSON], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of Senate Joint Resolution 202, a joint resolution to designate October, 1991, as "Crime Prevention Month."

SENATE JOINT RESOLUTION 206

At the request of Mr. RIEGLE, the names of the Senator from Tennessee [Mr. GORE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 206, a joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day."

AMENDMENTS SUBMITTED

DEPARTMENT OF THE ENVIRONMENT ESTABLISHMENT ACT

GLENN AMENDMENT NO. 1243

Mr. GLENN proposed an amendment to the bill (S. 533) to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes, as follows:

On page 48, strike out lines 12 through 16.

On page 48, line 17, strike out all through "assigned" on line 18 and insert in lieu thereof "(d) FUNCTIONS.—Functions assigned".

On page 48, line 21, strike out all through line 1 to 6, page 49.

On page 51, line 1, insert after the comma "State or local government".

On page 51, strike out lines 3 through 22, and insert in lieu thereof the following:

(3) Information compiled by the Bureau of Environmental Statistics, which has been submitted for purposes of statistical reporting requirements of this law, shall not be disclosed publicly in a manner that would reveal the identity of the submitter, including submissions by Federal, State, or local governments, or reveal the identity of any individual consistent with the provisions of section 552a of title 5, United States Code (the Privacy Act of 1974). This paragraph shall not affect the availability of data provided to the Department under any other provision of law administered by the Department. The confidentiality provisions of other statutes authorizing the collection of environmental statistics shall also apply, including but not limited to, section 14 of the Toxic Substances Control Act (15 U.S.C. 2613), section 2(h) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h), section 114(c) of the Clean Air Act (42 U.S.C. 741(c)), and section 1905 of title 18, United States Code.

On page 54, line 15, strike out "shall" and insert in lieu thereof "may".

On page 56, strike out lines 12 through 19.

On page 56, line 20, strike out "(b)" and insert in lieu thereof "(a)".

On page 57, line 3, strike out "(c)" and insert in lieu thereof "(b)".

SYMMS AMENDMENT NO. 1244

Mr. ROTH (for Mr. SYMMS) proposed an amendment to the bill S. 533, supra, as follows:

At the end of the bill, add the following new section:

SEC. . PRIVATE PROPERTY RIGHTS ACT.

(a) SHORT TITLE.—This section may be cited as the "Private Property Rights Act".

(b) DEFINITIONS.—For purposes of this section:

(1) The term "agency" means all executive branch agencies, including any military department of the United States Government, any United States Government corporation, United States Government controlled corporation, or other establishment in the Executive Branch of the United States Government.

(2) The term "taking of private property" means any activity wherein private property is taken such that compensation to the owner of that property is required by the Fifth Amendment to the Constitution of the United States.

(c) PROTECTION OF PRIVATE PROPERTY.—(1) No regulation promulgated after the date of the enactment of this Act by any agency shall become effective until the issuing agency is certified by the Attorney General to be in compliance with Executive Order 12630 or similar procedures to assess the potential for the taking of private property in the course of Federal regulatory activity, with the goal of minimizing such taking where possible.

(2) Upon receipt of guidelines proposed by an agency for compliance with the procedures referenced in paragraph (1), the Attorney General shall, in a reasonably expeditious manner, either approve such guidelines, or notify the head of such agency of any revisions or modification necessary to obtain approval.

(d) JUDICIAL REVIEW.—(1) Judicial review of actions or asserted failures to act pursuant to this section shall be limited to whether the Attorney General has certified the issuing agency as in compliance with Executive Order 12630 or similar procedures. Such review shall be in the same forum and at the same time as the issued regulations are otherwise subject to judicial review. Only persons adversely affected or grieved by agency action shall have standing to challenge that action as contrary to this section. In no event shall such review include any issue for which the United States Claims Court has jurisdiction.

(2) Nothing in this subsection shall affect any otherwise available judicial review of agency action.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, the agenda for the Rules Committee markup on Thursday, October 3, 1991, at 9:30 a.m., in SR-301, includes the following legislative and administrative items: S. 289, to authorize the Board of Regents of the Smithsonian Institution to plan and design an extension of the National Air and Space Museum at Washington Dulles International Airport, and for other purposes; S. 1415, to provide for additional membership on the Library of Congress Trust Fund Board; S. 239, to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia; Senate Resolution 185, to provide for expenses and supplemental authority of the Select Committee on POW/MIA Affairs; House Concurrent Resolution 172, providing for the printing of a revised edition of the booklet entitled "Our American Government" as a House document; original resolutions authorizing the printing as Senate documents of revised editions of the Senate Rules and Manual, the Senate Election Law Guidebook, and the Nomination and Election of the President and Vice President of the United States; an original resolution to amend the Standing Rules of the Senate to conform with recent changes in the law made by the 1992 Legislative Branch Appropriations Act and Public Law 101-520; a proposed, revised policy on information systems and technology; a modified version of the U.S. Senate procurement regulations; and a request for approval by the Architect of the Capitol of his proposal for placement of the model of the Statue of Freedom.

The committee may also consider other legislative and administrative business ready for consideration at the time of the markup.

For further information regarding this markup, please contact Carole Blessington of the Rules Committee staff on extension 40278.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HEALTH FOR FAMILIES AND THE UNINSURED

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Health for Families and the Uninsured of the Committee on Finance be authorized to meet during the session of the Senate on September 30, 1991, at 10 a.m. to hold a hearing on comprehensive reform of the health care system as a way of improving access to care and controlling cost escalation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Monday, September 30, 1991, at 1 p.m., in closed and open session, to continue consideration of the nomination of Gen. Colin L. Powell, USA, for reappointment as Chairman of the Joint Chiefs of Staff and reappointment to the grade of general.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

POLISH NATIONAL UNION DEDICATES HOME OFFICE BUILDING

• Mr. WOFFORD. Mr. President, I rise today to pay tribute to the Polish National Union on the occasion of the dedication and blessing of its newly constructed home office building in Scranton.

Pennsylvania has always been proud of its men and women of Polish descent and can now take special pride in housing the world headquarters of the Polish National Union of America. Spojnia, as the Polish National Union is called, comes from the Polish word meaning an alliance for mutual benefits; a friendship, union, or bond.

For over 80 years, Spojnia has been dedicated to the material and spiritual security of its members. Through its youth programs, educational benefits, mortgage assistance, and humanitarian efforts, the Polish National Union has exemplified its commitment to members old and young, as well as continuing to ensure a secure future for its members and their families.

With all of its material successes, Spojnia has always strived to adhere to its ideals, first and foremost. This commitment is best exemplified by an amendment adopted by the Polish National Union in 1991, "Even if we were the wealthiest materially, yet lack strength of character, determination and responsibility before God, we would perish, as have other organizations which have given up higher ideals."

I join with thousands of Polish-Americans in wishing Spojnia well on this occasion and continued success in the future.•

URGENCY OF WASTE DISPOSAL CRISIS

• Mr. COATS. Mr. President, recently I received a letter from a thoughtful young woman from my home State of Indiana who shares the concerns of many Hoosiers about the shipments of solid waste from other States that are pouring across Indiana's borders.

Doris Dobrich, a sixth-grader from Merrillville, has expressed her concerns simply and eloquently. Doris recognizes the urgency of the waste disposal crisis, not only for Indiana but for other States, as well. She is to be commended for having the foresight to realize that we can no longer avoid the distasteful reality of the solid waste disposal crisis. It is because of her foresight and admirable concern for the future of her State that I am today inserting her letter to me in the CONGRESSIONAL RECORD.

Doris Dobrich represents the best of our future. We owe her and her generation wise decisions about how best to manage the garbage our society produces. Doris, her fellow Hoosiers, and all Americans deserve no less.

The text of Miss Dobrich's letter is as follows:

DEAR SEN. DAN COATS: My name is Doris Dobrich and I am in sixth grade at Calumet Region Montessori School in Hobart, Indiana. Today (9-12-91) in our classroom we read an article that said that New Jersey is dumping all their garbage in our landfills. I do not like that because they are making it worse for us and we are the future! Ten years from now we are probably going to have to do the same thing to another state. I really hope you are going to make a law that we can't accept garbage from other states.

Sincerely,

DORIS DOBRICH.•

POLISH HERITAGE MONTH

• Mr. RIEGLE. Mr. President, in the early years of the Jamestown Colony, beginning on October 1, 1608, groups of Polish settlers were recruited by Capt. John Smith and others to come to the young American settlement and become part of a skilled labor force.

Their presence in Jamestown was significant; the new pioneers proved to be a great asset to the community. They made glass, tar, and ash, and built some of what could be called the first factories. Some were also skilled in military techniques. It was no wonder that a strike by these newcomers, in response to not being granted the right to vote, led to a guarantee of their civil rights. Poles on American soil had been among the first in the New World to advocate democratic principles for all.

Such beliefs were an integral part of the Polish psyche for many generations. They manifest themselves throughout Poland's history and continued to affect our own country as well. In the American Revolutionary War, for example, Tadeusz Kosciuszko and Kazimierz Pulaski played important roles in the quest for American freedom.

General Kosciuszko contributed his knowledge of military strategy and scientific principle. At a very personal level, when he was leaving the United States for his native Poland, he asked his friend Thomas Jefferson to utilize his American land holdings and other property in order to purchase slaves "from among Jefferson's own or any other and giving them liberty in his name."

General Pulaski, who was born in Poland, acted as commander of all American cavalry forces during the Revolutionary War, a position accorded him on September 15, 1777. In this position he conducted numerous successful campaigns until his untimely death in October 1779. His brave efforts epitomize Poles' strongly held belief in taking up arms, if necessary, for democratic principles around the world.

The Polish poet, Stanislaw Wyspianski, wrote: "I wandered into unknown lands, drowsy with dreams, rich in emotion, and my motto: "Pro patria et fide" (for country and faith). His personal 19th-century credo proved priceless to thousands of people who found themselves in upheaval through war and the partitioning of their homeland. They carried democratic ideals with themselves as they left their country of birth; and as the saying "Za wasza i nasza wolnosc" (for your freedom and ours) dictates, they have championed the rights of people in the Americas, Italy, Greece, Hungary, and other countries around the world. Poland was itself not yet free but struggles for freedom on foreign soil would eventually find their way home.

In the great losses of World War I Poles numbered in the millions. A reborn nation symbolized the result of the sacrifice. World War II followed with its massive destruction and mass murder, yet, again the Polish phoenix arose from the ashes only to find itself in the death grip of communism. The ancestral values which were to arise in the midst of this turbulent period of Polish history were again to prove invaluable; and more importantly for this period in our contemporary history, they were to prove influential at changing the world as we know it.

During the month of October, we honor Polish heritage in all of its facets. But in particular we salute the value of those past but memorable battles for democratic principles. The modern world has become very familiar with the word "Solidarnosc" (solidarity), the movement that was precursor to the wave of freedom that swept over Eastern Europe and even extended its influence into the Far East. Polish shipyard workers chose to fight for individual liberties much like the glassmakers of Jamestown. The Polish people chose freedom of expression over the dictates of those who allowed them no representation. These struggles were but an echo of the many wars led by their ancestors. The values were firm. The end product was democracy.

President Herbert Hoover, in speaking of Poland, once remarked, "The spirit of a great race does not die from oppression." In celebrating this great heritage his comment is still appropriate. The spirit lived in the many heroes of history and exists at this very moment in one of the most extraordinary periods of world change. A heritage that bespeaks freedom helps to insure security for the world.•

THE CRISIS OF TIMBER SALES CESSATION

• Mr. GORTON. Mr. President, last week as the Senate considered the fiscal year 1992 Interior appropriations bill, I spoke of the problems faced by the forest families and communities of the Pacific Northwest as a consequence of a cessation of timber sales in the region. I inserted in the RECORD an article from the Washington Post chronicling the problems these families are facing.

I also spoke about S. 1156, the Federal Lands and Families Protection Act of 1991, a solution to this problem cosponsored by myself and several other Members, both from the affected region and around the country. I am pleased to report that on September 14, the Spokane Spokesman Review and Spokane Chronicle endorsed the Federal Lands and Families Protection Act, the preferred means for resolving the current timber supply crisis in the Pacific Northwest. I would like to insert this editorial into the record today.

S. 1156 is sponsored by organized labor and the forest products industry. It is backed by the administration. It is sponsored by Senator PACKWOOD and cosponsored by myself and Senators HATFIELD, BREAUX, HEFLIN, SHELBY, MURKOWSKI, BURNS, STEVENS, GARN, CRAIG, HATCH, SYMMS, BENTSEN, NICKLES, WALLOP, and COCHRAN.

I will not repeat the key provisions of the bill except to say that it protects ecologically significant old growth, threatened wildlife, and forest families and communities. I am encouraged by the position of the Spokane papers. There will be similar endorsement of this bill as this session of Congress continues.

I ask that the editorial be printed in the RECORD.

The editorial follows:

SPOTTED OWLS DOING FINE, BUT LOGGERS IN TROUBLE

The litigious chaos, social trauma, economic depression, political extremism and scientific debate swirling around the Pacific Northwest's forests ought to tell Congress that something is wrong with forest management policy.

The issue is, how can national forests throughout the country be given stable management in the interests of all Americans?

Without congressional intervention the chaos will continue and spread.

The proposed Forests and Families Protection Act, introduced in both the House and Senate and supported by both Republicans and Democrats as well as the Bush administration, offers the best hope yet for bringing the craziness to an end.

Right now, the spotted owl debate alone has produced three management plans from three different federal agencies, has required various policy response from three state governments, has provoked assorted decrees from three different judges in three different lawsuits and has generated five bills in Congress.

Meanwhile, in national forests beyond spotted-owl country—in Eastern Washington, for example—management plans that were supposed to set stable policy are tied up in litigation, while appeals by ideologues and hobbyist litigators from as far away as Connecticut delay and harass individual timber sales.

Congress did not expect it to turn out this way. Following an initial round of wilderness set-asides a couple decades ago, Congress called for a planning process expected to produce a supplementary and final set of wilderness set-asides, accompanied by multiple-use management plans for the balance of the forests. But the painful economic compromises involved in the second round of set-asides have been followed by the continuing litigation that turns the management-planning process into a battle for further set-asides, through paralysis as well as assorted policy restrictions.

Species-protection lawsuits and timber sale appeals seek still more set-asides. And nowadays, some environmental groups are calling for protection of second-growth forests as well as old-growth.

The preservationists have proven insatiable, incapable of compromise and possessed of a religiously fanatic hostility toward reasonable human concerns such as the protection of jobs, communities and families and the need for lumber—which in fact is a renewable resource—to build homes.

The Forests and Families Protection Act would establish a new process for the identification and protection of ecologically significant old growth areas. It would fund the development of new forestry methods that would tread even more lightly on the land than do current sustained yield practices. It would fund economic diversification, unemployment and retraining assistance for laid-off timber workers.

Most significantly for the human and economic interests that so far have been utterly trampled, the bill would use the direct power of Congress to set minimum timber-harvest levels, which would provide desperately needed stability to the nation's timber supply and forest-related jobs. The minimums would be set with due consultation with agencies responsible for endangered species.

The bill represents a bipartisan effort to learn from a currently intolerable situation, and to get the nation moving toward coherent management of its forests.

The bill deserves Congress' serious and speedy attention. Spotted owls are going rather well; scientists keep finding more of them—in second growth as well as old growth. But every week, forest workers and their families are losing jobs, being evicted from their homes, moving into campgrounds and joining the ranks of the homeless, the suicidal, the alcoholic, the abused and the dependent. Does Congress care?•

SHORT-TERM EXTENSION OF LEGISLATIVE REINSTATEMENT OF THE POWER OF INDIAN TRIBES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1773, introduced earlier by Senator INOUYE, regarding a short-term extension of legislative reinstatement of the power of Indian tribes.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1773) to extend for a period of 31 days the legislative reinstatement of the power of Indian tribes to exercise criminal jurisdiction over Indians.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1773) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT.

Section 8077(d) of the Department of Defense Appropriations Act, 1991 (Public Law 101-511), is amended by deleting "September 30, 1991" and inserting in lieu thereof "October 31, 1991".

Mr. MITCHELL. Mr. President, I ask unanimous consent that a motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

PATRICK J. PATTON U.S. POST OFFICE BUILDING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2935, a bill to designate a U.S. Post Office, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2935) to designate the building located at 6600 Lorain Avenue in Cleveland, OH, as the "Patrick J. Patton United States Post Office Building."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (S. 2935) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I ask unanimous consent that a motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 533

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 2:15 p.m. on Tuesday, October 1, there be 10 minutes of debate on the EPA Cabinet-level bill, with the time equally divided and controlled between Senators GLENN and HELMS; that when the time is used or yielded back, the Senate, without any intervention action or debate, proceed to vote on final passage of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. In my capacity as a Senator from the State of Rhode Island, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:15 A.M.

The PRESIDING OFFICER. Without objection, the Senate stands in recess, as under the previous order, until 9:15 a.m. tomorrow, Tuesday, October 1.

Thereupon, the Senate, at 5:25 p.m., recessed until Tuesday, October 1, 1991, at 9:15 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate September 30, 1991:

DEPARTMENT OF DEFENSE

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 152, FOR REAPPOINTMENT AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND REAPPOINTMENT TO THE GRADE OF GENERAL WHILE SERVING IN THAT POSITION:

To be Chairman of the Joint Chiefs of Staff

To be general

GEN. COLIN L. POWELL, [redacted] U.S. ARMY.

EXTENSIONS OF REMARKS

FREDRIC PAUL SUTHERLAND

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mrs. BOXER. Mr. Speaker, I would like to say a few words about Fredric Paul Sutherland—known as Rick to his many friends—who died in an automobile accident on July 14, 1991.

Fredric Paul Sutherland was born in the upper peninsula of Michigan and raised in southern California. He attended San Diego State College, where he majored in economics and baseball. After his dream of becoming a professional baseball player faded for, as he said, "lack of talent," Rick turned to the law. He attended law school at the University of California at Los Angeles, where he served as an associate editor of the Law Review. Following his graduation from law school in 1964, Rick went to work for the law firm of O'Melevny & Meyers. After 7 years as a corporate securities lawyer, however, Rick embarked on a course that he would stay with for the rest of his life. Deciding to turn his dreams into reality, Rick joined with other young lawyers to found the Center for Law in the Public Interest in Los Angeles, and he began a new career as an environmental litigator.

One of the most important cases Rick handled at the center was a successful petition to the California Public Utilities Commission to force Southern California Edison Co. and San Diego Gas & Electric Co. to obtain Commission approval before building the proposed Kaiparowits power project—including the world's largest coal-fired powerplant—in southern Utah. The petition proceeding prompted the utilities to cancel the project.

In 1977, after spending a year traveling in Europe with his wife, Liz, and two young children, Greg and Kerri, Rick joined the Sierra Club Legal Defense Fund in San Francisco, first as its executive director and later as president. During his tenure, the Legal Defense Fund has grown from a relatively small organization based on the west coast into a national environmental law firm, with 38 lawyers working in offices in Washington DC, Denver, Seattle, Honolulu, Tallahassee, New Orleans, and Juneau, AK, in addition to San Francisco. In 1990, Rick assisted in founding an affiliated organization, Sierra Legal Defense Fund, in Vancouver, BC. Sierra Club Legal Defense Fund lawyers represent most national conservation organizations and hundreds of State and local environmental citizen groups in judicial actions and administrative proceedings throughout the country.

Although Rick originally planned to spend only 3 or 4 years in public interest law, and then to return to private practice, he never reversed the course he had taken. Instead, he made environmental law his career, and often described his role at the Legal Defense Fund as "the best law job in America."

In addition to his work with the Sierra Club Legal Defense Fund, Rick served on the governing boards of three other environmental organizations, the Open Space Institute, the Southern Environmental Law Center, and the Southern Utah Wilderness Alliance. He was also a founder of the Environmental Federation of California and the Environmental Federation of America/Earth Share. Rick Sutherland will be greatly missed, but he inspired a host of individuals and organizations who carry on his work.

I would like to insert into the CONGRESSIONAL RECORD a speech that Rick Sutherland made to the lawyers at the Department of Justice on June 27, 1991, less than 3 weeks before his death. In his talk, Rick Sutherland called attention to the hostility of the executive branch, the Government's own lawyers and even of the courts to carrying out the environmental laws enacted by this body. Rick Sutherland correctly saw that such hostility resulted from a lack of courage, and that that lack of courage undermined the very rule of law itself. I call the attention of this body to Rick Sutherland's dedication to the environment and to the law and to his empassioned plea that those charged with carrying out our environmental laws accept their obligation with the courage and conviction which, we now see, marked his own life.

PRESENTATION BY RICK SUTHERLAND TO THE DEPARTMENT OF JUSTICE, JUNE 27, 1991

I have been engaged in the practice of environmental law for over 20 years. During this time Congress has enacted numerous laws to protect natural resources and improve environmental quality.

Because of these laws, and because of an enlightened citizenry willing to go to court to enforce them, millions of acres of public lands have been protected from inappropriate development, hundreds of thousands of wild creatures have been preserved, including many species threatened with extinction, and air and water quality have been dramatically improved.

Nevertheless, despite these successes, my primary emotion when recalling the past 20 years of environmental law is one of profound disappointment. This disappointment is due to the continuing failure of Federal agencies and officials to do a better job of implementing and enforcing our environmental laws.

All the polls indicate that the American people are deeply concerned about the environment and, furthermore, that they are willing to pay to clean up the mess. What they are getting instead is bureaucratic lawlessness.

As a young public interest lawyer in Los Angeles, the first two cases I filed were against the Federal Government. One challenged the Federal Highway Administration's failure to prepare an environmental impact statement for a massive freeway project. The other contested the Environmental Protection Agency's failure to promulgate a clean air implementation plan for California.

We won those cases, but I was troubled by the Federal Government's reluctance to do what the law clearly required. I attributed this to the newness of the environmental laws. Surely, I thought, things will improve in the future as Federal agencies assimilate these laws into their way of doing business. I was overly optimistic and perhaps a little naive. My experience during the past 2 decades has led me to conclude that the Government is all too often the environment's worst enemy.

Agencies and officials charged with implementing and enforcing our environmental laws frequently fail to do so. They miss statutory deadlines, water down strict legal requirements or simply refuse to use their enforcement powers, even when faced with blatant violations of the law.

The dockets of the Sierra Club Legal Defense Fund, NRDC, EDF, and the National Wildlife Federation are filled with lawsuits against the Federal Government. This is directly contrary to what we thought would be the case in the early 1970's. We assumed that most of our litigation would be against industrial polluters and corporations engaged in extracting natural resources.

The warnings, however, came early. In 1974, I heard a speech by Jim Moorman, then executive director of the Sierra Club Legal Defense Fund and subsequently one of Dick Stewart's predecessors at the Justice Department.

Moorman stated that the "executive branch has assumed for itself a discretion not merited by law and has exalted its discretion over the law." He explained, first, how Government officials frequently seek to convert specific statutory mandates into grants of discretion, second, how they utilize procedural ploys, not available to other litigants, to avoid judicial review of their decisions, and third, how they sometimes seek to evade lawful court orders.

Moorman completed his address with a plea that Government officials should:

"* * * create a climate in which political pressures are not allowed to overwhelm all other elements of Federal decision-making. To base decisions on discretion while ignoring the written law weakens the rule of law * * *. The consequences of lawless government are resentment, disillusion, bitterness, suspicion, and division."

This struck me as strong stuff then. Now it seems rather mild. The fact is that the scale of misbehavior by the Government has increased dramatically in recent years.

THE AGENCIES

A few examples will illustrate this.

The Northern Spotted Owl. The Sierra Club Legal Defense Fund has been litigating for several years to protect the Pacific Northwest's remaining old growth forests and the northern spotted owl that depends on them for its survival. In *Seattle Audubon Society* v. *Evans*, Judge Dwyer of the U.S. District Court in Seattle found "A remarkable series of violations of the environmental laws" by the Forest Service and the Fish and Wildlife Service.

Judge Dwyer's opinion was quoted at length in the editorial pages of Tuesday's

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Washington Post. I found the following conclusion most shocking:

"More is involved here than a simple failure by an agency to comply with its governing statute. The most recent violations of * * * [The National Forest Management Act] * * * exemplifies a deliberate and systematic refusal by the Forest Service and the * * * [Fish and Wildlife Service * * *] to comply with the laws protecting wildlife. This is not the doing of the scientists, foresters, rangers, and others at the working levels of these agencies. It reflects decisions made by higher authorities in the executive branch of government."

Endangered Species Act. The Endangered Species Act is among the strongest of our environmental statutes. Unfortunately, the Federal agencies charged with implementing the law have done an abysmal job of doing so.

Several thousand species have been awaiting listing by the Fish and Wildlife Service for up to 15 years. A number of these species have become extinct while awaiting formal listing, and the agency concedes that most of the remaining "candidate" species are imperiled and should be listed. It is simply inexcusable—and illegal—that it has not done so.

Pollution Laws. Congress has enacted a number of laws to control pollution—the Clean Air Act and the Clean Water Act, for example. EPA has the primary responsibility for implementing these laws, and for complying with specific statutory deadlines established by Congress. Time after time EPA has missed these deadlines.

Even a partial listing of these failures would take too much time. Suffice it to say that there have been hundreds during the past 20 years, and that many are continuing at the present time. Citizens have had to go to court scores of times to compel EPA to act to control pollution. Without these suits, the deadlines mandated by Congress would simply have been ignored.

But even successful litigation does not always ensure compliance. Government officials sometimes go to extraordinary lengths to evade the law. It was necessary for Judge Orrick of the U.S. District Court in San Francisco to issue a contempt citation against William Ruckelshaus order to finally compel him to issue emission standards for airborne radionuclides.

This was the first time an administrator of EPA had ever been cited for contempt, and Judge Orrick called Ruckelshaus a "scofflaw."

Getting regulations out on time is only half the story. The other half is the content of the regulations: Do they faithfully implement the letter and the spirit of the law? Many times they do not.

During the past 2 decades citizens have successfully challenged numerous regulations promulgated by EPA. And, if the qualify of the recently released proposals for operating permits under the Clean Air Act are any indication, EPA will certainly face more such challenges in the future.

Usually soft-spoken David Hawkins of NRDC, formerly Assistant Administrator of EPA for air and water, was so dismayed by the proposed rules for operating permits that he was moved to include the following uncharacteristically harsh words in his statement at EPA's public hearing.

"I have personally reviewed scores of EPA Clean Air Act proposals * * * over the past 20 years and I cannot think of one that had the potential to substantive clean air goals * * * and effective citizen participation than this proposal.

"It is a mystery how much a fundamentally fraudulent and undemocratic approach could be acceptable on policy grounds to EPA and administration officials even if the approach were 'legal.' And it will not surprise you * * * that NRDC views the approach as illegal as well as atrocious public policy."

THE COURTS

I have also been dismayed by the Supreme Court's disturbing lack of interest in—and increasing hostility toward—environmental issues.

The National Environmental Policy Act is the most important of our environmental laws. NEPA, as it has come to be called, declares that protection of the environment is the duty of all Federal agencies. The law was imposed on unwilling agencies by a Congress fed up with bureaucratic indifference and inattention to environmental concerns.

Perhaps the most eloquent judicial articulation of NEPA's purposes was Judge Skelly Wright's opinion in the *Calvert Cliffs* case. Judge Wright stated that NEPA attests "to the commitment of the Government to control, at long last, the destructive engine of material 'progress'." But he added that "it remains to be seen whether the promise of this legislation will become a reality. Therein lies the judicial role." Precisely! But it is precisely because the Supreme Court has refused to exercise this role that its NEPA decisions are so disappointing.

Since the law was enacted in 1970, the Supreme Court has decided 12 NEPA cases. In all 12 of these cases the Supreme Court has ruled against the statute's application or narrowed its scope. In every instance, the Court reversed lower court decisions which interpreted NEPA more expansively or forcefully.

The consistency of the Supreme Court's antagonism to NEPA is astonishing. Nine of the Court's decisions were unanimous and the other three garnered only four dissenting votes total. The plain fact is that NEPA has not had a friend on the Supreme Court since the retirement of the late William O. Douglas in 1975.

NEPA was intentionally written in broad, sweeping terms. Yet, what the Supreme Court has done in the majority of the NEPA cases it has considered is to base its opinion on a single phrase in the statute, treating it as if Congress had crafted it with the utmost precision. The Court has not considered other language in the statute which might lead to a different result.

All this is done in the name of "plain meaning." But if there was ever a law that deserved more it is NEPA. Indeed, Congress intended more. NEPA directs that "to the fullest extent possible" the laws of the United States, including NEPA itself, should be administered in accordance with the environmental policies articulated at some length in the statute.

The NEPA cases are not the only mischief the Supreme Court has caused in environmental law. With only a few exceptions, the Court has been unsympathetic to environmental concerns. It has intervened to put the brakes on the logical flow of decisions in the lower courts, and its opinions demonstrate that the Court often doesn't seem to know what it is doing in the environmental area.

In light of the Supreme Court's attitude, it is not surprising that the lower Federal courts have recently become less hospitable for those who utilize the judicial process to protect the environment.

CONCLUSIONS

The future presents incredible challenges for environmental law. Pollution and depletion of natural resources are occurring on a vast and historically unprecedented scale worldwide. In order to meet these challenges, we are going to need stronger and better environmental laws.

And we are going to need a rededication to the rule of law by Federal officials charged with implementing and enforcing them.

Edmund Muskie, one of the authors of the Clean Air Act, recently posed the following questions:

"* * * why in the face of * * * [overwhelming public support for the environment] * * * do Presidents and their appointees fail to aggressively pursue the initiatives Congress has taken? Why are compromises with health standards, timetables, and emission controls the rule rather than the exception?"

He suggested that it was because of "a lack of regulatory courage." If that is indeed the reason, we are also going to need new leaders with the necessary courage to do what the law requires.

I sometimes dream about what it would be like if our Government officials took literally the command of the National Environmental Policy Act to implement all Federal laws "to the fullest extent possible" to preserve the environment.

We would have an EPA that issued pollution regulations on time and with the public's health and safety as a first priority.

We would have a Fish and Wildlife Service that vigorously implemented the Endangered Species Act in order to save plants and animals from extinction.

We would have a Forest Service that managed the national forests for watershed, recreation, wildlife, and wilderness, rather than simply as tree farms.

And we would have a Justice Department that aggressively enforced criminal and civil violations of environmental laws.

Some have suggested that full compliance with the environmental laws would provoke a backlash in Congress, and that the laws would be repealed or weakened. I don't believe that would happen, but I would prefer that result over the current situation, where laws are implemented, if at all, only half-heartedly. This fosters cynicism and serves to undermine faith in our system of law.

I also dare to dream of Federal courts that seriously question Government actions, rather than simply defer to agency decisions; that abandon the ultra-literalism that turns judges into readers of dictionaries; that look to the purposes and policies of congressional mandates; and that dare to respond to "the felt necessities of our times."

Make no mistake about it, environmental problems are not going to simply go away. They are going to have to be dealt with for some time to come. And, increasingly, Federal officials and the Federal judiciary are going to be judged by how well they implement, enforce, and interpret environmental laws enacted to address these problems.

A TRIBUTE TO GUS RAMENTOL, TROOP 16'S NEXT EAGLE SCOUT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today my constituent, Gus Ramentol, who was recently featured in the Miami Herald for coordinating a drive to fingerprint children in case they are abducted or killed. The 17-year-old Coral Gables High School student proposed and carried out this community project as part of his work toward achieving the rank of Eagle Scout. The article, "Scout Heads Drive to Fingerprint Children" by Ricardo J. Bascuas reports on his achievement:

The '90s are shaping up to be a prolific decade in Eagle Scout inductions for Boy Scouts of America Troop 16. Although only one Scout made it to Eagle during the '80s, there were two last year and two so far this year.

Gus Ramentol, 17, will be the next to graduate to Eagle Scout once he completes his project next month. He is coordinating a drive to fingerprint children from kindergarten to eighth grade in case they are abducted or killed.

Gus, who lives in Coral Gate, is distributing 2,500 fliers among students from five area elementary schools: Coral Terrace, Coral Gables, G.W. Carver, West Laboratory and St. Theresa. He expects about 500 parents to take their kids to be fingerprinted at the St. Theresa cafeteria on Oct. 5, 9 and 13.

He and other members of his troop are being trained by Metro-Dade police officers to do the fingerprinting.

"I had to do a project that shows leadership," said Gus, a junior at Coral Gables High School.

Eagle Scout projects must be organized solely by the candidate and must make a contribution to the community. They must also be approved by the Eagle Board of Review. The project was the third Gus proposed.

"When he first approached me on it I was hesitant. I really didn't know how he would handle it. But it's something that could be picked up by other candidates in other areas," said Phil Johnson, chairman of the board for the Tequesta district.

Nancy McBriede, executive director of the Adam Walsh Resource center in West Palm Beach, said the center no longer fingerprints children. Instead, they use videotapes, such as those produced by Blockbuster Videos, which can be released to the media to identify missing children.

Gus began scouting in 1982 as a Cub Scout. His father, Manuel Ramentol, signed up both Gus and his brother, Karl.

"I wanted both of them to have all the things that went with scouting—outings, fishing, camping—all the things they otherwise wouldn't have been able to do," Ramentol said.

There are only four troop members left who joined the same time as Gus. Once Gus turns 18 in December he can no longer be in the troop, but he said he will stay in touch.

"I guess I'll stay around the troop and maybe become a leader when I turn 18," said Gus.

In addition to accumulating merit badges, Gus works on weekends doing odd jobs with a handyman, Manny Amador, he met through scouting.

I am pleased to pay tribute to Gus Ramentol by reprinting this article from the Miami Herald. His story shows how the Boy Scouts of America has helped young Americans develop character and leadership skills which will greatly benefit our community and Nation.

WILKES-BARRE ROTARY CLUB CELEBRATES 75TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. KANJORSKI. Mr. Speaker, on Tuesday, October 15, 1991, at 12:15 p.m. the Wilkes-Barre Rotary Club will meet as it has done every week for the past 75 years. It is on this auspicious occasion that I recognize this organization and its members for its service to individuals, their community, the Nation, and the world.

Since that first meeting on January 12, 1916, the Wilkes-Barre Rotary Club has been true to its mottoes, "Service Above Self" and "He Profits Most Who Serves Best."

The club has been involved in numerous community service projects over the past 75 years. To name only a few of the important projects that they have completed over the years are activities such as providing scholarships to local students planning to attend Wilkes and Kings Colleges, raising funds for needed equipment at area hospitals, holding charity dinners to collect funds for local homeless shelters, and sponsoring various lectures and programs to educate, to inform, and to entertain area residents.

All told, the Wilkes-Barre Rotary Club has made the difference for many local charities and organizations with their support and dedication to these, and many other causes.

Mr. Speaker, it is with great pride that I stand and congratulate the members and officers of the Wilkes-Barre Rotary Club for a job well done for 75 years. I wish them at least 75 more years of continued success.

THE 50TH ANNIVERSARY OF THE ATLANTIC CHARTER—THE CHALLENGE OF IMPLEMENTING FREEDOM FROM WANT

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. HALL of Ohio. Mr. Speaker, I would like to direct the attention of my colleagues to an article by Arthur Schlesinger, Jr., "The Atlantic Charter: Design for Tomorrow?" that appeared in the New York Times on August 11, 1991. Mr. Schlesinger credits President Franklin D. Roosevelt and British Prime Minister Winston Churchill for introducing humanitarian ideals such as "freedom from want" into the vocabulary of world politics. He argues that those very ideals are now finding expression in the new world order.

As chairman of the House Select Committee on Hunger, I share Mr. Schlesinger's optimism as the goals of the Atlantic Charter emerge as the foundation of the new global agenda. But while we can be encouraged, we cannot be satisfied. Most people still do not enjoy those rights that the Atlantic Charter establishes. The charter has been an unfulfilled promise to the victims of conflict, disease and poverty in the developing world.

This year, the 50th anniversary of both President Roosevelt's "Four Freedoms" speech and the Atlantic Charter, the gentleman from Missouri [Mr. EMERSON] and I have introduced the Freedom from Want Act—H.R. 2258. This bill helps realize Roosevelt's vision, transforming "freedom from want" from an ideal to a reality. The legislation itself establishes concrete, cost-efficient, and innovative plans of action directed at the root causes of hunger rather than at its symptoms. It is currently cosponsored by 109 Representatives and is endorsed by over 120 organizations. I urge my colleagues to join me in supporting the legislative initiatives of the "Freedom from Want Act" to help implement the goals of the Atlantic Charter.

For the benefit of my colleagues, a copy of Mr. Schlesinger's article follows:

THE ATLANTIC CHARTER: DESIGN FOR TOMORROW?

(By Arthur Schlesinger, Jr.)

A document drawn up a half-century ago today can plausibly be seen as the foundation of the new world that lies at last within humanity's grasp. Not many historic pronouncements have dated so little as the joint declaration to which Franklin D. Roosevelt and Winston Churchill subscribed on Aug. 12, 1941.

The two men met in a shrouded rendezvous at Placentia Bay off the coast of Newfoundland—a destination to which they had traveled in utmost secrecy through dangerous waters on heavily armed warships. Though Roosevelt and Churchill had been exchanging messages since World War II began in 1939, they had never talked face to face. Beyond satisfying his curiosity about the other—and these were men with acute instincts for history—each had particular objectives.

Churchill, for obvious reasons, wanted to get America into the war. Roosevelt, for less obvious reasons, I wanted to formulate principles for the peace. American association with Britain in a statement of peace aims, he hoped, would hearten European resistance to Hitler, and the right peace aims would reassure Americans that solidarity with Britain need not compromise American ideals.

To get the peace aims right, F.D.R. wanted a guarantee against the "secret treaties" that had disgusted Americans after World War I; he wanted assurances against closed trading systems, and, fearing isolationist wrath at home, he wanted to avoid language that might sound like an internationalist plot to revive the League of Nations. This fear of the isolationists was hardly idle: on the very day Roosevelt and Churchill finished drafting their declaration, the House of Representatives barely succeeded in extending the draft, by a single vote.

After two days of amiable but forceful argument in Placentia Bay, Churchill accepted a compromise on freedom of trade; F.D.R. a compromise on international organization. They agreed in rejecting secret treaties. The final statement was Wilsonian in spirit and in language: no territorial aggrandizement: self-determination of peoples; a freely trading world; economic and social security; freedom of the seas; disarmament of aggressor states pending the "establishment of a wider and permanent system of general security." Two days later The London Daily Herald gave the document its enduring name; the Atlantic Charter.

The two leaders were satisfied with their handiwork. If Churchill had failed to get the United States into the war, he had at least wonderfully solidified what came to be known as the "special relationship." Roosevelt now had British endorsement of peace aims that would at once justify convoying British ships in the Western Atlantic and, if it came to that, might later justify war itself.

Nevertheless, many considered the Charter a disappointment. British opinion found it a poor substitute for American intervention. Americans saw the recycled Wilsonianism as a collection of pious platitudes. Judging by opinion polls, the Charter was, in the words of the historian Theodore Wilson, "a propaganda bust."

During the war the British and the Russians chipped away at the Charter's lofty principles, claiming exemption for their own "existing obligations' (Churchill) and "historic peculiarities" (Molotov). After the war the Soviet Union trampled on most of the Charter's points. Even the United States fell short of full dedication to the ideals.

Yet the ideals never faded away. In January 1942 the Declaration of the United Nations explicitly adopted the Charter's "purposes and principles." These purposes and principles informed Bretton Woods in 1944 and the U.N. Declaration on Human Rights in 1948. Today they constitute the philosophical and juridical basis for President Bush's new world order.

Take a look at the Atlantic Charter 50 years after. It not the world dreamed of by Roosevelt and Churchill at last coming to pass?

Consider the goals of Aug. 12, 1941—"the right of all peoples to choose the form of government under which they will live," equal access "to the trade and to the raw materials of the world," "improved labor standards, economic advancement, and social security," assurance that all "may live out their lives in freedom from fear and want," relief from "the crushing burden of armaments," establishment of a community of nations. After half a century of bitter contention, the Atlantic Charter sets forth the agenda on which most nations are at last agreed.

They didn't do too badly, those two inspired prima donnas, when they met off the coast of Newfoundland 50 years ago.

TRIBUTE TO ROBERT S. McGUIRE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. FAZIO. Mr. Speaker, I wish to take this time to pay tribute to one of our most able and efficient managers, of a very important House office, and—through these remarks—to express my appreciation for our cadre of House employees who daily make it possible for this institution to function. We always express our complaints when anything goes wrong; we should also pause now and then to recognize outstanding and loyal service.

These remarks are prompted today because we will soon lose the talents of Robert S. McGuire, who has served as chief of the finance office in the Clerk of the House's organization. Bob has decided to retire and, with his wife Susan, relocate to the sunny slopes of New Mexico. Susan has also given years of service to the House during her tenure as a key staff member of the House Committee on Education and Labor.

I'm confident that neither Bob nor Susan will be retiring citizens of New Mexico. They will become activists in their new community, whether in civic, business, or cultural circles. We in the House community and in the greater Washington area will miss them.

Bob McGuire came to the House finance office as its chief in mid-1982. He had previously served as chief auditor of the Committee on House Administration. The committee service started in mid-1975 following Bob's years in the U.S. Air Force as an accounting and finance officer. Bob's retirement from the House follows a recent retirement from the Air Force Reserve as a lieutenant colonel.

It is likely that no previous chief of the finance office came better prepared to assume his duties than Bob. While he served the Committee on House Adminstration, he reviewed literally thousands of payment vouchers for Members, committees, and leadership and administrative offices. This required a detailed knowledge of both laws and House rules and a close working relationship with the finance office to insure that all vouchers were properly supported by the necessary documents and that funds were available to make the payments. His role, in effect, was to assure the committee chairman that the committee was fully and carefully meeting its obligations to review and approve these disbursements of House funds. His service also included many studies, special projects relating to changes in allowances for Members, and joining with the other able staff to make recommendations to the committee.

Bob's appointment as chief of the finance office met with general approval and expectation that we would have an efficient and well-managed operation. This has definitely occurred. The finance office undergoes a very thorough audit each fiscal year by the General Accounting Office [GAO]. In every year it has received a clean report from the GAO. This type of audit and report are tributes to Bob and his staff.

A recitation of the finance office's operations and expanded functions under Bob's leadership could very well be as lengthy as any House committee hearing. Bob's tenure as chief merits the commendation of not only the Clerk and the House leadership, but all House employees who benefit from a very effective and professionally run organization.

Mr. Speaker, my role as chairman of the Subcommittee on Legislative Branch Appropriations puts me in the position to review and commend Bob's service. He has occupied the role of financial adviser to my subcommittee regarding the preparation of the House budget, its appropriation, and its expenditure. Information that he develops with his staff and provides to the subcommittee form the basis for making our judgments on appropriations for the House. I speak for all the members and staff of the subcommittee when I commend and thank Bob for his work with us and our staff over the years. He has set a standard of service that all should strive to achieve.

May I quickly add, however, that I commend the Clerk's choice as Bob's successor, a veteran employee and assistant chief of the finance office, Mike Heny. Mike has all the necessary ability and experience to continue Bob's exemplary record of service.

Mr. Speaker, we will miss Bob and Susan McGuire. We thank them for their service to the House of Representatives. We wish them well in their new life in New Mexico. If needed, we will be calling Bob now and then to join in consultation about the House's financial operations.

COMMEMORATING THE 50TH ANNIVERSARY OF THE AQUARIAN BOOK SHOP

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. DIXON. Mr. Speaker, it is with great pleasure that I rise today to commemorate the 50th anniversary of the Aquarian Book Shop in my congressional district. The Aquarian Book Shop is the oldest African-American bookstore in California and quite possibly the oldest African-American owned bookstore in the United States. For 50 years, the proprietors of the store, Dr. and Mrs. Alfred Ligon, have provided members of the Los Angeles African-American community a place to discover their history, literature, religion, and culture. Despite all odds, surviving through good and bad times, the Ligons have provided a unique and invaluable service which has become a venerable institution in the Los Angeles African-American community.

With roughly $100 in personal savings, Alfred Ligon opened the Aquarian Library and Book Shop in 1941 in the basement of his home on Jefferson Boulevard. Then a waiter for the Southern Pacific Railroad, Alfred and his sister initially purchased metaphysics, nonfiction, and fiction books from a secondhand bookstore downtown. Later, Ligon shortened the store's name to the Aquarian Book Shop and expanded the store's inventory to include books by renowned African-American writers such as historians J.A. Rogers and W.E.B. DuBois, poet Langston Hughes, and others.

During the 1960's, a heightened interest in African and African-American history gave birth to book shops in African-American communities across the Nation. When interest waned during the 1970's and 1980's, however, many could not survive, falling prey to financial woes and lack of community support. The Aquarian Book Shop is one of the few African-American owned bookstores to have survived such hard times, and until recently, was the only bookstore specializing in books by and about African-Americans in Los Angeles.

Last November, the Aquarian Book Shop moved a third time from Martin Luther King, Jr., Boulevard to its current location at 3995 S. Western Avenue, Los Angeles, CA 90062, store 12. The shop now has over 5,000 volumes ranging in subject from African history to children's books.

A renewed interest in African and African-American history and culture during the 1990's has brought about a renaissance for African-American bookstores—which have multiplied in number in cities across the country. In addition, larger mainstream book chains, which had limited their inventory of African-American books to books by prominent authors such as Toni Morrison and Richard Wright, have begun to expand their African-American studies sections in order to lure customers and to cash in on the profitable market. Surely, none will be able to match the Aquarian's wide-ranging inventory of rare and hard-to-find books or serve the various functions which the shop has performed over the years.

In addition to providing a rich repository of information on African and African-American subjects to which the community might not otherwise have access, the Aquarian Book Shop has been the meeting ground for many prominent artists, writers, poets, actors/actresses, healers, organizers, teachers, librarians, thinkers, mothers, fathers, and children of the community. So many, including myself, have passed through their doors and been enriched by the experience. On more than one occasion, I have relied on the friendly and helpful offices of the Aquarian Book Shop for information unobtainable elsewhere.

Appropriately, the Aquarian Book Shop has been the subject of many newspaper and magazine articles, including the Los Angeles Times and Ebony magazine. On October 4–6, 1991, friends and long time supporters of the Aquarian Book Shop will commemorate the event with a 50th anniversary jubilee celebration.

Mr. Speaker, please join me, then, on this happy 50th anniversary occasion in recognizing Dr. Alfred M. and Mrs. Bernice Ligon for their immense dedication and commitment to community service, and in wishing the Ligons continued good fortune and good health in the years to come.

THE PASSING OF ARTHUR S. HODGE, SR.

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. DE LUGO. Mr. Speaker, I rise to mark the passing of an outstanding Virgin Islander and long time friend, Arthur S. Hodge, Sr. Arthur was laid to rest today, a man who will be deeply missed by his family and the many in our community who knew this warm and generous man.

Arthur had a broader vision of life and the purpose of community than many others. He was trained in a number of disciplines, as a draftsman, a builder, a real estate associate, and an appraiser. He used those many skills not to promote himself, but to boost his community. He was a strong supporter of apprenticeship training for Virgin Islands youth, for he understood well the need to hone native talent. As one of the ways that he could put his convictions into practice, he helped found the Virgin Islands Chapter of the National Association of Plumbing, Heating, and Cooling Contractors where he emphasized youth development.

Arthur spent considerable time investing in his community in other ways. He was a director of St. Dunstan's School and was a founding member of Episcopal Charities. He was involved in the senior citizens home repair program where he helped to train low income Virgin Islands residents to become a part of the building profession.

After Hurricane Hugo ravaged the Virgin Islands, Arthur traveled constantly between St. Thomas and St. Croix giving his time and skills to help those devasted by the storm. He never charged for his help.

In many ways Arthur embodied all that is the best in Virgin Islanders. His knowledge and skill, his concern and compassion, his energy and humor, all earned him a special place in the hearts of those who knew him and a special place in the annals of our community. We will miss him greatly, but we take comfort that Arthur S. Hodge, Sr., will long serve as an example for those who follow in his footsteps.

I offer my deepest condolences to his family and loved ones. May he rest in peace.

A TRIBUTE TO JENNIFER RODRIGUEZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Ms. Jennifer Rodriguez, a Palmetto Senior High School student who will be competing in the World Artistic Roller Skating Championships in Sydney, Australia. According to the Miami Herald article, Todd Hartman reports that Ms. Rodriguez is also trying to make the U.S. national team in both speed and artistic roller skating:

> The obscurity of competitive roller skating is being rocked by 15-year-old-Jennifer Rodriguez, a quiet, focused Palmetto High sophomore who is trying to do what no woman, and only one man, has done before.
>
> Her goal is to make the U.S. national team in both speed and artistic roller skating.
>
> "Unbelievable," said Dwain Hebda, sports information director for the U.S. Amateur Confederation of Roller Skating. "To do artistic and speed skating, that's unheard of."
>
> #### WORLD COMPETITION IN AUSTRALIA
>
> She is halfway to her goal. Next month, Jennifer will leave Kendall for Sydney, Australia, to compete in the World Artistic Roller Skating Championships Oct. 8–21 with 22 other members of the U.S. national team, composed of the best amateur roller skaters in the country. At 15, she is the youngest U.S. skater making the trip.
>
> "I'm looking at a very excellent chance of her placing at Worlds," said Gloria Manning, who coaches Jennifer in figures, the artistic category she will compete in at the world competition. "She's very consistent."
>
> Jennifer is not the youngest U.S. skater ever to compete at the world championships. That distinction goes to a 13-year-old Pennsylvania girl who competed in the freestyle category at the world competition in 1989. She may be the youngest to compete in the figures category. The USAC/RS doesn't have records to verify that.
>
> #### 'SHE'S REALLY MOVING FAST'
>
> "I went to Junior Olympics speed skating championships in Tulsa, Okla., and that's all I heard about, people talking about her," said Bob Manning, Jennifer's speed skating coach and the husband of Gloria, the figures coach. "She's so young, she's really moving fast."
>
> Fast in more ways than one. She's plowing through skill divisions as well as clocking fine times. Skaters move through six skill levels before reaching the senior division, commonly called "world class." She is already at world class in figures. In freestyle, she is a level away from world class. In speed, she is two away.
>
> In May, Jennifer competed at the U.S. outdoor speed skating championships in Colorado Springs. Attempting to make the U.S. speed team, she went up against senior division speed skaters on a banked track. She didn't quite make it, but Hebda said it "blew all of us away," to see Jennifer, five-foot-three and 105 pounds, hold her own in what can be a rough-and-tumble event.
>
> "Speed skaters are totally different than artistic skaters," said Cheryl Rice, Jennifer's freestyle coach. "Artistic skaters have makeup on. Jennifer has her hair pulled back and a nice little tutu. Speed skaters have knee pads on with hair dangling in their face. You see her doing that, and you think, 'That's Jennifer?' "
>
> "Speedy Rodriguez" is a shy speaker. Asked if she has other diversions, she answered: "No. I don't do anything else. Just school." She says skating is her life. She began at age 5, and since then has earned 33 top three national championship finishes in speed and artistic categories.
>
> Said her father, Joe: "It's simply amazing."

I am pleased to pay tribute to Jennifer Rodriguez by reprinting this article. Her story is a very exciting one, and I wish Ms. Rodriguez much success in all of her future competitions.

MRS. JEAN GRECO HONORED FOR VOLUNTARISM

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. KANJORSKI. Mr. Speaker, I rise today to recognize Mrs. Jean Greco for being elected as president of the Pennsylvania Medical Society Auxiliary [PMSA]. Mrs. Greco has been involved in many charitable organizations and is an outstanding example of individuals from northeast and central Pennsylvania who are involved in community affairs.

Jean began her work with the Pennsylvania Medical Society Auxiliary in 1972 and has since served on the State level as eastern vice president, health education State chairman, and health career financial aid State chairman. She has also chaired the State PMSA conference and has been on the State board of directors.

Locally, Jean has been just as involved and dedicated in her voluntarism. In her hometown of Hazleton, Jean instituted the first drug-abuse program for our local junior high school-aged students and their parents and helped to set up an AIDS education program as part of the health education function of PMSA.

Jean has been instrumental in the organization and success of numerous charity fundraisers, has welcomed foreign exchange students into her home, and has assisted those in need countless times.

In addition to all her charitable works, she has been the loving wife of Dr. Victor Greco, has raised six children, and is the grandmother of seven.

Mr. Speaker, I know my colleagues join me in congratulating Jean Greco for her superb contributions to our community and in wishing her luck as she begins her term as president of the Pennsylvania Medical Society Auxiliary.

NATIONAL CHILDREN'S DAY: HONORING OUR PROMISES TO AMERICA'S YOUTH

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mrs. MINK. Mr. Speaker, I rise to recognize the personal stories of two of Hawaii's most courageous young people: Malia Wai'au from Papakolea and Jonah Mercado of the Waianae coast. Both individuals have a compelling history of how government and nonprofit organizations changed their lives positively. They are present today for a hearing on "National Children's Day: Honoring Our Promises to America's Youth" conducted by the Select Committee On Children, Youth, and Families.

Malia Wai'au overcame the trauma of physical and emotional abuse through the services of a department of education program in her high school. Jonah Mercado had been trapped in a cycle of family violence and drug abuse until he received the help from Hale 'Opio Kauai, Inc., a nonprofit, community-based organization.

Mr. Speaker, I would like to submit for the RECORD the testimony of these two youth ambassadors of Hawaii.

STATEMENT BY MALIA WAI'AU

Aloha! My name is Malia Wai'au. I'm seventeen years of age, born and raised in Honolulu, Hawaii. I live with my parents and two sisters on Hawai'ian Homestead land above Punchbowl National Cemetery on the island of O'ahu, in an area called Papakolea. I now attend Roosevelt High School as a Senior. I play Varsity sports (swimming, track, and cross-country) and am a planner in the State Student Council. My hobbies and interests are meeting people, being with friends (a true extrovert), reading, writing, and working to improve the quality of life for youth in Hawai'i.

DEPARTMENT OF EDUCATION OUT-REACH PROGRAM

This program is based in every high school in the state, and staffed with a counselor who works with students who are facing difficult situations causing them emotional stresses. This could include problems such as family, gangs, or drugs. The success of the program ties into the fact that it is easier for the counseling programs to reach out to these kids because they are already linked to that school. Because young people sometimes are unaware of the programs that are available to help them, they just don't seek help at all. Since this program is school-based, the kids can be identified at the school campus and referred quickly to the program. Once in the program, the youth with the help of a qualified counselor or social worker. The youth receives close and consistent counseling involving the family and others as appropriate. The counseling sessions are arranged to accommodate those involved without the limitations of school hours. With support and love, the young person gains confidence and self-esteem and is better prepared to make the effort to improve his/her own life.

The Department of Education provides the Out-Reach Program to specifically help the youth in each high school who are in need of counseling and support. The program works with youth who are the victims of severe physical and emotional problems, in school and at home. I myself am from this background. I live in Papakolea, a poor neighborhood in Honolulu, where drugs/alcohol, pregnancy and drop-outs are prevalent among the youth. I was subjected to severe problems at home. My father had just been released from prison and returned home a very angry person. I became a victim of physical as well as verbal abuse. For the first ten years of my life he was in jail, and when he came home, he still did drugs and also beat my mother up. I didn't know where to go, so I turned to what I thought at the time was the only alternative. I attempted suicide.

That's where the Out-Reach Program at school came in. Mrs. Iweda, my counselor, started intensive counseling to help me cope. She gave up lots of her personal time and effort. She really put her whole self into helping me just as she has with many others over the years. Mrs. Iweda showed me that there are reasons for living, that I am a wonderful person. With the counseling, support and help given to me and many other youth from Papakolea, it is possible to overcome the nefarity and cruelty of drugs, abuse, gangs, and suicide.

Through counseling and support, I was introduced to new ways of sublimation. My grades improved tremendously to an A average. I felt better about myself and got involved in the Student Council, clubs like Students Against Drunk Driving and the National Honor Society, sports, and volunteer work at hospitals.

Now as a Senior, three years later, I am a State Planner for the State Student Conference in March. I'll be instrumental in addressing the problems of youth in Hawai'i and taking the issues to the State Board of Education to enact new programs and policies to benefit students. With these changes in place, perhaps future teens can avoid encountering such difficult life situations from which I was fortunate enough to survive thanks to my school Out-Reach Program.

STATEMENT BY JONAH MERCADO

How has Hale 'Opio made a difference in my life? Hale 'Opio is a home with people who love in it. It is a chance or an opportunity to change my life. It is a place to deal with problems I have had in the past or may have in the future. Before I came here I thought I knew it all. I was hanging around with the wrong crowd, would run away, not attend school, or listen to my Mom and Dad. At Hale 'Opio I have come to realize what my parents were saying is true. My attitude has changed with the counselors' help of sitting down and talking with me day after day. When kids come here they have nothing but their problems and themselves. But when they leave here they go out as a new person with no problems and, when they get problems, they know how to deal with them.

One problem I had was my self-esteem, which was very poor when I came here. I had nothing to feel good about. I had to be protected from my father through a restraining order, I had no special memories, I was separated from my mother and four sisters, there were no special events in my life. Now I have had a terrific job experience through the JTPA program and have been invited to speak at a dinner on JTPA's behalf. I have been selected to go to Washington, D.C. to meet our Congressional Delegation and other young people, I have had opportunities to fly around the Islands, take Zodiacs along the Na Pali, and I feel good about these things which I have earned by my achievements, by myself.

Hale 'Opio has also helped me in school. On Oahu I didn't go to my classes. Here I have to go to classes and have realized I have to graduate to become somebody. Hale 'Opio helped me in learning how to make choices and I now can make a decent choice in almost all situations because I have learned what it means to be a responsible adult, which is the key to all positive decision-making. With the really improved self-esteem and responsible decision-making skills I have learned, Hale 'Opio has assisted me in growing up to look forward to being a responsible adult in our community.

TRIBUTE TO SS. CYRIL AND METHODIUS PARISH OF BETHLEHEM, PA, ON ITS 100TH ANNIVERSARY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. RITTER. Mr. Speaker, I rise today to pay tribute to SS. Cyril and Methodius Parish, Bethlehem, PA, on its 100th anniversary. The centennial anniversary celebration opened with a Mass of Thanksgiving on April 29, 1990, and will continue through October 27, 1991.

In the late 1800's immigrants from Eastern Europe fled to America by the thousands. Most of those people were seeking freedom, something they were frequently deprived of in their native lands. Among those immigrants were the Slovaks, who settled in the little town of Bethlehem, PA, which was founded by their Slavic brethren, the Moravians. As the number of immigrants increased, the Slovak men in the community organized a fraternal benefit society which would help them in their times of need. On October 15, 1890, they were admitted into the First Catholic Slovak Union—Jednota—a fraternal insurance benefit society founded in Cleveland, OH, by the immortal Rev. Stephen Furdek. The charter members of that local fraternal society also became the founders of SS. Cyril and Methodius Parish in Bethlehem, PA.

Impressed by that Slovak group of simple, sincere and God-loving people, Msgr. William Heinen of Mauch Chunk, PA, whose missionary zeal served the parishes in the Lehigh Valley, befriended them and aided them in the establishment of this new Slovak parish in January 1891. Monsignor Heinen called a meeting with the members of the parish, and they all enthusiastically decided to build a church. Appointed to a committee to find a suitable site for the proposed church were Monsignor Heinen and two parishioners, George Zboyovsky and George Slafkosky. A site location was located and the parish purchased a tract of land bounded by Thomas, Pierce, Laufer, and Buchanan Streets from Lehigh University.

The cornerstone for the first church was laid and blessed on May 24, 1891. The church was dedicated on November 30, 1891. Since Bethlehem had the first Slovak church in the Diocese of Philadelphia, Slovaks from all outlying districts made SS. Cyril and Methodius their parish church. SS. Cyril and Methodius is revered as the mother church of the old Slovaks of Northampton and Lehigh Counties. Rev. John Novacky served as the first appointed pastor until September 23, 1897. Subsequently, Monsignor Heinen and other priests were assigned to administer to the parish until August 4, 1898, when Rev. Francis V. Vlossak was appointed pastor. During this period of time, Bethlehem's population grew tremendously, and so did the parish. A larger church was needed, and on July 5, 1903, the cornerstone was laid and blessed for a new church to be built next to the original church. On July 8, 1906, the new and magnificent church edifice was dedicated with impressive ceremonies. While this new church flourished, the old one was converted into a school and blessed on August 29, 1909. For the first 25 years of its existence, the parish built two churches, a school, rectory, convent, and a cemetery.

In June 1929 Reverend Vlossak retired due to failing health, and Rev. Andrew Fekety succeeded him. A very significant day for this parish was the burning of the mortgage on July 8, 1933. Following the death of Reverend Fekety on April 5, 1947, Rev. Felix J. Labuda became pastor. His outstanding pastorate was a glorious one, most significantly with the building of a new school on July 5, 1964, and a new, modern convent in 1966, both of which were built without the necessity of a mortgage.

A jubilant and joyous occasion for this parish was the elevation of Reverend Labuda to the title of monsignor on May 22, 1966. Slovak culture and heritage have been preserved and fostered throughout the years with the encouragement of Monsignor Labuda. After a pastorate of 37 successful years, Monsignor Labuda retired on March 26, 1984, due to ill health. His successor was Rev. Robert F. Kozel, associate pastor of the parish since September 1963. On July 28, 1986, the parish mourned the death of Monsignor Labuda, its pastor emeritus.

During Reverend Kozel's outstanding pastorate, both the exterior and interior of the church have undergone extensive renovations. The interior has been refurbished beautifully, especially with a new marble altar, pulpit and altar for the Repose of the Eucharist which are all made of maccavecchia and botocino marble from Pietrasanta, Italy. The new altar was blessed and dedicated on February 10, 1990, by His Excellency Thomas J. Welsh, bishop of the Diocese of Allentown. Today, the church stands as one of the most beautiful churches in the Lehigh Valley.

The Parish prides itself with its adult choir which was originated in 1948 under the leadership of Sister M. Clotilda, OSF. The parishioners always enjoy the choir's beautiful rendition which enhances the liturgical services. For the past 30 years, the choir has been under the splendid direction of Elizabeth Nemchik, a most capable directress. The current organist, Theresa Smith has been with the choir for approximately 10 years. Many years ago, the adult choir produced a recording album of beautiful Christmas carols in their native Slovak language.

The parish is also proud of the Tatra Slovak Folk Group which originated on July 12, 1977, by a group of its parishioners. Their purpose is to preserve Slovak heritage and culture, and to pay tribute to their Slovak ancestors. The group, which is currently comprised of 22 members and an accordionist, features dances and songs from eastern and central Slovakia. On August 16, 1986, they had the distinct honor of performing at the Statue of Liberty for an Ethnic Day Program. Since their inception, they performed at many civic and ethnic functions and most recently, they had an excellent performance for the opening of Bethlehem's 250th anniversary celebration. I've personally enjoyed the Tatras for many years.

Through these 100 years, 26 sons of the parish have been ordained priests, and 23 daughters of the parish have professed the vows of religious sisters.

During the first century of the life of SS. Cyril and Methodius Parish, many generations have joined hands and worked together to save this parish, which is one of the oldest in the Lehigh Valley. For its centennial celebration, the parish has selected as its theme the words, "And the Lord Saw That It Was Good" which exemplifies the religious strength and unity God has foreseen for this parish.

Father Kozel, Bishop Welsh and parishioners of SS. Cyril and Methodius Church, I am proud to serve as your Representative in the U.S. Congress. You have done so much over the years for your people and our Lehigh Valley community. You have helped define that very community.

Mr. Speaker, please join with me today in commending Reverend Kozel and the parishioners of SS. Cyril and Methodius Church for their perpetual spirit, love and devotion, not only for the church, but for the community as well.

A TRIBUTE TO JOHN NOYER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Mr. John Noyer, who has been with the Coral Gables Police Department since 1973. In 1978, Mr. Noyer entered his first Florida State Police Olympics. He has been an avid swimmer since the age of 4, and attributes his passion of swimming to growing up two houses away from Venetian Pool in Coral Gables, FL. The Miami Herald article entitled, "Gables Policeman Swam at Venetian Pool as a Child," written by Manny Garcia, summarizes Mr. Noyer's love of sports:

> As a kid, John Noyer would swim through the caves of Venetian Pool and dive off its cliffs. He swam every day for 14 years.
>
> "The lifeguards all knew me," said Noyer, 41, a Coral Gables police sergeant. "Mom said it was a cheap baby-sitting service."
>
> Noyer's passion for swimming has never diminished. Since 1978, Noyer has been a sprint champion at the annual Florida State Police Olympics.
>
> In June, Noyer won six gold medals, including the 50-meter freestyle and butterfly and 100-meter backstroke, and one silver at the competition in Daytona Beach. A week later, Noyer won four bronze medals competing against some former Olympic swimmers during the World Police & Fire Games in Memphis.
>
> "I'm not surprised by his success," Sgt. Mitch Fry said. "He always wins. He's a real dedicated guy."
>
> Noyer, a motorcycle officer with an aw-shucks personality, downplays his success. He credits teammates for pushing him to succeed.
>
> "There's a lot of good athletes here," said Noyer, who joined the department's champion triathlon team last year.
>
> Noyer grew up in Coral Gables, two houses from Venetian Pool. He said he learned to swim at age 4 when his father tossed him in the water. He raced back and has been racing ever since.
>
> Noyer became an All-Dade swimmer at Coral Gables High and attended San Jose State on a swimming scholarship. He tried out for the 1968 U.S. Olympic swimming team and was ranked eighth nationally, but only three made the squad in his race category.
>
> Noyer, who joined the Coral Gables Police Department in 1973 and competed in his first police olympics in 1978, stays in shape by riding a bicycle, swimming and jogging at least three days a week. He said he plans to win more gold medals.
>
> "The competition's getting younger every year, and I'm getting older," Noyer said with a laugh. "I'll still be hard to beat."

I am pleased to pay tribute to John Noyer by reprinting this article. His story shows how an All-Dade swimmer at Coral Gables High School continues to compete throughout the years, and continues to do the activity he loves.

A SALUTE TO PRINCIPAL STELLA LOEB-MUNSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. STOKES. Mr. Speaker, education is the foundation on which our children will build the future. This foundation depends on the support of thoughtful, caring educators. Today, I rise to honor just such a teacher. Stella Loeb-Munson, the principal at Caledonia Elementary School for 7 years in my home district, was recognized along with 59 other educators from around the country as a National Distinguished Principal by the Bush administration. She was selected from 26,000 principals nationally, and was the only Ohioan awarded this honor.

On October 4, these remarkable educators will be honored by Secretary of Education Lamar Alexander and the National Association of Elementary School Principals here in Washington.

Ms. Loeb-Munson is involved in every aspect of her students' education. On occasion she will teach a class, write newsletters to parents, and she attends each school meeting involving teachers or parents.

It is difficult to pinpoint what makes one educator better than another. Ms. Loeb-Munson's ability to motivate is one of her strongest assets. Students are excited to learn in her school, teachers take time to meet and discuss the progress of their students, and parents are frequently seen in the school working with their children.

In a school with a predominantly African-American student body, Ms. Loeb-Munson expresses her pride in her West-African heritage, and stresses the importance of heritage in her students. Young people are encouraged to learn about American history from an African-American perspective, and this knowledge is tested each year in a competition among fourth-, fifth-, and sixth-grade students. Not only is an interest in history emphasized, but she also looks toward the future. Children are introduced to computers in kindergarten.

Mr. Speaker, all children in America deserve the kind of quality education being disseminated at the Caledonia Elementary School. Ms. Loeb-Munson, along with the 59 other honorees, should serve as models for the rest of the Nation. Nothing is more important to our own future than the education of our children.

TARGET THE FARM PROGRAM TO FAMILY FARMERS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, Congress continues to avoid a difficult decision in the way our farm program payments are made to farmers who raise wheat, corn, barley, and other grain.

In the 1990 farm bill we faced a severe cutback in spending to support grain farmers, and we had to cut 15 percent of the acres for which farmers would receive a minimum level of income support. Rather than remove those acres from large corporate agri-factories, we pulled the support out from under family farmers—price supports that were already too low to help small farmers survive.

Our farm program just isn't working. It focuses on controlling the national production and supply of grain. In my judgment, our policy should be focused on providing a safety net for family farmers. It should provide a minimum price for the first increment of production of grain. That will result in the bulk of the price support payments going to family sized farms. Beyond that, if someone wants to farm a whole county, the Government ought to wish that farmer well, but should not have to guarantee a price for all of the grain.

Congressman TIM JOHNSON and I are, today, once again introducing a bill to target farm program deficiency payments to family sized farms. It redirects the way deficiency payments for wheat and feed grains are distributed so that each farmer is entitled to Government price support only for specific amounts of grain produced by a family sized farm. For that limited amount of production, the farmer is assured of $4.50 per bushel for wheat, for example, and $3.10 for corn. Those prices are high enough so that efficient farmers can make a modest profit, enough to reimburse them for their work.

It seems that farm State Members of Congress from both parties are finally starting to realize that our present farm policy is bankrupting family farmers who grow grain. It is a program that depresses market prices, serving the interests of international grain companies. It is turning rural communities of America into ghost towns. It's a policy that must be changed, and we have offered H.R. 3436 as a blueprint for a change that will work for rural America.

The text of our bill follows:

H.R. 3436

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEED GRAINS.

(a) TARGET PRICES.—Section 105B(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444f(c)(1)) is amended—

(1) in subparagraph (A) by inserting at the end the following: "The farm program payment yield times the acreage used to compute payments to a producer under this paragraph shall not exceed 26,000 bushels of corn or, in the case of other feed grains, a comparable amount, as determined by the Secretary. A producer may substitute .694 bushels of wheat for each bushel of corn.";

(2) in subparagraph (B)(iii) by striking "$2.75" and inserting "$3.10", by striking "$1.45" and inserting "$1.63", and by striking "$2.61" and inserting "$2.94"; and

(3) in subparagraph (c) by striking "85 percent" and inserting "100 percent".

(b) LOAN RATES.—Section 105B(a) of the Agricultural Act of 1949 (7 U.S.C. 1444f(a)) is amended—

(1) in paragraph (2) by striking "85 percent" and inserting "100 percent"; and

(2) in paragraph (3) by repealing subparagraph (C) and redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2. WHEAT.

(a) TARGET PRICES.—Section 107B(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3a(c)(1)) is amended—

(1) in subparagraph (A) by inserting at the end the following: "The farm program payment yield times the acreage used to compute payments to a producer under this paragraph shall not exceed 18,000 bushels of wheat. A producer may substitute 1.44 bushels of corn for each bushel of wheat (or in the case of other feed grains at a ratio established by the Secretary).";

(2) in subparagraph (B)(iii) by striking "$4.00" and inserting "$4.50"; and

(3) in subparagraph (C) by striking "85 percent" and inserting "100 percent".

(b) LOAN RATES.—Section 107B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3a(a)) is amended—

(1) in paragraph (2) by striking "85 percent" and inserting "100 percent"; and

(2) in paragraph (3) by repealing subparagraph (c) and designating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

A TRIBUTE TO THE GOLDSTEIN HEBREW ACADEMY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today the Goldstein Hebrew Academy which recently found a permanent home. After 10 years of moving from one place to another, the Goldstein home moved to the Dave and Mary Alper Jewish Community Center in Miami, FL. The article, "Hebrew Academy Gets a Home of Its Own," by Jon O'Neill reports on this exciting event:

After 10 years of being uprooted and moved from place to place, the Goldstein Hebrew Academy finally has a permanent home.

The school, which has students in nursery school through sixth grade, will open the doors of its new building Sept. 3 on the grounds of the Dave and Mary Alper Jewish Community Center, 11155 SW 112th Ave. An open house will be held between 1 and 2 p.m. Thursday.

"I'm ecstatic," said Sam Paryzer, president of the academy. "We've been waiting for so many years and now we have a true home."

The 10,000-square-foot school is named for Katherine and Jacob Greenfield, the parents of an anonymous benefactor who gave $1 million toward construction.

The school has 14 classrooms, a library and science laboratory. It can hold 125 students. Last year, the school had 72 kids.

The school opened 21 years ago, offering an elementary curriculum along with Judaic studies. But it never stayed in the same place.

I am pleased to pay tribute to the Goldstein Hebrew Academy by reprinting this article from the Miami Herald. This story tells of how the Goldstein Hebrew Academy waited many years for this happy event to take place. I wish them much success in their new home.

RAY NOLIN RETIRES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mr. RICHARDSON. Mr. Speaker, a giant in the communications industry retired earlier this month. Ray Nolin, a good friend of mine who many of us in the Congress deeply respect and admire, recently left BellSouth Corp. after 25 years in the industry.

Ray began his career with Illinois Bell in 1961 in the marketing department. He held a variety of positions in eight different Illinois communities. In the early 1980's, he moved to Chicago to direct AT&T's government affairs in the Midwest.

His outstanding record and achievements enabled Ray to be appointed to his last position—vice president, Federal relations for BellSouth Corp. Since 1985, Ray has lived in Washington directing BellSouth's legislative activity on a Federal level.

It was in Ray's last assignment that I had the opportunity to appreciate his extraordinary skills and superb understanding of telecommunications matters. While I didn't always agree with Ray's positions, I always admired and respected his thoroughness and honesty in discussing issues with me. Ray was more than just a government relations representative; he was and continues to be a good friend.

While I will miss Ray's visits, I am delighted that he is moving on to a less hectic and a much more sane existence. He and his wife Catherine will be summering in Colorado and wintering in Florida.

I urge my colleagues to join me in bidding Ray and Catherine a warm farewell and a healthy and enjoyable retirement.

ANN MOSELEY: EDUCATOR, ACTIVIST, AND FRIEND

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mrs. LOWEY of New York. Mr. Speaker, Ann Moseley was born and brought up in South Carolina, but I am very glad that she chose to come to New York after graduating from college. Her contributions to southern Westchester and the Bronx have been immense. She is retiring from the New Rochelle school district, and I would like to take this opportunity to extend to her my thanks and those of many others for her dedication and unfailing commitment to our young people.

Ann Moseley cares about children. Throughout her life she has dedicated herself to making possible for them happy and healthy childhoods, and making sure that society offers them opportunities to succeed and prosper. As an educator and as a community activist, she has been immensely successful in her pursuit of both of those goals.

Her career began at the Lincoln Child Care Center, from which she moved to the Arthur Bay Day Care Center. At Arthur Bay, she served as head teacher and assistant director. She then served for a time in the Yonkers school district, before moving to New Rochelle. For the past 30 years, she has been an important part of that school system. In addition to the thousands of young people who have had the benefits that a first-rate teacher can provide, Ann has given special attention to assisting mentally retarded students. As a result of Ann's efforts, a special program has been established for trainable mentally retarded young adults, as well as a summer camp tailored to their needs.

The school system, however, has not been the only focus of Ann's tireless activities. As an active member of the NAACP, she has served as president of the New Rochelle chapter and in many other capacities. Through that work and every other facet of her life, she has fought to eliminate the blight of racial discrimination. She is also deeply involved in the activities of her church, St. Catherine A.M.E. Zion. The Community Chest, Heart Fund, Red Cross, Muscular Dystrophy Association, Urban League, and United Negro College Fund have also benefited from her active participation.

I know that her retirement from teaching, while definitely a loss for New Rochelle's schools, will not mean an end to her caring and dedicated participation in community life. I cannot imagine Ann Moseley ever ceasing to strive for a better New Rochelle and a better world. I am proud to count her as a friend and am glad to have this chance to pay tribute to her. I am certain that all of my colleagues join me in giving this wonderful woman our best wishes and congratulations upon her retirement.

HAPPY FIRST BIRTHDAY TO THE CHILDREN'S INN AT NIH

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Mrs. MORELLA. Mr. Speaker, there is a truly unique project taking place at the National Institutes of Health [NIH] in Bethesda, MD—the development of the Children's Inn, which recently marked its first birthday.

The effort to provide a home-like setting for families and children when a child is being treated for a difficult illness started as a dream in the early 1980's. The dream's goal was simply to provide a sick child the opportunity to receive the invaluable physical and emotional support which a family can provide.

This dream was made possible in 1987 when Merck & Co., Inc., made a $3.7 million grant to build the Children's Inn, and NIH set aside 2 acres of land for the facility. Three years later, in June 1990, the inn opened its doors for the first time to children, youth, and their families.

Perhaps no other organization has been more supportive of the Children's Inn than Merck & Co. In addition to its original $3.7 million grant, Merck has just announced a $500,000 challenge grant to be used as the basis of a campaign to raise matching contributions for a "Friends Fund" to cover future operating expenses at the inn. Largely thanks to Merck, now a world leader in research and development of new medicines, seriously ill children participating in the leading edge of medical research at NIH can continue to have a place where they and their family can be together—adding a critical dimension of emotional support to the medical research at NIH.

Congratulations to the Children's Inn, its staffs, its volunteers, and the many generous contributors to this very important project. With the creation of the Children's Inn, we can all hold our heads a little higher knowing that children, and their families, facing difficulties at our national medical center have a supportive place to call home.

CARLOS J. ARBOLEYA BOULEVARD NAMED FOR BUSINESS AND CIVIC LEADER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, on September 13, 1991, a portion of Southwest Eighth Street in Miami was renamed Carlos J. Arboleya Boulevard to honor this extraordinary business and civic leader. On hand for the dedication was State Representative Al Gutman, who sponsored and guided the street naming legislation through the Florida House. Representative Gutman was joined by other State legislators and the mayors of Dade County, Miami Beach, and Hialeah. Mr. Arboleya has assembled an impressive personal history of professional achievement and civic contribution.

Mr. Arboleya's story is one characterized by contrasting periods of success, difficulty, and success. In 1960, he resigned his position of chief auditor in the comptroller's division of Cuba's largest bank when it became apparent that the Communist dictatorship intended to capture all financial institutions and private property. Mr. Arboleya's life and that of his family was turned upside down by the Castro regime, a tragic experience shared by so many other Cubans. He fled to Miami with just $40 in his pocket, bringing with him his wife Marta, his 2-year-old son, Carlos, and a hope in America. The success he later found in the land of opportunity is perhaps the most profound act of defiance toward the Communist regime in Cuba which took everything from him except his family and his will to be free.

Upon arriving in south Florida, Mr. Arboleya at first tried with no avail to secure a position in the banking industry, and instead took a job as an inventory clerk at a south Florida shoe factory. Undaunted, Mr. Arboleya worked his way up to the position of vice president and comptroller of that shoe factory making possible a parallel leap back to the banking business. Through his business acumen and sheer hard work, he gained the post of vice chairman of the south Florida region of Barnett Bank which he presently holds. Mr. Arboleya is a testament to the freedom found in America, that an individual whose resources lie primarily in their determination to succeed should find such success.

Mr. Arboleya's success story does not end there, however. He is a man who has given back to the community in which he has prospered. The list of charity and civic organizations to which he has offered his leadership is extensive. He is the chairman of Miami '92, the Discovery of America Quincentennial Committee. Mr. Arboleya is a member of the national executive board of the Boy Scouts of America, and the vice president for Dade County of the Bay Scouts of America, and the vice president for Dade County of the South Florida council. Mr. Speaking, I join the people of south Florida in applauding Mr. Arboleya for his shining example of service and dedication which continues to be an inspiration to all those who place their hope in the American dream.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily

Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, October 1, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 2

9:30 a.m.

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on S. 1533, to establish a statute of limitations for private rights of action arising from a violation of the Securities Exchange Act of 1934, and on related issues.
SD-538

Governmental Affairs
To hold hearings to examine government regulation of reproductive hazards.
SD-342

Special on Aging
To hold hearings to examine Medicare's responsiveness to older Americans concerns relating to provider fraud and abuse and the manner in which carriers assign and maintain Medicare provider numbers for persons and entities who wish to participate in the program.
SD-628

Joint Economic
Education and Health Subcommittee
To hold hearings to examine ways to reform the American health care system.
2359 Rayburn Building

10:00 a.m.

Commerce, Science, and Transportation
To hold hearings on the nomination of Ming Hsu, of Arizona, to be a Federal Maritime Commissioner; to be following by a hearing on the nomination of Arthur J. Rothkopf, of the District of Columbia, to be General Counsel of the Department of Transportation.
SR-253

Foreign Relations
To hold hearings on the International Convention on Salvage, 1989 (Treaty Doc. 102-12), and the International Convention on Oil Pollution Preparedness, Response and Cooperation (Treaty Doc. 102-11); to be followed by a hearing on the nomination of David A. Colson, of Maryland, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs.
SD-419

1:00 p.m.

Conferees, on H.R. 2942, making appropriations for fiscal year 1992 for the Department of Transportation, and related agencies.
H-140, Capitol

2:00 p.m.

Energy and Natural Resources
To hold hearings on the nominations of Elizabeth Anne Moler, of Virginia, and Branko Terzic, of Wisconsin, each to be a Member of the Federal Energy Regulatory Commission, Department of Energy.
SD-366

Foreign Relations
To hold hearings on the nominations of Richard Clark Barkley, of Michigan, to be Ambassador to the Republic of Turkey, James F. Dobbins, of New York, to be U.S. Representative to the European Communities, with the rank of Ambassador, and John Christian Kornblum, of Michigan, for the rank of Ambassador during his tenure of service as Head of Delegation to the Conference on Security and Cooperation in Europe (CSCE).
SD-419

Judiciary
To hold hearings on the nominations of Barbara A. Caulfield, to be United States District Judge for the Northern District of California, Ronald E. Longstaff, to be United States District Judge for the Southern District of Iowa, John W. Lungstrum, to be United States District Judge for the District of Kansas, and Terry R. Means, to be United States District Judge for the Northern District of Texas.
SD-226

OCTOBER 3

9:00 a.m.

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine organized crime activities in Asian communities.
SD-342

9:30 a.m.

Rules and Administration
Business meeting, to mark up S. 289, to authorize an extension of the National Air and Space Museum at Washington Dulles International Airport, S. 239, to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in Washington, D.C., S. 1415, to provide for additional membership on the Library of Congress Trust Fund Board, S. Res. 185, to provide for expenses and supplemental authority of the Select Committee on POW/MIA Affairs, H. Con. Res. 172, providing for the printing of a revised edition of the booklet entitled "Our American Government," and other pending legislation.
SR-301

10:00 a.m.

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Finance
To hold hearings to examine the current operation of trade adjustment assistance and other programs for dislocated workers.
SD-215

2:30 p.m.

Foreign Relations
To hold hearings on the nomination of Elaine L. Chao, of California, to be Director of the Peace Corps.
S-116, Capitol

Judiciary
Courts and Administrative Practice Subcommittee
To hold hearings on S. 1569, to implement the recommendations of the Federal Courts Study Committee, and to establish an intercircuit conflict resolution demonstration program and the National Commission on Federal Criminal Law.
SD-226

OCTOBER 4

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings to examine the status of Great Lakes Federal programs.
SD-342

Joint Economic
To hold hearings on the employment-unemployment situation in September.
SD-628

OCTOBER 8

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings to examine whether the Federal government is making environmentally conscious decisions in its purchasing practices.
SD-342

11:00 a.m.

Foreign Relations
To hold hearings on the nomination of David A. Colson, of Maryland, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, and on the International Convention on Salvage, 1989 (Treaty Doc. 102-12), and the International Convention on Oil Pollution Preparedness, Response and Cooperation (Treaty Doc. 102-11).
SD-419

OCTOBER 17

9:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to examine the visibility of auctioning radio spectrums.
SR-253

9:30 a.m.

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings on implementation of the Department of Energy's joint venture program for renewable energy.
SD-366

2:00 p.m.

Select on Indian Affairs
To hold hearings on S. 1687, to increase the capacity of Indian tribal governments for waste management on Indian lands.
SR-485

OCTOBER 22

9:00 a.m.

Select on Indian Affairs
To hold hearings on S. 1315, to transfer administrative consideration of applications for Federal recognition of an Indian tribe to an independent commission.
SR-485

OCTOBER 23

9:00 a.m.

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the Report of the Commission on

the Future Structure of Veterans Health Care.

334 Cannon Building

9:30 a.m.

Governmental Affairs

To resume hearings to examine the employment and promotion opportunities in the Federal Government for women and minorities.

SD-342

OCTOBER 24

8:45 a.m.

Office of Technology Assessment

Board meeting, to consider pending business.

EF-100, Capitol

OCTOBER 29

9:30 a.m.

Select on Indian Affairs

To hold joint hearings with the House Committee on the Interior on H.R. 1476, to provide for the divestiture of certain properties of the San Carlos Indian Irrigation Project in the State of Arizona.

SR-485

POSTPONEMENTS

OCTOBER 3

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings to examine telecommunications reliability as related to aviation safety.

SR-253

2:00 p.m.

Foreign Relations

European Affairs Subcommittee

To resume hearings on consolidating free-market democracy in the former Soviet Union.

SD-419

SENATE—*Tuesday, October 1, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable PAUL D. WELLSTONE, a Senator from the State of Minnesota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Eternal God, Fountain of truth, You have promised wisdom to those who ask, "If any of you lack wisdom, let him ask of God, that giveth to all men liberally, and upbraideth not; and it shall be given him.—James 1:5.

Omniscient Father, all wise, rarely is an issue raised in the Senate about which there are not innumerable views, opinions, and convictions—controversial and conflicting. Division in the Senate is infinitesimal compared to the divisions in the Nation—constituents, mayors, county officials, Governors, corporate heads and, in many cases, leaders of other nations. As the Senators work their way through mountains of information, under pressure from advocates and detractors, touch each with a special measure of grace.

God of light, in such tension characteristic of democracy, grant to the Senators patience, insight, courage, and a good conscience. Infuse them with the desire, *"thy will be done on Earth as it is in heaven."*

In the name of Him who is incarnate truth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter;

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, Oct. 1, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL D. WELLSTONE, a Senator from the State of Minnesota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WELLSTONE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning there will be a period for morning business under the control of the majority leader or his designee, with the time for morning business to extend until 10 a.m.

At 10 a.m., under a previous unanimous-consent agreement, the Senate will resume consideration of the conference report accompanying the emergency unemployment insurance bill, with 1 hour for debate on the Sasser motion to waive the Budget Act in order to permit consideration of the report.

Upon the expiration or yielding back of that time, the Senate will then vote on the motion to waive the Budget Act, and if the motion to waive is successful, that will be followed immediately by adoption of the conference report. Once the Senate has concluded action on the conference report, and as also previously ordered, the Senate will vote on the motion to invoke cloture on the motion to proceed to the family and medical leave bill.

Today, the Senate will recess from 12:30 p.m. until 2:15 p.m. for the party conferences. Upon reconvening at 2:15 p.m. today, the Senate will return to the EPA Cabinet-level bill, with 10 minutes remaining for debate on that bill prior to a vote on final passage.

Therefore, Mr. President and Members of the Senate, Senators should be aware that there are at least three votes scheduled for today. The first will occur at 11 a.m. on the motion to waive the Budget Act with respect to the conference report on the unemployment insurance bill. That will be followed by final passage of that bill, if the motion to waive is successful.

No rollcall has been requested yet on final passage, and if none is requested, then it will be accepted by voice vote. If a rollcall is requested, then, of course, one will occur.

Immediately following that, the Senate will vote on the motion to invoke cloture on the motion to proceed to the family and medical leave bill.

So it is expected that at 11 there will be two and possibly three votes, although more likely it will be two.

At approximately 2:25, following the party caucuses, there will be a vote on final passage of the EPA Cabinet-level bill. There may well be other votes during the day, but Senators should be prepared for at least those which I have indicated.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time. I reserve all of the leader time of the distinguished Republican leader.

CONTROL OF TIME FOR MORNING BUSINESS

Mr. MITCHELL. Mr. President, I designate Senator KENNEDY to control the time for morning business this morning.

Mr. KENNEDY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

UNEMPLOYMENT BENEFITS

Mr. KENNEDY. Mr. President, today the Senate votes again on emergency assistance for large numbers of workers who have lost their jobs in this recession. Unemployment benefits have run out. President Bush continues to insist there is no emergency, so he refuses to provide the necessary funds. There may not be an emergency in the White House, but there is an emergency on Main Street, U.S.A.

The recession is real. The hardship is real. And if the White House will not help, it is time for Congress to act even if it means voting for the first time to override a veto by President Bush.

In Massachusetts, 3,000 more workers exhaust their unemployment benefits every week; 12,000 per month, month after month. Similar problems plague every other State. It is irresponsible not to act. The recession is not over. People seeking jobs cannot find work. The economy continues to stagnate. Yet the unemployment trust fund designed for precisely such emergencies has an $8 billion surplus.

The funds are there, Mr. President. The need is there. It is time to ease the continuing hardship caused by this continuing recession.

The Senate bill declares that the plight of the unemployed is the type of emergency specifically covered by the Budget Act. Congress approved that act last year with a clear understanding that it could be used to accommodate such urgent needs. Specific provisions in the act permit emergency

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

spending to meet unforeseen circumstances. The act is meant to be a flexible instrument for dealing with emergencies at home and overseas, not a stone wall that the administration can hide behind while refusing to help the unemployed.

In every previous recession similar assistance has been provided for those who lost their jobs. Under President Kennedy, President Nixon, President Ford, and even President Reagan, we have offered emergency relief to the unemployed. Why is President Bush the only holdout?

Why is this administration's domestic policies so far outside the mainstream of tradition of this Nation? The White House has been willing to provide emergency help to the citizens of every other nation. It should also be willing to provide assistance to the working families of America.

THE EDUCATION GOALS PANEL REPORT

Mr. KENNEDY. Mr. President, once again education is in the headlines and the news is cause for concern.

On Friday, a Harris poll was released that shows most students and their parents think today's young Americans are getting a good education. But an overwhelming number of employers and higher education officials disagree. The survey asked employers about the overall preparation of recent students to hold jobs. Only 30 percent of employers gave a positive response and 66 percent were negative.

By contrast, among students themselves, 70 percent were positive about their education as were 65 percent of their parents.

In the case of higher education, only 36 percent of the college officials surveyed gave the students positive marks and 62 percent were negative. Yet 70 percent of the young people who were surveyed and 77 percent of their parents believed that their high school preparation was good.

There is only one conclusion to draw from this data—by the standards of employers and college officials, our secondary school students and their parents are misleading themselves.

Yesterday, the Education Goals Panel released its report on the Nation's progress toward the goals we have set. The panel's report is an effort to pull together in a single place all the available data on such progress.

Gov. Roy Romer of Colorado deserves credit for his excellent efforts on the panel. Much of the information in the report is shocking. For example, it notes that just 15 percent of the Nation's fourth graders are competent in mathematics. For 8th graders, only 18 percent are competent, and for 12th graders the figure is 16 percent.

Parts of the report are disappointing, however, because there are many areas where the Nation clearly needs to do more. Yet the report is silent. For example, with respect to the first educational goals, school readiness, the report states that there is no direct way to measure progress toward this goal.

Mr. President, I take exception to that particular conclusion. There have been a number of recommendations which have been put forward even to the panel itself which are some indices as to the school readiness of a child. For example, has the child been immunized? Did the child attend a Head Start Program prior to coming to the kindergarten for some early education program? What are the nutritional conditions of any child who enters the school? Does the child see a doctor regularly?

There is a whole host of different criteria that could be utilized, and they can be utilized in a way as to characterize whether a child is really appropriately ready to begin the educational experience.

But, effectively, the Goals Panel chose not to use those criteria. I fear that the reason they failed to use those criteria is because they know what the result would be: an incredible indictment in terms of the condition of the children in this country when they begin the long process of awakening their minds in the educational system.

So we, Mr. President, have a very important responsibility in addressing that issue here in the Congress in this session.

The single most important step the Federal Government can take to ensure that students start ready to learn is to fully fund the Head Start Program.

For more than 25 years this program has been successful in providing disadvantaged students with a supplemental educational experience to help them start schools ready to learn.

But Head Start still reaches far too few students, just 28 percent of the eligible population. If we hope to reach the first education goal, we need to ensure that 100 percent of the eligible students benefit from this vitally important program.

Given the important school readiness we must take steps to ensure that the children arrive at the school door ready to learn. Education earlier is better. The best approach is to intervene early and avoid problems at the start rather than correct problems after they arrive.

If students are not ready to learn when they arrive at school it is likely they will never catch up. Even if they do catch up, it is likely to happen because of intensive and expensive intervention efforts. It is far better and much cheaper in the long run to make sure that students start out on the right path. But to do that we have to know what school readiness means. We need accurate information about how many reach school ready to learn and how many are not. We do not have adequate information now, but we need to take appropriate steps to get it.

The Goals Panel convened a task force in school readiness chaired by Dr. Ernie Boyer, one of the Nation's most respected and influential educators. Dr. Boyer's panel made a series of clear, cogent recommendations to ensure that the Nation develops the needed data, yet the panel ignores these recommendations. Most are disappointed in the report's assessment of the Federal role in education.

The document seems primarily designed to reassure the country about whether the Bush administration has an adequate education agenda or whether the Federal Government has a comprehensive, coherent policy in place to improve the Nation's schools.

In truth, the Federal Government is making a smaller contribution to education today then it did a decade ago. The Bush administration's plan for America 2000 is far too limited, and it focuses on diverting scarce resources from public schools to private schools.

In addition, the administration's plan devotes too small an amount of funds to a small number of schools. Only one-half of 1 percent of the Nation's schools will benefit. To achieve the Nation's education goals, we need more help for more schools. We need more than just a political strategy for education. We need a genuine education strategy that focuses on star schools, not just a political strategy that pats education on the head and directs the Nation's real resources to star wars.

This Nation should have the best education system in the world—and we do not have it now. Nobody disputes that. If we want world class schools, we need to involve all of our citizens and all of our schools. We cannot leave anyone or any school behind. It is not just the schools across town or in the next community that need to be improved. It is all schools in all our communities.

To achieve this goal, we need an administration genuinely committed to improving educational opportunities for all students, and willing to commit adequate resources to this essential goal. The Nation deserves no less.

COMMENDATION OF THE MAJORITY LEADER

Mr. KENNEDY. Finally, Mr. President, I want to commend the majority leader for his efforts in bringing to the Senate later this morning the Family and Medical Leave Act. This is an extremely important piece of legislation.

It is a great tribute to our colleague, Senator DODD, who has been pressing and pushing this legislation for a series of years. The Membership knows what is at issue in this legislation. The basic question is whether we are going to make an individual choose between the job they need and the child they love when that child has some serious medical emergency. We know the change in the work force has brought more and more families into the work force.

This is minimal legislation to deal with what is a very real problem in the work force in the United States in 1991. And it is appalling to me, Mr. President, that there are those in this body that refuse to even permit the Senate of the United States to address this issue.

The American people want action on this issue and, nonetheless, there is a dedicated group of Senators that will virtually block the attempt to debate this issue on the merits. The families in this country should take note when the bell tolls on that issue later this morning.

I commend the majority leader for giving us an opportunity to express our view on this extremely important piece of legislation.

I yield whatever time has been designated to me to the Senator from Washington.

Mr. ADAMS. Mr. President, as the new world order develops, education should be our highest national priority, as stated by the chairman of the committee, Senator KENNEDY. The Democrats have presented a comprehensive education agenda from early childhood through higher education. It builds on a legacy of making education a top priority for all Americans, with special emphasis on disadvantaged children, children that may have been disadvantaged for a whole series of reasons, by our society.

The President, on the other hand, has submitted an agenda of untested programs that would receive millions of dollars that would otherwise go to the public schools. In my State, the New American Schools Program would ignore more than 99 percent of the public schools.

The Bush plan builds on a Republican legacy of failing to approve and provide resources for important education programs like Head Start that have proved successful. What the Republican program does is say that those receiving a good education will be improved, but those disadvantaged by any one of many factors in America's society will receive less, and the average child in an American public school will not be helped at all.

America's children and youth need an education agenda that will ensure the success of every child to that child's fullest potential. We do not want to have an elitist educational system for the lucky few. We can meet the national education goals for every child, reach their potential, through the Democratic education agenda, and I hope we will adopt it.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized.

Mr. ADAMS. I thank the Chair.

(The remarks of Mr. ADAMS pertaining to the introduction of S. 1777 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SHELBY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

NOMINATION OF JUDGE CLARENCE THOMAS TO BE AN ASSOCIATE JUSTICE OF THE U.S. SUPREME COURT

Mr. SHELBY. Mr. President, I do not take my advise and consent function lightly. I believe that one of the most important votes any Senator casts is either for or against a Supreme Court nominee. During my tenure in the U.S. Senate, I have supported two consecutive Supreme Court nominees, Justice Kennedy and Souter, both nominated by Republican administrations. I want Supreme Court Justices who will interpret the Constitution and not attempt to legislate or carry out personal agendas from the bench.

The nomination of Judge Clarence Thomas to the Supreme Court is truly a historic occasion. If confirmed, Clarence Thomas would be only the second black American to serve on our Nation's highest court. I firmly believe that a nominee should be confirmed based on legal qualifications and judicial temperament, not the color of his or her skin.

The journey for Judge Thomas from his childhood home in Pin Point, GA, to his nomination to the Supreme Court has been a long and difficult one. Growing up in an era of discrimination and the worst of the Jim Crow segregation laws, Clarence Thomas knows what it feels like to be judged by the color of his skin and not by his personal qualifications. That he was able to overcome these obstacles and better himself through education and hard work is a testament to the kind of character that Clarence Thomas possesses.

Attending Holy Cross College and Yale Law School, Clarence Thomas went on to distinguish himself in the Missouri attorney general's office, as a Senate staffer, in the Department of Education, at the Equal Employment Opportunity Commission, and finally, as a judge serving on the U.S. Court of Appeals for the District of Columbia.

There is no doubt in my mind that Judge Thomas' life and work experiences would serve him well on the Supreme Court. I especially believe that Judge Thomas brings a unique perspective—that of a minority in America—that would better enable the Supreme Court to ensure that the rights and freedoms of all Americans are preserved and strengthened.

In reaching a decision on Judge Thomas' nomination, I am reminded of Alabama's last Supreme Court Justice, Hugo Black, one of the Supreme Court's greatest Justices. Justice Black was a member of the Ku Klux Klan as a young man and many people felt he did not deserve to sit on the Supreme Court because of that membership. However, the Senate supported his nomination to the Supreme Court and on the Supreme Court, Justice Black was instrumental in preserving and protecting individual rights for all Americans.

If the history of Justice Black teaches us anything, it teaches us that people are capable of change, of growth, of greater understanding.

In supporting the nomination of Judge Thomas, I cannot predict with certainty how he will rule on specific issues—no man could do this save Clarence Thomas himself. I do believe, however, that he will be a fair and impartial arbiter of the U.S. Constitution. And that, above all else, convinced me that Clarence Thomas is not only qualified to serve, but would be a welcome addition to the Supreme Court of the United States.

Mr. President, I intend to vote in favor of Judge Thomas' nomination to the Supreme Court and I urge my colleagues to do the same.

The PRESIDING OFFICER (Mr. ADAMS). The Senator from Alabama yields the floor.

The Senator from New Mexico.

NATIONAL GOALS PANEL REPORT

Mr. BINGAMAN. Mr. President, the National Goals Panel issued their first annual report card yesterday, and I thought I would take just a few minutes to comment on that and give my views on some of the contributions they reached there.

First, I begin by complimenting Gov. Roy Romer, from Colorado, for his personal leadership in getting this report prepared. This was not an easy job. He faces heavy opposition as he attempted to produce a credible report card, and this report card, I would very early on say, is a significant improvement over the old so-called wall chart which we have seen for many years now issued by the Department of Education.

The final report did not address, in my view, some of the essential relationships that we need to understand in order to improve education. It did not call for analysis, but this is not because Governor Romer did not try. The final report does not address the long-range commitment or plan or create any vision for how we are to help improve achievement. But, again, this was not because Governor Romer did not try. I, for one, am very complimentary of his tenacity, his unflagging energy and efforts to move the Nation's education commitment in investment and reform of education forward.

The education goals report will heighten the public debate about education by raising important questions about world-class standards, about curriculum, and about assessment in general. The report assembles the data in a new package and focuses on the condition of education with respect to these national goals. The report stresses the importance of basing our analysis of educational progress on national standards, which will need to be world class in nature, and I agree that we need these world-class standards. We need to set standards in order to determine what our children need to know and need to be able to do at various grade levels.

The report, for the first time, attempts to set a rigorous standard in mathematics. Unfortunately, in setting that standard, we see that the results are, in fact, abysmal. The results reported show that less than one in five American students was proficient in math, at least in the grades tested, that being 4th, 8th, and 12th grades.

These statistics and much of the rest of the report, however, reveal nothing very new to us about the condition of education in the United States. We have heard for a long time that our Nation's students are not doing well. The problems are not new and we are not doing significantly better in dealing with those problems.

Over one-fourth of U.S. students live in poverty and must enter school with the additional burden that come with poverty, such as malnutrition, inadequate health care, and a dysfunctional family. Only 7 out of 10 ninth graders complete high school after they begin high school. Fewer and fewer elementary and secondary students demonstrate competency in the core subject areas, in English, math, and science, and one-third of all public secondary schools report students caught selling drugs. These problems go on and on.

In addition, we knew there were gaps in our data with respect to important issues such as dropout rates and drug use and preschool indicators about societal factors that affect our educational system. Unfortunately, this report says little about the issue of what to do about any of these problems or even about how we are going to go about gathering the needed data to issue a more complete report.

Why is the report so silent on the question of our investment in education, Mr. President? The answer to the question, I believe, becomes clear when we consider the composition of the panel that issued the report. This panel is not balanced politically. It is not diverse, it does not represent the broad-based constituency that is critical if we are to address the issues of educational improvement. There are no teachers represented on the panel that issued this report. There are no school administrators. There are no representatives from the business community. No parents groups are represented.

The report emphasizes that it is to focus on outputs, and yet, when it comes to the Federal role, the focus is on inputs and not outputs. Why should the focus change when discussing the Federal role? Why should the report try to highlight what the Federal Government has been contributing in resources when these are not output measures? It is clear to all, I believe, that the Federal Government has made little progress in aiding the States relative to the enormous need that the States and local school districts have for resources. Yet, this report would have us believe that the Federal resources have been increasing as a result of expressed Federal policy.

Let me cite a few examples. On exhibit 71, page 199, it states that Medicaid for children increased by 58 percent in constant dollars between 1989 and 1991. I presume that the reason for including this figure is that it does relate to goal 1, that is, readiness of children to learn when they go to school, in that it does provide preschool health services that would theoretically impact on school achievement. While I would agree with that premise I would also add that this is an entitlement program and the costs of health care are skyrocketing for the simple reason they are out of control. The increase in spending reflected here does not in any way result from a national commitment to education.

In the same exhibit, Head Start is shown to increase by 44 percent in constant dollars between 1989 and 1991. There is no mention made of the fact that we are serving only a small fraction of the number of eligible children or that only 55 percent of the eligible chapter 1 children are being served.

In exhibit 73, the dollars spent on magnet schools, and the dollars spent on a variety of programs directly related to education are shown to actually be decreasing.

Programs such as magnet schools and chapter 2 vocational education, bilingual education, impact aid, and JTPA, to which the report also refers, are budget authority funding levels and not what is actually appropriated. In addition, it makes no mention of the wholly inadequate funding levels that have been proposed by this administration and by the previous administration for these programs during the period discussed.

Finally, in exhibit 75 I notice that included in major Federal programs to improve education are listed some items which have never before been considered as part of our educational inventory, items such as flight training spent by the Department of Defense, specialized skills training, in the Department of Defense, and officer accessions. I find it difficult to see the major impact that these very specialized programs in our military have on basic educational achievement levels.

I think it distorts the debate to list these as major Federal contributions to improving education.

Given the above, it makes me wonder if the section entitled "The Role of the Federal Government" is not, in fact, intended to divert attention from the neglect and the inattention to education that have been seen for over a decade here at the Federal level.

This report also ignores questions of relationships between what is reported. For example, what is the relationship between school readiness and dropouts? What does it mean to say that drug use among 12th graders, as reported by students, is down when we have no similar data for any other grades? Is the drug use among 8th and 10th graders up? Have drugs taken their toll on students' attendance before the students reach the 12th grade and so those who do reach the 12th grade and respond to these surveys are less apt to be using drugs?

The debate about what to do to address the problems posed by this report has never occurred. An artificial timeline and pressure to prepare a suitable report for the upcoming election year truncated any real debate about what to do about the inherent problems, how to address the objectives listed under each of the goals.

The problems of why there are school dropouts, why only 15 percent of our students are competent in math; why only one-third of our students in the 11th grade can write a coherent paragraph about themselves; why the scores on existing national tests continue to decline over the last 11 years; these are substantive issues. These are issues that I suspect Americans would like to see addressed.

What is missing from this report is how to achieve positive change. Given the data that we all have come to know. How do we best support our Nation's schools, our Nation's teachers, our Nation's students, in order to achieve these national goals? This data shows that whatever we are doing, it is not enough.

We need to acknowledge the inadequacies at the State level. We need to acknowledge the responsibility of the Federal Government to do much better by education than we have done in the last 12 years.

Mr. President, I think much of the story of the last 12 years is contained in a few sentences buried deep in this report on page 202, where it says:

> The Federal share or revenues for public, elementary and secondary schools has been small. In 1980, it reached a high of 10 percent. By 1988 it had decreased to about 6 percent, where it remains today.

The public schools are part of society. They are not separated from it. They are not insulated from it. If American society is having problems with lower performance standards, low economic achievement, low competitiveness, high drug use and high teenage rates of pregnancy, then these problems show up in our schools as well. These problems are not caused by our schools. These problems come to our schools. These are national problems.

I think it is fairly obvious that the Nation's cities, the Nation's States, and the Nation's schools are strapped financially. They need national assistance to meet the goals that we have identified here in this report.

From the first I have been concerned that the self-appointed National Goals Panel which issued this report was not constituted in a way which could ensure that the States and the Federal Government would be held accountable for bringing needed improvements to our schools. This report confirms those concerns.

If we are to strive to reach the goals that have been identified, then the process must be opened up. Those who actually teach our children and those who run our schools need to have a voice in this assessment of progress. The parents and the business leaders who have shown a commitment to educational improvement need to be welcomed into this process.

Mr. President, I hope very much that, by the time the second national report card is issued this next fall, the makeup of this panel which issues the report will have changed and all of us will be able to have more confidence in the objectivity of the report.

Thank you, Mr. President, I yield the floor.

Mr. DASCHLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the time it takes to make the statement I am about to give be made as part of morning business regardless of the fact that it may go beyond 10 o'clock.

Mr. COCHRAN. Mr. President, reserving the right to object and I do not intend to object to the unanimous-consent request. I simply rise on the basis of that reservation to inquire if at 10 o'clock the regular order is to proceed to the unemployment insurance benefits, whether there would be time following the statement of the distinguished Senator from South Dakota for others to make morning business statements, or will, upon the expiration of his remarks, we immediately go to the scheduled legislation?

The ACTING PRESIDENT pro tempore. The Chair wishes to notify the Senator from Mississippi that morning business can be extended by unanimous consent.

Mr. COCHRAN. I do not want to object to the Senator's unanimous-consent request. But I would like to put some remarks into the RECORD and address the Senate as if in morning business, following the completion of the remarks of the Senator from South Dakota. I ask unanimous consent that that be added to the request of the Senator from South Dakota.

Mr. WIRTH. Will the Senator yield?

Mr. COCHRAN. Yes.

Mr. WIRTH. The Senator from Colorado would also like to address the Senate as if in morning business. Might we extend, by unanimous consent, morning business until 10:30 and have the Senator from Mississippi follow the Senator from South Dakota, and I will then follow the Senator from Mississippi.

Mr. COCHRAN. I would be reluctant to agree to that because I know the vote is scheduled at 11 o'clock, and I heard the majority leader announce the schedule of the Senate today. I do not know what problems that might cause other Senators.

My remarks would take only 2 minutes. I hope that we would not need until 10:30. I do not know how long the Senator from South Dakota wishes to speak.

Mr. DASCHLE. Mr. President, I would amend the request simply to include the statement made by the Senator from Mississippi, also the distinguished Senator from Colorado, and the distinguished Senator from Minnesota, the Presiding Officer as part of the unanimous consent request and then terminate the morning business at that time.

The ACTING PRESIDENT pro tempore. Without objection, morning business is extended to accommodate the Senators listed.

Mr. DASCHLE. I thank the Senator from Mississippi and the Presiding Officer.

EDUCATION ACTION

Mr. DASCHLE. Mr. President, like others this morning I rise to speak about a very serious concern expressed by the Senator from New Mexico and others, because I believe it has very much to do with our own national security. I believe we must call attention to what could be considered one of the greatest threats to our national security as we look at the next decade.

My particular remarks this morning, while devoted to national security, are not devoted to the B-2 or the state of our military preparedness. If is not about the lessons of the gulf war. Because I think when we speak about national security today we must speak of our children and their future, about the Federal investment in their security, because the priority we give our children now will determine our national strength and define our national security tomorrow.

Some of my colleagues have mentioned the National Governors Association's first report card on the state of American education. This document is the latest study to report that our educational system is in trouble. It comes as no surprise. It is something we know. But here a distinguished panel has come to the same conclusion, using very fresh evidence, that the system is not only in trouble, the situation is getting worse. Test scores are declining and our educational systems has failed to improve them.

We have known that our failure and the need for a strategy to address it has existed for some time. The sad fact is that Government leaders have not responded to the challenge.

As far back as 1983, President Reagan's own Commission on Excellence in Education told us that—

> The educational foundations of our society are being eroded by a rising tide of mediocrity.

Eight years later, the Governors' report card sounds a similar refrain. Statistics tell a sobering story. Twenty percent of our workers are illiterate; half of America's 17-year-olds cannot handle junior high math problems; one of every four students drops out of secondary school before graduation. While policymakers and politicians discuss the implications of the numerous reports and indicators that have been staring us in the face for years, the state of American education is getting worse, not better.

American industry continues to spend $30 billion annually on remedial education for its employees. Each year's class of high school dropouts costs our Nation $240 billion in earnings lost and taxes forgone during their lifetime. Illiteracy translates into more than $200 billion annually in lost productivity, crime, accidents, employee errors, extra training programs, and welfare payments.

Today I rise to join the call for stronger leadership and for an aggressive battle plan in the fight for our children's future. It is time to recognize that, despite our conviction that all children should have access to a quality education, national policymakers have done little to lead us toward that goal.

This failure, Mr. President, is an issue of national security. It is an issue that touches the very core of our society and raises ominous quality of life questions for future generations of Americans.

If we continue to undervalue the most important natural resource this country possesses—its children—what hope do we have for the future?

It is time for a new strategic plan. It is time to invest in our children as we have invested in bombers, missile systems, and aircraft carriers.

We must recognize that our supercomputers and satellites are empty without qualified graduates to guide them. We must recognize we are losing the war against ignorance, apathy, and mediocrity.

America's youth must have an opportunity to "be all that they can be;" not only in the Armed Forces, but also in the classroom.

I am convinced that if we devote as much attention to the challenge of educating our youth as we did to containing communism over the last 40 years, we would not be facing an educational crisis today.

The Nation needs bold, innovative proposals to improve the quality of educational instruction in America. It needs a comprehensive action plan with teeth; a plan that goes beyond rhetoric and attacks the real impediments to learning that plague our schools and face their students.

If we want our children to arrive at school ready to learn, we must not only fully fund the Head Start Program, we must ensure that school lunches are affordable and nutritious, that children can walk to school through drug-free neighborhoods, and that they return home to parents who can read and help guide them. Unfortunately, the decade of the eighties cut the heart from many of the programs that would do the most to promote this essential environment for learning.

Mr. President, let us make the investment necessary to get our educational system back on track. To begin this effort we need look no further than to some education initiatives that have been before this body before.

We can start by approving, S. 2, legislation that provides incentives to thousands of schools across America to lock in on our national education priorities and then holds them accountable for their results. S. 2 encompasses initiatives that we have been developing for years, such as targeted aid for the poorest schools, assistance to implement state-of-the-art technologies, and coordination and expansion of Federal, State, and local literacy efforts.

Approval of S. 2 is just a start, but it is an important, concrete start. Once that step is taken, we can build on its progress, confident in the knowledge that the quest for learning is the fight for our future.

The restoration of pride and excellence in our educational system is the key to the future growth and strength of America. It is essential to surmounting the challenges that lie ahead for our children, and for our country.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi is recognized.

THE NATION's REPORT CARD

Mr. COCHRAN. Mr. President, it is interesting to me to hear the descriptions of the Nation's report card by some who have spoken on the floor of the Senate this morning, and to review the action of the Congress in some of the committees that are represented by these same Senators who have responsibility for education legislation here in the Congress. If we could give the Congress a report card today on its performance in response to the challenge the President laid before the country some time ago in concert with the Nation's Governors, I think we would have to give the Congress a big F.

The performance of this Congress is characterized by criticism and inaction in response to the challenge of America 2000. Fortunately for America and for America's schoolchildren, it was not just the Congress that was called upon to respond to the challenge of improving the Nation's schools. Senators will remember, I am sure, that when the President's education strategy, called America 2000 was unveiled in concert with Governors from all over the country, Republicans and Democrats alike, they outlined a strategy based on four related themes.

The first of those was creating better and more accountable schools for today's students. The first step in creating better and more accountable schools for today's students involved a challenge to all Americans. The President called on all Americans, not just Members of Congress—all American citizens, those in community organizations, in businesses and in volunteer organizations, certainly teachers and school administrators, to work together to try to help develop a new American school system—a reformed and improved and modernized school system that is suited to teaching the skills and providing the knowledge to students and opportunities that they need for this modern world and our place in a global economy.

Interestingly enough, there has been a tremendous response throughout the country, an enthusiasm, a new awareness of individual responsibility that we see in our local communities and in our States. I just had brought to my attention the other day a new program in our State of Mississippi called Teamwork Mississippi that includes business, economic development agencies, State and local education agencies, all of whom are now working to bring together our best minds and our collective energies to improving the education system in our State.

This is an example of what the President and the Nation's Governors were talking about when they embarked upon this ambitious but very important new goal for America and called upon all Americans to respond. Luckily we have seen more response throughout the country than we have here in Congress.

> Never doubt that a group of concerned citizens can change the world.

This famous observation of Dr. Margaret Mead serves as the motto of Teamwork Mississippi, a unified effort of community and county leaders, and economic development professionals spearheaded by the Mississippi Power & Light Co., which has as its primary objective the creation of more and better jobs for Mississippians by helping Mississippi communities achieve educational improvements at the local level.

Teamwork Mississippi has adopted the goals of America 2000 as a framework for their efforts to bring about educational improvements. They admit the goals are ambitious but believe they are achievable under the Teamwork Mississippi coordinated effort at the community level. An educated citizenry is important not only to the enhancement of the quality of life, but also fundamental to the success of economic development.

I applaud Teamwork Mississippi for joining with many State and local education agencies embracing the education goals set forth by the President and the Nation's Governors. The Mississippi Power & Light Co. has established a model other businesses would do well to follow by taking this important first step to unite State and community leaders in the effort to improve education opportunities in Mississippi.

Mr. President, I ask unanimous consent that the following list of education activities and programs sponsored by the Mississippi Power & Light Co. for the 1991–92 school year be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SCIENCE/MATH EDUCATION SUPPORT

The purpose of these programs is to improve education and enhance economic development by strengthening science and math education in local schools.

Teacher Seminars—With the financial support of Entergy Corporation, teachers in communities in the MP&L service area are given opportunities to attend regional seminars that are designed to keep them up to date on changes and improvements in educational techniques, systems and services. Special emphasis is placed on institutes for school counselors and science and math teachers.

Teacher Workshops—Starting in the fall of 1991, MP&L will sponsor a series of workshops for elementary math teachers and school principals. The workshop will be conducted by the State Department of Education. One math teacher and the principal from every public elementary school in the 45-county territory served by MP&L will be invited to attend.

Science Screen Reports—To stimulate student interest in science and math, a monthly series of sophisticated videotaped documentaries on such high-tech subjects as space exploration, computer science, lasers, robotics, etc. are being sent to schools in MP&L communities free of charge. Currently, some 20,000 showings of these tapes are being made each year at what would be a cost of $75,000 if tapes were purchased individually by the participating schools.

Audiovisual/Print Support Materials—In addition to "Science Screen Reports" videotapes, MP&L maintains a library of other videotape documentaries, educational films and publications on a variety of energy-related topics. These educational support materials are available to schools, civic clubs and other groups and organizations in the 45-county area served by MP&L.

Science Fair Scholarships—Each year, MP&L offers four $500 scholarships to district science fair winners.

Mathcounts—MP&L joins other companies in sponsoring Mathcounts, an interschool, junior high mathematics competition conducted at local, district, state and national levels.

ACADEMIC EXCELLENCE

By encouraging academic excellence, MP&L is further contributing to education improvement and economic development at the local level.

Academic Competition—This consists of an exciting television quiz show, featuring the best and brightest students from both Mississippi public and private schools. It is produced by Mississippi College and sponsored by MP&L on commercial television, with an estimated annual audience of 100,000.

Odyssey of the Mind—MP&L is a state sponsor of this national high school competition program that has as its objective the development of creative thinking and problem solving skills.

Adopt-A-School—MP&L is one of the pioneer sponsors of this program that is designed to strengthen relationships between education and the business community. Adopt-A-School will continue to get a high priority.

Hugh O'Brian Youth Foundation Leadership Seminar—This program (HOBY) is designed to give high school sophomores who show signs of leadership ability an opportunity to develop these attributes. MP&L is one of a number of corporate HOBY sponsors.

ENERGY ISSUES

The purpose of this program is to help educate school children concerning the role that electric energy plays in our everyday lives and especially its contribution to economic and community development. Activities include the following:

Educational Materials—MP&L makes available to classrooms and school libraries educational materials in the form of audiovisual presentations and print publications.

Plant Tours—MP&L conducts planned tours of its steam electric generating stations for any interested group but with particular emphasis on school classes. Entergy Operations, a subsidiary company of Entergy Corporation, also offers tours of Grand Gulf Nuclear Station, located on the Mississippi River below Vicksburg near Port Gibson.

For more information on the education improvements facet of *Teamwork Mississippi*, contact your MP&L District Manager.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Colorado.

Mr. WIRTH. Mr. President, I believe under the previous order morning business continues through the remarks of the Senators from Colorado and Minnesota.

The PRESIDING OFFICER. The Senator is correct.

TIME TO INVEST IN OUR OWN FUTURE

Mr. WIRTH. Friday night, President Bush delivered what I thought was a welcome and very good address to the Nation. He signaled that the cold war is over. Americans know that. Americans are grateful for the investments made over the last two generations; grateful for the sacrifice to make sure that our system of freedom, democracy, and a market system prevailed.

The United States and the Western World has been victorious.

We are also grateful for the leadership effort after World War II. At the time when the Nation was war weary, we did not retreat to the shores of the United States, but committed ourselves around the world to the vast task of confrontation with the Soviet Union. At a time of enormous pent-up consumer demand in this country—for tires, women's hosiery, lingerie—we made an enormous investment ourselves overseas. That was a remarkable kind of national dedication. We committed ourselves to a fundamental route for the generations of this country. Now that the cold war is over, Mr. President, we need exactly that kind of leadership again.

The vast majority of the people of the United States are ready to follow. A vast majority of Members of the U.S. Congress are ready to follow.

But, unhappily, an eerie indifference pervades. We hear from the White House, discussion of 535 model schools; noble rhetoric but there are 110,000 schools in the country.

We hear about 1,000 points of light. Again, noble rhetoric, but there are a great number of dark spots left after 1,000 points, small point, of light.

We are ready for more, much more, Mr. President. But it is not forthcoming.

For example, we are still stuck in a cold war budget where, under domestic caps, education competes against nutrition, competes against child welfare, competes against immunization. All of the items we talk about being so important to the future of the country are capped and cannot be increased. Yet the Department of Defense spending continues to grow, and if you look at the 5 year expenditures under the Department of Defense projections there is no way we are even going to stay within their already very high caps.

We are told there is not enough money to do the things we ought to do, the things we know that work. But is that the case? Today only one child in four who is eligible for Head Start in the United States is enrolled in Head Start.

To make vocal progress in enrolling four out of four children would cost us about $2.5 billion. That $2.5 billion is almost exactly the same as the increase requested by the President for the star wars program this year. Do we want in this country to be investing in Head Start for all children, or on the star wars program?

We are told that being internationally competitive is important, and it is, but we are moving in the wrong direction. Most ominous in the gap between rich and poor, which is growing rapidly. One in five American children grows up in poverty. Those who live the first 18 years of their lives in the squalor and duress of poverty only rarely manage to acquire the kind of skills that make them valuable to employers, and to elevate themselves from their plight. The correlation between poverty and the likelihood of remaining unskilled is, unhappily, very high. We may very well be in a situation where a pair of hands in the United States, unskilled, competes against a pair of hands in Hong Kong, a pair of hands in Shanghai, a pair of hands in Bangladesh—that is a recipe for national disaster.

What to do? It is not a great mystery. We know that prenatal programs are absolutely imperative. We know how to develop early childhood programs for nutrition, for immunization, for health care. We know through the very successful Head Start Program how to prepare kids for school to make sure they are ready to go into school. We know literacy by the second grade level is probably the best indicator of whether that child is going to proceed all the way through school, not drop out, become successful. We know that kind of emphasis can be achieved and should be accomplished.

We know how to train teachers. We know that during the sixties and early seventies we had a wonderful time for training programs for teachers during the summertime, to train and retrain. We know that flexibility within school systems is absolutely imperative, and increasing community involvement critical.

We know that access to higher education can be enhanced. For many years in this country, young people, the haves and the have nots, had access to higher education. We know how important research and development are at the university level, and that support should continue.

This will not all be done without a commitment of leadership from the White House. The report card brought out yesterday is a frightening report card for us all. It indicates that change that is necessary. We all know a great deal about what has to be done. The pattern of expenditures in this country has to change. The cold war is over, as the President told us on Friday night. It is now time for us to recognize the end of the cold war and to reinvest in our children, for they are our country's future and will establish our country's position in the global economy.

Mr. President, I ask unanimous consent that the Washington Post editorial from this morning's paper be printed in the RECORD.

Mr. President, I yield the floor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 30, 1991]

POVERTY AND WEALTH IN AMERICA

Poverty and wealth in the United States are increasing together. The poverty rate rose significantly last year, the Census Bureau has just reported. As the White House somewhat defensively observes, much of that jump is doubtless the effect of the recession. The larger and more ominous pattern is one of an increasing distance between rich and poor not merely from year to year, but from decade to decade.

The poor were left entirely out of the great boom of the 1980s. In 1989, before the recession began, the poverty rate was higher than it had been a decade earlier. The poorest fifth of the population were living on incomes that were actually lower than in 1979, even counting tax cuts and social welfare benefits. But the incomes of the top fifth were a great deal higher, any way you count it, than a decade earlier.

One out of every five American children now lives in poverty. More than two out of every five black children live in poverty. It is the children who are the crucial part of this disaster. You could make quite a bonfire of all the speeches delivered over the past year on the urgent need to improve the capabilities of the American labor force and maintain its competitive edge in the next century. But children who live the first 18 years of their lives in the squalor and duress of poverty only rarely manage to acquire the kinds of skills that make them valuable to employers. The disappearance of unskilled jobs is irreversible, but the country isn't responding to its own national interests. Just as slow economic growth is increasing poverty, the rising numbers of poor people will contribute to slow economic growth.

Here in Washington it's conventional to shrug and say that the changes overtaking the world in the past decade have made these social forces difficult to remedy. But all the other industrial countries have been living in the same world, and their poverty rates are generally far below the United States'—particularly among children.

Behind the statistical tables published by the Census lies the unhappy reality of a country in which economic and social differences are becoming wider, and the social class structure is becoming more rigid. It's a fair generalization to say that through the first two-thirds of this century, distinctions of class became progressively less important, and the opportunities to move up the ladder expanded. That stopped sometime around the early 1970s and since then, despite the booming 1980s, American society has been moving in the opposite direction. Vigorous government action could correct that unhealthy drift, as the Europeans have demonstrated. But on this crucial question, Americans have chosen so far to pursue the politics of indifference.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

EDUCATION IN AMERICA

Mr. WELLSTONE. Mr. President, first of all, let me thank the Senator from Colorado for his eloquent remarks.

"We have a school in East St. Louis named for Dr. King," she says. "The school is full of sewer water and the doors are locked with chains. Every student in that school is black. It is like a terrible joke on history."

A 14-year-old girl, East St. Louis, and I quote from Jonathan Kozal's fine book, "Savage Inequalities: Children in America's Schools."

Letter to the editor, Minnesota Star Tribune, by a father of a 6-year-old, excited that his daughter was going to a fine elementary school: "But imagine my dismay on bringing my daughter to the first day of first grade and finding that there was a total of 36 students in the class?" The school had to let go a first grade teacher. At the Minnesota State Fair, Mr. President, I met a young woman. I said, "I'm Paul Wellstone."

She introduced herself.

I said, "What do you do?"

She said, "I'm a teacher." She said it really beaming; she was so proud.

I said, "What level do you teach at?"

She said elementary school.

I said to her, "Well, I was a college teacher, and if I had to do it over again, I would have taught in elementary school. It is so important what happens at that level."

By this time there were about 50 people around us and then, Mr. President, I made a mistake. I said, "What school do you teach at?"

And she looked at me, very awkward, very painful expression, and she said, "I do not have a job."

The classes are overcrowded. We know what we need to do. We have a young woman who wants to be an elementary schoolteacher, and we do not make the commitment.

The President of the United States visited Deal Junior High School in Washington, DC. It is a fine school. Every politician is for the children. It has become the functional equivalent of kissing babies. It is a good photo opportunity to go to a really fine school.

But, Mr. President, what about the children in Anacostia? The President says what we need is not more resources but more results.

So that what we do in this administration proposal is we help one-half of 1 percent of the schoolchildren in this country. What about the rest of the schoolchildren?

Talk about choice, which includes private schools, which will, I think, Mr. President, further segregate education by both race and economic bracket, what about the children that we consign to schools that they would never go to if they had a choice?

Mr. President, we doom children to unequal lives in our public school system because we do not make the commitment to public schools in the United States of America.

We send all too many children to schools that no President and no politician and no CEO would ever send their children to. That is the reality of public education in the United States of America in all too many communities.

And then, Mr. President, we are told we need yet another report, and then another report, and then another report. We harp on the complexity of the matter to the point where that has become the ultimate simplification. We know what works.

We know that the first educational program is to make sure that every woman expecting a child has a diet rich in vitamin, mineral, and protein, and we do not fully fund the Women Infant Children Program. We know that for children to do well by the time they are in elementary school, they have to during those magic years—and every one of us as a parent knows this—have a warm, nurturing and supportive environment.

We do not fully fund the Head Start Program. The administration says we do not have money to do that. We know that if you want to have a good elementary school education, you need a ratio of 1 teacher to 15 students so that teacher can give those students the nurturing and the encouragement and the intellectual stimulation that those students deserve.

We certainly know that something has gone wrong in our country when college students will tell us that they sell plasma at the beginning of the semester to buy textbooks because they cannot afford their education, and the community college teachers tell us that their students are too exhausted to learn.

I have to tell you something today, Mr. President, on the floor of the U.S. Senate. There have been enough reports, there has been enough rhetoric, and this administration's education program amounts to nothing more than what I would call a stone soup philosophy: Boil the water with the stone, and at the end you get no new nutrient, no new flavor, no new commitment to children.

We will only do well as a country when we finally understand that the real national security for America will be when we invest in the health and the skills and the intellect and the character of our children. That is the commitment we will make in the U.S. Senate; that is the commitment that has to be made in the House of Representatives.

I simply will not be silent when I see this administration offering up an educational program that is cynical. It is a sham. It has no bearing to the concerns and circumstances of the lives of so many children in this country.

It is time for us to draw the line in the Senate, and it is time for us to make a commitment to children in this country, a commitment where the rhetoric is backed up by a commitment of resources.

I yield the remainder of my time.

REGARDING CLOTURE VOTE ON MOTION TO PROCEED TO S. 5

Mr. BOND. Mr. President, today, I have filed an amendment to S. 5, the Family and Medical Leave Act, which, together with my distinguished colleagues from Kentucky and Indiana, I plan to offer as a substitute to that bill if we can invoke cloture on the motion to proceed later this morning.

Family leave legislation has been introduced every year for the last 6, and each year gains more support. Now is is time to break the deadlock on this issue with a compromise that will work for families as well as Main Street businesses.

I urge my colleagues and their staff members to look at the language we have drafted and will propose as a substitute, and see for yourselves the kinds of improvements we have made. That said, I would like also to stress that this is a working document. If there are additional changes or modifications that would help bring support for the bill, we are willing to hear those up until the time it is offered. I believe the substitute we will offer strikes a workable balance between the needs of America's working families and the legitimate concerns of their employers.

However, one hurdle remains before we can consider this bill.

Mr. President, I would like to urge my colleagues' support of the motion to invoke cloture on the motion to proceed to the consideration of S. 5, a convoluted parliamentary maneuver if ever there was one.

Let there be no mistake about it: A vote against cloture does not mean that our side of the aisle will have an opportunity to offer amendments—it means the issue will not be debated. Period.

I find it extremely distressing that some of my colleagues want to block debate on this issue which is of great importance to working families. Indeed, to hide behind a procedural motion and escape the opportunity of voting on an important issue is a disservice to all the working families of this country and to those who depend on them.

Frankly, I expected better from those who talk about strengthening families but then will not even debate a relevant issue when one comes up. I understand that there is a difference of opinion on the issue of how best to help working families balance their employment and family responsibilities. In fact I think many of the ideas that have been advanced as alternatives to S. 5 have a great deal of merit, notably the effort of my colleague from Utah, Senator HATCH. I hope that he will support a cloture vote and offer his amendment. But the time has come to debate the issues fairly and squarely and not hide behind the relative anonymity of a cloture motion on a motion to proceed to a bill.

If our proposal is as bad as its opponents claim, then surely a day or two of debate would bring that fact to light. But I believe the opponents of family leave have weak arguments, and I would welcome the opportunity to discuss those as well. I hope for the opportunity to explain to my colleagues the changes we have made to the family leave bill so that they may weigh the arguments and—I hope—reach the conclusion that this bill strikes a fair balance between the needs of working families and the legitimate concerns of their employers.

Mr. President, I would like to point out to my colleagues that this is unlike a variety of other cloture motions we are called upon to oppose. Nothing is being forced down our throats, no one is trying to confine debate to an extremely narrow agenda, no one is trying to block minority amendments. This is simply a tactic to ensure that Members will not have to discuss—or heaven forbid—cast a difficult vote on an important issue to millions of working Americans.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business is closed.

EMERGENCY UNEMPLOYMENT COMPENSATION—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the conference report on S. 1722, which the clerk will report.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill. (S. 1722) having met, have agreed that the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment, signed by a majority of the conferees.

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, may I inquire how much time is allocated to this conference report this morning?

The PRESIDING OFFICER. The pending question is on the Sasser motion to waive the Budget Act, on which there shall be 1 hour of debate equally divided and controlled.

Mr. SASSER. Mr. President, I see the distinguished chairman of the Finance Committee on the floor, who has had the responsibility for moving this bill through committee to the floor and then through the conference committee. I allocate 7 minutes to the distinguished chairman of the Finance Committee.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. I thank the distinguished chairman of the Budget Committee.

Time is brief. Let me take a couple of minutes to make a few major points.

During the course of the debate on Friday, the distinguished ranking member of the Budget Committee argued that the conference report violates the budget agreement of last fall. According to the interpretation which he laid out at that time, the budget agreement says that not only do both the President and the Congress have to declare an emergency, they have to do so independently.

Mr. President, I think that is a difficult argument to sustain, and in my opinion it is an argument that is not supported by close reading of the language of the budget agreement. At best, I think the emergency designation language is ambiguous on this point.

The emergency language in the conference report in no way undermines the President's authority under the budget agreement. The President is perfectly free not to designate these emergency unemployment benefits as an emergency. All he has to do is veto the bill. But what he cannot do is what he did before, and that is to sign the bill but refuse to release the funds.

But the immediate issue before the Senate has nothing to do with Presidential or congressional prerogatives. It is really a procedural issue, an issue of committee jurisdiction, that is raised in order to try to kill the unemployment compensation bill.

Mr. President, the Members of this body have an obligation to the working men and women of this country, those who are out of work in the third longest recession since World War II. These are mothers and fathers who have a long-term commitment to the labor force. They are trying to provide for their families, but they are without work now through no fault of their own.

The economy is in trouble. There are 8.5 million Americans looking for work who cannot find it. We have more than 300,000 workers a month who are exhausting their regular unemployment compensation benefits and are urgently in need of the benefits provided by this bill.

Let us look at the expenditures for this bill.

If the President is right, that this economy certainly is going to surge and come out of this recession, then these benefits will not be paid. These unemployed will be working at jobs and paying taxes and not drawing these benefits.

But if this economy continues to stall, these benefits put bread on the table and will help pay the mortgage, and they will help decent Americans hang in there until they can find that job.

I know some look on the Dole amendment as a viable alternative, arguing that the benefits are paid for. But how adequate are these benefits? Exactly how are they paid for?

First of all, under the Dole proposal, workers in 44 States would be eligible for only 6 weeks of benefits, and none of the workers in these States would have reach-back benefits if they had already exhausted their regular benefits. Workers living in only six States would be eligible for the high-tier benefits of 10 weeks and for reach-back benefits.

Compare that with the conference report, which gives 20 weeks of benefits to workers in 6 States, 13 weeks of benefits in 13 States, and 7 weeks of benefits to workers in 31 States. And workers in 34 States, all States with an unemployment rate of 6 percent or higher, would qualify for the reach-back benefits.

Supporters of the Dole amendment also propose to amend the current law, taking away more than one-half billion dollars' worth of benefits from military men and women returning from Desert Storm and Desert Shield, and from other service personnel who leave the service after finishing their tours of duty and are honorably discharged. According to the CBO, this amounts to a reduction of 65 percent in benefits over the next 5 years for ex-service people.

I ask unanimous consent, Mr. President, that I may have printed in the RECORD just a few of the many letters I have received from service people deeply concerned about taking away those benefits.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Veterans of Foreign Wars of the United States (VFW) which represents about 2.9 million members, to include our Ladies Auxiliary, supports Section 8 of S. 1722. We understand Section 8 of this bill will allow former members of the armed forces to draw unemployment compensation on the same basis as all other "out of work" Americans. This does support VFW Resolution No. 646, passed last month at our National Convention. A copy is attached for your information.

The VFW has a long standing interest to ensure that all categories of veterans/ex-servicepersons will be entitled to full unemployment benefits without regard to whether their separation is voluntary or involuntary.

Respectfully,

JAMES N. MAGILL,
Director,
National Legislative Service.

RESOLUTION NO. 646

INCREASE DURATION OF UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEMBERS

Whereas, the criteria for determining and implementing the program of unemployment compensation for ex-servicemembers is discriminatory and unpatriotic in that it requires a three to five week waiting period prior to receipt of benefits and limits these benefits to 13 weeks; and

Whereas, the civilian labor force must wait only two weeks before they are entitled to unemployment benefits; and under existing law may receive such benefits for up to 26 weeks; Now, therefore, be it

Resolved, by the 92nd National Convention of the Veterans of Foreign Wars of the United States, That we petition Congress to amend the unemployment compensation benefits for ex-servicemembers, to enable them to secure benefits on the same basis and for such duration as other unemployed workers are entitled, without regard to whether their (honorable) separation is voluntary or involuntary.

AIR FORCE SERGEANTS ASSOCIATION,
Temple Hills, MD, September 24, 1991.

Hon. LLOYD BENTSEN,
U.S. Senate, Washington, DC.

DEAR SENATOR BENTSEN: In recent months, our efforts have been directed toward obtaining unemployment compensation equity for separating (not retiring) military members. Currently, civilians often wait only one week to begin 26 weeks of benefits, whereas separating military members must wait four weeks to begin 13 weeks of benefits.

The Air Force Sergeants Association (AFSA) currently considers the correction of this discrimination to be its highest legislative priority. We request your continued valuable assistance and aggressive action to oppose Senator DOLE'S amendment that would elminate that provision from S. 1772. AFSA and its 167,000-plus membership stand ready to assist in any way possible.

JAMES D. STATON,
Executive Director.

THE RETIRED OFFICERS ASSOCIATION,
Alexandria, VA, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Senate Committee on Finance, Senate Dirksen Office Building, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing today about a matter of concern to The Retired Officers Association; an association comprised of 375,000 active duty, retired, reserve and guard personnel and their dependents. This matter is one which we feel would unjustly penalize a large number of uniformed personnel who are about to voluntarily leave the service of their country.

Specifically at issue is Senator DOLE'S amendment to S. 1722 which would deny to these personnel any unemployment compensation upon their voluntary separation. We find this proposal to be unconscionable. I am sure you will recall that TROA had urged passage of S. 1554 and that, in doing so, we emphasized certain factors for that support. These factors need re-emphasis. They are as follows:

a. Many personnel will be separating far from home with little if any opportunity of finding employment in their communities;

b. Many will be separating with skills incompatible with the needs of the civilian job market; and,

c. Many will have families to support with no visible source of income.

In light of the recent sacrifices made by these volunteers during Operations Desert Shield/Desert Storm, we find Senator DOLE'S amendment to be heartless and not in keeping with the traditions of our nation in its concern for our armed forces.

We urge your strong and vigorous opposition to this ill-conceived amendment.

Sincerely.

T.J. KILCLINE,
Vice Admiral, USN (Ret.),
President.

ASSOCIATION OF THE
U.S. ARMY,
Arlington, VA, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Senate Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Association of the United States Army is disappointed to learn that Senator Robert Dole has proposed an amendment to S. 1772, which would deny unemployment compensation benefits to members of the military services consistent with those paid to civilian workers placed on unemployment roles.

When President Bush signed H.R. 3201, we believed that separated service personnel no longer would have to wait for four weeks before becoming eligible for unemployment compensation, nor would they receive half the benefits provided to their civilian counterparts. It seems that some members of Congress cannot accept the fact that service men and women should be eligible for the same benefits accorded to every other American worker.

Our 125,000 member organization of active duty soldiers, military retirees and reserve component personnel reject the notion that they should be denied equality in worker unemployment compensation. It is commonly accepted that military personnel are not as advantageously situated to find a new job as those leaving private employment. We had it right when H.R. 3201 was signed into law. To reverse course by denying full unemployment benefits as suggested by Senator Dole fails our soldiers when they need us most.

We urge you to not support the Dole amendment to S. 1772.

Sincerely,

JACK N. MERRITT,
General, USA Retired,
President.

THE RETIRED ENLISTED ASSOCIATION, GOVERNMENT AFFAIRS OFFICE,
Alexandria, VA, September 24, 1991.

Hon. LLOYD BENTSEN,
Chairman, Senate Finance Committee, Dirksen SOB, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the 54,000 Members, Officials and Board of Directors of The Retired Enlisted Association (TREA), we are asking that you oppose Senator Dole's expected amendment to S. 1772, the Unemployment and Compensation bill.

Though recognizing Senator Dole is acting on behalf of the Administration, TREA strongly opposes penalizing members of the Armed Forces simply because they choose voluntary separation at the completion of their incurred obligation.

We of TREA thank you for your support of America's citizen "soldiers."

Very Respectfully,

JOHN M. ADAMS,
Master Chief, USN (Ret.),
Director of Government Affairs.

NON COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA, *Alexandria, VA, September 24, 1991.*

Hon. Lloyd Bentsen,
U.S. Senator, Chairman Committee on Finance, U.S. Senate, Washington, DC.

Dear Mr. Chairman: It has come to the attention of the Non Commissioned Officers Association of the USA (NCOA) that the Honorable Bob Dole has offered an amendment to the bill, S. 1772, that will terminate all unemployment compensation for servicemembers voluntarily leaving the military services.

NCOA, with more than 160,000 members—most on active duty with the Army, Navy, Marine Corps, Air Force, and Coast Guard—is adamantly opposed to the Dole amendment and request that you carry this message to your colleagues.

There aren't enough billets to retain everyone in the military so it's the application of involuntarily or voluntary separations to keep the services at Congressionally-mandated end strengths. However, the mere fact that young men and women join the military and honorably serve their country should suffice for attaining eligibility for unemployment compensation benefits.

Respectfully,

C.A. "Mack" McKinney,
Legislative Counsel.

AMVETS,
National Headquarters,
Lanham, MD, September 24, 1991.

Hon. Lloyd Bentsen,
U.S. Senate, Hart Senate Office Building, Washington, DC.

Dear Senator Bentsen: On behalf of AMVETS I am contacting you to reiterate our support for your legislation (S. 1722—the "Emergency Unemployment Compensation Act of 1991"), regarding veterans unemployment compensation. At the same time we wish to express our deep concern for an attempt, through legislation to be introduced by Senator Robert Dole (a proposed amendment to S. 1772), to undermine this benefit to thousands of veterans in the near and distant future.

In July of this year we applauded your Emergency Unemployment Benefit Program as a giant step toward granting veterans unemployment benefits comparable to their civilian counterparts. We go on record yet again with a resolution adopted at our 47th National Convention in August of this year to that effect.

As you know, Senator Dole's proposed amendment will terminate the payment of unemployment benefits to all veterans except those released from duty under other than honorable conditions. This amendment represents a denigration of the services of thousands of dedicated military men and women. It also represents 65% loss of unemployment benefits to veterans over the next five years. If adopted, the proposed amendment would take away a benefit earned through honorable military service.

AMVETS firmly believes that any legislation which limits or curtails the eligibility of veterans to receive hard-earned unemployment entitlement is an affront to honorably separated or discharged veterans.

As always, AMVETS is ready to assist you in any way we can on this matter of utmost importance to the veterans of our country.

In service to America's veterans,

Robert Jones,
National Executive Director.

RESOLUTION 25: INCREASE UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEMBERS

Whereas the criteria for determining and implementing the program of unemployment compensation for ex-servicemembers is discriminatory and unpatriotic in that it requires a four-week waiting period prior to receipt of benefits and limits their benefits to 13 weeks; and

Whereas other workers are entitled to benefits immediately upon filing; and under existing law may receive such benefits for up to 26 weeks; now therefore

Be it resolved, That we petition Congress to amend the unemployment compensation benefits for ex-servicemembers, to enable them to secure benefits immediately upon filing after receiving an honorable discharge and to receive 26 weeks of benefits.

Non Commissioned Officers Association of the United States of America,
Alexandria, VA, September 30, 1991.

Hon. Lloyd Bentsen,
U.S. Senate, Washington, DC.

Dear Senator Bentsen: The Non Commissioned Officers Association (NCOA) urges you to oppose Senator Dole's efforts to modify S. 1722, the Emergency Unemployment Compensation Act of 1991.

NCOA has tremendous respect for Senator Dole and is proud to have him as an Honorary Member and even more proud that he accepted from NCOA its highest award for a Member of Congress. This appeal is by no means a personal attack on Senator Dole.

However, Senator Dole's proposal to modify S. 1722 would totally deny unemployment compensation to all but involuntarily separated military veterans. If he is successful even Persian Gulf veterans who honorably complete their enlistments will be denied the readjustment assistance of unemployment compensation upon completion of service.

Senator Dole's proposal is even more restrictive than current law which allows honorably discharged servicemembers 13 weeks of unemployment benefits after a 5 week waiting period. The conference agreement on S. 1722 would allow former service members full unemployment compensation of up to 26 weeks immediately after discharge. This agreement is founded on several precepts of fairness:

Those individuals who have honorably fulfilled the full term of a voluntary enlistment should be given appropriate readjustments assistance.

The services cannot retain everyone who wants to reenlist because of manpower limitations set by Congress.

Servicemembers are usually discharged miles from home and are unable to seek unemployment prior to separation.

Many military families face the additional problems of concurrent unemployment by both the veteran and spouse caused by relocation upon discharge from service.

The provisions of the conference agreement are badly needed to assure unemployed veterans a legitimate opportunity to readjust to civilian life. Please vote to support the conference agreement on S. 1722.

Sincerely,

Charles R. Jackson,
Executive Vice President.

Mr. BENTSEN. The proponents of the Dole amendment also claim $1.7 million in so-called savings from the existing IRS offset program. That program does not expire until 1994. Furthermore, anyone who is familiar with that issue and that provision of law expects it to be extended at the appropriate time. The fact is that the budget scoring rules allowing the income raised by the change to be scored in 1992. Now, that is one of the reasons we hear so much talk about "smoke and mirrors" in some of these provisions.

The fact is that $7.7 billion already in the unemployment compensation trust fund will more than pay the benefits of this bill. That is money employers have already put there. This money has been paid by employers across the country precisely for that purpose. What opponents of this legislation are asking us to do is ignore the fact that employers have paid for the benefits contemplated in the conference report.

Mr. President, we debated the merits of this legislation at great length. I hope the President has been listening to us and to the millions of Americans who need our help now. If he has, and with the continued deterioration of the economy, then hopefully he will change his mind and sign this legislation into law.

I urge my colleagues, Republicans and Democrats alike, to vote to move on to final passage of the conference report and try to get these benefits in the hands of American workers as quickly as possible.

Mr. President, I yield back to the distinguished chairman of the Budget Committee the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Tennessee.

Mr. SASSER. Mr. President, the distinguished ranking member of the Budget Committee is on the floor, and I yield to him at this time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me ask, is it the parliamentary situation that I have a half-hour for our side?

The PRESIDING OFFICER. The Senator from New Mexico controls 29 minutes and 51 seconds.

Mr. DOMENICI. I want to say to Senators, I am not sure that there are other Senators who desire to speak, but clearly Senator Dole will be back from the White House shortly and he would talk to some of the substance of the bill. But let me take a few minutes right now and talk to that point.

First of all, I will talk a little longer after the chairman of the Budget Committee speaks. I will try to make it clear why the Senator from New Mexico made a point of order and why the Senate should sustain that point of order even though there is no doubt in my mind it will not.

I would like to say, however, if we want unemployment benefits to go to the American working men and women, we ought to stop the game of chicken and go ahead and recognize that this bill is not going to become law and pass the Dole-Domenici measure; negotiate, if one would like, about it, but CBO will say that the bill we are discussing will cost the Treasury about

$5.8 billion. So that, interestingly enough, on the very first day of the new fiscal year, October 1, the passage of this bill will add $5.8 billion to the already bloated deficit of the United States.

The Dole-Domenici bill will add nothing to the deficits. One can argue whatever one wants about the means of financing the Dole-Domenici unemployment compensation extension, but the Congressional Budget Office, which works the numbers for everyone in any bill and has no particular reason to help us or hurt us, says that the Dole-Domenici bill will score under the budget as an actual zero cost and will be neutral, and no emergency designation would be necessary by the President.

And we would have the unemployment comp out there for the American people by next weekend. No one wants to do that because they want to prove a point: that the President is not going to declare an emergency.

Let me just speak to two points. The chairman of the Finance Committee, a very good friend of mine and one who works very hard with reference to these issues and has a very difficult job, first said that the Senator from New Mexico improperly argues that the President and the Congress must each independently determine that there is an emergency for us to escape the rigidity and the rigors of the 5-year budget agreement. That is, you can break the budget with an emergency being declared. Senator DOMENICI says it must be the President independently, and the Congress independently, and the chairman says that is incorrect.

Well, heretofore, under these same provisions, we have never had an emergency where both the President and the Congress—Congress by votes and the President by indication in writing—we have never had a situation where those two things were absent. They were both present all the time, every time we have had an emergency, and I believe that is logical.

The President has the authority to declare an emergency only if Congress agrees, and Congress has the authority to declare an emergency only if the President agrees. Call that independent if you would like, or whatever. That seems to be very, very simple, and very true.

Everyone should know that those who want to pass this bill—a $5.8 billion deficit add-on the very first day of the fiscal year, this is how they want to do it. Congress declares an emergency and we send a bill to the President that declares it an emergency. And the President has two options. If he signs it, he will obviously be agreeing to the emergency. If he vetoes it, he is saying: I do not agree. What could be more clear?

But those who want it say now, when it comes back to Congress and Congress overrides the veto, that is equivalent to the President saying there is an emergency. Frankly, this is beyond credibility. This is really the Congress that will declare an emergency.

Frankly, I want to say this Senator is not arguing this way because I do not want to extend unemployment compensation benefits. I am arguing this way because I honestly believe it is right; and second, I honestly believe you have put yourself in a position of regular routine mischief of high, high proportions to this 5-year agreement if you decide that you can break the emergency provisions this way.

Let me just suggest to you one and you, with your good minds, can figure all kinds. We are going along through the year, and we have appropriated and stayed within our targets. All of a sudden somebody says: Well, we have the very, very finest education bill around, and we have not funded it. Let us fund it. Somebody else says: Well, wait a minute. We break the budget by the $10 billion in this new bill; we cannot do that.

What is this process that is being discussed here today? It says: Put in that bill; it is an emergency. Send it to the President, and it does not matter whether he declares it an emergency. He has to veto it because it breaks the budget.

We come back here and overrule it, and we have a new $10 billion expenditure outside the parameters of the budget. Frankly, that is what this is; no more, no less. It is an issue of high emotion. I repeat: We would be much better off if, instead of trying to do this, which is not going to work, if we would sit down and say: Let us do the Dole-Domenici one, which the Congressional Budget Office says provides the payment, the budget payment for the benefits in it. If the benefits are too short, then pass it anyway and get started, and start negotiating about one that would take place when it expires, or in due course. We would at least help thousands of people with unemployment compensation.

Point No. 1.

Second point: The distinguished chairman said that there are no reachback provisions. So those who already have expired, used up all of their unemployment comp—that has occurred for quite some time—you do not reach back and give them pickup pay, pickup weekly pay, to the extent provided.

Let me just say I am not reading the same bill that the good chairman of the Finance Committee is reading because, from what I see in the bill that Senator DOLE and Senator DOMENICI proscribed, it has the identical reachback provisions.

Let me be very certain. It provides a reachback all the way back to March 1991. I believe that should take care of that issue of whether or not this bill pays for itself. Whether or not the IRS collection matter regarding student loans makes money for the Treasury this year, next year, or the other years, I merely say to the Senate we have the Congressional Budget Office saying that the Dole-Domenici bill will pay for itself and will not cause the deficit to go up. I do not know what more we need.

There are other things to say. But I yield the floor at this point. There are other Senators on my side desiring to speak. They should note that we have maybe 15 minutes left.

How much time do we have left on our side?

The PRESIDING OFFICER. The Senator from New Mexico controls 21 minutes 50 seconds.

The Senator from Tennessee.

Mr. SASSER. Mr. President, the plight of jobless Americans and their families is an emergency by every definition that I am aware of. As I have said over and over again, it is an emergency by the technical definition offered by Mr. Darman, the Budget Director, himself,

This circumstance meet the five criteria for emergencies. First, it is essential for people who have lost their jobs through no fault of their own, who have exhausted their unemployment benefits, to have extended to them the same relief that has been extended to every other group of unemployed in every other recession since the 1950's.

Second, it is sudden.

Third, it is urgent.

Fourth, it is unforeseen.

Last, we pray that their job losses are temporary.

It falls directly within the definition of an emergency proscribed by the Office of Management and Budget.

No one has even attempted to explain why the administration's own definition of emergency should not apply to Americans who have lost their jobs and their families. Certainly, in the view of at least two-thirds of this Congress, we are on record in favor of emergency action to help our own citizens, our fellow countrymen who are in distress. This is precisely the kind of emergency we made room for in the budget summit.

The administration is saying if you want unemployment legislation, adopt the proposal drafted by Senator DOLE. I do not want to belabor the matter, because the Dole bill was never meant to go anywhere. And it is not going to go anywhere. The Dole bill was simply slapped together to provide political cover, and it shows.

First, the Dole bill claims to pay for itself through the auction of the electromagnetic spectrum. But there is no certainty that this proposal pays for itself year by year as required under the pay-as-you-go provision. The Congressional Budget Office says we cannot be sure when such an auction will begin to bring in revenue, or how much it will bring in.

Let me read for the RECORD excerpts from the Congressional Budget Office's own cost estimate. With regard to receipts that this tax would bring in, CBO States:

> We cannot presently determine the precise timing.

How do we know when these receipts are going to come in? If they do not come in in the year that the unemployment compensation is expended, then the whole range of entitlement programs is subject to a sequester under the terms of the budget agreement.

Let us look further. CBO goes on to say:

> The estimate—

That is, the revenue estimate—

> is uncertain, because we cannot now predict with confidence what portions of the spectrum would be available, how rapidly the Federal Communications Commission can implement the auctions, and how much the potential buyers will be willing to pay.

If you have an auction, how do you know how much the buyers are going to pay? That is what CBO is saying. That fairly much says it all. When you are unsure of what you are selling, when you are unsure when you can sell it, when you are unsure how much the buyers might pay for it, you clearly are not dealing with a carefully considered piece of legislation. In fact, the payment source is too speculative even for the bill's own creators. As an insurance policy, the Dole bill actually includes emergency language to avert a possible sequester in 1992, the very emergency language that this administration has so loudly decried.

This little stroke of hypocrisy aside, the Dole bill is also inadequate. This is the decisive point. The Dole substitute offers absolutely nothing to the vast majority of unemployed Americans who have already lost their insurance protection, who have been out of work the longest, and who are the most desperate. The Dole proposal lacks the broad reach-back provision that gives the proposal that has been brought to this floor by the distinguished Senator from Texas, Mr. BENTSEN, its real strength. On a nationwide basis, the Dole bill does not help fully 86 percent of those unemployed Americans who have already run out of their benefits.

The more than 268,000 Californians, I say to the Senators from California, who have lost their unemployment——

[Disturbance in the Visitors' Galleries.]

The PRESIDING OFFICER. The Senator may proceed.

Mr. SASSER. Mr. President, clearly, there are citizens of this country that are concerned about things other than the problems of unemployment, but I say that the more than 268,000 Californians who have lost their unemployment protection since March would not receive one penny—not one penny—from this Dole plan.

The reach-back provision of the Bentsen proposal, however, would provide 13 weeks of benefits for those Californians in the event they are still jobless.

Let us take the State of Missouri. More than 35,000 Missourians would be eligible to receive 7 weeks from the Bentsen reach-back, but not one penny from the Dole bill. In all, the Dole proposal fails to protect the citizens of 44 of the 50 States who have lost their unemployment checks in the last 7 weeks. The Dole plan leaves those States hardest hit by the recession simply to twist in the wind. There is simply no justification for it.

The American people ask about the unemployment trust fund that they have paid into. Should it not be there for them in time of their deepest need? Taxes continue to be paid into the funds by workers and employers alike, and in the course of this recession alone—get this, Mr. President—the fund for compensating workers who are out of work has grown by more than one-half billion dollars. That is a national disgrace. That fund should be declining, as it pays out benefits to the unemployed.

Our colleague from Maryland, Senator SARBANES, one of the most knowledgeable Members of this body on the question of unemployment compensation, has ably and diligently educated this body about the unemployment fund and its historical uses. And as the distinguished Senator from Maryland has said, this trust fund now totals over $8 billion, a massive surplus, while millions of Americans are denied the benefits that they paid into the trust fund for and that their employers paid into the trust fund for.

Mr. President, I want to say a few words, finally, about the technical issue that is supposed to justify raising this point of order—the notion that this legislation somehow deprives the President of the ability to designate emergencies. The truth is that this legislation deprives the President of absolutely nothing. The Bentsen unemployment bill is no more about taking power away from the President than the budget agreement was about enhancing executive power in the first place.

We transferred no additional power to the President with the budget agreement. The legislation takes no power from him. On the contrary, the President maneuvered on the first go-round to deny the Congress its right to attempt a veto override—one of the primary checks of executive power written into the Constitution.

By signing, but not declaring the emergency needed for funds to flow, the President relegated the first Bentsen bill to some newly devised legislative no man's land. This point of order has been raised to preserve that unintended enhancement of executive power.

I doubt that many of my colleagues sought to give away Congress' constitutional override power when they worked to achieve the budget agreement. I doubt that my colleagues had any such notion remotely in mind.

The language in the bill lays it out straight for the President. As Chief Executive, he must make the same choice as he does on all legislation that comes before him: Either sign the legislation and enact it into law, or exercise his constitutional prerogative and veto it.

This bill gives the President every ounce of emergency discretion he has had or should have. If he agrees that millions of American families are suffering an economic emergency, as two-thirds of the Congress has said they are, then the President ought to sign the bill. If he does not agree, nothing in this bill forces the President to put his name on the dotted line.

In short, Mr. President, I fear that this point of order is another diversion, another delay, another attempt to sidetrack the delivery of benefits to unemployed Americans who are suffering in this recession. As I said, just this last week, the attempt to bring a point of order simply is a delaying tactic, the ultimate victims of which will be 5 million unemployed Americans who have lost or will soon lose their insurance protections. The issue here is not the budget process.

As chairman of the Senate Budget Committee, I have a strong say in adhering to the process, and I certainly share the ranking members' desire to protect our budget rules and to use the tools available to the committee to maintain fiscal discipline. For these reasons, I am normally adverse to waiving the Budget Act. But, in this case, I have no reservations whatsoever.

The issue here is not process, it is not procedure. The issue is human suffering and every Senator has the responsibility to do something about it.

I urge my colleagues to move beyond procedural points, to give the American people the help they need and to vote to overrule this point of order.

Mr. President, I yield the floor and before yielding I inquire how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Tennessee controls 10 minutes and 3 seconds.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have almost 21?

The PRESIDING OFFICER. The Senator from New Mexico has 21 minutes, 48 seconds.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am not going to spend a great deal of time for the fourth time in arguing the emergency provisions of the 5-year agreement and stating again the fact that this violates the letter and the spirit of the agreement. But I will merely state the following.

CONGRESSIONAL RECORD February 7, 1991, debate, interestingly enough, Desert Storm emergency unemployment bill and changing compensation and the like under various veterans programs. Senator ROBERT C. BYRD:

> The exemption for emergency mandatory spending is virtually identical.
>
> These provisions require a Presidential designation that an appropriation or mandatory spending provision—

The latter being what this bill is—

> is an emergency requirement. Without a Presidential designation, a congressional designation of an emergency does not ipso facto trigger that exemption.

Frankly, if this bill follows the course intended, the President will not declare an emergency because he has not asked for this legislation. He will veto the legislation that prescribes it, thus saying, I do not agree with the bill and, therefore, some saying, well, he has had his chance at designating an emergency and, when Congress overrides him, then we have a declaration of emergency. Frankly, it could not be further from right. It may happen. I hope it does not happen because, I repeat, this is the door through which many, many pieces of legislation spending many billions of dollars can escape budget control.

This Senate and the House get together with the majority and decide let us send to the President new expenditures and let us just say "emergency," when he vetoes it we will override him up here and it will be an emergency.

Having said that, let me just mention two things quickly and I will yield. First, my good friend, the chairman from Tennessee, says that the Dole-Domenici bill does not meet the test. Let me say I hope that the distinguished minority leader returns soon so that he can address the bill. I will do so if he does not. There are some technical corrections that have been made.

The bill that will be tendered, immediately after this vote, to the U.S. Senate suggesting that we ought to adopt something that will work, that the President will sign, we will tell you two things about it. First, we do not have to designate an emergency, so all that language is out. Second, the Congressional Budget Office will now say that this bill pays for itself with the spectrum fee option and the extension of the Student Loan Income Tax Collections Act. It will say, in fact, there is more money to be received under the budget for those two actions than is expended under the bill. So that is technically corrected and we will have the CBO estimate very soon. We have it orally and indeed, in all respects, if you want a bill that meets the budget test that the President will sign, here it is.

Frankly, there are some people who will not get coverage under the Dole-Domenici bill that will under the bill that is never going to be become law. Essentially would it not be better to go ahead and do it than to do something that is not going to become law because the President is going to veto it and it will be sustained?

Having said that, I will reserve further discussions until a later time, reserve the remainder of my time, and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, the distinguished Senator from Illinois has been waiting patiently to speak on this or perhaps another matter. So I yield 5 minutes to my friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I thank the chairman of the Budget Committee and my distinguished colleague. I came over here to speak on the matters of education that my colleagues were speaking on earlier in morning business. But it is tied in with this whole subject of unemployment.

It is very interesting the majority of people who are out of work 5 weeks or longer in this country are functionally illiterate. On the question of education, our distinguished colleague from New York, Senator MOYNIHAN, has an article in, I believe it is the current issue of the Jesuit publication, America, in which he not only talks about the problems of unemployment, but he says we are now creating people in our country who are unemployable. That has an ominous sound to it. But it simply stresses the fact that we are going to have to pay attention to this whole question in a variety of ways, of education.

David Halberstam's book, "The Next Century"—he was stationed in Japan with the New York Times. He has a very interesting sentence in there. He says the stem that winds the watch of the Japanese economy is education. We are not winding that watch in this country as we ought to be. Literacy is one area that I mentioned.

And I am pleased the President has signed the literacy bill that I introduced and my colleagues on both sides of the aisle supported.

Let me just add, this area of education is one where we need much less public relations and much more action. Our colleague from Minnesota, Senator WELLSTONE, said earlier we are looking for photo opportunities. That happens in the administration and happens on both sides of the aisle in Congress. What we need is substance. Let me just give you a few little isolated things but they tell part of the pattern.

In 1949 we devoted 9 percent of the Federal budget to education. Today we devote 3 percent of the Federal budget to education. It is very interesting if you take the GI bill, and I believe the Presiding Officer is old enough to remember the GI bill, from after World War II. If you took the old GI bill and put an inflation factor on it, today the GI bill would be worth on the average of $8,000 a year for student aid. You compare that $8,000 under the old GI bill with the $2,400 that is available to a limited number of people, an extremely limited number of people, under the Pell grants, the student grants and you recognize we have slipped tremendously.

The old GI bill was conceived of as a gift to veterans and it turned out to be an investment in our own prosperity. We ought to be making that kind of investment today. The GI bill was available to people no matter what their income, and middle-income Americans were able to take advantage of it. The present Pell grant virtually excludes all middle-income Americans from getting any assistance. We are making a mistake. That is one little indication of where we are and where we are going.

Saturday I met with a fine State senator in Illinois, Senator Miguel De Valle. He is, as you might suspect from his name, of Hispanic background, the only one we have in the Illinois legislature unfortunately. He was telling me the desperate plight in his area; overcrowded schools, they desperately need preschool education. We know it pays off, we are not doing it. Chicago schools do not have the money, the State of Illinois says they do not have the funds. We do not make it a priority, and so we have slippage and we have loss for the Nation.

I visited the Head Start Program, reaching one-fifth of the students we should reach in Head Start. I visited a Head Start Program in Rock Island, IL, and on Monday morning one group of young people came in, Tuesday morning a second group, Wednesday morning a third group, Thursday morning a fourth group, Friday morning a fifth group. I asked the woman in charge, what if you could have Head Start Programs for these children every morning of the week? And she smiled and said you cannot believe the difference it would make.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SIMON. If my colleague will yield me 1 additional minute.

Mr. SASSER. I am pleased to yield 1 additional minute to the Senator from Illinois.

The PRESIDING OFFICER. One additional minute is yielded to the Senator from Illinois.

Mr. SIMON. Mr. President, Saturday, I spoke at a luncheon honoring the Illinois teacher of the year. Taking a look at teachers is another example of where we are slipping in education. The average teacher in the United States teaches 6½ years, then moves on to something else. Teachers in Japan are paid approximately the same as physicians and lawyers and they are appealing to the very brightest of their young people to go into teaching. In the United States, you take the top 5 percent of any graduating class of any school in this country and you will find very, very few of those young people want to go into teaching.

We are going to have to do better. We have to make a priority out of education in this country.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Mexico controls 17 minutes and 22 seconds.

Mr. DOMENICI. I yield 5 minutes to the junior Senator from Texas, Senator GRAMM.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I think our colleagues know that we are engaged in a political scam here. Those who are supporters of the bill that would extend unemployment benefits say this is an "emergency," and certainly the people who are out of work, who are at the end of their benefit period, are facing an emergency. But those who claim that this is an emergency are not willing to pay for it by taking the money away from something else. What we have here is an effort to break the budget agreement by setting up a procedure whereby we declare an emergency and therefore are allowed to spend money that we do not have.

We are going to have a vote here on the budget point of order. I know to the people all over the country who are trying to understand what we are doing, that means little. But let me try to put it in English. It requires 60 votes to bring up this bill because it does not comply with the budget agreement, it changes the budget law, and it did not go through the procedure that we have set up to do that.

If 60 Members of the Senate vote to violate the budget agreement, then this bill can come up for a vote. And if the bill passes, if it becomes law, the Federal Government will be required by Congress to go out and borrow $5.8 billion more. That is $5.8 billion that will not be available to build new homes, new farms, new factories, to generate new economic growth in the private sector of the economy.

Alan Greenspan, the Chairman of the Board of Governors of the Federal Reserve Bank, has said that the adoption of this bill in violation of the budget agreement will almost certainly drive up long-term interest rates, and I believe in the process that it will jeopardize the fledgling recovery that we have under way and throw more Americans out of work.

If we pass this bill, next week there will be another proposal following the same procedure that says, "Let us declare an emergency and let us spend more money on some other topic, some other program," and then the next week another, and the next week another.

I urge those in the Senate who claim to be for fiscal restraint, I urge those who say that we ought to live up to the obligations we set, to vote to sustain this budget point of order.

If we want to extend unemployment benefits, let us pay for them. Everybody here knows that the President will veto this bill because it violates the budget agreement, because it will send interest rates up, because it will put more people out of work. If we truly want to help the unemployed, let us vote to sustain the budget here, let us work out a compromise that Congress will pay for and that the President can sign. Then we will be debating not political agendas, which is what this is about. We will not be debating unemployment concerns by Members of the Democratic Party; we will be debating ways to help real people who are out of work.

Finally, I remind my colleagues that the solution to unemployment is employment. What we ought to be doing is trying to strengthen the economy by providing incentives for people to work, save, and invest.

So I urge those who support the spending constraints in our budget agreement, who believe that when we set out limits on spending we ought to live with them, to vote to sustain the budget point of order.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator controls 13 minutes and 12 seconds.

Mr. DOMENICI. Mr. President, I am going to check with the minority leader and see if there is anyone else that wants to speak on this side. If not, I will not use all my time. I will find out shortly.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, let us have a quorum call and charge it to my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll, the time to be charged to the Senator from New Mexico.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry. Have the yeas and nays been requested and granted on the Sasser motion?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the motion to waive.

Mr. SASSER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield 1 minute to the distinguished Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland [Mr. SARBANES] is recognized for up to 1 minute.

Mr. SARBANES. Mr. President, I thank the distinguished chairman of the Budget Committee.

Mr. President, I want to make one very simple point. The unemployment insurance benefits system was constructed to be self-financing, taxes are paid into the trust fund by employers for the purpose of paying unemployment insurance benefits. Those moneys were to go into a trust fund. That was to avoid the problem when you got into a recession of how were you going to fund these benefits. The way you funded them is you accumulated money in the trust fund in good times, when benefits did not have to be paid out because the unemployment level was low, and then you paid them out of that trust fund balance in bad times, which is now when you have a recession.

What has happened in every other previous recession is we have extended unemployment insurance benefits. That is illustrated by this chart which shows the number of persons receiving such benefits.

Mr. President, hardly anyone is receiving extended unemployment benefits in this recession. The consequence of this is that the trust fund has built up a huge balance. It was $7.2 billion last October 1. It has now gone above $8 billion. It is projected to go almost to $10 billion in 1992.

Why are we building up a balance in the trust fund at the very moment that we are in a recession. This is an abuse of the trust fund.

I heard the previous speaker refer to a political scam. If there is any political scam going on, this is the political scam: to have employers paying this money into this trust fund for the purpose of paying extended benefits and not to use the money in a time of need for the purpose for which they were paid.

There is a large surplus in the trust fund. These moneys ought to be paid. We ought not to be in an argument about how it is going to be done. There are millions of people in need all across the country, desperate for help, working people. We need to help them here today on the floor of the U.S. Senate.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. DOMENICI. Mr. President, I am going to speak for a couple of minutes. If Senator SASSER is prepared to yield back his time, I am. I assume we will then have a vote on the chairman's motion. Is that correct?

Mr. SASSER. Mr. President, we have a Member on the way in from the airport, so we are not in a posture to yield back any of our time. The time under my control has almost expired.

I suggest to the distinguished ranking member if he is not in a position to use all of his time, perhaps we could put in a quorum call?

Mr. DOMENICI. Let me just ask, so I could inform the minority leader, do we know how long we might be before we start that vote?

Mr. SASSER. I would say at the expiration of all time we will be prepared to move forward for a vote.

Mr. DOMENICI. Then let us see how much time we use here.

Mr. President, I am not going to try, other than repeating what Senator GRAMM said, to respond to Senator SARBANES and the trust fund.

There are a lot of trust funds, not only the one he alludes to. There is a Social Security trust fund, a transportation trust fund.

Frankly, when we voted in the budget agreement and it passed rather overwhelmingly in this body and rather overwhelmingly in the House, the truth of the matter is that what we were talking about is not spending money over what is in the budget annually regardless of trust funds for the duration of the agreement. Because, as the Senator from Texas said, we are concerned about overspending in that it takes money away from other potential good things in the country.

The same thing applies to the trust fund here. If you want to spend that money, you have to nonetheless make sure you are not spending more money than prescribed in the budget by paying for it; unless Congress and the President declare an emergency.

I do not think we can be any more clear, I do not think the current law could be any more clear, that even for this trust fund and other trust funds, because there is a surplus does not make it an emergency subject to spending that money. You have to find the emergency or you have to pay for the expenditure in an offsetting manner under the budget resolution. That just happens to be what we have agreed to and the President has signed.

Having said that, let me repeat one more time. I am very hopeful the Senate will not waive the point of order. But, frankly, a while ago I said I assume they will because they are looking at the bill. They are not looking at the future of fiscal policy of the country and opening a great big door and letting everything run through and vitiating the significance of it by doing it this way. Nobody is going to be sufficiently concerned. Nonetheless I hope—hope against hope—that they will not sustain the motion to waive, and will sustain the point of order.

Having said that, if they do not—and we are busy waiting for a Presidential veto and a override—it appears to this Senator the bill is not going to become law. We will introduce a Dole-Domenici bill very, very quickly. It technically takes care of objections that people have had as to whether it pays for itself in the first year, because CBO will say it does. Clearly, it reaches back, for those who are worried about reaching back. It is a 6-week plus a 4-week. Frankly, we ought to do it and take care of the workers who are encompassed under its umbrella and do something significant rather than continue the political battle that is occurring, which is not going to get the working men and women anything as I see it.

Frankly, I just want to remind everyone, this 5-year agreement which clearly has a chance over 5 years of getting our fiscal house in order—this 5-year agreement will start off today in a very, very adverse position. It will almost be symbolically sounding a death knell.

Because on the very first day of the fiscal year, October 1, we will be taking $5.8 billion, and instead of saying let us pay for that many dollars worth of benefits we are going to say let America pay for it later on. Let the taxpayers pay for it later on. Let the recession go on. Because there will be less resources around to take care of some of our needs.

I believe we ought to sustain the point of order. If we do not, let me repeat, we are playing havoc with the system we established, of 5 years under the agreement for fiscal sanity. We will be saying any time a compelling majority in the Congress wants to declare a new program or a new appropriations an emergency, that can do it unilaterally. And if they override a reluctant President who does not want to, it is outside the pale of budget restraint and free spending free falling on its own.

I do not think we really ought to do that. I say to those on the other side of the aisle, you are going to perhaps succeed—I hope not—in defeating the emergency provisions of the agreement. You will succeed in this body, but I hope you do not succeed ultimately. But, if you do I hope you will say to yourselves, those worried in a sane way about fiscal policy, that this precedent cannot go on or we will have an absolute wide open spending policy in times when we really should not and do not need it.

For now I yield the floor and will be willing shortly to yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Tennessee controls 39 seconds.

Mr. DOMENICI. I yield 2 minutes from our time.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for up to 2 minutes on time chargeable from the Senator from New Mexico.

Mr. SASSER. I thank the distinguished Senator from New Mexico.

Mr. President, the distinguished junior Senator from Texas referred to this proposal to extend unemployment benefits as a political scam. Ordinarily I would defer to my friend's expertise on the matter of political scams. But the political scam before us today is the proposal that is offered by those on the other side of the aisle.

First off, this so-called Dole unemployment bill does not pay for itself. The Congressional Budget Office indicates that it is $1.5 billion short of paying for itself in 1992, if you rely on the dubious assertion that by garnisheeing the income tax returns of those who are delinquent on their student loans, you will raise some $900 million. That is itself I think is a highly dubious assumption.

Second, admitting what those on the other side of the aisle now admit, that the Dole plan they are urging on this body and have urged on this body earlier is deficient because we are now going to see another Dole plan on down the line, another Dole unemployment bill, which will be the fifth or sixth time by actual count that the unemployment proposal offered by my friends on the other side has been changed—the Dole proposal presently before us has no reach-back provision for 44 of the 50 States.

I ask you, Mr. President, where is the political scam here and who is playing politics on this issue?

The PRESIDING OFFICER. The 2 minutes yielded to the Senator from Tennessee by the Senator from New Mexico have expired. Who yields time?

Mr. DOMENICI. How much time do we have?

The PRESIDING OFFICER. The Senator controls 3 minutes and 26 seconds.

Mr. DOMENICI. I yield a minute and a half to the Senator from Texas.

The PRESIDING OFFICER. Senator GRAMM is recognized for up to a minute and a half.

Mr. GRAMM. Mr. President, let me answer by saying I can tell you where the political sham is. It is a political sham in a country where we are spending a trillion and a half dollars at Federal level to stand up and pound your chest and say there are people in need and it is an emergency and then when you are asked can you find the money to pay for it and you say it is not that much of an emergency.

What we want to do is we want to bust the budget agreement and open up the floodgate for spending. I call that a sham.

Second, when you claim you want to help people who desperately need help and the President says I will sign the bill if you will pay for it, I will veto it if you do not and you have a President who has been sustained on 15 straight vetoes and will be sustained again, and you say, no, we are going to force the President to veto it—that is a political scam.

So I would say if our concern is about people who are out of work, let us do two things: One, let us pass a bill to help them which we pay for. I will vote for it and the President will sign it. And, two let us also help to allay the misery that is being produced by the recession by passing some bills to stimulate the economy and to create jobs. The solution to unemployment is employment. Let us get the economy moving again.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself the remainder of the time.

The PRESIDING OFFICER. The Senator is recognized for up to 1 minute and 46 seconds.

Mr. DOMENICI. First, Mr. President, I can understand why the Senator from Tennessee would say the so-called Dole bill does not pay for itself and is not an appropriate budget point of order free bill. But let me repeat. There are two or three technical reasons that the bill of last week and the week before may have been in question. But let me repeat. The bill that Senator DOLE and I will introduce, and that we are now saying to those who know they are not going to get their way, that bill, which I am holding here, actually will have the blessings of the CBO, the Congressional Budget Office, the independent agency that we all rely on, and it will say that it will more than pay for itself as required by the Budget Act.

Mr. FORD. Mr. President, will the Senator yield for a quick question?

Mr. DOMENICI. I think I am out of time.

The PRESIDING OFFICER. The Senator has 49 seconds remaining.

Mr. DOMENICI. I will be pleased to yield.

Mr. FORD. Mr. President, I understand the legislative process is covered by CBO. Once the legislation is passed, the scoring is done by OMB. That is what we tried to do on Medicaid. CBO said it was all right, but OMB came back and said it is going to cost $3 billion to $5 billion. When the Senator says CBO is scoring it, that is not the final judgment, though, is it?

Mr. DOMENICI. We have that strange anomaly. Nonetheless, it works. Incidentally, in this case, it works even better because OMB says it is even more on the positive side than the CBO. So I thank the Senator for the question and make the point CBO clears it, OMB clears it, in spades, double, twice.

I yield any time I have remaining on the measure.

The PRESIDING OFFICER. All time controlled by the Senator from New Mexico has expired.

Mr. DURENBERGER. Mr. President, 2 months ago I voted in favor of extended benefit unemployment legislation cosponsored by the distinguished chairman of the Finance Committee, Senator BENTSEN, and the ranking member of the committee, Senator PACKWOOD. And just last week, I again voted in favor of that identical legislation.

Although both of those bills contained certain flaws in the formulas for triggering benefits, I supported them for two fundamental reasons: First, I believe those workers who have endured extended unemployment during this recession should be allowed to receive extended benefits to tide them over until the economic recovery is fully underway. And second, both of those bills maintained the structure and integrity of last year's budget agreement by requiring the President to declare an emergency to waive the Budget Act in order to release those funds.

Mr. President, as I indicated last Friday on the floor of the Senate, it is imperative for the American people to know that the President does not have to declare an emergency and waive the Budget Act in order to implement extended benefits. Had we adopted the substitute extended benefits bills introduced by the distinguished Republican leader, Senator DOLE, that established a more effective extended benefits formula and which was fully paid for consistent with last year's budget agreement, extended benefits would today be flowing to the long-term unemployed.

Mr. President, I will vote against waiving the Budget Act because I believe it establishes a dangerous precedent that will fundamentally undermine the budget agreement that we hammered last year. Mr. President, it is my hope that we will pass a responsible extended benefits bill such as the one that Senator DOLE and I have cosponsored. I hope we will pass that bill as soon as possible.

ADDITIONAL UNEMPLOYMENT BENEFITS ARE BADLY NEEDED

Mr. KERRY. Mr. President, the Congress has been attempting for months to pass legislation to extend unemployment insurance benefits for the long-term unemployed who have been displaced from their jobs as a result of the recession that continues to grip significant portions of our Nation, including my own State of Massachusetts.

In August, we passed and sent a good, carefully crafted will to the President for his approval. In what must be one of the most crass, cynical political gestures in a long time, President Bush on the same day signed the legislation into law, but announced that he would not take the step required by budget law to release funds from the Treasury to pay for the benefits available under the new law. As a result, not one dime of extended unemployment benefits has been paid to those who are unable to find work after having been unemployed for months.

That is a travesty, Mr. President, and Democrats in the Congress refuse to let the matter die there.

Today we are passing a similar bill, and we are going to send it straight to the White House. I know how important those additional benefits will be to the approximately 94,000 Massachusetts residents who remained unemployed after exhausting their 30 weeks of basic unemployment compensation during the first 8 months of 1991. The additional benefits unquestionably will not make these unfortunate victims of the recession wealthy by any means, but they may provide enough cushion to enable a family to hold onto its home, or to afford essential medical care, until the breadwinner can find another job.

Not only is this the just and humane thing to do, Mr. President, but President Bush and other members of the Republican Party who have opposed this legislation, in suggesting that enacting this legislation will bust the budget, ignore the fact that the Federal Government has a trust fund dedicated only to paying unemployment benefits. That trust fund currently has a balance of over $7 billion. To leave those funds sitting in the trust fund when hundreds of thousands of Americans are suffering the effects of recession-increased unemployment is the height of callousness, plain and simple.

I am confident my colleagues in the Congress will pass this legislation and send it to President Bush. As I did when we passed the virtually identical bill in August, I call on the President to stop long enough in pursuit of his foreign policy objectives to look at the desperate situation of many, many Americans here at home, and sign this bill into law so that the additional weeks of benefits it provides can be made available immediately to those who have exhausted regular unemployment assistance.

Mr. SEYMOUR. Mr. President, today, the majority party in the Senate has made the decision to delay much-needed help for the unemployed, so that they may help launch the 1992 election campaign against President Bush.

We must help the long-term unemployed. Virtually every Member of Congress agrees.

We must help them now. Again, you'll find few who object.

The Federal Government has a duty and responsibility to help out unemployed Americans. That's why we have an extended benefits trust fund—funds provided by America's employers to pay for extended benefits in States hard hit by severe economic slowdown. It's obvious to all that the current formula which triggers these funds is not working. The trust fund continues to grow, but the number of Americans who have exhausted their unemployment benefits continues to grow also. Unless the Federal Government takes action, many of these long-term unemployed will seek State welfare benefits, placing additional responsibilities on States that already have tremendous fiscal burdens.

Earlier this year, I cosponsored Senator BENTSEN's original legislation to temporarily extend unemployment benefits to those most hard-hit by the recession. However, I expressed then that the Congress should try to find a way to pay for this legislation so that an emergency designation was not needed, and the budget need not be busted by a nearly $6 billion increase. And when the President made it clear that he would not declare an emergency, I hoped that the Congress would work together to find a way to pay for these benefits.

Instead, Senator BENTSEN reintroduced the same bill, knowing that this legislation will be no more successful than the previous version.

Senator DOLE, however, came forward and offered an alternative proposal that is budget neutral, and has the support of the President. More importantly, is will bring immediate and needed relief to Americans who have felt the sting of this recession the most.

I supported the Dole proposal. The Democrats defeated it.

I supported an amendment by Senator GRAMM that not only pays for the Bentsen proposal, it provides tax incentives to jump start our economy. After all, what unemployed Americans really need are jobs and a bright future of economic growth. The Democrats defeated that amendment on a technicality.

The choice for the majority party was simple: Pay for unemployment benefits, or play political football on the backs of unemployed Americans.

Pay or play.

The Democrats opted to play, and in so doing, further delayed bringing benefits to unemployed Americans. Quite frankly, I am very disappointed. Very few States have suffered a long-term recession like California. Very few states are in need of more extended benefits for their citizens than California. If the Democrats simply found a way to pay for their proposal, the bill would be law, and California's long-term unemployed could look forward to help today—October 1. Now, we can't be certain if and when extended benefits will be on the way.

I supported the Bentsen proposal once again last week, but did so reluctantly. I voted because the Bentsen proposal will bring the most benefit to the long-term unemployed, but I also voted for it to keep the process going. Surely, the House-Senate conferees knew that a significant number of the Members of this body, as well as the President, remain opposed to any free-wheeling attempts to force the President to bust the budget.

Sadly, that has not occurred. And today, we are forced to continue the charade and send a bill we know the President will not support. I am confident that the Congress will sustain the President's veto.

And once that veto is sustained, maybe then we can put away our sound bites and come up with sound policy. That's the question and the choice the Democrats have before them.

Last week, the question was, Pay or play?

Today the question is and will continue to be, Sound bites, or sound policy?

Let us hope, for the sake of the thousands of unemployed Americans who have exhausted their benefits, the Congress will choose the latter very soon.

Mr. HOLLINGS. Mr. President, there is no question in the world that we can and should offer extended unemployment benefits to American workers who have lost their jobs because of the recession. This is a humanitarian act. Equally important, it is a matter of keeping trust with workers who have dutifully paid their unemployment insurance premiums down through the years, all the time assuming that extended benefits would be provided in case of a prolonged recession. And let's be clear on this point: There is no need for any additional tax or for any budget offset to finance these benefits. The money is already there in the trust fund. These benefits are already bought and paid for. The extension of unemployment benefits as called for in Senator BENTSEN'S bill will not cost the American people one dime in additional taxes.

Mr. President, the fact is that the overall unemployment trust fund now has a surplus of some $50 billion. Within that larger unemployment trust fund, the extended unemployment compensation account currently has a very healthy surplus of $8 billion. So the money is there to finance these extended benefits. The question is this: Why is the administration opposed to spending this trust fund money for its intended purpose?

The answer is all too clear. By not spending any of the $8 billion in the extended unemployment compensation account, the administration gets to "borrow" that $8 billion to reduce the Federal budget deficit—to mask the true size of the deficit. This particular budget shenanigan is especially reprehensible because it involves denying benefits to people who have already paid for those benefits. And remember that we are talking here about good, hard-working Americans who have been victimized by the recession and who desperately need this assistance.

It is a breech of faith to deny those benefits. And it is a breech of decency to do this for no other reason than to help the administration hide the true size of the deficit.

I urge the Senate to pass the Bentsen bill by an overwhelming margin. We need to send a clear message to Mr. Darman and his green-eyeshade crowd at OMB that their trust fund heist will not be tolerated.

Mr. GORTON. Mr. President, before the Senate today is a bill the goals of which I support, but whose methods for reaching those goals I find deplorable, irresponsible, and downright incomprehensible. The goal, of course, is to provide America's unemployed with extra unemployment benefits while the economy regains its steam. The Democrat's unemployment benefits extension package, however, achieves this goal through methods which irresponsibly add an additional $6 billion to the deficit—and thus impede the very economic recovery necessary to provide jobs for the unemployed.

Before I detail my concerns about the Democrat's irresponsible plan, I will note my concerns for and activity relating to Washington timber workers. Mr. President, I voted with the Republican leadership in the Senate for a bill to provide up to 10 weeks of extended unemployment benefits for reasons in addition to fiscal and budgetary responsibility.

As part of deciding which extended benefits package helped Washington's workers the most, I discussed the plight of hardest hit workers in Washington, the State's timber workers, with Senator DOLE. As a result of those discussions, Senator DOLE included a special provision for Washington's timber workers. Under this provision, Washington's timber workers were given preferential access to between $80 and $100 million of discretionary funds under title III of the Job Training Partnership Act.

I voted for Senator DOLE'S amendment and against the Democratic alternative because I was sure I was voting for the bill which put money into the pockets of all of Washington's unemployed and provided extra training benefits for northwest timber workers. It is interesting to note the last amendment added to Senator BENTSEN's irresponsible unemployment benefits extension was exactly the provision added by Senator DOLE for Washington's timber workers. Without my efforts, that provision would never have seen the light of day.

With this exception, the Democrats, who can smell political gain with no fiscal pain a mile away, produced a completely irresponsible package to help the unemployed. Knowing that when it comes to budget deficits, they can always blame the President, the Democratic package simply adds the $6 billion to the deficit to pay for their extension of benefits. This is particularly irresponsible because it was so easy to find the money without increasing either individual or business taxes.

Amazingly, Mr. President, during all of the debate on the Democratic and Republican version of unemployment benefits extension I never heard anyone argue against Senator DOLE's revenue raising mechanism.

The Dole revenue raisers generate funds through two mechanisms. First, the Republican alternative raised significant revenues through auctioning the unused portion of the Government-owned electromagnetic spectrum. Second, Senator DOLE's bill offsets the bill's cost by student loan reform and other debt management and collection practices for student loans.

The Dole bill was able to raise $4 billion over 5 years. While this was not enough to offset the irresponsibility of the Democratic alternative, it is astounding that the Democrats could not muster the political will to raise revenues by selling Government property to businesses who are essentially speculating on future telecommunications uses and by making necessary student loan reforms.

Mr. President, I think the inability of the Democrats to offer a reasonable and responsible plan to benefit its own constituency carries one vital message: how callously the Democrats treat those whom they loudly claim to be protecting. What does it say, Mr. President, when the Democratic Party cannot muster the political will to actually bring home the bacon to its own constituency through something as noncontroversial as charging for the use of Government property or through basic loan reform?

As a result of this failure, the bill will be vetoed and not one dime of this Democratic alternative will ever reach the pockets of America's workers. For that, Mr. President, the Democratic leadership is responsible.

Mr. LAUTENBERG. Mr. President, I rise in support of the conference report accompanying S. 1722, the Emergency Unemployment Compensation Act of 1991. I commend the chairman of the Finance Committee for his leadership.

The current recession has forced millions of Americans out of work. The administration said this would be a brief economic downturn. The administration was wrong. People in this country are suffering. Nearly 9 million people are out of work in our country. This is an increase of more than 2 million in the past 2 years. In my State, 269,000 people are unemployed.

Mr. President, the current unemployment insurance system is not meeting the needs of New Jerseyans. Presently, over 12,000 New Jersey residents are exhausting their unemployment benefits each month. While the need for relief for these people has grown, so has the surplus in the unemployment insurance trust fund. This makes no sense. The trust fund moneys are there for these people. The administration wants to hoard this money that was collected for just the kind of emergency unemployed workers face today.

It is time the Federal Government took action to provide needy families with minimal assistance for food and shelter. Without this emergency unemployment compensation bill, millions more Americans will exhaust their unemployment benefits and force more and more families into poverty.

Mr. President, last month I received a letter from a constituent of mine. He told a story which is sadly becoming more and more of a reality for people all over this country. A 53-year-old man wrote to me that he has been unemployed for over 2 years after working for 28 straight years. He has spent 2 years contacting friends, former business associates, clergy, responded to advertisements, used a placement service, and written to hundreds of potential employers to try to get a job, but to no avail. For the first time in his life he filed for and received unemployment benefits. These benefits have since expired and his family is now without income. Because he has exhausted his benefits and cannot find a job, he and his wife have been forced to sell their house.

Mr. President, I am the first public official that he has ever written to. He wrote that he did this only because his situation is desperate. Mr. President, how should I respond to this man? Should I tell him that the Bush administration thinks the recess is almost over? Should I tell him that the administration does not think his situation and the situation of other unemployed Americans qualify as an emergency? Should I tell him that the existing unemployment insurance system is adequate?

Mr. President, instead of feeding him the White House line, we should extend an economic lifeline. That is what unemployment compensation is all about.

We need to give relief to these people who cannot find work, who cannot put food on their tables, who are losing their homes. The time to act is now.

I urge my colleagues to support adoption of this conference report.

Mr. SANFORD. Mr. President, I rise today in strong support of S. 1722, the Emergency Unemployment Compensation Act of 1991. I am pleased to be a cosponsor of this bill in a time when many Americans are finding themselves in a never-ending state of despair. This bill will enable those without jobs to continue paying their bills and purchasing necessities while still contributing to the economy we so desperately need to rejuvenate.

At this time, the United States is experiencing a 7-percent unemployment rate—the highest we have had in 5 years. This figure translates into 8.75 million Americans who need our assistance. The Department of Labor estimates that the number of workers who exhaust their normal unemployment benefits will reach 3.1 million for fiscal year 1991 and will continue to grow to 3.4 million in fiscal year 1992. The number of long-term unemployed has increased faster in the Bush recession than during the Reagan near-depression of 1981–82. Almost all of these Americans are unable to obtain additional unemployment benefits after having exhausted their normal benefits.

In my State of North Carolina, 6 percent of the population remains without work, and the number of job seekers who are exhausting the normal 6 months' benefits grows by the thousands every week. These willing workers need this extension of unemployment benefits. I have received many letters from my constituents asking that I do everything in my power to assure that this bill gets the support that it needs to become law. This is what I am asking for today, my fellow colleagues, your vote to ensure that these people do not have to suffer any longer.

Obviously, the existing Unemployment Insurance Program is inadequate. Current provisions require that an unusually high unemployment level remains constant for at least 13 weeks before unemployed workers can qualify for extended benefits. This amount of lag time can devastate families and communities who struggle to survive on nothing. The harsh reality is that even as our unemployment level has risen to 7 percent, most States have not qualified for the extended benefits they so desperately need.

Something must be done and soon. The Bush administration repeatedly fails to address our vital domestic issues. Simply claiming the recession is over will not solve our problems here at home.

Opponents argue that extending benefits costs too much and will increase the budget deficit. It is not so. This money to fund the extended benefits program comes from a trust fund—the unemployment insurance premiums paid over the years by employers—and that fund actually has a surplus. The irony is that, because of Washington's pitiful budget practices, that $8 billion unemployment insurance fund surplus has been borrowed to pay for other things.

The estimated cost of this action is approximately $5.2 billion in fiscal year

1992, which accounts for only a portion of the $8 billion currently entrusted in the extended unemployment compensation account of the unemployment compensation trust fund. This growing surplus is clear evidence that the Extended Benefits Program is failing to perform its intended function of drawing on its reserves to pay benefits during a recession. In addition, this bill is intended to be only a temporary measure to aid the United States in its quest toward economic recovery.

In short, the money in the extended unemployment compensation account has been grabbed to provide cover for the President's budget woes instead of being held safe to be spent as it was intended. I hope this budget game stops and these funds make their way to those who need them most—out-of-work Americans.

I stand here today to urge all of my fellow Senators to vote for this desperately needed bill. These extended benefits will help unemployed people in every State remain financially solvent while looking for work. It is high time for President Bush to address the problems that the American people face on a daily basis. The Emergency Unemployment Compensation Act of 1991 must be passed, or our families, communities, and Nation will suffer.

The PRESIDING OFFICER. All time, under the previous order, has expired. The question is on agreeing to the motion of the Senator from Tennessee, Senator SASSER, to waive the Congressional Budget Act for the consideration of the conference report on S. 1722. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 65, nays 34, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—65

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—34

Bond
Brown
Burns
Coats
Cochran
Craig
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Kassebaum
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—1

Helms

The PRESIDING OFFICER. On this vote the yeas are 65 and the nays are 34. Three-fifths of the Senators present and voting, having voted in the affirmative, the motion to waive the Budget Act is agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the adoption of the conference report.

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 65, nays 35, as follows:

[Rollcall Vote No. 213 Leg.]

YEAS—65

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—35

Bond
Brown
Burns
Coats
Cochran
Craig
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Helms
Kassebaum
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—0

So the conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERRY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DOLE. Mr. President, I respectfully object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names.

(Quorum No. 2)

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

The PRESIDING OFFICER. A quorum is present.

FAMILY AND MEDICAL LEAVE ACT—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 5, a bill to grant employees family and temporary medical leave under certain circumstances, and for other purposes:

George Mitchell, Christopher Dodd, Wendell Ford, Paul Wellstone, J.R. Biden, Jr., Daniel K. Akaka, Charles S. Robb, B.A. Mikulski, James Sasser, Howard Metzenbaum, Timothy E. Wirth, Edward M. Kennedy, Paul Simon, Patrick Leahy, Richard Bryan, Harris Wofford.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are automatic.

The Republican leader.

Mr. DOLE. Leaders' time has been reserved; is that correct?

The PRESIDING OFFICER. Leader time has been reserved.

Mr. DOLE. I have 10 minutes?

The PRESIDING OFFICER. The Senator has 10 minutes.

UNEMPLOYMENT INSURANCE

Mr. DOLE. Mr. President, the campaign season has begun. Like the trees turning in the fall, the start of the campaign season is apparent when the truth is swept under the rug, warts are called beauty marks, and the only subjects we hear about are those where raw political advantage is coveted.

Unfortunately, Mr. President, in this process it is not just the truth which suffers. Our stated purpose today is to help the unemployed. Unless we get to the truth—drop the politics and get to the truth—we will end up hurting, not helping, the unemployed.

At the very time that the Democratic controlled Congress is pointing a finger at President Bush and wrongly accusing him of not being sympathetic to the plight of the unemployed, the Democratic controlled Congress is forcing thousands of Americans off the wage rolls and onto the unemployment rolls.

Mr. President, I remind my colleagues that today is October 1—the first day of fiscal year 1992. Today was and is the day by which the Congress was supposed to have done its job and pass a highway bill. We have failed in that task.

And what are the consequences? As Congress debates how to raise taxes on the American public, an estimated 22,000 jobs and $1.3 billion in output will be lost in the very near future in the construction industry alone. When you add the service industries, manufacturing, transportation and others dependent on the highway and mass transit programs, the totals jump to 87,400 jobs and $5.9 billion in economic output.

These are not my numbers; they come from the American Association of State Highway and Transportation Officials, the very people who administer each and every highway and transit program in every State in the country—these are the officials who write the checks, or at least used to write the checks.

Let us look at the consequences another way. This same organization surveyed every State transportation department and found 10 States will stop all activities today: They are out of money; they are flat broke because the Congress spends its time on politics and not the job it was elected to complete. Ten additional States might make it for as long as 2 months and 12 other States for possibly up to 3 months.

Let me be clear about exactly what this means. If Senators are thinking about helping the unemployed, and if those Senators represent Alabama, Arkansas, Connecticut, Florida, Nebraska, North Dakota, Oregon, Tennessee, Virginia, or Wisconsin, you are looking at the wrong bill.

For those 10 States today, the money is gone. You could have new, congressionally mandated unemployed in your State today. A lot of people are going to be out of work in those 10 States. Those from Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Missouri, Ohio, Texas, and Wyoming may—that is may—have as long as 60 days.

So before we rush headlong into a bloody fight over a bill that will never become law, before politics takes a front seat to our concern for the unemployed, I urge my colleagues not to let a new wave of tens of thousands of unemployed be on the hands of the Congress. The clock has started, the unemployed are receiving layoff notices today.

Let me go back and make certain people understand the exact figures. As I said earlier, what are the consequences? As Congress debates on how to raise taxes on the American public, an estimated 22,000 jobs and $1.3 billion in output will be lost in the very near future in the construction industry alone. When you add the service industries, manufacturing, transportation, and others dependent on highway and mass transit programs, the total jumps to 87,400—87,400 jobs and $5.9 billion in economic output.

DOLE-DOMENICI-ROTH ALTERNATIVE

Mr. DOLE. Mr. President, later this afternoon as we continue to address not only this bill, but family leave, after lunch, I will introduce, along with Senator Domenici and other Senators, a bill similar to the alternative offered last week, but with certain significant changes. In addition to the 6 and 10 weeks of extended benefits, this bill takes aim at the so-called pockets of unemployment. Certainly, there are problems out there with the loggers in the Northwest, high-tech industries in the Northeast and West, and banking and financial service industries in spots around the country.

This legislation directs the Secretary of Labor to establish a comprehensive economic adjustment program targeted at those geographic areas hit by downturns that are not reflected in the economy as a whole. This program would include adjustment assistance, training, job search assistance, and relocation assistance to enable dislocated workers to be reintegrated into the economy. This program also address needs related to income support while the services were delivered.

In addition, Mr. President, this legislation directs the Secretary of Labor to study the advantages and disadvantages of using the insured unemployment rate. There was a lot of talk whether it should be total unemployed or the insured unemployment rate—exhaustees versus total unemployment rate as a trigger for extended benefits program.

We have heard a lot of debate on the floor as to whether IUR or TUR is better, and this study should help put this issue to rest.

Mr. President, this is the same bill that pays for itself through the spectrum auction and certain reforms of collection of Government student loans. There is no sequester under this bill. I want to underscore that, because there was some debate last week on the floor: Oh, you are going to have a sequester. There is no sequester in this bill, and there is no need for the President to declare an emergency because this legislation is deficit neutral. It respects the budget agreement and abides by the discipline agreed to on a bipartisan basis less than a year ago.

In short, Mr. President, unlike the conference report we just passed, which increases the deficit, not $5.6 billion, as earlier indicated, but now it is $6.2 billion, this provides targeted benefits to unemployed workers without mortgaging our children's future.

Mr. President, the most important fact about this bill that I can tell you——

The PRESIDING OFFICER. The Chair apologizes for interrupting the distinguished minority leader.

Mr. DOLE. Mr. President, what time is it?

The PRESIDING OFFICER. The Senator has 1 minute 24 seconds remaining under his leadership time, but under the previous order, the hour of 12:30 having arrived——

Mr. DOLE. I reserve the remainder of my time. The Senate is to go into recess.

The PRESIDING OFFICER. Under the previous order, the Senate is to stand in recess until 2:15.

The distinguished majority leader.

Mr. MITCHELL. Mr. President, I will momentarily ask unanimous consent that I be permitted to address the Senate during my leader time for the purposes of discussing the situation with respect to the family and medical leave bill, and to make comment on the legislation to which the Senator is now referring.

Mr. President, how much leader time do I have?

The PRESIDING OFFICER. The majority leader has 7 minutes.

Mr. MITCHELL. Mr. President, under previous agreements, it was——

The PRESIDING OFFICER. Is the majority leader asking unanimous consent to speak prior to the recess?

Mr. MITCHELL. Yes. I ask unanimous consent I may be permitted to address the Senate in my leader time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MITCHELL. Mr. President, under previous agreements printed in today's calendar, it was our intention to complete action on the unemployment insurance bill this morning and then to proceed directly to a vote on the cloture motion on the motion to proceed to the family leave bill.

That has not occurred because the distinguished Republican leader was able successfully to delay the occurrence of that vote. I regret that, as he knows. He acted certainly within his rights under the rules. It is my intention to proceed as promptly as possible, consistent with the rules, to obtain a vote, on the family medical leave bill, on the cloture motion to the motion to proceed.

Now, several Senators, primarily Republican Senators, have asked me about the cloture motion and are under what I believe to be a misapprehension as to the effect of the vote on cloture on the motion to proceed. Specifically, I was asked does this mean that Senator HATCH will not be able to offer his amendment? Does this mean that we are trying to shut out Senator HATCH or anyone else?

I first want to assure everyone that, first, this is a vote on cloture on the motion to proceed to the bill. It does not shut anybody out on anything. It has never been our intention to shut anybody out on anything. Indeed, earlier this morning at my direction the majority staff provided to the minority staff a proposed unanimous-consent request which would guarantee Senator HATCH a vote on his alternative and would guarantee Senator BOND and Senator FORD a vote on their amendment. I previously discussed this with the Republican leader and I will now ask unanimous consent pursuant to that suggestion so there can be no misunderstanding in this regard.

UNANIMOUS CONSENT REQUEST—S. 5

Mr. MITCHELL. Mr. President, during the consideration of S. 5, the family medical leave bill, I ask unanimous consent that following opening statements by the two managers, Senator BOND be recognized to offer a perfecting amendment on behalf of himself and Senator FORD, that there be 2 hours of debate equally divided and controlled in the usual form on the amendment, that no amendments to the amendment be in order, and that at the conclusion of yielding back of the time on the amendment, the Senate vote on the Bond-Ford amendment; that following the disposition of Bond-Ford amendment, Senator HATCH be recognized to offer a substitute amendment, that there be 2 hours of debate equally divided and controlled in the usual form on the Hatch substitute, that no amendments to the amendment be in order, and that at the conclusion or yielding back of time on the Hatch substitute, the Senate vote on the Hatch substitute amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The minority leader.

Mr. DOLE. I wanted to make certain. I shall object, not because I have any problem with the request but because I think this will be a vote on a motion to proceed. And on the motion to proceed, if cloture is invoked, obviously we will have 30 hours of debate on the motion to proceed. But I am not trying to invoke cloture on the bill, so those amendments are going to be offered. And we are not trying to preclude anybody. In fact, we had several Senators present to offer amendments to the bill.

So on that basis—we have no objection, this is not cloture on the bill—I object.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, I just wanted to make it clear that no Senator should be under any misapprehension that a vote on cloture on the motion to proceed would somehow preclude any Senator from offering an amendment. We welcome any amendments, and as I said would be prepared to agree to, as I just proposed, that we guarantee Senator HATCH a vote up or down on his amendment after whatever time for debate the relevant parties request.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. DOLE. Let me underscore what the majority leader just said. This is a parliamentary maneuver right now. We have been trying to accommodate the Senator from Connecticut, but it is hard to accommodate the Senator from Connecticut. We have not worked out a plan that can accommodate him, and also accommodate Members on this side.

My own view is I am totally opposed to this legislation. In my view, it is bad legislation. I hope it never passes. Others have a different view. We hope that we could still resolve some of the issues if at all possible to do that.

But I wanted to ask the majority leader, in the event cloture should be invoked on the bill, what impact could that have on consideration of the Thomas nomination?

Mr. MITCHELL. Mr. President, as the distinguished Republican leader knows, we have discussed several times, as recently as this morning, the schedule of events prior to the Columbus Day recess, and I indicated that we would be able to extend the recess were we able to complete action on certain measures. Included among them was the action on the Thomas nomination. And at that time we had in mind doing the civil rights bill and either finishing the family leave bill or getting an agreement to vote on it by a time certain upon return.

Since we had that colloquy on the floor, Senator DANFORTH, who is the principal author of the civil rights bill in its current form that will be debated and voted on, who had previously requested that it be brought up this week, in the intervening time asked that I delay action on it until after the recess.

As I have indicated to the distinguished Republican leader, I am perfectly prepared to try to accommodate Senator DANFORTH. So I told him and I told the distinguished Republican leader that we would not act on it this week as originally requested because the request changed, and I wanted to accommodate him and the Republican leader.

That being the case, I would like to proceed with the family leave bill. We are not able to do that now. We will presumably have a vote on the cloture motion sometime this afternoon—I think we will be able to get to it, and I hope shortly after the recess for the party conferences. I would like to complete action on that bill and then go to the Thomas nomination.

I have indicated I do want to do the Thomas nomination, and as the distinguished Republican leader knows, if cloture is obtained, it will take consent to conduct any other business.

Mr. DOLE. That is the point I wanted to make. I am not certain when cloture will be filed on the bill if cloture is obtained, as I assume it will be, on the motion to proceed, or whether the majority leader has any intent to immediately file cloture on the bill.

Mr. MITCHELL. No, I do not. I can say to the distinguished Republican leader that I specifically do not have any intention to file cloture immediately on the bill. As he knows, on many occasions in the past few years we have discussed this and make an effort to accommodate anyone who has an amendment they want to offer.

If it becomes clear that amendments are not relevant and they are being offered as an effort to delay or kill the bill, then obviously we have to consider that. So I do not want to rule out permanently the possibility of filing cloture on the bill. But I have no intention of doing so immediately, do not plan to do so, and frankly hope that we do not have to do so.

Mr. DOLE. I thank the majority leader.

The PRESIDING OFFICER. The leader's time has expired.

Mr. DOLE. I yield the floor.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:39 p.m., recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

The PRESIDING OFFICER. Under the previous order, the pending business is the vote on the motion to proceed to the consideration of S. 5, the family medical leave bill.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 5 shall it be brought to a close?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

DEPARTMENT OF THE ENVIRONMENT ACT OF 1991

Mr. MITCHELL. Mr. President, I ask that the vote on the cloture motion on the motion to proceed to the family leave bill be temporarily set aside, and that the Senate proceed to the consideration of S. 533, the Department of the Environment Act, as under the previous order, relating to that act.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 533) to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes.

The Senate resumed the consideration of the bill.

MODIFIED UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, the prior agreement provided that there be 10 minutes for debate, equally divided. I now ask unanimous consent that the agreement be modified to provide for 10 minutes under the control of Senator HELMS, and 5 minutes under the control of Senator GLENN; that following the use or yielding back of that time, the Senate then proceeding to final disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I have received a distinct honor about every year that I have been in the Senate; I have been named as one of the dirty dozen by self-proclaimed environmentalists of this country.

All of us are in favor of protecting the environment. I have a son who is especially interested in the environment. He is a forestry graduate from North Carolina State University, but he says these self-proclaimed environmentalists are dead wrong in the way they are trying to protect the environment.

So, Mr. President, I asked for a few minutes to speak on the pending bill. I strenuously oppose elevating the Environmental Protection Agency to Cabinet level because it will inevitably lead to more bureaucrats, and of course more bureaucracy and more harassment of well-intentioned American citizens.

I would like a rollcall vote on creation of this agency, but there are some Senators who do not want a rollcall vote, and as an accommodation to them, I am not going to insist on one.

I think we all ought to be on record, because down the road, I expect that the American people will regret the action that the Senate is about to take on a voice vote.

Every time the Congress creates a new department, Mr. President, it costs the taxpayers an enormous amount of money. As I said, more bureaucrats, more bureaucracy, more spending. In the case of the Environmental Protection Agency, it will take millions of dollars just to change the stationery and the logos, and all their multitude of publications loaded with propaganda.

Once the EPA becomes a department, this already enormous bureaucracy will grow and grow and grow, just like Topsy. This new department, mark my word, will extend its tentacles across America just like an octopus, and bring every small business within its grasp.

There are countless examples of EPA bureaucrats exercising overzealous enforcement of environmental laws. I have a friend named Thurman Sensey, who told me that one time he was coming to my office from National Airport in a taxicab. They stopped at a stop light right in front of the Archives Building and in the marble appear the words: "What is past is prolog."

Thurman thought he would have fun with the cab driver, so he read aloud the words engraved in the marble. He said, "What is past is prolog," and he said, "Driver, what does that mean," thinking the driver would say, "I do not know what it means."

But the driver knew. He said, "Sir, that means you ain't seen nothing yet." So, "You ain't seen nothing yet," when it comes to the overzealousness of the self-proclaimed professional environmentalists, until you make a department out of this organization.

Let me cite just a few examples. First, there is the case of a man named Larry Gerbaz, who is a rancher out in Colorado. Now, a river running adjacent to this man's property jumped its banks, endangering his home and his family. Mr. Gerbaz frantically tried to get a permit from the EPA to put some stones on the bank of the river to stop the flooding, and the EPA refused. When he tried to protect his property, the EPA prosecuted him for water pollution, and they slapped him with a $95 million fine. Come on, Mr. President.

Then there is the case of a man named John Pozsgai of Pennsylvania, who decided to clean up an old junkyard that he had purchased. The EPA decided to prosecute this man, who was a Hungarian immigrant. And do you know what his sin was, Mr. President? He had presumed to place some topsoil in so-called wetlands.

But the property was not a swamp or a marsh, nor a habitat for exotic animals or rare plants. This piece of land was called a wetlands by the EPA simply because of the presence of some skunk cabbage. You know what skunk cabbage is; it is just a common weed.

EPA Special Agent Blodget videotaped Mr. Pozsgai cleaning up the land, and then these special agents of the EPA stormed his house, carrying guns, and arrested him. And for this terrible crime that he had committed, cleaning up a junkyard, he was sentenced to 3 years in jail and fined $202,000. The Washington Legal Foundation, bless their hearts, appealed this outrageous sentence on Mr. Pozsgai's behalf.

Mr. President, I ask unanimous consent that several articles by printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Another example, Mr. President. The Superfund boondoggle. Now, if there ever was one, this is a classic example of bureaucratic mismanagement, cost overruns, and harassment of America's citizens.

A Washington Post article of June 19 of this year exposed the EPA's abuse of the Superfund money. The Post reported that one-third of the $200 million Superfund budget is in fact spent on administrative expenses and consulting fees: You scratch my back, and you get a big check; and I will let you scratch mine, and I will get a big check. And that is the way Washington works, using the taxpayers' money.

An EPA official conceded, and this is the statement of the week:

> We have a mess on our hands. . . We have too much equipment out there. We have too many contractors traveling to conferences.

You bet they do. They go around, they have cocktail parties and have a big old time living it up at the taxpayers' expense.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HELMS. Mr. President, this is just one example of the type of bureaucratic mismanagement at the EPA.

May I inquire, Mr. President, how much time I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute and 45 seconds.

Mr. HELMS. I thank the Chair.

Mr. President, then there is the EPA's questionable policy of risk assessment. The agency has built into the system a plethora of inaccuracies and overestimates. As a matter of fact, OMB issued a report last year criticizing EPA's risk assessment methods. The EPA always overstates the risks of various products by looking at extreme, worst-case hypotheticals.

For example, when the EPA bureaucrats are deciding whether a chemical is harmful, they assume that the so-called average person sits on a smokestack and breathes the chemical 24 hours a day for 70 years. That is reductio ad absurdum, as the lawyers say.

In 1989, the EPA's own risk assessment scientists conceded in a report that the cancer risk of toxic pollutants was overstated by anywhere from 10 to 100 times.

Experts now say dioxin is not nearly as bad as the environmental crowd had been claiming all these years. The man who evacuated Times Beach, MO, is now having second thoughts about the harmfulness of dioxin. The U.N. World Health Organization states that our dioxin standards are 1,600 times tougher than is necessary.

Mr. President, it is no wonder that American businesses are struggling to stay afloat when they are faced with this flood of environmental regulation, which is based on questionable scientific evidence.

But the EPA continues to regulate despite the lack of solid scientific evidence. The EPA's exaggerated risk assessment practices have been described in several newspaper articles. I ask unanimous consent these articles exposing the EPA abuses be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. HELMS. Mr. President, this EPA policy of fudging the numbers was prevalent during the clean air debate. The EPA actually ignored the 10-year, $500 million NAPAP study which concluded that acid rain caused minimal harm. The report refuted the need for the stringent provisions in the clean air bill. Nevertheless, the EPA pushed for acid rain provisions that will cost $4 to $6 billion a year and tens of thousands of jobs.

Mr. President, CBS' "60 Minutes" program did a great expose on how EPA and Congress ignored the NAPAP report. As Senator GLENN stated on the program "We spent over $500 million on the most definitive study on acid precipitation * * * and then we don't want to listen to what they say." I ask unanimous consent that the transcript of that program be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 4.]

Mr. HELMS. Mr. President, these are merely a few examples of EPA mismanagement. In light of this bad record, it seems highly inappropriate to reward the EPA. We need less Government bureaucracy, not more.

EXHIBIT 1

[From the Wall Street Journal, Jan. 11, 1990]

PROPERTY BUSTERS

Fans of "Ghostbusters" will recall that the movie featured a pompous bully from the Environmental Protection Agency. Well, life is imitating art in Morrisville, Pa., where a flabbergasted truck mechanic is discovering how little regard the EPA has for property rights. Somehow only Bill Murray could muster the bemused astonishment needed for this role.

John Pozsgai is a 57-year-old self-employed mechanic who bought and tried to improve what amounted to an illegal dump next to his home. For his trouble, he's earned a criminal sentence of three years in prison and a $202,000 fine for fouling U.S. "wetlands." If his experience is the shape of environmental law enforcement to come, Mr. Pozsgai can be forgiven for wondering why he ever fled Communist Hungary in 1956.

Mr. Pozsgai set off on his crime spree when he bought a nearby lot to expand his backyard truck-repair business. The 14-acre lot would remind no one of the Everglades. It's bordered by a tire shop, lumberyard and four-lane expressway, and for 20 years was used by neighbors as an unofficial dump site. Its only endangered species were 7,000 old tires, rusting cars and assorted junk. Mr. Pozsgai proceeded to clear the mess and spread a layer of clean landfill eagerly deposited by area contractors, as the nearby photos attest.

Somehow his enterprise offended the EPA's enforcers, apparently energized by George Bush's "no net loss of wetlands" campaign pledge. Most Americans probably figure that means protecting Cape Code or the great blue heron. And indeed the Pozsgai parcel was not even listed on the U.S. National Wetland Inventory Map. But the EPA judged that Mr. Pozsgai's vacant lot contained a stream—dry for most of the year—that somehow crossed the expressway and ran into a glorified ditch known as the Pennsylvania Canal. The EPA also cited as evidence the presence of skunk cabbage, a common weed, and sweet gum, a common tree. By this definition of "wetlands," just about any large American rain puddle will qualify as protected.

The Feds began to harass Mr. Pozsgai to get a permit for his property improvement, though Mr. Pozsgai claims state officials told him he could go ahead without one. The doughty Feds even staked out the property with a video camera to tape trucks dumping dirt. After the Feds got a restraining order, Mr. Pozsgai obliged by putting up barricades, but a few uninformed truck drivers still dumped their unhazardous dirt—providing more evidence against the evil emigre.

The Justice Department then charged him with 40 violations of the Clean Water Act, though the act never even uses the word "wetlands." The act merely bans the polluting of "navigable waters" of the U.S. The bar against polluting "wetlands" is a bureaucrat's interpretation of this typically ambiguous congressional law. The jury that convicted Mr. Pozsgai can be forgiven if it was as confused as the prosecutors.

At the sentencing, U.S. Attorney Seth Weber invoked President Bush's campaign pledge and claimed, "A message must be sent to the private landowners, the corporations and developers of this country." Presumably that message is that property owners who offend the government's environmental zealots will end up as indicted felons. Drug dealers can plea bargain, but "landowners" go directly to jail. In a similar case in Pensacola, Fla., a man and his son have been convicted for cleaning out a drainage ditch. Mr. Pozsgai would be in the slammer already if his case hadn't been appealed by the Washington Legal Foundation, a public-interest group. An appellate ruling may come as soon as Friday.

We've thought for some time that environmentalism and property rights are on a collision course. A free society should have room for both, but that's impossible so long as EPA Administrator William Reilly and his crusaders think individual rights have to be sacrificed to their view of the public good. John Pozsgai knows what that means.

[From Forbes Magazine, Jan. 22, 1990]

DANGEROUS CRIMINAL NABBED!

Who is the most notorious environmental criminal in the U.S.? Would you believe a Hungarian immigrant named John Pozsgai? Pozsgai, who owns a small truck repair shop, was convicted in late 1988 of violating the Clean Water Act. His sentence: three years in the slammer and a $202,000 fine, the stiffest penalty ever for an environmental violation. His crime? Filling in 5 acres of a 14-acre parcel he owns in Morrisville, Pa., near Trenton, without a permit.

Pozsgai, 58, came to the U.S. in the aftermath of the 1956 Hungarian uprising. In 1987 he bought the 14-acre tract so he could expand his business. The property had been used as a dump for years, so Pozsgai began cleaning it up, hauling away more than 7,000 used tires and other debris. He also began filling in the land with clean fill and topsoil.

Unfortunately, Pozsgai's property had been classified as federal wetlands because of a small stream that runs along its edge in wet weather. And he got repeated warnings from local and federal environmental authorities that he could not fill in his land without the proper permits. Pozsgai contends that a series of engineers he hired could not figure out how to file the necessary forms.

The sentence was the maximum allowed, unheard of in a case that involved no hazardous chemicals and no prior convictions, according to the Washington Legal Foundation, which has taken up Pozsgai's case. Pozsgai knowingly and repeatedly violated the law, say the feds, and now must pay the price.

The wetland outlaw's appeal is scheduled to be heard this month.

[From the Washington Post, Jan. 3, 1990]

EPA ACCUSED OF MUDDYING ITS "JACKBOOTS" IN PENNSYLVANIA WETLANDS

(By Howard Kurtz)

MORRISVILLE, PA.—With his thick, blackened hands, grease-stained flannel shirt, soiled work boots and pronounced Hungarian accent, John Pozsgai seems the very model of the hard-working immigrant as he fixes trucks at his garage in this small Delaware River town.

Yet this 57-year-old mechanic has the unhappy distinction of fighting the harshest sentence ever imposed in an environmental case—three years in prison and $202,000 in fines.

Pozsgai's problems began when he deposited clean topsoil on a ragged, weed-covered lot bordered by a four-lane state highway, a tire shop, a lumberyard and a junkyard filled with smashed cars. Although no toxic waste is involved, the government contends that the property is wetlands that must be protected under the Clean Water Act.

"I didn't even know why I was sentenced. . . . We never did anything wrong to that property except improve it," Pozsgai said recently in the small kitchen of his wood-shingled home across the river from Trenton, NJ.

Pozsgai's cause has been taken up by the Washington Legal Foundation, a conservative advocacy group that has delighted in portraying him as a gray-haired grandfather victimized by an aggressive Justice Department and by "jackboots" of the Environmental Protection Agency (EPA).

The foundation is representing Pozsgai before the 3rd U.S. Circuit Court of Appeals in Philadelphia, which is to take up his case next week.

"You've got the EPA, the Army Corps of Engineers and a zealous prosecutor trying to make an example of this poor Hungarian immigrant, thinking it's an easy hit," said Paul D. Kamenar, the foundation's executive legal director. "It's an overkill. It's bad policy and simply unjust."

But Assistant U.S. Attorney Seth Weber said public sympathy for Pozsgai is misplaced because he ignored "repeated warnings, notices and a court order" not to fill in the 14-acre property across the road from his house.

"The evidence was really overwhelming that his property was a wetland," Weber said. "It's not a Cape Cod kind of wetlands, but it's a wetland under the law. . . .

"He basically said, 'The law doesn't apply to me because it's my land and I can do whatever I want with it.' That's still his attitude," Weber said.

Keith Onsdorff, EPA's acting associate enforcement counsel, said there have been three other criminal convictions since 1986, when Congress changed some Clean Water Act violations from misdemeanors to felonies.

"We've made it a priority because we were dissatisfied with the level of deterrence provided by civil penalties, which could be passed on as a cost of doing business," he said.

Wetlands are valued by environmentalists as habitat for birds and other wildlife and for their role in flood control. But federal and state enforcement has been spotty until recent years, and half of U.S. wetlands once in existence have been lost.

Still, the Pozsgai property along West Bridge Street is no marshy bog where snowy egrets might lay eggs. It is an unsightly stretch of hard brown soil, bordered on one side by a narrow stream where Bucks County residents for two decades have dumped tires and debris illegally.

"I talked to many engineers," Pozsgai said. "This piece of land will never qualify as a wetland. They cannot tell you, actually, what makes it a wetland," he said, pronouncing it "vetland."

A strong-willed man who fled Hungary after the 1956 uprising, Pozsgai said he wanted the property to expand the backyard repair shop that he uses to support himself and his ailing wife, Gizella. Pozsgai works seven days a week at the garage, which he opened after his longtime employer, International Harvester, closed its Trenton plant several years ago.

Pozsgai bought the land in June 1987 and helped to haul away thousands of tires and debris. He then used topsoil, gladly provided by area contractors looking for a place to dump excess dirt, to fill in and grade part of the site.

At his trial, however, several witnesses contradicted Pozsgai's insistence that he never know that the property was wetlands. The real estate agent who handled the sale said the price was reduced from $175,000 to $142,500 after an engineering firm hired by Pozsgai found wetlands at the site.

A Corps of Engineers inspector said he told Pozsgai to obtain a permit before filling in the land and later served him with a "cease and desist" letter. A local official said that he warned Pozsgai "seven or eight times" against putting down more topsoil but that Pozsgai told him "to get the [expletive] off the property." Neighbors said their basements had been flooded, and one allowed the EPA to set up a surveillance camera at her home.

Pozsgai disputed these accounts, saying federal officials told him that he did not need a permit. Police arrived at his house in August 1988 with a court order barring further filling of the property.

Pozsgai drove to Harrisburg in a fruitless attempt to resolve the dispute with Pennsylvania officials, saying: 'I didn't know about the law, and I didn't have no lawyer." In the meantime, Pozsgai said, he was unaware that contractors were continuing to dump topsoil on his lot, which he says was blocked with barrels and tree stumps.

Days later, police handcuffed Pozsgai and took him to jail until his daughter, Victoria, posted $10,000 bail. He was represented at trial by a neighborhood lawyer who he says bungled the case. A jury convicted Pozsgai on the last day of 1988.

Prosecutor Weber said at sentencing that the case was a harbinger of President Bush's policy to prevent net loss of wetlands. "A message must be sent to the private land owners, the corporations, the developers of this country," he said.

U.S. District Judge Marin Katz called Pozsgai a "stubborn violator" of environmental laws and said the prison term should "serve as a deterrent to others who will doubtless be tempted by economic pressures."

Victoria Pozsgai, 24, a marketing researcher who spends most of her spare time on the case, said that she approached several Washington law firms about handling her father's appeal but that they asked for $30,000 to $40,000 up front. Then she heard about the Washington Legal Foundation, which agreed to handle the appeal without charge.

"It was just a godsend," she said. "We don't have the resources to fight the government. We're a family. We're not a big corporation."

The foundation's brief says Pozsgai's sentence violates the Eighth Amendment ban on "cruel and unusual" punishment and is "grossly disproportionate" to the probation and fines usually imposed in hazardous-waste cases. The Justice Department says the penalty is well within federal sentencing guidelines.

Other parts of the appeal turn on such arcane questions as whether the small stream along the property becomes a tributary of the Pennsylvania Canal and whether that canal formerly was used in interstate commerce.

Pozsgai refuses to concede even inadvertent wrongdoing. "We thought this was a free country here—you buy a piece of land; you use it," he said.

[From the Washington Times, Dec. 20, 1989]

WETLANDS FIRST; PEOPLE SECOND

John Pozsgai probably didn't expect any medals for cleaning up an unsightly dump site to put his business there. The Hungarian emigre just wanted a chance to expand his small truck-repair business to help support his wife and daughters. Well, not to worry about the medals. If the Environmental Protection Agency gets its way, Mr. Pozsgai's reward will be three years in prison.

His crime? In removing the more than 7,000 tires, the rusted auto parts and assorted junk that had piled up over the years at his Morrisville, Pa., property, Mr. Pozsgai put down top soil and earth. That, said the EPA, is a violation of wetlands protections laid out in the Clean Water Act.

There is, you see, a small stream that, when it's not bone dry, runs along the eastern edge of the 14-acre property. That supposedly makes a junkyard a wetland, even if it's bounded by two major highways, a tire dealership, and an automobile salvage yard. Never mind that it's not on the Department of Interior's National Wetland Inventory Map. Never mind that, as the government acknowledges, Mr. Pozsgai put no pollutants or hazardous waste on the property. Or that he didn't threaten endangered species or water quality.

Under the prodding of EPA officials waving President Bush's "no-net-loss-of-wetlands" campaign pledge, a district court sentenced him to the maximum three years in jail and fined him more than $200,000. This is the longest jail term ever for environmental violations, even for real polluters.

Mr. Pozsgai's real crime in this case seems to be that neither he nor the engineers he consulted were immediately able to negotiate the regulatory maze that allows you to put topsoil on your property. It takes a permit to do that on a wetland, depending on which regulations you read, whose advice you get and what day of the week it is. Washington Legal Foundation lawyers representing Mr. Pozsgai, who had no prior criminal record, say he didn't need a permit. But EPA undercover-types, who secretly filmed trucks bringing the illicit topsoil to the property, say he did. An appeals court has tentatively scheduled a hearing on the case next month.

Mr. Pozsgai, unfortunately, isn't the only one to run afoul of the wetlands police. A Florida retiree and his son were jailed after putting a half-acre of clean fill and topsoil on his property without permit, although state officials told him none was needed. And Alaska officials are understandably worried that a no-net-loss policy would mean no net growth and no new oil there because more than half the state, and almost all the 37-million-acre oil-rich North Slope, is considered wetlands.

These are the sorts of problems that occur when save-the-whales-style environmentalism jumps off the bumper stickers and starts chasing real people in real life. Acid-rain legislation means throwing coal miners out of their jobs, global-warming activists want to keep the Third World in pristine low-emission poverty—all for uncertain benefit.

Likewise, wetlands worship may be nice in the abstract, but in practice it means putting the nation's energy security on hold and beating up on small businessmen. The irony is that Mr. Pozsgai, who fled communist oppression in Hungary, now finds his freedom trampled under the EPA jackboot. If this is what Mr. Bush and EPA Administrator William Reilly mean by a kinder and gentler America, let them explain it to John Pozsgai.

EXHIBIT 2

[From the Washington Post, June 19, 1991]

ADMINISTRATIVE COSTS DRAIN "SUPERFUND"

(By Michael Weisskopf)

Nearly one-third of the $200 million spent by the federal govenment since 1988 to clean up the nation's worst toxic waste sites has been spent not to clean up anything, but to pay the administrative expenses of private contractors.

In the jargon of the Environmental Protection Agency (EPA), which runs the cleanup program, the money has gone to "program management"—a loosely defined category of overhead covering everything from fringe benefits to office rents, business cards and parking fees of the engineering firms hired to carry out the work.

Program management is supposed to compensate firms for the costs of paperwork and coordination of cleanup projects under the EPA's "Superfund," created by Congress in 1980 to rescue communities from poisonous debris dumped by industry for decades. But the agency has so broadly defined those costs, and so widely distributed its largess under a new structure set up three years ago that administrative expenses have risen to twice the hourly rate of earlier Superfund contracts and nearly three times ths spending target of agency planners.

The payments go far beyond the terms of most government contracts, which pay only for the actual time and expenses needed to administer their projects. Under program management, the EPA agreed in advance to set up semi-permanent offices for 45 companies hired since 1988 to plan, arrange for and supervise cleanups they are contracted to carry out. Rent and salaries are paid, business costs such as training and recruitment are covered, and profit and bonuses are awarded—regardless of how many cleanup jobs they have to manage.

Congressional critics frequently complain of too few cleanups—64 of the currently listed 1,200 Superfund sites have been completed with the $7.5 billion spent since 1981. Yet there has been no public examination of how appropriations to one of the nation's largest public works projects actually are spent.

A close look at the Superfund budget since 1988 reveals an increasing share for administration—$62 million in all—paid to some of the nation's largest engineering firms for services only remotely related to the cleanup of toxic waste. Existing 10-year contracts are expected to cost $6.5 billion between 1988 and 1998. At the current rate, program management would consume nearly $2 billion of that.

According to interviews and an extensive review of EPA records obtained by The Washington Post under Freedom of Information Act requests, program management includes a number of questionable expenses, none of which appears to fall outside the broadly drawn EPA limits. For example:

The EPA has paid millions of dollars in "start-up" money to the program management offices of contractors before they had a cleanup project to manage.

Four West Coast firms among them received $855,000 in the spring and summer of 1989 without having to visit a single toxic waste site. For the $260,000 paid one of them—URS Consultants Inc.—its Sacramento, Calif., branch spent four months basically gearing up its administrative apparatus and lining up subcontractors.

The EPA has paid some firms twice as much money to administer cleanups as the firms spent on the cleanups themselves.

One such firm is the New England office of Roy F. Weston, Inc., which has received $635,000 to administer Superfund fieldwork that cost $340,000.

Not everything EPA buys its contractors is obviously related to cleaning up toxic waste. The Dallas office of Fluor Daniel Inc., for example, collected $162 for potted plants, $400 for business cards and $4,200 for technical books and journals.

The EPA has paid for millions of dollars worth of pollution-detection devices for which contractors short of cleanup assignments have no immediate use.

For example, half the $445,000 worth of equipment bought for Malcolm Pirnie Inc., of New York, since August 1989 sits unused in a warehouse leased by the EPA for $30,000 a year. Identical devices also were purchased for other firms in the area.

The EPA has awarded tens of thousands of dollars in bonuses for program management, even though agency officials had sharply criticized the same programs for excessive costs, tardiness, wastefulness, sloppiness and unresponsiveness.

In Kansas, for example, Jacobs Engineering Group was criticized in 1989 for failing to demonstrate "cost consciousness" and control of its labor costs. But the firm was given a quarterly bonus of $6,785 for program management. Five months later, the EPA again chided Jacobs for not reining the costs, then approved a $3,000 bonus.

The EPA pays contractors for travel costs, expenses and time spent at professional conferences.

In 1989, the EPA hosted more than 80 new contractor representatives at an orientation session in Dallas. The tab for the two-day conference came to $210,000, all of which was picked up by the agency.

The EPA pays for nearly any activity remotely connected to program management, including the writing of self-evaluation to justify bonuses. The New Jersey office of Ebasco Services Inc. wrote a 70-page appraisal in 1989 that the EPA characterized as repetitious, but for which it paid the firm $6,000 to produce.

In another case, the San Francisco branch of Bechtel Environmental Inc. listed a single item under "significant accomplishments" in its activities report for April 1990—"achieved required target of $60,000" in monthly program management costs. Looking ahead to "major activities" in May, it noted plans to "prepare a new manhour and cost forecast" and "compile data" for an upcoming EPA review of its books.

An EPA analyst cited the entry as reason to "call into question the scope of the [program management] function" and recommended that staffing levels in Bechtel's program management office be reevaluated.

Some EPA officials move beyond criticisms of individual firms to question the cost-effectiveness of a system in which program management expenses have doubled from the 1988 average of $17 an hour to $35 an hour and up to $120 for one firm. As the costs swell, the EPA is scrambling to transfer other work to program management offices and pondering the penalties of breaking the contracts.

WE HAVE A MESS

"We're spending too much money for program management," said David J. O'Connor, the EPA's director of procurement and contracts management. "We have a mess on our hands."

In the Superfund branch, however, officials defend program management offices as necessary to administer contracts of such size and technical complexity. They assure reliable record-keeping, issue monthly reports to the EPA on the progress of site work, purchase equipment to investigate pollution, hire cleanup crews, and make sure that federal guidelines for health, safety and work quality are met.

"We envisioned these would be very large contracts, there'd be a lot of time pressures, dollar pressures, socio-political pressure from working with communities," said Paul Nadeau, acting director of the EPA's hazardous site division. "That kind of contract warranted very careful management."

Nadeau said that costs are high because polluters are doing more of the cleanup themselves, rather than risk a court order to pay for the work of an EPA contractor. The agency can recover cleanup costs if it can identify the polluter, and it has stepped up enforcement in recent years.

Because program management payments to EPA-paid contractors are largely fixed, and payments for cleanup work have declined, the administrative units are eating up a bigger portion of total outlays.

But critics point to the very number of Superfund contracts, each requiring a separate administrative unit with identical obligations, is the reason for high costs.

Each of the 45 program management offices has monthly reporting duties to EPA, regardless of workload; each has to maintain equipment; and each had to draft a series of initial management strategies governing, among many other things, safety and health conditions for employees. The Atlanta branch of CH2M Hill Inc., for example, billed the EPA $28,000 for one plan that largely duplicated the plans of each of the other 44 contractors.

"There's too much redundancy," said O'Connor. "We have too much equipment out there, too many contractors traveling to conferences. Instead of having five jobs under one contractor and five under another, it could be done more efficiently at less cost if one contractor handled all 10."

Initially, the EPA used three engineering firms to oversee Superfund. But because of the slow pace of cleanups, officials decided that breaking their dependence on such a small number of contractors and decentralizing the program would breed efficiency. For the work of the 1990's, 45 firms were thought to be needed. They were signed up in 1988 and 1989 to contracts extending over a 10-year period.

The nation was carved into regions and several firms were assigned for each region to share cleanup assignments from the agency to evaluate pollution levels, design cleanups and hire subcontractors to carry out the plans. In the new generation of contracts, with a budget of $6.5 billion. EPA earmarked about 11 percent of the total for program management.

But because of the unexpected increase in the number of sites cleaned up by the polluters themselves, the EPA overestimated the need for its own contractors. Locked into the 10-year contracts, the agency keeps picking up the management costs, even though the large number of cleanups anticipated never materialized.

Contractor payments were divided into two accounts, one for fieldwork and one for program management. For both services, the EPA agreed to cover costs, guarantee a 2 to 3 percent profit and pay bonuses of up to 7 percent depending on the quality of work.

The Dallas orientation meeting was called in October 1989 to mark the new contractors. The EPA was flush with Superfund money, appropriated by Congress at a higher rate than the agency had spent during the previous three years. The time seemed right for a national conference to discuss new management procedures "in a forum that will allow all parties to gain a concurrent and clear understanding of EPA policies," as the EPA invitation letter put it.

When the 84 "guests" filed their expense accounts, the totals came to more than many of their firms would earn for cleanup work for months. Air fare, meals and rooms—the essentials—came to $75,000, EPA records show. But the contractors also claimed wages for the two days of meetings and travel time. And they billed for "indirect" corporate costs. For the program manager and deputy manager of Ebasco's New Jersey branch, the total came to $6,116. This included more than $4,000 for their 41 hours of participation.

One lesson contractors did not need to be taught at Dallas was how to justify the administrative payments from the EPA before the firms had their first job to administer at a toxic waste site.

URS Consultants of Sacramento, Calif., reported a series of "start-up" activities for the $260,754 that it received for program management in the four months waiting for site work. The firm drafted plans and manuals, culled documents, attended meetings and got its staff and subcontractors in place, according to reports filed with the EPA.

A URS spokesman declined further comment, he said, on the advice of the EPA. He said the agency believes it "furnished you with complete information concerning the matter."

HEAVY INITIAL COSTS

The EPA sank heavy initial costs into program management offices before knowing how busy they would be. For Fluor Daniel, the agency rented office space in Dallas for up to $6,500 a month, furnished it and provided three vehicles for $84,000, covered $50,000 in living expense for two company officials to work there the first year and relocated two other employees for $13,000.

But there has not been enough work to justify the full-time presence of the program manager and the contracts manager. So they stay at Fluor Daniel headquarters in Irvine, Calif., and the EPA pays to fly them to Dallas for meetings.

The trips have cost $40,000 in travel and living expenses since 1989, the firm's invoices show, not including labor costs billed for travel time during works hours. Fluor Daniel's long-distance connection also has pushed its phone bills to more than $25,000 since 1989, the invoices show.

A spokesman for Fluor Daniel said the EPA had insisted on putting the office in Dallas, and decided on the long-distance link as the most "cost-effective" way of operating until the workload increased.

For most contractors, the number of cleanup jobs has increased to a point where they have earned the contractor more than program management payments. In other words, for every dollar spent on management, at least another dollar's worth of planning or oversight is done. But several contractors have never caught up.

In the Boston office of Roy F. Weston, $2 of every $3 paid by Superfund has gone to program management. In its first year, the firm got $311,000 for administrative services while devoting less than the time of one full-time employee to site work.

Weston vice president, Peter B. Lederman said the lopsided payments reflect the lack of EPA cleanup assignments, not wasteful program management practices. He said that even in slack times, at least three employees are needed to maintain files and equipment, respond to EPA inquiries and issue reports and invoices.

"We don't get rich off it," he said of program management.

The EPA has criticized Weston's program management office several times for poor cost control and poor performance, concluding in 1990 that despite its "limited workload," the company "has a hard time managing what they have been assigned."

AGENCY PAYS BONUSES

But neither Weston nor any of the 45 contractors has been fired. Instead, EPA officials say, they pay large bonuses to reward efficient program management offices and smaller ones to the less efficient. Each firm used to be evaluated four times a year, now twice a year.

In practice, however, contractors often up with substantial bonuses despite negative reviews. Even contractors cited for "unsatisfactory" performance have received awards.

EPA officials said bonuses are calibrated to reward any level of achievement in program management, not overall performance. For a good job in three of 10 projects, for example, a firm is entitled to 30 percent of its maximum bonus. A firm may exceed its budget but still get a bonus for timely reports.

The Kansas office of Jacobs Engineering was rewarded with nearly $10,000 over a nine-month period, despite critical evaluations by the EPA. The firm was blamed for an "unacceptable" rate of labor costs—$154,000—for four of the months.

Roger Williams, senior vice president for Jacobs Engineering, said labor costs initially were high because the firm assembled a large administrative staff for what was expected to be a heavy workload. When the cleanup work failed to materialize, the company reassigned superfluous staff members, he said.

Labor is the largest single cost of program management—and the hardest to monitor. Each contractor must have a management team in place, even if part time. That means, for one thing, Superfund pays for 45 health and safety officers and 45 equipment supervisors.

For each hour worked, the staff members claim wages plus a negotiated rate of overhead covering such items as insurance, utilities, rent and fringe benefits. Their labor costs also include the general administrative expenses of the home office, including corporate salaries and corporate-wide services.

What the staff does for its wages is vague. Most monthly invoices list costs of "direct labor" without accounting in detail for hours and tasks performed. A "progress report" is supposed to fill in the details. But it, too, can be vague, listing undocumented activities as "maintained general liaison with EPA project officer" and "preparation of input to monthly progress report."

Without clear-out guidelines, contractors bill labor costs for such "efforts" as answering EPA inquiries about their bills or drafting complaints about EPA regulations.

Indeed, an EPA official in Boston balked when asked to provide the name of a contractor official to a reporter, fearing the official would charge the EPA for the time taken by an interview.

The $6,000 billed by Ebasco to write its 70-page self-evaluation consumed 72 hours of labor, the EPA said. Although the EPA reviewer criticized the report as "bulky," it was written "in good faith" to demonstrate the scope of the firm's work and not designed to run up labor costs, said Ebasco program manager Dev Sachdev.

Bechtel, the San Francisco firm whose program management activities were questioned by an EPA analyst, did more for its $60,000 payment in April 1990 than meet a spending target, the highlight of its monthly report. It also revised and reviewed health plans for four sites and surveyed its laboratory needs, the report shows.

Company spokesman Mike Kidder said the payment reflects the labor hours needed to "work through very detailed reporting requirements."

But, as a regional EPA official said of Superfund contractors in general, "We really don't know what they're doing. There's really no way to account for their time."

Nor is there precise accounting of routine office costs, such as supplies. O'Connor's staff reviews the billing procedures of firms every two years but, he said, relies on independent auditors for a detailed look. The auditors are years behind on Superfund work.

Fluor Daniel's charges were found in unusually detailed invoices. A company spokesman said the technical journals and books billed to the EPA were needed to handle government contracts, the business cards were printed to identify employees in their Superfund capacity, and the plants were "normal accouterments" of a business office.

The EPA authorized program management offices to buy equipment because Superfund work is so new and complex. But the sheer number of contractors, all needing basic gear from respirators to radios, led to widespread and wasteful duplication, EPA officials conceded.

EQUIPMENT EXCEEDS NEED

A total of $5.5 million worth of scientific instruments, vehicles and protective garb was purchased, too much for the slower-than-expected pace of EPA-sponsored cleanups, records show.

Malcolm Pirnie, for example, has never used $226,200 worth of its equipment, according to an April utilization report filed with the EPA.

On the unused list are eight devices for analyzing organic vapor, bought in June 1990 for $69,500. Four other firms in the same New York region were outfitted with a total of 25 similar devices costing $194,000, EPA records show.

Malcolm Pirnie vice president John Henningson said it bought the equipment on the basis of a company projection of equipment needs sought by the EPA before any cleanup work had been assigned to it and before the need for government contractors declined.

He said the firm expects to use "the majority" of the equipment over the 10-year life of the contract.

Whether the contracts run out their lifetime is uncertain. EPA officials are weighing whether it would be cheaper to break the contracts and absorb penalties expected to run from $500,000 each to several million dollars each.

Nadeau said a spurt in cleanup activity for the contractors is still possible. "It's still premature to terminate," he said.

But O'Connor believes the EPA should cut its losses. Recalling that the reason for expanding the number of contractors was to inject competitiveness into the system, he recommended that as many as a quarter of the contractors be "jettisoned."

"We have too many contractors, and some are not performing well," he said. "We don't need them all."

EXHIBIT 3

[From Inside EPA, Sept. 13, 1991]

INDUSTRY CHARGES INTERNATIONAL PUSH TO CUT LEAD EXPOSURE OVERSTATES RISKS

An EPA-led international effort to reduce lead exposures is moving towards restrictions on low-level lead exposures despite scientific evidence which indicates negligible health risks of such small doses, lead industry sources charge. The effort has also come under fire from environmentalists who charge that the international body is being too cautious in its moves to limit lead exposures.

EPA has taken the lead in drafting a lead risk-reduction strategy for the international Organization for Economic Cooperation & Development, in part, agency sources say, in response to complete bans on toxic substances such as lead suggested by Sweden last year (Inside EPA, April 20, 1990, p2). A draft report prepared by EPA—and expected to be adopted by OECD at a meeting this fall—suggests a variety of international risk reduction strategies for lead, from bans on uses for which there are readily available substitutes to taxes on products for which there are no known substitutes. The draft also suggests encouraging recycling of products containing lead and discouraging new uses of lead where possible.

But an international industry group argues in comments recently filed that the draft is mistaken in its conclusion that "effects associated with low level exposure to lead are (a) harmful and (b) causally related to lead." The industry comments, filed by the International Lead Zinc Research Organization, point out that the draft report acknowledges that "there remains uncertainty in the global scientific community about the causal relationship between low level lead exposure and lead in children." Yet the report also argues that "there is no apparant threshold for developmental effects in children" and provides rough estimates of health benefits expected from various exposure reduction scenarios. But given that lead is a natural element which "is found in the bodies of even the most remote populations at levels close to the mean levels in the U.S. today," the industry comments argue that "it would seem clear that the OECD document has overstated the health impact of low level lead exposure."

An industry source adds that the primary causes of recognized health problems are high blood lead (PbB) levels resulting from discontinued, highly-dispersive uses of lead, such as leaded gasoline or lead paint. This source argues that the international organizations should be spending their resources on abating lead from past uses and locating and treating children with high PbB levels, instead of developing plans for attacking low exposures of questionable concern.

But an environmentalist says "the science is as definitive as science can be," and there can be no reasonable argument that lead is not hazardous even at the lowest levels. This source argues that the only scientific controversy over lead health effects is caused by industry's claims that lead is safe. The flaw in the OECD document, this source says, is that "it is not nearly strong enough." Focussing only on past uses of lead would be a mistake because current uses may prove equally problematic later, this source argues.

An EPA source says the agency "sympathizes more with the environmentalists" on the debate, but that the agency will probably never go as far as the environmentalists would like. Industry "mounted quite an aggressive campaign to discredit the "report," this source says, but EPA is not recommending that countries "go ripping solder out of radios." This source says the report represents a moderate position that unnecessary uses of lead, such as inks and lead solders, should be phased out, while alternatives should be encouraged for uses that have high benefits. This source expects that the report will be largely supported by the full OECD meeting scheduled for November.

[From the Los Angeles Times, Aug. 20, 1991]

SEEKING THE TRUTH IN TOXICS

Whatever else the chemical compound dioxin may do, it is going to haunt efforts by regulators to protect industrial societies from their byproducts for a long time.

Fused in a meeting of heat and chlorine, dioxin has for years been at the head of the list of dangerously toxic chemicals that are loose in the U.S. environment.

It got there because in the 1960s and 1970s guinea pigs died from exposure to it in a matter of weeks. It also got to the top of the danger list because techniques for determining its toxicity to humans were less sophisticated then.

Some scientists now are backing away from previous assessments. The U.N.'s World Health Organization is saying that American standards are 1,600 times tougher than necessary. The Environmental Protection Agency plans to spend a year reviewing the evidence on dioxin.

Some environmentalists are fighting back, claiming that all of the second-guessing is designed to save manufacturers the cost of cleaning up after spills and around their plants.

William K. Reilly, who heads EPA, recognizes that he is hitting a hornet's nest with a stick and that he will be damned if he does look back and damned if he doesn't.

In a gem of understatement, Reilly says, "There is not much precedence . . . for pulling back from a judgment of toxicity," but that new data suggests a lower risk.

Juries have awarded millions of dollars in damages to people who made the case that dioxin ruined their health. Dioxin is blamed for causing cancer among Vietnam veterans, and birth defects in their children. It was a key ingredient of the defoliant Agent Orange, which was sprayed on forests in Southeast Asia.

One scientist who is having second thoughts is Dr. Vernon N. Houk of the federal Centers for Disease Control. He urged all 2,240 residents of Times Beach, Mo., evacuated in 1982, because its roads were contaminated with dioxin.

He says he had no choice then because his lab was producing chilling reports on dioxin. Now the data says differently. It makes no case for a wholesale review of toxics, but on the matter of dioxin Reilly has no choice, either.

[From the Washington Times, Apr. 10, 1991]

BOMBS AWAY ON POLYSTYRENE?

(By Warren Brookes)

Bombing is something the Bush administration does well. While the Pentagon was blowing the Iraqi economy back into the Stone Age, the Environmental Protection Agency has been unloading regulatory munitions on the U.S. economy from apples to autos, from construction to chemicals, from Detroit to Phoenix.

This week the EPA will "dumb bomb" the polystyrene industry. EPA Public Affairs Director Lewis Crampton confirmed the agency has put polystyrene in the "C" category as a "possible carcinogen," based not on human epidemiology but rodent tests. Even though there is no evidence of any human danger, and no published research, everything from meat trays in supermarkets to coffee cups at the deli will be stigmatized as "carcinogenic."

The campaign against polystyrene foam culminating in the decision by McDonald's last fall to replace foam hamburger containers with some kind of coated paper.

That decision ran so counter to solid scientific analyses done for McDonald's and others that show actual environmental impacts favor foam over coated paper, there is a persistent rumor McDonald's was warned by the Environmental Defense Fund (EDF) that the EPA was soon to make a carcinogenic finding on the product.

Just as the Natural Resources Defense Council worked closely with EPA in destroying the apple industry with Alar, EPA has apparently cooperated with the EDF to slay the polystyrene monster.

What is gratuitously obscene about this is that it comes on the heels of growing scientific skepticism about the validity of EPA risk models, caused in part by the dioxin case. For years dioxin, the principal ingredient in Agent Orange, has been regarded by EPA as the most dangerous carcinogen extant, many hundreds of times as potent as the next chemical risk.

Based on that "modeled" assumption, Congress and the Bush administration recently awarded what could be as much as $200 million to $1 billion in payments to Vietnam veterans who contract soft-tissue sarcoma. That decision is spurring the legal profession to seek out veterans' cases against the manufacturers. The number of such cases is expected to reach 250,000.

But the modeled assumptions of dioxin risk in these cases are predicated entirely on feeding rodents massive doses (up to 30,000 times human exposure) of dioxin-saturated foods. From these high-dose results, the EPA uses a straight-line "no threshold" (linear multi-stage) basis for extrapolating human danger. In other words, no matter how small the dose, it's dangerous.

But that "no threshold" assumption—which underlies all EPA chemical risk assessments—has been blown away, as one epidemiology study after another has failed to confirm dioxin's alleged toxicity. As Science Magazine reported on Feb. 8, "Even among highly exposed groups, like the people who lived near the chemical plant that exploded in Seveso, Italy, in 1976, the only undisputed effect until recently has been the skin disease chloracne."

Ironically, last January, the first study ever to show even a week link between dioxin and human cancer published in the New England Journal of Medicine, in fact destroyed EPA's risk model.

That study carried out by the National Institute for Occupational Safety and Health (NIOSH) under the leadership of Marilyn Fingerhut was the most comprehensive look at human dioxin exposure ever done, involving 5,172 workers and at 12 plants in the United States that produced the dioxin-containing pesticides and defoliants.

The average exposure of these workers was 80 times to 500 times U.S. average background levels, and up to 200 times the exposure levels of even the most exposed Vietnam era veterans, the Ranch Hands Air Force personnel who did the Agent Orange spraying.

If the EPA model were correct, these workers should have shown at least 5 to 10 times the expected level of cancers for non-exposed persons. Instead, the researchers found, "Mortality from several cancers previously associated with [dioxin/Agent Orange], stomach, liver, and nasal cancers, Hodgkin's disease, and non-Hodgkin's lymphoma, was not significantly elevated in this cohort. Mortality from soft-tissue sarcoma was increased, but not significantly." (Emphasis ours.)

As Science reported on Feb. 8, scientists meeting at Cold Spring Harbor Laboratory in January agreed that "before dioxin can cause any of its myriad [alleged] toxic effects, be they cancer or birth defects, it must first bind to and activate a receptor. That implies there is a 'safe' dose or practical 'threshold' below which no toxic effects occur."

"And that in turn means that the model EPA uses is wrong. 'It topples the linear multistage model,'exclaims Michael Gallo of the Robert Wood Johnson Medical School in New Jersey."

The whole foolish notion there is no safe level of anything proven to be "toxic" in animals (at thousands of times human exposure or more) has repeatedly been blown away as excessive. While EPA regulates dioxin exposure at 0.006 picograms per kilogram of body weight per day, Canada and Europe have been correctly regulating at 1 to 10 picograms, or 170 to 1,700 times higher.

Given this, one would have thought the agency would be cautious about destroying yet another industry on the basis of an animal test and at least 50 unproven, and unscientific assumptions. After all, they've had to back down on asbestos, dioxin, EDBs and, most recently, fluoride.

But that ignores the fact that today's EPA is under the direction of an ideologue with strong ties to a movement whose deepest conviction is that economic growth is bad for the environment and technology is the enemy of the planet. Bombs away.

[From the Washington Times Nov. 28, 1990]

RADON RISK IN OUR WATER?

(By Warren Brookes)

Even as the scientific community is seriously questioning the Environmental Protection Agency's exaggeration of the risk of residential radon, the EPA was (and may still be) planning an even more preposterous $17 billion to $34 billion boondoggle against state and local water services and their taxpayer/customers.

Until it was temporarily embarrassed by a scathing report from its Scientific Advisory Board (SAB), which surfaced publicly on Nov. 2, the agency was planning to rule that drinking water should not exceed 300 picocuries/liter (pCi/L).

While that may seem high when compared with the present EPA "danger level" for homes (4 pCi/L), the risk factors for water are altogether different because so little water is ingested.

The equivalent risk ratio is 10,000 to 1 air to water, so 300 pCi/L in water is the equivalent to only 0.3 pCi/L in air. The average background level of radon in U.S. homes is about 1.2 pCi/L or 40 times the proposed regulation for water.

To put it another way, the 4 pCi/L "action" standard used by EPA for homes is 133 times as high as the proposed water rule. Yet, as the Oct. 22 editorial in Science magazine pointed out, even that residential standard is now under attack by radiation/cancer researchers who have yet to find any evidence of raised lung cancer death rates even in areas where average residential levels are well over 8 pCi/L. Canada's "action" level is 20 pCi/L because it saw no evidence of public health risk even at that level.

Even if we were to regulate water equivalent to U.S. residential background levels, EPA would have to set a water regulation of 12,000 pCi/L. (See Table.) But the number of wells over 12,000 pCi/L is so tiny such a regulation would be meaningless.

In California, for example, the state Department of Health Services surveyed 252 major ground-water wells operated by some 41 separate water agencies around the state and found only six (2 percent) with levels above 1,500 pCi/L, and none above 4,000.

By contrast, under a 300–500 pCi/L standard, nearly 70 percent of its wells would have to be "remediated." The Association of California Water Agencies estimates that as many as 14,000 ground-water wells would be affected. Although radon levels could easily be reduced by charcoal filtration, EPA opposes that method because the filters then would constitute a radioactive waste to be disposed.

The EPA-recommended remediation is construction of aeration towers around every ground-water well feeding more than 10 homes, at an estimated cost of $100,000 to $200,000 per tower, or a cost range for the state of California alone of $1.4 billion to $2.8 billion.

And that is for a state that already has the lowest tested indoor radon levels for the nation. For the nation as a whole, this suggests a cost of $17 billion to $34 billion.

The good news is the SAB report ripped apart the EPA's support for this madness, saying "the overall quality" of this science "was not good." It found that the support documents contained "irrelevant information and incorrect definitions of fundamental technical terms," and "were inconsistent in their approach to risk assessment. . . ." The bad news is that the EPA desperately needs to protect the radon risk estimate because theoretically it is by far the most "dangerous" substance it regulates.

The agency's own newsletter "Inside EPA" reported this major embarrassment saying, "the subcommittee's [SAB's] report in the words of one subcommittee member will be 'damning,' saying EPA 'did a lousy job.'" The job was so bad the entire project had to be transferred out of the EPA's water division to its Air and Radionuclides Division, and the EPA's Jan. 21 deadline for complying with a court order had to be postponed.

Once again the EPA has embarrassed itself on a major regulatory issue with bad science. No wonder EPA Administrator William Reilly is reportedly growing nervous that the radon program may become just as big a fiasco as the asbestos removal program.

And just as costly. For example, an analysis by the New England Radon Committee (NERC) estimates that in its six-state region even a 500 pCi/L standard would require mitigation of 678,000 wells, at a total cost for the region of $1.4 billion. That translates into $24 billion for the nation as a whole.

In a March 1989 report to the EPA, the NERC said a standard even as low as 500 pCi/L would make no sense from a health benefit standard "since living area radon concentrations are approximately 1.2 to 1.4 pCi/L and the 500 pCi/L would only add 0.05 pCi/L to this." It said "the financial burdens on affected state programs would be disproportionate to demonstrate health benefits" and "would result in rate increases to consumers which cannot be justified by commensurate health benefits."

A 1988 letter to the EPA by David Brown, chief of toxic hazards for the Connecticut Department of Health Services, calculated "the radon content of a water supply that would have to be exceeded in order for a health effect to be demonstrable" and arrived at a figure of 5,000 pCi/L. That's more than 10 times the level being proposed by the EPA.

The EPA overkill on radon clearly is an act of desperation by an agency now confronted with a very real "hazard" to its own health safety regulation: If as Science now suggests, residential radon is increasingly shown to be a modest risk, the EPA's entire health regulation program is endangered.

That is why the EPA is trying to force the U.S. public to ratify its ridiculous risk models at a cost of tens of billions. It's a growing scandal.

EPA IN YOUR BEDROOM?

(By Warren Brookes)

Liberal Democrats are always complaining that conservatives want to invade our bedrooms when it comes to our reproductive behavior. Now it turns out liberals want the Environmental Protection Agency to invade and inspect our houses for something called "indoor pollution."

No kidding. On April 24, the Senate Environment and Public Works Committee marked up and sent forward S 657, the Indoor Air Quality Act. Its initial $49 million price tag is a tiny down payment on what could be hundreds of billions of dollars in costs to homeowners. The inventor of this nanonannyism is Senate Majority Leader George Mitchell who wants to establish an Office of Indoor Air Quality and a Council on Indoor Air Quality.

What will these new bureaucratic meddlers be doing? They will be conducting "a coordinated research program on indoor air contamination, to institute a process for directing and focusing authorities of existing federal statutes to reduce indoor contamination and to demonstrate and develop state and local responses to indoor air contamination problems."

In other words, the same environmental police force the EPA will be assembling from the Clear Air Bill will begin to cast its turf-building eyes toward every household in America.

It's only a matter of time before homeowners who want to sell their houses will have to get an EPA-approved "air-quality test" of their home, and spend thousands to "mitigate" any "problems" before they can sell.

That's already happening on radon. Recently an employee of a very large computer company told us of a horror show in which a relocator service forced him to spend nearly $2,000 trying unsuccessfully to get a 4.3 pCi/1 basement reading down below 4. Yet the living space level was very likely to have been 1 or less, and presented absolutely no health danger. Even though EPA can't "regulate" radon, it is now working with real-estate groups and Congress to make such costly foolishness mandatory.

Mr. Mitchell's 66-page Indoor Air Quality bill calls on the EPA to issue "Indoor Air Contaminant Health Advisories" and develop "National Indoor Air Quality Response Plans" and to work with states to develop similar plans.

The premise for all of this is that "contaminants in the air indoors pose a serious threat to human health," and "federal and state governments have not responded adequately to this problem."

In its 1989 "Unfinished Business" document, the EPA ranked "Indoor Air Pollutants Other Than Radon" fourth in their "Consensus ranking of environmental problems," right behind "pesticide residues on foods.' (See Table.)

EPA says its "quantitative assessment estimates 3,500–6,500 cancers annually," from indoor air pollution of which the majority (3,700) comes from secondary tobacco smoke. The rest supposedly come from a whole range of household pollutants from friable asbestos to hair spray and furniture polish.

Since EPA used essentially the same risk-assessment procedures to generate these indoor cancer estimates as to predict 6,000 annual cancer cases due to pesticide residues, Americans can relax about their health if not about the bureaucratic threat from the EPA to make mincemeat of their real-estate values.

Food and Drug Administration's top toxicologist Dr. Robert Scheuplein told the American Association for the Advancement of Science last winter that contrary to the EPA's alarmism, pesticide residues and chemical additives account for less than .01 percent of all cancer deaths. When we asked him if this meant "less than 50" he said, "Oh, much less than 50." When we pressed him for a number he said: "I won't give you one because I don't honestly believe anyone has every died from consuming pesticide residues on food."

Most serious risk assessors feel the same way about indoor air pollution other than cigarette smoke. Even there, the incidental tobacco smoke estimates are wildly exaggerated on the presumption that you can extrapolate cancer estimates in a straight line from the actual high-dose experience of smokers to the very low exposure of non-smokers.

One of the nation's top risk assessors, Michael Gough, director of the Center for Risk Management at Resources For Future, estimates that the regulatable risk of indoor air pollution is 1,240 cancer deaths, using EPA's risk-assessment formulae, or 124, using the methods similar to those used by the FDA, which he considers more realistic. While most risk assessors like Mr. Gough are glad to have a growing focus on the very real danger of tobacco use, they are skeptical about a "national program" to deal with a problem as simple as opening your window more often.

Indeed, the national push for energy conservation also federally driven has produced the more recent problems of "sick buildings" and has increased indoor air contamination in some new construction. As the EPA states it: "The Department of Energy has estimated that air-exchange rates in new construction are, on average, 50 percent lower than the national average."

EPA should know. To this date it has what one leading indoor air consutant in the Washington area told us the "sickest buildings" in the city. Instead of passing this zaniness, Congress should tell EPA to air out its own house, first.

[From the Washington Times, Apr. 25, 1990]

50,000 PREMATURE DEATHS?

(By Warren Brookes)

Advocacy groups routinely exaggerate their cause—and occasionally drift into what amounts to lying. In this respect, the environmental movement runs even more true to form, turning lying into an art form. So much so, we may well be in greater danger from the greenies' "statoxics" (poisonous statistics) than the alleged risks we are being urged to mitigate.

What is troubling is when the government's top environment officer engages in this process. On April 1, two days before the Senate approved the Clean Air Act, Environmental Protection Agency Administrator William Reilly claimed air pollution was causing "50,000 premature deaths a year." This statement stunned the Washington risk assessment community, including many within the EPA itself, where there is absolutely no scientific analysis to support it. Mr. Reilly's spokesman, Lewis Crampton, said his boss was using "a study by the American Lung Association." But that study has no epidemiological foundation and never was peer reviewed or professionally published.

In 1989, the EPA's own risk assessment team of 50 scientists and statisticians developed a report called "Unfinished Business" which concluded that the entire cancer risk associated with "hazardous toxic air pollutants" was from 1,027 to 2,054, and even those numbers are based on risk models that deliberately overstate risk by at least 10 to as much as 100 times.

This means the likely real risk of air pollution is between 100 and 200 additional cancer deaths a year, nationwide, and a major share of those cannot even be remediated by EPA regulation. What's more, EPA knows this. The March 1988 EPA "Regulatory Impact Analysis" on sulphur dioxides (SO2) the precursors of acid rain, reviewed all studies on SO2 and found "none of the available laboratory data support the notion that steady long-term exposure to acid sulphates at levels [characteristic of the United States] produce any measurable health effects." In its cost-benefit analysis, it assigned no dollar value to SO2 controls' ability to reduce mortality risk even at strict interpretation of present SO2 air-quality standards. Similar EPA analyses exist on surface ozone.

This may come as a shock to a general public that has been frightened to death by exaggerated reports of the dangers of environmental pollution. The other day at a Washington luncheon, a well-educated career woman and mother was holding forth on the health dangers of pesticides and dirty air. We asked her, "What percentage of cancers to you think are caused by the environment?" She paused for a moment, and then said, "Well I guess I would say 60 or 70 percent, but that's probably too low." "Would you believe less than 2 percent?" we asked. "Of course not," she said, "that's ridiculous." Not so. In 1981, the world's two leading epidemiologists, Oxford's Sir Richard Doll and Richard Peto, concluded after exhaustive analysis comparing animal test data with actual health statistical trends that indeed pollution was the cause of only 2 percent of all cancers—while 75 percent were caused by human lifestyle, diet, smoking, sexual and reproductive behavior.

That study was directed by Michael Gough, one of the nation's top risk assessors who was then at the Congressional Office of Technology Assessment. Mr. Gough, now director of the Center for Risk Management at Resources for the Future, points out that despite heavy criticism, "the Doll/Peto estimates have come to be regarded as conventional wisdom."

In fact, EPA has largely accepted the Doll/Peto parameters. In its 1989 "Unfinished Business" analysis, EPA shows a range of 6,214 to 11,054 for all "pollution"-caused cancers, or between 1.2 and 2.5 percent of all cancer risks.

Furthermore, those total risk numbers do not reflect the actual potential benefits of EPA regulation, since so many of them cannot be reached by even the most stringent controls.

In a paper for Risk Analysis last January, Mr. Gough looked at the question "How Much Cancer Can EPA Regulate Away?" and discovered it wasn't very much: "The total number of cancer cases that might be prevented by EPA regulatory efforts . . . range from between 1,200 and 1,600 to between 6,200 and 6,600, depending on how risk from animal data are estimated. Those estimates represent between 0.25 percent and 1.3 percent of the annual cancer mortality of 485,000 deaths." On air pollution, Mr. Gough's numbers range from 231 to 1,028. (See table.)

The range represents Mr. Gough's application of the much more realistic risk assessment method used by the Food and Drug Administration and the Centers for Disease Control compared with the deliberately extreme exaggeration of the EPA methods.

This is not the judgment of an industry shill, but an environmental expert of absolutely impeccable credentials who is frankly surprised by the way in which officials like Mr. Reilly use their office to spread unsubstantiated data.

What is more troubling to risk assessors is that such exaggeration is leading the nation into pouring more and more resources into smaller and smaller benefits. Even as we are turning down $300,000 bone marrow transplants and $500,000 dialysis machines (which actually save real people) we are about to spend another $46 billion on a theoretical risk of less than 200 to 1,000 lives.

[From the Washington Times, Apr. 11, 1990]

HOLE IN SENATE HEADS RIVALS OZONE GAP

(By Warren Brookes)

Two weeks ago, we got an urgent call from a top adviser to President Bush concerning something they had only just discovered in the Clean Air Act compromise: "Did you know the bill calls for the total banning of methylchloroform (MCF) by the year 2000?" he asked.

We asked back, "Where have you been? That passed the Senate back on Jan. 31, 95 to 2. Only Jesse Helms and Steve Symms voted against it."

"Do they realize what this would do to the entire U.S. electronic industry?" he asked. No. But it would send what's left of it to Japan, which has refused to consider such a ban.

The conversation was yet another reminder that, in the current environmental debate on Capitol Hill, the collective hole in White House and legislative heads may be larger and more permanent than the one that shows up every fall in the ozone layer over the Antarctic—and more dangerous to our economic and ecologic health.

The Senate rationale for the total MCF ban was that "scientists say these substances are destroying the stratospheric ozone layer which shields the Earth from the sun's harmful ultraviolet radiation."

Yet MCFs were developed precisely because they are one-tenth as destructive of ozone as chlorofluorocarbons (CFCs) and have a much shorter life in the stratosphere. MCFs have been a godsend to the electronics industry for which CFCs had been central to the production of computer chips and circuit boards. A total MCF ban would leave this industry and its defense products naked.

When an electronics representative asked a Southern conservative Republican senator why he voted for this ban he said: "My mother died of melanoma (skin cancer) and I have had problems with the same condition."

There are just three little problems with the senator's empathy: First, the levels of ultra violet-B radiation (UVB) over the United States have actually fallen by about 10 percent since we started measuring them in 1974. Second, the rise in melanoma in this country started in 1935, 25 years before the use of CFCs. Third, the only ozone thinning has been over the South Pole.

In short, neither CFCs nor MCFs have anything to do with melanoma. Indeed, there is very little hard scientific evidence that CFCs have been the significant cause of a thinning ozone layer or even that that alleged thinning is permanent.

The only theoretically predictive evidence comes from the discovery of a large "ozone hole" over the Antarctic in 1985 by British scientists led by Robert Watson. This "new discovery" was immediately seized upon as evidence supporting the 1974 theory of two California scientists, F. Sherwood Rowland and Mario Molina, that CFCs could "eat up" as much as 10 percent of the world's ozone layer.

Since 1985, scientists have measured the size of this ozone hole to see how much destruction was going on while environmentalists successfully pushed the nations of the world to an effective CFC ban by 2000, to keep the hole from "swallowing up our entire ozone layer," as one EPA "scientist" told The New York Times.

Yet in the midst of this political drive, growing scientific evidence suggests the hole is not a new phenomenon and may well have been reappearing periodically throughout Earth's history.

It now turns out that the first discovery of significant ozone thinning over the South Pole was not in 1985 but in 1956, before CFCs were even in general use. It was identified by the world's leading ozone layer researcher Gordon Dobson who at the time said the "ozone hole" appeared to be a natural anomaly.

Indeed no. The ozone layer itself is not something static but dynamically created through the interaction of the sun's ultraviolet rays and the Earth's oxygen. So long as there is sunlight and oxygen, there will always be an ozone layer.

For precisely that reason, however, the layer thins out over the poles during winter seasons when there is very little sunlight, and very extreme cold. While the size of this "hole" seems to have grown substantially in recent years there is still a major controversy over CFCs relative causative role.

Fred Singer, a University of Virginia physical scientist, with some of the longest continuous experience of investigating the ozone layer told us: "The scientific evidence of the relationship between the ozone layer and CFCs is still very incomplete. The remarkable scientific investigation now going on suggests the more we know the less sure we are about making policy."

NASA found this out when with much fanfare in March 1988 they announced that the ozone layer had decreased by a full 3 percent since 1970 and warned the 1988 hole would be even larger than the 1987 episode. But NASA provided no peer-reviewed analysis to back up either its claim or its prediction.

Just six months later we learned the 1988 hole plunged in size by 60 percent largely because of an unexpected heat wave over the South Pole. This confirmed Mr. Singer's simultaneous, peer-reviewed article in Eos, the house journal of the American Geophysical Union, which said the hole itself could be "an ephemeral phenomenon" which could disappear rapidly with changes in the upper atmosphere temperatures and the solar cycle itself.

Later this month, Mr. Singer has been invited to present a scholarly paper to NASA's International Conference on the Climate Impact of Solar Variability in which he will raise the question "Is the reported decline of stratospheric ozone a solar-cycle effect?"

There is a sound basis for his question. NASA's contention of a 3 percent decline in stratospheric ozone since 1970 is not only much larger than can be explained by current CFC levels or theory, but depends entirely on the selection of the time frame. And 1970 just happens to have been a solar-cycle maximum-activity year, while 1986 was a solar-cycle minimum.

This, Mr. Singer will suggest, means "the reported decline could at least be partly due to a secular variation of ultra-violet radiation, matching observed secular trends in solar activity."

He points out that the variability of ozone over recent solar cycles is on the order of 5 percent, far more than the decline supposedly "measured" by NASA in their "unpublished paper." Mr. Singer in short is about to call NASA's bluff, even as the Senate has played its blind man, driving premature stakes through the heart of the nation's already beleaguered electronics industry.

[From the Washington Times, Jan. 17, 1990]

BILLONS INTO THE AIR-TOXICS BREEZE

(By Warren Brookes)

A top career executive in the Environmental Protection Agency was asked how he would spend his budget to achieve the maximum reduction in premature cancer deaths.

"I would give it all to the American Cancer Society," he is reported to have said without hesitation.

The story which has been circulated widely might well be apocryphal, but it has a serious point, well-illustrated by the Air Toxics section (Title III) of the Clean Air Amendments (S 1630) now before the U.S. Senate.

Industry groups now estimate the likely cost of this section alone to the U.S. economy is between $20 billion and $30 billion. That's 10 to 15 times the $1.8 billion we now spend on the National Cancer Institute for a disease killing 470,000 per year.

Yet, the EPA estimates that even using the most-extreme-risk models only 1,700–2,700 cancer cases are caused by air toxics. Since 900–1,600 of those are blamed on motor-vehicle emissions (covered by other controls) the total range for all industrial air toxics is only 700 to 1,100.

And, because the bill only targets those plants emitting 10 tons or more of any one pollutant, its maximum potential remediation is said to be between 350 and 500, even assuming the Senate bill's insistence on cutting effective risk to 1 in 1 million.

That represents a cost per cancer avoided of between $40 million and $86 million each. If these numbers shock you, read the careful analysis of the air-toxics madness in the winter issue of Regulation Magazine, out next week from Cato Institute.

In it, two engineers, Frederick Rueter and Wilbur Steger, admittedly consultants to industry, nevertheless use the EPA's own data to show the costs and benefits of dealing with just two of the key air toxics, coke-oven emissions, and benzene.

The EPA itself estimates air toxics from coke ovens are responsible for 6.9 cancer cases a year nationwide, and benzene emissions for about 3.9 cases. (See Table.)

Last year the EPA issued a proposed NESHAP (National Emissions Standards for Hazardous Air Pollutants) rule on coke emissions. It said that using "best-available technology" (BAT) coke emissions could be reduced enough to cut cancer incidence from 6.9 per day to 4.0, a net saving of 2.9 cases, at a cost of $19.3 million per year, (an implied capital cost of $200 million). That's $6.8 million per case.

On benzene, EPA's NESHAP ruling last September called for cutting the total cancers presumed from that emission source from 3.9 to .5 per year, a saving of 3.4 cancers per year, at a cost of $200 million a year (an implied capital cost of $2 billion.)

Messrs. Steger and Rueter say, "This amounts to more than $58 million per life prolonged. It should not be difficult to find other applications for $200 million per year that would achieve much larger reductions in cancer risk * * *."

That's especially true since "the EPA's cancer risk estimates are extremely over-estimates of the actual risks" for air toxics. Why? Virtually all those are extrapolated for the general population from epidemiological studies of workers actually employed on the emitting source sites, or from high-dosage rodent tests.

But as Messrs. Rueter and Steger point out, that assumes a straight-line risk relationship between very high exposure and very low exposure. Now only is there no such connection with low-exposure workers (whose cancer rates are uniformly below EPA risk-model expectations) but none exists in the general population.

For example, they looked at the largest concentration of industrial coke ovens in the nation, Allegheny County, Pa. They calculated the age-adjusted cancer rates for the 30 geographic areas in that county for the period from 1969–1971, well before substantial emissions reductions took place, in order to get the maximum possible health effect.

Even so, they found no pattern of raised rates. Indeed around two of the three coke plants, cancer rates were from 20 to 40 percent lower than the county as a whole. They concluded "the risk levels are so low they cannot even be detected in epidemiological studies of population exposures to outdoor concentrations of coke-oven emissions that were (1969–1971) substantially higher than those prevalent currently."

The EPA admits its technique of extrapolating risk from high to low exposure has "no solid scientific basis." Worse, the EPA risk model assumes the average individual is exposed to the maximum possible ambient level of the pollutant for 24 hours a day through his entire 70-year life span. Since most of our life is spent inside our homes, and since we move on average every six years, such an assumption is a ludicrous exaggeration.

For coke, the two engineers conclude: "EPA assumptions result in the overestimate of those cancer risks by at least a multiple of 100." So, the likely national risk for all coke emissions currently is 0.07 cancers per year. The likely reduction from investing $200 million in capital is 0.03 cancers per year, or about 1 every 30 years or so.

For investing $20 billion to $30 billion on all air toxics, the likely reduction in cancers is not 350 to 500 a year, but something on the order of 3 to 5, or $4 billion to $9 billion per life prolonged.

As the EPA executive suggested, there must be myriad better ways to spend our money on health improvement than this.

Exhibit 4

ACID RAIN

KROFT. Acid rain and ecological catastrophe: two phrases that in many people's minds have become almost synonymous. Acid rain—poisons falling out of the sky, killing our forests and ravaging the countryside, and all of it coming from the sulfur-polluting smokestacks of the Midwest. But the most expensive and exhaustive scientific study even conducted on an environmental problem, which took 10 years, hundreds of millions of dollars and thousands of scientists to conduct, is about to publish its final report, which takes the conventional wisdom about acid rain and shoots it full of holes.

JAMES MAHONEY, Acid Rain Expert. I think we can be very simple about it. Acid rain is definitely a problem that needs improvement. It is not an ecological catastrophe at the levels we see here in the United States.

KROFT. [voice-over] Dr. James Mahoney is director of the National Acid Precipitation Assessment Program—. NAPAP for short. What he and his scientists found out while conducting the government study is really quite different from what most people have come to believe about acid rain.

Mr. MAHONEY. I think our science clearly shows that the effects are less severe by quite a bit than the most extreme stories we somethimes hear.

KROFT. [voice-over] And what are some of those stories? Well, here's an example. Earlier this year, Newsday reported that wispy clouds creeping silently through the Northeast's forests are slowly killing off trees.

Mr. MAHONEY. I think that's in the sense of poetic characterization.

KROFT. Overblown?

Mr. MAHONEY. In a word.

KROFT. [voice-over] In fact, the NAPAP study says acid rain isn't killing trees—period. We quote: "There is no evidence of a general or unusual decline of forests in the United States and Canada due to acid rain." The study did find that acid rain may be harmful to one kind of tree, the red spruce, at very high elevations, but that natural stresses like forest and insects are more significant factors in the loss of those trees.

Mr. MAHONEY. There is a broad view that acid rain kills trees on a broad basis. The scientific community, I believe even the environmentally active scientific community, now understands that this is not what we see.

KROFT. You certainly wouldn't get that impression reading news stories about acid rain.

Mr. MAHONEY. Our job is to carry out these scientific studies and to do the best job we can of being scientific fact-finders. News stories are much more likely to take an extreme position. It's much easier to write a story about a problem and to characterize it as being caused by acid rain.

KROFT. [voice-over] And what about the effect of acid rain on lakes? Well, for the past 10 years it's been widely reported that lakes in the Northeast are dying by the thousands and a report by the National Academy of Sciences in 1981 predicted that the number of acid-dead lakes would nearly double by the year 1990.

[interviewing] Has that happened?

Mr. MAHONEY. No, definitely not.

KROFT. What's the increase been?

Mr. MAHONEY. Our best estimate is that the level of—the number of acid lakes is probably just about the same now as it was a decade ago, and that's a fundamental difference compared to the commentary that the National Academy of Sciences made 10 years ago.

KROFT. *[voice-over]* The study found that acid rain does contribute to the acidity of lakes and streams, and it did find a large number of lakes to be acidic, particularly in New York's Adirondack Mountains, more than 200 out of several thousand. But most of those affected lakes are small in size, representing about 2 percent of the surface water in the Adirondacks, and many of those lakes were acidic before the industrial revolution, before there was acid rain. Acid rain, the study says, is one of many factors which causes acidity in lakes. The other reasons: acidic soil and wild vegetation.

Mr. MAHONEY. Interesting, the percentage of acidic lakes and streams is highest in the nation in Florida, by quite a bit. We know that the causation in many of these is natural. It has noting to do with acid rain.

KROFT. *[voice-over]* The study did confirm some concerns about acid rain. The sulfur emissions that cause it affect visibility. Acid rain itself does damage buildings and statues. But the problem is getting better, not worse. Sulfur emissions are down more than 25 percent since the Clean Air Act of 1970 went into effect, and those emissions will continue to drop as more and more old coal-burning factories are phased out and replaced.

Soil scientist Eg Krug [sp?] was one of many NAPAP scientists who looked into the effects acid rain on lakes and he says it's not a crisis.

EG KRUG, Acid Rain Expert. We believe that the effects of acid rain are there, but they're subtle. They're difficult to find. We can see other environmental insults very easily but acid rain—it speaks that it's not a particularly large problem.

KROFT. *The New York Times* reported recently that over the last 10 years, while NAPAP has been doing its study, the number of lakes turned into aquatic death-traps multiplied across New York, New England and the South, stretches of forest along the Appalachian spine from Georgia to Maine, once lush and teeming with wildlife, were fast becoming ragged landscapes of dead and dying trees. True?

Mr. KRUG. No. No. I don't know where they got that from. It appears to be another assertion, unsubstantiated, because we've spend hundreds of millions of dollars surveying the environment to see if that was occurring and we do not see that occurring.

KROFT. *[voice-over]* To be exact, they spend $570 million of government money and they are more than 3,000 scientists from places like Yale, Pennsylvania, Dartmouth and the National Laboratories at Oak Ridge and Argon [sp?].

Senator DANIEL PATRICK MOYNIHAN (D-NY). Good science—world-class science.

KROFT. *[voice-over]* Senator Daniel Patrick Moynihan wrote the bill which started this 10-year study because he was concerned about the lakes and the streams in his home state of New York.

Senator MOYNIHAN. We didn't know but what we were going to lose all our lakes and half our forests and God knows what else. It's good news to find that you don't have a devastating problem. It's also good news to know what kind of problem you have.

KROFT. *[voice-over]* It's not, however, been received as good news by most environmental groups. David Hawkins [sp?], a lobbyist for the National Resources Defense Council, says there's not much new in the NAPAP study. Hawkins says it confirms that acid rain is a problem and that the scientific community knew that 10 years ago.

DAVID HAWKINS, Environmental Lobbyist. The environmental community has spent almost no effort attempting to even monitor the progress of this program because we felt that this program was essentially a misdirection of resources and that our resources were better spent in trying to deal with the facts that we already have in hand about the damages due to acid rain. We have been working on trying to get legislation in Washington to clean up the problem, actually attack the pollution problem.

KROFT. So you've been working the political angle of it?

Mr. HAWKINS. I've been working the legislative angle of it, yes, trying to get a new law to control the pollution.

KROFT. Wait a minute. You seem to be saying it doesn't matter what the scientists say. What matters is passing the legislation.

Mr. HAWKINS. No, what we're saying is that you don't need additional years of documenting facts that we already have enough information about to know that the risks are so great that we should control pollution now rather than wait for additional years of research.

KROFT. [VOICE-OVER] Hawkins says that even if acid rain isn't a crisis, he considers it serious enough to require action and the legislation he's talking about is the tough acid rain provision of the new Clean Air Act, which his group, other top environmental lobbyists, the President and the Congress pushed through at the end of this last session. It will cost U.S. industries $4 billion to $7 billion a year to cut emissions that cause acid rain in half.

[on camera] What about the NAPAP study? It wasn't even a factor. The study received a one-hour hearing before a Senate subcommittee and was never even formally presented to the House of Representatives.

Senator JOHN GLENN (D-OH). We spend over $500 million on the most definitive study of acid precipitation that's ever been done in the history of the world anyplace, and then we don't want to listen to what they say.

KROFT. [VOICE-OVER] Senator John Glenn is concerned that the new legislation to cut down smokestack emissions will have a devastating effect on his home state of Ohio, not to mention Pennsylvania, West Virginia, Kentucky and parts of Indiana where high-sulfur coal, long blamed for causing acid rain, is not only the main source of energy but a major source of employment. Factories will be forced to install expensive new pollution control equipment. Utility rates are expected to jump by as much as 30 percent and 100,000 people could end up losing their jobs, many of them coal miners.

ROBERT MURRAY [sp?], Owner, Ohio Valley Coal Company. We're out of business. We're out of business. Our jobs are gone.

KROFT. [VOICE-OVER] Robert Murray owns the Ohio Valley Coal Company. He says more than 400 jobs are at stake at his company alone and he can't understand why no one is listening to the scientists.

Mr. MURRAY. The networks, the electronic media, the written media, have placed acid rain up to the point that our teachers, our students are totally confused about this issue, yet when the NAPAP study came out, you found it on page 34 of *The New York Times*. You didn't find it on CNN, CBS, ABC at all!

KROFT. You're very upset about this.

Mr. MURRAY. I am damned mad because this political issue is a human issue to me!

KROFT. *[voice-over]* About the only person who has written about the NAPAP study is this man, syndicated columnist Warren Brooks [sp?], who's made it a crusade.

WARREN BROOKS, Syndicated Columnist. It's sort of like trying to kill a gnat with a blunderbuss. I mean, it's just—we have this tendency to overdo it in this country. We just throw money at problems and I think we all agree that we don't have that kind of money to throw any more.

KROFT. *[voice-over]* Brooks has read the reports, studied the science and his conclusions have become the gospel for a growing number of people convinced that America is suffering from environmental hypochondria and that this acid rain legislation is just the most recent example.

Mr. BROOKS. If it's a crisis, we should act. We should—you know, damn the torpedoes, full speed ahead. What this study shows clearly is it's not a crisis. We should not damn the torpedoes. We should do it sensibly so we don't throw people out of work unnecessarily.

KROFT. Why has nobody listened to it?

Mr. BROOKS. Well, the point is that once their minds are made up—that is, "We're going to do something on acid rain. We're going to do something"—the politics is, "We're going to do something—

KROFT. That's happened. That's what's going on here.

Mr. BROOKS. That's what's going on.

KROFT. *[voice-over]* Brooks says the political agenda was set by candidate George Bush when he pledged to become the "environmental president" and to do something about acid rain. Brooks claims that Congress, looking at public opinion polls, decided voting again clean air was like voting against motherhood.

[interviewing] So you're saying this has a lot more to do with politics than it does with science.

Mr. BROOKS. Absolutely. Absolutely.

KROFT. There are votes in it.

Mr. BROOKS. Yeah. Very simple.

Mr. HAWKINS. We live in a representative democracy and if the public believes that environmental protection is important and they are prepared to spend more of our wealth in protecting the environment, then it's responsive to do that.

KROFT. And you think the American public is well-informed on this issue.

Mr. HAWKINS. I think the American public can look out their windows and see what we're doing to the environment. They can read about it in papers. They can read about it in books.

Mr. KROFT. [voice-over] So what are we going to get for those billions spent to control acid rain, not to mention the lost jobs? Well, according to Warren Brooks, the only certain benefit will be the recovery of about 75 small lakes out of several thousand in New York's Adirondack Mountains.

Mr. BROOKS. Now, that's at $5 billion a year for, whatever, 50 years. That comes out to about $4 billion a lake.

Mr. KROFT. [voice-over] The Bush administration and environmental groups say there's much more to it than that, that what we're getting is cleaner air, better visibility, less damage to buildings and an insurance policy in case there are any unknown effects on human health which simply haven't been seen yet.

Mr. HAWKINS. We have very crude scientific tools. Even though we spent lots of money on it, the idea that a team of scientists can take a few years, wander around the forests and come up with "the answer"—well, the Greeks had a word for it. It's hubris. It's pride. And they're saying that because we spent a few years backpacking around these forests with a lot of instruments and we can't find anything, we should assume there is nothing.

Mr. KRUG. Actually, we do know a lot. We know that the acid rain problem is so small that it's hard to see, so it's the difference between an optimist and a pessimist, the classic example of whether the glass is full or empty. In this case, there's a couple of drops in the bottom of the glass and people are saying it's full and the rest of us are looking down and saying, "It looks mostly empty."

[From the Detroit News, Oct. 24, 1989]

THE ACID RAIN BOONDOGGLE

We invite your attention to excerpts of some congressional testimony reprinted on the opposite page. We stumbled across the testimony in the course of reporting on President George Bush's proposal to reduce sulfur dioxide emissions from coal-burning power plants by 10 million tons a year, a 45-percent reduction on top of the 31-percent reduction already accomplished since 1973.

The testimony makes for some entertaining reading, conducted as it was by the witty Democrat, Sen. Daniel Patrick Moynihan of New York, and the acerbic Republican, Sen. John Chafee of Rhode Island. But it should also make disturbing reading for American electricity consumers, who would have to fund the Bush proposal to the tune of $4-6 billion a year, or as much as $120 billion over the next two decades. Most of the cost would be borne by electricity consumers in the Midwest and Southeast, with costs ranging between $98 and $180 a year in Michigan, but up to $900 per home in Ohio.

The bottom line on the expert testimony: This vast expenditure will achieve almost nothing. It might—might—help clean up about 75 of America's tens of thousands of lakes, but at a cost of billions—billions—per lake.

President Bush made this decision even though his economic advisers warned him there was no solid scientific or economic cost-benefit basis for such a reduction. The target of 10 million tons of sulfur dioxide was plucked out of thin air as a compromise between an industry proposal for a six million ton reduction and the environmental extremists' position of 14 million tons.

President Bush was advised to wait for the final 1990 report of the National Acid Precipitation Assessment Project (NAAPAP), created by Congress in 1980 to study this problem. It will be the most authoritative, extensive study of acid rain ever conducted. Despite an interim report last year indicating that acid rain might not be the serious problem it is cracked up to be. Mr. Bush's Environmental Protection Agency Administrator William Reilly successfully argued in favor of immediate action.

On Oct. 5, members of the Senate Subcommittee on Environmental Protection found out why Mr. Reilly was so eager to rush ahead. NAPAP Director James Mahoney admitted that the Bush program would do very little, even in 50 years, to change lake acidity in the Northeast. Even if nothing were done, he testified, there "would be no significant change" in the number of acidic lakes.

The senators also learned that NAPAP could find no evidence that acid rain was measurably hurting either crops or forests, and that it was only one of a number of factors affecting lake acidity. Or as Sen. Moynihan concluded: "It suggests to me that the sky is not falling."

Indeed it isn't Sen. Moynihan was particularly shocked to learn that in 20 years only 25 lakes would actually be "de-acidified" by spending $80-120 billion, or $4-6 billion a year on the Bush program. That's $5 billion per lake.

The fact is NAPAP's study completely vindicates the Reagan administration's refusal to spend vast amounts of the consumers' money on sulfur dioxide reduction programs and completely destroys the scientific or economic premise for the Bush program.

The scandal is not only that the administration went ahead despite this, but that so far not a single House committee working on that program has invited NAPAP or Dr. Mahoney to present their findings.

House Energy and Commerce Committee Chairman John Dingell, D-Mich., has expressed concern about the impact of a big acid rain cleanup on Michigan and other Midwestern states. He might want to ask his subcommittee chairman on Energy and Power, Phil Sharp, how he could hold four days of hearings on acid rain in the last three weeks and never include NAPAP, by now the country's foremost expert on acid rain.

Does Rep. Sharp know that Tennesseans face up to $464 more per year in electric bills under the Bush program? Or is his mind made up in advance of the facts?

The exchanges in the Senate subcommittee are so devastating that we decided to print extended excerpts, so the consumers can judge firsthand whether the new regulations are worth it. We think you will be as shocked and outraged at this boondoggle as we are. This country is rich, but it's not rich enough to throw away money like that.

[From Human Events, Nov. 4, 1989]

BUSH'S ACID RAIN PLAN: "EXPENSIVELY FUTILE"

(By Warren T. Brookes)

At a hearing on October 5, members of the Senate Subcommittee on Environmental

Protection discovered that the Bush Administration's acid rain program is expensively futile.

A preview of the 1990 final report by the National Acid Precipitation Assessment Project shows the Bush proposal to spend up to $4 billion to $6 billion a year to cut sulphur dioxide emissions will deacidify only 26 lakes in the Northeast after 20 years—and only 75 lakes after 50 years.

This means a 20-year cumulative cost of almost $5 billion per deacidified lake and after 50 years about $4 billion per lake. (By contrast, the 20-year cost of liming the average lake is less than $50,000.)

In his report to the Senate, James Mahoney, NAPAP director, admitted that even this scandalously small projection of benefits from the proposed Clean Air Program was iffy because: "There are significant uncertainties about the role that watershed mineral processes, organic acids and nitrates (in the soils) may play in the acidification and recovery process."

This is "science-ese" for admitting that, despite protestations, NAPAP knows there is very little correlation between acid-rain levels and acid lakes.

For example, Mahoney acknowledged that the highest acid lake concentration in any U.S. state is in Florida. Yet Florida gets hardly any acid-rain deposition, and, as Mahoney noted, its acid lakes were the result of natural causes.

Also contrary to spurious "new [but unreleased] research" by the Environmental Protection Agency, published geological core studies show that more than 80 percent of the acidic Northeast lakes were acidic in pre-industrial times.

Mahoney had to tell the Senate that "determining the precise percentage of acidic waters due wholly or in part to acidic deposition carries with it scientific and statistical uncertainties." This statement directly counteracted the propaganda with which EPA Director William Reilly had practically insisted Mahoney lead off his statement.

Mahoney granted that "the effects of constant, increased and decreased acid-rain deposition are not always statistically significant." Indeed they are not, either here or abroad.

In fact, the EPA's own data show that land use and soil composition are at least three times as statistically significant "causes" of acidic lakes as acid rain.

This is why NAPAP was forced to project that even if we do nothing, the number of acidic lakes in the Northeast will actually *decline* by one in the next 20 years, to a total of 161 and will only rise to 186 by the end of the next 50 years. Mahoney admitted, "What that really means, statistically, is no change at all."

Worse, even if we do as the Bush proposal suggests and cut SO_2 emissions by 10 million tons a year, raising electric bills in the Midwest by as much as $900 a year in Ohio, $630 in Indiana and Pennsylvania, $520 in Missouri, and more than $400 a year in Tennessee, West Virginia and Illinois, little will change.

When Democratic Sen. Daniel Patrick Moynihan of New York, a co-sponsor of the Bush Clean Air Program, heard this, he began to raise some carefully soft spoken hell: "No matter what legislation we pass, about 10 per cent of the lakes are going to be acidic beyond the lifetime of anybody in this room? We have to ask ourselves, is that the best way to spend $4 billion a year?"

It is especially questionable when *all* of the lakes in North America could *definitely* be deacidified immediately by boat-liming, at a cost of less than $400,000 a year total!

But what about the other effects of acid rain on forests and crops? NAPAP Director Mahoney admitted: "Research has established that there is no measurable and consistent adverse crop-yield response from the direct effects of acidic rain at ambient levels in North America."

On the contrary, "an evaluaton of the nutritional enrichment of some agricultural soils through the input of sulfur and nitrogen from acidic deposition indicates indirect benefits associated with decreased fertilizer requirements."

But what about trees? NAPAP said that "other than for red spruce, extensive surveys of forest condition have indicated no evidence of widespread forest decline in North America related to acidic deposition."

Even on red spruce, NAPAP said the effects were limited to about 6 per cent of the forests, all at high elevations (about 2,600 feet), and added, "Several natural stresses are related to these declines (droughts, freezes, diseases, etc); and acid rain *may* intensify the effects of the natural stresses." (Emphasis added.)

In short, the NAPAP analysis shows now what it did in 1987: Acid rain is *not* a serious environmental problem (Moynihan concluded, "the sky is not falling"), and the cost of SO_2 reduction are ludicrously out of line with the benefits.

It's a scandal waiting to be legislated.

Mr. HELMS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I appreciate the remarks by my distinguished colleague from North Carolina. I will reply only briefly to them.

It has taken almost 2½ years to work out all the complexities of this particular piece of legislation, starting with my visit to the President, in the White House, and in the Oval Office, and working out the different problems brought up by his staff there, and working out the problems different Members had with it here. I think it is a piece of legislation that is long overdue.

As far as more bureaucrats, as my distinguished colleague, Senator HELMS, indicated, I am very hopeful that perhaps this can even reduce some of the bureaucratic problems we've had. I know that may be a futile effort in Washington, DC.

But we do have within this legislation a Commission on Improving Environmental Protection, which has the job of looking at all the different places where environmental law is invoked, and at all the different agencies and departments of Government, and trying to see if there is a lot of overlap, and streamlining them and putting them together to make them more efficient.

As far as the additional cost issue, it is estimated it will be about $6 million a year for 5 years to have this commission and to set up the Bureau of Environmental Statistics. Both of those things would certainly in the outyears save far more than that $6 million a year for 5 years. I believe this will actually streamline Government operations and not make them more complex.

Mr. President, I think elevation of EPA to Cabinet-level status is long overdue, both at home and also in the international arena. We are one of the only major industrialized nations that does not have someone of Cabinet or ministerial rank to represent us at these meetings, and yet we are the biggest player in environmental matters at these world meetings. Just from that standpoint alone, it seems to me in keeping with our national leadership that we would be well advised to elevate EPA to Cabinet status.

As far as the vote goes—a comment was made about that—I would be happy to have it either way, because I think there is broad support for this. I look forward to getting the Department established so we can streamline some of these things and make environmental law even more effective than it has been in the past.

Mr. President, let me take this opportunity to put the present bill before us in proper perspective. Because this is not a bill just about our environment today, about the cleanliness of the air we breathe and the water we drink, although it will ultimately affect that. It is also, and perhaps more importantly, a statement about the importance we attach to our stewardship of the fragile ecosystems of this country and this Earth. It requires that our Government be organized in such a way that protection of the environment does not take a back seat to our military posture or our international standing as a trading nation in determining and improving the well being of Americans. National security consists of more than bombers and missiles and secret intelligence information. No American can or should feel secure if his air and water are being poisoned. We owe an obligation to future generations to leave them as clean and safe a world as possible. And to discharge that obligation, attention will have to be continually paid to environmental protection at the highest levels of Government.

Let me just briefly outline what this bill will do and why I think it is such an important step.

First, the elevation of EPA to Cabinet-level status will have significant, constructive implications for our environmental policies at home and abroad. By moving EPA up to the Cabinet level we will greatly enhance its stature and visibility, positively affecting its ability to execute national environmental policy, from cleaning up the toxic mess at Superfund sites and protecting our Nation's delicate and varied ecosystems, to finding new ways to defuse the radiological time bomb at DOE facilities and making sure the air we breathe and water we drink are pure and safe. We also will be strengthening its hand abroad, where every other major industrialized nation faces our negotiators and officials with ministerial-level representatives. As pollution, global warming, ozone depletion and global deforestation grow more severe, we will be sending a signal about the seriousness with which we approach our basic obligation to lead the world in tackling these daunting problems.

Second, our Bureau of Environmental Statistics will greatly contribute to the collection, compilation, and analysis of environmental statistics and data. One of the most important steps in solving any problem is knowing as precisely as possible, the nature of the problem. A centralized Bureau, whose function is to receive and compile data from many sources and publish environmental analyses and trends regularly, will be an invaluable adjunct to present modes of environmental data collection, analysis, and publication.

Third, our Commission on Improving Environmental Protection will take a much-needed look at environmental statutes and regulations to ensure that we are avoiding, wherever possible, overlap and duplication. It will look at issues of enforcement and other management problems in carrying out our environmental laws. Its recommendations will serve as an extremely helpful guide to the Congress and Executive.

Finally, our title on international environmental issues demonstrates our resolve in the increasingly important arena of global environmental change. If the executive branch carries out the will of Congress expressed in this bill and calls for a conference in the United States on energy efficiency and renewables and a new office on greenhouse gas emissions under the United Nations, we will be showing the world effective examples of our leadership and concern.

Mr. President, today the United States and the world stand at a new and exciting, but perilous threshold—the threats to our environment are growing worse in many quarters, but we are also beginning to make progress cleaning up our planet. The coming decades will test our mettle, not just in making the world in which we live a cleaner, safer place, but also in living up to our obligations as stewards of the environment for future generations. It is my earnest hope that a Department of the Environment will be a lasting contribution to this effort. I urge every Senator to support final passage of S. 533.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes and twenty-five seconds.

Mr. GLENN. I yield to the Senator from Delaware.

Mr. ROTH. I thank the distinguished chairman. I am happy to join him in asking that this legislation be overwhelmingly enacted into law. It is long overdue. I think it is critically important. We are one of the very, very few, if not the only, major industrial nation that does not give full Cabinet status to the environmental agency. I think this is particularly important because, if we are going to make any progress in the area of cleaning up the environment, it must be done by all countries, and it is important that, in our negotiations with these other countries, that our representative and our chief negotiator, insofar as environmental matters are concerned, have Cabinet status so they speak with a loud, clear voice.

But there is a second reason, Mr. President, that I think it is critically important, and that is from the competitive point of view. I think it is important that all industry, wherever it is located, be bound by the same strict rules of environment so that no one can compete because they are producing a product under dirty circumstances.

This is good legislation. We have worked with the administration, I have worked with the chairman, and I think it deserves to be enacted into law.

I thank the chairman for yielding me the time.

Mr. PELL. Mr. President, I want to congratulate the Senator from Ohio for his tireless effort to see that the Environmental Protection Agency is made a Cabinet-level department. It is in no small measure due to the hard work of the chairman of the Governmental Affairs Committee that the Senate is about to take this historic vote. I believe the action that the Senate is about to take will help ensure that environmental issues receive the consideration they deserve in the formulation of our Nation's policies. I intend to support this bill and I urge my colleagues to do likewise.

I would like to take this opportunity, however, to discuss two points regarding section 103(f) of the bill, relating to the international responsibilities of the Secretary. First, the bill encourages the Secretary "to assist the Secretary of State to carry out his primary responsibilities for coordinating, negotiating, implementing and participating in international agreements, including participation in international organizations relevant to environmental protection."

As I understand this section and the intent of the Senator from Ohio, this provision is not intended to diminish the role of the Secretary of State in these responsibilities, but to encourage input from the Department of the Environment as the Secretary of State considers these matters.

Mr. GLENN. The understanding of the Senator from Rhode Island is correct.

Mr. PELL. I thank the Senator. My second point relates to subsection 103(f)(1)(B)(ii). This section authorizes and encourages the Secretary to "provide technical and other assistance to foreign countries and international bodies to improve the quality of the environment." I think this is an entirely worthwhile and laudatory provision. I would like to clarify, however, that it is the intent of the legislation that this assistance be provided in consultation with the Department of State. I believe that intent is implicit in the legislation and the committee's report, but it is not spelled out in the legislative language.

Mr. GLENN. That is indeed the intent of this section. The assistance authorized in section 103(f)(1)(B)(ii) would be provided in consultation with the Department of State.

Mr. PELL. I thank my colleague and congratulate him once again for his outstanding work on this bill.

Mr. MOYNIHAN. Mr. President, I rise today to express profound concern over an aspect of S. 533, the Department of the Environment Act. I want to assure my colleagues that I rise not out of anger, but out of sorrow. I support making the EPA a Cabinet-level department, but I am at a loss as to understand what has happened to the Bureau of Environmental Statistics for which we had such high hopes.

I am not a stranger to this topic. Three decades ago, I became an Assistant Secretary of Labor in the administration of President John F. Kennedy. Among my responsibilities was the Bureau of Labor Statistics, an organization that had been collecting data since 1884. The dedicated public servants in the Bureau worked diligently and meticulously over a half century to learn to measure unemployment. Indeed, it took that long just to learn that there was such a thing as unemployment. Their success changed the way we think about the workings of an industrial—and now postindustrial—society. It became possible, for the first time, to diagnose early symptoms of the health of the economy, and to monitor its recovery in response to palliative action.

The sponsors of S. 533 wisely recognize a parallel need in environmental matters. The bill requires the new Bureau of Environmental Statistics to report each year to the President on the condition of the environment, on pollutants and their effects. The Director of the Bureau is to issue guidelines to insure that the underlying data are relevant and reliable, to coordinate data collection in the Department with information gathering activities of other Federal agencies, and to identify missing information. So far, so good.

But what will be done if data are unavailable, unreliable, or irrelevant? Can the Bureau require unreliable data to be improved? Can it require unavailable data to be made available? Can it require anyone in the Department of the Environment, other departments, or the States to collect data needed to produce meaningful environmental statistics? The answer, Mr. President, is "no."

Now, there may be a rational explanation offered for such a situation. A Bureau with power to require other offices, departments, States, or localities to collect data has the power to impose costs on these entities. Overzealous requirements could prove onerous, but no more onerous than the costs imposed on the country by environmental programs that are not working. The data are needed, nonetheless.

Surely then, the Bureau must be empowered to collect its own data. But, Mr. President, it isn't. It is not authorized to establish observation or monitoring programs. What we have is a Bureau that must take what it can get.

Let me hypothesize, for the sake of argument, that the limiting factor in the generation of environmental statistics is inadequate funds to gather the data together and to analyze and interpret them. If true, is funding for the Bureau adequate to accomplish this task?

Absolutely not. S. 533 authorizes $2.8 million for the Bureau in fiscal year 1992, and $5.4 million in fiscal year 1993. Granted, we are talking here about a new effort, but the proposed 1992 budget for the Bureau of Labor Statistics was $308.9 million. For the National Agricultural Statistical Service, it was $86.9 million. For the National Center for Education Statistics, $80.1 million. Surely environmental statistics must warrant more than a $2.9-million effort, less than three one-thousandths of a percent of the $115 billion that EPA estimates the Nation spends each year on environmental protection.

But I suggest, Mr. President, that the situation is even worse. The problem transcends data management and reporting. The underlying data are woefully inadequate. A few examples.

A committee of the National Academy of Sciences recently concluded that the national program that monitors exposure of people to toxic compounds such as DDT and PCB's was seriously flawed, and that the data were largely irrelevant. Another National Academy panel concluded that current programs to monitor the condition of offshore resources threatened by pollution could not quantify either the current status or past trends in the condition of these resources. The General Accounting Office has reported that national programs to monitor the quality of air and water are inadequate. In hearings on Resource Conservation and Recovery Act, we have learned that few States collect accurate data on the amount of wastes generated, transported, and disposed of.

Mr. Reilly, the Administrator of EPA, summed the problem up succinctly in 1989: "First the good news: * * * I think this Agency does an exemplary job of protecting the Nation's public health and the quality of the environment. Now the bad new: I can't prove it."

In fact, Mr. Reilly faced this problem as Director of the Conservation Foundation in 1988 when he produced its state of the environment report. Of the 147 figures in the report dealing with environmental statistics, only 14 contain data on pollutant concentrations and their effects on humans and the environment. Most are concerned with economics, demographics, and the number of permits issued. Mr. Reilly also recognized this shortcoming: "by listing our activities, we do not necessarily prove that we're doing a good job."

Even more telling, is the work of the President's Council on Environmental Quality. Since 1969 it has been charged with preparing an annual report on virtually the same information required of the Bureau under S. 533. These annual environmental quality reports, while well-written and informative, have suffered chronically from a lack of relevant environmental data. Recent initiatives, such as EPA's Environmental Monitoring and Assessment Program, and continuation of the National Acid Precipitation Assessment Program, may help to fill these gaps, but there is no guarantee that such programs will continue.

Mr. President, in my experience, a statistical agency that lacks the authority to collect new data simply must fail. Before the end of this session of Congress, I intend to introduce legislation to insure that the Bureau of Environmental Statistics will have the data it will need to succeed.

The American historian Henry Brooks Adams said, "Practical politics consists in ignoring facts." Mr. President, if this is so, then we need something other than practical politics to deal with the complex problems involving industrial man's relationship with the natural environment. We are entering an era in which we cannot afford to spend vast sums blindly. Failure to know the facts will lead us to waste money on unhelpful or unnecessary programs, or to fail to act when human health and welfare are truly threatened. Most likely, we will continue to do both, but will fail to know the difference.

INTERSTATE WASTE TRANSPORTATION

Mr. McCONNELL. Mr. President, I fully supported the efforts of the Senator from Indiana to introduce an amendment to the Department of the Environment Act dealing with interstate waste transportation. While I am pleased that a compromise has been struck to seek a comprehensive long-term solution before next summer, Kentucky cannot wait much longer.

Kentucky is in the middle of a solid waste emergency. Out-of-State trash is the major obstacle preventing Kentucky from getting a handle on this crisis.

The amendment of the Senator from Indiana, and legislation that I have proposed, seek to give communities control over their own solid waste problems by letting them say no to out-of-State trash. While I sympathize with the solid waste problems facing New Jersey and New York, why should their solution be our problem?

Last year, 68 Senators supported allowing States to restrict interstate garbage transportation. These 68 votes demonstrate the political will of the Senate to take on this issue and to pass comprehensive legislation expeditiously.

It is imperative that we pass long-term legislation dealing with interstate waste transportation, and I urge my colleagues to join me in this effort.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 533, the Department of Environment Act of 1991. S. 533 would make the Environmental Protection Agency a Cabinet-level department. This is one of many steps we should take to address the critical environmental problems we face.

Mr. President, one of our greatest challenges over the next few years is in restoring the integrity of our environment.

Our environment is under assault. In my State of New Jersey alone, 30 million pounds of toxic chemicals go into our air each year, 62 million pounds into our waters and sewers, and 3 million pounds onto the land. Nationally, 5.7 billion pounds of toxics are released into our environment every year.

In the United States, each of us produces nearly 4 pounds of garbage every day, 180 million tons a year. That's more than we know what to do with.

As Americans, we contribute more, per person, to the depletion of the ozone layer than any other people on Earth.

Our climatic system has been weakened by the cutting down of forests, by burning fossil fuels, and by releases of other greenhouse gases. The climate seems to be changing faster than at any other time in human history, and the globe appears to be getting warmer.

And environmental degradation in other countries has reached a crisis point. The pollution in Bitterfeld, East Germany is so severe that its children fall ill soon after birth and its people live 5 to 8 years less than the average East German. The burning and clearing of tropical forests in Southeast Asia, Africa, and Brazil is resulting in a loss of biological diversity. Experts predict that 15 percent of all plant species will be eliminated by the year 2000. And devastating floods in Bangladesh have been exacerbated by deforestation in the Himalayas.

The planet will not take it anymore—not without a fight—not without protest.

This challenge goes right to the future health of our planet. To our natural resources. The building blocks of our ecology and environment. The basic essentials of nature, that provide our sustenance. It goes right to our ability to survive as a modern society.

Few challenges we face are more important than the protection of our environment. Today, all of us must be environmentalists. Today, the Government needs to give the environment the status it deserves.

Making EPA a Cabinet-level department is one step we can take to give environmental issues this priority. That is why Senator DAVID DURENBERGER and I introduced S. 276 on the first day of the 101st Congress. S. 533 would accomplish the same two important functions:

First, it would symbolize a new commitment to protect the environment. It would demonstrate to the people in the United States and to other nations that the United States puts a high priority on preserving the environment and enhancing the public health and welfare.

After all, as Jay Hair of the National Wildlife Federation recently wrote, "The Nation's quality of life is determined more directly by EPA than by any other Cabinet-level department."

Second, and more importantly, it will enhance the ability of EPA to do its job.

It will give EPA increased clout in:

Obtaining necessary funding:

Working with other departments whose actions affect the environment:

Making national policy decisions: and

Dealing with other nations who send Cabinet-level ministers to meetings to discuss environmental issues.

I believe that we can meet the environmental challenges we face. A Department of the Environment will help provide this leadership and initiative.

But making EPA a Cabinet-level department in and of itself is not enough. We need more funding, tougher enforcement and stronger leadership. Unfortunately, that has been lacking in this administration despite campaign commitments to the contrary. We have seen efforts first to weaken clean air legislation and then undercut the act through the regulatory process. We have seen a failure to address the growing evidence of global warming. We have seen cuts in funding for clean water. We have seen an energy policy which ignores energy conservation and promotes oil drilling in the Arctic National Wildlife Refuge and our offshore waters. We have programs which leave children exposed to unsafe levels of lead in drinking water. We face a lack of leadership in reducing the level of waste we generate and increase the recycling of our waste.

So, while I rise to support this legislation, I also want to state very clearly—this bill is no substitute for the broader commitment to the environment that has been absent in the administration. Mr. President, I hope passage of this legislation will spur the administration to dedicate itself to the protection of the environment for ourselves and future generations.

I commend Senator GLENN for moving S. 533 and I urge my colleagues to support this legislation.

Mr. SANFORD. Mr. President, I rise today to express my sincere support for S. 533, the Department of the Environment Act of 1991, a bill to elevate the Environmental Protection Agency to a Cabinet department.

I am pleased to see this measure come to the floor for consideration today because it reaffirms, once again, our Nation's deeply engrained concern and appreciation for our natural resources and our environment and the need to protect those resources for future generations.

A practical concern for the environment has been demonstrated most clearly in recent times by the very establishment of the Environmental Protection Agency on the first day of the year in 1970. Over 20 years have passed, and the EPA has truly come of age. Now, it is time to take the next step toward confirming that progress within the institutional framework of our Government.

In 20 years the EPA's mission and responsibilities have greatly expanded in both the protection of our health and the preservation of the quality of our natural environment. These advances can be seen both domestically and increasingly as a valued representative in the international arena. Domestically we have seen the Agency's efforts extend:

To new and broader interrelationships with other Federal agencies raising the level of awareness of environmental concerns across the spectrum of governmental activities;

To the development of many new technologies for both the detection and control of pollution;

To the increase in legal enforcement mechanisms to make the laws passed serve their purposes in meaningful ways;

To the investigation and development of new approaches for the control and prevention of pollution; and

To the tireless pursuit of ways to protect and improve the health and quality of life for the American people.

Internationally, we have seen the Agency increasingly called upon to provide its expertise and experience to many issues including global warming, stratospheric ozone depletion, and acid rain. These activities serve to confirm that pollution knows no international boundaries and that the environmental mission is to protect the very planet itself.

The importance of EPA's leadership and its contribution is beyond measure but its status does not reflect the magnitude of the responsibilities and challenges it faces. S. 533 will accomplish that task by placing it among its bretheren as a full-fledged department in the executive branch of the Government. I urge my colleagues to support S. 533.

Mr. KOHL. Mr. President, as an original cosponsor of S. 533, I am extremely pleased that the Senate is finally prepared to move forward on this important measure, which elevates the Environmental Protection Agency to Cabinet-level status.

This long overdue measure will help ensure that environmental issues receive the attention they deserve within the Federal Government. As environmental problems increasingly become the greatest threat to the health and safety of the American public, it is imperative that we place environmental protection among our Nation's top priorities. This bill finally gives our sacred environment a seat at the Cabinet table.

Above all, I want to congratulate the chairman of the Senate Governmental Affairs Committee, Senator GLENN, for his diligent efforts on behalf of S. 533. Senator GLENN has worked for over 2 years to achieve Cabinet-level status for the EPA, and his goal is about to become reality.

One of the landmarks of this legislation is the establishment of a Bureau of Environmental Statistics, to provide necessary and unbiased information to policymakers about the status of our environment, and important environmental trends.

In that context, I would like to thank Senator GLENN for accepting my amendment to protect the confidentiality of those providing information for statistical purposes to the Bureau of Environmental Statistics.

As chairman of the Subcommittee on Government Information and Regulation, which oversees the Federal Government's statistical activities, I have been developing a set of recommendations as to how statistical agencies should be structured. One key ingredient for any statistical agency is confidentiality.

If a statistical agency is to fulfill its mandate, it must be able to collect accurate and honest information from individuals and corporations. In order to do so, an agency must be able to guarantee that certain types of information will be kept confidential.

Most information collected by the Government is collected on a voluntary basis. We rely on the cooperation of the citizens of this country to provide information which the Government needs to do its job. If the Government cannot, in turn, protect the confidentiality of that information, the system of voluntary cooperation falls apart.

The amendment which I offered to S. 533, with the support of Senator GLENN, puts in place the necessary protections of privacy without compromising the public's right to free and open access to Government information.

Again, I congratulate Senator GLENN for all that is accomplished with S. 533, and I urge all of my colleagues to support this important legislation.

Mr. ADAMS. Mr. President, as one of the original cosponsors of S. 533, the Department of the Environment Act of 1991, I wish to reiterate my support for this bill and to commend my distinguished colleague from Ohio, Senator GLENN, and others for their outstanding leadership on this bill.

Today more than ever before in the history of this country we need a strong and effective advocate for protecting and restoring our ecosystems. We need an agency that commands respect and exercises leadership in dealing with international environmental problems. Enhancing the stature of the Environmental Protection Agency should help us achieve this goal.

In my home State of Washington, we face serious challenges to preserve magnificent resources along our coastline and in Puget Sound, our once vast ancient forests, the views of our majestic national parks, ecosystems of our rangelands, and the very health of our mighty river systems. The quality of the air we breathe, the land we farm and build our homes upon, and the water we drink all depend upon sound science and management.

This bill accomplishes several important objectives. It will assure that the principal agency charged with protecting vital natural resources is afforded full Cabinet-level status. Having the full standing of a department, the legislation will assure environmental interests have appropriate access to the President. And the bill will also assure that environment and natural resource conservation and management interests are represented at the table in Cabinet meetings rather than being consulted after decisions have been reached.

Today we know we must think and act within the context of planetary biosphere. We must deal with difficult issues of global warming, ozone depletion in our atmosphere, and storage and disposal of hazardous wastes on a global scale. I support the provisions of this bill that will help us regain our international leadership role by encouraging exchange of information on energy and monitoring of atmospheric conditions. We must have better systems to manage the complex and voluminous information on physical and biological systems on the planet. This bill would mandate a system to do just that.

We must take strong actions to address major global environmental challenges of today, and much more importantly, provide a sound biospheric legacy for our children and their children. This bill is one step in a series of actions needed for us to meet the challenges. I urge my colleagues to support passage of this bill.

Mr. KERRY. Mr. President, I rise today in support of final passage of S. 533, The Department of the Environment Act of 1991. The fragile environment of our Nation, and that of the world, merits the highest level of attention that we can provide. When compared to the importance of other issues addressed by Cabinet level departments the environment is equally if not more important.

The protection of our environment is vital to the well-being of all Americans. Few if any aspects of our existence have a greater direct impact on the quality of our lives than does the environment in which we live. Smog, polluted beaches, and hazardous waste are all disruptions to day-to-day life, as well as serious threats to the health of all Americans. Together, we must work toward the resolution of our Nation's environmental woes. I believe that elevating the Environmental Protection Agency to Cabinet-level status will aid these efforts.

The EPA is the Federal agency responsible for initiating and enforcing laws designed to protect our environment. In addition, the EPA plays a critical role in monitoring the Federal Government's compliance with environmental laws. It seems clear that an agency with these responsibilities must be accorded the status and respect it needs to perform its duties to the fullest. If environmental protection is to become one of our Nation's highest priorities, as I believe it must, then the Environmental Protection Agency must be given additionally respect and authority.

This bill will also establish a Bureau of Environmental Statistics to analyze and publish a comprehensive collection of environmental data from around the country. This will allow us, as a nation, to monitor the environmental quality of our surroundings. This capability is fundamental to any concerted effort to protect the environment.

Mr. President, the new Department of Environmental Protection will have a much-needed permanent role in presidential policymaking decisions. As a department, the EPA will increase the profile of environmentally conscious efforts within the Government, and will have a strengthened image in the eyes of other governmental agencies. I believe promotion of the EPA to Cabinet-level status will greatly enhance its ability to perform the critical duties for which it was designed and founded. For these reasons, I strongly support the Department of the Environment Act of 1991.

Mr. GLENN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Forty-two seconds.

Mr. GLENN. I thank my distinguished colleague from Delaware for all his effort on behalf of this legislation and for his work in committee and also here on the floor. It has been a long, long time, as I said, some 2½ years, since we started this effort. I am not complaining about that. I think something as important as a Cabinet elevation should be considered very, very carefully.

Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has expired.

Mr. HELMS. Mr. President, I want to be certain that I am identified as being in opposition to this measure at this point. I so state that for the RECORD.

The PRESIDING OFFICER. The bill having been read the third time on yesterday, the question is, Shall the bill pass?

So the bill (S. 533), as amended, was passed, as follows:

S. 533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Department of the Environment Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Establishment of the Department of the Environment.
Sec. 104. Assistant Secretaries.
Sec. 105. Deputy Assistant Secretaries.
Sec. 106. Office of the General Counsel.
Sec. 107. Office of the Inspector General.
Sec. 108. Bureau of Environmental Statistics.
Sec. 109. Grant and contract authority for certain activities.
Sec. 110. Study of data needs.
Sec. 111. Miscellaneous employment restrictions.
Sec. 112. Administrative provisions.
Sec. 113. Inherently governmental functions.
Sec. 114. References.
Sec. 115. Savings provisions.
Sec. 116. Conforming amendments.
Sec. 117. Additional conforming amendments.

TITLE II—ENVIRONMENTAL ROLE OF THE UNITED STATES IN INTERNATIONAL ORGANIZATIONS TO WHICH IT BELONGS

Sec. 201. International energy conference.
Sec. 202. International greenhouse gas monitoring program.

TITLE III—ESTABLISHMENT OF THE COMMISSION ON IMPROVING ENVIRONMENTAL PROTECTION

Sec. 301. Establishment; membership.
Sec. 302. Commission responsibilities.
Sec. 303. Report to the President and Congress.
Sec. 304. Commission staff.
Sec. 305. Advisory groups.

Sec. 306. Funding; authorization of appropriations.

TITLE IV—PRIVATE PROPERTY RIGHTS

Sec. 401. Private Property Rights Act.

TITLE V—EFFECTIVE DATE

Sec. 501. Effective date.

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

SEC. 101. SHORT TITLE.

This title may be cited as the "Department of the Environment Act".

SEC. 102. FINDINGS.

The Congress finds that—

(1) recent concern with Federal environmental policy has highlighted the necessity of assigning to protection of the domestic and international environment a priority which is at least equal to that assigned to other functions of the Federal Government;

(2) protection of the environment increasingly involves negotiations with foreign states, including the most highly industrialized states all of whose top environmental officials have ministerial status;

(3) the size of the budget and the number of Federal civil servants devoted to tasks associated with environmental protection at the Environmental Protection Agency is commensurate with departmental status; and

(4) a cabinet-level Department of the Environment should be established.

SEC. 103. ESTABLISHMENT OF THE DEPARTMENT OF THE ENVIRONMENT.

(a) REDESIGNATION.—The Environmental Protection Agency is hereby redesignated as the Department of the Environment (hereafter referred to as the "Department") and shall be an executive department in the executive branch of the Government. The official acronym of the Department shall be the "U.S.D.E.".

(b) SECRETARY OF THE ENVIRONMENT.—(1) There shall be at the head of the Department a Secretary of the Environment who shall be appointed by the President, by and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(2) The Secretary may not assign duties for or delegate authority for the supervision of the Assistant Secretaries, the General Counsel, the Director of Environmental Statistics, or the Inspector General of the Department to any officer of the Department other than the Deputy Secretary.

(3) Except as described under paragraph (2) of this section and section 104(b)(2), and notwithstanding any other provision of law, the Secretary may delegate any functions including the making of regulations to such officers and employees of the Department as the Secretary may designate, and may authorize such successive redelegations of such functions within the Department as determined to be necessary or appropriate.

(c) DEPUTY SECRETARY.—There shall be in the Department a Deputy Secretary of the Environment, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such responsibilities as the Secretary shall prescribe and shall act as the Secretary during the absence or disability of the Secretary or in the event of a vacancy in the Office of Secretary.

(d) OFFICE OF THE SECRETARY.—The Office of the Secretary shall consist of a Secretary and a Deputy Secretary and may include an Executive Secretary and such other executive officers as the Secretary may determine necessary.

(e) REGIONAL OFFICES.—The Secretary is authorized to establish, alter, discontinue, or maintain such regional or other field offices as he may determine necessary to carry out the functions vested in him or other officials of the Department.

(f) INTERNATIONAL RESPONSIBILITIES OF THE SECRETARY.—(1) In addition to exercising other international responsibilities under existing provisions of law, the Secretary is—

(A) encouraged to assist the Secretary of State to carry out his primary responsibilities for coordinating, negotiating, implementing and participating in international agreements, including participation in international organizations, relevant to environmental protection; and

(B) authorized and encouraged to—

(i) conduct research on and apply existing research capabilities to the nature and impacts of international environmental problems and develop responses to such problems; and

(ii) provide technical and other assistance to foreign countries and international bodies to improve the quality of the environment.

(2) The Secretary of State shall consult with the Secretary of the Environment and such other persons as he determines appropriate on such negotiations, implementations, and participations described under paragraph (1)(A).

(g) AUTHORITY OF THE SECRETARY WITHIN THE DEPARTMENT.—Nothing in the provisions of this Act—

(1) authorizes the Secretary of the Environment to require any action by any officer of any executive department or agency other than officers of the Department of the Environment, except that this paragraph shall not affect any authority provided for by any other provision of law authorizing the Secretary of the Environment to require any such actions;

(2) modifies any Federal law that is administered by any executive department or agency; or

(3) transfers to the Department of the Environment any authority exercised by any other Federal executive department or agency prior to the date of the enactment of this Act, except the authority exercised by the Environmental Protection Agency.

(h) APPLICATION TO THE DEPARTMENT OF THE ENVIRONMENT.—The provisions of this Act apply only to activities of the Department of the Environment, except where expressly provided otherwise.

SEC. 104. ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department such number of Assistant Secretaries, not to exceed 10, as the Secretary shall determine, each of whom shall be appointed by the President, by and with the advice and consent of the Senate.

(b) RESPONSIBILITIES OF ASSISTANT SECRETARIES.—(1) The Secretary shall assign to Assistant Secretaries such responsibilities as the Secretary considers appropriate, including, but not limited to—

(A) enforcement and compliance monitoring;

(B) research and development;

(C) air and radiation;

(D) water;

(E) pesticides and toxic substances;

(F) solid waste;

(G) hazardous waste;

(H) hazardous waste cleanup;

(I) emergency response;

(J) international affairs;

(K) policy, planning, and evaluation;

(L) pollution prevention;

(M) congressional, intergovernmental, and public affairs; and

(N) administration and resources management, including financial and budget management, information resources management, procurement and assistance management, and personnel and labor relations.

(2) The Secretary may assign and modify any responsibilities at his discretion under paragraph (1), except that the Secretary may not modify the responsibilities of any Assistant Secretary without substantial prior written notification of such modification to the appropriate committees of the Senate and the House of Representatives.

(c) DESIGNATION OF RESPONSIBILITIES PRIOR TO CONFIRMATION.—Whenever the President submits the name of an individual to the Senate for confirmation as Assistant Secretary under this section, the President shall state the particular responsibilities of the Department such individual shall exercise upon taking office.

(d) CONTINUING PERFORMANCE OF FUNCTIONS.—On the effective date of this Act, the Administrator and Deputy Administrator of the Environmental Protection Agency shall be redesignated as the Secretary and Deputy Secretary of the Department of the Environment, Assistant Administrators of the Agency shall be redesignated as Assistant Secretaries of the Department, and the General Counsel and the Inspector General of the Agency shall be redesignated as the General Counsel and the Inspector General of the Department, without renomination or reconfirmation.

(e) CHIEF INFORMATION RESOURCES OFFICER.—(1) The Secretary shall designate the Assistant Secretary whose responsibilities include information resource management functions as required by section 3506 of title 44, United States Code, as the Chief Information Resources Officer of the Department.

(2) The Chief Information Resources Officer shall—

(A) advise the Secretary on information resource management activities of the Department as required by section 3506 of title 44, United States Code;

(B) develop and maintain an information resources management system for the Department which provides for—

(i) the conduct of and accountability for any acquisitions made pursuant to a delegation of authority under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759);

(ii) the implementation of all applicable government-wide and Department information policies, principles, standards, and guidelines with respect to information collection, paperwork reduction, privacy and security of records, sharing and dissemination of information, acquisition and use of information technology, and other information resource management functions;

(iii) the periodic evaluation of and, as needed, the planning and implementation of improvements in the accuracy, completeness, and reliability of data and records contained with Department information systems; and

(iv) the development and annual revision of a 5-year plan for meeting the Department's information technology needs; and

(C) report to the Secretary as required under section 3506 of title 44, United States Code.

SEC. 105. DEPUTY ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department such number of Deputy Assistant Secretaries as the Secretary may determine.

(b) APPOINTMENTS.—Each Deputy Assistant Secretary—

(1) shall be appointed by the Secretary; and

(2) shall perform such functions as the Secretary shall prescribe.

(c) FUNCTIONS.—Functions assigned to an Assistant Secretary under section 104(b) may be performed by one or more Deputy Assistant Secretaries appointed to assist such Assistant Secretary.

SEC. 106. OFFICE OF THE GENERAL COUNSEL.

There shall be in the Department, the Office of the General Counsel. There shall be at the head of such office a General Counsel who shall be appointed by the President, by and with advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Department and shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

SEC. 107. OFFICE OF THE INSPECTOR GENERAL.

The Office of Inspector General of the Environmental Protection Agency, established in accordance with the Inspector General Act of 1978, is hereby redesignated as the Office of Inspector General of the Department of the Environment.

SEC. 108. BUREAU OF ENVIRONMENTAL STATISTICS.

(a) ESTABLISHMENT.—(1) There is established within the Department a Bureau of Environmental Statistics (hereafter referred to as the "Bureau"). The Bureau shall be responsible for—

(A) compiling, analyzing, and publishing a comprehensive set of environmental quality statistics which should provide timely summary in the form of industrywide aggregates, multiyear averages, or totals or some similar form and include information on—

(i) the nature, source, and amount of pollutants in the environment; and

(ii) the effects on the public and the environment of those pollutants;

(B) promulgating guidelines for the collection of information by the Department required for the statistics under this paragraph to assure that the information is accurate, reliable, relevant, and in a form that permits systematic analysis;

(C) coordinating the collection of information by the Department for developing such statistics with related information-gathering activities conducted by other Federal agencies;

(D) making readily accessible the statistics published under this paragraph; and

(E) identifying missing information of the kind described under subparagraph (A) (i) and (ii), reviewing these information needs at least annually with the Science Advisory Board, and making recommendations to the appropriate Department of Environment research officials concerning extramural and intramural research programs to provide such information.

(2) Nothing in the provisions of paragraph (1) shall authorize the Bureau to require the collection of any data by any other Department, State or local government, or to establish observation or monitoring programs.

(3) Information compiled by the Bureau of Environmental Statistics, which has been submitted for purposes of statistical reporting requirements of this law, shall not be disclosed publicly in a manner that would reveal the identity of the submitter, including submissions by Federal, State, or local governments, or reveal the identity of any individual consistent with the provisions of section 552a of title 5, United States Code (the Privacy Act of 1974). This paragraph shall not affect the availability of data provided to the Department under any other provision of law administered by the Department. The confidentiality provisions of other statutes authorizing the collection of environmental statistics shall also apply, including but not limited to, section 14 of the Toxic Substances Control Act (15 U.S.C. 2613), section 2(h) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h), section 114(c) of the Clean Air Act (42 U.S.C. 741(c)), and section 1905 of title 18, United States Code.

(b) DIRECTOR OF ENVIRONMENTAL STATISTICS.—The Bureau shall be under the direction of a Director of Environmental Statistics (hereafter referred to as the "Director") who shall be appointed by the President, by and with the advice and consent of the Senate. The term of the Director shall be 4 years. The Director shall be a qualified individual with experience in the compilation and analysis of environmental statistics. The Director shall report directly to the Secretary. The Director shall be compensated at the rate provided for at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(c) ENVIRONMENTAL STATISTICS ANNUAL REPORT.—On January 1, 1992, and each January 1 thereafter, the Director shall submit to the President an Environmental Statistics Annual Report (hereafter referred to as the "Report"). The Report shall include, but not be limited to—

(1) statistics on environmental quality including—

(A) The environmental quality of the Nation with respect to all aspects of the environment, including, but not limited to, the air, aquatic ecosystems, including marine, estuarine, and fresh water, and the terrestrial ecosystems, including, but not limited to, the forest, dry-land, wetland, range, urban, suburban, and rural environment; and

(B) changes in the natural environment, including the plant and animal systems, and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(2) statistics on the effects of changes in environmental quality on human health and nonhuman species and ecosystems;

(3) documentation of the method used to obtain and assure the quality of the statistics presented in the Report;

(4) economic information on the current and projected costs and benefits of environmental protection; and

(5) recommendations on improving environmental statistical information.

(d) CONTINUING PERFORMANCE OF THE FUNCTIONS OF THE DIRECTOR PENDING CONFIRMATION.—An individual who, on the effective date of this Act, is performing any of the functions required by this section to be performed by the Director may continue to perform such functions until such functions are assigned to an individual appointed as the Director under this Act.

(e) ADVISORY COUNCIL ON ENVIRONMENTAL STATISTICS.—The Director shall appoint an Advisory Council on Environmental Statistics, comprised of no more than 6 private citizens who have expertise in environmental statistics and analysis (except that at least one of such appointees should have expertise in economics) to advise the Director on environmental statistics and analyses, including whether the statistics and analyses disseminated by the Bureau are of high quality and are based upon the best available objective information. The Council shall be subject to the provisions of the Federal Advisory Committee Act.

(f) BUREAU AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,800,000 in fiscal year 1992, $5,400,000 in fiscal year 1993, and such sums as necessary in each fiscal year thereafter to carry out the provisions of this section.

SEC. 109. GRANT AND CONTRACT AUTHORITY FOR CERTAIN ACTIVITIES.

The Secretary may make grants to and enter into contracts with State and local governments to assist them in meeting the costs of collecting specific data and other short-term activities that are related to the responsibilities and functions under section 108(a)(1) (A), (B), (C), and (D).

SEC. 110. STUDY OF DATA NEEDS.

(a) STUDY OF DATA NEEDS.—(1) No later than 1 year after the start of Bureau operations, the Secretary of the Department of Environment, in consultation with the Director of the Bureau and the Assistant Secretary designated as Chief Information Resources Officer, shall enter into an agreement with the National Academy of Sciences for a study, evaluation, and report on the adequacy of the data collection procedures and capabilities of the Department. No later than 18 months following an agreement, the National Academy of Sciences shall report its findings to the Secretary and the Congress. The report shall include an evaluation of the Department's data collection resources, needs, and requirements, and shall include an assessment and evaluation of the following systems, capabilities, and procedures established by the Department to meet those needs and requirements:

(A) data collection procedures and capabilities;

(B) data analysis procedures and capabilities;

(C) the ability of data bases to integrate with one another;

(D) computer hardware and software capabilities;

(E) management information systems, including the ability of management information systems to integrate with another;

(F) Department personnel; and

(G) the Department's budgetary needs and resources for data collection, including an assessment of the adequacy of the budgetary resources provided to the Department and budgetary resources used by the Department for data collection needs and purposes.

(2) The report shall include recommendations for improving the Department's data collection systems, capabilities, procedures, data collection, and analytical hardware and software, and for improving its management information systems.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as necessary to carry out the provisions of this section.

SEC. 111. MISCELLANEOUS EMPLOYMENT RESTRICTIONS.

(a) PROHIBITED EMPLOYMENT AND ADVANCEMENT CONSIDERATIONS.—Except as otherwise provided in this Act, political affiliation or political qualification may not be taken into account in connection with the appointment of any person to any position in the career civil service or in the assignment or advancement of any career civil servant in the Department.

(b) REPORTS ON IMPLEMENTATION.—One year after the date of the enactment of this title and again 3 years after the date of the enactment of this title, the Secretary shall report to the Senate Committees on Appropriations, Governmental Affairs, and Environment and Public Works and to the House of Representatives on the estimated additional cost of implementing this title over the cost as if this title had not been implemented, including a justification of increased staffing not required in the execution of this title.

SEC. 112. ADMINISTRATIVE PROVISIONS.

(a) ACCEPTANCE OF MONEY AND PROPERTY.—(1) The Secretary may accept and retain money, uncompensated services, and other real and personal property or rights (whether by gift, bequest, devise, or otherwise) for the purpose of carrying out the Department's programs and activities, except that the Secretary shall not endorse any company, product, organization, or service. Gifts, bequests, and devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be credited in a separate fund in the Treasury of the United States and shall be available for disbursement upon the order of the Secretary.

(2) The Secretary shall prescribe regulations and guidelines setting forth the criteria the Department shall use in determining whether to accept a gift, bequest, or devise. Such criteria shall take into consideration whether the acceptance of the property would reflect unfavorably upon the Department's or any employee's ability to carry out its responsibilities or official duties in a fair and objective manner, or would compromise the integrity of or the appearance of the integrity of a Government program or any official involved in that program.

(b) SEAL OF THE DEPARTMENT.—(1) On the effective date of this Act, the seal of the Environmental Protection Agency with appropriate changes shall be the seal of the Department of the Environment, until such time as the Secretary may cause a seal of office to be made for the Department of the Environment of such design as the Secretary shall approve.

(2) CRIMINAL PENALTY FOR UNAUTHORIZED USE OF SEAL.—(A) Chapter 33 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 716. Department of the Environment Seal

"(a) Whoever knowingly displays any printed or other likeness of the official seal of the Department of the Environment, or any facsimile thereof, in, or in connection with, any advertisement, poster, circular, book, pamphlet, or other publication, public meeting, play, motion picture, telecast, or other production, or on any building, monument, or stationery, for the purpose of conveying, or in a manner reasonably calculated to convey, a false impression of sponsorship or approval by the Government of the United States or by any department, agency, or instrumentality thereof, shall be fined not more than $250 or imprisoned not more than 6 months, or both.

"(b) Whoever, except as authorized under regulations promulgated by the Secretary of the Environment and published in the Federal Register, knowingly manufactures, reproduces, sells, or purchases for resale, either separately or appended to any article manufactured or sold, any likeness of the official seal of the Department of the Environment, or any substantial part thereof, except for manufacture or sale of the article for the official use of the Government of the United States, shall be fined not more than $250 or imprisoned not more than 6 months, or both.

"(c) A violation of subsection (a) or (b) may be enjoined at the suit of the Attorney General of the United States upon complaint by any authorized representative of the Secretary of the Department of the Environment.".

(B) The table of sections for chapter 33 of title 18, United States Code, is amended by adding at the end thereof:

"716. Department of the Environment Seal.".

(c) ACQUISITION OF COPYRIGHTS AND PATENTS.—The Secretary is authorized to acquire any of the following described rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.

(d) ADVISORY COMMITTEE STANDARDS OF CONDUCT AND COMPENSATION.—The Secretary may promulgate regulations, no less stringent than any other applicable provision of law, regarding standards of conduct for members of advisory committees (and consultants to advisory committees), including requirements regarding conflicts of interest or disclosure of past and present financial and employment interests. The Secretary is authorized to pay members of advisory committees and others who perform services as authorized under section 3109 of title 5, United States Code, at rates for individuals not to exceed the per diem rate equivalent to the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 113. INHERENTLY GOVERNMENTAL FUNCTIONS.

(a) GOVERNMENT OFFICERS AND EMPLOYEES.—(1) Inherently governmental functions of the Department shall be performed only by officers and employees of the United States. For purposes of this section, "inherently governmental" means any activity which is so intimately related to the public interest as to mandate performance by Government officers and employees. These inherently governmental functions include those activities which require either the exercise of discretion in applying Government authority or the use of value of judgment in making decisions for the Government. These functions shall include, but not be limited to, work of a policy, decisionmaking, or managerial nature which is the direct responsibility of Department officials.

(b) CONFLICTS OF INTEREST.—(1) The Secretary shall by regulation require any person proposing to enter into a contract, agreement, or other arrangement, whether by competitive bid or negotiation, for the conduct of research, development, evaluation activities, or for advisory and assistance services, to provide the Secretary, prior to entering into any such contract, agreement, or arrangement, with all relevant information, as determined by the Secretary, bearing on whether that person has a possible conflict of interest with respect to—

(A) being able to render impartial, technically sound, or objective assistance or advice in light of other activities or relationships with other persons; or

(B) being given an unfair competitive advantage.

(2) Such person shall ensure, in accordance with regulations prescribed by the Secretary, compliance with this section by subcontractors of such person who are engaged to perform similar services.

(c) REQUIRE AFFIRMATIVE FINDING; CONFLICTS OF INTEREST WHICH CANNOT BE AVOIDED; MITIGATION OF CONFLICTS.—(1) Subject to the provisions of paragraph (2), the Secretary may not enter into any such contract, agreement, or arrangement, unless he affirmatively finds, after evaluating all such information and any other relevant information otherwise available to him, either that—

(A) there is little or no likelihood that a conflict of interest would exist; or

(B) that such conflict has been avoided after appropriate conditions have been included in such contract, agreement, or arrangement.

(2) If the Secretary determines that such conflict of interest exists and that such conflict of interest cannot be avoided by including appropriate conditions therein, the Secretary may enter into such contract, agreement, or arrangement, if he—

(A) determines that it is in the best interests of the United States to do so; and

(B) includes appropriate conditions in such contract, agreement, or arrangement to mitigate such conflict.

(d) PUBLIC NOTICE REGARDING CONFLICTS OF INTEREST.—The Secretary shall promulgate regulations which require public notice to be given whenever the Secretary determines that the award of a contract, agreement, or arrangement may result in a conflict of interest which cannot be avoided by including appropriate conditions therein.

(e) DISCLAIMER.—Nothing in this section shall preclude the Department from promulgating regulations to monitor potential conflicts after the contract award.

(f) RULES.—No later than 30 days after the effective date of this Act, the Secretary shall publish rules for the implementation of this section.

(g) CENTRAL FILE.—The Department shall maintain a central file regarding all cases when a public notice is issued. Other information required under this section shall also be compiled. Access to this information shall be controlled to safeguard any proprietary information.

(h) DEFINITIONS.—For purposes of this section, the term "advisory and assistance services" includes—

(1) management and professional support services;

(2) the conduct of studies, analyses, and evaluations; and

(3) engineering and technical services, excluding routine technical services.

SEC. 114. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining—

(1) to the Administrator of the Environmental Protection Agency shall be deemed to refer to the Secretary of the Environment;

(2) to the Environmental Protection Agency shall be deemed to refer to the Department of the Environment;

(3) to the Deputy Administrator of the Environmental Protection Agency shall be deemed to refer to the Deputy Secretary of the Environment; or

(4) to any Assistant Administrator of the Environmental Protection Agency shall be deemed to refer to an Assistant Secretary of the Department of the Environment.

SEC. 115. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, by the Administrator of the Environmental Protection Agency, or by a court of competent jurisdiction, in the performance of functions of the Administrator or the Environmental Protection Agency, and

(2) which are in effect at the time this Act takes effect, or were final before the effec-

tive date of this Act and are to become effective on or after the effective date of this Act, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of the Environment, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending before the Environmental Protection Agency at the time this Act takes effect, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) SUITS NOT AFFECTED.—The provisions of this Act shall not affect suits commenced before the date this Act takes effect, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Environmental Protection Agency, or by or against any individual in the official capacity of such individual as an officer of the Environmental Protection Agency, shall abate by reason of the enactment of this Act.

(e) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Environmental Protection Agency may be continued by the Department with the same effect as if this Act had not been enacted.

(f) PROPERTY AND RESOURCES.—The contracts, liabilities, records, property, and other assets and interests of the Environmental Protection Agency shall, after the effective date of this Act, be considered to be the contracts, liabilities, records, property, and other assets and interests of the Department.

(g) SAVINGS.—The Department of the Environment and its officers, employees, and agents shall have all the powers and authorities of the Environmental Protection Agency.

SEC. 116. CONFORMING AMENDMENTS.

(a) PRESIDENTIAL SUCCESSION.—Section 19(d)(1) of title 3, United States Code, is amended by inserting before the period at the end thereof the following: ", Secretary of the Environment".

(b) DEFINITION OF DEPARTMENT, CIVIL SERVICE LAWS.—Section 101 of title 5, United States Code, is amended by adding at the end thereof the following: "The Department of the Environment".

(c) COMPENSATION, LEVEL I.—Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following: "Secretary of the Environment".

(d) COMPENSATION, LEVEL II.—Section 5313 of title 5, United States Code, is amended by striking out "Administrator of Environmental Protection Agency" and inserting in lieu thereof "Deputy Secretary of the Environment".

(e) COMPENSATION, LEVEL IV.—Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Inspector General, Environmental Protection Agency" and inserting in lieu thereof "Inspector General, Department of the Environment"; and

(2) by striking each reference to an Assistant Administrator of the Environmental Protection Agency and by adding at the end thereof the following: "Assistant Secretaries, Department of the Environment (10). "General Counsel, Department of the Environment.".

(f) COMPENSATION, LEVEL V.—Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director of the Bureau of Environmental Statistics, Department of the Environment.

"Executive Director of the Commission on Improving Environmental Protection.".

(g) INSPECTOR GENERAL ACT.—The Inspector General Act of 1978 is amended—

(1) in section 2(1)—

(A) by inserting "the Department of the Environment," after "Veterans Affairs,"; and

(B) by striking out "The Environmental Protection Agency,";

(2) in section 11(1) by striking out "or Veterans Affairs" and inserting "Veterans Affairs, or the Environment,"; and

(3) in section 11(2) by striking out "or Veterans Affairs" and inserting "Veterans Affairs, or the Environment,".

SEC. 117. ADDITIONAL CONFORMING AMENDMENTS.

After consultation with the Committee on Governmental Affairs and the Committee on Environment and Public Works and other appropriate committees of the United States Senate and the appropriate committees of the House of Representatives, the Secretary of the Environment shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to the United States Code, and to other provisions of law, to reflect the changes made by this Act. Such legislation shall be submitted not later than 6 months after the effective date of this Act.

TITLE II—ENVIRONMENTAL ROLE OF THE UNITED STATES IN INTERNATIONAL ORGANIZATIONS TO WHICH IT BELONGS

SEC. 201. INTERNATIONAL ENERGY CONFERENCE.

The Secretary of State, in consultation with the Secretary of Energy and the Secretary of the Environment, and with the advice of the Committee on Earth and Environmental Sciences, is authorized and strongly urged to convene an international meeting to be held in the United States with invitations to representatives of all countries of the world, the purpose of which shall be to encourage the exchange of information concerning energy efficiency and renewable energy resources that are environmentally acceptable and ecologically sustainable.

SEC. 202. INTERNATIONAL GREENHOUSE GAS MONITORING PROGRAM.

The President, with the advice of the Committee on Earth and Environmental Sciences, shall encourage the establishment of an office of the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) to monitor annual estimated generation and removal of carbon dioxide and other trace gases on a country-by-country basis.

TITLE III—ESTABLISHMENT OF THE COMMISSION ON IMPROVING ENVIRONMENTAL PROTECTION

SEC. 301. ESTABLISHMENT; MEMBERSHIP.

(a) ESTABLISHMENT.—There is established the Commission on Improving Environmental Protection (hereafter referred to as "the Commission") whose 13 members including the Chairman shall be composed of experts in governmental organization (with emphasis on environmental organization), management of organizations and environmental regulation and improved environmental governmental service delivery, consisting of—

(1) seven members to be appointed by the President;

(2) three members to be appointed by the Speaker of the House; and

(3) three members to be appointed by the Senate Majority Leader.

(b) CHAIRMAN.—The Chairman of the Commission shall be appointed by the President in consultation with the Congress.

SEC. 302. COMMISSION RESPONSIBILITIES.

(a) RESPONSIBILITIES.—The Commission shall be responsible for examining and making recommendations on the management and implementation of the environmental laws and programs within the jurisdiction of the Department of the Environment in order to enhance the ability of the Department to preserve and protect human health and the environment. The Commission shall make recommendations and otherwise advise the President and the Congress on the need to—

(1) enhance and strengthen the management and implementation of existing programs within the Department;

(2) enhance the organization of the Department to eliminate duplication and overlap between different programs;

(3) enhance the coordination between different programs and offices within the Department; and

(4) enhance the consistency of policies throughout the Department.

(b) RECOMMENDATIONS.—The Commission shall provide specific steps and proposals for implementing the Commission's recommendations including an estimate of the costs of implementing such recommendations, except that the Commission shall not suggest substantive changes in the policy expressed by existing laws.

SEC. 303. REPORT TO THE PRESIDENT AND CONGRESS.

The Commission shall report to the President and the Congress on its investigation, findings, and recommendations in an interim report no later than 12 months after the effective date of this title, and in a final report no later than 24 months after the effective date of this title. The interim report shall be made available for public review and comment, and the comments taken into account in finalizing the report.

SEC. 304. COMMISSION STAFF.

The Commission shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 title 5, United States Code. With the approval of the Commission the Executive Director may appoint and fix the compensation of staff sufficient to enable the Commission to carry out its duties.

SEC. 305. ADVISORY GROUPS.

The Chairman shall convene at least one advisory group to assist the Commission in developing its recommendations. One advisory group shall be composed of past staff of the Department of the Environment and its predecessor Environmental Protection Agency, other Federal and State officials experienced in administering environmental protection programs, members of the regulated community and members of public interest groups organized to further the goals of environmental protection. The Executive Director is authorized to pay members of advisory committees and others who perform services as authorized under section 3109 of title 5, United States Code, at rates for individuals not to exceed the per diem rate equivalent to the rate for level V of the Executive Schedule under section 5316 of title 5, United States Code. The advisory group shall be subject to the provisions of the Federal Advisory Committee Act.

SEC. 306. FUNDING; AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $3,000,000 in fiscal year 1992 and $5,000,000 in fiscal year 1993 to carry out the provisions of this title.

TITLE IV—PRIVATE PROPERTY RIGHTS

SEC. 401. PRIVATE PROPERTY RIGHTS ACT.

(a) SHORT TITLE.—This section may be cited as the "Private Property Rights Act".

(b) DEFINITIONS.—For purposes of this section:

(1) The term "agency" means all executive branch agencies, including any military department of the United States Government, any United States Government corporation, United States Government controlled corporation, or other establishment in the Executive Branch of the United States Government.

(2) The term "taking of private property" means any activity wherein private property is taken such that compensation to the owner of that property is required by the Fifth Amendment to the Constitution of the United States.

(c) PROTECTION OF PRIVATE PROPERTY.—(1) No regulation promulgated after the date of the enactment of this Act by any agency shall become effective until the issuing agency is certified by the Attorney General to be in compliance with Executive Order 12630 or similar procedures to assess the potential for the taking of private property in the course of Federal regulatory activity, with the goal of minimizing such taking where possible.

(2) Upon receipt of guidelines proposed by an agency for compliance with the procedures referenced in paragraph (1), the Attorney General shall, in a reasonably expeditious manner, either approve such guidelines, or notify the head of such agency of any revisions or modification necessary to obtain approval.

(d) JUDICIAL REVIEW.—(1) Judicial review of actions or asserted failures to act pursuant to this section shall be limited to whether the Attorney General has certified the issuing agency as in compliance with Executive Order 12630 or similar procedures. Such review shall be in the same forum and at the same time as the issued regulations are otherwise subject to judicial review. Only persons adversely affected or grieved by agency action shall have standing to challenge that action as contrary to this section. In no event shall such review include any issue for which the United States Claims Court has jurisdiction.

(2) Nothing in this subsection shall affect any otherwise available judicial review of agency action.

TITLE V—EFFECTIVE DATE

SEC. 501. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on such date during the 6-month period beginning on the date of enactment, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect 6 months after the date of the enactment of this Act.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FEDERAL AID HIGHWAY PROGRAM

Mr. BAUCUS. Mr. President, when the clock struck twelve last night, America lost a good friend: the Federal Aid Highway Program.

The lapse in this program marks the end of an era—an era when the paramount goal of our national transportation policy was completion of the Interstate System. For the most part, we can look back at the Interstate era and congratulate ourselves for a job well done.

The highway program as we know it today has kept America on the move. All regions of our country—both urban and rural—have grown and proposed as our interstate, primary, and secondary road network expanded.

Yet, today, the interstate is virtually complete. And our world is changing. If America is to compete, we must strive to increase the productivity and efficiency of everything we do—including transportation.

And we are fortunate to have at least four Members of this body who had the vision to recognize this reality early on. I am speaking of the leadership of the Environment and Public Works Committee and its Transportation Subcommittee—Senators BURDICK, CHAFEE, MOYNIHAN, and SYMMS.

Earlier this year, by a 91 to 7 vote, the Senate passed the Surface Transportation Efficiency Act of 1991, known as the highway bill. This forward looking piece of legislation will help lead American transportation policy in the direction of greater competition, efficiency, and productivity.

Specifically, this legislation would give each state the flexibility to develop a transportation system that best meets the needs of its people. We are finally recognizing that, when it comes to transportation policy, not all the answers are found in Washington, DC.

Rather, exciting things are happening in places like Helena, Austin, Albany, Sacramento, and Olympia. Instead of telling the States what is best for them, we have opted to encourage them to innovate. We want each state to find solutions that meet its own unique transportation needs.

The Environment and Public Works Committee's report on the Senate bill contains a thirteen page forward written by Senator MOYNIHAN. I urge any Senator or individual with an interest in transportation policy to pick up a copy of this report and read Senator MOYNIHAN'S inspiring vision of a more efficient, balanced and productive highway program—a program that meets the legitimate needs of all 50 States:

> It is very hard to develop competition in a setting of pubic monopoly. Our idea is to let states compete among themselves. Let them learn from each other's mistakes; copy each other's successes. Those who make wise decisions will prosper. Those who make poor decisions will pay.
>
> This should be the new spirit of the public sector in America. It may sound odd, but there could be no better place for it to begin than with highways. Highways, after all, is where the public sector of the American economy begins. Before public schools, before public broadcasting, before public financing of election campaigns—came public roads.
>
> The moment calls for flexibility. No one state or city is exactly like another. Our job must be to facilitate and reward the best mix of transportation modes suited to specific jurisdictions.

The Senator from New York could not be more correct. We must have a highway bill that recognizes the unique needs of each and every State.

Mr. President, I represent a state with a land mass just slightly smaller than that of the State of California. But our total population is only 800,000—approximately one-thirty seventh the size of California.

It is hard for folks from more densely populated parts of the country to fathom the distances Montanans must cover. One of the greatest challenges facing our State government lies in providing decent roads over these distances. In recent years, with the deregulation of rail and air service further limiting alternative forms of transportation, this job has become even more difficult.

In short, to Montana and many other rural Western States, our highways are everything—absolutely everything. We have no competitive rail and air service. We have no navigable river system.

Our highways are the arteries that connect Montanans with Montana, Montanans with America, and Montanans with the world.

But, outside of 800,000 Montanans, who cares if communities like Scobey, Red Lodge, Thompson Falls, or Lewistown have bad roads?

The answer is we all should care.

These are the places that provide the foods and fiber this Nation needs. There is no question that America's city dwellers benefit from the timber, wheat, beef, oil and gas, and minerals produced in Montana.

Last year, the Washington Post ran an article examining the sources of decline in the Soviet economy. This piece cited "miserable country roads" as one of the main reasons the Soviet Union could not feed its own citizens. Because the Soviet infrastructure is incapable of carrying harvests to market, millions of tons of grain rot on the farms each year.

While this Nation's rural roads are clearly in better shape than those in the Soviet Union, the Soviet's dilemma proves that it is in the national interest to maintain a farm-to-market road network capable of sustaining communities in our heartland.

More than it realizes, urban America depends upon rural America. Our cities and suburbs are not self sufficient. They do not exist alone in a vacuum.

At the same time, those of us representing largely rural States must be sensitive to the transportation challenges facing our cities and suburbs.

Many of our urban highways are filled beyond capacity.

And the more time Americans living in our big cities spend in traffic jams, the less time they have to spend with their families and at work.

In addition, as cars idle on the freeway, they poison the air we breath.

There is no doubt that urban traffic congestion jeopardizes our national competitiveness and quality of life.

But I reject the proposition that we solve this problem by expanding highway capacity. It is axiomatic that traffic volume will expand to meet highway capacity. Before we know it, we will be right back to the gridlock we see today.

Senator MOYNIHAN put it best when he borrowed a famous line from the movie "Fields of Dreams": If you build it, they will come."

Rather than wasting good money by expanding highway capacity, our cities must focus on providing attractive and efficient mass transit systems. And I am pleased that the Senate bill encourages this by giving the States flexibility to freely move funds from highway to mass transit.

Finally, Mr. President, I hope this lapse in the highway program will be short.

We have done our job here in the Senate. But we have yet to see a bill even reach the House floor.

However, from what we know so far, the highway bill likely to emerge from the House will be very different from what we have passed. The bill being discussed on the House side will lack the Senate's flexibility and urban-rural balance.

While we give the States unprecedented flexibility to spend their highway dollars as they see fit, the House will almost certainly pass a bill rigidly mandating a National Highway System.

In addition, there is every indication the House bill will be larded with billions of dollars in demonstration projects. These projects run contrary to the flexibility that is the hallmark of the Senate bill.

The Senate has turned its back on porkbarrel politics. Our bill does not contain a single demonstration project. The House should show the same restraint.

And most disturbingly of all, it is almost certain that the House bill will stack the deck against rural States.

The House is likely to adopt the so-called FAST funding formula. This formula would—without any rational basis—give double credit for urban lane miles and urban vehicle miles traveled. Its adoption would devastate Montana and virtually every other Western State.

The FAST formula was offered and clearly rejected by this body. Adoption of this formula, or anything like it, would upset the delicate urban-rural balance that allowed the Senate bill to pass by an overwhelming margin.

In closing, Mr. President, I realize that allowing the highway program to lapse will cause hardship in a number of States. However, these pale in comparison to the hardships an unbalanced highway program will cause for Montana and many other States.

Further, it is clear this lapse may be the only way to force the House to act quickly and strike a reasonable compromise at conference.

I commend the leadership of the Environment and Public Works Committee for a job well done. And I urge them to stay the course.

FEDERAL RESPONSIBILITY FOR EDUCATION

Mr. PELL. Mr. President, the most recent report of the national goals panel unfortunately shows that there has been almost no progress in improving educational achievement. This report tells us little that we do not already know. In 1983, "A National At Risk" shocked this Nation into sounding an educational alarm. Since that time, we have had more than 8 years of reports on the condition of educational achievement, all of which have shown that we have failed to make significant advances in improving student achievement. In response, we have had two administrations that have provided considerable rhetoric, but little action, on what we need to do to improve education.

While two administrations have done little more than talk about education, we have lost an entire generation of students who have gone through the educational pipeline. We cannot afford to lose another. We must have action beyond rhetoric. We in Congress are poised to carry forward that mission. We stand ready to build upon a legacy of educational assistance established through our current programs. And we stand prepared to move in new directions to bring quality and excellence directly into our schools.

This Congress, we are working to approve three critical pieces of legislation. Each will provide a solid, substantive investment in education. Work is already well underway in our Education Subcommittee to reauthorize the Higher Education Act. Through this reauthorization we hope to increase grant assistance to our Nation's poorest students, increase access to aid for the middle-class, and simplify the entire financial aid process. Mr. President, since the 1980's a great American dream of a college education has become the great American nightmare. During that time, college costs have risen 135 percent while family income has risen only 64 percent. We must find the political will to address this crisis so that tomorrow's work force can have the educational tools to keep our Nation's economy second to none.

We are also at work to reauthorize our educational research programs. Here we will insure that the latest breakthroughs in research go beyond the walls of academia and move directly into the classroom. We need to see to it that research is adapted for school practice so that it may have a direct bearing on school improvement today rather than tomorrow.

Finally, we must enact S. 2, the Strengthening Education for American Families Act. Our goal is to bring excellence to every American school and not just a chosen few. Our course of action is to reach out to every American family and to provide a public education that is second to none. Only through massive school restructuring and reform can we accomplish this, and that is precisely what we seek to begin with the passage of S. 2.

Mr. President, American education is at a crossroads, not unlike our Nation as a whole. How we respond to the crisis and challenges that confront us will determine, in large measure, how well we will wear the mantle of world leadership. What we face in education is more than a microcosm of what we face in the world at large, for what we do in education will surely guide not only how we lead but whether we will be leaders or not.

Through an education of excellence we can retain our leadership in the world economy. Through education we see our faults and learn how to correct them, see our accomplishments and learn how to build upon them, see those less fortunate and learn how to help them build their lives. And through education we learn just how precious our democracy is, how frail and fragile it can be, how much it means to oppressed peoples everywhere, and how we cannot and should not retreat from leadership that is as strong in waging peace as it is in the conduct of war. As I have said many, many times, it is in the education of our people that we find our strength and our health.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Members of the Senate, we had intended that there be a cloture vote on the motion to proceed to the family leave bill this morning. For a variety of reasons that has been delayed and discussions are continuing on the bill in an attempt to determine the best and most appropriate method to proceed with respect to consideration of the matter.

We are now going to have a meeting which we anticipate will take about 20 minutes with the distinguished assistant Republican leader and interested Senators on both sides.

RECESS UNTIL 4:11 P.M.

Mr. MITCHELL. Accordingly, I ask unanimous consent that the Senate now stand in recess until the hour of 4:10 p.m.

There being no objection, the Senate, at 3:46 p.m, recessed until 4:11 p.m; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. FORD].

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Kentucky, exercising his prerogative as a Senator from Kentucky, suggests the absence of a quorum, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BURNS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Madam President, I also ask unanimous consent that I may proceed as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed as if in morning business. The Senator from Montana is recognized.

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of S. 1789 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE NOMINATION OF JUDGE CLARENCE THOMAS

Mr. BURNS. Madam President, I also rise today in strong support of Clarence Thomas to be an Associate Justice to the Supreme Court of the United States.

Ever since I joined this body back in 1989, my first session here, we continued to look for those people who will serve this great country for many reasons. And as I listened to the hearings and observed this man in his answers as a result of the questioning from the Judiciary Committee, there was one thing, very, very evident about this great American. He has seen first hand the diversity of the American experiment, first hand. That is important in this town.

Sometimes we get critical of ourselves and about this city and the way Congress works and the way the administration works and, yes, the way the legislature works, both Houses. But we look for those people who have had hands-on experience, who have sort of come up the hard way, who not only have a formal education, but also graduated with high honors from the university of hard knocks.

He has not only seen, but he has been a part of one of the most historical times in American history, a turbulent time, a time when America had to look inside its own soul to hold itself together.

And from those times, going on to obtain a formal education which most would agree, in fact all of us agree, is of the utmost importance. But when you couple that formal education with the practical experience of life, and all that it teaches, it becomes alive with purpose.

Judge Thomas not only has approached all of his challenges armed with a strong tool of that formal education, but he has the good, old common horse sense to implement it. He has shown to me that inside this man lives compassion for the American people. Only life itself can teach that. He has learned that lesson very, very well.

Here is a man that has been appointed by the President to the highest court in the land. He has been confirmed by this body no less than four times without objection.

On October 7, a new session of the Supreme Court goes to work. He should be seated on that panel so they can get on with the work of this country.

I urge my colleagues to support this man to be a Supreme Court Justice.

Madam President, I thank you.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. KOHL assumed the chair.)

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I ask unanimous consent I be permitted to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

GEORGETOWN BICENTENNIAL

Mr. ROTH. Mr. President, I am proud to pay tribute to a very special place, Georgetown, DE, as we approach the day of its bicentennial. On October 26, 1991, the people of Georgetown will celebrate 200 years of a rich Delaware history.

Over the course of two centuries, the Delawareans who lived and worked in this community built a solid, longlasting, and proud heritage. But they have done more than that.

With vision and intelligence, they have built a town which continues to grow and meet the challenges of the late 20th century. If you walk through the streets of Georgetown, you will see the old and the new working together in an exciting way.

The historic buildings and Victorian houses speak of the past, but the people of this town are very much of the present and the future. Georgetown is expanding and improving an already healthy economic base.

The people of Georgetown exemplify what is best about Hometown, America: They are good, hard-working citizens who care about their community, and who think about the challenges we must face as we approach a new century.

Perhaps there is no better example of how the people of Georgetown, DE, have gracefully combined the past and the present than the celebration of what is known as "Return Day." This is an old tradition that began as far back as 1792.

In those days, the citizens of Sussex County traveled to the county seat of Georgetown to cast their votes on election day. Then, 2 days later, they returned to hear the results. Return Day became a day of celebration and festivity in Georgetown over the years. It was an opportunity for the people to join with their elected representatives and celebrate the victories of democracy. But, importantly, it was also a time for campaign winners and losers to join together in friendship and mutual support.

Today, even though our electronic age has sped up the reporting of election results considerably, Georgetown is the only town in America that still faithfully celebrates Return Day. Every 2 years, winners and losers ride together in the Return Day parade, and the sense of community, which is so strong throughout Delaware, is never forgotten.

Mr. President, as we look to the fundamentals here in America, as we concentrate on family, on education, on a sense of community and pride, I think we can learn a great deal from the spirit of the people who live in Georgetown, DE.

I wish all the citizens of Georgetown a joyous and memorable bicentennial celebration.

RECESS UNTIL 5:45 P.M.

Mr. FORD. Mr. President, there is a great deal of negotiations going on off the floor as it relates to the pending business and the schedule for the next few days.

On behalf of the majority leader, with the approval of the Republican leader, I now ask unanimous consent that the Senate stand in recess until the hour of 5:45.

There being no objection, the Senate, at 4:59 p.m., recessed until 5:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. KOHL].

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. MITCHELL. Mr. President, for the information of Senators, we have spent the last several hours in private discussions attempting to reach agreement on the best way to proceed to dispose of the pending matter and other matters over the next several days. I intend to propound a unanimous-consent agreement to cover those matters in approximately 15 minutes. We are waiting now to attempt to clear this with several Senators who have expressed an interest in the matter.

So Senators should be aware that at approximately 6 o'clock, or sometime in the next 15 minutes, I will be in a position to propound the agreement which I hope will permit us to proceed to complete action on several matters over the next several days.

There has been a good give and take involving a fairly large number of Senators on both sides of the aisle. This involves important legislation and other important matters that are of keen interest to all Senators, and I thank the Members of the Senate for their patience as we attempt to proceed in a way that I think will ultimately save considerable time for the Senate and accommodate the schedules of a large number of Senators.

So with that, Mr. President, I am going to, in a moment, put in a quorum call and repeat that any Senator who does have an interest in this matter—I believe all offices have been notified or are in the process of being notified of the terms of the proposed agreement—that those Senators who wish to do so should be on the floor at about 6 p.m.

Mr. President, seeing no other Senator seeking recognition, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent I might proceed as in morning business for 4 minutes.

The PRESIDING OFFICER. The Senator may proceed.

THE COUP IN HAITI

Mr. PELL. Mr. President, Haiti's fragile experiment with democracy was dealt a crushing setback yesterday. The military is once again attempting to assert its dominance over the Haitian political system by initiating a coup d'etat against President Jean Bertrand Aristide. President Aristide was forced to flee the country early this morning, and a military junta has been formed under Brig. Gen. Raoul Cedras.

As it did with the recent coup attempt in the Soviet Union, the international community is hoping the illegal seizure of power can be turned back. The coming hours should prove to be a crucial period in determining the coup's success or failure; so it is up to the United States and other world powers to act quickly. The United States, France, and Canada have already condemned the coup attempt.

I am today joining with Senator GRAHAM in introducing a resolution to place the Senate on record in firm support of the return to democratic rule in Haiti. The resolution we are proposing reaffirms the administration's condemnation of the coup. It also calls upon other international bodies, such as the Organization of American States, to take immediate action to promote the restoration of democracy in Haiti.

Mr. President, Haiti's brave attempt to establish itself as viable, economically stable democracy is in grave danger. At risk is a substantial financial aid program from the United States and other international donors. The coup plotters in Haiti must be made aware—in the strongest terms possible—of the consequences of their reprehensible actions. The resolution we are considering will do just that, and I urge its immediate adoption.

EVENTS IN HAITI THREATEN DEMOCRACY'S MARCH IN THE AMERICAS

Mr. CRANSTON. Mr. President, I rise today to condemn, in the strongest possible terms, yesterday's military coup against Haiti's democratic government. This barbaric act marks the fifth time in less than half a decade that the army has moved against Haiti's brave democratic forces.

The putsch carried out by a faction of Haiti's military—long a violent, gangsterish force in that country's politics—not only represents a cruel blow to Haitian hopes for the future. It also signifies a horrible reversal of a 15-year trend toward democratic rule in our hemisphere.

No one in the Americas, no matter where he lives or what he does, can or should remain silent in the face of the latest act of armed hooliganism.

Yesterday President Bush used a visit to the celebration of the 30-year anniversary of the opening of Disneyworld in Florida to lash out against the Cuban regime headed by dictator Fidel Castro. Given both the nature of Castro's regime and Miami's large Cuban-American population, this was not surprising and was certainly good politics.

Yet, Mr. Bush was strangely silent on the military maneuver then underway in Haiti.

I urge the administration to work with the Organization of American States to use all possible multilateral measures to restore President Aristide to office. I also urge the OAS, once order is restored to the island republic, to help Mr. Aristide put an end to the virus of militarism in Haiti.

I urge Mr. Bush to show the same leadership he offered in August when the democratic forces in the former Soviet Union were under assault. This cynical act, carried out on our doorstep, cannot be tolerated.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might proceed for 5 minutes as though in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. I thank the Chair.

(The remarks of Mr. DURENBERGER pertaining to the introduction of S. 1789 are located in today's RECORD under "Statements of Introduced Bills and Joint Resolutions.")

Mr. DURENBERGER. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I ask unanimous consent to proceed as in morning business for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. I thank the Chair.

CONDEMNATION OF THE VIOLENCE IN HAITI

Mr. GRAHAM. Mr. President, the people of Haiti and the government they freely elected to office just last December are under attack this evening by that country's military.

President Jean-Bertrand Aristide, voted into office by more than 70 percent of electorate, fled for his life early this morning and is in Venezuela. Members of his government have been arrested. More than 130 civilians are dead, shot down by the marauding army that continues to terrorize the citizens of Haiti's capital, Port-au-Prince.

Mr. President, the election that took place in Haiti last December was truly a momentous event. It was the first free, fair and open election in the almost 200-year history of the nation of Haiti. The first. It must not be the last.

More than 1,000 international observers were on hand to observe the voting. The United Nations provided security assistance. Haitians turned out in large numbers. Ballot counting went on through the night and into the next day. President Aristide received almost 70 percent of the vote.

The election, unmarred by violence, was a far cry from the blood bath the world witnessed in 1987 when Haitians tried to vote following the ouster of President-for-life Jean Claude Duvalier.

Unfortunately, tragically after 8 months of democratic civilian rule, we had another bloodbath on our hands in Haiti. It is time we stated categorically that we are one with the Haitian people in their fight for democracy.

Mr. President, it is my intention before today's business of the Senate is concluded to offer a resolution expressing the support of the United States Senate for democracy in Haiti, expressing our abhorrence at the return of military authoritarian rule in that country.

It is my intention to ask that the United States take what action it can unilaterally undertake. And I am pleased, Mr. President, that the President of the United States has already announced his intention to terminate all economic and military aid to Haiti as long as it is under the control of the military junta.

The United States also has the opportunity to rally the international community. Last year the Organization of American States at its meeting in Santiago, Chile, adopted what was a first for that hemispheric organization. That is a commitment that in the event a democratically elected government was threatened, as has now occurred in Haiti, the hemispheric community of democratic nations would immediately come together and take such action as was deemed appropriate to restore that democratic government. There will be, I hope, in the next few hours or, if not, days a meeting of the foreign ministers of the Organization of American States' nations for precisely this purpose.

The proposal which I will shortly submit commends the OAS for that activity and offers the full support of the United States for this international effort toward the restoration of a democratic government in Haiti.

Mr. President, it is an appalling circumstance that so close to our Nation's shores, in a country which has played at times a critical role in the history of our own country's struggle for the preservation of freedom and democracy, that nation should see the flickering flame of democracy be crushed after such a short period; that that nation should again be subjected to the terror and violence that has been too much a part of its history.

It is my hope, Mr. President, that our Nation and other democracies in this hemisphere will see this for what it is, a direct challenge to the will of the people of Haiti in their desire to govern themselves and to restore basic human rights, and that we will with our other allies in this hemisphere take appropriate action to see that this dark shadow of authoritarian rule is not once again inflicted upon the people of Haiti.

Thank you, Mr. President.

The PRESIDING OFFICER. Does the Senator from Florida note the absence of a quorum?

Mr. GRAHAM. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the role.

The bill clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent that I may be allowed to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDEMNING THE MILITARY COUP IN HAITI

Mr. DODD. Mr. President, I rise this evening to speak in support of the pending resolution offered by the distinguished Senator from Florida [Mr. GRAHAM] and others. I ask unanimous consent that I be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, yesterday, the expressed will of the Haitian people was thwarted by the illegal ouster of the duly elected President of Haiti, Jean-Bertrand Aristide. The Haitian military has perpetrated an outrageous political crime against President Aristide and the Haitian people. This act deserves the outright and unqualified condemnation of the people of Haiti, the people of the United States, and the people of the entire community of nations.

Mr. President, a little over 1 month ago, the hardliners in Moscow were forced to back down from their efforts to turn back the tide of democracy sweeping through the Republics of the Soviet Union. They were forced to respect the democratic aspirations of the Soviet people. I hope that the generals in Port-au-Prince will be forced to take a similar course. The generals must understand, or be made to understand that the international community will not permit such petty acts of tyranny to stand in the way of the aspirations of the Haitian people.

With one voice the international community must make clear to the Haitian military that the only satisfactory resolution of this matter is the restoration of the government of President Aristide. The Organization of American States, which is shortly to convene an emergency meeting to address this crisis, must speak and act forcefully to renounce this illegal act and to take collective action to reverse it. Clearly the Haitian people, who have struggled so long and hard to see their aspirations of a democratic Haiti, deserve no less.

I call upon President Bush, in consultation with other governments throughout the hemisphere and elsewhere, to do all that is possible to work toward that outcome, and I urge my colleagues to support the resolution before us as an endorsement of those efforts.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may be allowed to proceed with a statement in support of the nomination of Clarence Thomas to the U.S. Supreme Court.

The PRESIDING OFFICER. The Senator may proceed.

Mr. MURKOWSKI. I thank the Chair.

THE NOMINATION OF CLARENCE THOMAS TO THE SUPREME COURT

Mr. MURKOWSKI. Mr. President, I rise today to express my strong support for the President's nomination of Judge Clarence Thomas to succeed retiring Supreme Court Justice Thurgood Marshall.

After the President nominated Judge Thomas, I carefully reviewed his professional and academic background and qualifications to be an Associate Justice. I also had the opportunity to meet with him to discuss his nomination. I came away from this experience not only confident that Judge Thomas will be a valuable addition to the Court, but also impressed with a man whose life, in many ways, typifies the ideal of the American dream.

Drawing upon the values instilled in him by his family, Judge Thomas has succeeded, in no small part, because of his belief in the value of hard work, the inherent equality of all people, and the importance of self-reliance. The distance he has traveled from his humble beginnings in Pin Point, GA, to Holy Cross College and Yale Law School and now his nomination to the highest court in our land, has been marked by determination, hard work, and commitment to public service. I would expect Judge Thomas' tenure on the Court to be as exemplary.

Throughout the extensive hearings conducted by the Senate Judiciary Committee, Judge Thomas has demonstrated that he is well-versed in the law and that he possesses the intellectual capacity necessary to rule on a variety of complex issues. I am confident that his academic background and professional experience have sufficiently prepared him to serve as an associate justice. I am equally convinced that his decisions on the Court will be tempered by life experiences that make him sensitive to the impact of his decisions on parties before the Court.

There has been a great deal of emphasis in the Judiciary Committee hearings on pinning down Judge Thomas' philosophy on particular issues which may come before the Court. A more appropriate standard for reviewing his qualifications is that standard articulated by the American Bar Association in making its determination that a candidate is "qualified." For a nominee to be judged as "qualified" the ABA requires that the nominee "have outstanding legal ability and wide experience and meet the highest standards of integrity, judicial temperament, and professional competence." Judge Clarence Thomas clearly meets that standard.

I urge my colleagues to support the confirmation of Clarence Thomas to be an Associate Justice of the Supreme Court.

THE SCHEDULE

Mr. MURKOWSKI. Mr. President, one more item since I see the majority leader is on the floor, if I might just have his attention very briefly, and direct my comments to the majority leader.

Mr. President, if I may have the attention of the majority leader for a brief moment, I understand that there has been an effort to reach an agreement concerning the remainder of the schedule, and obviously we operate by the majority rule in the sense of trying to accommodate as many Members as possible. But in view of the fact that there was some indication, at least, that we might have an uninterrupted period of time over the Columbus Day recess, I made certain plans and commitments. I have a Federal judge to meet and they are having an affair in Fairbanks on Monday, and, as a consequence, I feel that I must attend. But on the other hand, I must be here for the Thomas vote if indeed that does occur, as I understand might be proposed, sometime Tuesday.

It is not that I wish my colleagues who live a short distance in an afterlife to have the experience that I have in traveling to make that vote and back to Alaska, about 20,000 miles by the time I would go up and meet the commitments, come back, and then leave again and spend some 56 hours in the air over a period of 2 days.

It seems to me there ought to be some other way to try to keep the commitments that had not been committed in the spirit they could not be changed, but for those of us who live in Hawaii, live on the west coast, and other long-distance areas, it is inconvenient, to say the least.

I understand the leader has many problems and many people to try to meet their concerns, but it is indeed unfortunate that I am looking at 20,000 miles in 2 days to meet commitments I have made some time ago. I wanted to make that known to my colleagues because I think, as we address the quality of life here, we begin pushing it particularly for those of us who live that great distance. If I had a nonstop from National Airport to Atlanta or St. Louis, I would feel perhaps a little differently, but contemplating that type of travel I feel a little crusty, I might say. I apologize to the majority leader, but I wanted to make my point known.

Mr. MITCHELL. Mr. President, I thank the Senator for his comments and his courtesy. I am very sympathetic to the Senator's needs, which is one reason why the distinguished Republican leader and I made such an effort to accommodate the Senator from Alaska and other Western Senators on so many occasions in the past.

With respect to the Columbus Day recess, I would simply note that when the matter was discussed here on the floor of the Senate by Senator DOLE and myself, I stated explicitly that additional time for that period would be forthcoming provided the Senate completed action on certain measures prior to that. I was then asked the precise question by the distinguished junior Senator from Mississippi, what happens if the Senate has not completed action on those measures by October 4? My answer was the Senate will be in session on October 7 and 8 and 9, until they do.

I might say to the Senator that the distinguished senior Senator from Mississippi then expressed his opinion on the subject in which he made known his criticism of the whole approach of trying to do it in this manner, a point of view which I respect and accept. The reason we now have a hangup is trying to complete action on the Thomas nomination. I am trying to accommodate the President, the distinguished Republican leader, and the Senator from Missouri. The Senator from Alaska will get no quarrel from me if he would say the Senate should go out on Friday, take a week and come back and do the Thomas nomination at some later time. I am trying to strike a fair balance in the interest of all concerned in trying to accommodate the schedules of 100 Senators, each of whom has different interests and needs. I am very sympathetic with the tremendous travel problems that the Senators from Hawaii and Alaska have. We tried very hard to try to accommodate the concerns in this session and the prior session. We will continue to do so.

Mr. MURKOWSKI. I thank the majority leader. It was my understanding that possibly Friday, or Saturday at the latest, 48 hours would expire so we could have taken the Thomas matter up for a vote either Friday or Saturday as opposed to carrying it over to next week. But unless I am corrected on that, I believe there was objection by one Member.

Mr. MITCHELL. Let us not have any misunderstanding on the record. Under the rules, the Senate, with unanimous consent, could not take up the nomination until 48 hours after the report is printed and available to all Senators. The report is expected to be printed and available for all Senators tomorrow during the day. I do not know the time. Therefore, we could not even take it up until sometime during the day on Friday. Given the importance of the nomination, I think it is a reasonable request to suggest that there be a period of 3 or 4 days to consider it.

If we can get to this unanimous-consent request, which I am trying to get to, I am going to propose waiving the rule and bring it up on Thursday prior to the time when it would otherwise be available to be brought up so that we can begin discussion and have a full 4-day period for debate on it and then everybody have the opportunity to express themselves and have a vote on it at a reasonable time.

Mr. MURKOWSKI. Mr. President, I assume the majority leaders would need unanimous consent to get that.

Mr. MITCHELL. Yes, I do. And with the Republican leader here, I am hoping to propound it shortly.

Mr. MURKOWSKI. Mr. President, it is my understanding, I wish to advise the majority leader, that there is pending an objection to the unanimous-consent agreement, for it to be taken up at the end of the 48 hours. I may be incorrect on that, but that is my understanding, which means there would be objection raised by someone to taking it up at the end of the 48 hours.

Mr. MITCHELL. I have no knowledge of that. In fact, there is no basis for objecting after 48 hours.

Mr. MURKOWSKI. The objection, I believe, Mr. President, is to taking it up with the agreement that at the end of the 48 hours there would be a vote on it, which would mean we would vote Friday or Saturday. That would take a unanimous-consent agreement.

Mr. MITCHELL. Yes. I am not aware of any objection. It has been cleared on the Democratic side that we could get consent to proceed to the Thomas nomination earlier than would otherwise be permissible under the rules.

If there is objection on the Republican side, then, of course, that objection will be stated and we will not be able to proceed to it.

Mr. MURKOWSKI. I understand. It is my understanding if there would be an objection, if it were posed, it would be on the other side. That is my understanding.

I thank the majority leader. I thank the Chair and I appreciate his courtesies.

Mr. WIRTH. Mr. President, what is the current business before the Senate?

The PRESIDING OFFICER (Mr. BRYAN). The current business before the Senate, the pending question is, Is it the sense of the Senate to limit debate on the motion to proceed to consideration of S. 5, the family medical leave legislation?

Mr. WIRTH. There is discussion currently going on on what agreement might be reached between the two sides; is that correct?

The PRESIDING OFFICER. The Chair is informed that the pending business is before the Senate based upon a prior unanimous-consent agreement. It is the Chair's further understanding that discussions have been going on with respect to vitiating that unanimous-consent agreement and propounding yet another.

Mr. WIRTH. It is my understanding that the Parliamentarian would be very happy if we were actually formally in a quorum call.

So, I would therefore note the absence of a quorum.

The PRESIDING OFFICER. The Chair appreciates the astute observation by the Senator from Colorado.

Mr. WIRTH. I thank the Chair.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the cloture vote on the motion to proceed to S. 5 be vitiated; that the Senate proceed to the consideration of Calendar No. 100, S. 5, the family medical leave bill at 10:30 a.m. on Wednesday, October 2; that following opening statements on the bill by the two managers, Senator BOND be recognized to offer a substitute amendment on behalf of himself, Senators FORD and COATS; that there be 2 hours of debate equally divided and controlled in the usual form on the amendment; that the only amendment in order to the Bond-Ford-Coats amendment be a Durenberger amendment relative to the arbitration of disputes, on which there be 1 hour for debate equally divided in the usual form; that no other amendments be in order, and that at the conclusion or yielding back of time, the Senate vote, without any intervening action or debate, on the Durenberger amendment to be followed, without any intervening action or debate, by a vote on the Bond-Ford-Coats amendment, as amended, if amended; that following the disposition of the Bond-Ford-Coats amendment, notwithstanding the adoption of the Bond-Ford-Coats amendment, Senator HATCH be recognized to offer an amendment; that there be 2 hours of debate equally divided and controlled in the usual form on the Hatch amendment, and that no other amendments be in order; and that at the conclusion or yielding back of time on the Hatch amendment, the Senate vote on the Hatch amendment; that upon the disposition of the Hatch amendment, the Senate vote on the committee substitute, as amended, if amended, to be followed by a third reading and final passage of the bill, all of which is to be done without any intervening action or debate, and that any rollcall votes ordered on the above amendments be stacked to occur beginning at 4 p.m. on Wednesday, October 2, in the following order: the Durenberger amendment, the Bond-Ford-Coats amendment, the Hatch amendment; further, that a vote on Senate Resolution 186, Senator GRAHAM of Florida's Haiti resolution, occur without any intervening action or debate, immediately upon the disposition of S. 5.

I further ask unanimous consent, as if in executive session, that at 10 a.m. on Thursday, October 3, the Senate go into executive session to consider the nomination of Judge Thomas to be an Associate Justice of the Supreme Court, and that a vote on the Thomas nomination occur on Tuesday, October 8 at 6 p.m.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, reserving the right to object, and I know we cannot be certain of this but I wanted to check, after third reading, it is my understanding that final passage will occur on a voice vote.

Mr. MITCHELL. The Senator is correct. That cannot be included in the unanimous-consent request, as the Senator knows, but we have discussed this matter with the manager of the bill, the principal author, the Senator from Connecticut, and the distinguished junior Senator from Missouri who has also been very active in the legislation and the distinguished senior Senator from Kentucky. It is my understanding there is no intention to seek a rollcall vote on final passage of the bill, with rollcall votes having previously occurred on the substitute amendment offered by Senators BOND, FORD, and COATS, and the Hatch amendment, if a vote is sought on that amendment.

Mr. DODD. Will the Senator yield?

Mr. MITCHELL. I yield to the Senator from Connecticut.

Mr. DODD. I certainly concur entirely with the statement made by the majority leader. It is certainly my intention to have a voice vote on final passage.

Mr. DOLE. Further reserving the right to object, we talked earlier, in fact, we had an agreement earlier, as I recall, that rather than have an up-or-down vote on the amendments, that it would be on the amendments or in relation to the amendments. I understand there is now objection on that side to having a vote on a motion to table even though we on this side have had a whip check, as I indicated we would have, and a vote to table would receive somewhere in the neighborhood of 30, 35 votes.

Mr. MITCHELL. I will yield to the Senator from Connecticut.

Mr. DODD. Mr. President, I appreciate the minority leader's request in that regard. But for reasons we have discussed earlier, that would not be acceptable. I appreciate his effort in that regard. Because it is such an open-ended issue as to how that may come out, we thought it might be preferable just to have the straight up or down vote on the Bond-Coats-Ford amendment. And if Senator HATCH so desires, the same, an up or down vote on his proposition as well. But I appreciate his efforts in that regard.

Mr. DOLE. Mr. President, I further observe I am not going to object on that basis, but I just want to make the record because a number of Members on this side, when I first contacted them, the understanding was they would have that opportunity if necessary. It might not even seem to us—

since we worked this out in good faith, at least we ought to have the option of a motion to table which we may or may not make tomorrow. Because I think if this agreement is reached we have just saved 2 or 3 days of debate on this legislation. But I understand if that were included then there would be an objection from that side of the aisle. Is that correct?

Mr. DODD. The Senator is correct.

The PRESIDING OFFICER. Is there objection? The Senator from Iowa [Mr. GRASSLEY].

Mr. GRASSLEY. Mr. President, reserving the right to object, and I hope I will not have to object. In fact, I did not realize on the other side that there would be an objection to what the Senator just referred. But for my part, I have wanted to be included in the unanimous-consent agreement, a very simple amendment that would extend the law to employees of the Senate. In a sense it would make the law and the remedies under the law applicable to employees of the Senate and to us individual Senators in the same vein as applicable to everybody else in the country.

I do not need a lot of time on this amendment because everybody understands it very clearly. It is a very simple amendment. I ask as little as 10 minutes for me to offer my amendment, and I assume equal time on the other side, 10 minutes for the other side for those who might want to speak in opposition to it.

I think that it is eminently fair. It starts with a proposition of being fair to the employees of the Senate, to have the same remedies that people in the private sector have. More important, it seemed to me too often this body has exempted the Senate from the applicability of laws that are applicable—as they affect people in the private sector.

I do not see why there would be any opposition to our debating this just for 10 minutes and having a vote. It does not take any more time than that, as far as I am concerned. I would like to have a longer period of time but I know the necessity of moving forward with the legislation so that we can get to the Thomas nomination. I do not have any objection to that. I do not have any objection to anything else in the UC.

All I would like to do is have 10 minutes to offer an amendment that I think is very simple and straightforward, but based upon a very sound principle, that we ought to have the same laws applicable to Senators as employers as we expect every other employer in the United States to meet. It is that simple.

So I reserve the right to object in the sense of asking the people who are proposing the unanimous-consent agreement what the problem was with my being included.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. I yield to the distinguished Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. I thank the majority leader and thank the Chair. I have been talking with my distinguished friend from Iowa, Senator GRASSLEY, about some remedy that would be in order as it relates to the operation of the Senate. There is a constitutional question, as the Senator knows; the separation of powers. I have offered to my good friend—if he would introduce a piece of legislation that would bring about, through an orderly fashion, what he is attempting to do tonight—I offered to hold hearings and expedite what he is attempting to do so we might do it in a thoughtful manner rather than a sudden amendment to every bill that comes through here. We could take care of that.

On the other side of that coin, the Senator has had his amendment up before. He has been soundly defeated. The ranking member of the Ethics Committee, a distinguished legal mind here in the Senate, has been very strongly opposed to his amendment.

I hope that he and I could work together—I certainly want to—to see that the piece of legislation is introduced, that it comes before the Rules Committee, it follows the course of other pieces of legislation here, and we will finally put into place something for the Senate.

I have not seen the amendment. No one has seen the amendment. We do not know exactly the language. But I understand that it just covers the Senate and not the House.

Am I correct in that?

Mr. DODD. Will my colleague from Kentucky yield on that?

Mr. FORD. I will in a moment.

Mr. GRASSLEY. If the Senator will yield, I will provide an answer to the question. It does just apply to the Senate in deference to comity between the two bodies. We have debated that and we all agree to that. I think it is normal procedure for the way we do business here.

Mr. FORD. Mr. President, is there no way we could work out a piece of legislation that would become a rule of the Senate, that would accommodate the Senator and accommodate other Members? I hope we could do that without taking us through this vote because there is a question in a lot of people's minds about the procedure, about the constitutionality. Some say there is not any constitutional question. Others say there is.

I am not a lawyer. Dad always told me a little knowledge in the law is dangerous; get you a good lawyer and stay with him. So I think we have some good legal minds that are advising us that there is a constitutional question as it relates to the separation of powers.

I hope we could get into an agreement here that we could move forward and we would not have to have this vote every time a piece of legislation comes through the Senate.

Mr. DODD. Will my colleague yield?

Mr. FORD. I will be glad to yield. But the majority leader has the floor. He yielded to me. I do not have the right to yield.

Mr. MITCHELL. I will yield to the Senator from Connecticut.

Mr. DODD. Just very briefly—and I ask the attention of my colleague from Iowa—on page 103 of the proposed legislation there is section 404, which is entitled "Section 404, Coverage of the Senate."

It says:

> A, coverage, 1, application. Rights and protections established under section 101 through 105 shall apply with respect to Senate employee or employing authority of the Senate.

It goes on in terms of who eligible employee means and the term employer, the Senate.

This is the language that, as I understand it, was adopted and worked out between, I believe, Senator STEVENS of Alaska, Senator, RUDMAN, Senator FORD, and others on a variety of other pieces of legislation where this matter has been raised—in the Civil Rights Act, I think in the Disabilities Act—language that was worked out to cover the kind of situation and provide the necessary protections that the Senator from Kentucky has just described.

We voted on that and adopted that, whereas the proposition my colleague from Iowa wants to offer, with all due respect, we voted on that in the past. It has been defeated rather overwhelmingly, and the compromise language has been added on. It seems to me that covers the kind of situation the Senator is talking about.

Mr. MITCHELL. Mr. President, I yield to the Senator from Kentucky.

Mr. FORD. Mr. President, is there any way the Senator would introduce legislation and I agree to hold a hearing in an expeditious manner and we then go to hearings and have testimony and have markup and let this bill come out and do it in that sort of way rather than have an amendment on every piece of legislation that comes through the Senate? Would the Senate agree to that?

Mr. MITCHELL. I will yield to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, I would not agree to that because we are talking about, here, a refinement of the present legislation that the Senator from Connecticut very adequately described—the legislation. But what it does not do that I would attempt to do is to give Senate employees the same remedy that private sector employees have. I think that it is important that we do this on the legislation. It is a shortcoming of a specific piece of legislation. And if this legislation had not been before us, this would not be an issue I would have to deal with.

So a general piece of legislation that the Senator from Kentucky is talking about is not applicable until the Senate as a body tries to pass other legislation that, in turn, treats Senate employees different than private sector employees, or, in a sense, says the Senators do not have to abide by the same law that the rest of the country has to abide by.

Mr. MITCHELL. Mr. President, I renew my request.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, I regret that we struggled for over 6 hours today trying to reach agreement to dispose of the three matters mentioned in the agreement.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, for your benefit and the benefit of the leaders, I have had a chance to have some discussion about my desire to offer the amendment that I have already described to the Senate on other opportunities to offer that amendment. I talked to Senator DANFORTH, Senator SIMPSON, and Senator DOLE about it. This amendment would have been offered by myself to any bill where the Senate would offer remedies different for its employees than are offered to private sector employees, because I desire parallelism between the treatment of both groups of people.

I would probably be offering that on the civil rights bill that will come up later on this month. If I could speak a desire that I would have at that point, it would be to offer the amendment to the civil rights bill; it would be to have an up or down vote on that amendment; it would be that it would not be second-degreed, so that I could have a pure vote on the issue that I want to bring before the Senate.

I had an opportunity to discuss that with Senator DANFORTH, who is a leader in civil rights. He does not agree with me on the substance of my legislation, but he, I sense, feels that it ought to have its day in court and would be willing procedurally to help me accomplish that.

If that can be worked out, I would be happy to withdraw my objection to the unanimous consent request that the majority leader propounded that I have already objected to. If he wanted to offer it again, I would not be one to object at that point; if I could be satisfied that the way I have described it would be carried out; that there is sympathy to that approach; and every effort, good-faith effort, made to accomplish that procedurally.

Mr. DANFORTH. Mr. President, responding to the Senator from Iowa, I think that it is important that we enter into the time agreement, unanimous-consent agreement that has been propounded by the majority leader. It is my understanding that after the recess the civil rights bill be brought to the floor of the Senate, and I would anticipate being active on the floor during that debate.

I have told the Senator from Iowa that I do not agree with the merits of his amendment, that I would oppose the amendment, and that I would vote against the amendment. But I have also told him that I have no intention, and will not make a tabling motion, and that I will not offer a second-degree amendment to his amendment should it be offered to the civil right bill.

Further, I have told him that while I cannot speak for any other Senator, at least I would do my best to urge my side on the civil rights bill to refrain from either a second-degree amendment or a tabling motion.

Mr. DOLE. Will the Senator from Iowa yield?

Mr. GRASSLEY. I do not have the floor.

The PRESIDING OFFICER. The Chair recognizes the Republican leader.

Mr. DOLE. Mr. President, let me make the same assurance to the Senator from Iowa. I do not know. I cannot speak for everyone on this side. But I do know that the Senator from Missouri, Senator DANFORTH, would be actively engaged in any civil rights bill that comes before the floor.

I would also state to the Senator from Iowa, I would certainly encourage my colleagues on this side. I do not think there would be a tabling motion on this side; there would not be a second degree. Again, if there is any indication of that, I would do my best to discourage it, because I think this particular agreement is important.

I think there are other ways we could have reached this agreement. I think we could have maybe voted on the motion to proceed and go that route. We do not know how that vote will come out. It is very close. But we are not doing that now. We are trying to reach an agreement by unanimous consent.

So I want to underscore that I told the Senator from Iowa privately that I would be of every assistance that I can. I have spoken to the distinguished majority leader. If he could shed any light, it would be helpful to us.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I just now heard the request, moments before the Senator from Iowa stated it. The distinguished Republican leader told me what it would be.

I have no intention of making a motion to table the Senator's amendment or offering a second-degree amendment. However, it should be clear to everyone, and I think I ought to state it on the record, there are 54 Democratic Senators, 53 Democratic Senators not present here on the floor. I cannot speak for any of them. I am not able to make a commitment that those who have been involved in the civil rights legislation will not want to do so.

So, while I am prepared to state that I have no intention of offering a second-degree amendment to the Senator's amendment or move to table that, I am unable to respond to behalf of the many Senators who are not here and, of course who are not aware of this.

I think most of them have not been actively involved in the civil rights legislation, and probably will not have a reaction one way or the other to the request of the amendment. But I cannot speak for everyone.

Mr. GRASSLEY. Mr. President, would the majority leader yield? I guess the only other thing, since the Senator from Kentucky is on the floor—he has been involved in opposition to the approach that I take—I would hope that Senator FORD could assure us that he would not stand in the way, as he has this evening, of my amendment being offered to the civil rights bill when it comes up.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. FORD] is recognized.

Mr. FORD. Mr. President, I will give the same statement to my good friend from Iowa that the distinguished senior Senator from Missouri gave to him. I do not like his amendment. I will vote against his amendment, but I will not move to amend it or to table it.

I think what we ought to do here is to lay this question to rest. And if we could get a piece of legislation that he can introduce along with the cosponsors and send it to the Rules Committee, hold hearings on it, let us have a markup, do our best to bring it to the floor, we will not have this. We would have a set rule for the Senate.

I cannot go any further than that. I cannot guarantee anything beyond that, except I want to work. I have worked hard, if you look at the votes, and other remedies as we go back to the civil rights bill. We worked on it. It faded. We had a recommittal here, and so forth.

So I just want to encourage my friend to work with me to see if we cannot get a piece of legislation that would take us out of this. But, one, as

I say, I agree with the senior Senator from Missouri. I will pledge to my friend that I will not move to table nor to second degree his amendment.

Mr. GRASSLEY. Mr. President, I thank the Senator from Kentucky for his fairly positive response. I would like to give a response in return. Since he has asked me to consider introducing legislation, I will seriously consider his request in that vein without circumventing any attempt that I am going to make on the civil rights bill. But I will be glad to pursue that as a parallel track, Mr. President. I yield the floor.

Mr. MITCHELL. Mr. President, I renew my request.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the unanimous-consent request previously propounded by the majority leader is agreed to.

The text of the agreement follows:

Ordered, That at 10:30 a.m. on Wednesday, October 2, 1991, the Senate proceed to the consideration of S. 5, the Family Medical Leave bill, and that following opening statements by the two managers, the Senator from Missouri (Mr. Bond) be recognized to offer a substitute amendment on behalf of himself, Senator Ford, and Senator Coats, on which there shall be 2 hours debate, equally divided and controlled in the usual form.

Ordered further, That the only amendment in order to the Bond-Ford-Coats amendment be a Durenberger amendment relative to the arbitration of disputes, on which there shall be 1 hour debate, equally divided in the usual form.

Ordered further, That no other amendments be in order.

Ordered further, That at the conclusion or yielding back of time, the Senate vote, without any intervening action or debate, on the Durenberger amendment, to be followed, without any intervening action or debate, by a vote on the Bond-Ford-Coats amendment, as amended, if amended.

Ordered further, That following the disposition of the Bond-Ford-Coats amendment, notwithstanding the adoption of the Bond-Ford-Coats amendment, the Senator from Utah (Mr. Hatch) be recognized to offer an amendment, on which there shall be 2 hours debate, equally divided and controlled in the usual form, with no other amendments in order.

Ordered further, That at the conclusion or yielding back of time on the Hatch amendment, the Senate vote on the Hatch amendment.

Ordered further, That upon the disposition of the Hatch amendment, the Senate vote on the committee substitute, as amended, if amended, to be followed by third reading and final passage of the bill, all of which to be done without any intervening action or debate.

Ordered further, That any rollcall votes ordered on the above amendments be stacked to occur at 4 p.m. on Wednesday, October 2, in the following order: the Durenberger amendment, the Bond-Ford-Coats amendment, and the Hatch amendment.

PROGRAM

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening. Pursuant to the agreement just obtained, there will be a series of votes tomorrow beginning at 4 p.m. There will be possibly three or four votes, Mr. President. That has not been finally determined. But there will be those votes.

On Thursday we will begin with the consideration of the nomination of Judge Thomas, a vote on which will occur next Tuesday at 6 p.m.

EXECUTIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar No. 313, and all nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read; and the motions to reconsider be laid on the table en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning William Clark, Jr., and ending Thomas A. Rodgers, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of September 11, 1991.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:26 p.m., a message from the House of Representatives announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 78. Joint resolution to designate the month of November 1991 and 1992 as "National Hospice Month";

S.J. Res. 156. Joint resolution to designate the week of October 6, 1991, through October 12, 1991, as "Mental Illness Awareness Week"; and

S.J. Res. 172. Joint resolution to authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month."

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 156. Joint resolution to designate the week of October 6, 1991, through October 12, 1991, as "Mental Illness Awareness Week; and

S.J. Res. 172. Joint resolution to authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

At 4:11 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 3259. An act to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth; and for other purposes;

H.R. 3280. An act to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and on related matters;

H.R. 3322. An act to designate the building in St. Louis, Missouri, which is currently known as the Wellston Station, as the "Gwen B. Giles Post Office Building"; and

S.J. Res. 191. Joint resolution designating January 5, 1992 through January 11, 1992 as "National Law Enforcement Training Week."

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

S.J. Res. 191. Joint resolution designating January 5, 1992 through January 11, 1992, as "National Law Enforcement Training Week"; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, October 1, 1991, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 156. Joint resolution to designate the week of October 6, 1991, through October

12, 1991, as "Mental Illness Awareness Week; and

S.J. Res. 172. Joint resolution to authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1967. A communication from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide funding for the resolution of failed thrifts and working capital for the Resolution Trust Corporation, to restructure the Oversight Board and the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-1968. A communication from the Secretary of Energy, transmitting, pursuant to law, the twelfth annual report on the use of alcohol in fuels; to the Committee on Energy and Natural Resources.

EC-1969. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend subsection 31(e) of the Mineral Leasing Act, and for other purposes; to the Committee on Energy and Natural Resources.

EC-1970. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1971. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1972. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1973. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1974. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on progress in demonstrations to test ways of promoting vocational rehabilitation and helping Social Security disability beneficiaries return to work; to the Committee on Finance.

EC-1975. A communication from the President of the National Academy of Public Administration, transmitting, pursuant to law, a report on an evaluation of human resource management at the Health Care Financing Administration; to the Committee on Finance.

EC-1976. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the semi-annual reports for the period October 1990 to March 1991 listing voluntary contributions made by the United States Government to international organizations; to the Committee on Foreign Relations.

EC-1977. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of an award; to the Committee on Foreign Relations.

EC-1978. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Final Audit on the D.C. Commission on Baseball"; to the Committee on Governmental Affairs.

EC-1979. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Guaranteed Student Loan and PLUS Programs; to the Committee on Labor and Human Resources.

EC-1980. A communication from the Executive Director of the National Council on Vocational Education, transmitting, pursuant to law, a report entitled "Rediscovering Our National Vision: Building Positive Self-Esteem and a Strong Work Ethic"; to the Committee on Labor and Human Resources.

EC-1981. A communication from the Executive Director of the National Council on Vocational Education, transmitting, pursuant to law, a summary of the proceedings and results from the Business, Industry, and Education Forum held by the National Council on Vocational Education on June 25, 1990; to the Committee on Labor and Human Resources.

EC-1982. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the fiscal year 1990 Low Income Home Energy Assistance Program; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs:

Special Report entitled "Lax Federal Enforcement of the Antidumping and Countervailing Duty Program" (Rept. No. 102-166).

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 543. A bill to reform Federal deposit insurance, protect the deposit insurance funds, and improve supervision and regulation of and disclosure relating to federally insured depository institutions (Rept. No. 102-167).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without recommendation:

Clarence Thomas, of Georgia, to be an Associate Justice of the Supreme Court of the United States (with additional and supplemental views) (Exec. Rept. No. 102-15).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ADAMS (for himself, Ms. MIKULSKI, and Mr. DURENBERGER):

S. 1777. A bill to amend the Public Health Service Act to establish the authority for the regulation of mammography services and radiological equipment, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BIDEN:

S. 1778. A bill to amend title 18, United States Code, to require the Bureau of Prisons to notify local law enforcement agencies of the release of Federal prisoners; to the Committee on the Judiciary.

By Mr. GLENN:

S. 1779. A bill to suspend temporarily the duties on certain chemicals; to the Committee on Finance.

S. 1780. A bill to amend the Harmonized Tariff Schedule of the United States to extend the suspension of the duties on certain bicycle parts, and for other purposes; to the Committee on Finance.

S. 1781. A bill to extend until January 1, 1995, the existing suspension of duty on certain umbrella frames; to the Committee on Finance.

S. 1782. A bill to extend until January 1, 1995, the existing suspension of duty on certain chemicals; to the Committee on Finance.

S. 1783. A bill to extend the existing suspension of duty on mixed ortho/paratoluenesulfonamides; to the Committee on Finance.

S. 1784. A bill to extend until January 1, 1995, the existing temporary suspension of duty on umbrella frames; to the Committee on Finance.

S. 1785. A bill to suspend temporarily the duty on Diaphone V; to the Committee on Finance.

By Mr. BAUCUS (for himself, Mr. PACKWOOD, Mr. MCCAIN, Mr. SYMMS, Mr. HATFIELD, Mr. CRANSTON, Mr. BINGAMAN, Mr. MACK, Mr. DURENBERGER, Mr. GRAHAM, Mr. SEYMOUR, Mr. BURNS, Mr. DOMENICI, Mr. SANFORD, and Mr. CRAIG):

S. 1786. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment; to the Committee on Finance.

By Mr. BREAUX (for himself and Mr. KERRY):

S. 1787. A bill to amend the Internal Revenue Code of 1986 to encourage the sale of real property held by the Resolution Trust Corporation by allowing a credit against income tax to purchasers of such property; to the Committee on Finance.

By Mr. WIRTH (for himself, Mr. BROWN, Ms. MIKULSKI, and Mr. SARBANES):

S. 1788. A bill to establish the National Air and Space Museum Expansion Site Advisory Panel for the purpose of developing a national competition for the evaluation of possible expansion sites for the National Air and Space Museum, and to authorize the Board of Regents of the Smithsonian Institution to select, plan, and design such site; to the Committee on Rules and Administration.

By Mr. DURENBERGER (for himself, Mr. BURNS, Mr. DOLE, Mr. DOMENICI, Mr. ROTH, and Mr. LUGAR):

S. 1789. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. HATFIELD):

S. 1790. A bill to enhance America's global competitiveness by fostering a high skills, high quality, high performance workforce, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. ROTH, Mr. LUGAR, Mr. GRAMM, Mr. DURENBERGER, and Mr. BURNS):

S. 1791. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Finance.

By Mr. HATCH:

S.J. Res. 207. Joint resolution to designate the period commencing on December 1, 1991, and ending on December 7, 1991, and the period commencing on November 29, 1992, and ending on December 5, 1992, each as "National Adoption Week"; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself, Mr. GORE, Mr. MITCHELL, Mr. DOLE, Mr. ADAMS, Mr. BINGAMAN, Mr. BRADLEY, Mr. BRYAN, Mr. BURNS, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CRAIG, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DASCHLE, Mr. DIXON, Mr. DURENBERGER, Mr. GLENN, Mr. GRAHAM, Mr. GRASSLEY, Mr. HATCH, Mr. HEFLIN, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSTON, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MCCAIN, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. NICKLES, Mr. PELL, Mr. REID, Mr. RIEGLE, Mr. ROTH, Mr. SANFORD, Mr. SASSER, Mr. SEYMOUR, Mr. SIMON, Mr. STEVENS, Mr. THURMOND, Mr. WALLOP, Mr. WARNER, Mr. WELLSTONE, Mr. WOFFORD, and Mrs. KASSEBAUM):

S.J. Res. 208. Joint resolution to designate October 15, 1991, as "Up With People Day"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. GRAHAM (for himself, Mr. MITCHELL, Mr. DODD, Mr. CRANSTON, Mr. DECONCINI, Mr. MACK, and Mr. LEAHY):

S. Res. 186. Resolution relative to Haiti; ordered held at the desk.

Mr. DECONCINI (for himself and Mr. D'AMATO):

S. Con. Res. 65. Concurrent resolution to express the sense of the Congress that the President should recognize Ukraine's independence; to the Committee on Foreign Relations.

Mr. LOTT:

S. Con. Res. 66. Concurrent resolution to express the sense of the Congress that any funds determined to be unnecessary for the defense of the United States should be applied directly to the economic defense of the American people by reducing the Federal deficit; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, that if one Committee reports, the other Committee have thirty days to report or be discharged.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ADAMS (for himself, Ms. MIKULSKI, and Mr. DURENBERGER):

S. 1777. A bill to amend the Public Health Service Act to establish the authority for the regulation of mammography services and radiological equipment, and for other purposes; to the Committee on Labor and Human Resources.

BREAST CANCER SCREENING SAFETY ACT

Mr. ADAMS. Mr. President, October is Breast Cancer Awareness Month. This year, when the morning news shows do their stories, women across our Nation will learn that breast cancer strikes more women today than it did 5 years ago—or even just 2 years ago. In fact, breast cancer is the most common form of cancer in women.

Women will hear medical professionals admit that we don't know what causes breast cancer; we don't know why more women are getting breast cancer; and in an age of medical miracles, we don't know why more women are dying of breast cancer.

There is no question that more research must be done, and that more resources need to be directed toward understanding the causes and finding a cure for breast cancer. That is exactly why I joined Representative PAT SCHROEDER and the congressional caucus for women's issues last June to launch the five-part national breast cancer challenge.

When Dr. Samuel Broder, Director of the National Cancer Institute, came to Capitol Hill to accept the challenge, we gave him a commitment to provide funding to do the research necessary to understand the causes, reduce the mortality rate, and find a cure for breast cancer. That money, which will allow more research grants on breast cancer to be funded and will help attract some of the best researchers, has been included in a Senate appropriations bill.

But until the research is done, the best offense a woman has against breast cancer is early detection—regular breast exams and, after the age of 40, regular screening mammograms.

We know that early detection, through breast cancer screening and reliable mammograms, saves lives. Education and prevention programs, like those at the American Cancer Society or the National Cancer Institute, have produced very positive results: significantly more women are getting mammograms. We know that good, accurate mammograms are 85- to 95-percent successful in early cancer detection.

But what we can't be sure of is whether or not the mammogram a woman has is safe and accurate. As it is currently practiced, mammography has some serious problems. If the mammogram image quality is poor or the interpretation is faulty, cancerous lesions can be missed, delaying treatment, and resulting in unnecessary mastectomy or death.

Right now, there is no guarantee that the mammogram a woman receives is safe and accurate because there are no minimum Federal standards to assure the quality of screening mammography. Moreover, comprehensive State standards are virtually nonexistent—only 13 States have enacted legislation in the area of quality assurance.

And I'm not talking about hypothetical situations, I am talking about real women from all across the United States—women who are dying or fighting for their lives because their breast cancer went undetected because of poor quality mammograms.

I'm talking about women like Susan Everly, a social worker at Swedish Hospital Tumor Institute in Seattle. Susan works with cancer patients so she was no stranger to breast cancer or the need for regular screening mammograms. All things considered, Susan was one of the least likely candidates for receiving substandard medical care for cancer detection.

Nevertheless, the mammogram Susan had in 1990 was misdiagnosed by the radiologist. Because of her job, Susan knew to seek a second opinion. Susan has breast cancer, and is being successfully treated. But Susan also acknowledges that the story would be very different had she not known to get a second opinion.

I am here today, on the first day of Breast Cancer Awareness Month, to introduce legislation which would make sure that the mammogram a woman gets will have good image quality, limits the patient's dose of radiation, and is correctly interpreted.

For a mammogram to be safe and accurate, the test must be performed by a technician trained to take mammograms; the equipment must be well maintained, correctly calibrated, and designed for mammography; and the radiologist reading the mammogram must be specially trained to interpret these complex x rays. My bill will set standards for equipment and personnel taking, and reading, mammograms.

Of course, some facilities are better than others. We know this largely because some facilities have voluntarily met quality standards for accreditation established by the American College of Radiology in 1987. But by any standard, many mammography facilities are inadequate.

Only one-third of the mammography facilities in the United States—those that think they are the best—have applied for accreditation. And one-third of those have failed. Overall, about one in four mammography units has been accredited.

The unparalleled growth in the number of facilities offering mammography services makes the situation even worse. There are a record number of facilities in operation today—more than 10,000—and nobody knows about the quality of the machines, how they are maintained, or if they are used properly. Unreliable equipment is dangerous equipment.

And only nine States have personnel standards specifically for technicians dealing with mammography. An accurate mammogram requires highly skilled technologists because so much depends on proper positioning and image of the breast. The bill I am introducing today requires that only qualified individuals who meet State licensing requirements, or who have been appropriately trained and certified, perform mammograms.

The bill would also require that physicians, who read the mammogram, meet professional qualifications. These doctors must be certified by the appropriate medical board or by an accreditation body to interpret the results of the mammogram. Studies show that primary care physicians and multispecialty clinics have the lowest levels of compliance with quality-assurance standards. A mammogram is among the most difficult radiographic images to read.

The requirements of my legislation would apply wherever women get mammograms—whether it is in a hospital, at a radiology center, a breast clinic, a physician's office, or a mobile unit.

Breast cancer is a tragedy that can be prevented and treated successfully through early detection with screening mammography. A bad mammogram jeopardizes a woman's health. Only by establishing national quality standards for mammography can we prevent another generation of women from paying for bad mammograms with their lives.

I am very pleased to be joined today by Senators MIKULSKI and DURENBERGER as original cosponsors of my bill. I urge my colleagues to join us in supporting this life-saving legislation.

Mr. President, I ask unanimous consent that the text of the bill, and an analysis of the bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1777

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "The Breast Cancer Screening Safety Act of 1991".

SEC. 2. CERTIFICATION OF MAMMOGRAPHY FACILITIES.

Part F of title III of the Public Health Service Act (42 U.S.C. 262 et seq.) is amended by adding at the end the following new subpart:

"Subpart 3—Mammography Facilities

"SEC. 354. CERTIFICATION OF MAMMOGRAPHY FACILITIES.

"(a) DEFINITIONS.—As used in this section:

"(1) ACCREDITATION BODY.—The term 'accreditation body' means a body that has been approved by the Secretary under subsection (e)(2)(A) to accredit facilities.

"(2) CERTIFICATE.—The term 'certificate' means the certificate described in subsection (b)(1).

"(3) CERTIFIED FACILITY.—The term 'certified facility' means a facility to which the Secretary has issued and, if appropriate, renewed a certificate in accordance with subsection (c).

"(4) FACILITY.—The term 'facility' means a hospital outpatient department, clinic, radiology practice, or mobile unit, an office of a physician, or other facility, as determined by the Secretary, that conducts breast cancer screening or diagnosis through mammography for the diagnosis or further examination of cancerous or potentially cancerous breast tissue.

"(5) MAMMOGRAM.—The term 'mammogram' means a radiographic image produced through mammography.

"(6) MAMMOGRAPHY.—The term 'mammography' means radiography of the breast for the purpose of enabling a physician to determine the presence, size, location, and extent of cancerous or potentially cancerous breast tissue.

"(b) CERTIFICATE REQUIREMENT.—

"(1) CERTIFICATE.—No facility may conduct an examination or procedure described in paragraph (2) in performing mammography after December 31, 1993, unless the facility obtains a certificate—

"(A) that is issued and, if applicable, renewed by, the Secretary in accordance with subsection (c); and

"(B) that is applicable to the examination or procedure to be conducted.

"(2) EXAMINATION OR PROCEDURE.—A facility shall obtain a certificate in order to—

"(A) operate equipment that is used to image the breast in performing mammography and that has been sold or offered for sale in interstate commerce;

"(B) interpret a screening mammogram or diagnostic mammogram produced by the equipment;

"(C) perform needle localization or other procedures in which mammography equipment is used; or

"(D) inspect the equipment and conduct oversight of quality assurance practices at a facility with the equipment.

"(c) ISSUANCE AND RENEWAL OF CERTIFICATES.—

"(1) IN GENERAL.—The Secretary, acting through the Director for the Centers for Disease Control, may issue or renew a certificate for a facility if the person, entity, agent, or body described in subsection (d)(1) meets the applicable requirements of subsection (d) with respect to the facility.

"(2) TERM.—The Secretary may issue or renew a certificate under this section for not more than 2 years.

"(d) APPLICATION FOR CERTIFICATE.—The Secretary may issue or renew a certificate for a facility if—

"(1) the person or entity who owns or leases the facility or an authorized agent of the person, or, in the case of a facility accredited by an accreditation body under subsection (e), the accreditation body, submits to the Secretary, in such form and manner as the Secretary shall prescribe, an application that contains—

"(A) a description of the manufacturer, model, and type of each x-ray machine, image receptor, and processor operated in the performance of mammography at the facility;

"(B) a description of the procedures currently used to provide mammography, or other procedures related to the detection of cancerous or potentially cancerous breast tissue, at the facility, including—

"(i) the number and types of procedures performed;

"(ii) the methodologies for mammography; and

"(iii) the qualifications (educational background, training, and experience) of the personnel performing radiological procedures, the medical physicist inspecting mammography equipment at the facility, and the physicians reading and interpreting the results from the procedures; and

"(C) in the case of a facility accredited under subsection (e), proof of accreditation and information indicating the basis for the accreditation; and

"(2) the person, entity, or agent submits to the Secretary—

"(A) a satisfactory assurance that the facility will be operated in accordance with standards established by the Secretary under subsection (f);

"(B) a satisfactory assurance that the facility will—

"(i) permit inspections by the Secretary under subsection (g);

"(ii) make such records and information available, and submit such reports, to the Secretary as the Secretary may reasonably require; and

"(iii) update the information submitted under paragraph (1) or (2) not later than 6 months after the date the information becomes incomplete or inaccurate; and

"(C) such other information as the Secretary may require.

"(e) ACCREDITATION.—

"(1) IN GENERAL.—The Secretary may consider a facility to be accredited for purposes of subsection (d)(1) if the facility—

"(A) meets the standards of an approved accreditation body; and

"(B) authorizes the accreditation body to submit to the Secretary (or such State agency as the Secretary may designate) such information as the Secretary may require.

"(2) APPROVAL OF ACCREDITATION BODIES.—

"(A) IN GENERAL.—The Secretary may approve a private nonprofit organization to accredit facilities for purposes of subsection (d)(1) if the accreditation body provides satisfactory assurances that the body will—

"(i) comply with the requirements described in paragraphs (4) and (5);

"(ii) submit to the Secretary the name of any facility for which the accreditation body denies, suspends, withdraws, or revokes accreditation, or against which the body takes any other action, within 30 days of the action;

"(iii) notify the Secretary at least 30 days before the accreditation body changes the standards of the body; and

"(iv) notify each facility accredited by the accreditation body if the Secretary withdraws approval of the accreditation body under paragraph (3), within 21 days of the withdrawal.

"(B) CRITERIA AND PROCEDURES.—The Secretary shall promulgate regulations under which the Secretary may approve an accreditation body.

"(3) WITHDRAWAL OF APPROVAL.—

"(A) IN GENERAL.—The Secretary shall promulgate standards under which the Secretary may withdraw the approval of an accreditation body if the Secretary determines that the accreditation body does not meet the requirements of clauses (i) through (iv) of paragraph (2)(A).

"(B) EFFECT OF WITHDRAWAL.—If the Secretary withdraws the approval of an accreditation body under subparagraph (A), the certificate of any facility accredited by the body shall continue in effect until the date specified by the Secretary at the time the Secretary approves, under paragraph (2)(A), an accreditation body that may accredit the facility.

"(4) ACCREDITATION.—In determining whether or not to accredit a facility, an approved accreditation body shall—

"(A) inspect facilities using inspectors who the Secretary determines are qualified to evaluate the equipment used by the facilities in performing mammograms;

"(B) inspect facilities with such frequency as the Secretary may determine to be necessary; and

"(C) apply standards equal to or more stringent than the standards established by the Secretary under subsection (f).

"(5) COMPLIANCE.—An approved accreditation body shall take measures to ensure that facilities accredited by the body will continue to meet the standards of the accreditation body.

"(6) REVOCATION OF ACCREDITATION.—If an accreditation body withdraws or revokes the accreditation of a facility, the certificate of the facility shall continue in effect until the later of—

"(A) 90 days after the facility receives notice of the withdrawal or revocation of the accreditation; or

"(B) the effective date of any action taken by the Secretary under subsection (h) or (i).

"(7) EVALUATION AND REPORT.—

"(A) EVALUATION.—The Secretary shall evaluate annually the performance of each approved accreditation body by—

"(i) inspecting under subsection (g) a sufficient number of the facilities accredited by the body to allow a reasonable estimate of the performance of the body; and

"(ii) such additional means as the Secretary determines to be appropriate.

"(B) REPORT.—The Secretary shall annually prepare and submit to the appropriate committees of Congress, a report that describes the results of the evaluation conducted in accordance with subparagraph (A).

"(f) QUALITY STANDARDS.—

"(1) IN GENERAL.—The Secretary shall establish standards for facilities to assure the safety and accuracy of mammography, including—

"(A) standards that require establishment and maintenance of a quality assurance and quality control program that is adequate and appropriate to ensure the reliability, clarity, and accurate interpretation of radiologic images;

"(B) standards that require use of radiological equipment specifically designed for mammography, including radiologic standards;

"(C) a requirement that personnel who perform mammograms be—

"(i) licensed by a State to perform radiological procedures; or

"(ii) certified as qualified to perform radiological procedures as described in paragraph (3)(A);

"(D) minimum training and performance standards for personnel who perform mammograms;

"(E) a requirement that mammograms be interpreted by a physician who is certified as qualified to interpret screening mammography procedures by—

"(i) a board described in paragraph (3)(B); or

"(ii) a program that complies with the standards described in paragraph (3)(C);

"(F) requirements that—

"(i) a facility that performs the original mammogram and the first screening mammogram of a woman maintain the mammograms in the permanent medical records of the woman; and

"(ii) a facility that performs any mammogram maintain the mammogram for not less than 5 years; and

"(G) a requirement that a medical physicist who is qualified in mammography and certified by a board described in paragraph (3)(D) perform an annual inspection of screening mammography equipment and oversight of quality assurance practices at each facility.

"(2) CONSIDERATIONS.—In developing standards under paragraph (1), the Secretary shall consider—

"(A) standards issued by the American College of Radiology;

"(B) the examinations and procedures performed and the methodologies employed by facilities, including—

"(i) monitoring repeat mammograms;

"(ii) submitting mammograms to peer review panels for second readings;

"(iii) performing a second reading within the facility; and

"(iv) following up patient biopsies;

"(C) the complexity of the process for performing mammograms;

"(D) the degree of independent judgment involved in performing mammograms;

"(E) the calibration and quality control requirements of the radiological equipment used, including image quality and dose;

"(F) the difficulty in reading and interpreting mammogram results;

"(G) the value of a requirement for physical consultation at the facility, independent of the regulatory inspection process described in subsection (g); and

"(H) such other factors as the Secretary considers relevant.

"(3) CERTIFICATION OF PERSONNEL.—The Secretary shall by regulation—

"(A) specify organizations eligible to certify individuals to perform radiological procedures;

"(B) specify boards eligible to certify individuals to interpret screening mammograms;

"(C) establish standards regarding the qualifications for individuals described in subparagraph (B) for programs certifying the individuals; and

"(D) specify boards eligible to certify individuals qualified to inspect screening mammography equipment and to oversee quality assurance practices at mammography facilities.

"(g) INSPECTIONS.—

"(1) IN GENERAL.—The Secretary may enter and inspect certified facilities to determine compliance with the standards established under subsection (f).

"(2) TIMING.—The Secretary may conduct announced or unannounced inspections during the regular hours of operation of the facilities.

"(3) IDENTIFICATION.—The Secretary may conduct inspections only on presenting identification to the owner, operator, or agent in charge of the facility to be inspected.

"(4) SCOPE OF INSPECTION.—In conducting inspections, the Secretary—

"(A) shall have access to all equipment, materials, records, and information that the Secretary considers necessary to determine whether the facility is being operated in accordance with this section; and

"(B) may copy, or require the facility to submit to the Secretary, any of the materials, records, or information.

"(5) ELEMENTS OF INSPECTION.—All inspections shall include an inspection of the beam quality, average glandular dose, and phantom image quality of the mammography system, and other features as determined by the Secretary.

"(6) QUALIFICATIONS OF INSPECTORS.—Qualified radiological physicists shall conduct all inspections. The Secretary may designate a Federal officer or employee to conduct inspections, or request that a State designate an officer or employee to conduct the inspections.

"(7) FREQUENCY.—The Secretary shall conduct inspections of certified facilities not less often than annually.

"(8) RECORDS OF INSPECTIONS.—Each facility shall maintain records of an inspection for not less than 7 years after the date of the inspection.

"(h) INTERMEDIATE SANCTIONS.—

"(1) IN GENERAL.—The Secretary may impose sanctions under this subsection in lieu of the actions authorized by subsection (i) if a facility receives notification—

"(A) that the Secretary has determined that the facility is not in compliance with the standards established under subsection (f) or the requirements described in clauses (i) through (iii) of subsection (d)(2)(B), in the case of a facility accredited by an accreditation body from which the Secretary has withdrawn approval under subsection (e)(3); or

"(B) that the accreditation body that accredited the facility under subsection (e) has withdrawn or revoked the accreditation of the facility.

"(2) TIMING.—The Secretary may not impose sanctions under this subsection until the Secretary determines, not earlier than 60 days after the date of the notification described in subparagraph (A), that a certified facility has failed to take corrective action to bring the facility into substantial compliance with the standards or the requirements, as appropriate.

"(3) TYPES OF INTERMEDIATE SANCTIONS.—The Secretary may impose sanctions under this subsection consisting of—

"(A) directed plans of correction;

"(B) civil money penalties in an amount not to exceed $10,000 for each failure to substantially comply with, or each day on which a facility fails to substantially comply with, the standards established under subsection (f) or the requirements described in clauses (i) through (iii) of subsection (d)(2)(B); or

"(C) payment for the cost of onsite monitoring.

"(4) PROCEDURES.—The Secretary shall develop and implement procedures under which the Secretary may impose intermediate sanctions under this subsection. The procedures shall—

"(A) specify the time and the manner in which the Secretary may impose sanctions;

"(B) provide for notice to the owner or operator of the facility;

"(C) provide a reasonable opportunity for the owner or operator to respond to the proposed sanction; and

"(D) include appropriate procedures for appealing determinations relating to the imposition of intermediate sanctions.

"(i) SUSPENSION, REVOCATION, AND LIMITATION.—

"(1) IN GENERAL.—The certificate of a facility issued under this section may be suspended, revoked, or limited if the Secretary finds, after providing, except as provided in paragraph (2), reasonable notice and an opportunity for a hearing to the owner or operator of the facility, that the owner, operator, or any employee of the facility—

"(A) has been guilty of misrepresentation in obtaining the certificate;

"(B) has performed, or represented the facility as entitled to perform, a type of examination or procedure described in subparagraphs (A) through (C) of subsection (b)(2) that is outside the scope of the certificate for the facility;

"(C) has failed to comply with the requirements of subsection (d)(2)(B)(iii) or the standards established by the Secretary under subsection (f);

"(D) has failed to comply with reasonable requests of the Secretary for any record, information, report, or material that the Secretary concludes is necessary to determine the continued eligibility of the facility for a certificate or continued compliance with the standards established under subsection (f);

"(E) has refused a reasonable request of the Secretary, any Federal officer or employee duly designated by the Secretary, or any State officer or employee duly designated by the State, for permission to inspect the facility or the operations and pertinent records of the facility in accordance with subsection (g);

"(F) has violated or aided and abetted in the violation of any provision of, or regulation promulgated under, this section; or

"(G) has failed to comply with an intermediate sanction imposed under subsection (h).

"(2) ACTION BEFORE A HEARING.—

"(A) IN GENERAL.—The Secretary may suspend or limit the certificate of the facility before holding a hearing required by paragraph (1) if the Secretary makes the finding described in paragraph (1) and determines that—

"(i) the failure of a facility to comply with the standards established by the Secretary under subsection (f) presents an imminent and serious risk to human health; or

"(ii) a facility has engaged in an action described in subparagraph (D) or (E) of paragraph (1).

"(B) HEARING.—If the Secretary suspends or limits a certificate under subparagraph (A), the Secretary shall provide an opportunity for a hearing to the owner or operator of the facility not later than 60 days from the effective date of the suspension or limitation. The suspension or limitation shall remain in effect until the decision of the Secretary made after the hearing.

"(3) INELIGIBILITY TO OWN OR OPERATE FACILITIES AFTER REVOCATION.—If the Secretary revokes the certificate of a facility on the basis of an act described in paragraph (1), no person who owned or operated the facility at the time of the act may, within 2 years of the revocation of the certificate, own or operate a facility that requires a certificate under this section.

"(j) INJUNCTIONS.—If the Secretary determines that continuation of any activity related to the provision of mammography by a facility would constitute a significant hazard to the public health, the Secretary may bring suit in the district court of the United States for the district in which the facility is situated to enjoin continuation of the activity. Upon a proper showing, the district court shall grant a temporary injunction or restraining order against continuation of the activity without requiring the Secretary to post a bond, pending issuance of a final order under this subsection.

"(k) JUDICIAL REVIEW.—

"(1) PETITION.—If the Secretary imposes an intermediate sanction on a facility under subsection (h) or suspends, revokes, or limits the certificate of a facility under subsection (i), the owner or operator of the facility may, not later than 60 days after the date the action of the Secretary becomes final, file a petition with the United States court of appeals for the circuit in which the facility is situated for judicial review of the action. As soon as practicable after receipt of the petition, the clerk of the court shall transmit a copy of the petition to the Secretary or other officer designated by the Secretary. As soon as practicable after receipt of the copy, the Secretary shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28, United States Code.

"(2) ADDITIONAL EVIDENCE.—If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order the additional evidence (and evidence in rebuttal of the additional evidence) to be taken before the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may determine to be proper. The Secretary may modify the findings of the Secretary as to the facts, or make new findings, by reason of the additional evidence so taken, and the Secretary shall file the modified or new findings, and the recommendations of the Secretary, if any, for the modification or setting aside of the original action of the Secretary with the return of the additional evidence.

"(3) JUDGMENT OF COURT.—Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to affirm the action, or to set the action aside in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) FINALITY OF JUDGMENT.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

"(l) SANCTIONS.—Any person who intentionally violates any requirement of this section or any regulation promulgated under this section—

"(1) shall be imprisoned for not more than 1 year or fined in accordance with title 18, United States Code, or both; and

"(2) for a second or subsequent offense shall be imprisoned for not more than 3 years or fined in accordance with title 18, United States Code, or both.

"(m) FEES.—

"(1) CERTIFICATE FEES.—The Secretary shall require payment of fees for the issuance and renewal of certificates.

"(2) ADDITIONAL FEES.—The Secretary shall require the payment of fees for inspections of facilities that were accredited by accreditation bodies from whom the Secretary withdrew approval under subsection (e)(3).

"(3) CRITERIA.—

"(A) CERTIFICATE FEES.—Fees imposed under paragraph (1) shall be sufficient to cover the general costs of administering this section except for costs described in subparagraph (B), including—

"(i) evaluating and monitoring quality assurance and quality control programs;

"(ii) excluding and monitoring accreditation bodies; and

"(iii) monitoring compliance with the requirements of this section.

"(B) ADDITIONAL FEES.—Fees imposed under paragraph (2) shall be sufficient to cover the cost of the Secretary in carrying out the inspections.

"(n) INFORMATION.—

"(1) IN GENERAL.—Not later than April 1, 1994, and annually thereafter, the Secretary shall compile and make available to physicians and the general public information that the Secretary determines is useful in evaluating the performance of a facility, including a list of facilities—

"(A) that have been convicted under Federal or State laws relating to fraud and abuse, false billings, or kickbacks;

"(B) that have been subject to intermediate sanctions under subsection (h), together with a statement of the reasons for the sanctions;

"(C) that have had certificates revoked, suspended, or limited under subsection (i), together with a statement of the reasons for the revocation, suspension, or limitation;

"(D) against which the Secretary has taken action under subsection (j), together with a statement of the reasons for the action;

"(E) that have been the subject of a sanction under subsection (l), together with a statement of the reasons for the sanction; and

"(F) whose accreditation has been withdrawn or revoked, together with a statement of the reasons of the withdrawal or revocation.

"(2) DATE.—The information to be compiled under paragraph (1) shall be information for the calendar year preceding the date the information is to be made available to the public.

"(3) EXPLANATORY INFORMATION.—The information to be compiled under paragraph (1) shall be accompanied by such explanatory information as may be appropriate to assist in the interpretation of the information compiled under the paragraph.

"(o) DELEGATION.—In carrying out this section, the Secretary may enter into an agreement with a Federal, State, or local public agency or nonprofit private organization, use the services or facilities of the agency or nonprofit private organization, and pay for the services or use of facilities in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(p) STATE AND LOCAL LAWS.—

"(1) CONSISTENT LAWS.—Except as provided in paragraph (2), nothing in this section shall be construed as affecting the power of any State or locality to enact and enforce laws relating to the matters covered by this section to the extent that the laws are not inconsistent with this section or with the regulations issued under this section.

"(2) MORE STRINGENT LAWS.—If a State or locality enacts laws relating to matters covered by this section that provide for requirements equal to or more stringent than the requirements of this section or than the regulations issued under this section, the Secretary may exempt facilities in that State or locality from compliance with this section.

"(q) MAMMOGRAPHY REGISTRY.—

"(1) RESEARCH.—

"(A) ESTABLISHMENT OF GRANTS.—The Secretary shall make grants to such entities as the Secretary may determine to be appropriate to conduct research on new methods of establishing a Mammography Registry, including archiving and retrieval of mammography images, physician reports, and outcome and followup information.

"(B) USE OF FUNDS.—Grants awarded under subparagraph (A) may be used—

"(i) to study—

"(I) improved methods of mammography film duplication, centralized digital archiving, and individual patient archiving in a Mammography Registry; and

"(II) mechanisms for limiting access and maintaining confidentiality of all stored data; and

"(ii) to conduct pilot testing of the methods and mechanisms described in subclauses (I) and (II) of clause (i) on a limited basis.

"(C) GRANT APPLICATION.—To be eligible to receive funds under this paragraph, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(D) REPORT.—A recipient of a grant under this paragraph shall submit a report to the Secretary containing the results of the study and testing conducted under clauses (i) and (ii) of subparagraph (B), along with recommendations for methods of establishing a Mammography Registry.

"(2) ESTABLISHMENT.—The Secretary shall establish a Mammography Registry based on the recommendations contained in the report described in paragraph (1)(D).

"(3) STANDARDS AND PROCEDURES.—The Secretary shall establish standards and procedures for the operation of the Mammography Registry, including procedures to maintain confidentiality of patient records.

"(4) INFORMATION.—The Secretary may require that facilities provide to the Mammography Registry relevant data that could help in the research of the causes, characteristics, and prevalance of, and potential treatments for, breast cancer and benign breast conditions, if the information may be disclosed under section 552 of title 5, United States Code. The data may include information on patients relating to age, race, geographic location, type of breast cancer and benign breast conditions, family history, occupational hazards, other medical conditions, uses of mammographic images, estrogen replacement, use of oral contraception, number of conceptions or births, and age of the patient at each conception or birth.

"SEC. 354A. BREAST CANCER MORTALITY PREVENTION REGIONAL TRAINING CENTERS.

"(a) GRANTS.—The Secretary, acting through the Director of the Centers for Disease Control, may make grants to State health departments and other public and nonprofit entities with similar capabilities to enhance the capacity of health personnel in the area of breast cancer mortality prevention.

"(b) USE OF FUNDS.—A department or entity may use a grant received under subsection (a) to establish a breast cancer mortality prevention regional training center and develop a training curriculum, which shall include emphasis on the design, delivery, and management of comprehensive breast cancer programs, including in particular an emphasis on screening, follow-up, public education, professional education, quality assurance, and surveillance and evaluation.

"(c) APPLICATION.—In order to be eligible to receive a grant under subsection (a), a department or entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

"(d) COLLABORATION.—The Secretary shall encourage departments and entities that receive grants under subsection (a) to collaborate with academic institutions, comprehensive cancer centers, and other groups in the design, formulation, and delivery of training programs.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995.".

SEC. 3. APPLICATION OF STANDARDS TO MEDICARE PROGRAM.

(a) IN GENERAL.—Section 1834(c)(3) of the Social Security Act (42 U.S.C. 1395m(c)(3)), as added by section 4163 of the Omnibus Budget Reconciliation Act of 1990, is amended to read as follows:

"(3) QUALITY STANDARDS.—Screening mammography performed under this part shall be performed—

"(A) at a certified facility, as defined in section 354(a)(2) of the Public Health Service Act, that is in compliance with the requirements described in clauses (i) through (iii) of section 354(d)(2)(B) of such Act; and

"(B) in accordance with the standards established under section 354(f) of such Act.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1862(a)(1)(F) of the Social Security Act (42 U.S.C. 1395y(a)(1)(F)) is amended by striking "established under section 1834(c)(3)" and inserting "described in section 1834(c)(3)".

(2) Section 1863 of the Social Security Act (42 U.S.C. 1395z) is amended by striking "established under section 1834(c)(3)" and inserting "described in section 1834(c)(3)".

(3) The first sentence of section 1864(a) of the Social Security Act (42 U.S.C. 1395aa(a)) is amended by striking "established under section 1834(c)(3)" and inserting "described in section 1834(c)(3)".

ANALYSIS OF BREAST CANCER SCREENING SAFETY ACT OF 1991

Title: The bill is entitled "Breast Cancer Screening Safety Act of 1991."

Certificate: After December 31, 1993, no facility may conduct a mammogram without a certificate issued by the Secretary of the Department of Health and Human Services. Each certificate is valid for a period of 2 years and is renewable.

A facility must provide assurances that it meets the standards for quality in the areas of equipment, personnel, and quality control established by the Secretary in order to receive a certificate. A facility may apply directly to the Secretary for a certificate, or if the facility is accredited by an approved accreditation body, the accreditation body may submit the application on behalf of the facility to the Secretary.

The Secretary will prescribe the manner of applying for a certificate for facilities.

Examinations and Procedures: Certificates will be issued to facilities in order for facilities to operate equipment in performing mammography, interpretation of screenings, performance of needle localization, and for on-going quality control procedures.

Accreditation: A mammography facility may receive accreditation from an accreditation body that has been approved by the Secretary. The accreditation body may submit the application for certification on behalf of the facility. Accreditation bodies shall assist facilities in meeting—at a minimum—the quality standards established by the Secretary.

Accreditation bodies may inspect facilities on behalf of the Secretary to determine if the facilities are in compliance with the standards set by the Secretary.

The Secretary shall evaluate annually the performance of accreditation bodies. In the event that approval of an accreditation body is withdrawn, the certificate will remain in effect for 60 days following notice of withdrawal.

Federal Standards: The Secretary shall establish federal quality standards for mammography facilities, including quality of equipment and personnel. In developing standards, the Secretary shall consult with the American College of Radiology.

Certification of Personnel: The Secretary, by regulation, shall identify the organizations and boards that may certify individuals to perform radiological procedures, to interpret screening mammograms, and to inspect equipment. The Secretary will also establish qualification standards.

Inspections: The Secretary shall conduct inspections of certified facilities, announced or unannounced, at least once a year. Each facility shall maintain records of inspections for a minimum of 7 years.

Intermediate Sanctions: If the Secretary determines that a facility has not complied with federal standards, or if the approval of an accreditation body is withdrawn or revoked, the Secretary may impose intermediate sanctions. Such sanctions will be imposed not earlier than 90 days after notification of noncompliance with standards or withdrawal or revocation of accreditation approval.

Intermediate sanctions include a directed plan or correction; civil damages not to exceed $10,000 for each failure or each day of noncompliance; or payment for the cost of onsite monitoring.

Suspension, Revocation, Limitation of Certificate: The Secretary may suspend, revoke, or limit a certificate, if after reasonable notice and opportunity for a hearing, the facility has misrepresented information, failed to comply with standards, failed to comply with the Secretary's requests, or has refused a reasonable request of a federal officer or of the Secretary.

Injunctions: If the Secretary determines that the activity of a facility constitutes a significant health hazard to the public, the Secretary may bring suit in federal district court to enjoin the continuation of that activity.

Appeals: An owner or operator of a facility may file an appeal in U.S. Court of Appeals of judicial review of the imposition of an intermediate sanction.

Criminal Sanctions: It will be a criminal offense to intentionally violate any provision of this Act or accompanying regulations. Sanctions will include imprisonment for not more than one year, or in the event of a second offense, for not more than 3 years.

Fees: The Secretary shall require fees for certificates and inspection if they lead to a withdrawal of approval.

Information: No later than April 1, 1994 and annually thereafter, the Secretary will compile and make available to physicians and the general public information for evaluating facilities, including a list of facilities with revoked, suspended or limited certificates, those subject to sanctions, withdrawn or revoked accreditation.

State or local law: This Act shall not affect the power of any state or locality to enact and enforce laws consistent with this Act. If a State or locality enacts a more stringent law, the Secretary may exempt the facilities in that state or locality with compliance with this Act.

Research Grants: The Secretary will make grants to entities to conduct research on new methods of establishing a Mammography Registry, including mammography images, physician reports, outcome and followup information. Grants may be used to improve methods of film duplication, archiving, access and confidentiality of data, and pilot testing.

Grant recipients must report to the Secretary results of studies and tests along with recommendations for establishing a Mammography Registry.

Information to Registry: The Secretary may require facilities to provide data to the Registry that will assist research of the causes, characteristics, prevalence of, and potential treatments for breast cancer.

Training Centers: The Secretary, acting through the Director of the Centers for Disease Control, may make grants to state health departments and other public and nonprofit entities with similar capabilities to establish breast cancer mortality prevention regional training centers and to develop training curriculum. Grant recipients shall be encouraged to collaborate with academic institutions, comprehensive cancer centers, and other groups in the design, formulation, and delivery of training programs.

Medicare: The Social Security Act will be amended so that screening mammography at a certified facility complies with this Act.

• Ms. MIKULSKI. Mr. President, today I rise to add my support to the Breast Cancer Screening Safety Act of 1991. This is an important piece of legislation to women and families all over America.

Mr. President, women in America are getting the message that they should have regular mammograms to protect themselves from breast cancer, but women are dying when mammograms are misread and poorly performed by untrained personnel.

Three years ago, Senators ADAMS, LEVIN, COHEN, and I set out to fix the abuse and neglect Americans were facing with their clinical lab tests. These problems were serious. People were dying because of misread Pap smears and inadequate oversight of a money-making medical industry.

Today, these same problems are showing up throughout the country in mammography facilities. Women are dying and disfigured because of poorly performed mammograms. We don't know how many of the 44,000 deaths from breast cancer could have been avoided by assuring that every mammogram is a quality mammogram, but even one is one too many. These tragedies must be stopped.

I am happy to report that medical insurance coverage is more broadly available for mammograms than it used to be. In my State of Maryland, all State-regulated insurers, as well as Medicaid and Medicare, must pay for quality mammograms.

I am also pleased that in 1990 the Breast and Cervical Cancer Mortality Prevention Act, a bill I introduced, was signed into law. This law provides States with grants to educate physicians and the public about breast and cervical cancer, how to treat them and how to detect them. It also provides money for States to set up breast and cervical cancer screening programs for women who do not have access to medical services.

Mr. President, we are on the way to success in getting more funds this year for breast cancer research. These funds will open the doors to better treatments and better screening.

But we still need to be doing more to make women's health care accurate, affordable, and accessible. We still have a lot of work to do to ensure that all mammograms are accurate. A bad mammogram is worse than none at all. It gives you a false sense of security, when in fact, serious, and even deadly, problems may go undetected.

We must protect women and those who care about them from the horrors of a misread, poorly performed mammogram. Our bill would accomplish this for all women throughout the country.

First, this legislation will set acceptable standards for equipment and personnel. These standards are similar to those in place under Medicare, and those recommended by the American College of Radiology.

Second, this legislation will establish an oversight system for outside verification of mammography facilities. Outside verification is the best way to make sure that facilities are keeping up with the standards that are being set.

We did pass Medicare mammogram standards last year as part of the 1990 Omnibus Budget Reconciliation Act. This was a good first step to getting a minimum standard of acceptable practice throughout the country. But it only applies to facilities that want Medicare to pay for the mammogram.

Some States, including Maryland, have also taken some steps in passing laws that make sure mammograms are safe and accurate. But why should women in all the other States go without these basic protections? Why should they suffer, and even die, because the equipment or personnel that are used for the mammogram are not adequate? These gaps are unacceptable and this bill will fill these gaps.

I am pleased to support this bill to protect women and urge my colleagues to join Senator ADAMS, Senator DURENBERGER, and me in cosponsoring this important improvement to women's health.•

BREAST CANCER SCREENING SAFETY ACT OF 1991

Mr. DURENBERGER. Mr. President, I am pleased to join my colleagues, Senators ADAMS and MIKULSKI in introducing the Breast Cancer Screening Safety Act of 1991. This legislation will provide uniform standards for the performance of mammography services and should therefore improve the chances of survival for many women in America.

Thanks to increased openness in discussing the disease, Americans are more aware than ever that breast cancer is a disease that—with early detection and proper treatment—can be survived. In fact, millions of American women are living today who have had breast cancer.

Despite the improved survival rates, there is much more to be done. The American Cancer Society has estimated that 175,000 women will be diagnosed with breast cancer this year. These women need a source of optimism and hope. And, these women need the assurance that the services available to them are of the highest quality. When a woman's life is at stake, there is no acceptable margin of error.

At present, the best method known to reduce breast cancer mortality is early detection. Early detection permits treatment that greatly increases the chance for survival. Mammography, an x ray of the breast, is the most effective method in the detection of early stage breast cancer.

Where a service such as screening mammography has life saving potential, I believe it is our responsibility to ensure that it is the highest quality possible. However, this is not the case for all mammographies.

The General Accounting Office has found that where professional groups have established quality standards to guide screening facilities, the standards are not uniformly followed, and image quality and dose vary widely in current mammography practice. That is why we are introducing this legislation requiring the Secretary to develop national quality standards for all mammography facilities in the area of equipment, personnel, oversight, quality control, and enforcement.

WOMEN'S HEALTH PROMOTION PROGRAM

• Mr. DURENBERGER. Mr. President, in Minnesota and throughout the Nation, October has been declared Breast Cancer Awareness Month. In recognition of this important declaration, I would like to take this opportunity to commend a wonderful program in my home State of Minnesota. The Minneapolis YWCA ENCORE/Women's Health Promotion Program is a model breast cancer information program designed to meet women's physical and emotional needs.

In 1990, 100 women received ongoing program services and more than 800 participated in community outreach programs. The program includes activities such as exercise sessions, group discussions, and outreach programs. Most importantly—the program is a source of information—and information is the key to recovery and early detection.

Still today, far too many women who have had breast cancer remain isolated due to lack of information about existing resources. Women need to know about this disease and to be encouraged to seek early diagnosis and women that have had breast cancer need to know about resources available to them.

The Minneapolis YWCA has planned a schedule of events that focus on early detection and support. One event, scheduled for October 1 is called "Celebrating Life and Laughter: An Evening for Breast Cancer Survivors." I am grateful to know that there are survivors, and I am grateful to know that there is an opportunity to celebrate.

Mr. President, it is my hope that every State will adopt a program similar to that offered by the Minneapolis YWCA ENCORE/Women's Health Promotion. Such programs enhance the quality of life for all women in this country.•

By Mr. BIDEN:

S. 1778. A bill to amend title 18, United States Code, to require the Bureau of Prisons to notify local law enforcement agencies of the release of Federal prisoners; to the Committee on the Judiciary.

NOTIFICATION OF RELEASE OF FEDERAL PRISONERS

• Mr. BIDEN. Mr. President, today I am introducing legislation that will provide local law enforcement agencies with critical information they need to keep our streets and communities safe from dangerous criminals.

This legislation will require Federal officials to notify local law enforcement officers when any prisoner convicted of a violent crime is released from Federal prison on probation, parole, or supervised release. At the present time, notification regarding the release of violent criminals occurs sporadically and inconsistently. The U.S. Parole Commission has delegated the discretion to inform local authorities of the release of Federal offenders to the chief U.S. probation officer in the district where a prisoner is released. This bill eliminates that discretion, requiring notification in all cases involving the release of violent criminals.

The need for mandatory release notification came to my attention recently through the case of Mr. James Allen Red Dog. After serving 12 years in Federal prison for armed robbery, Mr. Red Dog was paroled to Wilmington, DE, where he allegedly murdered a man, and kidnapped and repeatedly raped a woman. By his own admission, Mr. Red Dog shared involvement in four murders before being released in Delaware. He had been cited twice for violating parole, including one firearm offense. Regardless of whether Mr. Red Dog committed the offenses for which he has been arrested—an issue that will be properly decided at trial—local authorities should have been notified of his release.

Surprisingly, local authorities were never told that Mr. Red Dog had been released in Delaware. Despite the pattern of violence indicated in his record, despite the danger that his presence posed to public safety in Delaware, there was no requirement that local law enforcement officials be informed of Mr. Red Dog's release. This bill will change this.

A greater degree of coordination between Federal authorities and local law enforcement officials should help enhance the preventive capabilities of law enforcement. This legislation will provide a critical link between prison officials and law enforcement authorities, giving local police important information about the location of potentially dangerous criminals.

Mr. President, I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1778

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,—

SECTION 1. NOTIFICATION OF RELEASE OF PRISONERS.

Section 4042 of title 18, United States Code, is amended—

(1) by striking "The Bureau" and inserting "(a) IN GENERAL.—The Bureau";

(2) by striking "This section" and inserting "(c) APPLICATION OF SECTION.—This section";

(3) in paragraph (4) of subsection (a), as designated by paragraph (1), by—

(A) striking "Provide" and inserting "provide"; and

(B) striking the period at the end thereof and inserting "; and";

(4) by inserting after paragraph (4) of subsection (a), as designated by paragraph (1), the following new paragraph:

"(5) provide notice of release of prisoners in accordance with subsection (b)."; and

(5) by inserting after subsection (a), as designated by paragraph (1), the following new subsection:

"(b) NOTICE OF RELEASE OF PRISONERS.—(1) Except in the case of a prisoner being protected under chapter 224, the Bureau of Prisons shall, at least 5 days prior to the date on which a prisoner described in paragraph (3) is to be released on supervised release, or, in the case of a prisoner on supervised release, at least 5 days prior to the date on which the prisoner changes residence to a new jurisdiction, cause written notice of the release or change of residence to be made to the chief law enforcement officer of the state and of the local jurisdiction in which the prisoner will reside.

"(2) A notice under paragraph (1) shall disclose—

"(A) the prisoner's name;

"(B) the prisoner's criminal history, including a description of the offense of which the prisoner was convicted; and

"(C) any restrictions on conduct or other conditions to the release of the prisoner that are imposed by law, the sentencing court, or the Bureau of Prisons or any other Federal agency.

"(3) A prisoner is described in this paragraph if the prisoner was convicted of—

"(A) a drug trafficking crime, as that term is defined in section 924(c)(2); or

"(B) a crime of violence, as that term is defined in section 924(c)(3).".

SEC. 2. APPLICATION TO PRISONERS TO WHICH PRIOR LAW APPLIES.

In the case of a prisoner convicted of an offense committed prior to November 1, 1987, the reference to supervised release in section 4042(b) of title 18, United States Code, shall be deemed to be a reference to probation or parole. •

By Mr. GLENN:

S. 1779. A bill to suspend temporarily the duties on certain chemicals; to the Committee on Finance.

S. 1780. A bill to amend the Harmonized Tariff Schedule of the United States to extend the suspension of the duties on certain bicycle parts, and for other purposes; to the Committee on Finance.

S. 1781. A bill to extend until January 1, 1995, the existing suspension of duty on certain umbrella frames; to the Committee on Finance.

S. 1782. A bill to extend until January 1, 1995, the existing suspension of duty on certain chemicals; to the Committee on Finance.

S. 1783. A bill to extend the existing suspension of duty on mixed ortho/para-toluenesulfonamides; to the Committee on Finance.

S. 1784. A bill to extend until January 1, 1995, the existing temporary suspension of duty on umbrella frames; to the Committee on Finance.

S. 1785. A bill to suspend temporarily the duty on Diaphone V; to the Committee on Finance.

SUSPENSION OF CERTAIN DUTIES

• Mr. GLENN. Mr. President, I rise today to introduce a series of bills which either suspend the duty imposed on certain items or extend previously enacted duty suspensions, where there are no U.S. manufacturers for those items.

Specifically, two bills create new duty suspensions, one for Diaphone V, a catalyst used in plating tin, the other for four chemicals used as drug ingredients. The remaining bills extend existing duty suspensions, which would otherwise expire in 1992, for certain bicycle parts, hand-held umbrella frames, self-folding telescopic-shaft collapsible umbrellas, several chemicals used as drug ingredients, and mixed ortho/para-toluene-sulfonomide, a substance used mostly in florescent pigments and decorative laminates.

While this might appear to be an odd collection of products, they share a fundamental characteristic: There is no U.S. manufacturer for any of these products. The absence of U.S. manufacturers makes the imposition of duties on these products not only unnecessary because there are no U.S. industries to protect, but it also makes these items and any end products incorporating these items more expensive. Moreover, that extra cost is likely passed along to consumers in the form of higher prices. As a result, imposing a duty on these items does not make sense.

Duty suspensions are specifically designed to eliminate this unnecessary cost and its ensuing deleterious effect on competitiveness where no legitimate industry protection purpose is served by imposing a duty. I submit, Mr. President, that no purpose is served by making these items dutiable. Furthermore, these bills should be considered noncontroversial because no U.S. manufacturers would be affected by these suspensions.

Consequently, I ask my colleagues to join me in supporting the duty suspensions for the products named in these bills.•

By Mr. BAUCUS (for himself, Mr. PACKWOOD, Mr. MCCAIN, Mr. SYMMS, Mr. HATFIELD, Mr. CRANSTON, Mr. BINGAMAN, Mr. MACK, Mr. DURENBERGER, Mr. GRAHAM, Mr. SEYMOUR, Mr. BURNS, Mr. DOMENICI, Mr. SANFORD, and Mr. CRAIG):

S. 1786. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment; to the Committee on Finance.

SEMICONDUCTOR INVESTMENT ACT OF 1991

• Mr. BAUCUS. Mr. President, today I am introducing the Semiconductor Investment Act of 1991—legislation which would enhance the international competitiveness of the U.S. semiconductor industry. This bill would shorten the depreciable life of semiconductor manufacturing equipment to more realistically reflect the rapid pace of technological change in this industry. This seemingly simple change would make it much easier for U.S. semiconductor manufacturers to make the capital investment needed to maintain state-of-the-art facilities, and to keep the United States competitive in this critical technology.

Let there be no doubt about the importance of a vibrant American semiconductor industry. Semiconductors have appeared on every list of critical technologies, whether the list is drafted in Washington, Brussels, or Tokyo. It is easy to understand why. They are the brains behind most modern equipment. Furthermore, the industry is as fast paced as it is important. The rate of technological progress has been and will continue to be, with the aid of this legislation, outstanding. The new generation of process technology is currently a 3-year cycle. The semiconductor equipment needed to realize this technology is a corresponding 3-year cycle. By the year 2000, with the reduction in size dimension that the foregoing equipment can provide, semiconductors may have up to 10 billion transistors, and have all the processing power of one of today's leading-edge supercomputers on a single chip.

In this industry, what is cutting-edge equipment and manufacturing processes one day may be obsolete within months. The economic value of semiconductor manufacturing equipment, whether it is optical wafer steppers, diffusion furnaces, or chemical vapor deposition equipment, is typically depleted within a year or two after being introduced. We need tax laws that reflect this reality, so that the American industry can invest in the latest generation equipment and take full advantage of the improvements in semiconductor technology.

Mr. President, this legislation makes sense from both a tax and a public policy perspective.

Under the current tax law, semiconductor manufacturing equipment is depreciated over 5 years. Special rules allow this 5-year depreciation both for the regular income tax and the alternative minimum tax. This legislation would grant 3-year depreciation to this equipment to more accurately reflect the lost economic value that results from the industry's rapid technological change. This 3-year depreciation would apply to both regular tax and alternative minimum tax purposes.

This legislation would help U.S. semiconductor companies regain lost market share. In the last 9 years, our share of this important market declined from 57 percent to 40 percent, while Japan's increased from 32 percent to 47 percent. Unless we change course, it is likely that this trend will continue. Between 1990 and 1995, the Japanese industry is expected to invest $15 billion more than the U.S. semiconductor industry in capital formation. If we do nothing to close this gap, the U.S. semiconductor industry is projected to lose another five points of market share.

We can't afford to let this happen. The Defense Science Board, an advisory committee to the Pentagon, has concluded that a further erosion of the U.S. position in semiconductors would endanger America's national security. Semiconductors are essential to modern defense capabilities, from smart munitions, electronic countermeasure and target recognition to advanced avionics.

Three-year depreciation also is one of the principal recommendations of the National Advisory Committee on Semiconductors. The NACS, comprised of both Government and industry officials, was established by Congress in 1988 to develop a national semiconductor strategy. The committee concluded this year that the gap between United States and Japanese capital spending was one of the most serious problems facing the industry, and that 3-year depreciation would help to close this gap.

The bill also would help level the playing field between the U.S. industry and its foreign competitors. Japan, for example, has a wide range of tax incentives for its semiconductor industry. In addition to their already accelerated depreciation system, Japanese companies qualify for additional depreciation if they operate their facilities for more than 8 hours a day. This is a significant advantage, given that most semiconductor manufacturing facilities are used 24 hours per day. Furthermore, Japanese semiconductor companies also benefit from incentives for investment in specific regions.

If we fail to act, a lot more is at stake than the health of the U.S. semiconductor industry. As the National Advisory Committee on Semiconductors has noted, "the $50 billion world chip industry leverages a $750-billion global market in electronics and 2.6 million jobs in the United States."

Mr. President, I am joined by 14 of my colleagues in introducing this legislation. I urge other Members to join us in supporting this legislation, which will increase investment in one of the key technologies of the 21st century and provide the foundation of well-paying jobs for years to come.•

• Mr. PACKWOOD. Mr. President, I am pleased to join my distinguished colleague, Senator BAUCUS, and our original cosponsors, in introducing legislation to reduce the depreciable life of semiconductor manufacturing equipment from 5 years to 3 years.

I believe that a world class semiconductor industry is vital to the economic and national security of the United States. Semiconductors are the building blocks of the information age—the brains and memory of computers, telecommunications equipment, consumer electronics products, and advanced weapons systems.

Under current law, semiconductor manufacturing equipment is assigned a depreciable life of 5 years. The rapid pace of technological advances in the semiconductor industry is nothing less than mind-boggling. The equipment used to manufacture semiconductors often becomes technologically and economically obsolete within 3 years after being placed in service.

Reducing the depreciable life of semiconductor manufacturing equipment to 3 years will help U.S. semiconductor manufacturers keep pace with these rapid technological changes and strengthen their international competitiveness.

Mr. President, I urge our colleagues to join Senator BAUCUS and me in cosponsoring this bill.•

• Mr. BINGAMAN. Mr. President, I rise today in support of the Semiconductor Investment Act of 1991, introduced by my esteemed colleague from Montana.

Mr. President, success in the semiconductor industry depends on the ability to design and manufacture the quickest and smallest chip. Although the United States remains relatively strong in semiconductor design, we are falling behind in the manufacture of semiconductors. In 1982, the United States share of the world semiconductor market was approximately 57 percent, while the Japanese share was 32.5 percent. By 1990, however, our share had dropped to approximately 40 percent, while the Japanese share rose above 47 percent.

Mr. President, manufacturing technology is constantly improving, and those in the semiconductor industry must continuously upgrade their manufacturing equipment to keep up with this changing technology. In fact, semiconductor manufacturing equipment is often obsolete soon after it is installed in the factory. The United States' alarming loss in market share is at least partly due to our capital markets and tax policy, which tend to discourage investments in equipment needed to keep our semiconductor industry on the cutting edge.

In 1986, Congress authorized the depreciation of semiconductor manufacturing equipment over 5 years. Mr. President, the fact is that the economic life of most semiconductor manufacturing equipment is shorter than 5 years. This imbalance between the real economic life of equipment and its depreciable life has the unfortunate effect of providing a disincentive for the timely investment in manufacturing equipment. It is therefore both logical and desirable for us to shorten the depreciable life of this equipment to more closely track its useful economic life.

Senator BAUCUS' bill will decrease the depreciable life of semiconductor manufacturing equipment from 5 to 3 years. The National Advisory Committee on Semiconductors recently concluded that such a change would increase investment in manufacturing equipment by 11 percent. This change will help American semiconductor manufacturers compete with foreign manufacturers, who have greater access to patent capital for investment.

Mr. President, the Senator from Montana's legislation is an important part of a strategy to make our high technology industry more competitive. Maintaining competitiveness in this field is imperative both to our national security and our economic vitality. I am therefore proud to be an original cosponsor of the Semiconductor Investment Act of 1991.●

● Mr. DOMENICI. Mr. President, I am pleased to join Senator BAUCUS as a cosponsor of the Semiconductor Investment Act of 1991. This bill is a companion measure to H.R. 3273, which was introduced in the House by Congressman PICKLE and 28 others on August 2, 1991.

Many people, when they hear the word "semiconductor," think of Japanese high technology. But, in fact, the technology was invented here in the United States. In 1982, the United States held a 56.7-percent share of the semiconductor market compared to Japan's 32.5-percent share. Unfortunately, that market share shifted drastically through the remainder of the 1980's. In 1990, the United States held a 39.8-percent share compared to Japan's 47.1 percent.

There are several reasons behind the decline in U.S. market share: The United States has lost a large proportion of industries which use semiconductors, such as consumer electronics; the U.S. semiconductor industry has been injured by unfair trading practices, such as dumping and denial of market access; other governments have made the development of the semiconductor industry a national priority by funding R&D consortia, extending low-interest loans, and providing favorable tax depreciation treatment and other tax incentives; and between 1984 and 1989, Japanese firms outinvested United States firms in plant and equipment and R&D by $12 billion, a gap that will grow to $15 billion between 1990 and 1995.

Mr. President, the National Advisory Committee on Semiconductors [NACS], established by Congress and comprised of government and industry officials, determined that the gap in capital spending was one of the most serious problems facing the industry. The committee reviewed several tax policy options to increase capital spending—a reduction in the capital gains tax rate, a more effective R&D tax credit, personal savings incentives, and a change in depreciation rules. The NACS concluded that shortening the depreciable life of semiconductor manufacturing equipment from 5 years to 3 years was the most effective way to address this problem. That is what this legislation would do.

It is an appropriate tax policy change. The present law 5-year depreciable life of semiconductor manufacturing equipment no longer accurately reflects the life of the property. The rapid pace of technological change in the semiconductor industry worldwide often makes equipment technologically and economically obsolete soon after being place in service. Prior to 1988, Treasury had the administrative authority to adjust class lives. Congress repealed that authority in 1988, so this legislation is necessary to accomplish this change.

The semiconductor industry is vital to America's economic and national security. The United States must reduce the growing gap between United States and Japanese capital spending in the semiconductor industry in order to stay at the cutting edge of technology. The NACS determined that reducing the depreciable life would have the effect of increasing the annual rate of capital investment in semiconductors in the United States by 11 percent. This would significantly reduce, though not eliminate, the gap between United States and Japanese capital spending.

This legislation is important to my State of New Mexico. At the end of 1990, there were over 3,100 people employed in the semiconductor industry in my State. Mr. President, that figure is 11 percent of total durable manufacturing employment in New Mexico. The industry is growing in my State, but that growth is stalling. Fair tax treatment is what it needs to stay competitive.

This legislation is not free—good things never are. It is a tax bill, and a revenue loser. We do not have a firm estimate of what this bill will cost, but I think it will be in the neighborhood of $200 to $400 million over the next 5 years. I am committed to the 1990 budget agreement and its pay-as-you-go rules, and, of course, will work with the other co-sponsors to identify appropriate pay-go offsets to the revenue loss associated with this legislation.●

Mr. BURNS. Mr. President, I am pleased to join my colleague from Montana, Senator MAX BAUCUS, as an original cosponsor of the Semiconductor Investment Act of 1991.

In the last decade, the U.S. semiconductor industry has suffered a dramatic decline in its share of the world market. This legislation, by reducing depreciation of semiconductor manufacturing equipment from 5 years to 3 years, will allow the semiconductor industry in the United States to remain competitive in the international arena. Mr. President, this legislation is vital to our Nation: We must remain at the forefront of computer technology.

Most people are familiar with the revolution taking place in the computer industry. The dizzying increase in computing power for less and less money is giving kids at home, spending the equivalent of paper route earnings, capabilities that only advanced research laboratories could afford a decade ago. The computer revolution is also seen in the explosive growth of new, innovative companies, especially those producing software, whose successes underscore the volatility—and opportunity—in the market.

Advances in technology are occurring at an astonishing speed. Powerful new computers are processing information faster and using voice and video in ways unimaginable only a few short years ago. We need to make sure American companies have the incentive to lead this revolution. We must not be satisfied with merely remaining competitive or keeping up. We must enact policies that allow us to regain the competitive edge in the semiconductor industry. This bill takes a step in that direction and toward the future.

Mr. President, just this morning I met with officials of a community college in Montana and I saw a glimpse of the future. Miles Community College, in Miles City, MT, is working to establish a distance learning program using a fully integrated, fiber optic network. Combining computers and technology, students will be able to receive degrees as registered nurses. Not only does this benefit students, but the implementation of these kinds of programs will bolster health care in rural States like Montana.

We must plan ahead and allow America to take full advantage of these incredible new developments in the computer industry. To do so requires dramatic changes in our Nation's communications law and policy. Indeed, as the power of computers grows, so do the demands on the communications infrastructure that enables computers to link up. Today the modernization of our communications infrastructure is holding back the full realization of the information age.

Within the next few years the computer and communications industries will become indistinguishable. These industries are linked by a common language—"digitization"—which permits virtually any kind of information—words, numbers, voice, music, photographs, movies—to be converted into the same stream of ones and zeros, then reassembled into their original form.

But there is one fundamental difference between the computer and communications industries: In the United States, the computer industry operates in virtually the freest market imaginable, while the communications industry is tightly, and disastrously, hobbled by horse and buggy regulatory schemes that are blind to the information age and the growing competitive threat to American technology. That mismatch presents a grave danger to U.S. leadership in both fields.

Mr. President, our current communications infrastructure will be unable to handle the power that new computer technology will unleash. That is why, along with legislation designed to improve the American computer industry's ability to compete, we must also pass Senate bill 1200, the Communications Competitiveness and Infrastructure Act which promotes the competitiveness of America's communications industry. S. 1200 sets a national goal of establishing an advanced interactive broadband communications network by the year 2015. Such a network—accessible to all homes, businesses, educational institutions, health care organizations, and other users—will allow our country to harness the advances that will occur as a result of legislation like that proposed today.

Mr. President, I applaud Senator BAUCUS for his leadership on the semiconductor issue. I am also looking forward to working closely with my colleague from Montana on this, and other issues that will help the United States move forward into the information age of the 21st century.

Thank you, Mr. President. I yield the floor.

Mr. SANFORD. Mr. President, I rise today to express my support and proud cosponsorship of the Semiconductor Investment Act of 1991 introduced today by Senator BAUCUS and Senator PACKWOOD. This legislation is designed to bring the depreciable life of semiconductor manufacturing equipment more in line with the economic reality of that industry.

The semiconductor industry is one of the saddest examples of American technology creating and developing a worldwide industry, only to lose its position of leadership, all within a single decade. We must not permit the loss of market share and the deterioration of America's competitive position in this vital industry to continue. Certainly, when American technology builds a better mousetrap, Congress should not then shackle it with legislation so burdensome as to give away that advantage.

Hundreds of thousands of workers are employed by the information industry which will by all accounts be at the vanguard of the 21st century. I am proud to say that my home State of North Carolina is the host to many firms involved in semiconductor research and manufacturing. In the Research Triangle area alone, over 50,000 employees are involved in the semiconductor industry. I have long been a supporter of high-technology research, development, and manufacturing of this nature because I have seen first hand the progress it has brought to my State.

This legislation will strengthen the international competitiveness of the U.S. semiconductor industry. The present 5-year depreciable life period legislated by Congress in 1986 does not accurately reflect the true economic life of semiconductor manufacturing equipment. Technology that is state of the art today may be obsolete tomorrow. Four- and five-year-old equipment in the semiconductor field is typically of little technological or economic value, and the laws should be adjusted to reflect this rapid pace of development accurately. The 3-year life proposed by this bill is more realistic and puts America on an equal footing with international competition.

We must neither discourage the semiconductor industry from attracting needed capital nor penalize it for making necessary capital expenditures. Indeed, we should adopt measures, such as this, to encourage the American semiconductor industry to increase its worldwide market share and to close the gap in an industry it once dominated. The Semiconductor Investment Act of 1991 is one step in that direction.

A shorter depreciable life for semiconductor equipment was recommended by the National Advisory Committee on Semiconductors. This committee, established by Congress and comprised of respected government and industry officials, determined that a 3-year depreciable life as proposed by this legislation would increase the rate of capital investment in the semiconductor industry by 11 percent annually. The positive effects of increased capital investment are, of course, far reaching. Not only will the semiconductor industry itself benefit, but the entire economy will feel and be given a much needed boost.

Mr. President, it is for these reasons that I again offer my full support for this vital legislation and urge my colleagues to do likewise.

By Mr. BREAUX (for himself and Mr. KERRY):

S. 1787. A bill to amend the Internal Revenue Code of 1986 to encourage the sale of real property held by the Resolution Trust Corporation by allowing a credit against income tax to purchasers of such property; to the Committee on Finance.

ASSET DISPOSITION AND REVITALIZATION CREDIT ACT OF 1991

• Mr. BREAUX. Mr. President, in just a short while Congress will be asked to consider yet another funding request for the Resolution Trust Corporation. In mid-August Treasury Secretary Nicholas Brady and Federal Deposit Insurance [FDIC] Chairman William Seidman appeared before congressional committees requesting $80 billion in additional funding for the RTC. More recently, the Congressional Budget Office [CBO] and the General Accounting Office [GAO] have testified that this additional funding will not be sufficient and that billions more in taxpayer dollars will be needed to bail out the saving and loan industry.

In 1989, $50 billion was appropriated for the RTC. This spring, we provided an additional $30 billion and now here we are again just 6 months later with a pending request for another $80 billion. This will bring the total bail out cost so far to $160 billion—to pay for what was originally estimated to be a $40 billion problem. This $160 billion does not include the borrowing authority that RTC has to use as "working capital".

When RTC comes to Congress to request this money it does not even provide a detailed flow sheet to justify its request, the request is based upon estimates. Mr. President, we are throwing money down the sink with no clear idea on how we can stop this hemorrhaging of the Treasury. To add insult to injury, much of the property being acquired by the RTC is simply being held, unpurchased, and costing the Government billions to hold and maintain.

Although the RTC has been modestly successful in paying off depositors and marketing its huge financial portfolio, real estate assets are selling at an extremely slow pace. In spite of a few well publicized deals, the RTC has sold less than 5 percent of its entire portfolio of assets. Neither the taxpayer nor the real estate industry can continue to support this growing supply of government owned real estate.

We cannot continue to ask the taxpayers to carry this burden without also providing some new and innovative ideas that can be adopted to minimize the taxpayers burden of the bailout. The sonner the RTC can sell its real estate assets, the sooner the Government will begin recovering its costs. Sale of these properties at the earliest opportunity will also result in saving the taxpayer millions in holding and maintenance costs that are associated with these properties.

Today I am introducing legislation to establish a pilot program that is designed to provide another option to the RTC to help it sell these properties in a way that is most attractive to the average investor. This legislation would authorize a new tax credit, the asset disposition and revitalization credit [ADR].

The ADR credit will be a limited program designed to expedite the sale of hard to sell RTC properties. The credit, which is based on the successful low income tax credit, will be a 5-year credit based on the acquisition price and rehabilitation expenditures of a selected number of RTC properties. The proposal: authorizes $1 billion of tax credits' provides to the RTC and FDIC the discretion to allocate credits, and would provide credit only after other alternatives to sell the property have been fully explored; provides to the RTC and FDIC the discretion to authorize a credit of up to 80 percent of the purchase price of the property spread out over 5 years; provides that any person who sells, exchanges, or disposes of property with respect to which the credit is allowed will be required to pay the RTC an amount equal to 20 percent of the amount realized or of the fair market value; and provides for a $50,000 exemption from the passive loss rules and will be allowable against the alternative minimum tax [AMT].

The ADR tax is expected to: stabilize declining real estate values; democratize the RTC property sales process by permitting average investors to participate through the syndication process; save taxpayers an estimate $2 for every $1 used to finance the program; guarantee the sale of RTC property as the credit can only be utilized after sale by the RTC; and ensure that property sold by the RTC using ADR credits will not revert to the Government if the project again fails.

The ADR credit will not be available for properties that can be sold for market or near market prices or accessible to any officer, director, or substantial shareholder of a failed S&L acquired by the RTC.

Focus groups conducted among average citizens and potential investors in nine major cities revealed strong support for the ADR credit as a means of reducing taxpayer exposure and maintaining property values.

Some have argued that the credit is an inefficient way to stimulate the real estate industry. These so called classical economists believe that the market should not be influenced by the Tax Code and that eventually the law of supply and demand will clear the market of Government-owned properties. The tax credit mechanism has proved to be an effective tool in attracting investor dollars to low income housing and should prove as efficient in clearing the market of RTC property.

Economists will and do disagree over the economic effect of this proposal. The effectiveness of this proposal will not be determined by the theoretical projections of economists, however, it will be determined by real life investors. Therefore, I have requested a hearing of the Finance Committee on this proposal where I hope that private individuals will have a chance to explain why a tax credit is a far preferable approach to acquiring this property than is purchasing it at a reduced price or through other mechanisms.

I hope that at the hearing many of the other criticisms of the proposal will be aired including:

This credit will cause discrimination against nontax advantaged properties. A response to this argument is that this contention ignores the fact that private commercial real estate has not sold and will not sell as long as an overabundance of Government-owned properties depresses the market, reduces available credit and stifles all sales activity. Obviously, there can be no discrimination if local markets remain dormant. Supporters of this credit argue that despite the possibility of market discrimination once the ADR credit program is implemented, the stabilization of property values and the resurgence of real estate markets that will arise through the transference of this property into private hands will more than offset any incidental damage to some private commercial properties.

Cutting the price versus tax credit. Some argue that we should simply cut the price of these properties and that would have the same effect as providing the tax credit. If prices are cut, who is going to loan the money on these properties to purchase them? These were risky properties to start with and remain risky, what bank will be willing to loan money on this property? Who will purchase this property unless at a fire sale price where his risk is minimal? A tax credit will expand the number of eligible investors who have the equity to purchase this property. Moreover, this tax credit is eligible to all investors, not just the high rollers.

The ADR credit is designed to be a selective program, with limited resources and with the objective of carefully stimulating local real estate markets while maintaining property values. By reducing the oversupply of Government-owned commercial properties and infusing new investor capital into these local markets, the ADR credit will revitalize deteriorating real estate much like the rehabilitation credit has restored many of the Nation's blighted urban areas.

Arguably, the ADR credit is not a panacea. Nevertheless, it is a creative first step in the return of commercial properties to the private sector and in the re-creation of a healthy and prosperous real estate market. When Congress considers providing an additional $80 billion of money to the RTC, to an agency that cannot even justify this request with detailed specifics, I hope that it will also favorably consider adding this new program to help the RTC rid itself of these properties. The program is $1 billion or one-eightieth of what Congress will be spending. I believe the record will show that it will be worth the risk.●

By Mr. WIRTH (for himself, Mr. BROWN, Ms. MIKULSKI, and Mr. SARBANES):

S. 1788. A bill to establish the National Air and Space Museum Expansion Site Advisory Panel for the purpose of developing a national competition for the evaluation of possible expansion sites for the National Air and Space Museum, and to authorize the Board of Regents of the Smithsonian Institution to select, plan, and design such site; to the Committee on Rules and Administration.

NATIONAL AIR AND SPACE MUSEUM EXPANSION SITE SELECTION ACT OF 1991

Mr. WIRTH. Mr. President, today, with my colleague from Colorado, Senator BROWN, and Senators MIKULSKI and SARBANES, I am introducing the National Air and Space Museum Expansion Site Selection Act of 1991. This legislation will set up a national competition to fairly and impartially select the location of the much-needed extension to our Nation's most visited museum. This new facility will house such aviation treasures as the space shuttle *Enterprise*, a supersonic *Concorde*, and the *Enola Gay*. Finally, this legislation has the potential to save the Federal Government hundreds of million of dollars—not an inconsequential amount.

As some of my colleagues know, the Smithsonian has long promoted a site near Dulles International Airport as the appropriate location for the National Air and Space Museum [NASM] extension. In fact, the Senate has passed legislation several times designating this site, only to have it die from inaction in the House.

There is a reason for this bill's lack of success—this legislation is flawed. The last hearings before the Rules Committee on that matter were July 24, 1985, more than 6 years ago. At that time, simply concurring with the Smithsonian Board of Regents may have seemed the appropriate action, but, Mr. President, times have changed, Federal budgets have gotten smaller, and requests by the Smithsonian to fund its ambitious renovation and construction projects have gotten louder.

While I have great respect for Chairman FORD and the other members who serve on that committee, other opportunities for sites have developed which deserve objective consideration. This bill will provide for that process.

Those of us who believe the Smithsonian's site selection process has been flawed are in good company. The General Accounting Office [GAO] last February concluded that the Smithsonian's selection process cannot be relied upon to objectively defend the selection of Dulles. A fair and reasonable way to discover the best site while reducing Government expenditures would be for the Smithsonian to use a more formal, systematic, and cost-conscious process. Such a process would:

Define minimal, real requirements, and distinguish such requirements from optional niceties;

Clearly announce and communicate these requirements to all possible offerors, perhaps on a nationwide basis; and

Systematically evaluate all responses that meet the Smithsonian's needs in terms of present value life cycle costs to the Government.

The bill Senator BROWN and I are proposing, along with our colleague in the House, Representative SKAGGS, would set up just such a process.

Our approach would not only end up saving the Federal Government money, but would also give more States the chance to compete for the museum. Beyond questions of cost and good process, there are philosophical issues concerning the national equity and the national interest in having the Smithsonian's facilities located almost exclusively in the Washington, DC, area.

The Smithsonian admits it will have to address the issue of geographic diversification in the future, but refuses to do so on the NASM extension facility. The Secretary of the Smithsonian, Robert Adams—who is a sometime Colorado constituent—sat in my office and said that physical constraints will eventually lead the Smithsonian to place major portions of its rapidly growing collection not only off the Mall, but outside of the Washington area. Why wait to start this process tomorrow, when the need is so great today?

Mr. President, this is a large nation and I am sure that there are many sites which could adequately serve the Smithsonian's needs for its NASM extension.

For example, Denver has developed a proposal to locate the extension at Stapleton International Airport, which is slated for closure in 1993, when the new airport opens. Stapleton is an especially attractive option for the NASM extension. It offers already-existing facilities, hangars, runways, buildings, and aviation facilities, all ideal for the Air and Space Museum. Recognizing Stapleton's potential, the city of Denver, along with community and business leaders, have put together a plan to complete phase one of the NASM extension at no capital cost to the Federal Government. This would provide an open, operating facility to house and preserve our national aviation achievements.

A private study concluded that this option could save the Federal Government as much as $200 million in capital and operating costs during the 30-year projected life cycle of the extension. Given the budget climate around here, any proposal that has the potential for saving that kind of money is worthy of serious consideration.

Finally, Mr. President, there is the question of fairness. Statistics show that though most of the Nation's population lives west of the Mississippi, proportionately few of them ever visit the Smithsonian's museums. Western citizens pay their fair share of taxes to support the Smithsonian, yet too often are unable to share in its national treasures. Western States should have the opportunity, at the very least, to compete for the NASM facility.

The bill we are introducing today will institute an objective process to determine the best site for the NASM extension. This bill would first set up a panel composed of museum experts, Members of Congress, and a representative of the Smithsonian Institution, to develop fair criteria to judge proposals. Second, the bill would invite States and cities to compete for the facility, and third, provide for an objective review of the proposals. Finally, the panel would then forward its recommendation to Congress and the Board of Regents for the final site of the NASM extension.

Clearly, if the panel performs adequately, the Smithsonian will accept its recommendation. However, in the event that the recommendation is unsatisfactory, the Smithsonian would have the opportunity to explain to Congress its objections. I believe this is a balanced effort to retain the Smithsonian's autonomy while ensuring that it is more objective in its decisionmaking process.

Mr. President, the Smithsonian Institution receives approximately 85 percent of its funds from U.S. taxpayers. I believe we in Congress therefore have the responsibility to insist on an open site-selection process that permits fair consideration of all competitive options.

It is my hope that the chairman of the Rules Committee will hold hearings on this legislation and report it for passage to the Senate. Priceless artifacts from our aviation history deserve display and study, and this legislation provides an objective method to resolve this issue once and for all.

Thank you, Mr. President, and I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1788

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Air and Space Museum Expansion Site Selection Act of 1991".

SEC. 2. NATIONAL AIR AND SPACE MUSEUM EXPANSION SITE ADVISORY PANEL.

(a) ESTABLISHMENT.—The National Air and Space Museum Expansion Site Advisory Panel (hereinafter in this Act referred to as the "Panel") is hereby established as an independent establishment of the United States.

(b) DUTIES OF PANEL.—

(1) CONDUCT OF NATIONAL COMPETITION.—The Panel shall establish and conduct a national competition for the evaluation of possible expansion sites for the National Air and Space Museum (hereinafter in this Act referred to as the "expansion site"). Expansion site proposals shall be submitted to the Panel not later than 8 months after the initial meeting of the Panel.

(2) DEVELOPMENT OF EXPANSION SITE SELECTION CRITERIA.—

(a) IN GENERAL.—The Panel shall develop criteria for its evaluation of the expansion site proposals. Such criteria shall include—

(i) the long-term costs of the expansion site, including capital, operational, and administrative costs;

(ii) access to operational runway facilities;

(iii) the ready accessibility of such site to the public; and

(iv) other administrative and curatorial factors related to the storage, management, and display of the Smithsonian Institution's collection of aircraft and spacecraft.

Such criteria shall not include the proximity of an expansion site to Washington, DC, except that the Panel may consider administrative and curatorial advantages of an expansion site in the Washington, DC region.

(B) TIME LIMIT.—Not later than 4 months after the initial meeting of the Panel, the Panel shall transmit the expansion site selection criteria to the Board of Regents of the Smithsonian Institution (hereinafter in this Act referred to as the "Board of Regents") and the Congress, and shall make such criteria available to the public.

(3) EVALUATION AND RECOMMENDATION OF EXPANSION SITE.—Not later than 11 months after the initial meeting of the Panel, the Panel shall—

(A) evaluate the extent to which proposals submitted to the Panel comply with the expansion site selection criteria developed pursuant to paragraph (2); and

(B) submit a report containing—

(i) its evaluation of each proposal, and

(ii) its recommendation of the location of the expansion site,

to the Board of Regents and the Congress.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—Subject to paragraph (2), the Panel shall be composed of 9 members as follows:

(A) 4 members appointed by the President, from among individuals who have significant experience in the museum profession, and at least 2 of whom are experts in the aerospace field;

(B) 2 Senators, 1 of whom shall be appointed by the President pro tempore of the Senate, and 1 of whom shall be appointed by the minority leader of the Senate;

(C) 2 members of the House of Representatives, 1 of whom shall be appointed by the Speaker of the House of Representatives, and 1 of whom shall be appointed by the minority leader of the House of Representatives; and

(D) 1 member, appointed by the Secretary of the Smithsonian Institution, from among the officers and employees of the Smithsonian Institution.

(2) ADDITIONAL QUALIFICATIONS.—

(A) GEOGRAPHIC DIVERSITY.—2 Panel members appointed pursuant to paragraph (1)(A) shall reside and work in States west of the Mississippi River. For purposes of this subparagraph, the State of Minnesota shall be considered to be West of the Mississippi River.

(B) SMITHSONIAN INSTITUTION OFFICERS AND EMPLOYEES PROHIBITED.—Panel members (other than the member appointed by the Secretary of the Smithsonian Institution) shall not be current officers or employees of the Smithsonian Institution.

(3) TIME LIMIT.—The Panel members shall be appointed not later than 60 days after the date of the enactment of this Act.

(4) CONTINUATION OF MEMBERSHIP.—If a member was appointed to the Commission as a Member of Congress and the member ceases to be a Member of Congress, or was appointed to the Commission because the member was an officer or employee of the Smithsonian Institution and later ceases to be such an officer or employee, that member may continue as a member for not longer than the 60-day period beginning on the date that member ceases to be a Member of Congress, or ceases to be an officer or employee of the Smithsonian Institution, as the case may be.

(5) TERMS.—

(A) IN GENERAL.—Each member shall be appointed for the life of the Panel.

(B) VACANCIES.—A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(6) BASIC PAY.—

(A) RATES OF PAY.—Except as provided in subparagraph (B), each member shall be paid at a rate not to exceed the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the actual performance of duties of the Panel.

(B) PROHIBITION OF COMPENSATION OF FEDERAL EMPLOYEES.—Members of the Panel who are Federal employees, including Members of Congress, may not receive additional pay, allowances, or benefits by reason of their service on the Panel.

(7) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(8) QUORUM.—5 members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(9) CHAIRPERSON.—The Chairperson of the Panel shall be elected by a majority of the members.

(10) INITIAL MEETING.—The initial meeting of the Panel shall be held not later than 30 days after the last member of the Panel is appointed pursuant to paragraph (1).

(d) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(1) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Chairperson. The Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2) STAFF.—Subject to rules prescribed by the Commission, the Chairperson may appoint and fix the pay of additional personnel as the Chairperson considers appropriate.

(3) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Panel may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

(4) EXPERTS AND CONSULTANTS.—The Panel may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the maximum annual rate of basis pay payable for GS-18 of the General Schedule.

(5) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this Act.

(e) POWERS OF PANEL.—

(1) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Panel considers appropriate. The Panel may administer oaths or affirmations to witnesses appearing before it.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this section.

(3) OBTAINING OFFICIAL DATA.—The Panel may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Panel, the head of that department or agency shall furnish that information to the Panel.

(4) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Panel, the Administrator of General Services shall provide to the Panel, on a reimbursable basis, administrative support services and office space necessary for the Panel to carry out its responsibilities under this Act.

(6) CONTRACT AUTHORITY.—The Panel may contract with and compensate government and private agencies or persons for the purpose of conducting research or surveys necessary to enable the Panel to carry out its duties under this Act, and for other services.

(f) FILING OF PANEL REPORT WITH LIBRARY OF CONGRESS.—Section 13 of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply with respect to the Panel report developed pursuant to section 2(b)(3)(B).

(g) TERMINATION.—The Panel shall terminate 30 days after the date on which the Board of Regents of the Smithsonian Institution selects the expansion site pursuant to section 4.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Amounts shall be available to carry out section 2 only to the extent such amounts are made available in advance in appropriations Acts.

SEC. 4. AUTHORIZATION OF NATIONAL AIR AND SPACE MUSEUM EXPANSION SITE.

(a) IN GENERAL.—The Board of Regents shall—

(1) select an expansion site for the National Air and Space Museum only in accordance with subsections (b) and (c); and

(2) plan and design such expansion site only to the extent that amounts necessary for such planning and design are made available in appropriations Acts enacted after the date of the enactment of this Act.

(b) SELECTION REQUIREMENTS.—In selecting an expansion site pursuant to subsection (a), the Board of Regents—

(1) shall consider the criteria developed by the Panel pursuant to section 3(b)(2);

(2) shall consider the recommendation of the expansion site submitted by the Panel pursuant to section 3(b)(3); and

(3) shall submit, not later than 30 days after its selection of the expansion site, a report to the Comptroller General of the United States explaining the reasoning used in the selection of its preferred expansion site.

(c) GAO REPORT.—The Comptroller General of the United States—

(1) shall review and evaluate the report of the Board of Regents submitted to it under subsection (b)(3) and the extent to which the site selected by the Board is consistent with the criteria established by the Panel under section 2; and

(2) shall submit a report to the Congress on such review and evaluation not later than 60 days after the date on which it received the report of the Board of Regents.•

• Mr. BROWN. Mr. President, Senator WIRTH and I are today introducing legislation to set up a national competition to select the location of the Smithsonian Institution's National Air and Space Museum extension.

This facility will house aviation treasures such as the space shuttle Enterprise, a Concorde, and the Enola Gay.

A competitive process has the potential to save taxpayers hundreds of millions of dollars and at the same time maintain the Smithsonian's restoration and collection efforts at a very high level.

Our bill, and its House companion, H.R. 3281, follow recommendations made by the General Accounting Office regarding the best approach to selecting sites for governmental facilities and this one in particular.

Such an approach would maximize competition, consider State and local concessions, use cost and benefit comparisons, and select sites that meet needs while offering the best overall value to the Government.

Currently, the Smithsonian Institution is not required to follow competitive, cost-effective procedures in selecting a site, even though it receives about 85 percent of its funds from U.S. taxpayers.

It is no secret that the Smithsonian wants to build the $355 million museum extension at Dulles Airport.

However, a February 5, 1991, GAO study of the Smithsonian site selection process found:

> The Smithsonian's process to date cannot be relied upon to objectively defend the selection of Dulles.* * *
>
> * * * The Smithsonian has not followed a purposeful, systematic process to assure that the Dulles selection is the most cost-effective site.
>
> * * * In the current climate of fiscal austerity and restraint, a heightened awareness of opportunities for savings and consideration of lower-cost alternatives should be part of the site selected process.

The Smithsonian never publicly announced its needs and did not consider all potentially competitive sites. Among several other sites it did consider, it rejected alternatives, such as Baltimore-Washington International Airport which has its own AMTRAK station, would draw more visitors, and, according to the Smithsonian's own consultants, could be built in less time for less money.

Also rejected was a proposal by the city of Denver to build phase I of the Air and Space extension at Stapleton Airport at no capital cost to the Federal Government. A study done by Air and Space West, Inc., found that the Stapleton site could save taxpayers as much as $200 million over the 30-year life cycle of the extension. Stapleton will be closed in 1993, and offers already existing aviation facilities, including hangers, runways, and buildings, which would allow for the intact movement by air and exhibition of very large aviation artifacts.

Who knows what other competitive, cost-effective options may exist?

GAO's February 5 study concluded that;

> A fair and reasonable way to assure it has selected the best site and maximized the incentives received from localities would be for the Smithsonian to use a more formal, systematic, and cost-conscious process.

Shortly after its February 5 report, GAO reversed itself on March 20, based on the Smithsonian Institution's subsequent submission to GAO of a new smaller, $162 million proposal. As it turns out, though, GAO apparently did not realize that the new Smithsonian plan was simply phase I of the original $355 million museum extension proposal.

Our bill would create an open site-selection process that allows for objective consideration of all competitive proposals. The site competition we propose could be done in a year.

The bill would, first create a panel to develop appropriate criteria to judge proposals; second, invite States and cities to submit proposals; and third, provide for an objective review of the proposals and the selection of a site.

The panel would be composed of experienced museum professionals, Members of Congress, and a representative of the Smithsonian Institution, who would be responsible for developing the objective criteria by which all potential site proposals could be judged fairly. After the criteria were agreed upon the panel would solicit site proposals from all interested parties. Each proposal would then be evaluated by the panel to determine which one best met the stated requirements. The panel would then present its evaluations and recommendations to the Smithsonian which would ultimately make the final site selection.

At this time, other legislation, S. 289, has been introduced in the Senate to authorize the Dulles site. The Senate Rules Committee has scheduled an October 3 markup of that measure.

It is my hope that before taking any action to mark up legislation, the Senate Rules Committee would hold a hearing on both bills and review this issue overall.

The last hearing held by the committee on the museum extension proposal was in 1985. Since then, the proposal has changed, costs have increased, and the Government's fiscal problems have become much worse, increasing the need for a cost-effective site selection process.

For that matter, the bill that has been scheduled for markup, S. 289, which is identical to legislation passed last year by the Senate, would authorize the original $355 million museum extension proposal at Dulles, not the new $162 million version the Smithsonian subsequently submitted to GAO after the agency's criticism of the Smithsonian's selection of Dulles for the full-blown extension.

It should be noted that the House Appropriations Committee report on the fiscal year 1992 Interior appropriations bill states:

> The Committee also believes that if the authorization is for a facility which will include or involve more than storage and rehabilitation or restoration of artifacts only (such as additional exhibit areas, theaters or shops), that such a facility should be opened to competition for site selection.

Also, today the House Administration Subcommittee on Libraries and Memorials is conducting a hearing on the House companion to our bill, H.R. 3281, which would authorize a national site competition for the museum extension.

A resolution adopted earlier this year by the Western Governors' Association states:

> The process for selecting sites for new or expanding national museums, such as the Air and Space Museum, should be open to ensure all relevant factors are taken into account in selecting the site—cost, research, access, and care of artifacts housed with the museum.

Our bill follows the procedure for site selection outlined by the General Accounting Office in its original report.

This will save the taxpayers money, give more States and cities the opportunity to compete for the museum, and allow the Smithsonian to respond to its statutory mandate to "collect, preserve, and display aeronautical and space flight equipment of historical interest and significance."●

By Mr. DURENBERGER (for himself, Mr. BURNS, Mr. DOLE, Mr. DOMENICI, Mr. ROTH, and Mr. LUGAR):

S. 1789. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Finance.

DEFICIT NEUTRAL UNEMPLOYMENT COMPENSATION ACT

Mr. DURENBERGER. Mr. President, I am today introducing legislation, along with Senators BURNS, DOMENICI, DOLE, ROTH, and LUGAR that I hope will break the political gridlock over the issue of extended unemployment benefits.

DURENBERGER ALTERNATIVE

The bill that I am introducing is very similar to the alternative introduced by the distinguished Republican leader, Mr. DOLE, the distinguished ranking member of the Budget Committee, Mr. DOMENICI, and others, except for one important change.

Under my alternative, the number of weeks of extended benefits is increased from the 6 and 10 weeks contained in the Dole-Domenici bill to 8 weeks for all States and 15 weeks for those States where the insured unemployment rate, adjusted to include exhaustees, is 5 percent or higher.

Mr. President, what that means is that as of October 6 when this program would be effective, 32 States—including my home State of Minnesota, Illinois, Indiana, Maryland, Missouri, Oregon, Texas, and Washington—would do better under my alternative than the conference report that was voted on earlier this morning.

If one calculates benefits in March, when the insured unemployment rate is comparatively higher than the total unemployment rate, many States including California, Massachusetts, Montana, Pennsylvania, Rhode Island, and Vermont are also picked up in the higher 15-week tier and do better under the Durenberger alternative than under the conference report.

Let me repeat that point, Mr. President, these States do better under my alternative than under the conference report that we passed today.

In my view, this represents effective help for the unemployed and should receive bipartisan support.

In addition, Mr. President, additional funds raised by this legislation in fiscal year 1993 and beyond are earmarked to deal with the problem of pockets of unemployment. A lot of the debate on the floor has been on the problem of chronic unemployment in certain parts of the country that are not fully served by the current unemployment insurance system.

The problem is that while the State unemployment rate may be relatively low, certain communities within that State are really suffering.

This legislation directs the Secretary of Labor to establish a comprehensive economic adjustment program targeted at those communities that have unacceptably high unemployment rates that are not reflected in the National and State economy as a whole.

PAYS FOR ITSELF

Mr. President, it is also important to make the point that this bill pays for itself. While certain emergency language has been included as a safety catch to ensure that no sequester would occur in fiscal year 1992, I personally believe that this language is unnecessary and is only included for those who want a belt-and-suspenders approach.

The most important point to make, however, is that this bill is deficit neutral over 5 years where the conference report asks our children and their children to cough up another $6.2 billion on top of the current $3½ trillion in debt we now have.

I know my colleagues on the other side of the aisle do not want to turn a blind eye to the deficit and what we are doing to future generations of Americans.

But if we ignore the budgetary implications of the conference report, we are, in effect, ignoring the future. This Senator cannot ignore the consequences of an exploding deficit.

GET RELIEF TO UNEMPLOYED NOW

Finally, Mr. President, while I cannot say for sure that the President would sign this proposal, it does comply with the important objectives of abiding by the budget agreement and being deficit neutral over 5 years—objectives on which the conference report fails.

I hope my colleagues will carefully review this proposal and work with me to ensure that extended benefit checks go out in the mail sooner rather than later—hopefully by the end of this week. And I hope that we will stop playing politics with the issue of extended benefits for the unemployed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1789

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deficit-Neutral Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereafter in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title, or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
5-percent period	15
Other period	8.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this title for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this title is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this title.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after February 28, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this title is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this title in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this title.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of an individual who has received amounts of emergency unemployment compensation under this title to which he was not entitled, the State shall require such individual to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the emergency unemployment compensation to which he was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this title:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this title and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 107. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) Conforming Amendment.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) Effective Date.—The amendments made by this section shall apply to weeks of unemployment beginning on or after October 5, 1991.

TITLE II—COLLECTION OF NONTAX DEBTS

SEC. 201. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) In General.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) Effective Date.—The amendment made by this section shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

SEC. 301. CREDIT CHECKS; COSIGNERS.

(a) In General.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this title referred as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) Conforming Amendment.—Section 428(b)(1) of the Act is amended—

(1) in subparagraph (U), by striking "and" at the end thereof;

(2) in subparagraph (V), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. BORROWER INFORMATION.

(a) In General.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) Borrower Information.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) Conforming Amendment.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 303. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

"(1) by striking the subsection heading and inserting "Exit Counseling for Borrowers; Borrower Information.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 305. WAGE GARNISHMENT.

(a) In General.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"Sec. 488A. (a) Garnishment Requirements.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) Hearing Requirements.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Section 428(c)(6) of the Act is amended by striking subparagraph (D).

SEC. 306. DATA MATCHING.

Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.".

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SEC 401. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act;

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this title for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable;

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 405(b)(2)(A) through (C); and

(D) exempt power marketing administrations and the Tennessee Valley Authority from any reallocation procedures.

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act over the course of fifteen years after the enactment of this title;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 50 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within 3 months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 50 MHz of spectrum that are located below 3 GHz, to be made available for reallocation to the Federal Communications Commission upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures.

(B) The Department of Commerce shall make available to the Federal Communications Commission 50 MHz as identified in subparagraph (a) of electromagnetic spectrum for allocation of land-mobile or land-mobile-satellite services. Notwithstanding section 553 of the Administrative Procedure Act and title III of the Communications Act, the Federal Communications Commission shall allocate such spectrum and conduct competitive bidding procedures to complete the assignment of such spectrum in a manner which ensures that the proceeds from such bidding are received by the Federal Government no later than September 30, 1992. From such proceeds, Federal agencies displaced by this transfer of the electromagnetic spectrum to the Federal Communications Commission shall be reimbursed for reasonable costs directly attributable to such displacement. The Department of Commerce shall determine the amount of, and arrange for, such reimbursement. Amounts to agencies shall be available subject to appropriation Acts.

(C) Within 12 months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section.

(D) Within 24 months after the date of enactment of this title, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 50 MHz previously designated under subparagraph (A)).

(E) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than 12 months after the enactment of this title, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by paragraph (1)(C);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by paragraph (1)(D); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under this subsection; and

(D) prepare and submit the report required by paragraph (4).

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 405(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector adviser committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than 12 months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(D), include a timetable for the effective dates by which the President shall, within 15 years after enactment of this title, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 406(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within 3 months after receipt of the Secretary's report under section 404(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 50 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 404(d)(1)(D), by the effective dates recommended pursuant to section 404(e) (except as provided in subsection (b)(4) of this section), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 405(b)(2) exists, the President—

(A) may, within 1 month after receipt of the Secretary's report under section 404(d)(1)(A), and within 6 months after receipt of the Secretary's report under section 404(d)(1)(D), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 404(d)(1)(D) unless the substituted frequency also meets each of the criteria specified by section 404(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 404(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 406, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation Acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 50 MHz to be reallocated from United States Government to non-United States Government use under section 404(d)(1)(A), not later than 6 months after enactment of this title, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 408, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 404(e), not later than 2 years after issuance of the report required by section 404(d)(1)(D), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this title. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 404(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a 10-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such 10-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection:

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, except that any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 407 of the Emerging Telecommunications Technologies Act of 1991.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2).

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2), except that the notification required by section 405(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended by adding the following new subsection:

"(j)(1)(A) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, subject to the exclusions listed in paragraph (2).

"(B) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subparagraph (C), the Commission shall grant a permit or license.

"(C) No construction permit or license shall be granted to an applicant selected pursuant to subparagraph (B) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and subsection (a) of this section, on the basis of the information contained in the first- and second-stage applications submitted under subparagraph (B).

"(D) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of this Act.

"(E) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(F) The Commission, in designing the competitive bidding procedures under this subsection, shall study and include procedures—

"(i) to ensure bidding access for small and rural companies,

"(ii) if appropriate, to extend the holding period for winning bidders awarded permits or licenses, and

"(iii) to expand review and enforcement requirements to ensure that winning bidders continue to meet their obligations under this Act.

"(G) The Commission shall, within 6 months after enactment of the Emerging Telecommunications Technologies Act of 1991, following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 50 MHz reallocated from United States Government to non-United States Government use under section 404(d)(1)(A) of the Emerging Telecommunications Technologies Act of 1991, to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to—

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, over-the-air terrestrial radio and television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the Emerging Telecommunications Technologies Act of 1991;

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption; and

"(G) small businesses, as defined in section 3(a)(1) of the Small Business Act.

"(3) In implementing this subsection, the Commission shall ensure that current and future rural telecommunications needs are met and that existing rural licensees and their subscribers are not adversely affected.

"(4) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury.".

(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act is amended by striking the period after the word "selection" and inserting ", except in instances where competitive bidding procedures are required under subsection (j).".

(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended by adding the following new subsection:

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in this title:

(1) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(2) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(3) The term "Commission" means the Federal Communications Commission.

(4) The term "Communications Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(5) The term "Secretary" means the Secretary of Commerce.

TITLE V—DISLOCATED WORKERS

SEC. 501. GENERAL ASSISTANCE TO DISLOCATED WORKERS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall, by regulation, establish for eligible dislocated workers—

(1) a program of readjustment allowances,

(2) a program for job training and related services substantially similar to the program under part A of title III of the Job Training Partnership Act (29 U.S.C. 1651, et seq.) and

(3) a program for job search and relocation allowances substantially similar to the program under part A of title III of the Job Training Partnership Act (29 U.S.C. 1651, et seq.)

(b) ADMINISTRATION.—The Secretary of Labor is authorized to enter into agreements with any State to assist in carrying out the programs under Subsection (a) in the same manners under the Job Training Partnership Act (29 U.S.C. 1651, et seq.)

(c) ELIGIBLE DISLOCATED WORKERS.—For purposes of this section, the term 'eligible dislocated worker' means any individual who meets the definition of Sec. 301 of title III of the Job Training Partnership Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Labor, for each of the fiscal years 1993, 1994, and 1995, the sum equal to the revenues raised in such fiscal year by the provisions of, and amendments made by, titles II, III, and IV of this Act in excess of the expenditures made in such fiscal year under title I of this Act, to carry out the purposes of this section.

SEC. 502. SPECIAL ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the State of Washington.

SEC. 503. REPORT ON THE FEASIBILITY AND UTILITY OF THE INSURED UNEMPLOYMENT RATE AND THE TOTAL UNEMPLOYMENT RATE.

The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth the feasibility and utility of using a total unemployment rate versus an insured unemployment rate, adjusted to include those claimants who have exhausted their benefits, for purposes of triggering extended benefits and, if appropriate, revising the foregoing measures of unemployment to include seasonal adjustments.

TITLE VI—DEFICIT REDUCTION REQUIREMENT

SEC. 601. DEFICIT REDUCTION REQUIREMENT

(a) CONGRESSIONAL FINDING.—The Congress finds that this Act would be deficit neutral and, pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts (both increases and decreases) provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) PRESIDENTIAL DETERMINATION.—None of the preceding sections of this Act shall take effect unless the President makes a determination and notifies the Congress that this Act would be deficit neutral cumulatively for fiscal years 1991 through 1996; and, notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless the President submits a written designation of all direct spending amounts (both increases and decreases) provided by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. BURNS. Mr. President, this legislation is being introduced as substitute for the extended unemployment benefits. I voted for the point of order on the budget with regards to the unemployment extended benefits. No matter how much I want to help the unemployed in my State, I cannot break the agreement that was hammered out and signed off by both parties of this body.

To do so, to break the budget, sends a wrong signal to the American people about our own discipline to control this runaway budget. This bill will allow us to do those items, such as extended benefits, and still operate in a fiscal responsible way.

I introduced a bill not long ago, but I fear it was too simple. I fear it was too simple for most folks to understand around this place. I called it the 4-percent solution—very simple, very direct, very straightforward. We could only spend 4 percent more in a yearly budget in any one given year based on the previous year's outlays. No program suffers. All is increased. I am saying that we could have handled this item of extended benefits in a fiscal and beneficial manner.

Let us take a look at some of the points of the substitute and see if it does not make sense, just good, old American common sense.

To those who would qualify, this substitute would help those who have gone beyond their unemployment period. It picks up retroactively.

Now it sounds provencial I know, but it is better for Montana because under the provisions of this bill, 2 weeks more benefits are added than in the so-called Bentsen bill. Couple retroactive and 2 weeks more benefits and they are worth fighting for.

It is paid for. It does not have to add to the national deficit, which is already out of control.

But, basically, what we see here is political posturing and it is costing the folks who need help every day. They that need will have to wait because of pure politics.

A case in point: If you want to put people to work, where is the highway bill? At midnight last night, as observed by my colleague from Montana, the Highway and Transportation Act ran out. Today, the States are expecting us to go to work and get them a new transportation bill. My colleague worked and slaved to hammer out a good, commonsense highway bill only to see it stalled and chewed up by partisan politics by the majority leadership in the House.

Today is October 1, and all States are expecting us, the U.S. Congress, to get our act together as reasonable men and women. We can also do some little things too, by repealing the luxury tax and by allowing some investment credit to get this economy on the move and broaden the work base. Maybe we would not even have to have extended unemployment benefits. That is what it all comes down to.

Let us put the people back to work. Americans are proud workers. They do not even like to draw unemployment. They would rather work. So let us, through the Tax Code and through the policy of this Government, put them back to work.

By Mr. KENNEDY (for himself and Mr. HATFIELD):

S. 1790. A bill to enhance America's global competitiveness by fostering a high skills, high quality, high performance work force, and for other purposes; to the Committee on Labor and Human Resources.

HIGH SKILLS COMPETITIVE WORKFORCE ACT

• Mr. KENNEDY. Mr. President, on behalf of Senator HATFIELD and myself, I am introducing a bill, the High Skills, Competitive Workforce Act of 1991, and offering an amendment to the bill.

The American economy is at a turning point, and the future standard of living for all Americans is at risk. Success in international competition and a high standard of living for our citizens depend in large measure on the education and skills of the Nation's work force. In turn, that means businesses must invest in workers and improve the way they produce goods and provide services.

Our major international competitors have long recognized this challenge, and they are ahead of us in meeting it. They are all committed to a high productivity, high wage strategy for their economies, a strategy based on the best possible training and best possible education for all workers, and coordinated policies to achieve those two goals.

The United States does not yet have such a strategy. In fact, we are pursuing a low-wage strategy that is driving the standard of living down instead of up. As a result, we are at a competitive disadvantage in the new global economy, and the disadvantage is growing.

The High Skills, Competitive Workforce Act is designed to stimulate cooperation by business, labor, schools and colleges, and State and local governments to improve the education and training of the U.S. work force, and to develop new systems and strategies for meeting the needs of workers. The act:

Encourages development of voluntary educational and occupational standards of proficiency, to assess student performance and provide employers with meaningful information on worker skills;

Creates effective school-to-work transition program, including job assistance for students and graduates, work experience coordinated with school, and second-chance programs for dropouts;

Helps businesses reorganize to become high performance work organizations that can effectively meet international competition;

Increases the training and education of America's workers, by requiring employers to provide training, or contribute 1 percent of payroll to a State-administered training trust fund. Small businesses would be exempt from the requirement but would still be eligible for grants from the trust fund.

This effort has special urgency because the American standard of living is slipping and our international competitive position is eroding. We must invest in our work force, our people; they are the only truly competitive advantage in today's global economy. Companies can and do move across national boundaries. Technology is invented and applied around the globe. Capital flows through international exchanges, seeking the highest rate of return. Investing in our people is the key to America's economic success.

But in the United States, we are failing to make those investments, especially for our front-line work force—the men and women who build the cars, operate the computers, and carry out the millions of other jobs that make the economy go.

Alone among advance economies, we have no effective programs to facilitate the school-to-work transition for young workers. Only 35 percent of workers have had any training on their current job, and most of that training consists of rudimentary instructions when they first started work.

Employers spend more funds on coffee breaks, lunch, and other paid rest periods than they do on workers training. All of our major economic competitors invest more in training than we do. A new Japanese auto worker gets over 300 hours of training in the first 6 months of work. In contrast, American workers get less than 50 hours—a 6-to-1 advantage for the Japanese.

America cannot continue on this course. Our economic leadership is slipping away. Wages in other nations are growing faster. The American standard of living is no longer the highest in the world. Competing nations pay high wages and run international trade surpluses. By investing in training and education, we can put America on a new and more productive path. That is what this act is all about.

Development of the legislation was stimulated in large measure by the groundbreaking work of the Commission on the Skills of the American Work Force. That bipartisan group included business, labor, education, and government. Its 1990 report, "America's Choice," offered a bold outline for a comprehensive strategy to address these problems, and it helped to inspire much of the act we are introducing today.

The Commission was chaired by former Labor Secretaries William Brock and Ray Marshall. Its report states the issue succinctly: America's choice is between high skills or low wages. The report summons us to action before our economic decline becomes irreversible.

Because the problem is so fundamental and the strategy so sweeping, the issues addressed by the act are complex. They touch on every sector of society—educational institutions, State and local governments, private businesses, labor unions, community organizations, and others.

On an issue of this magnitude, all must participate. This is not a partisan issue, nor is it confined to a narrow set of interests. It touches all Americans. As we proceed with the legislation, we look forward to working with many others to refine the specific proposals and make them as effective as possible in meeting the immense challenge we face.

I chaired a hearing this morning before the Senate Committee on Labor and Human Resources at which testimony on the bill was presented by William Brock, Ray Marshall, and Ira Magaziner. Senator HATFIELD also testified, as did Majority Leader GEPHARDT and Representative RALPH REGULA, who have cosponsored the companion bill in the House of Representatives.

In future hearings, we will be asking business, labor, State and local officials, and community groups for their assistance in finding the best ways to achieve the purposes of the act.

Their input will be essential. This act relies on State, local, and private sector efforts to achieve its purposes. It is not a new centralized Federal program but an effort to catalyze and stimulate activities best carried out at the State and local level and in the private sector.

On many of the specific issues addressed by the act—occupational standards, school to work transition for high school graduates, second-chance programs for dropouts, training for front-line workers, and encouraging high performance work—superior examples already exist in the United States, efforts as good as any in the world. But these individual efforts are not being adequately replicated across the Nation. There is no national policy to support and encourage them. That is why we need this legislation.

A growing economy and an effective training system requires close cooperation between public and private training and employment providers. It cannot succeed without a major increase in private training efforts. This bill, like the OSHA bill I introduced a few weeks ago, seeks to find the best way that government can work with the private sector for the most effective pursuit of goals that we all share. Whether it be the plant-level health and safety committees we called for in the OSHA bill, or the increased private training effort called for here, we are not seeking new areas of regulation but allies in achieving a strong and just economy. We want to find private multipliers for public programs, because we know that otherwise those programs will fail.

The American economy is in more trouble than any of us like to admit. We can continue to pursue a low-wage "live for the moment" strategy, but that shortsighted step will worsen our long-run problems and put us in a "race to the bottom." That is a race that we cannot win and should not run. No other major nation is pursuing such a strategy and neither should the United States.

The American dream has always been that our children will have better lives. If we do not turn back from our current course, that dream will fail for the next generation, and perhaps for the next century, and America will become a lesser land.

There is another path. We can return to a high-wage, high-productivity, competitive strategy, with the promise of a better standard of living for all Americans, not just for the few who can escape the receding tide. The act that we have introduced today can make a major contribution to implementing that strategy, so that future generations can continue to build on the promise of this country. The required steps will not be painless or easy, but they are necessary for a better and brighter future.

Mr. President, I ask unanimous consent that the bill and the summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "High Skills, Competitive Workforce Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Definitions.
TITLE I—FINDINGS AND NATIONAL POLICY
Sec. 101. Findings.
Sec. 102. Purpose and national policy declarations.
TITLE II—STANDARDS OF EXCELLENCE IN EDUCATION AND TRAINING
Sec. 201. Purpose.
Sec. 202. Professional and technical standards for occupational training.
Sec. 203. Educational standards and assessments.
Sec. 204. Information on education and training programs.
TITLE III—SCHOOL-TO-WORK TRANSITION
Sec. 301. Findings and purpose.
Subtitle A—Career Preparation
Sec. 311. Career preparation.
Subtitle B—Community Youth Employment Compacts
Sec. 321. Community Youth Employment Compacts.
Subtitle C—Youth Opportunity Centers
Sec. 331. Youth Opportunity Centers.
Subtitle D—Technology Education and Partnership Programs
Sec. 341. Purpose.
Sec. 342. Technology education.
Sec. 343. College and company technology partnerships.
Sec. 344. Grants for development of new training technologies.
TITLE IV—HIGH PERFORMANCE WORK ORGANIZATION
Sec. 401. Findings and purpose.
Sec. 402. High performance work organization.
Sec. 403. Malcolm Baldrige National Quality Award.
TITLE V—HIGH SKILLS TRAINING CONSORTIA
Sec. 501. High skills training consortia.
Sec. 502. Application to antitrust laws.
Sec. 503. Antitrust limitation on recovery.
Sec. 504. Antitrust attorney's fees.
Sec. 505. Disclosure of high skills training consortia.
Sec. 506. Authorization of appropriations.
TITLE VI—STATE AND REGIONAL EMPLOYMENT AND TRAINING SYSTEMS
Sec. 601. Start up grants for State and regional employment and training systems.
Sec. 602. Study on Federal employment and training programs.

SEC. 2. DEFINITIONS.

As used in this Act:

(1) CERTIFICATION OF MASTERY.—The term "certification of mastery" means the documented attainment of the occupational proficiency standards established pursuant to section 202.

(2) FRONT-LINE WORKER.—The term "front-line worker" means a nonsupervisory, nonmanagerial employee who is directly engaged in the production of goods or the provision of services.

(3) HIGH PERFORMANCE WORK ORGANIZATION.—The term "high performance work organization" means work organized in accordance with the following principles—

(A) the decentralization of authority and responsibility, with more authority provided directly to workers to use judgment and make decisions;

(B) the integration of work into whole jobs rather than discrete tasks;

(C) the availability of extensive channels of communication flowing up, down, or across the organization and among workers;

(D) the achievement of higher ratios of direct to indirect labor;

(E) the design of the work environment to facilitate interaction among workers; and

(F) the integration of work with formal and informal education programs to expand the cognitive capacities and work skills of workers.

TITLE I—FINDINGS AND NATIONAL POLICY

SEC. 101. FINDINGS.

Congress finds that—

(1) the United States has become part of a highly competitive global economy in which success is tied to providing high quality products and services that rapidly respond to a wide variety of shifting consumer tastes;

(2) within today's increasingly integrated and competitive markets for goods and services, productivity growth is key to maintaining and improving the United States standard of living is productivity growth;

(3) business firms that are best equipped to achieve high productivity growth and succeed in the global market place are those that—

(A) have systematically reorganized themselves to produce high performance, high quality work; and

(B) employ flexible and well-trained workforces capable of operating, interpreting, and maintaining complex equipment, processes and facilities;

(4) enhancing human capital for effective economic performance requires high quality—

(A) early childhood education;

(B) primary and secondary education;

(C) programs for school-to-work transition; and

(D) continuing education and training for workers after they have entered the workforce;

(5) the record of the United States, relative to its competitors, in each of the areas described in paragraph (7) is seriously deficient, in that—

(A) United States children are ill-prepared when they enter school and subsequently do poorly in all international comparisons in key subjects such as mathematics, science, foreign languages, and geography;

(B) in contrast to many competitor nations, the United States has virtually no programs to provide support for youth in making the transition from school to gainful employment;

(C) the vast majority of American workers who do not attend or complete college receive little or no training for the remainder of their working lives; and

(D) in general, United States employers invest far less in worker training than their international competitors, particularly in training for front line, nonsupervisory workers;

(6) as a consequence of these policies, real wages have declined and there is rising inequality in wages between those who are well-trained and those who are not;

(7) since global economic competition is making it impossible for the United States to maintain a high standard of living for the majority of its people without changes in human capital policy, the choice facing the United States is either to become a Nation of high skills or one of declining living standards;

(8) if the United States is to become a Nation of high skills and high performance work organization, there must be a fundamental change in the approach of the United States to work, education and training; and

(9) to accomplish that change, American business, labor, Federal, State, and local governments, and the education community must join together and invest the time, talent, and resources necessary to encourage businesses to adopt high performance forms of work organization and build a highly skilled, highly productive workforce that is second to none.

SEC. 102. PURPOSE AND NATIONAL POLICY DECLARATIONS.

(a) PURPOSE.—It is the purpose of this Act to ensure the success of American products and services in international competition and to improve the standard of living for all Americans by promoting—

(1) the adoption of high performance forms of work organization fully utilizing the skills of front-line workers;

(2) the utilization of clear standards of excellence for professionalized occupational education and training in all aspects of America's training system;

(3) a variety of school-to-work programs to assist young people in making the transition into the workforce;

(4) increased private investment in the continuing education and training of the incumbent workforce; and

(5) the improved coordination of State and local training, job search and labor market information efforts.

(b) NATIONAL POLICY DECLARATIONS.—To fulfill the purpose described in subsection (a), it is declared to be the policy of the United States that—

(1) the Federal Government should encourage the development and adoption of a voluntary system of educational and occupational standards of proficiency and the attainment of such standards should be the goal with which worker training programs should be designed and subsequently evaluated;

(2) increased attention and resources should be given to providing adequate educational resources to students of all backgrounds, to school-to-work transition programs and to adult education and training, particularly for the 80 percent of the American workforce that does not graduate from college;

(3) American businesses should be encouraged to adopt high performance forms of work organization, through the provision of technical assistance and diagnostic services to employers and labor unions interested in implementing such organizational changes;

(4) in order for businesses to become high performance work organization, workforce training, education, and other activities should emphasize increasing the education, skills, and direct authority and autonomy of front-line workers;

(5) the Federal role in assisting in the achievement of the purpose described in subsection (a) should be as a guide and catalyst for activities most appropriately carried out at the State, regional, and local level, through the provision of incentives, the establishment of broad strategic goals, the sponsoring of research and pilot projects, the dissemination of knowledge and information, and the undertaking of efforts to simplify and coordinate existing Federal resources; and

(6) business, labor, educational institutions, State and local governments, and community organization should all be involved in this effort, with the private sector playing a lead role.

(c) LIMITATIONS.—

(1) NONDISCRIMINATION.—All activities conducted or assessments developed under this Act (or the amendments made by this Act) shall be free of racial, ethnic, religious, gender and socioeconomic bias.

(2) RELOCATION.—None of the amounts appropriated under this Act (or the amendments made by this Act) may be used by States to attract or induce existing businesses or their subsidiary units to relocate from another State, or to engage in bidding for proposed businesses or their subsidiary units.

TITLE II—STANDARDS OF EXCELLENCE IN EDUCATION AND TRAINING

SEC. 201. PURPOSE.

It is the purpose of this title to—

(1) stimulate the adoption of a voluntary national system of industry-based, occupational standards and certifications of mastery;

(2) authorize the Office of Educational Research and Improvement to conduct research concerning the assessment of academic achievements and to carry out pilot projects for assessments in specific subject areas; and

(3) require the public release of independently audited information concerning education and training programs.

SEC. 202. PROFESSIONAL AND TECHNICAL STANDARDS FOR OCCUPATIONAL TRAINING.

(a) PURPOSE.—Recognizing that a high skills, high quality, high performance workforce requires that high caliber standards must be established and met, it is the purpose of this section to stimulate the adoption of a voluntary national system of occupational certification by establishing an independent national board to develop a system of industry-based, occupational proficiency standards and certifications of mastery for occupations within each major industry and occupations that involve more than one industry, for which no recognized standards currently exist.

(b) ESTABLISHMENT OF NATIONAL BOARD.—There is established a National Board for Professional and Technical Standards (hereafter referred to in this section as the "National Board").

(c) COMPOSITION.—

(1) IN GENERAL.—The National Board shall be composed of 24 members appointed in accordance with paragraph (2)(A), representing business and industry, labor organization, educational institutions, technical associations, and others whose expertise reflects a broad cross section of industries and occupations, and two ex officio members in accordance with paragraph (2)(B). Representatives of labor organization shall be selected from among individuals recommended by recognized national labor organizations.

(2) MEMBERSHIP.—

(A) APPOINTMENTS.—Members of the National Board shall be appointed as follows:

(i) Six members (three from each major political party) shall be appointed by the Speaker of the House of Representatives, upon the recommendations of the Majority and Minority Leaders of the House, respectively.

(ii) Six members (three from each major political party) shall be appointed by the President Pro Tempore of the Senate, upon the recommendations of the Majority and Minority Leaders of the Senate, respectively.

(iii) Six members shall be appointed by the Secretary of Labor.

(iv) Six members shall be appointed by the Secretary of Education.

(B) EX OFFICIO MEMBERS.—The Secretary of Labor and the Secretary of Education shall serve as ex officio members of the National Board.

(3) TERM.—Each member of the National Board shall be appointed under paragraph (2)(A) for a term of 3 years, except that of the initial members of the Board appointed under such paragraph—

(A) eight shall be appointed for a term of 1 year, of which two such members shall be from each class of appointees under each of the clauses (i) through (iv) of such paragraph;

(B) eight shall be appointed for a term of 2 years, of which two such members shall be from each class of appointees under each of the clauses (i) through (iv) of such paragraph; and

(C) eight shall be appointed for a term of 3 years, of which two such members shall be from each class of appointees under each of the clauses (i) through (iv) of such paragraph.

(d) CHAIRPERSON AND VICE CHAIRPERSON.—The National Board shall annually elect a Chairperson and Vice Chairperson from among its members appointed under subsection (c)(2)(A), each of whom shall serve for a term of 1 year.

(e) COMPENSATION AND EXPENSES.—

(1) COMPENSATION.—Members of the National Board who are not regular full-time employees of the United States government shall serve without compensation.

(2) EXPENSES.—While away from their homes or regular places of business on the business of the National Board, members of such Board may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(f) STAFF.—The National Board shall appoint an Executive Director who shall be compensated at a rate determined by the Board that shall not exceed that under level 15 of the general schedules under title 5, United States Code, and who may appoint such staff as is necessary.

(g) INDUSTRY COMMITTEES.—

(1) ESTABLISHMENT.—The National Board shall establish advisory committees for each major industry and for major occupations that involve more than one industry, and shall appoint individuals to serve as members of such committees from among nominations submitted by each such industry. Each such committee shall include members selected from among individuals nominated by recognized national labor organizations representing employees in such industry or occupation.

(2) DUTIES.—Committees established under paragraph (1) shall, for each industry or occupation for which such committee is established—

(A) develop recommendations for proficiency standards for occupations within such industry that are linked to internationally accepted standards, to the extent practicable;

(B) develop assessments to measure competencies for such occupations;

(C) develop and recommend 2- to 5-year curricula for achieving such competencies that include structured work experiences and related study programs leading to technical and professional certificates or associate degrees; and

(D) evaluate the implementation of the standards, assessments, and curricula developed under this paragraph to make recommendations for their revision, where appropriate.

(3) LIMITATION.—No committee established pursuant to this section shall be authorized to develop standards, assessments or curricula for any occupation or trade for which recognized apprenticeship standards exist.

(4) DEADLINES.—

(A) IN GENERAL.—Not later than December 31, 1993, the National Board shall have identified at least 20 occupational categories and developed recommendations for occupational standards, curricula, and certifications for such occupations.

(B) COMPLETION OF CATEGORIES.—The National Board shall develop a program to ensure that the standards, curricula, and certifications for all remaining identified occupational categories are completed not later than January 1, 2000.

(5) ATTAINMENT OF STANDARDS.—Occupational proficiency standards developed under paragraph (2) should be applied in a manner such that the attainment of such standards is likely to meet the requirements for transferable credit and enable a student to continue his or her education, with a special emphasis on transferability among States.

(6) AVAILABILITY.—The occupational standards, curricula, and certification systems developed in accordance with paragraph (2) for an industry or occupation shall be made available for voluntary use by institutions of postsecondary education offering professional and technical education, labor organizations, trade and technical associations, employers providing formalized training, and any other organizations likely to benefit from such systems.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

SEC. 203. EDUCATIONAL STANDARDS AND ASSESSMENTS.

(a) POLICIES.—Section 405(a)(2) of the General Education Provisions Act (20 U.S.C. 1221e(a)(2)) is amended—

(1) in subparagraph (F), by striking out "and" at the end thereof;

(2) in subparagraph (G), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) encourage and promote research relative to internationally competitive standards in academic achievement.".

(b) RESEARCH AND DEVELOPMENT NEEDS.—Section 405(b)(3) of such Act (20 U.S.C. 1221e(b)(3)) is amended—

(1) in subparagraph (H), by striking out "and" at the end thereof;

(2) in subparagraph (I), by striking out the period; and

(3) by adding at the end thereof the following:

"(J) conducting research into the development of a system of academic achievement and proficiency standards in specific subjects at appropriate age/grade levels;

"(K) conducting research into the development of curricula that are designed to facilitate the attainment of academic achievement in specific subject areas; and

"(L) developing multiple assessment tools, such as performance or proficiency assessments, assessments of student projects and assessments of the contents of a portfolio of student work in and across specific subject areas.

"For purposes of subparagraph (L)—

"(i) the term 'student projects' means extended participation in learning through planning and carrying out an applied learning activity; and

"(ii) the term 'portfolio of student work' means a collection of student products which demonstrate a command of knowledge or skill.".

(c) ASSESSMENT PILOT PROJECTS.—Section 405(d) of such Act (20 U.S.C. 1221e(d)) is amended by adding at the end thereof the following new paragraph:

"(7)(A) The Secretary, from funds appropriated under this section, may award grants to entities otherwise eligible to receive funds under this Act, including State educational agencies and consortia of such agencies, for pilot projects to design, develop and evaluate Statewide or multi-State assessment systems for elementary school, middle school and high school students leading towards an assessment system that will be able to assist both educators and policymakers to improve instruction and advance student learning.

"(B) A Statewide or multi-State assessment system designed and developed with amounts received under this paragraph shall—

"(i) utilize widely agreed upon high standards that all students should be expected to meet;

"(ii) consist of multiple components, including—

"(I) performance assessments;

"(II) assessments of student projects; and

"(III) assessments of the contents of a portfolio of student work in specific subject areas and across subject areas;

"(iii) not be used to compare students, but rather to determine whether students have met the agreed upon standards of proficiency;

"(iv) encourage flexibility for students in attaining and demonstrating competence, recognizing that multiple forms of excellence exist; and

"(v) include a plan to assist all students in meeting the standards described in clause (i) through measures such as—

"(I) financial or other assistance and incentives to schools to improve student performance; and

"(II) staff development activities to assist staff in adapting curricula and teaching techniques to the needs of students of varying backgrounds.

"(C) A recipient of a grant under this paragraph shall include a broad participation of State and local education officials, business and community leaders, teachers, parents and subject specialty organizations in the development of standards for mathematics, science, English, history, geography, civics and government, foreign languages, and the arts.

"(D) The Secretary shall ensure that the findings derived from evaluations of the assessment pilot projects under this paragraph are widely disseminated.

"(E)(i) There are authorized to be appropriated to carry out the pilot projects described in this paragraph, $15,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997. No amounts appropriated under this subparagraph may be obligated prior to publication of the final report of the National Council on Education Standards and Testing (established by Public Law 102-62).

"(ii) Amounts appropriated under clause (i) shall remain available until expended.".

SEC. 204. INFORMATION ON EDUCATION AND TRAINING PROGRAMS.

Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end thereof the following new paragraph:

"(13) The institution certifies that information (that has been confirmed by independent audit) shall be released to the public concerning programs offered by the institution, the number of students enrolled in each such program, the costs to the students of such programs, the characteristics of students participating in each such program, the student completion rate for each such program, and other outcomes, including, where appropriate, job placement rates and the employment status of program graduates for the 2-year period following the completion of studies.".

TITLE III—SCHOOL-TO-WORK TRANSITION

SEC. 301. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) as workplace demands increase for better educated and skilled workers, many young Americans are finding it increasingly difficult to make an effective transition from school to work;

(2) while this is especially true for those without a high school diploma, it also applies to those who have only a high school diploma and to those who have some college credit, but do not have a baccalaureate degree;

(3) most of the leading international competitors of the United States have invested heavily in extensive school-to-work transition programs; and

(4) the United States has virtually no such programs despite the fact that 25 percent of American youths do not finish high school and about 50 percent do not go on to college.

(b) PURPOSE.—It is the purpose of this title to promote the establishment of a nationwide system of school-to-work transition programs to aid American youths in becoming productive participants in a high skills, high quality, high performance, United States workforce by awarding grants to support—

(1) career preparation programs to provide young Americans with information concerning career options and skill development opportunities comparable to those afforded by school-to-work transition programs in competitor nations;

(2) community career services programs to provide youth attending high school or alternative education programs with job coaching services and organized access to private sector work experience and jobs upon graduation;

(3) Youth Opportunity Centers to provide school dropouts with alternative means of

attaining educational proficiency standards and making the transition into productive employment; and

(4) partnerships between colleges and business organizations to promote advanced technical education and training for American youths; and

Subtitle A—Career Preparation

SEC. 311. CAREER PREPARATION.

(a) PURPOSE.—It is the purpose of this section to facilitate the transition from school to work for American youth through—

(1) the establishment of programs that integrate academic instruction and work experience; and

(2) the dissemination of information on specific career options.

(b) CAREER PREPARATION DEMONSTRATION PROGRAMS.—

(1) GRANTS.—The Secretary of Labor (hereafter referred to in this subsection as the "Secretary"), in consultation with the Secretary of Education, shall, to the extent appropriations are available, award grants to eligible entities to plan, establish, support and evaluate career preparation programs in accordance with this subsection.

(2) REQUIREMENTS OF PROGRAM.—

(A) IN GENERAL.—Programs established using amounts received under this subsection shall—

(i) involve students in grades seven through ten who are prospective participants in career preparation programs in activities to learn about a wide variety of career possibilities through career awareness programs and career counseling conducted in cooperation with local businesses, labor organizations and academic institutions;

(ii) provide eleventh and twelfth grade students with the opportunity to voluntarily enter into career preparation programs that integrate academic instruction with instruction in the workplace leading to a high school diploma, community college degree, or occupational certificate of mastery;

(iii) provide participants, upon completing such programs, with assistance in seeking post-program employment in their program field.

(B) REQUIREMENTS OF 2-YEAR PROGRAMS.—In the case of career preparation programs that are for 2-year periods, participants in such programs shall be required to receive in-school training under such program in a high school or vocational educational institution, Youth Opportunity Center established under section 331, or alternative State approved institution.

(C) REQUIREMENTS OF 3- OR 4-YEAR PROGRAMS.—In the case of career preparation programs that are for 3- or 4-year periods, participants in such programs shall be required to receive the first 2 years of in-school training under such program in a high school, vocational educational institution, or a Youth Opportunity Center established under section 331 and the third or fourth years of in-school training in a community college, technology college, or vocational educational institution, or such other institution as the State may approve.

(D) FLEXIBILITY.—Participants in programs under this subsection shall be afforded maximum flexibility with respect to the training course that such participants choose, by enabling such participants to elect to transfer—

(i) from a career preparation program to a conventional academic program; and

(ii) from one career preparation program to another that is in a different field.

(E) COORDINATION.—Standards of achievement applicable to a career preparation program established under this subsection shall be coordinated by the implementing organization or consortium with the appropriate Regional Employment and Training Board established under section 601(c)(3) if such Board exists.

(3) ELIGIBLE OCCUPATIONS.—The Secretary shall designate various occupations for which demonstration grants under this subsection may be awarded and shall ensure that in awarding such grants a wide variety of such occupations are represented. Grants may not be awarded under this subsection for occupations for which there exist registered apprenticeship programs.

(4) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this subsection, an entity shall—

(A) be a labor union, business firm, industry association, public school, school district, local education agency, community college, vocational educational institution, or other not-for-profit training organization, or a consortium made up of two or more of such organizations which has established, or which plans to establish, a program, in accordance with such regulations as the Secretary may prescribe, for the purpose of developing and implementing a career preparation program under a grant received under this subsection; and

(B) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the program to be implemented using amounts received under the grant and a commitment from a school or school district to participate in implementing the program.

(5) REGIONAL DISTRIBUTION.—In awarding grants under this subsection, the Secretary shall ensure that a reasonably equitable distribution of grants under this subsection is achieved among the 10 Department of Labor regions.

(6) PRIORITY CONSIDERATION.—In awarding grants under paragraph (1), the Secretary shall accord priority consideration to those applications that have been approved by the appropriate Regional Employment and Training Board established under section 601(c)(3) if such Board exists and that include assurances that—

(A) the program will have a duration of at least 3 years, including at least 1 year of postsecondary education;

(B) extracurricular activities that reinforce general learning objectives will be provided;

(C) a year-round program with a structured summer component integrating school and work will be provided;

(D) well-informed career counselors in middle, high, and alternative schools will be available to provide liaison between students and teachers, students and employers, schools and parents, schools and employers, and secondary schools and postsecondary schools;

(E) private businesses and employee representatives will have a prominent role in the design and operation of the program;

(F) formal contracts will be entered into between the participants and their employers that are approved by the career counselor and that provide for—

(i) structured wage increases over the course of the program;

(ii) clear-cut goals and objectives that set forth the type of work to be performed, the skills to be learned and the type and amount of training to be provided by the employer;

(iii) one-on-one workplace mentors for the participants;

(iv) systematic performance evaluations;

(v) employment commitments during the summer and other school vacations; and

(vi) hiring priority for graduates of the program;

(G) instructional personnel from educational institutions will be involved as an integral part of the program, including their meaningful participation in orientation, training, and staff development; and

(H) a community college or colleges will be involved in the program and will offer priority admission for program participants, a specific course or courses designed for program participants, and flexibility in course scheduling that enables participants to meet their employment and training requirements.

(7) EVALUATION.—Not later than January 15, 1996, the Secretary shall conduct a comprehensive evaluation of the program established under this subsection and shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives a complete report concerning such evaluation, together with recommendations for any changes in the program.

(8) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There are authorized to be appropriated to carry out this subsection, $60,000,000 for fiscal year 1993, $70,000,000 for fiscal year 1994, $80,000,000 for fiscal year 1995, $90,000,000 for fiscal year 1996, and $100,000,000 for fiscal year 1997.

(B) AVAILABILITY.—Amounts appropriated under subparagraph (A) shall remain available until expended.

(c) CAREER INFORMATION MATERIALS.—

(1) GRANTS.—The Secretary of Education, in consultation with the Secretary of Labor and the Director of the National Science Foundation, shall make grants or enter into contracts or cooperative agreements with appropriate business, labor, educational technology, and multimedia production organizations to enable such entities and organizations to design and develop career videos and other career informational materials intended to convey to students in seventh through twelfth grades an awareness and a realistic understanding of a wide variety of specific career options, through the utilization of advanced educational technologies, such as interactive video, CD-ROM, and multimedia computer software.

(2) APPLICATION.—To be eligible to receive a grant under this subsection an entity shall prepare and shall submit an application to the Secretary of Education at such time, in such manner and accompanied by such information as the Secretary may reasonably request.

(3) DISSEMINATION—The Secretary of Education shall provide the career informational materials developed under paragraph (1) to all States and encourage States to disseminate and foster the utilization of such career informational materials in school districts throughout each State as part of overall career awareness programs. Such programs should also include trips to work sites, school career days, workshops, and demonstrations to expose students to the career options open to them and to encourage them to study the subjects and obtain skill proficiencies necessary to enter careers to which they are attracted.

(4) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There are authorized to be appropriated to carry out this subsection, $10,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(B) AVAILABILITY.—Amounts appropriated under subparagraph (A) shall remain available until expended.

Subtitle B—Community Youth Employment Compacts

SEC. 321. COMMUNITY YOUTH EMPLOYMENT COMPACTS.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) a lack of good market information and the absence of a coordinated system of labor market services contributes to the difficulty many young people experience in attempting to gain access to existing private sector jobs; and

(B) to be effective, a community career service program requires—

(i) the collaboration of educational institutions, business, labor organizations, and local governments in the design and implementation of the program;

(ii) a commitment from employers in the community to organize job opportunity programs to provide jobs to youth who stay in school during the school year, in the summer and upon graduation;

(iii) career specialists serving as job coaches and job developers to work with individual students and employers; and

(iv) the establishment of goals and accountability measures for the community.

(2) PURPOSE.—It is the purpose of this section to provide incentives to establish comprehensive community career service programs to provide young people attending public school, Youth Opportunity Centers, and other alternative education settings, with organized access to private sector work experience, full-time jobs upon graduation and, where practicable, additional opportunities to learn including technical and professional training.

(b) GRANTS.—The Secretary of Labor (hereafter referred to in this subtitle as the "Secretary"), in consultation with the Secretary of Education, shall, to the extent appropriations are available, award incentive grants to eligible entities for the establishment of collaborative public-private Community Career Service Programs to organize the youth labor market within the community and to assist youth attending high school or alternative education programs by providing such youth with job coaching services and access to private sector work experience and jobs upon graduation.

(c) GUIDELINES.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary shall promulgate—

(A) guidelines for the establishment and operation of Community Youth Employment Compacts; and

(B) criteria that the Secretary will utilize to assure an equitable distribution of grants among eligible States.

(2) COMPLIANCE.—An entity that receives a grant under subsection (b) shall comply with the guidelines promulgated under paragraph (1)(A).

(d) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (b), an entity shall—

(1) be an existing entity, such as a private industry council, or a new entity established to serve an appropriate labor market area;

(2) include members representing business, labor organizations, educational institutions, community groups and State or local government; and

(3) prepare and submit to the Secretary an application in such manner and containing such information as the Secretary may require, including—

(A) a description of the community youth employment compact program, that shall meet the requirements of subsection (e), that the entity intends to implement using amounts received under the grant;

(B) an agreement on the part of the local business community to conduct community-wide, annual campaigns to enlist a substantial number of private sector firms in achieving stated goals for providing summer jobs and part-time jobs during the school term to youth in the program and to provide priority hiring of high school graduates served by the program who meet company standards;

(C) a demonstration of the commitment of local educational institutions, labor organizations and communitys to the program;

(D) an assurance that services provided by career specialists will be widely available to young people in secondary educational institutions in the community;

(E) an assurance that the State and local funds required under subsection (f) will be made available;

(F) a description of the process by which program goals will be set;

(G) an assurance that an independent evaluation of the program will be conducted annually to determine the effectiveness of services provided to participants;

(H) a description of the measurable outcomes to be used to evaluate the program under subparagraph (G) including employment placements, tenure on the job, wages, type of employment and further education of participants;

(I) a description of the management information system to be used to record such outcomes;

(J) an assurance that the independent evaluation conducted under subparagraph (G) will be submitted to the appropriate Regional Employment and Training board established under section 601(c)(3), if such Board exists; and

(K) a certification that the application has been reviewed and approved by the appropriate Regional Employment and Training Board, if such Board exists.

(e) USE OF GRANTS.—An entity shall use amounts received under a grant awarded under subsection (b) to—

(1) employ career specialists to provide students with labor market information, assess student readiness to enter the job market, arrange job interviews for students, assist students in preparing for interviews, provide follow-up on-the-job counseling, maintain records, and act as a liaison with employers in developing job opportunities for students;

(2) manage annual summer job campaigns;

(3) facilitate linkages between employment and further learning opportunities for students participating in the program;

(4) establish goals, maintain records and report regularly to community; and

(5) provide program management services.

(f) ELIGIBLE INDIVIDUAL PARTICIPANTS.—A Community Youth Employment Compact that receives assistance under a grant awarded under subsection (b) shall provide services only to those youth in good standing at public schools, Youth Opportunity Centers and other recognized alternative education institutions within the labor market area.

(g) STATE AND LOCAL CONTRIBUTIONS.—The Secretary may not make a grant under subsection (b) to an applicant unless the applicant agrees that, with respect to the costs to be incurred by the applicant in carrying out the program for which the grant was awarded, the applicant will make available (directly or through donations from public or private entities) non-Federal contributions in an amount equal to not less than $1 for every $1 of Federal funds provided under the grant.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

Subtitle C—Youth Opportunity Centers

SEC. 331. YOUTH OPPORTUNITY CENTERS.

(a) PURPOSE.—It is the purpose of this section to provide, through States, incentives to local communities to enable such communities to establish Youth Opportunity Centers to provide high school dropouts a second chance to achieve competencies equivalent to those of youth who remain in school and offer such youths an alternative path to further learning and to successful and productive participation in the workforce.

(b) GRANTS.—The Secretary of Labor (hereafter referred to in this subtitle as the "Secretary") in consultation with the Secretary of Education, shall, to the extent appropriations are available, award grants to States to enable such States to provide incentives to local communities to establish Youth Opportunity Centers to provide comprehensive alternative education and school-to-work transition services to high school dropouts who have not attained the age of 21.

(c) GUIDELINES.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary shall promulgate—

(A) guidelines for the establishment and operation of Youth Opportunity Centers; and

(B) criteria that the Secretary will utilize to assure an equitable distribution of grants among eligible States.

(2) COMPLIANCE.—A State or other entity that receive assistance under subsection (b) shall comply with the guidelines promulgated under paragraph (1)(A).

(d) APPLICATIONS BY STATES.—To be eligible to receive a grant under subsection (b), a State shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require, including—

(1) a description of the system established or proposed to be established by the State to serve youth in the State who meet the criteria for eligibility established under paragraph (3), including the number of Youth Opportunity Centers established or proposed to be established, the number of youths proposed to be served at such Centers, and the services proposed to be provided at such Centers;

(2) an assurance of participation by representatives of employers, labor organizations, educational institutions, community based organizations, and State education, labor and economic development agencies in the design and implementation of the system;

(3) an assurance that, for each youth enrolled in a Youth Opportunity Center assisted with amounts provided under this section, the State will make available to such Center an amount equal to 100 percent of the average per pupil expenditure from State sources for students attending public secondary schools in the State;

(4) an assurance that existing Federal, State, and local resources will be utilized to the maximum extent feasible for educational

and employment assistance to dropouts in each Youth Opportunity Center, and that Federal assistance awarded under this section will be used to fill gaps in services and assist in planning and coordinating existing services, thereby supplementing but not replacing existing Federal, State and local resources;

(5) an assurance that an independent evaluation will be conducted annually to determine the effectiveness of each Center established with assistance provided under subsection (b);

(6) a description of the measurable outcomes to be used by the State to evaluate the performance of each Youth Opportunity Center under paragraph (5), including high school completion or the equivalent thereof, attainment of recognized competencies such as certifications of mastery, enrollment in postsecondary education, enrollment in a career preparation program or registered apprenticeship program, and enlistment in the Armed Forces; and

(7) an assurance that the independent evaluations conducted under paragraph (5) will be submitted annually to the Secretary and to the appropriate Regional Employment and Training Board established under section 601(c)(3), if such Board exists.

(e) Use of Grants.—

(1) In general.—A State shall use amounts received under a grant awarded under subsection (b) to provide assistance to eligible entities to enable such entities to establish and operate Youth Opportunity Centers in local communities to serve all eligible youth in such communities. States may provide assistance to fund one or more Youth Opportunity Centers that meet the requirements of paragraph (2), and such other requirements as the State may establish, including requirements for the equitable distribution of such Centers between urban and rural areas of the State. Assistance provided to an eligible entity under this section shall be made available over a 3-year period.

(2) Eligible entities.—To be eligible to receive assistance under this subsection, an entity shall—

(A) be an existing entity such as a school board or private industry council, or a new entity established to serve an appropriate labor market area, which has established or which plans to establish a Youth Opportunity Center to provide alternative services to high school dropouts;

(B) provide for participation by representatives of employers, labor organizations, educational institutions, community based organizations, and local government in the design and implementation of the Youth Opportunity Center's programs; and

(C) prepare and submit to the State an application containing such information as the State may require, including—

(i) a description of the services meeting the requirements of paragraph (3) that the entity will make available to eligible participants through the Youth Opportunity Center;

(ii) an assurance that, for each youth enrolled in the Center, an amount equal to 100 percent of the average per pupil expenditure from local sources for students attending public secondary schools in the community or communities served by the Center will be made available to the Center;

(iii) an assurance that existing Federal, State and local resources will be utilized to the maximum extent feasible for educational and employment assistance to dropouts in the Center, and that Federal assistance awarded under this section will be used to fill gaps in services and assist in planning and coordinating existing services, thereby supplementing but not replacing existing Federal, State and local resources;

(iv) an assurance of private sector participation in programs to be offered by the Center, including private firm commitments to priority hiring of participants and provision of summer, part-time and full-time employment to participants;

(v) an assurance that the services provided by the Center will be available to all eligible youth in the community served by the Center on a flexible schedule to enable students to go to school and attend training programs while working;

(vi) a description of the system to be used to enable participants to transfer from the Youth Opportunity Center to a conventional high school, including any services needed to facilitate such transfer and encourage its success; and

(vii) a certification that the application has been reviewed and approved by the appropriate Regional Employment and Training Board established under section 601(c)(3), if such Board exists.

(3) Eligible participants.—Individuals eligible to participate in the programs established under this section shall include all youths—

(A) residing in the area served by the Youth Opportunity Center;

(B) who are not more than 21 years old;

(C) who have not received a high school diploma or equivalent; and

(D) who are not currently enrolled in another program leading to a high school diploma, GED, or certification under section 202.

(4) Services to participants.—An eligible entity that receives assistance under this subsection shall make available to eligible participants alternative education services including—

(A) academic preparation to enable recipients to achieve a high school diploma, GED or other certificate of mastery approved by the State (or to return to a conventional high school to complete their secondary school education), and to then pursue postsecondary education or other further learning leading to professional certification in an occupation or trade;

(B) personal, academic, employment and career counseling;

(C) skill training;

(D) organized access to jobs and to paid work experience, including work-study programs, offering opportunities for career advancement beyond the unskilled entry level;

(E) access to a full range of social support services such as infant and child day care, individual and family counseling, one-on-one tutoring and drug and alcohol addiction rehabilitation services; and

(F) opportunities to participate in community service activities, organized athletics and other extracurricular activities including, to the maximum extent feasible, activities also involving students attending conventional high schools.

(5) Contracts for provision of services.—

(A) In general.—An eligible entity that receives assistance under this subsection shall provide the services described in paragraph (3) either directly or through contracts entered into with provider organizations on the basis of the demonstrated effectiveness or prospective performance of such organizations in meeting the needs of individuals who have not been able to succeed in conventional schools.

(B) Eligible organizations.—Eligible provider organizations shall include community action agencies and other community based organizations, alternative schools, local school boards, community colleges, technical colleges, technical associations, business partnerships, consortia of education or training providers and other public and private entities.

(C) Competitive process.—The awarding of contracts under this paragraph shall be based on a fair competitive process in accordance with such procedures as the State may prescribe.

(f) Waivers of Other Program Requirements.—

(1) Authority.—With the approval of the Secretary, the Secretary of Education, and the Secretary of Health and Human Services, a State, in accordance with the requirements described in paragraph (2), may enter into agreements with independent local boards to combine amounts received under the programs described in paragraph (3) to provide services through Youth Opportunity Centers established under this section.

(2) Requirements.—A waiver of the provisions of law that restrict the use of funds in the programs described in paragraph (3) may be granted only if the State demonstrates that the agreement under paragraph (1)—

(A) preserves the applicable targeting on the basis of income or special populations substantially in proportion to the funds to be combined;

(B) does not reduce the mandates and protections provided under the applicable Federal law regarding civil rights, nondiscrimination, safety, and labor standards; and

(C) does not reduce any applicable maintenance of effort or comparability of services requirement in any program or alter the required distribution of funds.

(3) Programs.—The programs referred to in paragraphs (1) and (2) include—

(A) programs under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(C) programs under the Vocational Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

(D) programs under the School Dropout Demonstration Assistance Act of 1988 (20 U.S.C. 5051 et seq.); and

(E) the JOBS program under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

(g) Administrative Procedures.—

(1) Maintenance of funding.—A State receiving a grant under this section shall ensure that all of the State funds which would otherwise be available, based on average per pupil expenditure, for a student attending a public secondary school in the State will be available for a student receiving alternative services through a Youth Opportunity Center under this section.

(2) State and local contribution.—State and local sources shall contribute to a Youth Opportunity Center established under this section an amount equal to not less than 75 percent of the costs of the programs carried out by such Center.

(h) Authorization of Appropriations.—

(1) In general.—There are authorized to be appropriated to carry out this section, $260,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) Availability.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

Subtitle D—Technology Education and Partnership Programs

SEC. 341. PURPOSE.

It is the purpose of this subtitle to promote programs to acquaint students with, and prepare students for, careers as engineers, technologists, or technicians.

SEC. 342. TECHNOLOGY EDUCATION.

(a) STATEMENT OF PURPOSE.—It is the purpose of this section to motivate and prepare a greater number of middle and secondary school students to subsequently take courses in 4-year colleges and institutes of technology, community colleges, and vocational educational institutes, leading to careers as engineers, technologists, technicians, or other occupations in high performance work organization.

(b) PROGRAMS AUTHORIZED.—The Director of the National Science Foundation (hereafter referred to in this subtitle as the "Director") is authorized to designate or establish a Precollege Technology Curriculum Development Program under which the Director shall make grants to, or enter into contracts or cooperative agreements with, appropriate institutions or organizations for the purpose of—

(1) developing and testing a comprehensive curriculum for middle school technology courses and demonstration units within courses that are aimed at introducing the students to modern technology;

(2) developing partnerships between technology businesses and nonprofit organizations designed to introduce students to the possibility of careers as engineers, technologists, or technicians;

(3) developing and testing a comprehensive curriculum for secondary school ninth or tenth grade level technology courses aimed at introducing the students to modern technology;

(4) developing and testing a comprehensive curriculum for secondary school eleventh and twelfth grade level advanced technology courses, including appropriate hands-on interaction with representative processes, techniques, equipment, instruments, and tools involved in engineering and technology to introduce students to the possibility of careers as engineers, technologists, or technicians, or other occupations in high performance work organization; and

(5) developing and administering teacher training summer institutes and school-year workshops for teachers who will be responsible for teaching under the curricula established under this subsection.

(c) COORDINATION.—The Director shall ensure that there is continuing communication and coordination among the organizations to which grants, contracts, or cooperative agreements are awarded under subsection (b) in order to preclude the unnecessary duplication of effort and promote the overall coherence of the programs authorized under this section.

(d) PRIORITY CONSIDERATION.—In awarding grants under subsection (b), the Director shall accord priority consideration to those applications that include provisions that the Director determines—

(1) will satisfactorily address the special needs of students who are either female or who belong to minority groups underrepresented in the fields of engineering and technology;

(2) demonstrate substantial private sector involvement; and

(3) will link students to further training in postsecondary institutions.

(e) PROGRAM REQUIREMENTS.—The Director shall—

(1) provide the results of the curriculum development activities conducted under paragraphs (1) and (2) of subsection (b) to the National Clearinghouse for Mathematics, Science, and Technology Education established under section 2012(d) of the Dwight D. Eisenhower Mathematics and Science Education Act (20 U.S.C. 2992(d)); and

(2) provide the necessary technical assistance and funds to the National Clearinghouse referred to in paragraph (1) for the widespread dissemination of the results of such curriculum development activities throughout the Nation's school districts.

(f) APPLICATION.—Each institution or organization desiring financial assistance pursuant to this section shall submit an application to the Director at such time, in such manner and accompanied by such information as the Director may reasonably request.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

SEC. 343. COLLEGE AND COMPANY TECHNOLOGY PARTNERSHIPS.

(a) SHORT TITLE.—This section may be cited as the "College-Company Technology Partnership Act of 1991".

(b) PURPOSE.—It is the purpose of this section to encourage the formation of partnerships between companies and colleges educating students in technology, whereby such companies will assist such colleges in—

(1) aiding students in finding relevant part-time work relevant to their fields of study;

(2) developing curricula relevant to advanced technologies and high performance work organization;

(3) providing qualified instruction; and

(4) obtaining advanced equipment.

(c) PROGRAM AUTHORIZED.—The Director is authorized to make grants to, and enter into contracts or cooperative agreements with, eligible partnerships to carry out the activities described in subsection (e) in accordance with the provisions of this section.

(d) ELIGIBLE PARTNERSHIP.—For purposes of this section the term "eligible partnership" means at least one 4-year college of engineering technology or 2-year community college in partnership with a private company or companies.

(e) PARTNERSHIP ACTIVITIES.—Each eligible partnership receiving a grant or entering into a contract or cooperative agreement pursuant to the provisions of this section shall engage in two or more of the following activities:

(1) The company and its educational partner shall sponsor student work-study programs in which students spend part of their time in paid, supervised work in the partner company, for which the student shall receive appropriate academic credit.

(2) The company shall participate in a continuing, cooperative effort with its educational partner to develop curricula that are relevant to state-of-the-art conditions, techniques, processes, practices, and equipment used in the particular industries and technologies in which the company is involved.

(3) The company shall make available qualified personnel to teach full-time for limited periods, or on a part-time basis, in programs sponsored by the educational institution involved in the partnership.

(4) The company shall keep informed of the needs of its educational partner for equipment, instrumentation, and tools relating to the technologies involved in the partnership, and to the extent practicable, make donations or long-term loans of such equipment, instrumentation, and tools to the educational partner.

(f) APPLICATION.—Each eligible partnership or institution desiring financial assistance pursuant to this section shall submit an application to the Director at such time, in such manner and accompanied by such information as the Director may reasonably request.

(g) PRIORITY CONSIDERATION.—In awarding grants under subsection (c), the Director shall accord priority consideration to applications that involve community colleges and have a central goal of promoting high performance work organization.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $25,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

SEC. 344. GRANTS FOR DEVELOPMENT OF NEW TRAINING TECHNOLOGIES.

(a) PURPOSE.—It is the purpose of this section to promote the development and utilization of applied learning technologies and methods in educating and training a high skills workforce.

(b) RESEARCH PROGRAM.—The Office of Training and Technology Transfer of the Department of Education (established pursuant to Public Law 100-418) shall—

(1) enter into contracts or cooperative agreements with appropriate institutions or organizations for the purpose of developing applied learning technologies and methods for educating and training a high skills workforce capable of dealing effectively with advanced technologies in manufacturing, agriculture, and the service sector, particularly for those businesses seeking to implement high performance forms of work organization; and

(2) disseminate information concerning the applied learning technologies and methods referred to in paragraph (1) to other Federal agencies concerned with training, high schools, vocational and technical education institutions, community colleges, technical training centers, education or training consortia, and business, labor, and community groups involved in education and training.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

TITLE IV—HIGH PERFORMANCE WORK ORGANIZATION

SEC. 401. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the entities that have been competing most successfully in such global economy are those that have adopted high performance forms of work organization that reduce bureaucracy, decentralize decisionmaking, and emphasize worker responsibility and teamwork; and

(2) while high performance work organization require high skills training and increased wages for increased worker responsibilities, the resulting gains in productivity, quality, customer satisfaction, and sales far

exceed the costs of higher wages and skills development.

(b) PURPOSE.—It is the purpose of this title to provide information, incentives, and support designed to stimulate the private sector to replace the highly structured division of labor in American business with high performance forms of work organization that will enable Americans to excel in global competition.

SEC. 402. HIGH PERFORMANCE WORK ORGANIZATION.

(a) GRANTS.—The Secretary of Labor (hereafter referred to in this title as the "Secretary") shall, to the extent appropriations are available, award grants to eligible entities to stimulate high productivity and high quality by encouraging the adoption and utilization of high performance forms of work organization.

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

(1) be an employer organization, a trade or industry association, a postsecondary educational institution, a labor organization, a State economic development agency, a nonprofit training organization, a State industrial extension program, an Advanced Technology Center, a National Manufacturing Technology Transfer Center or a partnership or a consortium of such entities;

(2) prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require, including a description of the activities that the entity will carry out using amounts received under the grant; and

(3) agree to make available (directly or through donations from public or private entities) non-Federal contributions toward the costs of the activities to be conducted with grants funds, in an amount equal to the amount required under subsection (d)(2).

(c) USE OF AMOUNTS.—An entity shall use amounts received under a grant awarded under this section to carry out activities to provide information and assistance to employers and labor organizations to stimulate the adoption of high performance forms of work organization through activities such as—

(1) the dissemination of information to local employers and labor organizations concerning successful training models and practices related to high performance forms of work organization;

(2) the provision of technical assistance to employers and labor organizations in identifying workplace practices and forms of work organization that impede high performance and productivity; and

(3) the provision of technical assistance to employers and labor organizations in developing and implementing plans to achieve high performance forms of work organization.

(4) the provision of assistance to employers and labor organizations for the development of joint employment and training programs.

(5) the provision of services to coordinate employment training with the introduction of new technologies; and

(6) the development and dissemination of employee training materials.

(d) TERM OF GRANT AND NON-FEDERAL SHARE.—

(1) TERM.—Grants awarded under this section shall be for a term of not to exceed 5 years.

(2) NON-FEDERAL SHARE.—Amounts required to be contributed by an entity under subsection (b)(3) shall equal—

(A) an amount equal to 20 percent of the amount provided under the grant in the second year for which the grant is awarded;

(B) an amount equal to 40 percent of the amount provided under the grant in the third year for which the grant is awarded;

(C) an amount equal to 60 percent of the amount provided under the grant in the fourth year for which the grant is awarded; and

(D) an amount equal to 80 percent of the amount provided under the grant in the fifth year for which the grant is awarded.

An entity shall not be required to make a contribution during the first year for which the grant is awarded.

(e) PRIORITY CONSIDERATION—In awarding grants under subsection (b), the Secretary shall accord priority consideration to those applications that emphasize small businesses and involve State economic development agencies and employer, trade, or industry associations.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $40,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

SEC. 403. MALCOLM BALDRIGE NATIONAL QUALITY AWARD.

(a) FINDINGS.—Section 2(a) of the Malcolm Baldrige National Quality Improvement Act of 1987 (15 U.S.C. 3711a note) is amended—

(1) in paragraph (7), by striking out "and" at the end thereof;

(2) in paragraph (8)(D), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(9) improvements in quality and the enhanced competitiveness of United States business and industry are directly related to a skilled and flexible workforce and to the organization of work around high performance models.".

(b) EFFECTIVE QUALITY MANAGEMENT.—Section 16(d) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a(d)) is amended by adding at the end thereof the following new paragraph:

"(3) For purposes of this subsection, the term 'effective quality management' includes the upgrading of the skills of the workforce and the implementation of high performance forms of work organization that emphasize increased education, skills, and direct authority and autonomy of front-line workers in order to enhance productivity and quality.".

TITLE V—HIGH SKILLS TRAINING CONSORTIA

SEC. 501. HIGH SKILLS TRAINING CONSORTIA.

(a) SHORT TITLE.—This title may be cited as the "High Skills Training Consortium Act of 1991".

(b) PURPOSE.—It is the purpose of this title to stimulate the private sector toward increasing American productivity, American competitiveness, and the American standard of living by strengthening the skills of the American work force in utilizing advanced technologies and techniques and adopting high performance work organization through the establishment of high skills training consortia of companies operating within the same industry or utilizing similar technologies.

(c) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary of Labor is authorized to—

(A) make planning grants to companies or trade associations to plan for the establishment of consortia; and

(B) pay the Federal share of start up grants to newly established consortia to pay the costs of the consortium's initial organization.

(2) FEDERAL SHARE.—For the purpose of paragraph (1)(B) the Federal share shall not exceed 50 percent.

(3) PRIORITY.—In awarding grants pursuant to paragraph (1), the Secretary shall accord priority consideration to consortia which—

(A) emphasize training for participation in high performance work organization;

(B) include employees and their representatives in the design and implementation of training programs;

(C) encourage the membership of firms that are not technologically advanced; and

(D) provide incentives to encourage and facilitate participation by small business firms.

(d) PROGRAM REQUIREMENTS.—Each consortium receiving a grant pursuant to this section shall—

(1) consist of two or more companies or trade associations operating within the same industry or utilizing the same technology or technologies; and

(2) develop, sponsor, or administer training and retraining programs to enable workers, especially front line nonsupervisory workers and first-line supervisors in both manufacturing and service industries, to function more effectively with new technologies, practices, and operate in high performance forms of work organization in the relevant industries and technical fields.

(e) SHARED INVESTMENT IN TRAINING.—The governing board of a consortium assisted with amounts received under this section is encouraged to design a system for shared investment in training established under this section in a manner that—

(1) provides an equitable fee structure for membership in the consortium and for utilization of its training programs;

(2) provides for differences in the size of member companies, with special attention provided to the needs of small business firms;

(3) takes account of the special characteristics of the companies, industries, and technologies involved in the consortium;

(4) contains sufficient flexibility to adjust for variations in training for different positions, skills, work situations, and other parameters; and

(5) allows for any necessary modification of the system as experience is gained in its operation.

SEC. 502. APPLICATION TO ANTITRUST LAWS.

In any action under the antitrust laws, as set forth in section 1(a) of the Act of October 15, 1914 (38 Stat. 730, ch. 323; 15 U.S.C. 12) popularly known as the "Clayton Act" and in section 5 of the Act of September 26, 1914 (38 Stat. 719, ch. 311; 15 U.S.C. 45), popularly known as the "Federal Trade Commission Act", the conduct of any person in making or performing a contract to establish, organize, administer, or participate in the programs of a consortium established pursuant to this section shall not be deemed illegal per se, but such conduct shall be judged on the basis of its reasonableness, taking into account all relevant factors affecting competition.

SEC. 503. ANTITRUST LIMITATION ON RECOVERY.

(a) RELIEF TO PERSONS.—Notwithstanding section 4 of the Clayton Act (15 U.S.C. 15) and in lieu of the relief specified in such section, any person who is entitled to recovery on a claim under such section shall recover the actual damages sustained by such person, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages as specified in subsection (d), and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 504 of this Act if such claim—

(1) results from conduct that is within the scope of a notification that has been filed under section 505(a) for a high skills training consortium; and

(2) is filed after such notification becomes effective pursuant to section 505(c).

(b) RELIEF TO STATES.—Notwithstanding section 4C of the Clayton Act (15 U.S.C. 15c), and in lieu of the relief specified in such section, any State that is entitled to monetary relief specified on a claim under such section shall recover the total damage sustained as described in subsection (a)(1) of such section, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such total damage as specified in subsection (d), and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 4C of the Clayton Act if such claim—

(1) results from conduct that is within the scope of a notification that has been filed under section 505(a) for a high skills training consortium; and

(2) is filed after such notification becomes effective pursuant to section 505(c).

(c) LIMITATION ON DAMAGES.—Notwithstanding any provision of any State law providing damages for conduct similar to that forbidden by the antitrust laws, any person who is entitled to recovery on a claim under such provision shall not recover in excess of the actual damages sustained by such person, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages as specified in subsection (d), and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 504 if such claim—

(1) results from conduct that is within the scope of a notification that has been filed under section 505(a) for a training consortium; and

(2) is filed after notification has become effective pursuant to section 505(c).

(d) INTEREST.—Interest shall be awarded on the damages involved for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances.

(e) APPLICABILITY.—This section shall be applicable only if the challenged conduct of a person defending against a claim is not in violation of any decree or order, entered or issued after the date of enactment of this Act, in any case or proceeding under the antitrust laws challenging such conduct as part of a joint research and development venture.

SEC. 504. ANTITRUST ATTORNEY'S FEES.

(a) IN GENERAL.—Notwithstanding sections 4 and 16 of the Clayton Act, in any claim under the applicable antitrust laws, or any State law similar to such antitrust laws, based on the conduct of a high skills training consortium, the court shall, at the conclusion of the action—

(1) award to a substantially prevailing claimant the cost of suit attributable to such claim, including a reasonable attorney's fee; or

(2) award to a substantially prevailing party defending against any such claim the cost of suit attributable to such claim, including a reasonable attorney's fee, if the claim, or the claimant's conduct during the litigation of the claim, was frivolous, unreasonable, without foundation, or in bad faith.

(b) OFFSETS.—The award made under subsection (a) may be offset in whole or in part by an award in favor of any other party for any part of the cost of suit, including a reasonable attorney's fee, attributable to conduct during the litigation by any prevailing party that the court finds to be frivolous, unreasonable, without foundation, or in bad faith.

SEC. 505. DISCLOSURE OF HIGH SKILLS TRAINING CONSORTIA.

(a) NOTIFICATION.—Any party to a high skills training consortium acting on such consortium's behalf, may, not later than 90 days after entering into a written agreement to form such consortium, or not later than 90 days after the date of enactment of this Act, whichever is later, file simultaneously with the Attorney General and the Federal Trade Commission a written notification disclosing—

(1) the identities of the parties to such consortium; and

(2) the nature and objectives of such consortium.

Any party to such consortium, acting on such consortium's behalf, may file additional disclosure notifications pursuant to this section as are appropriate to extend the protections of section 503. In order to maintain the protections of section 503, such venture shall, not later than 90 days after a change in its membership, file simultaneously with the Attorney General and the Federal Trade Commission a written notification disclosing such change.

(b) PUBLICATION.—Except as provided in subsection (e), not later than 30 days after receiving a notification filed under subsection (a), the Attorney General or the Federal Trade Commission shall publish in the Federal Register a notice with respect to such consortium that identifies the parties to such consortium and that describes in general terms the area of planned activity of such consortium. Prior to its publication, the contents of such notice shall be made available to the parties to such consortium.

(c) CONVEYANCE OF PROTECTIONS.—If, with respect to a notification filed under subsection (a), notice is published in the Federal Register, then such notification shall operate to convey the protections of section 503 as of the earlier of—

(1) the date of publication of notice under subsection (b); or

(2) if such notice is not so published within the time required by subsection (b), after the expiration of the 30-day period beginning on the date the Attorney General or the Federal Trade Commission receives the applicable information described in subsection (a).

(d) EXEMPTION FROM CERTAIN DISCLOSURE REQUIREMENTS.—Except with respect to the information published pursuant to subsection (b)—

(1) all information and documentary material submitted as part of a notification filed pursuant to this section; and

(2) all other information obtained by the Attorney General or the Federal Trade Commission in the course of any investigation, administrative proceeding, or case, with respect to a potential violation of the antitrust laws by the high skills training consortium with respect to which such notification was filed;

shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not be made publicly available by any agency of the United States to which such section applies except in a judicial or administrative proceeding in which such information and material is subject to any protective order.

(e) WITHDRAWAL OF NOTIFICATION.—Any person who files a notification pursuant to this section may withdraw such notification before notice of the high skills training consortium involved is published under subsection (b). Any notification so withdrawn shall not be subject to subsection (b) and shall not confer the protections of section 503 on any person with respect to whom such notification was filed.

(f) JUDICIAL REVIEW.—Any action taken or not taken by the Attorney General or the Federal Trade Commission with respect to notifications filed pursuant to this section shall not be subject to judicial review.

(g) EVIDENCE.—

(1) ADMISSIBILITY.—Except as provided in paragraph (2), for the sole purpose of establishing that a person is entitled to the protections of section 503, the fact of disclosure of conduct under section 505(a) and the fact of publication of a notice under section 505(b) shall be admissible into evidence in any judicial or administrative proceeding.

(2) NONADMISSIBILITY.—No action by the Attorney General or the Commission taken pursuant to this section shall be admissible into evidence in any such proceeding for the purpose of supporting or answering any claim under the antitrust laws or under any State law similar to the antitrust laws.

SEC. 506. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, $25,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(b) AVAILABILITY.—Amounts appropriated under subsection (a) shall remain available until expended.

TITLE VI—STATE AND REGIONAL EMPLOYMENT AND TRAINING SYSTEMS

SEC. 601. START UP GRANTS FOR STATE AND REGIONAL EMPLOYMENT AND TRAINING SYSTEMS.

(a) START UP GRANTS.—The Secretary of Labor (hereafter referred to in this title as the "Secretary") is authorized to award start up grants to States to assist such State in establishing Statewide systems for the provision of coordinated employment and training services.

(b) APPLICATION.—To be eligible for a start up grant under subsection (a), a State shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require, including a description of the system that the State will establish using funds provided under such grant.

(c) USE OF AMOUNTS.—

(1) IN GENERAL.—A State shall use amounts received under a grant under this section to establish a Statewide system to provide for the coordinated administration of Federal, State and regional employment and training programs such as—

(A) vocational education programs;

(B) dropout prevention and recovery programs;

(C) programs under the Job Training and Partnership Act;

(D) adult education programs;

(E) vocational rehabilitation programs;

(F) the JOBS program under part F of title IV of the Social Security Act;

(G) employment service programs;

(H) activities of a High Skills Training Panel if such a Panel is established; and

(I) any other appropriate State and regional programs.

(2) PROVISION OF SERVICES.—Statewide systems established under paragraph (1) shall, to the extent permitted under applicable law, provide for the coordinated administration of programs through—

(A) common location for access to a variety of publicly funded training programs;

(B) standardized intake and assessment procedures;

(C) standardized data reporting systems;

(D) common performance and accountability measures, taking into account the needs and abilities of target groups in the workforce; and

(E) comprehensive labor market information and job matching services.

(3) REGIONAL EMPLOYMENT AND TRAINING BOARDS.—

(A) ESTABLISHMENT.—In addition to the activities described in paragraphs (1) and (2), a State shall use amounts received under a grant under this section to establish regional employment and training boards to coordinate the delivery of all employment and training services in regional labor market areas, including services delivered through the Youth Opportunity Centers established under section 331, the provision of labor market information, job placement services, job counseling and skill training.

(B) COMPOSITION.—Regional employment and training boards established under subparagraph (A) may be existing entities operating in the labor market area or new entities, and shall include representatives of employers, labor organizations, community based organizations, State economic development agencies, State labor agencies, educational institutions, local government, and representatives of individuals served through employment and training activities under this title, except that the majority of the board members and the board chairperson shall be representative of the private sector. The members of the boards representing labor organizations shall be selected from among individuals recommended by recognized State and local labor organizations.

(C) STRATEGIC PLAN.—Each board established under this paragraph shall develop, or cause to be developed, a strategic plan concerning the human resource needs in the region to be served by the board.

(D) REVIEW AND APPROVAL.—Each board established under this paragraph shall review and approve applications from eligible entities within its region for grants and loans from a High Skills Training Trust Fund if such Fund is established. For grants and loans below an amount to be specified by the State, the regional board's approval shall signify approval by the State board. The regional board shall also review and approve applications from eligible entities for Youth Opportunity Centers and may review and comment on other applications submitted for funds under this Act.

(E) EVALUATION.—A State shall ensure that an annual evaluation of the activities of each board within the State under this section shall be conducted by an appropriate independent organization that shall report its findings to the State.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

SEC. 602. STUDY ON FEDERAL EMPLOYMENT AND TRAINING PROGRAMS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of all Federal employment and training programs. Such study shall include—

(1) an inventory of all employment and training programs administered by the Federal Government, with the exception of those programs providing military training for non-civilian personnel, and a determination of the extent to which such programs have common objectives with respect to participants served, types of education, training or employment services provided and the delivery of such services; and

(2) a determination of whether Federal law impedes the effective delivery of employment and training services.

(b) REPORT.—Not later than January 1, 1993, the Comptroller General of the United States shall prepare and submit to the appropriate committees of Congress a report that shall contain recommendations for—

(1) the elimination or alleviation of duplication among employment and training services and for maximizing the effective use of Federal employment and training funds; and

(2) increased efficiency in administration and elimination of gaps in services under Federal employment and training programs.

THE HIGH SKILLS, COMPETITIVE WORK FORCE ACT OF 1991

SUMMARY

General

America's standard of living depends on competitive success in the global economy. That success, in turn, depends on meeting a new standard of high performance work that can be achieved only by a highly educated and skilled workforce. The High Skills, Competitive Workforce Act is designed to stimulate State and local government and the private sector to significantly improve the education and training of the U.S. workforce and accelerate the development of high performance work organization throughout U.S. industry. With a high skills, high quality, high performance workforce, America will be enabled to excel in global economic competition.

This Act: (1) sets forth national policies to achieve these goals; (2) promotes the voluntary development and adoption of standards of excellence in education, occupations, and training; (3) establishes school-to-work transition programs to enable American youths to enter the job market with initial mastery of requisite skills and to find initial employment; (4) promotes the creation of high performance work organizations throughout American industry; (5) fosters the creation of high skills training consortia through which firms can share the investment involved in worker training, without fear of antitrust violation; (6) encourages the coordination and consolidation of State and local employment and training systems; and (7) stimulates substantially increased investment in the training of front-line workers.

The Act authorizes appropriations of $580 million for fiscal year 1993, with such sums as may be necessary for fiscal years 1994 through 1997, for the following components: (a) Standards of Excellence in Education and Training—$30 million; (b) School-to-Work Transition—$435 million; (c) High Performance Work Organizations—$40 million; (d) High Skills Training Consortia—$25 million; and (e) State and Local Employment and Training Systems—$50 million; In general, these programs are structured so as to trigger substantial matching investments from State and local government and the private sector. In addition, the title on Private Sector Investment in High Skills Workforce Training establishes a High Skills Training Trust Fund into which employers (excluding small businesses) who do not invest a minimum amount in training will have to contribute an annual assessment of up to one percent of payroll.

TITLE I—FINDINGS AND NATIONAL POLICY

Sec. 101. Findings

The key to a high standard of living is productivity growth. The most successful firms in achieving high productivity growth are those that have created high performance work organization. The United States has become part of a highly competitive global economy which rewards high quality products and services that rapidly respond to a wide variety of shifting consumer tastes. The key to competitiveness in the global economy is human capital. But American school children do poorly in international comparisons; the U.S. has virtually no school-to-work transition programs; and American employers invest far less in worker training than do their competitors. The choice facing the U.S. is either to become a Nation of high skills or one of a declining standard of living. To ensure an increased standard of living, the U.S. must foster high performance work organization throughout American business and build a high skills, high quality, high performance workforce that is second to none in the world.

Sec. 102. National policy

To accomplish those purposes, it shall be the policy of the United States to: encourage development of a voluntary system of educational and occupational standards of proficiency and certificates of mastery; promote school-to-work transition programs; stimulate the creation of high performance work organization throughout American business; and significantly increase and upgrade continuing education and training for workers, especially for front-line workers and supervisors. Primary responsibility for this transformation of the American workforce must be borne by the private sector, with active involvement of labor, educational institutions, State and local government, and community organizations. The role of the Federal Government should be that of a catalyst through the formulation of strategic goals, offering of incentives, relaxation of antitrust inhibitions, sponsorship of R&D and dissemination of the results thereof, and improved coordination and consolidation of existing employment and training systems.

TITLE II—STANDARDS OF EXCELLENCE IN EDUCATION AND TRAINING

Sec. 202 authorizes $15 million to stimulate the development of a voluntary system of occupational certification by establishing a National Board for Professional and Technical Standards, along with advisory committees for major industries and trades and for major occupations that cut across industries and trades. These committees will develop occupational proficiency standards, competency assessments, and curricula leading to associate degrees and professional certificates in a wide range of occupations.

Sec. 203 (a) directs the Office of Educational Research and Improvement (OERI) to support research on internationally competitive proficiency standards, curricula, and multiple assessment tools; and (b) authorizes $15 million for the Secretary of Education to sponsor pilot projects to develop and demonstrate multi-State assessment systems for elementary and secondary school students.

Sec. 204 requires the public release of independently audited program, cost, and outcome information from educational institutions.

TITLE III—SCHOOL-TO-WORK TRANSITION

Sec. 301 (Findings and Purposes): (a) finds that the U.S. has virtually no school-to-work transition programs despite the fact that 25% of American youths do not finish high school and of those who do finish, about 50% do not go on to college; and (b) calls for the creation of a nationwide system of school-to-work transition programs to aid American youths in becoming productive participants in a high skills, high quality, high performance workforce through: (1) Career Preparation Programs to provide American youths with skills development opportunities comparable to those available in competitor nations; (2) Community Youth Employment Compacts to find parttime and summer jobs for high school students and fulltime jobs for high school graduates; (3) the establishment of Youth Opportunity Centers for high school dropouts; and (4) technology education programs and school-business partnerships to better prepare students for careers in technology.

Subtitle A—Career Preparation

Sec. 311 authorizes $60 million to the Department of Labor to carry out a variety of Career Preparation Demonstration Programs. Students will be exposed to these programs in 9th and 10th grades, voluntarily enroll in 11th grade, and then spend several years in a combined academic and mentored on-the-job training curriculum designed to impart proficiency in specific occupational skills. These programs will be geographically dispersed, cover a wide range of occupations that are not served by existing apprenticeship programs, and provide participants with the maximum flexibility to shift among skill areas and back into more academically oriented programs. Students who satisfactorily complete these programs will be awarded certificates of mastery, and participating companies will accord them hiring priority in their specialties. Sec. 311 also authorizes $10 million to the Department of Education to establish a Career Awareness Program which will use interactive videos and other advanced technologies to acquaint middle and secondary school students with a wide variety of career options.

Subtitle B—Community Youth Employment Compacts

Sec. 321 authorizes $50 million to the Secretary of Labor to provide incentives to establish Community Youth Employment Compacts whereby schools, businesses, and community organizations cooperate in finding parttime and summer jobs for high school students and Youth Opportunity Center participants and aiding them in obtaining fulltime employment after completion of high school.

Subtitle C—Youth Opportunity Centers

Sec. 331 authorizes $260 million to the Department of Labor to provide a 25% Federal matching grant to States to enable States to establish a system of Youth Opportunity Centers that will provide student dropouts with alternative paths to successful participation in a high skills United States workforce. The States' share of the matching funds will come from the funds that would have been otherwise available if the student had remained in traditional secondary schools. The services provided by the centers will include: (A) academic preparation leading to certification with which the student can enter the workforce or pursue post-secondary education; (B) personal, academic, and job counseling; (C) skill training, including on-the-job training; (D) access to a full range of social support services; (E) access to paid work experience; and (F) opportunities to participate in community service, athletics, and recreational activities.

Subtitle D—Technology Education and Partnership Programs

This subtitle is intended to prepare precollege students for careers as engineers, technologists, or technicians. Sec. 342 authorizes $20 million to the National Science Foundation to sponsor the development of technology curricula for seventh through twelfth grades, along with associated teacher training programs. Sec. 343 authorizes $25 million to NSF for grants to college/company partnerships to: sponsor work/study programs; cooperatively develop realistic curricula; provide company personnel for teaching at the college; and donate or loan company equipment, instrumentation, and tools to the college. Sec. 344 authorizes $10 million to the Office of Training and Technology Transfer of the Department of Education (which was created by the Omnibus Trade Act of 1988 but never implemented) to sponsor the development and dissemination of applied learning technologies for training in advanced technologies in manufacturing, agriculture, and the service sector.

TITLE IV—HIGH PERFORMANCE WORK ORGANIZATION

The purpose of this title is to stimulate the private sector to provide increased worker training and accelerate the shift of American industry and services to high performance work organizations that will enable the United States to excel in global competition.

Sec. 402 authorizes $40 million to the Department of Labor to make grants to stimulate high productivity and high quality by encouraging the utilization of high performance work organization and increasing employment-based training. The grants will be used to aid employers, labor unions, and consortia by: (1) disseminating information on successful work organization and training models; and (2) providing technical assistance to aid in creating high performance work organization and establishing high skills training programs.

Sec. 403 expands the definition of "effective quality management" in selecting recipients for the Malcolm Baldrige National Quality Award to include the upgrading of the skills of the workforce and the implementation of high performance work organization to enhance productivity and quality.

TITLE V—HIGH SKILLS TRAINING CONSORTIUMS

The purpose of the title is to enhance U.S. competitiveness by stimulating the private sector to establish High Skills Training Consortia consisting of companies operating within the same industry or utilizing similar technologies. $25 million is authorized in Sec. 506 for the Department of Labor to make 50 percent matching grants for planning and startup of High Skills Training Consortia, provided that they accord preferential membership fees for small businesses. Consortia are encouraged to develop investment sharing systems so that member firms will not suffer undue loss when workers whose training they have financed leave their employ.

Sec. 502 states that such a training consortium shall not be deemed illegal per se under the antitrust laws, but shall be judged on the basis of its reasonableness. Sec. 503 states that any entity entitled to monetary relief from such a consortium after suit under the antitrust laws shall be limited to the extent of the actual damages. Sec. 504 discourages frivolous antitrust suits against such consortia by making attorneys' fees recoverable by the prevailing party to the suit. Sec. 505 requires each new consortium promptly to file a notification with the United States Attorney General and the Federal Trade Commission that provides public disclosure of the nature and objective of the consortium and the identity of its members.

TITLE VI—STATE AND LOCAL EMPLOYMENT AND TRAINING SYSTEMS

Sec. 601 authorizes $50 million for the Department of Labor to award startup grants to States to assist in establishing statewide systems for the coordinated administration of Federal, State, and local employment and training programs including such programs as JTPA, vocational education and rehabilitation, and dropout prevention.

Sec. 602 requires GAO to conduct a study of all Federal employment and training programs and make recommendations by January 1, 1993, on ways to eliminate gaps in service and unnecessary duplication of services and increase the overall effectiveness of such programs.

TITLE VII—PRIVATE SECTOR INVESTMENT IN WORKFORCE TRAINING

Subtitle A—High Skills Training

Sec. 711 requires employers with 20 or more employees to collect and provide the Secretary of Labor with information concerning their education and training expenditures in 1993. Sec. 712 assesses every employer (with at least 20 employees) half of one percent of total annual payroll in 1994 and one percent in 1995 and thereafter, unless the employer has expended an average of at least one percent of total wages on training during the preceding three year period.

Subtitle B—High Skills Training Trust Fund

Sec. 721 establishes a High Skills Training Trust Fund for States to award grants to establish high skills training programs that facilitate the implementation of high performance work organizations. Sec. 722 provides for administration of the fund by the Secretary of Labor through the States. Sec. 723 requires that priority in award of grants from the fund be given to training for frontline workers, non-supervisory skilled, semiskilled or entry-level employees, and for lower and middle management supervisory personnel implementing high performance work organization.

Subtitle C—Educational Assistance to Employees

Sec. 731 fosters increased worker education by making permanent the exclusion in the Internal Revenue Code for employer-provided educational assistance to employees.•

• Mr. HATFIELD. Mr. President, when Henry Ford marketed his Model T in 1909, he sold 11,000 of them for $950 apiece. When he introduced the moving assembly line a few years later, the price plunged to under $300, and by 1914 his factory was turning out one Model T every 24 seconds. Ford's workers were paid $5 per day, almost double the wages of other factory workers, to prevent them from quitting what has been described as "the monotonous, dehumanizing assembly line."

Today, the assembly line has indeed been dehumanized. It is attended—we can no longer say "manned"—by electronic monitors and robot arms, products of our Nation's technological advances.

The sad news, Mr. President, is that many of our Nation's young people do not possess the skills and knowledge to either pursue higher education or enter the workplace. Many adults lack the skills to enter or to retain positions in the current job market.

In 1990, the report "America's Choice: High Skills or Low Wages" forced us to confront nationwide deficiencies among our youth, not only in academic achievement but also in workplace preparedness. This report stimulated a lot of discussion in many States.

There was more than talk in my home State. The Oregon State Advisory Council for Career and Vocational Education developed its 1991 recommendations for work force development, naming its report "Oregonizing America's Choice." Guided by the recommendations of the High Skills or Low Wages report, State Representative Vera Katz of Portland formulated legislation which an Oregonian reporter called a blueprint to put a new foundation beneath education in Oregon and top it off with a structure far removed from the traditional American schoolhouse. The Katz bill, the Oregon Educational Act for the 21st century, was signed into law by Gov. Barbara Roberts in July.

Over the next decade, the Oregon plan will change education from prekindergarten through high school. All students will be expected to earn certificates of initial mastery of basic academic material by grade 10. At that point, they select either the college preparatory program or a technical area in which to earn a certificate of advanced mastery. Students will be able to move from one program to the other without jeopardizing their standing or their education.

The Oregon plan was developed for Oregon by Oregonians. It is not a blueprint for other States. The essence of the legislation Senator KENNEDY and I are introducing today is that each State must confront, in its own way, the dilemma of high skills or low wages. We encourage innovative approaches to the issues confronted in this bill.

Our legislation challenges the States by providing resources to address the critical problems of reclaiming high school dropouts, preparing all students with basic workplace skills, upgrading employee skills for creating high performance workplaces, and coordinating all Federal and State training programs. This legislation includes a number of provisions, each of which is significant enough to stand alone but which, together, reveal the magnitude of interrelated problems that we face and must solve.

In the Excellence in Mathematics, Science, and Engineering Act of 1990 which became law last year, Senator KENNEDY and I sought to strengthen the educational opportunities of the people who will develop the new technologies which will eventually find their way into all American workplaces. In the High Skills, Competitive Work Force Act of 1991, we hope to provide oportunities for those who will use existing technologies and adapt to new ones to keep our Nation competitive in the global economy.•

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. ROTH, Mr. LUGAR, Mr. GRAMM, Mr. DURENBERGER, and Mr. BURNS):

S. 1791. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Finance.

DEFICIT-NEUTRAL UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. DOLE. Mr. President, as I said earlier this morning, I am introducing the Dole-Domenici-Roth alternative as a freestanding bill and challenge my colleagues on the other side of the aisle to stop playing politics and to sit down and work with a bill that will get benefits to America's unemployed now.

This bill is a two-tier program of benefits providing 6 weeks of benefits to all States and 10 weeks in those States where the insured unemployment rate, adjusted to include exhaustees, is 5 percent or more. It has a reachback provision—and like the conference report—is a 9-month program.

In addition, Mr. President, we have made a very important revision to this legislation. With the extra funds that this legislation raises over the next 5 years, this bill directs the Secretary of Labor to take aim at the so-called pockets of unemployment.

In many respects, the debate on unemployment has not been that the national unemployment rate is so dramatically skewed to historical averages—although it is certainly too high—but rather that there are pockets of unemployment where the rate is 8, 10, or 15 percent.

This bill takes a big step toward addressing this chronic problem through the establishment of a comprehensive economic adjustment program targeted at those geographic areas hit by downturns that are not reflected in the economy as a whole. This program would include adjustment assistance, training, job search assistance, and relocation assistance to enable dislocated workers to be reintegrated into the economy. Living assistance would also be a component of this important program.

PAYS FOR ITSELF

Mr. President, this is the same bill that pays for itself. Unlike the conference report, this bill doesn't burden future generations of Americans with an even bigger Federal deficit.

As I have discussed on the Senate floor numerous times, funding is provided by a spectrum auction and by certain collection reforms to the Student Loan Program. These funding mechanisms are sound public policy and work to capture for the Public Treasury money that is otherwise lost.

Let me make perfectly clear, Mr. President, there is no sequester under this bill and there is no provision regarding the declaration of an emergency as the conference report provides. This alternative is scored as paying for itself and is deficit neutral over the next 5 years.

PRESIDENT WILL SIGN

This debate should be about getting checks in the mail to unemployed workers. These unemployed workers and their families need help now. They don't sit around and debate the Republican versus the Democratic alternative. I'm sure if they had been watching our debates the last few days, they would think that the U.S. Senate was completely out of touch.

The President has said he would sign our bill. That means extended benefits could begin this month.

He will veto the conference report, and it is my every expectation that that veto will be sustained.

CHOICE IS CLEAR

So the choice couldn't be clearer, Mr. President. For those in this Chamber whose bottom line is getting relief to unemployed workers and their families now; for those in this Chamber that are willing to put the interests of their constituents ahead of their own; for those in this Chamber who care about the deficit and future generations of Americans; they will throw their support behind our fiscally responsible alternative.

Their being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deficit-Neutral Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereafter in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this title—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title, or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
5-percent period	10
Other period	6.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this title for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this title is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this title.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after February 28, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this title is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this title in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this title.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of an individual who has received amounts of emergency unemployment compensation under this title to which he was not entitled, the State shall require such individual to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the emergency unemployment compensation to which he was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this title:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this title and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 107. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after October 5, 1991.

TITLE II—COLLECTION OF NONTAX DEBTS

SEC. 201. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) IN GENERAL.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

SEC. 301. CREDIT CHECKS; COSIGNERS.

(a) IN GENERAL.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this title referred as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) CONFORMING AMENDMENT.—Section 428(b)(1) of the Act is amended—

(1) in subparagraph (U), by striking "and" at the end thereof;

(2) in subparagraph (V), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(W) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. BORROWER INFORMATION.

(a) IN GENERAL.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) CONFORMING AMENDMENT.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 303. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

"(1) by striking the subsection heading and inserting "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 305. WAGE GARNISHMENT.

(a) IN GENERAL.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"SEC. 488A. (a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Section 428(c)(6) of the Act is amended by striking subparagraph (D).

SEC. 306. DATA MATCHING.

Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SEC 401. SHORT TITLE.

This title may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act;

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this title for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable;

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 405(b)(2) (A) through (C); and

(D) exempt power marketing administrations and the Tennessee Valley Authority from any reallocation procedures.

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act over the course of fifteen years after the enactment of this title;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 50 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within 3 months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 50 MHz of spectrum that are located below 3 GHz, to be made available for reallocation to the Federal Communications Commission upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures.

(B) The Department of Commerce shall make available to the Federal Communications Commission 50 MHz as identified in subparagraph (a) of electromagnetic spectrum for allocation of land-mobile or land-mobile-satellite services. Notwithstanding section 553 of the Administrative Procedure Act and title III of the Communications Act, the Federal Communications Commission shall allocate such spectrum and conduct competitive bidding procedures to complete the assignment of such spectrum in a manner which ensures that the proceeds from such bidding are received by the Federal Government no later than September 30, 1992. From such proceeds, Federal agencies displaced by this transfer of the electromagnetic spectrum to the Federal Communications Commission shall be reimbursed for reasonable costs directly attributable to such displacement. The Department of Commerce shall determine the amount of, and arrange for, such reimbursement. Amounts to agencies shall be available subject to appropriation Acts.

(C) Within 12 months after the date of the enactment of this title, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section.

(D) Within 24 months after the date of enactment of this title, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 50 MHz previously designated under subparagraph (A)).

(E) The President shall publish the reports required by this section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than 12 months after the enactment of this title, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by paragraph (1)(C);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by paragraph (1)(D); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under this subsection; and

(D) prepare and submit the report required by paragraph (4).

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 405(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector adviser committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than 12 months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(D), include a timetable for the effective dates by which the President shall, within 15 years after enactment of this title, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 406(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within 3 months after receipt of the Secretary's report under section 404(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 50 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 404(d)(1)(D), by the effective dates recommended pursuant to section 404(e) (except as provided in subsection (b)(4) of this section), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 405(b)(2) exists, the President—

(A) may, within 1 month after receipt of the Secretary's report under section 404(d)(1)(A), and within 6 months after receipt of the Secretary's report under section 404(d)(1)(D), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under section 404(d)(1)(D) unless the substituted frequency also meets each of the criteria specified by section 404(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 404(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 406, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation Acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 50 MHz to be reallocated from United States Government to non-United States Government use under section 404(d)(1)(A), not later than 12 months after enactment of this title, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 408, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 404(e), not later than 2 years after issuance of the report required by section 404(d)(1)(D), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this title. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 404(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a 10-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such 10-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection:

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, except that any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 407 of the Emerging Telecommunications Technologies Act of 1991.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2).

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 405(b)(2), except that the notification required by section 405(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended by adding the following new subsection:

"(j)(1)(A) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the Emerging Telecommunications Technologies Act of 1991, subject to the exclusions listed in paragraph (2).

"(B) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subparagraph (C), the Commission shall grant a permit or license.

"(C) No construction permit or license shall be granted to an applicant selected pursuant to subparagraph (B) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and subsection (a) of this section, on the basis of the information contained in the first- and second-stage applications submitted under subparagraph (B).

"(D) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of this Act.

"(E) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(F) The Commission, in designing the competitive bidding procedures under this subsection, shall study and include procedures—

"(i) to ensure bidding access for small and rural companies,

"(ii) if appropriate, to extend the holding period for winning bidders awarded permits or licenses, and

"(iii) to expand review and enforcement requirements to ensure that winning bidders continue to meet their obligations under this Act.

"(G) The Commission shall, within 6 months after enactment of the Emerging Telecommunications Technologies Act of 1991, following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 50 MHz reallocated from United States Government to non-United States Government use under section 404(d)(1)(A) of the Emerging Telecommunications Technologies Act of 1991, to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to—

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, over-the-air terrestrial radio and television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the Emerging Telecommunications Technologies Act of 1991;

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption; and

"(G) small businesses, as defined in section 3(a)(1) of the Small Business Act.

"(3) In implementing this subsection, the Commission shall ensure that current and future rural telecommunications needs are met and that existing rural licensees and their subscribers are not adversely affected.

"(4) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury.".

(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act is amended by striking the period after the word "selection" and inserting ", except in instances where competitive bidding procedures are required under subsection (j).".

(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended by adding the following new subsection:

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in this title:

(1) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(2) The term "assignment" means an authorization given by the Commission or the United States Government for a radio sta-

tion to use a radio frequency or radio frequency channel.

(3) The term "Commission" means the Federal Communications Commission.

(4) The term "Communications Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.).

(5) The term "Secretary" means the Secretary of Commerce.

TITLE V—DISLOCATED WORKERS

SEC. 501. GENERAL ASSISTANCE TO DISLOCATED WORKERS.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall, by regulation, establish for eligible dislocated workers—

(1) a program of readjustment allowances,

(2) a program for job training and related services substantially similar to the program under part A of Title III of the Job Training Partnership Act (29 U.S.C. 1651, et seq.) and

(3) a program for job search and relocation allowances substantially similar to the program under part A of Title III of the Job Training Partnership Act (29 U.S.C. 1651, et seq.)

(b) Administration.—The Secretary of Labor is authorized to enter into agreements with any State to assist in carrying out the programs under subsection (a) in the same manner as under Title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.).

(c) Eligible Dislocated Workers.—For purposes of this section, the term 'eligible dislocated worker' means any individual who meets the definition in Sec. 301 of Title III of the Job Training Partnership Act, (29 U.S.C. 1651, et seq.).

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Department of Labor, for each of the fiscal years 1993, 1994, and 1995, the sum equal to the revenues raised in such fiscal year by the provisions of, and amendments made by, Titles II, III, and IV of this Act in excess of the expenditures made in such fiscal year under Title I of this Act, to carry out the purposes of this section.

SEC. 502. SPECIAL ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of Title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the State of Washington.

SEC. 503. REPORT ON THE FEASIBILITY AND UTILITY OF THE INSURED UNEMPLOYMENT RATE AND THE TOTAL UNEMPLOYMENT RATE.

The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth the feasibility and utility of using a total unemployment rate versus an insured unemployment rate, adjusted to include those claimants who have exhausted their benefits, for purposes of triggering extended benefits and, if appropriate, revising the foregoing measures of unemployment to include seasonal adjustments.

By Mr. HATCH:

S.J. Res. 207. Joint resolution to designate the period commencing on December 1, 1991, and ending on December 7, 1991, and the period commencing on November 29, 1992, and ending on December 5, 1992, each as "National Adoption Week"; to the Committee on the Judiciary.

NATIONAL ADOPTION WEEK

Mr. HATCH. Mr. President, it is my privilege to sponsor the joint resolution requesting the President to proclaim the week of Thanksgiving as National Adoption Week in 1991 and 1992. This week has been so designated for the past 13 years, so this joint resolution would continue the traditional observance.

Adoption is vitally important to millions of couples and children wanting to have a family of their own. In America today, an estimated 36,000 adoptable children remain in foster care or institutions because of a number of public and private barriers to adoption. A majority of these children have special needs such as physical, emotional, or mental handicaps. Or, they may have reached school age, have brothers and sisters, or be of various ethnic backgrounds. For these children especially, the need for a stable home environment is apparent.

Last year, I spoke of Margie Strom, a nurse at LDS Hospital, in Salt Lake City, who was given the task of caring for a small baby girl with a chronic lung disease at birth. Her parents could not care for her, so Margie Strom took the baby home and cared for her. Margie developed a close bond with her and adopted her.

Recently I was touched by another adoptive situation in which an entire family was headed by a single parent. This woman lives in northern Utah, where she is raising five adopted children, each having a handicap. The two girls only have minor handicaps while the boys suffer from more complex problems. Despite their special challenges, these children will grow up secure that they are valued.

We, in Congress, must remember that these children are not alone in their need for a permanent, secure, and loving family; and, National Adoption Week is only the beginning. We must work together to eliminate the barriers that discourage adoptions.

Please join me in celebrating those families who are brought together through adoption, in commending the institutions and individuals working to find permanent homes for all adoptable children, and in heightening awareness of adoption as an option to those who want to have a family.

I ask unanimous consent that the complete text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 207

Whereas Thanksgiving week has been commemorated as "National Adoption Week" for the past 13 years;

Whereas the Congress recognizes that belonging to a secure, loving, and permanent family is every child's right;

Whereas the President of the United States has actively promoted the benefits of adoption by implementing a Federal program to encourage Federal employees to consider adoption;

Whereas approximately 36,000 children who may be characterized as having special needs such as being of school age, being members of a sibling group, being members of a minority group, or having physical, mental, and emotional disabilities are now in foster care or in institutions financed at public expense and are legally free for adoption;

Whereas public and private barriers inhibiting the placement of special needs children must be reviewed and removed where possible to assure their adoption;

Whereas the adoption of institutionalized or foster care children by capable parents into permanent homes would ensure an opportunity for their continued happiness and long-range well-being;

Whereas the public and prospective parents must be informed that there are children available for adoption;

Whereas media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses, and industries will provide publicity and information to heighten community awareness of the crucial needs of children available for adoption; and

Whereas the recognition of Thanksgiving week as "National Adoption Week" is in the best interest of adoptable children and in the best interest of the public generally: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on December 1, 1991, and ending on December 7, 1991, and the period commencing on November 29, 1992, and ending on December 5, 1992, are each designated as "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe each week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 20

At the request of Mr. Roth, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 20, a bill to provide for the establishment and evaluation of performance standards and goals for expenditures in the Federal budget, and for other purposes.

S. 98

At the request of Mr. Pressler, the names of the Senator from Mississippi [Mr. Lott] and the Senator from Pennsylvania [Mr. Specter] were added as cosponsors of S. 98, a bill to amend the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989.

S. 308

At the request of Mr. Mitchell, the name of the Senator from Indiana [Mr. Coats] was added as a cosponsor of S. 308, a bill to amend the Internal Revenue Code of 1986 to permanently extend the low-income housing credit.

S. 474

At the request of Mr. DeConcini, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 533

At the request of Mr. GLENN, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 533, a bill to establish the Department of the Environment, provide for a Bureau of Environmental Statistics, and a Presidential Commission on Improving Environmental Protection, and for other purposes.

S. 596

At the request of Mr. MITCHELL, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 649

At the request of Mr. BREAUX, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 649, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

S. 843

At the request of Mr. BREAUX, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 914

At the request of Mr. GLENN, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 914, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 936

At the request of Mr. BAUCUS, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 936, a bill to amend the Internal Revenue Code of 1986 to reduce compliance costs and administrative burdens in connection with foreign taxes, and for other purposes.

S. 1102

At the request of Mr. CONRAD, his name was added as a cosponsor of S. 1102, a bill to amend title XVIII of the Social Security Act to provide coverage of qualified mental health professionals services furnished in community mental health centers.

S. 1156

At the request of Mr. PACKWOOD, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1156, a bill to provide for the protection and management of certain areas on public domain lands managed by the Bureau of Land Management and lands withdrawn from the public domain managed by the Forest Service in the States of California, Oregon, and Washington; to ensure proper conservation of the natural resources of such lands, including enhancement of habitat; to provide assistance to communities and individuals affected by management decisions on such lands; to facilitate the implementation of land management plans for such public domain lands and federal lands elsewhere; and for other purposes.

S. 1179

At the request of Mr. JOHNSTON, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1179, a bill to stimulate the production of geologic-map information in the United States through the cooperation of Federal, State, and academic participants.

S. 1294

At the request of Mr. FOWLER, the names of the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1294, a bill to protect individuals engaged in a lawful hunt within a national forest, to establish an administrative civil penalty for persons who intentionally obstruct, impede, or interfere with the conduct of a lawful hunt, and for other purposes.

S. 1305

At the request of Mr. DOMENICI, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 1305, a bill to amend the Internal Revenue Code of 1986 to encourage consumer participation in energy efficiency, conservation and cost-effective demand-side management by excluding from gross income payments made by utilities to customers for purchasing qualified energy conservation appliances and for taking energy conservation measures, and for other purposes.

S. 1423

At the request of Mr. DODD, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1520

At the request of Mr. CONRAD, his name was added as a cosponsor of S. 1520, a bill to amend title XVIII of the Social Security Act to make certain changes with respect to extended care and home health services, and to provide for a waiver of certain medicaid requirements to conduct a demonstration project with respect to adult day care services, and for other purposes.

S. 1653

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1653, a bill to amend the Internal Revenue Code of 1986 to remove United States tax barriers inhibiting competitiveness of United States owned businesses operating in the European Community.

S. 1726

At the request of Mr. DIXON, the names of the Senator from Colorado [Mr. BROWN] and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 1726, a bill to amend the Immigration and Nationality Act to restore authority in courts to naturalize persons as citizens.

S. 1755

At the request of Mr. BUMPERS, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Rhode Island [Mr. PELL], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

SENATE JOINT RESOLUTION 107

At the request of Mr. MOYNIHAN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of Senate Joint Resolution 107, a joint resolution to designate October 15, 1991, as "National Law Enforcement Memorial Dedication Day."

SENATE JOINT RESOLUTION 157

At the request of Mr. ROCKEFELLER, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Oklahoma [Mr. BOREN], the Senator from Nevada [Mr. BRYAN], the Senator from North Dakota [Mr. CONRAD], the Senator from North Dakota [Mr. BURDICK], the Senator from Indiana [Mr. COATS], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Illinois [Mr. SIMON], the Senator from Kansas [Mr. DOLE], the Senator from New York [Mr. D'AMATO], the Senator from Florida [Mr. GRAHAM], the Senator from Florida [Mr. MACK], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Virginia [Mr. ROBB], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of Senate Joint Resolution 157, a joint resolution to designate the week beginning November 10, 1991, as "Hire a Veteran Week."

SENATE JOINT RESOLUTION 160

At the request of Mr. WOFFORD, his name was added as a cosponsor of Senate Joint Resolution 160, a joint resolution designating the week beginning October 20, 1991, as "World Population Awareness Week."

At the request of Mr. KERRY, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Florida [Mr. GRAHAM], the Senator from Maine [Mr. COHEN], the Senator from Alabama [Mr. HEFLIN], the Senator from Wisconsin [Mr. KASTEN], the Senator from Idaho [Mr. CRAIG], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 160, supra.

SENATE JOINT RESOLUTION 176

At the request of Mr. DIXON, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Joint Resolution 176, a joint resolution to designate March 19, 1992, as "National Women in Agriculture Day."

SENATE JOINT RESOLUTION 188

At the request of Mr. LAUTENBERG, the names of the Senator from Tennessee [Mr. SASSER], the Senator from Montana [Mr. BURNS], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 188, a joint resolution designating November 1991, as "National Red Ribbon Month."

SENATE JOINT RESOLUTION 198

At the request of Mr. AKAKA, the names of the Senator from Montana [Mr. BURNS], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUYE, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Delaware [Mr. BIDEN], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 202, a joint resolution to designate October 1991, as "Crime Prevention Month."

SENATE JOINT RESOLUTION 206

At the request of Mr. RIEGLE, the names of the Senator from California [Mr. SEYMOUR] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 206, a joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day."

SENATE CONCURRENT RESOLUTION 65—RELATIVE TO RECOGNITION OF UKRAINIAN INDEPENDENCE

Mr. DECONCINI (for himself and Mr. D'AMATO) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 65

Whereas on August 24, 1991, the democratically elected Ukrainian parliament declared Ukrainian independence and the creation of an independent, democratic state—Ukraine;

Whereas that declaration reflects the desire of the people of Ukraine for freedom and independence following long years of Communist oppression, collectivization, and centralization;

Whereas on December 1, 1991, a republic-wide referendum will be held in Ukraine to confirm the August 24, 1991, declaration of independence;

Whereas Ukraine is pursuing a peaceful and democratic path to independence and has pledged to comply with the Helsinki Final Act and other documents of the Conference on Security and Cooperation in Europe;

Whereas Ukraine and Russia signed an agreement on August 29, 1991, recognizing each other's rights to state independence and affirming each other's territorial integrity;

Whereas Ukraine, a nation of 52,000,000 people, with its own distinct linguistic, cultural, and religious traditions, is determined to take its place among the family of free and democratic nations of the world;

Whereas the Congress has traditionally supported the rights of peoples to peaceful and democratic self-determination; and

Whereas pursuant to Article VIII of the Helsinki Final Act of the Conference on Security and Cooperation in Europe "all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development": Now, therefore, be it

Resolved by the United States Senate (the House of Representatives concurring), That it is the sense of the Congress that the President—

(1) should recognize Ukraine's independence and undertake steps toward the establishment of full diplomatic relations with Ukraine should the December 1, 1991, referendum confirm the Ukrainian Parliament's independence declaration; and

(2) should use United States assistance, trade, and other programs to support the Government of Ukraine and encourage the further development of democracy and a free market in Ukraine.

• Mr. DECONCINI. Mr. President, on August 24, shortly after the ill-fated coup attempt in Moscow, the Ukrainian Parliament passed a historic declaration of Ukraine's independence. The declaration states that only the Constitution and laws of Ukraine are valid on Ukrainian territory. This momentous and long-awaited reassertion of Ukrainian statehood is already exerting a profound impact on the United States and on the rest of the world.

Ukraine's independence, which is expected to be confirmed in a scheduled December 1 referendum, would result in the emergence of a land rich with resources and tremendous economic and human potential. The independence of Ukraine and other republics of the former Soviet Union and the concomitant weakening of the Soviet center gives rise to hopes for achieving genuine security and cooperation in Europe. Ukraine, for its part, has already asserted its desire to rid itself of all nuclear weapons on its soil.

Mr. President, Ukraine has pursued a peaceful and democratic path toward independence and has pledged to respect the rights of all of the peoples of Ukraine. Since its declaration of independence, the Ukrainian Parliament has adopted a decision to release all remaining political prisoners and has informed the participating states of the Conference on Security and Cooperation in Europe that Ukraine will abide by the Helsinki Final Act and other CSCE documents. Moreover, Ukraine has signed an agreement with Russia in which the two countries recognize each other's rights to independence and affirm each other's territorial integrity.

I believe the time has come to take the new, postcoup realities into account—both the reality of Ukraine's significance as an independent nation and its good faith efforts toward democracy and human rights. Therefore, I am today introducing a resolution urging that the United States recognize Ukraine's independence and undertake steps with a view toward the establishment of full diplomatic relations with the democratic Government of Ukraine following the December 1, 1991, referendum. This referendum is widely expected to confirm the Ukrainian Parliament's act of independence. An identical resolution is being introduced in the House of Representatives by Representatives DON RITTER and DENNIS HERTEL.

Mr. President, Ukraine needs not only our recognition but also our help: political, moral, and economic. While this land has tremendous potential, it also faces the reality of the human, economic, environmental and cultural devastation wreaked by 70 years of Soviet rule. With this in mind, the resolution encourages the Government to shape United States foreign assistance, trade and other programs to support the Government of Ukraine and encourage the further development of democracy and a free market economy. Clearly, we help ourselves by helping Ukraine and other republics become democratic members of the community of nations.

Mr. President, for over 40 years, we have decried the Soviet threat, characterizing it as a menace to world peace and human rights. At the same time, we have voiced support for peaceful and democratic self-determination. The people of Ukraine are demonstrating their commitment to the principles of democracy. Our support is critical during this transition period as they proceed along the path toward democracy and as they reject nuclear weapons. By supporting the legitimate strivings of Ukraine and other republics, we are doing what is right for the United States and what is true to our values.•

SENATE CONCURRENT RESOLUTION 66—RELATIVE TO REDUCING THE FEDERAL DEFICIT

Mr. LOTT submitted the following concurrent resolution; which, pursuant to the order of August 4, 1977, was referred jointly to the Committee on the Budget and the Committee on Governmental Affairs:

S. CON. RES. 66

Whereas the 1990 Budget Agreement has already established a plan to reduce the defense budget by 25 percent within 5 years;

Whereas the American people have previously been promised a "peace dividend" by the Congress;

Whereas the 1990 Budget Agreement resulted in defense cuts and increased taxes;

Whereas the people of the United States of America have suffered from a recession caused at least in part by high federal spending and high taxes;

Whereas the dissolution of the Soviet Union has prompted numerous congressional proposals to reduce defense spending beyond what was agreed to in the 1990 Budget Agreement: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that any funds determined to be unnecessary for the defense of the United States should be applied directly to the economic defense of the American people by reducing the Federal budget deficit.

SENATE RESOLUTION 186—RELATIVE TO HAITI

Mr. GRAHAM (for himself, Mr. MITCHELL, Mr. DODD, Mr. CRANSTON, Mr. DECONCINI, Mr. MACK, and Mr. LEAHY) submitted the following resolution; which was ordered held at the desk by unanimous consent:

S. RES. 186

Whereas the people of Haiti have long suffered under the brutal and arbitrary rule of dictatorship rather then the democratic rule of law;

Whereas in 1986 Haitians from all sectors of society showed great courage in joining together to oust President-for-Life Jean Claude Duvalier;

Whereas an overwhelming majority of Haitians have declared themselves in support of democratic rule by approving a constitution in 1987 establishing a legal framework for the election of a civilian government;

Whereas the 1987 presidential election was cancelled due to widespread violence on the day of election;

Whereas the Haitian people participated in a second internationally supervised election on December 16, 1990, and elected President Jean-Bertrand Aristide by almost 70 percent of the vote in an election that was recognized by international observations as free, fair, and open;

Whereas elements of the military on September 30 launched an armed attack against President Aristide and the people of Haiti;

Whereas President Aristide was forced to leave Haiti and a military junta has seized power;

Resolved, That it is the sense of the Senate that—

(1) the President should make clear that the United States supports the restoration of the democratically elected government of President Aristide;

(2) all United States assistance to the Haitian government, economic and military, should remain suspended until democratic government is restored;

(3) the Haitian military should respect the human rights of the Haitian people;

(4) the Organization of American States (OAS) should be commended for vigorously condemning the coup and for its Santiago commitment of June 1991 creating a new automatic mechanism to respond to the interruption of legitimate elected government; and

(5) the international community, particularly the OAS, should take all appropriate action to restore democratic government in Haiti.

AMENDMENTS SUBMITTED

FAMILY AND MEDICAL LEAVE ACT OF 1991

BOND (AND OTHERS) AMENDMENT NO. 1245

(Ordered to lie on the table.)

Mr. BOND (for himself, Mr. FORD, and Mr. COATS) submitted an amendment intended to be proposed by them to the bill (S. 5) to grant employees family and temporary medical leave under certain circumstances, and for other purposes, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Investigative authority.
Sec. 107. Enforcement.
Sec. 108. Special rules concerning employees of local educational agencies.
Sec. 109. Notice.
Sec. 110. Regulations.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Leave requirement.

TITLE III—COMMISSION ON LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Coverage of the Senate.
Sec. 405. Regulations.
Sec. 406. Effective dates.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of single-parent households and two-parent households in which the single parent or both parents work is increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of family members who have serious health conditions;

(3) the lack of employment policies to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects the working lives of women more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish the purposes described in paragraphs (1) and (2) in a manner that accommodates the legitimate interests of employers;

(4) to accomplish the purposes described in paragraphs (1) and (2) in a manner that, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE EMPLOYEE.—

(A) IN GENERAL.—The term "eligible employee" means any "employee", as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)), who has been employed—

(i) for at least 12 months by the employer with respect to whom leave is sought under section 102; and

(ii) for at least 1,250 hours of service with such employer during the previous 12-month period.

(B) EXCLUSIONS.—The term "eligible employee" does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act); or

(ii) any employee of an employer who is employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(C) DETERMINATION.—For purposes of determining whether an employee meets the hours of service requirement specified in subparagraph (A)(ii), the legal standards established under section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) shall apply.

(3) EMPLOY; STATE.—The terms "employ" and "State" have the same meanings given such terms in subsections (g) and (c), respectively, of section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203 (g) and (c)).

(4) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(5) EMPLOYER.—

(A) IN GENERAL.—The term "employer"—

(i) means any person engaged in commerce or in any industry or activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(ii) includes—

(I) any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer; and

(II) any successor in interest of an employer; and

(iii) includes any "public agency", as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(B) PUBLIC AGENCY.—For purposes of subparagraph (A)(iii), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(6) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employer or through an "employee benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)).

(7) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

(B) any other person determined by the Secretary to be capable of providing health care services.

(8) PARENT.—The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

(9) PERSON.—The term "person" has the same meaning given such term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(10) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment by a health care provider.

(13) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Subject to section 103, an eligible employee shall be entitled to a total of 12 workweeks of leave during any 12-month period—

(A) because of the birth of a son or daughter of the employee;

(B) because of the placement of a son or daughter with the employee for adoption or foster care;

(C) in order to care for a son, daughter, spouse, or parent of the employee who has a serious health condition; or

(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—

(A) IN GENERAL.—Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employer of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 103(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

(B) ALTERNATIVE POSITION.—If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employer may require such employee to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which such employee is entitled under subsection (a).

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

(2) SUBSTITUTION OF PAID LEAVE.—

(A) IN GENERAL.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee for leave provided under subparagraph (A), (B), or (C) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection.

(B) SERIOUS HEALTH CONDITION.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for leave provided under subparagraph (C) or (D) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

(B) shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for leave under subparagraph (C) or (D) of section 102(a)(1) be supported by a certification issued by the health care provider of the eligible employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Certification provided under subsection (a) shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

(4)(A) for purposes of leave under section 102(a)(1)(C), a statement that the eligible employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection

(a) for leave under subparagraph (C) or (D) of section 102(a)(1), the employer may require, at the expense of the employer, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (b) for such leave.

(2) LIMITATION.—A health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the opinion in the original certification provided under subsection (a), the employer may require, at the expense of the employer, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any eligible employee who takes leave under section 102 for the intended purpose of the leave shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

(3) LIMITATIONS.—Nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) CERTIFICATION.—As a condition of restoration under paragraph (1), the employer may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 102 to periodically report to the employer on the status and intention of the employee to return to work.

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

(1) DENIAL OF RESTORATION.—An employer may deny restoration under subsection (a) to any eligible employee described in paragraph (2) if—

(A) such denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(B) the employer notifies the employee of the intent of the employer to deny restoration on such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) AFFECTED EMPLOYEES.—An eligible employee described in paragraph (1) is a salaried eligible employee who is among the highest paid 10 percent of the employees employed by the employer within 75 miles of the facility at which the employee is employed.

(c) MAINTENANCE OF HEALTH BENEFITS.—

(1) COVERAGE.—Except as provided in paragraph (2), during any period that an eligible employee takes leave under section 102, the employer shall maintain coverage under any "group health plan" (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

(2) FAILURE TO RETURN FROM LEAVE.—The employer may recover the premium that the employer paid for maintaining coverage for the employee under such group health plan during any period of unpaid leave under section 102 if—

(A) the employee fails to return from leave under section 102 after the period of leave to which the employee is entitled has expired; and

(B) the employee fails to return to work for a reason other than—

(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

(ii) other circumstances beyond the control of the employee.

(3) CERTIFICATION.—

(A) ISSUANCE.—An employer may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

(i) a certification issued by the health care provider of the eligible employee, in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(D); or

(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(C).

(B) COPY.—The employee shall provide, in a timely manner, a copy of such certification to the employer.

(C) SUFFICIENCY OF CERTIFICATION.—

(i) LEAVE DUE TO SERIOUS HEALTH CONDITION OF EMPLOYEE.—The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

(ii) LEAVE DUE TO SERIOUS HEALTH CONDITION OF FAMILY MEMBER.—The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

SEC. 105. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary shall not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 107(b).

(d) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

SEC. 107. ENFORCEMENT.

(a) CIVIL ACTION BY EMPLOYEES.—

(1) LIABILITY.—Any employer who violates section 105 shall be liable to any eligible employee affected—

(A) for damages equal to—

(i) the amount of—

(I) any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(II) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to 12 weeks of wages or salary for the employee;

(ii) the interest on the amount described in clause (i) calculated at the prevailing rate; and

(iii) an additional amount as liquidated damages equal to the sum of the amount described in clause (i) and the interest described in clause (ii), except that if an employer who has violated section 105 proves to the satisfaction of the court that the act or omission which violated section 105 was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of section 105, such court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under clauses (i) and (ii), respectively; and

(B) for such equitable relief as may be appropriate, including, without limitation, employment, reinstatement, and promotion.

(2) STANDING.—An action to recover the damages or equitable relief prescribed in paragraph (1) may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of—

(A) the employees; or

(B) the employees and other employees similarly situated.

(3) FEES AND COSTS.—The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(4) LIMITATIONS.—The right provided by paragraph (1) to bring an action by or on behalf of any employee shall terminate, unless such action is dismissed without prejudice on motion of the Secretary, on—

(A) the filing of a complaint by the Secretary of Labor in an action under subsection (d) in which—

(i) restraint is sought of any further delay in the payment of the damages described in paragraph (1)(A) to such employee by an employer liable under paragraph (1) for the damages; or

(ii) equitable relief is sought as a result of alleged violations of section 105; or

(B) the filing of a complaint by the Secretary in an action under subsection (b) in which a recovery is sought of the damages described in paragraph (1)(A) owing to an eligible employee by an employer liable under paragraph (1).

(b) ACTION BY THE SECRETARY.—

(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 105 in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

(2) CIVIL ACTION.—The Secretary may bring an action in any court of competent jurisdiction to recover on behalf of an eligible employee the damages described in subsection (a)(1)(A).

(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee pursuant to paragraph (2) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) LIMITATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), an action may be brought under subsection (a) or (b) not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

(2) WILLFUL VIOLATION.—In the case of such action brought for a willful violation of section 105, such action may be brought within 3 years of the date of the last event constituting the alleged violation for which such action is brought.

(3) COMMENCEMENT.—In determining when an action is commenced by the Secretary under subsection (b) for the purposes of this subsection, it shall be considered to be commenced on the date when the complaint is filed.

(d) ACTION FOR INJUNCTION BY SECRETARY.—The district courts of the United States shall have jurisdiction, for cause shown, over an action brought by the Secretary to restrain violations of section 105, including actions to restrain the withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to eligible employees.

SEC. 108. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) APPLICATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the rights (including the rights under section 104, which shall extend throughout the period of leave of any employee under this section), remedies, and procedures under this Act shall apply to—

(A) any "local educational agency" (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and an eligible employee of the agency; and

(B) any private elementary and secondary school and an eligible employee of the school.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1):

(A) ELIGIBLE EMPLOYEE.—The term "eligible employee" means an eligible employee of an agency or school described in paragraph (1); and

(B) EMPLOYER.—The term "employer" means an agency or school described in paragraph (1).

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Individuals With Disabilities Education Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising the rights of such employee under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.—

(1) IN GENERAL.—Subject to paragraph (2), in any case in which an eligible employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under subparagraph (C) or (D) of section 102(a)(1) that is foreseeable based on planned medical treatment and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require that such employee elect either—

(A) to take leave for periods of a particular duration, not to exceed the duration of the planned medical treatment; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(2) APPLICATION.—The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an eligible employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with respect to periods of leave near the conclusion of an academic term in the case of any eligible employee employed principally in an instructional capacity by any such educational agency or school:

(1) LEAVE MORE THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under section 102 more than 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) LEAVE LESS THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under subparagraph (A), (B), or (C) of section 102(a)(1) during the period that commences 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) LEAVE LESS THAN 3 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under paragraph (A), (B), or (C) of section 102(a)(1) during the period that commences 3 weeks prior to the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require the employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to the restoration of an eligible employee to an equivalent position), in the case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school that has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in the discretion of the judge or court, reduce the amount of the liability provided for under section 107(a)(1)(A) to the amount and interest determined under clauses (i) and (ii), respectively, of such section.

SEC. 109. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 110. REGULATIONS.

Not later than 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as are necessary to carry out this title.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. LEAVE REQUIREMENT.

(a) CIVIL SERVICE EMPLOYEES.—

(1) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—FAMILY LEAVE

"§ 6381. Definitions

"For purposes of this subchapter:

"(1) The term 'employee' means—

"(A) an 'employee', as defined by section 6301(2) of this title (excluding an individual employed by the Government of the District of Columbia); and

"(B) an individual described in clause (v) or (ix) of such section;

who has been employed for at least 12 months by an employing agency and completed at least 1,250 hours of service with an employing agency during the previous 12-month period.

"(2) The term 'health care provider' means—

"(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

"(B) any other person determined by the Director of the Office of Personnel Management to be capable of providing health care services.

"(3) The term 'parent' means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

"(4) The term 'reduced leave schedule' means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

"(5) The term 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment by a health care provider.

"(6) The term 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6382. Leave requirement

"(a)(1) An employee shall be entitled, subject to section 6383, to a total of 12 workweeks of leave during any 12-month period—

"(A) because of the birth of a son or daughter of the employee;

"(B) because of the placement of a son or daughter with the employee for adoption or foster care;

"(C) in order to care for the son, daughter, spouse, or parent of the employee who has a serious health condition; or

"(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

"(2) The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3)(A) Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employing agency of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 6383(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

"(B) If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employing agency may require such employee to transfer temporarily to an available alternative position offered by the employing agency for which the employee is qualified and that—

"(i) has equivalent pay and benefits; and

"(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

"(b) On agreement between the employing agency and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled under subsection (a).

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) An employee may elect, or an employing agency may require the employee, to substitute for leave under subparagraph (A), (B), or (C) of subsection (a)(1) any of the accrued annual leave under subchapter I of the employee for any part of the 12-week period of such leave under such subparagraph.

"(2) An employee may elect, or an employing agency may require the employee, to substitute for leave under paragraph (1)(D) of subsection (a) any of the accrued annual leave or sick leave under subchapter I of the employee for any part of the 12-week period of such leave under such paragraph, except that nothing in this subchapter shall require an employing agency to provide paid sick leave in any situation in which such employing agency would not normally provide any such paid leave.

"(e)(1) In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

"(2) In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

"(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse or parent of the employee; and

"(B) shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

"§ 6383. Certification

"(a) An employing agency may require that a claim for leave under subparagraph (C) or (D) of section 6382(a)(1), be supported by certification issued by the health care provider of the employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(b) A certification provided under subsection (a) shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

"(4)(A) for purposes of leave under section 6382(a)(1)(C), a statement that the employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

"(B) for purposes of leave under section 6382(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

"(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 6382(a)(1), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning any information certified under subsection (b) for such leave.

"(2) Any health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6384. Employment and benefits protection

"(a) Any employee who takes leave under section 6382 for the intended purpose of the leave shall be entitled, upon return from such leave—

"(1) to be restored by the employing agency to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"(b) The taking of leave under section 6382 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

"(c) Except as otherwise provided by law, nothing in this section shall be construed to entitle any restored employee to—

"(1) the accrual of any seniority or employment benefits during any period of leave; or

"(2) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

"(d) As a condition to restoration under subsection (a), the employing agency may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work.

"(e) Nothing in this section shall be construed to prohibit an employing agency from requiring an employee on leave under section 6382 to periodically report to the employing agency on the status and intention of the employee to return to work.

"§6385. Prohibition of coercion

"(a) An employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) An employee allegation of a violation under subsection (a) is within the jurisdiction of the Merit Systems Protection Board under section 1204(a)(1) and may be investigated by the Special Counsel as a prohibited personnel practice under section 1214.

"(c) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§6386. Health insurance

"(a)(1) Except as provided in paragraph (2), an employee enrolled in a health benefits plan under chapter 89 who is placed in a leave status under section 6382 may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909) through the employing agency of the employee, the appropriate employee contributions.

"(2) The employing agency may recover the contributions that the agency paid for maintaining such enrollment during any period of unpaid leave under section 6382 if—

"(A) the employee fails to return from leave under section 6382 after the period of leave to which the employee is entitled has expired; and

"(B) the employee fails to return to work for a reason other than—

"(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

"(ii) other circumstances beyond the control of the employee.

"(3)(A) An employing agency may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

"(i) a certification issued by the health care provider of the employee, in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(D); or

"(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(C).

"(B) The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(C)(i) The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

"(ii) The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

"§6387. Regulations

"The Director of the Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

(2) TABLE OF CONTENTS.—The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Leave requirement.
"6383. Certification.
"6384. Employment and benefits protection.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (C); and

(2) by adding at the end the following new subparagraph:

"(E) subchapter V of chapter 63, which shall be applied so as to construe references to benefit programs to refer to applicable programs for employees paid from nonappropriated funds; or".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter referred to in this title as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave;

(B) the potential costs, benefits, and impact on productivity of such policies on employers; and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 108(a); and

(2) not later than 2 years after the date on which the Commission first meets, prepare and submit, to the appropriate Committees of Congress, a report concerning the subjects listed in paragraph (1).

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—

(i) APPOINTMENT.—Two Members each shall be appointed by—

(I) the Speaker of the House of Representatives;

(II) the Majority Leader of the Senate;

(III) the Minority Leader of the House of Representatives; and

(IV) the Minority Leader of the Senate.

(ii) EXPERTISE.—Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission. Any appointment shall not interrupt or otherwise affect the civil service status or privileges of the employee appointed.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out the duties of the Commission. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTI-DISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or disability.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law that provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish the obligation of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act or any amendment made by this Act shall not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. COVERAGE OF THE SENATE.

(a) COVERAGE.—

(1) APPLICATION.—The rights and protections established under sections 101 through 105 shall apply with respect to a Senate employee and an employing authority of the Senate.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1)—

(A) the term "eligible employee" means a Senate employee; and

(B) the term "employer" means an employing authority of the Senate.

(b) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to sections 101 through 105, shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(c) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under sections 101 through 105.

(d) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under sections 101 through 105, the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by such sections. Such remedies shall apply exclusively.

(e) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in subsection (a) shall be within the exclusive jurisdiction of the United States Senate. The provisions of subsections (b), (c), and (d) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 405. REGULATIONS.

The Secretary of Labor shall prescribe such regulations as are necessary to carry out sections 401 through 403 not later than 60 days after the date of the enactment of this Act.

SEC. 406. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I and II and this title shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date that occurs 12 months after the date of the enactment of this Act.

HIGH SKILLS COMPETITIVE WORKFORCE ACT

KENNEDY (AND HATFIELD) AMENDMENT NO. 1246

(Ordered referred to the Committee on Labor and Human Resources.)

Mr. KENNEDY (for himself and Mr. HATFIELD) submitted an amendment intended to be proposed by them to the bill (S. 1790) to enhance America's global competitiveness by fostering a high skills, high quality, high performance workforce, and for other purposes, as follows:

At the end of the bill, add the following new title:

TITLE VII—PRIVATE SECTOR INVESTMENT IN HIGH SKILLS WORKFORCE TRAINING

SEC. 701. FINDING AND PURPOSE.

(a) FINDING.—Congress finds that American employers in general invest far less in worker training than their international competitors and training for front-line workers and supervisors is virtually non-existent.

(b) PURPOSE.—It is the purpose of this title to stimulate increased private sector investment in high skills worker training.

Subtitle A—High Skills Training

SEC. 711. PURPOSE.

It is the purpose of this subtitle to implement, over a 3-year period, a system under which employers with 20 or more employees will annually invest not less than one percent of their payroll expenditures in programs to provide organized training for their front-line employees or pay such amounts into a fund from which grants will be made to provide such training.

SEC. 712. DATA COLLECTION ON QUALIFIED EDUCATION AND TRAINING EXPENDITURES BY EMPLOYERS.

(a) ASSEMBLING OF INFORMATION.—Not later than December 31, 1993, each employer who employs 20 or more employees shall assemble information concerning the qualified education and training expenditures that each such employer has incurred during the 1993 calendar year.

(b) PROVISION OF INFORMATION.—Not later than January 31, 1994, each employer described in subsection (a) shall provide the information assembled in accordance with such subsection to the Secretary of Labor.

(c) REGULATIONS.—Subsections (a) and (b) shall be carried out in accordance with such regulations as the Secretary of Labor shall publish for comment in the Federal Register not later than 60 days after the date of enactment of this Act. The Secretary of Labor shall promulgate final regulations under this section not later than 6 months after such date of enactment.

(d) DEFINITION.—For purposes of this section, the term "qualified education and training expenditures" means amounts paid or incurred for—

(1) employee training that meets or is consistent with relevant certification standards established under section 202;

(2) training provided through an apprenticeship program registered with the Bureau of Apprenticeship and Training of the Department of Labor or with a State Apprenticeship Agency recognized by such Bureau; or

(3) prior to the establishment of relevant certification standards under section 202, tuition and instructional costs for the organized instruction of front-line employees in occupationally-related skills.

SEC. 713. WORKFORCE TRAINING ASSESSMENT, REDUCTION FOR EMPLOYERS WITH TRAINING PROGRAMS.

(a) IMPOSITION OF ASSESSMENT.—

(1) IN GENERAL.—Subtitle C of the Internal Revenue Code of 1986 (relating to employment taxes) is amended by inserting after chapter 24 the following new chapter:

"CHAPTER 24A—WORK FORCE TRAINING ASSESSMENT ACT

"Sec. 3431. Assessment on employers.

"Sec. 3432. Definitions and special rules.

"Sec. 3433. Short title.

"SEC. 3431. ASSESSMENT ON EMPLOYERS.

"(a) IMPOSITION OF ASSESSMENT.—There is hereby imposed on each employer for any calendar year an assessment in an amount equal to 1 percent (0.5 percent in 1994) of the total wages paid to employees by the employer during the calendar year with respect to employment.

"(b) EXCEPTION FOR SMALL EMPLOYERS.—This section shall not apply to any employer for any calendar year if, on a normal business day during the preceding calendar year, such employer had fewer than 20 employees.

"(c) REDUCTION IN ASSESSMENT FOR EMPLOYERS WITH TRAINING PROGRAMS.—

"(1) IN GENERAL.—

"(A) GENERAL RULE.—Except as provided in subparagraph (B), the amount of the assessment imposed by subsection (a) shall be reduced (but not below zero) by the average qualified education and training expenditures of the employer during the 3-calendar year period immediately preceding the calendar year.

"(B) TRANSITION RULE.—The amount of the assessment imposed by subsection (a)—

"(i) for 1994 shall be reduced (but not below zero) by the qualified education and training expenditures of the employer during calendar year 1993; and

"(ii) for 1995 shall be reduced (but not below zero) by the average qualified education and training expenditures of the employer during the 2-calendar year period immediately preceding calendar year 1995.

"(2) REASONABLE EXPECTATION OF CONTINUED EXPENDITURES.—Paragraph (1) shall only apply if it may reasonably be expected that the employer will continue to make a similar level of qualified education and training expenditures during the calendar year.

"SEC. 3432. DEFINITIONS AND SPECIAL RULES.

"(a) IN GENERAL.—For purposes of this chapter, any term which is used in this chapter which is also used in chapter 23 shall have the same meaning as when used in chapter 23.

"(b) QUALIFIED EDUCATION AND TRAINING EXPENDITURES.—For purposes of this chapter, the term 'qualified education and training expenditures' means amounts paid or incurred for—

"(1) employee training that meets or is consistent with relevant certification standards established under section 202 of the High Skills, Competitive Workforce Act of 1991;

"(2) training provided through an apprenticeship program registered with the Bureau of Apprenticeship and Training of the Department of Labor or with a State Apprenticeship Agency recognized by such Bureau; or

"(3) prior to the establishment of relevant certification standards under section 202 of the High Skills, Competitive Workforce Act of 1991, tuition and instructional costs for the organized instruction of front-line employees in occupationally-related skills.

"(c) ADMINISTRATION.—For purposes of the administration and collection of the assessment imposed by this chapter, such assessment shall be treated in the same manner as the tax imposed by section 3301.

"SEC. 3433. SHORT TITLE.

"This chapter may be cited as the 'High Skills Training Assessment Act'.".

(2) CONFORMING AMENDMENT.—The table of chapters for subtitle C of such Code is amended by inserting after the item relating to chapter 24 the following new chapter:

"CHAPTER 24A. High Skills Training Assessment Act."

(b) TRUST FUND.—

(1) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9511. HIGH SKILLS TRAINING TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'High Skills Training Trust Fund', consisting of such amounts as may be appropriated or credited to such fund under this section or section 9602(b).

"(b) TRANSFER TO FUND.—There is hereby appropriated to the High Skills Training Trust Fund amounts equivalent to taxes received in the Treasury under chapter 24A (relating to the high skills training assessment).

"(c) EXPENDITURES FROM FUND.—Amounts in the High Skills Training Trust Fund shall be available, as provided by appropriation Acts, for purposes of carrying out programs established under the High Skills, Competitive Workforce Act of 1991.".

(2) CONFORMING AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end thereof the following new item:

"Sec. 9511. High Skills training trust fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to remuneration paid after December 31, 1993.

Subtitle B—High Skills Training Trust Fund

SEC. 721. PURPOSE AND ESTABLISHMENT OF TRUST FUND.

(a) PURPOSE.—It is the purpose of this section to establish an employment based training trust fund to support the awarding of grants and loans for workforce training programs. Such fund shall be financed by assessments on employers with 20 or more employees under chapter 24A of the Internal Revenue Code of 1986 (as added by section 713 of this Act).

(b) ESTABLISHMENT.—The Secretary shall establish, in the Treasury of the United States, a trust fund, to be known as the High Skills Training Trust Fund (hereafter referred to in this subtitle as the "Trust Fund"), consisting of such amounts as are transferred to the Trust Fund under this title and any interest earned on the investment of amounts in the Trust Fund under section 722.

SEC. 722. ADMINISTRATION OF TRUST FUND.

(a) AMOUNTS IN FUND.—

(1) IN GENERAL.—The Secretary of the Treasury is authorized to accept and shall transfer to the Trust Fund—

(A) an amount equal to the sum of the amounts collected under chapter 24A of the Internal Revenue Code of 1986; and

(B) an amount equal to the sum of any income earned from the investment of funds under subsection (b).

(2) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred to the Trust Fund under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(3) ADMINISTRATION.—Amounts in the Trust Fund shall be administered by the Secretary of Labor.

(b) INVESTMENT OF TRUST FUND.—

(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

(A) on original issue at the issue price, or

(B) by purchase of outstanding obligations at the market price.

The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt, except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(2) SALE OF OBLIGATION.—Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(3) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(c) OBLIGATIONS FROM TRUST FUND.—

(1) IN GENERAL.—The Secretary is hereafter authorized to obligate such sums as are available in the Trust Fund (including any amounts not obligated in previous fiscal years) to States for State grant or loan programs as described in section 723.

(2) AMOUNTS.—Amounts obligated to a State under paragraph (1) shall be based on the size of the contributions from employers in such State under chapter 24A of the Internal Revenue Code of 1986 relative to the contributions of the employers of all other States.

SEC. 723. TRAINING GRANTS AND LOANS.

(a) IN GENERAL.—A State shall use amounts received under section 722(c) to establish a Statewide program to award grants and loans to eligible entities to provide skill training, literacy and basic skills instruction, and other services to upgrade and retrain the workforce of such entities, and to provide training for the implementation of high performance work organizations.

(b) HIGH SKILLS TRAINING PANEL.—

(1) ESTABLISHMENT.—The chief executive officer of a State that receives funds under this section shall establish an independent High Skills Training Panel to administer the State grant and loan program.

(2) COMPOSITION.—The members of a panel established under paragraph (1) shall be appointed by the chief executive officer for the State involved and shall be representative of private employers, labor organizations, State and local government, and educational institutions. A majority of the members of such panel shall be representatives of the private sector. The members of such panel who are representatives of labor organizations shall be selected from among individuals recommended by recognized State and local labor organizations.

(3) CHAIRPERSON.—The chief executive officer of the State involved shall appoint the chairperson of the panel established under paragraph (1) from among the prior sector representatives.

(4) FUNCTIONS.—A panel established under paragraph (1) shall—

(A) establish priorities for the provision of funds among regions of the State, sectors of the economy, and eligible entities;

(B) develop performance measures for training that are applicable to eligible entities, including attainment of certifications, productivity and quality improvements, and other appropriate measures;

(C) coordinate activities with the Regional Employment and Training Boards established under section 601(c)(3) and with existing entities such as State Job Training Coordinating Councils, Private Industry Councils, State economic development and training agencies, and other existing, publicly funded, advisory boards; and

(D) develop or cause to be developed a strategic plan for the widespread implementation of high performance work organizations and high skills training programs throughout the State (such plan to be coordinated with the appropriate State agencies and reflect the standards addressed in title II, to the extent that such standards have already been established).

(c) ADMINISTRATION.—Existing State labor, educational, and economic development agencies may be used for the administration of grants and loans provided to the State from the Trust Fund.

(d) ELIGIBLE ENTITIES.—To be eligible to receive a grant or loan under subsection (a), an entity shall—

(1) be an employer or group of employers operating within the State and may also include one or more community colleges, training institutions, industry associations, labor organizations, Private Industry Councils, State economic development, training or industrial modernization agencies, or High Skills Training Consortia established under title VI;

(2) prepare and submit to the panel established under subsection (b) an application that has been approved by the Regional Employment and Training Board established under section 601(c)(3), where such Board exists, at such time, in such manner, and containing such information as the State may require, including a description of activities that such entity will carry out with funds received under such grant or loan; and

(3) provide assurances that—

(A) priority shall be given to training to upgrade the education and skills of front-line workers and training for lower and middle management supervisory personnel in implementing a high performance work organization;

(B) if the training is to be provided by an employer covered under a collective bargaining agreement, the appropriate labor organization concurs in the application for funding; and

(C) not to exceed 15 percent of amounts received under a grant or loan will be used for expenses associated with the efforts of the entity to diagnose workplace needs and redesign work for high performance work organization.

(e) SMALL EMPLOYERS.—Employers with fewer than 20 employees that are exempt from contributing amounts under chapter 24A of the Internal Revenue Code of 1986 are eligible to apply for grants or loans from the High Skills Training Trust Fund.

(f) ACTIVITIES.—An entity, directly or through contracts with organizational consultants or training providers, shall use amounts received under a grant or contract under this section to provide—

(1) literacy and basic skills instruction for employees, including instruction leading to a high school diploma, GED or other appropriate certificate of mastery; and

(2)(A) training for employees that meets or is consistent with relevant certification standards established under section 202; or

(B) prior to the establishment of relevant certification standards under section 202, skills training to upgrade and retrain employees in occupational skills necessary to implement a high performance work organization, including training for quality systems such as total quality management, management resource planning, and computerization and statistical process control.

(g) PRIORITY CONSIDERATION.—In awarding grants or providing loans under subsection (a), a State shall accord priority consideration to applications that provide for programs that—

(1) utilize world-class occupational standards;

(2) serve small businesses or underserved sectors of industry;

(3) involve labor organizations or other means of involving the workforce;

(4) leverage other public employment and training resources, such as providing job openings for referrals from the Job Training Partnership Act system when training has been used to upgrade the skills of existing employees; or

(5) show a commitment by the employers to develop their own training capacity and to invest further resources in on-going training.

(h) ADMINISTRATIVE EXPENSES.—The recipient of a grant under this section may not expend in excess of an amount equal to 15 percent of the direct costs of training provided under the grant for reasonable administrative expenses.

Subtitle C—Educational Assistance to Employees

SEC. 731. PERMANENT EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) PURPOSE.—It is the purpose of this section to foster increased worker participation in educational programs by making permanent the exclusion in the Internal Revenue Code for employer-provided educational assistance to employees.

(b) IN GENERAL.—Section 127 of the Internal Revenue Code of 1986 is amended by striking subsection (d) and by redesignating subsection (e) as subsection (d).

(c) QUALIFIED EDUCATION AND TRAINING EXPENDITURES.—Employer-provided educational assistance under this section shall not be deemed "qualified education and training expenditures" under section 343(c)(1) of chapter 24A of subtitle C of the Internal Revenue Code of 1986, as amended by section 713 of this Act.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, October 15, 1991, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following measures currently pending before the subcommittee:

S. 209 and H.R. 476, to designate certain rivers in the State of Michigan as components of the National Wild and Scenic Rivers System, and for other purposes; and

S. 1743, to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224-9863.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, October 17, 1991, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 1225, a bill to designate certain lands in California as wilderness, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Erica Rosenberg of the subcommittee staff at (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, October 1, 1991, at 9:30 a.m. to hold confirmation hearings on Robert M. Gates to be Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2:30 p.m., October 1, 1991, to receive testimony on S. 452, S. 807, S. 1182, S. 1183, S. 1184, and S. 1185.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, October 1, 1991, at 10:30 a.m., for a hearing on the introduction of the High Skills, Competitive Workforce Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on October 1, 1991, beginning at 2:30 p.m., in 485 Russell Senate Office Building, to consider for report to the Senate S. 962, legislation to reaffirm the inherent authority of tribal governments to exercise criminal jurisdiction over all Indian people of reservation lands; S. 1720, reauthorization of the Navajo-Hopi Relocation Housing Program; S. 1287, Tribal Self-Governance Demonstration Project; and S. 754, standards for eligibility/Federal assistance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SUPPORT OF THE MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

• Mr. SIMON. Mr. President, I rise in support of the bill to authorize additional funding for the Martin Luther King, Jr. Federal Holiday Commission. I am pleased to sign on as a cosponsor of this legislation.

The Commission has achieved an impressive record of past successes. In the 7 years since the Commission was established, the holiday in honor of Dr. King has become an important part of American culture. The Commission's success in institutionalizing the Martin Luther King, Jr. Holiday has been remarkable, and I am especially pleased with the work that the Commission has done to include education as well as remembrance as part of the observation of Dr. King's birthday and the celebration of his life.

I appreciate the Commission's past efforts to promote racial and ethnic equality, and I recognize the need for staff and other resources in order to realize this dream. I am confident that increased funding will enable the Commission to continue its fine work, and to bring its message to more people so that they, too, might make a difference.•

GREEN COUNTY COURTHOUSE CENTENNIAL

• Mr. KASTEN. Mr. President, I rise today to honor an important anniversary in Wisconsin's Green County. The Green County Courthouse in Monroe, WI, is celebrating its centennial this year.

For 100 years, this building has been a witness to the history of Green County—a living symbol of justice and liberty.

Its predecessor, the first courthouse in Green County, burned to the ground in the early 1840's before it could actually be completed—setting the stage for the building of the wonderful edifice that exists today.

This facility was built for $52,390 by local masons. They used red brick from Maiden Rock, WI, from the basement of the building to its attic. In 1892, a tower clock was added which still graces the building—and the tower itself was reinforced with concrete in 1955.•

TRIBUTE TO DON SHULA; 300-GAME NFL WINNER

• Mr. GRAHAM. Mr. President, there are two coaches in the history of the National Football League [NFL] to win 300 games. The newest 300-game winner is Coach Don Shula of the Miami Dolphins.

With the Dolphins' victory September 22 over the Green Bay Packers, Don Shula earns a place on a very short list of winning coaches and earns a place in history.

This milestone occurred 28 years to the day that Don Shula achieved his first victory in the National Football League, when he was coach of the Baltimore Colts.

Don Shula is more than a great football coach. He's a leader in Miami, and contributes in countless ways to that community, including to the United Way. He is a leader of America's sports community. And, Don Shula is a devoted family man. His son, Mike Shula, is an assistant coach with the Dolphins.

Earlier this year, Don Shula lost is wife of 33 years, Dorothy Shula, to cancer. Her loving husband, who looks to the future, has recently established a foundation to help fight breast cancer.

Don Shula is not one to dwell on the past, nor on himself. His son Mike says he never heard his father mention the topic of winning 300 games, unless he was asked about it.

"That's the way he is—not caught up in the records," said Mike Shula. "But I can tell you, he's proud of it underneath. * * *"

Mr. President, we share in that pride for this legendary sports leader.

We congratulate his achievements in football and we salute his integrity and sense of dignity.

It is an honor to call Don Shula a friend.•

THE IMPORTANT SUBJECT OF TOBACCO

• Mr. MCCONNELL. Mr. President, today, I would like to speak a few moments on the ever-important subject of tobacco. This industry is not only of great significance to my State of Kentucky, but to the heritage of the entire Nation.

No one can doubt that tobacco is the most deeply rooted commodity in our history. Its role in America's settlement, early development, and eventual independence is incalculable. Tobacco created new enterprises and attracted Europeans to the colonies forming the base of a mighty nation and a far-flung industry.

In 1492, when Christopher Columbus arrived in the New World, he found this unfamiliar plant. The Indians were using it for smoking, chewing, and snuff. John Rolfe began the commercial cultivation of tobacco at the Jamestown Colony in 1612. The English settlers soon acquired seeds of many varieties and production increased rapidly. With encouragement from Sir Walter Raleigh, American tobacco was being used in Europe by the early 17th century.

Tobacco soon became the economic foundation of the colonies. It was the only commodity that the settlers could produce to exchange for essential manufactured goods. Tobacco was the salvation of the struggling Jamestown Colony. In 1730, the leaf itself became currency. Its uses ranged from buying rum to paying the salaries of the clergy. I will ask to place in the RECORD an article from the Lexington Herald-Leader, dated September 21, 1991, by Paul Prather.

"Criticism of Tobacco Challenges a Way of Life" is one of the most thought-provoking articles I have read recently which illustrates the importance of tobacco on the community. By community, I mean the everyday existence of each and every member of a small town, a large town, or metropolitan area. We cannot forget how this great Nation was built. It was built on the backs of the farmers, many tobacco farmers. To quote Mr. Prather:

> * * * There was an economy built around those farms: families were fed, preachers paid, teens employed, bankers and merchants enriched. All by tobacco.

Tobacco extended the boundaries of the original colonies by drawing settlers to the new west of Kentucky, Tennessee, Ohio, and Missouri, where differing soils were used to produce the many types of tobacco which make up the blended products we used today. As you can see, tobacco is at the foundation of many communities, either by being a direct producer of the plant or by being the home of the manufacturers involved in the making of tobacco products.

Tobacco provides jobs to countless Americans. The hundreds of thousands of people involved in the tobacco industry buy cars built in Michigan, refrigerators built in Iowa, computers from California, and buy insurance from New York companies. Also, the billions of tax dollars supplied by the many facets of the tobacco industry support schools, pay for roads, helped build America, and sustains the history we are all so very proud of.

While tobacco helped the Nation pass through its early growing pains, it has remained a vital element. It has maintained its place as a dynamic force in our national economy. It has touched in one way or another for over 400 years on almost every aspect of human life—religion, education, agricultural advancement, politics, and the arts. It is my sincere hope that it will continue to do so for another 400 years.

Mr. President, I hope each and every one of my colleagues will take a moment to read this article and reflect on our history and heritage. We must turn back to the basics in this day and age of economic distress. To use a familiar quote, "we must dance with the one that brung us". The "one that brung us" was the farmer, the tobacco farmers of the 17th century and today.

I ask that the article be printed in the RECORD.

The article follows:

CRITICISM OF TOBACCO CHALLENGES A WAY OF LIFE

(By Paul Prather)

When I was in high school, my dad was pastor of a rural Baptist congregation in Taylor County.

Tobacco was the basis of the church's life. After Sunday school, the men would stand around on the concrete front porch, smoking cigarettes and chatting about their burley crops until a piano proclaimed the start of the morning's worship.

Then they would toss their still-lighted cigarette butts into the churchyard and reluctantly enter the sanctuary to sing hymns.

Those men's farms provided the tithes that paid my father's salary. Those same farms gave me my first jobs; dropping sticks in sweltering tobacco patches and tossing heavy hay bales onto farm wagons.

I've often thought of that church and its community. There was, as I recall, a rich grace to the place. It was a richness of land well-tended; of relationships formed over generations, of a common lore, both humorous and cautionary, about people who had done wise or stupid things from which lessons were to be drawn.

Too, there was an economy built around those farms; families were fed, preachers paid, teens employed, bankers and merchants enriched. All by tobacco.

As an adult, I have seen another side of the tobacco industry, though. I have watched my aunt wither from lung cancer. She was so addicted to cigarettes that even as her scorched lungs gave out, she couldn't stop smoking.

And I've often wondered how Christians are to draw moral distinctions between those contrasts; tobacco as the source of a time-honored rural culture inbued with humanity and religious faith and tobacco as the source of a multibillion dollar industry that has helped kill millions of people.

To their credit, Lexington Theological Seminary and the Kentucky Appalachian Ministry of the Christian Church (Disciples of Christ) tried a couple of weeks ago to wrestle with that dilemma.

They held a workshop called "The Tobacco Church" that attracted dozens of ministers, seminary students, faculty and lay people.

All the speakers seemed to agree on one thing: Tobacco is the only crop that currently can sustain Kentucky's battered agricultural system, which has lost more than 150,000 farms in the last 50 years.

In 1990, tobacco crops grossed $4,000 an acre for farmers, said William Snell, a tobacco economist at the University of Kentucky. Corn grossed $200 an acre.

And the demand for tobacco remains strong. Americans are smoking less, but other countries want more Kentucky burley, at least for the near future.

Anti-tobacco activists, of course, say that the health risks related to smoking mean production should be curtailed and tobacco supports to farmers cut.

It's a tough issue.

Bath County laywoman and farm activist Dorothy Robertson spoke eloquently of the role tobacco had played in the life of her rural community. At her Bethel Christian Church, parishioners once grew a tobacco crop in the churchyard to pay the church's bills.

But Bethel and churches like it have been ravaged by a continuing farm crisis—and by an exodus of farmers' children to cities.

Quit trading in tobacco and you destroy what's left of the bedrock of Kentucky's economy and history.

Rather than complaining about the moral problems of tobacco, said author and farmer Wendell Berry, churches could help local farmers by buying meat and vegetables from them directly, cutting out supermarket middlemen.

Food would become cheaper and fresher for consumers, and far more profitable for farmers.

If religion is going to become a strong societal force again, he said, "Christian people are going to have to start thinking about Christian economics."•

HONORING MR. EWING M. KAUFFMAN

• Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a remarkable man who has devoted years of public service to the city of Kansas City, MO. I am speaking of Mr. Ewing M. Kauffman.

Ewing Kauffman is the founder of Marion Laboratories, Inc., and currently serves as the chairman emeritus of the board of directors of Marion Merrell Dow, Inc. In addition to his work at Marion Laboratories, Inc., Ewing has served as a remarkable business and civic leader. He has received the Distinguished Service Award from the Fellowship of Christian Athletes and in 1986, Mr. Kauffman received the Kansas Citian of the Year Award, presented by the Chamber of Commerce of Greater Kansas City. He is a recipient of the Horatio Alger Award and the Golden Plate Award from the American Academy of Achievement.

Mr. Kauffman has tirelessly served the youth of America as a long time advocate of drug abuse education and prevention. He has taken an active role in programs supported by the Ewing Marion Kauffman Foundation, such as project STAR [Students Taught Awareness and Resistance] and Project Choice. In 1987, he received the Special Honor Award from the International Narcotic Enforcement Officers Association, Inc. In 1989, he was named to the Presidential Drug Advisory Council to aid the President and the Director of Drug Control Policy in the development and implementation of a national drug policy. In 1989, Mr. Kauffman received the Friend of Education Award given annually by the Chamber of Commerce of Greater Kansas City.

The years of pleasure that the fans of the Kansas City Royals baseball team have enjoyed can be greatly attributed to Mr. Kauffman's financial contributions, as well as his loyal support of the players and managers. The Royals have provided all-American entertainment in addition to instilling a strong sense of pride for the people of Kansas City since 1969.

Mr. President, the people of Kansas City are grateful for Ewing Kauffman's years of service, loyalty, and dedication to Kansas City and the youth of America. I join his family and many friends in wishing him a happy 75th birthday. Kansas City is indeed fortunate to have such a dedicated public servant as Ewing M. Kauffman.•

BUDGET SCOREKEEPING REPORT

• Mr. SASSER. Mr. President, I hereby submit to the Senate the most recent budget scorekeeping report for fiscal year 1991, prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) and section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.4 billion in budget authority, and under the budget resolution by $0.4 billion in outlays. Current level is $1 million below the revenue target in 1991 and $6 million below the revenue target over the 5 years, 1991–95.

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $326.6 billion, $0.4 billion below the maximum deficit amount for 1991 of $327 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 30, 1991.
Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1991 and is current through September 27, 1991. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Budget Enforcement Act of 1990 (Title XIII of P.L. 101-508). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated September 23, 1991, there has been no action that affects the current level of spending and revenues.

Sincerely,
ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG. 1ST SESS., AS OF SEPT. 27, 1991

[In millions of dollars]

	Revised on-budget aggregates[1]	Current level[2]	Curent level +/− aggregates
On-budget:			
Budget authority	1,189.2	1,188.8	−0.4
Outlays	1,132.4	1,132.0	−.4
Revenues			
1991	805.4	805.4	[3]
1991–95	4,690.3	4,690.3	[3]
Maximum deficit amount	327.0	326.6	−.4
Direct loan obligation	20.9	20.6	−.3
Guaranteed loan commitments	107.2	106.9	−.3
Debt subject to limit	4,145.0	3,542.1	−602.9
Off-budget			
Social Security outlays:			
1991	234.2	234.2	
1991–95	1,284.4	1,284.4	
Social Security revenues:			
1991	303.1	303.1	
1991–95	1,736.3	1,736.3	

[1] The revised budget aggregates were made by the Senate Budget Committee staff in accordance with section 13112(f) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101–508).

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. In accordance with section 606(d)(2) of the Budget Enforcement Act of 1990 (title XIII of Public Law 101–508) and in consultation with the Budget Committee, current level excludes $45.3 billion in budget authority and $34.6 billion in outlays for designated emergencies including Operation Desert Shield/Desert Storm; $0.1 billion in budget authority and $0.2 billion in outlays for debt forgiveness for Egypt and Poland; and $0.2 billion in budget authority and outlays for Internal Revenue Service funding above the June 1990 baseline level. Current level outlays include a Budget Reconciliation Act (Public Law 101–508), and revenues include the Office of Management and Budget's estimate of $3.0 billion for the Internal Revenue Service provision in the Treasury-Postal Service appropriations bill (Public Law 101–509). The current level oif debt subject to limit reflects the latest U.S. Treasury information on public transactions.

[3] Less than $50,000,000.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1991 AS OF CLOSING OF BUSINESS SEPT. 27, 1991

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			834,910
Permanent appropriations	725,105	633,016	
Other legislation	664,057	676,371	
Offsetting receipts	−210,616	−210,616	
Total enacted in previous sessions	1,178,546	1,098,770	834,910
II. Enacted this session:			
Extending IRS Deadline for Desert Storm troops (H.R. 4, Public Law 102–2)			−1
Veterans' education, employment and training amendments (H.R. 180, Public Law 102–16)	2	2	
Dire emergency supplemental appropriations for 1991 (H.R. 1281, Public Law 102–27)	3,823	1,401	
Higher education technical amendments (H.R. 1285, Public Law 102–26)	3	3	
OMB domestic discretionary sequester	−2	−1	
Emergency supplemental for humanitarian assistance (H.R. 2251, Public Law 102–55)	(1)		
Total enacted this session	3,826	1,405	−1
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in revised on-budget aggregates	−8,572	539	
VI. Economic and technical assumption used by Committee for budget enforcement act estimates	15,000	31,300	−29,500
On-budget current level	1,188,799	1,132,014	805,409
Revised on-budget aggregates	1,189,215	1,132,396	805,410
Amount remaining:			
Over budget resolution			
Under budget resoltuion	416	382	1

[1] Less than $500,000.

Note.—Numbers may not add due to rounding.•

A TRIBUTE TO OUR VETERANS

• Mr. D'AMATO. Mr. President, on October 5, 1991, the Veterans Council of Newark, NY, will be hosting a welcome home celebration for the 30 members of their community who proudly served in combat areas of Operation Desert Storm. The Veterans Council, which is made up of members of the American Legion and Veterans of Foreign Wars, will also honor the memories of those who made the ultimate sacrifice in previous wars as well as those who gave their lives in the Persian Gulf conflict.

America's victory against the forces of tyranny and aggression in the Persian Gulf stands as one of the monumental achievements in our Nation's history. The courage of all our service men and women on the battlefield has breathed new life into the immense patriotism of the American people. For this, we shall always be grateful.

We can take pride in our Armed Forces, which demonstrated sheer brilliance in executing the war against Saddam Hussein's forces. Indeed, we are indebted to the hundreds of thousands of brave men and women who risked their lives in order that Saddam's aggressive threats against world peace be ended.

As a U.S. Senator, I salute the veterans of Operation Desert Storm and all foreign wars for their selfless efforts on behalf of our Nation's most noble ideals in the struggle for freedom.•

INDIA'S COURAGEOUS ECONOMIC REFORMS

• Mr. DECONCINI. Mr. President, I want to take this opportunity to welcome India into the growing community of nations which have begun to turn away from socialism and protectionism in favor of free-market principles and respect for individual economic rights. In the short time Indian Prime Minister P.V. Narasimha Rao has been in office, he has implemented a number of truly radical economic reforms designed to dismantle bureaucratic controls over domestic and foreign industries. The Prime Minister has also slashed government subsidies, adopted a budget which reduces military expenditures 28 percent this year, and increased incentives for foreign investment. The Republic of India has even renounced protectionism and is encouraging foreign firms to export to, and invest in, India. American and other multinational companies may now own up to 51 percent of any domestic industry. These reforms are a positive development for the Indian people and represent India's seriousness about its reentry into the world economy. Those who would transform the moribund Soviet economy could do themselves a favor by closely examining the sweeping changes occurring in India.

As the most populous working democracy in the world, India plays a pivotal role in global politics. It is important for the Senate to acknowledge recent changes there and to encourage India to further pursue economic liberalization in addition to respect for human rights and a resolution to the Kashmir problem. India has moved forward, but can indeed, move farther. India must improve its human rights record domestically and include this goal in its foreign policy.

The principle of respect for human rights is sweeping the globe as never before. For the sake of the Indian people, I hope that the courageous economic reforms taking place there will translate into an improved human rights record as well. While there are issues on which our countries continue to disagree, today we congratulate the bold leadership of the new government in New Dehli for the steps it has taken to improve the lives of its people.•

SMALL BUSINESS EXPORTS

• Mr. KASTEN. Mr. President, I rise today to commend the efforts of Ambassador Carla A. Hills and the U.S. Trade Representative for their efforts in helping American small businesses export quality goods and services to foreign nations. Small businesses make up almost 25 percent of our Nation's exporters. It is vital that they receive fair treatment in foreign markets.

Small business men and women compose the backbone of the American business community. They step into business at the ground level and construct an enterprise that is of great value to society, both in jobs it creates, and in the products it provides for consumers. At the same time, small businesses have very little margin for error as they run the risks inherent in the economic world.

The products that result from this system are some of the best America has to offer. The world market is becoming more and more competitive. U.S. business cannot settle for second best. We cannot afford to take a backseat to foreign companies. As the United States strives to export more to the world, we must in turn increasingly look to small business to provide the innovation which drives American exports.

Any U.S. small business that manages to avoid the pitfalls of creating a product for export can still be prevented from succeeding by unfair trade restrictions imposed by foreign governments. As our country enters a period of increased economic cooperation with our foreign neighbors, I want to ensure that our small businesses have a fair chance to compete against foreign enterprises in the spirit of free trade and an open market.

My colleagues on the Senate Small Business Committee and I sent a letter to Ambassador Hills expressing our concern on this issue. I would like to submit to the RECORD both the letter sent by me and my colleagues, and Ambassador Hills' response.

Indeed, the U.S. Trade Representative has been actively pursing the goals set forth under the spirit of the 1988 trade bill Public Law 100–148 to ensure that the interests of small businesses are met in trade agreements. I commend Ambassador Hills and her commitment to American small business. However, the United States must continue to look to the future. As we go forward with the free-trade agreement with Mexico and other important negotiations, we must make sure the lines of communication with the small business community are maintained. In the future there will be many issues where small business interests will be at stake. I believe that we have started in the proper direction in terms of the concerns of U.S. small business. It will be a priority of mine to ensure that this continues, because we owe our small businesses and their employees nothing less than fair conditions for competition in international markets.

I ask that the two letters referenced earlier be printed in the RECORD.

The material follows:

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, June 13, 1991.

Hon. CARLA A. HILLS,
Office of the U.S. Trade Representative, Washington, DC.

DEAR AMBASSADOR HILLS: As you know, the 1988 Omnibus Trade bill, PL. 100–418, included a "Sense of Congress" section which stated that the United States Trade Representative (USTR) should appoint a special trade assistant for small business. This provision was based on the strong recommendation of small businesses who testified before the Senate Small Business Committee, who believed that small business interests had not been adequately considered by the USTR's office in the past. It is our understanding that this position has not yet been filled.

As members of the U.S. Senate Small Business Committee, we strongly believe this post is vital to serving the needs of small businesses seeking to sell their products and services abroad. U.S. small businesses already account for almost 25% of all U.S. exporters; in addition, small manufacturers are suppliers to larger U.S. exporters. We believe that this emerging trade sector deserves the direct attention of America's trade negotiators. With the forthcoming Free Trade Agreement with Mexico and the GATT Round talks, the small business sector needs a representative to ensure that U.S. trade policy encompasses their needs and interests.

We hope you will consider the addition of a small business trade assistant to the USTR as soon as possible.

Best Regards,

Dale Bumpers, Robert W. Kasten, Jr., John F. Kerry, Conrad R. Burns, Joe Lieberman, Alan J. Dixon, Paul Wellstone, Max Baucus, Harris Wofford, Sam Nunn, Kit Bond, Malcolm Wallop, Connie Mack, Tom Harkin, Barbara A. Mikulski, Larry Pressler, Carl Levin, John Seymour, Ted Stevens.

THE U.S. TRADE REPRESENTATIVE,
EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: Thank you for your letter of June 13, concerning the need to serve small businesses seeking to sell their products and services abroad.

I agree fully that small business firms provide a special opportunity for expanding exports now and for building a base for export expansion in the years ahead. I have taken several steps that I believe are in accord with the sense of the Congress as expressed in the Omnibus Trade and Competitiveness Act of 1988.

First, Congress in 1974 established an extensive private sector advisory committee system to the U.S. Trade Representative. Today, that system includes 40 committees and about 1,000 advisors. Eight of these committees are policy-level; the remainder are technical or sectoral. I have had my staff appoint representatives from small businesses to sit on a large number of the policy committees including the President's Advisory Committee on Trade Policy and Negotiations, the Industry Policy Advisory Committee, the Defense Policy Advisory Committee, the Investment Policy Advisory Committee, and the Services Policy Advisory Committee. In addition, small business representatives serve throughout the sector advisory committees.

One of those advisory committees, the Industry Sector Advisory Committee on Small and Minority Business (ISAC 14) has twenty-two small business owners who have been very effective in the role of trade advisers. They have provided astute advice on how the U.S.-Canada Free Trade Agreement might be more responsive to their particular trade needs, and have had their specific impact on that agreement. I particularly value their advice because they are individual entrepreneurs successfully involved in a wide variety of successful export ventures. We have supported their international trade initiatives such as the Export 89 trade Conference in Frankfurt, Germany in 1989 as well as in this year's event at the Frankfurt Messe in Germany in October, and in the upcoming fact-finding trip to Mexico on the North American Free Trade Agreement.

On specific issues, I encourage small businesses to contact my staff directly according to their needs. We have found that the trade issues of concern to U.S. businesses often arise not because of the size of the firm, but because of an unfair trade action that must be challenged or because a practice is not covered by the GATT and a remedy must be negotiated. I believe that this "open door policy" provides small business with good access to our negotiators, whether working on the Uruguay Round, the North American Free Trade Agreement, or on other trade negotiations, and to our industry specialists.

In addition, in order to provide special access for small business, I have assigned David Morrissy as the key contact person responsible for small business trade issues. I rely on him to maintain close liaison with the small and minority business advisory committee (ISAC 14). He also keeps in close contact with other agencies of the Administration that deal with small business interests, particularly the Small Business Administration, the Department of Commerce, and the Export Import Bank.

I believe we have been invaluably served by the advice we have received from small business, and they have been helped by us. If you believe there are areas we have not addressed adequately, we would welcome your identification of these so that we might remedy this situation.

Sincerely,

CARLA A. HILLS.•

TRIBUTE TO THE FORT COLLINS CHILDREN'S CLINIC

• Mr. WIRTH. Mr. President, I rise today to pay tribute to the Children's Clinic in Fort Collins, CO. The Fort Collins Children's Clinic was founded in 1989 by two highly dedicated individuals, Dr. Tom Wera and Dr. Charles Collopy. Since the clinic opened its doors 2 years ago, it has provided low-cost health care for an estimated 2,500 needy children from 1,500 families in Larimer County.

The Children's Clinic has filled a vital need in the community of Fort Collins by providing a variety of health services for children. In addition to offering basic medical care for children under the age of 18, the Children's Clinic offers well-baby care, teen nutritional care, an allergy clinic, a behavioral clinic, an onsite social worker, and a program counselor. Moreover, the clinic's emphasis on education seeks to empower parents by allowing them to provide basic health care themselves, as well as work toward preventing illness.

The level of dedication exhibited by Dr. Wera and Dr. Collopy and the volunteers at the Children's Clinic is uplifting. I am also encouraged by the joint efforts of individuals, businesses, health care professionals, and Colorado State University students who have been generous in their donations of time, funds, and services to the Children's Clinic—helping to make it the success it is today.

Mr. President, I would like to close by thanking the Fort Collins Children's Clinic, and all those who have made it possible, for providing an invaluable service to the children of Larimer County. I believe the Children's Clinic sets an excellent example for health care centers throughout the State of Colorado and our country, and I commend them for their commitment to the well-being of Colorado's families and future.•

TRIBUTE TO KEITH HALL

• Mr. WARNER. Mr. President, I rise today to pay tribute and offer my congratulations to Keith Hall, who recently left his position as deputy majority staff director of the Senate Select Committee on Intelligence to become Deputy Assistant Secretary of Defense for Intelligence. In the 5 years I have worked on the Intelligence Committee, I have been privileged to witness and benefit from the fine leadership and sound judgment Mr. Hall brought to his work. I am confident that he will bring these qualities to bear in his new duties at the Department of Defense.

Mr. Hall is a career intelligence professional, with more than 21 years of service. He began his career in the executive branch, serving for 9 years in Army Intelligence, then 4 years in the Office of Management and Budget. In 1983, Senator Barry Goldwater hired Mr. Hall to the staff of the Senate Intelligence Committee. Since that time, he has served under three committee chairmen from both political parties.

As a member of both the Select Committee on Intelligence and the Senate Armed Services Committee, I have benefited from Mr. Hall's work twofold, as he has provided valuable counsel to members of the Armed Services Committee on matters where defense and intelligence intersect.

Mr. President, Keith Hall's contribution to the U.S. Senate and to this Nation in the areas of intelligence collection, analysis, covert operations, personnel policies, counterintelligence and security have been extremely significant. In large measure, his success in these many areas of intelligence is attributable to his nonpartisan, thoughtful, and professional approach to his work.

In bidding farewell to Mr. Hall, the Senate, and especially members of the Intelligence Committee, know that a friend and devoted professional will no longer be a familiar sight in our hallways. We are glad to know, however, that his considerable talents will continue to serve the entire Nation as he takes up his post at the Department of Defense. I wish him the greatest success, and continued personal happiness and professional success.•

FREEWAY DEDICATION HONORS MARYLAND VIETNAM VETERANS

• Mr. SARBANES. Mr. President, on August 2, 1991, the State of Maryland dedicated Interstate 68, the National Freeway, by unveiling a monument at Sideling Hill to the Vietnam veterans of our State. Although I very much wanted to join Gov. William Donald Schaefer in dedicating this magnificent new highway to our Vietnam veterans, the Senate was still in session and I was unable to attend.

I want to pay tribute to all those Maryland men and women who served this country with courage and honor in Vietnam. The memorial on Interstate 68 states simply, "Interstate 68 is dedicated in recognition and memory of those Marylanders who served in the Vietnam War—1959–1975." The inspiration for this memorial came from Vietnam Veterans of America, Chapter 172 of Cumberland, MD, and the members of that chapter are to be congratulated for their unstinting efforts to bring this memorial through the planning stage to reality.

I have enormous respect for our Vietnam veterans, and this memorial is a tribute from the people of the State of Maryland to these men and women. It is long overdue, and I want to express my deep gratitude to those who made it possible. Thousands of Marylanders and Americans will see this memorial each day as they travel this beautiful new highway and will be reminded during their journey and for all time of the service, sacrifice, and dedication of Maryland's Vietnam veterans.•

MINORITY BUSINESS MONTH

• Mr. RIEGLE. Mr. President, the Michigan Department of Commerce has selected October as Minority Business Month in Michigan. It is a time when we renew our effort to make sure that development of businesses owned and operated by minority citizens is encouraged.

This year I want to congratulate the recipients of the minority entrepreneur awards and to pay tribute to their hard work and effort.

One of our greatest strengths as a nation is our diversity; no other nation in the world has such a rich marketplace of ideas and perspectives as the United States. Minorities certainly play a vital role in our economy and our effort to compete in the world economy. This role can be enlarged if adequate capital and support is provided.

The playing field on which minority businesses compete is tough. About half of all enterprises fail within 5 years. A recent Supreme Court decision in the City of Richmond versus Crosin has made it more difficult for minority businesses to obtain government contracts. In addition, Federal support for programs that assist minority business has declined. Yet, despite these forces, many minority-owned businesses are succeeding.

Over the past decade, minority-owned business has grown as a pecentage of the economy, creating much-needed jobs in communities all over the country. There are over 13,000 minority-owned enterprises in my State of Michigan, generating over $700 million of revenue a year. Most of these enterprises are small family-owned businesses, led by hard working and innovative entrepreneurs. These firms have enormous potential for growth. In fact, from 1976 to 1986, small business contributed to more than 80 percent of all jobs created in Michigan. In a time of limited job opportunity for minorities, particularly in inner cities, it is particularly critical that we do all we can to promote the growth of minority-owned businesses.

The past decade has seen growth in the number of minorities who are obtaining business degrees and rising in major corporations. Much more needs to be done so that individuals from minority backgrounds can break through the glass ceiling that has prevented many talented individuals from taking leadership positions in major corporations.

A survey among black entrepreneurs, as an example, indicated that over 70 percent cited inadequate funding as the No. 1 problem confronting minority-owned business. Too often in our society, blacks, Hispanics, and other minorities do not have sufficient access to capital that is needed to build a business. For this reason, the Government must play a stronger role in promoting minority economic development.

The Federal Government assists minority business through the Minority Business Development Agency and through a number of other programs designed to enhance the ability of minority businesses to succeed. However, considerable funding cuts at all levels of government have greatly curtailed those programs designed to assist minority business development.

I strongly believe that we need to fully support these important programs and I will fight for adequate funding for them.

Minority Business Month gives us the opportunity to call attention to the need to promote and support the development of minority-owned businesses. Removing the roadblocks in the way of minority businesses will bring about a stronger American economy.

I urge my colleagues in the Senate to help in advancing minority-owned business so we can build a prosperous future for all Americans.•

CEDAR STREET CHILDREN'S CENTER

• Mr. RIEGLE. Mr. President, I would like to pay tribute to the Cedar Street Children's Center and to the Child Welfare Society of Flint, Inc., for their 75 years of care to children. According to the minutes of the first meeting of the society, it was formed in 1915 after a few people interested in starting a Child Welfare Society met at the home of Dr. and Mrs. M.W. Clift. The 10 original executive directors included Mrs. R.S. Bishop, Mrs. J.D. Dort, Mrs. Matthew Davison, Mrs. A.E. Stevers, Mrs. C.B. Burr, Mrs. Neil Burston, Mrs. George Gainey, and Mrs. O.W. McKenna, all of whom were pioneers in my hometown of Flint, MI.

From that beginning, when the fee to join was a dollar, the membership grew to 600 by 1918. The early members set up committees dealing with sewing, shoes, clothes, summer camp, beds, and bedding to meet the needs of children at that time. The Child Welfare Society bought and operated a temporary home for children from 1930 to 1966. The home was on 5 acres of land on Cedar Street.

Today, that home is known as Cedar Street Children's Center and is one of the largest licensed child care centers in Michigan, with space for 120 children. The center gives special priority to the children of single parents. Cedar Street also offers admission to children of working parents, parents attending school, and to the special referral child. Cedar Street has continued to address the original purposes of The Child Welfare Society and at the same time, assists the needs of today's families.

The current society president Mrs. Karen Piper, its board of directors, executive director Ms. Barbara Read, who took over the reins from her mother, Kathryn Blewett, all of the staff, and the volunteers, continue to provide for and nurture the area's children. They are infused with the spirit of those original members who were a "few people" but who "concerned themselves with the betterment of social conditions as well as any specific activity that may aid the fundamental principle of child welfare." I join the people of Flint in thanking the members of the society for all their good work and wishing them a happy anniversary.•

MORNING BUSINESS

CROATIAN INDEPENDENCE AND CONFLICT IN YUGOSLAVIA

Mr. SPECTER. Mr. President, I feel compelled to express my great concern regarding the current situation in Yugoslavia. On June 25 of this year the Republics of Slovenia and Croatia declared independence with a vibrant democratic spirit similar to that recently displayed in the Baltic States. Unfortunately, these declarations were greeted with a response that was more reminiscent of days gone by—the brutal Soviet repressions of Hungary in 1956 and Czechoslovakia in 1968.

Croatia has lost almost one-third of its territory to the Yugoslav Federal Army. The only surprise is that the Croatians have not lost more land and that they continue to hold out in cities such as Vinkovci. The federal army has over 1,500 tanks and 400 warplanes while Croatian forces, until the recent surrenders of several army bases, have fought back with little more than heavy machineguns.

When we hear of snipers in the streets of Zagreb during the middle of the day, when we see guerrillas within Croatia backed by the federal army, and when we learn of the attempt by Slobodan Milosevic to carve off portions of Croatia to create "Greater Serbia," we confront the possibility of the creation of a second Lebanon in Eastern Europe. We do not need another country constantly and endlessly torn by strife.

I cannot and do not believe that the peoples of Yugoslavia wish to see this happen in their country. Although the Milosevic regime and the federal army bear primary responsibility for the bloodshed in Yugoslavia, I do not believe that the Serbian people truly support the actions taken by their leaders. Many Serbians have shown their opposition to further violence by deserting or avoiding the draft. Serbians are not any more interested than the other peoples of Yugoslavia in seeing themselves and their children subjected to the horrors of armed ethnic conflict.

Nearly 500 people have died in the armed conflict between the Republic of Croatia and the Yugoslav Federal Army. On September 25, 1991, I attended a rally on the west lawn of the Capitol where hundreds of Pennsylvanians and other Americans with friends and relatives in Croatia demonstrated their passion for peace, self-determination, and an end to death and destruction in Yugoslavia. I share their deep anguish and anxiety over the uncertain fate of Croatia and the peoples of Yugoslavia.

It is time for the United States and the international community to fully commit themselves to the peaceful resolution of this conflict. President Bush has called for a "new world order." If there are any principles which undergird this order, they are the right of self-determination and abolition of violence as a means of settling conflicts. Croatia has demonstrated its willingness to, in the words of John F. Kennedy, "pay any price, bear any burden, meet any hardship * * * to assure the survival and the success of liberty." The time has come for the United States and the other nations of the world to step forward and assist them in this endeavor. On September 25, 1991, the U.N. Security Council voted to impose an arms embargo on Yugoslavia. This is an important first step, but only a first step in a long process.

Many important issues must be resolved. The burden is upon the regime of Slobodan Milosevic, the federal army, and the guerrillas in Croatia to relinquish the territory they have seized and cease the inflation of ethnic tensions. Any and all concerns must be dealt with through peaceful negotiation. As the European Community ministers declared on August 27,

> It is a deeply misguided policy on the part of the Serbian irregulars to try to solve the problems they expect to encounter in a new constitutional order through military means.* * * Territorial conquests * * * will never produce the kind of legitimate protection sought by all in the new Yugoslavia. Such protection can be brought about only by negotiations based on the principle of the fullest protection of the rights of all, wherever they may live in Yugoslavia.

I urge the President to take an active role in supporting the work of the United Nations and the European Community. I hope and expect that the United Nations will continue to act in support of the European Community and peace in Yugoslavia. Finally, I look forward to renewed efforts by the European Community to bring all parties together to work out a mutually acceptable agreement which respects the right of self-determination and protects the legitimate rights of all Yugoslavians.

Mr. President, the fate of Yugoslavia may foretell the fate of the rest of Eastern Europe for better or for worse. I most sincerely hope that we will be able to avert tragedy and years later point to Yugoslavia as a model in the development of democracy and self-determination.

BELLAGIO DECLARATION OF PRINCIPLES

Mr. KERRY. Mr. President, last month an important meeting on the environment took place at Bellagio, Italy. It was cochaired by an impressive Massachusetts professor, Charles M. Haar, Brandeis professor of law at Harvard University, on behalf of the American Academy of Arts and Sciences, and by Olag Kolbasov, director of the Soviet Institute of Science and Law. As a result, much progress was made for effective future collaboration in dealing with the common problems of implementing environmental policies.

Because the environment of our world recognizes no political boundaries, the world community needs to join together to solve the Earth's environmental woes. Catastrophies such as Chernobyl can have repercussions across the entire planet. Pollution from industry in one nation often causes ill-effects, such as acid rain, in another. A river dammed for electricity often will have devastating effects for a neighboring downriver nation. Working in unison, the nations of the world will be much more capable of overcoming today's diverse environmental problems.

An immediate positive outcome of the discussion was the Bellagio Declaration of Principles. I ask unanimous consent to place it in the RECORD:

There being no objection, the document was ordered to be printed in the RECORD, as follows:

THE BALLAGIO DECLARATION ON THE ENVIRONMENT

As environmental policymakers, lawyers, economists, educators, and elected and appointed officials from the U.S. and the U.S.S.R., meeting in Bellagio, Italy from August 5 to August 9, 1991;

Reaffirming the fundamental right of people to live in a safe and healthful environment;

Recognizing that enduring prosperity requires the protection of health and safety, as well as the integrity of natural systems;

Convinced that present threats to the environment require concerted actions of different governments throughout the world;

Persuaded that informal meetings of environmental experts can contribute to the attainment of the goals of the 1992 United Nations Conference on Environment and Development,

We reached a consensus on the following principles:

1. Governments should identify and implement ways in which economic development goals can be achieved consistent with a safe and healthful environment and with sound use of natural resources.

2. Environmental protection deserves distinct representation at the highest ministerial or cabinet level of government.

3. Each level of government should perform those tasks to which it is best suited for the protection of the environment, and should formulate and implement appropriate programs to accomplish those tasks.

4. Environmental policy should be integrated with land use and natural resource planning, regulation, and implementation, as well as with the policies of other government agencies whose actions affect the environment.

5. A free market, together with government measures that address its failures through prevention, correction, and consideration of environmental problems, is well suited to provide the resources for achieving a safe and healthful environment.

6. Environmental goals should be achieved by an optimal combination of administrative controls and market mechanisms to comply with environmental standards in the most cost-effective manner and to encourage the development of environmentally superior technologies.

7. Public and private decisionmakers should recognize environmental management as among the highest priorities and establish policies for conducting operations in an environmentally sound manner.

8. Decisions over where to locate environmentally undesirable land uses should consider their impact on surrounding areas and strive for an equitable distribution of such uses throughout the region.

9. Government should require periodic public reporting on the nature and quantities of pollutants released into the environment.

10. Government should collect and maintain full and accurate environmental information necessary for the formulation and implementation of environmental policy, and citizens and public officials should have appropriate access to such information.

11. Citizens should have the right to participate in the government's environmental decisionmaking process.

12. Individual citizens and groups affected by an environmental decision and responsible government officials should be able to petition a court to interpret and enforce the environmental laws and to overturn actions taken in violation of such laws.

13. Public and private institutions should undertake educational programs designed to increase public understanding of environmental problems and to encourage public responsibility for their solution.

14. International standards should be developed and adopted for measuring and monitoring environmental quality, in order to facilitate coordination of national environmental activities.

15. To protect the environment and promote settlement of international disputes, countries should agree to resort to arbitration and, if appropriate, to an international environmental tribunal.

To advance the foregoing principles, we have agreed to meet from time to time and review progress in achieving their implementation.

BELLAGIO, ITALY, *August 8, 1991.*

IMMIGRATION ACT OF 1990

Mr. KENNEDY. Mr. President, today marks an important day in American immigration law when the full scope of the Immigration Act of 1990 comes into force—the most sweeping reform of our Nation's immigration laws in 66 years.

Although some provisions of the act are already in force, the major changes take effect beginning today. This legislation represents the culmination of a decade-long effort to achieve immigration reform, and I commend all those in the Senate and House of Representatives whose efforts were essential for this bipartisan achievement, particularly my colleagues Senator SIMPSON and Senator SIMON on the Senate Immigration Subcommittee, and former Congressman Bruce Morrison, who was chairman of the House Immigration Subcommittee.

Our goal was to reform the current immigration system so that it would more faithfully serve the national interest, and be more flexible and open to immigrants from nations which are now shortchanged by current law.

The provisions of the new law will accomplish these objectives, while also maintaining the priority we have traditionally given to those with family connections in the United States—and without departing from any of the basic goals of fairness established in the 1965 reforms.

By redressing the imbalances which have inadvertently developed in recent years, we will again open our doors to those who no longer have immediate family ties to the United States.

By placing more emphasis on the particular skills and qualities that independent immigrants possess, we will bring our present laws more in line with the Nation's economic needs.

The visa numbers currently reserved for family members of recent immigrants, as established in the 1965 act, will not be reduced. This law will add visas. In fact, it represents the first major expansion of our immigration system in a quarter century. It is a careful and balanced expansion that protects the national interest while promoting the goal of family reunification.

Under the terms of this legislation, during the first 3 years, beginning in 1992, legal immigration will increase from current levels of approximately 490,000 to 700,000. Beginning in 1995, a permanent level of 675,000 will be set—a 38-percent increase in legal immigration to the United States.

The admission of immediate relatives of U.S. citizens will remain unrestricted, despite the establishment of a worldwide ceiling. Although a new national level of immigration of 675,000 will be established for the first time, the spouses, minor children and parents of U.S. citizens will remain unrestricted. If their admission levels increase during the coming years, any squeeze under the cap will be shared equitably by other categories of immigrants. But if the projected growth of immediate relatives continues and the squeeze becomes too great in some future year, the cap will automatically be increased accordingly.

In addition, the law increases by nearly fourfold the number of skilled workers and so-called diversity immigrants. The admission of persons on the basis of their skills and talents will go from 54,000 each year to 195,000.

The current limitation of 216,000 on other family preferences will be increased permanently to 260,000—a 20-percent increase. This will double the visa numbers for second preference relatives—the spouses and minor children of permanent residents—thus reducing the backlogs in Mexico and other high demand countries, as well as the worldwide backlog for this category.

The law also establishes a family fairness policy to protect immediate family members of beneficiaries of the amnesty under the 1986 act. Those family members are here illegally, and they were protected only by administrative stay of deportation, with no legal status, and with a cutoff date of 1986. The new law gives them a permanent legal status, with a cutoff for eligibility of May 5, 1988.

The legislation brings many other reforms to our immigration laws. Among the most important are the following provisions:

Transitional visas—40,000 a year for the next 3 years—will be made available to applicants from adversely affected countries, including Ireland, Italy, Poland, and 30 other nations. Beginning in 1995, this program will be expanded into a diversity program with 55,000 visas a year available to these nations and the much larger group of nations that do not currently use their full allotments of visas because of the restrictions of present law.

A new independent commission is established to require Congress to review immigration laws and policies every 3 years.

Controls on H-1 temporary professional visas are strengthened by tightening the definition of "professions of exceptional merit and ability" and by placing a cap of 65,000 visas annually on this category. The bill provides significant reforms in nonimmigrant visa procedures, and strengthens and simplifies the current labor certification process.

Ten thousand "job creation" visas are provided for investors who invest in enterprises, especially in depressed rural or urban areas, which create a minimum of 10 new jobs for Americans.

Visa numbers for Hong Kong are doubled to 20,000, and delayed visas are provided for Hong Kong residents working for the United States Government or United States businesses, so that they will be able to obtain visas if they wish to leave after Hong Kong returns to Chinese control.

A clear policy is established for granting temporary haven to foreign nationals unable to return safely to their native countries because of violence or upheaval.

The annual number of asylum applicants who can adjust their status to permanent residence is increased to 10,000, and the current backlog of applicants is removed.

Administrative naturalization procedures are created, to reduce naturalization backlogs, while preserving the right for court citizenship ceremonies.

Reforms are achieved in the areas of deportation and criminal aliens.

The exclusion categories are reformed and updated to end outdated ideological, medical and communicable disease provisions.

In sum, the far-reaching provisions of the new law preserve the immigration rights of those who have close family connections in this country, while opening up new opportunities at long last for immigration from countries which have contributed so much to America in the past, but which have been shut out almost entirely in recent years.

From the earliest days of our history, America has been a beacon of hope and opportunity to people in other lands. All of us are proud of our immigrant heritage. We honor it most by doing all we can to preserve that heritage, to build upon it, and to strengthen it for the future. The new immigration act that takes effect today is an impressive step toward achieving these enduring goals, and all of us hope that it fulfills its great promise.

ON MILITARY COUP IN HAITI

Mr. KENNEDY. Mr. President, yesterday afternoon Haitian President Jean-Bertrand Aristide was overthrown in a bloody military coup by forces intent on subverting Haiti's new democracy. This outrageous assault is an affront not only to the people of Haiti, but to all friends of freedom throughout this hemisphere.

After nearly 30 years of violence under the dictatorship of the Duvalier family, Haitians recently established civilian rule. President Aristide's landslide victory last December was the country's first truly democratic election. The return of military dictatorship in Haiti would plunge the country back into the era of repression from which it has only just emerged.

I commend the Bush administration for calling on the Haitian military to respect the country's constitution and for supporting the resolution of the Organization of American States' condemning the coup and demanding the restoration of Haiti's democracy.

Today, mutinous soldiers and remnants of the outlawed Tonton Macoutes death squads still roam the streets of Port-au-Prince, attacking civilians and supporters of President Aristide. It is more important than ever for the United States to maintain its strong stand with the Haitian people in their struggle for a peaceful, democratic government.

Restoring President Aristide's constitutional authority is in the highest interest of all Haitians and all nations in this hemisphere. We should do all we can to see that he is returned to power and that democracy is restored as soon as possible for the long-suffering Haitian people.

IMPLEMENTATION OF THE CENTRAL AMERICAN DEVELOPMENT COORDINATING COMMISSION [CADCC]

Mr. SANFORD. Mr. President, for many years, the Central American nations have struggled to overcome their social, economic, and political impediments to development. United States foreign policy toward our neighbors in this hemisphere has experienced a noteworthy shift in the past few years, away from the paternalistic approach of the last century to a partnership that considers sustainable development of each country and region to be in the best interest of the United States and the hemisphere as a whole.

The signing of the Esquipulas II accords marked a significant turning point in the peace process in Central America by setting a high goal of regional cooperation to confront the endemic problems of the region.

As my colleagues are aware, I was heavily involved with the Central American-led International Commission for Central American Recovery and Development [ICCARD]. This unique collaboration of governmental, business, labor, and academic leaders was unified by the hope for peace and stability in our hemisphere. Over a period of 2 years, the Commission identified long-term strategies for sustainable development in Central America. The final report, issued in February 1989, recommended short-, medium- and long-range strategies for development. After three hearings and numerous citations in relevant legislation, the recommendations of the ICCARD were encapsulated in this Congress' S. 100 which passed the full Senate on May 14, 1991.

Among the long-term approaches recommended by the Commission report is the creation of the Central American Development Coordinating Commission [CADCC].

The United States Senate endorsed the creation of this mechanism by authorizing and appropriating funds to support the establishment of the CADCC by the Central American presidents.

The 1990 foreign aid authorization bill, S. 1347, authorized not less than $500,000 and not more than $1 million for the CADCC. Subsequently, the 1990 foreign operations appropriations bill, Public Law 160-167, appropriated those funds as per the authorization. This legislation passed both houses of the Congress and was signed by the President on November 21, 1989.

Mr. President, I rise today to commend the five democratically elected Central American Presidents for their remarkable regional cooperation. Each has done his or her share to bring the CADCC into existence, thus meeting the requirement for the release of our appropriation.

On September 30, 1991, a $497,850 grant agreement providing U.S. funding to support the establishment of the CADCC was signed by Irenemaree Castillo, Director of AID's Regional Office for Central American Programs [ROCAP] and Rafael Rodriquez Loucel, General Secretary, Secretariat of the Economic Integration of Central America [SIECA].

The CADCC, originally proposed in the ICCARD report, will serve as a

Central American coordination mechanism composed of representatives from government, labor, private enterprise, academia, and other nongovernmental sectors in Central America. The CADCC will provide a forum for dialog, consensus building, and coordination of Central American participation in regional and global initiatives. It will emphasize the essential linkage of participatory democracy and sustained economic development in Central America.

SIECA will manage the grant on behalf and under the guidance of the new CADCC. The first working meetings of the CADCC are scheduled for November 1991 in Managua, Nicaragua.

Mr. President, in the last few years, the administration has made assisting development in Central America more of a priority and has consistently supported recommendations of the International Commission and the creation of the CADCC. Much credit is due to the leadership of the Agency for International Development under the Assistant Administrator for the Latin America and Caribbean Bureau, Jim Michel. I am pleased to say that the hard work of the Commissioners, the cooperation of the five Central American Ambassadors, and the support of the administration have brought this plan to fruition.

IN SUPPORT OF THE NOMINATION OF CLARENCE THOMAS

Mr. DIXON. Mr. President, I rise today to announce my intention to vote for Clarence Thomas to be an Associate Justice of the Supreme Court.

I base my decision on a careful review of the Senate Judiciary Committee hearings, Judge Thomas' statements, and my own standards for Supreme Court nominees.

When new Chief Justice Rehnquist was elevated to the post of Chief Justice, I said on this floor that there were three tests that I would use to guide my consideration of a Supreme Court appointment: First, the nominee's intellectual capacity; second, his background and training; and third, integrity and reputation. I also stated that opposing the political or judicial philosophy of a President's nominee is not generally a basis for a vote against that nominee.

It is upon that previously enunciated criteria, and my conclusion that Judge Thomas sufficiently meets such criteria, that I have decided that he is qualified to serve as an Associate Justice of the Supreme Court.

Mr. President, I have voted for many of the President's nominees. I have voted in favor of the nominations of Chief Justice Rehnquist, Sandra Day O'Connor, Antonin Scalia, Anthony Kennedy, and David Souter. I firmly believe the President is entitled to nominate individuals who share his basic philosophy.

Judge Thomas' philosophy has been a subject of great discussion. I believe just as Judge Thomas' thoughts on some positions have evolved to be well formed, further evolution on other issues is inevitable. Some Justices on the current Court appear to have fairly rigid philosophies or ideologies. Judge Thomas does not appear to fall into that category. That suggests he may well surprise some of his opponents.

The American Bar Association, upon review of his legal career and writings, has found Judge Thomas to be "qualified."

Judge Thomas' educational background is solid. He appears to have been a good student at outstanding schools.

Usually, a nominee has at least one long suit that stands out from the others. Clearly, Judge Thomas' long suit is his life story, which is compelling, moving, and endearing. The hardscrabble beginnings in Pin Point, GA; his successful struggle out of poverty; the incidents of racism directed at his family and him—have constructed a most unique background for someone to be on the Supreme Court. The life experiences are not determinative, but they do serve as an important factor in the overall consideration of this nominee.

Judge Thomas has had the enormous benefit of learning from, and working with, one of the outstanding Members of this body, my distinguished colleague from Missouri, JACK DANFORTH. Senator DANFORTH's support and leadership on this nomination is a personal testimony to Judge Thomas' character.

Mr. President, I will vote "aye" for the nomination of Judge Thomas to be an Associate Justice of the U.S. Supreme Court.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,390th day that Terry Anderson has been held captive in Lebanon.

S. 1010—FLIGHT ATTENDANT DUTY TIME ACT

Mr. WARNER. Mr. President, I rise today giving my support to Senate bill S. 1010, the Flight Attendant Duty Time Act, introduced by my colleague Senator INOUYE. In 1952, the Federal Aviation Administration [FAA] required commercial air carriers to have personnel on board to assist passengers in case of an emergency. Passengers depend on flight attendants to direct them in evacuating an aircraft after an emergency landing; to be the inflight fire department and onboard security officer; to handle disruptive passengers; and to assist with medical emergencies such as heart attacks or unexpected births. The FAA and the carriers have largely insured that flight attendants are thoroughly trained to perform these duties, but the FAA has refused to insure that flight attendants are well rested enough to maintain alertness, judgment and the ability to perform physical emergency tasks.

In this Congress, my colleague Senator INOUYE introduced the Flight Attendant Duty Time Act, S. 1010 to correct this unacceptable state of affairs. This legislation is a straightforward proposal which would establish maximum duty times and minimum rest periods for flight attendants. The maximum duty time on domestic flights would be 14 hours with 10 hours rest, and the maximum duty time for international flights would be 16 hours with 12 hours minimum rest.

This proposal follows nearly 2 decades of efforts to secure these changes through the regulatory process. Flight attendants began to pursue limits on the hours a carrier could require them to work 20 years ago, and received a promise from the FAA that it would issue duty time limitations by the end of 1978. The rule was never published and neither was the one the FAA promised to issue in August, 1980.

Some might say this is an issue that should be left to the negotiations between management and employees. Generally, I agree that most matters between employers and workers should be handled in the collective bargaining process. Safety, however, is not a topic that should be put on the bargaining table. The Federal Government has a responsibility to insure the health and safety of the flying public and flight attendants alike.

I urge my fellow Members of the Senate to join with me in cosponsoring this long overdue legislation needed to place flight attendants on par with all other safety-sensitive transportation employees.

RESOLUTION HELD AT THE DESK

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senate resolution 186, a resolution on Haiti submitted earlier today by Senator GRAHAM, be held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE JOINT RESOLUTION 305, DESIGNATING "COUNTRY MUSIC MONTH," AND SENATE JOINT RESOLUTION 131, DESIGNATING "NATIONAL DOWN SYNDROME MONTH"

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged en bloc from further consideration of the following: House Joint Resolution 305, designating "Country Music Month"; Senate Joint Resolution 131, designating "National Down Syndrome Month"; that the Senate then proceed to their immediate consideration; that the resolutions be deemed read a third time and passed; and that the motions to reconsider be laid upon the table; and that the preambles be agreed to; further that the consideration of these items appear individually in the RECORD and any statements appear at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 305) was deemed read the third time and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 131) was deemed read a third time and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 131), with its preamble, is as follows:

S.J. RES. 131

Whereas a more enlightened attitude has emerged during the past 15 years in the care and training of the developmentally disabled;

Whereas one disability which has undergone considerable reevaluation is Down syndrome;

Whereas approximately 4,000 babies are born with Down syndrome annually in the United States;

Whereas, until recently, Down syndrome was stigmatized as a mentally and physically retarding condition that required institutionalization and restricted its victims to lives of passivity;

Whereas remaining ignorance, prejudices, myths, and stereotypes regarding Down syndrome can be overcome only through increased awareness and education;

Whereas, through the efforts of concerned physicians, teachers, and parent groups, such as the National Down Syndrome Congress and the National Down Syndrome Society, programs are being put into place to educate the parents of babies with Down syndrome, to develop special education classes for individuals with Down syndrome within mainstream school programs, to provide vocational training for individuals with Down syndrome in preparation for entering the workforce, and to prepare young adults with Down syndrome for independent living in the community;

Whereas the television medium has greatly augmented such efforts by casting actors with Down syndrome and offering programming that demonstrates to hundreds of thousands of viewers in a positive and educational manner the everyday, personal, and family effects of living with Down syndrome;

Whereas the cost of programs designed to help individuals with Down syndrome enter their rightful place in society as productive citizens is a small fraction of the cost of institutionalization;

Whereas advancements in genetic research are also offering a brighter outlook for individuals born with Down syndrome; and

Whereas the many children with Down syndrome who attend regular schools, play on Little League teams, and enjoy basketball and golf demonstrate daily the success that people with Down syndrome are able to achieve: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1991 is designated as "National Down Syndrome Awareness Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.

Mr. LUGAR. Mr. President, for the past 8 years, I have supported efforts to designate October as "National Down Syndrome Month." This designation is extremely important to public awareness about Down syndrome, and I rise today to, again, introduce a joint resolution designating October 1991 as "National Down Syndrome Month."

Most people have heard of Down syndrome, but few realize that it occurs once in every 1,000 births. With Down syndrome, an extra chromosome No. 21 appears within the individual's genetic material, affecting physical and mental development.

Today we know that through programs which emphasize the involvement of teachers, doctors, parents and support groups many of the disorders associated with this genetic defect have the potential of being corrected. More importantly, these programs educate the public to the truth regarding children with Down syndrome enabling them to become productive citizens who are fully integrated into the community.

In addition, corporate leaders and the media are working to educate the general public regarding many of the myths associated with this genetic disorder—breaking down existing barriers along the way.

I urge my colleagues to join me in cosponsoring this important resolution.

"UP WITH PEOPLE DAY"

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Joint Resolution 208, designating "Up With People Day," introduced earlier today by Senator DECONCINI and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 208) to designate October 15, 1991, as "Up With People Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. DECONCINI. Mr. President, I am pleased to introduce today with Senator GORE and 51 of our colleagues a joint resolution requesting the President to designate October 15, 1991, as Up With People Day. This dynamic international educational and cultural program, which is based in Tucson, AZ, is now culminating the celebration of its 25th anniversary year. In the past quarter-century, more than 13,000 young men and women from 63 nations have participated in Up With People. They have given musical performances for millions of people in 52 nations, have lived with 350,000 host families worldwide, and have participated in countless hours of community service activities in hospitals, nursing homes, prisons, and schools for the handicapped.

President and Mrs. George Bush are the honorary chairpersons of Up With People's Silver Celebration. Through the years, many world leaders have received Up With People casts and have praised their activities. Recently, Chancellor Helmut Kohl of the Federal Republic of Germany said:

> The unification of Germany, along with the consolidation of Europe, embodies politically what Up With People has been practicing for 25 years in everyday life: moving together, openness towards one another, placing solidarity before division.

I urge each Member of this body to support this joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 208), with its preamble, is as follows:

S.J. RES. 208

Whereas Up With People has for 25 years, since its founding by J. Blanton Belk as a nonprofit educational and cultural program, worked to encourage understanding among people and nations;

Whereas Up With People is culminating the celebration of its 25th Annversary Year and President and Mrs. George Bush are serving as Honorary Chairpersons of this Silver Celebration;

Whereas the President has praised Up With People members for helping "to build better understanding among nations, not only through their outstanding musical performances but also through public service and educational activities in their host communities";

Whereas 13,000 young men and women from throughout the world have participated in Up With People's unique experiential educational program, developing intercultural understanding, communication skills, and leadership abilities, as well as the motivation to provide a leadership of service in their communities, countries and the world;

Whereas more than 350,000 families have hosted Up With People students in their homes, helping to break down stereotypes between cultures and to develop a worldwide basis of understanding between people;

Whereas Up With People casts have performed their dynamic musical show for millions of people in 52 nations, including recent visits to the Soviet Union, Czechoslovakia, Poland, and Panama;

Whereas Up With People casts have been received and lauded by numerous heads of state, such as Chancellor Helmut Kohl of the Federal Republic of Germany, who said "the unification of Germany, along with the consolidation of Europe, embodies politically what Up With People has been practicing for 25 years in everyday life: moving together, openness towards one another, placing solidarity before division," and Pope John Paul II, who commended Up With People for the "spirit of international friendship and cooperation which their efforts promote";

Whereas students in the Up With People program have dedicated themselves to countless thousands of hours of service activities in communities throughout the United States and in other nations, from nursing homes and hospitals to prisons and soup kitchens, showing compassion towards others and demonstrating the power of each individual to make a difference in his or her own community; and

Whereas the growth and outreach of Up With People has been made possible by the support of a distinguished international and volunteer Board of Directors, which includes J. Blanton Belk, Hermann K. Bleibtreu, James G. Boswell II, Eugene A. Cernan, Dan W. Cook III, Thomas H. Cruikshank, Wesley M. Dixon, Jr., Pat Berry Glassner, John J. Goossens, Michael W. Hard, Lindsey Hopkins, III, Jerry V. Jarrett, Henry Koffler, Samuel W. Lanham, Jr., Gery de Limelette, James E. MacLennan, Hans Magnus, Hubert T. Mandeville, Bob Marbut, F. James McDonald, John H. Parker II, Walter Payton, Dale M. Penny, Mrs. Seiichi Shirane, Hugh Soest, Barbara Taylor-Lawson, Shoichiro Toyoda, Pieter van Vollenhoven, Peter Voevodsky, Don Weiss, Bruce W. Wiley, Steven W. Woods, and Benjamin N. Woodson: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 15, 1991, is designated as "Up With People Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m., Wednesday, October 2; that following the prayer, the Journal of the proceedings be deemed approved to date, and that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein, with the time equally divided and controlled between Senators INOUYE and KASTEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess, as under the previous order, until 9 a.m., Wednesday, October 2.

There being no objection, the Senate, at 9 p.m., recessed until Wednesday, October 2, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate October 1, 1991:

THE JUDICIARY

EDITH BROWN CLEMENT, OF LOUISIANA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA VICE CHARLES SCHWARTZ, JR., RETIRED.

SUE L. ROBINSON, OF DELAWARE, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF DELAWARE VICE JANE R. ROTH, ELEVATED.

SAM SPARKS, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS, A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

ANDREW S. NATSIOS, OF MASSACHUSETTS, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE PHILIP LAWRENCE CHRISTENSON, RESIGNED.

CORPORATION FOR PUBLIC BROADCASTING

LESLEE B. ALEXANDER, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING MARCH 26, 1996. (REAPPOINTMENT)

CONFIRMATIONS

Executive nominations confirmed by the Senate October 1, 1991:

DEPARTMENT OF STATE

THOMAS MICHAEL TOLLIVER NILES, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN ASSISTANT SECRETARY OF STATE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUEST TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WILLIAM CLARK, JR., AND ENDING THOMAS A. RODGERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 11, 1991.

HOUSE OF REPRESENTATIVES—*Tuesday, October 1, 1991*

The House met at 12 noon.

Rev. Dr. Wallace Charles Smith, senior minister, Shiloh Baptist Church, Washington, DC, offered the following prayer:

Our gracious God, we offer up thanksgiving for this moment in our Nation's history filled with incredible challenges and extraordinary opportunities. We are thankful that we live in a global community which offers us the possibility to partner with nations of the world to ease hunger, and further economic development.

We are grateful for those global neighbors who seek freedom and the right to democratic government. Please bless their efforts. In our own land we ask Your blessings on the poor, the jobless, the disheartened, but we also pray for those who may live in mansions but whose hearts due to loneliness and alienation have become like empty cells.

And finally Lord, we pray for the President and the Congress; help them to lead this Nation and the world to a just and lasting peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mrs. KENNELLY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mrs. KENNELLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 108, not voting 42, as follows:

[Roll No. 283]

YEAS—282

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
Bacchus
Barnard
Bateman
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Early
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Frank (MA)
Frost
Gaydos
Gejdenson
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCollum
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morrison
Mrazek
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Quillen
Rahall
Ravenel
Ray
Reed
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schiff
Schulze
Schumer
Serrano
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

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Allard
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Camp
Campbell (CA)
Chandler
Coble
Coleman (MO)
Coughlin
Cox (CA)
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Duncan
Edwards (OK)
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goodling
Goss
Grandy
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Hunter
Hyde
Inhofe
Ireland
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Marlenee
McCandless
McCrery
McDade
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Murphy
Nussle
Paxon
Pursell
Ramstad
Regula
Rhodes
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Smith (TX)
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Weldon
Wolf
Young (AK)
Young (FL)
Zimmer

NOT VOTING—42

AuCoin
Burton
Crane
Dellums
Derrick
Dooley
Dymally
Eckart
English
Ford (MI)
Ford (TN)
Gephardt
Guarini
Hancock
Holloway
Hopkins
Jacobs
Jefferson
Kaptur
Klug
Lehman (FL)
McCloskey
Myers
Olin
Owens (NY)
Payne (NJ)
Payne (VA)
Rangel
Ridge
Ritter
Sanders
Savage
Slaughter (VA)
Smith (OR)
Stenholm
Thornton
Torricelli
Waters
Weber
Weiss
Wylie
Zeliff

☐ 1225

Mr. SKAGGS and Mr. BRYANT changed their vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MONTGOMERY). Will the gentleman from New Hampshire [Mr. SWETT] please lead the House in the Pledge of Allegiance.

Mr. SWETT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

OFFICIAL MAJORITY OBJECTORS FOR CONSENT CALENDAR AND PRIVATE CALENDAR

Mr. BONIOR. Mr. Speaker, I am pleased to announce that the official objectors for the majority side for the 102d Congress are as follows:

For the Consent Calendar: Mr. GORDON of Tennessee; Mr. LEWIS of Georgia; and Mrs. PATTERSON of South Carolina.

For the Private Calendar: Mr. BOUCHER of Virginia; Mr. MFUME of Maryland; and Mr. HUBBARD of Kentucky.

OFFICIAL MINORITY OBJECTORS FOR CONSENT CALENDAR AND PRIVATE CALENDAR

Mr. MICHEL. Mr. Speaker, I take this time to announce the official objectors from the Republican side for the Consent and Private Calendar.

The Republican official objectors for the 102d Congress for the Consent Calendar will be the gentleman from Pennsylvania [Mr. WALKER], the gentleman from California [Mr. MCCANDLESS], and the gentleman from Illinois [Mr. HASTERT].

For the Private Calendar, the Republican official objectors for the 102d Congress will be the gentleman from Wisconsin [Mr. SENSENBRENNER], the gentleman from Pennsylvania [Mr. GEKAS], and the gentleman from North Carolina [Mr. COBLE].

THE HIGHWAY BILL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the 1991 fiscal year has ended and the highway bill has not been reauthorized.

While the Democrats complain the President does not have a domestic agenda, they put a stop sign to a highway bill that will create jobs and improve our infrastructure. And then they give the green light for another unemployment bill.

The President wanted the highway bill passed by June 14. It is now October 1. The country is still waiting for the Congress to act.

I do not want to be a back seat driver, but the Democrat-controlled Congress is steering the country down the wrong road. The President does have a domestic agenda. The Democrats just refuse to turn on the ignition.

The Congress spends too much time spinning its wheels while tooting its horn about dubious accomplishments.

Mr. Speaker, put the pedal to the metal and speedily bring forth the job-creating surface transportation bill.

□ 1230

WELCOME TO REV. DR. WALLACE CHARLES SMITH

(Ms. NORTON asked and was given permission to address the House for 1 minute.)

Ms. NORTON. Mr. Speaker, it is no wonder that Shiloh Baptist Church, one of Washington's oldest and most distinguished churches, would attract a new minister who has had an especially outstanding career of service.

Mr. Speaker, I am pleased to welcome to Washington and to this House the Reverend Dr. Wallace Charles Smith, only the sixth pastor in the 128 years Shiloh has served this city.

Reverend Smith has been a full-time professor as well as a minister, and it should be noted, has reached an even wider audience as a winner of four Emmy awards for his weekly television commentaries. Reverend Smith has been called to a historic church, revered in this city for its long tradition of spiritual and civic service. He is a leader with the outstanding qualities to carry on the Shiloh tradition.

PRIVATE CALENDAR

The SPEAKER pro tempore (Mr. MONTGOMERY). This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

CRAIG A. KLEIN

The Clerk called the bill (H.R. 238) for the relief of Craig A. Klein.

There being no objection, the Clerk read the bill, as follows:

H.R. 238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SATISFACTION OF CLAIM AGAINST THE UNITED STATES.

(a) IN GENERAL.—The Secretary of the Treasury shall pay, out of money in the Treasury not otherwise appropriated, to Craig A. Klein of Jacksonville, Florida, the sum of $25,000 for damages incurred as a result of the search and seizure of his sailboat, "Pegotty", by the United States Customs Service in April 1989.

(b) CONDITION OF PAYMENT.—The payment of this sum shall be in full satisfaction of all claims of Craig A. Klein against the United States in connection with the search and seizure described in subsection (a).

SEC. 2. LIMITATION ON FEES.

(a) IN GENERAL.—No more than 10 percent of the sum appropriated by section 1 shall be paid to or received by any agent or attorney for services rendered in connection with the claim described in such section.

(b) ENFORCEMENT.—Any person violating the provisions of subsection (a) shall be fined not more than $1,000.

With the following committee amendment:

On page 2, line 1, strike "$25,000" and insert "$8,947."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRUCE C. VEIT

The Clerk called the bill (H.R. 454) for the relief of Bruce C. Veit.

There being no objection, the Clerk read the bill, as follows:

H.R. 454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ENTITLEMENT TO REIMBURSEMENT FOR TRAVEL EXPENSES.

Bruce C. Veit of El Paso, Texas, an employee of the Department of the Army, shall be reimbursed for the costs incurred by him as a result of his relocation from Memphis, Tennessee, to El Paso, Texas, during October and November 1984, as provided by his official travel authorization issued on October 23, 1984.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORMAN R. RICKS

The Clerk called the bill (H.R. 478) for the relief of Norman R. Ricks.

There being no objection, the Clerk read the bill, as follows:

H.R. 478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REIMBURSEMENT FOR REAL ESTATE EXPENSES.

The relocation of Norman R. Ricks by the National Oceanic and Atmospheric Administration in June 1989 shall be considered to be a transfer from 1 official station to another for which reimbursement is permitted under section 5724a(a)(4) of title 5, United States Code.

SEC. 2. LIMITATION ON AGENTS AND ATTORNEYS FEES.

No amount exceeding 10 percent of a payment made pursuant to section 1 may be paid to or received by any agent or attorney in consideration for services rendered in connection with the payment. Any person who violates the provisions of this section shall be guilty of an infraction and shall be subject to a fine in the amount provided under title 18, United States Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDGARDO ROMAN AND OTHERS

The Clerk called the bill (H.R. 590) for the relief of Edgardo, Ismael, Juan Carlos, and Edilliam Cotto Román.

There being no objection, the Clerk read the bill, as follows:

H.R. 590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Edgardo, Ismael, Juan Carlos, and Edilliam Cotto Román, the children of Edgardo Cotto Miranda, a member of the Puerto Rico Army National Guard who became a tetraplegic as a consequence of an auto accident in 1987 in Puerto Rico, shall for the purposes of section 6(c) of the Act of September 30, 1950 (20 U.S.C. 241), be considered to be children residing with a parent employed by the United States and thus be eligible to receive free public education arranged by the Secretary of Education under such section.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUAN LUIS RAMIREZ AND OTHERS

The Clerk called the bill (H.R. 655) for the relief of Juan Luis, Braulio Nestor, and Miosotis Ramirez.

There being no objection, the Clerk read the bill, as follows:

H.R. 655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Juan Luis, Braulio Nestor, and Miosotis Ramirez, children of Elizabeth Ramirez, a member of the United States Army who died of cancer in 1990, shall for the purposes of section 6(c) of the Act of September 30, 1950 (20 U.S.C. 241), be considered to be children residing with a parent employed by the United States and thus be eligible to receive free public education arranged by the Secretary of Education under such section.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLOTTE S. NEAL

The Clerk called the bill (H.R. 1279) for the relief of Charlotte S. Neal.

There being no objection, the Clerk read the bill, as follows:

H.R. 1279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELECTION TO PROVIDE ANNUITY.

For purposes of determining the eligibility of Charlotte S. Neal, of Lynchburg, Virginia, former spouse of the late Lieutenant Commander Michael D. Christian, United States Navy retired, to an annuity under the Survivor Benefit Plan, Lieutenant Commander Christian shall be deemed to have made an election under section 1448(b)(3) of title 10, United States Code, to provide an annuity to Charlotte S. Neal in accordance with the separation agreement incorporated into their divorce decree of August 19, 1983. Such election shall be deemed to have been made as of September 24, 1983, notwithstanding the death of Lieutenant Commander Christian on September 4, 1983.

SEC. 2. LUMP SUM PAYMENT.

The Secretary of Navy shall pay in a lump sum to Charlotte S. Neal the aggregate amount to which she is entitled by reason of section 1 for the period beginning on October 1, 1983, and ending on the last day of the month in which this Act is enacted.

SEC. 3. DEFINITION.

For purposes of this Act, the term "Survivor Benefit Plan" means the program provided under subchapter II of chapter 73 of title 10, United States Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF TRANSCRIPT OF COMMITTEE ON DISTRICT OF COLUMBIA INCIDENT TO PRESENTATION OF PORTRAIT OF HON. RONALD V. DELLUMS

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 216) authorizing the printing of the transcript of the Committee on the District of Columbia incident to presentation of a portrait of the Honorable RONALD V. DELLUMS, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would ask the gentleman from Illinois to please explain the resolution.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Further reserving the right to object, I am happy to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, this resolution is sponsored by the Honorable PETE STARK. The resolution provides for the printing of the transcript of the Committee on the District of Columbia's portrait presentation ceremony of the Honorable RONALD V. DELLUMS. Mr. DELLUMS has been a distinguished Member of Congress since 1970 and has served as the outstanding chairman of the Committee on the District of Columbia since 1979. The portrait of Chairman DELLUMS was presented by the members of the District of Columbia Committee to the House during ceremonies on February 28, 1991.

Mr. WALSH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 216

Resolved, That the transcript of proceedings of the Committee on the District of Columbia on February 28, 1991, incident to presentation of a portrait of the Honorable Ronald V. Dellums to the committee, shall be printed as a House Document with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed, for the use of the Committee on the District of Columbia, 60 casebound copies of said document, the allowable balance in paperback.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ANNUNZIO

Mr. ANNUNZIO. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ANNUNZIO: Strike out all after the resolving clause and insert the following: That the transcript of the proceedings of the Committee on the District of Columbia on February 28, 1991, incident to the presentation of a portrait of the Honorable Ronald V. Dellums to the committee, shall be printed as a House document, with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed, for the use of the Committee on the District of Columbia, such number of copies of the document as does not exceed a cost of $1,200, of which 60 copies shall be casebound.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois [Mr. ANNUNZIO].

The amendment in the nature of a substitute was agreed to.

The resolution, as amended, was agreed to.

The title of the resolution was amended so as to read: "Resolution authorizing the printing of the transcript of the proceedings of the Committee of the District of Columbia incident to the presentation of a portrait of the Honorable RONALD V. DELLUMS.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 216, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CONFERENCE REPORT ON S. 1722, EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. ROSTENKOWSKI submitted the following conference report and statement on the Senate bill (S. 1722) to provide emergency unemployment compensation, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-228)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law,

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law), and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada, and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period, or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment,

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act, and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 102(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	***The applicable limit is:***
8-percent period	*20*
7-percent period	*13*
6-percent period or other period	*7.*

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are published—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	*The applicable range is:*
8-percent period	*A rate equal to or exceeding 8 percent.*
7-percent period	*A rate equal to or exceeding 7 percent but less than 8 percent.*
6-percent period	*A rate equal to or exceeding 6 percent but less than 7 percent.*
Other period	*A rate less than 6 percent.*

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such indvidual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after February 28, 1991, and before the first week following October 5, 1991 (or, if later, the first week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be

treated as meeting such requirements if such State met them for the first week following August 31, 1991.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are published.

TITLE II—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

SEC. 201. DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE.

(a) GENERAL RULE.—The Secretary of Labor (hereafter in this title referred to as the "Secretary") shall carry out a demonstration program under this title for purposes of determining the feasibility of implementing job search assistance programs. To carry out such demonstration program, the Secretary shall enter into agreements with 3 States which—

(1) apply to participate in such program, and

(2) demonstrate to the Secretary that they are capable of implementing the provisions of an agreement under this section.

(b) SELECTION OF STATES.—

(1) IN GENERAL.—In determining whether to enter into an agreement with a State under this section, the Secretary shall take into consideration at least—

(A) the size, geography, and occupational and industrial composition of the State,

(B) the adequacy of State resources to carry out a job search assistance program,

(C) the range and extent of specialized services to be provided by the State to individuals covered by the agreement, and

(D) the design of the evaluation to be applied by the State to the program.

(2) REPLICATION OF PRIOR DEMONSTRATION PROJECT.—At least 1 of the States selected by the Secretary under subsection (a) shall be a State which has operated a successful demonstration project with respect to job search assistance under a contract with the Department of Labor. The demonstration program under this title of any such State shall, at a minimum, replicate the project it operated under such contract in the same geographic areas.

(c) PROVISIONS OF AGREEMENT.—Any agreement entered into with a State under this section shall—

(1) provide that the State will implement a job search assistance program during the 1-year period specified in such agreement,

(2) provide that such implementation will begin not later than the date 1 year after the date of the enactment of this Act,

(3) contain such provisions as may be necessary to ensure an accurate evaluation of the effectiveness of a job search assistance program, including—

(A) random selection of eligible individuals for participation in the program and for inclusion in a control group, and

(B) collection of data on participants and members of a control group as of the close of the 1-year period and 2-year period after the operations of the program cease,

(4) provide that not more than 5 percent of the claimants for unemployment compensation under the State law shall be selected as participants in the job search assistance program, and

(5) contain such other provisions as the Secretary may require.

SEC. 202. JOB SEARCH ASSISTANCE PROGRAM.

(a) GENERAL RULE.—For purposes of this title, a job search assistance program shall provide that—

(1) eligible individuals who are selected to participate in the program shall be required to participate in a qualified intensive job search program after receiving compensation under such State law during any benefit year for at least 6 but not more than 10 weeks,

(2) every individual required to participate in a job search program under paragraph (1) shall be entitled to receive an intensive job search program voucher, and

(3) any individual who is required under paragraph (1) to participate in a qualified intensive job search program and who does not satisfactorily participate in such program shall

be disqualified from receiving compensation under such State law for the period (of not more than 10 weeks) specified in the agreement under section 201.

(b) Eligible Individual.—For purposes of this title—

(1) In general.—The term "eligible individual" means any individual receiving compensation under the State law during any benefit year if, during the 3-year period ending on the last day of the base period for such benefit year, such individual had at least 126 weeks of employment at wages of $30 or more a week with such individual's last employer in such base period (or, if data with respect to weeks of employment with such last employer are not available, an equivalent amount of employment computed under regulations prescribed by the Secretary).

(2) Exception.—Such term shall not include any individual if—

(A) such individual has a definite date for recall to his former employment,

(B) such individual seeks employment through a union hall or similar arrangement, or

(C) the State agency—

(i) waives the requirements of subsection (a)(1) for good cause shown by such individual, or

(ii) determines that such participation would not be appropriate for such individual.

(c) Qualified Intensive Job Search Program.—For purposes of this section, the term "qualified intensive job search program" means any intensive job search assistance program which—

(1) is approved by the State agency,

(2) is provided by an organization qualified to provide job search assistance programs under any other Federal law, and

(3) includes—

(A) all basic employment services, such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview, and

(B) additional services, such as ongoing contact with the program staff, followup assistance, resource centers, and job search materials and equipment.

(d) Intensive Job Search Voucher.—For purposes of this section, the term "intensive job search voucher" means any voucher which entitles the organization (including the State employment service) providing the qualified intensive job search assistance program to a payment from the State agency equal to the lesser of—

(1) the reasonable costs of providing such program, or

(2) the average weekly benefit amount in the State.

SEC. 203. ADMINISTRATIVE PROVISIONS.

(a) Financing Provisions.—

(1) Payments to States.—There shall be paid to each State which enters into an agreement under section 201 an amount equal to the lesser of the reasonable costs of operating the job search assistance program pursuant to such agreement or the State's average weekly benefit amount for each individual selected to participate in the job search assistance program operated by such State pursuant to such agreement. Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) shall be used for purposes of making such payments.

(2) Payments on calendar month basis.—There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency.

(3) Certification.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(4) Special rule.—Notwithstanding any other provision of law, amounts in the account of a State in the Unemployment Trust Fund may be used for purposes of making payments pursuant to intensive job search vouchers provided pursuant to an agreement under this title.

(b) Reports to Congress.—

(1) Interim reports.—The Secretary shall submit 2 interim reports to the Congress on the effectiveness of the demonstration program carried out under this title. The 1st such report shall be submitted before the date 2 years after operations under the demonstration program commenced and the 2d such report shall be submitted before the date 4 years after such commencement.

(2) Final report.—Not later than the date 5 years after the commencement referred to in paragraph (1), the Secretary shall submit a final report to the Congress on the demonstration program carried out under this title. Such report shall include estimates of program impact, such as—

(A) changes in duration of unemployment, earnings, and hours worked of participants,

(B) changes in unemployment compensation outlays,

(C) changes in unemployment taxes,

(D) net effect on the Unemployment Trust Fund,

(E) net effect on Federal unified budget deficit, and

(F) net social benefits or costs of the program.

(c) Definitions.—For purposes of this title, the terms "compensation", "benefit year", "State", "State agency", "State law", "base period", and "week" have the respective meanings given such terms by section 106.

TITLE III—OTHER PROVISIONS

SEC. 301. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) Repeal of Certain Limitations.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) Reduction in Length of Required Active Duty by Reserves.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) Effective Date.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 302. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"Sec. 908. (a) Establishment.—Not later than February 1, 1992, and every 4th year thereafter, the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) Function.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) Members.—

"(1) In general.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) Qualifications.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) Vacancies.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) Chairman.—The President shall appoint the Chairman.

"(d) Staff and Other Assistance.—

"(1) In general.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) Assistance from Secretary of Labor.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) Compensation.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) Report.—

"(1) In general.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) Report of first council.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 303. REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES.

(a) In General.—The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth a proposal for revising the method of allocating *grants among the States under section 302 of the Social Security Act.*

(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act,

(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

(4) ways to simplify the method of allocating such grants among the States,

(5) ways to eliminate the disincentives to productivity and efficiency which exist in the current method of allocating such grants among the States,

(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act for allocating grants among the States under section 302 of the Social Security Act, until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.

SEC. 304. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

TITLE IV—BUDGET PROVISIONS

SEC. 401. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

(a) DESIGNATION AS EMERGENCY.—The provisions of (and amendments made by) this Act shall be treated as provisions designated as emergency requirements by the President and the Congress under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) NEW BUDGET AUTHORITY, ETC. NOT CONSIDERED.—Any amount of new budget authority or outlays resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 402. EXEMPTION OF EMERGENCY UNEMPLOYMENT COMPENSATION FROM SEQUESTRATION.

Payments under title I of this Act (relating to emergency unemployment compensation) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

DAN ROSTENKOWSKI,
THOMAS J. DOWNEY,
HAROLD FORD,
BARBARA B. KENNELLY,
MICHAEL A. ANDREWS,
Managers on the part of the House.

LLOYD BENTSEN,
GEORGE MITCHELL,
DON RIEGLE,
BOB PACKWOOD,
Managers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

GENERAL DESCRIPTION

The Emergency Unemployment Compensation Act of 1991 (S. 1722), as agreed to by House and Senate conferees, has three major objectives. First, it establishes a time-limited program of emergency unemployment compensation benefits to assist unemployed workers who have exhausted their benefits under the current unemployment programs. Second, it corrects an inequitable situation whereby unemployed, former members of the armed forces must wait longer to receive regular unemployment benefits and receive fewer weeks of benefits than civilians who become unemployed. Finally the conference agreement establishes an unemployment compensation advisory council which will meet every four years to review the status of the unemployment program and recommend needed improvements.

In addition, the conference agreement establishes a demonstration program to test the effectiveness of providing job search services to unemployment compensation claimants, and directs the Secretary of Labor to report to the Congress on an improved method of allocating unemployment compensation administrative funds among States.

The conference agreement provides that all provisions of the Act shall be treated as provisions designated as emergency requirements by the President and the Congress under the terms of the Budget Act, and no spending resulting from the Act shall be considered for any purpose under the Budget Act. The agreement also provides that payments for emergency benefits are exempt from sequester. The cost of emergency unemployment compensation benefits is Federally financed from existing balances in the Extended Unemployment Compensation Account of the Unemployment Trust Fund.

TITLE I.—EMERGENCY UNEMPLOYMENT COMPENSATION

Present law.—Under current law, the Extended Benefits program provides for the payment of a maximum of 13 additional weeks of benefits after an unemployed worker has received that 26 weeks (maximum) of regular benefits provided under State law. The extended benefits program is activated when: (1) a State's insured unemployment rate has averaged at least 5 percent for 13 consecutive weeks, and (2) that rate is at least 20 percent higher than the State's average insured unemployment rate for the corresponding 13-week period in the 2 preceding years. At their option, States may apply an alternative trigger mechanism. Under the alternative, extended benefits can be paid if a State's insured unemployment rate is at least 6 percent, even though the rate is less than 20 percent higher than the rate in the preceding 2 years. Thirty-seven States, the District of Columbia, Puerto Rico, and the Virgin Islands have adopted this alternative trigger mechanism.

Fifty percent of the benefits paid under the Extended Benefits program are paid for with State funds. The remaining 50 percent are paid from Federal funds drawn from the Extended Unemployment Compensation Account in the Unemployment Trust Fund.

Senate bill.—The bill establishes a temporary program of emergency unemployment compensation benefits, to be in effect from October 6, 1991 through July 4, 1992. The program would pay Federally-funded benefits to unemployed workers who had exhausted their benefit rights under the regular unemployment compensation program, and to certain workers who had exhausted the additional benefits available to them under the Extended Benefit program.

A. Scope and duration of emergency benefits

Beginning in October all States would be eligible to provide emergency unemployment compensation benefits financed entirely by the Federal government. The bill would establish three levels of weeks of eligibility for these emergency benefits. The number of weeks of benefits payable to an unemployed worker who had exhausted regular unemployment benefits in a particular State would be determined by the average total unemployment rate, or TUR, in that State for the most recent six months for which data are available:

States with a TUR of 8 percent or higher would be eligible to provide 20 weeks of benefits;

States with a TUR of 7 percent up to 8 percent would be eligible to provide 13 weeks of benefits;

All other States would be eligible to provide 7 weeks of benefits (including the Virgin Islands).

At any time that a State was not eligible for one of the two higher levels of benefits, unemployed workers in the State who exhausted their regular unemployment benefits would be eligible for 7 weeks of emergency benefits.

B. Eligibility for emergency benefits

Emergency unemployment compensation benefits would be paid to unemployed workers who exhaust their regular unemployment benefits during the effective period of the program, October 6, 1991 through July 4, 1992.

The bill also "reaches back" to aid workers in States with higher levels of unemployment who exhausted their regular employment benefits in the six-month period prior to the start of the emergency program. Unemployed workers who exhausted benefits after March 1, 1991 and before the first week beginning after October 5 would be eligible to receive 7, 13, or 20 weeks of benefits in eligible States. The "reach back" would not be available in States that do not have a six percent TUR period in effect as of September 1 or October 6, 1991.

Some unemployed workers who had received extended benefits and exhausted their eligibility for them, either during the effective period of the program or during the "reach back" period, would also be eligible for emergency benefits. The bill provides that the number of weeks of extended benefits the worker received would be deducted from the number of weeks of emergency benefits available in the State. The number of weeks of emergency benefits that remained, if any, would be paid to the worker.

C. Other benefit provisions

The Senate provision is structured to ensure that an unemployed worker receives the maximum number of weeks of benefits to which the worker is entitled, and to prevent any sudden and unexpected removal of a worker from benefit status if a State "triggers off" while the worker is in the middle of a benefit period. Once a State's average TUR has caused it to "triggler on" for a 13- or 20-week period of emergency benefits, the State would remain triggered on for at least 13 weeks, even if its TUR declined during this period.

Alternatively, if a State's average unemployment rate were to increase so that the State qualified for a higher number of weeks of benefits, workers in that State would receive the additional benefits. Further, once an unemployed worker became eligible for 7, 13, or 20 weeks of emergency benefits, the worker would be paid benefits for all weeks to which he or she was entitled, even if the State "triggered off" or the program expired before the worker had received the full number of weeks of benefits.

D. Measure for triggering benefits

To determine the number of weeks of benefits which may be paid in the State, the bill requires the Secretary of Labor to use the average unadjusted total rate of unemployment for a State for the most recent 6-calendar month period for which data are available.

E. Funding source for emergency benefits

All benefits are fully Federally-funded out of the Extended Unemployment Compensation Account.

House amendment.—The House amendment establishes a new permanent Federal Supplemental Compensation program that would replace the current Extended Benefits program. It would provide three tiers of benefits added to the 26 weeks of regular State benefits. A temporary provision would add a fourth tier during fiscal year 1992.

A. Scope and duration of benefits

Beginning the month after the month of enactment, all States would be eligible to provide supplemental benefits financed entirely by the Federal government. The number of weeks of benefits payable in a State would be based on the State's seasonally-adjusted total unemployment rate for the most recent three months.

States would be eligible for the following weeks of benefits:

20 weeks if the TUR is at least 8 percent and is at least 120 percent of the average in the same three-month periods during the last two years;

15 weeks if the TUR is at least 7 percent (plus at least 120 percent); and

10 weeks if the TUR is at least 6 percent (plus at least 120 percent).

In addition, in fiscal year 1992, all States not otherwise eligible for a higher benefit period would be eligible for five weeks of benefits if the three-month moving average of the seasonally adjusted national TUR is at least 6 percent.

B. Eligibility for benefits

Benefits would be paid to unemployed workers who exhaust their regular unemployment benefits under State law after the effective date of the program.

In addition, workers who have exhausted regular benefits before the effective date, but on or after January 1, 1991, would be eligible under a "reach back" provision for 5, 10, 15, or 20 weeks of benefits depending on the number of weeks activated in their States upon enactment.

C. Other benefit provisions

The House amendment includes provisions that are similar to those in the Senate bill.

D. Measure for triggering benefits

To determine the number of weeks of benefits which may be paid in a State, the House amendment requires the Secretary to use the three-month moving average of the State's seasonally adjusted total unemployment rate. However, until the Bureau of Labor Statistics is able to adjust State rates for seasonal fluctuations, a six-month moving average of unadjusted rates would be used instead.

E. Funding source for benefits

Most benefits are paid out of Federal funds in the Extended Unemployment Compensation Account. Benefits for employees of nonprofit organizations and governmental agencies are paid out of general revenues.

F. Repeal of existing program

The existing Extended Benefits program is repealed the month after the month of enactment.

Conference agreement.—The conference agreement follows the Senate bill, modified to provide an effective date for the "reach back" provision of March 1, 1991. It also clarifies that the data to be used in determining a State's TUR would be for the most recent six calendar month period for which data have been published.

TITLE II.—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH

Present law.—Federal law is silent on eligibility conditions for unemployment benefits. However, under State laws, all States require claimants to be able to work and available for work. Also, most States require the claimant to register with a local employment office and to seek work actively or to make a reasonable effort to obtain work.

Senate bill.—No provision.

House amendment.—The House amendment authorizes three state demonstration projects to assess the cost-effectiveness of intensive job search services for unemployment compensation claimants. Claimants who have at least 126 weeks of employment at $30 per week with their last employer in the last three years may be required to participate in an intensive job search program after they have received 6 to 10 weeks of regular State benefits. However, no more than five percent of the claimants for unemployment compensation in a State could be selected to participate. Workers with definite recall dates or those hiring out of union halls would not be eligible to participate.

Lack of compliance could lead to disqualification of up to 10 weeks of benefits. However, States may waive the requirement for participation if the individual shows good cause.

Participants would be entitled to a voucher worth the lesser of the average weekly benefit (about $167 nationwide) in their State of residence or the reasonable cost of providing the services. Costs of operating a job search program would be funded out of the Federal Supplemental Compensation Account.

Intensive job search assistance would include all basic employment services such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview. Additional services would involve periodically contacting the intensive job search assistance program staff, receiving followup assistance, and using resource centers and job search materials and equipment, such as telephones, job listings, and word processors for resume writing.

Demonstration projects would last for one year. States would be required to evaluate their programs and to submit interim reports to the Congress, with a final report due no later than five years after the commencement of each project.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the House amendment.

TITLE III.—OTHER PROVISIONS

A. Payment of unemployment compensation to former members of the Armed Forces

Present law.—Under current law, regular unemployment compensation benefits are payable to unemployed ex-service members who (1) are separated under honorable conditions (and in the case of officers, did not resign for the good of the service); and (2) have completed the first full term of active service. Ex-service members who are separated prior to completing their first full term of active service can also qualify for unemployment compensation benefits if they are separated under honorable conditions: (1) for the convenience of the Government under an early release program; (2) because of medical disqualifications, pregnancy, parenthood, or any service-incurred injury or disability; (3) because of hardship; or (4) if they have served for 365 continuous days, because of personality disorder or inaptitude.

Through most of the history of the Unemployment Compensation program, ex-service members received the same number of weeks of benefits as civilians, and benefits were payable to service members after waiting the same length of time as civilians had to wait. In 1982 the law was amended so that ex-service members must wait four weeks from the date of their separation from the service before they may receive benefits. Civilians serve a one-week waiting period. Ex-service members can receive regular unemployment compensation benefits based on employment in the military for a maximum of 13 weeks. Civilians receive regular unemployment benefits for up to 26 weeks.

To be used as the basis for paying unemployment compensation benefits, active duty service by a member of a reserve military component must have been for not less than 180 consecutive days.

Senate bill.—The Senate bill would repeal the provision enacted in 1982 requiring ex-service members to wait four weeks before being eligible for unemployment compensation benefits, and limiting the duration of their benefits to 13 weeks. It would also reduce from 180 to 90 the number of consecutive days an individual in a reserve military component must serve on active duty before that service may be counted for purposes of eligibility for benefits.

House amendment.—The House amendment is the same as the Senate bill.

Conference agreement.—The conference agreement follows the Senate bill and the House amendment.

B. Advisory Council on Unemployment Compensation

Present law.—Title IX of the Social Security Act requires the Secretary of Labor to establish a Federal Advisory Council on unemployment compensation. The number of members must not exceed 16, including the chairman. The Council's purpose is to review the Federal-State unemployment compensation system and to make recommendations for change to the Secretary.

The Council is appointed by the Secretary, and members must consist of representatives of employers and employees, in equal numbers, and the public. The Council held its last formal meeting on April 22 and 23 of 1981. Its charter expired in 1986.

Senate bill.—The bill would repeal present law and establish a new Advisory Council on Unemployment Insurance. The Council would be patterned after the advisory councils established for the Social Security program.

The Secretary of Labor would establish the first Advisory Council on Unemployment Compensation not later than February 1, 1992. Subsequent Advisory Councils would be appointed every fourth year after the appointment of the first Council. Each Advisory Council would be comprised of 11 members: three members appointed by the President pro tempore of the Senate, in consultation with the Chairman and Ranking Member of the Committee on Finance; three members appointed by the Speaker of the House, in consultation with the Chairman and Ranking Member of the Committee on Ways and Means; and five members appointed by the President. The Chairman would be appointed by the President.

Selections made by the President would be required to include representatives of business, labor, State government, and the public. The President pro tempore of the Senate and the Speaker of the House would each appoint one representative of business, one representative of labor, and one representative of the interests of State governments.

The function of each Advisory Council would be to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program, and to make recommendations for improvement. The bill specifically directs the first Advisory Council to include in its report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, and subdivisions of States. The report of the first Council is due February 1, 1994.

Each Council would be authorized to engage any technical assistance required to carry out its functions, including actuarial services. The Secretary of Labor would provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, that are required by the Council to carry out its functions.

The Senate provision would be effective upon enactment.

House amendment.—The House amendment is similar to the Senate bill. It repeals present law and establishes a new Advisory Council on Unemployment Insurance modeled after the quadrennial advisory councils established for the Social Security program. The Council would report to the Congress on the counter-cyclical effectiveness, benefit adequacy, solvency, and administrative efficiency of the unemployment program.

The Council would have 16 members plus the Secretary of Labor. The President would appoint eight members and the Congress would appoint eight members. There would be four members each from the Congress, business, labor, and State government. The Secretary of Labor would serve as chairman.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the Senate bill.

C. Report on method of allocating administrative funds among States

Present law.—Federal law authorizes appropriations to assist States in the administration of their unemployment compensation laws. The Secretary of Labor certifies to the Secretary of Treasury for payment to States such amounts as the Secretary determines to be necessary for the proper and efficient administration of unemployment compensation during the fiscal year for which the payment is made. The Secretary of Labor's determination must be based on the population of the State, an estimate of the number of persons covered by the State's unemployment compensation law and the cost of proper and efficient administration of such law, and such other factors as the Secretary of Labor finds relevant. The Secretary of Labor may not certify for payment a total amount which exceeds the amount appropriated for the fiscal year.

Senate bill.—No provision.

House amendment.—The Department of Labor would be required to send a report to the Congress with a proposal for revising the method for distributing administrative grants to States. The report would be required to include an analysis of various factors such as productivity, cost, workload levels, and simplicity.

The provision would be effective upon enactment.

Conference agreement.—The conference agreement follows the House amendment.

D. Assistance to certain dislocated workers

Present law.—Under Part B of Title III of the Job Training Partnership Act (JTPA), the Secretary of Labor has discretionary authority to spend funds on employment and training services for dislocated workers in certain circumstances, such as unforeseen mass layoffs for which regular Title II State allocations are inadequate. The Secretary may target such assistance on specific industries.

Senate bill.—The Senate bill directs the Secretary of Labor to give special consideration to providing services to dislocated timber workers in Oregon and Washington for purposes of determining the programs and activities to be funded under Part B of Title III of JTPA.

House amendment.—No provision.

Conference agreement.—The conference agreement follows the Senate bill.

TITLE IV. BUDGET PROVISIONS

A. Emergency designation

Present law.—The Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings), as amended by the Budget Enforcement Act of 1990, provides that new outlays to meet an emergency requirement may be exempted from spending caps and from causing sequestration as a result of failure to meet pay-as-you-go requirements. Part C of the Act, in sections 251(b)(2)(D) and 252(e), provides that if the President designates a provision as an emergency requirement, and the Congress also so designates in statute, then the spending authorized by any such provision will not be counted for purposes of the Gramm-Rudman-Hollings enforcement procedures.

Senate bill.—The bill provides for designating all direct spending amounts and all appropriations authorized by the bill as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985. However, the bill also stipulates that no provisions will take effect unless, not later than the date of enactment, the President submits to the Congress a written designation of all spending authorized by the bill as emergency requirements within the meaning of the Budget Act.

House amendment.—The House amendment provides that its provisions would constitute an emergency within the meaning of section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Notwithstanding the cost estimate, any amount of new budget authority, outlays, or receipts resulting from the bill would not be considered for any purpose of the Balanced Budget and Emergency Deficit Control Act of 1985.

Conference agreement.—The conference agreement follows the House amendment with a technical correction.

B. Exemption of Federal supplemental compensation from sequestration

Present law.—The Federal half of Federal-State Extended Benefits is subject to sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Senate bill.—No provision.

House amendment.—Benefits provided under the new supplemental benefits program would be exempted from sequestration.

Conference agreement.—The conference agreement follows the House amendment.

PROVISIONS NOT INCLUDED IN THE CONFERENCE AGREEMENT

A. MODIFICATIONS TO FEDERAL UNEMPLOYMENT ACCOUNTS

Present law.—Generally, State accounts in the Federal unemployment trust fund earn interest on funds not required to meet current withdrawals at a rate equal to the average rate of interest of all interest-bearing obligations of the United States forming the public debt.

The Federal unemployment tax on employers is 0.8 percent on the first $7,000 paid annually to each employee. It flows into three Federal accounts: (1) the Employment Security Administration Account (ESAA); (2) the Extended Unemployment Compensation Account (EUCA); and (3) the Federal Unemployment Account (FUA).

The ESAA holds funds for the administration of the Unemployment Insurance and Employment Services. The EUCA holds funds to cover the Federal half of the Extended Benefits (EB) program. The FUA holds funds to lend to States who run out of money in their accounts to cover State benefits and the State half of the EB program.

Currently 90 percent of the 0.8 percentage point (0.72 percentage points) Federal unemployment tax flows into ESSA. The remaining 0.08 percentage point is transferred monthly to EUCA. Up to 95% of the estimated net revenue after this transfer is available to be appropriated for State administrative costs.

The remaining balance is available for Federal administrative costs. At the end of the fiscal year, any excess above 40 percent of the appropriation for the prior fiscal year is transferred to EUCA.

EUCA receives the 0.08 percentage point of the Federal unemployment tax plus any overflows from ESAA. It has a ceiling of 0.375 percent of total wages in covered employment in the prior calendar year. If the ESAA and EUCA are full, any excess at the end of the fiscal year is transferred to the FUA. If the ESAA is not full, the excess is transferred to ESAA and then any remaining funds go to FUA or EUCA to the extent that they are not full.

FUA does not receive Federal unemployment taxes directly. If ESAA and EUCA are full at the end of the fiscal year, FUA receives the excess funds. If all three accounts are full, the excess is allocated to the State accounts in the unemployment trust fund in proportion to each State's share of Federal unemployment taxes paid in the prior calendar year.

Senate bill.—No provision.

House amendment.—The provision would authorize a tiered interest rate structure to reward States for maintaining adequate balances. Interest rates on State balances would earn premiums of 5, 10, and 15 percent higher than the current interest rate if their "high-cost multiples" in the previous quarter exceeded 0.5, 1.0, and 1.5 respectively. The high-cost multiple equals a State's current trust fund balance expressed as a percent of total wages paid in the State divided by the highest ratio of benefit costs to total wages for a 12-month period in the State's experience.

The provision would change the flow of Federal unemployment tax revenue into the three Federal Accounts such that ESAA would receive 80 percent. EUCA and FUA each would receive 10 percent of the annual revenue. The overflows would continue to work as under present law. Interest-free borrowing would be authorized between the accounts. The ceiling in the loan account would be lowered from 0.625 to 0.375 percent of total annual wages. The ceiling on EUCA would be raised from 0.375 to 0.625 percent of total annual wages, and it would be renamed the Supplemental Compensation Account.

Conference agreement.—The conference agreement does not include the House amendment.

B. COST ESTIMATE

Present law.—Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990, provides that the Office of Management and Budget shall determine and report on amounts to be sequestered to enforce spending limits, pay-as-you-go targets, and deficit targets. If in its final sequestration report OMB estimates than any sequestration is required, the President shall issue an order fully implementing without change all sequestrations required by the OMB calculations set forth in that report.

Senate bill.—No provision.

House amendment.—As required by House rules, the total dollar amounts of outlays and receipts resulting from the provisions of the bill in fiscal years 1991 through 1995, as estimated by the Congressional Budget Office, are written into the bill.

Conference agreement.—The conference agreement does not include the House amendment.

C. INTERNATIONAL COFFEE AGREEMENT

Present law.—The International Coffee Agreement is a multilateral commodity agreement, first negotiated in 1962, between consumer and producer countries. Its objective is to stabilize coffee prices and assure adequate supplies of coffee to consuming nations. Negotiations on the renewal of the agreement were broken off in 1989. The statutory authority for U.S. participation in the agreement expired on October 1, 1989.

Senate bill.—The bill contains a Sense of the Senate resolution stating that the International Coffee Organization, through its export quota system, acts like a cartel and directly against the interests of American consumers by keeping prices at artificially high levels.

The resolution expresses the sense of the Senate that the United States should not be a party to any coffee agreement which will increase the price of coffee to the American consumer.

House amendment.—No provision.

Conference agreement.—The conference agreement does not include the Senate provision.

DAN ROSTENKOWSKI,
THOMAS J. DOWNEY,
HAROLD FORD,
BARBARA B. KENNELLY,
MICHAEL A. ANDREWS,
Managers on the part of the House.

LLOYD BENTSEN,
GEORGE MITCHELL,
DON RIEGLE,
BOB PACKWOOD,
Managers on the Part of the Senate.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1330

Mr. RIGGS. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 1330.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. WALSH Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Monday, September 30, 1991:

S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.

WE CARE ABOUT WELL-BEING OF WORKING MEN AND WOMEN

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, we have the opportunity today to let the American people know that we really understand what is going on in these United States.

We have a very serious situation. Many American people are desperate, and they need help, they need their Government's help. Some of these people have never asked for that help before.

The statistics speak for themselves: 9 million people looking for work; 6 million people working parttime because they cannot find a full-time job.

My own State of Connecticut has 40,000 people who have exhausted their unemployment insurance benefits, and we have the highest per capita income in the United States of America.

Mr. Speaker, it is no secret that the White House threatens to veto this bill. But I can only say that anyone who threatens that veto has never looked in the eyes of someone who is desperate; someone who does not know how they are going to pay the mortgage, pay the car payment, or even pay the bills.

I urge my colleagues today to come together and make it known, very loud and very clear, that we have the votes to override a veto, that we understand that there are people who have worked for 10 or 20 years, never needing the help of their Government, but they need it today. This is when their Government should be with them.

I urge a loud, clear override vote.

OUR NATION'S UNEMPLOYED NEED SMALL BUSINESS JOBS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, today we will consider the conference report to S. 1722, the Emergency Unemployment Compensation Act.

This bill is not the answer to the problems of the unemployed. If we really wanted to help our Nation's unemployed, we would enact unemployment benefits that are paid for by identifying offsetting savings. At the same time, we would pass measures that would stimulate small business job creation.

But Mr. Speaker, we will not be given that choice. Instead, Members are faced with the option of voting for a bill that will throw the country deeper in debt, thereby causing more Americans to lose their jobs—or voting for nothing at all. The vast majority of our Nation's unemployed would much rather have a permanent job than long-term access to unemployment benefits.

As we vote today on this conference report I urge my colleagues to remember that it is easy to say that you are all for small business job creation, and our Nation's unemployed, but it is how you vote that really counts.

☐ 1240

PRESIDENT SHOULD SIGN UNEMPLOYMENT EXTENSION

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, today the Congress is going to vote to pass extended unemployment benefits and the President said he will veto that bill again, and he will talk about growth policies, and let us have some growth around here.

Well, let us look at some figures from the administration, the Bureau of Labor Statistics. Let us see how those growth policies have worked for working Americans.

George Bush promised us 30 million jobs, as candidate Bush. The result, according to this chart, George Bush has 300,000 jobs less than we had when he became President. Every other President, back to Ike, had positive job growth every month; 200,000 under President Carter, 175,000 a month under President Reagan. George Bush is losing us 10,000 jobs a month.

The only growth rate this administration knows is negative growth rate, and those are the people who are suffering and need the extended unemployment benefits. Let us put faces in front of the chart, in front of the people below this line. They are the men and women, working Americans, who have car payments to make, tuition payments, and children and doctor bills to pay. They are the people who want to work, have worked before and want to work again.

If George Bush's policies are costing Americans below this line their jobs, at least I would urge him to sign the unemployment bill to help them get back above this line.

BREAST CANCER AWARENESS MONTH

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, today, October 1, 1991, is the first day of "Breast Cancer Awareness Month." During this month, women throughout the United States will be looking to the Congress and cancer organizations for guidance on how to improve their health. Groups, such as the Komen Foundation and the American Cancer Society, have developed activities to improve knowledge about this disease and how early detection can save lives.

As we have discovered, Members of Congress and their loved ones are not exempt from this disease. I know, as a breast cancer survivor myself, it is a scary and trying time. I pray for the quick recovery of Priscilla Mack, wife of Senator CONNIE MACK, and am encouraged by the successful recovery of Congresswoman MARILYN LLOYD.

Mr. Speaker, I would like to ask my colleagues "What are you doing to recognize Breast Cancer Awareness Month?" Later this month, I will be hosting a Breast Cancer Public Education Fair in my district. This event, sponsored by the American Cancer Society, will provide the public with education about early detection and the need for a routine mammogram after the age of 40. I urge my colleagues to take similar action. If you have not done so already, cosponsor legislation to increase the availability of mammography screening for women or make public service announcements about the importance of early detection, but somehow let your constituents know you care. Hopefully, this knowledge will save lives—many, many lives.

THE UNEMPLOYMENT INSURANCE REFORM ACT

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, today the House has an opportunity to help millions of unemployed Americans in their greatest hour of need.

Just over one-third of the 8.5 million unemployed Americans are receiving unemployment benefits. The remaining two-thirds have spent months seeking a job that will put food on their families' table. Their unemployment benefits have run out with no economic recovery in sight.

The Congress has tried to address this tragedy, but the President says no. Over $8 billion surplus sit idle in the unemployment fund, a fund dedicated to unemployment compensation, while more than one million Americans have been unemployed for over 6 months. Yet, President Bush would rather use those funds to make the deficit appear smaller than help those Americans make it through this difficult period.

It is time for this President, in his big White House, to think about the unemployed American in his little white house. President Bush will not have to pay a heating bill, or rent, this winter for his house, but the unemployed American does. Without an extension of benefits, he may not be able to heat his house, or to even pay his monthly rent. To some folks, these benefits make the difference between shelter and homelessness.

Today, let us set a kinder and gentler example. Support the conference report.

DEMOCRATIC REFORMS NEEDED IN KUWAIT

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, later this week President Bush will meet with the Emir of Kuwait. I hope the President will remind the Emir of a basic belief held not only by Americans, but all free peoples throughout the world: The press must be free.

Seven months after Operation Desert Storm liberated Kuwait from tyranny, the Kuwaiti press—which used to be free—remains gagged through official censors stationed at every newspaper. The censor's aim? To assure no real criticism of the Al-Sabah government is printed. New papers, like February 26 which spread the fires of freedom during the Iraqi occupation, are denied registration for printing in today's free Kuwait because of possible negative articles it could print. For those of us who supported Desert Storm, this is unacceptable.

Last, October—before the United Nations or the United States voted on using force—the Emir of Kuwait promised his people and the world that a liberated Kuwait would return to its constitutional foundations. While he has announced elections for October 1992, this is not enough since no election can truly be "free and fair" if the people cannot express their views in a free, unrestricted press. It's time to live up to these promises.

I stood 100 percent behind President Bush's actions to free Kuwait. I helped craft responsible legislation in the House to support democratic reform in Kuwait—not bash the Emirate. So, I stand here today as a true friend of Kuwait to say, "Remove all censorship of the press, Sheikh Jaber."

The time has come for the Kuwaiti Government to allow a free and vibrant press to set an example for the whole region and remove this ugly reminder of Iraq's occupation and Saddam Hussein's dictatorial policies.

TIME FOR PRESIDENT TO DO SOMETHING GOOD FOR AMERICANS: SIGN THE UNEMPLOYMENT BILL

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, the President is doing many good things for the world. He has reduced the terrible nuclear threat by his speech of last week to abandon short-range nuclear missiles. He is providing much needed assistance to Eastern Europe and the peoples of the Soviet Union who are suffering much at this time.

The President has moved forward resolutely on finding a peaceful solution to the crisis in the Middle East. These are good things for the world.

Now, Mr. Speaker, it is time for the President to do something good for the people of this country. I hope that the President will sign into law the extended unemployment compensation benefits bill which will be sent to him today.

Mr. Speaker, with respect to Kentucky, we would qualify for 13 weeks of unemployment benefits because our unemployment rate is above 7 percent. In my own community of Louisville, it is above 6½ percent.

Let me just say, Mr. Speaker, the President has done many laudable and important and good things for the world. Now I hope he does a laudable, important, and good thing for America.

RUBBERGATE, THE CHECK WRITING SCANDAL

(Mr. NUSSLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NUSSLE. Mr. Speaker, it is time to take the mask off this institution. It is time to expose the check writing scandal that I like to call Rubbergate. It is time to bring some honor back to this institution.

Nine months ago, I stood on this floor with other freshmen and took the oath of office for the very first time in my career, and it was probably one of the most important days of my entire life. I have never been so proud; but to go home to my district over this weekend and to have people laughing at Congress, laughing at Congressmen, laughing at this institution, brings dishonor on all of us.

I will give you a couple examples. I was out at a Pizza Hut this weekend with my son, Mark, and my daughter, Sarah, my wife, Leslie, and a gentleman from the booth behind me asked me, "Are you going to pay for this with a check, Congressman?"

That is not the kind of jokes that we need. We need to expose this.

Mr. Speaker, announce the list of names.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair would like to advise the gentleman from Iowa, the gentleman is not supposed to use the exhibit as he did. The Chair should have caught it. The Chair knows the gentleman will respect the rules of the House.

HAPPY BIRTHDAY WMUR

(Mr. SWETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWETT. Mr. Speaker, I rise today to pay tribute to a decade of fine service provided to the people of New Hampshire by WMUR-TV. Owned and operated by the Imes Group and led by President Birney Imes, Jr., WMUR continues to be the only network affiliated station within New Hampshire's borders, carrying a full-time news operation with five newscasts each day. Congratulations to the entire news team on providing the kind of up-to-the-minute information that allows our citizens to keep pace with the steady flow of events.

WMUR's entire staff—70 people strong—has also created a tradition of public service that has set an example for all of us in the Granite State. WMUR continues to serve New Hampshire by visiting schools around the State and by donating air time to New Hampshire public service organizations. In addition, WMUR has raised millions of dollars in telethons to support the Muscular Dystrophy Association, the Easter Seal Society, and the Arthritis Foundation.

Mr. Speaker, I ask my colleagues in the Congress to join me in congratulating WMUR on its 10th anniversary and to wish the staff many more years of service to the good people of New Hampshire.

PARLIAMENTARY INQUIRIES

Mr. DeLAY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman will state it.

Mr. DeLAY. Mr. Speaker, did I mishear the Speaker about the exhibits? Could the Speaker clarify the admonishment of the gentleman from Iowa about the exhibits?

The SPEAKER pro tempore. By the rules of the House, Members may not use an exhibit the way the gentleman did. The Chair will call Members to order on both sides of the aisle.

Mr. DeLAY. Mr. Speaker, a further parliamentary inquiry: Is charts and the use of the easel and charts an exhibit?

The SPEAKER pro tempore. Charts are not included in that admonition.

Exhibitions on the floor such as the gentleman utilized in the well are prohibited.

Mr. DeLAY. I have a further parliamentary inquiry, Mr. Speaker, I did not quite understand it. I am sorry I am a little dense. Do you use—you can use charts but do not those charts require permission of the House to use them?

The SPEAKER pro tempore. The Parliamentarian advises that if a Member wants to challenge the use of a chart in the well, that that could be done and then the Chair puts the question on the use of that exhibit to the House.

Mr. DeLAY. So the Chair will not admonish a Member for using the charts but will admonish a Member to the discretion of the Chair, the kinds of exhibits that the Member uses, if it brings ridicule on the House?

The SPEAKER pro tempore. That is correct. To maintain proper decorum in the House, the Chair used his discretion with the gentleman from Iowa.

Mr. DeLAY. I have a further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DeLAY. Mr. Speaker, are bouncing checks bringing ridicule to the House?

The SPEAKER pro tempore. The Chair did not hear what the gentleman said. Will he repeat?

Mr. DeLAY. I was asking a parliamentary inquiry, whether bouncing checks was bringing ridicule to the House.

The SPEAKER pro tempore. The Chair will refer the gentleman to the Speaker's very strong statement on last Wednesday.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 2935. An act to designate the building located at 6600 Lorain Avenue in Cleveland, Ohio, as the "Patrick J. Patton United States Post Office Building".

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2521. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2521) "An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 1992, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. INOUYE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. BYRD, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Mr. STEVENS, Mr. GARN, Mr. KASTEN, Mr. D'AMATO, Mr. RUDMAN, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, and Mr. HATFIELD to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 1722) entitled "An act to provide emergency unemployment compensation, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1773. An act to extend for a period of 31 days the legislative reinstatement of the power of Indian tribes to exercise criminal jurisdiction over Indians.

CONGRESS SHOULD LIVE UP TO ITS RESPONSIBILITY TO PASS BILLS ON TIME

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, today is the beginning of a new fiscal year, and yet this Congress is practicing its old habits of grandstanding about issues and not doing the sensible thing to fix it. Mr.

Speaker, this Congress needs accountability and a sense of responsibility.

Members are posturing on an unemployment benefits bill which they know will be vetoed, and yet we have not reauthorized the highway program that would put thousands of construction workers to work. Here we have the opportunity to move ahead with jobs, move ahead with the transportation program, but instead it is delayed, the new fiscal year starts and the highway contracts are stalled and people are without jobs. All this could be avoided if Congress would live up to its responsibility to pass the bills on time.

Mr. Speaker, the irony of this is sharp, and I hope Members will pause to think about the consequences for jobs because Congress missed the deadline of the new fiscal year.

Mr. Speaker, if the leadership would spend as much energy toward helping develop jobs, passing a highway reauthorization, as it does toward posturing itself for the 1992 Presidential election, we would all be further ahead.

OCTOBER IS BREAST CANCER AWARENESS MONTH

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today marks the beginning of Breast Cancer Awareness Month. I don't think there is a person in this House who hasn't been touched personally by breast cancer.

The good news is that breast cancer survivors have become politically active on this issue and demanded that Congress put the funding of breast cancer research as a top priority. We in Congress met that demand in the NIH Reauthorization Act in spite of President Bush's veto threat.

Now I ask you to join me and MARILYN LLOYD in sponsoring legislation to strengthen the key to the early detection of breast cancer—mammograms.

Our legislation, the Breast Cancer Screening Safety Act, requires national quality standards for all mammography facilities in the area of equipment, personnel, oversight quality control, and enforcement.

As we continue to urge women to get their annual mammograms, we must also guarantee them that their mammogram will be safe and accurate. This legislation gives women that assurance.

Too many tragic cases have occurred where a woman has a mammogram, receives a clean bill of health, and a few months later learns she has breast cancer. The Breast Cancer Screening Safety Act can help avoid such tragedies.

EXTENSION OF UNEMPLOYMENT BENEFITS IS PARTISAN POLITICS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, after the President exercised his authority over the first unemployment compensation bill, the Democrats in a brave show of partisan politics cried that the President and the Republicans don't care about the unemployed. Why then, one might ask themselves, weren't the Democrats complaining when President Jimmy Carter refused to extend unemployment benefits during his Presidency while unemployment was at 7.1 percent? The answer is simple, Jimmy Carter was a Democrat, George Bush is a Republican. The Democrats claims are pure, unadulterated, partisan politics.

The Democrats maintain that there is enough money in the unemployment trust fund to pay for this bill. Unfortunately, Congress has already spent that money someplace else. If the bill before us today passes it will add to the deficit, and it will break the pay-as-you-go provisions in last year's budget agreement.

If we want to help the unemployed, let's give businesses the tools to hire them back, let's pass an economic growth package and not just pass along more government spending.

This class-warfare campaign tactic of the Democrats is always ugly, but it is especially distasteful when they play politics with the hopes and lives of those who have unfortunately lost their jobs in a recession brought on by Congress' insatiable appetite to spend.

BREAST CANCER AWARENESS MONTH

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, October is Breast Cancer Awareness Month. But every day ought to be Breast Cancer Awareness Day.

Mr. Speaker, it is true that during the Vietnam war era we lost 50,000 men and women. During that same period we lost 330,000 women who died of breast cancer. One woman every 11 minutes finds out she has breast cancer.

So it is true that every year 45,000 women die of this disease, and yet we have not done what we should be doing comprehensively about this disease.

What should we be doing? Three things: We ought to have women understand the nature, and have their families understand the nature of the disease; we ought to have informed decision laws passed all over the country, including in this Congress, so that women are aware of their options of treatment. The second thing we ought to do is really have every private and public policy have mammography coverage for women over 35. Women certainly ought to understand self-examination. But, Mr. Speaker, that is not enough. We should have a cure for breast cancer by increasing the research dollars. I only hope I do not have to get angry again when that bill comes to the floor relative to research.

□ 1300

THE HOUSE BANK SCANDAL

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, I would request that we have a full disclosure of the matter pertaining to the House Bank.

Mr. Speaker, I think we have seen a number of expressions of public concern about this matter. William Safire in the New York Times expressed the idea most significantly when he wrote in yesterday's editorial: "For a score of Representatives real money, and perhaps real crime, is involved * * *."

Mr. Speaker, he is referring to the 24 Members who, without having sufficient funds in their accounts, wrote at least one check per month in the amount of $1,000 or more. Although the House Bank was ultimately fully reimbursed, some Members waited up to 4 weeks before depositing sufficient funds into their accounts.

There is a taint on the membership of this House occasioned by this scandal. We can remove the taint by full disclosure. As Mr. Safire states in his commentary:

> We are not talking about the inadvertent overdrafter who quickly corrected a mistake; at large are officials who willfully and frequently abused their privilege. All should be exposed. Some should be made to pay substantial taxes with penalties; a few deserve censure.

Mr. Speaker, I ask for full disclosure of the facts in this matter.

BREAST CANCER SCREENING SAFETY ACT

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. LLOYD. Mr. Speaker, I am pleased to join with my friend and colleague, Congresswoman SCHROEDER in introducing today the Breast Cancer Screening Safety Act of 1991. This bill will establish Federal quality standards for mammography.

Currently, early detection of breast cancer remains women's best chance of survival. Mammography, an x ray of the breast, is currently the most effective detection measure as it can detect lumps which cannot be felt.

Unfortunately, the General Accounting Office [GAO] revealed wide variation in quality standards of mammography. These standards include image quality, radiation dose, using dedicated equipment, ensuring that only trained medical staff read the results, and directing proper oversight and regular inspections. These standards are vital because a mammogram is one of the most difficult images to read, requiring maximum clarity. The GAO found that failure to meet any one of these standards can compromise the quality of the results. This can result in an unnecessary mastectomy, delayed diagnosis, and even death.

The Breast Cancer Screening Safety Act of 1991 will require the Secretary of Health and Human Services to develop quality standards for all mammography facilities in the area of equipment, personnel, oversight, quality control, and enforcement.

Voluntary standards have not worked in this area. Less than 1 in 4 of the mammography units in this country currently meet the voluntary professional standards established by the American College of Radiology. Only 13 States have enacted quality assurance legislation.

This body began to ensure quality mammography by approving provisions in the Omnibus Reconciliation Act of 1990, which required the Secretary of Health and Human Services to establish minimum standards for mammography as a condition for Medicare reimbursement. These standards, however, have yet to be implemented and lack sufficient oversight and quality control.

The Breast Cancer Screening Safety Act would require the Secretary to develop national quality standards for all mammography facilities.

Certain women in this country deserve to know that the mammogram they seek is the highest quality technology that can be provided. Support the Breast Cancer Screening Safety Act.

I am submitting the following analysis of the legislation to be included in the RECORD.

ANALYSIS OF BREAST CANCER SCREENING SAFETY ACT OF 1991

Title.—The bill is entitled "Breast Cancer Screening Safety Act of 1991."

Certificate.—After December 31, 1993, no facility may conduct a mammogram without a certificate issued by the Secretary of the Department of Health and Human Services. Each certificate is valid for a period of 2 years and is renewable.

A facility must provide assurances that it meets the standards for quality in the areas of equipment, personnel, and quality control established by the Secretary in order to receive certificate. A facility may apply directly to the Secretary for a certificate, or if the facility is accredited by an approved accreditation body, the accreditation body may submit the application on behalf of the facility to the Secretary. The Secretary will prescribe the manner of applying for a certificate for facilities.

Examinations and Procedures: Certificates will be issued to facilities in order for facilities to operate equipment in performing mammography, interpretation of screenings, performance of needle localization, and for on-going quality control procedures.

Accreditation: A mammography facility may receive accreditation from an accreditation body that has been approved by the Secretary. The accreditation body may submit the application for certification on behalf of the facility. Accreditation bodies shall assist facilities in meeting—at a minimum—the quality standards established by the Secretary.

Accreditation bodies may inspect facilities on behalf of the Secretary to determine if the facilities are in compliance with the standards set by the Secretary.

The Secretary shall evaluate annually the performance of accreditation bodies. In the event that approval of an accreditation body is withdrawn, the certificate will remain in effect for 60 days following notice of withdrawal.

Federal Standards: The Secretary shall establish federal quality standards for mammography facilities, including quality of equipment and personnel. In developing standards, the Secretary shall consult with the American College of Radiology.

Certification of Personnel: The Secretary, by regulation, shall identify the organizations and boards that may certify individuals to perform radiological procedures, to interpret screening mammograms, and to inspect equipment. The Secretary will also establish qualification standards.

Inspections: The Secretary shall conduct inspections of certified facilities, announced or unannounced, at least once a year. Each facility shall maintain records of inspections for a minimum of 7 years.

Intermediate Sanctions: If the Secretary determines that a facility has not complied with federal standards, or if the approval of an accreditation body is withdrawn or revoked, the Secretary may impose intermediate sanctions. Such sanctions will be imposed not earlier than 90 days after notification of noncompliance with standards or withdrawal or revocation of accreditation approval.

Intermediate sanctions include a directed plan or correction; civil damages not to exceed $10,000 for each failure or each day of noncompliance; or payment for the cost of onsite monitoring.

Suspension, Revocation, Limitation of Certificate: The Secretary may suspend, revoke, or limit a certificate, if after reasonable notice and opportunity for a hearing, the facility has misrepresented information, failed to comply with standards, failed to comply with the Secretary's requests, or has refused a reasonable request of a federal officer or of the Secretary.

Injunctions: If the Secretary determines that the activity of a facility constitutes a significant health hazard to the public, the Secretary may bring suit in federal district court to enjoin the continuation of that activity.

Appeals: An owner or operator of a facility may file an appeal in U.S. Court of Appeals for judicial review of the imposition of an intermediate sanction.

Criminal Sanctions: It will be a criminal offense to intentionally violate any provisions of this Act or accompanying regulations. Sanctions will include imprisonment for not more than one year, or in the event of a second offense, for not more than 3 years.

Fees: The Secretary shall require fees for certificates and inspection if they lead to a withdrawal of approval.

Information: No later than April 1, 1994 and annually thereafter, the Secretary will compile and make available to physicians and the general public information for evaluating facilities, including a list of facilities with revoked, suspended or limited certificates, those subject to sanctions, withdrawn or revoked accreditation.

State law: This Act shall not affect the power of any state to enact and enforce laws consistent with this Act. If a State enacts a more stringent law, the Secretary may exempt the facilities in that state with compliance with this Act.

Research Grants: The Secretary will make grants to entities to conduct research on new methods of establishing a Mammography Registry, including mammography images, physician reports, outcome and followup information. Grants may be used to improve methods of film duplication, archiving, access and confidentiality of data, and pilot testing.

Grant recipients must report to the Secretary results of studies and tests along with recommendations for establishing a Mammography Registry.

Information to Registry: The Secretary may require facilities to provide data to the Registry that will assist research of the causes, characteristics, prevalence of, and potential treatments for breast cancer.

Medicare: The Social Security Act will be amended so that screening mammography at a certificate facility complies with this Act.

MISPLACED OUTRAGE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise an extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, some Members and former Members are outraged because their conversations with the Communist dictators of Nicaragua were allegedly overheard by the CIA.

Mr. Speaker, their outrage is misplaced. Would they have been upset if they had been taped speaking to Saddam Hussein last spring, or Adolph Hitler 50 years ago?

Mr. Speaker, the Sandinistas were a Communist revolutionary force hell-bent on enslaving Central America. If Members of Congress had their telephone conversations with them intercepted, tough stuff. If they want to assure the American people that they were doing nothing wrong, then they can waive the Privacy Act and make the transcripts public. We deserve no less than that, Mr. Speaker.

So, where is the investigation?

THE START OF NATIONAL BREAST CANCER AWARENESS MONTH—OCTOBER 1, 1991

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, last week the House passed my legislation designating October 1991 as National Breast Cancer Awareness Month. I want to mark the start of this month by reiterating just why we felt this particular commemorative was so important. First and foremost, breast cancer is the second leading cause of cancer death for American women and it is estimated that one of every nine women in our country will develop breast cancer at some point in her life. In light of these striking statistics, the House, the Senate and cancer advocacy groups nationwide have joined forces to set aside this month to call attention to the disease and stress the need for early detection and treatment.

While the spread of breast cancer and its mortality rate are distressing, there is hope for improvement. But to realize the potential for reversing the current trend, all women must be made aware that early detection is the key. Around the country this month, events are planned to raise our collective conscientiousness and encourage every woman to perform routine self-examination, have their physicians perform breast exams, and get mammograms. It has been medically proven that by detecting the breast cancer early, we can significantly reduce not only the mortality rate, but the devastating effects of the disease and its treatment.

It is my sincere hope that in a few short years, we will see the positive results of a series of National Breast Cancer Awareness Months in the form of a significant drop in the breast cancer mortality rate in this country and the world. After all, saving lives is what this commemorative is all about.

WHAT ARE WE TRYING TO HIDE?

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, what are we trying to hide from the American people? What do we have to fear?

Mr. Speaker, release the names of those Members who have overdrawn their accounts at the House bank. Do this to remove the cloud of suspicion hanging over the heads of those of who have done nothing wrong.

Do this to restore confidence in this body. Do this because, as the American public knows and are letting us know, it is the right thing to do.

We owe it to ourselves to make public these records. We owe it to the integrity of this institution.

But most importantly, we owe it to the citizens who placed their trust in us by electing us to Congress.

CITIZENSHIP FOR SALE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. The President has kicked off his domestic policy: Rich foreigners will be allowed to invest $1 million, and then they become American citizens.

Mr. Speaker, it is a twofold plan. No. 1, someone has to hire the 9 million laid-off American workers; and, No. 2, someone has to pay for a new batch of immigrants, 140,000 of them with 120,000 of them immediately going on welfare.

Now tell me, Mr. Speaker, how do we go home as Members of Congress and justify a President that will let in 120,000 people who are not even American citizens and give them welfare, but vetoes an unemployment compensation bill?

I say there should be a new verbiage written on the Statue of Liberty: Send us your rich, your entrepreneurs, your millionaires, and we'll send you our second-class citizens, formerly known as middle class.

WANNABE SECRETARIES OF STATE AIDED AND ABETTED THE SANDINISTAS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, I wish to express to you my concerns that some of the Members of this body apparently have been caught playing at being Secretary of State. Those of us who were in the Congress during the struggle for freedom in Nicaragua are not surprised at the revelations of the Democrats' Managua connection.

It was President Reagan's determination to resist the Soviet threat around the world, including such surrogates as Cuba and the Sandinistas of Nicaragua, that brought us victory over communism. Yet nowhere was his correct and courageous policy so opposed by people in this body who ought to have known better than in Nicaragua.

Some of our colleagues took their efforts to the extreme of providing advice and counsel to the Ortegas on how to defeat the policy of the U.S. Government. Not satisfied to hamstring this Government legislatively, these wannabe Secretaries of State gave help and comfort to the enemy—thereby aligning themselves with the same leftist totalitarians who have just gone down to defeat around the world.

The voters are entitled to know who these Members are, and I join my colleagues in demanding a thorough examination of the record on this matter. The reputation of this body requires us to establish which Members improperly and illegally aided and abetted the Sandinistas.

□ 1310

RTC REFORM AND ACCOUNTABILITY ACT

(Mr. COX of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of Illinois. Mr. Speaker, this week the Financial Institutions Subcommittee will consider legislation to provide the RTC with another $80 billion from American taxpayers. In March, with great reservation, I voted to give the Corporation $30 billion. At that time, I sent a loud message that I hoped the RTC would improve its performance.

Seven months later, I see no visible evidence of improvement. The RTC is sitting on 156 billion dollars' worth of assets acquired from failed savings and loan institutions—and now it's time to sell these assets. The RTC has not provided Congress with an audit for its 1990 operations—and now it is almost 1992. And further, managers that were once employed by fraudulent savings and loan institutions are now enjoying cushy jobs within the RTC—so it is time to abolish their level of comfort.

Last week my friend and colleague, JIM BACCHUS, and I introduced the RTC Reform and Accountability Act. Among other features, the bill will not give the RTC any further funding until the RTC quickens its pace and starts selling its massive asset inventory. It's time to prove we mean what we say, and provide the RTC with the proper incentives to clean up its act, and complete its task.

I will vote for no further funding for the RTC until we have a firm commitment that, this time, things will improve within the Corporation.

RELEASE INFORMATION ON MANAGUA SURPRISE

(Mr. DeLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeLAY. Mr. Speaker, we must have the truth about the Democrats' Managua connection, in which we hear how some Members of this body were providing aid and counsel to the Marxist Sandinistas.

For one very important reason, especially: It seems obvious that these Members and/or their staff were operating on the basis of information that could only have come from privileged material in the possession of the Select Committee on Intelligence.

Now, rule XLVIII of the House of Representatives, governing the operation of the Permanent Select Committee on Intelligence, provides very clearly that classified information provided the Committee by the Intelligence Agencies may be shared only after a vote of the select committee. Further, records are kept detailing such disclosures.

A breach of this rule requires investigation by the Committee on Standards of Official Conduct. In both these cases we are talking about matters that can't go unexamined. Further, we are dealing with a situation which will grow by leaps and bounds if we don't get the actual information out for scrutiny sooner rather than later.

I urge my colleagues to join in demanding that this information be released. If we do not, then it will be another example of how the Congress can't even play by its own rules. If we do, and we must, we will have the truth, to which our constituents are entitled.

RTC MUST BE HELD ACCOUNTABLE

(Mr. BACCHUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BACCHUS. Mr. Speaker, everyone is weary of the savings and loan cleanup. The press is weary, the Congress is weary, the President is weary, and certainly the taxpayer's are weary. We cannot afford this weariness.

Yesterday I sat with members on the Select Committee on Children, Youth and Families, in a hearing room on the first floor of the Rayburn Building here in Washington. We listened as a parade of teenagers from around the country came before us to tell us all that they need in the way of programs for children and young people.

They told us there is no money for child nutrition programs or Head Start; they told us there is no money for drug treatment; they told us there is no money to help us prevent dropouts from school; they told us there is no money for job training. Mr. Speaker, we heard an endless parade.

Tomorrow in that very same room I will sit with members on the Committee on Banking, Finance and Urban Affairs and deliberate over a request by the Resolution Trust Corporation for $80 billion more from the taxpayers of this country. This is in addition to the $80 billion they have already spent.

The gentleman from Illinois [Mr. COX] and I have introduced legislation that will for the first time make the Resolution Trust Corporation accountable for how they have spent these dollars. Through auditing requirements, through performance based financing, and through other reforms, we will at last get some accounting of how the RTC is spending this money.

Mr. Speaker, we cannot afford weariness on this issue. We must be diligent, we must be vigilant, and the gentleman from Illinois [Mr. COX] and I intend to be.

PASSIVE LOSS CORRECTION FOR REAL ESTATE

(Mr. HOBSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOBSON. Mr. Speaker, as a realtor and former real estate developer, I rise today in strong support of the passive loss correction bill, introduced on June 11, 1991. I am one of more than 300 cosponsors of this important legislation.

This Congress has the opportunity to address the primary source of our troubled financial industry, and in a large part, our troubled economy. The collapse of the real estate market has been the largest force behind the near collapse of the savings and loan industry, a near collapse which has already cost the taxpayers $100 billion, and, considering the $745 billion in commercial mortgage debt still held by American banks, could potentially cost the taxpayer billions more.

The real estate industry has traditionally led our economy out of past recessions. However, since the 1986 Tax Act, this industry has been burdened by unfair taxes, and will remain so unless Congress acts to remove this handicap. We must adjust the 1986 Tax Act in order to halt the downward spiraling of nationwide property values.

H.R. 1414 does this by encouraging competent industry professionals to purchase and efficiently run rental properties, effectively keeping them out of the portfolios of our financial institutions. At the same time, it keeps intact the preventive measures set forth in the 1986 Tax Act.

Mr. Speaker, I strongly urge that this bill be enacted by this Congress.

THE REAL VICTIMS IN HAITI

(Mr. HALL of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, the army is in charge again in Haiti. A military coup has removed President Aristide from power.

Earlier this summer, members of the Select Committee on Hunger visited Haiti. We met with President Aristide. We saw poverty that was overwhelming; people living in conditions that are unbelievable. President Aristide told us he was committed to changing those conditions. As the first democratically elected leader Haiti has had in a hundred years, Aristide should be returned to power immediately. In the meantime, I call upon the coup leaders to respect the fundamental human rights of the Haitian people, as required by international law.

Mr. Speaker, the people are the real victims of this coup. President Aristide has said, "When the people are hungry, I am hungry." Today, the Haitian people are hungry. Right now, Haiti is not just the poorest country in this hemisphere. It's not just the country with the highest infant mortality rate, or the lowest daily calorie intake. Haiti is the latest battlefield of democracy. What's at stake is more than the Haiti presidency—it's the Haitian people, who've been robbed of their first elected leader, and of their democratic future.

SUPPORT BREAST CANCER SCREENING SAFETY ACT

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I am pleased to join my colleagues who are speaking today in support of the Breast Cancer Screening Safety Act. This important legislation, introduced by my colleagues, Congresswomen SCHROEDER and LLOYD, would establish national quality standards for all mammograpy facilities and provide legal mechanisms to ensure their enforcement.

This bill is critical in view of the fact that only nine States have enacted quality assurance standards. A recent General Accounting Office report indicated that standards in mammography units vary widely, with less than one in four currently meeting the standards established by American College of Radiology. At a time when one in nine women in this country will develop breast cancer in their lifetimes, we must ensure that mammograms are of the highest quality. Early detection continues to be the best chance for survival.

October is Breast Cancer Awareness Month, and I also urge my colleagues to take this opportunity to cosponsor the Women's Health Equity Act, a package of bills to address the current gaps in research on women's health. It is critical that we work together for increased funding for breast cancer research, expanded health insurance coverage for mammograms, and quality breast cancer screening.

PROGRESS ON HUMAN RIGHTS NEEDED IN GUATEMALA

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Mr. Speaker, this week, President Serrano of Guatemala is in the United States to discuss his Government's application for United States aid. In a pitch for assistance, he will attest to improvements in human rights. But what he won't tell us is that his is a government whose own judges are forced to flee the nation in fear of their lives. This is exactly what happened to Judge Roberto Lemus, who had to escape the country after receiving death threats. Guatemala is a nation where extrajudicial executions, disappearances, and torture continue unabated. In fact, by the Guatemalan Government's own admission, there have been 116 confirmed disappearances and political killings this year alone.

Mr. Speaker, President Serrano has made a rhetorical commitment to human rights. But words are not equal to a real record of human rights. Before we consider sending aid to Guatemala, we ought to demand an end to the threats against human rights workers such as Amilcar Mendez and real progress toward solving the 172 cases of disappearances still under investigation. Whatever his good intentions President Serrano has not yet made this kind of progress, and he does not yet deserve our praise.

□ 1320

PEACE DIVIDEND SAVINGS SHOULD BE USED FOR DEFICIT REDUCTION

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, like so many of my colleagues I praise the bold leadership President Bush has shown in reducing the nuclear threat which hangs over the world.

I am sure that many in this body spent this weekend thinking of new ways to spend any peace dividend money which might be available as a result of these defense reductions. Congress is very good at spending money. But I rise today to call on the Congress to put this money toward deficit reduction, not new spending.

Many of us speak about the need to address domestic concerns. There are few more pressing domestic problems than the monstrous budget deficit. Getting America's fiscal house in order ought to be a top priority for both the Congress and the President, before we drown in a sea of red ink. The savings from the defense budget present us with an opportunity to cut the deficit, and I say we ought to be doing just that, not finding new ways to spend this money.

We have an opportunity to do something about the deficit. I will support efforts to put any peace dividend toward deficit reduction and call on my colleagues to do the same.

MORE REPRESSION IN EL SALVADOR

(Mr. ABERCROMBIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Speaker, I rise to draw attention to yet another instance of the refusal of the military of El Salvador to respect the most elementary principles of human rights.

On July 28 of this year, four women and their driver connected with the Women's International Network for Development and Democracy in El Salvador [WINDS] were abducted and held incommunicado for more than 30 hours by the Salvadoran Armed Forces in Cuscatlan.

These women broke no law, violated no orders. Yet they were terrorized by armed thugs trained and equipped by the United States. How many more incidents of this kind—and worse—will it take before we face up to our responsibility? How much longer will we play the role of mentors, paymasters, and supply store for killers and gangsters?

Enough. It is time, Mr. Speaker, to cut military aid to El Salvador until its armed forces evince some respect for international standards of common decency in the field of human rights.

In the case of the murdered Jesuit priests, the judge has announced he must flee the country.

The only way to support the negotiated peace settlements is to eliminate military aid.

AMERICAN PUBLIC DESERVES MORE INFORMATION ON MEMBERS' USE OF HOUSE BANK

(Mr. SANTORUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANTORUM. Mr. Speaker, I get a lot of constituents calling my office complaining about the Internal Revenue Service. Would it not be nice if I could tell them, "All you have to do is tell the IRS that you are not going to make records available to them so they cannot investigate you?"

What am I talking about? I am talking about here in the House Bank. The Speaker of the House has determined that we are not going to make the records available to anybody to investigate.

Why would the IRS be interested one might ask? If we have, as the GAO report has indicated, Members borrowing basically thousands of dollars without paying interest on the money, that is imputed income and that is taxable income which should be available to the Internal Revenue Service to determine whether they owe any money to the Federal Government for using the money in the House Bank.

This is Federal tax dollars that are being used in this situation, tax dollars that should go into the IRS and into the Treasury.

Mr. Speaker, it is time. We stood here 5 days ago and asked for the release of the names. The American public is demanding it. Please do it.

AMERICANS WANT GOOD JOBS

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, President Bush does not like unemployment compensation benefits, but then that is easy when one is born in the lap of luxury. He says jobs are the answer. If jobs are the answer, and I agree with him, why does he want to send them out of the country?

He wants to give China most-favored-nation status so as to allow slave labor products to come in. He wants to give it to Russia. He wants to give free access to our markets for cheap labor out of Mexico, and then he wants to continue to allow Japan to stop American products from going into Japan.

Then we continue to send more money to foreign countries to help them with their economy so that they can produce products to send into the United States.

Americans do want jobs, but they want good jobs, not minimum wage jobs. We cannot keep jobs and we cannot get them if we continue to give them away.

I must say this to you, Mr. President: That you better start listening to the people of this country about jobs and the economy or you are going to hear from them next year at the election polls. Then you will know what unemployment is, and you will know how to get down to collect your unemployment compensation.

HOUSE MUST REGAIN CREDIBILITY

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, over the weekend, an article appeared in my home town newspaper that said, "Riggs Says Bad Check Image Hurts."

I guess a headline tells the rest of the story because really what my concern is—that all of us in the House—and that includes the great majority of Members who did not take advantage or abuse the check-cashing convenience offered by the Sergeant of Arms Bank, are being painted by the same broad brush.

The article also quoted an anonymous Democratic House aide as saying that those of us who participated in the press conference last week, all Republican freshmen, were participating in a "typical grandstanding situation."

Let me point out to this anonymous and rather cynical Democratic aide that this is not a partisan witch hunt of any kind, that what is at stake here is nothing less than the credibility and the prestige and standing of this body with the American people as a self-policing institution.

If we are to regain the credibility of the American people, we must be able to hold ourselves accountable and not look the other way.

The only way to put this issue behind is a prompt and complete disclosure so that all Members guilty of such abuses can be held accountable for the press and the American voters to see. As we said last week, we strongly commend the Speaker for his action in implementing procedures to stop any further abuse, but that is only the first step of a two-part process. We must have those names. We must stop the stone wall.

A CALL FOR BETTER MANAGEMENT OF FORESTS JOBS AND HEALTH

(Mr. AUCOIN asked and was given permission to address the House for 1 minute.)

Mr. AUCOIN. Mr. Speaker, we have just received news that the Secretary of the Interior, Mr. Lujan, has accepted the Bureau of Land Management's request to convene a Cabinet-level endangered species committee on 44 timber sales in the Pacific Northwest.

In requesting "God squad review" the Interior Secretary has hardly solved the Northwest timber crisis, but he has put a lie to the contention of some politicians in Oregon that there is no place in the Endangered Species Act for people. That has been untrue in the past. That statement is untrue today, and Secretary Lujan has found the section in the Endangered Species Act which proves that it is untrue.

Whether or not it works, the God squad is no substitute for completed forest plans from owl recovery plans or allowing the Forest Service instead of the courts to manage our forests in the Pacific Northwest.

The administration track record on all of those counts leaves a lot to be desired. Oregonians are being torn apart by the powerful interests waging war over our public lands and our forests. So far we have seen absolutely nothing from the environmental President or from the pro-jobs President, when it comes to leadership on this issue, either for the environment or for the jobs from those forests.

A frantic yank on the emergency rip cord of the Endangered Species Act cannot and should not be a substitute for a sound, long-range forest policy which allows us to manage the forests for jobs and for forest health.

□ 1330

RESOLUTION CALLING FOR PROMPT WITHDRAWAL OF SOVIET TROOPS FROM BALTIC STATES

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. PACKARD. Mr. Speaker, today I will introduce a resolution to call upon the Soviet Union to begin immediate negotiations with the leaders of Estonia, Lithuania, and Latvia for the prompt withdrawal of Soviet troops from the Baltic States.

Almost 1 month has passed since the Soviet Government officially recognized the rightful independence of the Baltic States. Yet the Soviets have not even begun negotiations for the withdrawal of over 100,000 Soviet troops that remain within Baltic borders. Although the power of the vast Soviet Army has diminished in the wake of the failed coup, the continued presence of Soviet troops threatens the place and independence of the Baltic States.

I urge my colleagues to join with me and cosign my resolution to call for the withdrawal of Soviet troops from the three Baltic States.

THE SAD DEFEAT OF DEMOCRACY IN HAITI

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, yesterday was a very sad day for democracy in this world. The President of the United States has tried to convince everyone that he is for a new world order and wants to see democracy flourish everywhere.

Yesterday he had an opportunity to demonstrate that he would be willing to stand up in this hemisphere for democracy and he failed the test. He was in Disney World yesterday, and then he was in Miami, as close as he could get to Haiti. He never said a word, not a word, while the Haitian democracy, the first duly elected democratic President of Haiti was being forcibly removed from office by a military coup. Not a word in any of his speeches. All he would bring himself to say was that we need to pass a capital gains reduction. That is what he was interested in yesterday, not in democracy being humbled, taken to its knees and removed off the face of the Earth.

A word from the President, a move of some soldiers to protect the Presidential palace in Haiti. No combat. Today the President of Haiti, Mr. Aristide, would still be in power, and we would have a democracy in that poor, terribly distressed country. But no, not the Secretary of State, not the President, nobody, Mr. Speaker, was willing to stand up yesterday for Haiti, a democracy that we have helped create.

This is truly a sad day. One of those points of light, Mr. President, went out yesterday.

STRANGE RHETORIC ON AMERICAN AID

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. That was a rather strange statement coming from our colleague from Florida, especially when I believe he voted against giving our President the authority to go into the Persian Gulf to establish a democracy there. A very strange statement indeed.

Let me just say concerning some of the other statements that have come from that side of the aisle about President Bush giving away our tax dollars to foreign countries, we are going to have a bill before this House this week. It is called the foreign aid bill. It is the massive giveaway bill where we are going to give away 25 billion of the taxpayers' money. With all of the rhetoric that has come out of that side of the aisle, I want to see how they are going to vote on that bill. I am going to vote against it.

There is going to be another bill coming later this year or early next year which is a $10 billion loan guarantee for Israel. Another giveaway. Then there is going to be another one sometime this year giving away $10 billion for IMF. I want to see how all of you on that side of the aisle are going to vote for these $40 billion giveaways.

What rhetoric.

NATIONAL SECURITY EDUCATION ACT

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. DARDEN. Mr. Speaker, today I am introducing companion legislation to that introduced in the other body by Senators BOREN, NUNN, and WARNER. This bill, the National Security Education Act, is a significant step toward ensuring that America's youth become competitive in language, area, and international studies necessary for maintaining a strong national defense.

This legislation would create graduate fellowships in critical foreign language, and international studies. It would provide grants to universities to organize, maintain, and improve international and area studies and foreign language programs. And, by providing scholarships for undergraduate students to study abroad in important countries that are currently neglected, it will expose our talented young people to the economic, cultural, and military challenges that face America in the 21st century.

Mr. Speaker, our world has changed, not only in the last year, but even more significantly, in the last month. America must be ready to capitalize on these changes. Now, especially, our progress depends upon our ability to compete effectively in the international arena. To improve our economic position both domestically and abroad, and also to maintain our position as the world's democratic leader, Americans must learn foreign languages and customs. This legislation creates a program to do just that.

I have no claim of authorship of this legislation. It is identical to that of Senator BOREN. However, I believe it is essential that this House seriously consider this legislation and I urge your support.

DEFENSE LETS JAPANESE GET AMERICAN COMPANY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks)

Mrs. BENTLEY. Mr. Speaker, 1 year ago today I spoke to you about Salvatore Monte, president of Kenrich Petrochemicals, Inc., of Bayonne, NJ. At that time I told the story of Sal's longstanding fight with the Japanese over trademarks and royalties for his remarkable work in a new field of chemistry.

It distresses me to have to say today that the Japanese are winning the fight because our own Defense Department does not care whether Americans or Japanese own the 26 Kenrich patents for products used in safe munitions, stronger steel, stealth technology, and many more areas. To take claim to the patents, the Japanese went so far as to buy the bank where Sal had placed the patents as collateral for a loan—and then began the squeeze play on his account. DOD has declared Kenrich products critical for the national defense but has been unwilling to step in and save the company for the country.

One statement from DOD was "what difference does it make if the Japanese own the patents" and another "if the Japanese own the patents we will just pay them for their use." It is a good thing that the Defense Department did not have this attitude 50 years ago when we were attacked at Pearl Harbor.

THE MILITARY COUP IN HAITI

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMERSON. Mr. Speaker, there has been a setback for democracy. Haiti's Government, elected by its people for the first time in 200 years, has been forced out in a bloody military coup.

Earlier this year, I had the privilege of meeting with President Aristide. I was impressed with his compassion and his concern for the people of Haiti. He was committed to making their lives better. And they were committed to him.

Jean Bertrand Aristide came into power in a way unprecedented in Haiti's history—he was elected by an overwhelming majority. But he has gone out the old way—with the barrel of a gun at his back.

The Select Committee on Hunger travels periodically to greatly troubled places. We meet with all sorts of leaders. Too often, it's with leaders who are reluctant to take responsibility for the needs of their people. Chairman HALL, Congressman WHEAT and I met with President Aristide several months ago. President Aristide was different. He put the needs of his people first. His priorities were justice, food, and work. That's what the select committee likes to hear, Mr. Speaker. But we don't hear it enough.

We had hoped to invite President Aristide to America, to meet with the leaders of this House, because we believed him to be the kind of leader who could join in the new world order to help his people out of hunger and poverty. Haiti's future should be in the hands of people like President Aristide, whose honesty and compassion earned him the people's votes and supportive sentiments.

□ 1340

CHIN UP, PRESS ON

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, this is October 1. The situation is not too bad on appropriation bills. Three have gone to the White House out of 13. We have Defense and the foreign aid bill not yet in conference. All the rest are in conference.

We have passed one of those Mussolini continuing resolutions that buys us time until October 29.

Things are bad in Haiti. Ireland is not yet reunited. Kazakhstan has hundreds of nuclear-tipped missiles pointed at us still. Ukrainia has over 1,000 nuclear-tipped missiles pointed at us.

Things are desperate, but, folks, 50 years ago on October 1, the world had been at war 2 years and 1 month. We were about to join that war in 2 months and a week, and 55 million people were to die fighting fascism, and it had a more imperfect ending than Desert Storm, because communism continued to kill at a rate beyond Adolf Hitler's death toll.

Our Postal Service came out with a sheet of stamps that is a fascinating reminder about how bad it was 50 years ago compared to whatever we face today. It says, "1941, a world at war." There is Roosevelt and Churchill. There is our maneuvers. There is Pearl Harbor in flames.

I would recommend that Members get this, look at it carefully, and then think to yourselves: "Things are not so bad. Chin up, press on."

KEEP NATIONAL AEROSPACE PLANE PROJECT ALIVE

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, the aerospace industry is America's No. 1 exporting manufacturing industry, and we are under great attack now to keep this the most competitive and high-technology aerospace industry in the world.

This is because we are cutting back on defense as the cold war ends, and that is understandable.

But there is a project that has been quietly taking place, a research project being financed by the Federal Government, that is imperative to a healthy aerospace industry in the next century. It is called the national aerospace plane, which will make possible taking off from a runway and flying directly into space, which will dramatically bring down the cost of putting things into orbit.

The aerospace plane program, the future of the aerospace industry, is in jeopardy. It may be canceled by this Congress. If that happens, we will be handing to the Japanese the aerospace industry of the future. We will be taking research that we have spent billions of dollars on and basically handing it to the Japanese on a silver platter and saying, "You will be the dominant power in aerospace in the next century."

Let us save America's aerospace industry. Let us keep the national aerospace plane project alive.

SUPPORT DECENNIAL CENSUS IMPROVEMENT ACT OF 1991

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I rise today to encourage my colleagues to support H.R. 3280, the Decennial Census Improvement Act of 1991. This legislation would provide for a study to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population.

In the 1990 census, approximately 5.2 million Americans were not counted, with my home State of New York accounting for approximately 314,000 of this figure. Unfortunately, those groups that can least afford it—minorities and the homeless—suffered the brunt of this injustice, with approximately 1.5 million African-Americans, 1.2 million Hispanics 200,000 Asian-Americans, and nearly 100,000 native-Americans overlooked in the final census count.

Mr. Speaker, the 1990 census was unprecedented in that it was the very first time an undercount has measurably worsened from one census to the next. To prevent this from recurring, I encourage my colleagues to support and pass H.R. 3280.

CONFERENCE REPORT ON S. 1722, EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 230

Resolved, upon adoption of this resolution it shall be in order to consider the conference report on the bill (S. 1722) to provide emergency unemployment compensation, and for other purposes. All points of order against the conference report and against its consideration are hereby waived. The conference report shall be considered as having been read when called up for consideration.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume.

Mr. Speaker, during consideration of this resolution, all time yielded is for purposes of debate only.

Mr. BONIOR. Mr. Speaker, recently I received a letter from a constituent of mine from Mount Clemens, MI. He had lost his job, and his unemployment benefits had run out.

Listen to what he has had to say about his family:

> We are educated people. I have an electrical engineering degree.
>
> To serve my country, I did a tour in Vietnam. Now I need help. With a wife and three children, we are living with shattered dreams and fright from day to day. My savings are gone, and we may soon have to put the home we worked 18 years for on the market. Is there any hope in sight?

□ 1350

Mr. Speaker, I would like to say to my constituent that there is help on the way.

Mr. Speaker, since this matter came to the floor last July, we have had only delays, irrelevant objections, parliamentary tricks, veto threats designed to bludgeon us into a compromise, and when it comes to helping people who are out of work this administration stalls more than a junkyard Hyundai. They do not care about Americans.

I am thinking about Mr. Darman who said the recession ended in May. I am thinking about Mr. Brady, who said this recession was no big deal.

You know, my colleague, the gentleman from Georgia, the distinguished minority whip, talks about the need for economic growth. Of course, he is right. Under this administration growth has been the slowest of any administration since the Second World War.

And what about jobs? Remember the famous pledge by President Bush, 30 and 8 he said. We will be able to produce 30 million jobs in 8 years. Well, where are the jobs?

I ask my pro-growth colleagues on the other side of the aisle, where are these jobs?

The fact is this administration has the worst record on job creation since the Second World War. President Jimmy Carter created 209,000 new jobs a month. Under Reagan, we had 175,000 new jobs a month. Under Johnson, 137,000 new jobs a month. Under Eisenhower, we even got 43,000 jobs a month.

This administration is losing 9,400 jobs a month, 300,000 jobs so far, behind Eisenhower, behind Kennedy, behind Johnson, behind Ford, behind Carter, behind Reagan, 30.8 million. We would like to see one job, just one job.

Here is the irony. This is a middle class recession. Look at the news just this week in your paper today. The State of Maryland sent out 1,700 layoff notices Monday. In the District of Columbia, the mayor begins cutting 620 jobs from the city payroll.

I hope my distinguished counterpart, the minority whip, noticed that the University of Georgia laid off 120 workers yesterday, and in Oxford, GA, Hercules is cutting 250 jobs.

This recession is not over. It is not over there. Ford is shutting down in Lorain, OH, their plant in Lorain, because sales are slow.

The auto industry is in a terrible, terrible recession.

Kodak has laid off 1,800 workers. Frito Lay has laid off 1,800 workers. Dupont cut 2,200 jobs.

The people, Mr. Speaker, that we are talking about are not welfare queens of Ronald Reagan's imagination. These are people who have worked hard to build America. They are getting up early, punching in, lunch at the desk, volunteering for overtime, working second jobs kind of people. How can the President turn his back on these people? They are the backbone of this country.

Oh, the other side says, well, we have to pay for these benefits, but this only perpetuates the same exercise in mythmaking hoax we have been listening to all month from them.

We asked the CBO to examine the alternative offer by the other side just last week. They found the funding mechanisms so nebulous that it was impossible to even estimate how much money was raised.

Last week on the floor the gentleman from Georgia and the gentleman from New York argued that their bill would not require the President to declare an emergency.

Read the bill, we said to them. I hope they found time now to read it.

The CBO says there is no dispute. Title 6 in their bill requires the President to do what he has already said he would do.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. BONIOR. When I am done, I will yield, Mr. Speaker.

The CBO says there was a dispute. The CBO bill requires the President to do what he has already refused to do, declare an emergency.

POINT OF ORDER

Mr. SOLOMON. A point of order, Mr. Speaker.

Mr. BONIOR. Regular order, Mr. Speaker.

Mr. SOLOMON. Point of order, Mr. Speaker.

Mr. BONIOR. Mr. Speaker, I ask for regular order. There is no point of order. I am making a speech.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from New York has made a point of order, and he is entitled to his point of order. The Chair will certainly respect the gentleman's wishes, but the Chair thinks the gentleman is entitled to a point of order. It should be addressed to the Chair.

The gentleman may state his point of order.

Mr. SOLOMON. Mr. Speaker, I am addressing it to the Chair.

I previously had respectfully asked the gentleman if he would yield for a parliamentary inquiry, and he chose not to.

Therefore, I would lay my point of order before the Chair and ask permission to explain the point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. SOLOMON. Again, Mr. Speaker, I apologize to the gentleman. I have great respect for him; but Mr. Speaker, I make a point of order that the gentleman's remarks are not relevant to the subject at hand, namely, the rule on the conference report on S. 1722 and are, therefore, in violation of House Rule 14, which states:

> When any Member desires to speak or deliver any matter to the House, he shall confine himself to the question under debate.

Mr. Speaker, I would make that point of order.

Mr. BONIOR. Mr. Speaker, the question under debate here is unemployment and people out of work in the gentleman's district and the district of the gentleman from Georgia and people all across this country. If we are going to have continued dawdling, delaying tactics like that, we are not going to be able to debate one of the most fundamental issues that faces this country today.

It is this type of activity, Mr. Speaker, it is this type of tactic, it is this type of delay that is taking away from people the right for an education, the right to feed their families, the right to pay their mortgages.

The objection by the gentleman from New York is unconscionable, given the light of the importance of this issue.

Mr. SOLOMON. Mr. Speaker, may I have a ruling?

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair will rule and make a statement. The rule is that debate should be confined to the merits of the rule and to the conference report made in order by the rule.

Mr. SOLOMON. Mr. Speaker, if I may continue to be recognized, I just want to thank the Chair for this very helpful ruling. I intend to take full advantage of it when it is my turn to speak. I was hoping the Chair would rule that way, because we really do want to get into and discuss this, and I did not want to be ruled out of order.

I thank the Chair.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized.

Mr. BONIOR. Mr. Speaker, my colleagues have seen and the American people have seen what has taken place here over the last several months.

My colleagues on the other side of the aisle do not want to face this issue, do not want to face the fact that we have literally 10 million people, hard-working people who through no fault of their own have been put out of work. We have a bill to take care of their needs. We have a bill to provide them with extended unemployment benefits until we can get this economy moving again, this economy that is in terrible decline, no growth, no jobs, the worst recession we have had in a number of years, and we continue to see tactics of delay, tactics of parliamentary maneuvers not to get this issue before the President of the United States.

Well, Mr. Speaker, we are going to get it before the President of the United States. We are going to do it within a short period of time.

Mr. Speaker, I want to further elaborate on my remarks on their alternative. The other side overlooks the fact that these benefits are already paid for. They have been paid for by insurance premiums taken out of the paychecks each month and put into a trust fund, set aside exactly for this purpose. People have had money taken out of their paychecks over the years in case of emergencies like this. The money is there. It is there for this purpose. Families all over America need it and they deserve it.

Now, are we so bereft of resources that we cannot help them? Are my friends on the other side of the aisle so dazzled by emergencies in Kurdistan or Turkey or the Soviet Union or Bangladesh that they are blind to the emergencies of our own people right here at home?

Mr. Speaker, no more delays, no more phony alternatives, no more options riddled with loopholes like the other side offered last week.

My constituents ask if there is hope in sight. I want to tell that man who served in Vietnam, with a wife, who has worked hard all his life, that he is going to get some help, that he is not going to lose his home, that his kids are going to have an opportunity for a future in education.

Let us give him and the millions like him more hope. Let us give them some help. They have earned it. They have paid for it. It is heartless to keep it from them any longer.

Mr. Speaker, this is the issue that divides the Democrats from the Republicans. This is the issue that cuts at who we are and who they are. This is the issue that the American people want us to address today.

□ 1400

And the insensitivity and the callousness of the other side on this issue speaks to that difference.

Mr. Speaker, we are giving the President a second chance to do what he should have done in July. And I ask the President to use his second chance to give hard-working Americans a second chance as well.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am a little amazed that the gentleman from Michigan would use time on this conference report rule to discuss our alternative legislation, H.R. 3400; but since he is so anxious to debate that matter, I have sent to the desk an amendment to the rule that would make that bill in order under an amendment process immediately following the disposition of the rule.

PARLIAMENTARY INQUIRY

Mr. BONIOR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. (Mr. MONTGOMERY). Will the gentleman from New York yield for a parliamentary inquiry?

Mr. SOLOMON. Mr. Speaker, I would, respectfully. The gentleman did not do so for me, but I would yield to the gentleman.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BONIOR. Mr. Speaker, when I took the time and was given time by the Chair on the rule, I yielded for purposes of debate only and not for purposes of amendment. I think that is clear in my opening statement. I would ask the gentleman from New York to recognize that fact, and I ask for a ruling.

Mr. SOLOMON. I would recognize it. Mr. Speaker, I would ask unanimous consent that my amendment be considered at this time, which is an appropriate unanimous-consent request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. BONIOR. Mr. Speaker, I object.

The SPEAKER pro tempore. The Chair hears an objection.

The gentleman from New York [Mr. SOLOMON] has the time.

Mr. SOLOMON. I thank the Speaker. If I may continue on my time, I thank the Speaker.

Mr. Speaker, apparently the gentleman wishes to have it both ways. He wants to debate a bill which he does not want to consider on the floor of the House. That is probably why he voted against our attempt last week to have it made in order following House action on this bill and why the Committee on Rules has repeatedly turned down our efforts to have an open rule and to make other amendments in order.

Mr. Speaker, since the Chair did not rule the gentleman out of order in discussing a bill that is not germane to the pending conference report, I assume that I may respond to this specific comment on the CBO cost estimate, and I would do so at this time.

First, I would point out that the conference report that the gentleman now supports would spend close to $6 billion and yet it would not raise one plugged nickel to pay for it.

For the gentleman to criticize the Republican bill because all of the receipts will not come into the Treasury during fiscal 1992 is disingenuous at best, even if the pay-as-you-go amendment offered to H.R. 3040 by the chairman of the Committee on Ways and Means did not kick on the tax side until 1993, a year after the expenditures began to take place. But the gentleman from Michigan, who now poses as a great stickler for pay-as-you-go rules, did not seem to be concerned about that time lag then. In fact, he voted against the Rostenkowski pay-as-you-go amendment.

The fact is, Mr. Speaker, the Republican unemployment insurance bill would bring in money enough in revenues in fiscal 1992 and in 1993 to cover the cost of this bill because although under our bill receipts may fall a little short of costs in fiscal 1992, they would exceed total costs by fiscal year 1993. Therefore, we have retained the emergency designation which Members are trying so hard to do here. This is necessary to prevent a sequester in the first year and to prevent the extra revenues from being spent in the second year. You all understand that. Those excess receipts should go toward deficit reduction and not toward new spending schemes.

Mr. Speaker, while I have been critical of the ambivalence of the gentleman from Michigan toward the Republican legislation and his reluctance to consider a bill which he is anxious to selectively debate, I am delighted that he is beginning to realize that there is a need to compromise and discuss legislation that can be signed into law.

At least, Mr. Speaker, there is light at the end of the tunnel.

Mr. Speaker, by my count, this is the fourth rule we have reported on unemployment insurance legislation this session, and I suspect it will not be the last.

This particular rule provides for House consideration of the conference report on S. 1722. And like all the other rules we have had, it waives all point of order for failure to comply with any rule of the House on any provision of the Budget Act.

Mr. Speaker, blanket waivers of House rules and budget enforcement provisions really go the heart of what this is all about. And it is not some minor, nitpicking procedural point we are talking about here today.

What that blanket waiver says is that you Democrats are willing to lay aside all the established rules of this House, including the budget enforcement agreement reached last fall, in order to have a political issue instead of a bill that can be signed into law.

That is the same budget agreement under which Democrats voted for the biggest tax increase in history. Democrats promised the American people they would live by that budget agreement.

Well, my colleagues, here we go again.

This rule and all the previous ones say loud and clear, "Damn the torpedoes, damn the budget agreement, damn the taxpayers, full speed ahead," to more and more deficit spending adding even more to this year's deficit of $350 billion. That, my colleagues, is even greater than all the money we spend in 1 year on the defense budget.

What the Democrats do not say directly but what everyone knows is that the Democrats have intentionally charted a collision course with the administration instead of wisely crafting an acceptable bill that could and would be signed into law today. Mr. Speaker and Members, the biggest victims of this crash course are not the Democrats, they are not the Republicans, they are not the President of the United States and they are not this Congress; they are the victims, the unemployed who could be getting extended benefits now if we just passed a pay-as-you-go bill that the President would gladly sign.

In closing, let me say, members, we all know that a few minutes ago the other body failed to pass this conference report by the two-thirds vote necessary to override a veto. Do you all know that? Therefore, each of you know that this bill will not become law. You know and, more importantly, your constituents will know that you Democrats, by passing this dead bill in an attempt to politicize the unemployment issue, are deliberately delaying unemployment checks from reaching the unemployed. If Democrats really want an extended benefit bill that will start the checks flowing immediately, they can vote down this rule so that both houses can take up and pass the compromise Dole-Michel-Solomon-Gingrich extended benefits bill. The President will sign it. And this Congress will get back to work on an economic growth package that will create not unemployment checks but paychecks for all our constituents. For God's sake, vote down this rule and let us get to work for the American people.

Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr Speaker, I yield 1 minute to my colleague, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman from yielding.

Mr. Speaker, I yield to the gentleman from Maryland [Mr. HOYER], a very respected Member of the House.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Speaker, am I correct that if we pass this bill that is before us—and I know that the gentleman does not like it and he has an alternative too—but notwithstanding the fact that it did not get two-thirds vote in the Senate, and it goes to the President and he signs it, under those circumstances will the unemployed get extended benefits, those who have run out of benefits?

Mr. SOLOMON. No, he will not, and the reason he will not is because we are going to have to start this process all over again 3 weeks from now. We will have brought up the fourth, fifth, sixth, seventh bill to the floor.

Mr. HOYER. The gentleman from New York perhaps did not hear my question.

Mr. SOLOMON. Why don't you agree to the compromise? They get their benefits if you agree to the compromise.

Mr. HOYER. If the President signs this bill, will the unemployed get benefits, those who have now run out of benefits? I understand what the gentleman is saying. I understand the gentleman's hypothesis.

Mr. SOLOMON. The gentleman knows the President will not sign the bill, he cannot sign it.

Mr. HOYER. If he signs it, would they get relief, if he signed it?

Mr. BONIOR. Mr Speaker, reclaiming my time, the answer to the question of the gentleman from Maryland is obvious: Yes, they will get benefits if he signs the bill.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. LEWIS], the chief deputy whip.

Mr. LEWIS of Georgia. Mr. Speaker, I rise to support the rule. I rise because the Emergency Unemployment Compensation Act is needed now more than ever before.

Mr. Speaker, I was in my district last weekend. While walking in downtown Atlanta, a young businessman came up to me and said:

> Mr. Lewis, when you get back to Washington, please tell your colleagues in the Congress that the recession is not over.

Yes, the recession is not over. In the State of Georgia between January and August of this year, more than 76,000 people exhausted all of their unemployment benefits. During the month of July alone, 13,000 workers exhausted their benefits.

We have an opportunity to help the American people. We have an opportunity to extend a helping hand in time of need to that segment of our work force which is out of work. This legislation will provide much needed help to the hardest hit victims of the recession.

Mr. Speaker, our President needs to come home—come home and pay attention to the hurt and the pain of the American people. Instead of putting the needs of foreign nations ahead of the United States, he should begin to deal with the pain and agony of our own people.

By passing this bill, we will be acknowledging that there is real misery, real pain and real suffering, and we want to do something about it.

Mr. Speaker, the President needs to know that the American people are crying out and demanding leadership. Jobless Americans want help—not next year, not next month, not next week, but now.

Mr. Speaker, I urge my colleagues to support the rule, pass the bill and let us send it to the President's desk with more than all deliberate speed.

□ 1410

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the honorable whip, the gentleman from Georgia [Mr. GINGRICH], who has a plan that will put Americans back to work if we could only vote on it.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding.

Let me say, first of all, that we are back once again at the soap opera of Democratic desperation. The Democratic leadership knows, as we sit here today, that their bill will be vetoed and the veto will be sustained in the other body. They know that. This is not a theory; they know that. Therefore, the Democratic leadership knows that their bill will not produce a single check to the unemployed. They know that.

So, Mr. Speaker, we are in a situation where, even though they know the President will veto the bill, they know that not a single check will go out, we are going to hear a number of speeches today about how urgent it is, how vital it is, how immediately we must get checks out, and let me say this:

The Democratic leadership also knows that the Dole-Michel unemployment bill would extend unemployment checks for 10 weeks and would be signed by the President, and so the unemployed would actually get real checks. They would not just get press releases. They would not just get speeches. They would get 10 additional weeks of checks. The Dole-Michel unemployment bill, unlike the Democratic bill, pays for the unemployment checks, meets the budget agreement, and keeps the Congress' word with the President of the United States.

Mr. Speaker, the Democratic leadership knows these facts. So, if the Democratic leadership really cared about the unemployed rather than the politics, if the Democratic leadership really wanted the unemployed to get checks, they could bring up the Dole-Michel unemployment bill. We would pass it with a huge bipartisan majority, and President Bush would sign it, and, by the end of this week, unemployment checks would be going to precisely the people the gentleman from Georgia [Mr. LEWIS], my good friend, just described.

But beyond the immediate problem of getting checks to the long-term unemployed, and it is a real problem, and we should pass a signable bill and have those checks going out; beyond that problem the real answer to unemployment in America is employment. The real answer to the concern of people who do not have a job is to create a job, and for week, after week, my good friend, the gentleman from New York [Mr. SOLOMON], the ranking Republican on the Committee on Rules, has been asking the Committee on Rules to make in order the Economic Growth Act.

Mr. Speaker, the Economic Growth Act is a bill that Senator PHIL GRAMM and I have introduced. Economists estimate it would create 1,200,000 new jobs. It would lead to 220,000 additional home sales a year. It would do precisely the things we need to do to have the kind of economic growth to create the employment so the unemployed could look beyond the next check to actually going back to work, to having a chance to make a decent living.

I find it astonishing that the Democratic leadership has for over a month now refused again and again every request to make in order an economic growth bill. I find it hard to understand. We have been engaged in this debate, and I believe the first time I went up to see the Committee on Rules was over 10 weeks ago. So, for 10 weeks we could have been creating jobs. For 10 weeks we could have been doing the right thing for Americans to put Americans back to work, and for the life of me I cannot understand why the Democratic leadership refuses to make in order economic growth and why the Democratic leadership insists on being in a position of deliberately passing a bill they know will be vetoed and blocking the bill that would in fact create jobs.

Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], my friend, for yielding to me.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the answer to the questions of the gentleman from Georgia [Mr. GINGRICH] are quite obvious.

Mr. Speaker, this administration has the worst growth record since the Second World War. We are losing 9,400 jobs a month. We lost 300,000 jobs recently in this country. They have a terrible job-creating record.

The gentleman talks about his growth package. He did not tell my colleagues how much it would cost. The Joint Committee on Taxation estimates a 5-year cost of $20 billion for his program. I ask, "Where are you going to get the money, Mr. Whip?"

The point here, Mr. Speaker, is that they have no program. What they have offered is a fraud. The Michel-Solomon, whatever they call that thing he wants to sell; wants to sell air wave frequencies to take care of the unemployed who have already put money aside for it. It is a fraud. It is already there, the money that they paid for through negotiations and through their employer. The question here is what is real and what is not.

Mr. Speaker, what is real is that we have a bill that we will send to the President, and, if he signs it, people will get help.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I would observe to my colleagues that only in the Land of Oz or in the mind of a rightwing Republican must Democrats bear the blame for a President who is prepared to veto a bill that the vast majority of Members, in this House, and in the other body, support.

It is true, as the gentleman from Georgia pointed out, that there were not enough votes in the other body in this last vote to override a veto. But there is one other opportunity for some of our Republican colleagues in the other body to reassess their vote.

On Friday, the numbers about who is and who is not unemployed in this country will come out again, and I am afraid those numbers are going to have bad tidings for this country, that more workers will be out of work, and then possibly on reflection some of our Senate colleagues might decide to reassess their vote and override, if that is what the President chooses to do.

Let me make a point about the most recent entry into the unemployment sweepstakes, the Dole-Michel alternative. I have worked for 3 years as the acting chairman on the Committee on Ways and Means' Subcommittee on Human Resources and Unemployment. Not one time in 3 years, not one time in the deliberations in this body, have our Republican friends shown up with an alternative. The only time they came up with an alternative was when they realized the level of pain and suffering in this country and they needed to have some political cover so that they could say they were for extended benefits as well.

Mr. Speaker, Democrats, Independents and, yes, Mr. Speaker, even Republicans are out of work.

I did something I do not normally do in my district. It is always a hazard politically to get introduced at a sporting event. But I did, and I was waiting for the usual tepid applause or the chorus of boos that accompanies a politician being recognized at a high school sporting event. But what happened in Copiague, Long Island, was truly astonishing. As I walked out on the field, people yelled, "Pass the unemployment bill, Congressman. I need your help. Pass the bill."

On the Delta shuttle back to Long Island the flight attendant leaned over to me, and she said, "What are the chances of passing your bill? I'm from Huntington, Long Island, and my husband is a pilot, and he has exhausted his benefits. He needs your help. He needs your bill."

We need to see unemployment benefits extended, Mr. Speaker, and I would hope you would pass this message on to the President: "You're a decent man, Mr. President. Hear what these people are telling you around the country. Feel their pain. See their suffering. Put aside the question of partisanship. Put aside the issue of how you feel so strongly about the Budget Act of 1990, and recognize one plain and simple fact: That the people who elected you President of the United States need your help."

□ 1420

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut [Mr. SHAYS], who will yield to the gentleman from Georgia.

Mr. SHAYS. Mr. Speaker, I yield to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I just want to answer the distinguished whip on the other side on two levels.

First of all, President Bush asked the Congress to pass an economic growth bill in 1989; the Democratic leadership killed it. President Bush asked for economic growth measures in the budget negotiations of 1990; the Democratic leadership killed it. President Bush asked for economic growth measures in the State of the Union in 1991; the Democratic leadership has blocked it.

The Gramm-Gingrich bill, according to Treasury, is revenue neutral. It is only by the weird, bizarre scoring of the Joint Committee on Taxation, which I think frankly ought to be abolished as an intellectually obsolete, medieval institution, that you would argue there are no behavioral changes. Every economist in the private sector knows that if you have an IRA for every American, you will increase savings and lower interest rates. If you have a capital gains tax cut, you will increase investment and create jobs. It is only in the leftwing-dominated Joint Committee on Taxation, which has a Jimmy Carter Treasury official as its head, that you would have the kind of bizarre scoring the Democratic whip has suggested.

So I think the record is clear. The Democrats in Congress have consistently killed economic growth measures that for 3 years in a row the President of the United States has asked for.

Mr. BONIOR. Mr. Speaker, will the gentleman from Connecticut yield? I will give him more time if he needs it.

Mr. SHAYS. I am happy to yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I will tell my friend, the gentleman from Georgia, my friend, the gentleman from Connecticut, and my friend, the gentleman from New York, that if the President asks again for an economic growth packet of capital gains without taking care of the middle class in this country, we will block it again.

Mr. SHAYS. Mr. Speaker, I know that my colleague has said he would give me time if I need it, and I thank him for that.

Mr. Speaker, I rise to oppose this rule. I remember well last year that Congress and the White House worked very hard to come to a budget agreement. There was great gnashing of teeth. I looked at this agreement last year, and I said, "Is this the best we can do?"

I was not prepared to vote for it. I wanted something stronger, but the more I thought about it, I realized that was the best we could do. It capped defense spending, it capped foreign aid, it capped social domestic spending, and it provided for the first time what was so important, pay as you go for entitlements. Fifty percent of our budget is entitlements, and it also provided for a tax increase. I voted for this agreement in spite of warnings from Members on my side of the aisle who said that this side of the aisle would not keep the agreement. In fact, they were right. We are not keeping the agreement, and we are only 1 year into this agreement. They said that as soon as there was a chance to break the agreement, they would break the agreement.

Opponents pointed out that it front loaded taxes and back loaded savings. And now before the savings can take effect Congress is breaking the agreement.

Our Nation has more than a $300 billion deficit this year. It has more than a $400 million deficit next year before it goes down, and our national debt is over $3.2 trillion, representing a fourfold increase in just 12 years. That is a four-fold increase. What concerns me the most, however, is that the interest on the national debt is greater than all social domestic spending. The interest on our national debt is greater than all domestic social spending, all the judicial branch of Government, all the legislative branch of Government, all the executive branch of Government, all the various departments and agencies, and all the programs and services they provide. The interest on the national debt is greater than that.

So what are we doing? We are going to add to our national debt. Our past has caught up with us. And yet as weak as this budget agreement is, we cannot keep faith with it.

I understand my colleagues on this side of the aisle and on that side of the aisle who recognize that we must do something, but I also recognize that if we did not have to spend so much on the interest on the national debt, we would not even be debating this issue; we would have the money to do what we need to do, and that is to help the people who are in need.

The bottom line for me is that if I vote for this, I am breaking that budget agreement. I am adding $5.9 billion to the national debt, I am increasing the annual interest payments on the national debt, and I am denying future generations what they deserve.

In conclusion, Mr. Speaker, the bottom line for me is that we spend more on interest on the national debt because of what we have done for the last 12 years, and I am not going to be part of that.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Michigan [Mr LEVIN], a member of the committee.

Mr. LEVIN of Michigan. Mr. Speaker, we should take up the economic growth issue, but that is not going to help the people who are exhausting their benefits.

I voted for the budget agreement, but we cannot hide behind that today. I detect some real discomfort on the minority side, and let me tell the Members why. I think it exists because maybe there is a bit of empathy, but there is also some political discomfort because this is a middle-income as well as a low-income issue.

Earlier today I talked to a suburbanite Royal Oaker a single mother, with a kid in college, in her forties. She was off work for 2 years. She called me, and I talked with her on her first day back to work. Why would she call to talk to me? She is just back to work. She called because she looked for 2 years and could not find a job. She has a college degree. She called because she said she sent out 400 résumés and received back zilch in terms of a response. She called because she said she had never been laid off before, had never been in an unemployment compensation office before, and because when she had exhausted her benefits earlier during the 2-year period, she had to go on ADC. She said to me "I don't want that to happen to the hundreds of thousands of people who are exhausting their benefits."

And what is the answer of the President? It is to punish the victims of the recession. They say, "Get lost" to hundred of thousands of Americans.

Mr. Speaker, we can do better. Let us vote for this bill in an overwhelming sense and keep faith with the working people of this country, with those who have started small and middle-sized businesses and who have seen them lost. We must vote for this bill and do so by more than a two-thirds vote today.

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair wishes to state that the gentleman from Michigan [Mr. BONIOR] has 13 minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 14 minutes remaining.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, the richest 1 percent of Americans have seen their incomes doubled, from $300,000 to $600,000 a year in the last decade. In the last year, per person income has dropped by $430 in this country. Yet the Republicans are hyperventilating on this floor today in order to prevent a few dollars in desperately needed help from getting to the people in this country who have lost their jobs and need some temporary help.

That issue may seem academic to some people, but it is personal to me. I will never forget the week I went away to college, because that was the week my father lost his job. I remember that. He was scared, and I was scared. We had no idea whether he would be able to provide me any help or not. We had no way to plan, and he was humiliated.

There are millions of people in that same position today, and we ought not forget them because of parliamentary or budgetary niceties. You talk about economic growth. Let me simply point out that there are 300,000 fewer jobs in this economy today than there were the day George Bush walked into the White House. The administration has not produced on jobs, and now it will not deal with the consequences by helping the people who need help because there are not those jobs.

You talk about economic growth, and what is your answer? Another fat tax benefit for millionaires in your capital gains tax. If it was not so tragic, I would laugh.

☐ 1430

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just say something to the gentleman from Wisconsin [Mr. OBEY] who just spoke, whom I really do have a great deal of respect for because he stands his ground in the Committee on Appropriations. But when he says fat cat tax, that bothers me a little bit. Because not only is the issue about capital gains, what is fat cat about individual retirement accounts?

The gentleman from New York [Mr. DOWNEY] was on the floor before saying that no Republican had come before the Committee on Ways and Means with any part of this economic growth package. Well, individual retirement accounts for all Government employees and for all private sector employees are badly needed. There is nothing fat cat about that. What is fat cat about tax credits for research and development for companies like General Electric and International Business Machines, owned by little old ladies, by widows, by Members, by me? I have some stock, I think, in IBM, and I am no fat cat.

Mr. Speaker, the first time homebuyer tax credit for young Americans who need assistance to be able to buy a home, and lifting the cap on Social Security, is that fat cat?

Mr. Speaker, all of these things are in the Dole-Michel-Solomon economic growth package, in the Gingrich growth package that is pending, that Democrats will not let come on this floor.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Let me yield to my friend, the gentleman from Wisconsin, by all means.

Mr. OBEY. Mr. Speaker, what is in the President's budget for tax relief? You have got a nice fat tax break, 82 percent of which goes to people who make more than $150,000. You have got table scraps for the middle class, and nothing for the poor.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, let me just conclude by saying as I said earlier this morning that this week I am hearing a lot of rhetoric from that side of the floor about the President giving money to the Kurds, Bangladesh, or what have you. That same kind of rhetoric coming from the Democrats side of the aisle is going to be put to the test in a few days.

Mr. Speaker, I would say to the gentleman from Wisconsin [Mr. OBEY] that a foreign aid authorization bill that has giveaways to all of these foreign countries is coming to the floor. I think it is 24 or 25 billion dollars' worth. Then we have the Israeli housing guarantees. I think that is about $10 billion. That brings us to about $35 billion.

Then there is the IMF thing which I have never voted for since I came to this Congress 13 years ago. I think that is $12 or $13 billion.

Do you know what? You on the Democratic side of the aisle are going to vote for every nickel on it. I am going to vote against it.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to my friend from Wisconsin.

Mr. OBEY. Mr. Speaker, the gentleman is talking to the chairman who blocked the Bush request for the IMF funding.

Mr. SOLOMON. That is why I say you are not all bad.

Mr. OBEY. Let me also ask the gentleman from New York [Mr. SOLOMON], will the gentleman support the President in his request to delay the request for the $10 billion Israeli loan guarantee fund? Will the gentleman support that request? I am supporting it.

Mr. SOLOMON. Mr. Speaker, I think I am going to be with the gentleman from Wisconsin [Mr. OBEY] and I admire the gentleman for standing up.

Mr. OBEY. Mr. Speaker, I am glad that on that one issue, the gentleman is on the right side.

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I can think of at least 10 reasons why the President should sign this bill.

No. 10, not everybody gets paid to play golf like the Vice President;

No. 9, totaling the President's domestic accomplishments is not even a part-time job;

No. 8, watching the President fish does not put food on the table;

No. 7, Sununu only needs so many drivers;

No. 6, 1,000 points of light does not pay the electric bill;

No. 5, the President has already hired too many spokesmen to say "The recession really is over";

No. 4, 9 million out-of-work Americans have not gotten the President's attention by moving to either Kurdistan, Kuwait, or Mount Pinatubo;

No. 3, the only dependable jobs in this country are as the President's travel agent and the boat-waxer at Kennebunkport;

No. 2, the booming pork rind industry has not made up for the loss of jobs in the broccoli business;

No. 1, those 9 million unemployed Americans do not have Millie's lucrative book deal.

Mr. Speaker, in addition to those 10 reasons, and, most importantly, 9 million Americans are out of work today, thanks to the Republican recession. The money is there to help them keep food on their tables and a roof over their heads until they find new jobs. It is their money, out of their paychecks and their employers' contributions. It has nothing to do with the balanced budget amendment or with the Budget Act of 1990 or anything else. It is their money, trust funds that cannot be used for any other purpose except as the President wants to do, to mask the deficit. That is why he will not spend this money. He will not declare an emergency, because then he would have to admit that his economic policies have been a total failure. That is why he will not do it.

Mr. Speaker, voting for this rule and signing the bill, as the President should do, is without question the right thing to do for the 8.2 percent of Floridians who are out of work through no fault of their own.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Michigan [Mr. BONIOR] has 9 minutes remaining, and the gentleman from New York [Mr. SOLOMON] has 10 minutes remaining.

Mr. BONIOR. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, millions of deserving Americans are wondering why the President is so fiercely opposing Congress on an issue that is so fundamental to their survival, the extension of unemployment benefits. The President is wrong on this issue.

Mr. Speaker, I hold office hours on weekends in shopping malls. This weekend a constituent of mine captured the frustration of many Americans when she said, "I wish people in Washington would put their feet in our shoes sometimes and understand what our lives are about."

It is time for the President to recognize that the extension of unemployment benefits is not a handout. It is simply giving Americans, who have spent their lives producing for this country, paying taxes from their hard-earned dollars, their due. It is a matter of survival for American families.

Another of my constituents sent me a letter expressing her despair. She said, "We are a middle-class family who can hardly pay all of our expenses now. We have a 16-year-old high school junior for whom we have no college fund. We have no savings to fall back on in emergency situations and no means of earning extra income."

Mr. Speaker, middle-class families are struggling so desperately to make ends meet. How on Earth do we expect them to survive? What happens to these families when their unemployment benefits run out?

My State of Connecticut is in the depths of a 2-year recession. Prospects for a quick recovery are dim. Some 123,000 people in Connecticut are unemployed; 40,000 have lost their unemployment benefits this year alone.

The people of Connecticut are not experiencing the recovery that the President has talked about. They cannot find other jobs because job growth under this President's watch is the worst this country has seen in half a century. There are now 300,000 fewer jobs than when President Bush took office.

Mr. Speaker, Americans are hurting. Congress will pass this legislation for the second time, not because of politics, but because of need. I urge the President to sign it for the same reason.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida [Mr. SHAW], a member of the Committee on Ways and Means.

Mr. SHAW. Mr. Speaker, in listening to the debate here, we know where we are, we know where we are going, we know what the rules are going to be, and we know what is going to happen in the Senate. This bill will pass by an overwhelming majority here in the House. It has already passed in the Senate, but by less than the two-thirds necessary to override the veto of the President. This simply means we are going to pass another bill, send it down Pennsylvania Avenue, the President is going to veto it, and his veto will be sustained. So there will be no relief out there for the unemployed people.

Mr. Speaker, why is it that we keep playing this same scenario over and over again? Why is it speaker after speaker has come up here to the microphone and talked about an $8 billion surprise?

Mr. Speaker, that surplus is gone. It is like old Mother Hubbard's cupboard; it is empty. There is no money in it. There is nothing but IOUs in there, because Congress has spent it all.

We are facing deficits of over $300 billion, and still we are wrangling in here over a bill which will admittedly bring relief, much-needed relief, humane relief, to many Americans, but is never going to become law.

□ 1440

Why not join together in a partnership and go after the causes of unemployment and not feed the systems of unemployment? Why not create jobs instead of extending benefits?

The package is out there. The President has already put his hand out and he would certainly compromise. He would compromise, I am sure, with this bill if there was some light at the end of the tunnel.

To pass bill after bill that is going to do absolutely nothing but increase the deficit and, yes, the trust funds are all included in the deficit, including this one, because that is the way the law is written, that is the way we wrote it, that is our law. That is not Bush's law. It is our law.

It is included in the deficit. We are spending money that we do not have, regardless of all the rhetoric we hear about the $8 billion sitting there in the trust fund as if it is dollar bills sitting on a shelf, dollar bills that we have already spent.

I would hope that following the passage of this and the veto of this bill that Democrats and Republicans can at least try to solve some of the problems of unemployment, form a new partnership and together go down. There is no partisan politics in unemployment. All the Congressmen and women in this Hall, all the Senators, we all want full employment. We want a stronger economy.

This is no more a Bush recession than it is a Congress recession. We all have enough responsibility to go around, but together we can solve the problems.

I would call upon the Congress, after the passage of this bill, that we do start a new decade of trying to work together in solving the problems of this country instead of debating what separates us.

Mr. BONIOR. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Speaker, I thank the gentleman for yielding time to me.

I rise in support of the rule and in support of the conference report.

There are now 10 million Americans out of work and since January of this year 2 million of those Americans have exhausted their unemployment benefits. About 300,000 a month have exhausted their unemployment benefits. This year alone 80,000 Georgians have lost their jobs, and I hear my good friend from Georgia, the minority whip, say, "Well, the cure for unemployment is employment."

How cavalier. We know that. Working people know that. One doesn't have to be a rocket scientist to figure that one out.

While Americans and Georgians are seeing the American dream in many cases become a nightmare, they are talking about a supply-side growth package, Laffer curve, trickle-down voodoo economics. They are talking about then; we are talking about now.

They are saying that we will not declare an emergency, do not need to declare an emergency. There is no emergency. There is no emergency here.

Mr. Speaker, I would have to ask my friend from Georgia, if he were out of work and if this recession continues a lot of us are going to be out of work next year. If he were out of work and if he had exhausted his unemployment benefits and he could not pay mortgage and he and his family were losing their home if his folks were sick and he had lost his health insurance and if he was up against the wall like millions of working Americans are today, would it be an emergency then? You bet your sweet Reagan-Bush recession it would be an emergency.

I urge my colleagues to vote for this rule, vote for this conference report and vote for middle-class working Americans.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the former speaker in the well from Georgia is, I consider, a great friend. He is certainly a good Member of this House. But when he starts talking about voodoo economics and these things, that really does not help us get to the point here.

I do not think that individual retirement accounts for all Americans represents voodoo economics. I do not think tax credits for research and development that are so desperately needed by American industry today to compete with all of these Japanese firms and all of those other subsidized firms represents voodoo economics.

I mentioned before first-time home buyer tax credits and lifting the cap on senior citizens' earnings. Those things are very, very serious matters. They are meant to stimulate the economy.

Even the gentleman from Michigan [Mr. BONIOR], my good friend, during the Committee on Rules debate on one of these rules, I cannot remember which one because this is the fourth or fifth one we have had, but even the gentleman from Michigan [Mr. BONIOR], contradictory to what he said here on the floor, told the gentleman from Georgia [Mr. GINGRICH] to his face that his economic program was meritorious, had good merit, but this was not the time. This was not the time for that and the Democrats would be coming up with a similar package at some appropriate time.

I tell my colleagues, the people who work for General Electric and IBM, those same middle-class Americans, those engineers we were talking about, think the time is now for economic growth. That is what we are looking for.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. If the gentleman claims his own time.

Mr. BONIOR. It does not look like the gentleman has a lot of Members over there that want to talk on this issue. Will the gentleman yield?

Mr. SOLOMON. The gentleman has refused to yield to me three times. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, let me just say to the gentleman from New York [Mr. SOLOMON] in my discussions with the gentleman from Georgia [Mr. GINGRICH], I did say that he had some very good features in his package. I did not agree with his total package. I did not agree with capital gains as a means to deal with this issue by itself.

I just want to clarify that, that there were parts of that package that obviously we all agree with over here.

Mr. SOLOMON. And if we had an open rule today, Mr. Speaker, we would be able to take up those good portions that the gentleman thinks are good and we could pass them on this floor and put people to work.

Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I would like to first commend Chairman ROSTENKOWSKI, and the members of the House Ways and Means Committee, for their persistence and commitment to assuring extended unemployment compensation benefits for the 334,321 Americans that have exhausted their benefits. I do not know what it is going to take to convince this administration that workers and their families are suffering.

In 1935, as the Congress considered the Social Security Act, it authorized short-term income aid to employed workers who have shown loyalty to the labor work force by maintaining an acceptable work history. The unemployment insurance system simply provides protection against the relentless turns of the business cycle.

The downturn of the current business cycle continues to wreak havoc on this Nation's weak economy. Caught in this protracted economic turbulence are hard-working men and women who's earnest wish is to provide food, shelter, education, and medical needs for their loved ones. These workers need help.

Yet, President Bush hides behind the law, only to deny benefits to those who are in need. Under the budget law, the President can request, and receive, emergency spending for war, recession, or national disasters. President Bush applied a very liberal reading of the law when he requested, and received, emergency spending for everything from aid to the Kurds, to the evacuation of various citizens during the Iraq crisis. Much to the dismay of those thousands that have exhausted their 26 weeks of unemployment benefits, President Bush applied a strict reading of this law stating that, "the last thing we want to do is break the budget agreement and spend outside to increase the deficit." Such a denial of basic assistance sends the message that it is better to be a Kurd than a working, taxpaying, American.

Instead, President Bush has once again prescribed the so-called panacea for the problems of the unemployed. He says that, the best prescription for the problems of the recession are to create new jobs and to get people back to work. The President's so-called alternative legislation promises to create nearly one-half of a million jobs in just 5 years. Could someone tell me, how can this administration create one-half of a million jobs in 5 years, when there has been no serious commitment to this issue since President Bush moved into the White House.

To designate the need for extended unemployment compensation funds as emergency, is not outlandish or unconscionable. I believe that unemployment emergency funds are in sync with the rate of long-term unemployment and the problems that come with it. There is no doubt, in my mind, that the 93,672 unemployed workers in Illinois who have exhausted their benefits are having extreme difficulties dealing with day-to-day life. I've been there, I know.

An expansion of unemployment insurance conforms exactly with the definition of a circumstance requiring emergency designation. People are suffering and are in need of extended benefits. I ask all of my colleagues to support the passage of the conference report to the Emergency Unemployment Compensation Act. The workers of this Nation are relying on us today.

□ 1450

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from California [Mr. CUNNINGHAM] a new Member of this House.

Mr. CUNNINGHAM. Mr. Speaker, I have only been a Member of this Congress now for about 8 months, and in that time I have seen a lot of different bills come forth which both sides knew the President was going to veto. It is kind of discouraging, as someone who is action oriented, to say that the other side has its points and we have our points, but why can we not sit down and negotiate these things out and pass a bill that will help people?

That side of the aisle is so stubborn that they will not change. This side of the aisle is so stubborn that they will not change. We need to sit down and help people.

It is like having a liferaft in a river. You throw somebody a liferaft when they are drowning, and all of a sudden they begin to like the water. They lose the liferaft. So you throw them another one.

So I think this side of the aisle is of the same mind. We would like to throw them a liferaft, but we would like to have it with a rope and to pull them out. That rope means jobs and opportunities as the gentleman from Georgia [Mr. GINGRICH] just told us. It is the President's economic package that has been denied by the other side of the aisle, and quite frankly, it is quite disturbing to me to see things like civil rights bills and economic packages that help people that cannot be passed by both sides of the aisle.

I think that is why the people of this country are saying throw the rascals out, and I think maybe they need to do that, Mr. Speaker. It is an impasse, and it is discouraging as a freshman Member of this Congress to see that.

I have people in my district, the last shipbuilding industry called Nayco on the west coast, and they are hurting for money also. But to vote for this bill, because of its formula, would cost the State of California over 13,000 jobs. We would raise taxes by over $6 billion, or increase the deficit by $6 billion, which hurts business. The other side of the aisle I think, 70 percent of the other side of the aisle, could not make a payroll if they had a business because they do not understand the things that they try and pass on this floor and how it affects business and kills jobs.

You kill jobs and then you cry because there is no money to pay for it. Let us just sit down and be able to create jobs and pay for those things.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, let me respond to my good friend from California. I have been in this House for 8 months as well. But the reason we are having this debate is because, apparently, we have more confidence in our President to exercise good judgment and to recognize the condition of the American families who elected him to leadership.

The gentleman was telling us that we should vote against this rule because the President has already made up his mind, he is not going to change his mind regardless of the condition that afflicts American families today. The fact is that much of the information we have been told cannot be right. We have heard from the gentleman from Florida, a previous speaker on the other side of the aisle, that the unemployment insurance trust fund is bankrupt. I hope it is not bankrupt, because it was authorized for only one purpose. As the gentleman on the other side of the aisle know, it was not authorized to bail out any budget deficit. It was authorized to be paid by the employers of this country solely for American families who have lost work, not families who have quit their jobs, but American families who have lost their jobs and who are looking for jobs and whose benefits have now run out.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. MORAN. They cannot pay their mortgages, they cannot feed their families. They are not going to be able to keep their children in college.

And we are as responsible as you are, and we want to do something about it.

Mr. Speaker, today I want to speak in support of the rule and join my responsible colleagues on both sides of the aisle, in support of legislation which would extend unemployment benefits for more than 2 million Americans who ask only that they have an opportunity to work hard to strengthen our economy.

We have been through this debate before. In July, we sent the President a good bill—a fair bill—that would have provided relief for those men and women who had exhausted their unemployment benefits. The President needed only to sign the bill and declare an emergency to set this extension in motion. While he showed great symbolism in signing the bill, he showed no compassion in refusing to declare an emergency.

While the administration obfuscated the fact, denied that there was a recession back in August, 8.5 million Americans were out looking for a job. While the President denied that there was an economic emergency, and refused to enact the unemployment extension, 316,000 individuals exhausted their benefits; 316,000 Americans who would have been covered by our efforts in July must now worry about feeding their families, paying their bills, and meeting their mortgages. Those 316,000 Americans, who could have been protected then, are now watching their benefits run out and their hopes for the future dissipate.

Today we have an opportunity to right that wrong and to pass another good, fair bill that protects the American families hardest hit by this prolonged recession. I hate to imagine the repercussions our failure to act might have on the 316,000 Americans who have exhausted their benefits in September, or the 316,000 who will exhaust their benefits in October.

We have the money to protect those families suffering extended unemployment—there is over $7.6 billion in the unemployment trust fund—we need only the courage and the compassion to spend it for the purposes for which it was established. I urge my colleagues to join me in supporting the rule, and then supporting the conference report, and in extending unemployment benefits.

Mr. SOLOMON. Mr. Speaker, I yield 30 seconds to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I asked the gentleman from Virginia to yield but he chose not to do so. I asked him to yield because he just absolutely misquoted me.

Nowhere in my remarks did I use the word "bankrupt." I simply said that the cupboard is bare. Congress has spent the trust fund on other matters, and there is nothing in there with the exception of Government obligations in the form of IOU's.

This whole thing, and I am sure the gentleman after 8 months understands, is in the unified budget, which includes the trust fund. Perhaps it should not. I would like to see them all go off budget. But the highway fund is in here, this is in here, and other funds are in here that ought to come out.

Mr. MORAN. There is $7.6 billion of surplus in that trust fund authorized for only one purpose.

Mr. SHAW. There is not.

The SPEAKER pro tempore. The time of the gentleman from Florida [Mr. SHAW] has expired.

Mr. BONIOR. Mr. Speaker, I yield 1½ minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, the issue today is are we going to take care of things here at home.

I give President Bush some major credit for some accomplishments in foreign affairs. In some areas he has done an awfully good job.

He also is responsible, it seems to me, for some big failures, and this is one of them. The President has traveled to 32 foreign countries in his 2½ years in office. He has traveled on Air Force One the equivalent of three times around the equator creating a new world order.

Why is this relevant? Because while he has been out creating a new world order, we have had some trouble here at home. We have had a recession. Unemployment has increased and a whole lot of American families are in trouble.

We debate today for those who have lost their jobs during the recession and cannot find another job during a recession, whether we will trigger extended unemployment benefits to help those families. But the President says no.

He does not say no to everybody. When he travels he always says yes. I have a list, and this is not foreign aid, but this is just debt writeoffs. I have a list of the debts written off for these countries, $11 billion to 30 countries in the last 24 months. He says yes to Poland, yes to Egypt, yes to Libya, yes to a writeoff for Jamaica, yes to Senegal, yes to Chile, and yes to nearly two dozen others, we want to write off your debt. But here at home he says no. You American families, we do not want to give you extended unemployment benefits when you are out of work.

Something is wrong with a yes abroad and a no here at home. There is $8.1 billion in the extended unemployment benefit trust fund that has been collected just for this purpose. It is collected for the purpose of paying extended unemployment benefits during a recession to those families who are struggling.

So, will an administration that says yes to everybody around the world finally say yes to American families here at home, just once?

Mr. SOLOMON. Mr. Speaker, I intend to sum up on our side, and I have no other speakers besides myself.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from New York [Mr. SOLOMON] has 2 minutes remaining and the gentleman from Michigan [Mr. BONIOR] has 1½ minutes remaining.

Mr. SOLOMON. Mr. Speaker, I therefore yield myself the balance of our time.

My colleagues, when I came to this Congress 13 years ago the toughest thing for me to learn was the art of compromise, because I really felt if I was giving in I was giving up on my principles. But there is a Democrat Party and there is a Republican Party. We have to get along, and we have to do what is right for America, and we have to compromise.

The Democrats have a package which is on the floor again today. We tried to offer a substitute for that, but we were denied a vote on the floor for the Gingrich-Gramm economic growth package. Democrats refused to allow it.

So we compromised again by saying we will support your package of unemployment benefits if you will give us the economic growth package. Let us couple it, pass it, and send it to the President and he will sign it. But Democrats would not do that. They refused that compromise.

Then we offered the Dole-Michel-Solomon compromise, which is 10 weeks of benefits, the same thing you are asking for, only we do not make the law permanent. Again, Democrats refused to compromise.

Ladies and gentlemen, the Senate has just killed this bill. They will not override the President's veto. This bill is dead. Why do Democrats not accept that fact, and why do they not compromise and accept the Dole language? Those checks would reach the people tomorrow if we would all vote down this rule. I ask Members to vote it down so that we can get a compromise that is going to help the American people today, not 3 weeks or 4 weeks from today.

The SPEAKER pro tempore. All time of the gentleman from New York [Mr. SOLOMON] has expired.

To close debate, the gentleman from Michigan [Mr. BONIOR] has 1½ minutes remaining.

Mr. BONIOR. Mr. Speaker, before I yield to my friend from Rhode Island to close debate, let me say the President has an opportunity, a historic opportunity to sign this bill that we will send him, and if he decides not to do that, we will have this bill back before us again and again and again until he faces the need of the people of this country.

I do not believe this bill is dead. In fact, I believe the President fails to recognize his responsibility and the needs of the American people on this most urgent issue. This House and the other body will see to it that those people are taken care of.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Rhode Island [Mr. REED].

Mr. SOLOMON. Mr. Speaker, I would like to inquire how much time remains in debate?

The SPEAKER pro tempore. The gentleman from Rhode Island [Mr. REED] is recognized for 1 minute.

□ 1500

Mr. REED. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this is the third time in as many months that I have been here on the House floor urging the passage of the extension of unemployment benefits for working Americans.

I come from Rhode Island. Frequently in newspapers, Rhode Island is cited as the only State that qualifies for extended benefits, and unless we pass this legislation, Rhode Island, with a 9.1-percent unemployment rate, will not qualify for extended benefits.

This is a matter of urgency. This is a crisis which we must address today. We must stand up and support working Americans throughout this country and vote for this legislation.

There is a human face to this crisis. People come into my office. They are people who have worked all their lives, many graduates of fine universities, professional people who have always had a job and are now without employment with families to support, desperately needing the help of their country. They are baffled. They do not understand why the President of the United States can go around the world, seize the initiative in international affairs, but ignore a crisis at home that is destroying the families of America.

It is our responsibility and our obligation to stand up for these families today.

Mr. Speaker, I urge my colleagues to vote for this important legislation.

Mr. BONIOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. SOLOMON) there were—yeas 12, nays 3.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. MONTGOMERY). Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 270, nays 147, not voting 15, as follows:

[Roll No. 284]

YEAS—270

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Ravenel
Ray
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—147

Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Hobson
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Allard
Crane
Derrick
Dymally
Ford (TN)
Holloway
Hopkins
Kaptur
McCloskey
Myers
Olin
Payne (VA)
Rangel
Serrano
Waters

□ 1521

The Clerk announced the following pairs:

On this vote:

Mr. Rangel for, with Mr. Allard against

Mr. McCloskey for, with Mr. Crane against

Mr. GUNDERSON and Mr. GILCHREST changed their vote from "yea" to "nay."

Mr. TORRES changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the provisions of House Resolution 230, I call up the conference report on the Senate bill (S. 1722) to provide emergency unemployment compensation, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Pursuant to House Resolution 230, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of earlier today, Tuesday, October 1, 1991.)

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, and the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the pending conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise today to urge support for the conference report on S. 1722, the Emergency Unemployment Compensation Act of 1991.

Last week, the House passed S. 1722 by an overwhelming 294 to 127 vote. During the debate on S. 1722, we promised to work swiftly to complete the conference, and send this important bill to the President. Today, we keep that promise, and provide an emergency extension of unemployment benefits to over 3 million unemployed American workers.

S. 1722 would establish a temporary emergency unemployment compensation program beginning next week and extending through July 4, 1992. The bill would cost about $6.4 billion, and would be funded from nearly $8 billion previously credited to the unemployment trust fund to cover the cost of the extended benefits program. An estimated $6 billion would be spent in fiscal year 1992, which would help maintain consumer demand and stimulate the economy.

Benefits would be available prospectively not only to those exhausting their regular benefits during this period, but would be paid also to those still unemployed who ran out of benefits after February 1991 in States with unemployment rates of at least 6 percent.

The number of weeks available to unemployed workers under the conference agreement would depend on the "total unemployment rate" in their respective States.

States with unemployment rates of 8 percent or higher would be eligible to provide up to 20 weeks of benefits;

States with unemployment rates of 7 percent to 8 percent would be eligible to provide up to 13 weeks of benefits; and

All other States would be eligible to provide 7 weeks of benefits.

Under this new trigger mechanism, 7 State programs would provide 20 weeks of benefits; 14 State programs would provide 13 weeks of benefits; and 32 State programs would provide 7 weeks of benefits.

In addition, the bill would make permanent changes in unemployment benefits for exservicemembers to equalize their benefits with civilians:

Unemployed veterans of Operation Desert Storm and other veterans would be able to get 26 weeks of benefits instead of the current 13 weeks;

Veterans would have to wait only 1 week for their checks instead of 4 weeks; and

Reservists would have to serve continuously on active duty for only 90 days instead of 180 days.

Other provisions of the conference agreement include a three-State job search demonstration project; a Department of Labor report on allocating unemployment insurance administrative funds to States; an unemployment compensation advisory council; and special consideration under the Job Training Partnership Act for dislocated timber workers in Oregon and Washington.

Finally, the conference agreement would treat the provisions of the bill as an emergency under the Balanced Budget and Emergency Deficit Control Act of 1985. If the President signs the bill, he in effect will be declaring an emergency at the same time. If he vetoes the bill and Congress overrides his veto, the bill will take effect because of Congress overriding his veto.

Mr. Speaker, recent economic news bears out what unemployed American workers have known for months—the recession is far from over.

The index of leading economic indicators was flat last month.

Real gross national product fell a half percent in the second quarter of 1991.

Durable goods orders dropped nearly 4 percent in August.

Consumer confidence fell for the third consecutive month.

Sales of U.S. cars and trucks were down 16 percent in mid-September compared to a year ago.

The number of poor persons increased by 2 million in 1990 and the official poverty rate rose from 12.8 percent in 1989 to 13.5 percent in 1990.

The insured unemployment rate rose again in early September from 3 percent to 3.2 percent. This suggests the overall unemployment rate for September could rise again from last month's 6.8 percent when it is announced on Friday.

Opponents have made many shallow arguments against this bill, including crying foul as if the emergency designation in the bill creates some kind of grave legal or constitutional crisis. Clearly, there is no such crisis.

If the President chooses not to sign this bill, S. 1722 simply preserves the constitutional prerogative Congress has to override a Presidential veto. Opponents argue the bill should give the President the authority to sign the bill, but not declare an emergency. In effect, they argue Congress should give up its right to override a Presidential veto. But Congress tried this approach in August, and it didn't work.

Mr. Speaker, the President's economic advisers promised the American worker a short and shallow recession. What they got instead was short shrift. Our constituents did not send us to Congress to give up constitutional rights to the President of the United States. They sent us here to look out for their best interests, and exercise the powers vested in this institution by the Constitution.

My colleagues, let us put an end to the domestic politics of indifference. The economy is down and unemployment and poverty are up. I strongly urge support for the conference report on S. 1722. It provides a much-needed extension of unemployment benefits to millions of unemployed American workers who have waited long enough for government to act.

□ 1530

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have several objections to the conference report on unemployment insurance.

The first and most important is that we are running roughshod over last year's budget agreement. A year ago, headlines in all the Nation's major newspapers reflected deep concern about the Federal deficit. Here in Congress, we fought a very divisive and difficult battle to hammer out the budget agreement. And all because we were determined to reduce the deficit.

Now, having created a budget agreement that has the potential to reduce what last year was perceived as the Nation's most serious problem, the Congress is about to smash a fundamental tenet of that agreement. If this bill is passed, the President will lose his independent right under section 252(e) of the Budget Act to participate in declaring an emergency.

I think all of us know very well what happens once the slightest crack appears in any agreement such as this.

By this time next year, the crack will be a chasm, and even the monstrous CBO budget deficit estimate of $360 billion for 1992 will be too low. Have we already forgotten last year's crisis? Are we willing to kill the 1990 agreement and renew all the partisanship and bitterness that will accompany another battle to solve the deficit?

My second objection to this bill is its timing.

Like Democrats, Republicans recognize and deplore the suffering induced by unemployment. Unlike Democrats, we attend carefully to the history of unemployment in this Nation, and in doing so realize that 6.8-percent unemployment does not constitute an emergency. Today's 6.8-percent unemployment is actually lower than the unemployment level when we ended supplemental benefits after the last recession.

Yes, the situation for those who are unemployed is serious. But does it constitute an emergency worthy of scrapping our deficit reduction effort instead of focusing on economic growth and job creation?

One reason the majority in Congress is ready to declare an emergency is that Members may not have reflected on some important statistics about the American economy. This debate has been driven primarily by the unemployment rate figures.

While I agree that the unemployment rate is an important number, another important number we should consider is the percentage of adult Americans who are employed. When President Carter left office, about 59 percent of Americans had a job. In February of 1983, during the depth of the last recession, the percentage of adult Americans with jobs declined to 57.1. By contrast, today over 61 percent of Americans have a job.

So even though our unemployment level is up, we still have many more Americans earning money than in any previous recession and even more than in most previous nonrecessionary periods. Shouldn't these numbers make people at least wonder how great an unemployment emergency we face as we tear up the budget agreement?

Third, despite the fact that we exempt ourselves from Budget Act requirements and give away money we don't have, Members of Congress should realize that there's no free lunch when it comes to financing benefit programs. Sooner or later, this legislation will result in higher taxes. We cannot go on building up debt forever. When the bill finally comes due, American taxpayers will once again pick up the tab for benefits that Congress led them to believe were free.

Violating the Budget Act, creating an unnecessary program, and creating pressure for future tax increases are all good reasons for opposing the conference agreement.

Mr. Speaker, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, it is with much regret that I rise in opposition to this legislation. This bill has the laudable goal of helping the victims of the recession who have lost their jobs and have exhausted their unemployment benefits. These people need help, and we should find the means to provide it. However, I cannot support legislation that will increase Federal spending by $6.4 billion without any offsetting spending cuts.

I strongly support the goals of this legislation. Like the rest of my colleagues, I have recently returned from a tour of my district. I can tell you that there is a problem out there. The people in west Texas are hurting. More than 16,000 of my constituents are unemployed, and many businesses can barely meet their payroll. I can sum up the situation in my district with one word—survival.

I agree with my colleagues who have argued that this is an important issue that demands congressional action. But I would say to those who argue that we must declare an emergency to provide the money for it—why can't we find $6.4 billion in spending to cut out of a $1.4 trillion budget to pay for it? If the Members of this body believe that it is important to spend money to assist unemployed workers—and I believe that it is—then we should be willing to find programs that are not as important that we are willing to cut to pay for it. I do not believe that every dime of the Government's $1.4 trillion budget is absolutely vital and there is not room to cut spending.

I believe that a national debt of $3.6 trillion and a deficit of more than $350 billion is the most serious problem facing the country today. This problem will only worsen unless we bite the bullet and admit that governing sometimes requires making sacrifices. We simply cannot afford to spend money on every problem or idea that comes before Congress. We must learn to set priorities. To me, the restraints on spending that were intended to force us to set priorities was the key to last year's budget agreement. I believe that providing assistance to unemployed workers should be a priority of this Government. I was willing to put my vote behind these words by voting to make the cuts to pay for it. Unfortunately, I never got that chance. As a result, I cannot support this bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Speaker, I thank the gentleman from Illinois [Mr. ROSTENKOWSKI] for yielding this time to me.

When is a recession not a recession? Well, I guess it is living in the lap of luxury and riches, where one's education is paid for, having all kinds of influence, and where one does not have any fear of unemployment. There is good food on the table and there is good health care.

Mr. Speaker, the President of the United States presides over a declining economic and social structure, and then he looks down his nose at people whom he presides over, the people who pay the taxes, the people who elected him, who also have now become sick of being unemployed and being poor. And the answer to that is: "We don't have any recession. Go get a job."

They say there is no recession. Well, I say to my colleagues, "We've heard about this no recession stuff for a long time."

They stated that they are going to give us 30 million new jobs. We are losing 10,000 a month. They are going overseas to other places. We are sending all of our jobs overseas, allowing all this foreign stuff to come into the country—from slave labor.

Mr. Speaker, we have the fastest rate of unemployment, the slowest growth, since World War II, and I think it would be a cruel hoax if the President vetoes and Congress fails to override this veto.

Mr. ARCHER. Mr. Speaker, I reserve the balance of my time until the gentleman from Illinois [Mr. ROSTENKOWSKI] reaches his last speaker.

□ 1540

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Speaker, I thank the gentleman very much for yielding me this time.

Mr. Speaker, I rise in support of the bill and to suggest that recently the President has been doing very good things for the people of the world. Through his speech last Friday, we have less fear of nuclear holocaust. He has provided aid and assistance to people of Eastern Europe and the Soviet Union who are certainly hurting, and he has resolutely pursued the cause of peace in the Middle East. He does good things for the people of the world, but now, Mr. Speaker, it is time for the President to do equally good things for the people of this Nation.

I do hope that when we send this bill to the President, this compromise package of extending unemployment benefits to long-term unemployed American people, the President will do good things for Americans and sign this bill into law.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, we are seeing a tragedy played out here today, a tragedy for the people who are unemployed, because out of this process they are going to get no check. We already know that the vote in the Senate is such that this bill is going to be vetoed and the veto is going to be sustained.

So it is a tragedy. We are going to have more politics talked about, but the unemployed are going to get no check.

It is a tragedy also because the people who have concocted this bill and who bring it here, have concocted a bill that will in fact make us less capable of competing in the world, not more capable. Why? Because if this bill were enacted, if the President did not have the courage to veto this bill, the fact is that we would have to borrow the money from the Japanese in order to pay the cost. The trust fund out of which these moneys come was already committed in last year's budget deal to other spending, so there is no money to pay for this bill. The only way we have to pay for this bill is to go out and borrow at least 20 percent of it from the Japanese. So for those who are concerned about our position in the world and what the President is doing in the world, the tragedy that we see playing out here is that we will be more committed to debt in the world when this happens.

Finally, it is a tragedy because we are not doing what we committed ourselves to last year. With this bill we are making a specific attempt to break last year's budget agreement. We are making a specific effort to overcome what many people promised.

I have heard Democrats in the last few days talk about a 10-year budget deal. The 5-year budget deal we had last year did not even last a year, and we are here on the floor trying to break out of it. Those deficits are killing the economy, they are killing our budgets, and if we do not stop playing out this kind of tragedy on the House floor on a regular basis, we are going to see more jobs killed.

Mr. Speaker, we need an economic growth package. We need something that really produces real jobs in this country. We do not need any more unemployment tragedy. We do not need any more unemployment bills that will not do the job.

Mr. Speaker, I am sorry we have this tragedy today, but the right vote now is a no vote.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I have listened to the debate very attentively, and I barely can believe what I am hearing. We are told that more people are working now than before. We are told that the unemployment rate is not really as high as we are saying it is. Try telling that to the person who is unemployed. Try telling that to the person whose unemployment benefits are running out and they cannot pay their mortgage or send their kids to school or buy food.

What we are doing is simply saying to the Americans who have worked hard all their lives and find themselves, through no fault of their own, out of a job, is that we will not help them. We have many, many programs. We help many, many people over the world, as we should, but we ought to start helping our people back home.

Mr. Speaker, we have lots of programs. There are lots of things that Congress does. Let us not start hurting the people in our country who need help the most. We should pass this bill and override the President's veto.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this legislation. It is a tragedy that we are not paying long-term unemployment benefits right now, as a result of the veto that occurred a little over a month ago.

When people in Kuwait lost their jobs through the savage aggression of Saddam Hussein, there was no question about where we would borrow the money. It was deemed an emergency situation, and we moved. Now the savage consequences of recession undermine the lives and welfare, the nutrition and housing of Americans.

The foreign policy issues the President has been attending to are more critical than the ones that will benefit the American public. But this President must also remember that he is the President of the United States, and that the health and welfare of the United States is also his responsibility.

The ranking member of the Rules Committee said that Democrats will play politics and the President is going to veto this bill and, therefore, no unemployed will be benefited. I agree with him that this is tragic. It is a tragedy that Americans are not perceived to be as important to act upon as those across the seas.

We are here to pass the conference agreement on unemployment which will automatically implement provisions of the bill without the President's declaration of an emergency.

I hope that we will pass this bill.

It wasn't long ago that people generally believed that the Washington area was recession-proof. Today's Washington Post is rife with State and local budget cuts, layoff and furlough notices, and a rising unemployment rate. In my own State of Maryland, 1,700 workers have been sent layoff notices to comply with spending cuts and thousands more may lose their jobs as a result of the domino effect. In my home county of Prince Georges, county employees will be forced to take a 2-week furlough without pay because of revenue shortfalls which directly result from the recession.

Police personnel, health care workers, and education employees will suddenly find themselves unemployed and unable to provide for their families once their initial unemployment benefits run out.

Yes, I understand we had an agreement that we would mask the deficit. Senator MOYNIHAN talked about that with respect to Social Security. That is what we are doing. There is a trust fund that was established for the purposes of helping these people who have lost their jobs, working Americans who have families, who have medical bills, and who have college expenses for their kids, and who need to keep food on the table. We have a fund to pay for those people, but, no, we dealt them out of the ball game. Why? To mask the deficit, because if we spend out of this trust fund, after all, we would not be able to count it as revenues to offset expenditures.

President Reagan signed an economic growth package in August 1981. He said that this will solve the economic problems of America, and we will have a balanced budget 8 years later. Under Republican administrations a $362 billion deficit is confronting us, and hundreds of thousands, 300,000 a month, are added to the unemployment rolls, and we say we cannot help.

Mr. Speaker, this Democratic Congress is determined to see that Government works for people in need. This Democratic Congress wants to make sure that President Bush's callous disregard for the working American and their families is not the last word. This Democratic Congress will, if necessary override the President's carelessness and ensure that the direct victims of this Republican recession will receive extended benefits to tide them over until this recession is indeed on an upswing.

Mr. Speaker, I ask the President to sign this bill and help these people.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the two previous speakers spoke, of course, in a heart-warming way about the concerns of those who are unemployed, and certainly there is sensitivity to that. But the mere fact that there is a reason to spend more money does not justify trashing the budget agreement of last year.

Many of these same speakers speak with intensity about the so-called Reagan deficits. There are many, many justifiable reasons to be supporting new spending programs, whether they are for education, whether they are an antidrug activity, whether it is for prenatal care, or whether it is all of these very, very seductive issues. This is another one. But the question is whether we will be financially responsible, fiscally responsible to the taxpayers of this country and to our children and their children.

□ 1550

We hear that often on the floor, from the same people who speak out now and say don't worry about the deficit. Spend more. Start a new spending program.

Mr. Speaker, we have to draw the line. We must be serious about these deficits. This is the first chink in the armor, to move forward with a very appealing new spending program.

Let us keep the budget agreement. It is not going to get us back to a balanced budget, but it at least will move us in that direction, and let us be fiscally responsible for the taxpayers of this country.

Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the majority leader, the gentleman from Missouri [Mr. GEPHARDT] to close debate on this side.

Mr. GEPHARDT. Mr. Speaker, this morning we met with the President of the United States to congratulate him for the arms control proposal he made Friday night. I urged him to go further—as we surely can—in this new world of greatly reduced instability and anxiety.

America's role as the peacekeeper in the last half of the 20th century will be much heralded and studied by historians. But this much is clear: Our unstinting acts of protection for freedom were also acts of sacrifice. As we rebuilt our weaponry, our competitors rebuilt themselves economically. We did not. And now we are in a recession.

The great casualties of the 1980's will be remembered as communism, whose passing we do not lament, and the American standard of living, whose future we must revive.

As we seek to define our future, we must ask the President this question: Where do working Americans fit in your new world order?

While he extends his hand outward to help those in need overseas, he slams it down on working families here at home.

He stops us from cutting their taxes, and insists we raise taxes on the middle class.

He stops us from helping them find health care.

He stops us from helping them send their kids to college.

And, with one stroke of his pen, the President's hand will stop us from providing them unemployment benefits when the Republican recession cost them their jobs.

This is the truth: Working Americans have no place in the President's new world order.

This morning the President's allies will make a superficial argument about a dividing line between Democrats and Republicans, between growth and recession, efficiency and compassion. But this is really an argument between reality and denial.

For the Republicans want to get us out of this recession by reenacting the very policies that sent this economy plummeting into recession.

Worse, they want to adopt these failed policies—such as cutting the captial gains tax rate for the rich—instead of helping the unemployed as they look for work. They are asking for more of the same. But I ask: Can we afford more of the same?

Can we afford more of the same when the economy has grown only 0.7 percent since President Bush took office?

Can we afford more of the same when the average person has $350 less to spend than he did in January of 1989?

Can we afford more of the same when jobs in this country are disappearing at the rate of 9,400 per month?

Can we afford more of the same when new unemployment claims are surging to nearly half a million, when more than 2 million workers have exhausted their longterm benefits?

We cannot make the same mistakes in the 1990's we made in the 1980's. We have to change direction. We have to find a place for the American worker in the new world order. We have to learn these new lessons, and we have to remember some essential truths.

Unemployment compensation is not welfare; it is insurance, bought and paid for.

Unemployment compensation helps the economy recover from recession, because it restores the purchasing power of the unemployed.

Most of all, unemployment compensation is just: It permits workers who are looking for new jobs to feed their families after they have lost their old ones.

Our bill responds to their needs. And now we ask the President to do the same. Just as you have heeded the calls of the Egyptians, the Iraqis, the Kurds, and so many others—won't you now heed the calls of the American people?

This debate is not about unblemished veto records, it is about saving American lives.

It is not about welfare, it is about keeping faith with people who work. It is not about a false choice between growth and equity, it is the essence of growth with equity.

Chairman ROSTENKOWSKI and Chairman DOWNEY have cut through the politics and rhetoric and asked us now for months to do the right thing for millions of unemployed Americans.

Now we must rise to the occasion, join their fight, and adopt this legislation. I urge support not just for this legislation but for the idea that Congress—if not the President—will take care of the American people because emergencies at home matter just as much as emergencies abroad.

Mr. MICHEL. Mr. Speaker, today we are presented with the compromise reached by the Democrat-controlled conference between the two Houses on unemployment legislation. And, as I predicted last week, it is unacceptable to the President.

The bill contains a major repudiation of last year's budget agreement.

In that agreement, Congress and the President decided that for an emergency to be declared and spending to occur outside of the agreed-upon limits, both the President and Congress would independently have to declare such an emergency.

This legislation takes away the right of the President to independently decide whether the spending in this legislation should be declared an emergency and does it for him.

Has the majority decided the budget deal no longer meets their partisan needs?

Will we now be faced with more legislation adding to our projected $350 billion deficit for 1992?

The majority knows its approach will be vetoed. Why do they persist in it?

I would like to remind my colleagues that Senator DOLE and I have presented both Houses with an alternative which the President says that he will sign.

This alternative provides 6 weeks of additional benefits for all States and up to 10 weeks for States with higher unemployment rates.

This alternative is completely paid for with a spectrum auction and additional debt collection measures. Therefore, it complies with the budget agreement requirement that new spending should be offset.

We have worked on technical changes to the bill since it was introduced last week to ensure that the offsets match up with the spending.

Most importantly, this alternative does not add to the deficit and does not saddle future generations with more debt.

I must oppose the costly, Democrat proposal presented to us today. I hope that we can quickly move this process forward to consideration of the Dole-Michel-Solomon proposal—so that the unemployed may receive the added benefits they deserve.

Mr. FAZIO. Mr. Speaker, President Bush, at the 1988 convention said that his Presidency would produce 30 million new jobs. Nearly 3 years into his term, George Bush has created fewer jobs than any other President since the Great Depression.

It is hard to fathom how Republican Members can summon the courage to vote today against extending unemployment insurance when we just learned that the average income for American families fell almost 2 percent last year. At a time when the number of Americans in poverty has increased for the first time since 1983.

When will the Republicans and their President face up to the fact that this recession is not over and it's not going to be over anytime soon? When will their professed compassion for millions of struggling American families be matched by their actions here on the House floor?

Republicans who oppose this measure, especially those who switch their votes to oppose it, will live with this vote for a long time to come. Their constituents will know that in the most dire of economic time that their families have known, their Member of Congress voted against extending a hand to help.

Republicans—a dedicated, domestic agenda-oriented party or a party whose President's vision of a new world order doesn't include a plan to dig Americans out of the recession here at home?

Today we'll have more evidence to make that call.

Mr. Speaker, one of my Vacaville, CA, constituents called me to say that "It's about time we did something for the people of this country and stopped sending all our money overseas."

And Mr. Phillips, a Woodland, CA, resident wrote:

> I feel like an old dishrag left on the clothesline just to blow in the breeze. I am one of those people who is unemployed and has run out of benefits at the end of my 26 weeks and have not found work yet. So, what do I do? Oh yeah, I know about the extended benefits legislation that was passed and signed by George Bush and that George will not implement. I'm sorry, Vic, but your good intentions just don't spend to well at the local grocery store. I need those extended benefits.
>
> You Congressman and Congresswomen need to figure a way to convince Mr. Bush that he and you need to concentrate on the problems facing the workers of this country, instead of worrying about sending money all over the world to bail out other governments' failures. You folks have enough economic failures right here at home to keep you busy fixing for a long time. I'm not impressed by Mr. Bush's supposed accomplishments in the world arena, although he seems to be pretty proud of himself.

Once more, the words of a constituent cut through to the heart of the issue. These people are only 2 of the nearly 9 million Americans who remain out of work, in spite of the wishful forecasting of the current administration. Although President Bush promised to create 30 million new jobs during the 8 years he hoped to spend in the White House, there are now 300,000 fewer jobs in America than there were when President Bush took office. Contrary to his campaign promises of economic growth and prosperity, President Bush has led us into economic decline.

And, even though 1 in 7 jobless Americans lives in California, the 300,000 unemployed Californians who exhausted their State benefits through July are still ineligible for extended benefits. As a result, my constituent received his last unemployment compensation check in August. His benefits are now exhausted, as he joins the ranks of middle class Americans who are slowly slipping into poverty.

We must offer aid and relief to the millions of American workers who, like Mr. Phillips, have lost their jobs in this sluggish economy.

We cannot turn our backs on American workers as they attempt to dig their way out of this Republican recession.

Mr. FORD of Michigan. Mr. Speaker, I rise today in support of the conference report on S. 1722, the Emergency Unemployment Compensation Act, which would offer an extension of benefits to jobless American workers.

Little has changed since I spoke over 1 month ago in support of extending benefits. The administration has continued to send aid overseas, while characterizing the helping hand we are extending to our own citizens as "garbage." The unemployment picture in my State of Michigan has worsened, with seven more WARN notices in September, and hundreds of families in my district slipping off the unemployment rosters and through the cracks in the system. Mr. Chairman, I hear from people in my district every day regarding this extension, people who have lost their homes, their hope, and their faith in their Government's ability to offer them any kind of relief.

Mr. Speaker, the conference report on S. 1722 is not perfect. I would have preferred to make the permanent changes that our unemployment benefits system so desperately needs, rather than just passing a temporary measure until July 4, 1992. I also would have like to have paid for this measure by increasing the Federal unemployment taxable wage base, rather than putting it on a credit card.

I support the agreement before us today because it will provide the additional benefits my constituents so badly need. In addition to the regular 26 weeks of benefits currently available, this legislation will offer 7, 13, or 20 more weeks of help, depending on the jobless rate in each State. This agreement also makes benefits after March 1, 1991, and for people who live in States like Michigan, where the unemployment rate was at least 6 percent in August or September. S. 1722 will also make workers in all other States who have already exhausted their benefits eligible for at least 7 more weeks of aid.

Mr. Speaker, when the working people of this country turn to us for help, they deserve more than empty promises. When they ask for a hand, they deserve better than a veto message. We must act, and we must act now. I urge my colleagues to support the conference report and the extension of unemployment benefits.

Mr. GILCHREST. Mr. Speaker, I rise in reluctant support of the conference report, and I request permission to revise and extend my remarks.

Mr. Speaker, here we are again trying to decide what will become of America's unemployed, and again, our choices aren't particularly pleasant, thanks to the gag rule on the part of the majority party.

The question put to us is as follows: Do we support legislation which provides the unemployed with transient relief and mortgages their future in the process, or do we ignore them entirely? And however the majority party may try to dress the issue up, that is the issue.

We can provide our unemployed constituents with a brief relief from the hardships they face, and by the way, unlike most Members of this House, these hardships aren't something I've read about; they're something I've lived. But the Democrats have seen to it that we cannot do this without increasing Government borrowing, worsening the deficit, slowing the economy, and hurting these people's chances of reemployment.

Or we can vote against this program and hope that someday, somehow, the majority will give us a chance to pass something better. If I believed, even for a minute, that this debate was about helping unemployed people, I'd probably hold out and see if this would happen. But it is increasingly obvious that there is no wish on the part of the proponents of this bill to pass legislation that the President might sign.

Senator DOLE provided us with a means whereby we could help our constituents without violating the budget agreement. This idea so offends the majority that they will not allow it to be discussed. Congressman GINGRICH wants us to modify the Tax Code in order to create jobs and reduce unemployment. However, the Democrats respond that in a discussion of unemployment, job creation is irrelevant.

Mr. Speaker, I cannot ignore the needs of my constituents waiting for the majority to let us discuss a better package. I have to vote for anything which might help the unemployed people in my district, even if it is just a political ploy. However, it offends me that these people's plight is being played as a political card, and that their welfare is a secondary consideration in this discussion.

Mr. KILDEE. Mr. Speaker, I rise in strong support of this measure.

This is our second attempt at providing relief to millions of Americans who have been ravaged by the recession, and I hope it will not meet again with Presidential resistance.

I am amazed when I hear people proclaim that the recession is over and the economy rebounding. They argue that we don't need to spend money to help the jobless because everything is sorting itself out on its own.

I don't know what balance sheet they are looking at, but they're not looking at the world around them. Maybe our economy is on the mend—I pray in fact that it is. But right now, there are nearly 9 million Americans without jobs.

There are families who have been forced into the street for lack of jobs and assistance. And in the short month and a half since we first tried to extend jobless benefits, an estimated 300,000 more Americans lost their jobs.

My own home State of Michigan has suffered the second worst decline in the Nation. And, as winter approaches, there are an estimated 170,000 people there whose jobless benefits are about to expire.

Mr. Speaker, I commend this Congress for trying so hard to help those who have suffered so badly in this recession, and I echo the pleas of my colleagues for President Bush to join us in this effort.

The President has been considering foreign aid to Russia and Eastern Europe, where people face hardships because of political and economic turmoil.

But I would urge him, while he considers this foreign aid, to also remember the nearly 9 million Americans here at home who face equal hardship and despair.

For their sakes, for the sake of their families, I urge him to bring his focus back home.

Mr. CLINGER. Mr. Speaker, I rise in support of the conference report.

The unemployment rate in many western Pennsylvania counties is unfortunately far above the national average. In fact, two of the counties I represent have seen their unemployment rates top 15 percent in recent months.

In rural areas like Pennsylvania's 23d Congressional District, job opportunities are limited. A job that is permanently eliminated by a plant closure or a merger is not easily or quickly replaced.

In other words, the idea that these unemployed workers will have no problem finding work as the economy picks up is simply not applicable in many parts of rural America.

To give you an example from my own district, North American Philips manufactured lightbulbs in my hometown for decades. This past spring, the company closed its Warren operation and 190 people were suddenly out of work. Their unemployment benefits are now almost exhausted. The real rub is that because of the lingering recession new job opportunities to make up for this plant closing have not emerged. The 130,000 square foot facility where these people used to work remains empty. Company representatives and local economic development officers are exploring options to install a new enterprise in the plant, but it is not likely to be filled anytime soon.

Many families saw their children return to school last month. That means new shoes at the very least. Winter will be here soon. In the northeast, that means heating bills. It also means flu season and doctor bills. To a good many Pennsylvania families on the verge of exhausting their benefits, the legislation before us today offers their only hope. I urge an aye vote.

Mr. WEISS. Mr. Speaker, I wholeheartedly support the conference report on S. 1722, the Emergency Unemployment Compensation Act.

Mr. Speaker, we are in a recession. The recovery that the President has promised the Nation has failed to show. For the third quarter in a row, the Nation's gross national product has declined; 8.5 million hard-working Americans are without jobs, and with little prospect for finding new ones any time soon.

While the President has put in long hours on his foreign policy agenda, he has forgotten about the United States. In the 3 years that the President has been in office, the total number of Americans working has decreased. The American economy, suffering from neglect, has slipped into recession, a recession that gives no indication of ending any time soon. The President has clearly indicated that he will do nothing to help American workers; if this is truly the case, then we here in Congress must act.

The measure before us is a modest one. It is the very least that we can do. As the recession drags on more than 2 million Americans have had their unemployment benefits expire, and with each delay in passage the number increases.

In New York State the numbers are frightening. With an unemployment rate of 7.5 percent, over 200,000 unemployed workers have exhausted their benefits. Nearly half of these workers live in my home of New York City, where, in August alone, more than 16,000 workers had their benefits expire, and there is no reason to expect that the numbers for September, to be released in a matter of days, will be anything but a continuation of the current situation.

Mr. Speaker, the recession continues. With millions of Americans jobless through no fault of their own, with the prospect for new employment dim, and a Government that seems to say that it does not care about them, it is time to act. Let the President show his level of concern for American workers; we in the House will do what must be done, and will override his promised veto.

Mr. MOODY. Mr. Speaker, I can hardly believe that we are being asked by the minority to delay and deny unemployment benefits to the unfortunate working people of this Nation in order to promote another tax giveaway to the richest Americans.

Once again we are being fed the typical line about capital gains tax cuts—it is apparently the panacea, the solution to every problem in America.

I wonder if there is any problem facing this Nation that our colleagues on the other side of the aisle think cannot be solved by lowering taxes on the richest Americans?

Lest you have forgotten, let me review a few facts for you about broad-based capital gains tax cuts.

More than any other policy idea, broad-based capital gains tax cuts symbolize the idea of trickle-down economics. Middle America is rightfully wary of this formulation for improving their lives after losing economic ground for the last decade.

In 1988, for example, capital gains income made up 25 percent of the income of the richest 1 percent of U.S. households in 1988. These are the people that would reap the greatest benefits from the proposed amendment. Households earning more than $200,000 would receive 66 percent of the benefits.

But for 90 percent of the population, from the very poor to the middle income to the upper-middle income, capital gains contributes less than 1 percent of their income.

This is a typical approach to solving problems for many Republicans.

There are ways to get tax breaks directly to those who need it most, without reliance on trickle down. Expanding use of IRA's to include education and downpayments is one idea many Democrats have been pushing.

We are also working on a middle-income tax relief plan that will put money in the pockets of the millions of working families that have lost ground in the last decade.

Finally, I will soon be introducing, along with my colleague, Mr. MATSUI, a targeted capital gains tax cut that encourages new investment and new job creation; it does not give a windfall to old investments as the minority whip's plan would do. Moreover, our plan targets smaller businesses, those that have the most difficulty in gaining access to traditional sources of capital.

Mr. Speaker, we have gone months without action while our unemployed workers suffer. The President has cynically refused to act on the last bill we sent him, though he signed it into law. Let us reject these delaying tactics and support final passage of the unemployment benefits bill, today.

Our unemployed need help now. It is time to stop playing politics. It is time to stop looking for fig leaves for a budget agreement that has become woefully out of date, especially when working men and women are in such pain now.

We must pass this bill, and we must urge the President to sign it.

Ms. PELOSI. Mr. Speaker, working Americans need our help and they need it now. Despite the administration's claim that the recession ended in April, long-term unemployment continues to rise rapidly. Many people have reached the end of their unemployment benefits and many others face that problem in the near future.

The President claims that he has a domestic agenda. He also claimed, when he was nominated for President, that he would create 30 million new jobs during 8 years in the White House. The reality is that there are now 300,000 fewer jobs in America than when George Bush took office.

At a time when there are no new jobs being developed and many people are losing their current ones, the President refuses to provide needed unemployment benefits to American workers. We in Congress have a chance today to help American workers. The agreement we are considering would make unemployment benefits available for up to 20 additional weeks, depending on the unemployment rate in the State. The bill would also provide at least 7 additional weeks of benefits to all workers who have exhausted their benefits.

Until the President figures out how to jump start our ailing economy, the least he can do is provide unemployment benefits to people who are suffering from his policies. I urge my colleagues to support this conference report and to work to override the President's expected veto of this important bill.

Mrs. COLLINS of Illinois. Mr. Speaker, once again the Congress is going to send the President a bill to extend jobless benefits for those unemployed whose benefits have run dry, and once again President Bush has threatened to veto this, as he would put it, "garbage." Mr. Speaker, I'm still trying to figure out what we have to do to get some relief for the working men and women of this country. Maybe the Seventh District of Illinois should secede from the Union and then we'll get a little bit of the President's attention.

The President claims that this bill is not necessary because we are on the road to a robust economic expansion. And anyway, there are plenty of jobs out there if someone really wants to work. Well, Mr. Speaker, it's a little difficult to raise a family on the money earned peddling slurpies at the local 7-Eleven.

I am glad to see the President is getting out around the country a little more. What a beautiful scene that was with the President in front of the Grand Canyon. Unfortunately, we don't have very many attractive photo opportunities in my district these days. What we do have, Mr. Speaker, are a lot of people who are down on their luck and having difficulty buying in to the President's economic plan.

The great recovery of 1991 has yet to reach inner-city Chicago. In fact, unemployment is running over 60 percent in some pockets of my district. And, while the administration keeps singing its song of economic expansion, the unemployment lines continue to snake their way out the doors of the local benefit offices and down the street.

Mr. Speaker, let's forget about the budget agreement, and economic indicators, and housing starts, and statistics for a moment. What this issue boils down to is a matter of simple compassion for those working men and women who have put their faith, and their tax dollars, into the unemployment system in the hope that it would be there for them in their time of need.

S. 1722 would allow up to 20 weeks of extended unemployment compensation for those long-term unemployed whose benefits have run out. We cannot simply pass over these Americans in the name of preserving the budget agreement. While the need to keep last year's budget accord intact is important, it is, after all, just a scrap of paper. Just a scrap of paper that sits on a shelf collecting dust. Those unemployed Americans and their families, however, are living, breathing flesh and blood. We did it for the Kurds, and the Israelis, and the Bangladeshis. Sometimes, you just have to break the rules, Mr. Speaker, and I'd say now is the time. I urge my colleagues to support the conference report.

Mr. FRANKS of Connecticut. Mr. Speaker, I rise today in support of the conference agreement to S. 1722 which extends unemployment benefits to those who are experiencing economic hard times.

While I still do not agree fully with the procedures involved with passing this bill, I feel under this conference agreement we are moving in the right direction. I feel it is important to extend these benefits, but only through this recession cycle.

Let me briefly describe what S. 1722 would do. The legislation is a temporary program with three tiers of benefits beyond the regular 26 weeks of benefits. A State which is experiencing a total unemployment rate of 8 percent or greater would receive 20 additional weeks of benefits. A State whose total unemployment rate is at least 7 percent would receive an additional 13 weeks of benefits. All other States will receive an additional 7 weeks of benefits. This legislation would become effective from October 6, 1991, to July 4, 1992, and it would reach back to qualify those who have exhausted benefits since March 1, 1991. The legislation goes on to allow ex-servicemembers the same 1-week wait and 26 weeks of regular benefits as civilians receive.

Mr. Chairman, many people in my State of Connecticut and my Fifth Congressional District have been hit hard by this economic downturn. I hear many stories of how my constituents are being adversely impacted.

For instance, a single mother who had a promising career is laid off and now has to make the choice between a mortgage payment and food for her children. A small businessman who has been a good credit risk and who makes payments cannot get a needed loan to buy new equipment. These are the individual problems people face each day in my community. We in Congress must make it our responsibility to take the lead and look to find legislative solutions for these adversities.

Extension of jobless benefits is a temporary, but critical, step to allow more opportunities to find work. But we must not allow this to become a bandaid approach. This extension is only part of the solution. It is vital that we look toward the future and bring legislation to this floor which will be a catalyst to the economy and create jobs. We must plant the economic seeds now to generate real long-term growth and opportunities.

Mr. Speaker, I rise in support of the conference agreement and urge my colleagues to join me and initiate legislation to spur our economy and alleviate the unemployment dilemma.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

Mr. SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROSTENKOWSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 300, nays 118, not voting 14, as follows:

[Roll No. 285]

YEAS—300

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Herger
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Paxon
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Rahall
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Visclosky
Volkmer
Walsh
Washington
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Zimmer

NAYS—118

Allard
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Campbell (CA)
Chandler
Coble
Coleman (MO)
Combest
Cox (CA)
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Ewing
Fawell
Fields
Gallegly
Gingrich
Goss
Gradison
Grandy
Green
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Hobson
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lewis (CA)
Lightfoot
Livingston
Lowery (CA)
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moorhead
Nichols
Nussle
Oxley
Packard
Parker
Penny
Petri
Porter
Quillen
Ramstad
Rhodes
Roberts
Rohrabacher
Roth
Santorum
Sarpalius
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Skeen
Slaughter (VA)
Smith (TX)
Solomon
Spence
Stenholm
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Wolf
Wylie
Zeliff

NOT VOTING—14

Crane
Derrick
Dymally
Engel
Ford (TN)
Holloway
Hopkins
Kaptur
McCloskey
Myers
Olin
Payne (VA)
Rangel
Waters

□ 1618

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ENGEL. Mr. Speaker, I unavoidably missed rollcall vote 285, the conference report on the extension of unemployment benefits. Had I been present, I would have voted "aye."

I spoke in favor of this bill on the floor just before the vote, and last week I voted for it as well. If the President should veto this bill, I will vote to override his veto.

PERSONAL EXPLANATION

Ms. WATERS. Mr. Speaker, I was unavoidably detained in my district in Los Angeles. Unfortunately, I missed three rollcall votes. For the record, I would like to state that, had I been present, I would have voted as follows:

Rollcall vote 283—"aye."
Rollcall vote 284—"aye."
Rollcall vote 285—"aye."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3039, DEFENSE PRODUCTION ACT AMENDMENTS OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (H. Rept. No. 102–230) on the resolution (H. Res. 231) providing for the consideration of the bill (H.R. 3039) to reauthorize the Defense Production Act of 1950, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (H. Rept. No. 102–231) on the resolution (H. Res. 232) waiving all points of order against the conference report on the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

□ 1620

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2608, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, Tuesday, October 1, 1991, to file a conference report on the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2622, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, Tuesday, October 1, 1991, to file a conference report on the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, on September 16 I was unavoidably detained and missed rollcall votes 258, 259, and 260. Today my plane was late and I missed the vote on rollcall vote 283. Had I been present, I would have voted "aye" on all of those rollcall votes.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3334

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the name of the gentleman from California [Mr. DELLUMS] be removed from the list of cosponsors of H.R. 3334.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NOTIFYING MEMBERS OF PLANS OF COMMITTEE ON RULES WITH RESPECT TO H.R. 3371, OMNIBUS CRIME CONTROL ACT OF 1991

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, I rise today to notify Members of the Rules Committee's plans with respect to H.R. 3371, the Omnibus Crime Control Act of 1991.

The Rules Committee plans to meet Thursday, October 10, to take testimony on the bill. To assure fair consideration, the Rules Committee is considering a rule that may structure offering of amendments.

Mr. Speaker, any Member who contemplates offering an amendment to H.R. 3371 should submit 55 copies of the amendment by 5 p.m. on next Monday, October 7. The committee offices are in H-312 in the Capitol.

It is my understanding, Mr. Speaker, that the Judiciary Committee will make available in their offices advance copies of the bill to Members and staff preparing amendments. An advance copy will be available as early as Thursday, October 3.

Mr. Speaker, I have sent a "Dear Colleague" letter to all offices explaining our intentions on this bill. We appreciate the cooperation of all Members in our effort to be fair and orderly in granting a rule.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I am happy to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have not seen a letter or a request for a rule. Has there been one yet? If so, what kind of rule is being asked for?

Mr. MOAKLEY. Mr. Speaker, we have not received it. We have been notified that a rule will be forthcoming.

Mr. SOLOMON. If the gentleman will yield further, our committee will take it up on Thursday, October 10. And when did the amendments have to be in, filed?

Mr. MOAKLEY. Monday, October 7.

Mr. SOLOMON. Monday, October 7?

Mr. MOAKLEY. The gentleman is correct.

Mr. SOLOMON. I thank the gentleman for letting us know.

CORRECTING ENROLLMENT OF S. 868, VETERANS' EDUCATIONAL ASSISTANCE AMENDMENTS OF 1991

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 63) directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 868, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. STUMP. Mr. Speaker, reserving the right to object, and I shall not object, I do so to yield to our distinguished chairman for a brief explanation of the concurrent resolution.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. STUMP. Further reserving the right to object, I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, the purpose of this concurrent resolution is to make purely technical corrections in S. 868 as passed by the Senate on August 2 and the House on September 16. The references in that bill to sections of title XXXVIII, United States Code, do not reflect the changes made in the numbering of title XXXVIII sections by Public Law 102-83, which was signed into law on August 6, 1991. This resolution would update the bill in order to make the necessary corrections in those references.

Mr. STUMP. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring,) That, in the enrollment of the bill (S. 868), to amend title 10, United States Code, and title 38, United States Code, to improve the educational assistance benefits for members of the reserve components of the Armed Forces who served on active duty during the Persian Gulf War, to improve and clarify the eligibility of certain veterans for employment and training assistance, and for other purposes, the Secretary of the Senate shall make the following corrections:

(1) In section 2(a), strike out "section 1413" and insert "section 3013".

(2) In section 2(b)(1), strike out "section 1631(a)" and insert "section 3231(a)".

(3) In section 2(b)(2), strike out "section 1631(a)(2)" and insert "section 3231(a)(2)".

(4) In section 2(c), strike out "section 1711(a)" and insert "section 3511(a)".

(5) In section 4, strike out "section 2014(b)(2)(A)(i)" and insert "section 4214(b)(2)(A)(i)".

(6) In section 5, strike out "section 2011(f)" and insert "section 4211(4)".

(7) In section 6, strike out "section 1780(a)" and insert "section 3680(a)".

(8) strike out "section 1795" each place it appears and insert "section 3695".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter on Senate Concurrent Resolution 63, the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
September 30, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 2:30 p.m. on Monday, September 30, 1991 and said to contain a message from the President on Budget Authority Deferrals in accordance with the Congressional Budget and Impoundment Control Act of 1974.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

DEFERRALS OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–143)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of Monday, September 30, 1991, at page S 13975.)

□ 1630

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order this evening in lieu of a 5-minute special order forthwith.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Illinois?

There was no objection.

TRIBUTE TO MILES DAVIS

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RITTER. Mr. Speaker, my colleagues, on Saturday one of the great musicians of the 20th century passed away. I am talking about Miles Davis, the trumpet player, composer, and teacher.

Miles Davis probably had a greater influence on contemporary American music in this century than anyone. Certainly his innovations, his constantly changing styles, have had a profound influence on American musical culture. America is really the world leader in musical culture, and in that sense Miles Davis was a world leader as well.

I would hope that Members of this body could join me on Wednesday evening after the conclusion of House business for a special order taken on behalf of Miles Davis to call attention to the tremendous contributions that he made to the United States of America and to music in this century.

[From the (Allentown, PA) Morning Call, Sept. 29, 1991]

JAZZ LEGEND MILES DAVIS DIES AT 65

PNEUMONIA AMONG CAUSES OF FAMED TRUMPETER'S DEATH

(From Call News Services)

SANTA MONICA, Calif.—Miles Davis, one of America's finest jazz trumpeters and the most consistent trendsetter in jazz history, died yesterday. He was 65.

Davis died of pneumonia, respiratory failure and stroke, Dr. Jeff Harris said in a statement read by Pat Kirk of St. John's Hospital and Health Center, where Davis was admitted earlier this month.

Davis was the most famous trumpeter in his generation, in the line that stretched from Louis Armstrong to Dizzy Gillespie to Wynton Marsalis.

He was the innovator of more distinct styles than any other jazz musician. He pioneered in cool jazz, hard bop, modal playing, free-form explorations and use of electronics.

"You can really say he turned the whole jazz world around," said Leonard Feather, a longtime friend and author of "The Encyclopedia of Jazz."

"He just had a guiding principle: Move ahead . . . Don't do what you were doing yesterday," Feather said.

"He played some of the most musical passages ever played on the trumpet, some of the most beautiful, intervals you just don't hear any more," said trumpeter Clark Terry, who took Davis to jam sessions in St. Louis when Davis was a teen-ager.

"He seemed to be able to turn anything into something good," said drummer Max Roach, a long-time friend. "He was musically one of the restless ones, constantly seeking."

He was an astounding spotter and developer of talent, providing the springboard that brought many players to prominence. Tony Williams was just 18 when Davis hired him in 1963; Herbie Hancock was 23 when he joined the same year.

Davis has the respect and admiration of musicians but every time he changed direction his audience divided between loyal and disenchanted listeners. He ignored them.

In his 1989 autobiography, "Miles," he wrote: "To be and stay a great musician you've got to always be open to what's new, what's happening at the moment. You have to be able to absorb it if you're going to continue to grow and communicate your music."

Davis was a fascinating figure because of his enigmatic personality, seemingly remote and arrogant; his thin body and striking face; his angry statements about white people though he often hired white musicians; his whispery, raspy voice—which came after he yelled at somebody following 1956 surgery to remove polyps on his vocal cords.

"A lot of people thought he was a salty, cool cat," Terry said. "He was totally a real pussycat. Once you got past that facade of 'Don't touch me, get away from me,' he was a pussycat."

Davis was plagued by illness much of his life, at various times battling diabetes, pneumonia, a stroke, and hip joint problems caused by sickle cell anemia. He broke both legs in an auto accident in 1972. He wrote in his autobiography that he overcame heroin addiction in the early '50s but continued to use cocaine until 1981.

Miles Dewey Davis III was born in Alton, Ill., on May 25, 1926, son of a dentist and a music teacher. When he was 2, the family moved to nearby East St. Louis, Ill.

He got his first trumpet from a family friend as a child and was playing professionally at age 15.

Davis moved to New York in 1944, at 18, to locate Dizzy Gillespie, one of his early trumpet heroes, and saxophonist Charlie Parker. When Gillespie left Parker's combo, Davis replaced him. He also attended the Juilliard School for a year.

In 1947, he began a long and successful relationship with Gil Evans, an arranger who knew how to provide a framework for Davis' distinctive sound.

In 1948 he left Parker and, looking for a lighter, subtler, tuneful sound in jazz, he established a nine-piece band, including Gerry Mulligan, Lee Konitz, John Lewis and Roach. They recorded "The Birth of the Cool."

That influential album ushered in cool jazz and set the stage for the chamber jazz that followed. It included Davis' best composition by that time, "Boplicity."

But when cool jazz became popular, Davis turned his back on it and surrounded himself with bebop players. He became the founder of hard bop.

In the 1950s he played spare jazz with all irrelevance purged. And he made records with lush orchestral settings, some of the earliest successful orchestral jazz.

In 1955 his sensational improvisations, lyrical and tonally pure, creating excitement without screaming, made him the hit of the Newport Jazz Festival.

He then created a groundbreaking quintet with drummer Philly Joe Jones, bassist Paul Chambers, pianist Red Garland and saxophonist John Coltrane. Saxophonist Cannonball Adderley later made it a sextet.

By 1959, he had tired of bop. He made records that used scales instead of chords as structure, which greatly influenced jazz of the 1960s.

In 1963, he brought in Williams on drums, Hancock on piano, Ron Carter on bass, and later added saxophonist Wayne Shorter. This combo, recording on electric instruments, became as influential as the 1955 quintet. Their "Bitches Brew," the album that sparked the jazz-rock or fusion of the 1970s, became Davis' best-selling album and brought jazz record sales out of the doldrums.

His trumpet played melodic improvisations or fragment bursts over electronic instruments and rock-influenced rhythm, creating the climate for much of what followed in popular electronic music.

Davis' strength in early and middle years came from a singing tone—soft, rich, intimate, best in the middle register, his ability to put intensity and tension in the music and original rhythmic and melodic ideas. Later, he increasingly played in the upper register.

After 1968, the personnel in Davis' groups became less stable, because of his temperament and periods of inactivity. He didn't play at all between 1975 and 1980. He brought in some fine experimentalists, Chick Corea, Joe Zawinul, Dave Holland, John McLaughlin, Keith Jarrett, Airto Moreira, Billy Cobham and Jack De Johnette.

Many listeners weren't as thrilled by the musicians he used in the 1980s. And many didn't like his detachment from the audience during concerts, his refusal to acknowledge applause, going offstage between solos, pointing the trumpet at the floor and turning his back on the audience, not announcing musicians or titles.

"I play for myself and I play for musicians," was all that Davis would say publicly about his antics.

In August he was made a chevalier in the French Legion d'Honneur. Minister of Culture Jack Lang called him "the Picasso of jazz."

In what could well be an epitaph, Land said that Davis "has imposed his law on the world of show business; esthetic intransigence."

Davis married and divorced dancer Frances Taylor, singer Betty Mabry and actress Cicely Tyson. Survivors include a daughter, Cherly; sons, Gregory, Miles IV and Erin; brothers Vernon and Joseph; sister Dorothy Davis Wilbur; and four grandchildren.

Memorial services were being planned for New York and East St. Louis, Ill., Kirk said.

TRIBUTE TO BRIG. GEN. CLARA LEACH ADAMS-ENDER

(Mr. MORAN asked and was given permission to address the House for 1 minute.)

Mr. MORAN. Mr. Speaker, Fort Belvoir is a large, sprawling Army base just across the river in Fairfax County. Fort Belvoir just got a brandnew commanding general.

General West was an exceptional leader, but there is something exceptional about this new commanding general. For one, this commanding general is an African-American, and for another, even more newsworthy, this commanding general is a woman, now the highest ranking woman in the U.S. Army.

Mr. Speaker, yesterday I had the distinct pleasure of a visit from Brig. Gen. Clara Leach Adams-Ender, commanding general of U.S. Army Post Fort Belvoir and deputy commanding general of the Military District Washington.

General Adams-Ender is an extraordinary individual who can truly be considered as a trailblazer for women serving in the Armed Forces of our Nation. A graduate of the North Carolina Agricultural and Technical State University, she was commissioned as a 2d lieutenant in the U.S. Army Nurse Corps in 1961.

As a Nurse Corps officer she enjoyed a superior career, serving in various staff positions in the Medical Department of the Army and rising through the ranks in instructional and administrative billets. She found time to improve herself through pursuit of higher education by obtaining a masters in surgical nursing from the University of Minnesota and masters in Military Science from the prestigious U.S. Army Command and General Staff College. Her skills in both nursing and administration were recognized by her superiors when, in 1987, she was promoted to the rank of brigadier general and was selected as the Chief of the U.S. Army Nurse Corps.

As Chief of the Nurse Corps, she directed the efforts of over 20,000 Army nurses in the Active Duty, Guard, and Reserve and her efforts in coordinating the efforts of over 25,000 Army medical personnel stationed in theater during Operations Desert Shield and Desert Storm have been well-documented. Her leadership as Chief of the Army Nurse Corps resulted in her being awarded the Legion of Merit and the Distinguished Service Medal.

Her brilliant career did not end here—although by normal standards it should have. Because by law the Chief of the Army Nurse Corps is a 4-year tour of duty—with retirement the end result—General Adams-Ender was facing the end of a long and exemplary career after over 30 years service. But her expertise and leadership skills were of such quality that her retirement was put on hold for the good of the Army, and she was selected by (then) Army Chief of Staff Carl Vuono to command the U.S. Army Post at Fort Belvoir.

It is not unusual for any of the military services to promote individuals of exceptional ability to positions of greater authority. But for the U.S. Army to select—for the first time—a nurse to command one of their premier line facilities is a tribute to both the skills of General Adams-Ender and the wisdom of the U.S. Army.

General Adams-Ender is the best advertisement available that the U.S. Army is truly a place where one can "be all they can be." As we continue to debate the role of women in our military, we should hold out individuals like her—individuals who, when given the chance, can perform at the very highest levels of professionalism and dedication. I look forward to working with her in her role as commanding general at Fort Belvoir on issues of mutual importance to the U.S. Army and the Eighth Congressional District of Virginia.

GALLEGLY INTRODUCES LEGISLATION TO STOP ILLEGAL ALIENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. GALLEGLY] is recognized for 5 minutes.

Mr. GALLEGLY. Mr. Speaker, America is a land of immigrants. Our proud cultural heritage and democratic traditions are the product of a rich blend of peoples gathering here from all over the world. In my native California, our way of life has been enhanced by the influx of Latinos, Asians, and other foreign immigrants who have settled there. The enactment of major immigration reforms in recent years attests to our continuing strong commitment to equal opportunity and our belief that newcomers legally entering our shores will benefit America's economic, social and cultural future.

Immigration, however, is not always a positive force for our country. In spite of improvements in the immigration law and stepped-up efforts to police the border and arrest undocumented aliens, the problem of illegal immigration is a serious one throughout southern California and the border States, as well as in many other areas throughout this country. After several years of decline, largely as a consequence of the ban on hiring illegal aliens and stiff penalties on employers who flout the provisions of the Immigration Reform and Control Act of 1986, the number of arrests of illegals is rising to the pre-1986 level of 1.8 million a year. INS officials have told me there may be as many as 3 million illegal aliens residing in southern California alone.

Many cities and towns are being overrun with immigrants, both legal and undocumented, who pose additional economic and law enforcement problems. Congregating groups of out-of-work immigrant day laborers seeking temporary or nonexistent jobs in suburban communities have created public disturbances, disrupted small businesses, jammed traffic and, in some instances, endangered the physical safety of women and children.

Many illegal aliens are involved in drug trafficking across the border and violent gang activities in our communities, posing a major threat to families and neighborhoods and straining the capacities of immigration authorities and local law enforcement. Other illegals place themselves on the welfare rolls, largely through the use of fraudulent documents, further burdening community facilities and depleting already strained county resources.

The illegal alien problem is essentially economic. If conditions of poverty were improved south of the border or jobs were not available in the United States, there probably would not be a crisis today in many States. Many of us in the Congress believe that the North American Free-Trade Agreement now being negotiated by the Bush administration will help to stimulate the economy of Mexico and improve United States trade with that country, thereby creating more jobs in both countries.

There is no question that the INS lacks the resources necessary to perform its job properly. Despite Federal budgetary constraints I do not understand the consistent opposition of many of my colleagues to providing adequate funding so that the Border Patrol can stop the flood of illegal aliens crossing our borders.

The easy availability of fake birth certificates, driver's licenses, Social Security cards and other documents contributes to this crisis, enabling millions of aliens to enter this country illegally, to drop out of sight in many American cities and to steal jobs and benefits at the expense of citizen workers and taxpayers. In addition, some employers make no real effort to check documents, preferring instead to take advantage of cheap labor.

Finally, illegal aliens are able to obtain unemployment insurance and educational, medical and welfare assistance unlawfully—benefits and free services far more generous and more accessible here than in their native lands. Taking adequate care of their own legal residents is difficult enough for local communities and taxpayers, without the added burden of providing assistance to illegals.

Mr. Speaker, in order to address this difficult and complex issue, I am offering today a legislative package designed to tighten our immigration laws. The five bills I am introducing tackle five basic problem areas.

First, they will strengthen Federal resources by increasing Border Patrol manpower and training, stepping up wage and hour enforcement, adding Assistant U.S. Attorneys assigned to illegal alien cases, enhancing penalties for harboring, and promoting negotiations with our neighbors to stop the smuggling of illegals.

Second, they will crack down on document fraud by requiring secure new "green" cards and new Social Security cards only for those immigrants eligible for employment in the United States.

Third, they will provide needed assistance to employers by authorizing education programs on the law and simplifying their responsibilities by reducing and improving required identification documents.

Fourth, they will cut off welfare and other benefits to illegal aliens.

And finally, they will discourage illegal day laborers by permitting the impoundment of vehicles used in the transportation of illegals for employment purposes.

Let me describe my bills in greater detail.

First, the Immigration Document Fraud Prevention Act of 1991 would require new counterfeit-resistant and tamper-proof registration and identification cards to be issued to all permanent resident aliens eligible to work in the United States. Replacing the old "green" cards, these cards must be renewed every 5 years upon surrendering the old cards and payment of a $35 user fee. The card must contain the bearer's photograph or other identifying information.

Under this bill the Justice Department, in conjunction with the Labor Department, the Small Business Administration and the Internal Revenue Service, would provide a nationwide program to educate employers on the uses of the new cards and their legal responsibilities.

The penalty for immigration fraud would increase from 5 to 10 years' imprisonment, plus fines.

The Attorney General, working with the Secretary of Health and Human Services, would conduct a demonstration project to determine the feasibility and effectiveness of a computerized call-in worker verification system for employers.

Second, the Improved Immigration Law Enforcement Act of 1991 would strengthen the Border Patrol by increasing the positions from about 3,800 at present to 6,600 by 1993 and by increasing funding for equipment and support services and improving inservice training.

The bill would strengthen enforcement of the wage and hour laws by adding 250 positions in the Labor Department's Wage and Hour Division assigned to areas of high concentration of undocumented aliens.

The penalty for harboring illegal aliens would be increased from 5 to 10 years in prison and/or fines.

The bill would also direct the Attorney General and the Secretary of State to undertake negotiations with our neighboring countries to establish programs to stop the illegal smuggling of undocumented aliens into the United States.

Third, the Employer Sanctions Improvements Act of 1991 would require new tamper-proof Social Security cards for immigrants authorized to work in the United States on a temporary basis only. The new cards would be provided upon application, proof of identity, verification of status and payment of a $25 user fee. The new card is not to be considered a national identity card and would only be presented to verify an alien's work eligibility.

Under the bill the Justice Department, working with the Department of Labor, the Small Business Administration, and the IRS, would conduct a nationwide program to educate employers on the new card's uses and their legal responsibilities.

Fourth, the fourth bill would prohibit giving any Federal benefits, including unemployment and welfare, to illegal aliens. An almost identical bill has been introduced in the other body by Mr. EXON of Nebraska.

A study by the Center for Immigration Studies estimates that U.S. taxpayers paid at least $5.4 billion in direct benefits in 1990 for illegal aliens nationwide. That study did not even include such abused government programs as Social Security, Medicare, food stamps, and unemployment compensation. Nor did it include the extra costs for police, fire, courts, parks, and transportation services that are spent on illegal aliens. When those major costs are included, the total bill to the taxpayers skyrockets.

In Los Angeles County alone, the estimated net cost of illegal aliens rose by almost $70 million during the past 2 years to $276.7 million—a 34-percent increase largely caused by lax enforcement of employer sanctions, the lack of adequate forces to patrol our borders, and the other factors I have tried to address in this legislation.

Fifth, the Illegal Alien Transportation Prevention Act of 1991 would add language to current law to prohibit the transportation of illegal aliens for purposes of employment by anyone with the knowledge or reckless disregard of the fact that the alien is in this country in violation of the law and cannot be hired legally. This proposal will help to stop the widespread problem created by illegals who congregate in California communities such as Agoura Hills and Santa Clarita looking for day work who are picked up and dropped off at various locations by suburban residents and contractors seeking temporary cheap labor.

A brief word about the costs of this legislation. I believe that the new tamper-proof registration and identification cards and Social Security cards will be paid for largely through user fees of $35 and $25 respectively. I estimate that employer education will cost around $5 million and the additional personnel and inservice training programs for the Border Patrol will cost slightly in excess of $50 million for fiscal year 1993. However, I also believe that the problems created by illegal aliens are of such magnitude that the expenditure of Federal funds is justified. Moreover, the savings that should be realized from enactment of these bills, especially the costs of police, housing, education, health care and other services, unemployment compensation, and welfare benefits that are imposed on hard-pressed government at all levels, should more than pay for the measures I am proposing.

Mr. Speaker, I am pleased that the INS, at my urging, has established a task force in my district of agents who will target for investigation both illegal aliens seeking employment and the homeowners and small contractors who routinely hire them.

While such a task force will help to eliminate impromptu job centers for illegal day laborers in many areas and reduce tensions between unemployed legal immigrants legitimately seeking work and the communities, much more must be done to combat the increasing problem of illegal immigration and illegal aliens. I believe that my five bills will help to alleviate the crisis in California and elsewhere. I hope that the House will take prompt action and pass this legislation.

THE REALITY OF ABORTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, about 10 days ago I came to the well of the House with a guest article or editorial by a southern California doctor named Dr. Flesh, a rather unusual name for a doctor of medicine. He had been an abortionist for years and had done abortions up through the second trimester. To use Supreme Court terminology, that would be the 4th, 5th, and 6th months of pregnancy.

I said there had been a furor at the Los Angeles Times in the editorial office because combined with his very thoughtful article as to why he would no longer do any abortions of any kind whatsoever because he wanted to go back to practicing his Jewish faith in good conscience, they had put a picture with this article of a 4½-month fetus, looking for all the world like a growing baby in the mother's womb. This had caused great consternation, both the guest editorial by Dr. Flesh and the fact that according to some people in the L.A. Times offices, they said that this adds insult to injury to show this picture.

Well, last week I did not have the opportunity on the floor to show the cover of Time magazine, dated September 30, that is yesterday, but we all know that the news magazines, except for Aviation Week, date their magazines 1 week ahead to keep them current on the newsstands; so there is a new provocative Time magazine cover about the beginning of the end of nuclear confrontation between the world's two superpowers. So this is a week old and you will not see it on the stands, but this is the September 30, yesterday's date.

It says, "Bush's Shoving Match With Israel," that is the small title above the Time banner.

Then it says, "How a Dazzling Array of Medical Breakthroughs Has Made Curing Infertility More Than Just a Dream."

There is a picture, almost an identical picture, the way we use poor unprofessional camera coverage on this House floor, Mr. Speaker, both planning an empty Chamber when we know a million and a half people are watching and bad camera work when we have charts and graphs up here, to satisfy the desires of two Speakers ago to cripple the distinguished Member, the gentleman from Georgia [Mr. GINGRICH] who will be following me with a special order. Stay tuned. So I have to hold this in real close to my face.

Do you see that, America?

Do you see that, Mr. Speaker?

Do you see that, any people in the Chamber here? Looks like a human being, does it not?

Do you know why this little 4½-month-old fetus looks like a human being sucking its thumb? Do you know why it looks like a human being? Because it is a human being, because if you believe in God, the soul is probably already there, meaning God has ordained into existence, with the parents in cooperation with God either willingly or unwillingly to create a human being with an immortal soul.

Take a look at that, I ask the gentleman from Texas [Mr. PICKLE]. Look at that human being on the cover of Time magazine.

For eternity this child's immortal nongenderized soul is brought into existence, sucking its thumb. The heart has been beating since day 18 to 20. The brain waves have been showing since day 40, and that little human being—are you listening, SUSAN MOLINARI, if anybody in SUSIE MOLINARI's office is watching, call her to the television, Mr. Speaker, so she can see this. The same in TOMMY CAMPBELL's office, one of our California freshmen.

Look at this. That is a human being, TOM, SUSIE. There it is, a real human being sucking its thumb, and we kill this baby in that month, the next month and the next month and the next month, the next month and the next month, right up to the ninth month, especially in Wichita, KS, if ex-Navy pilot, Dr. Killer Tiller, has anything to say about it. You heard it here in this well. He is going to give up doing abortions. He does not like the grief, he told another Member of Congress, but he does not want to give it up right away. He will kill a few more of these for 3 or 4 months before he gives up the practice, so that the pro-life rescuers will not get credit for Dr. George Killer Tiller's giving up his two abortuaries in Wichita where he specializes in killing 5-, 6-, 7-, 8-, and 9-month pregnancies that look at lot more developed than this little fetus infant sucking its thumb, alive and healthy in its mother's womb.

Remember, and I will close on this, Mr. Speaker, that what medical researchers who are into Frankenstein fetal research, what they want are not spontaneous, that is, what we call miscarriages, we lay people. They want perfect little persons, perfect fetuses, and the more in development, the more they are beyond this image into the fifth, seventh, eighth, and ninth month, the more they want to abort those little fetuses to get at their bone marrow, to spin down their livers into a puree to inject into people with no hope of success, since they never saved anyone with that process at Columbia or UCLA. That is what we are up against in America, and we are not changing our Republican Convention platform next year, Mr. Speaker, not if this Member has anything to do about it.

THE DEFENSE MANUFACTURING AND CRITICAL TECHNOLOGIES ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Missouri [Ms. HORN] is recognized for 5 minutes.

Ms. HORN. Mr. Speaker, our manufacturing sector continues to lose jobs. Worker productivity remains constant. Our trade imbalance soars. In the meantime, our international competitors continue their aggressive efforts—often assisted by their governments—to move forward in high-technology industries. We must stop getting in the way of our businesses and industry and move forward with constructive measures to develop critical technologies.

We as a nation have excelled in expanding the frontiers of science. But we have fallen behind in applying these scientific discoveries to consumer products and to increasing industrial efficiency and productivity. Because of this, our international competitiveness has suffered.

Last week, I introduced the Defense Manufacturing and Critical Technologies Act of 1991. This represents a first step toward closing the gap between us and our competitors in the manufacturing sector. It will strengthen manufacturing technology in defense-related industries by establishing a broad manufacturing extension program to aid small- and medium-sized businesses.

It also will help us to retain and augment our position in the 22 critical technologies as essential to advanced technology in the 1990's and the 21st century. These technologies, identified by the Office of Science and Technology Policy, represent the cutting edge of high-technology areas from aerospace to computers to biotechnology. Critical technology partnerships and application centers will help to secure our ability to utilize high technologies. In addition to large companies, small- and medium-sized firms must be able to determine which high-technology discoveries are available to help their firms become more efficient or competitive.

The time to act on this is now. During the past decade or more we have lost the consumer electronics market to Japan. VCR's, walkmen, stereo components, and televisions represent inventions discovered in America, but manufactured elsewhere. Our basic manufacturing industries have likewise been allowed to decay. This legislation will provide industries with the help they need to develop American inventions into marketable products here, where our businesses can reap the profits of these inventions and our workers can find productive good paying jobs. We cannot afford to lose more products invented here, and the markets and profits that go with manufacturing them, to our international competitors. Our future prosperity and standard of living depend on producing our own. In addition, our national security and foreign policy independence rely on our ability to manufacture critical weapons components within our borders. We must ensure that we are able to supply our defense needs here.

With this legislation, our Nation can regain its world leadership in advanced technology and essential manufacturing. To do nothing is to write off our Nation's, and our children's, future.

HONORING HOMEBUILDER NAOMI SMITH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I would like to call my colleagues' attention to a truly outstanding woman, Naomi Joyner Smith.

A native of Mississippi, Mrs. Smith made quite a name for herself in my hometown of Meridian, where she became known as the first female homebuilder in the State of Mississippi.

Thanks to her hard work, and management abilities, there are several hundred homes in Meridian today which provide affordable housing for the local citizens. One of the most popular areas she developed is Druid Hills subdivision.

Throughout her life, Mrs. Smith has been dedicated to her church and family. She also has been a successful real estate agent.

I wanted to make my colleagues aware of the entrepreneurial spirit, and accomplishment, of Mrs. Smith.

LEGISLATION TO DECLARE 1991 AS THE YEAR OF THE BAY AND OCTOBER 1991 AS NATIONAL SEAFOOD MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to introduce two House joint resolutions, one designating 1991 as the "Year of the Bay" and one designating October 1991 as "National Seafood Month." I am pleased to introduce these resolutions in conjunction with the 10th annual Morro Bay Harbor festival which will focus public awareness on the importance of preserving our sensitive bays and estuaries, like Morro Bay, CA.

One of the most significant marine ecosystems along the Nation's west coast, Morro Bay's diverse and extensive habitat provides for numerous marine invertebrates and migrating birds. These habitants include threatened and endangered species, such as the California sea otter, seven endangered species of whales, and four species of sea turtles which deserve special attention from the community and Government.

Since 1870, when the city of Morro Bay was established, the bay has played a significant part in providing for the surrounding community. the bay's public piers accommodate not only local fishermen and pleasure boats, but also support many other industries such as commercial fishing fleets, electric generation, and tourism. The protective environment and plentiful resources that the bay provides are crucial to the community's economic stability.

Unfortunately, Morro Bay is threatened by a variety of pollutants and serious sedimentation. The festival, with its theme "Bounty of the Bay," will help promote the maintenance of this delicate environment and highlight the unique qualities of the bay. As local and nationwide organizations interact with individual citizens at the festival, all participants will become increasingly aware of the special value of the bay.

Due to its exceptional qualities, and its importance to the community and Nation as a whole, Morro Bay has gained much recognition. Its unique and sensitive environment has led Congress to consider legislation I have introduced that would include the bay in the National Estuary Program and would designate the area as a national marine sanctuary.

I am also introducing legislation to acknowledge October 1991 as National Seafood Month. Protecting and promoting seafood is directly related to the concern and importance of bays across the Nation. Morro Bay is one of the few natural harbors and active fishing villages on the west coast, and provides for many dedicated, hard working fishermen. Contaminants threatening the health of the bay are a serious danger to their livelihoods.

The fishing industry also remains an important part of our Nation's heritage and commerce. As the Nation grows more health conscious, an increasing number of Americans are turning toward the nutritious benefits of seafood. This new awareness reflects the industry's ability to grow and play a significant role in our Nation's commerce.

Declaring 1991 the Year of the Bay and October 1991 National Seafood Month will serve to raise awareness across the Nation as to the importance of preserving our sensitive marine ecosystems and developing comprehensive solutions to the problems which threaten the health of our bays. While individual bays are unique and special in their own ways, they all possess qualities that contribute to the Nation and deserve the recognition of Congress. I urge my colleagues to join me in this effort by supporting these resolutions.

A copy of the resolution follows:

H.J. RES. 338

Whereas the Congress recognizes the spectacular scenic, aesthetic, and recreational value of the Morro Bay estuary in California;

Whereas Morro Bay promotes the economic viability of commercial fishing fleets by offering protective habitat and nutrient sources essential to the productive fisheries of the region and supports many other industries which are dependent on the health of the Bay, such as tourism, electric generation, and mariculture;

Whereas Morro Bay is an unusually diverse estuary that supports one of the largest bay wildlife habitats on the California coast, offering refuge to about 25 threatened or endangered species of Pacific fish and providing a critical sanctuary along the Pacific flyway for migratory birds;

Whereas the health of the Morro Bay estuary directly affects the quality of life on the central coast of California;

Whereas the California ship "Californian" will make port at the Morro Bay Harbor Festival to promote the Year of the Bay and conduct Coastal Awareness Day to promote bay stewardship;

Whereas Bounty of the Bay, the theme of the 10th annual Morro Bay Harbor Festival, will focus public awareness on one of the few natural harbors and active fishing villages on the west coast by highlighting seafood, the fishing industry, and the diversity of Morro Bay marine life and coastal lifestyles;

Whereas the festival will serve as the commencement for the week-long State of the Bay conference, which will focus on the past, present, and future of the Morro Bay estuary and watershed;

Whereas Morro Bay has been nominated by California Governor Pete Wilson for inclusion in the National Estuary Program; and

Whereas designating 1991 as the Year of the Bay will raise awareness across the Nation as to the importance of preserving sensitive marine ecosystems and developing comprehensive solutions to the problems which threaten the health of the Nation's bays: now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, These 1991 is designated as the "Year of the Bay", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the year with appropriate ceremonies and activities.

H.J. RES. 339

Whereas Congress recognizes that seafood is a "nutrient-dense" food offering large quantities of protein and significant amounts of vitamins and minerals, without high levels of fats and calories;

Whereas the commercial fishing industry employs more than 350,000 workers in the United States;

Whereas the most recent figures show that the commercial fishing industry contributed more than $16,000,000,000 to the nation's annual gross national product;

Whereas the 10th Annual Morro Bay Harbor Festival will be held the first weekend in October to celebrate one of the few natural harbors and active fishing villages on the west coast by showcasing seafood, the fishing industry and the diversity of Morro Bay marine life and coastal lifestyle: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October, 1991 is designated as "National Seafood Month", and the President is authorized and requested to issue a proclamation calling on all Government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

SAVE WOMEN'S LIVES—FIGHT BREAST CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York, Mrs. LOWEY is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, today we kick off national Breast Cancer Awareness Month. Across the Nation, Americans will take time out to learn about this deadly disease, which is the most common form of cancer in women. One of nine women born in the United States will develop breast cancer in her lifetime. In 1991, an estimated 175,000 women will develop breast cancer and 44,500 women will die from this ruthless killer.

These statistics are devastating, so much so that many choose to ignore them. But Breast Cancer Awareness Month is not about ignorance; it is about taking action, and one of the most positive actions we can take is teaching women how to detect breast cancer early, when we know that treatment is more successful. In fact, it is estimated that, with early detection, breast cancer deaths could be reduced by 30 percent. That's 10,000 lives a year.

One of the best early detection methods available to us is mammography. While public education efforts are helping convince women that mammograms are an important early detection tool, a recent General Accounting Office study revealed wide variation in quality standards of mammography.

I can think of no better way to achieve the goals of national Breast Cancer Awareness Month than by being an original cosponsor of legislation which will ensure that mammograms are safe, reliable, and of the highest quality.

The Breast Cancer Screening Safety Act will require the Secretary of Health and Human Services to develop national quality standards for all mammography facilities. In doing so, there is little doubt that women's lives will be saved. That, coupled with a renewed commitment by Federal health care agencies to finding treatments for breast cancer, will help make the dream of eradicating this disease a reality.

Women have waited far too long for their Government to respond to critical health care needs. In the process, families have suffered the loss of mothers, sisters, and daughters which could have been avoided if health research had given these problems the attention they deserve. This year, we have an opportunity to turn that around. For the sake of our families, we should not let this opportunity escape.

PRESENTATION OF CONGRESSIONAL GOLD MEDAL FOR LAURENCE ROCKEFELLER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, last Friday at an impressive ceremony in the Roosevelt Room at the White House, President Bush bestowed the Congressional Gold Medal on the Honorable Laurence Rockefeller for his outstanding service to our country.

This is the first Congressional Gold Medal for a conservationist, and it could not go to a more deserving American. Laurence Rockefeller has lived a noble life as one of America's premier conservationists, as well as participating in joint ventures that stressed the strengths of our free enterprise system.

Not content to enjoy a family fortune, Mr. Rockefeller has invested in America in a hundred ways, especially in the Caribbean and at the Yosemite National Park and, along with Lady Bird Johnson, in the beautification of our Nation's Capital. His service has been unique, quiet, profound, productive, and caring.

Generous to a fault, Mr. Rockefeller has given of his talents and resources to make America a more livable and enjoyable Nation.

Mr. Speaker, 100 years from now we will look back on the contribution of Mr. Laurence Rockefeller—and all the Rockefeller family—and praise the goodness of this family.

President Bush saluted Mr. Rockefeller for his outstanding service and complimented him personally for his dedication to American principles in his unassuming and dignified manner, Mr. Rockefeller responded in an impressive, poised, and dignified manner. For the RECORD, I am including both the remarks of President Bush and Mr. Rockefeller, as follows:

REMARKS BY THE PRESIDENT

A thousand apologies for keeping you waiting. One of Pickle's colleagues and Jay's colleagues up there. Good to see you, sir.

Well, please be seated and welcome all, and again, apologies for keeping such a distinguished group waiting. But let me just salute our distinguished visitors. We have with us a member of our Cabinet Secretary Lujan; Chrm. Bill Reilly; Senator Rockefeller; and Jack Pickle, Congressman; and all of you.

But today we gather to bestow a rare honor on a splendid American. Fewer than a 100 times in our nation's history has the Congress ordered a unique gold medal struck to honor one of our citizens. This is the first time America presents a Congressional Gold Medal to recognize a leader in natural resources conservation and historic preservation.

We honor a loving husband, father and grandfather. We honor a quiet, gentle man whose life and work sum up a century of American civic virtue.

Laurance Rockefeller, as everyone here knows, including me, shies away from the limelight. Though his modesty ennobles him, I regret that young Americans don't yet know as much as they should about him. As our young people learn more about Laurance Rockefeller's life and example, they will feel the excitement of seeing a hidden national treasure come to light.

From his earliest years, he's combined enthusiasm for conserving our heritage with brilliant entrepreneurial talents. His imagination and steadfast effort have transformed some technological commonplaces of our lives. For Laurance Rockefeller is this America's century's foremost trailblazer in the venture capital business.

At the dawn of commercial aviation, he invested the seed money that turned Captain Eddie Rickenbacker's dream into a pioneering passenger airline. And then a young engineer in St. Louis named James McDonnell had an idea for a jet fighter with an air-cooled engine. Mr. Rockefeller provided "Mr. Mac" with venture capital that grew into one of the world's first and greatest aerospace corporations.

Even our youngest generation will recognize a more recent triumph of Laurance's venture capital philosophy. Not many years ago, his partnership helped discover and launch a young dreamer with an offbeat name for a personal computer. I refer, of course, to Apple's founder, Steve Jobs, one of the heroes of young American enterprise.

If anything surpasses his love for innovation, it is his passion for conserving priceless national treasures and historic legacies of our civilization. As a policy leader and philanthropist, Laurance Rockefeller has enabled millions of Americans to enjoy the beauty of the Virgin Islands National Park, the Grand Tetons of Wyoming and the Palisades Interstate Park System.

He also has labored to make our city parks and buildings and boulevards a special kind of "great outdoors." He's done tremendous work for the environmental quality of New York City, notably in his efforts for Central Park, the Bronx Zoo, the New York Aquarium.

And I have a personal reason for gratitude to him. When I first came to Washington as a freshman congressman in the '60's, our great capital city suffered from a certain air of neglect in this regard. And that was when he, Laurance Rockefeller, was joining our gracious First Lady, Lady Bird Johnson, in efforts to beautify our Nation's Capital.

Over the years since then, it's been my pleasure to witness firsthand their magnificent work in making Washington truly a beautiful world capital. In all of his conservation efforts, Laurance Rockefeller has been emphatic in believing that our natural resources are for both conservation and use; they're the setting in which people can develop and strengthen their own humanity.

Completing the expansive scope of his work is the compassion and generosity that he's shown over many years as a board member and a benefactor of memorial Sloan-Kettering Cancer Center. Victory over once-deadly forms of cancer owe much to his selfless philanthropy.

So, sir, on behalf of Congress—normally I don't speak for Congress—laughter—but on behalf of Congress—I'm permitted to do that in this regard—I present you this medal because your life and work do give honor to America. And as long as this piece of gold glistens, may grateful Americans remember how you devoted mind and soul to labors of love for our great country. Congratulations, sir.

REMARKS BY LAURANCE S. ROCKEFELLER

Thank you, Mr. President. I am deeply grateful to you for taking time to present this Medal to me on behalf of the Congress of the United States.

I accept it gratefully and humbly—and on behalf of those who helped so much to make it possible—Grandfather, Father, my brother, Nelson, my wife, Mary; and, more recently, our son, Larry; as well as my distinguished associates who, over many years, have been an all-important factor in any achievements recognized today.

In fact, as of now, I am but one member of the Family whose heritage of conservation spans five generations.

This, I am told, is the first Congressional Gold Medal to be awarded to a conservationist. It underscores the fact that it honors not primarily an individual—but also recognizes the environmental movement come of age.

Conservation has increasingly become a part of the Nation's agenda over the past half century. It was not long ago when concern for the land, air, and water was considered important, but not as a high, priority.

Now we know that concern for the environment and access to parks and open space is not frivolous or peripheral; rather, it is central to the welfare of people—body, mind and spirit.

In response to this now deep-felt public awareness, the Congress for more than two decades has enacted dramatic environmental legislative achievements. You, Mr. President, more recently and importantly, have shown the way by your leadership in the new Clean Air Act, your support for an increased Land and water Conservation Fund, your goal to plant one billion trees a year for ten years, and other important accomplishments.

But we cannot rest on our laurels. Much remains to be done. Environmental quality should be high on our national agenda, for we face new and urgent challenges around the world.

In these times of budget austerity, we must seek, as you have said, Mr. President, new and innovative ways to involve the private sector.

For example, in Woodstock, Vermont, Mary and I are working with Secretary of the Interior Lujan and National Park Service Director Jim Ridenour in combining public-private resources to create the marsh Billings National Historical Park. The Vermont Congressional delegation is cooperating with us in a fully bi-partisan manner.

If Congress approves, the park will interpret the contributions of George Perkins Marsh and Mary's grandfather Frederick Billings, to the creation of a conservation ethic in America. It is our hope that the Park will become a center for interpreting the evolution of such values.

Mr. President, I thank you for adding so greatly to today's event, and I thank the Congress of the United States for making it possible.

I accept the Congressional Gold Medal as eloquent evidence of our long-term commitment as a nation to conservation and a quality environment world-wide.

Thank you!

Mr. PICKLE. Mr. Speaker, it is good that we take time to thank people who have given so generously of their time and their talent and their resources.

□ 1640

This was the occasion last Friday that was good for our country, for our

President, to say "Thank you" to a family that has meant so much to this Nation.

ECONOMIC GROWTH ACT: EMPLOYMENT, NOT UNEMPLOYMENT

The SPEAKER pro tempore. (Mr. HAYES of Illinois). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] will be recognized for 60 minutes.

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, I want to speak today on employment and unemployment because I think the American people need to see two parallel activities that are going on in the Congress today. One activity is the question of how power works in a legislative body, what bills are allowed to come up, what bills cannot come up.

The other activity is two philosophies about how you create jobs, how you encourage people to work, and how you have a healthy economy. I think it is fascinating, if you have been watching the last few weeks, the Democratic leadership has clearly decided that they want to make unemployment an issue. They believe that they have President Bush in trouble on unemployment and if only they talk about unemployment long enough somehow they will once again be the party that cares and the party that takes care of people and that folks will not look below the surface slogans.

And yet, if you look at what has been going on, there are two big questions to ask. One is: If the No. 1 goal is to take care of the people who are unemployed, why is the Democratic leadership refusing to bring to the floor a bill offered by the Republican leader in the House, Mr. MICHEL, and the Republican leader in the Senate, Senator DOLE, a bill which would be signed by the President which would extend unemployment for 10 weeks, which would send the checks out, which would actually help people who currently do not have a job and which would be passed tomorrow?

I am absolutely confident that the Republican leadership would be willing to work with the Democratic leadership to pass a 10-week unemployment bill, the Dole-Michel bill, to get it out to the country, to pass a bill which, by the way, happens to pay for itself.

One of the major differences between the Republican bill and the Democratic bill is that the Democratic leadership bill does not pay for itself. It is just another $5 billion in the deficit. But the Republican bill actually has a fee to pay for it, a spectrum fee of new radio frequencies that are going to be made available by the Defense Department as part of the process of going through the changes we are now going through. That part of the spectrum was going to be auctioned off for a fee, and that fee would pay for the unemployment.

So the Republican bill is absolutely fiscally responsible, pays for the unemployment that is going to be sent out, meets the budget agreement and at the same time would actually give 10 weeks of payments to the unemployed.

But there is a deeper issue. How are we going to get the economy growing again? How are we going to make sure that when the unemployment is extended and finally runs out and—and nobody is suggesting we are going to have unemployment in perpetuity—nobody is suggesting we just send checks forever, so sooner or later we are going to come to the end of the unemployment checks.

What proposal do we have to create jobs?

Now, the President had a job creation proposal in January 1989 in his State of the Union. It would have created about 500,000 new jobs. It was defeated by the Democratic leadership in October and November 1989. The President came back in 1990, and he had two job-creating proposals. He had an initial proposal in January in the State of the Union; the Democratic leadership killed it. Then during the budget negotiations they proposed a separate, different approach which would set aside $12 billion to invest in new factories, new plants, and creating new jobs. Again, the Democrats killed it.

This January the President proposed another Job Creation Act. It has not gotten anywhere. The Democrats keep bottling it up.

So, in order to try to break out of that, Senator PHIL GRAMM and I introduced the Economic Growth Act.

The Economic Growth Act was designed to meet all of the objections about helping everybody. First of all, it helps senior citizens. The Economic Growth Act would allow senior citizens to earn an additional $8,000 a year without being punished by social security if they want to keep working, something which most senior citizens feel strongly about. At 65 years of age they have been punished by Social Security when they want to keep working.

So the Economic Growth Act has a provision for taking care of senior citizens, allowing them to keep working.

Second, we have a tax credit for families under $43,000 income, we provide a tax credit of up to $1,000 against the cost of their down payment on their first home.

Well, $43,000 is hardly rich. $1,000 tax credit is a lot of money against the down payment on that mortgage. It is estimated by the home builders that the Economic Growth Act would lead to 220,000 additional sales a year.

Now, 220,000 additional families moving into their first home is a big change in the economy; it creates more jobs and, equally important, it gives that working couple something to look forward to, something to dream about, to allow them to be in a position where they can take care of themselves and where they can actually become part of a stable community, owning a home, having a place to raise a family.

Third, we allow in the Economic Growth Act the Gramm-Gingrich bill, we allow everybody in America to have an individual retirement account with after-tax money which is a tax-free buildup. That is, the interest would be added on without any taxes being paid on the interest. Everybody could have one. And if you kept your account for 5 years, you could use it for health, education, housing or retirement.

So the Economic Growth Act allows you, in effect, to have a savings account with a tax-free buildup of your interest without having to pay any taxes on the interest and you could spend it on health, education, housing, or retirement if you kept it in the account for 5 years.

We go a step further as part of our pro-family policy and as part of our pro-housing policy: We allow parents and grandparents to take their individual retirement account out and loan it to their children or grandchildren so they can buy their first home.

But there is a step further: We also extend permanently the research and experiment tax credit which allows American companies to invest in the scientific research which is necessary if we are going to compete in the world market, if we are going to compete with Germany, Japan, and Korea.

But there is another step: We add to all of that a cut in the capital gains tax to encourage building new factories, to encourage people to go out and to invest in new jobs, buy new machinery, create new businesses, to have new savings. It is estimated that that provision would create 1,100,000 additional jobs, and we index future investment so that people would never again pay tax on inflation. We provide that in the future, if you save, if you invest, if you create, you do not have to pay tax on the inflation.

That again would encourage people to do the right things to create economic growth.

Beyond that we create 75 enterprise zones, an idea which has been sent up to this Congress and killed by the Democratic leadership for at least 15 years. For 15 years now we have been saying, "Now, look, if you truly want to help the poorest Americans in the inner city, if you truly want to help the poorest Americans in rural America, then let's create some enterprise zones where there is a tax incentive to build factories, to create jobs, to locate offices, to do the things that will put people back to work," because the best answer to unemployment is employment. The best answer to unemployment is not a check from the Government; the best answer to unemployment is a job, a real job, a permanent job, a job that will last.

In addition, the Economic Growth Act contains a provision called an economic growth dividend. What that suggests is very simple: If the economy is stimulated by all the different things I have described, if the economy starts to really grow again, if we get above 3 percent real growth, under the economic growth dividend, you would have the additional revenue to the Government and, as the economy grew, as more money came into the Government, everything above 3 percent real growth would go back to the individual as an increased personal deduction.

Now, why do we do that? We do it for two reasons: First of all, we believe, as Congressman FRANK WOLF has said, in the bill he has introduced that has many, many cosponsors, that is a pro-family bill, it is that if you increase the personal deductions, start moving back toward the level back in Harry Truman's day and in constant dollars related to real income, it would be about $7,000 apiece today. You would be able to get a $7,000 deduction to truly offset taxes, if we had the same kind of pro-family, pro-child deduction we had when Harry Truman was President.

So we first of all want to have a pro-family part of this bill that encourages people, enables families to stay together, that enables families to take care of their children.

Second, we want to establish the precedent that money that you create by your hard work, by your savings, by your investment, does not automatically belong to the Washington bureaucracy.

We want to establish the precedent that economic growth, as it creates more revenue, should not automatically lead to you seeing your money go into more welfare state, more bureaucrats, more redtape, more Washington offices.

□ 1650

So, we establish the precedent for the future that above 3-percent real growth in the economy; all the additional money comes back to them as an increased personal deduction.

To summarize: the Economic Growth Act would create about 1,100,000 new jobs according to economists. It would stimulate the economy, getting us moving again, get us out of this recession. That, by the way, is more new jobs than the hard-core unemployed. So, it would actually do more to help the hard-core unemployed by creating jobs than the Democratic effort to extend unemployment.

In addition, the Economic Growth Act would lead to 220,000 additional home sales a year, helping couples buy their first homes, get to live in a neighborhood, giving them a chance to begin to create a little nest egg for their own future to help raise their family.

Now we come to the Democratic leadership. With the help of the gentleman from New York [Mr. SOLOMON], the ranking member on the Committee on Rules, we came to them again and again. We have now gone three times asking them to please make in order the Economic Growth Act so we can both extend unemployment with the bill the President would sign, the Dole-Michel bill, and we could create new jobs so, as the unemployment began to run out, we would be in a position for people to get real jobs, to have a chance to go to work. The Democratic leadership seems committed to stopping any economic growth created within the framework of the free enterprise system.

I find it absolutely fascinating that we live at a time when in Russia, and Lithuania, Latvia, and Estonia we now see centralized bureaucratic command economies disintegrating. We see people beginning to talk about private property, and free enterprise and having incentives for work, and for investment and for savings. I find it intriguing that the Poland, and in Hungary and in Czechoslovakia people are beginning to talk about free enterprise, and how do we create jobs, and how do we build factories, and how we have incentives for new investment to buy new machinery.

Even in Sweden—for my entire lifetime Sweden has been the hallmark of the modern bureaucratic welfare state, and people have looked at Sweden, and academics have said, "Oh, Sweden is the model. Sweden is where the welfare state has really been tried." Well, several Sundays ago the Swedish Socialist Party suffered its worst defeat since 1928. That is right. In Sweden, the heartland of modern socialism, the absolute showcase of the welfare state, the centerpiece of bureaucratic government in its modern form; in Sweden today the taxpayers are saying:

"Hey, wait a second. Taxes are too high. Government is too inefficient. Redtape is too infuriating. The whole system isn't working. We're not creating enough new jobs, enough new take-home pay," and there is now a taxpayer revolt in Sweden, and the Swedish Socialist Party just suffered its worst defeat in 63 years.

Then we come to America, and in America tragically the Democratic Party just does not seem to be able to understand what is happening. We now live in a world where the mayor of Moscow is to the right of the mayor of New York, or, to put it differently, the mayor of New York is to the left of the mayor of St. Petersburg, since that is what we are now once again calling a city which was temporarily called Leningrad.

I happened to read over the weekend an absolutely fascinating book called "Minority Party, Why Democrats Face Defeat in 1992 and Beyond," by Peter Brown. I recommend this to everybody, but I just want to cite a couple of quotes in here, from Democrats by the way.

> Peter Brown understands the middle class Democratic exodus as well as anyone in America. Unless we radically change our ways, we are potentially looking at an unbroken string of Republican presidencies.—Bruce Babbitt, 1988 Democratic Presidential candidate, former Arizona Governor.

Second example:

> Traditional Democratic voters have abandoned the party in droves to vote for Republican presidents because they believe the Republican Party will protect them and their economic interests.—Senator Joseph Lieberman, Democrat of Connecticut.

What is he talking about in this book? Talking about a very simple fact. Most Americans know that, if we have a free enterprise system, and we encourage people to work, and we cut taxes, and we encourage people to have take-home pay, and we encourage people to build new factories, and we encourage people to own family farms, and we encourage people to go out on their own and have the courage to invest for 20 and 30 years to build a small business so that they have a little nest egg, that that is what drives America, that this is not a country driven by its bureaucracy, and, frankly, in the long run it is not a country driven by unions and big corporations. Big corporations, which is the center of unionism, tend to shrink the total number of jobs.

I say to my colleagues, if you read the newspapers, whether it's IBM, or General Motors, or Ford, or any set of large corporations, large corporations over time hire fewer people. They tend to replace people with computers, and machinery and finding ways to slenderize, if you will, their payroll. The creators of jobs in America are entrepreneurs and small businesses, the baby businesses that become the real businesses of the future, and I think it is in that setting you have to ask the question: What are the policies that create growth? What are the policies that encourage people to save, and invest and have a better future? And the tragedy, I think, of the modern Democratic Party and the Democratic leadership in the Congress is that they are too jealous of job creators to encourage them to create jobs. They are too worried about stopping people from creating wealth to allow people who are creating wealth to create jobs, and the result has been that for almost 3 years now, for over 2½ years, the Democratic leadership has stopped every effort President Bush and the Republicans have made to pass an economic growth package and to try to stimulate the economy to grow, and the result is we now have the slowest growth rate of a Presidential term since Franklin Roosevelt's first term.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I could not help but listen to the gentleman from Georgia [Mr. GINGRICH] discuss his view of economics in America, his sense of history in the country and his sense of direction about where we ought to be going. Once again he tends to always give credit for everything that is right to the White House and ascribe blame for everything that is wrong to the U.S. Congress.

I was over here just a little while ago speaking on the subject of extended unemployment benefits, and I was hanging around and listening to the debate afterwards. I realized that a lot of people were talking, and really not anyone was connecting very much.

Some of what the gentleman from Georgia [Mr. GINGRICH] says I agree with. Unfortunately, we generally do not select the best of all idea in this House. I say to the gentleman, "I agree with you that we ought to have a package that deals with growth economics. I don't disagree with that at all and I don't think that replaces our responsibility to respond to today's problems. But should we be concerned about growth? You bet we should. Where we disagree is not on IRA's or the deductibility of interest on loans for education. There's a whole range of things that I think we should probably do to try to help people. Where we disagree is that your package of growth economics is most often a package that has as a hood ornament driving this big vehicle capital gains. Perhaps you now call it something different, but it's still capital gains."

Mr. GINGRICH. No, I call it capital gains.

Mr. DORGAN of North Dakota. OK, and, if I might just describe once again for those who listen the effect of capital gains:

If you go back to the kind of proposal that's been offered by the White House and been supported by you and others, it's going back to the same old notion that it we simply will help the rich, the rest will all be better off. Now, I have asked for study after study on this, and the results are exactly the same. If you go back to the old capital gains approach, it's not cutting taxes for mom and pop businesses. Over 80 percent of the capital gains tax cut benefits will go to those who have capital gains year after year in multiple transactions. The tax cuts will go to Donald Trump and other folks who are involved in that kind of business who already make an enormous amount of money. Yet, your proposal says what we ought to do to stimulate economic growth in America is give these folks even more money because they'll use it in a productive way to make all of us better off.

Mr. Speaker, I would just like to ask the gentleman from Georgia [Mr. GINGRICH] a question. I do not disagree with the hypothesis that we ought not be taxing inflation generally, nor do I disagree with the hypothesis that the rich have had plenty of tax cuts in the last decade. And it seems to me that we ought not rush to see how quickly we can decrease their taxes even more. What about a proposal that I have offered in bill form and have talked about on the floor of the House that says, "You think capital gains is stimulative, you think capital gains treatment for at least the sale of some assets that people have held for a long period of time makes some sense. What about suggesting that we will allow a $200,000 bracket of income in a taxpayer's lifetime to be treated as preferential income for capital gains?"

In my judgment, this approach will give most of the folks out there some benefit when they sell a capital asset like a farm or business, that they have held for 20 years. But it's not going to give away the bank vault to the richest of the rich in the country.

Would the gentleman entertain an approach like that that I think would make some sense and would not cost nearly the kind of revenue which your proposal is estimated to lose. Would the gentleman think that would have some stimulative effect on this country's economy?

Mr. GINGRICH. Let me just say a couple of things, and then I will yield to my friend from Florida.

First of all, I have proposed and suggested strongly today that we do have immediate problems of unemployment, and that is why I was hoping that the Democratic leadership would agree to pass the Dole-Michel bill, which would in fact be signed by the President. As the genteleman knows, the Democratic bill is going to be vetoed by the President and sustained in the Senate, and, therefore, it is not going to become law. So, I agree we have real problems. I was hoping we could pass a real bill that could be signed.

Second, I offered the Economic Growth Act in the Committee on Rules and on the floor of the House as an amendment to the unemployment bill, not a substitute. In other words, we would send down both extended unemployment and a job creation bill, and the Democratic leadership blocked that.

□ 1700

Third, I am a little surprised when you described the capital gains advantage purely as that of people who own stock, because my impression is that small farmers——

Mr. DORGAN of North Dakota. I did not say that.

Mr. GINGRICH. Or that the major advantage went to people who were very, very rich.

Mr. DORGAN of North Dakota. I mentioned farmers and small businesses.

Mr. GINGRICH. As good things.

Mr. DORGAN of North Dakota. Yes.

Mr. GINGRICH. I would just suggest to you that what we do in our bill is modestly reduce the capital gains to around 19 percent and index it for the future so we are not taxing inflation. But I think what is fascinating and what you have to confront—and this, I think, is a fundamental disagreement—is that under the Treasury accounting and under almost every private accounting I have seen, capital gains changes make money. They create more jobs, and they create more wealth. They increase the revenue to the Government; they do not cut the revenue of the Government. And in fact, it is only on Capitol Hill where the Democrats hire and fire the staffs, where the Joint Tax Committee and the Congressional Budget Office have the kind of computer model that implies that people do not change their behavior. The Joint Tax Committee, which has a Jimmy Carter Treasury official as its head, has a model which is the equivalent of having a model which says that airplanes cannot fly, they are all made of lead.

So I would argue—and the Treasury agrees with this—that the capital gains proposals in the Gramm-Gingrich bill and the Economic Growth Act actually would increase revenue to the Government by about $6 billion, so we would actually have more money coming in because we would be encouraging the right behavior.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. STEARNS. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Let me yield to the gentleman from Florida first, and then I will yield further to the gentleman from North Dakota.

Mr. STEARNS. Mr. Speaker, I wanted to thank my distinguished colleague, the gentleman from Georgia, and just address this question: I keep hearing this on the House floor. We keep talking about capital gains for the rich.

Any person in America who works hard and saves his or her money and delays gratification, after 20 or 30 years, is going to build up a certain amount of money, and we want to encourage that. When you say, "the rich," and you keep talking about or you may be insinuating it is a Wall Street broker or somebody who is a Donald Trump, it is the average person who at one time in his life is going to be rich. He is going to be rich that one time when he is going to sell his or her assets so they can retire. They can either move from up north and come down to Florida, because everybody in America maybe one time in their lives, if they delay gratification, if they work hard and save something, is going to be rich. And why not give them a break? Why should the Government take 33 percent of their money after you add the broker's fee and then you add the lawyer's fees, and in some States, for example Connecticut, there is a 7-percent capital gains tax? So 51 to 55 percent of whatever they get is going to some State, local or Federal Government.

So here we have a case where a person has worked all their life, for 30 years, and they are selling maybe their two-family home that is going to give them a little asset, or maybe they are going to sell their stocks and bonds they have, so maybe once in their life they are going to be rich. But you keep talking about rich folks. We are not just talking about rich folks.

Mr. GINGRICH. Mr. Speaker, let me say one thing along that line, and then I will yield to the gentleman from North Dakota, because I appreciate very much his coming over and participating, because this is frankly the kind of dialog that we ought to have more of in the Congress.

We are going to check on the exact number, but my memory is that something like 75 percent of the people who take a capital gains had less than $50,000 average gross income the year before they did it. I think that is the approximate number.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I think that is absolutely true if you would take into consideration their capital gains.

Mr. GINGRICH. How about the year before, though? These are relatively normal Americans, not necessarily poor, but somewhere in the middle class, who happen to be either selling their home or selling a business or at one time selling their stocks. But they are not rich people.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Yes, go ahead.

Mr. DORGAN of North Dakota. The data demonstrates exactly the opposite. It is a graph that's been shown around your side of the aisle forever. It says that if you don't consider capital gains income, then people who have capital gains do not really have much income. That is like saying if you do not consider the income from investment banking as relevant income, then investment bankers do not make much money. So what?

Mr. GINGRICH. No. We are going to check this with the Ways and Means Committee staff. My understanding is that the year before their AGI, which, as I understand it, and again, you serve on the committee and I do not, means what, their gross income?

Mr. DORGAN of North Dakota. Yes.

Mr. GINGRICH. Not in the year they make the capital gain but the year before, something like 75 percent of the people who, let us say, in 1991 were to take a capital gain, in 1990 something like 75 percent of those people would have had $50,000 or less in income.

All right, go ahead.

Mr. DORGAN of North Dakota. Let me just use another statistic that I think is important. And I do want to correct one thing you mentioned because you moved along so quickly that I was not able to stop you. You surely do not suggest that the leadership of the Joint Tax Committee or the Congressional Budget Office is leadership that is selected only by Democrats and operates on behalf of Democrats?

Mr. GINGRICH. Oh, sure, absolutely.

Mr. DORGAN of North Dakota. Is that your position?

Mr. GINGRICH. Well, we would not have accepted the current head of the Joint Tax Committee. We would have never picked him. He was in Carter's Treasury.

Mr. DORGAN of North Dakota. Haven't we had people running the CBO who were Republicans in the past?

Mr. GINGRICH. Yes.

Mr. DORGAN of North Dakota. During the past decade?

Mr. GINGRICH. Yes, at times.

Mr. DORGAN of North Dakota. Do you trust them?

Mr. GINGRICH. But I would argue that if you look at the computer models of CBO and Joint Tax, they are literally the equivalent of an aerodynamic model that says airplanes cannot fly.

Mr. DORGAN of North Dakota. But my question was, in cases where the leadership or the people that run CBO and Joint Tax are selected generally with the assent of the leadership on both sides?

Mr. GINGRICH. No, I would have to say in a House which has been controlled by the Democrats for 5 years longer than Fidel Castro has been in power in Cuba, I do not think we ought to have any games about who makes the decision about hiring somebody like this. The fact is that from the time the Republicans lost control of the Senate, the Democrats controlled these kinds of positions.

Mr. DORGAN of North Dakota. I know that the head of at least one of those institutions has been a Republican since I have been here. Of course, I did not go on the floor to suggest that the information that comes from that organization is necessarily slanted toward the Republican side.

Mr. GINGRICH. No, I think it is intellectually obsolete. I think if you are a serious intellectual, you would agree that Joint Tax is obsolete.

Mr. DORGAN of North Dakota. But that is a different issue to make, and probably it is more than constructive.

Let me just make this point: It is a creative point that you make that the average person is rich at least once. Most average people are never rich. They wish they could be rich at least once, but they are not.

The study I was going to refer to bears directly on that point. The study says, "Let's look at who gets capital gains." Is it, as you suggest and as is suggested most often by the President and others, the ones who once or twice make an occasional sale of an asset they have accumulated over an entire lifetime such as a business or farm? Or is it the people who are involved in the business of converting capital gains?

What the study shows is interesting. Eighteen percent of the benefit of a capital gains cut will go to those people who are selling an asset once in their lifetimes. Eighty-two percent of the benefit goes to those people who have recurring capital gains transactions in every year.

So my point is that I do not disagree with you at all. I think when someone owns a farm or a small business they have held for 20 years, I would like to do something about it. That's why I have introduced legislation which says, "Let's produce a capital gains preference for a $200,000 basket of income, in addition to the $125,000 that you can now flow through without any tax obligation on the sale of your home, which incidentally is the largest capital asset most people will ever have in this country. Statistics show that is their major asset. They can now move $125,000 through after they have reached age 55 with no adverse tax consequences. I say, let us add to that. Let us put $200,000 on top of that to respond to this issue.

I would like to make one other point, and let me say I appreciate very much the indulgence of the gentleman from Georgia. When you talk about growth and the economic future of this country, I do not think there is anything more destructive to the economy or the health of the American economy than the kind of binge of hostile takeovers and LBO's that we have seen in the past decade. It has been a literal orgy that is destructive to this country. It is a form of economic cannibalism, an abuse of credit, a scourging of America's assets. Highrollers misusing credit to take companies apart and selling them. The gentleman knows that I have been on the floor often on the issue of junk bonds and a whole range of other things to try to shut down the mechanism by which we finance this kind of economic activity which I think fundamentally damages the private sector of this country. And I would very much hope, as we talk about growth economics, that one of the things we all agree on is to shut down that kind of destructive activity in the private sector. It just doesn't make any sense.

□ 1710

Mr. GINGRICH. I agree with you. But let me use that one for just a moment to make the point and illustrate why I believe in all fairness, I believe intellectually, that liberals have a very hard time getting out of the box.

The way you would dramatically cut off those kind of leveraged buyouts, if you really wanted to create economic growth, is you eliminate the double taxation of dividends. If you eliminated the double taxation of dividends, it would no longer make sense under our Tax Code for people to borrow massive amounts of money in terms of taking over the corporation.

You would in fact be doing something economically which both stopped leveraged buyouts and which created an incentive for new jobs and new factories and new companies.

But I doubt if it would be possible to have any hope of bringing to the floor a bill which eliminated the double taxation of dividends, even though I think every theoretical economist would agree that that is a very powerful way to both increase the value of investing in new jobs and to cut off leveraged buyouts.

Mr. DORGAN of North Dakota. The history of the 1980's denies the statement the gentleman just made. Even as tax rates have come down in the 1980's, we have seen a burgeoning activity in this LBO and hostile takeover area.

One would think if there is in fact a tax incentive, that as the tax incentive diminishes, you would see a diminished activity in LBO's and hostile takeovers.

Exactly the opposite happens. Why? I think it has to do with much more than the Tax Code. I think we have regulators who are hostile to the notion of regulating in this town, in dozens of areas.

They just close their eyes and plug their ears and say, "I will watch nothing and I will hear nothing and you do what you want." Regrettably, it just brought this economy to its knees. I agree that we have major responsibilities.

Mr. GINGRICH. Let me see if I understand this correctly. You think one of the major problems in our economy is not that we have a credit crunch because of overregulation, and not that we have small businesses being strangled by too much regulation and red tape, you think in fact the regulators are too lax and we do not have a tough enough regulatory environment on business and small business?

Mr. DORGAN of North Dakota. Let me rephrase this, if I might. The answer, of course, is yes, but not with respect to small business.

The answer is when a savings and loan is allowed to be loaded up with junk bonds so that it chokes and dies, then somebody is not minding the store. Somebody is not regulating the kind of investments those institutions are making.

My point is that in agency after agency where there is supposed to be responsible regulation, responsible regulation was denied by people who were hostile to the need to look after the public interest. The answer clearly in the area of financial institutions and some other areas, including airlines, is yes.

Mr. STEARNS. Let me just answer that. You are trying to insinuate that capital gains is the cause of the S&L and the cause of junk bonds and the cause of leveraged buyouts? Are you suggesting capital gains is the reason for all of that?

Mr. DORGAN of North Dakota. No, I do not think so. Did the gentleman from Georgia hear that?

Mr. STEARNS. No, that is what you seem to indicate.

Mr. DORGAN of North Dakota. No, not at all. Nothing of the sort. I was disconnecting the subject by saying in addition to the growth economics the gentleman from Georgia was discussing, I would like to know whether he agrees that this orgy of hostile takeovers and LBO's is destructive to the American economy and long-term growth. And, in my judgment, these activities have cannibalized the corporate assets of this country.

Mr. STEARNS. Let me just ask my distinguished colleague a question. In Japan and Germany, they have very little if no capitol gains. Is that not true?

Mr. GINGRICH. Yes. Absolutely.

Mr. STEARNS. So here are two countries that have been dynamite in their economic growth. They have little to no capital gains. How do you explain that?

Mr. DORGAN of North Dakota. It is interesting you raise the question of the Japanese. First you couldn't do a hostile takeover in Japan because it's prohibited. They understand it is destructive to economic interests.

Second, the effective corporate tax rate in Japan is much, much higher than the effective corporate tax rate in America.

If you pull out capital gains, yes, you might make that case on capital gains. But if you pull out one piece and another piece and refuse to look at the whole picture, you create, in my judgment, a distorted picture.

The fact is that, Japan has a higher effective corporate income tax rate than this country. So the question is how would Japan have a higher rate of economic growth if in fact it has a higher effective corporate income tax rate?

Mr. STEARNS. You cannot have it both ways. You are just trying to argue that the capital gains is bad and you are talking about leverage buyouts. Now you just told me that in Japan, where they have no capital gains, that they have different kinds of laws. Perhaps we need different kinds of laws here. But it has nothing to do with the capital gains.

My whole argument is that what you are trying to insinuate, you are tying the capital gains to all the evils that have happened in the last 4 or 5 years, and I do not think that is a fair case.

Mr. DORGAN of North Dakota. The gentleman is not listening carefully.

Mr. GINGRICH. Let me just read one section of this book. It is a little bit long, but let me read this for a second.

Mr. DORGAN of North Dakota. May I just clear this up? I appreciate the response of the gentleman to me, but you were not listening carefully. I did not intend to tie capital gains to the issue of leveraged buyouts and hostile takeovers. I intended to talk about capital gains and also to say that there are other issues relevant to the economic growth in this country. That was the purpose of may comment. It was not to tie capital gains to that.

Mr. GINGRICH. Let me read you a passage. It is a little bit long, but if you will tolerate it for a minute. It is from Peter Brown's new book, "Minority Party," which is actually an effort I think on his part to try to reach the Democratic Party, not attack it.

He says the following:

> The only strategy Democrats have had for the last decade is to pray for a Republican scandal or a deep recession.
>
> Americans, for one, do not believe in redistributive economics, which is at the heart of the time-honored Democratic strategy that seems to be making a comeback. Of course Americans want the rich to pay their fair share of taxes, but that is the political equivalent of supporting motherhood. When New Jersey Gov. Jim Florio in 1990 tried a tax program aimed at implementing that idea, he was hit by a middle-class revolt. His programs raised levies on individuals who made $35,000 and couples who earned $70,000. Despite all his charts and graphs explaining that the middle class wouldn't be forking out any more in taxes, they didn't believe him. The bulk of those who were hit didn't consider themselves rich, and those below the threshold figured the Democratic tax man would get them next as they climbed the economic ladder.
>
> Democrats confuse the generally popular notion that those with higher incomes should shoulder a greater burden of the cost of government services with the much les accepted idea that all incomes should be equal. In fact, America is by far the least likely of the seven Western industrialized nations to believe great disparity in incomes is bad. Only 28 percent of Americans feel that way, half the rate of strongly capitalist West Germany and a smaller fraction yet of Great Britian, Holland, and Italy.
>
> Class warfare no longer works politically because it seems to the middle-class voter that the Democratic party is bent on punishing him for his success. These voters look at programs like Florio's as punitive redistribution. To the millions like Mark and Pam Blips, Democrats, having failed to raise the incomes of the poor, seem bent on trying to legislate equality by limiting their upward mobility.
>
> "'Soak the rish' will not suffice as a message for 1992" because "it's not clear to the voters that Democrats are on the side of the middle class," Democratic pollster Mark Mellman believes.
>
> In conceptual form it is egalitarianism, not capitalism, that the Democrats are proffering at a time when the rest of the world

> has decided that the high standard of living available to most people under capitalism is worth the inequities the system entails.
>
> Even if a populist cycle is underway in America, as many Democrats contend, it isn't like the old days. To say that the Republicans are letting a few people get very rich doesn't work by itself. The middle class doesn't believe the rich are getting richer at their expense because the American economy is no longer driven from the top by Fortune 500 companies, those big fat cats with inherited wealth. The engine now is smaller—entrepreneurial companies, created by middle-class people like themselves who are seeking to climb even higher.

My point is just this: I am not particularly worried about Donald Trump, because I think he has gone broke. I am not particularly worried about a lot of people who may have gone by in passing briefly, because I think those kind of speculators in the long run do not last.

My concern is how can I in the middle of a recession, in a free enterprise environment, where we have rejected socialism, we have rejected communism, we have rejected centralized planning, how can I stimulate the kind of savings and investment and hard work that creates jobs and creates factories and encourages people to go to the future?

What I hear you saying, and I am going to give you a chance to respond, but what I hear you saying is look, we will help you for the first couple hundred thousand dollars, but don't get too successful. The minute you start to get too successful, we are going to punish you. Don't create too many jobs, don't build too big a factory, don't hire too many people.

I feel just the opposite. If the price I have to pay for a Ford Motor Co. is Henry Ford, then in a free enterprise system I think, frankly, that is the price you pay.

If the price I have to pay to have an Apple computer is Steve Jobs, then I am prepared to pay that price.

But what I want to do is create an environment where every child in America can go out and say, by George, I have a fair chance to go out here, to work hard, to save, to invest, to go into my garage as Steve Jobs did, to go into my basement as Polaroid did with Land, who created the Polaroid Co. I can create the future. I could someday get rich.

What I hear the gentleman saying is, OK, if you get to be a little upper middle class. But let's not go crazy here. Let's not take the chance of getting too rich.

My question to you would be, where are you going to get the jobs? Tell me any economic theory that creates jobs that starts off by punishing the rich?

Mr. DORGAN of North Dakota. When did the gentleman from Georgia come to Congress?

Mr. GINGRICH. I came to Congress in the middle of the Carter disaster in 1978.

Mr. DORGAN of North Dakota. Do you know what the top income tax rate was in 1978?

Mr. GINGRICH. It was around 70 percent, I think. Not that it was paid very often by wealthy people, but that was the theoretical top rate, I believe, wasn't it?

Mr. DORGAN of North Dakota. Are you asking me?

Mr. GINGRICH. Yes.

Mr. DORGAN of North Dakota. Yes.

Mr. GINGRICH. You are on the Committee on Ways and Means. I am not.

Mr. DORGAN of North Dakota. It was 70 percent.

Mr. GINGRICH. By the way, can I tell you one quick anecdote? John F. Kennedy, in 1961, when the top rate was 90 percent, as President, asked the IRS how many rich people paid the 90-percent top rate? The answer was zero, because, in fact, if you raise taxes enough, you create the incentive for rich people to hire CPA's and attorneys who promptly figure out how not to pay any taxes.

Mr. DORGAN of North Dakota. So what is the top tax rate today? If it was 70 percent when you came here, and the Democrats, which have been in control of this institution since Millard Fillmore was President have been ruining most everything, what has happened to the tax rate today? Seventy percent to what?

□ 1720

Mr. GINGRICH. With tremendous effort by Ronald Reagan and a coalition of Republicans and Democrats, we actually lowered the tax rate.

Mr. DORGAN of North Dakota. To what?

Mr. GINGRICH. I think it is 31 percent the way you have now rerigged it, having started back up the ladder.

Mr. DORGAN of North Dakota. Let me recap, if I may.

When you came to Washington the top statutory tax rate was 70 percent. It is now 31 percent for the people in this country who make the biggest incomes. We have some people that make some good incomes, and God bless them. If a person can make $30 million a year, I have no idea what that personal situation is, but if you do that, God bless you.

I would also like to make sure that you have a full opportunity to invest in this country's future by paying a fair tax as well. So it is 31 percent.

Now you'd say to us that what we need to do is reduce even further the 31-percent rate for people paying that who are largely in the upper income groups. We need to reduce by another third because many of them will have capital gains. If you do not go along with that, Democrats, you are punishing success.

Mr. GINGRICH. Not just punishing success; you are killing jobs. You are killing the jobs of the future.

Mr. DORGAN of North Dakota. If you extend that logic, then why would you support any income tax for someone who makes over $1 million a year?

Mr. GINGRICH. Wait a second. There is a difference between a tax on capital gains, and you can make a good argument that the Japanese model, which is 1 or 5 percent, depending whether you do gross or net, or the German model, which is the correct capital gains model, that is not income tax. That is a tax on whether or not you save and invest, whether or not you want to encourage massive savings and massive investment to create the most modern factories in the world with the highest take-home pay and the best standard of living. That is a very big difference.

The margin you want to get to with rich people is simple. You want a tax which is high enough, an income tax which is high enough that you get a pretty good bit of money but low enough that they do not hire a tax lawyer. You want to find exactly the margin where it is cheaper for them to send a check to the Treasury than to send a check to their CPA because the minute you go past that, they are going to start finding a way not to pay taxes.

Mr. DORGAN of North Dakota. If your vision of the country's future is to use the rich as instruments for economic progress——

Mr. GINGRICH. I did not say just the rich. I do not happen to have as much antipathy to the rich as Democrats do in between fundraising dinners.

My point is not helping somebody who is currently wealthy. I could not care less. I think they will protect themselves.

JAY ROCKEFELLER and all the rest of the Rockefellers are going to be able to find a way to protect themselves no matter what you do to the Tax Code.

Mr. DORGAN of North Dakota. When you come to the floor and propose policies, you are struck with the results of what they show.

Mr. GINGRICH. The whole country is richer, including rich people. Everybody is richer. The result of yours is everybody is poorer, including rich people.

The question is, Would you rather raise everybody and have everybody poorer?

Mr. DORGAN of North Dakota. When you came to Congress the top statutory income rate was 70 percent and it was reduced to 31 percent. You are now coming to us and Congress with a new economic idea. It is not really new, but you call it new so we will accept that. It is a new idea.

Let's cut taxes, the bulk of which will be cut for the rich. What you are saying in effect with your policies is that for the average person in America making $200,000 a year in income, I am going to cut about $20,000 of their tax liability.

Mr. GINGRICH. The question I would ask is, Who do you believe, all of the private economists who say that a capital gains cut would actually raise revenues? Or do you believe the Treasury Department, which says that it would raise $6 billion in revenue?

It does not cost any money; it raises money.

Mr. DORGAN of North Dakota. The Treasury Department would jump off a 20-story building for you. They are of your party. You are fighting for what they propose to us. So why wouldn't they give you the answers you want?

Mr. GINGRICH. You happen to have economists you hire who are liberals who tell you that this will cost money. I have economists that favor business and favor job creation and are conservative who think this would gain money. We do not know it for sure.

My point is, we do know that in 1978, when under Jimmy Carter we actually cut the capital gains tax, it did work. We do know that it actually increased the Government revenues despite the fact that Treasury said it would not.

Mr. DORGAN of North Dakota. Mr. GINGRICH, you are wrong about that. The Treasury Department demonstrated in its own study that that is not a correct statement. It just is not correct.

Mr. GINGRICH. It is not correct that the Staggers bill increased revenue?

Mr. DORGAN of North Dakota. That is correct.

Mr. GINGRICH. I will be back in another day or two. I will get the data. I would love to see that.

Everything I have heard from every economist I have talked to is that the Staggers bill clearly increased revenue.

Mr. DORGAN of North Dakota. Let me go on for a second and ask you this question: Let us assume that you disagree that my proposal to provide $200,000 in capital gains relief for the average person during their lifetime. Let us assume that you think $200,000 is not enough because, as your friend said, the average person is rich at least once.

I am hoping at one point that happens to me, and I hope it happens to all my constituents. I doubt it will happen to all of us.

Let us assume everybody is rich at least once. What is an appropriate figure? Is $500,000 or $1 million or is there no appropriate figure for you?

Mr. GINGRICH. Let me say two things:

First of all, the number of people who in 1987 had less than $50,000 income the year before they paid a capital gain was 71 percent. So 71 percent of the people the year before they paid a capital gain, this is not some exclusion of capital gain income, had less than $50,000.

First of all, a capital gain cut relates to a lot of people, not just the rich.

Second, let me ask you this: Let us say a man came to you and said, "I understand there is a town in North Dakota that is sort of poor. I am prepared, if you will give me a tax advantage, I am prepared to put 3,000 jobs in that town. You have to give me a tax advantage. Otherwise I will put those jobs in Hong Kong or put them in Poland."

Would you say to him, "You know, I don't mind if you put the first 100 jobs in, but that other 2,900 jobs, I don't know if we can do that. I think if we were to let you have all 3,000 jobs there and hire all 3,000 families, boy, that would be pretty charitable because look how big your tax advantage would get. Maybe you ought to take 100 jobs in North Dakota, but why don't you take the other 2,900 jobs and take them to Mexico or to Hong Kong or take them to Poland?"

Is that not the essence of your policy? As long as people do not get too successful, as long as they do not create too many jobs, as long as there is not too much growth happening, it is OK. But if they start to really take off, that would be scary?

Mr. DORGAN of North Dakota. No. That is where we have a major misunderstanding.

Mr. GINGRICH. Or a disagreement.

Mr. DORGAN of North Dakota. I am not sure that you understand my point that I think there is a responsibility that everybody has to make a certain payment for this Government of ours.

Mr. GINGRICH. I agree.

Mr. DORGAN of North Dakota. Not very many people agree or we would not have a $420 billion deficit in this coming fiscal year. It is not the $348 billion deficit as Mr. Darman says, for next year. You are probably well aware that it is $420, are you not?

Mr. GINGRICH. In August of last year, I made a speech at the Heritage Foundation and said, "If we raise taxes going into a recession, we will lay off more people and we will increase the deficit."

I would suggest to you, if you go back and read that speech at Heritage and you look at the budget deal last year, which I opposed, and you look at the effect of the States that are raising taxes and you look at the effect of the Federal Government raising taxes and you look at the impact on Beechcraft in Kansas of the luxury tax or you look at any of the boat costs and the impact of the luxury tax, we have been killing jobs and raising taxes, lowering the revenues.

We have fewer revenues today because of the recession. The recession killed more revenues than every tax increase we passed last October.

Would you not agree with that? That that is technically true? That the increased unemployment and the loss of income tax and profit from corporations actually costs us more revenue than the total tax increase in the Budget Act?

Mr. DORGAN of North Dakota. I taught some economics in college but have been able to overcome that. You have not been able to overcome your history teaching experience.

Mr. GINGRICH. You do not think that the recession killed more revenue than the tax increase gained?

Mr. DORGAN of North Dakota. Economics 101 teaches you that you have a major decrease in revenue when you have a recession. You are asking if I accept you as a visionary based on your Heritage speech.

Mr. GINGRICH. I do not want to overreach that. Let me ask a narrower question here.

Would you not agree technically that the total revenue loss due to the recession is greater than the total revenue increase from the tax increases we passed last October?

Mr. DORGAN of North Dakota. It may be, but the implication, is that the tax increase caused the recession.

Mr. GINGRICH. It just deepened the recession. Do you not agree that a tax increase going into a recession deepens the recession?

Mr. DORGAN of North Dakota. I do not have any idea, and I sort of agree with old Harry Truman on this. He said, "Get me a one-armed economist. I am tired of this on the one hand and on the other hand."

Who knows? We know that we have reached a recession. We know that we had some economic growth.

I might tell you that we had no economic growth in my State of North Dakota. It has been a decade. If you asked somebody if you are better off now than you were 10 years ago, they'd probably say no. We have had a price collapse in energy and agriculture.

□ 1730

And I only wish those family farmers and those Main Street folks in North Dakota are able to be rich once in their life. Unfortunately, most of them are now losing money and in desperate condition.

That's why I said when I started. I would like very much——

Mr. GINGRICH. Do you think tax increases will help them?

Mr. DORGAN of North Dakota. No, I do not think tax increases will ever help anybody unless we finally have some kind of responsible approach of spending and tax increases and cuts to put the country back on track.

Mr. GINGRICH. But did you not just do that, did not the Democrats just pass an unemployment bill that breaks the budget? When I talk about responsible, did you not in fact explicitly break the deal which you made with the President last year to control spending?

Mr. DORGAN of North Dakota. No, not at all.

Mr. GINGRICH. You did not pass a bill today that breaks that budget deal?

Mr. DORGAN of North Dakota. No, we did not, and you know very well we did not. You know that this bill declares an emergency if it is signed by the President.

Mr. GINGRICH. Which is, by the way, explicitly contrary to the budget agreement, because this bill does not give him the choice. This bill explicitly does it upon signature.

Mr. DORGAN of North Dakota. There is probably not much sense in us spending much time here debating what happened today. The Kurds were an emergency, the Shiites were an emergency, everybody is an emergency except for the American people who are out of work. The Democrats wrote this bill that will not break the budget to help those Americans who need help, and if you sign this you declare an emergency.

Mr. GINGRICH. My point is that Democrats are desperately for and willing to be responsible when we are about to raise taxes, but then 6 months later when we try to control spending, they are not.

Mr. DORGAN of North Dakota. In my judgment, nobody in this Chamber likes to raise taxes. And I do not consider myself an FDR Democrat; I consider myself more of a Jeffersonian.

I really think that long-term broad-based economic ownership is crucial in this country to long-term political freedom.

Mr. GINGRICH. I agree with that entirely.

Mr. DORGAN of North Dakota. That is why I believe very much we need to find ways to expand the economic base in America. We must find some common ground on growth economics. Yet, that makes sense.

As a term it does not mean much to me. But some of the things you said I agree with. I think we ought to work on common elements that we could achieve to help put this country back on track. I think most Americans believe, if you ask them that we are losing our competitive edge. They believe just as power shifted from England to us, it is now shifting from here to the Pacific rim, probably never to return. And they want somehow for us to recapture some economic momentum. They want us working on the kinds of things needed to do that. I do not disagree with you on that.

You and I simply disagree on specific elements of your policies and how it would inure benefits to the richest of the rich. But I believe we can get past some of that, sit down and talk about the common elements of a growth package that will put this country back on track for the good of Republicans, Democrats, and everybody that lives here.

Mr. GINGRICH. Of course, but I think the central problem your party faces is if you dislike job creators so much that you do not want to encourage them to create jobs, you cannot then turn and ask them where the jobs are. You are a little bit like the party who wants to beat the goose that laid the golden egg all day long, and then scream at it in the evening because it did not lay three eggs.

We know historically that Germany, Japan, Korea, the United States, all sorts of places around the world, we know approximately how to create jobs. And if you will listen carefully, when we start talking to the Russians, what are we going to be telling the Russian Government? Less bureaucracy, private property, tax incentives to work, save and invest, and use all sorts of general phrases which if you came right back to this Chamber and you brought in a bill which fit what we are going to encourage the Russians to do, your side would not let it come to the floor, because by definition what do you hear when you talk to people about Russia? They tell you, boy, you know, if you are an entrepreneur in Russia you are in big trouble because people think anybody who tries to get ahead is doing bad things. What do you think? You say oh, my goodness, this person is doing too well, let us punish them for a while.

All I am suggesting is that in a free enterprise system you know how to get the economy to grow, you know how to create new factories or to create new jobs. What I do not know how to do is how to punish everybody who is trying to do that, and at the same time create it.

I would have to say frankly, based on the Carter administration's track record, and based on what your leadership has done for the last 3 years in stopping the President's growth packages, I do not see any evidence that the Democratic Party has any understanding of how to create real jobs and put people back to work. But I will be glad to yield to the gentleman.

Mr. DORGAN of North Dakota. I just think you disserve the issue when you suggest that our approach is to punish those who do well.

Mr. GINGRICH. That is what you have been saying for the last hour.

Mr. DORGAN of North Dakota. That is not true. I do not come here to talk about party so much, but you spend most of your time talking about everything that is wrong in America. And that every wrong ought to be tattooed on the chest of the Democrats and everything that is right in America ought to be hoisted on the sword of the Republicans. I just get a little tired of that sometimes.

Mr. GINGRICH. I have not said that.

Mr. DORGAN of North Dakota. The fact is that our party, the Democratic Party, stands for and fights for the interests of the entrepreneur, the mom and pop businesses opening up in the morning and closing in the evening, people struggling to milk cows today in North Dakota, people putting in a crop and taking it out in the fall. I guarantee people who I work with on this side of the aisle fight for and stand for these people, and it disserves their motives in my judgment, for you to suggest somehow our career is bent on punishing them. That is nonsense. That is a characterization. It's just as if I were to say that you spend your life down there trying to make the rich richer because you do not care about anybody else. I do not say that, but I could, and it would be the same characterization that you paint about us.

Mr. GINGRICH. I am not suggesting that it is mean spirited. I am suggesting that it is a consequence, and I am suggesting that when you spend the amount of time, not you personally, but when you have people such as several of your candidates for President who spend the amount of time they spend explicitly on class warfare, who seem to think class warfare makes sense, I do not see how that is compatible with this kind of a society and with everything, the kind of economic growth and the kind of entrepreneurial behavior that we want. And I do not have any doubt that rhetorically there is a belief in small business. But I mentioned regulations a while ago. Every small business I talk to feels like it is overregulated, it is drowning in redtape, it is drowning in IRS regulations, and surely we ought to be able to find a way to make life easier for those very small business people that you describe. And I expect that ANDY IRELAND, our Republican ranking member on the Small Business Committee, would love to work with some people on your side of the aisle to bring to the floor a small business bill of rights that would strip away about half of the redtape. But I think it would be very hard to get it through this House.

Mr. DORGAN of North Dakota. It does not wash that it is class warfare when someone suggests that the studies show the rich are getting richer, and the poor are getting poorer. Recent studies show that the tax system is askew, and we need to do something about that. But that's not class warfare.

Mr. GINGRICH. Let me describe a Treasury bulletin, spring issue of June 1988, which says:

> The results imply that the 1978 Act produced large and continuing direct revenue gains. Extension of the sample and correction of a flaw in the Treasury report's measurement of inflationary GNP dramatically reduce the estimated losses from the 1981 changes.

In other words, when you go through the Treasury study as of June 1988, the suggestion is that in effect both the 1978 tax cut of capital gains and the 1981 tax cut yields the conclusion that both acts were significantly revenue enhancing. In other words, it is Treasury's contention as of 1988——

Mr. DORGAN of North Dakota. And what are you reading from?

Mr. GINGRICH. I am reading from a Xeroxed copy of the Treasury Bulletin, spring issue, June 1988.

Mr. DORGAN of North Dakota. They put out a bulletin telling us this?

Mr. GINGRICH. Yes. This is a copy. I will be glad to give you a copy.

Mr. DORGAN of North Dakota. Let me tell you that I have a weighty, rather thick study published in 1985 that says exactly the opposite.

Mr. GINGRICH. What that study says is that there was a recalculation of the 1985 study, and that in fact the 1978 act created large and continuing direct revenue gains.

Mr. DORGAN of North Dakota. That is convenient. What happened when 7 years after the capital gains cut in 1978 they said that there had not been a revenue increase. Then 3 years later they said we have changed our mind. It is now 10 years later and we made a mistake 3 years ago about the judgment we were leveling on something that happened 7 years ago. That is a very convenient Treasury Department. How do I get one of those?

Mr. GINGRICH. Let me put it to you this way then: If you had to gamble, and I had a report that says if you cut taxes you get a whole lot more money, or cut taxes and lose money for the Government, my argument, in the middle of a recession would be that it is a lot smarter and more desirable to cut taxes and create more jobs than it is not to cut taxes. All I would say, and that may express the difference in terms of how we tend to be biased in terms of our two parties, my bias is toward cutting taxes and finding a way to stimulate the private sector to create more permanent jobs, and I say it is fair to say your party's bias is to not cut taxes and instead to worry more about extending unemployment rather than create permanent jobs and worry about that half of the equation in a free enterprise system.

Mr. DORGAN of North Dakota. While I create that job that ultimately they are going to look for, I would like for them to have something to eat tonight.

Mr. GINGRICH. As I said earlier, I am very willing to vote for an unemployment extension. I think that when the President vetoes the current bill and it is sustained, that we will come back to the House with a signable package. I would only ask the Democratic leadership at that point to make an order the Economic Growth Act as an amendment, as an addition to the 10 weeks of unemployment extensions that Mr. MICHEL and Mr. DOLE are going to offer, and then we could extend the unemployment temporarily and begin to create permanent jobs for people to go to.

Mr. DORGAN of North Dakota. One final point. It is interesting that the discussion we are having relates back to a philosophical division that goes back decades; the so-called trickle-down theory which we have not discussed here today.

□ 1740

We have not used the terminology "trickle down" to give somebody at the top something, and everybody at the bottom will benefit. I just think we need to give all of the American people, which we believe are the engine of the American economy, something to work with to get the economic engine working well again.

Mr. GINGRICH. I would just say that I think there is a magnet theory that says that Steve Jobs was not being trickled down; he was being pulled into a better future.

We will carry that on another day. I thank the gentleman.

INTRODUCTION OF LEGISLATION REAUTHORIZING SECTIONS 405 AND 406 OF GENERAL EDUCATION PROVISIONS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, today, I am submitting a bill that will reauthorize sections 405 and 406 of the General Education Provisions Act [GEPA], the Office of Educational Research and Improvement [OERI] for an additional 5 years. OERI, in addition to carrying out its original mission to equalize educational opportunities, if properly utilized, could facilitate the development of an American Solution to improve our schools and our workforce, and to create a learning society. Just as an overwhelming force was used to achieve victory in the Middle East, we must mount an "overwhelming campaign" for educational improvement which sets in motion many strategies and models simultaneously. The coordinating entity at the center of this campaign must be OERI.

The bill has been carefully crafted in response to the concerns of parents, teachers, education consultants, school administrators, and civic and business leaders as reflected in 13 hearings held between July 30, 1987 and September 25, 1991, and the 2 Subcommittee on Select Education staff reports: Preliminary Staff Report on Educational Research, Development and Dissemination: Reclaiming A Vision of the Federal Role for the 1990's and Beyond (September 1988) and Education 2005: The Role of Research and Development in An Overwhelming Campaign for Education in America (August 1991).

The urgency of the proposals outlined here could not be greater. We have proposed significant changes designed to place OERI at the center, rather than on the margin, of educational innovation and reform in this country. Although research and development is only a small part of the overall long-term public policy and strategy needed to revamp our national education effort, it is a pivotal and critical component. Many other elements, especially the provision of emergency Federal financial relief to hard-pressed local schools, are of equal importance and must be pursued more vigorously by Congress.

There is widespread agreement that before OERI is capable of playing a significant role, it must ensure an ongoing effort to maintain maximum feasible freedom from partisan interference. It is evident that the critical difference between OERI and other research agencies, such as the National Science Foundation, National Aeronautics and Space Administration, and the National Institutes of Health, is that OERI lacks an effective board. The bill establishes a 24-member Educational Research Policy and Priorities Board with the status prestige, and credibility necessary to determine policy and priorities for an office heretofore preoccupied with responding to short-term political pressures.

The bill also calls for OERI to play a more proactive role in disseminating educational knowledge. Testimony before the subcommittee verified that while in many instances we know what works, we lack the ability to effectively disseminate this knowledge to those most in need of the information. To guarantee the continued infusion and utilization of research and development results, the bill proposes the establishment of a responsive and interactive delivery system for reteach, development, and dissemination—similar to the original agriculture extension programs of the land grant colleges. A key component of that delivery system is the District Education Agent Program which will speedily place high quality, useful information, technical assistance, and a host of local and Federal school improvement services at the disposal of the community.

Global competition and national necessity now dictate that the original mission of OERI—to engage in activities which contribute to the effective education of at-risk students—must be expanded to improve education for all students everywhere in America. In order to prevent the dilution of the original mission, the bill calls for the establishment of a National Institute for the Education of At-Risk Students to concretize and solidify the core of policies, actions, and activities related to ensuring the education of our most vulnerable students.The Institute will also become the keeper of the treasure chest of new concepts, models, and publications regarding the education of at-risk students.

Educational improvements cannot be obtained by focusing on the achievements of students alone. Standards, assessments and report cards must also be established for those who govern and manage. Before we forge ahead to institutionalize the national testing of students, it would be more logical, more efficient, and more just to establish a national program for the assessment of the governance and management performance of the States, school districts, and local education agencies responsible for the education of students. It is imperative that OERI move in a more definitive manner to restore balance to the conduct of assessment research. Therefore, we are proposing the establishment of a National Institute on Innovation in Governance and Management.

The bill also addresses public-private partnerships within the context of the National Research and Development Center and National

Educational Laboratories Program and the need to expand OERI's electronic network in order to build a national education treasure chest to advance the synthesis of information of research results, models, and materials to a wide variety of end users. The proposed interactive, computer-based National Education Dissemination Network will also link an expanded OERI library with other Federal research and development entities.

In general, this reauthorization responds to the many changes that have occurred across the educational landscape since the previous reauthorization of OERI in 1985. The increased activism of the private sector in all aspects of educational technology to transform student learning; the enhanced capabilities or telecommunications to improve dissemination are all addressed in this bill.

Today's Washington Post reports that "the Nation 'must travel a tremendous distance' to meet international academic standards and reach the education goals that President Bush and the governors have set for the year 2000." Mr. Speaker, I believe that this bill offers the Nation an opportunity to begin that journey. The national education goals cannot be achieved without a greatly expanded Federal research, development, and dissemination system.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS—THE EDUCATION RESEARCH AND DISSEMINATION EXCELLENCE ACT

Section 1. Title.

Section 2. Findings.

Notes that the majority of our public schools are failing and that school reform efforts alone will not allow us to achieve the national education goals. OERI must be central in the coordination, development dissemination and replication of ideas, strategies and interventions that will make a substantial difference to every student and school in America. A new generation of institutions must be established to take on more proactive roles to accelerate the application of research knowledge to high priority areas. A new National Educational Research and Priorities Board must be established to ensure that OERI can function without partisan political interference.

Section 3. Table of Contents.

TITLE I—PURPOSE OF THE OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Section 101. Purpose and Structure of Office.

Establishes powers of new Educational Research Policy and Priorities Board to determine policies and priorities for OERI. Repeals the National Advisory Council on Educational Research.

Section 103. Funding.

Authorizes $130 million for FY92, $245 million for FY93, $270 million for FY94, $330 million for FY95 and $350 million for FY96 for carrying out sections 405A to 405G. Specifies that no less than 5 percent be reserved for administrative expenses for the National Educational Research and Priorities Board. Revised minimum authorization levels are set for the Regional Educational Laboratories, National Research and Development Centers, Education Resources Information Clearinghouses and field initiated studies.

TITLE II—NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

Section 201. Establishment and Purpose.

The Board will determine priorities and establish procedures and practices for the conduct of all research, development and dissemination carried out by the Department of Education.

The Board will be responsible for setting policies and priorities for the conduct and evaluation of research based upon an assessment of the state of knowledge in education research and development. The Board will also be charged with the greater coordination of all education research, development and dissemination activities conducted across the entire federal government. The Board is authorized to establish subcommittees, convene workshops and conferences and collect data.

The Board will be composed of 24 members appointed by the President with nominations selected from particular national bodies: 10 eminent educational researchers from a pool of nominees provided by the National Academy of Sciences; 4 classroom teachers; 1 Chief State School Officer; 1 local educational agency superintendent; 1 from a National School Board Association; 1 from a Chapter 1 Association; 1 professional librarian; 2 parents; 1 individual from the foundation community; and 2 individuals from business and industry.

TITLE III—DISTRICT EDUCATION AGENT PROGRAM

Subtitle A—District Education Agent Program

Section 301. Establishment and Purpose.

Establishes the District Education Agent Program which provides a capability at the local level to guide the application of tested effective models and techniques to enhance the prospects for all communities to achieve the National Education Goals. Findings set out the need to move expeditiously to establish a responsive and interactive delivery system that can provide focused assistance to ensure that promising innovations are effectively disseminated and used.

Subtitle B—Bureau of Education Extension

Section 311. Establishment and Purpose.

A Bureau of Education Extension is established within OERI. The first duty of the office will be to compete a district education pilot program for fifty of the poorest congressional districts as determined by the 1990 census. The Bureau will provide technical assistance to congressional districts which will be known as research and development districts. These districts can consist of the entire district or no less than 250,000 residents. The remainder of the congressional district can be used as a control for the pilot program.

The Bureau will provide technical assistance to congressional districts in preparation for the competition, as well as facilitating the coordination of appropriate resources. The Bureau will also be charged with the development of a dissemination system to ensure the transfer of exemplary educational models and interventions through the District Education Program.

TITLE IV—AMERICA ON LINE: THE NATIONAL EDUCATION DISSEMINATION NETWORK

Subtitle A—National Education Research Library

Section 401. Establishment and Purpose.

A National Education Library is established to serve as the central location within the federal government for information about education. The Library will provide comprehensive reference services for education information for federal employees as well as members of the public. The Library will also house a "one-stop shopping" information and referral service to provide information concerning Department of Education programs and activities. The bill would transfer all existing information functions to the Library.

Subtitle B—Establishment of an Education Networks and Telecommunications Division

Section 411. Establishment and Purpose.

Establishes an interactive electronic network to link all Department of Education entities, including the ERIC clearinghouses, Regional Educational Laboratories and National Research and Development Centers. Requires the Secretary to provide every OERI-funded entity with an interactive electronic bulletin board.

Demonstration programs are authorized to support Regional Education Laboratories, SEAs and LEAs, universities and private nonprofit entities in the development and expansion of a "user friendly" dissemination network. The Secretary shall provide matching dollars on a 4 to 1 ratio.

TITLE V—THE NATIONAL INSTITUTE FOR THE EDUCATION OF AT-RISK STUDENTS

Section 501. Findings

Findings set out the need for greater efforts to prevent the further decline in achievement of at-risk students that reside in high poverty areas, in order to achieve the six national education goals.

Section 502. Establishment and Purpose

The Institute will maximize the ability of OERI to conduct non-partisan research so that its original core mission to prevent educational failure among student educationally disadvantaged is achieved. The Institute will maximize involvement of institutions and individual scholars with special experience and expertise in serving the at-risk. The Institute will evaluate, develop, replicate and adapt models, strategies, techniques and methods that will substantially improve the conditions for learning of at-risk students.

The Institute will also develop a model program to serve the 50 poorest congressional districts and will supplement, not supplant other Federal activities.

The Institute shall be administered by a Director appointed by the President, by and with the advice and consent of the Senate, together with a 33-member board appointed by the President by and with the advice and consent of the Senate. The Board to establish Institute policy, prioritize research, review all programs, and issue periodic progress reports. The Institute will be organized into three administrative divisions: Innercity Educational Improvement, Rural Educational Improvement, and Minority Language Educational Improvement.

TITLE VI—NATIONAL INSTITUTE FOR INNOVATION IN GOVERNANCE AND MANAGEMENT

Section 601. Findings and Purpose

Findings relate to the fact that many American schools are based on outmoded structures and rely on notions and governance that may be outdated. A concentrated effort is needed to support a program that can identify and replicate model innovations in school governance to be used to promote equity and excellence.

Section 602. Establishment and Purpose

Establishes that the Institute will be administered by a Director and a National Institute for Innovation in Governance and Management Board. The Board shall determine policies, priorities and procedures for the Institute every two years.

Authorizes a program of research and development grants for eligible entities for research, planning, development and implementation of promising models of innovation in school governance and management.

Establishes a board of 12 experienced and eminent individual members to be appointed by the President, by and with the advice and consent of the Senate. The Board shall establish the policies of the Institute. The President shall select from distinguished researchers nominated by the National Academy of Sciences, and other national bodies.

The Institute shall be responsible for the conduct, evaluation and dissemination of research findings. The Institute is authorized to develop cooperative projects to be conducted in conjunction with two or more research and development centers and regional laboratories.

TITLE VII—NATIONAL RESEARCH AND DEVELOPMENT CENTERS, REGIONAL EDUCATIONAL LABORATORIES, AND PUBLIC-PRIVATE RESEARCH AND DEVELOPMENT PARTNERSHIPS

Section 701. Partnerships with Private Organizations

Establishes public-private partnerships between OERI and private organizations to conduct education research development dissemination and technical assistance activities. Each partnership shall require the participation of an SEA or LEA and an educational research team; OERI will contribute no more than fifty percent of the total cost.

Requires any Regional Educational Laboratory, National Research and Development Center, public-private partnership to provide the Secretary with certain information and assurances.

TITLE VIII—MISCELLANEOUS PROVISIONS

Section 801. New American Schools Development Corporation

Specifies that the provision of technical assistance to the New American Schools Development Corporation should not exceed the sum of $5,000 and an amount equal to the maximum rate of basic pay for a GS-15.

GENERAL LEAVE

Mr. NEAL of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE COURAGE OF TED WILLIAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. NEAL] is recognized for 60 minutes.

Mr. NEAL of Massachusetts. Mr. Speaker, I rise on this occasion to call attention to one of the most remarkable career accomplishments in athletics that has ever existed, for it was on September 28, 1941, that Ted Williams, known as The Kid and The Splendid Splinter batted .406. I bring that up on this occasion not only to mark its anniversary but also to contrast it with a number of other records that we once thought could never be surmounted.

What record has lasted over 50 years? Even Babe Ruth's 714 home run record was broken, and Bob Beamon's long jump record was just broken. Even the Berlin Wall has been torn down, and Ty Cobb's most hits in a career have been surpassed.

But on this occasion, I think that we also want to acknowledge the courage of Ted Williams, for on September 28, 1941, Ted Williams could have chosen to sit out a doubleheader. He was hitting .400 going into the last game of that season, and his manager, Joe Cronin, asked if he wanted to sit out the last two games. Consistently, as he had throughout his career, Ted Williams said no, and he went six for eight on that remarkable fall afternoon to end with a .406 batting average.

But we also want to call attention to Ted Williams the individual who, from 1943 to 1945, served in the military as a fighter pilot, and again in 1952 and 1953 he served in the Korean conflict, always a patriot.

Think of these statistics in his major league career: he won a batting title in 1958 at the age of 40, and in 1960, at the age of 42, he hit .316. Indeed, on September 28, 1960, in his last time at bat, Ted Williams hit a home run, and characteristically, he entered the dugout and never came back to tip his cap.

Ted Williams was always his own man.

When we look at that season, we find it all the more remarkable because Joe DiMaggio hit in 56 straight games, and later on in the season, Mickey Owen dropped the famous third strike.

Even in 1942 when Ted Williams won the triple crown, he lost the MVP award, and many people called it in those years the curse of the Bambino. I boast to my children all the time that I had a chance to see Ted Williams play in 1959 and 1960 when my grandfather brought me to Fenway Park for the first time, and I saw his teammates like Pete Runnels and Sammy White, in those years, and Vic Wertz, and Ike Delock, and Frank Malzone. It probably would have been considered a mediocre team at best, but Ted Williams brought that zeal and excitement to the lineup every day.

I might remark that, as I watched him march to the plate, the memory will always be carefully etched in my mind of how he rested that bat on his left shoulder, stared at the pitcher, and dug in with his left foot. He was not ducking out, and he was going to get his time at bat. Everybody in the ball park knew Ted Williams had gone to the plate to hit.

What I would like to do for just the next couple of minutes is to yield time to others who have requested it on this occasion, and then I would like to come back and talk about Ted Williams and the Jimmy Fund.

Mr. Speaker, I yield to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, why would a Congressman from southern California rise to praise the accomplishments of a baseball player from Boston? There are several reasons for my appearance here today. One reason is that the player in question, Ted Williams, is a native of southern California. He was born and raised in San Diego. A second reason is that I feel certain that our beloved departed colleague Silvio Conte would insist that I rise today, and who could ever refuse Sil. And finally, Ted Williams ranks among the top 5 or 10 baseball players of all time and I would not want this occasion to pass without saying a few words in praise of the "Splendid Splinter."

My remarks will bypass the home runs, the batting average, the years of magnificent performance. My remarks are in praise of a man who twice left the playing fields behind and served in the U.S. Marine Corps as a fighter pilot. If Ted Williams had not lost those years in World War II and Korea he would have set records in our national pastime that might never be reached. His service to his country was truly service at great personal sacrifice although he would be the last to say so.

There exists in the Boston area a wonderful charity known as the Jimmy Fund. This charity raises money to combat children's cancer. No one, and I repeat, no one, has contributed more time, energy, effort and love to the Jimmy Fund campaign than Ted Williams. Again, he would be the last person to tell you that.

I salute Ted Williams today as a genuine sports hero. I also salute today the Marine Corps veteran of two wars and the humanitarian friend of cancer stricken children. For his own reasons, Ted did not like to tip his cap to the fans. I am proud today to tip my cap to Ted Williams.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman for yielding and for taking out this very timely special order to recognize a very great man and a great athlete.

Mr. Speaker, I rise today to join my colleagues in paying tribute to one of the greatest baseball players of all time, Ted Williams.

The baseball season of 1941 for many baseball fans was the season of the great Joe DiMaggio who hit safely in 56 consecutive games. However, the splendid Yankee Clipper shared the limelight that season with a lefthanded hitter nicknamed the Kid, who batted a remarkable .406, a mark which has remained unsurpassed ever since. This October marks the 50th anniversary of that fabulous season of Ted Williams.

During his long career as a player for the Boston Red Sox Williams earned many distinctions. He was named batting champion several times, most valuable player, and triple crown winner. At the plate Williams was one of the most feared hitters of his time. Whether the Red Sox were hot or not, Sox fans who came to the ball park could always expect a hitting clinic when No. 9 would step up to the plate.

Opposing teams developed many strategies to counter his legendary bat; some teams instructed their pitchers not to throw strikes to him, while other teams shifted their entire outfields to play to his strengths.

However, more often than not these strategies had the same result; Ted Williams standing on first base. Day in and day out during his career Williams personified excellence in baseball. His batting average only once fell below .300 and over his career he batted an outstanding .344.

Despite his remarkable achievements on the playing field Williams never forgot his sense of loyalty and duty to his country. When his fellow countrymen were called to war during World War II and the Korean war, Williams put his flourishing baseball career on hold so that he could serve in the Marines.

During his 4½ years of service as a flier Williams served with distinction, rising to the rank of captain. Upon his return to baseball Williams did not miss a beat, thrilling fans with his ability to knock baseballs around Fenway Park.

Much has been written and said over the years about the amazing bat of Ted Williams. Some attributed his ability to remarkable eyesight and quick wrists, while others say that he had an unusual sixth sense about the game. I believe that these physical attributes combined with a true love for the game of baseball is what made him a great player.

For over a century baseball has been a major part of America's culture.

Records have been set and broken, great players have come and gone, but only a handful have reached the status of legend of the game. Ted Williams is one of that select few.

His graceful swing, his amazing consistency at the plate, have earned him the deserved reputation as the greatest hitter of all time.

Finally, Mr. Speaker, I believe that Ted Williams contribution to baseball can not be measured by the records he set or the games he won.

His contribution to America's pastime is the way that he played the game. For 19 seasons he played baseball with a style and intensity that reflected his passion for the game.

For baseball fans everywhere, of all ages, I join with my colleagues to honor this great man on the anniversary of his greatest season in the Sun.

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Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from Massachusetts, indeed the gentleman from Boston, who is I am sure pleased with the thought that he represents the congressional districts in which the remarkable Fenway Park is located.

Mr. Speaker, let me for a couple moments reflect on Ted Williams' relationship with the Jimmy Fund. We all know that he has donated thousands of hours and money to the Jimmy Fund, and he certainly has made the Jimmy Fund, at least in part, what it is today, New England's favorite charity.

I also want to acknowledge that had Silvio Conte been here now, he would have been doing this special order instead of me because he was a personal friend of Ted Williams.

My office requested from Mike Andrews, who was a former second baseman for the Red Sox some information on Ted Williams and the Jimmy Fund. I would like now to read that for the RECORD.

"Can you think of anything more dreadful than a child ill with cancer? Do you know the one thing anyone wants more than anything else? It's life." So mused Ted Williams in one of the many movie trailers he appeared in to promote the Jimmy Fund.

While the remarkable accomplishments of Ted Williams' career have been well documented in baseball history, the even more remarkable work he has done on behalf of cancer research has not. And that's fine with Williams. You see, Ted Williams' involvement with the Jimmy Fund has nothing to do with getting credit or publicity for all the charitable work he has done through the years. Ted Williams is about making people happy and doing his part to help cure a dreadful disease—cancer.

The Jimmy Fund at Dana-Farber Cancer Institute was founded over four decades ago to help provide care and treatment to people with cancer. Under the leadership of Dr. Sidney Farber, the father of modern chemotherapy, a center dedicated solely to the research and treatment of childhood cancer was established. When Ted Williams first visited Dr. Farber, kids' lives were being extended by two to six months. Today, two out of three children and half of all people with cancer can now be cured.

Williams has donated untold hours visiting the sick, memorabilia used for auctions and raffles, appearance fees and has lent his name for tributes and other functions that helped raise funds for the Jimmy Fund. It is through Ted's and the Boston Red Sox' involvement that the Jimmy Fund has become known as New England's favorite charity. "Never to my knowledge, has anyone professional athlete meant as much to a charity as Ted Williams has meant, and still means to Dana-Farber's Jimmy Fund," said Mike Andrews, the Jimmy Fund Executive Director.

The countless millions of dollars that Ted Williams has helped raise through his philanthropic endeavors would be hard to estimate. For fear he would be shortchanged, that task has never been undertaken. Ted Williams always said that he'd like to be remembered "as the grater hitter who ever played." Somehow, I don't think Ted would object if he were also remembered as one of the greatest humanitarians who ever lived.

Mr. Speaker, let me just close with a couple thoughts about that summer and fall 50 years ago. Some time ago I read an introduction to a text in which Ted Williams raised the rhetorical question as he reflected on hitting, and he said, "You know how hard that is to do?"

Well, anybody who has ever picked up a baseball bat and tried to swing at a pitch from a good left-handed or a good right-handed pitcher, you know precisely how hard it is to do.

Remarkably enough, five decades later Ted Williams is still one of, if not the greatest hitter that ever walked to the plate.

We have watched all those ceremonial records broken. We have watched dramatic changes in the politics of the world, but that record stands as testimony to his commitment to what remains America's game. He had a career that mostly was filled with ups. Seldom were there any downs, but that career was marked by that famous season five decades ago.

I am pleased that this House of Representatives on this occasion has had a chance to pay tribute to not only a great baseball player who also played left field like it was his own backyard, but also we have had a chance to pay tribute to a great American.

Mr. STEARNS. Mr. Speaker, every generation has its heros, but it isn't very often that the feats of those heros transcend several generations. The feats of Ted Williams have transcended several generations and I'm sure will be passed on to several more.

Ted Williams was the finest hitter in modern baseball, collecting six batting titles, including one at age 40, during his 19-year career with the Boston Red Sox.

Williams' most sensational season was 1941 when he was only 23 years old. He batted 0.406 that year, becoming the last man to reach the 0.400 mark and the first since 1930.

How Williams' reached 0.406 is dramatic and reflects on his confidence and perseverance. He was batting 0.400 with a double header scheduled for the final day of the season. Manager Joe Cronin offered him the opportunity to sit out and protect his average. Instead, Williams played, collected six hits in eight at bats, and finished with a 0.406 batting average.

But such heroics were not limited to Williams' youth. Consistency and patience were his trademarks. He received 2,018 walks in his career, second only to Babe Ruth. This contrasted with a mere 709 total strikeouts. Only three times in 19 years did Williams fan more than 50 times in a season. That is a remarkable accomplishment when you consider he played 154 games a season.

It becomes even more remarkable when you consider that his baseball career was interrupted twice by the Marines. Between 1943 and 1945 Williams served as a Marine pilot. In 1952 his Marine Reserve unit was called up for duty in the Korean war and Williams missed most of two additional seasons. He saw significant combat duty during the Korean war.

Williams' service to his country didn't hurt his hitting one bit. He led the 1946 Red Sox to the American League pennant, won his fourth batting crown in 1948 and in 1949 was named the league's MVP. That year he lead the league in five categories including home runs.

After his 2 years in Korea, Williams returned late in the 1953 season to play 37 games and bat 0.407 with 13 homers.

At the age of 39 in 1957 Williams clubbed 38 homers and missed reaching the 0.400 mark by only five hits over the course of the season. He hit 0.388 that year and the next season became the oldest player to capture a batting championship with an average of 0.328 in 1958.

With a home run in his final big league at bat, Williams capped one of the most exciting and successful careers in baseball.

Williams' records and accomplishments remain as impressive today as they did when he achieved them. This despite the coming and going of such superstars as Al Kaline, Brooks Robinson, Hank Aaron, William Mays, Johnny Bench, Mike Schmidt, and Rod Carew.

Being born in 1941, I had the opportunity to follow Williams' career as I was growing up. He now resides in beautiful Hernando, FL, and I am honored to represent him in the House of Representatives.

The courage and confidence Ted Williams has displayed all his life is an inspiration to all Americans.

Mr. HALL of Texas. Mr. Speaker, I rise today to pay tribute to Ted Williams.

America knows Ted Williams as a great baseball player. At the age of 17, he started an exciting, record-filled career in professional baseball, playing first with the San Diego Padres of the Pacific Coast League. Throughout his career, he compiled an impressive list of statistics. As a patient, consistent hitter, he received, 2,018 walks, contrasted to only 709 total strikeouts. As a rookie with the Boston Red Sox in 1939, Ted Williams batted 0.327 with 31 home runs. He led the league with 145 runs batted in. In 1940, he made his first appearance in the All-Star Game—a game in which he would play 17 more times. The following year, 1941, was Ted Williams' most sensational year. And that is what we are honoring here today.

Fifty years ago this summer, Ted Wiliams, at age 23, batted 0.406—the first player since 1930 to do that, and the last one since then. This accomplishment alone singles out Ted Williams as a great hitter. But I had the privilege of knowing Ted Williams as more than a statistic in a record book.

During World War II, as a Navy pilot, Ted was a member of our team at Bronson Air Field in Florida. Our team had a pitcher with a unique trait. He was a Marine Corps pilot and like a lot of marines, he was independent. He didn't always throw what the catcher signaled. More than once, I saw frustrated catchers throw down their mits and charge the mound to counsel this stubborn pitcher. And this pitcher's batting average wasn't that great either. The Bronson baseball field had no fence, and it seems that this fellow had nothing to aim for. Finally, somebody put up a wire around the outfield, giving this marine pilot a goal. It seems like every hit after that went over that fence.

Mr. Speaker, it's not surprising that our teammate at Bronson Field called his own pitches. Because he wasn't really a pitcher. From 1939 to 1960, he played left field for the Red Sox. And it's not surprising that he hit a home run nerly every time at bat—his lifetime average was 0.344. That young, hardhitting marine was Ted Williams.

When Ted Williams returned to the major leagues after World War II, he was greeted with a new defensive move—the Williams shift. Invented by Cleveland manager Lou Boudreau, the now-famous Williams shift required moving three infielders to the second-base side of the diamond. We weren't quite that sophisticated at Bronson Field, but we did have our own version of the Williams shift. When Ted Williams came up to bat in our games, the outfield just moved back to about 600 feet to have a better chance of catching his hard hits. So I guess we came up with the original Williams shift.

Anyone who forces outfielders to back up 600 feet is a great hitter. But Ted Williams was a great American as well. At the height of his baseball career, he left his sport to serve his country. Twice he traded in his glove and bat for an airplane. For 3 years during World War II, he served in the Marine Corps. And during the Korean war he saw 2 years of combat duty. Ted Williams' service demonstrates what I think is best about America. Unselfishly, he put his country ahead of his career. Without a doubt, those games at Bronson Field during World War II did very little to contribute to Ted Williams' swing, or skill, or statistics. But Ted Williams did his part to contribute to the United States. That willingless to serve, to do his part, adds to his greatness.

The statistics show that Ted Williams was a great hitter. As a part of that Bronson Field contingent, I can attest to that. And as someone who served our Nation during wartime with him, I can say he was a great pilot and a great guy.

Mr. CRANE. Mr. Speaker, 50 years ago this month the attention of the Nation's baseball fans was glued to the results of the smooth, flowing swings of the bat of the greatest hitter in baseball history—Ted Williams.

The batting feat of Ted Williams in 1940 has yet to be matched in the 50 years which have followed. The Splendid Splinter hit .406 for the Boston Red Sox that year, and in the five decades since then no major league ballplayer has been able to swing a bat at the awesome level of .400.

Williams hit for distance with the same measured ease as he hit for average. Often three infielders were employed against Williams between first and second base in an attempt to cut down on his hitting record. But the opposition wasn't permitted to station players in the stands behind the outfield walls, and the fans handled the home run balls which soared above and far beyond opposition outfielders.

One can only imagine what his final record collection might have been had he not interrupted his career to serve as a pilot in the Marine Corps. Twice, in World War II and again during the Korean war, Ted Williams fought for his country. As he was honored at the time of this year's All-Star Baseball Game, he unhesitatingly told one and all how proud he was to have served as a marine.

We tip our hats to a great baseball player and a great American.

Mr. MATSUI. Mr. Speaker, the year was 1941, the last season before World War II. While a good part of the Nation's consciousness focused on the conflict that the United States would soon enter, the rest was following one of the most memorable baseball seasons of all time. This of course was the season Joltin Joe was to hit and hit and hit in 56 consecutive games, smashing the old record and setting a new mark that has not been matched since. While Mr. DiMaggio's consistent hitting was truly remarkable, I will always remember 1941 as the year Ted Williams, the Splendid Splinter, defied the odds and hit an incredible .406.

Although best known for his baseball exploits, Ted Williams was also a decorated captain in the Marine Corps and a veteran of both World War II and the Korean war. In fact, if not for his years of military service, who knows how many baseball records Ted Williams would have set.

Williams used a beautiful left-handed swing, 20/15 vision, steely determination, and a dedication to his craft to become one of the greatest ballplayers of all time. As the 1941 season wound down, it became clear that Williams had a shot at a miraculous .400 season. The day of the Boston Red Sox's season-ending doubleheader found Williams hitting .3995 which would have legitimately been rounded up to .400. While few would have questioned Williams had he decided to sit these games out, Williams insisted on playing and after going six for eight, he raised his average to an unbelievable .406. Fifty years later, no major leaguer has been able to equal this mark.

Mr. Speaker, Ted Williams is truly an American hero. On this, the 50th anniversary of his historic achievement, I ask my colleagues to join me in saluting this outstanding individual.

Mr. IRELAND. Mr. Speaker, I rise today to pay tribute to the 50th anniversary of the last major league batter to hit over .400, Ted Williams. This past Saturday, September 28, was the anniversary of the last day of the 1941 baseball season for Ted Williams and his team, the Boston Red Sox. On that day in sports history, Williams completed his historic 400-plus season, .406 to be precise, in a doubleheader against the legendary Connie Mack's Philadelphia Athletics.

A great year for baseball was 1941. It was the year that the Brooklyn Dodgers faced the New York Yankees in the World Series. That series went down in history because of a Mickey Owen's passed ball which changed the outcome of the fourth game in the Yankees favor; 1941 was also the season Joe DiMaggio had his magical 56-game hitting streak and was voted most valuable player. Midway through the season Ted Williams won the All-Star Game for the American League with a two-out, three-run homer in the bottom of the ninth inning. Finally this was the season Ted Williams became the last major leaguer to bat over .400. Most true baseball fans doubt anyone will ever accomplish this feat again.

Three days before the end of the season, Ted Williams' batting average was at .401. Joe Cronin, the coach of the Red Sox, asked Williams if he wanted to sit out the last three games to guarantee his .400 season. Ted wouldn't hear of it.

During the Saturday game the Splendid Splinter went one for four, lowering his average to .39955. While this figure would round up to .400, the media was already making noise about him being under .400.

On Sunday, September 28, 1941, Ted Williams decided he had to play to earn the honor of batting .400. During the first game of the doubleheader, Williams went four for five, boosting his average to .404 and all but ensuring a .400 season. In the second game Williams went two for three. Between the two games, Williams hit four singles, a double, and a home run to finish the year at .406. With his back to the wall, Williams pulled through with flying colors. Ted Williams was the last batter to hit .400 in a baseball season.

Mr. Speaker, the heroism displayed by Ted Williams was but one example of this great man's courage. He would later distinguish himself by serving valiantly in the Armed Forces during both World War II and the Korean conflict. One can only imagine what his baseball statistics would be if all those military years had been instead years spent on a baseball diamond. Ted Williams is, simply put, the greatest hitter ever to play the game of baseball. In addition he is one of baseball's immortals and a true American hero for the ages. God bless Ted Williams and on behalf of all Americans, "Thanks, Ted, for so many great baseball memories."

Mr. MACHTLEY. Mr. Speaker, it is with great pleasure that I join my distinguished colleagues tonight in paying tribute to a very special and talented athlete. Ted Williams' exploits at the plate turned him into a legend throughout New England and the rest of the baseball world. It was his accomplishment of batting .406, 50 years ago, that has served as a goal for every major league ballplayer to achieve. Since the summer of 1941, no one has matched this feat. Most experts agree that in all likelihood Ted Williams will be the last .400 hitter.

Across the board Ted Williams' lifetime statistics are awe-inspiring. They landed him in the Baseball Hall of Fame the first time he became eligible in 1966. He batted .344, had 1839 RBI's, 2,019 walks, and a slugging average of .634, all of which are in the top 10 in their categories of all time. In addition Williams was a member of the American League All Star Team for 16 years, was named most valuable player two seasons, and won six batting titles, the last of which came at the age of 40, a record. He achieved these great accomplishments despite missing 4½ seasons in the prime of his career to serve his country in the form of two tours of duty with the U.S. Marine Corps, in both World War II and Korea.

Ted Williams poise and gracefulness at the plate turned the science of hitting into an art form. No one knew the art of hitting better than the Splendid Splinter. Ted Williams continued to pass on his knowledge of hitting long after his playing days. First as a manager for the Washington Senators and then to young prospects for the Red Sox during spring training sessions.

As a youngster growing up in San Diego, CA, Ted Williams laid the framework for his major league career. He claims that he was always the last to leave the playground. Most of the time there was spent batting. He estimates that he batted over 200,000 times in his lifetime. Ted Williams has taught many that through persistence and hard work any goal can be achieved.

Playing under the shadow of the Green Monster at Fenway Park in Boston, Ted Williams entertained all of New England for 19 seasons. Through these seasons, Ted Williams set new standards of excellence that most can only dream of achieving in baseball and in life. The only person to come close to achieving his remarkable .406 batting average after 1941, was an older Ted Williams who came only 5 hits shy of .400 in 1957.

I commend my fine colleagues for making this tribute for such a wonderful baseball player and person possible. I am proud and honored to have the opportunity of participating in this special order this evening. I hope all will join me in tipping our caps to Ted Williams on the 50th Anniversary of his .406 batting average.

CONFERENCE REPORT ON H.R. 2608

Mr. SMITH of Iowa submitted the following conference report and statement on the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes:

CONFERENCE REPORT (H. REPT. 102–233)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2608) "making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the fiscal year ending September 30, 1992, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 15, 18, 35, 43, 58, 60, 65, 84, 97, 98, 99, 100, 101, 103, 107, 114, 115, 117, 123, 125, 139, 141, 146, 149, 150, 154, 156, 158, 161, 164, 166, 167, 174, 177, and 181.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 11, 19, 27, 37, 38, 39, 44, 45, 52, 56, 66, 70, 87, 88, 104, 108, 110, 113, 118, 124, 127, 130, 131, 132, 133, 134, 136, 143, 144, 145, 147, 148, and 172 and agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *(d) $22,000,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$28,820,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$384,249,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$44,994,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$219,125,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,926,092,000*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$17,600,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$82,700,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$69,200,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$13,550,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$183,000,000*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,453,928,000*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$63,100,000*; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

FISHING VESSEL OBLIGATIONS GUARANTEES

For the cost, as defined in section 502 of the Federal Credit Reform Act of 1990, of guaran-

teed loans authorized by the Merchant Marine Act of 1936, as amended, $1,000,000: Provided, That during fiscal year 1992 total commitments to guarantee loans shall not exceed $10,000,000. In addition, for administrative expenses to carry out the guaranteed loan program, $1,700,000 which may be transferred to and merged with Operations, Research, and Facilities.

And the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$31,280,000*; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert; *$15,140,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$125,290,000*; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$165,000,000*; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$40,380,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$39,450,000*; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$25,000,000*; and the Senate agree to the same.

Amendment numbered 85:

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$17,480,000*; and the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$17,600,000*; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$22,925,000*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,875,000,000*; and the Senate agree to the same.

Amendment numbered 119:

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,250,000*; and the Senate agree to the same.

Amendment numbered 120:

That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$20,400,000*; and the Senate agree to the same.

Amendment numbered 126:

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$10,000,000*; and the Senate agree to the same.

Amendment numbered 138:

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$10,464,000*; and the Senate agree to the same.

Amendment numbered 142:

That the House recede from its disagreement to the amendment of the Senate numbered 142, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the amount "$223,000" insert: *$780,000*; and the Senate agree to the same.

Amendment numbered 151:

That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$14,000,000*; and the Senate agree to the same.

Amendment numbered 157:

That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$42,434,000*; and the Senate agree to the same.

Amendment numbered 159:

That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$691,725,000*; and the Senate agree to the same.

Amendment numbered 163:

That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

Of which $1,000,000 shall be available for the Claude and Mildred Pepper Scholarship Program of the Washington Workshops Foundation

And the Senate agree to the same.

Amendment numbered 168:

That the House recede from its disagreement to the amendment of the Senate numbered 168, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$36,888,000*; and the Senate agree to the same.

Amendment numbered 169:

That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$24,500,000*; and the Senate agree to the same.

Amendment numbered 170:

That the House recede from its disagreement to the amendment of the Senate numbered 170, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the sum "$10,000,000" insert: *$5,000,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 4, 6, 7, 8, 10, 12, 13, 17, 20, 22, 23, 24, 26, 28, 30, 31, 32, 33, 34, 36, 40, 41, 42, 46, 49, 51, 53, 57, 59, 61, 63, 64, 68, 69, 77, 78, 79, 81, 83, 86, 89, 92, 93, 94, 95, 96, 105, 106, 109, 111, 112, 116, 121, 122, 128, 129, 135, 137, 140, 152, 153, 155, 160, 162, 165, 171, 173, 175, 176, 178, 179, and 180.

Neal Smith,
Bill Alexander,
Joseph D. Early,
Bob Carr,
Alan B. Mollohan,
Nancy Pelosi,
Jamie L. Whitten,
Hal Rogers,
Ralph Regula,
Jim Kolbe
(except for amendment 140),
Joseph M. McDade,
Managers on the Part of the House.

Ernest F. Hollings,
Daniel K. Inouye,
Dale Bumpers,
Frank R. Lautenberg,
Jim Sasser,
Brock Adams,
Robert C. Byrd,
Warren B. Rudman,
Ted Stevens,
Mark O. Hatfield,
Robert W. Kasten, Jr.,
Phil Gramm,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the fiscal year ending September 30, 1992, and for other purposes, submit the following joint statement by the House and Senate in explanation of the effect of the action by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF JUSTICE AND RELATED AGENCIES

DEPARTMENT OF JUSTICE

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

The following table identifies the overall conference agreement for the Justice Assistance appropriation for fiscal year 1992. The disposition of each amendment under this heading and a detailed description of the agreement follows the table:

OFFICE OF JUSTICE PROGRAMS—JUSTICE ASSISTANCE

[In thousands of dollars]

Program/Activity	Fiscal year—				
	1991 Enacted	1992 Request	1992 House	1992 Senate	1992 Conference
National Institute of Justice	$23,929	$23,929	$23,570	$23,929	$23,739
Bureau of Justice Statistics	22,095	23,155	22,656	22,095	22,095
Emergency Assistance	0	0	0	0	0
(Prior year carryover)	(2,078)	(4,000)	(4,000)	(4,000)	(4,000)
Missing Children	7,971	7,971	7,851	7,971	8,471
Regional Information Sharing System	14,000	0	13,790	15,000	14,500
Management and Administration	19,921	21,704	21,009	21,009	21,199
Subtotal	87,916	76,759	88,876	90,004	90,004
Juvenile Justice Programs:					
Title II—JJDP Act:					
Part A—Management and Administration	3,248	3,076	3,442	3,442	3,442
—Federal effort	342	250	183	183	183
Part B—Formula grants	50,260	0	50,750	50,750	50,750
Part C—Discretionary grants	17,950	7,250	18,125	18,125	18,125
Part D—Youth Gangs	3,500	0	3,500	3,500	3,500
Subtotal—JJDP programs	75,300	10,576	76,000	76,000	76,000
Prior year unobligated balances	0	0	0	0	−4,000
New Budget Authority—JJDP	75,300	10,576	76,000	76,000	72,000
Victims of Child Abuse Act	0	0	2,000	0	2,000
State and Local Law Enforcement Grants:					
Part E—Edward Byrne Memorial Grants:					
Formula grants	423,000	405,250	398,000	423,000	423,000
Discretionary grants	50,000	50,000	50,000	50,000	50,000
Management and Administration	2,000	2,000	2,000	2,000	2,000
Correctional Options Grants	0	3,000	25,000	0	(13,000)
RISS	0	9,750	0	0	0
Total, Edward Byrne Memorial Grants	475,000	470,000	475,000	475,000	475,000
NCIC 2000	17,000	22,000	17,000	22,000	22,000
National Judicial College	0	0	0	(1,000)	1,000
National College of District Attorneys	0	0	0	0	500
Part N—TV Testimony—Child Abuse	0	0	1,000	1,000	1,000
Total, State and Local Law Enforcement	492,000	492,000	493,000	498,000	499,500
Mariel Cubans	4,963	0	4,885	4,963	4,963
Total, new budget authority	660,179	579,335	664,761	668,967	668,467

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment as follows:

In lieu of the amount stricken and inserted by said amendment, insert the following: *$90,004,000, of which $500,000 of the funds provided under the Missing Children's Program shall be made available as a grant to a national voluntary organization representing Alzheimer patients and families to plan, design, and operate a Missing Alzheimer Patient Alert program*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill provides $88,876,000 for Justice Assistance programs, while the Senate amendment provides $90,004,000. The conference agreement appropriates $90,004,000, which provides $500,000 above both the House and Senate levels for the Missing Children Program.

The agreement also adds language included under Juvenile Justice by the Senate for a $500,000 grant under the Missing Children Program for a Missing Alzheimer Patient Alert program. The conferees expect that, in developing a Missing Alzheimer Patient Alert program, the grantee's first priority will be materials development, outreach, and training of local law enforcement, public safety, and emergency health personnel in identifying and handling lost Alzheimer patients.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the amount stricken and inserted by said amendment, insert the following: *$499,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill appropriates $493,000,000 for State and local law enforcement assistance grants, while the Senate amendment appropriates $498,000,000. The conference agreement appropriates $499,500,000 for these grants.

Amendment No. 3: Designates $475,000,000 for the Edward Byrne Memorial Grant Program as proposed by the Senate instead of $450,000,000 as proposed by the House.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *$13,000,000 of the funds made available in fiscal year 1992 under chapter A of subpart 2 of part East of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, shall be available to carry out the provisions of chapter B of subpart 2 of part E of title I of said Act for Correctional Options Grants; (c)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment strikes language in the House bill which would appropriate $25,000,000 for demonstration grants to State and local agencies for alternatives to traditional modes of incarceration and offender release programs. The conference agriculture appropriates $13,000,000 for these grants from the discretionary grant program.

Amendment No. 5: Designates $22,000,000 for the National Crime Information Center 2000 project as proposed by the Senate instead of $17,000,000 as proposed by the House, and restores the section designation "(d)".

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *: Provided, That $25,000 of the funds made available to the State of Arkansas in fiscal year 1992 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, shall be provided to the Arkansas State Police for high priority drug investigations: Provided further, The funds made available in fiscal year 1992 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, may be obligated for programs to assist States in the liti-*

gation processing of death penalty Federal habeas corpus petitions

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment strikes House language earmarking $25,000 of the State of Arkansas' State and Local Law Enforcement Formula Grant funds for high priority drug investigations, and inserts new language earmarking $5,762,000 of discretionary grant funds to assist States in the litigation processing of death penalty Federal habeas corpus petitions. The conference agreement restores the House language designating $25,000 for high priority drug investigations in Arkansas, and amends the Senate language to authorize the use of formula grant funds provided to the States under the Edward Byrne Memorial Grant program for processing death penalty Federal habeas corpus petitions.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That funds made available in fiscal year 1992 under parts D and E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, shall be available for the following grants in the amounts specified: (1) $1,000,000 to the National Judicial College to provide judicial education and training to State trial judges in the area of illegal drug and violent criminal offenses; and (2) $500,000 to the National College of District Attorneys to establish a permanent facility to improve the education and training of prosecutors involved in the war on drugs*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment added language not in the House bill, which designates $1,000,000 of discretionary funds in the Edward Byrne Memorial Law Enforcement Assistance Grants for a grant to the National Judicial College. The conference agreement provides $1,000,000 for the National Judicial College and $500,000 for a grant to the National College of District Attorneys, but these funds are provided through a separate appropriation and not through the Edward Byrne Memorial program.

National Judicial College—The conference agreement provides a grant of $1,000,000 to the National Judicial College to allow this college to continue to provide critical education and training to State and local trial judges. Without the infusion of these funds the number of judges attending the National Judicial College will decrease. This decrease comes at a time when, due to the war on drugs, this training is needed the most. The conferees note that this is a onetime grant that will provide the College with the ability to continue their educational programs indefinitely.

National College of District Attorneys—The conference agreement also provides a grant of $500,000 to the National College of District Attorneys. This college plays a key role in providing prosecutorial training critical to the war on drugs. This onetime grant will allow the college to move into a permanent facility with the latest training technology.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That $150,000 of the funds made available to the State of Kansas in fiscal year 1992 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, shall only be available for a grant to the City of Wichita, Kansas for Project Freedom's Drug Affected Babies Prevention Initiative.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment adds language, not included in the House bill, which earmarks $150,000 of discretionary grant funds for a project in Wichita, Kansas. The conference agreement amends the Senate language to authorize the use of formula grant funds available to the State of Kansas in FY 1992 for this project.

Amendment No. 9: Deletes a designation proposed by the Senate for a Missing Alzheimer Patient Alert program. The conferees agree that this is not an authorized use of Juvenile Justice Program funds, and have included $500,000 for this initiative under the Missing Children program (Amendment No. 1).

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *In addition, and notwithstanding section 214(b) of title II of Public Law 101-647 (104 Stat. 4794), $1,500,000, to remain available until expended, for a grant to the American Prosecutor Research Institute's National Center for Prosecution of Child Abuse for technical assistance and training instrumental to the criminal prosecution of child abuse cases, as authorized in section 213 of Public Law 101-647 (104 Stat. 4793).*

In addition, and notwithstanding section 224(b) of title II of Public Law 101-647 (104 Stat. 4798), $500,000, to remain available until expended, for a grant to the National Council of Juvenile and Family Court Judges to develop model technical assistance and training programs to improve the handling of child abuse and neglect cases, as authorized in section 223(a) of Public Law 101-647 (104 Stat. 4797).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment strikes language included in the House bill, which would appropriate $2,000,000 for implementation of certain provisions of the Victims of Child Abuse Act of 1990. The conference agreement provides $1,500,000 for a grant for specialized technical assistance and training progams to improve prosecution of child abuse cases, and $500,000 for a grant to develop model progams to improve the judicial system's handling of child abuse cases. The conference agreement waives authorization language which requires that 90 percent of amounts appropriated for these two sections of the Child Abuse Act be provided to the States. Since this authorization requirement was envisioned for an appropriation of $50,000,000 and not the $2,000,000 provided herein, the conferees agreed to waive the requirement. These funds will be utilized for national child abuse programs affecting all States.

Amendment No. 11: Appropriates $4,963,000 for the Mariel Cuban Grant Program as proposed by the Senate, instead of $4,885,000 as proposed by the House.

NATIONAL INSTITUTE OF JUSTICE

The conference agreement provides $23,739,000 for the National Institute of Justice. The conferees expect NIJ to continue the monitoring and evaluation needed to ensure that funds are being properly spent by grant recipients. The conferees also expect NIJ to expand reporting of the results of demonstration projects among local law enforcement agencies in order to share valuable information.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION PROGRAMS

The conference agreement provides a total of $76,000,000 for fiscal year 1992 for Juvenile Justice and Delinquency Prevention (JJDP) programs, as follows: $3,625,000 for Management and Administration (Part A), $50,750,000 for Formula Grants (Part B), $18,125,000 for Discretionary Grants (Part C), and $3,500,000 for Youth Gangs (Part D).

The conference agreement provides a total of $18,125,000 for discretionary grants, of which:

$500,000 is for a grant to provide financial and technical assistance to an organization representing the State Advisory Groups (SAGs).

$3,200,000 is for a grant for the coordinated Law-Related Education (LRE) program to be used in the same organizational pattern and by the same LRE organizations that have previously received funding.

$1,000,000 is for a grant to the National Court Appointed Special Advocates (CASA) program for training and development needs and start-up grants to expand CASA programs.

$2,300,000 is for a grant to the National Council of Juvenile and Family Court Judges to provide continuing legal education in family and juvenile law.

The conferees also encourage the Office of Juvenile Justice Programs to examine and give full consideration to a grant proposal by the Consortium on Children, Families and the Law to continue its research on issues affecting children.

In addition, the conferees expect the Office of Juvenile Justice Programs to continue funding the five year effort of the program on the causes and correlates of delinquency being conducted at the Universities of Pittsburgh and Colorado, and the State University of New York at Albany through fiscal year 1992. This will permit the centers the time necessary to obtain support through other sources in fiscal year 1993.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE GRANTS

The conference agreement appropriates a total of $499,500,000 for fiscal year 1992 for State and Local Law Enforcement Assistance Grants.

The agreement provides $2,000,000 for management and administration, $423,000,000 for the formula grant program, and $22,000,000 for NCIC 2000, and as discussed earlier, $1,000,000 for a onetime grant to the National Judicial College and $500,000 for a onetime grant to the National College of District Attorneys.

The conference agreement also provides a total of $50,000,000 for discretionary grants, to include:

Neighborhood Oriented Policing Projects—the agreement provides not less than $4,000,000 for innovative neighborhood oriented policing projects to fund ongoing demonstration projects to their conclusion, and to expand successful projects to new locations. The conferees expect the Bureau of Justice Assistance (BJA) to continue to utilize the expertise developed by national organizations, such as the Eisenhower Foundation, the National Crime Prevention Council, the National Training and Information Center, and the National Association of Town Watch in expanding this program into new neighborhoods, both urban and rural.

Boys and Girls Clubs of America—the conference agreement provides $2,500,000 for a grant to the Boys and Girls Clubs to expand the number of clubs in public housing projects throughout the country. As discussed later in the report under the U.S. Attorneys, the Department is planning to expand on a new initiative combining Federal, State and local officials, and community groups, designed first to "weed" out violent criminals from selected neighborhoods, and then to "seed" that neighborhood with economic, education and social opportunities. The conferees agree that the programs and services offered by the Boys and Girls Clubs of America would be ideally suited for the "seed" portion of Operation Weed and Seed.

National Demand Reduction Programs—The conference agreement provides not less than $3,000,000 for the National Crime Prevention Council to continue the National Citizens Crime Prevention Campaign (McGruff), and not less than $1,700,000 to continue and expand the Drug Abuse Resistance Education (DARE) program.

Correctional Options Grants—The conference agreement provides $13,000,000 for grants for correctional options that provide alternatives to traditional modes of incarceration. This new grant program, authorized in title XVIII of the Crime Control Act of 1990, will allow for the development and testing of innovative new projects, to include boot camps.

The conferees have also been made aware of two projects which would provide innovative alternatives to incarceration and encourage the Bureau of Justice Assistance to examine the proposals and to give them every possible consideration. The first proposal would provide a grant to the State of Maryland for expanding and enhancing a "Boot Camp" program and a pilot project on home detention at its Jessup facility. This program combines physical conditioning and vocational and life skills training, has resulted in dramatic changes in the attitudes and dispositions of the offenders, and has demonstrated a substantial savings from traditional incarceration. The second proposal is by the County of Palm Beach, Florida as part of their Substance Abuse Awareness Program, which would construct a minimum security drug farm to provide mandatory substance abuse treatment and rehabilitation to low risk, nonviolent, drug-dependent offenders in a discipline/therapeutic corrections setting.

Organized Crime Narcotics (OCN)—The conference agreement provides $3,000,000 for the OCN program to support regional organized crime task forces in order to foster improved Federal, State and local cooperation.

Criminal Information Systems—The conference agreement provides $700,000 for a grant to SEARCH Group, Inc. for continued support to State and local criminal justice agencies to improve their use of computers and information technology.

Financial Investigations (FINVEST) Program—The conference agreement provides $3,000,000 for continuation of ongoing FINVEST projects, and for expansion into new projects.

Model State Grand Jury—The conference agreement provides $500,000 to continue the South Carolina State Grand Jury project while a comprehensive model is developed.

Other High Priority Grant Proposals—The conferees have been made aware of a number of other projects which will enhance State and local law enforcement by providing much needed improvements in training, education and other technical assistance. The conferees encourage the Bureau of Justice Assistance to examine these proposals and to provide grants where warranted. The conferees expect the BJA to submit a report to the Committees on Appropriations of the House and Senate on its intentions for these proposals. The proposals follow:

1. Treatment Alternatives to Street Crime (TASC)—A grant which would improve drug testing laboratory services in the State of Washington.
2. COMMAND—A demonstration project between communities in California and Nevada utilizing private sector investigators to detect and seize hidden drug assets.
3. IMPACT—A demonstration project in Washington State which provides training and consulting to teachers, counselors, administrators, and community groups in youth substance abuse prevention.
4. Public Safety Communications Systems—grants to assist States in establishing unified public safety channels to provide instantaneous communication among all public safety agencies in a region.
5. Violent Crime—a grant of $125,000 to support a Southeastern States Summit on Violent Crime to address the significant increase in violent crime in those States. The conferees strongly support the leadership of the Bureau of Justice Assistance in establishing regional efforts against violent crime, and believe this approach will assist these states in their efforts, and will serve as a model for other regions of the country.
6. Hate Crimes—a grant of $150,000 to develop a model training curriculum on dealing with victims of hate crime for criminal justice and victim assistance professionals.

General Administration

SALARIES AND EXPENSES

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$110,100,000.*

DRUG LAW ENFORCEMENT TRAINING

For necessary expenses of drug law enforcement training, $3,500,000, to remain available until expended, for planning, construction, and purchase of equipment incident thereto for an expanded training center at the FBI Training Academy at Quantico, Virginia, to be expended at the direction of the Attorney General

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $100,100,000 for General Administration instead of $109,925,000 as proposed by the House and $114,142,000 as proposed by the Senate. The agreement allows for requested adjustments to base less $279,000 associated with GSA space rental rate decreases and the $1,500,000 requested for GSA buildings delegation. The agreement allows for no program growth, including the $5,125,000 requested for implementation of the Chief Financial Officers Act.

The conference agreement also includes new language, not in either the House or Senate bills, which appropriates $3,500,000 for the initial costs associated with construction of an expanded training facility at the FBI Academy in Quantico, Virginia. This additional space is urgently needed to accommodate the needs of the FBI and DEA, since current facilities at the FBI Academy are insufficient to handle the full range of training requirements. The shortfall in space at the FBI Academy results from the significant increase in the number of FBI and DEA agents added to fight the war on drugs and from projected increases in agent attrition due to anticipated retirements.

The conferees are aware that, as a result of severe space constraints, the DEA has been forced to reduce its use of training facilities at Quantico to Basic Training only. All other training, including intelligence analyst, diversion investigator, chemist, State and local, international, and DEA in-service, must be conducted offsite. Without this additional space, not only will DEA's training situation worsen, but the FBI Academy will be forced to reduce the availability of space for the training of State and local law enforcement officers. Currently 1,000 police officers attend the National Academy annually with a waiting list of over 12,000.

The conferees expect the Department to ensure a fair and equitable allocation of space between the FBI and the DEA. It is also anticipated that space will be sufficient to accommodate the training of all DEA core series employees.

ASSETS FORFEITURE FUND TRANSFER

As a result of language in the fiscal year 1991 Dire Emergency Supplemental, the Attorney General was authorized to transfer unobligated balances from the Assets Forfeiture Fund to procure vehicles, equipment, and other capital investment items. The conferees understand that the Attorney General plans to procure the following items from these transfers in fiscal year 1992:

Federal Prisons—Salaries and Expenses:	
Prison Activations	$47,866,000
Marshals Service—Salaries and Expenses:	
Holding cells for new judgeships	439,000
Aircraft security system	1,000,000
Prisoner vans	417,000
SOG equipment	574,000
Cellular telephones	200,000
Computer workstations	2,425,000
Micrographic equipment	185,000
Subtotal	5,240,000
Drug Enforcement Administration—S&E:	
Portable computers	722,000
Fingerprint equipment	172,000
Subtotal	894,000
U.S. Attorneys—Salaries and Expenses:	
Equipment	10,000,000
Total transfer	$64,000,000

LONG-TERM AUTHORITY FOR FACILITIES

The conferees are concerned about the apparent disregard of some Justice Department agencies over normal budgeting procedures. Several months ago the Committees were made aware of two long-term facility leases that were entered into by the U.S. Marshals Service for which funds were never requested in either the President's budget or through a reprogramming. In both cases, the leases obligate the U.S. Government to make payments over a number of years—commitments never agreed to by the Congress. Subsequent to complaints lodged by the Committees, the Department submitted a reprogramming for these two leases. The Committees reluctantly agreed to the reprogramming, not so much on the merit of the projects, but because potential litigation costs for terminating the contracts could result in costs higher than the leases.

The conferees believe it is incumbent upon the Department to ensure that the taxpayers are not forced into similar situations in the future. The conferees expect the Department to implement regulations which require the various agencies to obtain approval from the Attorney General prior to entering into any facility lease agreement of over one year in duration, including option years, and with a total value in excess of $1,000,000 over the life of the lease. Anticipated costs of such leases shall be separately identified as part of a President's budget request or a reprogramming prior to entering into an agreement.

OFFICE SPACE

The Department of Justice has experienced unprecedented growth over the past several years as the Congress has added personnel to combat illegal drugs. The conferees understand that the Department is experiencing considerable difficulty in acquiring sufficient office space for these new employees not only here in the Washington, DC area, but nationwide. It appears that the current space acquisition process is not designed to respond quickly to accommodate agency requirements of this magnitude. The conferees understand that the Department is housed in 65 separate locations in the Washington metropolitan area alone. The conferees, recognizing the problems created by the fragmentation of Justice components, request the Department to provide the Committees on Appropriations, by February 1, 1992, a comprehensive report defining its housing problems nationwide, and the specific actions recommended to resolve these critical issues.

WORKING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

The House bill included language to allow the Department of Justice to retain up to 4 percent of the total in the Working Capital Fund for acquisition of capital equipment. The conference agreement incorporates language, proposed in the Senate amendment, to allow for the transfer of unobligated balances into the working capital fund to be used on a Department-wide basis for law enforcement or litigation-related ADP systems, subject to the Committees' reprogramming procedures.

OFFICE OF INSPECTOR GENERAL

Amendment No. 14: Appropriates $28,820,000 instead of $27,893,000 as proposed by the House and $30,719,000 as proposed by the Senate.

The conference agreement provides for requested adjustments to base, less $63,000 associated with GSA space rental rate decreases. The conference agreement allows for program enhancements of $500,000 for additional positions in the Audit Division. The conferees were unable to provide for requested increases for implementation of the Chief Financial Officers Act.

The conferees have been made aware that a large portion of the Inspector General's workload revolves around the Immigration and Naturalization Service, particularly the examinations program. It was the intent of Congress that the full cost of adjudications and naturalization services be fully funded by fees. The conferees request that the Attorney General provide a report, by February 1, 1992, on whether it is appropriate for fee accounts to provide some reimbursement to the IG to compensate for audit and inspection services.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

Amendment No. 15: Appropriates $9,855,000 as proposed by the House instead of $9,786,000 as proposed by the Senate.

The conference agreement provides for requested adjustments to base, less $279,000 associated with GSA space rental rate decreases. The conference agreement allows for a net program decrease of $928,000, including an increase of $117,000 to continue the Hyattsville Monitoring Project. The conferees agree that Bureau of Prisons personnel should be utilized on a reimbursable basis during phaseout of the Commission; however, for certain sensitive positions, the Commission is authorized to utilize either reimbursable or direct funded positions.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

Amendment No. 16: Appropriates $384,249,000 instead of $379,804,000 as proposed by the House and $388,821,000 as proposed by the Senate.

The conference agreement provides for requested adjustments to base, less $275,000 associated with GSA space rental rate decreases. The conference agreement allows for program enhancements of $4,330,000, as follows: $1,985,000 to develop and implement regulations pursuant to the Radiation Exposure Compensation Act of 1990, and $2,345,000 to continue implementation of the Americans with Disabilities Act.

Americans with Disabilities Act (ADA)—The Justice Department has critical responsibilities for effectuation of the ADA. The successful and orderly implementation of the ADA depends on the Department's ability to provide adequate technical assistance and to mount a credible enforcement effort. The funds provided herein will allow the Department to carry out these responsibilities.

Independent Counsel—The conferees recognize a need to provide autonomy to the Independent Counsels; however, the conferees agree that the Congress should have the ability to exercise control over their spending. The conferees urge the relevant legislative committees of the House and Senate to provide for appropriate financial controls and oversight over the Independent Counsels.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which designates $1,000 for the official reception and representation expenses of the U.S. National Central Bureau, INTERPOL. The House bill contained no similar provision.

Amendment No. 18: Deletes language added by the Senate and not contained in the House bill, which is intended to protect licensed health care professionals from contracting the HIV and Hepatitis B viruses. The conferees agree that the goals of this amendment are laudable; however, the provision is not germane to this bill and the conferees believe this issue should be addressed by the appropriate Committee of the Congress as part of a more comprehensive legislative package.

SALARIES AND EXPENSES, ANTITRUST DIVISION

Amendment No. 19: Provides a total of $58,494,000 in new budget (obligational) authority as proposed by the Senate instead of $53,045,000 as proposed by the House. The conference agreement provides $58,494,000 for the Antitrust Division, which allows for their requested adjustments to base, less $509,000 associated with GSA space rental rate reductions. The conference agreement allows for a program enhancement of $200,000 for litigation arising from investigations into infant formula pricing.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$13,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides that $13,500,000 of the amounts appropriated to the Antitrust Division be derived by premerger nofication filing fees, instead of $10,000,000 as proposed by the House and $13,000,000 as proposed by the Senate.

Amendment No. 21: Appropriates $44,994,000 instead of $43,045,000 as proposed by the House and $45,494,000 as proposed by the Senate.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

Restore the matter striken, amended as follows:

In lieu of the sum "$10,000,000" proposed in said amendment, insert the following: *$13,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores and amends House language, stricken by the Senate, to make fees collected in fiscal year 1992, that are in excess of $13,500,000, available in fiscal year 1993.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the phrase "within the State of South Carolina" proposed in said amendment, insert the following: *on the campus of the University of South Carolina* and, in lieu of the sum "$728,259,000" named in said amendment, insert the following: *$720,737,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill appropriates $720,737,000 for the U.S. Attorneys, and provides languages making $5,000,000 available for debt collection activities, $1,200,000 available for Project EAGLE, and $8,000 available for official reception and representation expenses.

The Senate amendment appropriates $728,259,000, includes the House designations, and inserts new language designating $10,000,000 for relocating the Department's Legal Education Program to a site in South Carolina, and new language designating $9,000,000 for a program to allow the U.S. Attorneys to enter into cooperative agreements with State and local agencies.

The conference agreement includes the Senate language, amended to specify that the Legal Education Program is to be relocated at the University of South Carolina. The conferees agree that the Department should present its plan for relocation of the

Legal Education Program to the Committees on Appropriations of the House and Senate by no later than December 31, 1991.

The conference agreement also appropriates $720,737,000 for the U.S. Attorneys, which provides for requested adjustments to base, less $9,622,000 associated with GSA space rental rate reductions, and $5,700,000 in program growth for criminal litigation.

Allocating Assistant U.S. Attorneys.—The conferees agree that the Department should consider the increases in high priority caseload, such as defense procurement fraud, drug cases, S&L prosecutions, and criminal aliens, in allocating Assistant U.S. Attorneys (AUSAs) to the various districts.

Telemarketing Fraud—The conferees agree that telemarketing fraud investigations should be accorded a higher priority for the Department, and that the Department should provide a report to the Committees by February 1, 1992 on the steps being taken to combat telemarketing fraud.

Operation Weed and Seed—The conference agreement includes language, requested by the Department, which represents a new integrated approach for attacking the drug problem. Operation Weed and Seed joins together Federal, State and local law enforcement and social services agencies with community organizations to reduce illegal drugs and crime and restore neighborhoods. The two major components of this initiative are (1) removing violent criminals from communities (Weed), and (2) rebuilding institutions and activities in those communities (Seed). The authority provided herein will allow the U.S. Attorneys to coordinate the Federal approach, with associated funding to be directed primarily to enforcement and prosecution activities. These funds will be used to pay police and prosecutorial overtime and, in some instances, case related expenses such as the purchase of evidence and information. The U.S. Attorneys will work closely with the Bureau of Justice Assistance to initiate 8 to 12 Weed and Seed demonstration projects in fiscal year 1992.

While the conferees are supportive of this initiative, concerns have been raised about the lack of specificity over the objectives and sources of funding for the "Seed" side of this program. In order to assure a balanced approach in this program, the conferees expect that the funds provided herein for Operation Weed and Seed will be used only for projects that are comprehensive in nature and include specific resource commitments from the other Federal, State or local entities for prevention, intervention, and neighborhood reclamation and revitalization. In addition, the conferees expect the Department to provide quarterly reports to the relevant Committees of Congress on the progress of this program and an accounting of funds obligated by the agencies involved in the various projects.

UNITED STATES TRUSTEE SYSTEM FUND

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the amount proposed by said amendment, insert the following: *$57,221,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $57,221,000 for the U.S. Trustees instead of $67,520,000 as proposed by the House and $69,571,000 as proposed by the Senate. The conference agreement also assumes the availability of an additional $23,961,000 in new budget (obligational) authority to be derived by fee collections as discussed below. The total amount available to the U.S. Trustees in fiscal year 1992 will be $81,182,000, the full budget request, less $1,000,000 associated with GSA space rental rate reductions. The program enhancement provided herein will allow for a 21 percent increase of 184 new positions for administration of bankruptcy cases.

The conferees have been made aware of ongoing problems within the U.S. Trustees System. Bankruptcy filings have increased by 95% from 1985 to 1990, while Trustee staffing has remained relatively constant. This combination of increasing workload and level staffing has resulted in a growing backlog of unclosed cases, and an inability on the part of the Trustees to adequately investigate cases of bankruptcy fraud.

Currently, funding for the U.S. Trustees is financed totally from bankruptcy filing fees and not from the general Treasury; however, authorizing legislation requires that such funding be specified in an annual appropriations bill. The intent of the original legislation was to make the Trustees a self-funding enterprise by charging a fee for their services. Budget constraints, when coupled with the need to appropriate ever higher amounts for the war on drugs, have precluded the Congress from providing the full amount needed by the U.S. Trustees.

In order to correct this situation, language has been included in section 111 (amendment number 42) which amends title 28 of the United States Code to provide for a slight increase in chapter 1 bankruptcy fees, and to deposit those fees as offsetting collections directly to the Trustee System for use in improving their services. The Congress will continue to appropriate funds for the basic services provided by the Trustees, and will rely on the amounts to be derived from these fee increases for expanded services.

SUPPORT OF UNITED STATES PRISONERS

Amendment No. 25: Appropriates $219,125,000 instead of $218,125,000 as proposed by the House and $224,125,000 as proposed by the Senate. The conference agreement provides the full budget request for the Care of Prisoners account less amounts associated with prior year carryover. The agreement also provides $15,000,000 for the Cooperative Agreement Program (CAP).

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That, unless a notification as required under section 606 of this Act is submitted to the Committees on Appropriations of the House and Senate, none of the funds in this Act for the Cooperative Agreement Program shall be available for a cooperative agreement with a State or local government for the housing of Federal prisoners and detainees when the cost per bed space for such cooperative agreement exceeds $50,000, and in addition, any cooperative agreement with a cost per bed space that exceeds $25,000 must remain in effect for no less than 15 years.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement deletes language proposed by the Senate, and not in the House bill, which would earmark $10,000,000 of CAP funding for a cooperative agreement with the State of Hawaii for the housing of Federal prisoners and detainees, and substitutes language placing limitations on the amount of money that can be spent on CAP projects and on the length of the agreements.

The purpose of the CAP program is to provide a cost-effective means of obtaining detention space for unsentenced Federal prisoners in locations where there is no Federal Detention Facility. While the conferees understand that the cost of construction is significantly higher in Hawaii, the conferees remain concerned that the initial cost estimates for the Hawaii CAP project exceed the national average. In addition, the conferees are concerned that the bed space is guaranteed for 10 years instead of the customary 15 years. Accordingly, this bill calls for a 15-year guarantee.

The conferees continue to support the need for additional Federal detention space in Hawaii. The conferees understand that due to the acute shortage of Federal detention space in Hawaii, the Department has designated the Hawaii project as their number one CAP priority for fiscal year 1992. The conferees support this designation and expect the Department to expedite negotiations with the State of Hawaii on this cooperative agreement.

To assist the Marshals Service in its negotiations, the conferees have included a limitation of $50,000 on the cost per bed space of individual CAP projects. This level is well above the standard cost of $35,000 per bed space, and should provide the Marshals with the flexibility to negotiate projects at a reasonable level. The conferees agree that the $50,000 limitation should be viewed as an upper limit and not a goal. The conferees fully expect the Marshals Service to maintain their average costs at as low a level as possible, otherwise funding for the CAP program could be jeopardized. The conferees request that the Marshals Service provide the Committees on Appropriations with periodic reports on the status of the Hawaii project.

Alaska Detention Facilities—The conferees agree that the Marshals Service should review the requirements of the State of Alaska for participation in the Cooperative Agreement Program and report to the Committee on Appropriations by March 1, 1992, on its findings. Currently many Federal prisoners must be transported out of the State and returned to Alaska for Federal proceedings, at considerable cost to the taxpayer. It may be more appropriate and cost-effective to house such prisoners in Alaska pursuant to a cooperative agreement.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

Amendment No. 27: Designates $18,198,000 for the Cuban Haitian Entrant Program as proposed by the Senate instead of $19,000,000 as proposed by the House. The conference agreement will allow for full funding of the prevention and conciliation of community disputes activity.

The conferees expect the Community Relations Service to continue its role in combatting and responding to hate crimes. In addition, the conferees expect CRS to respond to hate crimes as defined by the Hate Crimes Statistics Act.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *to include intergovernmental agreements with*

State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $363,374,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $363,374,000 for OCDE as proposed by the House instead of $380,344,000 as proposed by the Senate. The conference agreement also adds language not in the House or Senate bill, which provides the OCDE Task Force program with the authority to adminster a State and local overtime program. These overtime payments are currently adminstered by the DEA under their own authorities.

The conference agreement provides the full request for adjustments to base and program enhancements of $15,000,000. The agreement provides for reimbursements to participating agencies as follows:

OCDE REIMBURSEMENTS BY AGENCY

[In thousands of dollars]

	Fiscal years—		House	Senate	Conference
	1991 enacted	1992 request			
Drug law enforcement:					
Drug Enforcement Administration	93,305	107,04	98,804	107,04	100,304
Federal Bureau of Investigation	89,941	107,220	95,150	107,220	97,150
Immigration and naturalization Service	10,251	11,463	10,550	10,550	10,550
U.S. Marshals	1,082	1,122	1,122	1,122	1,122
Customs Service	25,750	30,781	28,286	28,286	28,286
Bureau of Alchohol/Tobacco/Firearms	9,981	11,443	10,344	10,344	10,344
Internal Revenue Service	33,995	46,153	40,866	37,366	37,366
Coast Guard	862	890	890	890	890
Prosecutions:					
U.S. attorneys	66,655	82,428	74,092	74,092	74,092
Criminal Division	702	723	723	723	723
Tax Division	1,194	1,236	1,236	1,236	1,236
Administrative support:					
Administrative staff	1,223	1,311	1,311	1,311	1,311
Total	334,941	401,974	363,374	380,344	363,374

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

Amendment No. 29: Appropriates $1,926,092,000 for the FBI instead of $1,866,832,000 as proposed by the House and $1,972,807,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base less $10,617,000 associated with GSA space rental rate limitations, and less $6,531,000 associated with the absorption of 20 percent of the cost of law enforcement pay reform. The conference agreement provides $76,700,000 for the following high priority program enhancements:

Other Field Programs	$3,500,000
Drug Program	3,500,000
White Collar Crime (S&L)	3,500,000
Technical Field Support	4,000,000
Fingerprint Identification backlog	12,500,000
Integrated Automated Fingerprint Identification System (IAFIS)	48,000,000
Relocation and Revitalization (IAFIS) Program Office	1,500,000

Hate Crimes—The conferees commend the FBI for its work on implementation of the Hate Crimes Statistics Act, especially the use of the Uniform Crime Reporting System to track hate crimes and the comprehensive and sensitive law enforcement training program developed to implement the Act. The conferees expect the FBI to continue to fund in fiscal year 1992 the training of law enforcement personnel to collect data on hate crimes.

IDENTIFICATION DIVISION RELOCATION AND REVITALIZATION (IAFIS)

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *; and of which $48,000,000, to remain available until expended, shall only be available to defray expenses for the automation of fingerprint identification services and related costs; and of which $1,500,000 shall be available to establish an independent program office dedicated solely to the relocation of the Identification Division and the automation of fingerprint identification services.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment proposes an appropriation of $48,000,000 to allow the FBI to initiate development and acquisition of the Integrated Automated Fingerprint Identification System. The House bill contained no similar provision. The conference agreement provides $48,000,000 for the initial costs associated with development and acquisition of this vitally needed project to automate the FBI's Fingerprint Identification Division. The conference agreement also includes a program enhancement of $1,500,000 for establishment of an independent program office to provide appropriate management and oversight by the FBI of their effort to relocate and revitalize the Identification Division, particularly IAFIS.

The conference agreement establishes the independent program office because experience has shown that agencies, such as the FBI, with little or no experience in major systems acquisition, derive tremendous benefit from a program office. The conferees believe that, in choosing a strategy for the development and implementation of plans for this extremely complex project, and for execution of those plans, the Director should have access to the best possible technical advice and counsel.

The conferees expect that the program office will be completely separate from the Identification Division or any other permanent, operational FBI division or office, and will report directly to the Director or his designee. The conference agreement provides a program enhancement of $1,500,000 and 10 positions, which when combined with existing resources being utilized for relocation and revitalization management, will allow for an office with a staff of at least 25. In addition, sufficient funds are provided to allow the program office to enter into contractual agreements with private industry to provide needed technical advice.

The conferees expect this program office to be set up along lines that have proven successful for other Federal agencies, as follows: (1) the office should be multi-disciplined with an integrated, comprehensive capability to deal with all program issues related to the relocation and automation effort; (2) the office should be organized in functional directorates or entities including, but not limited to: administration, engineering, configuration management, manufacturing, test facilities, training, legal, contracts, logistics support, and budget and finance; (3) there should be program planning and analysis capability to review the status, problems, risks, and issues associated with this program, as well as provide options and alternatives in response to problem areas; and (4) all functional personnel should be assigned to the program office on a full-time basis, and be collocated and directly responsible to the overall Program Director.

Lastly, in determining IAFIS requirements, the conferees expect the FBI to fully consider the needs of the ultimate user of the system, State and local police officers, and to obtain and consider as many innovative design proposals as possible from industry and other Government agencies.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which allows the use of appropriated funds for the DEA to conduct drug training programs.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$740,667,000" proposed in said amendment, insert the following: *$716,653,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill provides $706,286,000 for the salaries and expenses of the DEA and designates $1,800,000 for research. The Senate amendment provides $740,667,000 and designate $1,800,000 for research, and $1,500,000 for a Washington, D.C. lab. The conference agreement appropriates $716,653,000 and provides the Senate designations.

The conference agreement provides for requested adjustments to base less $5,706,000 associated with GSA space rental rate reductions, and less $2,227,000 associated with the absorption of 20 percent of the cost of law enforcement pay reform. The conference agreement provides for the following high priority program enhancements:

Domestic enforcement	$10,000,000
State and local task forces	8,500,000

The conferees are concerned about DEA's proposed regulation regarding affiliated practitioners' ability to prescribe controlled substances, and especially about how this will impact on health care delivery in rural areas. The conferees recognize the need to ensure that every health care practitioner prescribing drugs is properly registered; however, in establishing the new regulations, the conferees expect the DEA to ensure that the new regulation will not limit the ability of nurse practitioners, physician assistants, and other health care professionals to prescribe controlled substances consistent with individual State statutes. The conferees expect the DEA to submit a report on this issue to the Committees on Appropriations prior to implementation of a final regulation.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the amount proposed in said amendment, insert the following: *$938,241,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $938,241,000 for the salaries and expenses of the INS instead of $947,041,000 as proposed by the House and $950,817,000 as proposed by the Senate.

The conference agreement provides for requested adjustments to base less $3,217,000 associated with GSA space rental rate reductions, less $3,355,000 associated with the absorption of 20 percent of the cost of law enforcement pay reform, and less $7,500,000 in base reductions to the Border Patrol associated with the transfer of funds from the Special Forfeiture Fund. The conference agreement provides for the following high priority program enhancements:

Land border inspectors	$5,973,000
Detention and deportation	4,336,000
Border patrol agents	3,000,000

Land Border Inspectors.—The conference agreement provides the full requested increase of $5,973,000 and 135 positions for additional land border inspectors. These inspectors are needed because of the increased traffic along both the Northern and Southern borders. The conferees are aware of lengthy delays in locations, such as the Blue Water Bridge between Michigan and Canada, which impede U.S.-Canadian trade. The conferees also understand that traffic along the Southern border has reached all-time highs, as evidenced by the 30 percent increase in crossings at El Paso's ports over the past four years. The conferees expect the INS to distribute these additional resources to border sectors based on their workload requirements. The conferees also encourage the INS to retain temporary inspector positions funded in fiscal year 1991 in order to better handle peak workload needs.

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed in said amendment, insert the following: *; and of which $312,473,000 shall be available to the Border Patrol program, unless a notification, as required under section 606 of this Act, is submitted to the Committees on Appropriations of the House of Representatives and the Senate.*

The managers on the part of the Senate will move to concur in the amendment of the House to the Amendment of the Senate.

The conference agreement includes language proposed in the Senate amendment, adding language designating $312,473,000 for the Border Patrol, which can only be adjusted through a reprogramming. No such provision was included in the House bill.

Amendment No. 35: Deletes language proposed in the Senate amendment which would delay implementation of new immigration regulations affecting the admission of artists, athletes and entertainers by 6 months. This language is no longer required, since an identical provision has passed both the House and Senate as separate legislation, and has been sent to the President for his signature.

Airport Inspections—The conferees remain concerned about ongoing delays for arriving passengers at U.S. airports, especially during peak travel times. Such delays impose unacceptable burdens on the traveler, often causing missed connecting flights and detracting from the desirability of traveling to the United States as a tourist destination. The conferees are still committed to the ICAO international processing standard that no passenger wait longer than 45 minutes for inspection by all Federal agencies. The conferees understand that Western European countries, with their strict security requirements, are achieving the 45 minute standard. The conferees agree that it is incumbent upon the INS to work in concert with other Federal agencies, the airlines and airports to achieve the standard.

One means of achieving the standard on a short term basis is through the extension of the Accelerated Citizen Examination (ACE) program. The ACE program allows U.S. citizens to bypass the full INS inspection process in favor of a passport examination and selective inquiry into the automated lookout system. The conferees agree that the ACE program should be an integral part of the total package of options available to INS airport directors to handle peak arrival times. The conferees agree that, when ACE procedures are adopted, they should be applied uniformly at all airports.

Immigration Preinspection—The conferees understand that there is general agreement among the various governmental agencies, both in the United States and the United Kingdom, responsible for the security and facilitation of air travel, that the test of the concept of immigration preinspection from the United Kingdom was an unqualified success. Benefits to be derived under this concept include: expenditious processing of international travelers, avoidance of lengthy delays at U.S. airports upon arrival, improved security, elimination of detention and deportation costs associated with travellers halted before they enter the U.S.

The conferees are aware that many details need to be worked out between the INS and the State Department, and between the United States and the United Kingdom, before this program can be implemented on a permanent basis. Space considerations at airports in the United Kingdom must be negotiated with the appropriate airport authorities. The diplomatic status of INS inspectors must be negotiated with the government of the United Kingdom. Also costs associated with the additional INS inspectors in the United Kingdom must be negotiated with the State Department. The conferees believe that the INS should reimburse the State Department for all of the incremental cost increases resulting from the introduction of additional INS personnel associated with this program.

The conferees expect the Department of State, along with the INS, FAA and other affected agencies to initiate the negotiation process for this preinspection program with the United Kingdom by January 30, 1992. The conferees agree that the implementation goal for this program should be September 30, 1992. As the permanent preinspection program is developed, the conferees expect the INS to utilize the London preinspection test as a model for determining which airline routes are affected. The conferees request that quarterly reports be provided the Committees on Appropriations on the status of negotiations, beginning January 30, 1992.

Inspections User Fee—The Immigration Inspections User Fee Account was established in 1986 primarily to provide the means for the INS inspections program to add additional inspectors and enhance automation with the goal of improving services and avoiding delays at U.S. airports. One of the authorized uses of this fee account is the detention and deportation of excludable aliens seized at airports. The conferees are concerned that funds, which could be utilized to add more airport inspectors and help reduce airport delays, are instead being used for detention and deportations. Over the past five years, user fee detention and deportation costs have gone from $5,500,000 (9% of the user fee budget) to over $24,000,000 (24% of the budget). The conferees agree that the costs associated with original goals of reducing passenger delays should take precedence over the cost of detaining and deporting excludables. The INS should ensure that sufficient funds are made available to achieve inspector staffing plans prior to committing funds for detention and deportation.

Immigration Fines—The conferees note that the INS has not yet published regulations pertaining to air carrier fine provisions that were included in the Immigration Act of 1990. In view of the benefits to be gained by interdicting potention illegal entrants, the conferees expect the INS to act on industry petitions and issue a proposed rule as soon as possible.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the amount proposed in said amendment, insert the following: *$1,598,920,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $1,598,920,000 for the salaries and expenses of the Federal Prison System instead of $1,637,299,000 as proposed by the House and $1,612,635,000 as proposed by the Senate.

The conference agreement provides for requested adjustments to base less $388,000 associated with GSA space rental rate reductions, and less $8,327,000 associated with the absorption of 20 percent of the cost of law enforcement pay reform.

The conference agreement provides a net increase of $103,359,000 for the following high priority programs:

Prison activations	$43,756,000
Prisoner population adjustments	42,655,000
Drug abuse treatment program	11,948,000
Contract confinement	5,000,000

The conference agreement also assumes that an additional $47,866,000 will be made available for fiscal year 1992 activations from a previously approved transfer from the Assets Forfeiture Fund.

Parent/Child Programs—The conferees continue to support prison programs providing child-oriented visiting facilities, parent education programs, and social services to inmate families. The conference agreement assumes the continuing maintenance and implementation of parent/child programs in all female institutions and in a minimum of one male institution per region.

BUILDINGS AND FACILITIES

Amendment No. 37: Appropriates $452,090,000 as proposed by the Senate for the buildings and facilities of the Federal Prison System instead of $415,090,000 as proposed by the House.

The conference agreement provides for requested adjustments to base, and a total of $288,666,000 for new construction projects as follows:

Philadelphia MDC	$81,950,000
Houston MDC	54,900,000
Base program	16,319,000
El Centro INS Detention Center	3,497,000
Other high priority projects	132,000,000

The conferees understand that the Administration's overall request for prison construction assumed a transfer of $46,000,000 from the Special Forfeiture Fund, which, when added to $132,000,000 provided in this appropriation, would fund a $178,000,000 prison complex. The conferees understand that there will not be a transfer of $46,000,000 from the Special Forfeiture Fund. The conferees note that the Congress has refrained from partial funding of prisons in the past, and in keeping with that precedent, expects the Bureau of Prisons not to fund the complex, and instead to fund its next highest priority.

The conferees are aware that the Federal Bureau of Prisons has determined that there is a requirement to expand the hospital bed capacity of the Federal prison system. In connection with this program, the conferees encourage the Bureau to examine the feasibility of acquiring use of the St. Michael's Hospital in Texarkana, Arkansas.

The conferees expect the Bureau of Prisons to carry out the provisions contained in both the House and Senate reports accompanying H.R. 2608, concerning the following prison construction issues:

Prisons in the Lower Mississippi Delta Region

Prisons in the Northeast/Mid-Atlantic Regions

Prison Overcrowding

Constructing Prisons on Military Installations

Hawaii Federal Detention Facility

Beckley, WV Federal Prison Facility

King County, WA

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Amendment No. 38: Designates $3,297,000 as proposed by the Senate for administrative expenses of the Federal Prison System for services as authorized by 5 U.S.C. 3109 instead of $3,248,000 as proposed by the House.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

Amendment No. 39: Designates $45,000 as proposed by the Senate for official reception and representation expenses instead of $31,000 as proposed by the House.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language, not contained in the House bill, to waive the four year grant limitation on the receipt of Federal funds for multijurisdictional drug task forces.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language, not contained in the House bill, to make permanent, language contained in the fiscal year 1991 Appropriations Act to set the Federal match for the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant formula program at 75 percent.

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed in said amendment, insert the following:

SEC. 110. Notwithstanding 28 U.S.C. 1821, no funds appropriated to the Department of Justice in fiscal year 1992 or any prior fiscal year, or any other funds available from the Treasury of the United States, shall be obligated or expended to pay a fact witness fee to a person who is incarcerated testifying as a fact witness in a court of the United States, as defined in 28 U.S.C. 1821(a)(2).

SEC. 111. Effective 60 days after enactment of this Act—(a) Section 1930(a) of title 28, United States Code, as amended, is further amended—

(1) in subsection (3) by striking "$500" and inserting in lieu thereof "$600"; and

(2) in the second sentence of subsection (6), by striking "$150" and inserting in lieu thereof "$250", by striking "$300" and inserting in lieu thereof "$500", by striking "$750" and inserting in lieu thereof "$1,250", by striking "$2,250" and inserting in lieu thereof "$3,750", and by striking "$3,000" and inserting in lieu thereof "$5,000".

(b) Section 589a(b) of title 28, United States Code, as amended, is further amended—

(1) in subsection (2) by striking "three-fifths" and inserting in lieu thereof "50 percentum"; and

(2) in subsection (5) by striking "all" and inserting in lieu thereof "60 percentum".

(c) Section 589a of title 28, United States Code, as amended, is further amended by adding a new subsection as follows—

"(f) For the purpose of recovering the cost of services of the United States Trustee System, there shall be deposited as offsetting collections to the appropriation "United States Trustee System Fund", to remain available until expended, the following—

(1) 16.7 percentum of the fees collected under section 1930(a)(3) of this title;

(2) 40 percentum of the fees collected under section 1930(a)(6) of this title".

SEC. 112. Section 524 of title 28, United States Code as amended, is further amended—

(1) in subsection (c)(1), by deleting "purposes of the Department of Justice" and inserting in lieu thereof the following: "law enforcement purposes";

(2) by deleting subsection (c)(1)(C), and inserting in lieu thereof the following:

"(C) at the discretion of the Attorney General, the payment of awards for information or assistance leading to a civil or criminal forfeiture involving any federal agency participating in the Fund;";

(3) in subsection (c)(1)(F), by deleting the word "drug" preceding the words "law enforcement functions";

(4) in subsection (c)(1)(F), by deleting "the Drug Enforcement Administration, the Federal Bureau of Investigation, the Immigration and Naturalization Service, or the United States Marshals Service", and inserting in lieu thereof the following: "any federal agency participating in the Fund";

(5) by deleting subsection (c)(4) and inserting in lieu thereof the following:

"(4) There shall be deposited in the Fund—

"(a) all amounts from the forfeiture of property under any law enforced or administered by the Department of Justice, except all proceeds of forfeitures available for use by the Secretary of Treasury or the Secretary of the Interior pursuant to section 11(d) of the Endangered Species Act (16 U.S.C. 1540(d)) or section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375(d)), or the Postmaster General of the United States pursuant to 39 U.S.C. 2003(b)(7);

"(b) all amounts representing the federal equitable share from the forfeiture of property under any State, local or foreign law, for any federal agency participating in the Fund.";

(6) by inserting in subsection (c)(5), immediately following "Amounts in the Fund", the following: ", and in any holding accounts associated with the Fund";

(7) by addicting at the end of subsection (c)(9)(C) the following sentence:

"Further, transfers under subsection (B) may be made only to the extend that the sum of the transfers for the current fiscal year and the unobligated balance at the beginning of the current fiscal year for the Special Forfeiture Fund do not exceed $150,000,000."; and

(8) In subsection (c)(9)(E)—

(A) by deleting ", 1992", and inserting in lieu thereof "of each fiscal year thereafter";

(B) by deleting "to procure vehicles, equipment, and other capital investment items for the law enforcement, prosecution and correctional activities of the Department of Justice.", and inserting in lieu thereof the following:

"to be transferred to any federal agency to procure vehicles, equipment, and other capital investment items for law enforcement, prosecution and correctional activities, and related training requirements.".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment adds language, not included in the House bill, which continues in fiscal year 1992 the prohibition on the use of Justice Department funds for payment of witness fees to incarcerated persons testifying in Federal cases.

The conference agreement includes the Senate language, amended to include a prohibition on payments of witness fees to incarcerated persons, not only from amounts appropriated to the Justice Department, but also from any other funds available from the U.S. Treasury, such as the Judgment Fund. It is clearly the intent of Congress that incarcerated individuals not receive any witness fees, and this amendment clarifies that intent.

The conference agreement also includes new language, not in either the House or Senate bills, which attempts to address a serious backlog of bankruptcy cases being handled by the U.S. Trustees. This issue and a detailed discussion of the conference agreement is addressed earlier in the statement of managers under amendment number 25.

The conference agreement also includes new language, not included in either the

House or Senate bill, which amends sections of title 28 of the United States Code dealing with the Assets Forfeiture Fund. The changes are as follows: (1) expands the authority of the Attorney General to utilize Assets Forfeiture Fund balances for law enforcement agencies outside of the Department of Justice; (2) provides additional authority to deposit amounts into the Fund, to include the Federal share of seizures administered through State courts; (3) allows for the investment of balances contained in holding accounts; (4) limits to $150,000,000 the balance available in the Special Forfeiture Fund; and (5) extends the authorities provided the Attorney General to transfer obligated balances to agencies other than the Justice Department for fiscal year 1993 and beyond.

The conferees note that the section limiting amounts in the Special Forfeiture Fund will have no impact on that fund. Current law provides for the transfer of $150,000,000 each year into the Special Forfeiture Fund. This provisions does not change that transfer authority. If all funds available in the Special Forfeiture Fund are obligated each year, then $150,000,000 can still be transferred from the Assets Forfeiture Fund.

RELATED AGENCIES

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

Amendment No. 43: Appropriates $7,159,000 as proposed by the House instead of $7,617,000 as proposed by the Senate. The amount provided will allow the Commission to continue operating at the current year baseline level but does not allow for the re-opening of the remaining four (of the original ten) regional offices.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

Amendment No. 44: Appropriates $210,271,000 as proposed by the Senate instead of $209,875,000 as proposed by the House. The amount provides the full budget request including full funding of the Administration's request for the employment provisions of the Americans with Disabilities Act (ADA).

While the bill does not include proposed language creating an EEOC Technical Assistance Revolving Fund, the conferees are aware of interest in the establishment of such a fund by the EEOC authorizing committees. The conferees support this proposal, which will allow funds to be transferred from the Salaries and Expenses account to capitalize the revolving fund, but remind the Commission that such a transfer would be subject to the reprogramming procedures included in section 606 of this Act.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

Amendment No. 45: Appropriates $126,309,000 as proposed by the Senate instead of $67,929,000 as proposed by the House. The amount provided is a direct appropriation and does not include bill language proposed by the Administration which would have increased FCC licensing and enforcement fees.

The conference agreement includes $30,000 to permit the FCC to continue to subscribe to the Rutgers University Wireless Information Network Laboratory in fiscal year 1992. The conferees also expect the Commission to carry out, within Disabilities Act (ADA).

Amendement No. 46: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the Senate amendment.

The conference agreement includes language proposed by the Senate, and carried for several years in appropriations act, which : (1) prohibits the FEE and spending funds to repeal, retroactively restrict or continue a pending reexamination of current rules to promote ownership of broadcasting licenses by minorities and women; (20 prohibits the FCC from reducing the number of VHF channel assignments for noncommercial educational television stations; and (3) prohibits the use of funds to repeal, to retroactively apply changes in, or to begin or continue a reexamination of the rules and policies of the FCC regarding newspaper/broadcasting cross-ownership. The House bill contained no similar provisions.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

Amendment No. 47: Appropriates $17,600,000 instead of $17,317,000 as proposed by the House and $17,974,000 as proposed by the Senate. The amount provided includes the GSA rent reduction proposed by the House and does not included funding for an additional position requested for the Commission's Office of Inspector General.

The conferees are aware of a decision by the Commission not to file the vacant director's position in the FCC's New Orleans District Office because of budgetary constraints and to transfer the responsibilities of the New Orleans District Director to Houston. While the New Orleans office remains open, the conferees are concerned that any downgrading of that office could seriously impact the 17 states served by the New Orleans District. Therefore, the conferees expect the Commission to fill the New Orleans director vacancy as soon as possible within the funds provided in this Act.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

Amendment No. 48: Provides a total of $82,700,000 for the Federal Trade Commission instead of $78,892,000 as proposed by the House and $83,000,000 as proposed by the Senate.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$13,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $82,700,000 of which $13,500,000 shall be derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. This amount is based on the level of fees collected thus far in fiscal year 1991. The House had proposed $10,000,000 and the Senate has proposed $13,000,000 for this purpose.

The amount provided in the conference agreement includes the GSA rent reduction proposed by the House.

Amendment No. 50: Appropriates $69,200,000 instead of $68,892,000 as proposed by the House and $70,000,000 as proposed by the Senate.

Amendment No. 51: Reported in disagreement.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

Amendment No. 52: Adds language inserted by the Senate which clarifies the $100,000 limitation on expenses associated with consultations with foreign governmental and regulatory officials to include only those meetings hosted by the Securities and Exchange Commission. The House bill contained no similar provision.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which requires the SEC to raise the rate of fees under section 6(b) of the Securities Act of 1933 from one-fiftieth to one-thirty-second of one percent. The amendment also provides that these fees are to be deposited as an offsetting collection to this appropriation to recover costs of services of the securities registration process and are to remain available until expended. This increase in the rate of fees will generate an additional $68,307,000 for the SEC and when added to the $157,485,000 directly appropriated to the Commission will provide for the full budget request of $225,792,000. The House bill contained no provision on this matter.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

Amendment No. 54: Appropriates $13,550,000 for the State Justice Institute instead of $13,347,000 as proposed by the House and $13,588,000 as proposed by the Senate.

TITLE II—DEPARTMENT OF COMMERCE

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

Amendment No. 55: Appropriates $183,000,000 instead of $173,942,000 as proposed by the House and $188,950,000 as proposed by the Senate. The amount in the conference agreement is allocated as follows:

[In thousands of dollars]

Item	Conference agreement
Base request	$175,841
Building and fire research	350
Furniture flammability	250
Nonenergy inventions	150
Facilities	2,000
Semiconductors	1,500
Superconductors	1,500
Earthquake hazards	409
Light wave research	500
Intelligent machines	500
Total	183,000

Amendment No. 56: Provides a limitation of up to $11,386,000 for construction of research facilities as proposed by the Senate instead of $10,340,000 for this purpose as proposed by the House.

The conferees believe that the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing Sciences is making important contributions toward increasing U.S. competitiveness in manufacturing, and intend that the National Institute of Standards and Technology shall continue its support for the Center through December 31, 1992.

INDUSTRIAL TECHNOLOGY SERVICES

Amendment No. 57: Reported in technical disagreement. The managers on part of the House will offer a motion to recede and concur in the Senate amendment which adds a provision that waives any other provision of law concerning the use of funds contained in Amendment No. 58. The House bill contained no provision on this matter.

Amendment No. 58: Deletes a provision proposed by the Senate which would have prohibited any person incarcerated in a Federal or State penal institution from receiving any funds appropriated to carry out subpart 1 of part A of Title IV of the Higher Education Act of 1965. The provision would have also added language waiving any other provision of law concerning the State Extension Services Program—a subject which is addressed in the conference agreement on Amendment No. 57. The House bill contained no provision on this matter.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

FLEET MODERNIZATION, SHIPBUILDING AND CONVERSION

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

FLEET MODERNIZATION, SHIPBUILDING AND CONVERSION

For expenses necessary for the construction, acquisition, leasing, or conversion of vessels, including related equipment, for the National Oceanic and Atmospheric Administration, $33,200,000, to remain available until expended.

CONSTRUCTION

For construction, repair, and modification of facilities and minor construction of new facilities and additions to existing facilities, and for facility planning and design and land acquisition not otherwise provided for the National Oceanic and Atmospheric Administration, $34,917,000, to remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides, $33,200,000 for a new account entitled "Fleet Modernization, Shipbuilding and Conversion". Under the conference agreement, these funds will be available for construction, acquisition, leasing, or conversion of vessels including related equipment. The amount provided by the conference agreement includes $1,000,000 for development of a multibeam sonar.

The Senate had proposed an appropriation of $100,000,000 for the Fleet Modernization account for all of the purposes contained in the conference agreement except for the leasing of vessels. The conferees inserted the authority to lease vessels to allow NOAA to consider potentially cost effective proposals to lease vessels for bathymetric surveys of the United States Exclusive Economic Zone and fisheries research and surveys. The conferees encourage NOAA to consider such opportunities. The Senate had also proposed a limitation that would have prohibited the obligation or expenditure of these funds in foreign shipyards. The conferees have deleted this provision, but strongly recommend that the entire NOAA fleet modernization program be carried out by U.S. firms in U.S. shipyards.

The conferees intend that this new account should be part of a long-term program which could take up to 10 to 15 years to replace NOAA's aging fleet. The conferees expect NOAA to undertake a balanced, cost effective program that meets its program requirements without providing for wasteful excess capacity. The conferees are agreed that before obligating any of the funds contained in this account for any new construction, NOAA should review the option of acquiring excess Navy, Coast Guard, or other vessels, and in any event should submit a reprogramming request to the House and Senate Appropriations Committees under the reprogramming procedures of this Act before obligating any funds for any new construction. In addition, the conferees request that the Department of Commerce Inspector General continue his review of NOAA's Fleet Modernization Program, monitor NOAA's use of the funds provided in this account and submit a report to the House and Senate Appropriations Committees on this program by April 1, 1992 and every 6 months thereafter.

The conference agreement also provides a new appropriation for the construction, repair, facility, planning and design, and land acquisition requirements of the National Oceanic and Atmospheric Administration. This new account was not included in either the House or Senate bill. The following projects are funded in the Construction account pursuant to the conference agreement:

[In thousands of dollars]

Item	Conference agreement
NEXRAD facilities and land acquisition	$23,573
Beaufort, NC Lab	196
NOAA Facilities Initiative	2,000
(Charleston Fisheries Lab repairs)	(700)
Lafayette Fisheries Lab	1,250
Alaska Fisheries Center	1,000
Environmental Compliance Project	2,398
Relocation of San Francisco NWS	2,000
New Construction, Above Standards Costs, Boulder	2,500
Total	$34,917

The House bill contained no provision on any of these matters.

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

Amendment No. 60: Designates 439 commissioned officers on the active list for the NOAA corps of commissioned officers as proposed by the House instead of 416 officers as proposed by the Senate.

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activities pursuant to cooperative agreements:

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides language which will permit the appropriation to be used for grants, contracts, or other payments to nonprofit organizations for conducting activities pursuant to cooperative agreements. The Senate had proposed this language as well as a provision which would have authorized such grants, contracts, or other payments to nonprofit organizations pursuant to memoranda of understanding. The House bill contained no provision on this matter.

Amendment No. 62: Appropriates $1,453,928,000 instead of $1,381,550,000 as proposed by the House and $1,550,769,000 as proposed by the Senate.

The details of the conference agreement are provided in the following table, with appropriate comparisons:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	1991 currently available	Fiscal year 1992—				
		1992 base	Total request	House	Senate	Recommended conference
National Ocean Service						
Mapping, Charting and Geodesy:						
Mapping and Charting	$29,727	$30,371	$30,371	$29,915	$30,371	$30,371
ANCS II	1,644	1,636	1,636	1,611	1,636	1,636
Great Lakes Mapping Project	500	498	0	491	500	500
Subtotal	31,871	32,505	32,007	32,017	32,507	32,507
Geodesy	15,999	16,255	16,255	16,011	16,255	16,255
SC Cooperative Geodesy Survey	577	574	0	0	577	577
Land Information System	1,836	1,827	0	1,800	1,800	1,800
Subtotal	18,412	18,656	16,255	17,811	18,632	18,632
Total, Map., Chart. and Geodesy	50,283	51,161	48,262	49,828	51,139	51,139
Observation and Assessment:						
Observation and Prediction	10,826	11,143	11,143	10,976	11,643	11,643
Circulatory Survey Program	773	769	372	757	372	769
California Marine Obs. Buoys	151	150	0	148	0	150
Tampa Bay Mapping Project	1,500		0	0	0	0
Ocean Services	4,800	4,776	4,776	4,704	4,776	4,776
Gulf of Maine Data Collection	250		0	0	250	250
COAP	550	497	497	490	0	490
Subtotal	18,850	17,335	16,788	17,075	17,041	18,078
Estuarine and Coastal Assessment	2,184	2,300	2,300	2,266	2,300	2,300
Ocean Assessment Program	12,693	12,630	12,630	12,441	12,630	12,630
Damage Assessment	2,500	2,500	2,500	2,463	2,500	2,500
New York Bight Center	0	0	0	0	3,000	0
Prince William Sound Oil Spill	2,000	2,000	4,500	1,970	4,500	4,000
Oil Pollution Act of 1990	0	0	0	0	0	1,500
Victorial Bluff Tract, S.C. Acquis	0	0	0	0	0	1,000

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—Continued

	1991 currently available	1992 base	Fiscal year 1992—		Senate	Recommended conference
			Total request	House		
New England/Gulf of Maine Research	0	0	0	0	3,000	0
SC Wetlands Demo. Project	1,400	1,393	0	0	2,800	1,900
LI Sound	1,000	995	0	0	0	0
Damage Assess. Transfer	500	500	12,000	11,993	12,000	6,500
Subtotal	22,277	22,318	33,930	31,133	42,730	32,330
Coastal Ocean Science	10,846	10,290	17,290	10,136	12,000	11,500
Subtotal	10,846	10,290	17,290	10,136	12,000	11,500
Total, Observation and Assessment	51,973	49,943	68,008	58,344	71,771	61,908
Ocean and Coastal Management:						
Coastal Management:						
CZM Grants	35,939	34,452	25,055	34,931	34,931	34,931
CZM Program Administration	3,394	3,336	2,839	3,915	4,000	4,000
Acqu. of Estuarine Sanctuaries	3,473	3,456	3,456	3,455	4,000	3,705
Charleston, SC. Spec Area Mgt	400	0	0	0	1,000	1,000
Non-Point Source Pollution	0	0	0	2,000	2,000	2,000
Subtotal	43,206	41,244	31,350	44.301	45,931	45,636
Ocean Management	1,723	1,666	1,666	1,642	1,666	1,666
Marine Sanctuary Program	3,822	3,803	3,306	4,746	5,500	5,000
Farallon Islands Damage Assess	500	0	0	0	0	0
Hawaii Humpback Mrne. Sanct	250		0	0	150	150
Subtotal	6,295	5,469	4,972	6,387	7,316	6,816
Coastal America			5,000	0	0	0
Total, Ocean and Coastal Mgmnt	49,501	46,713	41,322	50,688	53,247	52,452
Total, National Ocean Service	151,757	147,817	157,592	158,860	176,157	165,499
National Marine Fisheries Service						
Information Collection and Analysis:						
Resource Information	57,757	50,354	50,354	49,599	50,354	50,354
Conservation Eng./By Catch	750	746	746	735	746	746
Bering Sea Pollock Research	1,000	995	995	980	1,000	1,000
Alaskan Groundfish Surveys	700	697	697	687	700	700
Aquaculture	2,702	2,689	467	2,649	2,689	2,689
Stuttgart	2,750	550	0	542	600	600
Multispecies Aquaculture Center	0	0	0	0	0	110
West Coast Groundfish	843	839	839	826	1,050	839
Fish Cooperative Inst. Enhancement	0	0	0	0	400	400
Pacific Salmon Treaty Program	5,000	4,975	4,663	5,900	5,900	5,900
Protected Species Research	2,899	2,885	2,240	3,842	2,885	3,842
Marine Mammal Research	2,000	1,990	2,990	2,960	2,410	2,410
Hawaiian Monk Seals	0	0	0	0	550	550
Stellar Sea Lion Recovery Plan	0	0	0	0	1,500	1,500
SEAMAP	938	933	933	1,419	933	1,419
Habitat Research/Evaluation	500	498	0	491	500	500
Chesapeake Bay Studies	2,000	1,990	0	1,960	2,500	2,000
MARFIN	2,986	2,971	2,971	2,926	4,971	4,000
Right Whale Research	235	234	0	230	230	230
Gear Entanglement Studies	703	700	700	690	800	700
Alaska Salmon Research	2,300	2,289	0	2,255	0	0
Hawaii Stock Management Plan	400	398	0	392	750	750
Lobster Research	0	0	0	0	300	300
Yukon River Chinook Study	235	234	0	230	735	735
Atlantic Bluefin Tuna Research	0	0	0	0	350	350
Antarctic Research	1,300	1,294	0	1,275	2,000	1,275
New England Stock Depletion	647	644	644	1,134	1,400	1,200
Atlantic Salmon Research	500	498	0	491	1,000	750
Oyster Disease Research	1,352	1,345	0	1,325	1,345	1,500
Laboratory Consolidation			(5,000)	0	(1,300)	(1,300)
North Carolina Marlboro Island	1,000		0	0	0	0
Gulf of Maine Groundfish Survey	500	498	0	491	800	600
Dolphin Research	400	398	0	0	0	0
Dolphin Safe Technologies	0	0	0	0	1,000	750
Fishery Res. Data Error Reduct	0	0	2,000	0	2,000	1,000
Protected Species Pop. Assess	0	0	1,000	0	0	0
Hawaiian Sea Turtles	0	0	0	0	250	250
Center for Shark Research	0	0	0	0	0	150
Subtotal	92,397	81,644	67,239	84,029	91,348	88,799
Fishery Industry Information:						
Fish Statistics/Monitoring	11,388	11,173	12,173	11,005	13,873	13,873
PACFIN/Catch Effort Data	2,000	1,990	1,990	2,460	2,000	2,200
Rec. Fishery Harvest Data			1,800	1,000	2,800	2,200
Subtotal	13,388	13,163	15,963	14,465	18,673	18,273
Information Analysis and Diss	19,288	19,936	19,936	19,637	19,936	19,936
Computer Hardware and Software	1,700	1,692	4,992	1,667	3,992	2,800
Subtotal	20,988	21,628	24,928	21,304	23,928	22,736
Total, Info. Coll. and Analyses	126,773	116,435	108,130	119,798	133,949	129,808
Conservation and Management Ops.:						
Fisheries Management Program	12,159	12,446	12,446	12,259	12,446	12,446
Columbia River	10,300	10,249	0	10,095	14,249	13,000
Management of George's Bank	471	469	0	0	1,000	500
Beluga Whale Committee	0	0	0	0	200	200
Pacific Tuna Management	0	0	0	0	2,000	1,700
Smolt/Squawfish	100	100	0	99	120	120
Columbia River Endg. Spec. Stdy	300	299	0	0	300	300
Regional Councils	8,500	8,458	7,166	8,331	9,450	9,200

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—Continued

	1991 currently available	1992 base	Fiscal year 1992—		Senate	Recommended conference
			Total request	House		
Subtotal	31,830	32,021	19,612	30,784	39,765	37,466
Protected Species Management	4,758	3,817	3,817	3,760	3,817	3,817
End. Species Act Recovery Plan	235	234	234	230	234	234
Marine Mammal Prot. Act Impl	7,500	7,463	7,463	7,351	7,463	7,463
Driftnet Act Implementation	4,300	4,279	3,286	4,215	4,879	4,500
Recyclable fishing nets study	....	....	....	....	150	150
Hrbr Seals, Sea Lions (Sec. 109)	36	36	0	0	36	0
East Coast Observers	....	....	....	....	1,500	750
Fishery Observer Training	200	199	0	0	200	100
ESA Listing and Status Reviews	....	....	1,000	1,000	1,000	1,000
Tissue Bank and Stranding Ntwrk	....	....	500	0	500	250
Subtotal	17,029	16,028	16,300	16,556	19,779	18,264
Habitat Conservation	5,857	5,708	5,708	6,622	5,708	6,000
Enforcement and Surveillance	9,385	10,034	10,034	9,883	12,034	11,000
Total, Cons. and Mgmnt Operations	64,101	63,791	51,654	63,845	77,286	72,730
State and Industry Assist. Programs:						
Grants To States;						
Interjuris. Fisheries Grants	3,523	3,483	0	3,431	3,483	3,483
Anadromous Grants	2,354	2,342	0	2,307	2,342	2,342
Anadromous Fishery Project	0	0	0	0	0	200
Striped Bass Grants	471	469	0	462	471	471
Interstate Fish Commissions	330	328	0	323	328	328
Seafood Business Education Center	0	0	0	0	0	300
Subtotal	6,678	6,622	0	6,523	6,624	7,124
Fisheries Development Program:						
Fisheries Trade Promotion Act	1,388	1,793	1,793	1,766	1,793	1,793
Product Quality and Safety	9,058	8,873	7,483	8,740	8,873	8,873
Fish Oils	942	937	0	0	937	937
Export Strategies/Mahi Mahi	470	468	0	461	800	800
Model Seafood Inspection Pgm	330	328	0	0	0	0
Shellfish Water Stds. Research	1,500	1,493	0	1,471	0	1,471
Seafood Consumer Center	1,000	995	0	0	0	0
Seafood Inspection	....	....	6,500	0	6,500	3,000
Subtotal	14,688	14,887	15,776	12,438	18,903	16,874
Total, State and Industry Assist	21,366	21,509	15,776	18,961	25,527	23,998
Total, NMFS	212,240	201,735	175,560	202,604	236,762	226,536
Oceanic and Atmospheric Research:						
Climate and Air Quality Research:						
Interannual and Seasonal Clim. R	8,264	8,248	8,248	8,124	8,248	8,248
Long-Term Climate and AQ Research	23,515	24,123	24,123	23,761	24,123	24,123
Nat'l Acid Precipitation Ass	1,487	1,480	1,480	1,458	1,480	1,480
Subtotal, Long Term Clim and AQ R	25,002	25,603	25,603	25,219	25,603	25,603
Climate and Global Change	47,253	46,979	77,779	46,274	46,274	47,000
National Climate Program:						
National Climate Program Office	1,090	1,085	0	0	0	0
Subtotal	1,090	1,085	0	0	0	0
Total, Climate and Air Quality Res	81,609	81,915	111,630	79,617	80,125	80,851
Atmospheric Programs:						
Weather Research	28,039	28,438	28,438	28,011	28,438	28,438
PROFS	3,766	3,747	1,877	1,821	3,246	2,500
Wx. Modification Matching Grnts	2,763	2,749	0	2,708	2,749	2,749
Wind Profiler	5,696	5,668	1,480	1,393	5,668	5,000
Subtotal	40,264	40,602	31,795	33,933	40,101	38,687
Solar-Terr. Svcs. and Research	4,724	4,866	5,366	4,793	5,366	5,000
Southeastern Storm Research	....	....	....	....	....	400
Total Atmospheric Programs	44,988	45,468	37,161	38,726	45,467	44,087
Ocean and Great Lakes Programs:						
Marine Prediction Research	8,416	8,893	8,893	8,760	8,893	8,893
GLERL	4,722	4,748	4,251	4,677	4,748	4,748
GERL-Zebra Mussel	1,000	995	0	980	980	980
Lake Champlain Study	0	0	0	0	250	200
Pacific Island Tech. Assist	0	0	0	0	250	200
U.N.H. Marine Research	0	0	0	0	2,000	2,000
Vents	2,600	2,587	0	2,548	2,600	2,600
SE US/Carribean FOCI Program	1,192	1,186	0	1,168	0	1,168
Prince William Sound Institute	0	0	0	0	2,000	500
Florida Laboratory Study	200	....	0	0	0	0
Oceanology	100	....	0	0	0	0
Subtotal	18,280	18,409	13,144	18,133	21,721	21,289
Sea Grant:						
Sea Grant College Program	40,824	40,496	25,055	39,889	43,000	41,000
Sea Grant-Zebra Mussel	2,248	1,990	0	2,960	2,000	2,960
Sea Grant—Brown Algae	0	0	0	0	0	50
National Coastal R&D Institute	1,000	995	0	980	1,000	1,000
Subtotal	44,072	43,481	25,055	43,829	46,000	45,010
Undersea Research Program:						
NOAA Undersea Research Program	17,309	16,202	0	15,959	15,959	15,202
Regional Marine Research Centers	0	0	0	0	0	6,500
New York Bight	0	0	0	0	0	(2000)
NE/Gulf of Maine Center	0	0	0	0	0	(2000)
National Centers	0	0	0	0	0	(2500)
Tropical Research/Key Largo	400	400	0	394	0	394

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—Continued

	1991 currently available	1992 base	Fiscal year 1992—		Senate	Recommended conference
			Total request	House		
Subtotal	17.709	16,602	0	16,353	15,959	22,096
Total, Ocean & Great Lakes Pgms	80,061	78,492	38,199	78,315	83,680	88,395
Total, Oceanic and Atmospheric R	206,658	205,875	186,990	196,658	209,272	213,333
National Weather Service						
Local Warnings and Forecasts	258,163	259,430	259,430	255,539	259,430	259,430
NWS Base Restoration/Pay Raise					4,750	3,000
MARDI	10,000	9,951	11,732	9,802	5,500	9,000
WSFO's-Reduc 8 Stations	787	783	0	771	783	783
Southern Region HQ	852	848	0	835	848	848
Data Buoy Engineering and Test	540	537	0	0	540	540
Data Buoy Maint. for Hawaii	565	562	0	0	565	565
Pacific and Alaska Regional HQ	383	381	0	375	381	381
Agricultural and Fruit Forst Pgm	2,424	2,412	0	2,376	2,412	2,412
Fire Weather Service	470	468	0	461	468	468
Susquehanna R. Basin Flood Svcs	700	697	0	687	697	697
Flood Warning System/Colorado R	300	299	0	295	600	300
Contract Observers	200	199	0	196	200	200
Base Reduction/Equip. Maint	(54)	(54)	(2,054)	0	0	0
Samoa	300	0	0	0	250	250
Regional Climate Centers	2,050	2,041	0	2,010	3,140	3,140
SLOSH Calibration	0	0	0	0	400	400
California Data Buoys	0	0	0	0	0	220
Columbia River Weather Buoy						555
Subtotal	277,680	278,554	269,108	273,347	280,964	282,689
Central Forecast Guidance	28,412	28,189	28,189	27,766	28,189	28,189
Atmospheric and Hydrological Res	2,312	2,296	2,296	2,262	2,296	2,296
Total, Operations & Research	308,404	309,039	299,593	303,375	311,449	313,174
Systems Acquisition:						
Public Warnings and Forecast Syst						
NEXRAD	129,273	113,822	117,646	78,757	117,646	83,427
ASOS	12,506	12,444	13,829	12,257	13,829	13,829
AWIPS/NOAAPORT	20,608	19,909	54,412	19,610	54,412	25,778
NMC Supercomputer Upgrade	7,267	7,231	23,138	11,723	23,138	9,000
System delays/execution					(53,418)	0
Total, Systems Acquisition	169,654	153,406	209,025	122,347	155,607	132,034
Total, National Weather Service	478,058	462,445	508,618	425,722	467,056	445,208
NESDIS						
Satellite Observing Systems:						
Polar Spacecraft & Launching	50,593	50,334	152,144	146,289	152,144	130,289
GOES Spacecraft & Launching	109,229	108,607	148,112	106,978	148,112	118,000
Environmental Observing Svcs	48,418	48,818	53,518	48,086	48,086	48,086
Landsat Operations	9,500	9,453	17,153	9,311	4,500	7,560
Subtotal	217,740	217,212	370,927	310,664	352,842	303,935
Landsat Commercialization	34,755	34,562	0	0	0	2,000
Total, Satellite Observing Syst	252,495	251,774	370,927	310,664	352,842	305,935
Env. Data Management Systems	22,187	22,758	22,758	22,417	22,758	22,758
Data and Information Services		7,000	12,600	11,395	7,000	10,000
Total, Env. Data Management Syst	22,187	29,758	35,358	33,812	29,758	32,758
Total, NESDIS	274,682	281,532	406,285	344,476	382,600	338,693
Program Support						
Administration and Services:						
Executive Director and Admin.	25,376	25,844	25,844	25,456	25,456	25,456
Model Bureau Accounting Syst			1,750	0	0	0
Estuarine Program Office			(500)	0	(500)	(500)
Subtotal	25,376	25,844	27,094	25,456	24,956	24,956
Central Administrative Support	37,435	38,991	38,991	38,406	38,406	38,406
Retired Pay Commissioned Off	5,277	5,638	5,638	5,553	5,638	5,638
Total, Administration and Services	68,088	70,473	71,723	69,415	69,000	69,000
Facilities:						
Maintenance	3,946	1,988	1,988	1,958	1,988	1,988
Woods Hole Fish Lab	670	0	0	0	0	0
Woods Hole Marine Biomedical Inst	0	0	0	0	2,000	2,000
Germantown Fire	1,600				0	0
Subtotal	6,216	1,988	1,988	1,958	3,988	3,988
Consolidation	3,000	2,926	2,926	2,882	2,926	2,926
Subtotal	3,000	2,926	2,926	2,882	2,926	2,926
Total, Facilities	9,216	4,914	4,914	4,840	6,914	6,914
Marine Services:	59,475	62,654	62,654	61,714	59,954	61,514
DAVIDSON	2,400	2,390	0	0	0	0
ALBATROSS IV	1,600	1,592	0	768	1,200	1,000
Marine Electronics Agenda	750	746	0	735	0	735
New England Science Center						200
Southeast Marine Center	282	281	0	277	0	277
NOAA Corps			(1,500)	0	(1,500)	0
Critical Maintenance			4,000	0	0	0
Supplemental—Fuel	1,274				0	0
Total, Marine Services	65,781	67,663	65,154	63,494	59,654	63,726
Supplemental—Fuel	126					
Aircraft Services	8,614	8,916	8,469	8,782	8,900	8,900
Total, program support	151,699	151,966	150,260	145,531	144,468	148,540
Restor GRH Reduction			0		0	0
SLUC Adjustment			0	(4,517)	0	(4,517)

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—Continued

	1991 currently available	1992 base	Fiscal year 1992— Total request	Fiscal year 1992— House	Senate	Recommended conference
FY 1991 ORF Sequester	(19)	0	0	0	0	0
Data Management Reprogramming Adjust	....	11	(6)	....	11	11
Total direct obligations	1,475,075	1,451,381	1,585,299	1,470,334	1,616,326	1,533,303
Reimbursable Obligations	429,357	429,357	365,116	365,116	365,116	365,116
Total Obligations	1,904,432	1,880,738	1,950,415	1,835,450	1,981,442	1,898,419
Financing:						
Unobligated Balance, Start of Year	(39,738)	....	0	0	0	0
Recoveries of Prior Year Oblig	(6,000)	....	(6,000)	(9,775)	(9,605)	(9,775)
Offsetting Collections From:						
Federal Funds	(363,004)	....	(288,024)	(288,024)	(288,024)	(288,024)
Non-Federal Funds	(31,832)	....	(41,703)	(41,703)	(41,703)	(41,703)
Trust Funds	(34,521)	....	(35,389)	(35,389)	(35,389)	(35,389)
Subtotal, Financing	(475,095)	0	(371,116)	(374,891)	(374,721)	(374,891)
Budget Authority	1,429,337	1,880,738	1,579,299	1,460,559	1,606,721	1,523,528
Transfers:						
From "Promote & Develop . . . American Fisheries"	(60,900)	....	(70,800)	(69,738)	(56,600)	(63,100)
From "Damage Assessment and Rest. Revolving Fund"	(5,500)	....	(12,000)	(12,000)	(12,000)	(6,500)
From "Coastal Energy Impact Fund"	(7,000)	....	0	0	0	0
Subtotal, Transfers	(73,400)	0	(82,800)	(81,738)	(68,600)	(69,600)
Appropriation	1,355,937	1,880,738	1,496,499	1,378,821	1,538,121	1,453,928
Other Accounts: Budget Authority:						
Construction	0	0	0	0	0	34,917
Coastal Zone Management Fund	0	0	0	0	0	0
Fisheries Promotional Fund	2,000	0	0	250	250	(250)
Promote and Develop Fisheries	7,855	0	0	0	0	0
Fishing Vessel and Gear Damage Fund	1,202	1,300	1,300	1,281	1,281	1,281
Fishermen's Contingency Fund	1,000	1,000	1,000	1,000	1,000	1,000
Foreign Fishing Observer Fund	1,997	2,026	2,026	1,996	1,000	1,000
Damage Assess. and Restor. Rev. Fund	(500)	0	(12,000)	(12,000)	(12,000)	(12,000)
Coastal Energy Impact Fund	(7,000)	0	0	0	0	0
Federal Ship Financing Admin. Exp	3,295	0	0	3,400	0	2,700
Oil Spill Liability Trust Fund	0	0	0	0	0	0
Aviation Weather Serv. Trust Fund	34,521	35,389	35,389	34,858	35,389	35,389
Fleet Mod., Shipbuilding and Conv	0	0	0	0	100,000	33,200
Emerg. Weather Satellite Con. Fund	0	0	0	0	110,000	110,000
Total, NOAA Budget Authority	1,473,707	1,920,453	1,607,014	1,491,344	1,843,641	1,731,015

NATIONAL OCEAN SERVICE

The conference agreement provides $11,500,000 for the Coastal Ocean Science program. Of this amount, $700,000 is allocated for estuary research by the University of South Carolina's School of Public Health and the Baruch Institute.

The conference agreement provides $11,643,000 for observation and prediction. The conferees agree that $500,000 of this amount is to be used to replace current meters, tide gauges and geodetic reference markers in South Carolina lost as a result of Hurricane Hugo.

The conference agreement includes $250,000 to continue to pursue priority Gulf of Maine program activities, including monitoring and data management, as identified in the Gulf of Maine action plan and the Gulf of Maine Marine Environmental Quality Monitoring Plan.

The conference agreement provides $51,636,000 for coastal zone management programs. Of this amount, $40,931,000 is available for CZM grants ($6,000,000 is provided through the appropriation "Coastal Zone Management Fund"), of which up to $600,000 is for section 305 program development grants for the States of Texas, Ohio, and Minnesota. The conferees have provided an increase of $249,000 over base requirements in the Estuarine Sanctuaries program and recommend that these funds be used to expand the Padilla Bay Reserve in Washington.

It is the conferees' intent that the National Oceanic and Atmospheric Administration provide financial support and technical assistance to help plan, develop, and acquire educational maritime exhibits as part of the Seattle cultural, science, and technology maritime interpretive center. The Maritime Educational Center is supported by the City and Port of Seattle, other State and local agencies, and nonprofit organizations. The conferees expect the National Oceanic and Atmospheric Administration to report to the Congress on its activities in this regard six months after enactment of H.R. 2608.

The conferees have included $1,000,000 for a grant to the South Carolina Coastal Council for the acquisition of the Victoria Bluff Tract in Beaufort County, South Carolina. This 154 acre parcel of property will be used for a nature park and potentially a state marine fish hatchery. This direct grant is in addition to the FY 1992 allocation of Coastal Zone Management grant funds to South Carolina and it is not intended to be subject to the program's procedures.

NATIONAL MARINE FISHERIES SERVICE

The conference agreement provides $150,000 to establish a Center for Shark Research at Mote Marine Laboratory in Sarasota, Florida. The pending adoption of a Federal Management Plan for the U.S. Atlantic, Gulf of Mexico, and Caribbean shark fishery indicates that sharks are a valuable resource that must be managed wisely. In its first year of operation, the center would: 1) enhance public awareness; 2) conduct research; and 3) host an international conference on conservation and management of shark populations.

The conference agreement includes $110,000 to initiate a Multi-species Aquaculture Center in New Jersey. These funds are to be used to make a grant for site selection, preliminary design and engineering. The purpose of this project is to facilitate the development of aquaculture in New Jersey and the northeast. The conferees are agreed that NOAA should consider a proposal from Rutgers University on this matter.

The conferees intend that the $1,500,000 provided for the Stellar Sea Lion recovery plan be used to conduct studies recommended by the recovery plan, and that at least 50 percent of those funds be made available to the State of Alaska to undertake Stellar Sea Lion research consistent with the recovery plan.

The conference agreement includes $1,700,000 for Pacific Tuna and Billfish management activities. This funding will be used to implement the 5-year plan development by the Western Pacific Regional Fishery Management Council in conjunction with the Pacific Basin Development Council. The conferees agree that these funds go only to the Joint Institute for Maine and Atmospheric Research which was created under the terms of a Memorandum of Understanding between NOAA and the University of Hawaii, and that these funds are to supplement, not supplant, fiscal year 1992 funds already intended to support the Western Pacific Regional Fishery Management Council.

The conferees agree to provide $4,200,000 for recreational fisheries base programs and initiatives. Of these amounts, $3,000,000 is to be used to implement data error reduction for the Atlantic and Gulf survey which covers high value recreational species such as king and spanish mackerel, snappers and groupers.

With respect to the National Indicator Study (NIS), the conferees expect NOAA to re-establish a cooperative agreement with the Louisiana Universities Marine Consortium (LUMCON). LUMCON will act as the lead academic administrative organization and fiscal agent to carry out the scientific management of the program. The conferees also expect NOAA to make any necessary changes to the Memorandum of Understanding between the National Marine Fisheries Service and the Interstate Shellfish Sanitation Conference (ISSC) to effectively implement the cooperative agreement with LUMCON. However, the conferees expect the ISSC to maintain its important role in establishing priorities, directing, and overseeing the NIS. Finally, the conferees expect NOAA to complete the proposal process and disperse research funding no later than 90 days after submission of the grant application. No more than 5 percent of the total appropriations for the NIS may be used for NOAA administrative purposes.

The conference agreement includes $4,000,000 for the marine fisheries initiative (MARFIN). Of this amount, $500,000 is included to initiate the South Atlantic phase of MARFIN. The expansion is intended as a coordinated research program involving NOAA, North Carolina, South Carolina, Georgia, and Florida, Sea Grant and independent universities. The sum of $1,300,000 of the amount provided for MARFIN is provided to implement a program for assessing the impact of incidental harvest by the shrimp trawl industry on the fisheries in the Southeast and Gulf of Mexico. This program is explained more fully in Senate report 102-106.

The conferees concur with the Senate report language directing that Mitchell Act hatcheries be operated in a manner so as to implement a program to release fish in the upper Columbia River basin above the Bonneville Dam to assist in the rebuilding of upriver naturally-spawning salmon runs. However, the managers also note that similar language was included in the Senate report in past years and no significant program changes were implemented. In light of the potential listing of certain upriver stocks under the Endangered Species Act, the managers are concerned that a disproportionate percentage of hatchery fish are released in the lower Columbia River (approximately 103,000,000 smolts below The Dalles Dam versus 3,000,000 smolts above The Dalles Dam), and that little effort is being made to release fish in the upper river to supplement natural production.

Accordingly, the conferees strongly urge NOAA to consult with Columbia River treaty fishing tribes and State and Federal fishery agencies and report to the Committees within 120 days of enactment of the FY 1992 appropriations Act on a ten-year plan consistent with Chapter C entitled "Supplementation" of the *Integrated System Plan* unanimously submitted to the Northwest Power Planning Council on June 1, 1991, by the member tribes and agencies of the Columbia Basin Fish and Wildlife Authority. The implementation of such a plan should result in a significant percentage of fish reared in Mitchell Act hatcheries being released in the upper Columbia River basin consistent with the original intent of the Mitchell Act.

In addition to the supplementation program described above, the managers urge that the National Oceanic and Atmospheric Administration consult immediately within the framework of the U.S. v. Oregon Columbia River Management Plan on implementing a pilot program to transfer smolts from lower Columbia River hatcheries for release above The Dalles dam, taking into account the program's feasibility. Any program adopted should not interfere with genetic integrity of existing wild salmon populations.

The conferees are concerned that NOAA's marine mammal research activities should include a focus on marine mammal-fisheries interactions, particularly with fisheries in danger of restrictions due to such interactions.

The conferees agree to provide $300,000 for a grant to a qualified institution to develop and promote innovative post-secondary education and research in the field of seafood business management and operations. The conferees acknowledge the fine program at Kingsborough Community College Center for Marine Development and Research, New York, which has developed such an educational program to train young people from New York's inner city.

OCEANIC AND ATMOSPHERIC RESEARCH

The conferees agree to provide $15,202,000 for the NOAA Undersea Research Program. The conferees also agree that $3,200,000 is included for the Hawaiian Undersea Research Laboratory (HURL) as described in the Senate report (102-106).

The conferees agree to provide $6,500,000 for regional marine centers as authorized by Title IV of the Marine Protection, Research and Sanctuaries Act. Of this amount, $2,000,000 each is provided for the New York Bight Center and the New England/Gulf of Maine Center. The amount of $2,500,000 is available for other regional centers.

With respect to the New York Bight Center, the conferees expect the NOAA Administrator to conduct a solicitation and review to establish a new undersea research center for the New York Bight (the waters of the Atlantic Ocean, north of Cape May, New Jersey, and west of Montauk, New York). The conferees are agreed that this solicitation should exclude existing centers. The conferees expect that the new center will be established at a university in a State bordering the New York Bight with an established record in conducting advanced undersea marine science research. The conferees expect that final selection of the university at which the center will be established shall be completed by the end of the calendar year 1991, and that initial funding for this center will be at least $2,000,000 and made available no later than March 1, 1992.

The conferees intend that these funds be used to support operation, administration, and research at the new center and will include a scientific program to sustain the long-term ecosystem research on the continental shelf, slope and rise. Until the center is established, the conferees expect that the Rutgers Institute of Marine and Coastal Sciences shall continue as the acting undersea center to continue long-term research programs with the U.S. Geological Survey, Woods Hole Oceanographic Institution, Rutgers University, the University of Maryland, and the University of Connecticut on the continental shelf, slope and rise, at the funding level reserved for the new center.

The conferees recommend that the National Oceanic and Atmospheric Administration work cooperatively with the Department of State and the International Joint Commission in planning scientific research that NOAA will subsequently carry out to provide Great Lakes resource managers with knowledge required to overcome critical environmental problems in the Great Lakes. The conferees make this recommendation in the acknowledgement of U.S. research and monitoring obligations outlined in Annexes 11-17 of the U.S.-Canada Water Quality Agreement (1987 Revision).

The conferees have included $500,000 for the Prince William Sound Oil Spill Recovery Institute. The conferees note that section 5001(b) of the Oil Pollution Act of 1990 specifically restricts the Prince William Sound Oil Spill Recovery Institute to the development of techniques and equipment for responding to arctic and subarctic marine oil spills and to research directly related to the *Exxon Valdez* oil spill and its effects. In addition, the funds shall not be used to initiate or support litigation on behalf of any party, or to influence any decision by any branch of government. The conferees intend that the Secretary of Commerce, through the Secretary's statutory authority as Chairman of the Advisory Board of the Institute, should ensure that the Institute's activities are in compliance with the Oil Pollution Act. The conferees further intend that the Secretary of Commerce keep the appropriate committees of the House and Senate apprised of the Institute's activities on a quarterly basis.

The conferees have included $400,000 for tornado and severe thunderstorm research in the southeastern coastal plain of the United States. The meteorological dynamics of such storms in this region differ significantly from the storms in the Midwest. These research activities should be conducted through a cooperative research program established with a consortium of southeastern universities with qualified atmospheric science research capabilities.

The conferees note the availability of surplus property and U.S. Department of Defense resources allocated to the Navy's oceanographic research work. The conferees expect that NOAA will work in cooperation with the Oceanographer of the Navy to accomplish its oceanic and atmospheric research objectives and will use, to the maximum extent possible, these other available resources of the Department of Defense, the Navy, and the United States Government.

NATIONAL WEATHER SERVICE

The conferees have included $155,607,000 for National Weather Service Modernization. Land acquisition and construction costs for the Next Generation Weather Radar program (NEXRAD) are provided for in a new construction account.

The conferees are pleased that the Department of Commerce and the NEXRAD prime contractor have resolved their contract dispute. The conferees have included $107,000,000 to fully fund the FY 1992 requirements consistent with the agreement. Accordingly, NOAA is expected to monitor the NEXRAD program closely and ensure that systems are delivered on schedule and meet performance specifications. It is essential that the NEXRAD doppler radars be deployed expeditiously to help reduce the loss of life due to severe weather.

The conferees agree to provide $9,000,000 for the procurement of a Class VII supercomputer for the National Meteorological Center (NMC) in Suitland, MD, through a lease purchase agreement funded over several years. The conferees agree that the National Meteorological Center needs a new computer to augment the NMC's large scale computational resources and to provide for a complete back-up system in the event of a system failure. This computer should utilize the same operating system software and language compilers that are used on the current system. The conferees strongly urge that any computer be procured from an American vendor.

The conference agreement includes $55,000 to replace a package of meteorological instruments on a buoy at the mouth of the Columbia River. These instruments are no longer operable, and are necessary to provide wind, wave, and weather conditions to ships that cross the Columbia River Bar. The conferees also agree to provide $400,000 for data buoys in California.

The conferees agree with the direction in the Senate report (102-106) that requires the National Weather Service to develop improved safeguards intended to ensure that National Weather Service forecasts or any information about the content of the forecasts are not made available to individuals outside the National Weather Service until the forecasts are released to the general public.

The conferees note the proposal of the National Oceanic and Atmospheric Administration to relocate the New York City forecast office of the National Weather Service to Brookhaven, Long Island. The conferees request and expect NOAA to respond to the concerns raised by the lead National Weather Service forecaster in the New York City forecast office and submit the responses to the House and Senate Appropriations Committees no later than November 1, 1991.

The conferees are aware of NOAA's interest in relocating its Aircraft Operations Center from its current location in private leased space in Miami, Florida. The conferees believe that it might be desirable to relocate this facility to another site in the southeast, and potentially to a military air base or station. Therefore, the NOAA Administrator should submit a study on this issue to the House and Senate Appropriations Committees by March 1, 1992. This study should examine cost and operational impacts of other sites, including but not limited to Charleston, South Carolina, and Jacksonville, Florida.

The conference agreement maintains all National Weather Service stations across the country at least at current operating levels. The conferees further agree that NOAA shall take no action to plan for or to implement any reduction in the Jackson, KY, and Greenville/Greer, SC, Weather Service Offices. The increase provided for the Weather Service is intended to eliminate any financial rationale for reducing these stations. The conferees are concerned that the unique climatological and meteorological conditions at the Jackson and Greenville/Greer stations make any potential proposal to close these stations a risk to the life and safety of residents of these areas.

NESDIS

The conferees have reviewed and approved the Secretary of Commerce's recovery plan for the geostationary "GOES" weather satellite program. The conference agreement aligns funding to enable the Secretary to implement this program. The conference agreement provides a total of $228,000,000 for the GOES program in two separate appropriation accounts. In total, the conference provides $79,888,000 more than the budget request for geostationary weather satellite programs.

Within the "Operations, Research and Facilities" account, the conference agreement includes $118,000,000. This amount assumes that NOAA will procure ground systems to ensure interoperability with the European METEOSAT system with $10,000,000 of funds appropriated in FY 1991. Further, it provides $7,000,000 for operations and processing of data from the METEOSAT system in FY 1992. A total of $111,000,000 is provided for the rephased GOES–NEXT program and launch contract requirements. The conferees agree with the Secretary's decision to test and repair the GOES–NEXT "I" and "J" satellites thoroughly prior to launch.

The conferees expect that the NOAA Administrator provide the House and Senate Appropriations Committees with quarterly status reports on the GOES program. These reports should include but not be limited to such topics as: 1) the status of the GOES-NEXT program and especially the sensor testing program; 2) the status of GOES 7; and 3) use of METEOSAT and GMS.

In a separate "GOES Satellite Contingency Fund" account the conferees have provided $110,000,000 as proposed by the Senate but have deleted Senate proposed bill language that would have required the President to declare an emergency to trigger the release of appropriations. These funds could be used by NOAA to procure a replacement GOES satellite similar to the GOES 7 satellite now in orbit, should the GOES-NEXT program experience further delays.

The conference agreement provides $130,289,000 for NOAA Polar-orbiting spacecraft and launching. The agreement assumes the House proposed reduction and acknowledges that launch costs for the Atlas facility at Vandenberg Air Force Base, CA, should be shared equitably between NOAA and the Air Force as has been the case prior to FY 1992.

The conferees have included $2,000,000 for LANDSAT commercialization. The conferees have taken note of the funding for long-lead parts and construction of LANDSAT 7 that have been provided in other appropriations bills, such as H.R. 2521, the FY 1992 Department of Defense Appropriations bill, as passed the House of Representatives. The conferees recommended that this $2,000,000 be used for the LANDSAT 7 procurement.

MARINE SERVICES

The conference agreement includes $200,000 for a grant to the New England Science Center to support the development of video teleconferencing programs and the use of telepresence to provide ongoing programming, special presentations, and continuing education to improve science literacy and education. These funds will be used to underwrite activities such as participation in undersea explorations through the use of telepresence and other educational programs and presentations for low-income and minority children, the design of ongoing and special educational programs in a variety of scientific disciplines (including oceanography, marine biology, and meteorology), teacher training components, and costs associated with the establishment of video teleconferencing and telepresence capabilities.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$1,000,000 shall be available for a grant to the South Carolina Coastal Council for the acquisition of the Victoria Bluff Tract in Beaufort County, South Carolina, of which $2,000,000 shall be available for a grant to make permanent improvements to the Woods Hole Marine Biological Laboratory, Woods Hole, Massachusetts, of which $600,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement designates $1,000,000 for a grant to the South Carolina Coastal Council for the acquisition of the Victoria Bluff Tract in Beaufort County, South Carolina, $2,000,000 for improvements to the Woods Hole Marine Biological Laboratory, and $600,000 for operational expenses at the Fish Farming Experimental Laboratory, Stuttgart, Arkansas.

The Senate had proposed only to designate $600,000 for operational expenses at the Fish Farming Experimental Laboratory, Stuttgart, Arkansas, and the House had proposed only to designate $542,000 for this purpose.

The conference agreement includes $1,000,000 for a grant to the South Carolina Coastal Council for the acquisition of the Victoria Bluff Tract in Beaufort County, South Carolina. This 154 acre parcel would be used for a nature park and potentially for a State Marine Fish Hatchery. The conferees intend that this grant should be in addition to the FY 1992 allocation of Coastal Zone Management funds to South Carolina. Further, the conferees intend that this grant not be subject to the Coastal Zone Management Program's procedures.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a provision permitting funds designated in the Act for the Fish Farming Experimental Laboratory, Stuttgart, Arkansas, to be used for cooperative agreements as well as operational expenses. The House bill contained no provision on this matter.

Amendment No. 65: Restores language proposed by the House and stricken by the Senate which designates $394,000 for a semi-tropical research facility located at Key Largo, Florida.

Amendment No. 66: Transfers $35,389,000 from the Airport and Airways Trust Fund as proposed by the Senate instead of $34,858,000 as proposed by the House.

Amendment No. 67: Transfers $63,100,000 from the fund entitled, "Promote and Develop Fishery Products and Research Pertaining to American Fisheries" instead of $69,738,000 for this purpose as proposed by the House and $56,600,000 as proposed by the Senate.

The conference agreement provides for a transfer of $63,100,000 from the "Promote and Develop Fishery Products and Research Pertaining to American Fisheries" fund. The conference agreement will permit a fiscal year 1992 program level for the usual fisheries research grant activities funded in this account of not less than $7,000,000, including unused carryover balances from fiscal year 1991.

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language providing that Sections 306 and 306(a) Coastal Zone Management grants shall not exceed $2,000,000 and shall not be less than $500,000. The Senate amendment also provides an appropriation of up to $500,000 to be available from the fund entitled, "Promote and Develop Fishery Products and Research Pertaining to American Fisheries" for NOAA grant management and related activities. The House bill contained no provision on this matter.

EMERGENCY WEATHER SATELLITE CONTINGENCY FUND

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

GOES SATELLITE CONTINGENCY FUND

For costs necessary to maintain National Oceanic and Atmospheric Administration geostationary meteorological satellite coverage for monitoring and prediction of hurricanes and severe storms, including but not limited to the procurement of gap filler satellites, launch vehicles, and payments to foreign governments, $110,000,000, to be deposited in a "GOES Satellite Contingency Fund,", to remain available until expended: Provided, That these funds shall not become available for obligation until the Secretary of Commerce notifies the Appropriations Committees of the House of Representatives and the Senate that a requirement for these funds exists through the reprogramming provisions of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides an appropriation of $110,000,000 to be deposited in a "GOES Satellite Contingency Fund" to maintain NOAA's Geostationary Meteorological Satellite coverage for monitoring and prediction of hurricanes and severe storms. These funds can be used for but are not limited to procurement of gapfiller satellites, launch vehicles, and payments to foreign governments. The conference agreement provides that these funds shall not become available for obligation until the Secretary of Commerce notifies the Appropriations Committees of the House and Senate that a requirement for these funds exists through the reprogramming provisions of this Act.

The Senate had proposed an appropriation of $110,000,000 for an Emergency Weather Satellite Contingency Fund for the same purposes as those contained in the conference agreement. Under the Senate proposal, however, these funds would have been available only if the President had sent written notification to the House and Senate Appropriations Committees requesting that the funds be released to address an emergency and if the House and Senate had voted to release these funds to address the emergency. The House bill contained no provision on this matter.

FISHERIES PROMOTIONAL FUND

The conferees are agreed that $250,000 is to be made available from the resources in the Fisheries Promotional Fund for a grant for a feasibility study for the San Francisco Fisheries and Environmental Research Center.

FOREIGN FISHING OBSERVER FUND

Amendment No. 70: Appropriates $1,000,000 as proposed by the Senate from the fees imposed under the foreign fishery observer program, instead of $1,996,000 for this purpose as proposed by the House.

FISHING VESSEL OBLIGATIONS GUARANTEES

Amendment No. 71: Appropriates $1,000,000 for the subsidy cost of the fishing vessel obligations guarantees program, provides a limitation on total commitments to guarantee loans of up to $10,000,000, and appropriates $1,700,000 for administrative costs to carry out the guaranteed loan program instead of $1,400,000 for the subsidy cost, $14,000,000 for a limitation on total commitments, and $2,000,000 for administrative expenses as proposed by the House and stricken by the Senate.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 72: Appropriates $31,280,000 instead of $30,611,000 as proposed by the House and $31,750,000 as proposed by the Senate. The conference agreement reflects the GSA rental cost reduction contained in the House bill, a revised program based of $31,083,000, and a program increase of $197,000 for expansion of the Department's procurement oversight functions.

OFFICE OF INSPECTOR GENERAL

Amendment No. 73: Appropriates $15,140,000 instead of $14,913,000 as proposed by the House and $15,333,000 as proposed by the Senate. The conference agreement reflects the GSA rental cost reduction contained in the House bill and a revised program base of $15,140,000.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

Amendment No. 74: Appropriates $125,290,000 instead of $123,009,000 as proposed by the House and $127,960,000 as proposed by the Senate.

The conference agreement provides a revised program base of $123,490,000 and reflects the GSA rental cost reduction contained in the House bill. The conference agreement also provides $400,000 to continue three census reports relating to cotton and soybean, cotton, and sunflower oil seeds as described in the Senate Appropriations Committee's report. The conference agreement also includes $1,400,000 for the initiative to improve coverage of the service sector of the national economy.

The conferees are concerned about the treatment by the Bureau of the Census of municipalities which are designated as "townships" in certain States such as New Jersey. Unlike many other States, townships in New Jersey are fully incorporated municipalities, bearing the same rights and responsibilities as cities, towns, villages, and boroughs in other States. The Bureau's reluctance to recognize this fact may distort data which is provided to the public and may inaccurately reflect the actual status of New Jersey townships. The conferees urge the Bureau to consider this matter and to submit a report to the House and Senate Appropriations Committees by February 1, 1992 concerning its findings and recommendations to address this issue.

PERIODIC CENSUSES AND PROGRAMS

Amendment No. 75: Appropriates $165,000,000 instead of $172,357,000 as proposed by the House and $145,000,000 as proposed by the Senate. The conference agreement will provide funding for publication of all the information, statistics, and other products planned in the President's fiscal year 1992 budget request for this account and the Census Bureau is expected to make all of this information available to users expeditiously. The reduction of $10,000,000 from the budget request is due entirely to savings and prior year recoveries which are projected to total at least $10,000,000 by the end of fiscal year 1991 and carry over into fiscal year 1992.

The conference agreement will provide the funding requested to tabulate and distribute information from the 1990 Decennial Census and the other periodic census. This data includes information on commuting patterns, income, education, housing patterns and other products of vital interest to state and local governments, demographers, planners, and other interested parties. The conference agreement also includes a program increase of $8,398,000 for planning and testing activities for the year 2000 Decennial Census. The conference agreement also includes $1,400,000 for the Department of Commerce to enter into a contract with the National Academy of Sciences for the purpose of conducting a comprehensive and independent study of the Decennial Census as outlined in House Report 102–106. Finally, the conference agreement will provide for funds planned for the Census Bureau's Integrated Multiyear ADP Plan to meet future program requirements for censuses and surveys.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

Amendment No. 76: Appropriates $40,380,000 instead of $38,912,000 as proposed by the House and $41,994,000 as proposed by the Senate.

The conference agreement reflects a revised program base of $38,080,000 for this account, including the GSA rental cost reduction proposed by the House. The conference agreement also includes the following program increases: $1,300,000 to stop the deterioration in GNP statistics; $500,000 to modernize and extend the Standard National Accounts; and $500,000 to improve balance of payments statistics.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said agreement, insert the following: *$207,160,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had proposed an appropriation of $194,875,000 for this account and the Senate had proposed an appropriation of $203,814,000. The conference agreement provides $207,160,000 as detailed in the following table:

[In thousands of dollars]

Item	*Conference agreement*
Base request	$185,609
SLUC reduction	−1,132
TC2	3,315
New materials center	3,000
Foreign staffing	2,188
CIMS	4,830
Mexico FTA	450
Seattle Asian Research Center	100
Domestic US&FCS support	450
National Textile Center	8,000
Native American Trade Council	350
Total	$207,160

The conferees are concerned about the proposal of the U.S. and Foreign Commercial Service to initiate an E-Mail System between its domestic offices and overseas locations. The conferees have provided resources and direction to the Department of State to plan and implement an enhanced Diplomatic Telecommunications Service to serve the telecommunications requirements of all U.S. agencies at overseas locations. Therefore, the conferees expect that the U.S. and Foreign Commercial Service as well as all other U.S. Government agencies with overseas operations will not proceed independently to provide upgraded communications capabilities, pending the development of the enhanced Diplomatic Telecommunications Service.

The conferees are agreed that the Department of Commerce requires certain trade data in order to meet its statutory responsibilities for the promotion and regulation of trade. These requirements include: (1) data on the State of origin of United States goods exported to Canada, as required by the United States-Canada Data Exchange Agreement; (2) data on the State of an exporter for the National Trade Data Bank; and (3) data on United States exporters in support of the Department's export promotion programs. The conferees are agreed that at the present time, the Department does not possess all of this necessary data, although the Department has the capability to produce an extensive new data base on exporters and exports to meet these responsibilities. The conferees are further agreed that if the Department does not presently have sufficient resources to develop this new data base, it should request sufficient resources in the fiscal year 1993 budget to fulfill its responsibilities pursuant to international agreements, U.S. law, and administration policy.

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *, of which $3,000,000 is for support costs of a new materials center in Ames, Iowa, and of which $15,221,000 is for the Office of Textiles and Apparel, including $3,315,000 for a grant to the Tailored Clothing Technology Corporation, and $8,000,000 for a grant to the National Textile Center University Research Consortium.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement designates $15,221,000 for the Office of Textiles and Apparel, including $3,315,000 for a grant to the Tailored Clothing Technology Corporation and $8,000,000 for a grant to the National Textile Center University Research Consortium. The conference agreement also includes a designation of $3,000,000 for support costs of a new materials center in Ames, Iowa.

The Senate had proposed a designation of $19,406,000 for the Office of Textiles and Apparel, including $3,000,000 for a grant to the Tailored Clothing Technology Corporation and $12,500,000 for a grant to the National Textile Center University Research Consortium. The House bill contained no provision on this matter.

The amount provided in the conference agreement for the National Textile Center University Research Consortium will provide $2,000,000 for each of the four universities participating in this project.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language that permits funds in the Operations and Administration appropriation of the International Trade Administration to be available for export promotion programs notwithstanding the ceiling on the obligation on funds contained in section 201 of Public Law 99-64. The House bill contained no provision on this matter.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Amendment No. 80: Appropriates $39,450,000 instead of $38,777,000 as proposed by the House and $41,594,000 as proposed by the Senate. The conference agreement provides for a revised program base for the Bureau of Export Administration and reflects the program savings proposed in the budget because of reduced workload and the GSA rental charge reduction proposed by the House.

The conferees are agreed that the Bureau of Export Administration shall make no reduction in support for regional offices.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$40,500,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had proposed $40,880,000 for the Minority Business Development Agency, and the Senate had proposed $41,578,000. The conference agreement provides $40,500,000. The conferees intend that $74,000 of the reduction contained in the conference agreement below the House and Senate amounts should be applied to GSA space rental charges, and the remainder should be applied to base programs.

Amendment No. 82: Designates $25,000,000 to remain available until expended instead of $24,941,000 for this purpose as proposed by the House and $25,321,000 as proposed by the Senate.

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the agreement of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$15,500,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $15,500,000 for program management instead of $15,939,000 for this purpose as proposed by the House and $16,257,000 as proposed by the Senate.

Amendment No. 84: Deletes language proposed by the Senate which would have required the Secretary of Commerce in awarding grants and contracts for the Minority Business Development Center program to give priority to contractors located within the state in which the contract is to be performed. The House bill contained no provision on this matter.

The conferees are concerned that MBDA often contracts with large national accounting firms that may have little understanding of the business and economic development needs of local minority communities. The conferees believe that using local contractors to operate MBDA business development centers could improve the program significantly and urge the Secretary of Commerce and MBDA to give greater preference to local bidders in evaluating and awarding Minority Business Development Center contracts.

The conferees expect that the Minority Business Development Agency will continue to maintain a district office in Boston, Massachusetts at the full funding and staffing level that was provided for in fiscal year 1991.

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 85: Appropriates $17,480,000 instead of $15,249,000 as proposed by the House and $18,546,000 as proposed by the Senate. The conference agreement provides for a revised program base of $15,480,000 for the United States Travel and Tourism Administration and reflects the GSA rental charge reduction as proposed by the House. The conference agreement also includes $2,000,000 for grants to states whose tourism promotion needs have increased due to disasters.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language to the bill that: (1) waives matching requirements for funds in the FY 1991 Appropriations Act and in the FY 1992 Appropriations Act for grants to States whose tourism promotion needs have increased because of disasters; and (2) designates $2,000,000 to continue such grants or initiate new disaster grants to States or other eligible entities whose tourism promotion needs have increased due to disasters. The House bill contained no provision on this matter.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

Amendment No. 87: Appropriates $88,441,000 as proposed by the Senate instead of $91,887,000 as proposed by the House.

Amendment No. 88: Designates $86,894,000 to be derived from deposits in the Patent and Trademark Office Fee Surcharge Fund as proposed by the Senate instead of $90,340,000 as proposed by the House.

TECHNOLOGY ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *$4,600,000: Provided, That Section 212(a)(1) of Public Law 100-519 (102 Stat. 2594) is amended by adding a new paragraph (E) as follows: (E) For the period of October 1, 1991 through September 30, 1992, only, retain and use all earned and unearned monies heretofore or hereafter received, including receipts, revenues, and advanced payments and deposits, to fund all obligations and expenses, including inventories and capital equipment*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House has proposed an appropriation of $4,318,000 for this account and the Senate had proposed $4,937,000. The conference agreement provides an appropriation of $4,600,000 for the Salaries and Expenses account of the Technology Administration. The conference agreement reflects the reduction for GSA space rental costs contained in the House bill. The conference agreement includes sufficient funding to maintain the full base program of the Technology Administration, including the number of positions and full-time equivalents (FTE's) that were filled on September 30, 1991.

The conference agreement also includes a provision not included in either the House or Senate bill which clarifies the authority of the National Technical Information Service to use unearned customer deposits to fund operations. This language confirms existing practice and permits NTIS to use customer deposits for operations where it is technically restricted from doing so at the present time. In placing this section in the Act, the conferees intend that these deposit funds are the legal property of the customer, are to be refunded on demand, and are to be recorded as an obligation when used to finance NTIS' operations or at the time the refund is requested. This provision also confirms the current practice of purchasing inventories and capital equipment through the NTIS fund. This provision supplements existing authority provided in 15 U.S.C. Sec. 3704(b)(a)(1)(B) to purchase capital equipment with net revenues.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 90: Appropriates $17,600,000 instead of $15,861,000 as proposed by the House and $18,122,000 as proposed by the Senate. The conference agreement includes the GSA space rental cost reduction contained in the House bill and a revised program base of $16,100,000. The conference agreement also includes $1,500,000 for NTIA's spectrum management initiative.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

Amendment No. 91: Appropriates $22,925,000 instead of $22,428,000 as proposed by the House and $32,428,000 as proposed by the Senate. The conference agreement includes $22,275,000 for public telecommunications facilities, planning and construction grants; $400,000 for the PEACESAT program to install new ground terminals and to secure satellite capacity; and $250,000 for the American Indian Higher Education Consortium to develop a plan to enhance the programs of the tribally controlled and Bureau of Indian Affairs colleges through telecommunications technologies.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which earmarks $400,000 for the PEACESAT project and $250,000 for the American Indian Higher Education Consortium study. The House bill contained no similar provision.

ENDOWMENT FOR CHILDREN'S EDUCATIONAL TELEVISION

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$2,000,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $2,000,000 for the Endowment for Children's Educational Television instead of $4,000,000 for this purpose as proposed by the Senate. The House bill contained no provision on this matter.

ECONOMIC DEVELOPMENT ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $27,632,000 for the Salaries and Expenses account of the Economic Development Administration and adds bill language which permits the funds to be used to monitor projects pursuant to certain provisions of the Public Works Employment Act of 1976, the Trade Act of 1974, and the Community Emergency Drought Relief Act of 1977, and adds language stipulating certain requirements for Economic Development Representative positions.

The House bill would have appropriated $28,218,000 for the Salaries and Expenses account without providing any of the language provisions contained in the Senate amendment and the conference agreement.

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $226,836,000 for Economic Development Assistance Programs. In addition, the conference agreement and the Senate provision include bill language which prohibits EDA from reducing any of the grants for university centers below the fiscal year 1991 level. The conference agreement and the Senate provision also contain language which waives certain EDA regulations and all other provisions of law to enable the grantee in Project Number 01-51-21118 to retain any proceeds from the sale of such property for other development purposes and the grantee in Project Number 05-22-00014 to obligate funds on a no-year basis to complete the project.

The House bill contained no provision on any of these matters.

The amount in the conference agreement shall be allocated as follows among the various EDA programs for fiscal year 1992:

[In thousands of dollars]

Item	*Conference agreement*
Public works grants	$154,160
Planning assistance	25,276
Districts	(17,708)
Indians	(2,960)
States	(1,973)
Urban	(2,958)
Technical assistance	9,900
University centers	(7,724)
Economic adjustment	23,000
Trade adjustment assistance	14,000
Research and evaluation	500
Total	$226,836

The conference agreement includes $14,000,000 for the Trade Adjustment Assistance Program, including $13,450,000 for Trade Adjustment Assistance Centers and $550,000 for industry grants.

The conference agreement includes $7,724,000 for the University Centers Program under Technical Assistance. This amount represents an increase of $3,000,000 above the amount provided university centers for fiscal year 1991. The conferees intent that this increase should be used to restore and enhance funding of those centers whose funding had been reduced due to EDA's forced graduation policy. The conferees also intend that the increase provided in the conference agreement should also be made available to all university centers after the centers that were targeted for graduation by EDA have had their funds restored. The conferees believe that each university center should be able to receive a total of approximately $130,000 if the required match under the University Center Program is available from the sponsoring university.

The conferees are aware of the following applications for economic development assistance, strongly urge the applicants to submit proposals to EDA through the Economic Development Representative in each of their respective States, and strongly recommend that EDA fully consider these applications in accordance with applicable procedures and guidelines:

(1) City of Cotton Plant, Arkansas, sewage system improvements to accommodate waste water disposal requirements associated with a catfish processing plant;

(2) Newark, New Jersey, feasibility study for conference/convention facilities;

(3) Bradley University, Illinois, application for center for economic development assistance;

(4) Bedford International Festival Foundation, performing arts facility for Bedford County, PA;

(5) City of Scranton, Pennsylvania, acquisition and renovation of a multitenant office building in the core city;

(6) Neosho Basin Development Company, Emporia, Kansas, Title IX Sudden and Severe Economic Dislocation Disaster Assistance grant for a revolving loan fund for capitalization of companies in Osage and Lyon Counties, Kansas.

ECONOMIC DEVELOPMENT GUARANTEED LOANS

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$565,000" insert: *$800,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $800,000 for the subsidy cost of an EDA loan guarantee program and $1,614,000 for administrative expenses of the program. The Senate had proposed $565,000 for the subsidy cost of the loan guarantee program and the same amount as the conference agreement for administrative expenses. The House bill contained no provision on this matter.

The conference agreement will provide for an EDA loan guarantee program of $5,000,000 for fiscal year 1992 in accordance with OMB baseline subsidy costs for this program. EDA has not made any loan guarantees during fiscal year 1991, made two guarantees in fiscal year 1990 and fiscal year 1989, and did not make any guarantees in fiscal year 1988 and fiscal year 1987. In light of this record, the conferees believe that the loan guarantee program level provided in the conference agreement should be more than sufficient for fiscal year 1992.

It has been brought to the Conferees' attention that in some coal regions of this country, rich coal reserves are being wasted in mines that are sealed due to burning coal fields. Unique, innovative approaches in reopening these burning mines could result in stable employment and economic development in distressed areas. The conferees therefore urge the Economic Development Administration when reviewing guaranteed loans applications to give every consideration to such an application if submitted.

ECONOMIC DEVELOPMENT REVOLVING FUND

(RESCISSION)

Amendment No. 97: Deletes rescission of $42,500,000 proposed by the Senate. The House bill contained no provision on this matter.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

Amendment No. 98: Deletes section 206 proposed by the Senate which would have required the Secretary of Commerce to designate an individual to serve as a program manager for each NOAA acquisition program with a total cost exceeding $30,000,000. The provision would also have required each individual so designated to report to the Director of the Systems Program Office and required that Congress be informed bi-annually of the individual so designated. The House bill had no provision on this matter.

The conferees strongly recommend and expect the Secretary of Commerce to designate an individual to serve as program manager for each NOAA acquisition program with a total acquisition cost exceeding $30,000,000 and that each individual so designated should report to the Director of the Systems Program Office of the agency. The conferees are further agreed that the Secretary should inform the Congress bi-annually of the individuals so designated.

The conferees are agreed that in carrying out the Advanced Technology Program, the Department of Commerce and the National Institute of Standards and Technology shall be guided by the provisions in House Report 102-106 in carrying out section 205 of the fiscal year 1992 Appropriations Act.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

Amendment No. 99: Appropriates $3,801,000 as proposed by the House, instead of $4,306,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base and program growth of $250,000 to replace PCB transformer.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

Amendment No. 100: Appropriates $10,775,000 as proposed by the House, instead of $11,054,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $279,000 associated with GSA space rental rate reductions, and program growth of $373,000 for additional court personnel.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

Amendment No. 101: Appropriates $9,432,000 as proposed by the House, instead of $10,495,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $1,063,000 associated with GSA space rental rate reductions.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

Amendment No. 102: Appropriates $1,875,000,000, instead of $1,947,471,000 as proposed by the House and $1,866,762,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $68,638,000 associated with: GSA space rental rate reductions, FY 1991 supplementals, FY 1991 pay raise absorptions, unauthorized geographic pay enhancements, reestimate of furniture and furnishings, overestimated postal rate increases, and a $10,000,000 reduction in the automation account.

The conference agreement provides for the following workload and program enhancements:

Magistrate and bankruptcy judges	$11,000,000
New court/clerk personnel	3,500,000
Probation/pretrial services personnel	3,240,000
Electronic monitoring	1,550,000
S&L workload	4.000,000

The conference agreement provides $94,886,000 for Court automation and automation support costs.

Amendment No. 103: Designates $68,245,000 for space alteration projects as proposed by the House, instead of $40,648,000 as proposed by the Senate.

Amendment No. 104: Appropriates $2,100,000 for processing vaccine injury compensation cases as proposed by the Senate, instead of $1,588,000 as proposed by the House.

DEFENDER SERVICES

Amendment No. 105: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$190,621,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $190,621,000 instead of $185,372,000 as proposed by the House and $177,386,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $527,000 associated with GSA space rental rate reductions and $651,000 in FY 1991 pay raise absorptions, and $29,382,000 for workload enhancements.

The conference agreement provides $11,524,000 for Death Penalty Resource Centers, the same amount provided in fiscal year 1991.

COURT SECURITY

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$81,048,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $81,048,000 instead of $82,830,000 as proposed by the House and $83,102,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $294,000 associated with GSA space rental rate reductions and $22,000 in FY 1991 pay raise absorptions. The agreement allows for no program growth.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

Amendment No. 107: Appropriates $44,681,000 as proposed by the House, instead of $44,743,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $413,000 associated with GSA space rental rate reductions and $687,000 associated with lapse rates. The agreement allows for no program growth.

Budget Review—The conferees are concerned that the Judiciary does not have an equivalent review process as that performed by OMB for the Executive Branch agencies. The conferees understand that a number of Judiciary appropriation accounts do not even undergo a review by the Judicial Conference. The conferees expect that all Judiciary appropriation accounts will come under the review of the Judicial Conference for fiscal year 1993. At the least, this review should ensure that there are no inconsistencies among the various budget requests.

Amendment No. 108: Designates $7,500 for official reception and representation expenses as proposed by the Senate, instead of $5,150 as proposed by the House.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

Amendment No. 109: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$17,795,000*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $17,795,000 instead of $18,795,000 as proposed by the House and $21,626,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, less $129,000 associated with GSA space rental rate reductions and $76,000 in FY 1991 pay raise absorptions. The agreement allows for program growth of $1,109,000 for operational training and related personnel support costs. The conferees agree with the direction provided in the House report concerning operational training of Court personnel.

Sentencing Guideline Training—The conferees agree that the Federal Judicial Center, the Sentencing Commission, and the Administrative Office need to work more closely to coordinate efforts to accomplish training objectives.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

Amendment No. 110: Appropriates $9,000,000 as proposed by the Senate instead of $8,865,000 as proposed by the House. The conference agreement provides for the full budget request.

GENERAL PROVISIONS—THE JUDICIARY

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 304. Section 121 of title 28, United States Code, is amended as follows:

(1) in the first sentence of paragraph (4) by striking out "Barnwell, and Hampton" and inserting in lieu thereof "and Barnwell"; and

(2) in the first sentence of paragraph (11) by inserting ", Hampton," before "and Jasper".

SEC. 305. Pursuant to section 140 of Public Law 97–92, Justices and judges of the United States are authorized during fiscal year 1992, to receive a salary adjustment in accordance with 28 USC 461.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment adds language, not in the House bill, which moves Hampton County, South Carolina from the Aiken Division of the South Carolina Judicial District to the Beaufort Division of that district. The conference agreement accepts the Senate language and adds new language, not in either the House or Senate bill, which provides the same pay raise for the Supreme Court Justices and other judges of the United States as that previously approved for general schedule employees.

TITLE IV—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$73,200,000, to remain available until expended, of which not less than $8,872,000 shall be available only for the State maritime academy programs, and of which $1,200,000 shall be available for payments to State maritime academies to acquire maritime training simulators: Provided, That notwithstanding any other provision of law, the Secretary of Transportation may use proceeds derived from the sale or disposal of National Defense Reserve Fleet vessels that are currently collected and retained by the Maritime Administration for facility and ship maintenance, modernization and repair, acquisition of equipment, and fuel costs necessary to maintain training at the United States Merchant Marine Academy and State maritime academies: Provided further,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $73,200,000 for the operations and training expenses of the Maritime Administration instead of $70,920,000 as proposed by the House and $75,000,000 as proposed by the Senate. The amount provided will fund the budget request for the Maritime Administration excluding the $1,000,000 requested for additional funds for the research program.

The conference agreement also includes an additional $1,200,000 for payments to State maritime academies to acquire training simulators. The Senate bill included an earmark of $2,000,000 for the acquisition of training simulators; the House bill contained no similar provision. In the award of these grants, the Committee recommends that the Administrator provide priority to those State schools that already have raised necessary matching funds, such as the Maine Maritime Academy, the New York State Maritime College, and the Massachusetts Maritime Academy.

In addition, the conference agreement includes language proposed by the Senate earmarking the minimum amount to be provided to the State academies at $8,872,000 exclusive of support for training simulators.

Finally, the conference agreement includes bill language proposed by the Senate allowing the Maritime Administration to use proceeds from the sale or disposal of obsolete National Defense Reserve Fleet ships for facility and training ship maintenance, modernization, and repair; acquisition of equipment (such as simulators); and fuel costs at the U.S. Merchant Marine Academy and at State Maritime academies. The House bill contained no similar provision.

READY RESERVE FORCE

Amendment No. 113: Appropriate $233,961,000 as proposed by the Senate instead of $225,000,000 as proposed by the House.

Amendment No. 114: Deletes language inserted by the Senate which would have required that the funds provided for the Ready Reserve Force be used only to acquire United States-registered ships with an exception to be made for three ships registered in Denmark, and that any repair or modification of any ships acquired with funds appropriated for the RRF be performed only in U.S. shipyards. The House bill contained no similar provisions.

The conferees encourage the Maritime Administration to make every effort to acquire U.S.-built, U.S.-rebuilt, or U.S. documented vessels as the expansion of the Ready Reserve Fleet continues. The conferees are aware, however, that all of the ship types needed may not be available from U.S. sources in the numbers required, and that the acquisition of some foreign flagged ships could be necessary.

COMMISSION ON AGRICULTURAL WORKERS

SALARIES AND EXPENSES

Amendment No. 115: Appropriates $1,426,000 as proposed by the House instead of $1,448,000 as proposed by the Senate.

COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION

SALARIES AND EXPENSES

Amendment No. 116: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment insert: *$1,882,000: Provided, That section 7 of Public Law 98-101, as amended by Public Law 99-549, is further amended by striking "December 31, 1991" and inserting in lieu thereof "June 30, 1992": Provided further, That funds provided herein are*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes $1,882,000 for the termination expenses of the Bicentennial Commission as proposed by the House instead of $1,911,000 as proposed by the Senate.

The conference agreement also includes new language which extends the authorization of the Commission by six months. This extension is necessary to allow the Commission to complete preparation, printing and distribution of the official Commission History and Final Report and to address any final requests for Bill of Rights educational materials following the Commission's final Bill of Rights celebratory event on December 15, 1991." The Commission has assured the conferees that the funds provided in this Act, along with carryover funds from previous fiscal years, will be sufficient to meet the Commission's obligations through the revised termination date.

COMMISSION ON LEGAL IMMIGRATION REFORM

SALARIES AND EXPENSES

Amendment No. 117: Deletes Senate language which would have provided funds for the Commission on Legal Immigration Reform. The House bill contained no similar provision.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

Amendment No. 118: Appropriates $1,075,000 as proposed by the Senate instead of $1,059,000 as proposed by the House.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

Amendment No. 119: Appropriates $1,250,000 instead of $1,153,000 as proposed by the House and $1,300,000 as proposed by the Senate. The conference agreement includes an additional $97,000 above the budget request to expand the Marine Mammal Commission's research program.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

Amendment No. 120: Appropriates $20,400,000 instead of $21,077,000 as proposed by the House and $19,400,000 as proposed by the Senate. The conference agreement provides the full amount requested in the President's Budget for the Office of the United States Trade Representative.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $350,000,000; of which $296,755,000 is for basic field programs; $7,848,000 is for Native American programs; $10,839,000 is for migrant programs; $488,000 is for special emergency funds; $1,229,000 is for law school clinics; $1,117,000 is for supplemental field programs; $697,000 is for regional training centers; $8,079,000 is for national support; $9,263,000 is for State support; $966,000 is for the Clearinghouse; $571,000 is for computer assisted legal research regional centers; $9,774,000 is for Corporation management and administration; $977,000 is for board initiatives; $97,000 is for special contingency funds; and $1,300,000, to remain available until expended, is for a grant for equipment, facilities, and other assets for a National Resource and Training Center suitable to accommodate National Trial Advocacy Institutes for Legal Services Corporation personnel: Provided, That the Corporation in awarding such a grant shall give preference to a university at which such Institutes have been held in at least four of the last five years.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $350,000,000 and certain earmarkings of the funds for the various components of the Corporation's budget including $1,300,000 for a National Resource and Training Center for legal services attorneys. The Senate bill provided a total of $350,000,000 with different earmarkings within the various components of the Corporation's budget. The House bill contained no similar provisions.

Legal Services attorneys are dedicated individuals who are often recent law school graduates willing to accept a salary substantially less than the average lawyer receives in a law firm, private business or government. A substantial portion of the law involved in representing clients who qualify for Legal Services help is in a special field, and the training needed, including software for computers and other resources, is not readily available in each State.

The risk of liability for inadequate representation exists today in every legal field, and Legal Services Corporation field programs have paid up to $5,800,000 per year for insurance to cover that risk. More training for newly hired attorneys, refresher courses for line attorneys and access to a resource center should reduce the risk and the corresponding premiums. It would also assure compliance with limitations and guidelines for providing services.

To provide both training for recent hires in Legal Services field programs and periodic refresher courses, it would be very desirable to have a courtroom setting, computer services equipment, video aides, and other facilities and equipment available. A limited number of training institutes have been held and partially paid for with per capita registration fees, but more training opportunities need to be available. Therefore, the conference agreement provides funds for a training facility and other resources suitable for such training institutes and a resource center. It is assumed that per capita registration fees would be paid to support the annual costs of the center. These facilities and equipment would also be used for other legal education related purposes by a university where such facilities and equipment are located. The conference agreement also provides that in making this grant, the Legal Services Corporation shall give preference to a university at which National Trial Advocacy Institutes have been held in at least four of the last five years.

The conferees are agreed that this grant is within the general range of grants for support of Legal Services Programs in the Senate amendment.

The following table shows the amounts for each program provided for in fiscal year 1991, in the budget request, in the Senate amendment and in the conference agreement. The House bill did not include funding for the Legal Services Corporation due to lack of authorization.

LEGAL SERVICES CORPORATION

[In thousands of dollars]

	Fiscal year 1991 enacted	Fiscal year 1992 request	House	Senate	Conference
Basic field programs	$281,314	$302,358	(1)	$297,860	$296,755
Special emergency funds	....	500	(1)	490	488
Native American program	7,445	8,030	(1)	7,877	7,848
Migrant programs	10,282	11,090	(1)	10,879	10,839
Law school clinics	1,166	1,258	(1)	1,234	1,229
Supplemental field programs	1,060	1,143	(1)	1,121	1,117
Regional training centers	662	714	(1)	700	697
National support	7,663	8,266	(1)	8,109	8,079
State support	8,315	8,968	(1)	9,298	9,263
Clearinghouse	917	989	(1)	970	966
Computer Assisted Legal Research (CALR) regional centers	541	584	(1)	573	571

LEGAL SERVICES CORPORATION—Continued

[In thousands of dollars]

	Fiscal year 1991 enacted	Fiscal year 1992 request	House	Senate	Conference
Corporation management and administration	8,821	10,000	(1)	9,810	9,774
Board initiatives	....	1000	(1)	981	977
Special contingency funds ...	....	100	(1)	98	97
National Resource and Training Center	....	....	....	....	1,300
Total	328,186	355,000	Defer	350,000	350,000

[1] The House bill did not include funding for the Legal Services Corporation due to lack of authorization.

In recognition of the fact that seven States currently receive no money for State support, the conferees have recommended that the State support line receive an additional $500,000 to fund State support in Delaware, Hawaii, Iowa, Nebraska, Missouri, South Dakota, and Kansas. The conferees intend that the Corporation shall grant to the basic field program with the largest poverty population within each said State one-seventh of the $500,000.

The conference agreement provides $977,000 for board initiatives. The conferees are agreed that such funds may be used to conduct comparative demonstration projects to study, under appropriate standards and criteria, the use of competition in providing effective and efficient legal services of high quality.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$235,811,000, of which $60,500,000 is for grants for performance in fiscal year 1992 or fiscal year 1993 for Small Business Development Centers as authorized by section 21 of the Small Business Act, as amended; of which $16,000,000 shall be available to implement section 24 of the Small Business Act, as amended, including $1,000,000 to be made available only to County of Monroe, New York; of which $1,500,000 shall be available to implement section 25 of the Small Business Act, as amended; of which $2,900,000 shall be available for the Service Corps of Retired Executives (SCORE); of which $4,000,000 shall be made available for a grant to St. Norbert College in De Pere, Wisconsin, for a regional center for rural economic development; of which $1,000,000 shall be made available for a grant to the New York City Public Library for equipment, supplies and materials for the new Science, Industry, and Business Library; of which $500,000 shall be available for a grant to the University of Arkansas at Little Rock for a program to provide basic and high technology technical assistance to small and medium sized manufacturers located in rural areas; of which $150,000 shall be available for a grant to the University of Central Arkansas for the Small Business Institute Program's National Data Center; of which $4,500,000 shall be available for a grant to the University of Kentucky in Lexington, Kentucky, to assist in construction of the Advanced Science and Technology Commercialization Center; of which $1,000,000 shall be made available for a grant to Seton Hill College in Greensburg, Pennsylvania, for a Center for Entrepreneurial Opportunity; of which $1,500,000 shall be available for a grant to the Massachusetts Biotechnology Research Institute to establish and operate a shared incubator facility and a science and business center; of which $1,500,000 shall be available for a grant for a New England Regional Biotechnology Transfer Center to be located at a university in the region that has accredited schools of Medicine, Dental Medicine, Human Nutrition and Veterinary Medicine; of which $1,500,000 shall be available for a grant to Indiana State University for the Center for Interdisciplinary Science Research and Education; of which $1,000,000 shall be available for a grant to the Michigan Biotechnology Institute for an advanced program of technology transfer in the field of industrial biotechnology to support evaluation, validation and scale-up of early-stage technology and technical assistance to small businesses; of which $800,000 shall be available for a grant for the development and implementation of an integrated small business data base for the Appalachian Region to be provided to a non-profit organization based in Towanda, Pennsylvania; of which $340,000 shall be available for a grant to the City of San Francisco, California, for a trade office to provide support, assistance, and research into bilateral trade opportunities between the U.S. and Asia; of which $55,000 is for a grant to the City of San Francisco, California for the publication of a small business export promotion guide; of which $375,000 is for a grant to the City of Espanola, New Mexico and $375,000 is for a grant to County of Rio Arriba, New Mexico for the development of the Espanola Plaza center for cultural enhancement and economic development; and of which $550,000 is for a grant to County of Rio Arriba, New Mexico for the development of the Cumbres and Toltec Scenic Railroad rural economic development project.*

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a total of $235,811,000 for the salaries and expenses of the Small Business Administration, including $60,500,000 for grants for Small Business Development Centers. The conference agreement also restores language proposed by the House and stricken by the Senate which earmarks the amount provided for SBDCs and specifies that grants for the Small Business Development Centers are for performance in fiscal year 1992 or fiscal year 1993. The House bill provided a total of $221,079,000 for SBA salaries and expenses with an earmark of $61,500,000 for grants for SBDCs. The Senate bill provided a total of $209,731,000 for salaries and expenses with no earmark for SBDC grants. The conference agreement also includes the GSA rent reduction as proposed by the House.

In addition, the conference agreement earmarks a total of $16,000,000 to carry out the Natural Resource Development provisions of the Small Business Act. Of this amount, $1,000,000 is designated for the County of Monroe, New York. The conferees are in agreement that providing these funds to the County of Monroe in no way constitutes any duplication of benefits. The remaining $15,000,000 is to be distributed according to the existing formula for this program. The House provided 98.5 percent of the base ($15,000,000) for this program with no specific bill earmark. The Senate bill did not include any provision on this matter.

The conference agreement also includes $1,500,000 for the Central European Commission and includes an earmark of this amount in the bill. The House provided 98.5 percent of current services ($1,000,000) for this Commission with no specific bill earmark. The Senate bill did not include any provision on this matter. The conferees are pleased with the work of the Central European Commission in carrying out the provisions of Section 25 of the Small Business Act in assisting with management and technical development in Czechoslovakia, Poland, and Hungary. Additional funds are provided in this Act to continue these activities and the conferees express their hope that continuity of membership on the Commission will continue in order to facilitate orderly program development.

The conference agreement provides $2,900,000 for the Service Corps of Retired Executives (SCORE) program and includes language similar to that proposed by the Senate earmarking this amount in the bill. The House bill contained no similar provision.

The conference agreement also includes language earmarking funds for various small business development projects, including four which were proposed in the Senate bill, which are designed: (1) to promote the development of small businesses, particularly in rural and economically depressed areas of the country; (2) to facilitate the more effective transfer of emerging technologies to small business concerns; (3) to assist small businesses in taking advantage of opportunities in international trade; and/or (4) to address the particular needs of women and minorities seeking to initiate and administer successful small businesses. These grants include the following: $4,000,000 for St. Norbert's College in De Pere, Wisconsin; $1,000,000 for the New Hampshire Department of Resources and Economic Development; $1,000,000 for a grant to the New York City Public Library for equipment, supplies and materials for the Science, Industry and Business Library; $500,000 for the University of Arkansas at Little Rock for a program to provide basic and high technology technical assistance to manufacturers; $150,000 for the University of Central Arkansas SBI National Data Center; $4,500,000 for the University of Kentucky's Advanced Science and Technology Commercialization Center; $1,000,000 for Seton Hill College for a Center for Entrepreneurial Opportunity, described in House Report 102–106; $1,500,000 for the Massachusetts Biotechnology Research Institute; $1,500,000 for a New England Regional Biotechnology Transfer Center; $1,500,000 for Indiana State University for the Center for Interdisciplinary Science Research and Education for a technology transfer program; $1,000,000 for the Michigan Biotechnology Institute for an industrial biotechnology transfer program; $800,000 for a non-profit institute in Towanda, Pennsylvania for an integrated small business date base as described in House Report 102–106; $395,000 for the City of San Francisco, California, for a U.S.-Asia bilateral trade office and the publication of an export guide, as described in House Report 102–106; $750,000 for the City of Espanola, New Mexico, for a rural economic development center; and $550,000 for Rio Arriba County, New Mexico, for a rural business development project. The Senate amendment earmarked the following small business development activities: $4,000,000 for St. Norbert College; $1,000,000 for the New Hampshire Department of Resources and Economic Development; $1,000,000 for the New York City Public Library's new Science, Industry, and Business Library; and $500,000 for the University of Arkansas at Little Rock. The House bill contained no provision on these matters.

The conference agreement includes $300,000 and six additional positions to be assigned to the SBA headquarters SBDC program office for additional oversight of the Small Business Development Centers, as proposed by the House.

The conference agreement also includes $100,000 for the New Jersey EXCEL program, as described in Senate Report 102-106.

The conferees are supportive of programs which promote small business in rural areas. The Small Business Reauthorization and Amendments Act of 1990 (P.L. 101-574) directed the Administration to undertake two specific actions designed to promote rural small business. Section 304 directed the Administration to compile a catalog of programs which offer assistance to small business concerns in rural areas. Section 306 directed the SBA to convene regional rural conferences. The conferees expect the Administration to accomplish these actions within the funds made available in this Act. The conferees are encouraged by the Administrator's recent decision to establish an Office of Rural Affairs and Economic Development within the SBA and expect this new office to take a lead role in carrying out the rural small business initiatives.

The conferees note the success of the procurement center representative (PCR) program, which assists small businesses in securing government contracts for various goods and services. According to the SBA, the government will award approximately $180 billion in contracts to U.S. businesses in fiscal year 1992. Procurement center representatives assigned nationwide aim to ensure that small businesses receive a fair share of those procurement dollars. By promoting more competition for federal contracts, savings to the government from the program this year are an estimated $330 million, a sum far exceeding the cost of the program. The conferees note that the State of Louisiana is not served by a full-time PCR, although it ranks third in prime contracts awarded from reporting federal installations. The conferees believe that small business opportunities would be greatly enhanced and savings to the government realized by the assignment of a full-time, permanent PCR in Louisiana, and expect the Agency to make such an assignment within the amounts provided as soon as possible.

The conferees are aware that the Small Business Administration entered into a contract with Price Waterhouse, Inc. for an evaluation of SBA's 7(a) guaranteed loan program. The conferees have received information that the Office of Management and Budget has attempted to micro-manage this contract to insure that the program does not receive a strong endorsement. The conferees do not want to influence the contractor's evaluation of the 7(a) program; however, they do not believe that any other entity should do so either. The conferees request that SBA forward to the House and Senate Small Business and Appropriations Committees, within ninety days of receipt, a copy of the contractor's final report along with any additional information or comments deemed appropriate by the Administration.

The conference agreement provides the following amounts for the various items funded in the SBA salaries and expenses account with appropriate comparisons to the House and Senate bills:

[In thousands of dollars]

	House	Senate	Conference
Small Business Dev. Centers	61,500	55,750	60,500
Six add'l SBDC Positions	300	0	300
SCORE	2,725	3,100	2,900
SBI	2,945	2,990	2,990
7(j)	8,600	8,600	8,600
Women's Outreach	1,970	2,000	1,500
Veteran's Outreach	452	459	459
International Trade	486	493	493
Advocacy Research/Data Base	1,638	1,663	1,638
PASS	1,161	1,179	1,179
Women's Council	486	493	493
Minority Commission	591	600	600
Special Initiatives	9,084	6,500	19,445
SBDC Tech. Asst. Program	1,182	0	1,000
New Jersey EXCEL	0	100	100
Microloan Tech. Asst.	0	3,000	3,000
Natural Resources Development	14,775	0	16,000
SBDC Central Europe	985	0	1,500
Vulnerability Studies	0	1,000	500
Financial Systems Upgrade	0	500	500
GSA Rent Reduction	−2,300	0	−2,300
All other	114,499	121,304	114,414
Total Salaries and Expenses	221,079	209,731	235,811

(Additional amounts for SBA salaries and expenses are included under the Business Loans Program Account and the Disaster Loan Program Account.)

Amendment No. 123: Restores language proposed by the House and stricken by the Senate which prohibits the Small Business Administration from adopting, implementing or enforcing any rule or regulation relating to Small Business Development Centers and prohibits the SBA from imposing any restrictions, conditions or limitations on the SBDC program that were not in effect on October 1, 1987.

Amendment No. 124: Adds language proposed by the Senate which clarifies that the limitation on imposing new or increased loan guarantee fees or debenture guarantee fees excludes increases provided for elsewhere in this Act. The House bill contained no similar provision.

Amendment No. 125: Deletes language proposed by the Senate which would allow the SBA to impose new or increased user fees or management assistance fees subject to the submission of a reprogramming notification pursuant to section 606 of this Act. The House bill contained no similar provision.

OFFICE OF INSPECTOR GENERAL

Amendment No. 126: Appropriates $10,000,000 for the SBA Office of Inspector General instead of $9,757,000 as proposed by the House and $11,000,000 as proposed by the Senate.

BUSINESS LOANS PROGRAM ACCOUNT

Amendment No. 127: Deletes language proposed by the House and stricken by the Senate which would specify the total amount of loan principal to be guaranteed by the subsidy amounts provided in this Act for the Business Loans Programs.

The conference agreement provides $245,786,000 to subsidize guaranteed loans under the Business Loans Program Account. Under assumptions existing at the time this bill was considered by both the House and the Senate, this amount would subsidize total loan principal of $4,819,000,000; however, changing economic assumptions might increase the total principal made possible by this subsidy amount.

The conferees are concerned about continued efficient functioning of the secondary markets for SBA-guaranteed loans and debentures. Strong, viable secondary markets for these securities are crucial in facilitating the flow of capital to small businesses and in ensuring that investors in these securities receive prompt payment from small business borrowers.

To promote the continued orderly functioning of the secondary markets in SBA securities, the conferees recommend the Administrator take appropriate steps to promote market stability, including continuation of existing market management functions, as appropriate. Present contractual relationships should be reviewed in light of previous experience and should be continued if the Administrator determines that these arrangements are in the best interest of small business. SBA should consider continuing these current management arrangements through the procedures authorized under 41 U.S.C. 253(c)(7) to accomplish this purpose.

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That, in addition, $2,600,000 are available until expended for the subsidy cost of $15,000,000 in direct loans for the Small Business Administration Micro-Loan program.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the House to the amendment of the Senate.

The conference agreement provides $2,600,000 to subsidize $15,000,000 for the Small Business Administration Micro-Loan Program. This is an increase of $800,000 above the amount provided by the Senate. The House bill contained no similar provision. In addition, the conference agreement includes new language in amendment No. 176 providing an authorization for this program. The conference agreement also includes $3,000,000 in amendment No. 122 for technical assistance associated with this program under the SBA Salaries and Expenses appropriation.

DISASTER LOANS PROGRAM ACCOUNT

Amendment No. 129: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which increases the amount provided to subsidize disaster assistance loans to $121,555,000 and makes these funds available until expended. The House bill provided $114,913,000 for disaster loan subsidies and did not make the funds available until expended.

The conference agreement provides full funding of the Administration's request for credit subsidies associated with the disaster loan program.

Amendment No. 130: Provides for a total direct disaster loan level of $365,000,000 as proposed by the Senate instead of $344,750,000 as proposed by the House. This amount is consistent with the average disaster loan program level over the past ten years (excluding the high and low years of FY 1989 and FY 1990).

The conferees understand that, consistent with the Administration's proposal for funding unanticipated disaster needs, any funding requirements in excess of the amounts provided in this Act for SBA disaster loan program credit subsidies and/or administrative expenses associated with this program would be designated as "emergency requirements" under the Budget Enforcement Act.

Amendment Nos. 131 and 132: Provide $78,000,000 for administrative expenses associated with the disaster loan program as proposed by the Senate instead of $76,830,000 as proposed by the House.

The conferees are concerned that the amounts requested and provided for the administrative expenses associated with the disaster loan program may not be sufficient to adequately maintain the program. In previous years, funding uncertainties for the administrative expenses of the disaster program were dealt with by allowing the transfer of such sums as were necessary from the Disaster Loan Fund. One of the casualties of credit reform was the elimination of the ability to make this type of transfer from the disaster program account. The conferees, therefore, urge the Administration to make every effort to identify in a timely manner any potential shortfalls in disaster program administrative expenses so that requests for emergency appropriations can be acted on quickly, and those who suffer damages resulting from natural disasters will not endure additional and unnecessary inconvenience.

SURETY BOND GUARANTEES REVOLVING FUND

Amendment No. 133: Appropriates $14,600,000 for additional capital for the Surety Bond Guarantees Revolving Fund as proposed by the Senate instead of $14,381,000 as proposed by the House.

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

Amendment No. 134: Deletes language proposed by the House and stricken by the Senate which appropriated $8,400,000 in additional capital for the Pollution Control Equipment Contract Guarantee Revolving Fund. This account now has permanent indefinite borrowing authority from Treasury and does not require annual appropriations.

TITLE V—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *$2,015,335,000, of which $5,000,000 shall be available only for grants, contracts, and other activities to conduct research and promote international cooperation and of which $15,000,000 shall be available until expended only for enhancement of the Diplomatic Telecommunications Service (DTS): Provided, That such DTS funds shall not be available for obligation until the Secretary of State notifies the Appropriations Committees of the House of Representatives and the Senate under the reprogramming procedures of this Act that a Diplomatic Telecommunications Service Program Office (DTS-PO) to manage a fully integrated DTS is established, in operation, and has developed a consolidation plan with common architecture, and that a requirement for these funds exists to expand the Diplomatic Telecommunications Service: Provided further, That none of the funds provided in this paragraph shall be available for the Department of State Telecommunications Network (DOSTN) project.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $2,015,335,000 for the State Department's Salaries and Expenses account of which $5,000,000 shall be available only for grants, contracts, and other activities to conduct research and promote international cooperation pursuant to a program developed by the Bureau of Oceans and International Environmental and Scientific Affairs and submitted to the House and Senate Appropriations Committees under the reprogramming procedures of this Act. The conference agreement also designates $15,000,000 which shall be available until expended only for enhancement of the Diplomatic Telecommunications Service. However, these funds are not available until such time as the Secretary of State notifies the Appropriations Committees that a Diplomatic Telecommunications Service Program Office to manage a fully integrated DTS is formed, is operating, and has developed a consolidation plan with common architecture, and that the funds are needed to expand the DTS. Finally, the conference agreement contains a limitation prohibiting any of the funds in the Salaries and Expenses account from being used for the Department of State Telecommunications Network (DOSTN) project.

The House had proposed an appropriation of $2,021,835,000 for this account and a limitation of $500,000 for the State Department's Office of Congressional Relations which was stricken by the Senate. The conference agreement deletes the limitation as proposed by the House and stricken by the Senate since the Secretary of State has provided unqualified assurance to the House and Senate Appropriations Committees that the top managers of the Department will conduct a complete review of the Department's legislative affairs functions, policies, and operations and make appropriate changes if merited. Given this assurance, the conferees have deleted the House limitation and recommend that the House and Senate Appropriations Committees review this matter in the fiscal year 1993 budget process.

The Senate had proposed an appropriation of $2,007,246,000 of which $20,853,000 would have been available only for the Bureau of Oceans and International Environmental and Scientific Affairs including $10,000,000 for grants, contracts, and other activities to conduct research and promote international cooperation.

The conference agreement generally reflects the House level for this appropriation account including the House reduction for GSA space rental charges. The conference agreement includes the requested program increase of $24,000,000 and 232 positions to carry out the Department of State's responsibilities under the Immigration Act of 1990, and $4,000,000 to continue the machine readable visa project. In addition, the conference agreement includes $5,000,000 for grants and contracts for the Bureau of Oceans and International Environmental and Scientific Affairs to conduct research and promote international cooperation, and $3,500,000 for personnel and expenses needed for new posts in the Baltic Nations and Soviet Republics. In addition, the conference agreement prohibits any funding for continuation of the DOSTN procurement and makes a reduction of $30,000,000 from the House level accordingly. However, the conference agreement provides $15,000,000 to enhance the Diplomatic Telecommunications Service in accordance with certain requirements.

The conferees are concerned that the Diplomatic Telecommunications Service (DTS), as it is currently configured, is a nonfunctioning entity. Despite numerous MOU's, NSDD's as well as nonofficial coordination documents which espouse a policy of cooperative effort and teamwork, in practice the DTS agencies expend considerable resources on communications, have substantial capabilities in place, and have unilateral and uncoordinated plans to upgrade their separate systems. One of the agencies presently has funds designated to continue the installation/upgrade of its government-owned subsystems. Another agency has a worldwide communications network composed of commercially-leased circuitry which is badly in need of upgrade and improvement, and that agency has plans and funds earmarked to conduct this upgrade by unilaterally acquiring a new packet switched telecommunications network which it calls DOSTN.

In light of national budgetary constraints, the existing capabilities, and the need to improve communications on a cost effective basis for all U.S. agencies in the Foreign Affairs community, the conferees most strongly recommend that a Diplomatic Telecommunications Service-Program Office (DTS-PO) be created to consolidate and ensure interoperability of the assets and capabilities of the DTS. The conferees expect the DTS-PO to be jointly staffed and managed and have independent funding and contract authority. The conferees are agreed that the purpose of the DTS-PO will be to: (1) sustain current service, (2) satisfy immediate requirements through maximum use of existing assets, and (3) develop and acquire enhanced capabilities to satisfy the jointly validated future communications/information management requirements of a fully integrated DTS and the entire U.S. Government's Foreign Affairs community.

The conferees request that the DTS Program Office prepare a plan to achieve the interoperability of overseas diplomatic telecommunications services. this plan should be submitted to the appropriate committees of the Congress no later than May 1, 1992. This plan should ensure the termination of both the government-owned and leased systems as separate entities. The plan should include proposals and recommendations concerning the transfer of the Operation and Maintenance budgets of the separate portions of the DTS to a new DTS-PO. The conferees are agreed that the DTS-PO should be supported with funds specifically and solely designated for the DTS, and that the DTS-PO and a new DTS Operations and Network Management Center be established at a neutral site.

The conference agreement for the Salaries and Expenses account is intended to implement this policy statement. The agreement provides funds which will be available until expended for an enhancement of the DTS. However, these funds are embargoed until such time as the DTS-PO is formed, actually begins to function and reports back to the Congress with a consolidation plan and common architecture in accordance with the reprogramming procedures of the Committees.

The conferees are agreed that the Department of State should comply with the policy regarding immigration preinspection as stated in this Joint Statement under Amendment No. 35.

Amendment No. 136: Provides that up to $700,000 shall be available for certain registration fees collected pursuant to section 38 of the Arms Export Control Act as proposed by the Senate instead of $523,000 for this purpose as proposed by the House.

Amendment No. 137: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which permits up to $6,000,000 of the State Department's Salaries and Expenses appropriation to be transferred to the Working Capital Fund for the purpose of providing payment of medical expenses. The House bill contained no provision on this matter.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

Amendment No. 138: Appropriates $10,464,000 instead of $9,464,000 as proposed by the House and $11,464,000 as proposed by the Senate. The conference agreement includes $8,303,000 for reimbursement of New York City for the protection of foreign missions and officials credited to the United Nations and other international organizations, pursuant to submission of certified billings for any costs incurred.

MOSCOW EMBASSY RECONSTRUCTION AND SECURITY

Amendment No. 139: Deletes language proposed by the Senate which would have appropriated $130,000,000 for a teardown-reconstruction option for a new U.S. embassy in Moscow, and would have required the Secretary of State to seek reimbursement from the Soviet Union for the full costs incurred by the United States as a result of intelligence activities of the Soviet Union. The House bill contained no provision on this matter.

This subject is further addressed in Amendment No. 140.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, inset the following: *$545,000,000 of which $100,000,000 is available for construction of an entirely new and secure chancery for the United States Embassy in Moscow, U.S.S.R.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a total of $545,000,000 for the State Department's Acquisition and Maintenance of Buildings Abroad account. Of this amount, $100,000,000 is for construction of an entirely new and secure chancery for the United States Embassy in Moscow. The House had proposed an appropriation of $552,594,000 of which $130,000,000 was to be available for construction of chancery facilities in Moscow. The Senate had proposed an appropriation of $430,000,000 for the account with no designation for construction of chancery facilities in Moscow.

The conference agreement includes $415,000,000 for the regular Foreign Buildings Program of construction and maintenance of facilities and $30,000,000 for facilities in the Baltic Republics and other sites in the U.S.S.R. and Eastern Europe.

The following table shows a distribution of the conference agreement among the various items funded in this account:

[In thousands of dollars]

	Conference agreement
Capital program	$50,372
Leasehold program	123,462
Functional programs:	
Physical security upgrades	8,098
Fire life safety	5,447
Energy conservation	800
Seismic program	545
Power support	5,220
PCC renovation	3,540
Asbestos program	2,740
Maintenance of buildings	59,153
Facility rehabilitation	23,775
Facility maintenance assistance	24,045
Furniture and furnishings	4,200
Applied engineering	520
Project supervision	8,083
Project management	10,000
Construction security	44,000
Subtotal	374,000
Administration	41,000
Regular Programs	415,000
New and Secure Chancery for Moscow, U.S.S.R.	100,000
Baltics, other sites in U.S.S.R. and Eastern Europe	30,000
Grand Total	545,000

Of the total amount of $545,000,000 provided in the conference agreement, $100,000,000 is designated toward the cost of constructing and procuring equipment and other services necessary to provide an entirely new and secure chancery for the United States Embassy in Moscow, U.S.S.R. The conferees also have provided $30,000,000 for renovation, rehabilitation, and construction requirements for U.S. missions in Latvia, Estonia, and Lithuania and sites in the U.S.S.R. and Eastern Europe. The conferees expect the Department of State to consider possible alternatives for the use of the partially constructed new chancery in Moscow and to report the same to the appropriate committees of Congress before making a decision at a later date under the usual reprogramming procedures.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

Amendment No. 141: Appropriates $7,000,000 as proposed by the House instead of $8,000,000 as proposed by the Senate.

REPATRIATION LOANS PROGRAM ACCOUNT

Amendment No. 142: Provides a limitation on the program level for direct loans of up to $780,000 instead of $223,000 for this purpose as proposed by the House and stricken by the Senate.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

Amendment No. 143: Appropriates $13,784,000 as proposed by the Senate instead of $13,334,000 as proposed by the House.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Amendment No. 144: Appropriates $842,384,000 as proposed by the Senate instead of $866,774,000 as proposed by the House. The conference agreement provides full funding of the fiscal year 1992 annual requirements for U.S. assessed contributions to international organizations and 20 percent of arrearages.

Amendment No. 145: Designates $92,719,000 to pay arrearages as proposed by the Senate instead of $117,109,000 for this purpose as proposed by the House.

The bill language as agreed to by the House and Senate provides that the payment of arrearages shall be directed towards special activities that are mutually agreed upon by the United States and the respective international organization. The conferees expect that the Department of State will submit a reprogramming to the House and Senate Appropriations Committees under the reprogramming provisions of this Act, concerning any such agreements before any payment of arrearages is made to any of the international organizations.

Amendment No. 146: Deletes a provision proposed by the Senate which would have required the Secretary of State to certify that the United Nations and each specialized agency are making progress in increasing American professional staff positions or that an organization has met its geographic distribution formula before any funds for arrearage payments would be available. In addition, the provision would have applied only to those organizations with a geographic distribution formula in effect on January 1, 1991. The House bill contained no provision on this matter.

As the largest contributor to most international organizations, the United States should be assigned a high percentage of jobs in these organizations. While a number of international organizations have developed geographic distribution formulas as a guide to hiring personnel from specific countries, the employment of American professional staff members meets the geographic distribution formula in only two organizations—the United Nations and the World Health Organization. In many cases little or no progress has been made in the past 10 years in increasing American employment.

The conferees are concerned that too few Americans are employed in international organizations and strongly urge and expect the Inspector General to review the hiring practices of these organizations in order to ascertain the facts and recommend processes and procedures to increase American employment. In addition, the Inspector General should identify any institutional barriers to or biases against the hiring of American personnel, and recommend appropriate action.

The conferees strongly recommend that the House and Senate Appropriations Committees review hiring patterns at international organizations during the coming year to determine whether progress is being made in increasing American employment. To the extent that it is not, the conferees recommend that the Committees reconsider amendments such as that included by the Senate in the FY 1992 appropriations bill.

The conferees note that Public Law 100-204 established the United States Commission on Improving the Effectiveness of the United Nations. The purpose of the commission is to evaluate the strengths and weaknesses of the United Nations and to provide recommendations to the President and the Congress on ways to improve the effectiveness of the U.N. and the U.S. role in the U.N. system. The 16 members of the commission are appointed by the bipartisan leadership of the Congress and the President. The conferees further note that even though the 12 Congressional appointments have been made and commitments of private contributions to underwrite commissions expenses have been secured, the Presidential appointment have yet to be made. The conferees strongly urge the Department of State to take all necessary action so that the President may make these appointments as soon as possible. The conferees expect the Department to report on the status of these efforts by December 1, 1991.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Amendment No. 147: Appropriates $107,229,000 for Contributions for International Peacekeeping Activities as proposed by the Senate instead of $108,856,000 for this purpose as proposed by the House. The conference agreement fully funds annual requirements for United States assessed contributions for international peacekeeping activities and fiscal year 1992 arrearage payments.

Amendment No. 148: Designates $38,360,000 for arrearage payments as proposed by the Senate instead of $39,987,000 for this purpose as proposed by the House.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

Amendment No. 149: Appropriates $11,400,000 as proposed by the House instead of $10,900,000 as proposed by the Senate. The conference agreement provides $500,000 above the budget request for this account to fund additional operating requirements for the Nogales, Arizona Wastewater Treatment Facilities.

CONSTRUCTION

Amendment No. 150: Appropriates $10,277,000 as proposed by the House instead of $10,525,000 as proposed by the Senate.

INTERNATIONAL FISHERIES COMMISSION

Amendment No. 151: Appropriates $14,000,000 instead of $12,647,000 as proposed by the House and $14,758,000 as proposed by the Senate.

The following table shows the conference agreement for various items funded in this account, with appropriate comparisons:

Activities	1992 Request	House Bill	Senate Bill	Conference Agreement
Great Lakes Fishery Commission	$6,338	$6,738	$8,338	$7,780
Pacific Salmon Commission	1,414	1,514	2,000	1,800
North Pacific Marine Sciences Organization	50	50	75	75
All Other Commissions and Activities	4,345	4,345	4,345	4,345
Total	12,147	12,647	14,758	14,000

Amendment No. 152: Reported in technical disagreement. The managers on the part of the House will offer a margin to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SEC. 502. None of the funds made available by this Act may be obligated or expended by the Department of State for contracts with any foreign or United States firm that complies with the Arab League Boycott of the State of Israel or with any foreign or United States firm that discriminates in the award of subcontracts on the basis of religion: Provided, That the Secretary of State may waive this provision on a country-by-country basis upon certification to the Congress by the Secretary that such waiver is in the national interest and is necessary to carry on the diplomatic functions of the United States.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts a general provision prohibiting the State Department from obligating or expending any funds in this Act for contracts with any foreign or United States firm that complies with the Arab League Boycott of Israel or with any such firm that discriminates in the award of subcontracts on the basis of religion, provided that the Secretary of State may waive this provision on a country-by-country basis upon certification to the Congress that such waiver is in the national interest and is necessary to carry on the diplomatic functions of the United States. The Senate had proposed language which is the same as that in the conference agreement except for the waiver provision. The House bill contained no provision on this matter.

The conferees agree that the Department of State should take every action possible to oppose the Arab League Boycott of Israel, and discrimination against U.S. companies owned by Jewish Americans. The conferees, however, are concerned that the amendment proposed by the Senate could have made continued operation of State Department posts in some countries impracticable. Therefore, the conferees have agreed to provide the Secretary of State with waiver authority on a country-by-country basis upon certification to Congress that such waivers are in the national interest and are necessary to conduct diplomatic operations.

Amendment No. 153: Reported in disagreement.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

Amendment No. 154: Deletes the heading "(Including Transfer of Funds)" as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 155: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$44,527,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $44,527,000 for the fiscal year 1992 operating expenses of the Arms Control and Disarmament Agency, instead of $43,527,000 as proposed by the House and $44,423,000 (including a $2,000,000 transfer of funds) as propose by the Senate.

The conference agreement includes a base level of funding for the operating programs of the Arms Control and Disarmament Agency and an additional $1,000,000 for the Agency's external research program.

The conference agreement does not include funds for the additional 24 full-time and two reimbursable staff positions requested for fiscal year 1992. The conferees are aware of continuing unfilled vacancies at the Agency and will consider any request to reprogram Agency resources to utilize these additional positions only after ACDA can successfully demonstrate that every effort has been made to fill the existing slots. The conferees remind the Agency that any such request would be subject to the reprogramming procedures included in section 606 of this Act.

The conference agreement does not include language proposed by the Senate which would have provided $2,000,000 to be derived by transfer from the Department of State "Acquisition and Maintenance of Buildings Abroad" account.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

Amendment No. 156: Appropriates $200,000 as proposed by the House instead of $50,000 as proposed by the Senate.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

Amendment No. 157: Appropriates $42,434,000 instead of $42,934,000 as proposed by the House and $41,934,000 as proposed by the Senate.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

Amendment No. 158: Deletes a heading proposed by the Senate referring to the transfer of funds. The House bill contained no similar provision.

Amendment No. 159: Appropriates $691,725,000 instead of $681,051,000 as proposed by the House and $692,275,000 with an additional transfer of $4,000,000 from the State Department's Acquisition and Maintenance of Buildings Abroad account as proposed by the Senate.

The conference agreement of $691,725,000 reflects the reduction of $1,868,000 for GSA space rental rate limitations proposed by the House and an increase of $1,318,000 above the budget request to cover a portion of the proposed base reductions.

The conferees are concerned about the additional requirements for the U.S. Information Service resulting from United States recognition of Latvia, Lithuania, and Estonia as well as the need to adjust the agency's programs in the Union of Soviet Socialist Republics and Eastern European countries. In addition, the conferees are concerned about expansion of USIA and Voice of America programs mandated in other Acts at a time of restricted budgets. Before any funds are obligated or committed for new posts or expansion of posts or for any newly authorized programs, the conferees are agreed that a reprogramming proposal must be submitted to the House and Senate Appropriations Committees in accordance with the reprogramming provisions of this Act.

Amendment No. 160: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds language permitting up to $1,250,000 of the USIA's Salaries and Expenses appropriation to be available for the operation of the International Literary Centre or a nonprofit successor organization as appropriate. The House bill contained no provision on this matter. The conferees support the purposes of this organization which distributes books and periodicals on democracy, economics, law, government, management, and related fields in the Soviet Union and Eastern Europe.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

Amendment No. 161: Deletes a heading proposed by the Senate referring to the transfer of funds. The House bill contained no similar provision.

Amendment No. 162: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$194,232,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had proposed an appropriation of $178,000,000 for the Educational and Cultural Exchange Programs and the Senate had proposed an appropriation of $186,163,000. The conference agreement provides an appropriation of $194,232,000.

The following table shows the conference agreement with appropriate comparisons:

[In thousands of dollars]

Program	Request	House	Senate	Conference
Fulbright scholarships	$107,065	$104,365	$115,065	$110,000
CAMPUS	3,389	3,389	4,422	4,000
International visitors	44,336	45,366	45,366	45,000
Humphrey fellowships	5,682	5,552	5,682	5,667
Congress-Bundestag exchanges	2,465	2,465	2,465	2,465
Institute for Representative Government			600	600
East Europe training projects	1,500	3,500	1,500	3,500
Citizen exhange programs	8,063	8,063	8,063	8,000
Pepper scholarships		1,000	1,000	1,000
Soviet-American Interparliamentarian meetings		2,000		2,000
World University games		2,000	2,000	2,000
(By Transfer):				
U.S. Soviet Exchange Program			(7,000)	7,000
Educational Exchange Enhancement Act			(4,000)	2,000
Federal Endowment for High School Exchanges			(2,000)	1,000

[In thousands of dollars]

Program	Request	House	Senate	Conference
Total	$172,500	$178,000	$186,163	$194,232
(By Transfer)	(---)	(---)	(13,000)	---

Note: The Senate transfers were proposed in Amendment No. 164.

The conferees encourage the Director of the United States Information Agency to place greater emphasis upon exchange programs which include the disabled. The Director should consider expanding the participation of individuals with disabilities in international educational and cultural exchange activities, including the full array of government-sponsored and government-assisted programs. The Director should, subject to the availability of funds, consider contracting for the development and expansion of such programs with a nonprofit organization with a demonstrated capability to coordinate exchange programs for the disabled.

The conferees are aware of the proposals of certain universities including the University of Kansas, Rutgers University, and De Paul University to provide training for educators, government officials, business leaders, and scholars in the emerging democracies of Eastern Europe. The conferees note that the U.S. Information Agency provided funding for various project proposals on this matter from these and other American universities and colleges in fiscal year 1991. The conferees strongly support this program and urge the U.S. Information Agency to consider proposals for funding during fiscal year 1992.

The conferees agree with the language in the House Appropriations Committee report regarding the importance of USIA's Designated Exchange Visitor Programs for flight, agricultural, and other trainees, in particular the on-the-job components of such programs, and wish to reemphasize the expectation that USIA will submit its proposed, revised regulations regarding such programs "to the appropriate Congressional committees with a detailed explanation of the proposed changes before implementing any such revised regulations".

Amendment No. 163: Provides an earmarking of $1,000,000 for the Claude and Mildred Pepper Scholarship Program. The House had proposed this earmarking as well as an earmarking of $2,000,000 for the 1993 World University Games in Buffalo, New York, and $2,000,000 for the expenses of Soviet-American Interparliamentary Meetings and visits in the United States—all of which were stricken by the Senate. Funding for each of these programs is included in the conference agreement on Amendment No. 162.

Amendment No. 164: Deletes language proposed by the Senate which would have transferred $13,000,000 from the State Department's Acquisition and Maintenance of Buildings Abroad account and would have designated certain amounts for several new exchange programs. The House bill contained no provision on this matter. Funding for these exchange programs is provided in the conference agreement on Amendment No. 162.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM PAYMENT TO THE EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

Amendment No. 165: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That interest and earnings in the Fund shall be made available to the Eisenhower Exchange Fellowships, Incorporated, pursuant to 20 U.S.C. 5203(a): Provided further, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for GS-18 of the Classification Act of 1949, as amended; or for purposes which are not in accordance with OMB Circulars A-110 (Uniform Administrative Requirements) and A-122 (Cost Principles for Nonprofit Organizations), including the restrictions on compensation for personal services.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides language as proposed by the Senate that makes interest and earnings in the Eisenhower Exchange Fellowship Program Trust Fund available to the Eisenhower Exchange Fellowships, Incorporated pursuant to 20 U.S.C. 5203(a). The conference agreement also adds new language not contained in either the House or Senate bills which prohibits any of the funds appropriated for payment to the Eisenhower Exchange Fellowship Program Trust Fund to pay any salary or other compensation in excess of the rate authorized for GS-18. This provision also prohibits the use of this appropriation for purposes which are not in accordance with OMB Circulars A-110 (Uniform Administrative Requirements) and A-112 (Cost Principles for Nonprofit Organizations), including the restriction on compensation for personal services. The House bill included no provision on these matters.

The conferees have included a restriction on the use of this appropriation which was not contained in either bill, pursuant to the recommendation of the USIA Inspector General who recently completed an audit of the Eisenhower Exchange Fellowships, Incorporated. In his audit report, the Inspector General found that the EEF had granted its president a 15 year below-market interest (6 percent loan of $250,000) to purchase a new home as part of the president's compensation package. The Inspector General also found that under a proposed compensation plan, which the president stated was never approved, the president's compensation would increase from $89,000 per year to $175,000 per year, including deferred payments, by 1997. The conferees have included the restriction on the use of the appropriation to the Endowment in light of the fact that the Endowment may not be covered by the restrictions normally applicable to grants, as recommended by the USIA Inspector General.

RADIO CONSTRUCTION

Amendment No. 166: Deletes a heading proposed by the Senate which refers to the transfer of funds. The House bill contained no similar provision.

Amendment No. 167: Deletes language proposed by the Senate which would have transferred $10,000,000 from the Department of State's acquisition and Maintenance of Buildings Abroad account to supplement the direct appropriation for USIA's Radio Construction account. The House bill contained no similar provision.

BROADCASTING TO CUBA

Amendment No. 168: Appropriates $6,888,000 instead of $33,288,000 as proposed by the House and $38,988,000 as proposed by the Senate. The conference agreement provides $11,013,000 for Radio Broadcasting to Cuba, $14,553,000 for Television Broadcasting to Cuba, $8,022,000 for program direction and administration, and $3,300,000 for construction of an additional transmitting facility for Radio Marti.

EAST-WEST CENTER

Amendment No. 169: Appropriates $24,500,000 for the East-West Center instead of $23,920,000 as proposed by the House and $26,000,000 as proposed by the Senate. The conferees recommend that the East-West Center allocate $150,000 from these funds to the Kapalua Pacific Center to conduct a follow-up, five-day survey of cultural values in the Age of Technology. The purpose of this survey is to define further program statements and issues developed by Pacific Island leaders who are attempting to build an economy in today's rapidly changing technology. The conferees expect that field visits will be made to selected Pacific sites in carrying out this study and that 40 Pacific Island leaders will participate in the survey.

NORTH/SOUTH CENTER

Amendment No. 170: Appropriates $5,000,000 for the North/South Center instead of $10,000,000 for this purpose as proposed by the House and stricken by the Senate.

NATIONAL ENDOWMENT FOR DEMOCRACY

Amendment No. 171: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$27,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $27,500,000 for the National Endowment for Democracy instead of $30,000,000 as proposed by the Senate. The House bill contained no provision on this matter.

TITLE VI—GENERAL PROVISIONS

Amendment No. 172: Deletes section 607 proposed by the House and stricken by the Senate which would have prohibited any of the funds in this Act from being used to implement the provisions of Public Law 101-576.

Amendment No. 173: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$9.79" in subparagraph (1) of said amendment, insert: *$9.76* and

In lieu of the term "9 cents" in subparagraph (1) of said amendment, insert: *8 cents*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement continues all of the legislative provisions relating to the Legal Services Corporation which were in effect during fiscal year 1991 as proposed by the Senate. These provisions include prohibitions on abortion litigation and representation of illegal aliens; restrictions on lobbying, class action suits and training programs; provisions governing the appointment of local program boards of directors; and provisions making it easier to deny refunding to grantees. The conference agreement also includes Senate language which continues provisions which were in effect in fiscal year 1991 concerning the development of a system of competitive bidding of grants; requirements for full-year funding of grants; a requirement that any timekeeping system be developed by regulation; and restrictions on implementation of LSC regulations. No new legislative provisions have been added.

The conference agreement also includes a funding formula for the distribution of funds to field programs which provides that grants shall be maintained at not less than $9.76 per poor person instead of $9.79 as proposed by the Senate or 8 cents per poor person more than the annual per-poor-person level at which funding was appropriated in Public Law 101–515 instead of 9 cents for this purpose as proposed by the Senate. These changes in the formula reflect the changes in the distribution of funds among the various components of the LSC appropriation in the conference agreement.

The House bill contained no similar provisions.

The conferees are optimistic that reauthorization legislation for the Legal Services Corporation will be enacted during this Congress to address, and supersede, many of the legislative provisions which have been carried year after year in appropriations bills.

Amendment No. 174: Deletes language proposed by the Senate which would have prohibited any person who has served as the United States Trade Representative from representing foreign governments within five years after leaving office.

The House bill contained no provision on this matter.

Amendment No. 175: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the section number named in said amendment, insert: *608* and after the word "prohibition" in new Sec. 608(a), insert the following: *in the national interest or*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds section 608 to the bill. Subsection (a) prohibits the use of funds in the Act to approve any export license application for the launch of U.S.-built satellites on Chinese-built launch vehicles unless the President waives such prohibition in the national interest or under subsection (b) of this section. Under the conference agreement subsection (b) provides that the restriction on the approval of export licenses for U.S.-built satellites to the People's Republic of China for launch on Chinese-built launch vehicles contained in subsection (a) may be waived by the President on a case-by-case basis upon certification by the United States Trade Representative that the People's Republic of China is in full compliance with the memorandum of agreement between the Government of the United States and the Government of the People's Republic of China regarding international trade in commercial launch services.

The Senate had proposed the provisions in the conference agreement except for the authority of the President to waive this provision in the national interest. The House bill contained no provision on this matter.

Amendment No. 176: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 609. (a) Section 5(g)(1) of the Small Business Act (15 U.S.C. 634(g)(1)) is amended by striking "except separate trust certificates shall be issued for loans approved under section 7(a)(13)" and inserting in lieu thereof the following: "or under section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 660)."

(b) Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by striking "or a loan under paragraph (13)" from the first sentence.

(c) Section 215(a)(2) of the Small Business Administration Reauthorization and Amendments Act of 1990 (Public Law 101–574) is amended by striking "July 1, 1991" and inserting in lieu thereof "July 1, 1991."

(d) The Small Business Act is amended by adding the following new section:

"SEC. 28. PILOT TECHNOLOGY ACCESS PROGRAM.

"(a) ESTABLISHMENT.—The Administration, in consultation with the National Institute of Standards and Technology and the National Technical Information Service, shall establish a Pilot Technology Access Program, for making awards under this section to Small Business Development Centers (hereinafter in this section referred to as "Centers").

"(b) CRITERIA FOR SELECTION OF CENTERS.—The Administrator of the Small Business Administration shall establish competitive, merit-based criteria for the selection of Centers to receive awards on the basis of—

"(1) the ability of the applicant to carry out the purposes described in subsection (d) in a manner relevant to the needs of industries in the area served by the Center;

"(2) the ability of the applicant to integrate the implementation of this program with existing Federal and State technical and business assistance resources; and

"(3) the ability of the applicant to continue providing technology access after the termination of this pilot program.

"(c) MATCHING REQUIREMENT.—To be eligible to receive an award under this section, an applicant shall provide a matching contribution at least equal to that received under such award, not more than fifty percent of which may be waived overhead or in-kind contributions.

"(d) PURPOSE OF AWARDS.—Awards made under this section shall be for the purpose of increasing access by small businesses to on-line data base services that provide technical and business information, and access to technical experts, in a wide range of technologies, through such activities as—

"(1) defraying the cost of access by small businesses to the data base services;

"(2) training small businesses in the use of the data base services; and

"(3) establishing a public point of access to the data base services.

"Activities described in paragraphs (1) through (3) may be carried out through contract with a private entity.

"(e) RENEWAL OF AWARDS.—Awards previously made under section 21(A) of this Act may be renewed under this section.

"(f) INTERIM REPORT.—Two years after the date on which the first award was issued under section 21(A) of this Act, the General Accounting Office shall submit to the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives and to the Committee on Small Business and the Committee on Commerce, Science, and Transportation of the Senate, an interim report on the implementation of the program under such section and this section, including the judgments of the participating Centers as to its effect on small business productivity and innovation.

"(g) FINAL REPORT.—Three years after such date, the General Accounting Office shall submit to the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives and to the Committee on Small Business and the Committee on Commerce, Science and Transportation of the Senate, a final report evaluating the effectiveness of the Program under section 21(A) and this section in improving small business productivity and innovation.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Small Business Administration $5 million for each of fiscal years 1992 through 1995 to carry out this section, and such amounts may remain available until expended.

"(i) Centers are encouraged to seek funding from Federal and non-Federal sources other than those provided for in this section to assist small businesses in the identification of appropriate technologies to fill their needs, the transfer of technologies from Federal laboratories, public and private universities, and other public institutions, the analysis of commercial opportunities represented by such technologies, and such other functions as the development, business planning, market research, and financial packaging required for commercialization. Insofar as such Centers pursue these activities, Federal agencies are encouraged to employ these Centers to interface with small businesses for such purposes as facilitating small business participation in Federal procurement and fostering commercialization of Federally-funded research and development.".

"(e) Notwithstanding any other law, no funds shall be appropriated to carry out section 21(A) of the Small Business Act after September 30, 1991, and such section is repealed October 1, 1992.

"(f) Section 232 of the Small Business Administration Reauthorization and Amendments Act of 1990 is repealed.

"(g) Section 7(b) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 Note) is amended by striking "March 31, 1991" in the first sentence and inserting in lieu thereof "October 1, 1992".

(h) Section 7 of the Small Busienss Act (15 U.S.C. 636) is amended by adding at the end the following new subsection:

"( ) Microloan Demonstration Program.—

"(1)(A) PURPOSE.—The purposes of the Microloan Demonstration Program are—

"(A) to assist women, low-income, and minority entrepreneurs, business owners, and other individuals possessing the capability to operate successful business concerns;

"(B) to assist small business concerns in those areas suffering from a lack of credit due to economic downturns; and

"(C) to establish a microloan demonstration program to be administered by the Small Business Administration—

"(i) to make loans to eligible intermediaries to enable such intermediaries to provide small-scale loans to startup, newly established, or growing small business concerns for working capital or the acquisition of materials, supplies, or equipment.

"(ii) to make grants to eligible intermediaries that, together with non-Federal matching funds, will enable such intermediaries to provide intensive marketing, management, and technical assistance to microloan borrowers;

"(iii) to make grants to eligible nonprofit entities that, together with non-Federal matching funds, will enable such entities to provide intensive marketing, management, and technical assistance to assist low-income entrepreneurs and other low-income individuals obtain private sector financing for their businesses, with or without loan guarantees; and

"(iv) to report to the Committees on Small Business of the Senate and the House of Representatives on the effectiveness of the microloan program and the advisability and feasibility of implementing such a program nationwide.

"(B) ESTABLISHMENT.—There is established a microloan demonstration program, under which the Administration may—

"(i) make direct loans to eligible intermediaries, as provided under paragraph (3), for the purpose of making short-term, fixed interest rate microloans to startup, newly established, and growing small business concerns under paragraph (6);

"(ii) in conjunction with such loans and subject to the requirements of paragraph (4), make grants to such intermediaries for the purpose of providing intensive marketing, management, and technical assistance to small business concerns that are borrowers under this subsection; and

"(iii) subject to the requirements of paragraph (5), make grants to nonprofit entities for the purpose of providing marketing, management, and technical assistance to low-income individuals seeking to start or enlarge their own businesses, if such assistance includes working with the grant recipient to secure loans in amounts not to exceed $15,000 from private sector lending institutions, without a loan guarantee from the nonprofit entity.

"(2) ELIGIBILITY FOR PARTICIPATION.—An intermediary shall be eligible to receive loans and grants under subparagraphs (B)(i) and (B)(ii) of paragraph (1)(B) if it—

"(A) meets the definition in paragraph (10); and

"(B) has at least 1 year of experience making microloans to startup, newly established, or growing small business concerns and providing, as an integral part of this microloan program, intensive marketing, management, and technical assistance to its borrowers.

"(3) LOANS TO INTERMEDIARIES.—

"(A) INTERMEDIARY APPLICATIONS.—As part of its application for a loan, each intermediary shall submit a description to the Administration of—

"(i) the type of businesses to be assisted;

"(ii) the size and range of loans to be made;

"(iii) the geographic area to be served and its economic and unemployment characteristics;

"(iv) the status of small business concerns in the area to be served and an analysis of their credit and technical assistance needs;

"(v) any marketing, management, and technical assistance to be provided in connection with a loan made under this subsection;

"(vi) the local economic credit markets, including the costs associated with obtaining credit locally;

"(vii) the qualifications of the applicant to carry out the purpose of this subsection; and

"(viii) any plan to involve private sector lenders in assisting selected small business concerns.

"(B) INTERMEDIARY CONTRIBUTION.—As a condition of any loan made to an intermediary under subparagraph (B)(i) of paragraph (1), the Administration shall require the intermediary to contribute not less than 15 percent of the loan amount in cash from non-Federal sources.

"(C) LOAN LIMITS.—Notwithstanding subsection (a)(3), no loan shall be made under this subsection if the total amount outstanding and committed to one intermediary (excluding outstanding grants) from the business loan and investment fund established by this Act would, as a result of such loan, exceed $750,000 in the first year of such intermediary's participation in the program, and $1,250,000 in the remaining years of the intermediary's participation in the demonstration program.

"(D) LOAN LOSS RESERVE FUND.—The Administration shall, by regulation, require each intermediary to establish a loan loss reserve fund, and to maintain such reserve fund until all obligations owed to the Administration under this subsection are repaid. The Administration shall require the loan loss reserve fund to be maintained—

"(i) in the first year of the intermediary's participation in the demonstration program, at a level equal to not more than 15 percent of the outstanding balance of the notes receivable owned to the intermediary; and

"(ii) in each year of participation thereafter, at a level reflecting the intermediary's total losses as a result of participation in the demonstration program, as determined by the Administration on a case-by-case basis, but in no case shall the required level exceed 15 percent of the outstanding balance of the notes receivable owned to the intermediary under the program.

"(E) UNAVAILABILITY OF COMPARABLE CREDIT.—An intermediary may make a loan under this subsection of more than $15,000 to a small business concern only if such small business concern demonstrates that it is unable to obtain credit elsewhere at comparable interest rates and that it has good prospects for success. In no case shall an intermediary make a loan under this subsection of more than $25,000, or have outstanding or committed to any 1 borrower more than $25,000.

"(F) LOAN DURATION.—Loans made by the Administration under this subsection shall be for a term of 10 years and at an interest rate equal to the rate determined by the Secretary of the Treasury for obligations of the United States with a period of maturity of 5 years, adjusted to the nearest one-eighth of 1 percent.

"(G) DELAYED PAYMENTS.—The Administration shall not require repayment of interest or principal of a loan made to an intermediary under this subjection during the first year of the loan.

"(H) FEES; COLLATERAL.—Except as provided in subparagraphs (B) and (D), the Administration shall not charge any fees or require collateral other than an assignment of the notes receivable of the microloans with respect to any loan made to an intermediary under this subsection.

"(4) MARKETING, MANAGEMENT, AND TECHNICAL ASSISTANCE GRANTS TO INTERMEDIARIES.—Grants made in accordance with subparagraph (b)(ii) of paragraph (1) shall be subject to the following requirements:

"(A) GRANT AMOUNTS.—Subject to the requirements of subparagraph (B), each intermediary that receives a loan under subparagraph (B)(i) of paragraph (1) shall be eligible to receive a grant to provide marketing, management, and technical assistance to small business concerns that are borrowers under this subsection. In the first and second years of an intermediary's program participation, each intermediary meeting the requirement of subparagraph (B) may receive a grant of not more than 20 percent of the total outstanding balance of loans made to it under this subsection. In the third and subsequent years of an intermediary's program participation, each intermediary meeting the requirements of subparagraph (B) may receive a grant of not more than 10 percent of the total outstanding balance of loans made to it under this subsection.

"(B) CONTRIBUTION.—As a condition of any grant made under subparagraph (A), the Administration shall require the intermediary to contribute an amount equal to one-half of the amount of the grant, obtained solely from non-Federal sources. In addition to cash or other direct funding, the contribution may include indirect costs or in-kind contributions paid for under non-Federal programs.

"(5) PRIVATE SECTOR BORROWING TECHNICAL ASSISTANCE GRANTS.—Grants made in accordance with subparagraph (B)(iii) of paragraph (1) shall be subject to the following requirements:

"(A) GRANT AMOUNTS.—Subject to the requirements of subparagraph (B), in each of the 5 years of the demonstration program established under this subsection, the Administration may make not more than 2 grants, each in amounts not to exceed $125,000 for the purposes specified in subparagraph (B)(iii) of paragraph (1).

"(B) CONTRIBUTION.—As a condition of any grant made under subparagraph (A), the Administration shall require the grant recipient to contribute an amount equal to 20 percent of the amount of the grant, obtained solely from non-Federal sources. In addition to cash or other direct funding, the contribution may include indirect costs or in-kind contributions paid for under non-Federal programs.

"(6) LOANS TO SMALL BUSINESS CONCERNS FROM ELIGIBLE INTERMEDIARIES.—

"(A) IN GENERAL.—An eligible intermediary shall make short-term, fixed rate loans to start-up, newly established, and growing small business concerns from the funds made available to it under subparagraphs (B)(i) of paragraph (1) for working capital and the acquisition of materials, supplies, furniture, fixtures, and equipment.

"(B) PORTFOLIO REQUIREMENT.—To the extent practicable, each intermediary that operates a microloan program under this subsection shall maintain a microloan portfolio with an average loan size of not more than $10,000.

"(C) INTEREST LIMIT.—Notwithstanding any provision of the laws of any State or the constitution of any State pertaining to the rate or amount of interest that may be charged, taken, received or reserved on a loan, the maximum rate of interest to be charged on a microloan funded under this subsection shall be not more than 4 percentage points above the prime lending rate, as identified by the Administration and published in the Federal Register on a quarterly basis.

"(D) REVIEW RESTRICTION.—The Administration shall not review individual microloans made by intermediaries prior to approval.

"(7) PROGRAM FUNDING.—

"(A) FIRST YEAR PROGRAMS.—In the first year of the demonstration program, the Administration is authorized to fund, on a competitive basis, not more than 35 microloan programs, including not less than 1 program to be located in each of the following States: Arkansas, Illinois, Iowa, Kentucky, Maine, Minnesota, New Hampshire, New York, North Carolina, Pennsylvania, South Carolina, and Wisconsin.

"(B) EXPANDED PROGRAMS.—In the second year of the demonstration program, the Administration is authorized to fund up to 25 additional microloan programs.

"(C) STATE LIMITATIONS.—In no case shall a State—

"(i) be awarded more than 2 microloan programs in any year of the demonstration program;

"(ii) receive more than $1,000,000 to fund such programs in such State's first year of participation; or

"(iii) receive more than $1,500,000 to fund such programs in any succeeding year of such State's participation.

"(8) RURAL ASSISTANCE.—In funding microloan programs, the Administration shall ensure that at least one-half of the programs funded under this subsection will provide microloans to small business concerns located in rural areas.

"(9) REPORT TO CONGRESS.—On November 1, 1995, the Administration shall submit to the Committees on Small Business of the Senate and the House of Representatives a report, including the Administration's evaluation of the effectiveness of the first 3½ years of the microloan demonstration program and the following:

"(A) the numbers and locations of the intermediaries funded to conduct microloan programs;

"(B) the amounts of each loan and each grant to intermediaries;

"(C) a description of the matching contributions of each intermediary;

"(D) the numbers and amounts of microloans made by the intermediaries to small business concern borrowers;

"(E) the repayment history of each intermediary;

"(F) a description of the loan portfolio of each intermediary including the extent to which it provides microloans to small business concerns in rural areas; and

"(G) any recommendations for legislative changes that would improve program operations.

"(10) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'intermediary' means a private, nonprofit entity or a nonprofit community development corporation that seeks to borrow or has borrowed funds from the Small Business Administration to make microloans to small business concerns under this subsection;

"(B) the term 'microloan' means a short-term, fixed rate loan of not more than $25,000, made by an intermediary to a startup, newly established, or growing small business concern;

"(C) the term 'rural area' means any political subdivision or unincorporated area—

"(i) in a nonmetropolitan county (as defined by the Secretary of Agriculture) or its equivalent thereof; or

"(ii) in a metropolitan county or its equivalent that has a resident population of less than 20,000 if the Small Business Administration has determined such political subdivision or area to be rural."

(b) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Small Business Administration shall promulgate interim final regulations to implement the microloan demonstration program.

(c) PROGRAM TERMINATION.—The demonstration program established by subsection (a) shall terminate 5 years after the date of enactment of this Act.

(d) PROGRAM FUNDING AND REPAYMENT OF LOANS.—Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) in paragraph (1), by striking "and 7(c)(2)" and inserting "7(c)(2), and 7(m)";

(2) in paragraph (2), by striking "and 8(a)" and inserting "7(m), and 8(a)".

(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out the demonstration program established under section 7(m) of the Small Business Act (as added by subsection (a)), there are authorized to be appropriated to the Small Business Administration—

(1) for fiscal year 1992—

(A) $15,000,000 to be used for the provision of loans; and

(B) $3,000,000 to be used for the provision of grants; and

(2) for fiscal year 1993—

(A) $25,000,000 to be used for the provision of loans; and

(B) $5,000,000 to be used for the provision of grants.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes several language changes to the Small Business Act as follows:

Subsection (a) includes language provided in the Senate bill which amends the Small Business Act to provide authority for loans made under the Administration's 502 Development Company Program to be pooled with SBA's 7(a) guaranteed loans for sale in the secondary market. The House bill contained no similar provision.

Subsection (b) includes language provided in the Senate bill which amends the Small Business Act to permit the SBA to charge the same guarantee fee (2 percent) for 502 development company loans as it does for 7(a) guaranteed loans. The House bill contained no similar provision.

Subsection (c) includes language provided in the Senate bill which extends for 1 year the effective date of a $35,000,000 cap on leverage of commonly controlled small business investment companies (SBIC's) imposed by the Small Business Administration Reauthorization and Amendments Act of 1990. This extension will allow the Congress to complete a major review and overhaul of the SBIC program before the new limitation becomes effective. The House bill contained no similar provision.

Subsection (d) provides new language establishing the Pilot Technology Access Program for the purpose of increasing access by small businesses to on-line data base services that provide technical and business information. The Senate bill included language intended to clarify the existing Small Business Development Center Technical Assistance Program. The House bill contained no similar provision.

Subsection (e) includes new language providing that no funds shall be used to carry out the existing SBDC Technical Assistance program after the end of FY 1991, and that such program is repealed at the end of FY 1992. The House and Senate bills contained no similar provision.

Subsection (f) repeals section 232 of the Small Business Reauthorization and Amendment Act of 1990. The Senate bill provided language (under subsection (e)) which would have stricken section 232 from P.L. 101-574. The House bill contained no similar provision.

Subsection (g) amends Section 7(b) of the Small Business Computer Security and Education Act to extend the SBA's ability to cosponsor training events for small business until the end of FY 1992. The Senate bill included language extending the cosponsorship provision indefinitely; the House bill contained no similar provision.

Subsection (h) of the bill provides the authorization a Microloan Demonstration Program to be administered by the Small Business Administration (SBA).

Under the demonstration program, SBA will make direct loans at the Treasury's cost of money to non-profit intermediaries for 35 microloan demonstration projects in FY 1992 and 25 additional microloan demonstration projects in FY 1993, which will provide small loans to enterpreneurs to establish or to strengthen their small businesses. As an integral part of each demonstration project, each intermediary, which meets non-Federal matching requirements, will receive a grant to provide marketing, management and technical assistance to the small business borrowers. The grants will be available in amounts not to exceed 20 percent of the amount of the intermediary's outstanding SBA loan balance in FY 1992 and FY 1993, and 10 percent of that amount in each of its remaining years of program participation. In order to receive such a grant, the intermediary must contribute 50 percent of the amount of the grant to the microloan project from non-Federal sources. The contribution may include, among other things, cash, direct costs, indirect costs and in-kind contributions.

Additionally, at least one and not more than two technical assistance grants in FY 1992 may be made to non-profit community organizations which provide only technical assistance or technical assistance with loan guarantees to microloan borrowers.

In fiscal year 1992, eligible intermediaries will receive no more than $750,000 in loans (excluding grants) from SBA and no one state shall receive more than $1 million in loans (excluding grants). Intermediaries will provide loans of not more than $25,000 to start-up and newly established small businesses, and each intermediary shall strive to maintain an average loan size of $10,000 in its microloan portfolio. Borrowers wishing to borrow more than $15,000 must demonstrate that they are unable to secure credit elsewhere on comparable terms.

The conferees recognize that the following states have strong microloan programs at this time: Arkansas, Illinois, Iowa, Kentucky, Maine, Minnesota, New Hampshire, New York, North Carolina, Pennsylvania, South Carolina and Wisconsin. Based on the strength of these existing programs, this provision mandates that the SBA include programs from these states among the first 35 demonstation programs.

Amendment No. 177: Deletes language proposed by the Senate which would have required the Subcommittee on Government Information and Regulation of the Senate Committee on Governmental Affairs to report to the Senate on the use of the Post Enumeration Survey of the 1990 Census for purposes other than political apportionment and recommend such changes as necessary. The language would also have required that report to be made after consultation with the Secretary of Commerce by February 1, 1992. The House bill contained no provision on this matter.

The conferees have deleted this provision from the bill since this is an internal Senate matter.

Amendment No. 178: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the first section number named in said amendment, insert the following: *610*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds language proposed by the Senate, which requires the Attorney General to issue regulations covering declarations of immigration emergencies. The House bill contained no such provision.

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 611. Notwithstanding any other provision of law.—

(a) For fiscal year 1992 and thereafter, the Department of Justice may procure the services of expert witnesses for use in preparing or prosecuting a civil or criminal action, without regard to competitive procurement procedures, including the Commerce Business Daily publication requirements: Provided, That no witness shall be paid more than one attendance fee for any calendar day.

(b) The Attorney General is authorized to enter into a lease with the University of South Carolina to carry out the provision required under the appropriation "Salaries and Expenses, United States Attorneys" in this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate agreement adds language, not in the House bill, which requires the Attorney General to develop a tracking system for I-94 forms to determine when aliens are admitted into the United States, and when they depart. The conference agreement deletes the Senate language and adds new language, not in either the House or Senate bill.

I-94 TRACKING SYSTEM.—The conferees agree that there is merit in the Senate proposal to track when aliens arrive and leave the United States. However, the development and acquisition of a tracking system will be extremely costly, and such funds are not available at this time. The conferees expect the Commissioner of INS to examine the possibility of developing a tracking system and to report to the Committees on Appropriations of the House and Senate, by February 1, 1992 on its feasibility and estimated cost.

EXPERT WITNESSES.—The conferees have been made aware of difficulties being experienced by the Justice Department in procuring, in a timely manner, the services of expert witnesses for use in preparing or prosecuting a civil or criminal action. The conference agreement provides authority, similar to that contained in the Superfund Act of 1986, allowing the Department to procure expert witness services without competition.

The conference agreement also contains language which clarifies the intent of the conferees in regard to leasing of a facility at the University of South Carolina.

Amendment No. 180: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 612. Notwithstanding any other provision of law, none of the funds in this Act shall be available for General Services Administration Rent System payments, unless such payments are processed through the Treasury Department's Billed Office Address Code System.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment adds language which requires the Attorney General to provide for the timely parole of certain aliens detained at the Krome Processing Center in Florida. The House bill contained no similar provision.

The conference agreement deletes the Senate language and adds new language concerning billings by the Treasury Department.

KROME PROCESSING CENTER.—The conferees agree to delete the Krome language, because this issue should not be limited to one section of the country, but instead should be addressed as part of a comprehensive review of INS detention procedures throughout the United States. The conferees understand that the House Committee on the Judiciary is awaiting just such a review by the General Accounting Office.

The conferees are interested in the Pilot Parole Program begun by the Immigration Service in May 1990 and are eager to see the Service expand the availability of parole for excludable aliens currently under detainment. The Attorney General shall expand this program or develop a new parole program, working especially to alleviate the problems which have been experienced at Krome Processing Center in Florida under the current Pilot Parole Program so that parole opportunities in the Miami District can be increased.

In developing criteria for parole release, the Service shall pay particular attention to the likelihood that the alien will participate in future immigration proceedings, the posting of a reasonable bond, the danger to the community posed by the alien, offers of employment or other financial support, and the presence of a family member or sponsoring agency in the community.

The Immigration Service shall report to Congress no later than September 30, 1992, on the success of the parole project and of efforts to ameliorate past obstacles to implementing the program effectively.

TREASURY BILLINGS—In order to provide the agencies and commissions in this Act the opportunity to appeal unusually high space rental billings to GSA in a more equitable fashion, the conference agreement provides language requiring the Treasury Department to process those billings through their Billed Office Address Code System, and not through automatic deductions.

Amendment No. 181: Deletes language proposed by the Senate, which added Sense of the Senate language concerning a Metropolitan Corrections Center in Brooklyn. The House bill contained no similar provision.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1992 recommended by the Committee of Conference, with comparisons to the fiscal year 1991 amount, the 1992 budget estimates, and the House and Senate bills for 1992 follow:

	Billions
New budget (obligational) authority, fiscal year 1991	$19,496,278
Budget estimates of new (obligational) authority, fiscal year 1992	22,342,064
House bill, fiscal year 1992	20,974,822
Senate bill, fiscal year 1992	22,123,488
Conference agreement, fiscal year 1992	21,925,436
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1991	+2,429,158
Budget estimates of new (obligational) authority, fiscal year 1992	−416,628
House bill, fiscal year 1992	+950,614
Senate bill, fiscal year 1992	−198,052

NEAL SMITH,
BILL ALEXANDER,
JOSEPH D. EARLY,
BOB CARR,
ALAN B. MOLLOHAN,
NANCY PELOSI,
JAMIE L. WHITTEN,
HAL ROGERS,
RALPH REGULA,
JIM KOLBE
(except for amendment 140),
JOSEPH M. MCDADE,
Managers on the Part of the House.

ERNEST F. HOLLINGS,
DANIEL K. INOUYE,
DALE BUMPERS,
FRANK R. LAUTENBERG,
JIM SASSER,
BROCK ADAMS,
ROBERT C. BYRD,
WARREN B. RUDMAN,
TED STEVENS,
MARK O. HATFIELD,
ROBERT W. KASTEN, Jr.,
PHIL GRAMM,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DERRICK (at the request of Mr. GEPHARDT), for today, on account of business in district;

Mr. MYERS of Indiana (at the request of Mr. MICHEL), for today, on account of illness in the family;

Mr. RANGEL (at the request of Mr. GEPHARDT), for today, on account of business in district;

Mr. PAYNE of Virginia (at the request of Mr. GEPHARDT), for today, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. NUSSLE) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, today.

Mr. RITTER, for 60 minutes, on October 9.

Mr. GALLEGLY, for 5 minutes, today.

Mr. DELAY, for 60 minutes, on October 3.

(The following Members (at the request of Mr. NEAL of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. PICKLE, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today, for 60 minutes on October 2, and for 5 minutes each day on October 3 and 4.

Ms. HORN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. STAGGERS, for 5 minutes, on October 2.

(The following Members (at the request of Mr. NEAL of Massachusetts) to revise and extend their remarks and include extraneous material:)

Mr. FLAKE, for 60 minutes each day, on October 8 and 9.

Mr. HAYES of Illinois, for 60 minutes, on October 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. NUSSLE) and to include extraneous matter:)

Mr. HUNTER.
Mr. LOWERY of California.
Mr. SUNDQUIST.
Mr. GEKAS.
Mr. GINGRICH.
Ms. SNOWE.
Mr. SOLOMON in four instances.
Mr. MACHTLEY in two instances.
Mr. CRANE.
Mr. FAWELL.
Mr. VANDER JAGT.
Mr. CLINGER.
Mr. SHAW.
Mr. ROHRABACHER.

Mr. McEwen.

Mrs. Roukema.

(The following Members (at the request of Mr. Neal of Massachusetts) and to include extraneous matter:)

Mr. Towns.

Mr. Roe in two instances.

Mr. Montgomery.

Mr. Fazio in two instances.

Mr. Rose.

Mr. Bustamante.

Mr. Reed.

Mr. Downey in two instances.

Mrs. Collins of Illinois.

Mr. Luken.

Mr. Stark.

Mr. Richardson.

Mr. Ray.

Mr. Smith of Florida.

Mr. Sanders.

Mr. de Lugo.

Ms. Horn.

Mr. Miller of California.

Mr. Hertel.

Mr. Weiss.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1035. An act to amend section 107 of title 17, United States Code, relating to fair use with regard to unpublished copyrighted works; to the Committee on the Judiciary.

S. 1742. An act to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, from farmers' markets, to expand the awareness and use of farmers' markets, and to increase sales at the markets, and for other purposes; to the Committees on Agriculture and Education and Labor.

S. 1766. An act relating to the jurisdiction of the United States Capitol Police; to the Committee on House Administration.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years;

S.J. Res. 156. Joint resolution to designate the week of October 6, 1991 through October 12, 1991, as "Mental Illness Awareness Week"; and

S.J. Res. 172. Joint resolution to authorize and request the President to proclaim each of the months of November 1991 and 1992 as "National American Indian Heritage Month."

ADJOURNMENT

Mr. NEAL of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p.m.), the House adjourned until tomorrow, Wednesday, October 2, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2157. A letter from the Deputy Secretary of Defense, transmitting certification that the current 5-year defense program fully funds the support costs associated with the family of medium tactical vehicles, pursuant to 10 U.S.C. 2306(h)(3); to the Committee on Armed Services.

2158. A letter from the Executive Director, Resolution Trust Corporation, transmitting the status report to the Congress for the month of August 1991, review of 1988–89 FSLIC assistance agreements; jointly, to the Committees on Appropriations and Banking, Finance and Urban Affairs.

2159. A letter from the Secretary of Commerce, transmitting the Department's 1990 annual report, pursuant to 15 U.S.C. 1519; jointly, to the Committees on Energy and Commerce, Ways and Means, Government Operations, the Judiciary, Science, Space, and Technology, Post Office and Civil Service, Banking, Finance and Urban Affairs, Foreign Affairs, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee of Conference. Conference report on S. 1722 (Rept. 102–228). Ordered to be printed.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 932. A bill to settle all claims of the Aroostook Band of Micmacs resulting from the Band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes (Rept. 102–229). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 231, a resolution providing for the consideration of the bill H.R. 3039 to reauthorize the Defense Production Act of 1950, and for other purposes (Rept. 102–230). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 232, a resolution waiving all points of order against the conference report on the bill H.R. 2508 to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, and against the consideration of such conference report (Rept. 102–231). Referred to the House Calendar.

Mr. SMITH of Iowa: Committee of Conference. Conference Report on H.R. 2608 (Rept. 102–233). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 1688. A bill entitled the "Omnibus Insular Areas Act of 1991"; with an amendment; referred to the Committee on Public Works and Transportation for a period ending not later than October 2, 1991, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(p) of rule X (Rept. 102–232, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GALLEGLY (for himself, Mr. Lagomarsino, Mr. Kyl, Mr. Lowery of California, Mr. Moorhead, Mr. Archer, Mr. Hunter, Mr. Miller of Ohio, Mr. Sensenbrenner, Mr. Rhodes, Mr. Dreier of California, Mr. Hefley, Mr. Smith of Texas, Mr. Cunningham, Mr. Fields, Mr. Johnson of Texas, Mr. Stump, Mr. Packard, and Mr. Hancock):

H.R. 3438. A bill to prevent immigration document fraud, and for other purposes; to the Committee on the Judiciary.

By Mr. GALLEGLY (for himself, Mr. Lagomarsino, Mr. Kyl, Mr. Lowery of California, Mr. Moorhead, Mr. Archer, Mr. Hunter, Mr. Miller of Ohio, Mr. Herger, Mr. Sensenbrenner, Mr. Rhodes, Mr. Dreier of California, Mr. Hefley, Mr. Smith of Texas, Mr. Cunningham, Mr. Fields, Mr. Stump, Mr. Packard, and Mr. Hancock):

H.R. 3439. A bill to improve immigration law enforcement; jointly, to the Committees on the Judiciary, Education and Labor, and Foreign Affairs.

By Mr. GALLEGLY (for himself, Mr. Lagomarsino, Mr. Kyl, Mr. Lowery of California, Mr. Moorhead, Mr. Hunter, Mr. Miller of Ohio, Mr. Sensenbrenner, Mr. Rhodes, Mr. Lewis of California, Mr. Smith of Texas, Mr. Cunningham, Mr. Fields, Mr. Johnson of Texas, Mr. Stump, Mr. Packard, and Mr. Hancock):

H.R. 3440. A bill to amend the Immigration and Nationality Act to improve enforcement of the employer sanctions provisions; to the Committee on the Judiciary.

By Mr. GALLEGLY (for himself, Mr. Lagomarsino, Mr. Kyl, Mr. Rohrabacher, Mr. Moorhead, Mr. Archer, Mr. Armey, Mr. Hunter, Mr. Miller of Ohio, Mr. Herger, Mr. Sensenbrenner, Mr. Rhodes, Mr. Hefley, Mr. Cunningham, Mr. Fields, Mr. DeLay, Mr. Johnson of Texas, Mr. Stump, Mr. Packard, and Mr. Hancock):

H.R. 3441. A bill to prohibit direct Federal financial benefits and unemployment benefits for illegal aliens; to the Committee on the Judiciary.

By Mr. GALLEGLY (for himself, Mr. Lagomarsino, Mr. Moorhead, Mr. Archer, Mr. Hunter, Mr. Miller of Ohio, Mr. Sensenbrenner, Mr. Rhodes, Mr. Cunningham, Mr.

FIELDS, Mr. STUMP, Mr. PACKARD, and Mr. HANCOCK):

H.R. 3442. A bill to amend the Immigration and Nationality Act to prohibit transportation of illegal aliens for purposes of employment; to the Committee on the Judiciary.

By Mr. BILIRAKIS:

H.R. 3443. A bill to encourage employers to extend greater job-related benefits to employees, and to provide job security for certain employees who take leave for a legitimate personal purpose; jointly, to the Committee on Education and Labor and Ways and Means.

By Mr. WISE:

H.R. 3444. A bill to require the Federal Communications Commission to implement and enforce network reliability and quality standards on telephone common carriers, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COBLE:

H.R. 3445. A bill to suspend until January 1, 1995, the duty on blank raw material baseballs; to the Committee on Ways and Means.

By Mr. DARDEN:

H.R. 3446. A bill to amend the National Security Act of 1947 to create a program of national security scholarships, fellowships, and grants; jointly, to the Committees on Education and Labor and Armed Services.

By Mr. DUNCAN:

H.R. 3447. A bill to authorize the provision of financial assistance to Knoxville College for the construction of the Southeast Region African-American Educator Institute; to the Committee on Education and Labor.

By Mr. FLAKE:

H.R. 3448. A bill to alleviate homelessness, reduce housing cost burdens, and increase housing opportunities for low-income families, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GINGRICH:

H.R. 3449. A bill to establish a date certain for the termination of the Resolution Trust Corporation before the current statutory deadline for such termination and to extend the period during which such Corporation shall be appointed conservator or receiver for savings associations; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HALL of Ohio (for himself, Mr. GRANDY, Mr. ESPY, and Mr. EMERSON):

H.R. 3450. A bill to amend part A of title IV of the Social Security Act to remove barriers and disincentives in the program of aid to families with dependent children so as to enable recipients of such aid to move toward self-sufficiency through microenterprises; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. HEFLEY:

H.R. 3451. A bill to amend the Education Amendments of 1972 to ensure that students attending institutions of higher education that receive Federal funds are able to exercise the right to freedom of speech, and for other purposes; to the Committee on Education and Labor.

H.R. 3452. A bill to amend the Internal Revenue Code of 1986 to allow employers the targeted jobs credit for hiring individuals who have received, or were eligible to receive, unemployment compensation covering at least 90 days; to the Committee on Ways and Means.

By Mr. JOHNSON of South Dakota:

H.R. 3453. A bill to convey certain surplus real property located in the Black Hills National Forest to the Black Hills Workshop and Training Center, and for other purposes; to the Committee on Government Operations.

By Mr. JOHNSON of South Dakota (for himself, Mr. JONTZ, Mr. GRANDY, Mr. DORGAN of North Dakota, Mr. WEBER, Mr. NAGLE, Mr. GUNDERSON, and Mr. NUSSLE):

H.R. 3454. A bill to prohibit imports into the United States of meat products from the European Community until certain unfair trade barriers are removed, and for other purposes; to the Committee on Ways and Means.

By Mr. KILDEE:

H.R. 3455. A bill to amend the Higher Education Act to create a Student Assistance Revolving Loan Program for American Indians and Alaska Natives; to the Committee on Education and Labor.

By Mr. KILDEE (for himself and Mr. YOUNG of Alaska):

H.R. 3456. A bill to amend title XV of the Higher Education Act; to the Committee on Education and Labor.

By Mr. KOSTMAYER:

H.R. 3457. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. OWENS of New York:

H.R. 3458. A bill to improve education in the United States by promoting excellence in research, development, and the dissemination of information; to the Committee on Education and Labor.

H.R. 3459. A bill to amend title 5, United States Code, to promote improved public access to Government information; to the Committee on Government Operations.

By Mr. RICHARDSON:

H.R. 3460. A bill to amend the Public Health Service Act to revise and extend certain programs relating to the education of nurses, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. SCHROEDER (for herself, Ms. PELOSI, Mr. YATES, Mr. MCDERMOTT, and Mr. HORTON):

H.R. 3461. A bill to amend the Public Health Service Act to establish a program of grants regarding preventable cases of infertility arising as a result of sexually transmitted diseases; to the Committee on Energy and Commerce.

By Mrs. SCHROEDER (for herself, Mrs. LLOYD, Ms. OAKAR, Mr. OWENS of Utah, Ms. NORTON, Mr. MRAZEK, Mr. TOWNS, Mr. DOWNEY, Mr. DIXON, Mr. WOLF, Mr. YATES, Mr. SANDERS, Mr. HORTON, Mr. MCDERMOTT, Mr. ROE, Ms. WATERS, Mrs. UNSOELD, Mr. OBERSTAR, Mrs. MORELLA, Mr. BROWN, Mr. WEISS, Mr. FRANK of Massachusetts, Mrs. LOWEY of New York, Mrs. COLLINS of Illinois, Mr. REED, Mr. MFUME, Mr. LEHMAN of Florida, Mr. FAZIO, Mr. BERMAN, Ms. DELAURO, and Mr. FORD of Michigan):

H.R. 3462. A bill to amend the Public Health Service Act to establish the authority for the regulation of mammography services and radiological equipment, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. SENSENBRENNER:

H.R. 3463. A bill to amend the Federal Rules of Evidence with respect to evidence in sexual assault and child molestation cases; to the Committee on the Judiciary.

By Mr. SHAW (for himself, Ms. OAKAR, Mr. STEARNS, Mr. HUTTO, Mr. GOSS, Mr. ROGERS, Mr. EVANS, Mr. MRAZEK, Mr. MCNULTY, Ms. ROS-LEHTINEN, Mr. LAFALCE, Mr. HORTON, Mr. FRANK of Massachusetts, Mr. DANNEMEYER, Mrs. MINK, Mr. JOHNSTON of Florida, Mr. LEWIS of Florida, Mr. TOWNS, Mr. FROST, Mr. FAZIO, Mrs. LOWEY of New York, Mr. ROE, Mrs. VUCANOVICH, Mr. WOLF, Mr. CONYERS, Mr. BILIRAKIS, and Mr. WALSH):

H.R. 3464. A bill to amend the Internal Revenue Code of 1986 to provide a refundable credit for qualified cancer screening tests; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 3465. A bill to amend the Internal Revenue Code of 1986 to expand the one-time exclusion of gain from sale of a principal residence based on the amount of increase in equity in the new residence; to the Committee on Ways and Means.

By Mr. PANETTA:

H.J. Res. 338. Joint resolution to designate 1991 as the "Year of the Bay"; to the Committee on Post Office and Civil Service.

H.J. Res. 339. Joint resolution to designate the month of October 1991, as "National Seafood Month"; to the Committee on Post Office and Civil Service.

By Mr. RITTER (for himself and Mr. HERTEL):

H. Con. Res. 212. Concurrent resolution to express the sense of the Congress that the President should recognize Ukraine's independence; to the Committee on Foreign Affairs.

By Mr. LUKEN:

H. Res. 233. Resolution expressing the sense of the House of Representatives that the defense budget should be reexamined and reduced based on the changing national security needs of the United States in the post-cold war era, thereby reducing the Federal budget deficit; to the Committee on Armed Services.

By Mr. PACKARD (for himself, Mr. ROHRABACHER, Mr. COX of California, Mr. DORNAN of California, Mr. DANNEMEYER, Mr. HUNTER, Mr. CUNNINGHAM, Mr. RITTER, Mr. DOOLITTLE, Mr. LAGOMARSINO, Mr. LOWERY of California, Mr. MCEWEN, Mr. TOWNS, Mr. HORTON, and Mr. BOUCHER):

H. Res. 234. Resolution urging the President to call upon the President of the Soviet Union to begin immediate negotiations with leaders of Lithuania, Latvia, and Estonia for the prompt withdrawal of Soviet troops from the Baltic States; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[Omitted from the Record of September 30, 1991]

H. Con. Res. 209: Mr. LAGOMARSINO, Mr. LEACH, Ms. SNOWE, Mr. HYDE, Mr. BEREUTER, Mr. SMITH of New Jersey, Mrs. MEYERS of Kansas, Mr. MILLER of Washington, Mr. HOUGHTON, Mr. GOSS, Mr. HAMILTON, Mr. SOLARZ, Mr. WOLPE, Mr. BERMAN, Mr. LEVINE of California, Mr. FEIGHAN, Mr. WEISS, Mr. ACKERMAN, Mr. OWENS of Utah, Mr. STUDDS, Mr. ORTON, and Mr. LANTOS.

[Submitted October 1, 1991]

H.R. 44: Mr. NEAL of Massachusetts, Ms. PELOSI, Mr. EVANS, Mr. STUDDS, Mr. LAGOMARSINO, Mr. WILSON, Mr. TOWNS, Mr. DOWNEY, Mr. FAZIO, Mrs. ROUKEMA, Mrs. JOHNSON of Connecticut, Mr. ERDREICH, Mr. SCHIFF, Mr. PETERSON of Florida, Mr. MANTON, Mr. CALLAHAN, Mr. DAVIS, Mr. HARRIS, Mr. ANDERSON, and Mr. ABERCROMBIE.

H.R. 53: Mr. PETERSON of Minnesota, Mr. JONES of Georgia, Mr. STALLINGS, Mr. REED, Mr. VENTO, Mr. RAVENEL, Mr. DAVIS, Mr. SANDERS, Mr. FRANKS of Connecticut, and Mrs. UNSOELD.

H.R. 77: Mr. WALSH.

H.R. 112: Mr. JAMES.

H.R. 193: Mr. BATEMAN.

H.R. 303: Mr. LANTOS.

H.R. 327: Mr. STENHOLM.

H.R. 381: Mr. HOCHBRUECKNER and Mr. LENT.

H.R. 382: Mr. OWENS of Utah.

H.R. 384: Mr. HARRIS, Mr. ROHRABACHER, and Mrs. TAUZIN.

H.R. 431: Mr. ANDREWS of New Jersey, Mr. HUGHES, Mr. MORAN, Mr. COMBEST, and Mr. SMITH of New Jersey.

H.R. 612: Mr. SWETT.

H.R. 747: Mr. YOUNG of Florida, Mr. CARR, and Mr. HAYES of Louisiana.

H.R. 830: Mr. NEAL of North Carolina.

H.R. 842: Mr. OLVER.

H.R. 856: Mr. KOSTMAYER.

H.R. 961: Mr. OWENS of Utah.

H.R. 1007: Mr. SIKORSKI.

H.R. 1021: Mr. ENGEL, Mr. RICHARDSON, Mr. SANDERS, and Mr. WEISS.

H.R. 1067: Mr. DANNEMEYER, Ms. WATERS, Mr. MCCOLLUM, Mr. BRYANT, Mr. LEVIN of Michigan, Mr. PAYNE of Virginia, Mr. SANGMEISTER, Mr. COMBEST, Mr. OBEY, Mr. EDWARDS of Oklahoma, Mr. LIVINGSTON, Mr. ROEMER, Mr. EWING, Mr. JAMES, Mr. FUSTER, and Mr. SMITH of Oregon.

H.R. 1147: Mr. EDWARDS of Texas and Mr. PAYNE of Virginia.

H.R. 1218: Mr. LANTOS, Mr. OLIN, Mr. SCHEUER, Mr. SWETT, Mr. PETERSON of Florida, and Mr. VENTO.

H.R. 1245: Mr. MCDADE, Mrs. PATTERSON, Mr. DICKINSON, Ms. HORN, Mr. HOYER, Mr. PERKINS, Mr. HAMMERSCHMIDT, Mr. STUDDS, Mr. PRICE, Mr. COX of Illinois, Mr. FLAKE, and Mr. WALSH.

H.R. 1386: Mr. CONDIT, Mr. GEREN of Texas, Mr. MARKEY, Mr. MRAZEK, and Mr. RICHARDSON.

H.R. 1411: Mr. COLEMAN of Texas, Mr. DWYER of New Jersey, and Mr. RHODES.

H.R. 1414: Mr. MORAN, Mr. WALSH, Mr. FAZIO, and Mr. ZIMMER.

H.R. 1472: Mr. SKELTON, Mr. ATKINS, Mr. VANDER JAGT, Ms. SNOWE, Mr. JOHNSON of Texas, Mr. KOLBE, Mr. ROSE, Mr. MCMILLEN of Maryland, Mr. STUDDS, Mr. HAYES of Illinois, Mr. PETERSON of Minnesota, Mr. BORSKI, Mr. RICHARDSON, Mr. HUTTO, Mr. NICHOLS, Mr. MORRISON, Mrs. MORELLA, Mr. TAYLOR of North Carolina, Mr. SPRATT, Mr. FAWELL, and Mr. BEVILL.

H.R. 1481: Mr. SHAYS.

H.R. 1495: Mr. HUGHES, Mr. DANNEMEYER, Mr. SWETT, Mr. HARRIS, and Mr. GOSS.

H.R. 1515: Mr. GORDON, Mr. OWENS of Utah, and Mr. FROST.

H.R. 1566: Mr. BOUCHER, Mr. RAHALL, Mr. LAROCCO, Mr. FASCELL, Mr. RAY, Mr. DICKS, Mr. JEFFERSON, Mr. YATES, and Mr. HATCHER.

H.R. 1652: Mr. LEWIS of Florida, Mr. JONTZ, and Mr. SCHIFF.

H.R. 1655: Mr. CAMPBELL of Colorado.

H.R. 1703: Ms. MOLINARI.

H.R. 1755: Mr. MCMILLAN of North Carolina and Mr. BAKER.

H.R. 1885: Mrs. BOXER.

H.R. 1992: Mr. MURPHY, Mr. WILSON, Mr. TOWNS, Ms. MOLINARI, Mr. BILBRAY, Mr. SCHIFF, and Mr. OXLEY.

H.R. 2008: Mr. PRICE.

H.R. 2009: Mrs. UNSOELD and Mr. JEFFERSON.

H.R. 2027: Mr. FISH.

H.R. 2081: Mr. REED and Mr. JEFFERSON.

H.R. 2199: Mr. KOPETSKI, Mr. HOCHBRUECKNER, Mr. PETERSON of Minnesota, Mr. RAHALL, Mrs. COLLINS of Illinois, and Mr. FALEOMAVAEGA.

H.R. 2210: Mr. DELLUMS.

H.R. 2228: Mr. DE LUGO, Mr. DARDEN, and Mr. GRANDY.

H.R. 2248: Mr. LIPINSKI, Ms. SNOWE, Mr. MCNULTY, Mr. GEREN of Texas, Mr. WISE, Mr. MOLLOHAN, Mr. ROWLAND, Mr. VISCLOSKY, Mr. ERDREICH, and Mr. BUSTAMANTE.

H.R. 2354: Mr. BILBRAY.

H.R. 2363: Ms. SLAUGHTER of New York, Mr. CARDIN, Mr. KOPETSKI, Mr. TRAFICANT, Mr. ANDREWS of Maine, Mr. GALLO, and Mr. WALSH.

H.R. 2374: Mr. FOGLIETTA and Mr. SCHEUER.

H.R. 2385: Mr. ANDREWS of Texas and Mr. BILIRAKIS.

H.R. 2456: Mr. SCHEUER.

H.R. 2486: Mr. INHOFE.

H.R. 2561: Mr. DORGAN of North Dakota and Mr. SWETT.

H.R. 2595: Mr. WALSH and Mr. LEWIS of Florida.

H.R. 2598: Ms. ROS-LEHTINEN, Mr. KOLTER, Mr. BATEMAN, Mr. COBLE, Mr. CAMPBELL of Colorado, Mr. MURPHY, Mr. SANTORUM, Mr. SHAW, Mr. FRANKS of Connecticut, and Mr. MACHTLEY.

H.R. 2632: Mr. CAMPBELL of Colorado and Mr. MOODY.

H.R. 2643: Mr. MCEWEN.

H.R. 2695: Mr. TAUZIN, Mr. SMITH of Texas, Mr. QUILLEN, Mr. ERDREICH, Mr. HANCOCK, Mr. LEWIS of Florida, Mr. UPTON, Mr. SUNDQUIST, Ms. ROS-LEHTINEN, Mrs. BENTLEY, Mr. MAZZOLI, Mr. PAYNE of Virginia, Mr. AUCOIN, Mr. MCCRERY, Mr. BROWN, Mr. SARPALIUS, Mr. LEWIS of Georgia, Mrs. LLOYD, and Mrs. BYRON.

H.R. 2755: Mr. FROST, Mr. FOGLIETTA, and Mr. WALSH.

H.R. 2806: Mr. TORRES, Mr. FAZIO, Mrs. UNSOELD, Mr. HORTON, Mr. STARK, Mr. ROE, Mr. ROYBAL, Mr. DICKS, and Mr. MINETA.

H.R. 2812: Mr. DWYER of New Jersey.

H.R. 2821: Mrs. UNSOELD.

H.R. 2824: Mr. HEFLEY.

H.R. 2840: Mr. NEAL of Massachusetts, Mr. BROWN, Mrs. ROUKEMA, Mr. RANGEL, and Mr. HUGHES.

H.R. 2860: Mr. RANGEL and Mr. MANTON.

H.R. 2872: Mr. SANDERS and Mr. WALSH.

H.R. 2880: Mr. SCHUMER, Mr. DORGAN of North Dakota, Mr. OWENS of New York, and Mr. FROST.

H.R. 2890: Mrs. PATTERSON, Mr. PAYNE of Virginia, Mr. LEWIS of Florida, Mr. HOCHBRUECKNER, Mr. MCCANDLESS, Mr. BROOMFIELD, Mr. FALEOMAVAEGA, Mr. KOLBE, Mr. TORRES, Mr. JONTZ, Mr. RANGEL, Mr. TOWNS, Mr. SCHIFF, Mr. SMITH of Iowa, Mrs. LLOYD, and Mr. BUSTAMANTE.

H.R. 2902: Mr. DREIER of California, Mr. DORNAN of California, and Mr. DANNEMEYER.

H.R. 2903: Mr. DREIER of California, Mr. DORNAN of California, and Mr. DANNEMEYER.

H.R. 2904: Mr. DREIER of California, Mr. DORNAN of California, and Mr. DAN DANNEMEYER.

H.R. 3006: Mr. HORTON and Mr. ROHRABACHER.

H.R. 3070: Mr. FEIGHAN, Mr. ANDREWS of New Jersey, Mr. SYNAR, Mr. AUCOIN, Mr. SWIFT, Mr. DWYER of New Jersey, Mr. STUMP, Mr. REED, Mr. ERDREICH, Mr. GORDON, Mr. COBLE, Mr. SMITH of Oregon, Mr. ZELIFF, Mr. BRYANT, and Mr. ROYBAL.

H.R. 3098: Mr. JONTZ and Mrs. LOWEY of New York.

H.R. 3102: Mr. EVANS, Mr. DYMALLY, Mr. LEHMAN of Florida, Mr. SLATTERY, Mr. HORTON, Mr. JEFFERSON, Mr. CONYERS, Mr. LAFALCE, and Mr. FUSTER.

H.R. 3104: Mr. OWENS of New York.

H.R. 3128: Mr. MCCANDLESS, Mr. MCCOLLUM, Mr. HANCOCK, Mr. DOOLITTLE, Mr. GALLEGLY, Mr. CAMP, Mr. HYDE, Mr. PAXON, Mr. EWING, and Mr. ZELIFF.

H.R. 3164: Mr. RICHARDSON, Mr. REED, Mr. SCHIFF, and Mr. PICKETT.

H.R. 3216: Mr. HALL of Texas, Mr. PARKER, Mr. SKELTON, Mr. MONTGOMERY, Mrs. BYRON, Mr. HUTTO, Mr. THOMAS of Georgia, Mr. JENKINS, Mr. VALENTINE, Mr. WILSON, Mr. CAMPBELL of Colorado, Mr. CHAPMAN, Mr. GEREN of Texas, and Mr. BUSTAMANTE.

H.R. 3226: Mr. DWYER of New Jersey, Mr. CAMP, and Mr. EWING.

H.R. 3231: Mr. STALLINGS, Mr. EVANS, Mr. HUGHES, Mr. JEFFERSON, and Mr. PENNY.

H.R. 3239: Mr. STENHOLM.

H.R. 3243: Mr. SHAYS, Mr. PETERSON of Minnesota, and Mr. MCCANDLESS.

H.R. 3281: Mr. OWENS of Utah.

H.R. 3285: Mr. HEFNER, Mr. KOLTER, Mr. OBERSTAR, Mr. SCHIFF, and Mr. TORRES.

H.R. 3286: Mr. JEFFERSON and Mr. SABO.

H.R. 3334: Mr. FRANK of Massachusetts and Mr. EDWARDS of California.

H.R. 3349: Mr. TAYLOR of North Carolina.

H.R. 3351: Mr. MILLER of California.

H.R. 3353: Mr. GILLMOR, Mr. BILIRAKIS, Ms. NORTON, Mr. SCHIFF, and Mr. BUSTAMANTE.

H.R. 3354: Mr. JEFFERSON.

H.R. 3361: Mr. SOLOMON.

H.R. 3372: Mr. JONTZ, Mrs. LLOYD, Mr. IRELAND, and Mr. LEWIS of Florida.

H.R. 3373: Mr. HORTON, Mr. PENNY, Mr. PORTER, Mr. PARKER, Mr. BORSKI, Mr. OLIN, and Mr. DIXON.

H.R. 3422: Ms. KAPTUR and Mr. SWETT.

H.J. Res. 28: Mr. ROTH.

H.J. Res. 67: Mr. YOUNG of Florida, Mr. FORD of Michigan, Mr. JEFFERSON, Mr. LIGHTFOOT, Mr. FASCELL, Mr. STAGGERS, and Mr. BOEHLERT.

H.J. Res. 123: Mr. HOAGLAND, Mr. CHANDLER, Mr. SPENCE, Mr. WHEAT, Mr. WHITTEN, Mr. BENNETT, Mr. OBERSTAR, Mr. THORNTON, Mr. HOYER, and Mr. PETERSON of Florida.

H.J. Res. 177: Mr. MCCRERY, Mr. LAFALCE, Mr. FORD of Michigan, Mr. MAVROULES, and Mr. SMITH of Iowa.

H.J. Res. 189: Mr. KOLBE, Mr. FOGLIETTA, Mr. CLINGER, Mr. DICKINSON, Mr. MCCRERY, Mr. RIDGE, Mr. RITTER, Mr. SCHULZE, Mr. DREIER of California, Mr. GEREN of Texas, Mr. MCCLOSKEY, Mr. LEWIS of California, Mr. PURSELL, Mr. UPTON, and Mr. BENNETT.

H.J. Res. 212: Mr. SAVAGE, Mr. IRELAND, Mrs. UNSOELD, Mr. BLILEY, Mr. TRAXLER, Mr. LEACH, Mrs. BENTLEY, Mrs. ROUKEMA, Mr. PAXON, Mr. HERTEL, Mrs. COLLINS of Illinois, Mr. BILBRAY, Mr. LAFALCE, Mr. MARKEY, Mr. POSHARD, Mr. HOAGLAND, Mr. ESPY, Mr. ERDREICH, Mr. SKEEN, Mr. YOUNG of Florida, Mr. DE LUGO, Mr. CONYERS, Mr. SMITH of Florida, Mr. HAYES of Illinois, Mr. YATES, Mr. KILDEE, Mr. NOWAK, Mr. DINGELL, Mr. HASTERT, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mr. MOORHEAD, Mr. MAZZOLI, Mr. TOWNS, Mr. MOAKLEY, Mr. FUSTER, Mr. WEISS, and Mr. MINETA.

H.J. Res. 242: Mr. CONYERS, Mr. MCCRERY, and Mr. GUNDERSON.

H.J. Res. 261: Mr. ANDREWS of Maine, Mr. BRYANT, Mr. GALLO, Mr. GOODLING, Mr. HEFNER, Mr. HOYER, Mr. KOPETSKI, Mr. LANTOS, Mr. MCNULTY, Mr. RAVENEL, and Mr. WEISS.

H.J. Res. 300: Ms. SLAUGHTER of New York, Ms. ROS-LEHTINEN, Ms. KAPTUR, Mr. GOOD-

LING, Mr. LAUGHLIN, Mr. DELLUMS, and Mr. YOUNG of Florida.

H.J. Res. 312: Mr. MARTINEZ, Mr. ENGEL, Mr. PRICE, Mr. OWENS of Utah, Mr. LANCASTER, Mr. CLEMENT, Mrs. JOHNSON of Connecticut, Mr. FOGLIETTA, Mr. KOSTMAYER, Mr. GEKAS, Mr. GOODLING, Mr. KANJORSKI, Mr. BORSKI, Mr. RITTER, Mr. COYNE, Mr. WELDON, Mr. SCHEUER, Mr. TRAFICANT, Mr. ANDREWS of New Jersey, Mr. HOCHBRUECKNER, Mr. SHUSTER, Mr. GILMAN, Ms. KAPTUR, Mr. SPENCE, Mr. JEFFERSON, Mr. HEFNER, Mr. DE LUGO, Mr. RIDGE, Mr. RAMSTAD, Mr. COBLE, and Mr. PAYNE of New Jersey.

H.J. Res. 317: Mr. DOOLITTLE, Mr. PENNY, Mr. INHOFE, and Ms. MOLINARI.

H.J. Res. 324: Ms. HORN, Mr. BOEHLERT, Mr. LIGHTFOOT, Mr. SPENCE, Mr. MINETA, Mr. HAMMERSCHMIDT, Mr. INHOFE, Mr. GILLMOR, Mr. EVANS, Mr. TRAFICANT, Mr. BROOMFIELD, Mr. LEACH, Mr. BURTON of Indiana, Mr. ENGEL, Mr. RAHALL, Ms. NORTON, and Mr. HYDE.

H. Con. Res. 81: Mr. BUSTAMANTE.

H. Con. Res. 102: Mr. SOLOMON and Mr. RITTER.

H. Con. Res. 144: Mr. SCHEUER and Mr. MANTON.

H. Con. Res. 149: Mr. ZELIFF.

H. Con. Res. 179: Mrs. JOHNSON of Connecticut.

H. Con. Res. 180: Mr. YATES and Mr. FOGLIETTA.

H. Con. Res. 187: Mrs. LOWEY of New York.

H. Con. Res. 197: Mr. UPTON.

H. Res. 161: Mr. HORTON, Mr. MCCLOSKEY, Mr. JONTZ, and Mr. FOGLIETTA.

H. Res. 194: Mr. HUTTO, Mr. OXLEY, Mr. SCHIFF, and Mr. SHAYS.

H. Res. 201: Mr. IRELAND, Mr. GLICKMAN, Mr. HOYER, Mr. LEHMAN of California, Mr. SWETT, Mr. RAY, Mr. LEHMAN of Florida, Mr. FAZIO, Mr. SHAW, Mrs. MEYERS of Kansas, Ms. NORTON, Mr. CARDIN, Mr. CONYERS, Mr. HALL of Texas, Mr. LAROCCO, Mr. STOKES, Mr. SAVAGE, Mr. JONTZ, Mr. LEWIS of Georgia, Mr. ANDREWS of New Jersey, Mr. BOEHLERT, Mr. BROWDER, Mr. CALLAHAN, Mr. DREIER of California, Mr. EVANS, Mr. LUKEN, Mr. MCCRERY, Mr. PALLONE, Mr. PARKER, Mr. POSHARD, Mr. REGULA, Mr. RIDGE, Mr. SOLARZ, Mr. TANNER, Mr. FAWELL, Mr. BROWN, Mr. CARPER, Mr. GINGRICH, Mr. JOHNSON of South Dakota, Mr. GOODLING, Ms. LONG, Mr. LIVINGSTON, Mr. OBEY, Mr. DELAY, Mr. FALEOMAVAEGA, Mr. THOMAS of Georgia, Mr. RIGGS, Mr. WELDON, Mr. ZELIFF, Mr. KYL, Mr. EMERSON, Mr. YOUNG of Florida, Mr. SCHAEFER, Ms. SLAUGHTER of New York, Mr. TAUZIN, Mr. SMITH of Florida, Mr. WHEAT, and Mr. GUNDERSON.

H. Res. 222: Mr. GILLMOR, Mr. CAMP, Mr. NUSSLE, Mr. JONTZ, Mr. SANDERS, Mr. EWING, Mr. FOGLIETTA, and Mr. BUSTAMANTE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

[Omitted from the Record of September 30, 1991]

H. Res. 194: Mr. ROTH.

[Submitted October 1, 1991.]

H.R. 1330: Mr. RIGGS.

H.R. 3334: Mr. DELLUMS.

H. Res. 194: Mr. WALSH.

PETITIONS, ETC.

Under clause 1 of rule XXII,

124. The SPEAKER presented a petition of the city council of the city of Seattle, WA, relative to South Africa; which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

DOMINIC D. DIFRANCESCO, NEWLY ELECTED AMERICAN LEGION NATIONAL COMMANDER, SPEAKS OUT FOR VETERANS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. MONTGOMERY. Mr. Speaker, during its 73d National Convention last month in Phoenix, AZ, the American Legion elected Dominic D. DiFrancesco as national commander. Commander DiFrancesco brings to the post a keen understanding, acquired from first-hand experience, of the needs and concerns of the Nation's veterans. His record of service is quite impressive.

A Navy veteran of the Korean war, Commander DiFrancesco served 3 years as communications technician before returning to his home in Steeltown, PA. He joined Middletown Post 594 of the American Legion and served as its commander before progressing to leadership roles at the county and district echelons.

In 1986, the Legionnaires of the Keystone State elected him department commander. He also has served as Pennsylvania's national executive committeeman and alternate national executive committeeman.

At the national level of the American Legion, Commander DiFrancesco has served as chairman of the membership and post activities committee and the legislative commission, in addition to membership on the public relations commission, the national security council, and the resolutions subcommittee. He was part of a special American Legion delegation that went to Saudi Arabia in October 1990, to gain first-hand knowledge of the preparations, the needs, and the concerns of American troops prior to Operation Desert Storm.

In addition to his Legion offices, Commander DiFrancesco has served in a variety of civic capacities related to services for veterans, including the Department of Veterans Affairs Advisory Committee on Cemeteries and Memorials, the Pennsylvania War Memorial Commission, and the Pennsylvania War Veterans Council.

He was a plans and resource specialist for the Federal Government at the time of his retirement in 1988.

Commander DiFrancesco and his wife, Beverly, reside in Middletown, PA. They are the parents of four children: Debra, Anthony, Toni Ann, and Dominic II, and the grandparents of eight.

On September 24, before a joint hearing of the House and Senate Veterans' Affairs Committee, Commander DiFrancesco presented the Legion's legislative priorities and objectives for the coming year. I would like to share the text of his comments with my colleagues:

REMARKS BY DOMINIC DIFRANCESCO, NATIONAL COMMANDER, THE AMERICAN LEGION

Mr. Chairman and Members of both Committees: I am honored to be representing the Nation's largest and most rapidly growing veterans organization. In that regard, I am pleased to report that we have exceeded a membership level of 3 million for the third consecutive year.

As I present the American Legion's legislative priorities for the coming year, I want you to know how deeply we respect our working relationships with both of your committees. I also want to commend the work that was done in early 1991 when your committees provided the congressional leadership to approve, in rapid succession, a series of legislative measures to strengthen certain benefits and services available to veterans.

Since then, Congress has relied upon your expertise in developing several recent public laws that meet some of the readjustment needs of Persian gulf war veterans. And we know that your work is continuing in areas such as PTSD treatment, family counselling, and employment assistance.

Although Congress generally followed your lead, it became obvious, as early as March of this year, that some of your Senate and House colleagues were not willing to endorse any major benefit improvements. Perhaps, the first evidence of this was during the debate over increased educational assistance under the Montgomery GI Bill. Despite the efforts of your own Members, the increased level of monthly assistance that finally passed was only 25 percent of the amount that was initially proposed.

My purpose in citing this brief history is to show that even the excitement of a major U.S. military victory could not prevail over the arguments of those in Congress who say that the Federal Government cannot afford significant improvements in veterans benefits. Dealing with that attitude brings me to the heart of this presentation today.

The American Legion remains convinced that the Nation can afford to pay more for veterans benefits and services. We are also convinced that VA is a national resource and that VA delivers its services at a bargain price.

It is obvious that, in recent years, budgetary restrictions have dramatically affected the delivery of VA services. Analyzing VA from a budgetary viewpoint leads us to several conclusions.

First, if the entire Federal budget had been handled like the VA budget over the past 10 years, the Federal Government would now be operating at a sizable surplus—rather than a $300 billion deficit. Second, in our opinion, congressional oversight of VA programs is so thorough that spending VA dollars can be justified as easily as any other Federal expenditure. And third, the various budget-driven changes in health care eligibility over recent years have created such confusion among veterans that many of them simply don't know whether they have access to the system.

Ten months ago, our organization conducted a survey of VA medical center directors. We asked those directors to describe their immediate problems and their long-term budgetary needs. The results of the survey reveal several common problems.

First, the need to purchase new or replacement medical equipment has become so severe that the total backlog is now estimated at $1.2 billion! Second, pharmacy costs are increasing rapidly and are expected to continue on that pace in the near future. Third, most directors reported that budgetary shortages are placing their medical school affiliations in jeopardy.

Overall, VA medical center directors are being forced to do more with less. Necessary maintenance is being delayed. Contract nursing home care is being curtailed or completely discontinued. And even new facilities are forced to operate at less than full capacity because activation funds are in short supply.

We realize that many of the problems described in our survey summary are not new ones. But we don't believe the severity of those problems is fully appreciated. We are convinced that budget architects here in Washington have ignored, or just don't understand, VA's financial dilemma.

It appears that those budget planners are so consumed by short term savings that they are unable to see the cost effectiveness of VA programs. They fail to recognize the wisdom of investing in a medical system where cost containment is practiced constantly. They ignore the value of investing in an educational assistance program that has produced hundreds of billions of dollars in new tax revenue. And they overlook VA's research potential to save lives, to reduce the need for expensive health care and to save taxpayer dollars over the long-term.

On behalf of the Nation's veterans, and in the interest of sound public policy, I sincerely hope that these budget architects will pay attention to what we are saying here today. These people will receive copies of our presentation. I just hope they read it.

In particular, I would invite their attention to our recommendations regarding certain portions of the VA budget for fiscal year 1993. In that year, we believe the medical care account should be funded at $15.6 billion. This proposal represents a $2.1 billion increase over the expected total for fiscal year 1992.

Most of the $2.1 billion increase would be directed toward medical personnel pay raises, the purchase of essential medical equipment, increased pharmaceutical costs, activation of replacement facilities and necessary expansion of VA's specialty care capacity.

None of these recommendations involve any frills or luxuries. The additional money would simply provide VA more resources to meet the current demand for health care.

In our opinion, VA's inability to meet the current demand is well documented. Yet, the Department now wants to experiment with the idea of opening the doors of its medical facilities to nonveterans. We have some very deep concerns over VA's treatment of nonveterans, and we plan to voice those concerns at the appropriate forums.

Mr. Chairman, in the area of VA medical and prosthetic research, we recommend $280

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

million for fiscal year 1993, an amount that is based upon considerable study. It is the total recommended for fiscal year 1992 by VA's own blue ribbon research panel.

We fully support the panel's report. VA has the potential and it has the appropriate patient population to assume national leadership roles in selected areas of applied research. The Department simply needs the financial support to reach its potential.

Throughout the past decade, both of your committees have devoted an enormous amount of time and effort evaluating the changing health care needs of the VA patient population. You have been very responsive to those needs by mandating VA to take on a variety of specialty care obligations. Unfortunately, the budget architects that I mentioned earlier have failed to support your world. They have refused to ask for the dollars necessary to finance these worthwhile undertakings.

When referring to specialty care, we include services designed to deal with PTSD, geriatric diseases, AIDS, drug and alcohol abuse, chronic mental illness, homelessness, and agent orange residuals. We also include treatment methods emphasizing noninstitutional approaches that involve sharing arrangements between VA, veterans organizations, and various other providers at the local level.

No discussion of VA health care delivery would be complete without mentioning medical facility construction. We now know that 75 percent of VA's general hospitals are at least 30 years old, 95 percent of the Department's psychiatric hospitals are just as old. These facts speak for themselves. If VA is expected to practice modern medicine beyond the year 2000, the trend to replace its medical facilities must be accelerated immediately.

One of the most discouraging financial developments affecting VA is how the unmet budgetary needs of VA's regional office operations continue to grow. Your committees, in the recent past, have done a very fine job in revealing those needs and making the case for more financial support.

Shortages in both the quantity and quality of regional office personnel have been documented many times. We know that there are limits to what automation can do, and we know that there is no substitute for experienced claims processors.

Up to this point, I have simply highlighted some of our priority interests. There are others that deserve your complete attention. Among those items are DIC reform, the benefits cuts that were included as part of last year's budget law, State veterans home construction, State veterans home per diem rates, and problems plaguing the cemetery system.

Returning to the matter of our most recent veterans—we believe that in order to fairly evaluate the readjustment needs of Persian Gulf war veterans, it is important to recognize several facts. This most recent war effort relied heavily on activated Reserve and National Guard members, and there were much higher percentages of married soldiers and female soldiers involved in the conflict.

As early as 12 months ago, it became apparent to the American Legion that these unusual circumstances demanded special attention. In October of last year, we established our own family support network to meet the basic family needs of those who were sent to the theater of operations.

Our support network has responded to more than 30,000 requests for assistance. We have provided services ranging from household repairs to direct cash grants totalling more than $250,000. The focal point of the network, a nationwide toll free number, will continue to be in operation for as long as the need exists.

Although the Persian Gulf war veteran population presents some unusual characteristics, when compared to previous generations, there are certain basic needs that are very clear. One of these is employment assistance.

Like you, we have spent considerable time and effort this year to insure that the nationwide network of veterans employment specialists is fully operational. And we share your concern over the various transitional assistance activities being carried out jointly by the Defense and Labor Departments. We will continue to monitor that situation very closely. We will also be watching closely as Congress deals with pending legislation that includes veterans eligibility for expanded unemployment compensation benefits.

Finally, I invite your attention to the issue of educational assistance. Our organization is convinced that something has to be done to improve the current benefit levels, and we know that many of you are committed to the same goal. We think it's unfair to ask this most recent generation of veterans to accept a benefit package that is not nearly as generous as the ones received by their parents and grandparents over the past 4 decades.

The American Legion believes the current maximum benefit level must be doubled, just to make public college education affordable. At this point, our own draft legislation proposal is undergoing a cost analysis. When that process is complete we will be seeking a principal sponsor and the support of both of your committees.

We know some people will say that the Nation cannot afford this legislative proposal. We disagree. Paying for an improved GI Bill is an investment in the Nation's future. It is also an investment in a program that has produced cash dividends to government treasuries for more than 40 years. In fact, similar investments since 1945 have enabled many of your own congressional colleagues to prepare themselves for the offices they now hold.

As you and your colleagues work on the final details of the fiscal year 1992 Federal budget, we look forward to your assistance and leadership to insure that the fiscal year 1993 budget plan recognizes the wisdom of investing in veterans benefits and services. We also urge the budget architects in the executive branch to reassess their spending priorities and to demonstrate that they understand a simple, documented fact—the return on Federal dollars allocated to VA research, educational assistance, and medical care is an excellent one. Allocating money to VA makes sense, from a fiscal policy perspective and a public policy perspective.

BREAST CANCER ON LONG ISLAND: AN AVOIDABLE TRAGEDY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. DOWNEY. Mr. Speaker, October is Breast Cancer Awareness Month—a time that is nationally set aside to acknowledge programs and activities aimed at preventing, detecting, and treating breast cancer. In recognition of this special month, the Subcommittee on Human Services of the House Select Committee on Aging held a hearing late last month in Brentwood, NY, entitled, "Breast Cancer on Long Island: An Avoidable Tragedy."

This hearing served as a kickoff event for Breast Cancer Awareness Month, and is being followed by events and activities throughout Suffolk County and across the country. This hearing was especially important to the citizens of my congressional district because Long Island inexplicably has one of the highest rates of breast cancer in the world. Many of the witnesses testifying at the hearing emphasized the need for early detection as the best possible defense against breast cancer. In addition, the high costs of mammography screening emerged as a critical concern.

I would like to insert my opening statement from the hearing into the RECORD, but I would also like to take this opportunity to thank all the witnesses who appeared before the subcommittee that day, bringing with them a great deal of expertise and insight into this tragic disease and its effects.

The witnesses who testified were the Honorable Patrick Halpin, county executive of Suffolk County, NY; Dr. Clare Bradley, director of adult medical services, Suffolk County Department of Health; Ms. Barbara Balaban, director, Statewide 800 Hotline for Breast Cancer and Long Island Oncology Services; Diana Truglio, founder of Women's Outreach Network; and Edna Mullally and Claire Segal, two very courageous public citizens. In addition, I would like to salute the entire staff and volunteer force of the Suffolk County Women's Outreach Network, who in cooperation with the Suffolk County Women's Services Unit and Suffolk County legislators sponsor a program for early breast cancer detection and a very successful Mobile Mammography Outreach Program. Their efforts are to be commended for providing the women of Suffolk County with convenient and professional breast cancer detection services in a mobile setting. Finally, I would like to congratulate the Suffolk County Department for the Aging, which has worked very closely with me on this, as well as in many other aspects of my subcommittee work. I particularly would like to commend the excellent work of Ms. Ann McShane who has provided me and my staff with much guidance and professional advice over the years.

BREAST CANCER ON LONG ISLAND: AN AVOIDABLE TRAGEDY

(Statement of Hon. Thomas J. Downey)

As the Chairman of the House Select Committee on Aging's Subcommittee on Human Services, I am pleased to open this hearing entitled, "Breast Cancer on Long Island: An Avoidable Tragedy." Before we begin our hearing, I would like to thank my friend and colleague, Congressman Neil Abercrombie representing the State of Hawaii for being with us on Long Island this morning. His presence today confirms his deep concern about the devastating problem of breast cancer.

The issue of breast cancer is not a new one. Often it is not a comfortable subject to discuss. Sadly, nearly everyone in this room has been affected by breast cancer in some way, whether it be personally, or because of a family member or close friend. Breast cancer is, however, a reality—as is the fact that breast cancer is most common in women over the age of 50, and, unfortunately, the incidence increases with age. We have reached a crisis with respect to this disease, across America, and especially here on Long Island, where the mortality rate from breast cancer is inexplicably high. Estimates indicate that 10 percent of American women will develop breast cancer in their lifetimes. Last year, of the nearly 150,000 women in this country projected to get breast cancer, close to 44,000 were expected to die.

In our State of New York, of the 39,000 people projected to die in 1990 from all types of cancer, 3,800 were expected to be due to breast cancer.

New statistics show that 1 out of every 9 American women will develop breast cancer at some point in her life. Over the past 10 years, the incidence of breast cancer has increased by more than 33 percent. Equally alarming is the fact that the mortality rate for women with breast cancer has remained virtually unchanged since 1930.

The long natural history of breast cancer makes the disease an ideal model for early detection and intervention. Researchers indicate that early detection could prevent 25 to 30 percent of breast cancer deaths. There have been developments in the treatment of breast cancer in recent years. But, despite advances in the primary treatment of breast cancer, there remains a lack of research—even in the surgical approach to breast cancer. And, although there are known risk factors associated with breast cancer, over 70 percent of the women who develop the disease have no identifiable risk factors at the time they are diagnosed. Much more needs to be done if we are to eliminate the disease altogether. Whether it be a dietary issue, a geographical issue, or a genetic issue, the problem will continue to spread until there is a cure.

More funding is needed for continued research, and the Federal Government must continue to show its compassion and concern for the growing number of women who are afflicted each year by earmarking specific funds for this purpose.

I am pleased to report that the House Appropriations Committee has recommended an increase of at least $30,000,000 more than requested by the administration for the research of breast cancer through the National Cancer Institute. But, besides increased funding, there are other ways in which we can work together to eradicate breast cancer in our lives.

Breast cancer is a disease that knows no real social boundaries, but which, with early detection, can be treated. It is a disease that can not only be fatal, but that can also wreak physical and emotional damage, if not detected in time. It affects not only the victim, but the victim's family as well.

As women become older, mammograms become increasingly important in early breast cancer detection. Mammograms can detect a lump so small that it would have to increase in size for 2 to 3 years before a women could detect it herself in a self examination. But, despite the benefits of early detection, many women find excuses not to have regular mammograms. The cost factor is but one reason. Inconvenience and fear are two others.

As you know, the Federal Government took a significant first step toward dealing with the cost factor with the enactment of the Omnibus Reconciliation Act of 1990. For the first time, Medicare will provide reimbursement for a mammography screening, once every 2 years, for all women over 65 years of age and for disabled women over the age of 35.

I indicated that this is only a first step. For one thing, Medicare ought to provide for an annual mammography screening, and I am hopeful that legislation to that affect can be passed this year.

Health care professionals are working hard to make it easier for women to follow breast cancer screening guidelines developed by the National Cancer Institute and other organizations. Many private associations, businesses, and concerned individuals—some of whom are with us today—are spreading the word about the importance of early detection and regular screening.

Because early detection of breast cancer is the key to decreasing the number of deaths, a heightened awareness of breast cancer is critically important. Each year, the month of October is set aside nationally as "Breast Cancer Awareness Month," and I am pleased that Suffolk County and other parts of Long Island will be taking part in this annual recognition. Some of our witnesses here this morning are part of the planning committees for activities planned in October, and we will be hearing about their work and experiences shortly. There will be many opportunities for people to educate themselves to the importance of breast examinations and mammograms, and to take note of the recommendations set forth by the National Cancer Institute, the American Cancer Society and by physicians across the country.

As we begin our hearing this morning, I would like to think of this as a kick-off point for Breast Cancer Awareness Month. I look forward to hearing what our witnesses have to say.

TRIBUTE TO CHIEF JUDGE JAMES LAWRENCE KING

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SMITH of Florida. Mr. Speaker, the Federal court with the heaviest criminal caseload in the United States is the district court in southern Florida. It is authorized for 16 judges to keep pace with the heavy load of civil and criminal cases filed in south Florida, many of which involve drug trafficking. Yet the Southern District is operating with 30 percent fewer judges than it should have. Even if the bench were full, this court would still be the busiest in the country.

Chief Judge James Lawrence King has successfully managed to delegate the overwhelming number of cases which come through the court. Right now, 11 judges are doing the job of 16 but this cannot continue.

I would like to include in the RECORD a Miami Herald editorial which appeared September 25, 1991.

THANK YOU, YOUR HONOR: JUDGE LARRY KING

For the last seven years, James Lawrence King has known the exalted status of being the chief judge of the busiest Federal court in the nation. But among the reasons that the Federal Bar Association and the Dade County Bar Association are honoring him with a dinner tonight is that Larry King's exalted status never went to his head. Instead, it went to his roots.

Judge King, who yielded the chief judgeship to Judge Norman Roettger earlier this month, chuckles in private that his career has taken him only about 35 blocks. That's the distance to the Federal Courthouse from his birthplace at 2229 NW 35th St.

He was born at home on Dec. 20, 1927. The house had neither electricity nor indoor plumbing. "I was in the sixth grade before we ever had anything more than a kerosene lamp to read by," he recalls.

That lamp lit within him a great love for Miami and South Florida. And Larry King's own lights—pre-eminently as chief judge, but also eminently as a first-rate jurist as well—have been a beacon for a court beset by circumstances and stresses unique in the entire Federal-court system.

Consider some bare numbers alone: Nationally, Federal judges carry an average load of about 400 cases, civil and criminal. The 11 active judges in the Southern District of Florida, which covers all of South Florida, average 700 cases. Moreover, because geography makes South Florida a natural drug-importation point, this district's judges get an above-average load of complex, multiple-defendant criminal cases.

Some districts, with criminal caseloads not even approaching that of the South Florida district, have stopped taking civil cases altogether. Not this court. I has just moved up to fourth (from sixth) nationally in the number of civil cases disposed of. Average time: six months. "That," says Judge King, "is a miracle."

Whatever it is, it's attributable to Judge King's work ethic and his example: For seven years, he carried a full caseload even while devoting 25–30 hours a week to his administrative duties as chief judge.

Judge King could take senior status in December 1992, when he turns 65, and hear fewer cases. He says that he's not close to that decision yet. He's only close, at tonight's dinner, to a long and deserved ovation for exemplary public service.

IN RECOGNITION OF THE ELLERBE, NC, JAYCEES

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HEFNER. Mr. Speaker, during the August recess I had the honor of taking part in a media social given by the Ellerbe, NC, Jaycees, and I came away so impressed by this group that I wanted to bring them to the attention of my colleagues.

The Ellerbe Jaycees were chartered on February 28 of this year with 52 members, making them the largest Population Division II Jaycee Extension in the United States for the 1990–91 Jaycee year. In fact, this chapter has been presented a national pacesetter award by Rusty Molstead, president of the U.S. Jaycees.

The Ellerbe Jaycees were extended by the Southern Pines Jaycees, who extension chairman was James Rupard. Charter and current president of the Ellerbe chapter is Sonny Slate.

Mr. Speaker, I understand that the president of the North Carolina Jaycees, Bill Sharek, made this year's theme "Believing in Dreams." Well, the Ellerbe Jaycees tell me that they believed in dreams when they chartered, and that they continue to believe in them as they strive to serve their local and State communities.

Mr. Speaker, I think the Ellerbe chapter of the Jaycees is the embodiment of what their State president had in mind, and I ask my colleagues to join me in congratulating them for their tremendous achievement, and in wishing them continued success.

THE REPUBLIC OF CHINA CELEBRATES 80TH BIRTHDAY

HON. CHARLIE ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ROSE. Mr. Speaker, the 10th day of October will be a very special day for the Chinese people on Taiwan. It is their national day. And this year's national day has special meaning for them, because it marks the 80th anniversary of the founding of the Republic of China.

The Republic of China has achieved a great deal during its 80 years of history. Today, the 20 million citizens of Taiwan enjoy one of the highest standards of living in the world. Taiwan's per capita GNP this year will be around US$8,000, and the Government has $7.2 billion in foreign reserves and dispenses millions of dollars to help Third World and developing countries in achieving their goals of economic self-sufficiency and prosperity.

Politicially, the Chinese people on Taiwan enjoy all the freedoms that we Americans enjoy and the Government is committed to becoming a fully democratic government.

Taiwan justifiably should be very proud of its many achievements, both economic and political.

Congratulations, President Lee Teng-hui of the Republic of China on Taiwan, you have done an excellent job in guiding your people and your nation toward a perfect society.

IN CELEBRATION OF NATIONAL HISPANIC HERITAGE MONTH

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. FAZIO. Mr. Speaker, I rise today to mark the commemoration of National Hispanic Heritage Month during the period from September 15 to October 15. As a cosponsor of H.R. 3182, which authorized the designation of National Hispanic Heritage Month, I am proud to take part in this important celebration.

It is most appropriate that we take the time to consider the important role that individuals of Hispanic heritage have played in the history of our great Nation and consider the contributions of Hispanic culture to the diversity and vitality of our Nation.

Ever since Hispanic explorers visited the vast territory of the "New World" nearly half a millennium ago, men and women of Spanish and Latin American descent have made major contributions to the development of our country. Today, Hispanic Americans are leaders in business, sports, science, law, medicine, and the arts. Hispanic Americans also occupy positions of leadership throughout our system of Government, serving as councilmen and women, mayors, Governors, and members of State legislatures, the Congress, and the administration.

Many of our Nation's oldest churches, which continue to enrich the spiritual life of our Nation, were founded by Hispanic pioneers. The rich ethnic heritage of Hispanic Americans gives us cause to celebrate because it is a proud and vibrant part of our Nation's heritage.

Hispanics make up the highest number of Congressional Medal of Honor winners of any ethnic group and have fought with valor in the Revolutionary War and every subsequent armed conflict involving the United States. During World War II, Hispanic Americans served with distinction, revealing the depth of their patriotism. Lt. Col. Jose Holguin of California, for example, proved to be an outstanding navigator among U.S. bomber forces in the Pacific. In his tradition, young Hispanics have continued to serve their country with honor and bravery as witnessed in the Korean, Vietnam, and Persian Gulf wars.

The Hispanic community has enriched American society beyond measure. That is why we must continue our efforts to address the many problems which threaten to prevent Hispanic Americans in our generation from participating fully in every aspect of American life. We must work to ensure that there are no barriers for Hispanic Americans in the areas of employment, housing, and education.

Mr. Speaker, as we celebrate National Hispanic Heritage Month, let us all reaffirm our commitment to ensuring that equality of justice and opportunity are enjoyed by all Americans.

RULE ON H.R. 6, THE FINANCIAL INSTITUTIONS SAFETY AND CONSUMER CHOICE ACT OF 1991

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic Caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 6, the Financial Institutions Safety and Consumer Choice Act of 1991, with amendments.

LOCAL NEWSPAPER BLASTS DEMOCRATS FOR POLITICAL OPPORTUNISM ON UNEMPLOYMENT ISSUE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SOLOMON. Mr. Speaker, I want to inform my friends on the other side of the aisle that they're not fooling anyone.

Out in the heartland of America, your constituents and mine all know that the Democrats would rather prolong the recession than end it; anything to score some political points next year.

I hold in my hand a recent editorial from my hometown newspaper, the Post-Star of Glens Falls, NY.

The Post-Star rarely editorializes on national issues, but they couldn't pass up this one.

Speaking about the Dole-Gingrich-Solomon bill, the Post-Star writes: "The Democrats have shown no taste for it because they want an election issue."

It's obvious to the Post-Star, and to most Americans, that the Democrat's bill will do nothing but inflate the budget deficit.

No wonder Republicans have won five of the last six Presidential elections.

I'll be glad to enter the editorial in today's RECORD, and I urge all of you to read it.

But in the meantime, let's pass a bill the President will sign.

Let's pass a bill that will help unemployed Americans tomorrow.

And let's do it today.

The article follows:

[From the Post-Star (Glens Falls, NY), Sept. 26, 1991]

DEMOCRATS WANT ISSUES, NOT ACTION

Sen. Bob Dole, R-Kan., has offered both President Bush and congressional Democrats a way out of their stalemate on an unemployment-benefits bill.

The problem is that the Democrats may prefer to create an election issue rather than to see something genuinely done for the jobless.

The Democrats want to declare a national unemployment "emergency" and pass a $6 billion bill to extend benefits for 3 million people who have been out of work for more than six months.

That is the wrong bill for several reasons: First, cyclical recessions are not economic emergencies, and signs are multiplying that this one is ending. Further, the Democrats include no means to fund their program; their bill would simply add $6 billion to the deficit, already running at a record $330 billion this year, and would violate the 1990 bipartisan budget act.

The country can't afford that. Reducing the federal debt, which already requires 17 percent annual financing costs, is an obligation to future generations. Any new expenses, however worthy, must be covered.

But, while cyclical recessions aren't emergencies, they can be darned painful. In California, the unemployment rate reached 8.2 percent this year and in fields such as construction an aircraft manufacturing went even higher.

Nationally, as the transition is made from a Cold War to a peacetime economy, unemployment for many will last longer than the 26 weeks now covered by law.

Dole's bill, which Bush has said he would sign, would provide up to 10 weeks' additional unemployment coverage (compared to the Democrats' 20 weeks), and would finance payment by auctioning off radio frequencies and tightening up student loan-repayment requirements.

So far, the Democrats have shown no taste for it because they want an election issue. They also think they have the votes for their first override of a Bush veto.

That's the wrong course of action. If they fail, which is a good bet, the unemployed get nothing.

The best course for the country would be a compromise bill. The Democrats would get much of the credit, for they were the prime movers.

But the nation would get a responsible bill. Above all, those Americans most hurt by the recession would get the needed help.

COMMEMORATING THE 25TH ANNIVERSARY OF JERSEY CITY'S BERRY GARDENS HOUSING FOR SENIOR CITIZENS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. GUARINI. Mr. Speaker, this Friday is the celebration of the 25th anniversary of Berry Gardens, Jersey City's first public housing designed specifically for the elderly.

I would like you, Mr. Speaker, and my distinguished colleagues to join me in saluting those who first created Berry Gardens and the residents, staff and public officials who through the years have made it a warm, pleasant home.

Berry Gardens first opened on August 1, 1966. It was named after Bernard J. Berry, mayor of Jersey City from 1953 to 1957. Its design was that of a conventional housing project with 286 units, but its intended use was anything but typical.

While other housing projects gave shelter to low-income families, Berry Gardens was a home designed specifically for seniors and the handicapped elderly. It was the first of its kind in Jersey City.

Berry Gardens was, and is, everything that a good housing project should be. Seniors living here are provided with comfortable, safe housing. They are part of a community that is active in many endeavors. Berry Gardens is so successful that there is currently a waiting list of approximately 300 people.

Soon after the opening of Berry Gardens, the residents established their own social clubs, the 199 Club and the 92 Club. These clubs provide social and community involvement for residents and help them to take a leadership role in their community.

I would like to publicly thank those tenant leaders who have run these two clubs over the years: Florence Keegan, first 92 Club president; Jessie Hochreder, first 199 Club president; the late Edward Sullivan, second 92 Club president; Elizabeth Green, second 199 Club president, Catherine Hanley, third 92 Club President; and Sally McCann, third 199 Club president.

Currently, Mrs. Agnes Carbone is president of the 92 Club and Ms. Bernice Marting is president of the 199 Club.

These leaders and all the other tenants of Berry Gardens have worked hard to maintain a high standard of quality housing. Their efforts stand as an example to tenants everywhere.

I would also like to recognize some of the staff who have labored diligently to provide the finest services possible to residents at Berry Gardens.

Mrs. Sarah Cooke Mason was the first manager of Berry Gardens and worked there from 1966 to 1979. She was responsible for moving the first residents into the complex and is remembered as a perfectionist who always kept the buildings in excellent condition.

Mrs. Eileen O'Mara followed as manager, serving in this position from 1979 until 1989. Under her direction, Berry Gardens obtained a grant from the New Jersey Department of Community Affairs, Division on Aging for a congregate service program. This project was run by Sister Norah Clarke and helps the frail and elderly to live independently.

Also during Mrs. O'Mara's tenure, a number of programs were started in the community hall. These included knitting, crocheting and other crafts. These were run by Sister Terasita, who is the sister of Mayor Bernard Berry.

In 1989, Ms. Dorothy Fowlkes was brought into Berry Gardens to start a number of projects to enable seniors to contribute to the community. She has encouraged Berry Garden residents to work on a number of projects including: The Congregate Service Program, a Senior Companion Program, a Foster Grandparent Program and a Seniors in Community Service Program.

Ms. Ruth Dixon is the current Berry Gardens manager. She is maintaining Berry Gardens high standards for quality housing and community service.

I would also like to acknowledge some of the public officials who have helped to make Berry Gardens such a success.

The Jersey City Housing Authority has done an excellent job in running this project, thanks to the leadership and direction of Executive Director Robert J. Rigby Jr. and Mark Russoniello, chairman of the authority's board.

Mr. William J. Lau, assistant executive director of the authority has worked to ensure quality living arrangements through his monitoring of management and operations. Mr. Andrew Pelliccio, a former housing authority commissioner, was very active and helpful in senior affairs during his time on the board, from 1981 to 1990.

Finally, Mr. Speaker, I would like you and my distinguished colleagues to join me in saluting nine residents who have lived in Berry Gardens since its opening.

The 25-year residents are: Doris Butling, Hugh Duffy, Elizabeth Greene, Emma Colbath, John Colbath, Lucy Cornell, Sarah Hobert, Julia King, and Sarah Rurade.

TRIBUTE TO MARK D. NORRIS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to an outstanding young man, Mark D. Norris, of Selinsgrove, PA, as he attains the rank of Eagle Scout. Mark is the son of the Reverend David and Jean Norris.

Mark has worked extremely hard to become an Eagle Scout, as he began his career in scouting in 1983 with Cub Scout Pack 3419 in Selinsgrove. During this time, he earned the Cub Scout religious award, the God and Family Award, and earned the highest award that can be given to a Cub Scout—the Arrow of Light.

Mark joined Boy Scout Troop 416 in 1989, where he became an Assistant Scout Leader, Patrol Leader, and Quartermaster, and he is presently the crew chief for the Venture Patrol. Mark has taken full advantage of the opportunities that scouting offers, as he has gone on numerous hiking and canoeing trips, as well as the National Boy Scout Jamboree.

Mark's love for scouting led him to contact the trustees of Wesley United Methodist Church in Selinsgrove as he went about planning his Eagle Scout project. Mark decided that he would help refurbish the church's fellowship hall. Wanting to complete the project in time for the parish's 125th anniversary, Mark enlisted the help of several area professionals. Mark chipped out the cracks in a cinderblock wall and filled them with cement, painted the hall, put new cove molding down, washed the windows, and hung new draperies. Mark's outstanding work earned him the gratitude and respect of the church community.

Mark is also an honor roll student at Selinsgrove High School and plans on attending college after graduation. I am sure that Mark will be extremely successful in all of his future endeavors, based on what he has done thus far in his young life.

Mr. Speaker, I ask all of my colleagues to join me in paying tribute to Mark Norris for his many fine efforts that have benefited his community and for attaining the rank of Eagle Scout, something he richly deserves.

HONORING THE LIONS CLUB OF THE ISLIPS ON THE OCCASION OF ITS 45TH ANNIVERSARY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. DOWNEY. Mr. Speaker, it is with the greatest pride that I rise today to pay tribute and to share with my colleagues the long and dedicated service of the Lions Club of the Islips, which on October 19, 1991, will be celebrating its 45th anniversary of service to the community.

Throughout its 45-year history, the members of this organization have raised more than $500,000 through many diverse activities such as raffles, pancake breakfasts, golf outings, dances, boat rides, and minstrel shows. The club has used these funds to provide local community residents with free eye examinations and eye glasses, kidney dialysis equipment, TTY machines for the hearing impaired, as well as baskets of food and clothing for needy residents at Christmas time.

Mr. Speaker, this very generous group of dedicated individuals has provided donations to organizations such as the Guide Dog Foundation for the Blind, the Vacation Camp for the Blind, the Long Island Eye Bank, the Empire State Speech and Hearing Clinic, the Cleary School for the Deaf, the Interdisciplinary School, local libraries and youth organizations. In addition, the Lions Club of the Islips is unique in that it is one of a few service organizations in New York that has a free loan program of hospital equipment available. It is also one of the few Lions Clubs which has conducted an annual blood drive for more than 40 years. The hard work demonstrated by the members of this club for their significant and lasting contributions to the Islip community deserves to be publicly commended.

Mr. Speaker, I would like my colleagues in the House of Representatives to join me in the Lions Club of the Islips on its 45th anniversary and in extending them our best wishes for many years to come.

THE 7TH ANNUAL DOUHET-MITCHELL AIR POWER TROPHY AWARD

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ENGEL. Mr. Speaker, it is my distinct pleasure, along with the Order of Sons of Italy in America [OSIA] National President Peter Zuzolo of Massapequa Park, NY, to honor Lt. Col. Carlo Masilli, the recipient of the 7th annual Douhet-Mitchell International Airpower Trophy Award in Florence, Italy.

Congratulations are to be extended to Lt. Col. Masilli, of the Italian Air War College's 59th course, who will receive the 7th annual Douhet-Mitchell Award on October 11, 1991, at the site of the Scuola Di Guerra Area, in Florence. He was selected for his paper on "Operational Maintenance and Logistical Evaluations on the Use of the F104/S Aircraft Until the Introduction of Its Successor."

The order of the Sons of Italy in America, the oldest and largest Italian-American philanthropic, civic, and cultural organization in the United States, first awarded the Douhet-Mitchell International Airpower Trophy in 1985 with the full cooperation of the Governments of the United States and the Republic of Italy. The awards are given each year to aviation students from the respective nation whose written thesis "demonstrates extraordinary vision or foresight into the future military aerospace requirements of their countries." Awards are presented annually at the United States Air War College in Montgomery, AL, and at the Italian War College in Florence.

OSIA created the Douhet-Mitchell Award to honor America's first major proponent of Airpower, Brig. Gen. William "Billy" Mitchell, and his Italian counterpart, Maj. Gen. Giulio Douhet. Both these military leaders are held in high esteem for their pivotal contributions to the development and advancement of aviation, particularly for pioneering its various peacetime and military uses.

I commend the Douhet-Mitchell International Airpower Trophy Award for the unique bilateral exchange program it creates between the United States and the Republic of Italy. This honor increases communication, understanding, and cooperation between the military elements of the Republic of Italy and the United States while serving as a powerful link between two great and loyal allies.

CRIS ALDRETE, GI GENERATION DESERVE THANKS

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. PICKLE. Mr. Speaker, last week we lost a beloved public servant, who meant a great deal to those of us in the southwestern part of the United States.

Cris Aldrete was a gentle but noble soul, who served as a congressional aide and a member of Senator LLOYD BENTSEN's staff and as a member of the Border Commission under President Jimmy Carter, where he rendered outstanding service.

Most important of all was the manner in which Cris achieved his mark as a public servant, full of humor and pleasant observations and committed to genuine public service. Cris helped all of us in the Southwest in his many years of dedicated and good-natured public service.

Arnold Garcia, Jr., a noted columnist for the Austin American-Statesman, captures the spirit of this good man, and I ask that this article be included in the RECORD.

[From the Austin American-Statesman, Sept. 23, 1991]

CRIS ALDRETE, GI GENERATION DESERVE THANKS

(By Arnold Garcia Jr.)

Many of you probably never heard of Cristobal Aldrete. As he put it once, his friends called him Cris.

He was a very courtly gentleman with an active sense of humor, a lot of style. He was a member of that GI Generation that came back from one war, World War II, to wage another—one for dignity and equality.

It was during that post-war period that Mexican Americans became increasingly vocal about sharing fully in what Texas had to offer. The League of United Latin American Citizens, formed in 1928, was joined by other organizations, the most notable of which was the American GI Forum, in pressing for social justice.

But the gulf between demanding and getting was—and some would argue, still is—wide.

Officialdom of the old Texas was as hostile as some of the landscape. As one participant in the struggle has reminded his son on more than one occasion, there was no safety net then.

That was before the Justice Department learned that minorities also have rights, much less that it had the responsibility to protect them.

It was a time when family members of a soldier killed in action could be denied the use of a funeral home chapel because they were "Mexicans."

It was the time of Dr. Hecter Garcia, Ed Idar Jr., PASO, and the heydays of the American GI Forum and LULAC.

It was the time of Cris Aldrete.

During a long and successful political career, Aldrete's life touched many of the great ones. He could tell you stories about them all.

Sadly, that life is over. Aldrete died last week of cancer.

He died wealthy, though, if friends and a legacy count. He had a lot of friends, and the legacy he and others forged was a rich one.

For a time, he traveled first class—he worked for congressmen, congressional committees, and was appointed by President Jimmy Carter to a border commission. He was an aide to U.S. Sen. Lloyd Bentsen of Texas. He became a resident of the District of Columbia back then, but never lost the part of him that was born and raised in Del Rio, the site of his earliest political successes. He was elected to the Del Rio City Commission in the early 1950s and later elected Val Verde county attorney.

During his Washington days, he came back to Texas frequently. He enjoyed swapping stories with his old friends, those who had shared the struggles of the early 1950s and 1960s.

His demeanor was a hard one to resist—he was quick with a quip and had a ready laugh. He was an adroit public speaker and had a charismatic presence.

Beyond that, those who worked with him remembered him as being a fundamentally good and fair man.

He could lay legitimate claim to having been a civil rights pioneer but was never bombastic about it, nor did he beat people over the head with it.

The efforts he and his contemporaries expended opened a lot of doors for a lot of people. Some of them may even know his name or recognize the significance of his having walked around among us.

Death will come to all of us, a friend of his noted on hearing the news, but that certainty doesn't make it any easier on family and friends when the end comes for one of their own.

Cris Aldrete's passing, however, is difficult in another way. It is a reminder that taps is being sounded more and more often for those gallant members of the GI Generation.

Their loss will be difficult enough, even more difficult if people are allowed to forget what they contributed. They were as brave as they were tough.

Maybe it's too late to say "thank you" properly to Cris Aldrete, but let's say thanks anyway.

It's not too late, though, to say "thanks" to those members of the GI Generation who are still with us for all they did.

So in that spirit: Thanks, Dad.

CHURCH REFLECTS AREA'S ARMENIAN HERITAGE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SOLOMON. Mr. Speaker, the 24th District of New York is distinguished for its great number of churches, which are historical landmarks as well as important houses of worship.

One of the most special of these churches is the United Armenian Calvary Congregational Church, which, quite typically, exists as a commentary on the growth of the Armenian Protestant community in the Troy area.

About half the Armenians who attend this church reside in my district. Armenians were relative latecomers among the waves of immigrants to this country. The first Armenians welcomed the hospitality of American churches, but to achieve their cultural and religious aspirations, it was vital to build their own church.

Ground was broken on July 1, 1908 at the 10th Street site which now serves as the parsonage. Dedication services were held the following January. The church was first called the Armenian Presbyterian Church, in honor of the warm helping hand they received from local Presbyterian churches. The first pastor was Rev. Y. Yacoubian.

As the Armenian community grew, the need was perceived for a second church. The cornerstone of the Armenian Congregational Church was laid on August 27, 1916. Three months later, the church was dedicated.

As time went on, however, the existence of two Armenian churches proved to be a burden. The decision was made to merge. After lengthy negotiations, and many compromises, the merger became a reality. The first union service was held on September 21, 1919. The present title of the Armenian Calvary Congregational Church was joyously proclaimed.

New generations of Armenians took the place of their parents and grandparents, and kept the church alive with their dedication. The most visible proof of that is the erection of the beautiful church hall, site of many functions.

Like many churches, the Armenian Calvary Congregational Church has faced its share of financial problems, but the hope of a revitalized spiritual community remains as strong as ever.

Mr. Speaker, I ask you and other Members to join me in congratulating the church on the event of its diamond jubilee, and in wishing the congregation all the best.

MEMORIAL TO REV. S.R. JOHNSON

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HEFNER. Mr. Speaker, in July, the city of Salisbury in my district lost one of its most dedicated and influential leaders, the Reverend Samuel Robert Johnson.

The Reverend S.R. Johnson was a voice for change in his city. He fought to remove signs of racism, to replace slums with the city's first public housing, and for many other vital and important causes that improved the lives of all Salisbury citizens.

S.R. Johnson was pastor of the Mount Zion Baptist Church and held many civic positions, including president of the Negro Civic League, president of the Salisbury-Rowan Ministerial Alliance, and Governor's appointee to Rowan County's Youth Advisory Board for the Department of Corrections. In recent years, he devoted much of his time and energies to organizing the Martin Luther King Humanitarian Awards Program, an effort he founded.

Mr. Speaker, Reverend Johnson was described by the mayor of Salisbury as a man who could get things done, and he could. He was a remarkable man and a remarkable leader whose goal was to make the world a better place for us all to live. S.R. Johnson did that and more, and he will be sorely missed by the people of his community and by all of us who had the honor to know him.

I rise today in tribute to Reverend Johnson and to express my deepest sympathies to his wife, Eva. And I ask that the editorial written in his honor by his hometown newspaper, the Salisbury Post, be entered in the RECORD at this point.

[From the Salisbury (NC) Post, Aug. 2, 1991]

THE TORCH IS PASSING

The passing of the Rev. S.R. Johnson, a powerful voice in Salisbury's black community for decades, comes at a time of generational change for black Americans.

Johnson's death at age 75 comes only weeks after Justice Thurgood Marshall, the first black on the U.S. Supreme Court, retired after a quarter century of service. Both men knew from first-hand experience the humiliations and harassment of the old-time segregationist system they'd seen as young men.

"They had those signs—'black and white,' 'black and white.' It was terrible," Johnson told The Post last year, recalling the segregation he experienced in Salisbury during the '40s and '50s.

Those were also the days when some Salisbury blacks lived in wretched slums—a condition that fired Johnson to push for a cleanup of those areas and the erection of public housing. One of his finest achievements was helping to found the Salisbury Housing Authority, which accomplished that goal. It was fitting that Johnson turned the first spade of dirt at the ground breaking for the first project.

In the '80s, Johnson started one of the most uplifting annual events in Rowan County: the Martin Luther King Humanitarian Awards program, which salutes local people, regardless of race, for promoting positive relations in our community.

With the passing of Sam Johnson, the mantle of leadership is passing to a new generation of black Salisburians. Like blacks throughout the nation, they will struggle with the controversies and contradictions of our times—debating, for instance, the liberal philosophy exemplified by Thurgood Marshall against the conservatism of Clarence Thomas, the young black judge nominated to succeed Marshall.

While much of America's black community remains weighed down by poverty, there are plenty of opportunities for renewal, too—just look at Livingstone College, Salisbury's traditionally black college. The school has just freed itself of its major debt and is looking to the future.

Sam Johnson would have been proud.

SALUTE TO THE RENAMING OF JERSEY CITY'S HERBERT PLAZA AS MAHATMA GANDHI PLAZA AND INDIA SQUARE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. GUARINI. Mr. Speaker, I would like you and my distinguished colleagues to join me in commemorating the renaming of Herbert Plaza in Jersey City as Mahatma Gandhi Plaza and India Square.

The renaming ceremony will take place in Jersey City this Sunday immediately after Indo-Americans and others from all ethnic backgrounds take part in a peace march through the community.

The Federation of Indian Associations of New Jersey and the International Mahatma Gandhi Association have held a peace march each year since the outbreak of Hindu-Sikh rioting in 1984. The aim of the march is to promote peace in India and in the newly adopted home of many Indians—the United States of America. The promotion of peace is the noble goal of both organizations sponsoring this march and these ceremonies.

The march will be led by Jain Acharya Sushilkumarji Maharaj, a leader of the Jain religion. He will be joined by other civic, religious, and political leaders.

There will be many festivities associated with this event, including a cultural program celebrating Indian traditions and heritage.

Last August 15 during the eighth annual Indian flag raising ceremony at city hall, Jersey City Mayor Gerald McCann announced that Herbert Plaza would be renamed Mahatma Gandhi Plaza and India Square.

The renaming of the plaza is an acknowledgment of the Gandhian principles of life. It is meant to honor Mahatma Gandhi and Indira Gandhi and the values for which they stood. It is also a sign of the coming of age of the Indo-American community in Hudson County, my congressional district.

For more than a decade, Indo-Americans have settled in Hudson County. They have built a strong community, opened businesses and made invaluable contributions to the area. There are now more than 15,000 Indo-Americans in our community.

Helping Indo-Americans assimilate in their new country have been a number of Indian organizations. In recognition of this, I would like to acknowledge the board of directors of the Federation of Indian Associations: Suresh Patel, Vijay Gupta, Hardyal Singh, Kamal Aditya, Surender Zutshi, Dinesh Pandya, Suresh Shah, Kanti Patel, Mono Sen, Manoj Patel, and Dr. Jai Dyal. These leaders represent a number of cultural and political organizations that have worked diligently to help their community.

I have worked with these individuals over the years and have always valued their friendship. Their advice has provided direction to myself and for many of the leaders of our community.

I would also like to extend a special recognition to Hardyal Singh, president of the International Mahatma Gandhi Association and a commissioner of the Jersey City Human Rights Commission.

His organization has strived since 1980 to foster friendship and understanding between Asian-Indians and Americans and to promote the culture and heritage of Indo-Americans. The Group has also coordinated and presented a number of programs designed to bring about a better understanding of India—its culture, economy, and society.

Furthermore, the organization has arranged many events to salute India and world leaders such as Mahatma Gandhi, Jawahrlal Nehru, and Indira Gandhi.

The International Mahatma Gandhi Association along with the Indo-American Association of New Jersey, the India Club of New Jersey, the Garden State Bengali Association, and many others have worked to build strong ties and productive relationships with the more than 100 other ethnic groups in Hudson County. These groups make our community a better, more humane place to live.

Mr. Speaker and my distinguished colleagues, please join me acknowledging the many contributions of the Indo-American community in Hudson County and in all of New Jersey and in celebrating the new Mahatma Gandhi Plaza in Jersey City.

CELEBRATING THE GOLDEN JUBILEE OF FR. PATRICK PEYTON

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HERTEL. Mr. Speaker, I rise today to pay tribute to Fr. Patrick Peyton on the occasion of the 50th anniversary of his ordination.

Fr. Peyton is renowned for his work as "The Family Prayer Priest," and has spent his half-century of priesthood encouraging families to do more than eat together. More than 40 million people around the world have heard his message that the family that prays together, stays together. His phenomenal success in his crusade has brought untold amounts of love and understanding into the lives of many people.

As a seminarian in 1939, Patrick Peyton was stricken with tuberculosis. He prayed to Mary that he might live to be a priest, and his prayer was answered. Shortly after his ordination in 1941, he was inspired to found the Family Rosary Crusade. He traveled from parish to parish, spreading his message and encouraging family prayer.

In 1945, Father Peyton made a bold move in order to spread his message more rapidly. He approached radio network executives in New York with a groundbreaking plan. The result was a special Mother's Day program aired on the Mutual Broadcasting Network. This broadcast was a great success, and led to the establishment of the Hollywood-based "Family Theater" in 1947. The weekly "Family Theater" radio series became very popular, and had the distinction of being proclaimed "America's Favorite Dramatic Radio Program" by Radio Daily in 1948, 1949, and 1950. Hundreds of top Hollywood stars appeared on these broadcasts which were aired over a national radio network for over 22 years.

Also in 1947, Father Peyton held the first diocesan-wide Family Rosary Crusade in London, ON. The Diocesan Crusade spread like wildfire across six continents, with attendance at the prayer rallies ranging from hundreds in thinly populated areas to millions in large cities. Domestic and international crusades were launched throughout the 1950's, encouraging family prayer across North America, Europe, Australia, Africa, and Southeast Asia.

Continuing his role as a frontrunner in the use of media to spread his message, Father Peyton recognized early on the power of television. As early as 1950 "Family Theater" was producing award-winning television programs. He used the print media to spread his message through books, pamphlets, brochures, and outdoor billboard art. Finally, he foresaw the need for films in apostolic work, and produced 15 dramas about the life of Christ as told by the "Mysteries of the Rosary." An integral part of the Crusades since the 1960's, the films have been shown in a multitude of venues: from parks to schools, street corners to theaters, and even on national television. They are available in 12 languages and have been viewed by over 80 million people the world over.

Father Peyton continued his Crusades into the 1970's, again utilizing new technology to spread his message. In Hollywood he set up a satellite feed to transmit the midnight mass and message of the Holy Father to people throughout the United States and Canada.

Medical problems put Fr. Peyton on the sidelines for several years in the mid and late 1970's, but by the dawning of the 1980's he was back at work, traveling the world. He also began production of a new series of 15 television specials on the Mysteries of the Rosary. These productions included Mother Teresa of Calcutta and other celebrities who joined Father Peyton in his invitation to families to pray the Rosary together.

In 1985, a new milestone was reached. The first nationwide Family Rosary Crusade in the Philippines was held. Fr. Peyton personally traveled throughout the islands on the personal invitation of Cardinal Sin. On the final day of the Crusade, his faith and efforts paid off when 2 million people gathered at the Luneta Park rally to pray the Rosary and to hear him speak.

Fr. Peyton returned to the United States to continue work on ongoing projects—the finalization and printing of the Crusade handbook; a trilogy of new television specials to be used in conjunction with the handbook; a series of 180 meditations on the "Mysteries of the Rosary" for television and home video; and the release and worldwide distribution of Family Theater's library on video cassette.

Today, Father Peyton continues with his journey, personally meeting with bishops throughout the world to promote utilization of the handbook for multiple, simultaneous crusades. At 81, Father Peyton still has the progressive outlook and attitude that made him a pioneer in the field of religious communications. He continues to look to the future, and lift high the torch he lit 50 years ago when he first spoke his message of hope: the family that prays together stays together, and a world at prayer is a world at peace.

Mr. Speaker, please join me in congratulating this remarkable man who has not lost sight of his ideal, and who continues to promote peace and unity and the special treasure that is the family. May his message continue to touch the lives of the citizens of the world.

INTRODUCTION OF THE CANCER SCREENING INCENTIVES ACT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SHAW. Mr. Speaker, about 1.1 million Americans will be diagnosed in 1991 as having cancer, and 514,000 Americans will die of cancer this year. Of those 514,000 deaths, the American Cancer Society estimates that more than 79,000 could be prevented by early detection and appropriate treatment. Let me repeat: Nearly 80,000 deaths could be prevented by early detection.

The key, though, is to detect and treat the cancer in its early stages, and there is only one way to detect cancer—to test for it.

That's why I'm so proud to introduce the Cancer Screening Incentives Act in the House today. The bill I'm introducing along with MARY ROSE OAKAR and 25 of our House colleagues is the same as one Senator CONNIE MACK introduced in the Senate this past spring. Senator MACK's wife, as many of us know, has been diagnosed with breast cancer, and almost every American has a friend or relative who has been afflicted with cancer. That should bring home for all of us the importance of early detection.

Our bill would provide a tax credit of up to $250 for cancer screening tests for those that don't currently have coverage for them. The costs of tests for breast, colon, rectal, prostate, uterine and ovarian cancer would be refundable. Those six cancers represent nearly half of all the cancers diagnosed this year.

Our bill begins with these six most common cancers, and then allows the Secretary of Health and Human Services to include additional cancer screening tests each year.

One of the most common questions about this approach is "What about those who don't file a tax form or can't afford to pay up front?" Our bill addresses that by giving the credit to doctors, provided they offer tests free of charge to the poor. Cancer disproportionately affects the poor, and cost alone should not prevent any American from getting these lifesaving tests.

THE REPUBLIC OF CHINA ON TAIWAN'S NATIONAL DAY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. GEKAS. Mr. Speaker, October 10, 1991, marks the 80th anniversary of the Republic of China, commonly referred to as Taiwan. I am honored to have this opportunity to wish the Republic of China continued progress and success. I believe it is in America's interest to seek, wherever possible, better means of cooperation, unity, and understanding between the United States and the people of Taiwan.

My fellow colleagues, I take this opportunity to commend the leaders of the Republic of China, President Lee Teng-hui and Premier Hau Pei-tsun, for their good work and efforts in continuing to improve on the already warm relations that exist between our two countries. I am sure the Members are aware of the many similarities and common interests shared between our two countries.

Mr. Speaker, this body must recognize our country's role as a moral leader for the people of Taiwan. We must never underestimate how inspiring the liberties of democracy are to the hearts of so many. I urge my fellow colleagues to join with me in celebrating 80 years of peaceful relations with our ally in the Western Pacific. It is my wish that this strong and stable relationship continue with the people and Government of the Republic of China for an additional 80 years.

TRIBUTE TO THE WAKEFIELD CIVILIAN PATROL

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ENGEL. Mr. Speaker, 15 years ago today, a small group of concerned citizens in the north Bronx formed the Wakefield Civilian Patrol in order to demonstrate their civic pride.

For a decade-and-a-half, neighborhood people have volunteered their time to walk the streets and take an active role in promoting law and order in the community. I rise today to mark the Patrol's 15th anniversary and to congratulate and thank all the people who have contributed to its success over the years.

It is easy to talk about civic pride, but the real test comes when people must step forward and participate in activities that protect and enhance our quality of life. The Wakefield Taxpayers and Civic League, which runs the civilian patrol, has consistently backed up its words with actions. As a result, the Wakefield community has benefited from the positive communication fostered among residents, elected and law enforcement officials, the clergy, and community leaders.

Our Nation has always drawn its strength from local, grassroots organizations. The Wakefield Taxpayers and Civic League, through its civilian patrol and many other activities, exemplifies the finest in community activism.

DUTCH REFORMED CHURCH OF CLAVERACK, NY, REFLECTS COLONIAL HISTORY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SOLOMON. Mr. Speaker, the 24th Congressional District of New York is rich in colonial history. Much of that colonial history is Dutch, and much of it is enshrined in the Dutch Reformed Church in Claverack.

The church was founded in 1716, a mere 275 years after New Amsterdam became New York. The influence of the hardy Dutch settlers who settled in the area survives in many place names.

Many interesting anecdotes from that history were included in an excellent feature recently published in the Albany Times-Union. I proudly place the article in today's RECORD.

[From the Albany Times-Union, Sept. 29, 1991]

DUTCH CHURCH PAYS TRIBUTE TO RICH PAST—FIRST CONGREGATION FORMED IN CLAVERACK 275 YEARS AGO

(By Patrick Kurp)

CLAVERACK.—While cleaning the balconies in his church a couple of years ago, the Rev. David G. Corlett found graffiti carved into one of the straight-back, wooden pews.

Not sexual boasts, rock 'n' roll slogans or even hearts-and-initials, the sentiments read like sadly fleeting messages from another century, probably left by students at nearby Washington Seminary, closed some 70 years ago (most famous alumnus: Martin Van Buren, eighth president of the United States).

"They said things like 'Class of '87,' only it was 1887. That was back in the days when college kids went to church. They must have been bored stiff," said Corlett, pastor of the Reformed Dutch Church of Claverack, this year celebrating its 275th anniversary.

By American standards, Corlett's church might as well date from the Ice Age.

Its founding came just 52 years after New Netherland became New York, and its founders bore names like Van Driessen, Frynenmoet and Ten Broeck.

In a history of the church published in 1967, the late John Coulbourn described these early congregants as "sturdy Hollanders who brought to these shores certain background characteristics, including a determined purpose to live a thrifty and prosperous life through farming."

The spiritual descendants of these "sturdy Hollanders" will culminate a year of observances Nov. 23–24, with a bazaar and memorial service led by the Rev. Edwin Mulder, general secretary of the Dutch Reformed Church.

Theologically, the church descends, like its Scottish cousin the Presbyterian Church, from John Calvin, the 16th-century French advocate for early Protestantism. Despite its name, the church is no longer exclusively, or even predominantly, Dutch.

"Even around town people ask: 'Are your services in Dutch?'" said Corlett, 43, most of whose ancestors come from the Netherlands.

Today, the Dutch Reformed Church has almost 250,000 members in the United States. While Corlett's congregation has a "total baptized membership" of 650, an average Sunday service attracts about 140 worshippers.

In 1716, according to Coulbourn's history, the citizens of Claverack "constituted themselves into a Reformed Church for the exercise of their religion according to the doctrines and usages of the Reformed Churches in Holland and Germany."

For their first 10 years, the Claverack congregation worshipped in homes, not building their first church until 1726. A drawing of the old church shows the women and children sat in conventional rows of pews, while the men surrounded them on long, U-shaped seats.

"The idea was they were being protective, looking out for attacks," Corlett said.

The present church building, completed in 1767, was built on land deeded to the congregation by John Van Rensselaer of the Manor of Rensselaerwyck. The oldest public building in Columbia County, its red brick walls and typically Dutch gambrel roof give it a sturdy, slightly European appearance.

The church's first full-time pastor took over, in a memorable coincidence, on July 4, 1776, and the Rev. John Gabriel Gebhard went on to preach sermons sympathetic to the Revolution.

"Half the congregation walked out," Corlett said.

Gebhard, a German native, remained pastor until his death in 1826. On the wall next to his altar hangs a plaque commemorating Gebhard as "A dignified and courteous gentleman; a learned and accurate scholar; an affectionate and beloved pastor."

A prized church heirloom is the silver communion cup fashioned in 1765 by a New York City silversmith, Pieter De Riemer. On it is etched a clover leaf (a reference to klauver rachen, later Claverack, meaning "clover field)" and, in Latin, Psalm 51:17: "The sacrifices of God are a broken spirit: A broken and contrite heart, O God, thou will not despise."

A teenage boy stole the cup in the 1970's, flattened it with a hammer, sold it as scrap for $70, and used the money to buy pizza and beer for his friends. State Police recovered the cup, which has been restored to usable condition.

By the 1940s, beams in the church ceiling had rotted so severely that the slate roof sagged, causing the county to condemn the building.

"The old-timers tell us they came very close to abandoning the church," Corlett said: Soon after, the building was repaired.

Church property, once totaling 130 acres, has been reduced to about eight acres. Much of it is cemetery, with the earliest dating from 1793.

Buried here are Colin Hamilton Livingstone, the first Boy Scout leader in the United States, and Harriet Livington Fulton Dale, the widow of steamboat inventor Robert Fulton, as well as about a dozen slaves.

Near the church driveway stands the stone of Andrew W. Heermance: dead in 1854 at the age of 29. His epitaph reads:

"Mourn not, my wife and children dear.
I am not dead but sleeping here.
My debt is paid, my grave you see.
Prepare for death and follow me."

Harriet Egan, 80, was born in Chicago, settled in Claverack with her husband in 1936, and joined the church on June 4, 1943. One of the first church stories she remembers hearing concerned the legend that Colonial soldiers on the march to Saratoga slept on pews in the Dutch Reformed Church of Claverack.

Cautiously, Corlett dismissed the tale as apocryphal: "Mostly, historians pooh-pooh it."

Egan, perhaps with the wisdom of age, said. "Oh, it's a good story."

TRIBUTE TO MR. GORDON SCHABER

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. FAZIO. Mr. Speaker, I rise to day to honor Mr. Gordon Schaber, the founding Dean of the McGeorge School of Law. After 34 years at McGeorge, Dean Schaber will continue his career as distinguished professor of law and counsel at the University of the Pacific. In light of his present status, and past achievements, Dean Schaber is richly deserving of the high esteem in which he is held by his colleagues, as well as all of us who have come to know him throughout his truly remarkable career.

Dean Schaber's career in legal education began in 1957 when Annabelle McGeorge asked him to come to McGeorge College to serve as both dean and instructor. There, he found a handful of students enrolled at a facility housed in two rented rooms above a saloon. From these modest beginnings, McGeorge School of Law has come to enjoy an international reputation for advancing legal education by effectively incorporating state of the art technology into the traditional academic curriculum and teaching facilities. As dean, he played a central role in the growth and development of McGeorge. The results of Dean Schaber's vision and leadership are evident by the recognition McGeorge receives as one of the leading institutions in legal education.

During Dean Schaber's tenure, McGeorge has prepared over 7,000 graduates from all 50 States, and numerous foreign countries, to successfully serve society throught the practice of law. While Dean Schaber may not wish to attribute the success of McGeorge to his own efforts, he has left an indelible mark upon the school and deservedly warrants the admiration of us all.

Mr. Speaker, it is with great pleasure that I recount for you Dean Schaber's accomplishments at McGeorge, but the success he has enjoyed through his career reaches far beyond academia. Throughout his distinguished professional career, Dean Schaber has continually been recognized by his peers as well as the community for his many accomplishments and contributions. Some of the distinguished accolades that he has received include: The Sacramento Chamber of Commerce's "1962 Young Man of the Year;" the California Trial Lawyers Association's "1969 Outstanding Trial Judge of the Year;" and, more recently, the Sacramento Bar Association's "1990 Humanitarian of the Year."

The respect we have for Dean Schaber as an educator is only surpassed by our admiration of his contributions in public service. Dean Schaber's dedication to the community includes his work as: Member and past chairman of the Sacramento City Planning Commission, member of the State of California Continuing Education Advisory Committee; member of the State Board of Control; and, chairman of the Greater Sacramento Plan Committee. While these offices are but a few of the many Dean Schaber has held throughout his career, they represent his ongoing commitment to the community through the practice, teaching, and advancement of law.

I applaud the efforts and accomplishments of Dean Schaber, knowing well that his pursuit to better legal education has left a tradition of innovation and leadership. Having played a leading role in developing the respected and successful McGeorge School of Law, I am certain Dean Schaber can look upon his tenure with a great deal of pride and satisfaction. However, I am confident Dean Schaber's impressive record of success will not stop here. In his new position as distinguished professor of law and counsel, I know he will continue his impressive record of success which he has enjoyed throughout his career. I hope my congressional colleagues will join me today in congratulating Dean Schaber on his many achievements and in wishing him the best luck in all his future endeavors.

MEMORIAL TO L.C. EVANS

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HEFNER. Mr. Speaker, Concord, NC in my district lost one of its finest citizens on August 30.

Lawrence Calvin Evans, or L.C. as he was known to everyone, was born in Lula, MS on February 22, 1912, and moved to Concord with his family in 1927. He completed his elementary and high school education there and then went on to Hampton Institute in Hampton, VA and Livingstone College in Salisbury, NC where he earned a bachelor of science degree.

L.C. devoted his adult life to both his country and his community. He was a sergeant in the U.S. Army, and later became a very active member of Harold Goodman American Legion Post No. 172, where he served as post commander. He was a member of the Cabarrus County Human Relations Commission and the Mayor's Blue Ribbon Committee, and served as director of recreation for the Logan community. He was a 33d Degree Mason, a member of Omega Psi Phi Fraternity, and a devoted member of the Zion Hill AME Zion Church. L.C. Evans was also the city of Concord's first black police officer, and he retired from that department after 20 years of distinguished service.

L.C. was active politically, as a precinct chairman and register in the voter registration effort. He had one simple rule about politics: if you were for people, then he was for you.

Mr. Speaker, L.C. Evans was one of the finest citizens and kindest men I have ever known, and it was an honor for me to be asked to speak at his funeral. I rise today to again pay tribute to him and to express my deepest sympathies to his family. For, sadly, they have had another recent loss to have to bear. L.C.'s daughter Kathy Patton, a 39-year-old school teacher who had shared her father's devotion to public service and had followed in his footsteps, passed away suddenly on August 13.

Mr. Speaker, our hearts go out to this family, and we pray that the legacy of selfless commitment to people that L.C. and Kathy have left behind will help comfort them in their grief.

RECOGNIZE THE INDEPENDENCE OF UKRAINE

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HERTEL. Mr. Speaker, today I am introducing with Mr. RITTER a resolution urging President Bush to move forward for democracy and recognize the independence of Ukraine.

President Bush now has a unique opportunity to begin leading the charge in the free world for democracy and freedom, rather than let our Nation continue to be a nation of followers. We sat on our hands while the free world extended recognition to the Baltic States.

The United States came late to the realization that the community of nations was looking to us for leadership. We again have the opportunity to speak for freedom and democracy as the leader of the free nations of the world. The United States should not miss this opportunity a second time.

This past August 24, the democratically elected parliament of Ukraine declared their independence and the creation of an independent democratic state. Two months from today, this new state—Ukraine—will hold a referendum to ask its people to affirm their own independence. What more can our government ask for, I can't imagine. Ukraine has stated its preference for independence and democracy, recognized its role in the world as a multicultural nation, and called for a vote of its people to confirm the government's actions.

What better case can be made for recognizing Ukraine's independence?

There are several steps we can take short of full diplomatic recognition should the Bush administration continue to lag behind the rest of the world in its support for freedom and democracy.

First and foremost, we can establish a permanent trade mission in Kiev. This would be one way in which we can establish a presence in Ukraine, independent of our consulate to the U.S.S.R. in Kiev.

We can make Ukraine eligible for assistance through the Peace Corps, and allow Ukrainian-Americans the opportunity to help their homeland.

We can grant most-favored-nation trading status to Ukraine. As we all know, Ukraine already has a permanent representative to the United Nations and votes as an independent nation in that organization.

We can provide some limited direct assistance directly to Ukraine, such as sending powdered milk which they badly need right now. The mechanism for distributing of this aid is already in place through Project HOPE here in the United States and through the Children of Chernobyl in Ukraine.

In short, there are many things that we could be doing to help foster democracy in Ukraine at this critical point in their history. Yet the Bush administration has chosen to do nothing except sit and wait while the rest of the free world leads the charge for democracy.

Why the largest, most wealthy, most powerful, and most successful democracy on the face of the earth does nothing while the freedom loving Ukrainian people struggle is a mystery to me.

We can give so much help to the people of Ukraine if we only take a few, little, inexpensive steps in the right direction. By doing nothing for this former captive nation now on the verge of freedom, this administration should be embarrassed.

DONALD L. CLARK WAS CLOSE FRIEND AND RESPECTED MEMBER OF COMMUNITY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SOLOMON. Mr. Speaker, last September 24 I lost a close friend, and South Glens Falls, NY, lost one of its finest sons.

Donald L. Clark owned and operated Clark Funeral Home since 1947. He has been a close friend of mine almost that long, and I would like to tell you why.

Mr. Clark spent his entire adult life in the funeral business, except for a few years of service with the U.S. Army during World War II. He was also Saratoga County coroner for 20 years.

He was highly respected in his profession. But he still found time to be a pillar of his community. I always enjoyed his company at meetings of the Glens Falls Lodge 121, Free and Accepted Masons. He was also a charter member of the South Glens Falls Rotary Club, and a member of the Moosewood Hunting Club of Saratoga and South Glens Falls, South Glens Falls American Legion Post 553, Saratoga County Republican Club, and the Oriental Temple Shrine of Troy.

Mr. Speaker, I would ask you and other Members to join me in expressing our condolences to his wife Dorothy, his daughters Sylvia Kelly, Sharon Clark, and Marjorie Clark, sons Richard and D. Lloyd, and other family members.

Don Clark was an enthusiastic sportsman, a community leader, a businessman of unblemished integrity, and, most of all, a dear friend. I speak for many people when I say I will miss him.

THE LESSONS OF DESERT STORM

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SUNDQUIST. Mr. Speaker, as we continue to debate what lessons can be learned by the success of Operation Desert Storm, I want to share with my colleagues the thoughtful observations of a friend and constituent, Brig. Gen. Wendell H. Gilbert, U.S. Army, retired.

Writing for the Army, he makes the compelling point that the United States cannot afford to rest on its laurels. I recommend his article to each of my colleagues, indeed, to all who have an interest in how we go about restructuring our military in the 1990's.

I ask that General Gilbert's piece be reprinted in its entirety in the CONGRESSIONAL RECORD:

BUILDING UPON A VICTORY: NOW IS NOT THE TIME TO REST

After completing a successful military operation and enjoying the feelings of accomplishment and pride, the United States needs to get back on the training schedule. We are pleased with the superb performance of our military personnel during Operation Desert Storm and are optimistic about the prospects for peace in the Middle East.

Once again, we have proven what a magnanimous, caring and generous nation we are. I cite the example of the young American soldier who shared his own combat rations with starving Iraqi prisoners in the desert. In stark contrast is the action of Iraqi commanders, who jumped into private vehicles in an effort to escape the battlefield, leaving their troops alone in the field without leadership—an action appalling to any American officer.

As we get back on the training schedule, we should remember what was going on in Washington just a short time ago—wholesale efforts to pounce on the so-called peace dividend, spend it on other priorities and, at the same time, virtually dismantle our defense establishment.

There was a plan that would diminish our Army to less than half the size of Saddam Hussein's army. Some used the argument of the dangerous budget deficit, which is valid. Much of the peace dividend, however, was not going to be spent to reduce the budget; it was going to be used for more spending. Even with the vivid evidence of the continuing dangers throughout our world, we can expect more cuts; thus, we must be even more prudent in spending defense dollars.

What did our planners learn as a result of Operation Desert Storm? How should our plans be reshaped to ensure a safe future for our nation? The first thought that comes to mind is that the volunteer Army concept is a success.

I was at the Pentagon when this concept was born, and I remember many trips to Capitol Hill by former Army Secretary Howard H. Callaway as he tried to gain support for this concept as well as the necessary funding. No matter how closely you look at the volunteer Army concept, there is no refuting the wisdom of it.

Our nation has developed a superb volunteer military force. As this volunteer force evolved, there was a debate over how much effort should be spent toward producing truly high-tech equipment for our soldiers as opposed to some of the crude and rudimentary equipment provided to soldiers in other armies. We correctly decided that we had an obligation to put in the hands of our military personnel the best, the most capable and advanced equipment that we could find. The wisdom of this decision was vividly demonstrated on the Desert Storm battlefield.

A liability, however, that is almost as vividly demonstrated is our vulnerability in terms of lift capacity. Six months would have been infinitely too long to deliver forces to the European battlefield under our previous cold war scenario.

Reflecting on World War II and the battle of Britain and then looking at Desert Storm, we again see the importance of air power—air power with high-tech capabilities. An enemy in the desert is not sheltered from air power as was the case in Vietnam. We found that we were able to shift our emphasis to the Middle East and use a force that had been tailored for the land battle in Europe. Up until this point, all our critical strategic decisions were made with the European land battle in mind.

It may well be time to change that emphasis and focus. In "A Better Place in Which to Serve and to Live" ("Front & Center"), in the December 1987 issue of "Army", I suggested putting troops in the critical Middle East region. A careful study of this question is still required. If there are no new and compelling energy policy shifts at the national level, then it would make this emphasis on the Middle East even more important.

As an old airborne soldier, I hesitate to make the next point. We have long been aware that a parachute-delivered division, however capable, is vulnerable to enemy armor on the battlefield unless it fights along with friendly tanks. It may be time to take a look at the 82nd Airborne Division and see if it should continue to be our most highly mobile, highest priority division in the force structure.

I question this because I recall during the crisis in Jordan in 1970 when I was commanding an airborne battalion in the 8th Infantry Division, our initial mission for parachute assault was to take the airfield. Once the airfield was taken, the rest of our division would be air landed. In fact, the mission to take this airfield only required one battalion.

I wonder if a division structured with one brigade of parachute infantry and with the rest of the division made up of some other mix might not be more appropriate. This thought comes to mind because of the truly superb performance of the 101st Airborne Division (Air Assault) in the desert—an airborne division by tradition, but a division that no longer goes to combat with parachutes. Perhaps an airborne/air assault division with one brigade of airborne and two brigades of air assault troops and a heavy component of helicopters, both tank-killer and lift helicopters would be an answer. To go with this idea, we need to develop a new light, ground mobile tank killer, something light years ahead of the TOW.

I know battleships played a role, but let's go ahead and mothball them forever. It seems apparent that our Navy priority has to be in terms of carriers and sealift that can deliver heavy forces. Operation Desert Storm strongly reinforces Army Chief of Staff Gen. Carl E. Vuono's constant theme that we will not have a hollow Army. If necessary, we will cut our budget, but we will not allow soldiers to be without the necessary funds for training and equipment. A smaller Army is okay as long as it is a ready Army.

What should our focus be in the years ahead? Clearly, if there is not a substantial shift in our nation's energy policy, we have no option but to continue to focus on the Middle East. I think all our major military decisions need to be made in that context. We must continue to fight for our share of the budget and to insist that whatever force we are allowed to have is a quality force that is superbly trained and equipped.

We must solve the lift problem. As we become less and less involved overseas and have a substantial reduction in overseas stationing, we must develop the ability to deliver forces to an area where our national interest is at stake. We must continue and perhaps even accelerate our efforts to ensure that all new technologies are examined and that we maximize their use in military application. We must hope that pork barrel political considerations do not prevent our selection of the best technology available.

The total force has been a resounding success. Reserve components (RC) personnel shouldered much of the Operation Desert Storm burden. Increased reliance on reserve components may be appropriate, especially in the logistics area. Even with RC help, however, we still have a weakness in numbers of available medical personnel. Our plan calls for the use of VA (Department of Veterans Affairs) hospitals, but we reduced their already overloaded capability by activating many of their reserve components medical personnel.

We in the Army must do a better job of telling our own story. We need to take the offensive in the media and do our part within constitutional constraints to let the American people know what kind of Army we have, how well it is equipped, what we need and what we can and cannot do. Now is the time to do this.

Knowledgeable analysts must be encouraged to pick apart the lessons of Operation Desert Storm so that wise decisions can be made relative to our future. Perhaps this year's Army War College class could set aside some time to dissect this operation, invite commanders who were in the field and find out what worked and what did not and let this information be spread throughout the Army. I know that readers of ARMY share my immense pride in Operation Desert Storm: the leadership, the splendid performance of our troops and the success of our technology. Now is not the time, however, to rest on our laurels. We must press on, for another bugle call is sure to sound.

TRIBUTE TO MILES DAVIS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. COSTELLO. Mr. Speaker, I rise today in tribute to a great jazz trumpeter and man whose music exhilarated millions of jazz lovers around the world. Miles Davis died at the age of 65 on Saturday, September 28 in Santa Monica, CA. Davis passed on after being plagued by illness for many years of his life.

I would like my colleagues to know that Miles Dewey Davis III was born in my congressional district, in Alton, IL on May 25, 1926. He grew up and learned to love jazz in East St. Louis, IL. He later left southwestern Illinois and moved to New York to attend the Julliard School to study classical music.

He played his trumpet with many well-known jazz heroes during his life. Dizzy Gillespie and Charlie Parker influenced him in his early career. Davis also brought Tony Williams, Herbie Hancock, John Coltrane and other now-legendary jazz musicians with him into the world of famous jazz players.

Miles Davis won recognition throughout his career for his innovative style of jazz. He played cool jazz, hard bop, modal playing, free-form explorations and electronics. Although many times he played ahead of his audience, he continued to trumpet what he wished, his own standard of independence and artistic style.

He wrote in his 1989 biography, "To be and stay a great musician you've got to always be open to what's new, what's happening at the moment." Please join me today as I call tribute to Miles Davis, the imaginative and creative jazz great whose death will only make stronger the desire by jazz lovers to admire and experience his music.

HONORING ALAMEDA COUNTY HEALTH CARE FOR THE HOMELESS PROGRAM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. STARK. Mr. Speaker, I rise today to recognize the Alameda County Health Care for the Homeless Program. The program's mobile health services unit recently received the Intensive Care for Our Neighbor [ICON] Award for excellence and innovation in providing extraordinary health care for the homeless. The Alameda County Health Care for the Homeless Program was selected from over 60 nationwide finalists. The award of $82,500 was presented to Health Care Services Agency Director David Kears by St. Joseph Health System on September 11.

The program's mobile health service unit is a van equipped with an examining room, a laboratory, restroom, and a waiting area. It is staffed by a family nurse practitioner, public health nurse, community health worker and mental health specialist. Directed by Barbara Cowan, this crew serves 3,000 people a year by traveling to those areas frequented by the homeless. The staff are compassionate individuals who are dedicated to ensuring indigent people access to health care.

Many homeless individuals who do not qualify for medical insurance or who do not trust free clinics or emergency rooms, find the van a place where they can turn. Those who could not otherwise obtain aid find that the van brings help to them. Besides treating patients with primary care, the van also provides health education and refers people with more serious problems to clinics affiliated with the Homeless Health Care Program. Other exceptional services have been initiated by the program, such as alcohol and drug recovery services, assistance with employment, housing, and financial benefits and information and referral.

Mr. Speaker, I would like to take this opportunity to congratulate the Alameda County Health Care for the Homeless Program for its outstanding service to Alameda County. The program's mobile unit delivers a tremendous service to the impoverished and deserves to be commended for its efforts.

INTRODUCTION OF LEGISLATION REAUTHORIZING THE NURSING EDUCATION ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. RICHARDSON. Mr. Speaker, I am pleased to introduce legislation reauthorizing title 8 governing nursing education, of the Public Health Service Act.

Despite the administration's apparent assertion to the contrary, as evidenced by their zero funding recommendation for nursing education in the fiscal year 1992 budget, there is a serious and sustained nursing shortage which is only rivaled by the nursing shortage of the 1950's. The nursing shortage of the fifties lasted 5 years while our more modern shortage began in 1986 and shows no signs of letting up. Recent reports on the nursing profession by the American Nurses Association indicate that one of every eight registered nurse positions in hospitals goes unfilled. The scenario is even worse in nursing homes where one in every five RN positions goes unfilled.

Who is hurt most by the ongoing nursing shortage? Precisely those who can least afford it, the medically underserved populations residing in frontier, rural, and inner-city areas of our Nation. The health of our citizens living in frontier and rural underserved areas continues to decline. People living in rural areas continue to be in poorer health, travel farther for health care, report chronic and serious illness more frequently, and are more likely to die from injury than their urban counterparts. Right now, over 1,300 rural areas have been designated as medically underserved. To meet the demand for health care in these areas alone would require 4,224 physicians.

I am confident the revitalized National Health Service Corps legislation I sponsored and passed last year with the help of my colleagues on the Health and Environment Subcommittee will substantially increase the number of physicians serving in shortage areas. However, the problem remains that physicians will have a difficult time maintaining viable practices in shortage areas beyond their required service time. This, combined with the aging of the existing rural physician population necessitates that we look elsewhere to meet the needs of medically underserved populations.

Nurses have always responded to the needs and concerns of our poorest citizens and I believe we must again turn to the nursing profession to respond to the Nation's rural and inner city health care crisis. The legislation I am introducing today will do just that. My legislation focuses our limited health care resources on training and educating those nursing professionals—nurse practitioners, nurse midwives, nurse anesthetists, and clinical nurse specialists—best equipped to meet the health care needs of underserved areas.

I believe our money will be well spent. The advanced training of nurse specialists and nurse practitioners allows them to provide up to 80 percent of adult primary care services and up to 90 percent of the pediatric primary care services usually performed by a physician. Additionally, it has been found that nurse practitioners serving in outpatient medical clinics can reduce hospital stays for their patients by 50 percent.

Nurse midwives have traditionally and continue to direct their services toward women most at risk for developing health care problems because of inadequate access to child bearing and health care services. A trained nurse midwife can provide a comprehensive package of preventive prenatal care and education to a pregnant woman for as little as $600. Compare this to the thousands that will be spent on intensive care, hospitalization, and rehabilitative services for low birthweight babies at risk for being developmentally disabled.

Finally, certified registered nurse anesthetists [CRNAS] play a unique role in the provision of health care in rural areas. CRNAS are the sole anesthesia providers in 85 percent of rural hospitals, enabling these facilities to provide obstetrical, surgical, and trauma stabilization services that they would otherwise be unable to provide.

In short, nurse practitioners, nurse specialists, nurse midwives, and nurse anesthetists provide high quality, cost effective care and provide millions of Americans with access to health care they would otherwise not receive. I ask my colleagues strong support of this legislation.

THE PRESIDENT OF SRI LANKA SUSPENDS THE DEMOCRATICALLY ELECTED PARLIAMENT

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. FAWELL. Mr. Speaker, it is with great dismay that I learned that the President of Sri Lanka suspended the democratically elected Parliament on August 30, 1991. However, I was pleased to hear that the Parliament reconvened on September 24, 1991. The President's decision to suspend the Parliament was reportedly made after the Speaker of the Parliament received an impeachment motion signed by 133 members from both the Government ruling party and the opposition. I further understand that the Hon. Mr. Lalith Athulathmudali, the Minister of Education and Higher Education and former Minister of National Security, resigned with Hon. Mr. G.M. Premachandra, the Minister of Labor, in sympathy with the peaceful movement to reestablish democracy in Sri Lanka. I am told that the impeachment motion charged the President with running a police state, tapping telephone lines of political opponents, abusing the Executive power and using money for personal affairs, downgrading intellectuals and mounting a coverup over the killing of Richard DeSoysa, a well-known local journalist. If this is true, it would indeed be unfortunate.

I have been a sincere supporter of the people of Sri Lanka during its recent difficult period relating to the separatist movement. Together with many of my colleagues in Congress, I felt that Sri Lanka could overcome its difficulties and emerge as a vibrant democracy in Asia. However, several reports by various human rights organizations have expressed concern regarding Sri Lanka's record on human rights. In such times, it is very encouraging to learn now that some members of the Sri Lankan Parliament have taken the step to reestablish parliamentary democracy in Sri Lanka and address the broad issue of human rights for all the people of Sri Lanka. I hope this endeavor will be a turning point in Sri Lanka's history, and that someday it will have an immense impact on the newly formed democracies of Eastern Europe and the Soviet Union, which are trying to redefine their political destiny through parliamentary democracy.

Recent events in Communist countries have shown that there can be no genuine stability and prosperity in any system not based on democracy and respect for fundamental human rights. I shall follow the political events in Sri Lanka and hope that the culmination of these events will lead to peace and prosperity with democracy for all its people.

CHINA'S ILLEGAL IMPORT ACTIVITIES

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. RAY. Mr. Speaker, several days ago, U.S. Customs agents raided 23 businesses in Los Angeles and New York. More than $3 billion in goods and money were seized from these companies.

The seizure resulted from suspicions that Chinese factories have been evading United States textile quotas by shipping clothing made in China through other countries. The China goods then enter the United States with false labels from Lebanon, Honduras, Panama, or Hong Kong.

This illegal, and immoral practice is contributing to the demise of the U.S. textile industry. Last year, our trade deficit with China was over $10 billion. The deficit is getting worse, United States exports are shrinking, and Chinese imports are growing. Last year textile goods accounted for one fourth of China's $62.1 billion in exports to the United States.

Open and fair trade is fine, but this sort of underhanded violation of trade law is absolutely unacceptable. I commend the U.S. Customs Service for its aggressive stance on this illegal activity.

China has intimidated its people, threatened the economic future of American businesses unless it received most-favored-nation status, and, all the while, has undermined what could be an extremely favorable trade relationship by illegal activities such as these.

I urge my fellow colleagues to follow the events in this area closely. This is a serious violation of trade rules, and I do not believe we have heard the end of it yet.

RESOLUTION INTRODUCED TO REDUCE THE DEFENSE BUDGET

HON. CHARLES LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. LUKEN. Mr. Speaker, the President announced major weapons reductions last Friday night. In his speech he named at least half a dozen different weapons systems that will be affected by the reductions. On Saturday Defense Secretary Cheney said that there will clearly be savings as a result of having canceled these programs.

Secretary Cheney estimated that canceling the rail garrison for the MX missiles will save $6.8 billion over the life of the program. Canceling the mobile portion of the small ICBM Program will save over $11 billion. Canceling the short-range attack missile, SRAM II, will save $2.2 billion. And this is just the beginning.

Mr. Speaker, I have heard suggestions in this House that we break the budget agreement of last year and use the savings from the Defense Program to increase spending in other sections of the budget. I do not agree with this view.

I rise today to introduce a resolution that calls on both Congress and the administration to reduce the defense budget in this post cold war era and to use any and all savings to reduce the Federal deficit.

Mr. Speaker, we have an obligation to the taxpayers and the children of this Nation to stop this compulsive spending and to make real efforts toward paying off our Federal budget deficit that will be at least $362 billion in fiscal year 1992.

My colleagues, we have mortgaged our future for generations to come. We are now obligated to use this unique opportunity to begin paying off our debts. I urge you to support this resolution.

OLD GROWTH FORESTS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. MILLER of California. Mr. Speaker, the Interior Committee has been considering legislation which would provide protection for old growth forests in Washington, Oregon, and California and which would ease the impacts this legislation might have on workers and communities in the affected areas.

This issue is one of the most complex I have encountered during my tenure in Congress. It is also one of the most important issues pending before this Congress.

In our deliberations, we have been fortunate enough to have the benefit of the excellent work done by the Scientific Panel on Late Successional Forest Ecosystems. This panel was convened at the request of my friend and colleague Chairman DE LA GARZA. I would like to compliment the chairman and his colleagues on the House Agriculture Committee for convening this panel of prestigious scientists and commissioning the study.

The Science Panel report is one of the best—and most objective—documents I have seen to help us understand the ramifications of our decisions. It is also a report that gives us a clear—and grim—picture of the present condition of the forests in Washington, Oregon, and northern California. It is clear to me that these forests have suffered from a decade of "single-use management." And, that single-use has been the production of timber. The Science Panel report and analysis of the available timber supply in these forests clearly demonstrates that we cannot continue with "business as usual." It also sets forth a range of policy options for us to consider as we attempt to reverse the decline of these great forests.

We have also been fortunate to have before us a number of bills which provide us with a wide array of options about how best to proceed. We are giving careful consideration to these bills.

The most recent bill, introduced on September 26 by my good friend and colleague, Congressman JIM MCDERMOTT, is an important contribution to this critical debate. The bill contains provisions to assist workers, communities, mills and businesses which will be affected by reduced timber cut levels. It establishes Ecosystem Natural Areas, consisting of significant old growth forest areas, in Washington, Oregon, and California. It also provides critical protection for salmon habitat and watershed areas. It takes an ecosystem approach toward resolving the problems in this area. This sort of approach should go a long way toward restoring the overall health of the forests and toward preventing future crises.

I am looking forward to working closely with Mr. MCDERMOTT, my colleagues on the committee, and with the Agriculture Committee to put together legislation to resolve the crisis in the forests in these three States.

NEWAYGO HIGH SCHOOL GAINS NATIONWIDE AND STATE ACCLAIM

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. VANDER JAGT. Mr. Speaker, too often today the papers are filled with stories of failure, of folks who just do not measure up. We in Washington deal every day with Government programs designed to help solve problems—to compensate. Only very occasionally do we see and read stories of achievement, of individual and group efforts which succeed, indeed, which excel. Too often such stories get lost in the drumbeat of failure.

Well, I do not want that to happen to the stories of the success of the Newaygo High School. In 1991 Newaygo High School, in our Ninth Congressional District of Michigan, received not only the State of Michigan's "Exemplary High School" Award, it received the U.S. Department of Education's 1990–1991 Blue Ribbon National Exemplary Secondary Schools Award. These awards place Newaygo High School in the top 15 secondary schools in the State of Michigan, and among the top 222 public and private high schools in the Nation. And that is very special indeed.

In Washington just a few days ago, Newaygo School Board Member Donald Terrill, Principal Ed Grodus, and Teacher/Counselor Mike Pumford participated in an awards ceremony conducted by President George Bush and First Lady Barbara Bush, and including U.S. Secretary of Education Lamar Alexander. But this recognition extends to the entire Newaygo High School community: to the citizens who provide the local support for their schools, to all of the administrators and teachers who provide such a sound educational environment, to the parents who foster an atmosphere of learning in the home, and, of course, to students who accept the challenge and who measure up. This is an award for all—it is richly deserved and we know that it is not just a picture of this moment.

These are awards which reflect the striving of the past, and the promise of the future. Newaygo High School and the entire community will continue to pursue excellence. The recognition which they have achieved are part of a continuing, growing, effort. But we are thrilled to be able to take a moment today to focus on these achievements. The story of the Newaygo awards, both at the State and national level, is told in two articles from the Fremont Times Indicator. I am pleased to bring these articles to the attention of my colleagues and hope that they will join me in a well-deserved congratulations:

NEWAYGO HIGH SCHOOL NAMED ONE OF STATE'S 15 EXEMPLARY SCHOOLS

(By Richard C. Wheater, Sr.)

Newaygo High School principal Ed Grodus is calling it "the State Championship of Schools."

Michigan Department of Education officials designated Newaygo High School as an "Exemplary School." Newaygo was one of 15 state secondary schools to be honored with the designation and was one of eight high schools honored.

For Grodus, whose office is decorated with reminders of the NHS girls basketball team's back-to-back state titles, the coveted "Exemplary School" designation generates familiar feelings."

"We're ordering a banner for the high school gym," Grodus said. "We've been hearing from people all over the state, congratulating us on our achievement. The whole school has been celebrating."

The exemplary school program, conducted by the state education department, started six years ago, with the honors alternating between elementary and secondary schools each year. Newaygo High School applied for the designation twice before and Grodus said that he was told that Newaygo came close both times, but just did not measure up to the qualifications.

This time, with new school and program improvements joining a solid record of community support, Newaygo was chosen as one of the elite 15.

The 15 honored schools were selected from 40 schools which submitted applications. All of the state's secondary schools were eligible to apply. Final selection was made by a review panel following visits to 17 finalist schools.

Newaygo High School and the other 14 Exemplary Schools will be formally honored at a ceremony in Lansing on Tuesday, Feb. 5. In addition, Newaygo has been nominated to the United States Department of Education Secondary School Recognition Program in Washington, D.C. The announcement of schools selected for national recognition will be made in late May.

High School counselor Mike Pumford authored the school's application document, which included detailed information on just about every facet of the school's work and mission. Pumford first produced a 105-page draft and then boiled that down to the final 35-page application.

"We've always felt that we had a good school," Pumford said. "We looked at the lists and decided that we are as good as any of those schools."

According to Pumford, the school's success can be traced to two major elements: partnerships and leadership.

"The number one thing is the partnerships we've formed," Pumford said, noting the crucial roles played by the Newaygo Intermediate School District, the Newaygo County Area Vocational Center, other area school systems, parents, service organizations, businesses and The Fremont Area Foundation.

Pumford observed that Newaygo High School's award is simply a reflection on the county's overall educational strength.

"We believe that all of Newaygo County has a good, solid educational system," he said. "This isn't an honor just for Newaygo."

Leadership, Pumford explained, starts with a school board willing to let staff members try innovative ideas. Pumford added that leadership from Superintendent Ralph Burde is also a crucial element, along with the stable direction provided by Grodus.

"Ed has been principal here for 24 years," Pumford said. "That has given the school a lot of stability."

Of course, the whole operation starts with the community and the support it provides, both in dollars and dedication.

"The community has really made a commitment to our school," Pumford said.

"It's a great achievement," added Supt. Burde. "It's a terrific reflection on the school district, the community, the school and the staff."

"It's a real fine honor," agreed veteran NHS teacher Joel Lantz. "I think the staff feels proud. It puts energy in the system."

Principal Grodus said that it is important to realize that credit for the high school's honor should be shared equally with the school's partners, especially the other schools in Newaygo.

"You can't build a good house without a solid foundation," Gordus explained. "We couldn't do anything here without the work first being done at the elementary and middle school levels."

NEWAYGO HS WINS NATIONAL AWARD

U.S. Secretary of Education Lamar Alexander announced last week that Newaygo High School has been named a winner in the U.S. Department of Education's 1990-91 Blue Ribbon National Exemplary Secondary Schools Program.

NHS Principal Ed Grodus was notified of Alexander's announcement during the last week of May.

The selection of Newaygo High School as a national exemplary school, according to the reports of site visitors, was directly related to:

high levels of student achievement and graduation rates as compared to per pupil spending,

the positive partnerships with various community agencies that benefit students,

building and district-wide involvement and commitment to the school improvement process,

the excellent and positive nature of the student body and staff, and

the leadership of the Board of Education, administration, and support of the community.

Newaygo High School is one of 222 public and private secondary schools nationwide and one of only three schools in Michigan that were selected for this special recognition. Newaygo Board of Education President, Edward Haynor, expressed pride and appreciation in this award that reflects positively on not only the high school, but also the district's entire K-12 operation.

In announcing the Blue Ribbon Schools, Alexander said, "The President, in his America 2000 education strategy, calls for new and better schools. These blue ribbon, exemplary schools display some of the qualities of excellence that will be necessary in tomorrow's break-the-mold schools: well-trained staffs providing creative instruction in communities that care about education."

This year's outstanding schools include 169 public and 53 private schools located in 44 states, the District of Columbia, Puerto Rico, and West Germany. They were selected from 490 nominations.

In addition to Newaygo High School, recognized schools include a Bureau of Indian Affairs School and a Department of Defense Dependents school, and religiously affiliated and independent schools.

Now in its ninth year, the Blue Ribbon Exemplary Schools Program honors elementary and secondary schools in alternate years.

A limited number of representatives from each of the 222 schools will be invited to Washington in the fall to participate in recognition activities. Newaygo High School and the 221 other schools will also receive a specially designed flag and a plaque.

A LEGEND PASSES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SKELTON. Mr. Speaker, Will Shriver, a stallion owned by Mrs. William H. Weldon of Jefferson City, MO, died recently at the University of Missouri Equine Center at the age of 25. He was a world grand champion American saddle horse, and by general consensus, the greatest gaited horse ever to enter the ring. During his career, he won victories at the New York, Ohio, Indiana, and Kentucky State Fairs, and at competitions in Lexington, Pin Oak, Tulsa, and the American Royal in Kansas City. He defeated every horse he ever showed against at least once.

Perhaps the competitions that most set Will Shriver apart from other great champions were at the Kentucky State Fair in the years 1974 through 1976. In both 1974 and 1975, Will won the stallion division, but was prevented from competing in the five-gaited grand championship due to illness and injury. His 1975 injury would have ended the career of a horse with lesser heart. But Mrs. Weldon and her trainer, Redd Crabtree, had faith in Will. After all, they had believed in Will as a colt when others had thought he was unmanageable. In 1976, he returned to Louisville and won the stallion class for the third consecutive year. This time he was not to be denied in the grand championship class. His victory, the first world championship won by a Missouri horse in 35 years, met with overwhelming public acclaim.

Although Will Shriver is gone, his legacy will live on. Following his retirement from competition, he returned to Callaway Hills Stables in New Bloomfield, MO, where he sired a number of champions, including the following: Callaway's Mr. Republican; Callaway's New Look; Callaway's Caper; Callaway's Blue Norther; Callaway's Ghost Writer; Lady Luck; and Callaway's Powerful Magic. The success of his progeny brought Will another honor. He was named the Nation's leading sire by the editors of Saddle and Bridle magazine. He was also honored for his career by the St. Louis National Charity Horse Show.

CONGRATULATIONS TO THE TIME CORNERS SENIOR LITTLE LEAGUE ALL-STAR TEAM

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Ms. LONG. Mr. Speaker, today I have the distinct pleasure of recognizing and congratulating a very hard working and skilled group of young athletes from my congressional district—the Time Corners Senior Little League All-Star Team. This team, from Fort Wayne, IN, has earned the titles of "Indiana District 10 Champions," "Indiana Sectional Champions," "Indiana State Champions," and "Central States Champions." The Time Corners All-Stars then proceeded to the Little League World Series and placed fifth in the world!

This is an exceptional achievement for any little league team, but especially for one that started out just hoping to have a respectable finish at the State level. By working together, and each individual performing to the best of his ability, this team was able to far exceed their expectations. I am quite proud to represent these young men, for they have displayed a great deal of teamwork, dedication, and sportsmanship.

The team, made up of 13- to 15-year-olds, includes: John Albright, Jason Brummett, Brian Cox, Casey Fogle, Rob Kaiser, Chris Kennedy, Rick Longenberger, Brad Martin, Todd Owen, Mark Pixley, Dan Schilling, Jeff Spisak, Zack Stephenson, and Ryan Waugh. I also commend two of the vital components of the team, the manager, Cal Waugh, and the coach, Dave Kennedy.

Congratulations to each of these individuals, and to their friends and families who have supported and encouraged them.

A SALUTE TO THE UNITED BALTIC-AMERICAN COUNCIL OF WISCONSIN

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. MOODY. Mr. Speaker, I rise today to pay tribute to the United Baltic-American Council of Wisconsin as it celebrates the independence of the Baltic nations on Sunday, October 6, 1991.

The Estonian, Latvian and Lithuanian communities in Wisconsin have fought a long and determined battle to secure the liberty and sovereignty of the Baltic nations. I salute their efforts and share their great joy that the long-awaited independence has come.

The whole world has just witnessed an extraordinary series of events in the U.S.S.R. Time stood still as the forces of repression—the same forces that enslaved the Baltic nations—faced off against the fledging forces of democracy and freedom—the forces that promise to change the entire political geography of what has been the U.S.S.R. This time, the forces of democracy have prevailed.

The implications are profound for the whole world, but especially for the people of the Baltics. For, of all the people enslaved by the old Stalinist system and its successors, no people have been more wronged and deprived than the people of the Baltic nations.

The dramatic failure of the coup by the hardliners opens the way for sweeping changes in each of the republics. The leaders committed to democracy made it clear that the old ways will never return. The candle of liberty and freedom never flickered out among the Baltic people during the long night of Communist rule and Soviet domination. Now that candle is a bright beacon, a torch of liberty. This beacon can brighten the path for people still locked in the remnants of the U.S.S.R. who seek and deserve to be free.

I am proud that Congress has continuously supported Baltic independence and urged President Bush to immediately recognize each of the Baltic republics as independent states. The people of the Baltics deserve to have their long struggle and their courage rewarded now. We who love and practice freedom owe them this much, and more.

Mr. Speaker, I am privileged to honor the Baltic-American Council of Wisconsin for its continued efforts on behalf of the sovereign nations of Estonia, Latvia and Lithuania.

SEVENTY-FIFTH ANNIVERSARY OF OUR LADY OF POMPEI CHURCH

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ROE. Mr. Speaker, it is with a great sense of pride and friendship that I rise today to commemorate the 75th anniversary of the founding of Our Lady of Pompei Church. This august parish opened its doors to the community on October 6, 1916, serving as a national parish for the care of the Italian people of the Stoney Road section of the city of Paterson, which lies in the heart of my Eighth Congressional District.

Our Lady of Pompei was established by Msgr. Felix Cianci to serve the growing spiritual needs of the community. For over three quarters of a century, Our Lady of Pompei has served as a beacon of faith to countless numbers of people in the greater northern New Jersey area. In July 1924, the Capuchin Sisters of the Infant Jesus were established in the parish by Bishop Thomas J. Walsh of Newark, who had jurisdiction over the religious orders of Passaic County. The sisters, whose convent was located on Caldwell Avenue, were engaged in community social service work, as well as teaching religious instruction to the children of the parish. Later, the property at 74 Murray Avenue was purchased for a new convent.

Outgrowing their initial quarters, a new church was needed, but because of lack of funds building one was put off a number of times. Finally in the fall of 1962 under the direction of Father Mancini, work on the new structure at 70 Murray Avenue next to the old building began with excavation at the corner of Caldwell Avenue and Dayton Street. The new church was dedicated Saturday, August 17, 1963 by Bishop James J. Navagh. In the same year, the Capuchin Sisters were transferred and their duties assumed by the Missionary Sisters of the Immaculate Conception. Presently, the Salesian Sisters staff the CCD program.

Over the years the parish has been served by a succession of distinguished and caring pastors: Rev. Vincent Juliani 1916–18; Rev. Raimondo Tonin, OFM, Cap., 1918–20; Rev. Michel Gorri, OFM, Cap., 1920–21; Rev. Gaetano Costri, OFM, Cap., 1921–26; Rev. Didacus Roberto, 1926–51; Rev. Daniel Vechiollo, January–June 1951; Rev. Augustine Varricchio, June 1951–54; Rev. Sylvius Mancini, 1954–68; Rev. Eugene Romano, 1968–71 and Rev. Martin J. D'Auria, 1971 to present.

Mr. Speaker, on October 6, 1991, the Brownstone House of Paterson will be the setting for a gala dinner dance celebrating the

75th anniversary of Our Lady of Pompei. The fine people whose lives have been touched and strengthened by this outstanding institution will also be paying tribute to Rev. Martin J. D'Auria for the quality of his leadership and commitment to the service of the church.

Mr. Speaker, I appreciate this opportunity to present a portion of the history of this distinguished parish that has remained dedicated to helping others and guiding them spiritually. As Our Lady of Pompei Church, of Paterson, NJ celebrates its 75th anniversary, I know that you and all of our colleagues here in the Congress will want to join me in extending our warmest greetings and felicitations for both the service and guidance it has provided to the community, State, and Nation.

DEMOCRACY OVERTHROWN IN HAITI

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. OWENS of New York. Mr. Speaker, as the United States Representative from the 12th Congressional District that is home to one of the largest Haitian-American communities in the United States, I am outraged at the news that Haiti's first freely and democratically elected President, Jean-Bertrand Aristide, was ousted yesterday by a military coup. I am particularly angered because despite the fact that the U.S. Government has one of the better information, monitoring, and espionage systems in the world, it apparently did not anticipate the coup in advance—or so it is claimed.

Any lay person who has been following events in Haiti for the last 10 years would have known that Aristide's Presidency was in danger as far back as January, when former Duvalierist henchman Roger Lafontant tried to overthrow interim President Ertha Pascal-Trouillot just before the Aristide's February inauguration. They would have known that Haiti's all-powerful, notoriously corrupt military would react to Aristide's attempts to reform it by replacing generals from the Army high command with younger officers more supportive of a democratically and freely elected government.

Our Government knew from Haiti's previous history of coups and countercoups by military dictators and representatives of Haiti's wealthy, notably the former ruling Duvalier family, that Aristide would need a great deal of support from the United States to maintain control over his fledgling democracy. What Aristide got instead was a scolding from our Government when in April he detained the former interim President Pascal-Trouillot due to her role in the attempted coup by Roger Lafontant. According to the Washington Office on Haiti, a Washington, DC-based Haitian policy and information organization:

> The U.S. Embassy in Port-au-Prince, ignoring diplomatic protocol, issued a press statement expressing its concern over (Pascal-Trouillot's) arrest and called on the Government of Haiti to abide by international norms regarding human rights. Privately, State Department officials expressed outrage over the incident, suggesting that it was political persecution rather than a genuine, judicial investigation. Shocked that "they had not received advance notice," the State Department indicated that the incident threatened to eliminate any goodwill which had thus far been demonstrated. One early casualty was the cancellation of a visit to the United States by President Aristide since the State Department could no longer guarantee any meeting between Presidents Aristide and Bush.

The Washington Office on Haiti adds that United States aid to the island nation was briefly held up due to conditions placed on the aid which the Aristide government objected to.

In short, Mr. Speaker, our Government did not help the admittedly shaky democratic government in Haiti because it was a government that the United States could not control. It was not a military puppet regime or a callous family dynasty propped up by our Government, as was the case with previous Haitian regimes. It was a progressive government elected by the nation's people. And as we know from past United States policies toward Grenada and Nicaragua, our Government does not like, and will not assist, the governments of countries, especially those "in its own backyard," who will not allow our country to dictate its policies, its relations with other nations, its day-to-day internal affairs. Thus Haiti was a victim of our Government's not-so-benign neglect.

Today the United States Government suspended $84 million in economic and food aid to Haiti, along with $1.5 million in nonlethal military aid, in retaliation for the coup. That is like closing the barn door after the horse is gone. Bush administration sources have told the Associated press that it "is prepared to use maximum political, diplomatic, and economic pressure to reverse Monday's coup in Haiti." But maximum assistance was needed well before the coup to protect President Aristide's government from the military, the Duvalierists, and elements of the Ton-Tons Macoutes, the Duvalier's outlawed militia, whom some in Haiti say are ultimately behind yesterday's overthrow.

If the Bush administration really wants to help the forces of democracy regain a foothold in Haiti, it should refuse to extend any diplomatic recognition to this latest military junta; insist on unequivocal respect for the Haitian people's expression of their own political will in the democratic election of President Aristide last December; demand the restoration of the democratically elected government of President Aristide; and respect the right of the island nation to self-determination and political autonomy.

PRESIDENT MUST DO MORE TO DISCREDIT ILLEGAL REGIME IN HAITI

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. WEISS. Mr. Speaker, yesterday the newly elected government of President Aristide was overthrown by officers of the Haitian military. Just 10 months after the majority of the Haitian people freely chose a leader for the first time, the Army has again acted to forcefully impose rule, repression and fear.

From the Soviet Union to Ethiopia democracy is ordered by popular demand and military rule is rejected outright. Yet the Haitian military has exempted itself from this moral mandate and instead used force to impose its will over that of the Haitian people.

I commend U.S. Ambassador Adams for quickly condemning yesterday's revolt, but I am disappointed by President Bush's silence on this issue. He acted decisively to stem the tide of tyranny in the Persian Gulf but has taken his time to comment on the atrocities in Haiti. Consequently, the military junta remains and tyranny is taking hold in our own backyard.

The President must do more to discredit this illegal regime. All U.S. bilateral assistance should be suspended immediately. U.S. influence should be used to deny the transfer of assistance from multilateral financial institutions. And effective action should be taken within the United Nations, and OAS to impose multilateral penalties until a freely elected democratic government and the rule of law is returned to Haiti.

As the leader of free choice and popular rule, the United States can no longer let this type of action go unnoticed. We can no longer allow brutality to dominate the lives of our neighbors to the South. And we can no longer maintain relations with a government ruled by the few at the expense of the many.

I would urge my colleagues therefore to take this as an opportunity to undermine oppression and underwrite democracy and justice by calling on the President to act now and send a message to General Cedras that we deplore this revolt and demand the immediate reinstatement of the Aristide government.

HAPPY 20TH ANNIVERSARY TO CREPEAU COURT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. MACHTLEY. Mr. Speaker, it is with great pleasure that I rise today to recognize the residents of Crepeau Court, in Woonsocket, RI, and join them in celebrating their 20th anniversary on Sunday October 6.

For 20 years the Crepeau Court Tenants Association has been hosting various events throughout the year. Among these events are their annual Christmas party, St. Patrick's Day party, and Mother's Day party. They also host outdoor barbecues and auctions. This year's tenants association president is Stella Miszkiewicz.

Crepeau Court is an active association and a member of the Senior Citizen Council. Twenty original residents of Crepeau Court are also being honored. Among them are Rose Kennedy who is 96 years old. Also being honored are Mr. and Mrs. Charles Ferron, Mr. and Mrs. Francois Fontaine, Mrs. Theodora Therein, Mrs. Lillian Kane, Mrs. Albina Walsh, Mrs. Evelyn Smith, Mrs. Yvonne Lacombe, Mrs. Rena Desmarias, Mrs. Helen

Maciejko, Mrs. Rhea Coutu, Mrs. Georgette Sculley, Mrs. Yvonne Lambert, Mrs. Stacia Neidzwaidek, Mrs. Aldora Remillard, Mrs. Aldea Dufault, Mrs. Aldea Ledoux, and Mrs. Louise Beausoleil.

I ask that my colleagues join me in wishing a happy 20th anniversary to Crepeau Court and all its residents. I extend my best wishes to them for the future.

BERNADETTE PARDO; COURAGEOUS FIGHTER FOR A FREE PRESS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Bernadette Pardo, who recently was featured in the Miami Herald as the television reporter who put Fidel Castro in his place. The article written by Juan Carlos Coto tells how Ms. Pardo confronted the Cuban dictator about the lack of freedom in Cuba in an interview at the summit of Spanish-speaking leaders in Guadalajara, Mexico:

Bernadette Pardo, the television reporter who put Fidel Castro in his place, recently found herself the special at a Miami supermarket. Her slightly disheveled hair hastily pulled into a ponytail, Pardo was just trying to collect her grub for the week like anyone else when an employee saw her and blared over a speaker:

"Attention shoppers! Attention shoppers! Bernadette Pardo in aisle four! Bernadette Pardo is in aisle four!"

Pardo, who weeks earlier was simply known as a political reporter for Spanish-language WLTV-Channel 23, was now, it seemed, a local heroine. Now, in the supermarket, she once again faced a crowd of eager TV viewers, who congratulated her on the interview, *la entrevista*, her confrontation with Castro at the Ibero-American summit.

"*Te la comiste*," they told her. The literal translation is "You ate it," but it's slang for "Good job."

The kudos are invariably followed by questions: "What was it like interviewing Castro?" or "What does he look like? Is he near death?"

"He looks very imposing," Pardo has to say, disappointing them. "And healthy."

It was high noon at the Camino Real Hotel, July 18 in Guadalajara, Mexico, when Pardo thrust herself, unabashed, into the role of spokesperson for Cuban exiles everywhere, grilling the man who, in their minds, stole Cuba.

"I think, in general, the people who are interested in politics are going to remember where they were when they saw that interview." says Miami Mayor Xavier Suarez, who recently honored Pardo at airee with friends.

Says Pardo of her sudden stature: "I thought people might say I wasn't tough enough. I really didn't expect this outburst of adulation."

But in Miami, where new spiritual heroes of exile can emerge from week to week—a political prisoner one day, a defecting baseball player the next—it was inevitable that after her interview Pardo would practically become St. Bernadette.

Reporting on the summit of Spanish-speaking hordes, Pardo asked Castro about dissidents in Cuba who reportedly had been assaulted by a pro-government mob. Castro tap-danced around the question, saying, "That's not possible in our country."

Pardo cited a 1958 letter Castro had written to her father, Jose Pardo Liada, a commentator, journalist and one-time Castro supporter. In the letter to his friend, a young Fidel demanded a free press and equal coverage for his rebels. "The dictatorship has the word," Fidel wrote.

But when Bernadette Pardo asked Castro if there could ever be a free press in Cuba today, Castro was forced to say: "Well, in Cuba—no."

Later in the interview, Pardo declared, "We're one people divided by one man." And she motioned to him.

But viewers and colleagues will tell you Pardo really earned her $85,000 annual salary a few seconds later, when she asked Castro, "Do you think you have a monopoly on love for Cuba?"

A RARE MOMENT

Pardo might be one of the few journalists in history to have actually put Castro on the defensive. The fact that this was accomplished by an exile reporter whose station, Channel 23, and network, Univision, are usually restricted from entering Cuba, much less interviewing Castro, makes it all the more remarkable.

"Visually it was very powerful," says Lisandro Perez, director of the Cuban Research Institute at Florida International University. "The camera was in such a way that you could imagine yourself being there, and here it is—every Cuban's chance to tell Fidel Castro off, though she didn't do that.

"There were three dimensions to it. She was a journalist, she was Pardo Llada's daughter and she was a Cuban. I think she acted the way she was expected to act being from the Spanish-language media from Miami. She responded to what other people would have done, but I think she understood she was a journalist, too."

PAPA'S THOUGHTS

"There are some mysterious things here," says Pardo Llada himself, now 67, and working as Colombia's ambassador to the Dominican Republic. "She was very young when I was on the radio in Cuba, she never knew my style. But that manner in which she approached Fidel was my style of journalism, very aggressive journalism. I saw myself photographed in her. This Bernadette of today looked like me."

Michael Putney, political reporter for WPLG-Channel 10, calls the interview "a moment that had so much emotional and ideological weight to it. It simply was not an interview between a political leader and a political reporter. It wasn't just journalism. It just transcended it. It had something that struck something in all of us, certainly for the Cuban Americans who live in Miami. But even for those of us who aren't, it was very meaningful, very moving."

It certainly was moving for Channel 23 management, which wasted no time in getting the entire 4½-minute inverview on the air—again and again. It aired at least eight times in the next four days, as well as during a special about the Guadalajara summit.

HONORS AND HONORS

When she returned from Mexico, Pardo began playing the Spanish language radio circuit, responding to eager questions from talk show hosts and guessing Castro's fate.

She has also received numerous proclamations from local governments, including Miami, Hialeah and Hialeah Gardens. It was Bernadette Pardo Day in all three cities on Aug. 23, and more honors are in the works.

In the typically florid language of municipal proclamations, Hialeah Gardens praised Pardo for "carrying in her insides the indelible stamp of the cradle which she nourished her valuable personality."

Hialeah said she "embodied, in diaphanous form, the purity of her impoverished gesture, where shedding light to darken the evil, she remained firm before the agonizing mask of the imposter of history."

Pardo, 41, a former flower child and student of Russian literature, doesn't see her interview in such grandiose terms, and she says the public accolades won't affect her coverage of local politics, her regular beat.

"I'm just happy the way I am, thank you," says Pardo, who left Cuba in 1961, when she was 10. "I don't need proclamations or anything, and especially I don't need them if people are going to question my integrity when I cover things. They're not giving me something tradable, nobody's giving me any money, nobody's building me a house or a dock."

Channel 23 cameraman Carlos Corrales, who photographed the Castro interview and talks about a kind of "umbilical cord" between himself and Pardo—they've worked together for more than five years—says "there are few reporters that I would go anywhere with and actually trust them with my life. Bernie is one of those reporters."

THE BOMBING

Actually, before *la entreriste* there was *la bomba*, the bomb. It was 1989, at the height of the drug wars in Colombia, and Pardo as having dinner with Corrales in a cafe in Wedellin. Suddenly, a bomb exploded, throwing them 10 feet Pardo's spine and wrist were broken and Corrales suffered a cut forehead and crushed foot.

But even that story, and considerable other accomplishments in her career—she was Channel 10's editorial director in the late '70s and early '80s, she wrote speeches for Gov. Bob Graham in 1983, she was later a producer at WTVJ-Channel 4—have faded in the shadow of The Interview.

"I don't take all of this superwoman thing seriously, but I take the people very seriously," Pardo says.

The most touching letter came from Cuban writer and dissident Maria Elena Cruz Varela, who delivered a note to Pardo through a University colleague who was in Cuba last month covering the Pan American games:

"Greetings," Cruz Varela wrote on a sheet torn from a reporter's notebook. "I admire you and also are a victim of the monopoly of love. We shall win. Surely. We shall have a democratic Cuba."

Pardo is onto other things, now, such as enrolling her 3-year-old daughter Tatiana in preschool and reporting from the Soviet Union this week. She's there with her Channel 23 teammate from Guadalajara, Lourdes Mehuza, who scored a brief Castro interview the day after Pardo's.

FIGHTING STEREOTYPES

Pardo's fast-paced life style—she smokes a pack a day and says "I used to drink to go along with it"—puts her at odds with the stereotype of the Cuban woman always assuming the role of the subservient mother. Too, Pardo hasn't been married since the late '70s and chose to have Tatiana out of wedlock.

"There's nothing shameful in my mind," Pardo says of her choice. Her daughter was named after a character in the Russian writer Alexander Pumbkin's dramatic poem Eugene Onegin. "Tatiana's the best thing I've ever done."

Pardo the journalist is known as a live wire—perpetually disorganized, frantic, but always ready to deliver the story when the cameras roll. Colleagues have a nickname for her: "The Bern Unit."

"She's aggressive, but in the good sense of the word," says Channel 23 anchor Ambrosio Hernandez. "In this business, you have to be aggressive."

"What I do well is report and interview and get to the heart of something," says Pardo. "If you lose the heart, you lose whatever made you good at it. There's very little to understand. Just leave me alone and I'll get the job done. I may not know where my car keys are * * *."

I am happy to pay tribute to Ms. Pardo by reprinting this article from the Miami Herald. The article shows how a courageous woman has overcome many obstacles, including being injured in a Colombian drug war bombing, to become a successful journalist at Miami's Spanish-language WLTV–Channel 23.

Bernadette is a heroine to the Cuban exile community in south Florida and she has had an outstanding career which will prosper more in the years to come. She will be honored by the Cuban Journalists in Exile organization on Sunday, October 27 at 1 p.m. at the Intercontinental Hotel in Miami for her incredible journalistic skills and for her growing popularity in our community. We are all very proud of Bernadette Pardo and wish her much success.

COMMENDATION TO LINCOLN PARK NEIGHBORHOOD ASSOCIATION, BEAT 26, AND SGT. WALLY BRADFORD

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Ms. NORTON. Mr. Speaker, I rise today to commend the residents of the Lincoln Park neighborhood and the First District Metropolitan Police Department for their energetically dedicated service to the residents of their neighborhood and their city. This unique partnership between residents and their police is manifested in the work of the Lincoln Park Neighborhood Watch Association. Lincoln Park, located in the heart of Capitol Hill, comprises 2,500 homes in a 65-block area. Its boundaries in advisory neighborhood commission 6B are from 7th Street to 14th Street SE. and from East Capitol to E Street SE.

Mr. Speaker, beat 26 is the former patrol area of Sgt. Wally Bradford, who retired this summer and whose work was central to the creation of this community empowerment anticrime program. Sergeant Bradford has left this community a working legacy.

The Lincoln Park Neighborhood Watch Association, by linking residents with the Metropolitan Police Department, has greatly improved communication concerning crime-related incidents and has reduced crime. Forty-five block captains were organized to monitor approximately 80 percent of beat 26. Each block captain serves as a liaison between the police department and the community.

In addition to organizing the community into a cohesive unit, the association created the Beat 26 Newsletter, which is the extraordinary work of Susan and Joel Sarfati, and the Action Alert Program. These and other incentives helped develop a means of educating and empowering the community by giving specific information of criminal activity. Merchants posted special notices so that residents would be aware of the latest occurrences in the neighborhood. As a result the community has seen a significant decline in crime.

Mr. Speaker, beat 26 has set the pace for doing something about crime instead of only talking about it. Other neighborhoods in Washington want to learn from beat 26, and the Lincoln Park model should be helpful to communities elsewhere in the country. Especially considering how many Members live on Capitol Hill, Mr. Speaker, we should all be grateful to the members of the Lincoln Park Neighborhood Watch Association, beat 26, the First District Metropolitan Police Department, and to the energetic residents of Capitol Hill for their commitment to ensuring the safety for this community.

BREAST CANCER SCREENING SAFETY ACT/BREAST CANCER AWARENESS MONTH

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. FAZIO. Mr. Speaker, I rise in support of Breast Cancer Awareness Month and, specifically, as an original cosponsor of the Breast Cancer Screening Safety Act.

One out of every nine women in the Nation, and 1 out of every 10 in my home State—California, are expected to develop breast cancer in their lifetimes. An estimated 44,500 American women are expected to die of breast cancer this year.

Breast cancer accounts for 15 percent of all cancer cases diagnosed annually. It is the most common form of cancer among American women, and the second leading cause of cancer death among women, surpassed only by lung cancer. Incidence rates for breast cancer have increased approximately 3 percent each year since 1980. Yet the resources we have dedicated to fighting breast cancer are woefully inadequate.

It is time for an aggressive attack on this disease that is killing so many American women. However, we must do more than increase breast cancer research and ensure better access to treatment.

It is a known fact that early detection of breast cancer could reduce deaths by at least 30 percent, saving more than 10,000 lives annually. Because there is no cure, early detection remains the best weapon against this disease. But there is a wide variation in quality standards for mammograms—and poor quality mammograms can delay treatment and result in either mastectomy or even death.

Consequently, I am cosponsoring the Breast Cancer Screening Safety Act, which Representatives SCHROEDER and LLOYD are introducing today. This bill would ensure safe and accurate mammograms by requiring national quality standards for all mammography facilities. If we are to tackle this epidemic head on, we must focus on the two elements that play such an important part in early detection—awareness and quality assurance.

I wholeheartedly endorse both the Breast Cancer Screening Safety Act, as well as Breast Cancer Awareness Month, and salute my colleagues, Representatives SCHROEDER and LLOYD, for their efforts toward making this critical woman's health issue a national priority.

VETERANS OUTPATIENT CLINIC IN SAVANNAH, GA TO BE OFFICIALLY DEDICATED

HON. LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. THOMAS of Georgia. Mr. Speaker, I am very proud to announce that the Veterans Outpatient Clinic in Savannah, GA will be officially dedicated on October 18, 1991. But behind the brick and mortar and ribbon-cutting that will be the focus of that ceremony, there is a long and inspiring story of the dedication of local veterans.

I rise to make these remarks so that in years to come, there will always be a record of their accomplishments.

The work on this project began with my predecessor in the Congress, the Honorable Bo Ginn, who paved the way for the clinic through his tireless efforts in partnership with local veterans who first brought the issue to his attention. Veterans Administrator Max Cleland was also called on to help.

A long struggle began to secure the documentation of the need for the clinic, and then to secure the support of the Veterans Administration. Not long after I began my work on the project, hurdles arose involving a scarcity of funding, medical staff, and equipment. Later, problems with the clinic's construction contract again delayed the project.

There came a time 2 years ago when I and my colleagues, Senator WYCHE FOWLER, Senator SAM NUNN, and Congressman J. ROY ROWLAND, sought direct assistance from the Secretary of the Veterans Administration, Edward Derwinski. Secretary Derwinski responded immediately and took personal action to resolve the problems that threatened the clinic. He gave his word that he would see this project through to successful completion, and he is as good as his word.

There were times when many of us were discouraged and thought this clinic might never be built. But the underlying thread that kept the project from unraveling was the strength and persistence of the local veterans. They were trained for the fields of combat, and they are not quitters.

So as the day of October 18 dawns, and this clinic is dedicated, I want my colleagues in the Congress, and my fellow citizens in Georgia to know that the day will belong to our veterans. They will have earned that day with their years of service in the uniform of our Nation, and with their years of struggle to make their dream of a modern clinic come true.

SENATOR SIDNEY LEE'S I HAVE A DREAM FOUNDATION

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. DE LUGO. Mr. Speaker, I wish to commend the extraordinary generosity, vision, and commitment to community of former Virgin Islands Senator Sidney Lee who has initiated a program that will change forever the lives of 20 fifth grade students at the Pearl B. Larsen Elementary School in St. Croix.

Senator Lee has established an "I Have a Dream" Foundation and has donated $200,000 of his personal funds to begin it. He has invested the money with the belief that by the time these youngsters are ready to go to college in 7 years it will be worth twice or three times what it is today and will be sufficient to fund the college educations of these 20 students. The Senator says that all these students have to do is graduate high school and be accepted to college to receive the money.

The parents of many of these students never thought they would see their children be able to afford to go on to higher education. But Senator Lee's generosity has changed that. And as a result of his gift, the lives of these students and their families will never be the same.

Many are the complaints about our system of education, that it fails the students who need it most. Great are the concerns that youth have too few opportunities. Often youth themselves are criticized for lacking goals and planning for the future.

Through his Dream Foundation, Senator Lee has addressed each of these problems. His foundation gives these children hope, hope in themselves, and hope in tomorrow. It gives them daily goals to do well in elementary and secondary school so they can achieve the long-term goal to go on to higher education. It gives them a stake in the future, their future, one for which they can work and plan.

Mr. Speaker, I am proud of Sidney Lee, for he has made a considerable financial commitment to these children. He has established a means to make a significant difference in the lives of these youngsters. Senator Lee is a fine example of Virgin Islands people who can and do make a positive difference for others and for the community they love.

IN RECOGNITION OF ARTHUR GOETZ

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mrs. ROUKEMA. Mr. Speaker, I rise today to bring to the attention of my colleagues in the House a constituent of mine who, after 45 years of serving the publishing industry, retired yesterday. Arthur Goetz, a resident of Glen Rock, NJ, since 1956 and a leader in his community, will enter the next chapter of his version of "Its a Wonderful Life."

As a young man and soon after graduation from high school, Arthur Goetz answered the call to duty and proudly served the Army Air Corps in the Pacific theater from 1942 to 1945. Upon his return home, he enrolled in Pace University where he concentrated on his studies in business and spent his extracurricular time working for the American News Service.

After the war, as the country was turning its attention homeward, Arthur continued to serve his fellow veterans as the post commander for the Veterans of Foreign War post in Bellrose, Queens.

In 1953, Arthur began working as a salesman for a private firm, the Holliston Mills. In his 38 years at Holliston, he helped build the small firm into a thriving international publishing interest known now as Holliston International. He leaves the company as a vice president.

Arthur Goetz and his wife Marion moved to Glen Rock, NJ, in 1956 where he became an active member of the Glen Rock Civil Association. It is in Glen Rock that they chose to raise their three children, Skip, Meg, and Amy, who have each been most successful in their own right. Perhaps familiar to most of my colleagues is Meg, who serves here on the floor of the House as the majority reading clerk.

During their childhood, Arthur Goetz made extraordinary efforts to support his children's activities. Whether it was coaching the sports teams, driving the Boy Scout carpool or patronizing the drama club, Arthur constantly and exuberantly answered the call to duty with the same intensity with which he served his country, his community, and his career.

Mr. Speaker, success comes in many ways. But it is sweetest when it comes with the approval, the applause, and the rewards freely given by ones peers. And that is why the people of the Fifth Congressional District of New Jersey are proud to have Arthur Goetz as a neighbor. Today, I ask my colleagues in the House to join in congratulating Arthur Goetz on the commencement of his retirement.

Mr. Speaker, the poet said, "Past is prolog." With that truism we can say with assurance that Mr. Goetz will soon be enhancing the quality of life for all those whose good fortune it is to share in his "Wonderful Life."

TRIBUTE TO ISIDORE "RED" KARBEL

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SCHUMER. Mr. Speaker, it is with great pleasure that I rise today in honor of Isidore "Red" Karbel, principal of Cunningham Junior High School in Brooklyn, NY.

Retiring after 40 years, Red Karbel has served the educational system with dedication and distinction. As a teacher, an assistant principal, and principal for the last 19 years, Red tried to provide the best possible education in the safest possible environment for each student touched by his leadership. A principal whose door was always open. Mr. Karbel tirelessly injected himself into the education and lives of his students, preparing them for the world beyond Cunningham Junior High.

Educators like Red Karbel make my job easier. By helping to mold our children into intelligent, responsible, and law-abiding citizens, Mr. Karbel has contributed so much to our community. I commend him for his work, and wish him many more years of health and happiness with Mollie, his children, and his grandchildren. And I ask everyone to remember his immortal words, "Walk, walk, walk, read, read, read."

A TRIBUTE TO CAPT. FREDERICK D. KLUG

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. MCEWEN. Mr. President, I rise today to honor an individual that has provided many years of excellent support and dedication to not only myself but to the Congress at large. Capt. Frederick D. Klug, Office of the Secretary of the Air Force, Legislative Liaison, Inquiry Division, will be reassigned from the Pentagon to Grissom AFB, IN on October 11, 1991. I and many of my colleagues have directly benefited from his exceptional service in the Air Force's congressional inquiry office.

As an action officer in branch 2 of the inquiry division Captain Klug's calm, logical, and thorough method of handling unique situations and constituent concerns, some of which were extremely time sensitive, resulted in the successful resolution of in excess of 800 cases per year over a 4-year tour. Time and time again, his can-do attitude attained favorable results. A seasoned traveller with a myriad of congressional members and their staffs Captain Klug was among the first to escort a large delegation to Moscow. His thorough, efficient, professional planning assured that this trip, and others to follow, were completely successful.

Mr. Speaker, I join with many of my colleagues who have directly benefited from the professional support Captain Klug has provided the Congress in congratulating him for a job extremely well done, and wishing him and his wife Jackie, as well as his son, Jeffrey, the very best in the future. Captain Klug is a professional among professionals and brings great credit upon himself and the U.S. Air Force.

CONGRESSMAN SANDERS APPLAUDS THE BREAST CANCER SCREENING SAFETY ACT AND PRAISES VERMONTER JOANNE RATHGEB FOR HER COURAGEOUS STRUGGLE AGAINST BREAST CANCER

HON. BERNIE SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. SANDERS. Mr. Speaker, I want to congratulate the Congresswoman from Colorado, PATRICIA SCHROEDER, and the Congresswoman from Tennessee, MARILYN LLOYD, on the legislation they are introducing today. I can think of no better way to mark the first day of Breast Cancer Awareness Month than with the introduction of the Breast Cancer Screening Safety Act. This legislation will ensure the safest, most reliable, and highest quality mammogram testing possible. After many years of discrimination against women in health procedures, we now have a chance to put an end to such injustices. We must guarantee women that tests which can determine the course of women's lives are safe and accurate. Until we have found a cure, or even located the causes of breast cancer, we must make use of the best modes of testing and promote further research in hopes of discovering the causes of this devastating disease.

I would also like to praise Joanne Rathgeb, a courageous Vermonter and a fourth stage breast cancer survivor, on her efforts to alert women about this epidemic. Joanne has mounted a massive letter writing campaign as part of a larger national letter writing campaign: "Do the Write Thing." Joanne's work is successfully disseminating the Vermont State Department of Health finding that, "Breast cancer is the leading cancer related cause of death among Vermont women * * * and Vermont's breast cancer death rate is increasing."

The average annual age-adjusted mortality rate from female breast cancer in Vermont for the period 1984–88 is 30.4, the eighth highest in the Nation. In addition, American Cancer Society data reports that in 1991, of the 2,400 new cancer cases in Vermont, breast cancer will account for 475. These striking figures about new cases of, and mortality rates for, breast cancer in Vermont are evidence of a bleak national trend. Breast cancer continues to escalate and destroy the lives of hundreds of thousands of women each year.

With brave and public-spirited battles like the one Joanne Rathgeb is waging, with health benefits that will result from legislation like the Breast Cancer Screening Safety Act, we are beginning to confront the dire situation facing so many American women.

TRIBUTE TO JOSEPH B. WILEY HONORED BY THE NEW JERSEY ALLIANCE FOR ACTION AT THEIR ANNUAL EAGLE AWARDS DINNER

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ROE. Mr. Speaker, it is with distinct pride that I rise today to pay tribute to a man of extraordinary talents, who has lent his time and abilities to improving his community and his State. On Wednesday, October 2, 1991, the New Jersey Alliance for Action will honor Joseph B. Wiley, Jr. for exemplary service as an engineer, for his community service in association with the alliance, and in particular for his outstanding leadership as the chairman for PROTECT [Passaic River Organization To Encourage Construction of the Tunnel].

The 17th Annual Eagle Awards dinner will be held in New Brunswick, NJ, and will be attended by many of State's leading citizens, including the distinguished Governor of New Jersey, the Honorable Jim Florio. The New Jersey Alliance for Action is the premier organization in the State for the promotion of infrastructure maintenance and development. Mr. Wiley has been intimately involved with the work of the alliance and has distinguished himself as a man of distinctive knowledge and dedication.

Born and raised in New Jersey, Mr. Wiley studied at the prestigious Massachusetts Institute of Technology where he received a degree in mechanical engineering. He is currently project manager at Kupper and Associates, consulting engineers in Piscataway, NJ, and has served as township engineer for Logan Township in New Jersey. In addition to the normal municipal engineering duties, he has had to deal with a variety of special challenges including two Superfund sites.

This wide variety of engineering problems has given Mr. Wiley a broad experience in not only mechanical engineering but chemical and civil engineering as well. He is a member of several professional engineering organizations including American Society of Mechanical Engineers, Society of American Military Engineers, National Association Environmental Professionals, and the Save Our Port Coalition. His well rounded background also includes work as a consultant on solving the municipal waste problem which is of particular importance to the State of New Jersey.

In addition, Mr. Wiley has done extensive work on flood control projects which would resolve serious flooding conditions in the State. He has served as planning consultant on the Green Brook Flood Control Commission and has chaired the PROTECT group since 1989.

PROTECT is a group organized by the Alliance for Action for the promotion and completion of the Passaic River flood control project which was passed into law as part of last year's Water Resources Development Act. This project would alleviate the single worst urban flooding problem in the country and directly impacts the heart of my Eighth Congressional District. It involves an innovative engineering solution where flood waters will be diverted into a tunnel upstream and then deposited directly into Newark Bay and the Atlantic Ocean.

Mr. Speaker, this project is vital to thousands of businesses and hundreds of thousands of residents who have been subjected to the annual flooding in the Passaic River Valley. Mr. Wiley and the PROTECT group have been instrumental in providing municipalities and local residents with essential information with regard to the construction and local impact of this monumental engineering venture. Mr. Wiley has also appeared several times before various congressional committees in support of the authorization of and appropriation for this project. He clearly illustrated the essential need to move forward to resolve this problem which has plagued the area for over a century.

A large part of carrying out the task of engineering projects in an urban setting involves providing the local citizens with information to help them understand and cope with the situation. When given the simple facts, people generally respond quite well and appreciate the benefits which will accrue from the completed project. Mr. Wiley has devoted a significant portion of his career to this human side of the engineering profession. He realizes that engineering is a tool for man and as such human considerations are an essential part of an engineering blueprint.

Mr. Speaker, for his outstanding record as an engineer and for his devotion to his community and indeed the entire State of New Jersey, Mr. Joseph Wiley is being recognized at this well deserved tribute. I am very proud to share in this event and I am sure in the pride felt by Joe's lovely wife Karla, and his son Joe along with his wife Phoebe, and their two children, Helena and Joe.

Mr. Speaker, I welcome the opportunity to bring this event to your attention and I am sure that you and all my colleagues here in the House join me in congratulating this man in recognition of his fine example of citizenship and community participation. Mr. Joseph B. Wiley is truly a great American.

RECOGNIZING THE 80TH ANNIVERSARY OF THE REPUBLIC OF CHINA

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. BUSTAMANTE. Mr. Speaker, coming October 10, 1991 the Chinese people on Taiwan will be celebrating the 80th anniversary of the establishment of their nation, the Republic of China. I join the Republic of China's many friends in the United States in congratulating President Lee Teng-Hui and Representative Ding Mou-Shih.

We are extremely glad to hear that Taiwan's political reforms continue to make progress. It has been announced that lawmakers elected on the mainland will have all retired by the end of this year and that all new lawmakers will be elected by their constituents. It is also good to know that the Republic of China is now actively engaged in new constitutional reforms to make that country more representative of the people.

I am pleased to see that President Bush has openly supported Taiwan's application to join the General Agreement on Tariffs and Trade [GATT]. and I hope Taiwan will be able to be represented in all multilateral organizations in the near future. Again, congratulations to our friends in the Republic of China on this historic anniversary.

HONOR REAR ADM. RONALD J. ZLATOPER

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. LOWERY of California. Mr. Speaker, I rise today to honor Rear Adm. Ronald J. "Zap" Zlatoper of the U.S. Navy, as he completes his assignment as Commander of Carrier Group Seven. It is my pleasure to acknowledge the accomplishments of this dedicated sailor, aviator, and distinguished member of our community in San Diego, CA.

Headquartered at Naval Air Station North Island in San Diego, Admiral Zlatoper was the commander of the U.S.S. *Ranger* Battle Group (Battle Group Echo), the only west coast carrier battle group to participate in all 43 days of hostilities in Operation Desert Storm. Under his leadership, Battle Group Echo played a key role in the U.S. victory in the gulf conflict.

Admiral Zlatoper is a dedicated professional naval officer and an expert naval warfare tactician. He has held leadership positions in Naval Aviation Squadrons, Carrier Air Wings, and on various staffs. He served as the military assistant to the Secretary of Defense, as well as the Chief of Staff for the Seventh Fleet. A rock-solid leader, he served with valor as a carrier-based attack pilot during the Vietnam war, flying bombing missions against North Vietnam.

During the Persian Gulf conflict, Battle Group Echo participated in the first air and cruise missile strikes against Iraq and conducted sustained combat operations throughout Operation Desert Storm. While in the Gulf, Admiral Zlatoper served as the Anti-Surface Warfare Commander and was responsible for the destruction of the Iraqi Navy. As the last of the four battle group commanders to depart the Gulf after hostilities ceased, he carried out the duties of Commander of the Arabian Gulf Battle Force, continuing to enforce the United Nations' economic embargo of Iraq and protecting coalition forces in Kuwait and Iraq.

Admiral Zlatoper is an academic as well as a superior public servant. A graduate of Rensselaer Polytechnic Institute, he holds Masters Degrees from the George Washington University and Massachusetts Institute of Technology. In addition, he was designated the Outstanding Command and Staff Student at the Naval War College. Admiral Zlatoper is an outstanding member of the San Diego community. He is a loving husband, caring father, and a still-aspiring basketball player. He has proven that the best leaders must be both professional and compassionate in demeanor.

Mr. Speaker, Rear Admiral "Zap" Zlatoper is a role model for men and women in and out of the Armed Services of this great Nation. His commitment to excellence, good nature, and devotion to duty has earned him well-deserved recognition and praise from the Navy and the civilian community. As he departs San Diego for his next assignment, I want to express our community's gratitude and congratulations to Rear Admiral Zlatoper for a job extremely well done.

BREAST CANCER AWARENESS MONTH

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Ms. SNOWE. Mr. Speaker, since today is the first day of Breast Cancer Awareness Month, I would like to give my colleagues an opportunity to think about all the women who are a part of their lives.

Think about wives and daughters, mothers and sisters, aunts and nieces, sister-in-laws, female cousins, and female friends.

I intentionally mentioned nine groups of women. That's because 1 in 9 women will develop breast cancer in her lifetime.

Breast cancer will claim the lives of 45,500 women this year alone, some 180 in Maine. The incidence of breast cancer in Maine surpasses all other forms of cancer in women. And nationally, breast cancer is the leading cause of death for women between 35 and 50 years old.

To remedy this situation, the congressional caucus for women's issues has sought passage of women's health legislation, including research on breast cancer, mammography screening and standards. And we are finally close to realizing some of our goals. But we need support from all of you to see that women's health becomes a priority. We have a long way to go in research, services and prevention to begin addressing the specific needs of women.

My colleagues, women's health has been ignored far too long. It's time some of you start thinking about all the women that you care about, review the statistics on breast cancer, and make a commitment to progress in women's health.

MARKING THE 90TH ANNIVERSARY OF BETTS INDUSTRIES

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to recognize Betts Industries, Inc., of Warren, PA, which is celebrating its 90th anniversary as a manufacturer, employer, good neighbor, and a shining example of successful industry in America today.

Betts Industries dates back to 1901 when Louis J. Betts and Charles S. Fairchild, both machinists by trade, joined together to form "Fairchild & Betts: Founders and Machinists." From its earliest days, Betts has been involved in the oil industry. The business started with just a few products, including oil well rigs, gas engines, sled shoes, cast iron street signs, manholes, and sewage gratings. Today Betts is a worldwide leader in the manufacturing of valves, manholes, vents, and lighting systems for the petrochemical tank truck industry.

With a work force of nearly 200 employees, Betts is a significant employer and contributor to the economy of Warren. Of even greater significance, however, is the example that Betts Industries represents in terms of supporting and encouraging the basic values that make them a model neighbor in western Pennsylvania.

For instance, when you enter the lobby at Betts Industries, you notice a large wooden frame which contains a picture of President Abraham Lincoln, the great emancipator. Also prominently displayed is one of four original copies of the 13th amendment to the U.S. Constitution. Betts is proud to have these pieces of American history in their lobby as a visitor's first impression of the company because they believe in equality as a tenet upon which this country was founded.

According to Richard T. Betts, president of the company since 1962, there are few documents such as the 13th amendment that celebrates human rights. Abraham Lincoln also played a major role in our Nation's progress toward equality in all aspects of life. Concern for these principles is evidenced in many policies that have led Betts to their position as a worldwide leader not only in the quality of their products but also in terms of their employment practices.

Betts Industries is an example of American enterprise at it best. This company strongly supports the principles of individual initiative and human rights, continually using the benefits of their success for the betterment of others.

At Betts special incentives to be productive benefit not only the company but the employees as well. Betts rewards their employees with profit-sharing programs and also through a program whereby the employees received additional paid vacation time if certain goals are met. Betts Industries has also taken some innovative steps in making the cost of health care affordable for their employees despite the rising costs of such care. An important part of Betts' health cost containment strategy is an incentive program which financially rewards employees for their healthy life styles. Betts is currently demonstrating the first industrial application of a program called "Wealth from Health," acting as a model for other companies to follow.

Betts has also made major contributions to various civic organizations, charitable groups, and to our country. Since 1957, the Betts Foundation has given more than $1 million to scores of charitable organizations to raise the quality of life in the Warren area. And when our troops were sent to the Middle East, Betts Industries was also proud to play a significant role in supplying much-needed valves for water, fuel, and oil in Operation Desert Shield and Storm.

There is a special quality about Betts industries evident in their outstanding history as leaders in their community, American industry, and in the world.

On the occasion of their 90th anniversary, I am proud to recognize Betts Industries for their outstanding contributions to the community of Warren and commend them for the high standards for which they and our country stand. I offer my sincerest congratulations and best wishes for their future success.

RESOLUTION TRUST CORPORATION AMENDMENTS ACT OF 1991

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. GINGRICH. Mr. Speaker, today I am introducing the Resolution Trust Corporation Amendments Act of 1991. I intend to offer this bill as an amendment to the RTC legislation which we will be considering later this year.

The bill I am introducing consists of two parts. First, it will require the RTC to shut its doors 2 full years ahead of its current statutory life. The Federal Home Loan Bank Act calls for a sunset of the RTC no later than December 31, 1996. My legislation requires a sunset date of December 31, 1994.

Bureaucracy and government control of economic assets are anathema to the economic principles on which our Nation was founded. The RTC is doing a job that is necessary to restore stability in the thrift industry. It is absolutely critical, however, that this job be finished in as prompt a manner as sound economics allow. Mr. Speaker, I believe the debate over the termination of the RTC should begin today.

The second provision of my bill would extend the authority under which the Office of Thrift Supervision [OTS] may transfer thrifts to the RTC for resolution. Current law provides for a termination of this authority on August 9, 1992. My legislation would extend this authority until October 1, 1993.

This extension was requested by the Department of the Treasury in its September 12 testimony before the House Banking Subcommittee on Financial Institutions Supervision, Regulation and Insurance. I agree with the concerns expressed by Treasury on the caseload burden, the impact of lengthy conservatorships on asset value, and the overall health of the thrift industry.

Mr. Speaker, I commend the Resolution Trust Corporation Amendments Act to your attention.

A TRIBUTE TO ALEX L. ADAMS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. HUNTER. Mr. Speaker, I would like to pay tribute to Alex L. Adams, who died on August 24, 1991, in El Cajon, CA. Alex was a national leader and promoter of soil and water conservation.

Alex began his contributions and commitment to the wise use and management of our natural resources, over 35 years ago as a board member of the Greater Mount Empire Resource Conservation District. At the time of his death, Alex was serving as president of his local conservation district and the San Diego County Association of Resource Conservation Districts, a director of the California Association of Resource Conservation Districts, and as a director of the National Association of Conservation Districts.

Mr. Speaker, it is dedicated people such as Alex Adams, serving the Nation's conservation districts, that affords all Americans the opportunity to enjoy this country's lavish natural resources. Alex will not only be missed by his family, but the Nation's conservationists as well.

CELEBRATION TO BE HELD ON THE OCCASION OF TAIWAN NATIONAL DAY

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ROHRABACHER. Mr. Speaker, on the occasion of the Republic of China's 80th birthday on October 10, 1991, I wish to extent my congratulations to President Lee Teng-hui and Foreign Minister Fredrick Chien of the Republic of China.

Taiwan's progress toward democracy and economic prosperity gives hope to all Chinese for a better tomorrow. Next week Taiwan's distinguished representative to the United States, Ambassador Mou-Shih Ding and his excellent staff, are hosting a celebration on the occassion of Taiwan National Day at the Omni Shoreham Hotel, Washington, DC. I urge my colleagues to attend this special event to show their support for democracy on Taiwan and for the hope for democracy in the rest of China.

A CONGRESSIONAL SALUTE TO LORRAINE ORNELAS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Ms. Lorraine Ornelas, an outstanding individual and long time friend of the San Pedro community. In recognition of her 20 years of dedicated service to the International Training in Communication Organization [ITC], Ms. Ornelas was honored on Sunday, September 29 with an ITC lifetime membership. I wish to take this opportunity to express my sincere appreciation for her many years of labor for our community.

Ms. Ornelas joined the ITC in 1971, when it was known as the Toastmistress Club. Since that time, she has held every office at both the club and council level. Most recently, she served on the International Speech Contest Committee at the ITC convention held in Washington, DC in July 1991. There is no doubt that the ITC would have suffered without her strong leadership.

Throughout her life, Ms. Ornelas has developed an impressive record with countless civic organizations. She has improved the local school system through the Parent Teacher Association offering her assistance to many local branches. In fact, the Cabrillo Avenue PTA has already recognized her work with a life membership. She has also channeled her efforts into the Girl Scouts of the USA for the past 25 years, earning the 20 Karat Gold Girl Scout Pin and the Girl Scouts Thanks Badge. A short list of some of the other organizations Ms. Ornelas has supported includes the Confraternity of Christian Doctrine, the American Red Cross, the United Crusade, Wilmington Women's Division, the Peck Park International Jubilee, the California Association of Health Physical Education, Recreation, and Dance, Alpha Mu Gamma Language Fraternity, and Alpha Gamma Sigma. She was also the founding president of LA Harbor College Alumni and Friends Association.

Very few citizens invest as much time and effort to the community as Ms. Ornelas. In recognition of this commitment, she was awarded the Outstanding Citizen Award for Wilmington Chamber of Commerce in 1979, and the Amicus Collegii Award for Los Angeles Harbor College in 1979. I only hope that other citizens emulate the tireless devotion Ms. Ornelas has shown for our entire population.

On this occasion, my wife, Lee, joins me in extending our heartfelt congratulations to Lorraine Ornelas for her many years of invaluable contributions to our grateful community. We wish Lorraine, her children, Patricia Modugno, Daniel Ornelas, Jacqueline Bebich, David Ornelas, and Jack Donald Rodwell Ornelas, and her six granddaughters all the best in the years to come.

BREAST CANCER IS EMERGING AS A CRITICAL HEALTH ISSUE OF THE 1990'S

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. REED. Mr. Speaker, I applaud Representative SCHROEDER and Representative LLOYD for their leadership on this issue and for calling for remarks from Members today.

The number of women diagnosed with breast cancer in the United States is rapidly increasing. In the United States, 1 in 10 women will develop breast cancer. Forty-four thousand women will die from the disease this year. Indeed, breast cancer is emerging as one of the critical health issues of the 1990's. In recognition of this, I am proud to be an original cosponsor of both the Women's Health Equity Act and the Breast Cancer Screening Act.

Until a cure or prevention for breast cancer is found, early detection will be crucial for long-term survival. Some experts suggest that if women nationwide would have mammograms, doctors would save about 30 percent more women with breast cancer than they do now. The incidence of breast cancer is increasing, but early detection and survival rates are also increasing. Currently, an estimated 20 to 30 percent of early cancer is detected by mammograms; in 1981, only 3 percent was detected.

Education is certainly an important part of winning the battle against breast cancer, but an increased Federal commitment for screening and research is essential. Just yesterday, medical researchers in Seattle detected genetic damage in breast cancer cells that may explain how breast and other common cancers start and spread.

I am working in my district to increase knowledge of this disease and the importance of early detection. I am commited to working with my colleagues toward legislation to establish national quality standards for mammography.

DRUG ABUSE EDUCATION MOVES FORWARD

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1991

Mr. TOWNS. Mr. Speaker, I was pleased to lend my support yesterday to the passage of H.R. 3259 which authorizes appropriations for drug abuse education and prevention programs relating to youth gangs and runaway or homeless youth. Youth street gangs are growing rapidly. For years, youth gangs were thought of as only a big-city phenomenon, but gang activity is becoming the norm in smaller urban areas at an alarming rate. There has been a migration of notorious gangs such as the Crips and the Bloods which began in southern California approximately 20 years ago. These 2 gangs now have affiliations in 32 states and 113 cities. According to the assistant U.S. attorney, Jimmy Gurule, there are about 1,500 gangs nationwide, with roughly 125,000 members. However, a University of California sociologist feels that this estimate is way low since Los Angeles County alone has from 90,000 to 100,000 gang members. This built-in gang network has facilitated the spread of drug abuse nationwide, particularly among the young. Drug abuse education and prevention must be emphasized among our youth if we can ever hope to turn the tide of drug abuse in our Nation. There is a strong necessity to finance treatment and prevention programs which can address the problem of drug abuse at its source.

SENATE—*Wednesday, October 2, 1991*

(Legislative day of Thursday, September 19, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

O Lord, thou hast searched me, and known me. Thou knowest my downsitting and mine uprising, thou understandest my thought afar off. Thou compassest my path and my lying down, and art acquainted with all my ways. For there is not a word in my tongue, but, lo, O Lord, thou knowest it altogether.—Psalm 139:1–4.

Eternal God, all wise, all powerful, present everywhere at the same time, You have given us life, You know us in our totality—our personal condition, our relationship with family, our desires and ambitions. You know the future and the past, the end from the beginning of history, and everything in between.

As you know us, Lord, individually and corporately, as You see our need, individually and collectively, cover the U.S. Senate with grace and mercy, with insight and understanding. Invade this place with Your presence so that no one can doubt that You are here. And work Your will and Your way to perfection.

In His name who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 2, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order the leadership time is now reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will be a period of time for morning business to be transacted not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein, and the time to be equally divided between the Senator from Hawaii [Mr. INOUYE] and the Senator from Wisconsin [Mr. KASTEN].

The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I yield myself such time as I may consume.

ABSORPTION GUARANTEES: HUMANITARIAN ASSISTANCE FOR SOVIET AND ETHIOPIAN REFUGEES RESETTLING IN ISRAEL

Mr. KASTEN. Mr. President, 3 weeks ago, the senior Senator from Hawaii and I discussed an amendment that would relieve the plight of Soviet and Ethiopian refugees in Israel. The amendment is cosponsored by 68 of our colleagues, meaning with Senator INOUYE and myself we have 70 sponsors of this amendment. This represents overwhelming support for this proposal.

There can be no doubt: Our amendment deserves this support. After all, for two decades, it has been a key goal of American foreign policy to liberate Soviet Jewry from Communist oppression. The bipartisan policy calling for free immigration of Soviet Jews was begun by the late Senator Henry Jackson with his historic Jackson-Vanik amendment, and has remained a foreign policy cornerstone for every administration since Nixon.

At long last, with the collapse of the Soviet Union and its Communist tyranny, our 20-year effort has succeeded. Since 1989, nearly 350,000 Soviet Jews have immigrated to Israel, and it is estimated that the total will reach 1 million by the end of 1995.

"Next year in Jerusalem" is no longer merely a noble wish; it is a reality, the result of longstanding American policies.

Now that we have succeeded in achieving our bipartisan goal, it would be unconscionable for us to flinch from our responsibility for the consequences. The scope of this current immigration is unlike anything Israel has seen since World War II and the creation of the State of Israel in 1948. It represents an increase of almost 25 percent over the current population.

For the last two decades of the cold war, Israel was the bastion of democracy and pro-Americanism in an extremely dangerous part of the world. Surrounded by Soviet allies, back when communism was on the offensive, the State of Israel held the line for our side.

Earlier this year, from Texas to Wisconsin, from Maine to Oregon, we all watched on television as the Scud missiles slammed into Israel, We also saw that the Israelis did not retaliate for these terrorist acts, because America asked them not to.

Israel kept faith with America. We must have the moral sense—the loyalty—to do the same.

And we will, because the American people and their Representatives in Congress do not believe in turning their backs on an ally.

Israel needs our help in resettling this massive influx of refugees. Our amendment would extend to Israel the helping hand it so urgently requires.

Our bill provides loan guarantees to Israel to help defray the extraordinary costs of resettling the refugees. The loan guarantees would amount to $2 billion for fiscal year 1992, and $2 billion each of the 4 succeeding fiscal years.

These loans guarantees will respond to the urgent human needs of a reliable and heroic friend. It is important, however, that we also understand what the loan guarantees are not.

The loan guarantees are not U.S. grants. Under our loan guarantee bill, the U.S. taxpayer will not be sending any funds to subsidize Israeli housing.

The loan guarantees are not U.S. loans. The Treasury will not be lending money to resettle the refugees. It will merely guarantee that when private sector lenders lend money for that purpose, the U.S. Government will stand surety for the loan. And we all know that Israel has never defaulted on United States loan guarantees.

The only U.S. budget funds involved in the loan guarantee process are the origination fee, which we estimate will amount to $100 million. Under our bill, Israel, not the United States, will pay for this origination fee, making United States taxpayer funding completely unnecessary. What a small price to pay to help out such a good friend.

I would like to address, however, one specific issue which has been raised by some in the administration about one of the provisions in the amendment. Some attorneys in the administration have interpreted our legislation as mandating a specific scoring. That is not our intention. Furthermore, we do not believe that the language in the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

amendment lends itself to such an interpretation, for if we were going to mandate scoring under the budget agreement on the Budget Act or the Credit Reform Act, we would have to have specific provisions waiving those laws.

Our legislation does not include such specific provisions. We do not do that.

Obviously, if lawyers at OMB or elsewhere believe that some of the language needs to be changed in order to clarify this particular point, we would certainly consider such changes. The important point to remember here, however, is that there is no intention to direct or mandate scoring—and as I said, we do not believe our language does that.

In a meeting with President Bush on September 10, attended by myself, the Senator from Hawaii [Mr. INOUYE] and the senior Senator from Vermont [Mr. LEAHY] who is the chairman of the Foreign Operations Appropriations Subcommittee, we agreed with the President that we would take a couple of weeks in order to try to gauge with our colleagues in the Senate not only their sentiment for delayed consideration of this proposal, but also to gauge the support in the Senate of these absorption guarantees.

Mr. President, it is clear to us that our colleagues do not wish a confrontation over the issue of delay, and I do not wish a confrontation on this issue of the delay. Senator LEAHY has suggested, therefore, that we put off consideration of this proposal for the time requested by the President. After exhaustive consultation with our colleagues, Senator INOUYE and I believe that we should accede to the administration's request—and consider the proposal when the foreign operations legislation is brought up sometime in late January or early February of next year.

I believe it is important to note at this point that the President and other high officials of the administration have been, by and large, positive on the substance of absorption guarantees. As I stated when we discussed this issue on September 10, "It is our hope that when time comes for its enactment, it will receive enthusiastic support from all quarters of our Government."

During these last 3 weeks, the President and other officials have indicated their support for absorption guarantees. In a letter the President wrote on September 17, he alluded to his support not only for the State of Israel but—and I quote again—"for the successful absorption of Soviet Jewish and Ethiopian refugees."

White House spokesperson, Marlin Fitzwater, also on September 17, stated that, "there is a commitment that we'll go forth with the loan guarantee." He further stated that, "there is no question for our support for loan guarantees and our interest in helping."

Likewise, the Secretary of State, in a press conference held in Damascus, Syria, on September 18, asserted that there had been no public or private discussions on a "settlement freeze in connection with the question of absorption aid to Israel."

Secretary Baker stressed that the United States has "asked for a delay of 120 days purely in order to give peace a chance. We've asked for a delay because we want to avoid the question of linkage—not promote it. That's the reason we've asked for the delay."

It is also well known that the President has made some six specific commitments on this issue. Most important among them are these: support for guarantees. No additional delay. And the question of scoring will be handled in a reasonable fashion in accordance with the law.

Finally, last Tuesday, Deputy Secretary of State Eagleburger testified before the Senate Judiciary Committee. He stated that the administration has an "obligation to assist Israel with the absorption of Soviet Jews * * * that is not the issue of contention." He further stated in that hearing, in response to an assertion by Senator GRASSLEY that the United States "seems to be linking aid to the peace conference" that "please, Senator, do not assume that we have linked loan guarantees or U.S. aid to the peace process."

Mr. President, I believe that the administration is positive on the merits and substance of this issue and it is therefore proper and right that we accede to the President's request for a delay.

Senator INOUYE and I will be working closely with the chairman of the Foreign Operations Subcommittee, Senator LEAHY, and the administration, so that early next year, we can pass a proposal which will be acceptable to all quarters of our Government. I might say not only be acceptable to all quarters of our Government but be enthusiastically supported by all quarters of our Government.

I thank my distinguished friend from Hawaii for standing with me on this. Mr. President, I would like now to send an amendment to the desk on behalf of myself and the senior Senator from Hawaii together with 68 of our colleagues as original cosponsors, and ask unanimous consent that it be printed in the RECORD, and printed as a document. I further ask unanimous consent that the text of the amendment appear in the RECORD following Senator INOUYE's statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. INOUYE. Mr. President, on September 10, my colleague, Senator KASTEN and I, announced our intention to submit an amendment providing for guarantees for $10 billion in loans for Soviet and Ethiopian immigrant absorption in Israel.

I believe I should at the very outset underline the fact that this is a loan guarantee. It is not a grant of money to the people of Israel. We are not giving money to Israel. In many ways, this is just an act of friendship.

For example, Mr. President, if a very dear and close friend of mine should go to a bank and seek a loan and the banker tells him, "We'd be very happy to lend you money but you'll have to get someone to cosign your loan or guarantee your loan," this is all that this bill calls for, that we will cosign or guarantee the loan made by the State of Israel from banks in the United States to help themselves. We are not providing one penny of taxpayers' money. I believe this point is very important.

At that time we announced our intention, we informed our fellow Senators that a dialog was underway with the administration on certain technical aspects of our proposal and that, once these issues were resolved, we would move swiftly to bring the legislation up for formal debate. This, we intend to do. This, we will do at the earliest possible moment.

In the meantime, however, the President of the United States has asked that we delay consideration of the guarantee amendment for 120 days. Although Senator KASTEN and I would like to proceed expeditiously on this urgent issue, we have agreed to the President's request, confident that ultimately this issue will be brought to a successful conclusion.

And so, Mr. President, our decision this morning to formally introduce our absorption guarantee amendment begins the process of deliberation on this important issue. In doing so, we believe we are remaining true to our colleagues and our commitment to resolve this issue in comity with the administration.

We believe strongly that this proposal supports American national interests and that it will be treated with the importance it deserves.

In our many discussions, President Bush has assured us that he remains committed to the cause of Soviet Jewry and is cognizant of the significant impact that the influx of nearly 1 million new citizens will have on the Israeli economy—a 25-percent increase in the country's population in just 5 years.

It may be difficult for most Americans to imagine what this entails, but just imagine the whole population of France placed into the United States in 5 years. That is the effect this program will have on Israel.

We believe that the President recognizes the urgency of resettlement. We remain convinced of his sincerity on the matter of Soviet absorption and his willingness to meet this great humanitarian challenge as he has met others in Ethiopia, Bangladesh, Kurdistan, and the Philippines—with compassion, with understanding and with characteristic American generosity.

Similarly, Senator KASTEN and I believe that the President recognizes the danger of resurgent Russian nationalism and anti-Semitism and the hardship which any slowdown in absorption could mean to many hundreds of thousands of Jews awaiting emigration.

Undoubtedly, the coming winter months will be difficult for the Soviet people. A counterrevolution, sparked by mass starvation and suffering, could bring totalitarianism back to the Soviet Union and lead, once again, to the captivity of the remaining Jewish population.

We hope and pray that this frightening prospect does not come true. We trust that in requesting a 120-day delay of our guarantee proposal, the President and his advisers have seriously considered this possibility and have drawn up plans accordingly.

Mr. President, over the past several weeks, Senator KASTEN and I have sought the bipartisan counsel of our colleagues on the matter of absorption guarantees. We have been most gratified by the overwhelming support which our proposal has received, as evidenced by the number of Democrats and Republicans who have asked to cosponsor our amendment. As my colleague, Senator KASTEN, has indicated, 70 U.S. Senators are cosponsors of this amendment.

There should be no doubt that the commitment of the American people to Israel remains strong. There should be no doubt that Congress will support loan guarantees to Israel—not because it is convenient or expedient, but because it is right.

For nearly a quarter of a century, the liberation of Soviet Jewry has been a cornerstone of American foreign policy. As Americans, as free men and women, we have yearned for the day when all of the captive peoples of the Soviet Union would be set free. Today, that time has come.

Let us not squander this great opportunity to make good our vows. History will judge us not by our proclamations, but by our deeds. The Soviet immigrants to Israel need our help. Let us be the first to answer the call.

EXHIBIT 1

AMENDMENT NO. 1247

On page 28, between lines 20 and 21, insert the following:

Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 226. LOAN GUARANTEE PROGRAM FOR RESETTLEMENT OF REFUGEES IN ISRAEL.—(a)(1) During the period beginning on October 1, 1991, and ending on September 30, 1996, the President shall issue guarantees against losses incurred in connection with loans to Israel for the purpose of providing economic assistance to Israel and the economy of Israel in connection with the extraordinary costs occasioned by Israel's humanitarian undertaking to resettle and absorb Soviet and Ethiopian refugees. The authority of this subsection is in addition to any other authority to issue guarantees for any such purpose.

"(2) The total principal amount of guarantees which may be issued under this subsection in any fiscal year shall not exceed $2,000,000,000, except that, in the event that less than $2,000,000,000 of guarantees is issued in any fiscal year, the authority to issue the balance of such guarantees shall be available in any subsection fiscal year ending on or before September 30, 1996. Each guarantee issued under this section shall guarantee 100 percent of the principal and interest payable on such loans. Loan guarantees shall be made in such increments as the government of Israel may request. The guarantee for each such increment shall be obligated and committed within 30 days of the request therefor, and the issuance of the guarantee for each such increment shall occur within 60 days of such request, unless a later date is selected by the government of Israel.

"(b) The standard terms of any loan or increment guaranteed under this section shall be 30 years, with semiannual payments of interest only over the first 10 years, and with semiannual payments of principal and interest, on a level-payment basis, over the last 20 years thereof, except that the guaranteed loan or any increments issued in a single transaction may include obligations having different maturities, interest rates, and payment terms if the aggregate scheduled debt service for all obligations issued in a single transaction equals the debt service for a single loan or increment of like amount having the standard terms described in this sentence. The guarantor shall not have the right to accelerate any guaranteed loan or increment or to pay any amounts in respect of the guarantees issued other than in accordance with the original payment terms for the loan. For purposes of determining the maximum principal amount of any loan or increment to be guaranteed under this section, the principal amount of each such loan or increment shall be—

"(1) in the case of any loan issued on a discount basis, the original issue price (excluding any transaction costs) thereof; or

"(2) in the case of any loan issued on an interest-bearing basis, the stated principal amount thereof.

"(c)(1) Before the issuance of the first guarantee under this section, the Government of Israel shall provide the President with written assurances that such loans will be used only for projects or activities in geographic areas which were subject to the administration of the Government of Israel before June 5, 1967, to be stated in the same manner as was provided in the grant agreement with Israel for fiscal year 1991 under chapter 4 of part II of this Act.

"(2) Section 223 shall apply to guarantees issued under subsection (a) in the same manner as such section applies to guarantees issued under section 222, except that subsections (a), (e)(1), (g), and (j) of section 223 shall not apply to such guarantees and except that, to the extent section 223 is inconsistent with the Federal Credit Reform Act of 1990, that Act shall apply. Loans shall be guaranteed under this section without regard to sections 221, 222, and 238(c). Notwithstanding section 223(f), the interest rate for loans guaranteed under this section may include a reasonable fee to cover the costs and fees incurred by the borrower in connection with financing under this section in the event the borrower elects not to finance such costs or fees out of loan principal.

"(3) Notwithstanding any other provision of law, fees charged for the loan guarantee program under this section shall be an aggregate origination fee of $100,000,000, payable on a pro rata basis as each guarantee for each loan or increment is issued.".

The loan guarantees authorized pursuant to section 226 of the Foreign Assistance Act of 1961 (as added by this Act) for fiscal year 1992 and for each of the four succeeding fiscal years shall be made available without need for further appropriations of subsidy cost as the fees required to be paid by the borrower under section 226(c)(3) of the Foreign Assistance Act of 1961 reduce the subsidy cost to zero.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. KASTEN. Mr. President, I yield such time as he may consume to the Senator from Pennsylvania [Mr. SPECTER].

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is now recognized.

Mr. SPECTER. Mr. President, I thank the Chair. I thank my distinguished colleague from Wisconsin, Senator KASTEN.

I commend Senator KASTEN and Senator INOUYE for their strong leadership on this very important subject. And I applaud the action of some 70 United States Senators who are standing together today on the introduction of this legislation which is an important statement of United States humanitarian concerns and a historic affirmation of the strong United States-Israeli relationship.

At the outset I articulate my own perspective and my own roots and the reasons why the humanitarian absorption guarantees are especially important to this Senator. My parents came from Russia. My father came from a small village, Batchkurina, in 1911, fleeing the oppression of the czar and the virulent antisemitism that was present in the Soviet Union in 1911 and remains to this day. My mother came at the age of 5 with her family from an area of Russia-Poland where the territory had been traded back and forth. So from my earliest days, I have understood the problems of Soviet Jewry and the special considerations in providing an opportunity for Jews to leave the Soviet Union.

In supporting this resolution, I do so as a U.S. Senator with the firm belief that this is very much in the national interest of the United States. And I say that, having been a student of the affairs in the Mideast for more than a quarter of a century. On coming to the U.S. Senate some 11 years ago, I sought membership on the Foreign Operations Subcommittee of Appropriations where I have worked with Senator INOUYE, Senator KASTEN—Senator KASTEN having been chairman of that subcommittee for 6 years, Senator INOUYE having been chairman of that subcommittee for 4 years—and believe that the foreign aid and the humanitarian aid which has come forward from that subcommittee and then to the full Appropriations Committee and then to the Senate has been very important for U.S. national self-interest.

Foreign aid is unpopular, as we all know. And it is with some considerable political risk that 70 U.S. Senators step forward to cosponsor this legislation. This legislation is humanitarian legislation, that is not foreign aid and is a loan guarantee at no cost to the U.S. taxpayer, but it has a symbolic connection with the concept of foreign aid which we allocate for U.S. national self-interest. And the foreign aid allocation, which is about 1 percent of our gross Federal budget, is very important. Much of it might well come within the military budget. And the $5 billion which is allocated, $3 billion to Israel in foreign aid and $2 billion to Egypt, has a very important strategic importance to the United States and, dollar-for-dollar, yields greater results than the $150 billion which has been allocated on an annual basis to NATO for many, many years. The point is that foreign aid and the separate issue of loan guarantees need to be put in the proper perspective; it's good for promoting U.S. national security interests and global stability.

My preference on the loan guarantees legislation was the preference expressed earlier by Senator INOUYE, to proceed with it on our current appropriations bill and not be subjected to 120-day delay. With regard to the notion of linking loan guarantees with settlements—an action by the administration that led to the delay—it should be noted that the Arab nations did not require a commitment to halt settlements as a precondition to come to the peace bargaining table. This linkage issue was injected into the process after the parties had already agreed to meet to discuss peace. Linkage indicates a predisposition to the Arab side and undermines the foundations for a peace conference.

Because Congress was faced with a special request from the President of the United States to delay enacting the loan guarantee legislation, an accommodation was made. But it is the hope of this Senator that the strong statement by 70 Senators today and the strong sentiment which is present in the House of Representatives will be a strong signal that this matter should go forward and be enacted promptly at the end of the 120 days.

I applaud the efforts of the President and the efforts of the Secretary of State in moving forward on the Mideast peace process. And it has been a herculean effort by the Secretary of State, Mr. Baker, in what he has accomplished.

It has been my view for some time, Mr. President, that we had been moving in the direction of a Mideast peace conference—as a result of the changing situation in the Soviet Union—with the loss of Soviet economic support, Syria has been faced with new realities and I believe that they will have to consider the option of peace with Israel.

Egypt and President Mubarak have been supportive of American efforts to create such dialog. In contrast the Saudis owe the United States a great deal—and they owe Israel a great deal as well—for our efforts in defeating the menacing Iraq Army which had invaded Kuwait and which was poised in a position to invade Saudi Arabia.

I say candidly I have been disappointed with the Saudi response and would have expected more, and hope the Saudis yet will be more forthcoming for the Mideast peace process in recognition of Israel's tremendous sacrifice and restraint in absorbing 39 unprovoked Scud attacks and in not responding—at the request of the President of the United States—in order to hold the coalition together; a coalition which created the military victory which liberated Kuwait, saved Saudi Arabia, other Arab Gulf States, and doubtless contributed to the avoidance of tremendous additional destruction.

So the time is ripe to see the peace process go forward and it has been a concern of mine that in acceding to a delay in the request for loan guarantees that there would be a tilt, or the appearance of a tilt, toward the Arab nations. It is wrong to demand concessions by Israel before the bargaining process had begun. And it is my very firm view that the bargaining process has to be left to the parties and that there should not be any inference of the United States taking one side or the other as the parties move to the bargaining table.

A few years ago some 30 U.S. Senators signed a letter to Prime Minister Shamir urging the trading of land for peace, and I refused to join in that letter. I opposed it because I do not think that from this vantage point, thousands of miles from the frontier of danger in the Mideast, that those of us in this Chamber can tell the Israelis, or anyone else, what to do about issues of national security.

It may well be that Prime Minister Shamir has in his mind concessions on the issues of settlements. That is up to him and up to the negotiating parties to discuss. It ought to be remembered that when Prime Minister Begin negotiated with President Sadat of Egypt, that there was a cessation of the settlements for the time being as a judgment of the negotiating parties. There was also a concession of considerable land for peace when Israel returned the Sinai. So there are historical precedents where some flexibility might be expected. But it is not for the United States and it is not for the Senate to set forward conditions or to prejudice those negotiations in advance.

There have been strong expressions of support for the urgency and importance of loan guarantees from across the country. I regretted the statement which was made by the President about 1,000 lobbyists coming to Washington, DC, on September 12. The representatives of the national Jewish community are not lobbyists, but citizens exercising their rights in our political process.

It is a uniquely different category when citizens come to call upon their elected representatives with three specific guarantees in the first amendment: the right to assemble, the right to petition, and the right to freedom of speech. Such an activity is not a lobbying activity.

It is my hope that this action, with a very strong statement and the very courageous and brilliant leadership by Senator KASTEN and Senator INOUYE, will set the stage for moving through with completion of this legislation at the expiration of the 120 days, and in the interim, Secretary of State Baker will continue his road to success in bringing the parties to the bargaining table so that they make strike a balance and move ahead for peace in that very troubled region.

Mr. President, I ask unanimous consent that my prepared statement and a letter to President Bush be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 6, 1991.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I urge your Administration not to delay Congressional consideration on the issue of loan guarantees to Israel.

In my judgment, the issue of the loan guarantees should not be linked to West Bank settlements. I had thought that was the position of the Administration as well.

It also seems unwise to me to link the loan guarantees issue to a Mideast peace conference, because that linkage is likely to create more problems than it will solve.

I hope you had a somewhat restful summer. I have seen you frequently on the news and you are "looking good" notwithstanding the numerous problems you have had to deal with during your August vacation time in Kennebunkport.

I am sending a copy of this letter to Secretary of State Baker.

My best.

Sincerely,

ARLEN SPECTER.

STATEMENT ON LOAN GUARANTEES FOR ISRAEL

(By Senator Arlen Specter)

I believe that the approval of loan guarantees for Israel is in the best interests of the United States and can contribute significantly toward achieving peace and stability in the Middle East. From both a fiscal and humanitarian perspective, Congress should immediately approve these guarantees and proceed on our regular schedule to enact the Foreign Aid Appropriations Bill.

While I applaud the efforts of President Bush and Secretary Baker in arranging a Mideast Peace Conference, I oppose their request for a 120-day delay on the loan guarantees. This humanitarian aid should not be linked to collateral political considerations, including settlements. Moreover, Israel should not have to be compelled into making concessions even before the Conference's negotiations even begin.

It should be recalled that loan guarantees were not previously a factor in the evolving peace process. The Arab countries invited to the Conference accepted the invitation without any concession by Israel to cease settlements. Also, Israel abided by a special U.S. request not to bring up the loan guarantee issue last Spring while it was enduring 39 Scud attacks from Iraq without retaliation. (The Israelis suffered over $3 billion in physical damage and a loss in tourism as a result of the attacks.) Because of the Persian Gulf war, Israel agreed to an Administration appeal to wait until Fall before making the loan guarantee request. This agreement was well known, and it has been public knowledge for months that the Israelis would repeat the request in September.

The most distressing aspect of the Administration's attempt to delay the loan guarantees is that it puts at risk the thousands of men, women and children seeking refuge from anti-semitism and political uncertainty. No one knows when the doors will shut on emigration. The changes in the Soviet Union have been rapid and the government is still very unstable. With the rise of nationalistic movements in Eastern Europe, virulent anti-semitism has again been unleashed and should not be underestimated.

On the fiscal merits alone, the loan guarantees for Israel make good sense. Israel is one of the few nations that has never defaulted on a loan and maintains a highly favorable debt portfolio. Loan guarantees are not in the same category as the $7 billion in foreign aid debt that the Administration urged Congress to forgive earlier last session. Loan guarantees are not part of the foreign aid budget. By extending such guarantees, the U.S. government would not in any way limit its ability to provide capital for domestic programs. The guarantees would simply allow Israel to borrow at lower interest rates for longer periods of time.

The proposed loan guarantees, allocated at $2 billion a year for the next five years, would also have a positive impact on the U.S. economy. Much of the money borrowed is expected to come from the American banking community, who would benefit by servicing the loans. A major portion of the loan money would also be spent on American builders and suppliers in the construction and housing industries, generating jobs for American citizens and revenue for American business. Judging from past experiences, the government of Israel estimates that over $30 billion in goods and services will be imported from U.S. businesses.

Guaranteed loans are essential for Israel's absorption of immigrants, especially since the Israelis are already heavily taxed to meet their national security needs. In 1991 alone, Israel will have to spend over 20 percent of its budget on immigrant absorption. The harsh reality is that soviet immigrants are only permitted to leave with about $100 and a few belongings; the recently rescued Ethiopian Jews came to Israel with even less. Because of these circumstances, the cost to transport these immigrants to Israel, feed, house, and then assimilate them into the culture and economy is astounding. Estimates are that it will cost more than $50 billion to settle the immigrants. The situation is analogous to the United States absorbing some 60 million people, or the entire population of France.

In conclusion, the challenge of emancipating and resettling over one million Soviet and Ethiopian Jews has been a moral quest for many in Congress over the years, including myself. Now that this historical opportunity has finally arrived, we must meet the obligation of ensuring their welfare. To abandon the cause of these immigrants at this stage would be wrong.

Mr. KASTEN. Mr. President, I first of all want to thank the Senator from Pennsylvania, not only for his very strong statement but for his help and his support and his leadership on this issue over the past several months.

A number of us have been working on this issue, going back into last spring, and the Senator from Pennsylvania has been part of this working group. His strong support, his leadership, his efforts are greatly appreciated, I know, by Senator INOUYE, also. We look forward to working with him and working together.

Mr. SPECTER. Mr. President, I want to thank my distinguished colleague, Senator KASTEN, for his generous remarks.

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Iowa [Mr. GRASSLEY].

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 5 minutes.

UNITED STATES LOAN GUARANTEES TO ISRAEL

Mr. GRASSLEY. Mr. President, I rise today to express my support for the Kasten-Inouye legislation which provides United States loan guarantees to Israel to assist in that country's historic absorption of Soviet Jewish immigrants.

The controversy surrounding these guarantees in recent weeks has, in my view, obscured the essence and importance of this issue. Loan guarantees to Israel are the fulfillment of a commitment made by this Congress more than a decade and a half ago with the passage of the Jackson-Vanik legislation. Since that time, the free emigration of Soviet citizens has been a central tenet of United States foreign policy toward the Soviet Union—one that nearly every Member of this Chamber has fought for in some manner. In my view, it is most unfortunate that the moral obligation associated with this humanitarian endeavor has become embroiled in the political conflicts of the day.

Mr. President, I am especially proud and gratified that my efforts on behalf of Soviet refusenik families may have contributed to the freedom that so many of those families now find in Israel. The 350,000 Soviet immigrants now living in Israel—and the nearly 100,000 Soviet immigrants coming to this country—were allowed to leave the Soviet Union in large measure because of United States pressure and perseverance. As such, I truly believe the United States has a responsibility to follow through with its commitment to free emigration.

Loan guarantees are the most cost-effective way for the United States to provide a helping hand and a brighter future for these new immigrants. Guarantees are not grants, nor are they loans. A United States guarantee will simply allow Israel to receive more favorable lending terms on the private market and thereby allow the Israeli economy time to reap the benefits of this highly educated and talented wave of immigrants.

Just last week I expressed these sentiments to Deputy Secretary of State Lawrence Eagleburger in his testimony on refugee policy before the Judiciary Committee. At that time, Secretary Eagleburger stated that the United States has a "clear responsibility with regard to those who emigrate from the Soviet Union, either to the United States or to Israel." He went on to say that, "it is also clear that the United States recognizes we have an obligation to assist Israel in the absorption of those Soviet Jews."

Mr. President, I welcome the statements of Secretary Eagleburger. It is my hope that the administration will not allow political disagreements—or issues surrounding the Middle East Peace Conference—to stand in the way of the stated United States obligation to Soviet immigrants. I, therefore, urge my colleagues to support the Kasten-Inouye legislation.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to yield to the Senator from Illinois, a Senator who has been a pioneer in this noble humanitarian effort to assist the people of the State of Israel.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

LIVING UP TO OUR RESPONSIBILITIES

Mr. SIMON. Mr. President, I thank my colleague from Hawaii. Let me just add, not in relationship to this, and yet in a very real sense in relationship to this, he has been a superb leader on this issue and on other issues. And until this session of Congress, I had not served on a committee with the senior Senator from Hawaii. I serve on the Select Committee on Indian Affairs, as does the Presiding Officer, Senator REID. Senator INOUYE gets no great credit back in Hawaii for his leadership, and he has just done a superb job and I am very grateful to him.

Mr. President, I think what Senator INOUYE and Senator KASTEN have done, and many of us who are cosponsors, it is important for us, among other things, to live up to our responsibilities. We have properly pushed the Soviet Union to permit people to emigrate, but we have in the United States restricted the number of people who can come in. There is only one other place they can go, and that is to Israel.

I happen to differ with the settlements policy of the Government of Israel in terms of the Gaza Strip and West Bank, but only 1.6 percent of the Soviet immigrants are being settled in those areas, so that is an issue that has been blown out of all proportion.

I think, secondly, speaking candidly, it has not been well handled by the administration. You do not punch your friends in the nose publicly. I think phone calls to the Prime Minister of Israel, as well as the Arab leaders, as well as the leaders of Congress, saying we are just going to postpone this for 120 days would have been much better than proceeding as we are. But I am pleased that there is at least some form of informal agreement to move ahead.

I stress that this is a loan guarantee and up to this point, we have had not a single penny lost to Israel because of loan guarantees, so that we are not talking about money being taken out of the U.S. Treasury if the present pattern continues in terms of Israel.

I will add, I applaud the job that Secretary Baker is doing to bring the parties together.

I think all of us, no matter what our party affiliation, no matter what our inclinations, are appreciative of this. In my own experience in labor management relations and other things, if you can get people together around a table, you are halfway home. It looks like a reasonably good shot that we will get people together around the table.

Finally, Mr. President, Senator SPECTER made a good point in that it is up to the negotiators. What we have to do is to facilitate bringing them together. But at that point it is really up to Israel and the Arab nations to try to work out a settlement. I hope they can. I think there are reasonable prospects that they can.

If we would refrain from talking about East Jerusalem, I think it would be helpful. We raise false fears in Israel and false hopes on the Arab side. I can give you a dozen possible scenarios of solving this problem. Not a single one of those includes dividing Jerusalem again. But, again, I am pleased to be a cosponsor. I commend Senator INOUYE and Senator KASTEN for their leadership on this. I think we have eased ourselves out of a very awkward situation.

I yield the floor.

Mr. DURENBERGER addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Minnesota [Mr. DURENBERGER].

The ACTING PRESIDENT pro tempore. The Senator from Minnesota is recognized for 5 minutes.

ISRAEL LOAN GUARANTEES

Mr. DURENBERGER. Mr. President, I rise to offer my support and cosponsorship for the measure introduced by my distinguished colleagues, Senators KASTEN and INOUYE, regarding loan guarantees for the absorption of Jewish refugees into Israel. This important financial commitment is consistent with America's centuries-old tradition of encouraging the free emigration of people living under oppressive political conditions.

Mr. President, for almost 20 years, a major predicate of America's foreign policy and international trade policy has been the idea that the Soviet Union and other closed societies must permit free emigration in order to secure normal trade relations with us. The Jackson-Vanik amendment was a milestone in U.S. foreign policy. A landmark event in U.S. efforts to free captive peoples. Now they are free.

In the past 2 years, our unwavering commitment to free emigration has finally borne fruit. A massive wave of immigration into Israel began in 1989 and continues today. Since then, nearly 350,000 Soviet and Ethiopian Jews have emigrated to Israel, and it is estimated that the total will reach 1 million by the end of 1995.

Mr. President, as a nation built by immigrants fleeing religious and political persecution we have a special responsibility to assist Israel in absorbing this massive new wave of immigrants. While we have prodded the Soviets for decades to open their borders, we have not raised our own refugee immigrant ceilings to accommodate the vastly increased numbers of Soviet immigrants that have now been allowed to leave.

In fact, ever since the late 1980's, when the United States began in-country immigration processing in the Soviet Union, it has become far more difficult for Soviet citizens to emigrate to the United States than when the Rome-Vienna immigration pipeline was open. Where else can these immigrants turn except to Israel? And is it not our responsibility to facilitate their absorption in Israel if we are unwilling to accept them?

Mr. President, I believe that nearly all of my colleagues and certainly the President of the United States are committed to granting these loan guarantees. Unfortunately, the issue of loan guarantees has become intertwined with the political and diplomatic efforts surrounding the upcoming Middle East Peace Conference.

I have considered the President's request to delay consideration of these loan guarantees on its merits and its implications not only for the peace process, but for its impact on the mission of helping Israel absorb its new citizens.

Although I am not fully persuaded that considering the loan guarantee now would derail the peace process, I believe Congress should defer to President Bush and Secretary Baker in a matter of such delicate and sensitive diplomacy. The Congress should support the President in his request for a 120-day delay, and I have done that over the last month.

At the same time, I want to strongly reiterate my view that the lives of the Soviet emigres currently flowing into Israel should not be held hostage to the diplomatic maneuvering that is preceding this peace conference. And there should be no linkage between these loan guarantees and any of the issues that will surely arise in the upcoming negotiations.

Every Arab and Palestinian representative who sits at the peace table should know in advance that the United States will not be looking over the shoulder of the Israeli negotiators second-guessing their bargaining strategy with the threat in January or February of withholding this humanitarian assistance if we disagree with that strategy.

Mr. President, I believe the Israeli Government is making a fundamental political and diplomatic mistake in pursuing the settlement policy in the occupied territories. I have never condoned that policy.

I think we ought to recognize the need to address legitimate Palestinian concerns in the territories. It seems to me that during the course of history, the Palestinians have been caught in the struggle for control of land where they too have lived for many years. That struggle continues today. The land keeps changing hands all of the time, often at the expense of the Palestinian people who genuinely want to live in peace with all their neighbors.

Mr. President, the legislation I am cosponsoring requires the Government of Israel to provide the President with written assurances that these loans will be used only for activities in geographic areas subject to the administration of Israel prior to June 5, 1967.

Those assurances, however, do not guarantee that new settlements in the occupied territories will not be constructed during the peace negotiations. It only assures that funds obtained with U.S. guarantees will not be used in the occupied territories.

Although I do not believe Israel's settlement policies are helpful in resolving matters that divide Israel and its neighbors, that is a matter that ultimately must be resolved in face-to-face negotiations between Israel and its Arab neighbors. Certain segments of Israel's Government and population have insistently refused to give up any of the territories, but Israel has clearly stated that this matter is on the table. It is negotiable.

Mr. President, When we return in January I expect that we will expeditiously move to grant these loan guarantees. I do not expect, and will not accept, any further delays in the grant of this humanitarian assistance. Let the Israelis negotiate all of the difficult issues with Syria, Jordan, and all of the Arab and Palestinian representatives without any linkage to this humanitarian assistance.

This humanitarian assistance should not and will not be held hostage to Israel's bargaining position at the peace conference. Hafez al Assad should know that what he cannot get from the Israelis, he will not get from the Senate.

Mr. President, the United States should be proud of its role in bringing about the increase in Soviet emigration as well as the Ethiopian exodus. My friend, our former colleague, Senator Rudy Boschwitz played a personal and very effective role in helping Ethiopian Jews emigrate. We should now follow through on this decades' long commitment. Helping the new immigrants help themselves is an honorable enterprise, and we should be proud that we can contribute to Israel's efforts.

Mr. President, I yield the floor.

Mr. KASTEN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin yields time.

Mr. KASTEN. Mr. President, I yield what time he may desire to the Republican leader, the Senator from Kansas [Mr. DOLE].

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Mr. President, I thank my colleague, the distinguished Senator from Wisconsin [Mr. KASTEN].

Mr. President, I want to take this time to personally thank my colleague from Wisconsin, Senator KASTEN, and my long-time friend from Hawaii, Senator INOUYE, for the very constructive role they have played over the past several weeks. This is a very explosive issue. There have been a number of frustrations expressed by people on both sides of the issue, and certainly it is a matter of great importance to the United States and to the State of Israel.

We do have a very unique relationship with Israel, no doubt about it. It has been there for a long time. It is going to continue. I believe the role that has been played by Senators INOUYE and KASTEN has been very important in underscoring the importance of that relationship and in keeping everything on sort of an even keel until we can fully discuss this matter sometime early next year. I am not certain whether the Senators have set a date. There are questions to be asked, as indicated by the distinguished Senator from Minnesota [Mr. DURENBERGER]. There will be debate. There will be questions. There will be differences of opinion. But the important point is that now we have temporarily resolved this matter because of the personal efforts of my colleagues, Senator KASTEN and Senator INOUYE, and for that everyone in this Chamber is very grateful.

So I want to commend the distinguished Senator from Hawaii [Mr. INOUYE], and in particular, my Republican colleague, the distinguished Senator from Wisconsin [Mr. KASTEN], for their statements.

The Senate has no more responsible and able Members than the Senators from Hawaii and Wisconsin. And, in a Senate where Israel can count 100 firm friends, it has no stronger supporters than the Senators from Hawaii and Wisconsin.

Today's statements by Senators INOUYE and KASTEN reflect both of those facts.

There is no question that Senator KASTEN, in offering the proposal on loan guarantees which he coauthored with Senator INOUYE, is reflecting the virtually unanimous sentiment in the Senate that we should help Israel absorb the huge influx of Soviet Jews which continue to pour in every day.

We should offer support because of our longstanding efforts to achieve free emigration for Soviet Jews; because of our special relationship with Israel, and our wish to help it face up to this critical challenge; and most of all because it is the right thing to do.

And, judging by the statements of the President and other senior officials, I don't think there is any question that the administration also supports the concept of assisting Israel confront this monumental task.

So the issue is not whether—but how and when.

In agreeing to the President's recommendation that we postpone consideration of this issue until January or February, Senator KASTEN is demonstrating the kind of responsible leadership that has characterized his service in the Senate. He is going for cooperation—not confrontation; he is helping to bring us together on an issue where we should be together—not dividing us.

There will be serious debate and perhaps some differences of opinion over aspects of the Kasten-Inouye proposal in January, or whenever this issue comes to the floor. While—as I have said—there is near unanimous support for the concept of helping Israel, real questions and concerns remain over just how that should be done; and whether and how our assistance should be related to broader issues, such as Israel's settlements policies. The President certainly has some concerns in these areas, I do, and others do, as well.

So we all look forward to responsible, lively debate in January. It is the way we get things done. It's called the democratic process.

I am confident that, out of that process, we will end up with the best policy and program—the best to help the Soviet Jews, the best to strengthen long-term United States-Israel relations, the best for advancing the chances of peace in the Middle East, and, most important of all, the best for America.

Mr. INOUYE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to yield to a steadfast supporter of this humanitarian effort to assist the people of the State of Israel, the Senator from Maryland [Ms. MIKULSKI].

The ACTING PRESIDENT pro tempore. The Senator from Maryland is now recognized.

ISRAEL LOAN GUARANTEES

Ms. MIKULSKI. I thank the distinguished chairman of the Subcommittee on Defense Appropriations for yielding me this time on the bill he and the Senator from Wisconsin have introduced.

Mr. President, make no mistake, I am a steadfast supporter of this bill, which will provide $2 billion in loan guarantees for 5 years to the State of Israel to deal with the most compelling humanitarian exodus that Israel has faced in this century and perhaps ever.

Mr. President, I commend my two colleagues, the authors of this bill, for providing the type of leadership that they have on this issue, No. 1, not only to meet the compelling humanitarian situation but, No. 2, to go about it in a way that does not exacerbate the discontent either in Israel or the United States on this particular issue.

Mr. President, my constituents have said to me that they are concerned about this issue. They raise many concerns.

In speaking on behalf of the amendment I would like to clarify for them what I think some of their concerns are. As I move around Maryland, whether it is in the suburban shopping malls of Montgomery or Prince George's County, to Hagerstown, Highlandtown, Crisfield, or Cockeysville, people say, Why are we giving $10 billion this year to the State of Israel?

Mr. President, there is a tremendous misconception. This question is based on an assumed fact. They think we are going to give $10 billion in cash to the State of Israel or $10 billion in an actual cash loan to the State of Israel; that is, $10 billion this year when we have so many compelling needs here in our own country.

Mr. President, I want to set the record straight for both the people of Maryland and for the people of the United States of America.

First of all, let me say this: this money we are talking about is not cash to the State of Israel. It is a loan guarantee. It means we back up a loan that Israel will take in the world market to be able to deal with the influx of immigrants. Our loan guarantee will enable Israel to borrow at lower than current interest rates, which means the money will go to help people, and not to pay interest rates. We will not be giving any cash to Israel this year, next year, or the year after on the loan guarantee issue.

When people say what about the needs in our own State, believe me, I am well aware that right this minute Governor Schaefer is looking State troopers in the eye and saying I have to take you off of I-95, the corridor of cocaine, because we are facing budget deficits. Right now the Governor is saying to the people of Maryland, I will have to ground a Medevac helicopter needed to rescue people in the trauma of accidents.

So, Senator BARBARA MIKULSKI is not for some program that would take the money out of the needs of our own country and go to another. Mr. President, I am telling you that this bill will not do that.

Right now, in our own appropriations bill, Marylanders are very much on my mind, whether it is a modest $2 million to reseed the oyster beds of the great Chesapeake Bay so my Maryland people can be out there earning a good living knowing that in the State of Maryland good environment is good business, or whether it is the funds we have to bring back into Maryland to make public investments in Goddard or the National Institutes of Health, major employers in my State creating new ideas that will lead to new jobs and new products that we can sell around the world. In my own State where we are facing the trooper layoff the Federal Government, with the leadership provided by Senator SARBANES and me, has funds coming in called Project Achilles to go after the drug pushers in the Washington suburbs and in the Baltimore metropolitan area.

So the people of Maryland should know that Senator BARB MIKULSKI is absolutely on their side.

While we are looking at that, I also must say quite candidly that I was in Israel this summer. I saw a compelling humanitarian need—14,000 Ethiopian Jews airlifted in 48 hours from an area of great civil war and strife, brought to the State of Israel. The men and women who got off that plane from Ethiopia are not only from this century, because of their rural isolated background, but they are from another millenium. Helping them move into the 20th century, from essentially a 14th-century lifestyle, will take three to five generations. Certainly, we can provide a backup to the State of Israel to help them.

At the same time, we have looked at the collapse of the Soviet Union. The good news is that maybe the cold war is coming to an end. Time will tell. But we do know that with the rising tensions in the Soviet Union there is increased hostility toward Jewish citizens and that the need to move to Israel for all who can go and all who want to go is indeed important. For the Soviet Jews who are able to leave, we must not only work with them to provide housing but to provide the kind of economic stimulation that will attract private investment to create jobs and a viable economy.

Mr. President, I really do support loan guarantees. I really prefer no delays, no linkages, and no conditions. But this Senator does not want to be in a prickly relationship with the President of the United States as he conducts foreign policy. I believe that it is the intent of the Congress of the United States to work with the President on peace in the Middle East. But make no mistake. Saddam Hussein did not invade Kuwait because he was cranky with Israel over the Arab-Israeli situation. I want to note that only Israel has been asked to make sacrifices; there has been no calling for sacrifices from any of the Arab nations as they move towards the peace talks.

Yes, there are policy differences on the settlements issues. Policy differences always occur in democratic nations. But where there is absolutely no disagreement is the need to help Israel to be able to help itself deal with the migration and immigration of Soviet Jews and Ethiopian Jews. We are not giving them cash. We are giving them a loan guarantee framework to enable them to help themselves and help the people who came, against incredible odds and under compelling needs, to the State of Israel.

So though I regret the delay, perhaps it would give one pause. I hope that the President will cooperate with the Congress in coming forth with a policy and fiscal framework that the House, Senate, and the President can support.

So, Mr. President, I want to once again conclude by thanking Senators INOUYE and KASTEN for their leadership on this. We are moving to a new century. It is a new world order. I think we need to promote those allies that have stood with us during the old century.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii has 23 minutes, and the Senator from Wisconsin has 15 minutes.

Mr. KASTEN. Mr. President, I yield such time as he may desire to the Senator from Oregon [Mr. PACKWOOD].

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I thank the Chair and my good friend from Wisconsin.

I very strongly support the loan guarantees for the resettlement of refugees in Israel. I want to divide the reasons for my support into two, if I might.

One, let us take the straight out cost factor. This is not going to cost the United States anything. We are guaranteeing a loan to Israel. Israel has never reneged on any of its debt. This is not some bandit country, some country whose creditworthiness everybody questions, and any time you give them a loan guarantee, you might as well be giving them a grant. That is not Israel.

So let us set aside the cost argument and make sure that the public understands this is not a foreign aid grant. This is a guarantee of credit so that Israel can borrow money at the cheapest possible rates for a short period of time to resettle what is going to be a deluge of refugees.

To put it in perspective, from just Russia alone—Lord knows Israel has been a haven for Jews from all over the world, but from just Russia alone, Israel in the next 2 to 5 years will have to resettle in Israel the equivalent of the United States trying to resettle the entire population of France in the United States.

So it is a mammoth undertaking. But that is the straight kind of crass financial issue. I would hope that no one would quarrel with that.

I would rather now talk about the moral issue. I want to emphasize morality rather than pragmatism. We always talk about Israel as a great ally. They are. America should be so lucky to have such allies elsewhere in the world. We have often said we need this vital listening post, this bastion of democracy in the Middle East. And in an era of troubled relations with all the people in the world, thank goodness we have a good ally.

The problem with that argument is that allies, unfortunately, are shifting acquaintances on occasion. It is amazing that we can fight Germany and Japan, and 5 years after the war is over, they are our strongest allies.

So what I fear, if we put this on a straight pragmatic basis as if, indeed, Russia, the Soviet Union, is finished for a generation as a major power and if, indeed, some of the Arab countries are recasting their views about America with Russia gone, I would hate to think that there might start to grow in this country a feeling, well, we do not need Israel quite as much anymore, the danger has passed.

No, Mr. President, I want to talk strictly on a moral ground, and I will say it flat out: I think Israel has a better claim to the West Bank, or Judea and Samaria, as it is called, than any other country. If you look at history they have far and away the best claim. If you look at Israel at the time of Solomon, and that is roughly the zenith of the united kingdoms, Israel included all of what is currently Israel and a little of Jordan, and a little of Lebanon, and some of Syria. This was legitimately Israel. The Jewish people in that area were a majority of the population for the better part of 1,400 years.

Then, starting a few hundred years before Christ and continuing on with the Romans, starting with the Syrians, and going through the Romans, the Jews were expelled from their own country, the diaspora. They were forcibly evicted and scattered about the world. And I know nothing in Judeo-Christian, or Anglo-Saxon, or any other law that says you lose your right to your land when you are forcibly dispossessed of it. But they were.

People say that is old history; that is thousands of years ago; that claim does not count. I think it does count, and I think their claim is better than anybody else's.

Let us lay that aside. Who else controlled this area? Rome did for about 600 years. I have seen no one suggest that Italy should get the West Bank because of 600 years of Roman rule. Turkey had it for 1,500 years, roughly, to the end of World War I. I have not heard suggested seriously that Turkey should get the West Bank. Then, of course, at the end of World War I—Turkey having allied itself with Germany—France and Britain took the entire area, except for Saudi Arabia. It is ironic, but nobody wanted it. There was nothing there. France and Britain took the entire area. There were no countries as we understand the countries. It was just a Turkish mandate. Britain and France took the area. France and Britain took what became Lebanon, Syria, Iraq, Jordan, and Israel, and divided it between them.

In the English portion of what is now Israel and Jordan, from that portion, called the Palestinian mandate, there was a promise made that there would be a homeland carved for the Jews. In 1921, England satisfied the Emir Abdullah, grandfather of the present King Hussein of Jordan, who had a good army, and gave him a country that had no history at all—Transjordan, everything east of the Jordan river. It was about 80 percent of the geography of the Palestinian mandate, and world Jewry did not complain. The Jews living in Jordan were expelled. What traditionally and historically had been part of Israel, Jews were now denied access to. Israel had no complaint.

Now we have left in the British mandate what is currently Israel, and during the twenties and thirties, Britain could not keep these. The Arabs did not like them. Soldiers were getting shot and kidnaped. Great Britain said, "we are going to divide this up and get out." In 1937, in the Peel Commission, they suggested a division in which the Arabs would get the Negev, the desert in the south, the West Bank, part of the north; the Jews would get a fair portion in the north, and Britain would keep Jerusalem and a little corridor to the sea. Jerusalem, the holiest city of the Jewish religion—Britain would keep it all. The Jews said they would agree to that. The Arabs turned it down.

In 1938, the Jewish Agency suggested a division of the remainder of the Palestinian mandate, and they suggested—this is a Jewish recommendation—Arabs would get the Negev, the desert from the south, West Bank, and Jerusalem would be divided, half of it being Jewish, Britain keeping the other half. They did not ask for a united kingdom or united Jerusalem at the time. The Arabs turned it down.

After the war in 1946, another partition was suggested by the Jewish Agency. This time Israel would get the Negev. There had been settlements along there. The West Bank and Jerusalem would be internationalized. The Arabs turned it down. In 1947, the British said we are leaving. We have had the King David Hotel blown up, and soldiers were killed, not unlike our experience in Lebanon. They said, "we are leaving," and they gave it back to the United Nations.

The United Nations suggested a partition in which the Arabs get the West Bank, Israel gets the Negev and most of the north, and Jerusalem would be internationalized. The Arabs turned it down. The Jews accepted all of these partitions that were suggested, that Israel should give up land for peace—they have never gotten peace, but they have given up land. They have given up the Sinai three times in 30 years. They took it in 1956, then after the 1967 war, and in the Yom Kippur war. They gave it back every time in the hope of getting peace.

All during these different eras when the British had Palestine, the Arabs could have had peace and the West Bank, and before World War II, the Negev, and a divided or internationalized Jerusalem, on every occasion the Jews accepted, and the Arabs turned it down.

Then when the Union Jack comes down on May 15, 1948, and the United Nations recognizes Israel, Israel is attacked from all sides. How they ever made it, I do not know. In that war for independence, they hung on. The territory that Israel succeeded in holding in that war was slightly expanded from the United Nations partition, but not significantly different. The Arabs ended up holding the West Bank, and Jerusalem was divided. That was the situation until 1967.

In 1967, of course, Egypt and the Arab countries were getting ready for an attack. Israel's intelligence was good. On the morning Israel thought the Arab attack was probably going to come—because every morning Egyptian pilots were in their planes on the runways—they made a preemptive air strike and destroyed the Egyptian Air Force on the ground before it ever got off.

That morning, Israel told King Hussein of Jordan to just hold his position. He tried to annex the West Bank as part of Jordan. Only Pakistan and Great Britain recognized the annexation. But he had it. Israel said to King Hussein, you just hold your position, and do not move, and we will not attack you. King Hussein could not resist the temptation to drive west toward the Mediterranean. There was only 10 miles from the West Bank to the sea. He wanted to divide Israel north and south. He was unsuccessful in some of the toughest fighting that came in the 1967 war in the West Bank and in Jerusalem. Israel took it.

They have held it ever since.

Now the question becomes if we are going to go to this peace conference, the argument is if Israel settles in this area, is it going to disturb the peace conference? Therefore, we should not have any loan guarantees unless Israel promises not to settle—translated unless Israel promises to give up their claim to this land.

Mr. President, first they have a better moral claim to it than anybody else—a better moral claim.

Second, Israel has shown time and time again that it is willing to give up land in the hope of getting peace.

I said they gave up Suez three times, the Sinai Desert four times between 1937 and 1947 with different partition plans which they would not have gotten Jerusalem and would not have gotten the West Bank and would not have gotten the Negev. They said we will accept it. They got turned down by the Arabs every time.

So now we come to this year and this issue and the issue of whether this Senate should authorize the United States to guarantee Israel's bonds so that they can settle principally Russian Jewish immigrants. We are all but saying we are not going to do it if you are going to settle in the West Bank.

I would make this argument: Today it is all right for a Frenchman to buy land in the West Bank and live there. It is all right for a Canadian to buy land. It is all right for an American unless you are Jewish. If you are a French Jew or a Canadian Jew or an American Jew, it is alleged there is something wrong with you buying land in the West Bank.

Mr. President, no settlement—and I do not mean this in the sense of settlers—of the problems in the Middle East is going to work unless the parties that have to bargain it actually bargain it and live with it. If it is imposed from the outside, if we think we know the answer, if we think we know how the Jordan River ought to be divided for irrigation purposes, if we think we know where the line ought to be, we say Arabs on one side and Jews on the other, and the parties do not want it, we are going to be like the British in Palestine. We are going to have a quarter of a million troops and try to police our idea. The answer is we would have as much staying power as we had in Lebanon.

So our position ought to be this:

One, Israel has a better claim to the West Bank, Judea, and Samaria than anybody else, a better claim historically, a better claim morally, and it should not be our position to try to tell Israel what they should do with their own land.

Two, the loan guarantees are not going to cost us anything and they are solid.

Three, with the loan guarantees Israel ought to be able to settle their people wherever they want in their historic lands, and that includes the West Bank.

Four, the Arabs have not made a precondition to going to this peace conference. If it ever gets going, they have not made a precondition that Israel must quit settling the West Bank. We seem to be the one that wants to make that condition and we should not.

Five, let this peace conference start. Let us see what demands are made on Israel. Let us see what demands Israel makes of the Arabs. This peace conference may not be over in a month. It may not be over in a year. It may not be over in 5 years. The people in the Middle East lived together for the better part of 5,000 years and they know each other pretty well. And sooner or later peace will come. Sooner or later another Arab country, just as Egypt did, will say it is not worth the candle. Let us sign a peace treaty with them, and in exchange for signing the peace treaty, let us see what they are willing to give. I want to emphasize "what they are willing to give," not what we think they ought to give. And my hunch is Israel will probably give up more land than I would give up given the same situation. But that is not my choice to make; that is Israel's choice.

If it is going to take another 5, 10, 15, or 20 years for final peace to come to the Middle East, the United States should have patience and we should continue to supply Israel and we should make sure we guarantee these loans so they can settle an immense increase in their population. That ought to be the limit of our policy and the end of it—supply and patience.

If we do that, it is not going to be just a victory for Israel. If we do that, it will eventually be a peace settlement in the Middle East, and I would like to think that that is in America's interest.

So, Mr. President, I very strongly support the efforts of the Senate to pass these loan guarantees, and I would hope it would pass unanimously.

I thank the Chair.

The PRESIDING OFFICER (Mr. SANFORD). Who yields time?

Mr. INOUYE. Mr. President, I am please to yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. GRAHAM. Thank you, Mr. President, I appreciate the generosity of the floor manager and our distinguished colleague on this matter.

Mr. President, for more than two decades, the United States has had as one of its priorities in our international relationship with the Soviet Union to have that nation ease its emigration policy. Many of us have been involved over the past several years in individual cases of persons who had been denied the right to emigrate, year after year, for what appeared to be transparent rationale.

We now are seeing the tangible results of those over 20 years of effort to reform the Soviet's emigration policy. Approximately 180,000 Soviet Jews were able to leave the Soviet Union last year, more than any previous year. Hundreds of thousands more are expected to leave in the months ahead.

This is the kind of success that we have been working, literally years to accomplish. This is not the time, now that our policy has succeeded, to walk away from success. We must complete the task.

Let me remind my colleagues that this is a humanitarian task, a task which is in the best traditions of America from the Declaration of Independence to today.

As unrest and uncertainty spread to the Soviet Union, we find ourselves working against the clock to get these people out. There are reports that some Republics are already beginning to throw obstacles in the way of those wanting to emigrate. There is concern that, as the control of the central government is lifted, those enclaves of minority populations within certain Republics may become more vulnerable, more exposed to attack, more subject to anti-Semitism. It is for those reasons, Mr. President, that I strongly support the Inouye-Kasten proposal.

Mr. President, if the Congress decides to delay moving on this legislation, we do so only in deference to a President who has decided that delay is a prudent step to promote peace in the Middle East. I, for one, have serious reservations, whether a delay will improve the chances of gaining approval of these guarantees.

I am convinced that this objective is shared by the majority of this body. The fact that almost 70 of my colleagues have cosigned this legislation is evidence of that.

I am deeply concerned that by delaying action until the first of next year, we will face an even more daunting environment.

First, I am not optimistic that the peace process we are now embarked upon will produce the results that we had hoped for. If it breaks down, I fear that Israel will be cast as the responsible party, no matter what.

Second, even if the peace process is successful, I believe it will usher in only a cold peace, much like the one that characterizes the peace between Israel and Egypt.

Third, unless our own economy improves between now and the first of the year, we face an even more difficult task of making the economic argument even though it is clear that Israel will bear the complete cost.

In fact, Israel has a perfect credit record, having never defaulted on a loan. Not only will the U.S. taxpayer be unaffected, but our own businesses actually stand to gain from increased exports as Israel purchases capital goods for industries, equipment, computers, and raw materials.

Mr. President, I would say that in my own State, several of our leading business persons are now actively involved in the resettlement process within Israel, including the provision of facilities for resettlement utilizing United States products to do so.

Despite these facts, a worsening U.S. economy will make it harder to get these points across to the American people.

We have already seen some of the confusion where people thought that the United States was making a $10 billion grant to the State of Israel or a $10 billion loan. There has been a failure to clearly communicate what is the character of the economic relationship, which is neither a grant nor a loan but a guarantee of loans which will be undertaken by the State of Israel.

Finally, next year will be a Presidential election year. I do not need to remind my colleagues the problems that that will create in debating this measure in that environment.

Mr. President, I cite these points because I do not want this Senate to walk away from a historically successful policy that will affect literally hundreds of thousands of men, women, and children.

Since the mid to late sixties, the United States has had as a policy goal free and open Soviet emigration. The Soviets were slow to respond. In fact, until the 1960's, the Soviets never recognized emigration as a legal right.

As a result of United States pressure, however, the Soviets began allowing limited emigration in the name of family reunification. Even that stopped as a result of the 1967 war but resumed after the war ended. The numbers climbed to 34,000 in 1974.

Then the Soviets began to assess an education tax charging those wanting to emigrate the cost of their Soviet educations.

That triggered the Jackson-Vanik amendment tieing most-favored-nation status and Government credits to open emigration. As a result, Soviet emigration dipped again and then started climbing as the two countries began negotiating SALT II.

Emigration peaked at 51,000 in 1979. Then SALT II stalled, the Soviets invaded Afghanistan, and the relationship soured. Emigration fell off to 1,000 a year during the eighties.

Gorbachev began to turn that around. And now we have a new Soviet law that basically recognizes the right of emigration. Although far from perfect, the law represents a watershed.

Mr. President, the question of loan guarantees is a humanitarian issue, not a peace issue. It is wrong, in my view, for the administration to use humanitarian assistance to impose terms on Israel before negotiations are even under way.

Israel is not only the only democracy in the region but is also a country with which we share cultural and historical ties. A strong and prosperous Israel will help, not hinder, the prospects for peace in the Middle East.

A U.S. commitment to fulfill its two decades of humanitarian commitment to open emigration from the Soviet Union will be true to our Nation's basic principles.

Thank you, Mr. President.

Mr. INOUYE. Mr. President, I am pleased to yield to a Senator who has been in the forefront of fighting for the release of Soviet Jews and has been a steadfast supporter of humanitarian efforts to assist the people of Israel, Senator KENNEDY.

Mr. KENNEDY. Mr. President, I thank the Senator for his kind remarks. I want to say how much all of us appreciate his leadership and the leadership of Senator KASTEN and others on the issue, but particularly the work that they have done over a long period of time on this issue of Soviet Jewry, as well as on the issue of the security of the State of Israel.

I commend Senators INOUYE and KASTEN for their leadership in putting forward this bipartisan proposal for United States loan guarantees to assist the Government of Israel in resettling the record numbers of Soviet refugees flooding into Israel. It is an impressive demonstration of the broad bipartisan support for these guarantees that 70 Senators are sponsoring this proposal.

All of us regret the unfortunate controversy surrounding this issue. In my view, it was an unnecessary, ill-timed, and ill-advised confrontation that undermines Israel and the peace process itself. Now the issue will be delayed until January, but I look forward to working with my colleagues to assure that the guarantees are provided expeditiously and early next year.

The broad support in the Senate for helping to resettle the Soviet Jews in Israel is a reflection of the deep commitment of the American people to helping those in need. The hundreds of thousands of Soviet Jews arriving in Israel have become a worldwide symbol of freedom of religion and freedom from persecution. The United States has a responsibility to help them fulfill their dream of "next year in Jerusalem."

For decades, the United States made free emigration a high priority in our relations with the Soviet Union. Since 1974, normal trade relations were linked to a demand that the Soviets let their people go. Advocates of human rights throughout the world wrote letters and engaged in protests and demonstrations in defense of the thousands of Soviet dissidents and refuseniks who were denied permission to choose where they wanted to make their home.

In my own contacts with Soviet leaders, I consistently pressed for the release of these courageous individuals. I recall a memorable and moving meeting I had in 1974 in Alexander Lerner's apartment, where I saw first-hand the intensity of their commitment and the quality of their courage.

The plight of the Soviet Jews was symbolized for many of us by the harsh persecution of Natan Sharansky. Who among us will ever forget the tireless campaign waged by his wife Avital for his release? She stood in front of the White House, in Central Park in New York City, and in many other places and countries urging his release.

These courageous individuals are now living free and safe in Israel. We know their names and their stories and we did not hesitate to help them. Yet today, we risk turning our backs on the hundreds of thousands of other Soviet Jews who may not be a well-known to us but whose stories are no less compelling. Having made free emigration a high priority, the United States cannot now turn aside or walk away.

These innocent victims of years of persecution should not be held hostage to a policy dispute between Washington and Jerusalem. We need to separate the debate over the settlements from the issue of assisting the hundreds of thousands of new immigrants to Israel, the vast majority of whom are not settling in any of the disputed lands.

Since the Berlin Wall fell at the end of 1989, 350,000 Soviet and Ethiopian Jews have arrived in Israel. They have been absorbed into a country of 4 million people, and that process has not been easy. Up to 1 million more are expected over the next 3-5 years. Absorbing that many immigrants in Israel would be equivalent to the United States absorbing the entire population of France—56 million people. Clearly, because of our history and our heritage, we have a responsibility to help these Soviet emigrants establish their new lives in Israel and meet the basic necessities of life.

In fact, the delay is much longer than 4 months. Israel had originally planned to make this request early this year. But last March, the Bush administration asked Israel to hold off until September. Israel complied with that request, only to be faced with a further delay last month that provoked the current controversy.

As we all know, the Israeli settlements in the disputed territories continue to be a contentious issue, both in Israel and in the United States. And yet, of the 350,000 immigrants who have arrived in Israel, only 3,000—1.2 percent—have settled in the West Bank and Golan Heights. Another 5,800—3.6 percent—chose to live in East Jerusalem. In all, 95 percent of the immigrants to Israel have settled within Israel's pre-1967 borders. In effect, the delay is penalizing 340,000 other settlers because of a controversy involving 8,800.

The United States is not being asked to provide any direct funds to assist these immigrants. Israel's request involves loan guarantees by the United States, not direct loans or direct foreign aid. All we are being asked to do is put the stamp of approval of the United States Government behind Israel's borrowing. That action will enable Israel to borrow funds at a somewhat lower interest rate, in order to help as many immigrants as possible.

The strong bipartisan support for this legislation is a tribute to the fact that the American people understand America's own responsibility to these immigrants. While I regret that the Congress will not address these urgent needs until early next year, I look forward to working to ensure that we meet this responsibility.

All of us hope that Secretary Baker's efforts to move the peace process forward are successful, and that Israel will at last be able to live at peace with her neighbors. While many difficult issues are still to be resolved, Secretary Baker's efforts represent the best hope for peace in over a decade, and I strongly support them.

Again, I commend Senator INOUYE and Senator KASTEN for this initiative, and I look forward to working with them in the months ahead to achieve the great goals we share for peace and stability in the Middle East.

Mr. President, again I thank Senator INOUYE and Senator KASTEN.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, how much time remains?

The PRESIDING OFFICER. Three minutes and 30 seconds.

Mr. INOUYE. I yield 2 minutes and 35 seconds to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I thank the Senator from Hawaii.

I am pleased, Mr. President, to be able to join with Senator INOUYE and Senator KASTEN in an effort to see to it that the United States keeps its commitment to an ally, a moral promise that was made to the State of Israel during difficult times, to say the least, as Scud missiles came down upon her, as her freedom and the safety of her people, indeed, was placed in peril.

As the only true democracy and certain friend that the United States enjoys in the Middle East, Israel, at our request, withstood incredible provocations. It is our moral responsibility to support this loyal ally.

I have a difficult time understanding how it is that we approve $5 billion in loan guarantees to Iraq between the years of 1985 and 1990, and now question $10 billion in loan guarantees for a far different purpose, for a purpose of humanitarian aid to a country that has undertaken a policy which the United States for 20 years has pushed and fought for, and that is to make an opportunity for a home and for safety for those who have none and who were emmigrating to the State of Israel.

The fact is, more than $5 billion of the commercially borrowed money will be spent right here in the United States, creating or retaining up to 100,000 jobs in America.

So I intend to work with Senator INOUYE and Senator KASTEN to achieve passage of the loan guarantee program because it is the right thing to do, both for the United States and Israel.

I yield the floor.

Mr. SEYMOUR. Mr. President, I am honored to rise this morning as an original cosponsor of this critical legislation to assist Israel with the greatest demographic challenge the country has ever faced.

Over the next 5 years, approximately 1 million Jews from the Soviet Union and Ethiopia will build new lives and tackle new obligations of citizenship in Israel. This mass movement of humans would proportionally represent the integration of the entire country of France by the United States. The Israelis will have to build approximately 260,000 new homes and 12,000 additional classrooms at a total cost of $50 billion. Furthermore, the Israeli economy will have to provide another 360,000 jobs for these able-bodied or highly skilled immigrants.

For Israel, the task is clear and its scope is undeniable. The story of the Jewish people during much of our world's history has revolved around persevering minority communities enriching the life of societies everywhere from South America to Eastern Europe.

This story, as all of my colleagues know, has also been repeatedly stained by repression, slaughter, and genocide. In their suffering, however, the Jews held onto their faith and sharpened their sense of cultural identity.

With each passing tragedy, they looked more eagerly to the day when they could settle their own nation, insulated not from the world or fresh ideas, but from the brutality of their oppressors.

For Israel, perhaps more than any other country in the world, the ideas of land and nationhood are eternally linked. And so today, the influx of Soviet Jews presents her nationhood with both another test and another opportunity.

The charter of the United Nations and the foreign policy of this country jealously guard the sovereignty of people and their governments as the unmovable keystones of world order. Israel's sovereignty, Mr. President, uniquely depends on the fulfillment of the homeland dream for any Jewish citizen who wishes to reside in the Jewish state.

Out of their theological tradition and precarious social experience, the Israelis forged this concept of sovereignty. To deny or dismiss it would amount to a denial or dismissal of the Jewish people's need for a single gathering place—or a country—with an open yet distinct culture.

In this light, the housing loan guarantees we consider this morning will help Israel to protect the most basic rights that the United States and the United Nations extend to all nations: Those of sovereignty and self-determination.

I must also add, Mr. President, that we do not place such a high value on sovereignty by mistake. Sovereignty and peace have a little-noted but close relationship, even in the turbulent world of the Middle East. As the confidence of the Israelis in their ability to secure the Jewish homeland rises, so will the prospects for a comprehensive regional peace agreement. And very few achievements would raise that confidence more than the successful absorbtion of 1 million new citizens over the next 5 years.

The housing loan guarantee issue, therefore, has both a philosophical and a practical angle for U.S. policy in the Middle East. I have just spoken at some length about the former: America has a direct moral investment in supporting Israel's efforts to extend the blessings of freedom and independence to people who struggled through the dark age of communism.

But at the end of this national transformation, Israel will stand as a more self-confident, if not populous, country with a practical stake in a peaceful region. She will have citizens who made great personal sacrifices to realize the simple goals of stable employment, healthy families, and safe neighborhoods.

These, Mr. President, are not the attributes of a warrior nation. Rather, they are the signs of a democratic people who will labor mightily to avoid the trauma of war. Nothing could better serve America's interests in a world more ready than ever to cast the tyrants and dictators aside.

Thank you, Mr. President, and I yield the floor.

Mr. McCAIN. Mr. President, I am pleased to support the bill introduced by Senators INOUYE and KASTEN to provide loan guarantees to our staunchest ally and best friend in the Middle East, the State of Israel. As I have often stated, my support is founded in my appreciation for the friendship that has served both the United States and Israel so well. But my support rests also in my conviction that such an action, which would be undertaken at little cost to the taxpayer, is humanitarian in nature. It is intended to help Israel integrate into its society the hundreds of thousands of Soviet and Ethiopian Jews whose emigration to Israel we have consistently advocated.

Mr. President, my support for this measure does not lessen my concern over the tension between the governments of the United States and Israel that was occasioned by differences on the loan guarantee issue. That controversy is in neither country's best interests.

Accordingly, I have counseled members of the administration, Israeli Government officials and Members of Congress on both sides of this issue to seek an honest compromise that will meet Israel's urgent humanitarian needs, as well as respect the President's foreign policy prerogatives.

I am satisfied that we are now on such a sensible course. The introduction of this bill will not deprive the President of the 120 days he asked for to continue facilitating peace negotiations between Israel and its neighbors. His leadership in this area has thus far been nothing short of outstanding. I commend the President for his efforts, and wish him continued success.

I am also pleased that there seems to be a growing recognition that the strong, enduring friendship of the United States and Israel be protected from further damage by a continuing dispute on this issue. Rhetoric on both sides has cooled recently, and I was heartened by President Bush's call for the repeal of the obnoxious "Zionism is a form of racism" resolution passed by the U.N. General Assembly in 1975.

I am hopeful that by delaying the consideration of this bill in deference to the President's wishes and in respect for his worthy stewardship of American foreign policy we will restore the full amity and respect that have long characterized United States-Israeli relations. I am confident that at the end of this delay, the United States commitment to a strong Israeli society will be as clear as ever. For that policy goal is most certainly in the best interests of the United States and Israel.

Mr. BOND. Mr. President, this is an important measure that the Senators from Hawaii and Wisconsin are submitting today. It provides a means for the United States to participate in one of the greatest humanitarian efforts of our time, the resettlement of hundreds of thousands of Jews from Ethiopia and the Soviet Union.

I am a cosponsor of this amendment because it is right for this Nation to assist Israel in its effort. For a decade and a half this Nation has made free emigration for Soviet Jews a central tenet of all of its negotiations with the Soviet Union. Now that we have finally been successful in that effort, it would be wrong to suggest that we have no responsibility for their resettlement.

The amendment presented today allows us to meet that obligation in a manner that serves the needs of both Israel and the United States. Loan guarantees will allow the United States to provide substantial assistance to Israel without using critical resources that are needed to deal with problems at home.

I also understand the President's concerns on this issue. Though I was disappointed to see the discussion over these guarantees moved from the conference room to the airwaves, I remain confident that we will be able to craft a guarantee package that will be acceptable to all involved. However, as we move toward a compromise and as we move toward a Mideast peace conference, it is essential to ensure that we avoid linking the two issues. The humanitarian effort to resettle the Ethiopian and Soviet refugees is an issue separate and apart from the search for progress toward peace in the region. Any attempt to link the two would simply doom both efforts to failure.

In closing Mr. President, I would just reiterate my hope that we can find an agreement on this issue that will allow us to go forward with the guarantees as soon as Congress reconvenes in January. The need is dire and our concern is increased daily as we read reports from the Soviet Union about efforts in some of the Republics to limit or even to stop Jewish emigration. Without the guarantees—and the other moneys from European countries that our funds will drive—Israel will not be able to provide housing and services and jobs, and the emigration will dry up. If that delay were to result in Jews being caught in the Soviet Union or in individual Republics following a breakup of the union, it would be a great tragedy.

I am certain we can avoid that result. I look forward to working with the sponsors of the amendment as they continue to seek a compromise that will allow this measure to go forward.

Mr. LAUTENBERG. Mr. President, I rise as an original cosponsor of this legislation to extend $10 billion in loan guarantees to Israel for Soviet refugee absorption.

Over the last two decades, the United States has led the world in appealing for the freedom of Soviet Jewry. A number of former refusniks have stated it was U.S. actions which kept alive their hope of religious freedom and respect for human rights. Not only did the United States support Soviet Jewish emigration, but by limiting refugee entry into the United States, our policy actually encouraged them to emigrate to Israel.

One million Soviet Jews are expected to emigrate to Israel over the next 5 years, which will result in an increase of approximately 20 percent of Israel's population. As their dreams come to fruition, the United States is presented with a historic opportunity to help with their absorption and make good on our commitment to them. I strongly support the proposed refugee guarantees as a cost-effective, humanitarian, and urgent means of assisting with Soviet resettlement.

Developments in the Soviet Union, as encouraging as they are, portend a period of political and economic instability and cast a troublesome shadow on the future and safety of Jews in the region. Ethnic nationalism is on the rise in each of the Republics, and the onset of winter and potential famine could fuel ethnic tensions. Historically, the combination of these factors spell uncertainly for Jews in the former Soviet Union.

Soviet Jews have been arriving in Israel at the rate of about 20,000 a month. These refugees, seeking a new life outside of the Soviet Union, need jobs, housing, and the chance for an independent life. The loan guarantees will help provide those opportunities.

Mr. President, the loan guarantees for absorption that would be extended in this legislation will not cost the U.S. taxpayer any money. These are guarantees the United States is providing, not actual dollars. The $10 billion will be provided to Israel by banks.

I wish that the administration would convey that message to the American public. These are loan guarantees; there will be no cost to the American taxpayer. That wasn't the case with the forbearance on 7 billion dollars' worth of loans that Egypt owed this country. That was real money. The President worked hard to forgive that debt because he thought it was in the best interest of America's foreign policy. I supported him in that.

Now, helping Israel to absorb refugees is also in our best interest. That there are so many Soviet refugees seeking a new life in Israel is a direct result of our successful foreign policy.

We have a window of opportunity now to help provide a safe haven for Soviet refugees seeking a new life in Israel. We have a moral obligation to help them. But the United States has suddenly done an about face on the refugee absorption loan guarantees. The President is walking away from an opportunity to help provide a haven for those refugees from persecution, from harassment, from a long history of second class citizenship.

Mr. President, I support approval of the guarantees promptly, in the most cost effective way possible. I think the President is wrong to link humanitarian loan guarantees with the peace process. He created an issue where none existed.

He is also wrong to link the guarantees with the settlements. We all have high hopes that representatives of Israel and the Arab nations will soon sit down and talk of peace, but there should be no preconditions on our friend and ally, Israel. The United States should not force Israel to concessions before those talks begin. It is wrong to demand that Israel give away the store before she gets to the table.

We can recall that Menachem Begin and Anwar Sadat met without preconditions. Yet they achieved a peace that met the needs of their two nations. I was in Israel when Sadat arrived for those historic negotiations. It was one of the most dramatic and moving moments I have ever experienced.

But we've seen nothing dramatic from the Arabs. The Arab nations haven't made any concessions. And the United States has demanded nothing from them. They continue to cling to the hateful Arab League boycott of American companies that do business with or invest in Israel.

They haven't budged one inch on this, even after U.S. citizens put their lives on the line in a war against Saddam Hussein's aggression. They continue to boycott our companies, and the administration looks the other way. It doesn't pressure them to move on this point. Now that doesn't make sense.

Mr. President, it is wrong to hold Soviet Jewish refugees hostage to a peace process over which they have no control. These loan guarantees are separate from the peace process. They are humanitarian in nature.

The United States fought to secure the right to emigrate for these Soviet Jews. The United States encouraged these people to go to Israel. And, when Israel sought loan guarantees last year, the administration gave every indication that, if delayed until September, the loan guarantees would be considered. We have a moral obligation to fulfill the pledge we made to those who have left the Soviet Union.

I urge my colleagues to join me in supporting this legislation as well.

Mr. ADAMS. Mr. President, along with 69 of my Senate colleagues, I rise today to express my strong support for the Israeli Government's request for $10 billion in loan guarantees. Although it now appears that the request will not be taken up by the Senate until January—due to the Administration's decision to link the guarantees to the Middle East peace initiative—it is important that we lay the foundation now for the guarantees' prompt and favorable consideration at that time.

I am deeply concerned at the reports I am hearing that treatment of the loan guarantees in January may involve new linkage; to the cessation of settlement construction in the West Bank, to Israeli economic reform, or to some as yet unnamed criterion. This last scenario is one I find most disturbing.

Loan guarantees for humanitarian purposes should not be held over Israel's head in order to further the administration's peace initiative. Any peace that is imposed from the outside will come at too great a cost and will not last. The Arab States have not made the loan guarantees an obstacle to peace. It is inappropriate for the administration to inject this issue into the peace process.

My preference would be to move on the question of loan guarantees now. Clearly, a majority of the Senate supports the guarantees. But given my colleagues' preference to give the administration its 120-day delay, we will simply have to wait.

I fervently hope that peace talks are well underway by the time we reconvene in January. But even if they are not, the loan guarantees must be taken up and they must be granted. I look forward to working with my colleagues on the Appropriations Committee to secure approval of the loan guarantees, without linkage, at the earliest possible time.

Mr. MACK. Mr. President, I am proud to be an original cosponsor of an amendment that would allow the United States to cosign, or guarantee, $10 billion in commercial bank loans to Israel over the next 5 years. I salute the primary sponsors, Senators KASTEN and INOUYE for their strong leadership on this issue.

Many of my colleagues have correctly pointed out that we are not discussing a grant to Israel, or even a loan, but guarantees of loans that Israel will take out with commercial banks. These guarantees are not slated to cost the taxpayer a dime; the cost of the risk, which is 1 or 2 percent of the loan, will be paid by Israel. So the issue here is not cost.

The issue is that Israel stood by us in our time of need, now it is time for us to stand by Israel.

Let us not forget that a few short months ago the American people watched in horror as deadly Iraqi missiles rained down upon the cities of Israel. We cheered as our Patriot missiles intercepted the Iraqi Scuds, we watched as men, women, and children donned gas masks as we heard the sirens wail through our television sets.

During the war, the United States asked Israel to do what perhaps no nation has ever been asked, let alone expected to do—risk her national security at the request of a close ally. For the first time in her history, Israel agreed not to defend herself by attacking Iraqi missile sites.

Israel made the right decision, but let no one think that it was not an agonizing one for the Israeli leadership, a decision that could have cost the lives of Israeli citizens.

Now Israel is asking the United States for help in absorbing a 25-percent increase in her population, about 1 million Soviet and Ethiopian Jews over the next few years. Already in the past 2 years, Israel has taken in twice as many refugees as the United States, about 100 times as many on a per capita basis.

Israelis stood by us, now we should stand by them. It's that simple.

It is unfortunate that the issue of loan guarantees for Israel has become wrapped up in the peace process. I am strongly opposed to linking Arab demands, such as freezing Israeli settlements, to these loan guarantees, and I opposed delaying consideration for that reason.

Mr. President, I hope these absorption loan guarantees will be approved by the Congress as soon as possible. Again, I thank the sponsors for their good work and look forward to the day that Israel can live in freedom, security, and peace, and in continued close friendship with the United States.

I ask unanimous consent that a letter I wrote to Senator PATRICK LEAHY urging him not to delay consideration of the loan guarantees be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 6, 1991.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: I understand that you intend to delay consideration of the bill that would provide for loan guarantees to help Israel absorb about a million Soviet and Ethiopian Jews over the next five years.

If Congress delays the provision of loan guarantees for Israel, it would be perceived by the Arab world as a clear invitation to link U.S. humanitarian assistance to Israel to concessions in the peace process. I am strongly opposed to any linkage between humanitarian assistance for Israel and the peace process.

The U.S.-Israel relationship must not become a bargaining chip in the peace process. The alliance between the United States and Israel—the only democracy in the Middle East—must not be held hostage to Arab states' demands against Israel.

Throughout the Gulf war, the United States steadfastly opposed any linkage between the U.S.-Israel relationship and the peace process. Now is not the time to give in to the demands of Arab states which seem more interested in wringing concessions from Israel and the United States than in real peace.

The modern exodus of a million Soviet and Ethiopian Jews in a historic victory for freedom, human rights and the long hard work of many Americans. The exodus is far from complete, and its success should not be taken for granted.

It is in America's national interest not to jeopardize the flow of Soviet emigrants to Israel, and to help ensure that the only democracy in the Middle East successfully completes their absorption.

We should not allow Arab states to deter us from pursuing our own national interest, or to use the United States to extract concessions from Israel. I strongly urge you to facilitate the Congressional consideration of these urgent humanitarian loan guarantees for Israel without delay.

Sincerely,

CONNIE MACK,
U.S. Senator.

Mr. HATCH. Mr. President, I rise in support of providing Israel with loan guarantees for the absorption of an estimated 1 million Soviet and Ethiopian emigres. In July, I strongly endorsed the concept of loan guarantees as a purely humanitarian gesture designed to help Israel cope with the massive influx of refugees. This emigration continues apace today. Every month between 10,000 and 15,000 Soviet emigres arrive in Israel. The United States cannot avert its eyes to the plight of Soviet Jewry, and in my opinion, we have a moral obligation to assist the Israeli Government finance this overwhelming and unprecedented humanitarian effort.

Mr. President, I believe that the administration should be strongly commended for its consummate diplomatic skill in crafting a regional peace conference to be convened later this month. This has been a long and difficult venture. The President has shown a great deal of initiative, leadership, and ingenuity in bringing disparate groups to the negotiating table. Yet the President recently requested that Congress delay loan guarantees for Israel to help keep this peace process on track. In contrast to the administration, I do not believe that these issues should be linked, and I support loan guarantees for three important reasons.

First, Members of this Chamber fought vigorously on behalf of Soviet Jewry, and we should not rest on our laurels. The presently high levels of Jewish emigration we are experiencing should not be taken for granted. Soviet Jews have been persecuted for many years, and receiving exist visas for this group has traditionally been a painstaking and difficult process. The situation in the Soviet Union and the various Republics is in a state of flux, and it is imperative that Soviet Jews leave when the door is open. It seems all too plausible that the ethnic strife, nationalism, and political events in the U.S.S.R. could create a internal situation in which this group is again persecuted, or not allowed to leave certain regions of the country for various reasons. We should act while we have this unique opportunity. The extension of loan guarantees will certainly help in this important endeavor.

Second, although I realize that the administration would like Congress to delay consideration of loan guarantees for 120 days, this interim period may actually be more harmful than the White House realizes. For example, construction does not immediately follow contracting or the obligation of moneys. There is always a lag effect, sometimes as long as a year. In Israel, the delay is often around 2 years. For those awaiting housing, this could result in serious consequences.

Finally, I believe that the granting the loan guarantees is the proper and moral course of action. I remain firmly committed to the safety and welfare of Israel, and support the immediate granting of the guarantees.

Mr. SANFORD. Mr. President, I am in favor of the United States assisting the State of Israel in resettling Soviet and Ethiopian Jews by guaranteeing the repayment of sums it borrows for this purpose. This is neither a loan nor a grant; it simply permits Israel to borrow at more favorable rates. We have, it seems to me, a moral obligation to assist in this manner.

The necessity of building new housing and creating new jobs is a result of the acceptance of refugees from the Soviet Union and Ethiopia. It has for years been a major policy of this country to press the Soviet Union to permit Jews to emigrate. This resettlement serves our national policy, and illustrates dramatically a historic purpose of the State of Israel, a place where persecuted Jews may come as a matter of right to a homeland.

The President of the United States has expressed a desire to delay consideration of this guarantee until January. This delay has been resisted by a number of people in the Senate and elsewhere. However, in spite of the resistance, it is our President who holds the initiative for the peace talks in the Middle East. For this reason, he is entitled to the benefit of any reasonable doubt. We rely on him for the effort to bring to an end the long strife in this region. So, I must support our President's call for additional time.

This does not mean that I will favor linking the West Bank issues with the loan guarantee. I will not.

From the beginning, we have helped keep Israel strong in a hostile neighborhood. Our policy should be to help Israel remain strong, should be to use our good offices to facilitate peace discussions, and we should be willing to let the nations debate and determine between themselves their longstanding differences.

The PRESIDING OFFICER. The Senator has 1 minute remaining.

The Senator from Wisconsin.

Mr. KASTEN. Mr. President, we have had a truly remarkable morning here in the Senate—a discussion that demonstrates the truly bipartisan support for our Israeli allies. We must work together—Democrats and Republicans, Congress, and the President—to work out how this support will be translated into policy.

We go forward in a spirit of compromise and bridge building, because we are fully conscious of the great principles that unite us: Loyalty to allies. Support for friends. Stability and bipartisanship in foreign policy.

This is what we stand for. As far as the issue at hand is concerned, no cost to taxpayers is involved. These loan guarantees are a consensus policy, and I am glad that we were able to give such strong collective voice to that policy today.

Finally, Mr. President, I ask unanimous consent that an article I wrote for the September 19, 1991, Roll Call be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Roll Call, Sept. 19, 1991]

LOAN GUARANTEES FOR ISRAEL: A STRONG "YES" FOR A LOYAL ALLY

(By Senator Bob Kasten)

For two decades, it has been a key goal of American foreign policy to liberate Soviet Jewry from Communist oppression.

The bipartisan policy calling for free immigration of Soviet Jews was begun by the late Sen. Henry Jackson (D-Wash) with his historic Jackson-Vanik amendment, and has remained a foreign policy cornerstone for every Administration since Nixon's.

At long last—with the collapse of the Soviet Union and its Communist tyranny—our 20-year effort has succeeded. Since 1989, nearly 350,000 Soviet Jews have immigrated to Israel—and it is estimated that the total will reach one million by the end of 1995.

"Next year in Jerusalem" is no longer merely a noble wish. It is a reality—the result of our long-standing policies.

Now that we have succeeded in achieving our bipartisan goal, it would be unconscionable for us to flinch from our responsibility for the consequences.

The scope of this current immigration is unlike anything Israel has ever seen since World War II and the creation of the state in 1948.

It represents an increase of almost 25 percent over the current population.

For the last two decades of the Cold War, Israel held out as the bastion of Democracy and pro-Americanism in an extremely dangerous part of the world. Surrounded by Soviet allies—back when Communism was on the offensive—the State of Israel held the line for our side.

Earlier this year, from Texas to Wisconsin, from Maine to Oregon, we all watched on TV as the Scud missiles slammed into Israel. We also saw that the Israelis did not retaliate for these terrorist acts—because America asked them not to.

Israel kept faith with America. Will we have the moral sense—the loyalty—to do the same?

I am confident that we will—because the American people and their representatives in Congress don't believe in turning their backs on an ally.

Israel needs our help in resettling this massive influx of refugees, the influx that represents the success of American foreign policy.

Along with Sen. Daniel Inouye (D-Hawaii), I have introduced legislation in the Senate that would extend to Israel the helping hand it so urgently requires.

Our bill provides loan guarantees to Israel to help defray the extraordinary costs of resettling and absorbing Soviet and Ethiopian refugees.

The loan guarantees would amount to $2 billion for fiscal year 1992, and $2 billion for each of the four succeeding fiscal years.

These loan guarantees have been requested by the Israeli government, and they represent what the Israelis believe will be an adequate amount to deal with the housing crisis.

That's what the loan guarantees are—a response to urgent human needs, requested by a reliable and heroic friend. It's important, however, that we also understand what the loan guarantees are not.

The loan guarantees are not U.S. grants. Under our loan guarantee bill, the U.S. taxpayer will not be sending any funds to subsidize Israeli housing.

The loan guarantees are not U.S. loans. The Treasury will not be lending money to resettle the refugees.

It will merely guarantee that when private sector lenders lend money for that purpose, the U.S. government will stand surety for the loan. (There's very little risk in that: Israel has never defaulted on U.S. loan guarantees.)

The only U.S. budget funds involved in the loan guarantee process are the origination fee, which we estimate will amount to $100 million. Under our bill, Israel will pay for this origination fee, making U.S. taxpayer funding completely unnecessary.

Our bill won't cost the Treasury anything. It will meet a major emergency being faced by one of America's best friends. And it is the honorable thing to do. That's why I will be pressing for the enactment of the Kasten-Inouye loan guarantee legislation.

The PRESIDING OFFICER. All time has expired. The Senator from West Virginia.

Mr. BYRD. Mr. President, has morning business expired?

The PRESIDING OFFICER. The time set aside for morning business has expired.

Mr. BYRD. Mr. President, I ask unanimous consent there be an additional 10 minutes in morning business, and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

PEACE IN THE MIDDLE EAST

Mr. BYRD. Mr. President, the current political environment is filled with transformation and opportunity. Old structures are in advanced stages of decay and collapse throughout Eastern Europe and what is left of the Soviet monolith. Change is also underway in the Middle East, stimulated by the bold, naked grab for Kuwait and the stinging rebuff administered by the coalition led by the United States. These are historic times, times when new forms, new ideas, rearrangements are possible, a springtime thaw is in the atmosphere.

What kind of new order, forms, concepts, structures, alliances, rules, and arrangements will emerge over the next few years will not be the work of some mystical historic force. Historians may characterize the forces of history. But, at bottom, what makes a difference is the broad vision and work of individual men, whose human nature has never changed. Now is the time for taking the broad perspective, the long look. Now is the time for putting aside the narrow motives of political campaigns, of posturing for advantage on the margin.

I have commended President Bush in the past for seeking to tackle the intractable problems of a peaceful settlement in the Middle East. The emotions and suspicions run through a deep canyon in the Middle East, and the bridging work is horrendously difficult. This is certainly a time for us to give the President our undivided support in his efforts to construct that bridge. The timing is good, and is more suitable now than it has been for many years. So I congratulate the President for his efforts to bring all the parties to the peace table—all the parties to the peace table—to act as a good-faith broker, for helping establish a fair negotiation, without loading the dice to any party's advantage. Therefore I have supported his effort to delay for a very short time consideration of any major new program of largess for Israel. I have also opposed new arms sales to Arab states for the time being. I think the President is taking the broad view, and I am sure that he needs all the mandate and support from us that he can get. The various parties to the differences in the Middle East watch political events in the United States with a fixation. They look for signs that the United States is playing a role of statesman. Only great statesmanship will help transform the Middle East.

That is the right course. Let us support this President in his efforts to maximize on the military victory that was achieved in the Middle East. Let us give this President the tools which he needs to seek lasting peace in the Mideast. That is what is in the best long-term interest of our friends in the region. Now is not the time to prejudge the outcome of the negotiations. Let us be wise and wait to see what progress can be made and then decide what course is in the best interests of our own Nation and of our friends in the region.

This Senator has not joined in this legislation because I believe it is not possible to know the best course at this time. I want to wait to see if progress is made at the peace table. I want to wait to see if progress is made on the settlements issue. I want to wait to see if the American people are satisfied that these loan guarantees should be granted outright or if there should be certain conditions attached, or if they should be granted at all. There are pressing needs here at home and the American people have a right to have their views considered. They are paying the tab.

They have been paying the tab. And make no mistake about it there will be a tab to pay. I regret that so many in this body appear to have prejudged this issue. That is their right to do, of course. It is my hope that Senators will carefully debate this proposal, with the fundamental interests of this country, the United States, in mind when the time comes to consider it.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time remains in the 10 minutes?

The PRESIDING OFFICER. There remains 3 minutes and 50 seconds.

Mr. DOMENICI. I wonder if I might, before I start, ask for an additional 2 minutes under the same conditions?

The PRESIDING OFFICER. Without objection, it is so ordered.

CLARENCE THOMAS

Mr. DOMENICI. Mr. President, it is with pleasure that I rise today in support of the nomination of Clarence Thomas to serve as an Associate Justice of the Supreme Court of the United States.

I have found Clarence Thomas to be a man of strong intellect, integrity, leadership, and achievement. By his qualifications, experience, and character, he has proven that he is a worthy candidate to become a Supreme Court Justice.

I would like to call to the attention of my fellow Senators a response Judge Thomas gave to a question asked by one of our Members, a member of the Judiciary Committee, at hearings on September 13, 1991. Judge Thomas was asked: "* * * I see these two Clarence Thomases: One who has written some extremely * * * insensitive things * * * and then I hear a Clarence Thomas with a heart. * * * Which is the real Clarence Thomas?"

Judge Thomas responded and said the following: "Senator, that is all a part of me. I used to ask myself how could my grandfather care about us when he was such a hard man sometimes." "But, you know," said the judge, "in the final analysis, I found that he is the one who cared the most because he told the truth, and he tried to help us help ourselves."

Actually, I find that statement, obviously made extemporaneously about a very, very serious subject and a subject of this man's life that deserves a question, I found that answer to be one of the most significant and philosophical statements that he made in the entire process of being questioned.

Let me repeat. He was asked: "Which is the real Clarence Thomas? You have written some extremely insensitive things, and then I hear the Clarence Thomas with a heart." And he said: "Senator, that is all part of me," paraphrasing, as I would put it, "I am some of both. I used to ask myself, how could my grandfather care about us when he was such a hard man sometimes. But, you know, in the final analysis, I found that he is the one who cared the most because he told the truth, and he tried to help us help ourselves."

Frankly, I believe this distinguished gentleman, whom I happen to know personally and interviewed for a considerable period of time prior to the hearings in Judiciary, could almost seek to be a Supreme Court judge with that philosophy and an intellect and qualification based upon knowing the law. I think that is absolutely, without question, one of the most profound statements made during that hearing and one which gives me great confidence about his future because I believe he is some of both. I believe he will tell the truth, and that is what he said his grandfather did, "and he tried to help us help ourselves."

So, Mr. President, a Supreme Court Justice must be a person of integrity. He or she must be honest, ethical, and fair. A Supreme Court Justice must be a person with strength of character. He or she must possess great courage to render decisions in accordance with the Constitution and the laws of the United States, and they must never fear if, in fact, they have concluded that such is the law. A Supreme Court Justice must be a person with compassion. He or she must respect both the rights of the individual and the rights of society and must be dedicated to provide equal justice under the law.

Obviously, he is going to be a man of compassion. He just got through answering that part as he discussed the two aspects of living, or leading, of growing up, as I just shared them with the Senate.

A Supreme Court Justice should be a person with proper judicial temperment. He or she must understand and appreciate the genius of our federal system and of the delicate checks and balances between the branches of the National Government.

Mr. President, in the opinion of this Senator, Clarence Thomas possesses these qualities and more. His background and upbringing will bring a unique perspective to this Court. When I began looking into his background to find out more about who he was, I ran across a speech that he gave in 1985 at Savannah State College. I believe it was reported on the editorial page of the New York Times. It was entitled "Climb the Jagged Mountain." It was by this distinguished gentleman.

He was speaking to a group of graduating seniors in preparing them for what they would face. He related the story of his early life as an example of being able to endure adversity to achieve excellence. This story reveals one of the most important aspects of his character and it is moving for all those who read it. At this point, Mr. President, I ask unanimous consent that the text of that speech, as covered in the New York Times on July 17, 1991, be printed in the RECORD. I am not sure it is the entire text, but let me print just what is there.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 17, 1991]

CLIMB THE JAGGED MOUNTAIN

(Following are excerpts from a commencement speech that Clarence Thomas, President Bush's nominee to the Supreme Court, gave at Savannah State College on June 9, 1985.)

(By Clarence Thomas)

I grew up here in Savannah. I was born not far from here (in Pin Point). I am a child of those marshes, a son of this soil. I am a descendant of the slaves whose labors made the dark soil of the South productive. I am the great-great-grandson of a freed slave, whose enslavement continued after my birth. I am the product of hatred and love—the hatred of the social and political structure which dominated the segregated, hate-filled city of my youth, and the love of some people—my mother, my grandparents, my neighbors and relatives—who said by their actions, "You can make it, but first you must endure."

You can survive, but first you must endure. You can live, but first you must endure. You must endure the unfairness. You must endure the hatred. You must endure the bigotry. You must endure the segregation. You must endure the indignities.

I stand before you as one who had the same beginning as yourselves—as one who has walked a little farther down the road, climbed a little higher up the mountain. I come back to you, who must now travel this road and climb this jagged, steep mountain that lies ahead. I return as a messenger—a front-runner, a scout. What lies ahead of you is even tougher than what is now behind you.

That mean, callous world out there is still very much filled with discrimination. It still holds out a different life for those who do not happen to be the right race or the right sex. It is a world in which the "haves" continue to reap more dividends than the "have-nots."

You will enter a world in which more than one-half of all black children are born primarily to youthful mothers and out of wedlock. You will enter a world in which the black teenage unemployment rate as always is more than double that of white teenagers. Any discrimination, like sharp turns in a road, becomes critical because of the tremendous speed at which we are traveling into the high-tech world of a service economy.

There is a tendency among young, upwardly mobile, intelligent minorities to forget. We forget the sweat of our forefathers. We forget the blood of the marchers, the prayers and hope of our race. We forget who brought us into this world. We overlook who put food in our mouths and clothes on our backs. We forget commitment to excellence. We procreate with pleasure and retreat from the responsibilities of the babies we produce.

We subdue, we endure, but we don't respect ourselves, our women, our babies. How do we expect a race that has been thrown into the gutter of socio-economic indicators to rise above these humiliating circumstances if we hide from responsibility for our own destiny?

The truth of the matter is we have become more interested in designer jeans and break dancing than we are in obligations and responsibilities.

Over the past 15 years, I have watched as others have jumped quickly at the opportunity to make excuses for black Americans. It is said that blacks cannot start businesses because of discrimination. But I remember businesses on East Broad and West Broad that were run in spite of bigotry. It is said that we can't learn because of bigotry. But I know for a fact that tens of thousands of blacks were educated at historically black colleges, in spite of discrimination. We learned to read in spite of segregated libraries. We built homes in spite of segregated neighborhoods. We learned how to play basketball (and did we ever learn!), even though we couldn't go to the N.B.A.

We have lost something. We look for role models in all the wrong places. We refuse to reach back in our not too distant past for the lessons and values we need to carry us into the uncertain future. We ignore what has permitted blacks in this country to survive the brutality of slavery and the bitter rejection of segregation. We overlook the reality of positive values and run to the mirage of promises, visions and dreams.

I dare not come to this city, which only two decades ago clung so tenaciously to segregation, bigotry and Jim Crowism, to convince you of the fairness of this society. My memory is too precise, my recollection too keen, to venture down that path of self-delusion. I am not blind to our history—nor do I turn a deaf ear to the pleas and cries of black Americans. Often I must struggle to contain my outrage at what has happened to black Americans—what continues to happen—what we let happen and what we do to ourselves.

If I let myself go, I would rage in the words of Frederick Douglass: "At a time like this, scorching irony, not convincing argument, is needed. Oh! Had I the ability, and could reach the nation's ear, I would today pour out a fiery stream of biting ridicule, blasting reproach, withering sarcasm and stern rebuke. For it is not light that is needed, but fire; it is not the gentle shower, but thunder. We need the storm, the whirlwind and the earthquake."

I often hear rosy platitudes about this country—much of which is true. But how are we black Americans to feel when we have so little in a land with so much? How is black America to respond to the celebration of the wonders of this great nation?

In 1964, when I entered the seminary, I was the only black in my class and one of two in the school. A year later, I was the only one in school. Not a day passed that I was not pricked by prejudice.

But I had an advantage over black students and kids today. I had never heard any excuses made. Nor had I seen my role models take comfort in excuses. The women who worked in those kitchens and waited on the bus knew it was prejudice which caused their plight, but that didn't stop them from working.

My grandfather knew why his business wasn't more successful, but that didn't stop him from getting up at 2 in the morning to carry ice, wood and fuel oil. Sure, they knew it was bad. They knew all too well that they were held back by prejudice. But they weren't pinned down by it. They fought discrimination under W.W. Law [a Georgia civil rights leader] and the N.A.A.C.P. Equally important, they fought against the awful effects of prejudice by doing all they could do in spite of this obstacle.

They could still send their children to school. They could still respect and help each other. They could still moderate their use of alcohol. They could still be decent, law-abiding citizens.

I had the benefit of people who knew they had to walk a straighter line, climb a taller mountain and carry a heavier load. They took all that segregation and prejudice would allow them and at the same time fought to remove these awful barriers.

You all have a much tougher road to travel. Not only do you have to contend with the ever-present bigotry, you must do so with a recent tradition that almost requires you to wallow in excuses. You now have a popular national rhetoric which says that you can't learn because of racism, you can't raise the babies you make because of racism, you can't get up in the mornings because of racism. You commit crimes because of racism. Unlike me, you must not only overcome the repressiveness of racism, you must also overcome the lure of excuses. You have twice the job I had.

Do not be lured by sirens and purveyors of misery who profit from constantly regurgitating all that is wrong with black Americans and blaming these problems on others. Do not succumb to this temptation of always blaming others.

Do not become obsessed with all that is wrong with our race. Rather, become obsessed with looking for solutions to our problems. Be tolerant of all positive ideas; their number is much smaller than the countless number of problems to be solved. We need all the hope we can get.

Most importantly, draw on that great lesson and those positive role models who have gone down this road before us. We are badgered and pushed by our friends and peers to do unlike our parents and grandparents—we are told not to be old-fashioned. But they have weathered the storm. It is up to us now to learn how. Countless hours of research are spent to determine why blacks fail or why we commit crimes. Why can't we spend a few hours learning how those closest to us have survived and helped us get this far?

As your front-runner, I have gone ahead and taken a long, hard look. I have seen two roads from my perch a few humble feet above the madding crowd. On the first, a race of people is rushing mindlessly down a highway of sweet, intoxicating destruction, with all its bright lights and grand promises constructed by social scientists and politicians. To the side, there is a seldom used, overgrown road leading through the valley of life with all its pitfalls and obstacles. It is the road—the old-fashioned road—traveled by those who endured slavery, who endured Jim Crowism, who endured hatred. It is the road that might reward hard work and discipline, that might reward intelligence, that might be fair and provide equal opportunity. But there are no guarantees.

You must choose. The lure of the highway is seductive and enticing. But the destruction is certain. To travel the road of hope and opportunity is hard and difficult, but there is a chance that you might somehow, some way, with the help of God, make it.

Mr. DOMENICI. Mr. President, Clarence Thomas has referred to his life experience as "the climb of the jagged mountain." He was born, as everyone knows, on June 23, 1948, in a small home in Pin Point, GA. They did not have any of the nice things of life that we have all grown to expect as we grow up and try to enjoy being Americans. The world of this man as a young person was the world of segregated Georgia.

He learned the value of hard work and had the desire to excel. He attended St. Pius X High School, an all-black school, for 2 years and, in 1964, he transferred to the St. John Vianney Minor Seminary. We even saw some of those testifying who taught him in his early years. We saw a marvelous nun testify about the quality and character of this man. We saw the priest of St. John talking about his service to them as a member of their board. We know that he also graduated from one of the distinguished law schools in America, Yale. We can trace his life as he did public service and worked in the private sector and then for the last year or so serving on the second highest court of this land.

Mr. President, I compliment the President of the United States for sending us this nominee. I intend to vote for him. I do it without any reluctance. I am convinced that we do not know exactly where he is going to come down on the big issues of our day and the future, but I submit, we will never be able to determine in advance what intelligent, enlightened judges will do on the cases of the future. I am of the frame of mind to say the one with the best human experiences, the experiences that count, coupled with a good education and, in this case, add to that having grown up as a black person in the United States, having grown up in poverty, having succeeded in spite of all of that, when you add that to the other qualifications, it seems to me that we do not need to worry about whether we are taking a chance or not with this man. I think he belongs there and he will serve not only the people well, but he will also serve this great Republic well for years and years to come.

I know that some Members of this body may have strong ideological differences with Clarence Thomas. I respect them for that. It is heartening to see, however, that Members of this body realize that the vote on this nomination should rest on whether Clarence Thomas is qualified, not whether a majority of this body agree with his personal philosophy.

Under the Constitution, the Senate has the duty to offer advice and consent on judicial nominees. Congress must scrutinize the nominee to determine whether he or she possesses the qualities that the Americans expect in judges.

As long as a nominee is qualified, the nominee's personal philosophy should not be a consideration unless that philosophy undermines the fundamental principles of our Constitution, or if the nominee's dedication to his or her ideological principles is so strong that he or she cannot be an impartial judge. In the absence of such concerns, the Senate must respect the right of a President to nominate qualified candidates of his choosing.

The evidence of Clarence Thomas' commitment to our constitutional system as well as his ability to render sound and judicious decisions has been tested and proven by his record on the Court of Appeals.

Mr. President, a nominee for Supreme Court Justice of the United States must possess the highest standards of integrity, ethics, and commitment to the cause of justice. He or she must be an individual of proven ability and judgment. Clarence Thomas has been thoroughly examined to determine whether he possesses these qualities, and he has not been found wanting.

I salute Judge Thomas, and I hope the Senate will confirm him with an overwhelming vote next Tuesday. I yield the floor.

THE RESIGNATION OF RICHARD THORNBURGH

Mr. GRASSLEY. Mr. President, what I come before this body to say this morning should have really been said back in the first or second week of August because that was a time near to the retirement of Attorney General Richard Thornburgh.

I rise today to congratulate him on his vigilant tenure as the Nation's top law enforcement officer.

Since his appointment and confirmation in 1988, Attorney General Thornburgh was the point person in the Nation's war on crime and helped the taxpayers prevent fraud on Government by dishonest contractors.

General Thornburgh left the Department of Justice in August to answer another call, and many of us in this body, at least on this side of the aisle, hope that we have the privilege of working with him.

The job of the Government's top lawyer is among the most difficult in Government. It is not easy to meet the demands of Government officials, the public, and the media, while maintaining fidelity to the law. It is impossible to please everyone.

Indeed, as General Thornburgh remarked on the day of his resignation, quoting a British Attorney General: "An attorney general who becomes popular will not be doing responsibly that which his office demands."

Despite his disclaimer, Attorney General Thornburgh was popular even though he did his job as well as it can be done. The President who appointed him, the law enforcement officers that he led throughout the Nation, and the citizens he protected are all aware of the success he had in enforcing the laws.

Thornburgh's Justice Department has zealously fulfilled its duty to protect the taxpayers from those who would rip off the taxpayers. General Thornburgh demonstrated a firm commitment to fighting crime and Government fraud. Thornburgh's efforts have resulted in the convictions of 71 defense contractors and their employees, settlements with several other major firms, and recovery by the treasury of hundreds of millions of dollars.

Most recently, the Department's Operation Ill Wind resulted in a $190 million payment to the Government by the Unisys Corp. Unisys pleaded guilty to conspiracy to defraud the United States, to bribery, to conversion of Government property, and to filing false claims and false statements. Unisys will pay the Government another $10 million as a result of whistleblower Ralph D'Avino's qui tam suit under the amended false claims act. Part of the $190 million settlement is also the result of a qui tam suit brought by whistleblower Larry Elliott.

Operation Ill Wind resulted in numerous other successful prosecutions of defense contractors in the past 3 years. Hazeltine Corp., Teledyne Industries, Loral Corp., individual Unisys officials, Norden systems officials, Whittaker command and control systems, and cubic defense systems have all been convicted of stealing from the taxpayers under Governor Thornburgh's aggressive investigation of their practices.

The list of companies and executives Thornburgh brought to justice is still long. Boeing paid the Government $11 million in a settlement to resolve allegations of overcharging by its military airplanes division. Operation Uncover led to five major contractors—Raytheon, Hughes Aircraft, Grumman, Boeing, and RCA—pleading guilty to charges involving the illegal trafficking of sensitive Defense Department documents and agreeing to pay $15 million in civil claims. General Electric and Northrop were among other defense contractors convicted as a result of Justice Department prosecutions under Thornburgh.

General Thornburgh has been the Government's point man in attacking financial institutions fraud. In just the past fiscal year, 554 financial institutions have been formally charged with major fraud, 681 defendants have been convicted with a conviction rate of 94 percent, 665 defendants sentenced to jail 80 percent, millions of dollars in fines imposed, and even more millions in restitution payments ordered.

Attorney General Thornburgh also led the Justice Department during successful recoveries from individuals and organizations that defrauded the Government in connection with HUD and FDA. In one case, a woman in Maryland nicknamed "Robin HUD" was convicted of embezzling more than $6 million from the sale of HUD-owned properties. This may be the largest single theft of Government funds by an individual in American history.

I have been glad to see Governor Thornburgh's Justice Department so vigilant in protecting the taxpayers from those who would defraud them.

Drug kingpins all over the globe have felt the effects of General Thornburgh's aggressive leadership of the war on drugs. General Thornburgh helped create a new legal regime for international drug trafficking, by encouraging the loosening of bank secrecy laws in Europe and elsewhere. Combined with our new money laundering statutes, these allow Justice to keep drug traffickers from spending their illicit profits.

By targeting the traffickers' profits, as well as their product through initiatives like Operation Polarcap, Justice has inflicted major damage on international crime. This has included prosecutions of numerous officers and employees of the Bank of Credit and Commerce International, BCCI, which has laundered drug profits for the Medellin cartel and perhaps others.

Panama's Manuel Noriega is finally facing trial for his drug crimes. Dozens of other drug kingpins have already been locked up, along with hundreds of their minions.

The public FISC has also benefited from the war on drugs. Under Thornburgh's Justice, more than $1 billion in cash and property has been recovered and added to the Department's assets forfeiture fund—$353 million of that has been shared with State and local law enforcement agencies. Thus, the drug dealers are paying for their own prosecutions.

Thornburgh's Department was highly successful in combatting domestic organized crime. Attorney General Thornburgh oversaw a major reorganization of the organized crime program, which has enhanced the Government's ability to fight the older Cosa Nostra crime families, as well as new criminal organizations such as the Jamaican posses and the Asian gangs.

Justice under Thornburgh has diligently defended individual liberties. Thornburgh created a new office to enforce the Americans With Disabilities Act, which office is currently drafting regulations detailing the parameters of compliance with ADA. Thornburgh significantly increased the Department's efforts to identify and prosecute perpetrators of hate crimes—acts of violence or intimidation motivated by racial, ethnic, or religious hatred—and to improve reporting of such crimes. In 1989, Justice pursued more than twice the number of Federal cases and prosecutions for hate crimes than in any previous year. In 1990, the Department had a 100-percent success rate in prosecuting hate crimes.

The Civil Rights Division has been aggressive in pursuing housing discrimination and voting rights cases. It has fought employment discrimination in both the North and South, and worked to eliminate the remaining vestiges of segregation in State university systems.

Mr. President, I could never practically list all the accomplishments of Governor Thornburgh during his tenure as Attorney General. Americans could not have had a more persistent protector of their rights to be free from crime, fraud, and discrimination. Clearly, the combination of experience as a prosecutor and as a chief executive makes for a first-rate leader of the Nation's law enforcement. With luck, we will soon have the benefit of his unique skills again in Washington.

UNEMPLOYMENT LEGISLATION

Mr. DOLE. Mr. President, yesterday the Senate and the House agreed to the conference report on unemployment insurance extended benefits. When the President receives this legislation, he will veto it, and it is my every expectation that that veto will be sustained.

This puts us in exactly the same position we were in prior to the August recess when this issue was debated. The only difference is that instead of not declaring an emergency, the President will need to veto this bill.

DEMOCRATS HAVE DONE NOTHING TO HELP UNEMPLOYED

In this Senator's opinion, during the last 2 months, my colleagues on the other side of the aisle have done absolutely nothing to help in getting extended benefits to America's unemployed workers.

Instead of trying to sit down and work this issue out, the proponents of the conference report intentionally sent a bill to the President that they knew he could not sign.

It is not that the President opposes extended benefits for unemployed Americans. It is that the President will not provide those extended benefits at the cost of destroying last year's budget agreement, adding $6.2 billion to an out-of-control deficit, and mortgaging our children's futures.

DOLE-DOMENICI-ROTH ALTERNATIVE

As promised, Mr. President, yesterday, after the debate was finished, I introduced the Dole-Domenici-Roth alternative as a free standing bill. This bill is cosponsored by a number of Senators, including the Senator from California [Mr. SEYMOUR], the Senators from Missouri [Mr. DANFORTH] and [Mr. BOND], the Senator from Texas [Mr. GRAMM], and the Senator from Indiana [Mr. LUGAR]. I urge my colleagues to study the bill and to throw their support behind it. It is a serious proposal and one that will get benefits out to those who need help.

It provides 6 weeks of additional extended benefits in all States and 10 weeks in those States facing higher unemployment.

In addition, the proposal directs the Secretary of Labor to tackle pockets of unemployment that are not reflected in the statewide or national economy as a whole.

Finally, Mr. President, this proposal pays for itself. There is no sequester and no need to declare an emergency. It does not increase the deficit 1 red cent, and it does not play politics at the cost of future generations of Americans.

The President has said he would sign this bill. That is another basic difference; he will sign this bill. That means that if the Senate and House were sending this bill to the President today instead of the poorly conceived, budget busting conference report, then we would have unemployment benefits going to the unemployed in the next couple weeks.

DURENBERGER/BURNS ALTERNATIVE

In addition to this proposal, Mr. President, the distinguished Senators from Minnesota and Montana, Senators DURENBERGER and BURNS, introduced an alternative which would provide for 8 and 15 weeks of additional benefits. While I cannot say for certain that the President would sign this proposal, I would certainly urge him to do that, or to make some compromise between the two proposals, because it does comply with the budget agreement and it is deficit neutral over 5 years.

The Durenberger-Burns alternative will provide more benefits to many States—roughly 32 States—than the conference report adopted yesterday. That is 8 and 15 weeks of additional benefits provided by a bill that is budget neutral and pays for itself.

CHOICE IS CLEAR

For this Senator, the choice could not be clearer. My colleagues on the other side of the aisle can continue to play politics and to try to have a showdown with the President by sending the same bad legislation to him. And the same result will ensue: No extended benefit checks will be in the mail.

Or we can take a serious look at the alternative offered by myself, the ranking member of the Budget Committee, and others, or the alternative offered by the Senators from Minnesota and Montana, Senators DURENBERGER and BURNS, and work something out.

Instead of debating politics on the floor and in the media—and I wish the media would understand there is an alternative out there that is responsible, that will pay for itself, and that they might take a serious look at that—we ought to make certain that the people, who through no fault of their own, the unemployed people, people with families, people with no food on the table—get relief soon. I do not think these people are sitting around today debating whether this is a Republican alternative or Democratic alternative. They want something done. They want something passed by the Congress that the President will sign. And they understand that their children, if they are going to have any future, that we ought to be paying for these benefits as we go along.

Maybe we cannot be as generous as my colleagues on the other side, because they just charge it up to the next generation, charge it to your grandchildren, charge it to anybody; as long as we are spending money, who cares? That is the big difference between the two proposals. We pay for it. We pay for it. We do not add to the deficit.

My colleagues on the other side of the aisle do not care that they are adding $6.2 billion to the deficit.

I just suggest that families out of work are not sitting around the living room saying "I wish the Republican proposal was a little better; I wish the Democratic proposal was a little better"—whatever. I think what they are doing is trying to figure out where the next meal is coming from and where they are going to find a job and hoping that the Congress would look beyond politics and self-interest and send the President a bill that is fiscally responsible and a bill that he can sign.

If we do that—and we have time to do it yet this week. We can do it today. We ought to pass our bill, send both to the President, let the President make a choice. We should not go off for another weekend unless we resolve this issue. That way the checks can be in the mail and, for the unemployed, food can be on the table.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I compliment the distinguished minority leader for his comments that he just made. In all honesty, what is being done around here is an exercise in cynical politics. The fact is the approach that is being sent to the President, he has to veto it; there is nothing to pay for it. In all honesty, it is going to cost $6.2 billion if we can pay for it. It means that the budget agreement last year is broken. Once that is broken, there will be every one of these people who have special projects in this Congress coming up and saying it ought to be broken for that project as well.

The interesting thing about the minority leader's approach and those who support it, including myself, is that this is a bill that will be paid for under the current budget agreement, within that budget agreement, that will solve the problem, that the President will sign, and that will go from there, helping people in our society rather than playing a political game knowing that the President has to veto a $6.12 billion budget buster and then blaming him for being insensitive when he said he is willing to accept a bill that is within budget, within that budget agreement.

It seems to this Member it is an awfully cynical approach.

I compliment the minority leader for his skill and work on this side and I wish we had more help from the other side to resolve this problem. And I agree with him: Send both of them to the President; let the President choose which one. If the Democrat proposal is that much better, then he will be criticized for not choosing it if he does not. If the Republican proposal will work, then he should not be criticized for choosing it if he does. But let him make the choice, and not just play the cynical game of knowing he is going to veto the particular budget-busting bill and leaving the people out there without any help at all.

There is not a question of whether or not one side or the other is more willing to help those who are unemployed. We are all willing to. The question is are we going to break the budget in the process, going to break that agreement in the process, going to incalculably spend more money when we can do it in I think a reasonable and good way.

I compliment Senator DOLE for the work he has done on this and I wish we could be more bipartisan on these issues, especially when you have a President that made it very clear that the one bill is unacceptable.

I just thought I had to say that.

BROOKLINE ANNUAL TOWN MEETING

Mr. KERRY. Mr. President, today I wish to acknowledge a resolution passed at the Brookline annual town meeting in June of this year. The town meeting is an old Massachusetts institution of broadly representative democracy. The resolution notes that over the last decade there has been a sharp decrease in Federal spending for education, environment, and health care programs, and for community development block grants. This has been accompanied by a dramatic increase in military spending. Given the President's recent announcement of his planned nuclear weapons reductions, I concur with my constituents in Brookline in their call for a redirection in Federal spending from unnecessary military programs toward meeting the needs of our country's citizens.

I ask that a copy of a letter from the Brookline town moderator which contains the text of the resolution appear in the RECORD following my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

TOWN OF BROOKLINE, MA,
Brookline, MA, July 23, 1991.

Senator JOHN KERRY,
Russell Senate Office Bldg., Washington, DC.

DEAR SENATOR KERRY: At the Brookline Annual Town Meeting in June, it was noted that spending for cities and towns, education, environment, health care and other human services has gone down sharply over the last decade to support dramatically increased military spending. Town Meeting Members expressed the view that with the breakup of the Warsaw Pact and the conclusion of the Persian Gulf War, it is time to reverse our spending priorities. Accordingly, the Meeting adopted the following Resolution:

Whereas the Town of Brookline has been forced to cut vital services, programs and employees because of decreased federal spending for cities and towns over the last decade; and

Whereas during this period, federal spending for community development block grants was sharply cut, federal revenue sharing was eliminated, while the military budget has increased dramatically; and

Whereas the $800 million expenditure for one B-1 bomber would go over most of the Massachusetts state budget deficit for 1991; and

Whereas the Persian Gulf war has now been concluded: Now, therefore, be it hereby

Resolved, That the Town Meeting directs the Moderator on behalf of the town Meeting to call upon our Congressional delegation, the Congress, and the President of the United States to redirect federal spending away from an emphasis on military spending and towards programs in such areas as the environment, energy conservation, public transportation, education, health care, housing and child care to meet the needs of the residents of Brookline and other communities throughout the nation, and be it further

Resolved that the Moderator send this resolution to newspapers of general circulation in this Town to be published and forwarded to our congressional delegation and to the President.

I would greatly appreciate a response to this communication which I can convey to the Brookline Town Meeting Members.

Sincerely,

JUSTIN L. WYNER,
Town Moderator.

CHIROPRACTIC CARE

Mr. THURMOND. Mr. President, prompted by developing needs and skyrocketing costs, America's health care system has undergone tremendous change in recent years. This change has led the Federal Government and its regulatory agencies, as well as individuals and insurance companies, to explore new ways of expanding access to health care while keeping costs to a minimum. One of the more significant aspects of this revised health care climate has been the yielding of traditional medicine to some new types of care.

As the search for optimum health care at minimum cost has intensified, so has the debate over the role individual health professions will play on our Nation's health care future. On September 23, Time magazine published an extensive article about the revolution in health care, concentrating specifically on the increasing acceptance of chiropractic as an alternative treatment for some conditions.

The Time article referred to a new body of research which is validating the effectiveness of chiropractic care in treating various complaints—especially low back pain, one of the most common and costly reasons for job absenteeism in the Nation. The article stresses the fact that the chiropractic profession—is daily gaining more respect from practitioners of traditional medicine.

I ask unanimous consent that the article in Time, entitled "Is There a Method to Manipulation?," be included in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time magazine, Sept. 21, 1991]

IS THERE A METHOD TO MANIPULATION?

(By Andrew Purvis)

When internist Paul Shekelle was in medical school in the 1970s, the gentle art of chiropractic was widely viewed as bunk: heir to the tradition of bloodletting and rattlesnake oil. The American Medical Association's committee on quackery had branded the practice an "unscientific cult," and medical-school professors had obediently followed suit. The reluctance of the so-called back-crackers to submit their technique to the scrutiny of hard science served only to reinforce the official scorn. Recalls Shekelle: "They were seen as hucksters and charlatans trying to dupe the public into paying for useless care."

The public, meanwhile, seemed happy to be duped. Millions of Americans remained devoted to the healers' manipulative ways. And in recent years that enthusiasm has blossomed. About 1 in 20 Americans now sees a chiropractor during the course of a year. The number of U.S. practitioners jumped from 32,000 in the 1970s to 45,000 in 1990.

Chiropractic has even achieved a certain celebrity cachet. Quarterback Joe Montana got his brawny back manipulated on national TV (during the Superbowl pregame show). Cybill Shepherd grew so attached to her practitioner that she married him. Overseas, where chiropractic is both more popular and more widely accepted by doctors, Princess Di regularly gets her regal back cracked. And Russian ballet stars Vadim Pisarev and Marina Bogdanova reportedly would not risk an arabesque without a periodic adjustment.

Now, almost despite itself, mainstream medicine has started to take notice. Several authoritative studies have confirmed that chiropractic-style spinal manipulation is effective for the treatment of lower-back pain. Leading physicians now openly discuss the technique, and some are even referring their own patients to those once scorned colleagues. Concedes Dr. Shekelle, who directed one of the recent studies: "Their philosophy of disease is totally foreign to us. But for some conditions it sure seems to work."

The growing acceptance was apparent at this year's meeting of the American Academy of Orthopedic Surgeons, where for the first time a symposium was held on back manipulation, and about one-third of surgeons present admitted referring patients for the technique. Some 30 hospitals around the country now have chiropractors on staff, and multidisciplinary clinics that offer both medical and chiropractic care have sprung up in several urban centers. In addition, a small band of "research" chiropractors has begun testing the method in carefully designed clinical trials. "Manipulative medicine," declares Dr. Nortin Hadler, a rheumatologist at the University of North Carolina, "is no longer a taboo topic."

One reason for turnabout is that spinal manipulation has held up under study, at least for some conditions. In a report released this July by the Rand Corp., a prestigious research organization in Santa Monica, Calif., a panel of leading physicians, osteopaths and chiropractors found that chiropractic-style manipulation was helpful for a major category of patients with lower-back pain: people who are generally healthy but who had developed back trouble within the preceding two or three weeks. Another important study published last summer in the British Medical Journal compared chiropractic treatment with outpatient hospital care that included traction and various kinds of physical therapy. Its conclusion: spinal manipulation was more effective for relieving low-back aches for up to three years after diagnosis.

Such positive findings come despite the fact that no one is entirely sure how chiropractic manipulation works. Practitioners assert that they are correcting spinal "subluxations," which they describe as misalignments of vertebrae that result in damaging and often painful pressures on nerves in the spinal cord. Because nerves in the cord connect to every organ and body part, such misalignments, they say, can cause problems in the feet, hands and internal organs as well as the back.

Most doctors are skeptical of this theory. "Chiropractors may sound very authoritative," says Chicago rheumatologist Robert Katz, "but their basic understanding of the pathophysiology of the spine is simply not there." Chiropractors respond that they spend at least four years studying the subtleties of the spine, including exhaustive courses in anatomy, pathology, biochemistry and microbiology, and are in fact far more knowledgeable than many medical doctors about this anatomical region.

Whatever the benefits of manipulation and massage, many chiropractors admit that at least some of their success stems from their attentive manner and holistic approach to disease. Practitioners tend to discuss a patient's entire life-style, emphasizing stress reduction, a healthful diet, exercise and maybe even a change in work habits. Patients love it, especially after experiencing the sometimes narrow approach of medical specialists, who may thoroughly examine a body part without a hint of interest in the human being.

New York social worker Shoshana Shonfield, 40, for instance, was crushed when an orthopedic surgeon told her she would either have to live with chronic back pain or undergo radical disk surgery, with no guarantee of success. Then she found a chiropractor who, she recalls, "did all kinds of wonderful things." In addition to spinal manipulation, the practitioner served up a potpourri of health-care advice on everything from diet to correct posture and toning up muscles in the stomach and lower back. Now, she says, "my back is almost perfect. My body feels aligned; it feels straight."

One study in Washington State found that patients were significantly more satisfied with their chiropractor's manner than with their medical doctor's. Patients may even be too satisfied. One frequent complaint about chiropractors is that treatment goes on for too long. Patients become dependent on regular manipulation, and their therapists are all too happy to accommodate them. Alan Adams of the Los Angeles College of Chiropractors estimates that perhaps 10% to 15% of his colleagues are guilty of this.

While the vast majority of chiropractic patients are treated for back, neck and shoulder complaints as well as minor headaches, some 10% seek help for organic diseases of all sorts. Can manipulation help them? The chiropractic literature is replete with examples of astonishing cures of ulcers, hypertension, childhood asthma, blindness and even paraplegia. But individual case histories prove nothing, and organized studies are few and far between. Spinal manipulation has been shown to alter the heartbeat and the acidity of the stomach, says Peter Curtis, a medical professor at the University of North Carolina, who studied the technique, "but whether you can cure a peptic ulcer or angina is another question entirely." The A.M.A. withdrew its earlier condemnation of chiropractic as a cult in 1988—after federal courts ruled it an unfair restraint of trade—but it remains adamantly opposed to broad application of chiropractic therapy.

Of course, chiropractic could restrict itself to relieving back pain and still have its hands full. By some estimates, 75% of all Americans will suffer from low-back aches at some point in their lifetime. The annual cost to U.S. society of treating the ubiquitous ailment was recently tallied at a crippling $24 billion, compared with $6 billion for AIDS and $4 billion for lung cancer. If spinal manipulation could ease even a fraction of that financial burden, remaining skeptics might be forced to stifle their misgivings or get cracking themselves.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FAMILY AND MEDICAL LEAVE ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 5, which the clerk will report.

The bill clerk read as follows:

A bill (S. 5) to grant employees family and temporary medical leave under certain circumstances, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Administrative enforcement.
Sec. 107. Enforcement by civil action.
Sec. 108. Investigative authority.
Sec. 109. Relief.
Sec. 110. Special rules concerning employees of local educational agencies and private elementary and secondary schools.
Sec. 111. Notice.
Sec. 112. Regulations.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Leave requirement.

TITLE III—COMMISSION ON LEAVE
Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.
TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Coverage of the Senate.
Sec. 405. Regulations.
Sec. 406. Effective dates.*ERR08*

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of single-parent households and two-parent households in which the single parent or both parents work is increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of family members who have serious health conditions;

(3) the lack of employment policies to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects the working lives of women more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish the purposes described in paragraphs (1) and (2) in a manner that accommodates the legitimate interests of employers;

(4) to accomplish the purposes described in paragraphs (1) and (2) in a manner that, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE EMPLOYEE.—

(A) IN GENERAL.—The term "eligible employee" means any "employee", as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)), who has been employed by the employer with respect to whom leave is sought under section 102 for at least—

(i) 1,000 hours of service during the previous 12-month period; and

(ii) 12 months.

(B) EXCLUSIONS.—The term "eligible employee" does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act); or

(ii) any employee of an employer who is employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(3) EMPLOY; STATE.—The terms "employ" and "State" have the same meanings given such terms in subsections (g) and (c), respectively, of section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203 (g) and (c)).

(4) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(5) EMPLOYER.—

(A) IN GENERAL.—The term "employer"—

(i) means any person engaged in commerce or in any industry or activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(ii) includes—

(I) any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer; and

(II) any successor in interest of an employer; and

(iii) includes any "public agency", as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(B) PUBLIC AGENCY.—For purposes of subparagraph (A)(iii), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(6) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employer or through an "employee benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)).

(7) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine and surgery by the State in which the doctor performs such function or action; or

(B) any other person determined by the Secretary to be capable of providing health care services.

(8) PARENT.—The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

(9) PERSON.—The term "person" has the same meaning given such term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(10) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours per workweek, or hours per workday, of an employee.

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(13) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Subject to section 103, an eligible employee shall be entitled to 12 workweeks of leave during any 12-month period—

(A) because of the birth of a son or daughter of the employee;

(B) because of the placement of a son or daughter with the employee for adoption or foster care;

(C) to care for the son, daughter, spouse, or parent of the employee who has a serious health condition; or

(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) shall expire at the end of the 12-month period beginning on the date of the birth or placement involved.

(3) INTERMITTENT LEAVE.—Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employer of the employee agree otherwise. Subject to subsection (e), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which such employee is entitled under subsection (a).

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

(2) SUBSTITUTION OF PAID LEAVE.—

(A) IN GENERAL.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee for leave provided under subparagraph (A), (B), or (C) of subsection (a)(1) for any part of the 12-week period of such leave under such subparagraphs.

(B) HEALTH CONDITION.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for leave provided under paragraph (1)(D) of subsection (a) for any part of the 12-week period of such leave under such paragraph, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with prior notice of such expected birth or adoption in a manner that is reasonable and practicable.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment or supervision, the employee—

(A) shall make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

(B) shall provide the employer with prior notice of the treatment or supervision in a manner that is reasonable and practicable.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for leave under subparagraph (C) or (D) of section 102(a)(1) be supported by a certification issued by the health care provider of the eligible employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Certification provided under subsection (a) shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition; and

(4)(A) for purposes of leave under section 102(a)(1)(C), an estimate of the amount of time that the eligible employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 102(a)(1), the employer may require, at the expense of the employer, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (b) for such leave.

(2) LIMITATION.—A health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the opinion in the original certification provided under subsection (a), the employer may require, at the expense of the employer, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any eligible employee who takes leave under section 102 for the intended purpose of the leave shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

(3) LIMITATIONS.—Except as provided in subsection (b), nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) CERTIFICATION.—As a condition of restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 102 to periodically report to the employer on the status and intention of the employee to return to work.

(b) MAINTENANCE OF HEALTH BENEFITS.—During any period that an eligible employee takes leave under section 102, the employer shall maintain coverage under any "group health plan" (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 105. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning notice of foreseeable leave, service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) CHARGES.—

(1) FILING.—Any person (including a class or organization, on behalf of any person) alleging an act that violates any provision of this title may file a charge respecting such violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) NOTIFICATION.—Not more than 10 days after the Secretary receives notice of a charge under paragraph (1), the Secretary—

(A) shall serve a notice of the charge on the person charged with the violation; and

(B) shall inform such person and the charging party as to the rights and procedures provided under this title.

(3) TIME OF FILING.—A charge shall not be filed more than 1 year after the date of the last event constituting the alleged violation.

(4) SETTLEMENT PRIOR TO DETERMINATION BY SECRETARY.—The charging party and the person charged with the violation under this section may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under subsection (c). Such an agreement shall be effective unless the Secretary determines, not later than 30 days after the notice of the proposed agreement is received, that the agreement is not generally consistent with the purposes of this title.

(c) INVESTIGATION AND COMPLAINT ON NOTICE OF A CHARGE.—

(1) INVESTIGATION.—Not later than 60 days after the Secretary receives any charge respecting a violation of this title, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) DISMISSAL.—If, after conducting an investigation under paragraph (1), the Secretary determines that there is no reasonable basis for the charge that is being investigated, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(3) COMPLAINT BASED ON CHARGE.—If, after conducting an investigation under paragraph (1), the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(4) SETTLEMENT WITH SECRETARY.—On the issuance of a complaint under paragraph (3), the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement shall not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) CIVIL ACTIONS.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not made a determination under paragraph (2) or (3);

(B) has dismissed the charge under paragraph (2); or

(C) has disapproved a settlement agreement under subsection (b)(4) or has not entered into

a settlement agreement under paragraph (4) of this subsection;

the charging party may elect to bring a civil action under section 107. Such election shall bar further administrative action by the Secretary with respect to the violation alleged in the charge.

(6) COMPLAINT AND RELIEF ON INITIATIVE OF SECRETARY.—

(A) COMPLAINT.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 108.

(B) RELIEF.—On the issuance of a complaint under subparagraph (A), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order. On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent, and the court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court determines just and proper.

(d) RIGHTS OF PARTIES.—

(1) SERVICE OF COMPLAINT.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) PARTIES TO COMPLAINT.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging such violation. Such election must be made prior to the commencement of a hearing.

(3) CIVIL ACTION.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 107.

(e) CONDUCT OF HEARING.—

(1) PROSECUTION BY SECRETARY.—The Secretary shall have the duty to prosecute any complaint issued under subsection (c).

(2) HEARING.—An administrative law judge shall conduct a hearing on the record with respect to any complaint issued under this title. The hearing shall be commenced not later than 60 days after the issuance of such complaint, unless the judge, in the discretion of the judge, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) FINDINGS AND CONCLUSIONS.—

(1) IN GENERAL.—After a hearing conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 109.

(2) NOTIFICATION CONCERNING DELAY.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making such findings and conclusions if such findings and conclusions are not made within 60 days after the conclusion of such hearing.

(g) FINALITY OF DECISION; REVIEW.—

(1) FINALITY.—The decision and order of the administrative law judge under this section shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the entry of the order, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) REVIEW.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by such final order may seek a review of such order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) JURISDICTION.—On the filing of the record of an order under this subsection with the court, the jurisdiction of the court shall be exclusive and the judgment of the court shall be final, except that the judgment shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) COURT ENFORCEMENT OF ADMINISTRATIVE ORDERS.—

(1) POWER OF SECRETARY.—If an order of the Secretary is not appealed under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in such court a written petition praying that such order be enforced.

(2) JURISDICTION.—On the filing of a petition under paragraph (1), the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In such a proceeding, the order of the Secretary shall not be subject to review.

(3) DECREE OF ENFORCEMENT.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify such order, such court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 107. ENFORCEMENT BY CIVIL ACTION.

(a) RIGHT TO BRING CIVIL ACTION.—

(1) IN GENERAL.—Subject to the limitations contained in this section, an eligible employee or any person, including a class or organization on behalf of any eligible employee, or the Secretary may bring a civil action against any employer (including any State employer) to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) NO CHARGE FILED.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 106(b).

(3) LIMITATIONS.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved a settlement agreement or has failed to disapprove a settlement agreement under section 106(b)(4) or 106(c)(4), as appropriate, if such action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 106(c)(3) or 106(c)(6), if such action is based upon a violation alleged in the complaint.

(4) ENFORCEMENT OF SETTLEMENT AGREEMENTS.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) TIMING OF COMMENCEMENT OF CIVIL ACTION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no civil action may be commenced later than 1 year after the date of the last event that constitutes the alleged violation.

(B) EXCEPTION.—In any case in which—

(i) a timely charge is filed under section 106(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 106(c)(4)) occurs later than 11 months after the date on which any alleged violation occurred;

the charging party may commence a civil action not later than 60 days after the date of such failure.

(6) AGENCIES.—The Secretary shall not bring a civil action against any agency of the United States.

(7) EXCLUSIVE JURISDICTION ON COMPLAINT.—On the filing of a complaint with the court under this subsection, the jurisdiction of the court shall be exclusive.

(b) VENUE.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to such violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) NOTIFICATION OF THE SECRETARY; RIGHT TO INTERVENE.—A copy of the complaint in any action by an eligible employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) ATTORNEYS FOR THE SECRETARY.—In any civil action under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 108. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary shall not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 106.

(d) SUBPOENA POWERS, ETC.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

SEC. 109. RELIEF.

(a) INJUNCTIVE RELIEF.—

(1) CEASE AND DESIST.—On finding a violation under section 106, the administrative law judge shall issue an order requiring such person to cease and desist from any act or practice that violates this title.

(2) INJUNCTIONS.—In any civil action brought under section 107, the court may grant as relief against any employer (including any State employer) any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court determines appropriate.

(b) MONETARY DAMAGES.—

(1) IN GENERAL.—Any employer (including any State employer) that violates any provision of this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to such eligible employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) consequential damages, not to exceed 3 times the amount determined under such subparagraph.

(2) GOOD FAITH.—If an employer who has violated this title proves to the satisfaction of the administrative law judge or the court that the act or omission that violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, such judge or the court may, in the discretion of the judge or court, reduce the amount of the liability provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEY'S FEES.—A prevailing party in an action described under this section (other than the United States) may be awarded a reasonable attorney's fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) shall not accrue from a date that is earlier than 2 years prior to the date on which a charge is filed under section 106(b) or a civil action is brought under section 107.

SEC. 110. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—Except as otherwise provided in this section, the rights (including the rights under section 104, which shall extend throughout the period of leave of any employee under this section), remedies, and procedures under this Act shall apply to—

(1) any "local educational agency" (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and its employees; and

(2) any private elementary and secondary school and its employees.

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising the rights of such employee under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.—

(1) IN GENERAL.—Subject to paragraph (2), in any case in which an employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under subparagraph (C) or (D) of section 102(a)(1) that is foreseeable based on planned medical treatment or supervision and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require that such employee elect either—

(A) to take leave for periods of a particular duration, not to exceed the duration of the planned medical treatment or supervision; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(2) APPLICATION.—The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with respect to periods of leave near the conclusion of an academic term in the case of any employee employed principally in an instructional capacity by any such educational agency or school:

(1) LEAVE MORE THAN 5 WEEKS PRIOR TO END OF TERM.—If the employee begins leave under section 102 more than 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) LEAVE LESS THAN 5 WEEKS PRIOR TO END OF TERM.—If the employee begins leave under subparagraph (A), (B), or (C) of section 102(a)(1) during the period that commences 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) LEAVE LESS THAN 3 WEEKS PRIOR TO END OF TERM.—If the employee begins leave under paragraph (A), (B), or (C) of section 102(a)(1) during the period that commences 3 weeks prior to the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require the employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to the restoration of an employee to an equivalent position), in the case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school that has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in the discretion of the judge or court, reduce the amount of the liability provided for under section 109(b)(1) to the amount determined under subparagraph (A) of such section.

SEC. 111. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 112. REGULATIONS.

Not later than 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as are necessary to carry out this title (including regulations under section 106(a)).

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. LEAVE REQUIREMENT.

(a) CIVIL SERVICE EMPLOYEES.—

(1) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—FAMILY LEAVE

"§6381. Definitions

"For purposes of this subchapter:

"(1) The term 'employee' means—

"(A) an 'employee', as defined by section 6301(2) of this title (excluding an individual employed by the Government of the District of Columbia); and

"(B) an individual described in clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 1,000 hours of service during the previous 12-month period.

"(2) The term 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider.

"(3) The term 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"(4) The term 'parent' means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

"§6382. Leave requirement

"(a)(1) An employee shall be entitled, subject to section 6383, to 12 workweeks of leave during any 12-month period—

"(A) because of the birth of a son or daughter of the employee;

"(B) because of the placement of a son or daughter with the employee for adoption or foster care;

"(C) in order to care for the son, daughter, spouse, or parent of the employee who has a serious health condition; or

"(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

"(2) The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employing agency agree otherwise. Leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled under this section.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

"(2)(A) An employee may elect, or an employing agency may require the employee, to substitute for leave under subparagraph (A), (B), or (C) of subsection (a)(1) any of the accrued paid vacation leave, personal leave, or family leave of the employee for any part of the 12-week period of such leave under such paragraph.

"(B) An employee may elect, or an employing agency may require the employee, to substitute for leave under paragraph (1)(D) of subsection (a) any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for any part of the 12-week period of such leave under such paragraph, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(e)(1) In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner that is reasonable and practicable.

"(2) In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment or supervision, the employee—

"(A) shall make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse or parent of the employee; and

"(B) shall provide the employing agency with prior notice of the treatment or supervision in a manner that is reasonable and practicable.

"§6383. Certification

"(a) An employing agency may require that a claim for leave under subparagraph (C) or (D) of section 6382(a)(1), be supported by certification issued by the health care provider of the employee or of the son, daughter, spouse, or parent of the employer, as appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) A certification under subsection (a) shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6382(a)(1)(C), an estimate of the amount of time that the eligible employee is needed to care for the son, daughter, spouse, or parent; and

"(B) for purposes of leave under section 6382(a)(1)(D), a statement that the employee is unable to perform the functions of the employee's position.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 6382(a)(1), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning any information certified under subsection (b) for such leave.

"(2) Any health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§6384. Job protection

"(a) Any employee who takes leave under section 6382 for the intended purpose of the leave shall be entitled, upon return from such leave—

"(1) to be restored by the employing agency to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"(b) The taking of leave under section 6382 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

"(c) Nothing in this section shall be construed to entitle any restored employee to—

"(1) the accrual of any seniority or employment benefits during any period of leave; or

"(2) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

"(d) As a condition to restoration under subsection (a), the employing agency may have a policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work.

"(e) Nothing in this section shall be construed to prohibit an employing agency from requiring an employee on leave under section 6382 to periodically report to the employing agency on the status and intention of the employee to return to work.

"§6385. Prohibition of coercion

"(a) An employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§6386. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 who is placed in a leave status under section 6382 may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909) through the employing agency of the employee, the appropriate employee contributions.

"§6387. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

(2) TABLE OF CONTENTS.—The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:*ERR08*

"SUBCHAPTER V—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Leave requirement.
"6383. Certification.
"6384. Job protection.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.".*ERR08*

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter V of chapter 63,".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter referred to in this title as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave;

(B) the potential costs, benefits, and impact on productivity of such policies on employers; and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 110(a); and

(2) not later than 2 years after the date on which the Commission first meets, prepare and submit, to the appropriate Committees of Congress, a report that may include legislative recommendations concerning coverage of businesses that employ fewer than 50 employees and alternative and equivalent State enforcement of this Act with respect to employees described in section 110(a).

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—

(i) APPOINTMENT.—Two Members each shall be appointed by—

(I) the Speaker of the House of Representatives;

(II) the Majority Leader of the Senate;

(III) the Minority Leader of the House of Representatives; and

(IV) the Minority Leader of the Senate.

(ii) EXPERTISE.—Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTI-DISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or disability.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law that provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish the obligation of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act or any amendment made by this Act shall not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. COVERAGE OF THE SENATE.

(a) COVERAGE.—

(1) APPLICATION.—The rights and protections established under sections 101 through 105 shall apply with respect to a Senate employee and an employing authority of the Senate.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1)—

(A) the term "eligible employee" means a Senate employee; and

(B) the term "employer" means an employing authority of the Senate.

(b) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to sections 101 through 105, shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(c) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under sections 101 through 105.

(d) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under sections 101 through 105, the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by such sections. Such remedies shall apply exclusively.

(e) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in subsection (a) shall be within the exclusive jurisdiction of the United States Senate. The provisions of subsections (b), (c), and (d) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 405. REGULATIONS.

The Secretary of Labor shall prescribe such regulations as are necessary to carry out sections 401 through 403 not later than 60 days after the date of the enactment of this Act.

SEC. 406. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I and II and this title shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date that occurs 12 months after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Thank you, Mr. President. Today I am offering, with my colleagues from Kentucky, Senator FORD, and Indiana, Senator COATS, a compromise amendment, which is a substitute for S. 5, the Family and Medical Leave Act. As a general rule, I have opposed mandates, including some past parental leave legislation. I have even opposed mandates which were supported by 9 out of 10 Members of this body, but I do believe that a case can be made for the adoption of mandates when there are critical national needs.

Can anyone question that strengthening families in America today is a critical national need? Point to a social problem in our country today and very often it can be traced back to an empty childhood or a shattered family. Drugs, violence, crime, all stem in large part from a breakdown of families.

Mr. President, I regret that the issue before us has turned into such a partisan fight.

I regret that because it makes it difficult for me to offer this amendment in the spirit of bipartisanship and compromise and because I feel that a full debate of the issues, rather than which party is doing what to whom, is what is called for now.

After years of stalemate on the family leave issue, it is time to strengthen families facing tough times. It is time to break the deadlock on this issue with a compromise that will work for families as well as main street businesses.

The workplace of the nineties cannot live by the rules of the 1950's. The fact is that more mothers of young children, even infants, work outside the home than ever before. In 1988, married women with young children comprised the majority of new entrants in to the labor force. More than half of women with young infants return to work outside the home within a year of their child's birth. And contrary to what some of the opponents would have you believe, it is not necessarily out of choice that they do so. In most families it simply takes two incomes to pay the bills. To prove my point: we know that more than two-thirds of women in the work force in the United States today are either single parents or have husbands who earn less than $18,000 per year. The fact is a family of three or four cannot live comfortably on under $18,000 per year in most parts of this country. Surveys show us that many married couples would choose to have one person stay home full-time if money were not an object, but it is.

So what happens when a family faces an emergency, an illness, or unexpected chance to adopt, but both partners work? Well, they had better hope they have an understanding employer. Chances are, their employers will not provide coverage for these situations. A 1990 Bureau of Labor statistic study found that only 37 percent of female employees have maternity leave. And of the Fortune 1,500 companies, where one might expect the best coverage of workers, only half offered parental leave beyond the standard 6-week maternity-as-disability period.

Paternity leave is extremely scarce. A 1990 Bureau of Labor statistics study found that only 18 percent of fathers at medium and large firms are covered by unpaid paternity leave. In an era where women contribute to their families' paychecks as a general rule, and some earn more than their husbands, we ought to have policies in place where men can share in child-care responsibilities, if that is what the family chooses.

According to the Chamber of Commerce, 82 percent of employers provide no leave to care for sick children. And if an employee is sick himself or herself, there is a good chance that he or she works for a company that does not even provide sick leave.

Lower income and younger workers are the hardest hit. They are the least likely of all workers to be covered by employee leave policies. The Census Bureau has found that the less education a woman has, the less likely she is to have leave when she gives birth: Of women with less than a high school education, only 36 percent had leave, compared to 79 percent of women with at least 4 years of college. And women in their teens and twenties were less likely to have leave when they gave birth than those over 30.

Employees without adequate leave suffer increased unemployment, something which surely should be factored in when we are talking about the costs of this legislation. The Census Bureau study found that 71 percent of women giving birth who had leave were back at work within 6 months of the birth, compared to only 43 percent of those without leave. The Institute of Womens' Policy Research has found that of female employees who give birth and return to the job market, employees without leave experience on average an additional 104 hours of unemployment solely attributable to lack of leave.

Many companies have told me that they will offer unpaid leave for family needs on a case by case basis, but I believe the statistics I have just cited point out the need for a basic, minimal job protection standard on which all employees can count.

Mr. President, I have not come easily to the position I now hold. For the last several years as I have examined the issues surrounding family and medical leave legislation, I have struggled with two seemingly contradictory beliefs: First, that government should stay out of business' way wherever possible to encourage economic growth and job creation; and second, that as a society we must put children and families first. Indeed, it is well-documented that many of our social afflictions—substance abuse, teen pregnancy, crime and the like—can be traced back to the lack of family structure in an individual's life. Over the last 30 years we have proven that government cannot substitute for families, but we can adopt policies that will strengthen families. And in the case of family leave, we can ensure that employers are provided with a guarantee of job protection to attend to family concerns, in a way that is minimally disruptive to the workplace.

In an effort to address some of the concerns of employers about S. 5's vagueness, potential for abuse and litigation, potential burdensome costs and unwieldy enforcement procedures, my colleagues from Kentucky and Indiana and I have come up with a series of changes which we believe make the bill more workable, and I hope, more palatable.

I should like to highlight what the amendment would do:

First, it contains the same minimum job protection now in S. 5—we would provide up to 12 weeks of unpaid leave per year for the birth or adoption of a child, or the serious illness of the employee or an immediate family member.

All businesses employing fewer than 50 workers would be exempt, and eligibility would be restricted to those who have worked 1,250 hours, or 25 per week, over the previous year. In addition, they would have to have worked for that company for at least 1 year.

Highly compensated key employees would be exempt from coverage if their absence posed an economic hardship to the employer.

We have completely rewritten the enforcement sections to eliminate quadruple damages and to use instead a procedure paralleling the Fair Labor Standards Act, a well-known commodity for both employer and employee.

We have limited the potential for abuse of the leave by requiring that serious health conditions be such that an employee is unable to perform the functions of his or her position or that the employee can prove he or she is needed to care for a sick family member. Certification by a doctor would be required before an employee could take leave. Further, we require that employees provide at least 30 days notice of intention to take leave wherever the need is foreseeable.

Under the substitute, employers would be allowed to recapture health insurance premiums in cases where an employee simply did not return to work.

And employers are given the flexibility to deal with a potentially disruptive leave situation by transferring an employee to an equivalent alternative position.

Taken together, these changes mean the potential for abuse has been drastically curtailed, the employer has the flexibility to accommodate leave situations and the employer no longer needs to fear the potential of frivolous, costly lawsuits.

Now, family leave opponents are arguing that these changes don't address the real concerns of employers—some are even arguing that these changes will make the bill worse.

Mr. President, the simple fact is that opponents of this bill, particularly Washington business lobbyists, don't want to see any changes that might make family leave workable; they are only concerned with its defeat. And some say that they are not weighing this legislation on its merits; they are concerned only about the precedent it will set. Their great concern is that passage of this bill will set us down an irrevocable path of mandating all types of benefits, paid and unpaid. And in order to win this debate, they would have you believe, and the people that they claim to represent believe that the battle we are fighting today is that of government-mandated paid leave for all employees in all circumstances.

Mr. President, that is not the battle we are fighting. That is not the issue at hand. The fact is that 95 percent of all employers, and all of small business, is exempt from coverage of this bill.

And this legislation does not impose burdensome costs. The cost of the average employer's benefits package, when you include health, vacation, pension, unemployment insurance, Social Security contributions, and holidays, exceeds $10,000 per year.

The average cost of this legislation to employers according to the GAO is $5.30 cents per year. GAO has estimated that at most 1 in 275 workers would take the unpaid leave at any given time. That means a business below 100 employees, 50 to 100 workers, would be at most likely to face the situation only once or twice a year and maybe not that often.

Mr. President, as we debate this issue I think it is important to distinguish between the legitimate concerns business people have about making something they want to do—and making them do something they do not want to do, and in many cases already do—workable and the fears and demons which the Washington lobbyists have conjured up to defeat this legislation.

Our compromise addresses the former, not the latter. But I hope over the course of the debate we can persuade our colleagues than we can debunk the crazy myths propounded by some members of the Washington lobby corps, and move on toward enactment of a compromise which will strike a good balance between providing for the needs of American employees and the legitimate concerns of their employers.

I believe we have dealt fairly with the concerns of employers in this country. The larger issue here is strengthening families.

I would like to take just a few remaining moments to highlight the comments of a man I worked with and have a great respect for, T. Berry Brazelton, in an opinion editorial which appeared in the Wall Street Journal called "The Family Leave Act, From the Baby's Point of View." He talks about the family leave debate in the context of the family stress. He says:

> We need to concentrate on a form of desperation that doesn't make the headlines—that of middle-class families. The tension

> created by the necessity for both parents to be in the work force pervades their lives. The parents feel there is not enough time left for caring for their children. The family as a nurturing environment for children seems to be disintegrating. We watch the television pictures of children in Romania's orphanages with long-distance pity. But we are cheating our own children of their childhood as surely as did Ceausescu when he set up orphanages in Romania.

Dr. Brazelton concludes that family bonding after a child is born is crucial to both the baby's well-being and the well-being of the family. The baby's well-being ought to be our key concern, and it is a major objective of this legislation.

Similarly Dr. C. Everett Koop, former Surgeon General, whose general hospital background is pediatrics, emphasizes the importance of the bonding process after birth or adoption in a letter of support for the Family and Medical Leave Act. He goes on to say that:

> Hospitalized children recover more quickly if one or both of their parents can be on hand to love and comfort them to strengthen their determination, to buoy their morale. There is no doubt that when there was someone in a parental role who was interested in a child and his or her recovery, the child was happier and ultimately, in my judgment, healthier.

I conclude my remarks about this amendment at this time with a thought directed at some of my Republican colleagues. Of some of the more outrageous assertions in this debate, I have been accused of trying to weaken the Republican Party. I think that is outrageous. If anything, I hope that Republicans stand for strengthening families, as we always have. I believe that this substitute does just that, and I urge my colleagues' support.

Mr. President, I ask unanimous consent that the Chair count the time that we have just used against our share of the 2 hours on the Bond-Ford-Coats amendment. I need to confer with my cosponsors before formally calling up the amendment to see if there are any final changes but I believe in the interest of expeditious hearing of this matter that my remarks should be counted toward that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

It is the Chair's understanding that the two managers are to speak before any amendment is sent up.

Mr. FORD. Mr. President, the Chair is correct, and I ask that Senator BOND have charge of the 2 hours which is equally divided, and ask that he yield me approximately 10 minutes.

Mr. BOND. Mr. President, I am happy to yield my colleague from Kentucky such time as he may require.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, first let me compliment my good friend, Senator DODD from Connecticut, for his persistence, patience, and ability to accept the push and pull that has taken place as it relates to bringing this place of legislation to the floor.

Also, let me compliment my friend from Missouri, Senator BOND, for his effort in working to come up with a compromise that business could be more comfortable with, one that I believe will be acceptable, and my neighbor to the north, Senator COATS, who has worked diligently to put this piece of legislation or our proposed substitute together.

I regret that a party has to, I guess, lower itself to a point where they accuse an individual of damaging the Republican Party because a Member or two from that party would like to help families, would like to help children, would like to make us more productive through a good feeling of employment.

So I say to my friend from Missouri, let it roll off his back like water off a duck's back, if they criticize him because what he is doing is in the best interests of family, children, and productivity.

The other industrial nations that are going ahead of this country have the family leave program. So if they are getting ahead of us maybe we are doing something wrong.

So I hope he will not let it bother him too much and he will not lose too much sleep at night from criticism within his own party.

I am pleased that the Senate will now be able to get on with the action on the Family and Medical Leave Act, S. 5. The small business compromise that I and my distinguished colleagues, Senators BOND and COATS, are offering to this measure is an honest attempt to respond to the legitimate concerns of the business community. We have attempted to produce a workable bill for business that will ensure that workers will not have to choose jobs over families in times of family crisis and emergency.

The fact is, Mr. President, that 25 percent of all our children live in single-family homes, and it is growing. There are 11 million children under the age of 6 in this Nation who have full-time working mothers. When that child becomes ill, his or her parent must often jeopardize their job in order to care for that child.

According to the former Surgeon General, C. Everett Koop—and my distinguished friend elaborated on this—a hospitalized child recovers more quickly if one or both parents can be at the child's side. I do not believe there is a Senator here who, if they had a child that was in trouble, or had been injured, or was sick, would not be at that child's side. Yet, we do not want to pass a piece of legislation, or some do not want to pass this legislation, to give everyone an opportunity to go and be by their child or parent's side in time of emergency.

But if that parent—who in 1 out of 4 cases, 25 percent, is a single parent, does not have access to leave or must risk losing their job and possibly their health care coverage at a time when the family needs it most—does not take leave that child will suffer.

The fact is, Mr. President, 1 million full-time working moms require care for both their disabled parent and one or more children. The fact is an estimated 80 to 90 percent of all the care for the elderly today is informed care provided by the families. Let me repeat that: 80 to 90 percent of all the care for our elderly today is informal care provided by families.

When that parent becomes ill, or develops life-threatening conditions, such as Alzheimer's disease, cancer, or stroke, and needs care, his or her children must jeopardize their job in order to care for them.

So as we say down in west Kentucky, Mr. President, something about that "ain't" right.

As our society ages, the demands on adult children to provide basic care and support will increase. In those cases where an adult child has no access to a vacation or emergency leave, that parent will suffer.

As Americans' workplace changes, the need for uniform jobs protection increases. Women are now up to 45 percent of our work force. By about 1995, more than 65 percent of our preschool children will have a mother working full time. If business and industry are to continue to grow, we must recognize and value the needs of these workers.

While I wish we could depend upon business to voluntarily do the right thing for these workers, it is clear that this is not the case. Moreover, as our society becomes more mobile, workers need to know that uniform protection will be available.

Senators BOND, COATS, and I have listened long and hard to the concerns of the business community, and many of them were legitimate. The changes included in our compromise provide maximum flexibility for employers to accommodate family needs without disrupting the workplace.

The bottom line is, for as little as $5.30 per employee per year, this bill will bring both stability and increased productivity to our work force by assuring workers that they will not lose their jobs if they put their families first. Knowing that they will not be put in the position of choosing between family needs and a job, workers will be more productive, more loyal to their employers, and will ultimately provide a more stable work force for their employers.

We believes we have a good, balanced compromise. I believe that this bill is not a mandated benefits bill, but a family value bill. While we cannot legislate values in this body, we can stand up for those things that we believe are right and in the best interest of this Nation. As we continue to grow and compete with other developed nations, such as Germany and Japan, who have family leave policies, we must ensure that the very values that made this Nation great are not undermined by our drive to be competitive. Given the chance and the full story, I believe that most businesses will support this measure.

In my visits across Kentucky during August, and in recent conversations with Kentucky businessmen and women, I find that when you explain this bill to them, and the changes that we are proposing in the Bond-Ford-Coats compromise, they tend to move such problems with the bill.

On Main Street, U.S.A. businessmen and women are also family men and women who understand the value of allowing parents to be good parents and children to be supportive children in times of need. Let me give my colleagues an actual example of what I think is happening with this bill.

On Monday, my office was flooded with calls from businesses opposed to this bill, ginned up by those organizations inside the beltway trying to substantiate the high salaries they get, and they did not legitimately tell the small businessmen what the Ford-Bond-Coats compromise was. They got that same old song, same old song. Most used the standard line that they oppose mandated benefits. One particular small businessman from one of our poorer regions in rural eastern Kentucky called to express his opposition to this bill.

My staff began asking questions about the size of his business and the company leave policy. While this employer has a paid vacation policy, he has no sick leave policy, because he just cannot afford it. As it turns out, he has only 30 employees. So he will not be covered by this bill. As with most businesses, he has plans and hopes to expand.

When my staff explained the changes made in the Bond-Ford-Coats compromise, particularly the key employee exemption, the notice provisions, and the estimated annual cost of only $5.30 per employee, he softened. My staff explained that this bill was not really a mandated benefits bill but a job protection bill designed to help working families, to which he commented that his firm was employee oriented. He is all for job protection and really did not have all that much problem with our bill.

This is the attitude I have found, Mr. President, all over Main Street Kentucky. While Washington lobbyists and national groups may oppose this bill, they are having to work overtime to misrepresent what this compromise to the bill does in order to gin up opposition. The fact is that most businessmen and women have families and family emergencies, and they do not need the Small Business Administration study to tell them that it is always less expensive to accommodate the needs than to replace the worker.

So, Mr. President, let us put the rhetoric aside; let us see this bill for what it really is and not as those inside the beltway wish it to be. Let us do the right thing for the American families. It is time that this body puts the American families first.

I yield the floor.

The PRESIDING OFFICER. (Mr. KOHL). The Senator from Utah is recognized.

Mr. HATCH. Mr. President, today, to get down to the issue at hand, I want to compliment Senator DODD for his efforts in trying to resolve these problems of family and medical leave. These are problems that I do not think are unresolvable. The fact is I think everybody here would like to encourage business and everybody else in our society to provide for some form of leave. The real difference is that the Dodd bill, even as amended by the Bond amendment, is a mandatory bill; it is a bill mandating on the back of business people in this country—especially businesses of a certain size—that they have to do this while leaving everybody else out of the picture.

I mean it is a nice ploy but it really does not cover the problem the way it should.

I compliment Senator DODD for his leadership in trying to do something here. I believe that all businesses ought to voluntarily provide for parental leave and medical leave. It is the mandate that the President objects to, and rightly so. It mandates that we select for the individual employers—or employers and employees—we select for them the fringe benefit they are going to bet in this case. And when you select one fringe benefit, that means you exclude others, because there are only so much money out there that can be spent for these matters.

Frankly, the mandate is what really has put a lot of countries into the problem. The problem is that these countries have been so socialized, have mandate after mandate, that it is easy to create mandates and it is very difficult to stop them from crippling them once you start.

The President's point is that if we mandate parental leave, why not mandate a hundred other things that are also wonderful things if you can do them. The answer to it is we should not mandate. We ought to encourage, but we should not mandate.

Mr. President, my good friend and colleague, Senator DODD, is quite fond of quoting that famous philosopher, Yogi Berra, who once observed, "its like deja vu all over again."

Never has that quote been more appropriate than today as we begin consideration of S. 5, the Family and Medical Leave Act. Because, to be frank, despite the sales pitch we are going to be given about a bipartisan compromise, we are still being offered an unprecedented, inflexible, Government mandated employee benefit which will strangle personal freedom of choice. It is a radical change in law despite a few minor adjustments.

As a man not given to taking wooden nickles, President bush turned down the deal flatly.

That should be no surprise. As I said, neither the substance, nor the political landscape, has changed since last year when the same mandated benefit was promptly returned without President Bush's signature. And, this year, like last year, and the year before, President Bush has asked us to consider three simple questions:

First, do we really believe this bill is going to help the United States compete in the global marketplace?

Second, do we really believe that enactment of this bill will help in achieving full economic recovery rather than impede this recovery?

Third, is this unprecedented insertion of a government mandate over personal choice really worth the benefit which we are being told offsets this invasion of freedom?

These are very fundamental questions that I believe the citizens of the United States would expect us to ask about any legislation we consider. They are important questions with implications that stretch far into our domestic and international economic base. They are not questions that we should take lightly.

President Bush would not veto any legislation without having extended it this high degree of inquiry and analysis, particularly legislation that purported to help families. But, on the basis of that well researched investigation of the pros and cons, our Nation's best economic minds have concluded that the likely benefits of this Government mandated benefit simply do not outweigh the intrusive nature of this invasion of personal freedom by the Federal Government. The benefits simply do not offset the very real danger to our economic recovery and to our ability to compete internationally that this bill will cause.

In other words, President Bush and his advisors have uniformly answered each of the three questions I posed with a resounding no.

No, this bill will not help us compete with our global rivals.

No, this bill will not help us in our Nation's efforts to fully recover economically.

No, this bill does not provide more personal freedom and flexibility.

It takes it away. And it imposes the Federal Government on business in this society in a way that will not get the job done anyway.

But, while it is the same old business here, a lot of other things certainly have changed in the world since we last entertained the idea of mandating employee benefits in the United States.

For instance, just a few weeks ago, on September 15, 1991, the Swedish electorate soundly rejected the idea of a centrally planned government which mandates inflexible benefits exactly like this one.

In doing so, Mr. President, Sweden has now joined the wave of popular opposition to central government control and one-size-fits-all mandates, in favor of a smaller, less intrusive government role. The expectations of the people of Sweden are lower taxes, and trimmed back, more realistic social programs.

The people of Sweden, by virtue of the so-called model mandated benefits which had been shoved upon them by their government, had produced a nation wherein an astounding 57.7 percent of the country's gross national product was government spending. And it is precisely mandates like this that caused that to occur.

That was yesterday for the people of Sweden. They have now said, no more. They have said, take back the mandated benefits—we don't want them at this price.

As I recall, just last year, the Senator from Connecticut was contrasting the United States system to Sweden's, trying to convince us that we were somehow missing something.

"The United States is the only industrialized nation other than South Africa that does not have these government mandated benefits," the Senator from Connecticut repeated over and over again.

Is this not just a bit ironic? As the rest of the world moves toward freedom and individual choice, as the rest of the world rejects their experiments with paternalistic human resources policies, here we are in the United States trying to model our economic system after theirs.

Reporting the downfall of Sweden's Social Democrats, the Washington Post said the people of Sweden did not want—I quote "a suffocating welfare state that costs too much and exerts too much influence over their lives." They rejected mandated government benefits.

Now, true, this is only one mandated Government benefit, but it is one of many that are already on the books and one of many that are going to come if this one passes and if it is not soundly rejected by the President, and vetoed, and sustained.

Why? Swedes, it is reported, died while waiting for bypass surgery as access to vital health care services became increasingly difficult in Sweden's model system. Swedes paid several dollars for bread. Swedish children cannot get into day-care centers. And, Swedish industry has become an oxymoron, as most investment by the private sector is in other countries, not their own.

This is a model system for the United States?

If there is one lesson to learn, Mr. President, from the unrest we have seen in the world over the past few years, it is that our interest in the family simply cannot be separated from our interest in a strong, vital economy. One without the other is deficient.

It is a strong, vital, economy that delivers the jobs to families and keeps food on their tables. It is a strong, vital, economy that produces an astounding array of goods and services in this Nation—goods and services of such diversity, and abundance, that we are the envy of the world, not vice versa.

The Government cannot mandate this kind of economic situation, Mr. President. Just go ask the Swedes. Just go ask the proud citizens of Poland about government mandates for what they think is good for the family.

Just how could the balance between family and a strong economy have been missed by so great a distance as to make small businesses, the backbones of our Nation, so vigorously opposed to this measure.

We do not have to look too far for an answer, Mr. President. Because, President Bush, in straightforward, unambiguous language, told us why in his veto message last year.

President Bush explained that, by focusing exclusively upon a rigid, one-size-fits-all federally mandated benefit, the economic end of the scale is empty. And, that obviously cannot create balance.

Here is how he explained it: While—

> I am returning (this bill) without my approval. * * * I want to emphasize my belief that time off for a child's birth or adoption or for family illness is an important benefit for employers to offer employees. I strongly object, however, to the Federal Government mandating leave policies for America's employers and work force. This bill would do just that.
>
> America faces its stiffest economic competition in history. If our Nation's employers are to succeed in an increasingly complex and competitive global marketplace, they must have the flexibility to meet both this challenge and the needs of their employees. We must ensure that Federal policies do not stifle the creation of new jobs, nor result in the elimination of existing jobs. The Administration is committed to policies that create jobs throughout the economy—serving the most fundamental needs of working families.
>
> The strong American labor market of the past decade is a sign of how effectively our current labor policies work. Between 1980 and 1989, the United States created 18 million new jobs. In contrast, within European countries, where mandated benefits are more extensive and labor markets less flexible, job growth has been weak. Between 1980 and 1989, all of Europe generated only 5 million new jobs. As a nation, we must continue the policies that have been so effective in fostering the creation of jobs throughout our economy. (This bill) is fundamentally at odds with this crucial objective.

The President continues:

> (This bill) ignores the realities of today's work place and the diverse needs of workers. Some employees may believe that shorter paid leave is more important than the lengthy, unpaid leave mandated by this legislation. Caring for a sick friend, aunt, or brother might be as critical to one employee as caring for a child to another. In other cases, some employees may prefer increased health insurance or pension coverage rather than unpaid family and medical leave.
>
> Choosing among these options traditionally has been within the purview of employer-employee negotiation or the collective bargaining process. By substituting a "one-size-fits-all" Government mandate for innovative individual agreements, this bill ignores the different family needs and preferences of employees and unduly limits the role of labor-management negotiations.
>
> We must also recognize that mandated benefits may limit the ability of some employers to provide other benefits of importance to their employees. Over the past few years, we have seen a dramatic increase in the number of employers who are offering child care assistance, pregnancy leave, parental leave, flexible scheduling, and cafeteria benefits. The number of innovative benefit plans will continue to grow as employers endeavor to attract and keep skilled workers. Mandated benefits raise the risk of stifling the development of such innovative benefit plans.

The President closes:

> My Administration is strongly committed to policies that recognize that the relationship between work and family must be complementary, and not one that involves conflict. If these policies are to meet the diverse needs of our nation, they must be carefully, flexibly, and sensitively crafted at the work places by employers and employees, and not through Government mandates imposed by legislation such as (this).

Mr. President, clearly, no one wants to help American families more than President Bush. We all want to help families who want, and need, more time for essential functions.

But, in plain truth, the issue is one of method, not motive. No Republican Member I know, and not one employer I have ever spoken to, disagrees with the purpose—but, they strongly object to the mandate. They strongly object to the Federal intrusion.

I know the Senator from Connecticut never wanted this to turn into such an embittered stalemate between the businesses who oppose this bill and the interest groups who support it. That should not have happened. That is tragic, because both management and labor have families. They are the same in this regard. And, they need to work with each other, rather than against each other, if family life in this country is ever going to work its way out of this recession and into a competitive position internationally.

Method, not motive, drives this debate. Design, not purpose, has created the barriers between us.

But, our disagreement over method and design is fundamental. It is an issue about the role of Government—whether the United States Congress is going to offer families in the United States the type of help that the Social Democrats in Sweden offered; or, whether we will offer the type of help that provides personal choice and individual flexibility.

Unfortunately, the President will veto this bill. That veto will be sustained. The bottom line is, sadly, that all of the efforts of the Senator from Connecticut and the Senator from Missouri will go down the drain because the structure of their bill is a mandate requiring employers to give workers something they have not earned.

It costs nothing to give back something that has already been earned, Mr. President. The economic turmoil begins at the point when we in Congress mandate that employers provide benefits not earned. And, that is when the three general principles I mentioned earlier come into play.

Let me repeat these three principles so we can all use them as benchmarks for evaluating the acceptability of the legislation we are being asked to support.

First, do the facts reveal that the implementation of this mandate for unearned benefits would weaken our Nation's competitive posture in the global marketplace?

Second, as the United States struggles to fully regain domestic economic strength and vitality, should we entertain a mandate that business provide unearned benefits?

Third, the days when we in the Congress mandate unnecessary, inflexible, rigid Federal standards which choke off individual choice—benefits—should be long, long over. Congress has never mandated that employers pay benefits that have not been earned. Should we begin at this critical moment in our economy's transition into recovery to require a rigid, inflexible benefit that some Americans may not even want? And many will not even want this, although there are some who will.

Let me share with my colleagues how a recent article by Claudia Winkler, in the Washington Times, answered this question. Looking at what had happened in Sweden, she concluded, "an overreaching welfare state is extraordinarily hard to prune back. Americans should go no further toward creating one here."

That is what this debate is all about. Do we want to take this step toward creating an America modeled after Sweden and other nations which use Government-mandated benefits as the centerpiece of their social policy?

The New York Times ran an article dated September 26, 1991, in which the following rationale for supporting this bill was offered:

> The Dodd-Bond bill is cautious; its cost will likely be measured in the hundreds of millions of dollars. Meanwhile, the bill sends an important signal about how society values families and children. These gains are worth grabbing.

In another Washington Times article on September 26, 1991, this was said about the Dodd-Bond bill:

> The Dodd-Bond bill benefits mostly upper-class couples who can afford to take unpaid leave, penalizing those who earn less money and have to return to work as early as they can and get fewer benefits.

The article, by nationally syndicated columnist Suzanne Fields, concludes:

> More than half of the businesses surveyed by Gallup for the National Federation of Independent Business say that they will finance the imposed leave with cuts in insurance and vacation benefits provided to other employees.

The Senator from Connecticut has said he has been offered no evidence that any business has ever scaled back on another benefit to pay for mandated leave. More than half of the small businesses in the Nation say they would do exactly that.

And, that raises the question of whether individuals may prefer the benefits that may be taken away over the Government mandates that will trigger the tradeoff.

First, plain common sense suggests that personal choice is limited by the imposition of a one-size-fits-all Government mandate. The vast majority of working families want the flexibility to choose for themselves what is best for their families. For instance:

A recent poll by the Gallup organization reveals that 99 percent of all the employees in the United States, 99 percent, when asked in straightforward terms what their most valuable benefits would be, chose fringe benefit areas other than family leave or personal medical leave.

Thus, only 1 percent of all working family members surveyed in this Nation said they would value the leave benefits provided under S. 5 above all their personally applicable benefits for their families.

Evidence also strongly suggests that employees vastly prefer to control their own futures. Working family members want, and demand, the ability to choose their own benefits packages—by this I mean benefits relevant to their own unique circumstances and lifestyles. Exemplifying this demand is:

A 1991 study by the Penn-Schoen organization found that 89 percent of all adults polled in the United States prefer to have employee benefits freely negotiated between themselves and their employers and not imposed by Federal mandate.

In another recent study conducted by the American Enterprise Institute, data revealed that a majority of Americans believed that the Government should not mandate that employers provide benefits such as family and medical leave.

This study found that only 31 percent, less than one-third of those questioned, believed that granting unpaid leave was something that a company should be forced to do.

Now, other surveys strongly evidence the belief of working parents that they need flexibility to spend more than 12 weeks with their children following birth—that any help the Congress provides in this area ought to extend an option to spend more than 12 weeks.

This very strong desire is evidenced through the most recent Census Bureau data that reveal that 67.1 percent of all mothers remain at home with a newborn after the first 12 weeks have passed.

In fact, almost 50 percent of new mothers, according to this Census Bureau data, do not work for pay at all during the first year of their newborn's life. Half—a full half—of all new mothers decide not to work during the first year.

Census Bureau data also reveal that almost 50 percent of all working mothers who do return to work after just 12 weeks following the birth of a child, and before the expiration of 1 year thereafter, choose, freely choose, part-time working arrangements rather than full-time working arrangements.

And, even more astounding, the evidence unequivocally suggests that fully half of the women who left work for the birth of a baby expressed the desire to remain at home for the first 2 or 3 years of their child's life.

And, a full 39 percent expressed a desire to remain with their new child until he or she started school at age 6.

Maybe the Census Bureau got it all wrong. But, when one adds it all up, it appears to me that these facts paint a rather clear picture of the utility of the Dodd-Bond bill as it stacks up against the desires and needs of working parents.

Now other strong evidence finds no compelling need, at all, for S. 5. For instance:

A 1985 Harris poll found that a full 73 percent of U.S. employees believed that their employer already made adequate provision for both emergency and regular needs of working parents. When specifically asked if they were happy with the arrangements made, nearly three-quarters of all working Americans were quite content. Think about that.

In fact, a recent survey by the U.S. Chamber of Commerce found that 99 percent of the 6,367 companies questioned voluntarily—they did not need a mandate to do it—they voluntarily provided some type of paid fringe benefits to assist working families such as hospital coverage, profit sharing, dental plans, and/or family leave.

What is more, a recent Conference Board Study, released just a few weeks ago, found that nearly two-thirds of the companies that participated said that they had expanded work-family programs in their workplaces during the past year.

These respondents cited alternative work arrangements such as part-time, job sharing, telecommuting, and compressed workweeks as arrangements which have been put in place to facilitate a better balance between work and family.

In all, 9 of 10 companies provided benefits far beyond those legally required, and 8 of 10 provided such benefits in the form of cafeteria plans under which employees could freely choose the types of benefits most appropriate for their individual circumstances.

I believe this argues for flexibility and the ability to choose. What working families really want, and what in practice has been happening in this area, are things the Congress simply cannot address with a mandate of 12 weeks leave, chosen to the exclusion of all other fringe benefits. These data clearly suggest that this was the question put to the people and that their answer was "No." They want flexibility to work out solutions, not one-size-fits-all mandates that will actually limit the boss' options for accommodating our needs.

Other evidence strongly suggests that given a choice, employees prefer to have greater choice in deciding the types of benefits they receive over more benefits, per se. In other words, quality, not quantity, is what people are telling us they want.

A 1986 study by the Opinion Research Corp. found that 70 percent of those employees questioned said that they would pay more out of pocket for the opportunity to configure benefits to better meet their own personal needs rather than have these choices made by an employer.

So if we listen to what the people are saying, what they clearly want is flexibility to choose among competing fringe benefit programs and not have mandated what they have to take.

Regardless of the well-intended motivations of Members of the U.S. Senate, they are clearly telling us thanks, but no thanks; we do not want it. They do not want the Congress to make these choices for them. Moreover, not only does the data prove that most employers are already responding to these needs, but also 73 percent of working Americans asked in a Harris poll said strongly that they believe their employer already made adequate provision for both emergency and regular needs of parents.

Mr. President, if this suggests anything, it is that the voices that we have been listening to in Congress represent a small minority of Americans. If there is any doubt about this, consider another recent survey which indicates that as many as 90 percent of all Americans have absolutely no idea that the Congress is considering this bill today.

From this small minority of advocates, the proponents have gathered some impressive anecdotal evidence, and this type of evidence is very helpful in sensitizing legislators to the types of problems faced by some families. Indeed, I sympathize with these citizens and sincerely regret that they have experienced so much difficulty. There are anecdotes and there are cases where things are not good, but does that justify mandating a Federal program on top of all the other mandates we have and emphasizing that there will be a lot more if this one passes?

It seems that these views really are out of step with the majority. But assuming we all have the desire to help balance the family work of the minority of Americans who are petitioning us to do so, the question is whether we must resort to a policy that is in such obvious conflict with everyone else. Let me share some of the evidence that relates to the discriminatory impact of S. 5.

What we mean by discriminatory impact is that different classes in this country benefit in varying degrees and that many will receive no benefit at all from this type of mandate. For instance, because of an exclusion based on business size, almost half of the working family members of the United States are not even eligible for mandated benefits under this bill. Almost half will not even be affected, will not receive these benefits, and yet we are mandating them throughout the society.

In fact, data finds that 95 percent of the businesses operating in the United States have 50 employees or fewer. This is the cutoff. Ninety-five percent.

Companies employing 50 or fewer workers provide jobs to almost half of the total U.S. employment picture. They are not covered by this. The reason they are not is because of the expenses, because they could not get it passed if they tried to, because everybody knows this is going to be a costly thing to society, and everybody knows we are going to be choosing the fringe benefits by the almighty wisdom of us in Congress, all 535 of us. We will be choosing the benefits for half of the 120 million employees in this country and excluding the other half.

Thus, it takes no mathematical genius to conclude that based on the facts, almost half of the working family members in America will receive no benefit at all from S. 5. Data from the Small Business Administration indicates that small businesses, those that would be exempt under this proposal, are where a disproportionate number of women and minorities work in this country. Thus, those individuals who really probably need these benefits the most, and those we think would be more inclined to use family leave benefits as well, are those the least served under S. 5.

I am not presenting this evidence so it will cover 100 percent. We cannot do that. If we did that, everybody would understand what a crummy piece of legislation this is, though well-intentioned.

On page 34 of the State of the Small Business: A Report to the President, a report that was transmitted to the Congress, it states: "Women are more likely to be employed in small business." So who is going to be hurt by this the most? Women. And generally single heads of households, and that is two-thirds of the women's work force in America, by the way. They are either single heads of household with children at home or they are married to husbands who earn less than $15,000 a year. We found that out in the child-care debate.

It seems, obviously, since small businesses with fewer than 15 employees are exempt and small businesses hire a disproportionate number of women, that S. 5 has missed the mark. It has missed its mark, that is for sure and it is discriminatory. This legislation is not covering those individuals the bill's sponsors say it is supposed to help. Again, we are going to be covering those businesses with 15 employees or better—they generally pay more and give more—while the others, the people who really need it, are left out. The reason they are is because they could not pass the bill if they put them in.

Moreover, those excluded by S. 5 are hit by both barrels of this discrimination shotgun, and this is why: Mandated benefits are not free. As much as they tell you that it is only going to cost $5.30 per employee per year, if you believe that, then, to borrow a quote from Senator KENNEDY, I have a bridge in Brooklyn I would like to sell to you.

Mandated benefits are not free. If they were, we would give anyone an unlimited amount of time off for any reason and not be concerned for the impact on the economy. Why should we give an unlimited amount of time off? Why should we not give them 6 years for those children? It makes sense to me if that is what we are trying to do. If we are trying to help families, why do we not help them the right way?

The reason we cannot is because it is expensive doing what they are doing here and it is discriminatory favoring some in our society against everyone else.

Economics 101 provides some real world insight about the impact of mandating new benefits. It teaches that faced with higher costs of production, an employer will cut back other costs and raise prices to compensate. It is a very simple balancing equation. If an employer raises the price of a cheeseburger by a dime, all consumers have to pay that extra dime or go without. It would be impossible for the Federal Government to mandate that only employees eligible for family leave benefits have to pay the extra dime.

So while we will all pay more due to these price increases by virtue of the broad exemption in S. 5, only about half who pay this extra dime will receive any benefit at all. Not only will we turn our backs on those who will most likely need this benefit, but we will also force them to pay so that others much less in need can enjoy these benefits at their expense.

Is it any wonder some commentators are calling S. 5 a yuppie bill? In fact, I am proud to tell Senator DODD I am sure he is going to be the champion of the yuppies in this country once this bill passes. What a wonderful time. He will deserve it, and I will be the first to be there to compliment him on his new title.

Mr. DODD. If my colleague will yield on that point, I appreciate that. But if this is a yuppie bill to provide 6 years of unpaid leave, the only people I can possibly think of who might enjoy that benefit would be the Fortune 500.

Mr. HATCH. As a matter of fact, if you get 6 years of unpaid leave, which my approach would provide without mandating on the backs of the employers and without any costs but recognizing the needs for mothers to be home, I think it is more family-oriented than anything we are doing here today.

Mr. DODD. If my colleague will yield further, to make one point here, I commend my colleague for proposing that piece of legislation. But in fairness to it, to provide 6 years of unpaid leave, I do not know anybody in America, I do not know a single person, even a top paid chief executive officer, who could possibly take advantage of 6 years out of the job without being paid.

Mr. HATCH. They do not have to under my approach. They can take up to 6 years if they want to, which gives them the full flexibility, and take up to a week or 6 years, whichever is better. One thing is for sure, it is not a mandate and applies to everybody equally.

I think it makes sense rather than 12 weeks which does not make sense where there are a lot of costs involved. As I understand it, those costs the Senator claims are only $5.30 per person per year, is that correct? Could I ask the Senator that?

Mr. DODD. I would be delighted to answer. The General Accounting Office, which did the analysis of this says $5.30, a little less than 2 cents a day.

Mr. HATCH. The Senator seems confident in that figure?

Mr. DODD. That is the health insurance that gets carried as opposed to my distinguished colleague from Utah who does not provide for those in 6 years, so there would be no insurance for people. What we do not calculate here, if someone is to take on a new hire, the estimates are that it is far more costly. According to surveys done in the business community—the Small Business Administration, under the Bush administration, did a survey—they claim it would be far more costly for a business to take a new hire than to give someone a few weeks of leave and bring them back or have a temporary come in. So the cost is $5.30 per covered worker per year. We do not know but we can only assume that number would actually be reduced because of the cost savings of not going out and having a new hire.

Mr. HATCH. I am going to try to finish. I notice there are other colleagues who want to speak. I notice the distinguished Senator from Indiana has been here for quite a while.

I have to say that some commentators are calling S. 5 a yuppie bill because individuals currently working in larger businesses receive more while individuals working in smaller businesses receive less, or will certainly be likely to receive fewer benefits in the first place, or no benefits at all. At the same time, all of these individuals pay the extra dime, to use my illustration, for the cheeseburger to pay for those benefits.

Let us look at another economic possibility. The economic alternative to raising prices is to cut costs. Commonly used means of cutting costs are layoffs, hiring freezes, reduction in hours, or even the dismissal of employees.

Who are the most likely workers to suffer these cutbacks?

Another example of Economics 101 at play in the workplace is that the least productive workers or workers with the least seniority are the first to go. So if we review the evidence about which groups have the least seniority and which seem to possess the fewest skills, again it is women and minority workers because they are most often the newest entrants to the labor force.

Let me address evidence of another nature. That is the evidence that this legislation will force a benefits tradeoff for all employees, not just those taking advantage of leave.

To illustrate, let us talk about an employment situation we can all relate to, the Senate. Each Member of the Senate has a budget to hire staff. Obviously, as much as we may want to, we cannot provide pay and benefits which exceed available funds, although I have noticed in the House they have been able to bounce some checks over there with their own special fund. For any employer, including the Senate, there is a limit.

The employers I have worked with refer to the benefits aspect of this equation as the benefits pie. And like any pie there are only so many slices to be taken before it is all gone, before all the benefits budget dries up.

An elderly worker who may want additional retirement benefits may lose the opportunity to gain this piece of the pie because we in Congress are mandating family leave benefits.

Single workers who may want more vacation time may lose that option. Workers with teens who may have more interest in profit sharing for college expenses may lose those important options. You could go on and on under different options and different fringe benefits people would want and who will be foreclosed to a degree because of the mandate we are requiring in this bill.

That is precisely why working Americans are telling us that they want choice and flexibility with regard to employer fringe benefits. Without this choice, without this flexibility, we cut off the options of the many to satisfy the needs of the few.

For example, a study prepared by an interest group strongly advocating passage of S. 5 asserts that the costs of S. 5 will not be as great as some employers contend because instead of hiring new workers to perform the jobs of people on leave, those employers will just disburse the work among other employees.

Well, does not common sense dictate that an increase of hours worked by one employee who must remain on the job deprives him or her of time with his or her family? Is this not a discriminatory impact against some so that others can benefit? Someone who cannot afford to take unpaid leave must work longer hours so those who can afford unpaid leave can remain at home with their children.

But, if that is not enough, let us address a more dismal discriminatory impact of this legislation. This is the suggestion that S. 5 may lead to discrimination against younger women of childbearing age that employers will want to avoid hiring if possible.

A recent survey conducted by the Gallup organization found that if Congress passes this bill, 40 percent of the employers said they would be less likely to hire young women. Economically, that is a fact of life. It is discriminatory against young women.

Mr. President, when we put all of this evidence together, I think a few questions are in order. First, if the vast majority of Americans want freedom of choice and flexibility in choosing workplace benefits, why are we entertaining such an inflexible approach as the one contained in S. 5?

The answer is because we as compassionate legislators desire to address the needs of those who need help balancing work and family.

Now, that is fine and good. We all agree with that. But why have we crafted a bill which so strongly discriminates against those who cannot afford unpaid leave so that those who can afford to do it can be given this advantage?

Who are those who cannot afford unpaid leave? A recent study by the senior Republican economist on the Joint Economic Committee told us clearly who could not afford this type of leave. This report says, "Saving rates are lowest among poorest families." I do not think anybody would disagree with that.

Does it take a Ph.D. economist to figure out who will take this leave under S. 5? It is certainly not going to be the poor.

Some have been content to vote for this legislation without having been made aware of that particular fact. But let us face it, a family with no savings cannot seriously consider a quarter-year leave without pay. Conversely, well-to-do families with a sizable nest egg can afford to and will take the time off. You can count on it.

So, Mr. President, I believe this brings me back to the Point where I started. Helping American families is really not the issue here because a high percentage of them already are helped in the sense of businesses what are voluntarily doing this. The others are not. But we could come up with a way of helping them I think without making it mandated. The issue here is whether the United States should enact an unprecedented mandated employee benefit that will not help American workers across the board and in fact will discriminate against about half of the American workers, most of whom will be young women and the poor and minorities. And by the way, the benefits will go primarily to those who probably could afford to do it anyway.

Desire to facilitate a better balance between work and family, it seems to me, is not at issue. But whether this mandated employee benefit is going to help or hinder the United States in efforts to compete in global competition is at issue. That could take away jobs from everybody if we do not do what is right.

Whether or not this is the right time to be enacting Government-mandated benefits when our economy is at a critical stage and turning the corner to full recovery is at issue.

At the beginning of this statement, Mr. President, I said we should never forget that the interests of the American family and the interests of a sound and vital economy should never be viewed as separate.

The purpose of our being here today is supposed to be a facilitation of balance between work and family. So, in closing, I just want to repeat three simple questions and ask that each Senator answer these questions before casting his or her vote.

One, will this particular bill lead America down the road to full economic recovery or will it stall our efforts? I think it is pretty hard to make the case it will help us down the road to economic recovery.

No. 2, will this bill enhance our ability to compete internationally or will it further erode our competitive posture? Keep in mind a lot of countries in the rest of the world that have been under the aegis of Government mandates have been struggling to get them off, to be free like us so they can have the free competitive posture that we do so they can compete, and here we are putting them on at the very same time they are trying to get them off.

Three, would free Americans chose the Government mandate if they were given another choice which extended them the flexibility to meet their own unique family needs? I think it goes without saying that the answer to that is no.

If any of these questions can be answered in the negative, I think we have to wonder if this is the right way to achieve balance between work and family in American life.

I was pleased to have worked with the Senator from Connecticut on the landmark child-care legislation, and he certainly did a great job there. I was very proud to be with him.

I know how sincere he is here. So I do not particularly want any of my remarks to be considered hypercritical of him. His intentions are wholly honorable, good, and I appreciate them and respect them. I can only say I am sorry that he is not on the right side of this issue at this time. Economic-wise he certainly is not. I know from this and other experiences on the Labor Committee, Senator DODD can be very persuasive and is. He has done a remarkable job promoting this bill. If it passes and becomes law, he deserves all the credit. I will not add the latter part on this. But he has done a remarkable job promoting this bill.

I congratulate him for his success to this point. But I beg to differ with him on the merits on the Family and Medical Leave Act even in its slightly revised form. It is only slightly revised by the current amendment, and the amendment offered by my good friend and colleague from St. Louis who himself is trying to resolve this problem in a credible and good way. I wish that other concepts could have been given the same level of attention as we have been giving to this.

I simply reiterate the fact that we are all motivated trying to do what is right for the family. We only differ with the approach. It is the mandate of one-size-fits-all approach that is incorporated in S. 5 that I believe is inconsistent with our Nation's overall economic gains—most importantly, inconsistent with the desires and the needs of America's families.

So I appreciate being able to say these words. I felt like they needed to be said because it at least lays out the groundwork in some of the differences that we have on this bill, and I suggest that all Senators really think this thing over before voting for S. 5; that regardless of what happens, the President is going to veto, and I hope that veto will be sustained.

I hope we will put forth the greater effort trying to find real flexible fringe benefits that will benefit the American people, not just 50 percent of them but all of them.

Thank you. I yield the floor.

Mr. PACKWOOD. Mr. President, I rise today along with Senator DODD, Senator BOND, Senator FORD, and numerous other cosponsors, both Republican and Democrat, in strong support of the Family and Medical Leave Act. I am a longtime advocate of this legislation and today my enthusiasm is even greater because of the growing bipartisan support this bill is receiving. I want to thank Senator BOND and Senator DODD for their hard work to tailor a compromise bill to respond to the concerns of the business community.

My State of Oregon is an excellent example of the success of family and medical leave laws. In 1988, Oregon enacted legislation to allow 12 weeks of parental leave for parents of newborns and seriously ill children. At the time, a great deal of opposition and concern was heard from those who feared it would cost too much, be difficult to implement, and that employers would be forced to cut back other benefits to employees. I am happy to say that experience has proved these claims meritless.

Oregon was so pleased with the benefits of the original legislation that this year it expanded the law to add leave for serious medical conditions. Oregon's new law is one of the Nation's most comprehensive family and medical leave plans.

A report entitled "Beyond the Parental Leave Debate: The Impact of Laws in Four States" was issued on May 22, 1991, by the nonprofit Families and Work Institute. The study featured Oregon and three other States which already have family leave laws. The vast majority of employers in those States reported that they had no problems with those laws—91 percent said that the laws' requirements were not difficult to implement. In fact, 42 percent of Oregon employers said it was actually extremely easy to implement.

The vast majority of employers in all four States surveyed also reported no significant increase in costs.

For example: 81 percent reported no increase in unemployment insurance costs; 71 percent reported no increase in training costs; 55 percent reported no increase in administrative costs; and 73 percent reported no change in health insurance costs.

There may be skeptics among my colleagues who will say, just because a few States have a good experience with family leave, why should I want it for my State? The best answer I can give you is that the Family and Medical Leave Act is profamily. Whatever side of the political spectrum you may be on, profamily legislation benefits your constituents. This bill allows parents to spend the first few critical weeks of their child's life with the child. It also allows a worker whose child, parent, spouse or who himself is critically ill, to take the necessary time for recovery at home. Having the opportunity to deal with a crisis without fear of job loss strengthens families and keeps them together.

The Family and Medical Leave Act has diverse support, including most major women's organizations, church groups including the Catholic Conference, and both conservative and liberal Members of Congress. That is because it is truly profamily: It helps working parents, gives pregnant women more options, and allows families to take care of their own.

I would like to address some of the concerns about the cost of this legislation. From a fiscal standpoint, it is win/win. The taxpayers win, and business wins. Let me explain. When a worker loses a job due to a family crisis, they experience a loss in earnings that is passed on to the taxpayer. Workers who cannot return to their jobs often must resort to receiving assistance from welfare or unemployment. In its 1989 cost estimate of the Family and Medical Leave Act, the General Accounting Office estimated that the cost to the public of not having family and medical leave amounts to about $8 billion annually.

Business wins, too. A study commissioned by the Small Business Administration found that the cost of permanently replacing an employee is significantly greater than that of granting family or medical leave—demonstrating that the Family and Medical Leave Act may actually reduce costs to business.

The Family and Medical Leave Act deserves your support for all these reasons. I urge you to vote for it.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I yield 15 minutes to the distinguished cosponsor of this amendment, the Senator from Indiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, I thank my friend from Missouri for yielding the time. I also thank him for his very serious and effective efforts in addressing some concerns that he and I and others have had relative to the original bill that was introduced.

I think this substitute that we are debating here this morning and which we will be voting on this afternoon addresses those concerns. I am proud to be a cosponsor of that substitute.

I have invested a great deal of time and energy and effort into the question of how we, as a Federal Government, can best respond to the very real, very legitimate needs of our children, youth, and families.

As a Member of the House of Representatives, I served for a number of years as ranking member on the Children, Youth and Families Select Committee and then, upon coming to the Senate, asked for and was privileged to receive ranking position on the Senate equivalent committee, although it is a standing committee in the Senate, on children, family, drugs, and alcohol.

My work on both of those committees and over the past decade or so, and listening to literally hundreds of experts come and testify, visiting sites throughout the country, talking with people who have been interested and invested their time and career into the whole question of the American family, has led to one inescapable conclusion. That conclusion is that the breakdown of the family is the root cause of many, if not most, of the social ills experienced by today's youth and by our families.

We have attempted at the Federal level to address those problems, whether they be substance abuse, child abuse, poverty, problems of housing, education, teen pregnancy, on and on the list goes. We have attempted to address those with now more than 100 Federal programs; 390 separate line-items of expenditures providing billions of dollars of support for our children and families designed to address the problems that they face.

All of those programs address what I would describe as the symptoms of a deeper root cause of the problem or a deeper disease, and many, many experts will tell you—there seems to be a consensus growing among various schools of thought, different points of the political perspective and spectrum—that the family is the root cause of the problem; that dysfunctional families lead to dysfunctional children; that functional families can be the best preventive medicine that money can buy or that society can support.

As a result of this conclusion, I have attempted to address a number of my efforts toward ways of strengthening the American family: That led to my introduction and involvement in the House in the effort back in 1984–85 of doubling the personal exemption which was tragically and shamefully out of proportion to the contributions of the family to this society, which had slipped from its original level in 1948 of $600 per taxpayer and spouse and dependent and increased to $1,000, but measured by any index of inflation was way behind where it should have been.

Thankfully, that legislation was passed in the 1986 Tax Reform Act through introducing a redoubling of that in the Senate. And that is a bill which at some point I hope we can debate, talk about, and enact into law with the American Family Act which is 20 or more separate initiatives all designed to strengthen the family.

I recognize we simply cannot come to Washington, write a law, and mandate strong families; that much of what is taking place in the family in today's society and much of what needs to take place in order to strengthen that family has to come completely outside of any type of legislative effort. But we can encourage, we can remove impediments, we can attempt to foster family friendly policies at the Federal, State, and local government levels.

So when the idea of parental leave came along, it was an idea that captured my attention and many of my sympathies, because as a concept, the idea of parents being able to take time to spend with their children, either at birth or at times of critical illness, or spend times with ailing parents or other family members, that is a very critical concept that we ought to be fostering.

So I was sympathetic to it. While I was not a cosponsor, I indicated that I certainly wanted to support the concept and work toward something that I thought we could all embrace.

I announced in the committee when we held hearings on this, and then addresed it, that while I would not be a cosponsor of Senator DODD's original bill because I felt there were some legitimate concerns that ought to be addressed, I would attempt to work with him to address those concerns, and if we could find a substitute or an alternative that addressed those legitimate business concerns, many of which the Senator from Utah has outlined, then I would support the effort.

I believe in this proposal that we have on the floor here before us today. We have addressed those concerns.

The reality, Mr. President, is that while experts recognize that there can be no substitute for the two-parent family, with one wage earner and one spouse staying home—particularly in those critical early years to nurture the development of that child, while that is the desirable model that best offers hopes for development of stable, nurtured, emotionally well-developed children—the reality is in today's society that is becoming increasingly difficult to achieve.

Economic pressures mandate that many women must enter the workplace to supplement the family income. Some do so in pursuit of a career and in pursuit of furthering their own personal goals. And that is fine. But the reality also is that many women do so because that is the only way they can make ends meet.

It is the only way the mortgage can get paid, the way money can be saved for higher education, and shoes can be bought, bills can be paid, clothes can be provided for their children.

The other reality that we deal with is that, tragically, today many children are being raised in single-parent homes, and many fathers who have fathered those children, who are now separated or divorced from that family, are not providing the support. And those women have absolutely no choice, other than welfare or working to provide for their family.

It is inconceivable to me that we should have policies that would bias that decision to welfare and not in support of providing for the family through the workplace. Yet, in doing so, we obviously face situations where that single parent is the sole breadwinner for the family.

In each of those circumstances arises, on occasion, situations in which time is needed to spend with those children. I would like to make the argument—I will attempt to—that that time needs to be—as Dr. Armand Nicolai of Harvard has said—sustained, continuous, personal, close, warm, and a nurturing relationship between both parents and child. Often that is not possible.

While I make no pretense that this legislation before us today is going to provide that sustained, continuous, nurturing relationship, it is definitely a step in the right direction in doing so.

The question comes to us: How do we cope with this current situation, and how do we address, from a policy standpoint, those policies which will encourage a family-friendly workplace, and encourage, particularly during critical times, the ability of either both parents or one parent, or single parent families, to spend that time with their children at critical points?

It is somewhat ironic to me that much of the opposition to this concept comes from the fact that the situation might be one which is ripe for abuse. People say, well, employees are going to use this not to spend time with their children, but to go deer hunting, and not to spend time with a sick child, but to take a vacation to Disneyland. It is going to be abused.

There are a whole number of reasons, I think, why this will not be the case. But because there were legitimate business concerns that were raised about abuse, about the concept of: What about a key employee, who leaves at a critical time in a job that is important to the families and to the welfare of a particular business? What about the idea of someone being provided benefits, never intending to come back to work after their leave time has expired?

What about the impact on small business—those businesses that really do not have enough employees or cannot provide the flexibility to simply give one or more employees the time off, without some flexibility of arranging that time schedule? Those and others were very legitimate concerns raised by business.

It is for that reason that I had suggested to Senator DODD that we work to resolve those. Through the very diligent efforts of my colleague from Missouri, Senator BOND, through the cooperative spirit evidenced by Senator DODD, and through work that my staff and others have put into this, I believe we have come up with a compromise on this bill that addresses those legitimate business concerns.

First of all, everyone needs to understand that any leave time taken is unpaid. No one is mandating that businesses pay for this leave time. So, in my opinion, that removes a great potential for abuse. Very few, if any, employees are simply going to say: I need 10 or 12 weeks, or whatever, with my child; this is a critical time—either birth, adoption, or critical illness—and I need to have this time; I recognize I will not be paid for it, but it is so important to the functioning of our family that I be there now, and I am willing to do this on an unpaid basis.

That, above all other protections, I think, is a protection for business that is irrefutable. The fact that we have recognized that small businesses will be adversely impacted, and therefore exempted, all those businesses of 50 employees or less, which is 95 percent of the employers in this country, certainly addresses those legitimate concerns of small business.

We have raised in the compromise the number of hours to be worked before you are eligible from 1,000 to 1,250. We have allowed a key employee exemption for 10 percent of the employees to address that situation where you might have a supervisor, or a key person that you need, to be able to sit down and be more flexible in the time. We have a provision to recapture health insurance premiums, if the employee does not come back to work. We have redefined serious health conditions to tighten up on that definition, and to make sure that the employee is unable to perform their functions at their position. We have provided for certification by medical doctors with the right of the employer to require a second opinion. We have tightened up the standards for enforcement.

We have put a whole number of procedures in here designed to address the concerns of business. And I think the product that we have before us today, the Bond-Ford-Coats substitute compromise amendment, strikes a very good balance between the very legitimate needs of parents at critical times in the lives of their families, and the very legitimate concerns of business relative to abuse of this process.

Mr. President, I want to spend a few minutes here talking about what some people have said: "Senator COATS, you have a hidden agenda; you are trying to accomplish something here beyond just the mere technicalities of the bill." And they are right; I do have a hidden agenda. I have a hidden agenda because I think it is good policy for this Nation to encourage mothers and fathers to spend more time with their children, without the fear of losing employment, or losing their jobs. That is what this bill tries to do.

I want us to enact policies that cause people to think about the relationship between parent and child, and what a child needs, particularly in those early years, from his or her parents. I want us to think and evaluate legislation in terms of what impact this will have on the family, because we have a raft of irrefutable testimony that the family is the core functioning essential element of this society, the glue which holds our society together, the basis by which values are transmitted. And strengthening families can reap us immense benefits, not only in terms of future costs to society that result from dysfunctional families, but from the benefits society can achieve from emotionally stable, secure, and nurtured children.

So I do have a hidden agenda. I want to promote policies that give families the opportunity to spend more time with their children.

Is 12 weeks a magic number? No, it is not. The magic number is a lifetime. That is the amount of time that parents need to consider spending with their children in order to provide that strength of families that is so imporant to our society. But is 12 weeks a good start? Yes, it is.

I am hoping that, in 12 weeks, mothers and fathers will fall in love with their children. I am hoping that they will understand the importance of a relationship with their child, which will carry much beyond 12 weeks, which will carry into early years in terms of how they prepare themselves for school, how they are going to be there at critical times in their lives, and that it sends this signal: When you are facing a tough time, whether you are 1 month, 12, 18, or 40 years of age, I am going to be there and available. My job is not more important. I now have the ability to say to my employer that this is really important, this is a critical time. It is so important to me that I am willing to forgo my income. But this is a time I have to be there.

Whether it is to be with elderly parents, critically ill children, or newborns, that is something we need to encourage. A lot of people have written about that, a lot of people that I have listened to very carefully, who have invested their lifetime and their careers in nurturing and fostering development between families and children. They have indicated how important it is to provide this option.

Dr. T. Berry Brazelton, who testified before our committee on a number of occasions, makes an interesting point. He also agrees that 12 weeks is not a magic number. Dr. Brazelton talks about the need of a relationship to exist throughout the child's early years. But he has also said this. He said mothers who know that they have to go back to work too soon—that they have to go back to work too soon; most mothers have to work. They know they have to work. Those that know they have to go back to work too soon after their baby's birth are often afraid to become too attached to the child. They are afraid of breast feeding because the pain of leaving their infant is too great.

This subtle distance between mother and child reduces the parent's ability to parent and the child's ability to develop his potential. When parents learn to nurture the baby, they are bound to learn about the commitment to the baby and to each other.

Dr. Brazelton maintains in order to support families, we as a Nation must protect that period in which the attachment process between parents and baby is solidified and stabilized. Again, is 12 weeks the magic period? No, it is not. We could argue for more. Certainly, 12 weeks is better than the current, 3, 4, or 5 weeks that is the most that any mother can expect.

I think we need to listen when Dr. Brazelton says that mothers who fear that going back to work will interfere with the bond they do not want to break often never try to form that bond in the first place.

Dr. Burton White, a Ph.D. and expert on families, in his book, in the first 3 years of life, stresses that the goal of giving an infant a feeling of being loved and cared for is the single most important goal in getting a child off to a good start in life. Dr. White then goes on to talk about the phases of a child's life, and I wish I had time to develop that. Perhaps some other time we can.

Pennsylvania State University psychologist J. Belsky and many others have written about the extraordinary importance for the human infant to firmly establish a relationship with a caring adult.

The events of that period of life that are the very beginning of life, when a mother looks into a baby's eyes; when a baby for the first time opens his or her eyes and recognizes that there is something special here; when a baby first takes a breast in its mouth and forms that attachment with the mother; the little sounds that take place and the feeling and the touching that takes place, that is a critical time.

To deny a mother that opportunity, or to say to a mother: You have to forfeit that opportunity, even if you are willing to do so without pay, I do not think that that is the kind of policy that we ought to be advocating.

So I am proud to add my name to the very diligent work of my friend from Missouri, my friend from Connecticut, my friend from Kentucky, and others, to try to find that critical balance between family and work, recognizing that unless the workplace is profitable and successful, then we cannot provide economic security for families, but also recognizing that unless that family is strong and has time in which to nurture its development and develop those bonds, that we are not going to have healthy families.

Finding that balance is difficult. I believe we have taken a great step forward in doing that, and I hope that my colleagues will join me in supporting the Bond-Ford-Coats substitute.

I thank my friend from Connecticut for all his dedicated work on this effort, and we literally would not be here on the floor today were it not for his efforts.

Mr. President, I yield back any remaining time I might have.

The PRESIDING OFFICER (Mr. GORE). The Senator from Connecticut.

Mr. DODD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DODD. As I understand it, opening statements by any Member here would not be counted against the time on the respective amendments that have been allocated under the unanimous-consent request.

Is that correct?

The PRESIDING OFFICER. The Senator is correct, so long as those amendments are not pending.

Mr. DODD. I thank the Chair.

Mr. President, first of all, let me begin by expressing my gratitude to some people here who are still on the floor before they may have to leave.

First of all, to Senator BOND of Missouri for his willingness to listen to some arguments, about a year ago, and some offers on how we might deal with what Senator COATS has very correctly described as the critical balance question here. And he has been a remarkable ally in all of this in trying to put together a piece of legislation that will deal with that critical balance, because I do not believe anyone here is desirous of trying to deal with a legitimate problem of one segment of our society at the expense of another. There is no value in that.

If we are going to stand up here and offer a proposal that we think will make a difference for children and families and the price at which we do that is to cripple businesses in this country, then what do we gain, in effect? If we cause erosion in jobs, or in any way cause damage to our economy, it seems to me it becomes a wash, and probably at net loss in the process.

Simultaneously, of what value is it to say that we are only going to watch out for the business interests, and disregard what happens to families and children today, who are caught in the critical problems that have been so eloquently described by my colleagues here this morning already, in the awkward, difficult, frustrating choices that we know already are having an impact on these families and on children?

I do not know of anyone here who wants to be in the position of saying: We are sorry; we want to disregard them because of some concerns, legitimate or illegitimate, identified by the so-called business community. Someone ought to be careful, describing the community that they are a monolith or who imagine it as no difference.

Senator COATS, who I referred to as being an invaluable help on the Subcommittee on Families and Children, has been a terrific supporter of these issues that affect children and families. We have had some disagreements, as is the case with people, on how best to approach some questions, on the fundamental, underlying issue of whether or not we ought to be at least thinking hard and listening to the business people.

We can at least allow you to make some difference in the changing environment that so adversely affects people as they try to cope with the difficult burdens of being parents, being good employees, being good workers, being good breadwinners, and being good children themselves, in this particular legislation, because we are trying our best to have families involved so we do not have institutional care, with unknown people watching out over our own parents. If they are caught in a problem where they need some personal attention or love, no doctor, no nurse, however well intentioned, can even remotely come close to providing the care of a parent or a child when they are in that particular critical moment or time in their lives.

Trying to strike that balance, he has been an unfailing ally in that particular effort, and I am deeply, deeply grateful for his support and backing on this legislation.

Of course, Senator FORD, who is also a cosponsor of the Bond-Ford-Coats substitute, has been a tremendous supporter of trying to fashion again language here that would deal with the critical balance that Senator COATS has described.

So, Mr. President, we have come a long way. It has been 5 years since I first introduced this legislation, and in 5 years we have had voice votes on this bill in the past and never had very lengthy debate about family and medical leave legislation. This is the first real opportunity in 5 years to actually have some full debate, and a few hours from now, a vote on this proposition, a proposition, we feel, whose time has come.

We think it does strike the critical balance between the concerns—legitimate concerns—of business in this country, and the demands and needs of families.

Mr. President, it is somewhat ironic, in a way, that those who I think have spent the time on the issue, and I notice the presence of my colleague from Minnesota, as well. I refer to him for his tireless time and effort. He spent, I do not want to say how many hours of his time, talking about this issue and trying to figure out ways in which we could come up with some good answers here for this particular approach.

But again, I never questioned for a single second his deep commitment to families and children and how best we can do that in a way that will serve their interests. So I thank him.

Mr. DURENBERGER. Mr. President, will the Senator yield?

Mr. DODD. I yield.

Mr. DURENBERGER. Mr. President, I have a comment which I hope is helpful.

First, let me compliment the Senator, because I think I sat with him 5 years ago when he started this process.

Mr. President, I think we all ought to be grateful to our colleague from Connecticut for whatever virtue which you ascribe to somebody who will take something on and spend 5 years trying to bring it to this point.

But I must say, listening to the arguments being made this morning against this legislation, there is one that I am just prompted, at this point—as long as the Senator recognized the fact that we have had differences of opinion—to comment on. And this is the notion that somehow the Senator and his legislation are mandating on every employer in America that they have to give 12 weeks off every year to all of their workers.

I mean, one of the notions that I thought I picked up watching my colleagues this morning is that we are imposing this new mandate on every employer in America, that they have to provide all of this, 12 weeks off, where in effect, as I understand the proposal, it says you cannot fire somebody for paying a certain amount of required attention to their family. As the Senator from Indiana said so clearly here, the birth of a child is important not only to the worker but to the employer. The illness of a family member we know is important to employers in America. How do you think we got 100 billion dollars' worth of tax subsidies under health insurance?

If you want to talk about a mandate that is in existence, let us talk about health insurance. There is not a law that says everybody has to have health insurance, but you, as an employer in America, if you do not have health insurance, you do not get employees. So whoever of our predecessors made the decision we are going to spend the taxpayers' money so that employers could provide health services free for their employees and their families was mandating that if we want to do business in America, you better provide health services for your employees.

So it just struck me, as I listened to this argument about competition this morning and putting America's business out of business, that this mandate business has been around a long time. And it has been around a long time particularly in the areas of health services for families and for workers. This is not new. I will say more about that later.

But in that respect, the knock that has been put on the legislation of the Senator from Connecticut that it mandates the new health benefits is precisely the wrong way to approach this issue.

Again, I appreciate the Senator's leadership.

Mr. DODD. I thank my colleague from Minnesota.

Lastly, Mr. President, no discussion of this legislation would be complete without also making reference to the Chairman of the Labor Committee, without whose leadership and support none of this would happen or move at all. So I am deeply grateful to the senior Senator from Massachusetts [Mr. KENNEDY] as well for providing the leadership on the committee that would help us bring this legislation along to the point that it is today.

Mr. President, I am often struck by the fact that so oftentimes we in this body, no matter how much effort we make to be in touch with our constituencies—and I know Members do spend time on weekends and during recess weeks to be back and discuss the various problems people face—I oftentimes think there are problems our constituencies face that we are not probably as in tune with as we could like to be.

One of those probably is the issue of critical family problems that occur. It is normally not the subject of discussion at town meetings to have someone walk up and talk about a highly personal problem they may have with the death or serious illness of a parent or a spouse or their children and what has happened in that workplace setting.

But we know from our own experience here that many of our colleagues have been in the situation where there has been a serious family problem, and we know how we feel about that among ourselves. And with the permission of the Chair, because as I sat here, Mr. President, thinking about this issue, I was struck with the coincidence that our distinguished colleague in the Chair, the Senator from Tennessee, only a few short months ago went through the critical problem of having a child struck by an automobile. It was a moment of great tension and frustration, I know, for our distinguished friend in the Chair. And the Senator did what I think everybody else in this Chamber would have done. He was there with his child, just as I believe every single Member would have done here.

I do not know this, but I suspect our colleague missed some votes and was not able to attend some hearings here in the Senate that he would otherwise have been a participant of because his son was in trouble. I do not know of a single Member here, I am certain no constituent of his or any editorialist in the country or any commentator on public policy would have ever suggested the distinguished junior Senator from Tennessee should have been anyplace else than where he was.

I mentioned Senator KENNEDY a moment ago. Certainly, many will recall not many years ago when his son was discovered to have cancer. He went through a terrible period of time. I know our colleague from Massachusetts spent time with his child, missed votes, and was not here for a lot of debate on various issues. I know of no one who thought for a single second that he should have been anyplace else.

I saw a moment ago our distinguished colleague from Utah, Senator GARN, my good friend, who courageously donated an organ to one of his children not too many years ago. I know my friend from Utah missed some time, could not be here. I know of no one that would have suggested that he should have done anything else. In fact, I do know that many of our constituents, if not all, applauded the courage of doing it, taking care of a child at the time of need.

And yet none of us in this Chamber were ever even remotely threatened with a loss of employment or the loss of pay—we are not even talking about pay here. We all did what we instinctively knew you had to do just, as others do in the private sector.

A chief executive officer, a top ranking official, if their spouse or their parent or a child were in serious jeopardy, is there any doubt in their mind where they would be at that moment? Would they worry about their pay? Would they worry about their benefits? Would they worry about being criticized for spending time in that particular moment? I defy anyone to suggest to me that that would be the case. No one would be critical.

And yet, regrettably, there are millions of people in this country who are not Members of the Senate, who are not Members of the House of Representatives, who are not chief executive officers, who work on our lines of production, who work in factories and industries, who face the very same problems that U.S. Senators and chief executive officers face every single day.

And yet, unfortunately, they do not receive the same kind of treatment. Because, God forbid, they would go and say to someone, "My wife is seriously ill. I have got a child who is seriously ill. I need time. Don't pay me, but give me some time to be with that family member. And can I please come back and have my job in a few days, a few weeks if it is necessary?" And regrettably the answer over and over again is "No."

Mr. President, all we are trying to do with this bill is to say in those moments that every single American knows and understands—if it has not happened to them personally, it has happened to their own family members or neighbors or coworkers—in that particular moment of crisis, take some time. Take some time. Be with your family, be with your child, be with your spouse, be with your parent and help them get back on their feet and then come on back to work. That is all this legislation does.

And we exempt all small employers because we honestly felt it was not fair to ask a small employer to have to bear that kind of a burden.

And, frankly, Mr. President, small employers, we think, take care of this problem because they know the employee. If it is a small shop, you know your workers, and because in human decency says, if I have someone who works for me, I will take care of them. I am not worried about that.

But where it is a large setting, it is virtually impossible for the employer to know everybody. They cannot be dealing with them on a personal level like that. So we exempt all employers in this country who employ 50 or less people.

We also say to them, under the leadership of Senator BOND and Senator COATS and Senator FORD, in fact, go a bit further. If you have 10 percent of your employment force that you think is critical to you, they are exempt as well. So the number actually goes beyond 50. It can be 10 percent of whatever your number is. We also say, look, you bring up a good point. We count temporary people who come in, part-time people. That can be a burden. You have to be almost a full-time employee. You have to work for a year for the employee to qualify for this.

We went further. We said, listen, if you know you have a problem coming up, you have to let your employer know 30 days in advance of a problem, to try to at least take care of those concerns raised by employers and some business people in this country.

And, Mr. President, I would suggest if the White House has other ideas in this vein they think would help—I have been begging for 5 years for some suggestions on how this can be improved. I must tell my colleagues here I have never had a single response from the White House in 5 years on how do we improve this bill except they were just flatly opposed to it.

So, Mr. President, I would hope today, as our colleagues consider this legislation, they try and step back a bit; step back a bit and move themselves away from a lot of the little details here that I know are important. I know the devil can be in the details and I am not suggesting that they avoid the details. But too often I think we get so involved in the bureaucracy of the bill, what is section 101, what is section 102, paragraph B, subsection 3 says—we can get all wound up in that.

I think Senator BOND will be the first to say we have not crafted a perfect bill here. There is no suggestion of that kind. But I would ask my colleagues to step back and say what are these guys trying to do here? What are they really trying to do? And is what they are trying to do such an impediment, such a burden that it ought to be flatly rejected? Or, do they have a good idea here that may provide, in fact will provide, a needed benefit for people in the workplace today?

I was accused awhile ago of introducing a yuppie bill; this was a yuppie bill. Somehow only those in the upper-income categories will take advantage of this. The Senator from Missouri laid it out in chapter and verse, who we are talking about here. Two out of every three women in the work force today are either single heads of household, the sole providers of their families, or have spouses who earn less than $14,000 a year. I do not know of anyone who would define that crowd as yuppies. In a sense, if they have a family problem, if they have a problem with a child, is there any doubt in their minds what they have to do, how they wrestle with those problems? To suggest this is a yuppie bill is unfortunate, but is an effort, I think, to move the attention away from what legislation is before us and try to create some sort of different argument here than is actually before us.

I will go into greater details on the legislation later, but I really urge my colleagues to step back and just consider what Senator BOND and Senator FORD and Senator COATS are doing here with this substitute. You have to exhaust all your other benefits, by the way. You have to use your vacation time and sick leave and everything else before you get a day of this. We have done everything possible we know how, to assuage the fears and concerns of those in the business community who are worried about what this legislation means. And when some suggest, by the way, that this is going to make us less competitive, our major competitors have proposals dealing with family leave that go far beyond what we have talked about here—the Japanese, the West Germans. In fact, Mr. President, we are the only industrialized country in the world that does not have a proposal like this or something similar to it.

Of our major competitors, we stand alone. The Small Business Administration, I mentioned already, did a survey; the General Accounting Office; surveys of employers in the four Midwestern States have examined this issue. The irony is that every employer who has adopted a family leave policy swears by it. Every witness we had before us who had utilized some fashion of this, said it was one of the best things they had ever done.

It raised their retention rates, dropped absenteeism, increased productivity. The testimony was overwhelming from those who had actually had experience with this. The irony was we heard from some witnesses from the business community who talked about what they thought this might do; what they were fearful it might do. When you compare that testimony from the business community who were actually practicing family and medical leave, there is just no comparison whatsoever.

So I hope as people look at this bill today, if they want to examine some of the details, they will appreciate what we have accomplished here and also understand, with all the rhetoric—and, Mr. President, God knows every single Member of this body, I guarantee, on every single weekend and every single recess, no matter what the subject matter is, stands up and gives a speech today and talks about the American family and how they care about them and how they worry about them and how they are concerned about their welfare and their children. You cannot find a speech being given at the local, State, or Federal level by the President, any Member of Congress in the last 2 years, where the American family is not sitting up there in bright lights.

Mr. President, here is a chance to do something about the speeches; to say to American families we are not only talking about you, we are going to do something for you here.

There is no impact on the Federal budget. There is not a nickel of Federal dollars here. Nobody's taxes are going to be touched. It is 2 cents a day per covered worker. That is what the estimates are from the GAO, and maybe less than that, to provide for the opportunity for people in a family situation to be good employees, to be good, productive citizens and simultaneously be good parents, be good spouses, be good children themselves when it comes to trying to keep this unit together that everyone talks so eloquently about in speeches before every imaginable group in this country.

Today you will have a chance to say whether or not those speeches mean a lot to you. You will go home and talk about families and what you have done for them. Here is something you can do for them in very concrete terms and in no way jeopardize the business community in your State or district in this country at all.

So, Mr. President, again I commend my distinguished colleague from Missouri. He has been courageous. He has shown great intestinal fortitude in facing, I know, a lot of pressures, and I admire him. It is a courage we do not oftentimes see in public life. We have all felt the pressure at one time or another. Some buckle under it. Some stand up to it. The Senator from Missouri stood up, and every Member of this body ought to know it. The Senator from Indiana as well, with the courage he displayed, decided he would put his constituents, his families, his business community first. And that is what they have done by offering this substitute, along with the Senator from Kentucky.

I commend them for their efforts. I am hopeful we will prevail. I am still very hopeful that President Bush will sit down and talk with us, if he has some ideas on how he thinks we can improve this. This debate is not going to be foreclosed today. We are anxious to hear his ideas and suggestions and I am more than willing to incorporate them into this legislation if that will help us get a piece of legislation passed here that will do what we hope it will do for families and workers in this country.

So the offer still is out there. We are anxious to meet, talk, discuss, if that is the case. But today the Senate must express its thoughts and its views and we will have that opportunity in a few short hours. We look forward to that support. We look forward to adopting, after 5 years, a piece of legislation we think will make a difference, a real difference for families in this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I express my sincere thanks to the distinguished Senator from New Mexico. I know he wanted to make a speech off of this measure. Before he does that I want to take a minute to say what is totally unnecessary, and that is, my good friend from Connecticut, who is the original sponsor of this legislation, has demonstrated once again why he is known as the champion of children's and family issues. His most eloquent comments about the very real family crises that Members of this body have felt, touched home to me. None of us lost our jobs. None of us even lost pay. Yet we did not hesitate and we would not hesitate to take time off from work for a family crisis.

I believe he has made the case in a most compelling fashion that the workers who are at the lower end of the scale, as well as those of us fortunate enough to be at the higher end of the pay scale, should have some protection. We do provide that in this measure.

AMENDMENT NO. 1245

(Purpose: To provide a substitute amendment)

Mr. BOND. Mr. President, I now call up amendment No. 1245.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mr. FORD, and Mr. COATS, proposes an amendment numbered 1245.

Mr. BOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BOND. Mr. President, I thank the Chair and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent I be allowed to proceed for up to 5 minutes as in morning business without it counting against the time on this amendment.

The PRESIDING OFFICER. Without objection. It is so ordered.

JUDGE CLARENCE THOMAS

Mr. BINGAMAN. Mr. President, when the Senate votes next week on the nomination of Judge Clarence Thomas to the Supreme Court of the United States, we will be carrying out one of the most important duties entrusted to us by the people of this Nation.

It is a duty none of us take lightly, for the very foundation of our democracy—the Constitution and the Bill of Rights—is at stake. I, like all my colleagues, am well aware of the critical role the next Supreme Court Justice will play in ensuring the stability of that foundation, or in reshaping it.

The decision of whether to consent to this nomination was not an easy one. A decision of this magnitude never is and never should be.

However, after listening to the Judiciary Committee's hearings and reviewing Judge Thomas' professional background, I have concluded that Judge Thomas does not meet the standard that should be required of a Supreme Court nominee. Therefore, Mr. President, I will oppose the President's nomination of Judge Thomas to the Supreme Court.

The reasons for my decision are two: First, I do not believe that Judge Thomas' legal background and experience qualify him to sit on our Nation's highest court; and

Second, I believe that, for whatever reason, Judge Thomas purposely denied the members of the Senate Judiciary Committee and the American people straightforward and credible answers to questions posed during his nomination hearing.

Mr. President, I believe Judge Thomas is a fine man, and my decision to vote against his nomination to the Supreme Court is not intended to take anything away from him or his accomplishments over the last 43 years.

His perseverance in the face of adversity and discrimination and his rise from poverty to the Eighth Circuit Court of Appeals are truly inspiring and admirable. But those accomplishments alone do not qualify him to sit on the Supreme Court of the United States.

We, in the Senate, have the right and the duty to demand more.

The inadequate qualifications of this nominee are plainly evident when his nomination is compared, as Dean Erwin Griswold pointed out during last month's hearing, with the past nominations of Charles Evan Hughes, Harlan Fiske Stone, Robert H. Jackson, and Thurgood Marshall. The depth of experience and ability they brought to their post is what the American people expect and deserve in nominees to the highest court in our land.

The American people have the right to expect that the President will nominate well-qualified, experienced individuals to the Supreme Court. And if he does not, the American people have the right to expect that the members of the Senate will reject the nomination.

Mr. President, I know that there are well-qualified, experienced individuals in the United States—many of them minorities and women—fully qualified to serve on the highest court in the land. But today, Judge Thomas is not one of those people. At some future date, after a period of time on the Court of Appeals, he may be.

The Supreme Court is not intended to be a learning ground. It is not a stepping-stone to something better. It is an irrevocable, life-long position of unparalleled importance and power in our system of Government. And we cannot consent to nominations to the Court with our fingers crossed, hoping that the nominee will evolve into a sufficiently qualified Justice over a period of time.

Too much is at stake; too many important decisions will confront this nominee and this Supreme Court—decisions that will affect our lives and the lives of our children, grandchildren, and even our great-grandchildren.

Judge Thomas' legal background and experience are not the only reasons for my opposition to his nomination. I am also troubled by the nominee's obvious unwillingness to be forthcoming with the members of the Senate Judiciary Committee during last month's hearing.

Certainly, a nominee can refuse to answer any question he chooses; but when questions are repeatedly and purposefully avoided, as I believe they were during last month's hearings, I have to ask myself why, and I have to make my decision on the nomination accordingly.

In the case of Judge Thomas' hearing, I have to ask myself why the nominee's answers were so obviously structured to reveal as little information as possible.

For example, is it realistic to believe that a sitting judge, a man who was in law school when the landmark Roe versus Wade decision was handed down, has no opinion of the case? That he has never discussed it with anyone? This is what he told the committee, despite the fact that he has cited Roe versus

Wade as one of the most important decisions issued by the recent Supreme Court.

Mr. President, as a lawyer, I find such an assertion difficult to comprehend.

In the final analysis, each Member of the Senate must vote on the basis of what he or she believes is in the best interest of the American people. I, for one, do not believe those interests will be well served, at this time, by confirming Judge Thomas as an Associate Justice to the Supreme Court. Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I would like to speak in favor of the pending legislation. I do not believe the managers are here. I ask unanimous consent that I be allowed to speak as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Tennessee is recognized for 5 minutes.

IN SUPPORT OF FAMILY AND MEDICAL LEAVE

Mr. GORE. Mr. President, I am pleased to address the Senate on this occasion in support of the Family and Medical Leave Act. I wish to pay my compliments to the author of the legislation, the Senator from Connecticut, and all of us know what it means to take 5 years and devote it to a project like this. All of us on both sides of the aisle have been personally contacted by the Senator from Connecticut many times during these last 5 years as he has worked so hard to get this legislation to where it is now. I really do want to compliment him for all the work he has done on the substance of this legislation.

I also want to join him in offering compliments to the Senator from Missouri [Mr. BOND], the Senator from Kentucky [Mr. FORD], and the Senator from Indiana [Mr. COATS] who have offered this compromise which has been worked out with the cooperation of the Senator from Connecticut and addresses many of the concerns which were initially expressed by some within the business community about this legislation.

I have received contacts from many in the business community who are still opposed to this legislation, and I understand their opposition, and I also understand the general thrust of the intellectual case made against this bill: If you try to mandate something, you are going to be heavy handed and you are going to create more problems than you solve, and all of that.

But, Mr. President, I want to say to my colleagues, I have evaluated those objections as best as I can and weighed them against the positive results which I am genuinely convinced will come from this legislation. I do not think it is even close. I do not think I have ever seen a piece of legislation come to this Chamber where the merits are so clearly on one side of the argument. I know that sounds maybe a little abrasive to those who sincerely believe the legislation is a bad idea. But it sure does seem like a clear cause has been made for this bill.

Most Americans know too well the difficult decisions that accompany having a family and having a career. Often a worker cannot be with a newborn child, or a sick child, or ailing parent because doing that would mean the risk of losing a job. That has been documented. People can come over here and say those are just anecdotal examples pulled out to make a distorted case. It is just not true.

What the Senator from Connecticut said a few minutes ago is very true; that in the places of business where there are a handful of employees and everybody knows each other on a first-name basis, it is just obviously human nature that this is going to be worked out. But it is also true that since the beginning of the industrial revolution, a distance has opened up between employer and employee. Many businesses, thank goodness, are closing that gap, and even larger firms are figuring out ways to, once again, remain in personal contact with the men and women who work in that business.

But we have not made that transition yet, and so many thousands, and hundreds of thousands, of men and women in this country still work in places where the organizational framework is such that there is not that direct contact. It is in those places of business where the insensitivity creeps in, not because the managers are necessarily bad individuals, but it is just the way that system operates. It is the way it works.

Other Members of the Senate have had personal experiences. I would like to just briefly tell you about my experience. My son was almost killed 2 years ago. When he was in the hospital, my wife and I were able to be there with him. Look at this issue for just a moment, Mr. President, from the standpoint of a child who has been injured. Just try to imagine yourself as a child with a tube going down your throat and not able to talk, with IV's all over the place, and medication, and a tremendous amount of fear, a tremendous amount of uncertainty about what is going to happen, a lot of pain, a lot of anguish, a lot of emotional distress.

What does it mean to you if you are a child in that situation to be able to look up and see the comforting face of your mother and your father? What does it mean? I will tell you, Mr. President. For some children, it means the difference between recovering and not. For some families, it means the difference between surviving that trauma and moving on, and breaking up, and not being able to cope with it.

How many families do you know that have gone through a shattering experience and then suffered an aftershock where the family splits up? It is so common; it happens all the time.

Now, if the child is there in the hospital bed and the parent goes to the employer and says, "My child is injured. I really have to be with my child," and the employer says, "Well, if you go, it means losing your job," what kind of choice is that? What kind of choice is it? It is not a hypothetical case. It happens all too frequently. This legislation will prevent that.

Is this a hard choice? Is it really hard to decide how to vote on this bill? I do not believe it is. I just cannot accept that. I do not think there has ever been legislation in this session of Congress where it was so clear what the right decision is.

The Senator from Indiana spoke eloquently a few moments ago about another case where a newborn is with his or her parents, and the mother of the child has to go immediately back into the work force. And he quoted Dr. Berry Brazelton, one of the authorities who has worked very closely with the Senator from Connecticut in shaping this legislation, who offered some evidence that some parents anticipating the psychological pain of having to rip themselves away from that newborn after 2 or 3 weeks protect their hearts by not letting themselves open up fully and completely and bond totally and fully. So the distance that ought not be there is there. And the child does not sense that? Of course, the child senses that.

You have heard the phrase "dysfunctional families." A whole body of analysis is coming out into the public policy dialog now about the consequence of dysfunctionality in families. What is the beginning of that dysfunctionality? The beginning of it is in that relationship between parent and child. If it is not well established at the beginning, if the child is not given that sense of wholeness and well-being which comes when that relationship is firmly established at the beginning, put on firm footing, then the problems flow from there.

This legislation addresses that. It does not solve all of the problems, but it says that parents with a newborn can go to their employers and say I want a sufficient amount of time to be with this newborn, to get my family off to the right kind of start, establish those relationships at the beginning and avoid the problems that will come later on if that is not done.

Mr. President, there is an awful lot more I could say about this, and I will revise and send for the RECORD.

I close because I know others are waiting to speak. I am pleased and genuinely honored to support this legislation which gives more Americans the option I had when my son was injured, and that is to be where they are supposed to be and to be there when they are needed.

Again, in urging my colleagues to vote for families, vote for strong families and support this legislation, I close where I began. I cannot believe this is all that tough a decision for anybody who really looks at the merits of this legislation. Let us vote for this bill, and if we have to override a veto, whatever we have to do, let us make sure this is the basic law of the land.

I yield the floor.

FAMILY AND MEDICAL LEAVE ACT

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Who yields time on the amendment?

Mr. DODD. Mr. President, I ask unanimous consent that any time the distinguished Senator from Massachusetts may take would come off the time of the distinguished Senator from Missouri.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, it is long past time for the Senate to step up to the plate on the issue of the family and medical leave. This legislation provides long overdue assistance to working parents struggling to balance the responsibilities of work and family.

Senator DODD deserves great credit for his tireless efforts on behalf of America's families and children. Our bill has new momentum and support, because every year that passes, the issue becomes even more urgent for working families, and the resistance of our opponents become even more untenable.

I also want to commend Senator BOND, who has joined in developing a realistic compromise that accommodates many of the concerns raised by the business community.

This bill provides 12 weeks of unpaid leave per year to workers for childbirth or adoption, or when the employee or a close family member such as a parent, child, or spouse had a serious illness. It covers both private and Government employees.

Under the original bill, employees who have worked 20 hours a week for at least 1 year would be eligible to receive the benefits. To meet the concerns of the business community, that threshold has been increased to 25 hours a week in the substitute bill.

To meet the concerns of small business, the bill exempts firms with less than 50 employees within a 75-mile radius. The compromise would also allow an employer to deny leave to the highest paid employees, if their absence poses an economic problem for the business. As a result of these compromises, 95 percent of employers and 60 percent of workers are not covered by this legislation.

Employees would be required to provide either 30 days notice or reasonable notice of leave, whenever possible, so that employers can plan in advance for the absence of the workers.

Another key aspect of this bill requires employers to maintain health insurance coverage during the leave period. Fear of losing health insurance is one of the primary concerns of workers. No worker should have to worry about such coverage at a time when a child or spouse is seriously ill.

To protect businesses, any employee who fraudulently takes such leave is subject to a recoupment action by the employer for the cost of health coverage.

Compared to laws in other countries, this legislation is a modest response to the urgent needs of working families. Canada provides 15 weeks of family leave and 12 weeks of medical leave—with the Government paying 60 percent of the cost.

The West German Government pays 100 percent of the cost of 19 weeks of family leave for its workers.

The need for similar national legislation in the United States is obvious. Today's work force is very different than it was even 10 years ago.

Women are entering the labor market at a rapid rate. Their number has doubled since 1970—and the increase shows no sign of abating. By the year 2000, three out of every four children will have mothers in the work force.

The stereotype of the past—a father at work and a mother at home caring for the children—has increasingly been replaced by families headed by working couples or single working parents.

Two out of three women working outside the home today are the sole providers for their children, or have husbands who earn less than $18,000 a year. Large numbers of families today depend on a woman's income to survive, and our economy needs to adjust to that reality.

Debating whether or not mothers should work is a futile exercise. We cannot turn back the clock to earlier times. Women and mothers are working in record numbers. They will continue to do so, and employers should adapt to their needs and responsibilities.

Some States have made major strides to develop family leave policies to reflect this changing situation in the workplace—but the reforms vary widely from State to State. Similarly, some businesses have voluntarily taken initiatives to address the needs of families by implementing reasonable leave policies. These States and firms should be commended for this progress, but it is far from enough. Family leave is a national issue, and it deserves a national solution.

The productivity of workers and the lives of their families will be improved by sensible steps to make the workplace more responsive to their needs.

When my son, Teddy, was hospitalized with cancer years ago, I spent a great deal of time away from my office in Washington, so that I could be with him. That time away was an obligation I had as a parent. Because Senate schedules are flexible, I was able to take the time off I needed. Millions of Americans are not so lucky, and they deserve the helping hand from Congress that this legislation will provide.

In the hearings on this measure, we have some tales of harsh attitudes of businesses. To take, for example, when Edward and Paige Hoffman's young son was struck by lightning in St. Louis, they rushed to his hospital bed to care for him through his tragedy. Edward Hoffman was fired from his work, because he spent to much time with his son in this emergency and not enough time on the job.

No parent should be forced by any employer in America to choose between the child they love and the job they need.

Workers also deserve a fair opportunity to care for aging parents. Over 20 percent of the 100 million American workers have some caretaking responsibilities for an older person. Without an adequate national leave policy, many of them will have to reduce their work hours or leave their jobs. This bill allows a worker to take unpaid leave to care for an elderly parent—a responsibility that businesses should encourage, not prevent.

Finally, it is time the disinformation campaign involving this bill was brought to a halt. The Chamber of Commerce and certain other business groups are already papering the Senate and the House with misleading statements about the dangers of this measure. They allege that the bill will hurt employees, not help them. Well, I say it's time to let workers speak for themselves. The working men and women of the Nation support our proposal in overwhelming numbers. They need help, they deserve help, and Congress should respond.

In poll after poll, Americans show their overwhelming support for enacting family and medical leave policies. A 1990 Wall Street Journal poll found that 71 percent of American voters favored such a law. Over 80 percent of all respondents in a Gallup Poll agreed that employers should be required to provide medical and parental leave. And the results are similar in all parts of the country. There is no question about what the American people want—it is a question of when Congress is going to catch up to the will of the people.

Opponents attack our proposals, without offering a serious alternative. They criticize our statistics and studies, without offering evidence of their own. They retain high-paid lobbyists to argue their case. But most working men and women have no such resources. If we do not speak for them, who will?

A recent study by the Small Business Administration reported that the costs of permanently replacing employees are significantly greater than granting family leave. That wasn't the answer our opponents wanted. So distribution of the study was halted.

The United States is the only industrialized country in the world that does not have a national family leave policy, and it costs us dearly. Women workers who take time off for the birth of a child lose over $600 million a year in earning power. More than $100 million a year in additional welfare costs must be paid to cover employees without leave.

The lack of medical leave costs workers and taxpayers an astounding $16 billion a year in lost wages and Government benefits such as unemployment compensation, food stamps and welfare. Few measures we consider offer us this unique chance to help working men and women, and also reduce the Federal and State budgets at the same time.

The Family and Medical Leave Act is essential legislation—and it ought to pass now. No business lobby, no matter how well-financed—and no administration, no matter how beholden to business—can continue to deny the will of the American people.

In years gone by, Congress has waged similar battles to enact antichild labor laws, social security, medicare, unemployment compensation, the minimum wage, workplace health and safety laws, and other fair labor standards to protect working men and women against exploitation by businesses inclined to put profits first and families last.

This bill is another important advance in that unending struggle. It offers simple justice and a helping hand to millions of working families across the Nation. It deserves to be enacted into law now, even if that means overriding another misguided veto by the President.

Mr. President, I, too, want to join in commending our colleague from Missouri, Senator BOND, as well as Senator FORD, for all of their help and interest in helping to fashion this legislation and express appreciation to our colleagues on the other side of the aisle, Senator COATS, Senator JEFFORDS, and others who have signed on to support this program. In a very true and real sense, this issue should be nonpartisan, and in the best sense a bipartisan effort to bring some sense of family into the workplace in our country.

I pay special tribute to our friend and colleague from Connecticut, Senator DODD, who has been the real spearhead for this legislation, as in many other pieces of legislation affecting families and particularly affecting children.

Mr. President, as has been pointed out during the course of the debate, this is not a new issue. It is not a new issue for the Congress and Senate. We had the opportunity to debate this issue in this Chamber over a period of days just over a year ago.

Unfortunately, we were not successful in that particular effort because we were not able to override a veto. But as has been pointed out during the course of this debate and discussion, this legislation is a further modification of what I think was strong legislation the last time the Senate passed it.

It truly is a compromise to deal further with some of the concerns of Members about the amount of time that would actually be available to workers should they have to spend that time with a sick child or sick parent. It also established a higher threshold on temporary workers, to ensure those who were actually going to be able to benefit and be able to return to their job demonstrated a significant commitment to their job. Now we know, with the Bond amendment, they will have to average 25 hours a week, be with a company in excess of a year. And there has also been a further modification in terms of the enforcement mechanism of this legislation which will encourage conciliation, encourage, when there are grievances, use of a tried, tested, and effective measure in providing remedies to both the individual who may be adversely affected and denied the parental leave but also any employer who is familiar with the types of remedies under the Fair Labor Standards Act, familiar with the procedures, familiar with the process, familiar with the kinds of enforcement mechanisms. In a very creative way the compromise moves on that area.

So for those who have been the most critical, I think the compromise itself has moved in a very significant and important way to relieve them of these kinds of concerns.

I, too, join with Senator DODD in hoping that the President may ultimately look at this legislation, which has strong bipartisan support, which is a further modification of what was passed previously, which addresses the previous concerns of those who have opposed this legislation, with those adjustments, with a real evaluation in terms of cost, and be able to support it.

Mr. President, I hope, too, as we move through the consideration of this legislation today and the House of Representatives moves forward on the legislation, the Chamber of Commerce and other economic interests that have been opposed to this legislation will cease and desist their disinformation campaign.

I think all of us who followed this legislation over a period of time recognize the extraordinary disservice that those organizations provided, showing inflated assessments in terms of the cost of this legislation. Hopefully, as a result of the record that has been made earlier today and in the course of these hearings, that particular red herring has been safely put to bed, because it should be—because the justifications which are made by the chamber and other groups which effectively have opposed this legislation continue to oppose this legislation just as they have opposed the legislation that has been accepted by this body on child labor; just as they opposed legislation to try to ensure that the men and women who are working in the work places of this country are going to have safe and healthy work sites—and the whole range of different legislation that is to try to ensure that the workers of this country are not going to be exploited; that survival of the fittest may be a good law in the jungle but it does not have a place in terms of the working places for men and women in this country.

Mr. President, this legislation, as has been pointed out by the principal sponsors, really is a reflection of the changed workplace, as it truly exists today, where hard-working men and women, hard-working heads of households who need these jobs, who depend on these jobs, who want to work, in many instances have to work, most instances have to work, will not be put in the extraordinary position of having to choose between the child that they love, the child that they need.

Mr. President, I heard the very eloquent comments of our good friend and colleague from Tennessee, Senator GORE, as he shared with us the trials and tribulations that he faced, the very extraordinary tragedy that affected his son, and I think all of us are thankful that child has made the absolutely extraordinary recovery that child has.

But I think all of us in this body were touched by the extraordinary accident that affected that extremely young person. And all of us admire the courage of that young boy in his recovery, and also admire the dedication of his parents, Senator GORE and Mrs. Gore, in looking after that child.

I think many of us in this body have had similar circumstances. I mentioned previously about the challenges that faced our family when my son, Teddy, had cancer at the age of 12, had 2 years of chemotherapy, 3 days every 3 weeks. I was able to be with Teddy on each of those occasions for a period of 2 years. We were able to, with the accommodation at that time, of Senator Mansfield, which did not really disrupt the Senate in any way. I was able to, I think, meet the most important responsibilities which were to my family and also my responsibilities as a Member of this Senate.

The Senate has a flexible schedule. We have seen that in the last 48 hours in terms of accommodating different Members, in terms of times of votes, and in scheduling different legislative undertakings. That is the way this institution works. But that does not work for many of those young workers, men and women, fathers and mothers, who are facing the challenge of a sick child.

I will include in the RECORD, in my formal remarks, the testimony of parents who were torn between giving attention to their child or to their parent, and how they responded by giving that attention to their child and to their parent. And it resulted in losing their jobs. In a number of instances both parents lost their jobs when they were looking after children. It is difficult to believe that exists. I do not think there is probably any Member of this Senate who has not been faced with similar circumstances, if not themselves, by their immediate staff. I think all of us try to respond in a humane way to those particular challenges.

But that does not always exist out there in the harsh light of the workplace in this country.

All we are attempting to do in this sense is try to provide at least some consideration for that parent and for that child. We have been able to do it for ourselves here in the United States Senate. We are able to do it for ourselves in the Congress, in the House of Representatives. Why not just try to do something decent and fair for families in this country, and do it for working men and women? That is what this is all about.

I believe that this is important legislation. It is really a down payment in terms of trying to recognize at least part of the challenge that exists for families today in our country. As has been pointed out frequently, every other industrial nation in the world has this and more in terms of parental leave, and paid parental leave.

Mr. President, I agree with those who say that after we pass this legislation, we in this body, people around the country are going to say, "Why did it take so long? What was the furor about? How could there have been really opposition?"

I hope that this legislation will be overwhelmingly accepted this afternoon, that the President will put his veto pen away and sign what is extremely important for working families in this country.

Mr. DODD. Mr. President, at this point may I inquire of the Chair what the time allocations are?

The PRESIDING OFFICER. The Senator from Missouri has 6 minutes and 13 seconds. The minority manager has 60 minutes.

Mr. DODD. Mr. President, I would at this point note the absence of a quorum, and ask that the time be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair informs the Senator from Vermont that we are presently in a time that is limited to 2 hours, equally divided and controlled by the minority manager, and also the majority manager.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be able to speak for 5 minutes, with time allotted by the Senator from Missouri [Mr. BOND]. I am informed that it is OK with him.

The PRESIDING OFFICER. Without objection, it is so ordered.

ISRAELI LOAN GUARANTEES

Mr. LEAHY. Mr. President, for the last 3 weeks, the United States and Israel teetered on the brink of a damaging confrontation over a humanitarian program to assist Soviet and Ethiopian Jews immigrating to Israel.

Fortunately, we pulled back from the brink. Thanks to the restraint of all involved, we avoided a fight neither side, administration or Congress, can win.

It is essential that nothing interfere with the peace process in the Middle East. The President asked for a short delay in action on Israel's request for $10 billion in loan guarantees for immigrant absorption. He says this is needed for his efforts to convene a peace conference. That delay is being granted him.

As chairman of the Foreign Operations Subcommittee, which writes the foreign aid appropriation bill, I have agreed with the President and the leadership, including the distinguished chairman of the Appropriations Committee, as well as my good friend and ranking member, Senator KASTEN, to hold off that bill until next January. This will help avoid a premature clash that serves no one's interests, while guaranteeing a must pass bill on which to include a loan guarantee program.

Delaying the fiscal 1992 foreign aid bill means there will have to be a continuing resolution to fund the overall foreign aid program during this period. We are now in a short-term continuing resolution for all appropriations bills which have not yet been enacted, which is most of them. Before the end of October, it will be necessary to enact a longer continuing resolution for the foreign aid program to carry us to February. Further restraint on the Israeli loan guarantee request will be necessary when we move that continuing resolution. I hope all Senators understand how important it is for everyone of us to respect the consensus among the White House, the congressional leadership, and Israel, that consideration of Israel's request for the guarantees will be postponed until the Senate takes up the House-passed foreign aid appropriation next year.

Frankly, Mr. President, a lengthy continuing resolution will cause problems and difficulties in the foreign aid program. Yet these problems are the best guarantee of action on a Senate bill early next year. The continuing resolution must not become a mini foreign aid bill with so many exceptions to the usual formula approach that it makes everyone comfortable. The administration, the Senate and the House, all must want and need a complete foreign aid appropriations bill conferenced and enacted next February. Otherwise, there could be a temptation merely to add the Israeli loan guarantees to that continuing resolution and extend it for the full year. That is a course which I strongly oppose. We must pass a Senate bill and go to conference with the House on a regular fiscal 1992 appropriation.

I have consulted about this concern with my ranking member, the Senator from Wisconsin, and I am pleased that he agrees with me. His cooperation in working out a way to ensure a vehicle for the loan guarantees next January has been invaluable.

There is a great deal of understandable concern, not only among the American Jewish community, but among all others who believe the United States has a moral responsibility to help Israel receive an expected 1 million immigrants. Many fear the administration will link its support for loan guarantees to a freeze on Israeli settlements in the occupied territories.

There is no doubt that President Bush, like every President since Lyndon Johnson, opposes Israeli settlements as an obstacle to peace and contrary to U.S. policy. However, I doubt that Prime Minister Shamir's government will agree to a freeze on settlements outside the negotiating framework. Last May, I suggested to Prime Minister Shamir a temporary suspension of settlements in parallel with an Arab suspension of the economic boycott and the state of war to help the prospects for a peace conference. He adamantly said settlements were an issue for the negotiations between Israel and the Arab parties about the occupied territories.

At the same time, it is eminently reasonable for the United States to insist that its assistance for the immigrants not contradict or undermine longstanding United States policy on Israeli settlements. When the loan guarantees do come before the Senate, I will recommend several conditions to make them consistent with U.S. policy and to protect all American taxpayers.

Today, a proposal was introduced by my very good friends, the ranking member of the Foreign Operations Subcommittee, Senator KASTEN, and the chairman of the Defense Subcommittee, Senator INOUYE, who is also a member of the Foreign Operations Subcommittee. It has a large number of cosponsors. However, I am not one.

It is only fair to say at the outset that I cannot support this proposal in its current form. It seeks no economic reforms by Israel that would help it strengthen its weak economy and could significantly reduce the budgetary costs to Israel of the program. I believe it contradicts the purposes and procedures of credit reform. There is no mechanism for independent monitoring of the use of these guarantees to ensure they are used only in accord with U.S. law and policy. And it does not provide any means to address the thorny problem of Israel's settlements activities.

I strongly support a loan guarantee program to help Israel absorb an anticipated 1 million immigrants over the next several years. But I cannot support a proposal which simply hands over to Israel $10 billion in loan guarantees without any provisions to deal with these and other issues.

In my view, for a number of reasons Congress should not appropriate the entire $10 billion in loan guarantees up front, as this proposal would do. Instead, we should provide just the first installment of $2 billion in loan guarantees, though I would include in the foreign aid bill a firm declaration by Congress that it intends to provide $10 billion in loan guarantees to Israel over 5 years. Israel needs this assurance in order to plan and make commitments for the immigrants.

In addition, there should be a requirement for a major restructuring of Israel's heavily centralized and inefficient economy. This will help Israel's international credit rating, reduce interest rates on the loans, lower future subsidy costs, and lessen the risk that the American taxpayer might have to step in to cover a default.

There should also be a dollar for dollar reduction in the loan guarantees by whatever amount Israel plans to spend on settlement activities. This would ensure that our aid does not help, directly or indirectly, any further expansion of settlements in the territories. A dollar-for-dollar reduction in absorption aid would not be a settlements freeze, but it would make this aid consistent with U.S. Middle East policy.

We also ought to include a ban on the use of any of the absorption assistance outside Israel's borders before the Six Day War in June 1967 when it occupied the West Bank and Gaza. Reliance on verbal promises and written assurances about intentions in the past has just caused too many misunderstandings. United States policy in this regard should be written into law so there is no ambiguity.

Over the coming weeks there will be intense discussion about how to structure an immigrant absorption loan guarantee program. These are some ideas which I believe need to be included in this special aid program for Israel. They could form the basis of a program that meets the needs of all involved: the peace process, the immigrants, the President, Congress, and Israel.

I welcome the statement of the distinguished senior Senator from Wisconsin that he intends to work with me, other involved Senators, and the administration to fashion a program all elements of the U.S. Government can support. I look forward to working closely with him, the President, and others to accomplish that goal, which I firmly believe is attainable.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAMILY AND MEDICAL LEAVE ACT

The Senate continued with the consideration of the bill.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator?

Mr. REID. It is my understanding, Mr. President, that Senator DODD controls part of the time; is that correct?

The PRESIDING OFFICER. The Senator from Utah has 55 minutes.

Mr. HATCH. How much time does the Senator need?

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. REID. I do not want to impose on the Senator from Utah. The Senator from Connecticut has asked that I spend some time on the legislation. I do not want to take away from the Senator from Utah. I want to speak in support of the legislation.

It is my understanding, Mr. President, that Senator DODD, at a subsequent time, will have time in opposition to the Hatch amendment. I ask unanimous consent that I be allowed to use some of that time. I see the Senator from Connecticut is now on the floor. I ask if that agreement is agreeable to the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Through the Presiding Officer, I direct the question to the Senator from Connecticut. It is my understanding the Senator from Connecticut, at some subsequent time, will have time allotted in opposition to the Senator from Utah, and I am wondering if I could use some of that time.

Mr. DODD. Mr. President, it is all right with the Senator from Connecticut to allocate some of that time assuming an appropriate request. I have no difficulty responding to that request. Whatever time the Senator from Nevada wishes at that time I will be glad to allocate to him.

Mr. ADAMS. Mr. President, I would like to address an inquiry to the managers.

Mr. REID. Mr. President, is the unanimous-consent agreement approved?

The PRESIDING OFFICER. Without objection, the Senator may proceed. The Senator from Nevada.

Mr. REID. I yield to the Senator from Washington for a question.

Mr. ADAMS. I inquire of the manager. As I understand it, the manager, Senator HATCH, has agreed to yield me 3 minutes of his time on the bond compromise bill. I wanted to confirm that. Is that correct, that I may have 3 minutes of the Senator's time?

Mr. HATCH. Yes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I first express my appreciation for the hard work—and that is an understatement—of the chairman of the Subcommittee on Children, Senator DODD. This is something that he has worked on not for days or week, but years. I know during my entire time here in the Senate, some 5 years, Senator DODD has been working on some aspect of this legislation. So I congratulate and applaud the Senator from Connecticut. I am personally pleased to see the Family Medical Leave Act before the Senate again.

Mr. President, I ask that we stop and consider and maybe imagine a society where people had to choose between having a child or keeping a job. To imagine a society like that would be realistically to imagine a society like we have, because in the United States that is the stark reality, that is a decision that people must make, and especially women must make; that is, whether she can have a child and still have a job, because, you see, in our country today that is a choice that women must make every day, whether they are going to have a child and, if they have a child, whether they are still going to have a job.

Or we can imagine a society where people had to choose between taking care of a sick parent or spouse or keeping a job. That imagination, if one had it, would again relate basically to the society we now have.

Or imagine a society again where people had to choose between coming to work sick or keeping a job. Again, for all these scenarios that I mentioned, you do not have to imagine this because that is a fact that is in the United States today. That is what exists here in our country.

We have had many examples, many cases, that have been forwarded to my office, just as I am sure the Presiding Officer's mailroom gets letters of really sad stories about people who have had to make these choices. Anyone in these Senate Chambers—in Illinois, Utah, Connecticut, Washington, Minnesota those situations happen and are happening every day; that is, whether a woman who has a child is going to be able to come back to work after that child is born, because the law in the United States does not require that employer to maintain that job. And when I say maintain the job, that does not mean while the woman is off on maternity leave that she is asking to be paid; all she wants is her job back. That is really what this legislation is all about.

Again, I indicate to my colleagues that we all have had examples in our mailrooms of some sad stories, and I can relate a number out of memory, but one that comes to my mind is a man who is a miner, who had a daughter with cancer. In the final weeks of his little girl's life, the miner asked his boss, his supervisor, for time off to spend with the child before the child died. The supervisor refused this request and the miner had to go to work every day during last weeks of this little girl's life.

Each of the examples that I have spoken of a society where you had to choose between having a child and keeping a job, a society where people had to choose between taking care of a sick spouse or parent or keeping a job, these situations would have been remedied had a bill passed in the House and the Senate last year become law. Why did it not become law? It did not become law because it was vetoed by the President and the House and Senate did not have enough votes to override that veto.

I think it is wrong that the veto took place. I was disappointed in President Bush. I have great respect for President Bush. We all admire his family and the closeness of that family unit that we see with his wife Barbara, their children, and I have to believe that he got some bad advice. I cannot in my wildest imagination think that he would do what he did; that is, veto this legislation, some of the most important legislation, I think, to come before this body in a long time.

I hope that this legislation, which is different, not as good, but different, certainly a lot better than nothing, I hope that the President's advisers will recommend to the President that he sign this legislation. Because, you see, this legislation is going to make for a better society. Why? Because it will increase productivity, it will make absenteeism lower, it will improve loyalty that employees have for their employers. We are talking about competition almost every day in this body and in the other body. There are talks about the United States not being competitive, that an automobile here cannot be built as cheaply as an automobile there, that our manufacturing processes cannot compete with other countries' because labor costs are higher, or we have more problems with environmental laws.

Let me tell you one of the reasons that we have trouble competing is because employees in many instances are happier in other countries because of the work conditions, and one example is what we have right here. All the United States' major competitors have leave policies. Let me repeat that, Mr. President. Not most, but all, of the United States' major competitors have leave policies similar to the legislation that is now before this U.S. Senate. Germany, Japan, Canada, dozens of Third World countries have a paternal leave policy.

So today we are looking at a new version of family and medical leave legislation. Some are saying this is a watered-down version. I do not think we have to harp on that, we do not need to belabor the point. The fact is that once again we have now before this body a family and medical leave legislative package that is a good package. There are some provisions—key employees are exempted, restrictions on part-time employees tightened, penalties for breaking the law are reduced from last year's bill.

While this may not be as good, I think it is fine legislation, I think it is legislation we should pass overwhelmingly in this body, not because it is necessary to override the President's veto, because I do not think the President will veto this, but, regardless, we should send a message to the White House that this is going to become law regardless of advice that the President gets.

I yield the floor.

Mr. ADAMS. Mr. President, I ask Senator HATCH if I may use the time now.

Mr. HATCH. I yield 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, I rise in support of the Bond amendment to the Family and Medical Leave Act. We are asking to meet some very basic human needs with this legislation, and what could be simpler than asking that every American worker have the right to take a short leave from their job for the birth of a child, to take care of a serious family illness, and to be secure in knowing that he or she can return to their job. This is pretty simple. It could not be more basic. Every industrialized country in the world, every one of them, has been providing their citizens with the right to family medical leave for generations.

Even South Africa provides all of its citizens with guaranteed family medical leave. Can the United States afford to do any less?

Some business groups oppose the idea. President Bush has opposed the idea. They say it is bad business. Wrong.

The Japanese provide their work force with guaranteed medical leave; the Germans provide their citizens with guaranteed medical leave. Does anyone believe these countries would adopt national policies that are bad for business? Just look at the balance sheet and you will find the answer.

Family medical leave is good for business. Three out of four care givers in this country are women. Women are moving into the American work force in record numbers. We must provide them with these simple guarantees. Without the benefit of job-protected leave, these women risk losing their jobs, forfeiting their health and pension benefits. At the very time in life when the joy of childbirth should be secure, these demands are put upon them. When the demand of the seriously ill family member must be attended, they have the problem.

And men deserve no less. If the American family is to be reborn, if we are to find again the values that have kept us together instead of tearing us apart, we must support this simple human family legislation.

This bill recognizes another reality in American business; the rise of the part-time worker. More and more businesses are turning to part-time workers. Many are older workers. A disproportionate number are women. Most of them work without benefits. This bill recognizes the part-time worker and provides family medical leave for them.

I hope that the Bond amendment will be adopted, I know it is supported by Senator DODD, because no employee should be asked to sacrifice the health and well-being of their family in order to keep their job.

Much will be said of this bill, that will hurt American business. Some States provide family medical leave now and they found nothing but benefits in this program. Workers are attracted to States that have passed family medical leave. Enlightened employers, who voluntarily provide family medical leave, have found they have an advantage in hiring the best workers and keeping them.

Mr. President, I am not asking us to get out in front on a new social issue. All I ask is that we join the rest of the civilized world in providing our workers and their families with decent care.

I yield the floor.

I thank the manager for yielding me the time.

The PRESIDING OFFICER. Who yields time?

Mr. DIXON. Mr. President, may I inquire of the distinguished Senator from Utah as to whether I could have a very brief moment to speak about this amendment, maybe only a couple of minutes maximum, and then a brief amount of time, independent of the discussion on this amendment, to read a column from the Chicago Tribune pertinent to other matters under discussion presently in the Senate?

I understand he has about 45 minutes remaining on this issue before we go to the Durenberger amendment. I wonder whether I might occupy a very brief period of time, probably not in excess of 5 or 6 minutes?

Mr. HATCH. I would be glad to do that. I do need to reserve some of our time because other Senators want to come and speak and I have some more things I would like to say.

But I am happy to yield 5 minutes to the Senator from Illinois.

Mr. DIXON. I thank the Senator.

Mr. President, may I ask for the yeas and nays on the pending Bond-Ford-Coats amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. HATCH. Parliamentary inquiry, Mr. President: Is it not true that the yeas and nays were already ordered by the unanimous-consent agreement on all three amendments?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. DIXON. May I ask again, Mr. President, for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DIXON. I thank my colleagues and I thank the Chair.

First of all, very briefly, on the Bond-Ford-Coats amendment, may I simply say, Mr. President, that I am pleased that the sponsors and others involved in this have accommodated many of us who had some basic concerns about this bill. I urge my colleagues to understand that this amendment makes major revisions in this bill which are very important.

I would like to just give you one example. I come from an era when every youngster worked during his youth while going to school, because I am a child of the Depression. And in those days, one had to work to help support the family. I can recall all through junior high school and high school working 2 hours after school every day of the week, 8 hours on Saturdays, and if you will do your simple math, that is 2 times 5 is 10, and 8 on Saturday is 18.

In the original bill, Mr. President, my colleagues suggested that a person would be eligible for leave benefits if one worked 17 hours a week. I expressed my concern earlier to the distinguished principal sponsor, Senator DODD, who everyone acknowledges has worked assiduously on this for many years. I said those folks ought not be eligible. And, of course, we all know now that in this present amendment, it restricts employee eligibility to those who have worked 1,250 hours in the prior year, which is 25 hours per week. Now we are getting into a legitimate part-time employee, I would argue, Mr. President. I think that is very worthwhile.

One of the other significant provisions of this substitute will permit employers to exempt key employees, the highest paid 10 percent of the work force, from the total when you enter into the mathematics involved. Another provision requires the employee to give 30 days notice. Those are fundamentally sound improvements in this bill.

And on the time of my friend from Utah, I would observe that all of those things in the Bond-Ford-Coats compromise are well thought out amendments that significantly strengthen this bill and make it a more acceptable bill for a great many people who had concerns about it.

Having said all that, on the bill, Mr. President, I ask unanimous consent to depart from the bill to talk about another subject matter very briefly and read a column from the Chicago Tribune which will take only a few minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EXTENSION OF UNEMPLOYMENT COMPENSATION BENEFITS

Mr. DIXON. Mr. President, for some period of time now, we have been discussing the question of extending unemployment compensation benefits. That has been a big issue for a period of time in the Congress. It was before us prior to our August work break. I discussed it at town hall meetings, on talk shows and other things while I was home.

Now we have passed another bill, Mr. President, which is going to the President's desk. We will all remember that the President signed the first bill, but he did not certify that it was a national emergency, so folks did not get the money in the extension of the unemployment compensation benefits.

We have now passed a bill that declares it an emergency and the concern is, will the President sign or veto?

Everybody in the country is aware of the issue because it has been the lead item in all the media, that the House has passed this bill by a vetoproof majority. And everybody in the country knows that the Senate passed it, I think, with 65 votes, a couple short of a vetoproof majority.

So the question now, Mr. President, is, what will the President do? I would hope he signs it. But if he does not, what will the Congress do? I hope, Mr. President, that in this kinder and gentler Nation there would be some people that would want to join us to override, if the President does veto.

I want to read this article from the Chicago Tribune, the Sunday paper, this past week, September 29, by John McCarron, the financial editor of the Chicago Tribune. I read from that article verbatim. The title is, "Talk of Rebound Cheap to Jobless."

Here is what John McCarron says:

> It happened to Hal, my father-in-law. Then to Wally, my golf partner.

The PRESIDING OFFICER (Mr. WELLSTONE). The time of the Senator has expired.

Mr. DIXON. I did not have an assignment of time, may I say to the President. I had unanimous consent to read the column and was not informed I had a time limitation.

I ask unanimous consent to read a column, that is one column in the Chicago Tribune.

The PRESIDING OFFICER. With time not charged to either side? It is the Chair's understanding the Senator from Utah had yielded 5 minutes to the Senator from Illinois.

Mr. DIXON. I apologize to my colleague. I did not hear the time yielded. I had spoken on the subject of the amendment.

If my distinguished colleague does not want to yield time, I will find whatever time there is in the day.

Mr. HATCH. Why do I not yield another 2 minutes. Can the Senator do it in that time?

Mr. DIXON. In all fairness to my colleague who is a dear friend and old trial lawyer in his own right, I must tell him I cannot read this column in 2 minutes, and I sure am going to read the column sometime today. But if he cannot yield the time now, I appreciate the fact. Do not be embarrassed. I do not want to impose on my colleague. I can do it later.

Mr. HATCH. I can yield a couple of minutes, but I have to save some time for others who wish to speak, and I want to speak, and I have to keep some of this time on this amendment because we are running out of time on the back end of this debate.

Mr. DIXON. May I say to my friend from Utah, I will be glad to come back and do this, but I want to have the impact of this column on the President of the United States and my colleagues in the Senate on a matter that is of paramount importance to the country. If I cannot do it now, I want to use it at a later time. I have no problem not doing it now.

Mr. HATCH. I would ask my colleague to do it at a later time, if he could.

Mr. DIXON. Does my friend, Senator DODD, have any more time on the

Hatch amendment, may I inquire of the Chair?

The PRESIDING OFFICER. On the Hatch amendment, the Senator from Connecticut does have time; 51 minutes.

Mr. DIXON. Well, I can return at that time.

Mr. HATCH. How much time does the distinguished Senator need?

Mr. DIXON. May I say to my friend from Utah, here is the column in the Tribune. I am going to read it at a fairly speedy rate. I do not know how long that takes because I did not do it before I got here.

Mr. HATCH. I have some time on the back end of this. We have 2 hours on my amendment. Why do I not give my colleague 5 minutes on the 2 hours.

Mr. DIXON. My colleague is very generous. I thank him.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. DIXON. "Talk of Rebound Cheap to Jobless," John McCarron says from the Tribune.

It happened to Hal, my father-in-law. Then to Wally, my golf partner. Now it's happening every week to thousands of workers, blue collar and white, from New York to L.A.

They are being laid off, furloughed, forced into early retirement or just plain fired. And if the economy doesn't turn around soon, "they" will include a lot of "us".

Get ready for the ugly side of Recession '91. For more than a year, sales have been off and corporate profits have been down. Companies have responded by tightening inventories, slashing budgets for travel and equipment and freezing new hires. Until now, this has caused most of us only minor discomfort; I miss the rent-a-plants that used to decorate the newsroom, but I haven't missed a paycheck.

But now, as the recession drags into a fourth quarter, corporate America is reaching for stronger medicine. Call it consolidation or downsizing or whatever you please. Everywhere you look—in the newspaper columns or down the hall—somebody is being laid off or prodded into retirement.

Last week it happened at Ameritech, where 3,000 managers soon will be enticed into hanging it up, and at Union Carbide, where 5,500 employees will be cut in the next three years.

This month the bell tolled for 2,200 workers at Du Pont, 1,800 at PepsiCo's Frito-Lay division, 1,900 at Nynex, 350 at Emerson Radio and 1,000 at First Chicago Corp.

One analyst who tracks public announcements of layoffs figures that corporate America is laying off employees at the rate of 2,200 every business day. And that doesn't include those fired from "ma-and-pa" operations. The broader picture was provided by the Labor Department Thursday. It said that in the week ended Sept. 14, 439,000 Americans claimed unemployment benefits for the first time.

I'm no economist, but I think it's safe to say that layoffs of this magnitude do not bode well for an economic recovery anytime soon.

People who have just lost their jobs are not likely to head for a shopping mall. They are more apt to hunker over the kitchen table, where they can pore over help-wanted ads and figure a way to stretch their $270-a-week unemployment benefit across the mortgage note, utility bill and grocery tab.

When those benefits run out, in 26 weeks, the fortunate among the unfortunates will draw down on saving accounts, break into their individual retirement accounts or redeem their children's college bonds. That's pain.

Congress wants to extend unemployment benefits by 20 weeks. A $6.1 billion extension passed the Senate last week and is being reconciled with a similar measure that had cleared the House.

But President Bush has threatened to veto the package as too expensive. He favors a $2.4 billion plan that would extend benefits by only 10 weeks and whose cost would be defrayed by the sale of unused radio frequencies and the tightening of student loan repayments.

Both extension plans would be temporary, ending when the recession does. But when will it end? The administration claims that it bottomed out in May and that a slow but steady recovery is underway.

That view got splattered last week when the Commerce Department again revised downward its estimate of what the economy did in the April-to-June period. The gross national product fell for a third quarter in a row, shrinking at an annual rate of 0.5 percent.

In other words, the economy is dead in the water, drifting slightly backwards. That puts enormous pressure on George Bush; as the 1992 election approaches, he has to get things moving. Trouble is, the usual pick-me-ups don't seem to be working.

The administration has helped pressure the Federal Reserve into lowering and re-lowering the discount rate, now down to 5 percent, the lowest level in 18 years. But it turns out that neither the banks nor their customers are in a position to do much borrowing. Some experts predict there will be another rate cut by year-end, but what if even cheaper money fails to get things moving?

One thing you can expect the president to do is redouble his campaign to lower federal taxes on capital gains. Bush will argue that investors will pump their higher returns into the economy, creating jobs. But lowering taxes on the well-to-do may not play well around all those kitchen tables.

To score points there, the president may have to give some ground on the extension of unemployment benefits. George Herbert Walker Bush may not know anybody who has been laid off, but he reads the papers, and 2,200 layoffs a day is nothing to sneeze at.

Not when you consider that every one of the newly unemployed has dozens of friends, family members and fellow workers who share their pain. Or worry that they may be next.

Mr. President, I conclude—

When my father-in-law was forced into retirement last year, it really wasn't so bad. He got a good severance package and precious time to spend with his grandchildren. Wally got a good retirement deal, too, and has since trimmed seven strokes from his golf game.

He concludes, the last paragraph, Mr. President:

You worry, though about the younger ones not ready to retire. Such as Olivia, our newsroom receptionist. Friday was her last day. I hope she catches on someplace else or at least gets her benefits extended.

Mr. President, this is a column about America. This is a column about hundreds of thousands, millions of people who had work, lost work, are looking for work, cannot get work and need the help of the Government.

Mr. President, I ask unanimous consent that this column from the Tribune be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TALK OF REBOUND CHEAP TO JOBLESS

(By John McCarron)

It happened to Hal, my father-in-law. Then to Wally, my golf partner. Now it's happening every week to thousands of workers, blue collar and white, from New York to L.A.

They are being laid off, furloughed, forced into early retirement or just plain fired. And if the economy doesn't turn around soon, "they" will include a lot of "us."

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You worry, though, about the younger ones not ready to retire. Such as Olivia, our newsroom receptionist. Friday was her last day. I hope she catches on someplace else or at least gets her benefits extended.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Utah has 44 minutes remaining.

The Senator from Utah.

FAMILY AND MEDICAL LEAVE ACT

The Senate continued with the consideration of the bill.

Mr. HATCH. Mr. President, I am going to take some of this time to remark a little bit about the pending Dodd-Bond amendment. Then I am going to take some time to analyze my amendment because time will be available at the end of the day.

Mr. President, I ask unanimous consent that a letter from President Bush to Senator DOLE be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, October 1, 1991.

Hon. ROBERT DOLE,
Republican Leader, U.S. Senate,
Washington, DC.

DEAR BOB: As the Senate moves toward consideration of S. 5, the Family and Medical Leave Act, I want to reiterate my position on this issue. I strongly support the goal of encouraging family leave policies through voluntary negotiations between employers and employees. However, it is both inappropriate and counterproductive for the Federal Government to mandate blanket fringe benefit packages that treat all employees the same and benefit one employee perhaps at the expense of another. Workers and managers should have the freedom to sit down together and develop a benefit package that best meets their specific needs.

America faces its toughest competition in history. We must maintain the flexibility to meet these challenges directly in the most competitive way. At the same time, we must promote an environment of cooperation in which workers and managers together strive for their greatest productivity. We should not impose additional burdens and restrictions on employers and employees, particularly at this crucial time.

Accordingly, should S. 5 or any other mandated leave legislation be presented to me, I will veto it.

Sincerely,

GEORGE BUSH.

That is as clear as can be. The President is going to veto this legislation. And I presume he will even though it is a discriminatory bill that benefits the more well-to-do and leaves the poor out of the equation.

Mr. President, during the debate today, I have tried my best to convince my colleagues to oppose the Family Medical Leave Act and or instead, support the American Family Protection Act.

But first, let me reiterate that no one on this side of the aisle, and not the President of the United States, opposes the concept of family leave. No one does. We do not differ with the Senator from Connecticut on the concept of family leave except with regard to the mandated nature of his bill. Again, where we disagree is on the method that has been chosen to promote family leave, not the motive.

The legislation before us calls for a mandated one-size-fits-all benefit. Except it does not fit everyone. One size fits only 50 percent of the workers of America and leaves the bottom half of the pay scale out of the equation. It discriminates against them. I have made that case earlier.

I have elaborated on the reasons why I believe this measure should not pass. Let me just summarize those arguments.

We can argue all day long about cost estimates, but the plain fact is that the proposal is not free. To comply with this bill, employers must make adjustments in the benefits they offer workers. They must continue to pay benefits for employees who are not working. This obviously incurs a cost. As a result, workers may not get the compensation packages they actually prefer because Government has not only required a family leave benefit, but a family leave benefit that measures up to a Federal standard.

So, Mr. President, the first reason Senators should not support the Dodd-Bond bill is because it is not only a mandate on employers, it is a mandate on workers as well, and a discriminatory mandate at that.

The second reason, Mr. President, is that all of this cost shifting is not good for the economy as a whole. Employers must be free of the same kind of rigidities that have plagued the economies of many nations in Europe, especially the East bloc nations. Every new requirement we impose on business renders American industry less able to adapt to changing economic conditions. We then become even less competitive.

Finally, S. 5, with or without the Dodd-Bond amendment, is not the only possible answer to the problems confronting families. There is an alternative. I believe the American Family Protection Act, which I will offer as an amendment to this bill, offers advantages to families that S. 5 does not. It does so in a way that permits maximum flexibility and choice for both employers and workers, and it applies to everybody in America, not just a selected few who can afford to take the family medical leave.

Let me review my personal concerns which fall into four categories: First, federally mandated benefits of this type are by nature rigid and inflexible. The ability of working parents to freely choose is strangled, and this runs counter to the modern trend of cafeteria style benefits for employees. Cafeteria benefits are benefits laid out on the table that the employee can choose among. The Dodd-Bond bill would run counter to this trend. It says that you have to take this benefit to the exclusion of some of these others.

Second, this legislation is discriminatory in impact. It is not what the vast majority of employees want; yet will have to pay for. Moreover, those most in need of the family protections intended under this particular bill will suffer because of its passage.

Third, at a time when economic recovery ought to be the central concern of this Nation, the facts clearly indicate this bill would have negative economic impacts.

Fourth, the bill is simply ineffective. It establishes three critical objectives: First, to promote bonding between parents and children; second, to enable parents to spend time with seriously ill children in their time of need; and third, to enable workers to provide care for elderly parents who need continuous care in time of need.

Regrettably, this bill does not satisfy these purposes. It falls short and it is, therefore, ineffective.

Shortly, I will send a substitute amendment to the desk. I call it the parental options amendment. But let me clarify just a few points before I do.

First of all, let me clarify why many refer to this as a yuppie bill. If an individual earns $20,000 a year, the opportunity cost of forgoing income for a period of time is less than if the individual earns, say, $100,000 a year. This is because the loss of income is, for lower incomes, offset at least in part by savings in work-related expenses: Child care, nursing care, commuting, et cetera, and in lower taxes. So the cost of staying out of the work force for a period of time is less than the income that would have been earned.

If the leave period is limited to 12 weeks, the individual cannot reap significant cost savings. The family still has to have child care after 12 weeks, get to work, buy lunches, so forth. It is much more likely that 12 weeks' leave will equate to a 12-weeks loss of income.

These work-related costs take a larger percentage of the income of lower- and middle-income workers than for upper-income workers who will benefit from this bill. They are the only ones who are going to benefit from this bill. Therefore, families with only 12 weeks cannot really benefit from the Dodd-Bond approach. Yet, they may benefit from the Hatch alternative approach.

Under the alternative, they can make their own budget calculations and decide how much leave to take. They can take 1 month or 6 years for parental leave. It is up to them. They can do anything in between. They can take the exact time they need. They can adjust it to their budget. They can make a determination what to do and how to do it.

Let me give an example. Let us say the Smiths had a baby. Mrs. Smith works as a secretary for $18,000 a year. She would like to stay home until her child is old enough for preschool but is concerned that she will lose her seniority at work. She has also worked long enough for this company to be vested in the pension plan.

After doing the arithmetic, the Smiths have figured that after savings from lower taxes, which can be estimated at about $3,000, including FICA taxes, work expenses and not having to pay nearly $7,200 for child care, that the real cost of Mrs. Smith's extended leave is in the neighborhood of $7,000. The Smiths may decide to forego a new car and allow Mrs. Smith to stay home. The Smiths get to choose for how long they make the decision. When she wants to return to work, she has the right of preferential rehire and the retention of all of her earned benefits, including seniority, that had accrued up to that time.

Now, Mr. President, let me follow-up by taking just a few minutes to share some of the comments which appeared in the media recently on this issue. Some of this information is, in my opinion, very instructive. For instance, in the September 20 Washington Times an editorial entitled "Welfare for the Yuppie Class" reads:

> No sooner had the House voted a 20-week extension of unemployment benefits than Democrats and moderate Republicans in the Senate made their move to resurrect a "family and medical leave" law that would force American businesses to give their workers 12 weeks off without pay, but with continued health benefits. This may be one of the few instances in recent history where Congress has demonstrated an understanding of the law of supply and demand: The House created a demand for unemployed people, the Senate moved to fill it.

The editorial continues:

> The law would transfer wealth from working mothers and fathers who can't afford to take 3 months off to "career" women and dilettante yuppie men who can.

I hate to say it, but that editorial hits the nail right on the head.

I also have to point out that the Senator from Connecticut said that this amendment responds to the legitimate concerns of business. I just want to make sure there is no confusion here certainly about business' position on this issue.

Almost uniformly, business strongly opposes this bill. I have a number of letters from business people in Utah, some of which I have culled out to give today. I have here letters from almost every business group in opposition to this bill. For instance, let me read from the letter from the National Federation of Independent Business, which is the Nation's foremost advocate for small business.

I ask unanimous consent that the letter in full be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Washington, DC, September 20, 1991.

Hon. DAVID L. BOREN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOREN: Senator Bond's substitute amendment to Senator Dodd's Family and Medical Leave Act, S. 5, fails to correct the fatal flaw of mandated leave—the mandate.

The Bond substitute succeeds only in making personnel leave policies more impersonal and bureaucratic. It encourages direct intervention of government into highly personal family matters and ensures the complete loss of privacy for an employee.

The Bond substitute still mandates a 12 week unpaid leave policy for all employers with 50 or more employees. It refines the definition of serious health condition and reduces damages against an employer for violation of the act from triple damages to double damages.

It is obvious from this substitute that proponents still do not understand small businesses' fundamental opposition to mandated leave. The substitute now not only invites the government into business management, but sets up the medical profession as the final arbitrator of what functions are necessary for every employee's position within a business. This substitute is a frontal attack on the way small business does business.

This bill simply misses the point—neither business owners nor employees want the federal government dictating employee benefits. A recent Gallup survey conducted for NFIB showed 94 percent of small businesses already providing family leave. In addition, a Penn-Schoen survey found 89 percent of workers prefer to negotiate benefits directly with their employer.

A soon-to-be-released report by W. Steven Barnett, Associate Professor, Rutgers University and Gerald Musgrave, President, Economics America entitled "The Economic Impact of Mandated Family Leave Legislation" aptly characterizes the view held by proponents regarding government mandates. The report notes the argument that mandated leave will save business' money is a ". . . novel economic theory that business not only does not know what is in its best interest, but cannot be counted on to maximize profits even when told how to do so."

Unfortunately, the Bond substitute makes not only the application for leave, but the granting of leave and the return from leave a legal minefield for both the employer and the employee. It creates exemptions and opportunities for challenge by either party at every stage of the process.

Small business owners continue to oppose any effort by Congress to interject the federal government into employee benefits and will adamantly oppose the Bond substitute.

Sincerely,

JOHN J. MOTLEY III,
Vice President,
Federal Governmental Relations.

Mr. HATCH. Mr. President, let me just read a paragraph or two. It says:

> It is obvious from this substitute—

Meaning the Dodd-Bond substitute—

> that proponents still do not understand small businesses' fundamental opposition to mandated leave. The substitute now not only invites the Government into business management, but sets up the medical profession as the final arbitrator of what functions are necessary for every employee's position within a business. This substitute is a frontal attack on the way small business does business.
>
> This bill simply misses the point—neither business owners nor employees want the Federal Government dictating employee benefits.

That is from the NFIB. There is no question that they represent the vast majority of small business people in this country, and do a very good job. There are other letters.

I ask unanimous consent that all these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JONES/RICHARDS & ASSOCIATES,
Ogden, UT, March 20, 1989.

Re: Parental leave and other mandated benefits

Senator ORRIN G. HATCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATCH: I am angry! I hope you will get angry too!

Why does the Congress of this Nation feel that they must continually tell businessmen how to run their business.

Choice and the selection of employee benefits to be offered is one of the few ways a small business can compete against major businesses. If this choice is taken away from small business it will be one more stumbling block leading to the demise of effective small business in America.

The concept of parental leave as expressed in the bills currently before the Congress is anathema to effective management principals. If key people are to be absent from our business for 10 to 13 weeks, how are we expected to keep our business operating. By the time a replacement is trained he or she are no longer needed and all the cost and disruption of the interim period is wasted. Even though the parental leave is proposed as unpaid leave, the cost to business will be horrendous.

Please!, please! take the strongest stand you can against this legislation.

Yours truly

KENNETH W. JONES, A.I.A.,
President.

INTERMOUNTAIN WEST
MANAGEMENT CORP.,
American Fork, UT, March 17, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: This issue of mandated parental leave has been brought to my attention by NFIB. They are right! This measure, if enacted, would be a gross disservice to all Americans. Sure it appeals to the wage earner, to those who become more and more addicted to the "free lunch" trap. I say, let us not be lured by these seeming "good for the family" enticements. Rather, let us examine the more far reaching impacts this measure could have on our economic system. After all, doesn't the consumer ultimately pay for these increased costs of doing business?

Mandated parental leave is a mistake. Vote No!

Cordially,

TIM H. MORRIS.

CHALLENGER SCHOOLS,
Orem, UT, March 15, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

SENATOR HATCH: It is so critical now to help our economy thrive—with the enormous federal debt, the low Gross National Product, and the Trade Deficit so huge. It is a time to help small and large businesses flourish, because they are the very breath of our nation!

House Bill 770 and Senate Bill S. 345 will kill our company! We simply cannot afford such extravagance. Soon we will have to just say, "Oh, to heck with working hard—let's just join the rest of the government bureaucrats, workers, and welfare recipients—it's just too hard to try to keep a business thriving and growing."

You know, some people think owning a business is just "trying to get rich." Let me tell you, it means bleeding—sweating—and worrying—night, day, vacations, weekends, and while sitting on the can! But we do it because we like to produce!

Rather than kill us and our productive spirit, why doesn't Congress do something like making tax breaks or deductibles so that we can afford to do more for our employees? Take a peek at the methods that Japan is using to help it's industries and employers. Yes, we want to take care of our company and our fellow employees, but if someone does not start thinking about the employers, there won't be any of us left to produce and create jobs for people!

Parents can only pay a finite amount for child care and education—it is so critical that you vote against this bill. Please—save America and its lifeblood. These bills will kill us and our nation's business incentive!

Urgently!

BARBARA B. BAKER.

FOREST PRODUCTS SALES,
Murray, UT, March 17, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: After reviewing Senate bill 345, I am concerned about the effect this bill will have on small businesses. I feel we already carry a heavy burden of government involvement. Some of these things are for the good of everyone, some are not. In an ever shrinking world, where competition is increasing, small businesses do not need another shackle around our ankles. This bill I am sure would actually put a lot of small businesses out of business. Utopia is a noble desire, but the real world must take precedence. I just want to register with you my feelings on this matter.

Sincerely yours,

THOMAS E. BUTTERFIELD,
President.

BRIGHAM CITY, UT, *March 16, 1989.*

DEAR SENATOR ORRIN G. HATCH: I am opposed to mandated employee leaves. It is just one more attempt to force small business out of business. I was too young to fight the Germans, Japanese, and Koreans, and I wasn't called to fight the Vietnamese. But now I have to fight daily for my freedom. In the scriptures it says we will have to fight to preseve our freedoms, but I never dreamed that I would be fighting my own government. It is just like we have fought and lost a war with a socialistic power, and we are now being subjected to all of the socialistic policies. Every year I have less freedom than the year before because of new government laws that take my freedoms away.

I am a dentist. When I applied and was accepted to Northwestern University Dental School you had to have excellent grades and references. for the 120 openings in the freshman class there were as many as 5000 applicants. Now Northwestern has reduced its class size to just 50 openings and has a hard time finding even that many qualified applicants. Some dental schools in the U.S. are taking applicants whom you wouldn't have work on your dishwasher, let alone your body.

What I'm getting at is that the government has passed so many laws and regulations that no one with talent wants to subject themselves to the governmental abuse. Qualified young people are looking to jobs or positions where they don't have to put up with all of the new mandated socialism. I can write each day about some new bill that is again trying to remove our freedom, that I'm opposed to, but that is fighting a losing battle.

Please use your power and authority to make government our friend and not an enemy we have to fight. Please don't let the United States become a socialistic power, because we all know that leads to failure.

Sincerely,

MICHAEL E. ALLEN, *D.D.S.*

BLANDING, UT, *March 15, 1989.*

Senator ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: Very simply put, those of us in the small-business sector cannot in any way afford the mandated parental leave. Please do all that you can to defeat this bill.

Thank you,

STAN HURST,
Treasurer.

SWIM FINANCIAL CORP.,
Orem, UT, March 15, 1989.

Hon. ORRIN HATCH,
Senate Russell Building, Washington, DC.

DEAR SENATOR HATCH: I recently caught wind of a piece of legislation now pending before Congress which, if enacted, will require employers to give parental leave to their employees. (H.R. 770, S45.) As a small business owner as well as being a partner in several other small businesses, I find this legislation to be appalling. I view it as a direct intrusion by the Federal Government into the free market by mandating certain fringe benefits whether or not it is desired or in the best interest of employer or employee.

As one takes a serious look at the widening gap between the cost of an employee to an employer (including various FICA taxes, unemployment compensation, workers compensation and other compulsory benefits) versus what the employee himself actually receives after he pays his share of FICA and taxes, we can see that this gulf between cost of employer versus income to the employee becomes a very real hindrance in working out mutually satisfactory relationships with employees. It seems such things as medical benefits and the type of parental leave as is suggested in the pending legislation should be a subject of free, uninhibited negotiation between the employees and their employer. This type of federal intrusion into the free market will see no limit unless the principle is really discussed as to what role does a government have into mandating certain relationships between employer and employee.

This legislation smacks of an organized labor effort to force upon all employers by legislative fiat what could not be gained in the free market place by negotiation. This type of legislation is coercive by nature and totally contrary to the provisions of our constitutional free society. I ask your help in defeating this legislation, not just in amending it, but in defeating it as the principle upon which it is based is entirely wrong.

Sincerely,

GAYLORD K. SWIM.

DAYWEST ENTERPRISES, INC.,
Ogden, UT, March 21, 1989.

Senator ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: The proposals before Congress to mandate parental leave (H.R. 770 & S. 345) would be a major disaster for my company if enacted into law. We are in the Long Term Care business, employing 130 people, most of whom are young women still in their childbearing years, and mostly non professionals.

This legislation would create a serious financial problem for us because we would have large numbers of employees on parental leave with the company paying the cost of health insurance while they are gone.

And there is no possible way we can hold a job for parental leave by keeping a position empty; we must hire new staff for periods of extended leave. What are we suppose to do fire an existing employee when the one on leave returns? How fair is that to the person you just hired?

We cannot afford health insurance as it is. CORBA and section 89 have only compounded the problem. If this legislation also passes, we would most likely discontinue offering health insurance entirely. This law would also make it more difficult for us to recruit new employees because they would be afraid of being fired after 10 weeks when someone comes back from parental leave.

There is absolutely no need for government to get involved in this issue anyway. Our employees who leave for maternity reasons are always able to find good jobs when they are ready to return to work, even though it may not be with the same company.

This is not a "family issue" at all, but just another unwarranted government intrusion into free enterprise that will create more problems than it will ever resolve.

Please vote against it.

Sincerely,

L. ALLEN DAY,
Daywest Enterprises, Inc.

MACA SUPPLY CO.,
Springville, UT, March 14, 1989.

Senator ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: This letter is being written as an official protest against the legislation contained in Senate Bill S. 345.

Maca Supply is a small business employing approximately 50 persons and we strongly oppose the mandated parental leave legislation for the following reasons:

When we hire an individual we have a specific need for that person in the organization. We expect him to be in attendence during every regular work shift. If we hadn't needed him we wouldn't have hired him. It is not that we are against employees having time off, but we feel we should have the final say as to the justification of the time off.

Our production depends upon the person being on the job during every shift. We don't have the funds to have a back-up for every person in the plant.

A person's regular attendance is expected and any unscheduled time off is detrimental to our production.

Finally we are opposed because we strongly feel that further government control will only stifle business activity. We also feel that the decisions governing leave of absent should be left in the hands of the people who foot the bill, and not in the hands of a governmental regulatory agency.

If past legislation of this type is any indication of what to expect, it is almost certain that this is only the beginning, and future regulations will most assuredly follow.

Please be mindful of the free enterprise system and the fact that federal regulations generally confuse, and only lead to further regulations. Loopholes will certainly be found, and with these loopholes, gigantic concessions will have to be made by the small business community.

Consider this letter an official protest, and a concerned expression of our firm and continued opposition to this type of legislation.

Sincerely yours,

KENT LARSEN,
Manager.

PETERSON COMPANY-UTAH,
Salt Lake City, UT, March 10, 1989.

Senator ORRIN HATCH,
U.S. Senate, Washington, DC:

The provisions of the mandated parental leave legislation would be a disaster to small business. There is no way we could survive 20–23 weeks leave as proposed by House Bill HR770 or Senate Bill S-345. As a matter of fact I don't see how large businesses could survive unless these provisions.

I am utterly dismayed that representatives of the people could possibly propose such legislation and hope our Utah delegation will take the lead in its defeat.

Respectfully,

RAY H. COOK,
Ex-Vice President, Peterson Co.-Utah.

WANGSGAARD HEATING
& APPLIANCE CO.,
Logan, UT.

DEAR ORRIN: As a small business owner, I am flabbergasted at even the thought of mandated parental leave (S45).

At a time when we are being asked to get more productivity out of our employees, some of Congress seems to be right there to kick us in the teeth. I think these people need a mandated leave of absence to get back in touch with reality.

Yours truly,

BRENT WANGSGAARD,
President.

K-C MANUFACTURING
& SALES, INC.,
Pleasant Grove, UT, March 13, 1989.

You are forcing employers to hire older and in perfect physical shape employees.

That will put young families (who need work to feed children) and older individuals who's health may be questionable, in welfare lines.

You'll be putting another group in poverty, congratulations!

Another step in making us less competitive in the world and closer in bankrupting our country.

KEVEN WILSON.

BLAKE ELECTRIC CO.,
Richfield, UT, March 13, 1989.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing concerning a bill that has been brought to our attention by the National Federation of Independent Business. The bill S. 345 seems to be completely out of reason in relation to small business as it would create hardships, personnel not on the job, as well not completing work done that is needed on a daily basis.

This bill could drasticly reduce production activity, which would reduce output, potential growth, stop production, and would be a loss to revenue on City, County, State, and National levels.

I hope you will do all you can to defeat these bills. We appreciate your support and good voting record in the past.

Sincerely,

GLEN BLAKE,
Blake Electric Co.

BEAZER ENGINEERING,
Logan, UT, March 14, 1989.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: In our business we have no way to absorb or pass on the increased costs that the Parental Leave legislation would impose on us. We ask you to vote against this measure

Sincerely,

ALBERT BEAZER.

MENDENHALL CONSULTING ENGINEERS,
South West Jordan, UT, March 14, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing to express my opposition to Senate Bill (S. 345) mandating parental leave.

This bill is not in the best interest of small businessmen in the State of Utah. My company is a service company, when employees are not here and not producing we lose money. If I were required to give 10 weeks leave to someone I would have to close the doors, declaring bankruptcy.

Larger service companies that I have worked for in the state would just increase their fees to cover the costs of the leaves. Their higher fees are already making many larger companies non-competitive in the Utah market.

Please vote against this bill.

Thank you.

Sincerely,

GREG B. MENDENHALL, P.E.

MID-STATE CONSULTANTS, INC.,
Springville UT, March 14, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing to voice my opposition to the proposed legislation regarding parental leave. In a small company, when a key employee takes an extended leave it is difficult if not impossible to hire a competent temporary replacement. Also, the cost of providing health insurance to an absent employee as current premiums would be substantial.

Although the rights of workers do need to be considered, in this case the government seems to be going a step too far. Each individual situation should be evaluated by the employer as well as the employee, and not mandated by law.

Sincerely,

TERRY D. BROWN,
President.

GREEN & SONS AGENCY,
Ogden, UT, March 14, 1989.

Senator ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: My letter concerns Senate bill (S. 345) mandated parental leave, which I strongly oppose. As a small business owner; if this bill went into law I am sure we, as well as other business owners, would have no choice but to reduce the number of employees because of additional inconvenience and expense.

The bill's sponsors, I am sure, want to move quickly to put it to a vote this time around in hopes to "sneak" this bill through. It would only be one more move toward ruination of small business.

I urge you to do everything possible to kill this bill in its tracks.

Sincerely,

WAYNE H. GREEN,
President.

Alexandria, VA, September 20, 1991.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: On behalf of the 25,000 members of the Printing Industries of America (PIA) and the Graphic Arts Legislative Council, I urge you to oppose S. 5, the Family and Medical Leave Act of 1991.

Our members value flexibility in providing employee benefit packages which are tailored for their workforce. Employers in the graphic arts industry use this flexibility to respond to the changing needs of today's workforce. S. 5 eliminates flexibility and throws an unnecessary burden upon businesses. Recent polls such as one conducted by the Employee Benefits Research Institute have shown that American workers do not rate family and medical leave as a preferred benefit. Thus, a government mandate is unwarranted.

In addition, our European neighbors have shown as that big government does not benefit the national economy. While supporters of S. 5 continue to point to the experiences of European countries with mandated benefits, these same countries continue to explore ways to remove the shackles to their economies caused by inflexible employee benefit and labor market policies. The deterioriation of Eastern European governments spilling over to Western European countries such as Sweden shows that big government does not work. Sweden is a prime example of a welfare state which has failed. In contrast, our nation's reliance upon the marketplace as the best mechanism for determining good employee benefit packages has and continues to work.

As the nation struggles to bounce back from the recession and strengthen its economy, government mandates in legislation such as S. 5 will only hinder the process and hurt our nation. For the businesses and workforce in your state as well as the nation, say no to mandated benefits and oppose S. 5, the Family and Medical Leave Act of 1991.

Sincerely,

BENJAMIN Y. COOPER,
Senior Vice President, Government Affairs, Printing Industries of America.

Mr. HATCH. Mr. President, I am sure these letters are typical of the concerns other Senators have heard. I underscore the fact that the vote, I am told by the National Federation of Independent Business, will be a key small business vote.

This first, from a construction company in Logan, Ut:

DEAR SENATOR HATCH; I am concerned with the proposition to enact mandated parental leave. This is a totally one-sided proposed law. It is too expensive, too burdensome. It might be considered apple pie, but it is certainly bitter to the taxpayers.

I encourage your support in defeating the proposed mandated parental leave.

There are a lot of others that I have from Utah that I also find to be very interesting on this issue. One is from IBEC in Ogden, UT.

DEAR SENATOR HATCH: We very much believe in families. However, the Government is not in the business of dictating what benefits we should offer our employees, unless of course the Government would like to pay for those benefits.

We respectfully request that you vote no on any and all bills that mandate parental leave or health insurance for any business establishments of any size.

Please stick to the business of Government and concentrate your efforts on balancing the budget.

It is interesting. Here is another one from a business in North Salt Lake, UT.

DEAR SENATOR HATCH: Please vote against S. 345. Mandated parental leave is not an issue that Congress should address. This would unwittingly leave the option to employees to walk out at any time they feel a need to take care of domestic matters. As an employer it does not leave the opportunity for employers and employees to sit down and discuss the problems the employee may have, or that the employer may have .

As a regular course, our company allows parental leave when we understand the circumstances of the employees. But more than that it gives us the opportunity to negotiate these times so the employee and employer can satisfy their needs by working out an equitable solution.

Well, I think these are points. I could go through a lot of other letters.

I ask unanimous consent that these letters be placed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LE GRAND JOHNSON
CONSTRUCTION CO.,
Logan, UT, March 13, 1989.

Hon. ORRIN HATCH,
Washington, DC.

DEAR SENATOR HATCH: I am concerned with the proposition to enact mandated parental leave. This is a totally one-sided proposed law. It is too expensive, too burdensome.

It might be considered apple pie but it is certainly bitter to the taxpayer.

I encourage your support in defeating the proposed mandated parental leave.

Very truly yours,

LE GRAND JOHNSON CONSTRUCTION CO.,
MAX L. JOHNSON, *President.*

IBEC,
Ogden, UT, March 14, 1989.

Senator ORRIN G. HATCH,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR HATCH: We very much believe in families. However, the government is not in the business of dictating what benefits we should offer our employees, unless of course the government would like to pay for those benefits.

We respectfully request that you vote no on any and all bills that mandate parental leave or health insurance for any business establishments of any size.

Please stick to the business of government and concentrate your efforts on balancing the budget. The current deficit will cripple us for years to come unless you act now, due to all the wonderful programs you and your colleagues have enacted. Have you considered ending outdated programs and biting the proverbial political bullet with an across the board spending reduction. If we all pay the price of reduced spending you're more likely to get the people behind you than if you single out groups for item cuts that then say "why me?", and pressure you into restoring the cut. Shades of the Hill AFB furlough and the McDonald Douglas jobs in Salt Lake, for example. Above all, do something to correct this imbalance!

Sincerely,

HELEN REEVES TAYLOR,
Vice President.

GETTER TRUCKING, INC.,
North Salt Lake, UT, March 20, 1989.

Senator ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: Please vote against S. 345. Mandated parental leave is not an issue that Congress should address. This would unwittingly leave the option to employees to walk out at any time they feel a need to take care of domestic matters. As an employer it does not leave the opportunity for employers and employees to sit down and discuss the problems the employee may have, or that the employer may have.

As a regular course, our company allows parental leave when we understand the circumstances of the employees. But more than that it gives us the opportunity to negotiate these times so the employee and employer can satisfy their needs by working out an equitable solution.

Please vote against Senate Bill S. 345.

Sincerely,

GETTER TRUCKING, INC.,
WILLIAM R. GETTER,
Executive Vice President.

Mr. HATCH. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Utah has 29 minutes and 23 seconds.

Mr. HATCH. Mr. President, I notice the distinguished Senator from Idaho is present. I would like to interrupt my remarks to yield 4 minutes to him, and then I will go into the Hatch substitute and why I think it is a far superior bill to the Dodd-Bond bill, and why I think it would work in the best interests of all American families, not just the few that the Dodd-Bond bill does.

So at this point, I would be delighted to yield 4 minutes to the distinguished Senator from Idaho.

Mr. CRAIG. Mr. President, I thank my colleague from Utah for yielding.

Let me, first of all, associate myself with the remarks he has just made as they relate to the important piece of legislation that is before us, S. 5, and amendments that he will soon be offering to this legislation that deal with parental leave.

I had developed legislation as an amendment to the parental leave bill known as S. 841. I will not have the opportunity to introduce that as an amendment because it would require the 60-vote point-of-order budget waiver, because it would be a tax credit to be offered to business and industry, especially that 5 percent which does not now provide through the private approach a parental leave or an individual leave opportunity that currently exists in the marketplace.

Why will I oppose S. 5, and why am I suggesting that every Member of this Senate ought to oppose S. 5? Is it the merit? No, not in total, Mr. President. It is not the merit or the concept of the legislation itself, from the standpoint of what it pretends to do. I think we are certainly all in favor of the employee and the employer developing a relationship that recognizes the plight of the employee.

But what I oppose, and what I think this Senate ought to oppose, is a mandate, a Federal mandate that says you will.

I am not allowed to introduce my legislation because of it potential budget impact, and yet there is absolutely no consideration for the impact of S. 5 on the private economy of this country, the viability of that economy and, more importantly, its competitiveness in a world economy.

As the rest of the world would tend to free itself a little bit, and we hope a good deal more, we tend to be centralizing the authority over the private sector of this country right here, in the Senate and in the Congress of the United States. I think that is what Federal mandates are all about. When we cannot afford to do it, because we have literally bankrupted our country through Government expenditure, we are now saying we are going to solve the additional social ills that we can no longer afford from the Federal level through mandates to the private sector with which the private sector must comply.

I am all in favor of parental leave when it is a negotiated leave, when it is a relationship that is freely established between the employee and the employer. I would even go so far, as I have in the legislation that I developed, S. 841, to offer the incentive to do so by encouraging through greater tax incentives that kind of an opportunity to exist.

In fact, the legislation that I would have proposed, if we had not had to adhere to the false budget agreement that this country and this Government now struggles under, would have even provided greater flexibility in the marketplace than the kind of mandates that are proposed through S. 5. That is reality.

So when the American public, which observes our actions on a daily basis, becomes frustrated over what is or is not done, part of it is not done because of the rules and regulations that we straitjacket ourselves to; part of it is not done because we no longer believe that the private sector ought to be as free as it is, as it should be, to negotiate its own relationship, partly because there are some who believe in greater and enhanced central control over the kinds of relationships that my colleague from Utah is suggesting that we free up; that we really do create the incentives, but we allow the private sector to make the choice. We allow the employee and the employer to come together in that kind of a negotiated relationship.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. CRAIG. Mr. President, I thank the Chair.

I stand in strong support of the amendment of my colleague from Utah that he will be presenting, and I hope this Senate will rally in support of a more voluntary, freer approach to the marketplace and to the relationship that has been traditionally, Mr. President, the relationship negotiated between the employee and the employer.

I thank my colleague for yielding time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah now has 24 minutes and 11 seconds.

Mr. HATCH. Mr. President, I thank my colleague.

I yield 5 minutes to the distinguished Senator from Washington.

Mr. GORTON. Mr. President, if the U.S. Senate wants to act on behalf of American families and businesses, then it should look to my home State of Washington. There you will find a family leave law that strikes a necessary balance that protects both families and small businesses. Look there, and you will find a model for this Senate to follow.

In today's difficult economic times, many couples face enormous financial burdens when starting and raising a family. The unexpected onset of tragic illnesses of a spouse, parent, or child can also add tremendous challenges to working men and women. People in such dire circumstances should not be forced to choose between losing a job and caring for a loved one.

Fortunately, the tradition of family and medical leave is a common and accepted fact of American businesses, small and large. Across the Nation, employers and employees enter private agreements every day to establish equitable solutions to the worker's difficult situation. That is the preferred and customary method of managing employee crises as indicated by a poll which found that 89 percent of the American public believes that benefits should be decided between employer and employee, not by the Federal Government.

However, some States, including my own State of Washington, have recognized the need to legislate balanced family leave policies to cover large businesses. Washington State recognizes this need by providing for up to 12 weeks of unpaid parental leave to care for a new or adopted child. That legislation applies to businesses with more than 100 employees. I fully support such individual State efforts to address the unique needs of their families and local economies.

It was my hope that the U.S. Senate would follow Washington State's lead by enacting similar legislation that serves families and businesses. I wanted legislation that recognized the current financial struggles of businesses which employ 50 to 100 people; businesses which are vitally important to our economy. Instead, the best the Senate has done is offer legislation that is unfair to medium-sized businesses, excessive in its mandated benefits, and designed to provoke a Presidential veto. This cannot possibly benefit families who need wise and compassionate legislation from their Representatives.

For the past few weeks I have heard from many Washington State businesses. From Spokane to Seattle, and Bellingham to Kennewick, employers with more than 50 employees have urged me to recognize their contribution to our economy and not impose further unreasonable Government regulations. They simply can't afford it.

There is a significant difference between requiring businesses with 50 or more employees to provide mandated benefits, and the Washington State standard of 100 or more employees. According to the Washington State Department of Employment Security, in 1990, the total number of employers with 100 or more employees was 2,830. The combined employee payroll for these employers is 1,009,382. The total number of employers with 50 or more employees is 6,512. The combined employee payroll for these employers is 1,262,093. Lowering the threshold for family leave from 100 to 50 would mean an additional 3,682 employers or 130-percent expansion of the number of covered employers. The Washington State Legislature has debated this issue at length and has decided against lowering the exemption rate.

I cannot support Federal legislation that lowers the threshold beyond that which my State has expressly established. Although I applaud the Senators from Connecticut, Kentucky, Missouri, and Indiana for their efforts to lessen the burden on companies, the compromise legislation is still not close enough to the Washington State legislation to win my support.

The single greatest benefit that this Senate could provide the American people, especially those who must care for new children or ill parents, is a sound and growing economy. In an ideal world, Washington State would never have to legislate their family leave policy. However, it is a reasonable approach that acknowledges the need to protect families while maintaining a sound economy. Regretfully, this legislation does not recognize that balance and I will vote against it. Instead, I will vote for the version sponsored by the Senator from Utah. This alternative, while not similar to the Washington State law, does recognize the same balance which I seek. I commend the Senator from Utah for his efforts to provide legislation with sound economic and family principles.

Mr. President, in connection with this debate, as with many others, we seek socially highly desirable goals.

We change the various mix of socially, highly desirable goals we seek from day to day depending upon the nature of the issue before us. But in this case that goal, that extremely worthy goal, is family strength, cohesion, and stability, accommodating to very real needs that very real people have as medical and other emergencies touch them.

Yet, we concentrate so heavily on that single goal that we almost ignore other goals which are equally important. Certainly, in the situation with which we are faced today, the most important single goal is a restoration of a strong, booming, and growing economy.

It is overwhelmingly clear from the correspondence which we receive on this issue that the heart of the economy of the United States, small- and medium-sized businesses, are almost universally against this bill. They feel that it simply adds one more burden, one more inhibition to their ability to grow, to make appropriate management decisions, to provide the jobs which, after all, are the basis for any kind of family benefits from employment.

How do we solve that problem, Mr. President? How do we gain the maximum in sensitivity toward our families with the minimum disruption of our economy? I believe that the proposal of the Senator from Utah does that. In some respects its rewards are more generous, considerably more generous, than those that underlie this amendment. At the same time, it does not impose absolute mandates on business. It does not disrupt the kind of planning process which any successful business must have.

There is yet another method of reaching these goals. My own State legislature has debated this issue over an extended period of time and has put into the law of the State of Washington a proposal not dissimilar from that of the Bond amendment, except for the tremendously distinguishing feature of a floor of 100 employees rather than a floor of 50 employees. And it is, of course, from exactly those vital small businesses that fall into that category that I have heard the widest ranging objections to this bill.

Mr. President, I might even have been disposed to ignore those objections if while we were debating this bill we were in a vital and growing economy. But if there is one overwhelming message which we get today, it is that, one after another, we are adding to the burden, the inhibitions of those very businesses and entrepreneurs who provide the jobs for a growing economy.

I am convinced, regrettably, that we simply cannot add to those burdens and expect at the same time a vital lift out of the recession in which this country finds itself. As a consequence, I believe that we should either adopt the proposal of the Senator from Utah, one with which those small businesses can live, or allow a few more years for competition to create voluntarily exactly the situation which is sought by this bill. But during the midst of a recession, to add one more great difficulty—one more inhibition to the ability to produce more jobs—will cause more misery and more difficulty than this particular proposal will ever create.

So, Mr. President, I advocate the adoption of the amendment by the Senator from Utah together with that of the Senator from Minnesota, but I believe that in the absence of the adoption of the amendment by the Senator from Utah, this bill, regrettably, should be rejected.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I ask unanimous consent that I may take 5 minutes of the time that would be allocated to the distinguished Senator from Utah on the time that has been allocated to him under the unanimous-consent request.

Mr. HATCH. Mr. President, it appears to me that—it is now 2:35—Senator DURENBERGER is about ready to call up his amendment. I understand that he has 1 hour on his amendment and I have about 15 to 19 minutes remaining. Thus, it would be about 3 p.m. when he begins his presentation. Having been told that he will consume his entire time, that would take us to 4. Following, I am supposed to have 2 hours on my amendment.

So, let me say that I would like to accommodate my colleagues. But, I would like to yield to the distinguished Senator from Mississippi about 7 minutes, and then I will address my amendment in the remaining time I have before 3. If we just had a few minutes before 4 p.m. to talk about my amendment, maybe we could start this series of votes pretty close to 4.

I do not want to hold up our colleagues even though I supposedly have 2 hours after Senator DURENBERGER has completed his presentation. I want my colleagues to understand that we may not be able to vote right at 4. I intend to see that we vote pretty darned close to 4 if I can have it, even though it means waiving an awful lot of the 2 hours.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. DODD. Mr. President, thank you very much.

I will try to use less time, Mr. President. But there has been a lot of discussion here from a number of our colleagues about the fact there is a benefit tradeoff, that if the family and medical leave legislation is adopted, some other benefit that employees presently have would somehow be diminished or taken away.

In December 1988, we held hearings in the Labor Committee, and this suggestion was made at that time as well, that somehow we are going to cause employees to lose some benefits if this particular proposal is adopted. I made the mistake that no freshman law student would ever make. I asked the witnesses, without knowing the answer to the question, I simply said: Would you identify for me the name of one single company in this country that has ever reduced anyone's benefit as a result of adopting family and medical leave practices? That was a silly question to ask, for anyone who knows anything about a trial, if you do not know the answer to the question. I did not know the answer to the question.

That question was asked in December 1988. We are now in October 1991, and I have been waiting for them to name one company in this country that has ever adopted a family and medical leave or a parental leave program that has reduced any other benefit that they provided to their employees. Never one example has there been cited, and yet that has been a major argument here this afternoon, that employees will lose other benefits if, in fact, they provide this particular benefit or are required to provide this particular benefit.

Mr. President, to suggest somehow that this legislation is going to do that when in fact no business has ever come forward and said, in fact, "Senator, we want to let you know we have reduced our benefit package because we adopted parental leave as a policy in this particular firm or business."

It is a little difficult to see, but I will put up this chart here just to identify. The average benefit package per employee in this country, take everything an employee gets, is roughly $10,000. That is aside from wages. That amounts to legally required medical, vacation, pension, holidays, and sick leave. You add them up, beginning at the top, $2,577, down to sick leave, which is $386 a year. The total is about $10,000 a year. We are talking about here, according to the General Accounting Office, the last item, $5.30 a year, 2 cents a day for family and medical leave.

To suggest somehow this same employee is going to lose some of these benefits for 2 cents a day is absolutely ridiculous, without merit or foundation, and there is not one single example to even substantiate or support the accusation. There is a package of $10,000 of benefits, $5.30 benefits, 2 cents a day, and somehow because this is required, these other benefits are going to be reduced. That is just ridiculous.

I know the argument gets made. I will leave this chart up for my colleagues to look at, but there is no substantiation whatsoever for that allegation.

I reserve the remainder of my time.

Mr. HATCH. Let me say that I will put into the RECORD a statement by one of the groups that support this bill, that refutes what the distinguished Senator from Connecticut has to say. We will get that and put it in the RECORD later.

I yield 7 minutes to the distinguished Senator from Mississippi.

Mr. LOTT. Mr. President, I thank the distinguished Senator from Utah for yielding me this time.

I have a few points I want to make against the Family and Medical Leave Act. I know most of the debate here today has been from Senators supporting this bill. It is easy to do that, and it is understandable; you want people to have family and medical leave. We all do.

But there are some reasons why we should not mandate it from the Federal level. It has a fatalistic history. This will not become law. Maybe we are going to prove a point by passing it through the process and sending it to the President. But he will veto it, and it will be sustained, and then what? It will meet the final result—to not become law.

As is always the case, it seems to me, when we have a problem in this country, the Senate says: Let us solve this problem with a Federal law. Let us mandate it. Let us say this must be done, or this must be done, even if we don't need it.

Some people argue: why are you opposed to this? It will only affect maybe 5 percent of the businesses in America. That is my point. If only 5 percent is going to be affected, why do we need this? We can argue over statistics. Maybe it is more than that. But business and industry in America are doing their job here. They are giving maternity leave and sick leave.

I have some statistics that I am going to quote in a moment. My main point against this bill, once again, is that it is a federally directed mandate. And bill after bill after bill coming through the Senate this year puts more paperwork, more regulatory burdens, and more mandates on business and industry, particularly small business in America.

You might say, well, if you are under 50 employees, you are not affected. A lot of small businesses have 60 employees. If we mandate that small businesses must handle family and medical leave in accordance with what is included in this bill, this is going to be a problem for them.

Let me read an editorial. I do not get to read editorials very much in the USA Today newspaper, because most of the time I do not agree with them. This time they got it right, so I will read it, because it is a very good summation of my problems. It is entitled: Family leave, yes; Federal law, no. I added the word "Federal."

> In an ideal world, work and family life would never clash. In our imperfect world, the two collide constantly.
>
> Real-life people have or adopt children who make 24-hour demands. Real-life people care for ailing relatives whose needs aren't confined to hours left over from a full workday.
>
> No one should have to add the fear of losing a job to the burdens of meeting family responsibilities.
>
> The wise employer will ease those burdens by offering family and medical leave because it's decent, humane—and good for business.
>
> Family-leave benefits can lure and keep the best workers less expensively than higher salaries. And hiring new employees is more expensive than hanging on to those with experience, even though they have to leave for a while.

I added the last phrase there.

> "More and more businesses have realized this," and more will offer family leave, as they see the value in doing it.
>
> The Family and Medical Leave Act scheduled for Senate action this week would force firms with 50 or more employees to offer 12 weeks of unpaid leave for childbirth, adoption or family illness.
>
> What a company should do and what it should be made to do by law are two different things.
>
> Laws can't accommodate the varied needs of varied businesses. Laws could harm employees' interests because employers might lean away from hiring women of childbearing age, lean toward hiring temporary workers who don't qualify for benefits; or be unable to afford benefits employees might want more, like on-site day care.
>
> Family leave decisions should be hammered out between workers and employers, to the mutual benefit of both. That might not mean unpaid leave, but job sharing, or flexible hours, or higher salaries with less time off.
>
> Laws would be too clumsy and confining to cope with the complexities workers face in the real world.

That is from the September 30, editorial page in USA Today. It sums up my concerns about this particular bill.

I am also worried about the fact that we are talking about 12 weeks of leave. That is 3 months. I am also concerned about whether this will be done every year.

In the real world, if you had the possibility, which could happen, of children being born, or adoption, or sickness in the family, you could do it year after year. And what about proof of illness? It is very unclear to me whether you must show certification, or a doctor's statement, that you have an illness, or there is illness in the family. The bill language says "may require certification," not "must" or "shall."

Also, let me share some statistics with my colleagues here: A survey of 3,460 firms in the wholesale distribution industry revealed that 65 percent of these businesses offer either paid or unpaid leave, specifically for the birth, adoption, or care of an employee's ill child.

The GAO, General Accounting Office, an arm of the Congress, reported in March 1991 that almost all of the companies it surveyed provided maternity and paternity leave.

A small business survey reveals that approximately 60 to 70 percent of firms that employ 16 or more workers offer job-guaranteed sick leave.

So, statistically, I think we see that businesses, employees, and employers are dealing with this.

Yes; we should have maternity leave or paternity leave. I am a parent. I have two children. I know that there is a need to have some time to be with that newborn child. That is particularly true, I think, with the mother. But it goes both ways. But, for the Federal Government to mandate that it has to be done, and how much it has to be done, I think, is fundamentally wrong.

I also understand the problems of having sickness in the family. All of us have experienced that. Again, the Federal Government should not be getting into one more area of mandates. This looks good. It sounds good. But in practice, No. 1, it is not needed; No. 2, it is going to hurt more than it helps.

I really think you are going to find there are some women who would have been employed that, if this bill becomes law, will be less likely to be employed. So I urge my colleagues to not support this legislation. I know it has an astronomical appeal and push for it, but it is not needed and it is going to cause problems.

At the very maximum, I think we should go with the Hatch substitute. Quite frankly I am not particularly enamored with it either. The Hatch substitute is a little better because it does not mandate this benefit but encourages flexibility for a longer period of time, which may actually be needed in single incidents. I thank the distinguished Senator for this time.

I yield the floor.

Mr. HATCH. I yield 3 minutes to the distinguished Senator from Iowa.

Mr. GRASSLEY. Mr. President, I thank Senator HATCH very much for yielding me this short period of time. I want to spend 3 minutes talking about an amendment that will not be offered, but one that should be a part of this bill.

I had intended to offer an amendment to the parental leave bill, which would have extended coverage to employees of this body, the U.S. Senate, on the same terms as private sector employees have this law applied to them but, I have been prevented from offering my amendment to this bill.

Perhaps, Mr. President, the word "prevented" is too strong a term. After all, I could have continued to object, last night to the unanimous-consent agreement until my amendment was included.

But of course, tied up with the UC agreement on parental leave was the vote on confirming Judge Clarence Thomas to the Supreme Court, and, of course, from my perspective getting Judge Thomas on the Court is an overriding concern of mine. After all, this bill is very unlikely to become law—the President has promised a veto that at least one House will sustain. But of course, the presence of Judge Thomas at the start of the Supreme Court's term is critical for the Court's work and justice being done. And he will begin to make a difference right away, long before parental leave could ever become law.

So, Mr. President, I have given up my right to amend this parental leave bill or at least to offer my amendment. But I did it only because the Senate leadership assured me that I would have a right to bring up a similar amendment to the civil rights bill, where it is very much germane, and we are going to be debating that in a couple weeks.

At that time I will be ready to debate this issue. We can talk about the hypocrisy of Congress—the above the law attitude that runs rampant around here. We set rules and tell Americans to follow these rules, but we refuse to apply the same law to ourselves.

Congress employs more than 37,000 people all over this Nation—more than 7,000 are Senate employees. But these 7,000 employees do not have the same rights that other Americans have. Oh, yes, they can file a complaint with the Senate Ethics Committee for certain grievances. But if they do not like the result, our answer is just simply, "tough luck." For every other employee in America, there is a right to take the employer to court and get damages and sometimes penalties and even reinstatement to a job. Not so for our employees.

Well, Mr. President, I take no pride in helping to run the last company town in America.

We have got to do better. And, I will be back on the civil rights bill, ready to debate this issue fully. Some of my colleagues claim my amendment violates the Constitution. I'm confident it does not. The speech and debate clause does not immunize us for illegal employment decisions. And, frankly there just isn't a separation of powers problem.

Some of my colleagues object to my amendment because they are afraid that they will be subjected to frivolous lawsuits that could hurt them politically. Well, my answer to that is: "Senator, have a dose of your own legislative medicine, then maybe you'll understand what so many employers go through." Getting sued has become part of what it means to live in this great Nation of ours. And if those of us who work up here would understand that better, perhaps we'd think more critically about the kinds of laws we pass.

It is time we stopped being hypocrites.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes 40 seconds.

Mr. HATCH. Let me take a few minutes on the amendment that I intend to propose after the distinguished Senator from Minnesota proposes his amendment.

HATCH SUBSTITUTE: PARENTAL OPTIONS AMENDMENT

For millions of American families, the conflicts between work and family are unavoidable. Senators on both sides of this issue, I believe, are struggling with how best to help families cope with these conflicts. I agree with those who think that we can play a role in providing a better environment for work and family, but I firmly believe that my proposal does a better job of this than S. 5.

The Bond-Dodd substitute, which was debated earlier today, would establish an unprecedented Federal mandate that prescribes new, unearned employee benefits along with complex Federal rules and regulations. Keep in mind complex rules and regulations is something no one really addressed so far.

Another, more realistic approach focuses on protecting employee seniority, earned benefits, and accrued pay status and offers greater flexibility to both employees and employers.

The approach which I have just described is embodied in a bill that Congressman STENHOLM and I introduced several months ago called the American Family Protection Act and that I am offering as a substitute today, following the distinguished Senator from Minnesota. It provides up to 6 years of leave for parents to bond with children and up to 2 years to care for seriously ill children or close family members. The differences between this substitute and other approaches warrant analysis.

A designed, federally prescribed mandate, which is what S. 5 is both in its original and modified forms, is inflexible, ineffective, and discriminatory in impact.

Mr. President, we have made a lot of points on that particular matter.

Mr. President, here are the facts:

First, bonding is the interaction between parent and child that begins immediately after birth and foreshadows the infant's later socio-emotional development. Without this postbirth intimacy, many children are at high risk of developmental difficulty. Facilitating this bonding must be the central objective of any legislation in this area.

According to the experts, the first 4 to 6 months are critical in this bonding process. More precisely, they note, bonding is a continuous process lasting years. By any standard, the 12 weeks allowed in S. 5 are clearly not enough.

Second, providing job protection for individuals who must care for seriously ill children, elderly parents, or close family members is another objective. But, by definition, a serious illness is one that may not run its course within the allowed 12-week period.

Third, mandated benefits are not free. Accepting this reality, proponents of S. 5 in its original and modified forms exempt from coverage small businesses with fewer than 50 employees. But the other reality is that in so doing, they have made almost 50 percent of the Nation's working parents—those working for small employers who are least likely to have their own leave programs—ineligible for the benefits that it requires be provided to the other half of the working parent population. Proponents of this mandated benefit, in apparent recognition of the harsh burden it would impose on smaller employers, are forced to exclude those employers, thereby discriminating against their employees.

My point, Mr. President, is that Congress cannot set in statute a specific period of mandatory leave than can effectively balance the needs of workers with the recognized economic realities of the workplace. If we choose a limited time period, as proponents have had to do in an effort to at least minimize or control the severe costs and burdens of this mandate on employers, the time of permitted leave will be too short to accomplish their own goals.

On the other hand, because the alternative which I have proposed does not establish new mandated unearned benefits, but rather preserves only those benefits which have already been accrued, there is no need to exclude 95 percent of this Nation's employers. Further, because this alternative does not consist of an inflexible Federal mandate which forces employers to keep a particular job open for the leave period, it permits parents far more flexibility, up to 6 years in fact, to choose the length of time right for their circumstances.

How does the American Family Protection Act work?

Here is an example. Mary Smith is free to spend more time with her newborn—as much as 6 years. When she decides to return to work, she would simply notify her former employer. If the same job she held when she left, or a similar job, is available, the employer must rehire her. If Mary had 10 years seniority with the firm when she left, she gets that restored upon her return. If the same or a similar job is not available when Mary is ready to return to work, the employer is obligated to notify Mary of any subsequent opening and offer her that position for up to a year later.

Mr. President, this concept of preferred rehire has been successfully used to assist veterans of Armed Forces seeking reentry into the civilian labor force.

It does not make any sense to mandate a new employee benefit that will impose unprecedented obligations and new costs on employers, particularly when the tradeoff necessary to make the costs bearable render the benefit inadequate to fulfill its purpose. This mandate makes even less sense when it exempts almost half of the labor force.

Mr. President, I ask unanimous consent that I be given 5 minutes from my 2 hours' time following the Durenberger matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. But, even more important, families deserve the right to choose. Congress can help families the most by giving them options, and that is precisely what this alternative does. Undoubtedly, Mr. President, opponents of this alternative will be quick to point out that it does not guarantee, as S. 5 does, that the person's job will be waiting for them at the precise time they want to return to work. This observation is correct. But, the tradeoff for S. 5's guarantee of reemployment after an inadequate 12-week leave period is my alternative's providing up to 6 years, if needed, with at least the likely prospect for an employee that he or she will return to their former or a similar position and have their accrued benefits restored upon return.

I believe that families in America today feel terrible pressures of having to choose between care of their children or sick loved ones and their work obligations—and 12 weeks hardly meets the needs of these families. Up to 6 years would. And, yes, the tradeoff between 12 weeks off and potentially 6 years off has to be that reemployment assurances are provided rather than guarantees.

Another argument against this alternative is that it may work for the very well off parents who can afford to leave the workforce for a protracted period, but does nothing for lower income parents. All I can say to this argument, Mr. President, is that it cannot be coming from working parents. Do my colleagues have any idea what day care costs today? Let me describe the unfortunate reality, Mr. President. A quite average day care center in Washington, DC, which cares for the children of parents representing a wide cross section of income levels, costs $14,340 for two children per year. The way I calculate it is that, even excluding the additional costs involved in transporting two kids to day care, a parent would have to gross at least $18,000 a year to just break even. These mothers, currently at or around the break-even point, may feel constrained to keep working nonetheless in order to retain some level of employment security or so as not to lose the years of seniority they have accrued with their particular employer. My alternative, while no guarantee, mitigates both of those concerns. It may just give that struggling working class mother and her children an opportunity to be together during those important developmental years.

Mr. President, the Hatch-Stenholm substitute has the support of the U.S. Chamber of Commerce, perhaps our oldest and largest business organization, as well as the Family Research Council which is dedicated to promoting family-friendly public policies. Additionally, SER-Jobs for Progress, which has been in the forefront of Hispanic issues, has endorsed this proposal. These organizations have enthusiastically supported this proposal and joined Congressman STENHOLM and myself at a press conference last summer. I thank them for their support; I hope Senators will take their recommendation.

So, I think the approach we are proposing here gives the time necessary, provides the necessary assurances, gives and maintains the seniority and, frankly, is not a mandate in the sense that the Dodd-Bond bill is. Over the long term, it will work better and cause less loss of business than the Dodd-Bond approach. Lastly, it will not go down that ominous, terrible road of more mandates on the back of business in this country. We all know that they are only for the benefit of the upper half or the upper-half crust of our society.

My amendment applies to everybody—across the board. It will help everybody—across the board. It will get employers and employees together to voluntarily resolve their problems, as contrasted to a mandate like the Dodd proposal. I think it is a far superior approach to solve these problems. It is far more humane. It will allow for more bonding of both parent and children and in the process work very, very well.

Mr. President, I yield the floor.

Mr. PELL. Mr. President, as a longtime supporter of family and medical leave legislation, and as an original cosponsor of S. 5, the Family and Medical Leave Act of 1991, I wish to state in the past, we have come very close to seeing this legislation become law. As you know, similar legislation was passed last year by both the Senate and the House, but was vetoed by President Bush. I was extremely disappointed that the President chose to veto a bill that is so important to American workers and their families. But I am deeply gratified and appreciative that the senior Senator from Connecticut [Mr. DODD], the chairman of the Subcommittee on Children, Family, Drugs and Alcoholism, of which I am a senior member—simply won't take no for an answer where the health and welfare of American families are concerned. It is through his leadership and commitment to making family leave a right of every worker that we are here again today, in the face of another potential Presidential veto. I would like to congratulate Chairman DODD both for his commitment to bringing to this Nation sensible family leave legislation and for his wilingness to listen and respond to the legitimate concerns that have been raised in connection with this legislation over the last 5 years.

The Family and Medical Leave Act has existed in a variety of forms since it was first introduced several Congresses ago. But it has consistently offered us the opportunity to address what are certain well-documented needs of many American families. Facts presented during a hearing held by our subcommittee earlier this year illustrate a disturbing and strong trend toward one-parent families: from 9.1 percent in 1960 to 24.3 percent in 1987. In addition, with the majority of both men and women now in the work force, in many cases there is simply no one family member who can address urgent family needs without risking the loss of his or her job.

The Family and Medical Leave Act will address not only some immediate and changing needs of the average family, but also the demands and realities of the American workplace. It contains many provisions to address the scheduling and other administrative concerns of those businesses affected: only 5 percent of all businesses. It will also help increase worker productivity and reduce turnover and absenteeism. And it will do all this at low cost: GAO estimates that the cost to employers for this important family legislation will be about $5.30 per covered employee per year.

As you know, the bill is quite simple. It provides only that workers who must take time off for the birth, adoption, or illness of an immediate family member, or for personal illness, may take limited unpaid leave without losing their jobs. I am particularly pleased that this bill allows for unpaid leave for the illness of a parent. In my own State of Rhode Island, which has one of the largest percentages of elderly citizens of any State, this is a particularly important provision.

Rhode Island was one of the first States in the country to recognize the critical and growing need for family leave laws, and has already enacted similar legislation. But with no national policy, there is nothing to ensure not only competitiveness between the States, but also that every State is a good place for families to live.

Mr. President, the Senator from Utah has offered an alternative that essentially makes family and medical leave benefits optional. As I understand the Hatch substitute, it would require only the preferential rehiring of a worker who has taken family or medical leave, but would not guarantee the employee his or her job upon returning to work. Instead, the Hatch substitute says that the employer must give preferential consideration to rehiring the employee during the up to 6 years of leave permitted, and only if that job or a similar job is still available.

Mr. President, I seriously doubt the viability of the Hatch alternative, which I believe is most convenient for the employer at the expense of the employee needing leave. However, I believe that the business concerns which the Senator from Utah seeks to address in his amendment are well addressed by the Bond-Ford-Coats amendment that was debated earlier today. That compromise amendment makes numerous refinements to the legislation that are intended to accommodate the needs articulated by some of the covered employers, and strikes a sensible balance, I think, between the urgent family and health care needs of the employee and the reasonable expectations and business practices of those employers.

Mr. President, I would respectfully call to the attention of my colleagues the story of James Callor of Helper, UT. Mr. Callor's story appears in a publication called "Family and Medical Leave/Working Families Speak: Case Studies of Americans Who Need Family and Medical Leave" (second edition), published by the Women's Legal Defense Fund. I am reading from page 73.

> Mr. Callor worked as a fire boss for a mining company for eight years. Fire bosses enter a mine before other miners to check for gas and other hazardous conditions.
>
> In 1982, Mr. Collar's four-year-old daughter was diagnosed as having cancer. She underwent a series of operations, including a kidney removal and a hysterectomy. However, this string of surgeries proved unsuccessful and Mr. Callor was told by doctors that his child would not survive more than a few weeks.
>
> Mr. Callor asked his supervisor for an indefinite leave to be with his daughter during her last weeks. Despite an excellent attendance record over eight years, he explains his supervisor refused to grant him any leave in excess of his accrued sick leave and vacation—a total of 13 days. Angry and frustrated, Mr. Callor felt that he has to abide by his supervisor's denial of additional time off, because he could not afford to lose his job. Three weeks after his request, his daughter died.

Mr. President, this publication quotes Mr. Callor as follow:

> I was a good worker for that company. When they'd call me out at 2 a.m. to fireboss, I'd always go. I hardly ever missed work. But when my little girl was dying, they wouldn't even give me the time to be with her. I sit back and remember the situation and know I did everything I could for her, but it would have been a lot easier on our family if the company had seen fit to help. It's something you never expect, and it can happen to anybody.

Mr. President, the Callor family tragedy shouldn't happen anywhere in America: Not in Rhode Island, and not in Utah. We may not be able to prevent the tragedy of a child dying or becoming very sick, but certainly we can provide to that child the comfort of his or her family, and provide the family with the chance to help, to show love, or to grieve.

For the sake of the next generation, and for the sake of the sick children and elderly today who have no one at home to care for them, we must as a Nation decide that we will not make our workers choose between their loved ones and their jobs.

Mr. President, I urge my colleagues to support the Bond-Ford-Coats substitute, and I thank those Senators for their hard work in forging a compromise on this critically important legislation. It is my hope that the Senate will today take the first step in ensuring that family and medical leave soon becomes a right of every worker in need.

Mr. DECONCINI. I rise today in support of the Bond-Ford-Coats substitute amendment to the family and medical leave bill. I call on my colleagues to cast their vote on the side of America's working families. I urge President Bush not to veto this legislation.

In 1988, George Bush ran on a pro-family platform. He ran on a pledge of parental and medical leave. He said and I quote:

> We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during serious illness. This is what I mean by a kinder and gentler nation.

Mr. President, working mothers should not have to choose between a job they need and a child who needs them. George Bush recognized this in 1988. In 1988, he saw parental leave as a family need. Now he sees it as a Federal mandate. To George Bush I would like to quote the words of Republican MARGE ROUKEMA, a member of the President's own party and a principal architect of the bill. It happens that she also cared for her own son when he was dying of leukemia. "The debate over the Family and Medical Leave Act," she states, "is not about mandates or benefit packages. It is about values and a standard of decency."

Another Republican, Congressman HENRY HYDE from Illinois, also has a response to the President. "I am not appalled that this is a Federal mandate," the Congressman states. After all, "we mandate job security for jury service * * * and ROTC duty. It seems to me," he concludes, "for motherhood, for caring for a sick member of your family, that our economy and our society should be compassionate enough to include them."

Dr. T. Berry Brazelton, "America's pediatrician," charges that the United States is "the least child-oriented society in the world." I implore my colleagues to think of this if they are confronted with a veto override. Failure to override will only continue a public policy that puts the needs of our children and families on this Nation's back burner.

It is a fact: Almost two-thirds of the mothers in this country now work. Yet we are the only industrialized nation—the only one, with the exception of South Africa—that does not provide mothers who want to stay home and care for their newborn child some assurance that they can return to the job they left.

More than 75 nations have family-leave policies, most with pay. This list includes nations with the strongest national economies. Workers in West Germany and Japan—our toughest trade competitors—get 14 weeks of leave with pay. Even countries like Libya, Iran, and Cuba provide maternity leave with pay.

The bill President Bush has threatened to veto would provide minimum family leave protection for America's workers. Specifically, it would give workers up to 12 weeks of unpaid leave—to repeat, unpaid leave—when a child is born or adopted, or when a spouse, child or parent has a medical emergency that requires family care.

I would remind my colleagues that the family leave bill passed by both Houses of Congress last year was a compromise bill. It was a bipartisan compromise bill which was changed significantly from the original legislation introduced in 1985. We are again trying to strike a bipartisan compromise by further loosening some of the requirements in the family leave legislation that we passed last year.

Those who forged this compromise worked long and hard to satisfy what they thought might be legitimate business fears. I think this bill represents a reasonable compromise between competing interests while still retaining the basic elements necessary to protect the family unit.

Mr. President, the legislation we are talking about covers only firms with 50 or more employees—roughly 5 percent of all companies. This means that 95 percent of employers and 44 percent of employees would not be covered at all. The bill provides no more than 12 weeks leave in any one year. Many enlightened and successful businesses have far more generous parental leave programs than this.

The bill before us today requires medical certification of serious illness. We are not talking about a parent with the flu. We are talking about a child with cancer who must have radiation treatments. We are talking about an elderly parent recovering from a stroke who needs home care.

As MARGE ROUKEMA says, and I repeat, "the debate over the Family and Medical Leave Act is not about mandates or benefit packages. It is about values and a standard of decency."

All of us support the President's desire for a kinder and gentler Nation. But we must have the courage to vote our values into public policy.

Mr. President, make no mistake—America's families are stressed out. All the statistics we have—increasing divorce rates, drugs, rising teen pregnancies, school dropouts, suicides—show that we are in deep, deep trouble in America. As Dr. Brazelton states, "the family is where we've got to turn to try to give kids a different future than the one we've provided in the past generation."

Let's start here and now. National polls show that four out of every five American voters favor mandated unpaid leave. It is a phoney argument to say that the Federal Government should not mandate how employers treat their employees. While most firms treat employees fairly, some do not. Congressional mandates help to nullify the unfair advantage that would accrue to those companies that don't deal with their employees fairly. A safe workplace, a minimum wage, and social security coverage are just a few of the Federal "mandates" that now no longer seem controversial or unreasonable.

Let us show our commitment to children and families by providing our workers some measure of protected job leave. Let us show our commitment by offering some assurance to young people who want children and who need jobs to raise them. Let us show our commitment to working families by overriding the President's veto should he take that course of action.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

All time, the Chair would observe, on the Bond amendment has expired.

The Chair recognizes the Senator from Minnesota [Mr. DURENBERGER].

Mr. DURENBERGER. Mr. President, it is my understanding, under the unanimous-consent agreement, that I have an hour on my amendment which is equally divided.

The PRESIDING OFFICER. The Chair will state that on the Durenberger amendment there is 1 hour equally divided. The time will begin when the amendment is offered.

AMENDMENT NO. 1248 TO AMENDMENT NO. 1245

(Purpose: To establish arbitration procedures.)

Mr. DURENBERGER. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] for himself and Mrs. KASSEBAUM, proposes an amendment No. 1248 to the Bond amendment numbered 1245.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Strike section 107 of the amendment and insert the following new section:

SEC. 107. ENFORCEMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that parties with a dispute regarding rights provided under this Act should attempt to resolve the dispute without resort to litigation.

(b) ARBITRATION.—

(1) IN GENERAL.—An eligible employee who alleges that an employer has violated a right of the employee provided under this Act shall, in order to enforce the right, submit the dispute to binding arbitration in accordance with this section.

(2) WRITTEN NOTIFICATION.—Not later than 180 days after the date of an alleged violation of the right, the eligible employee shall notify the employer in writing that such alleged violation has occurred.

(3) COMPLAINT.—On submission of the notification described in paragraph (2), the eligible employee or the employer may file a complaint regarding the alleged violation with the Department of Labor. The Secretary shall by regulation specify procedures for filing the complaint.

(4) SELECTION OF ARBITRATOR.—

(A) LIST.—Not later than 10 days after receiving such a complaint regarding an eligible employee and an employer, the Secretary shall make available to the employee and employer a list of not fewer than seven arbitrators. Such list shall include, at a minimum, two names provided by the Federal Mediation and Conciliation Service. Each arbitrator on the list shall possess such qualifications as the Secretary shall by regulation specify.

(B) SELECTION.—The eligible employee and employer shall choose a mutually acceptable arbitrator (referred to in this section as the "arbitrator") from the list provided by the Department of Labor. If the employee and employer are unable to agree on an arbitrator, the Secretary shall appoint the arbitrator.

(5) HEARING DATE.—The eligible employee and employer shall schedule a mutually acceptable date to conduct a hearing with the arbitrator under subsection (c), which hearing shall take place not more than 60 days after the date of choosing the arbitrator. The Secretary or the arbitrator may grant an extension of the hearing date for good cause shown.

(c) HEARING.—

(1) IN GENERAL.—The arbitrator shall conduct a hearing regarding the complaint submitted under subsection (b)(3) in accordance with the procedures set forth in this subsection.

(2) DISCOVERY.—The eligible employee and employer shall be entitled to make appropriate requests for discovery prior to the hearing. The Secretary shall by regulation specify the appropriate scope for the discovery requests. The ruling of the arbitrator on the discovery requests shall be final, binding, and nonreviewable.

(3) EVIDENCE.—The arbitrator shall preside over the hearing and take into consideration written and oral evidence as presented by the eligible employee and the employer. The arbitrator may utilize the Federal Rules of Evidence as a guideline for determining the admissibility of evidence during the hearing, but the Federal Rules of Evidence shall not be determinative.

(4) DECISION.—The arbitrator shall issue a written decision to the eligible employee and the employer not later than 30 calendar days after the last day of the hearing. The decision shall be final, binding, and nonreviewable, except as provided in this Act.

(d) REMEDY.—

(1) EQUITABLE RELIEF.—

(A) IN GENERAL.—If an arbitrator determines that an employer has violated any right provided under this Act, the arbitrator may issue an order enjoining the employer from engaging in such conduct, and may order, as appropriate, equitable relief directly attributable to and proximately caused by the violation, including reinstatement or full or partial backpay.

(B) DETERMINATION OF BACKPAY.—Backpay awarded under this subsection shall not accrue from a date more than 2 years prior to the date of filing of written notification to the employer under subsection (b)(2). The arbitrator shall reduce the backpay that an eligible employee would otherwise have recovered by the amount of the interim earnings of the employee or the amounts that the employee could have earned with reasonable diligence.

(2) DAMAGES.—No arbitrator shall issue an order under paragraph (1) awarding punitive damages, or compensatory damages for pain and suffering, emotional distress, or other injury under the common law.

(3) FEES.—The arbitrator, in the discretion of the arbitrator, may award reasonable attorney's fees and arbitrator fees to a prevailing party in a hearing brought under subsection (c).

(e) JUDICIAL REVIEW.—

(1) ARBITRATION ORDER.—

(A) IN GENERAL.—An eligible employee or an employer who was a party to an arbitration hearing under subsection (c) may seek vacation, modification, or enforcement of the arbitration order resulting from the hearing in the State or Federal court in which the eligible employee resides or works, or where the employer operates.

(B) APPLICATION.—An application for vacation, modification, or enforcement of such an order shall be filed not later than 90 days after the date of the issuance of the order.

(C) BASIS FOR VACATION OR MODIFICATION.—The court may vacate or modify such an order if the court finds that—

(i) the order was procured by corruption, fraud or other improper means;

(ii) there was evident partiality by the arbitrator;

(iii) the arbitrator exceeded the powers of the arbitrator under this Act; or

(iv) the arbitrator committed a material and manifest error of law.

(D) FEES AND COSTS.—In an action for vacation, modification, or enforcement of an order of an arbitrator under this subsection, the court may award reasonable attorney's fees and court costs to a prevailing party.

(2) OTHER REVIEW.—No person may commence a civil action to enforce a right provided under this Act except—

(A) in accordance with this section; or

(B) in an action brought under the Constitution.

In section 106(c) of the amendment, strike ", or is investigating" and all that follows through "section 107(b)".

In section 108 of the amendment, strike subsection (f).

Mr. DURENBERGER. Mr. President, earlier today I had the opportunity to compliment the authors of this legislation, and I will add my compliments to the opponents of the legislation as well, particularly the members of the Labor and Human Resources Committee who have spent a great deal of time over the last 5 or 6 years on this issue.

I have not been at this issue quite as long as my friend, Senator DODD, from Connecticut, although I have been involved a little over 4 years right now. I voted against the bill in the committee both in the 101st Congress and earlier this year. I did not vote against the bill on the issue of mandates, as many of my fellow Republicans have done, or anticompetitiveness, which is an argument I think the author put to rest with a chart just a minute ago. I voted against the bill because there have been serious flaws in how this bill will be implemented, how it will affect the employee benefits structure for more than 50 million workers in America, and how the potential for it being a pro-family, pro-employee bill could be defeated.

During debate in committee, both last year and this year, I have attempted to offer amendments that I believe would improve the bill and make it a workable bill. I wanted to offer a substitute, for example, modeled after the family leave law which is in place in one of the more liberal States in the country, Minnesota. But the committee majority rejected it in favor of this much broader legislation which is before us.

Mr. President, I do not agree with my President that this bill has flaws in its mandate. If our society can mandate worker protections in wages, as it does, appropriately, and hours, as it does, appropriately, and health and safety, as it does, very appropriately, then this society can protect the worker from job loss due to absence for birth or attendance at meeting family medical needs. There is no question about that.

If our society can provide $100 billion a year in tax relief to workers whose employers provide them and their families with paid medical services, then we can certainly tolerate the far smaller costs associated with absence from the workplace when a family member's health is involved.

Employer-paid health insurance in America is about $221 billion a year. As the Senator from Connecticut pointed out; it is over $2,500 per worker per year, compared to sick leave and family of about $340 or $350.

So mandates are not the issue.

I would note that the provision for 12 weeks a year of medical leave is relatively untested. It will be most difficult to administer. It is fraught with the potential for lawsuits, particularly from the income class most likely to use these unpaid medical leave provisions.

Mr. President, this Senator wants a family medical leave bill to work. I want to help the father with the sick daughter diagnosed with leukemia who has to be taken to the hospital periodically for cancer treatment. I want to help the female employee who wants to be with her husband when he is hospitalized for open heart surgery. I would like to help the man who wants to be with his sick father after that father slips, falls, breaks a hip, and requires constant attention.

Mr. President, I lived with a dying wife and mother for 3½ years. My employer cared. My colleague, Senator WELLSTONE, had a caring employer when his parents were very sick and needed him.

These are situations, Mr. President, when our society should allow working men and women to care for their family members without penalty.

As I previously noted, the Federal Government provides a subsidy already of $100 billion a year to encourage this kind of protection for workers. Considering the scale of that subsidy, I can see no reason why we should then turn around and say it is OK for an employer to fire a worker because his child, wife, or parent is sick.

So I applaud Senator DODD for his hard work in trying to promote the family structure. Along with the Senator from Connecticut, I am pro-employee and I am pro-family. My amendment will eliminate that section of the Senator's bill that is anti-family, anti-employee, anti-employer but pro-lawyer.

I am proposing an amendment to the Family Medical Leave Act that will replace the current enforcement section and substitute a far less cumbersome and expensive binding arbitration mechanism.

I know the politics of this issue may require some to refuse to budge from where they are on either side. The story of the bill so far is that its authors have had a difficult time getting support from the other side. The supporters of the President's view say this effort to improve this piece of legislation might get a few more votes for it.

Well, I just ask the question: What is wrong with improving it? I offer this amendment because I believe I was elected to help make good public policy, and, in my view, this amendment vastly improves the bill.

So I encourage my colleagues to really look at the consequences of what we are doing—federally mandating a brand new fringe benefit for every employee of every company in America with more than 50 employees. Judge for yourselves if this amendment, the one I offer, is not a better amendment for employees who have been wronged under this act.

As currently written, the Family Medical Leave Act is modeled after the Fair Labor Standard Act. Accordingly, it provides for lost wages, benefits, and other compensation, as well as double liquidated damages. What many of my colleagues may not realize is that the FLSA, the Fair Labor Standard Act, and therefore the family medical leave bill forces the aggrieved employee into Federal district court and allows the parties to demand a jury trial as well. And I find that troublesome because I believe that our Federal judiciary is already overcrowded, and because the whole notion of going to our court system to deal with these types of problems is simply wrong.

Only in America do we seem to go to court first or to the lawyer's office and then to court. After a parent stays home from work to care for her daughter who had an appendectomy, and then is discharged for not coming to work, do we not want to encourage that broken relationship between the employer and the employee to be healed. We want to get that mother her job back, not spend years in Federal court while putting BMW's in the garages of lawyers.

Mr. President, make no mistake, there is going to be an explosion of questions and issues of how the Medical leave provisions of this bill will operate in the real world. What types of emergencies will justify leave? How will promotion and layoff policies be effected by this new Federal benefit? Questions will inevitably lead to disputes which will inevitably wind up, under the current bill, flooding the Federal district court of this country.

And I can assure every Member of this body that if this bill becomes law, 1 year from now we are going to be hearing from employees and companies complaining about delays and costs associated with this bill.

I remind my colleagues that barely 5 years ago we thought we could improve the fairness in the distribution of employee health benefits and pass something called section 89. It did not take long for everyone in the real world to raise thousands of questions about how section 89 would work. We tried to fix it, but ultimately we had to repeal section 89.

Mr. President, let us make certain that we do not flood the Federal courts with the same type of implementation questions that we faced with section 89.

Mr. President, a brief examination of the statistics confirms my fears about the state of the Federal courts and how this bill will exacerbate the problem.

There are 3 times as many lawsuits filed today as in 1960, and the United States has 30 times the lawsuits per person than Japan. Now, if you want to deal with competitiveness, try that one. In 1990, there were 251,113 total filings in Federal district court. The number of cases pending at the end of 1990 increased from 265,000 to 272,600 cases. Further, the number of cases, and the percentage, that were over 3 years old increased from 22,000, 9.2 percent, to 25,000, 10.4 percent.

These family and medical leave violations are just the sort of claims that should be resolved quickly. After all, an employee who requests and then is denied leave wants fast relief. As we all know, going to Federal court is not a place for efficient claim disposition. Let us take a closer look at the backlog in our Federal courts.

On these charts, I have the documented evidence from the Administrative Office of the United States Courts, the median number of months from issue—when the defendant answers the complaint—to trial. If Senator DODD wants jury trials, then every Senator ought to know how long, on average, the parties will have to wait for the trial. As we can see, there is quite a backlog.

On average, plaintiffs must wait 14 months from issue to trial. In some States, the average wait is much longer. In Minnesota, it takes 20 months from issue to trial. Senator DODD's constituents in Connecticut must wait 21 months for a Federal jury trial. Some States are simply incredible.

Over here we have a worst cases chart. Our neighbor to the south, Iowa, has a backlog of 39 months—3 years and 3 months. Louisiana has a backlog of 26 months; the western district of New York has a 29-month backlog; and the western district of Tennessee has a 30-month backlog. In reality, many people are waiting much longer.

Mr. President, what do these abstract numbers really mean? Let us say that on November 1, an employee of General Dynamics Electric Boat Division in New London, CT, takes leave to care for his sick mother. And what happens if General Dynamics refuses to grant him leave? Under Senator DODD's bill, that employee will have to wait until August 1993 and maybe longer, to resolve his dispute with his employer.

Is that what we want for the working families of this country. Do we want them to have to wait 2 to 3 years, and probably far longer to resolve these issues with their employer. Do we need to maintain 2 to 3 years of litigation tension at the workplace between an employee and his employer?

Mr. President, if the employee is unfortunate enough to have to deal with the courts of Iowa, he or she is going to have to wait until January 1995 to get this dispute resolved.

Mr. President, the incredible backlog of court cases in this country is precisely the reason that many Senators have been looking at alternative dispute resolution mechanisms to resolve product liability, and medical liability issues. We ought not be considering expanding the backlog in our courts through creation of new Federal rights of action.

If justice delayed is justice denied, then I do not believe that providing employees with access to Federal jury trial can be characterized as dispensing justice.

I ask unanimous consent, Mr. President, the tables indicating the median time from issue to trial be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DURENBERGER. The trend toward more court backlogs likely will continue. According to the Director of the Administrative Office of the U.S. Courts, "criminal felony filings * * * increased 9 percent in 1990 * * *" With crack cocaine users and drug kingpins flooding our court system, I see no need to create a new civil cause of action. It seems to me that we should be focusing on ways to avoid going to court, rather than creating new ways to get people into the courtroom. We must learn to allocate our scarce resources effectively, and the Dodd jury trial provision takes the country in the wrong direction.

I want the country to recognize that we are squandering precious resources. Forbes estimated that individuals, business, and government spend more than $80 billion in direct litigation costs, and $300 billion in indirect litigation efforts. And for their effort, plaintiffs wind up with only 43 percent of winnings from lawsuits. Lawyers and the court fees siphon off the rest.

I say to my colleagues, the politician who probably went up the highest in the polls during the month of August this year was the Vice President of the United States because of his appearance at the American Bar Association, and what we had to say about this problem.

But we can take one small step today to change the dangerous litigious trend we are facing. My binding arbitration amendment will assist employees in achieving prompt, efficient dispute resolution. Under my amendment, plaintiffs will file a complaint with the Department of Labor, and that Agency will provide a list of arbitrators from which the parties can choose. The hearing must be scheduled within 60 days of choosing the arbitrator. This timetable assures prompt resolution of these important claims.

After the hearing, the arbitrator must issue a written opinion, which may provide for equitable relief, including reinstatement, backpay, and/or a cease and desist order. In no circumstances may the arbitrator award compensatory or punitive damages.

The arbitrator's decision shall be reviewable under standards set forth in the Federal Arbitration Act, a statute enacted in 1925 to reverse centuries of judicial hostility to arbitration agreements. I quote from *Shearson American Express* v. *McMahon*, 482 US 220, 225 (1987). A party may seek modification or vacation of the arbitrator's award if the award was procured by corruption or other improper means, if the arbitrator exceeded his powers under the act, or if the arbitrator committed a material error of law.

This limited review grants the parties full due process rights to assure a fair and equitable result, without giving the losing party a second bite at the apple by appealing a decision that should be upheld at the hearing level.

I would like to focus for a moment on due process rights of the parties, because I know that some Senators will be concerned about taking away the employees' right to a Federal jury trial.

The Supreme Court just a few short months ago approved the arbitration of an Age Discrimination in Employment Act [ADEA] claim. In *Gilmer* v. *Interstate/Johnson Lane Corp.*, 111 S.Ct. 1647 (May 13, 1991), the Court upheld an agreement to arbitrate an employee's age discrimination claim against his employer.

Significantly, the Court stated that there is a broad Federal policy favoring arbitration.

> It is by now clear that statutory claims may be the subject of an arbitration agreement, enforceable pursuant to the [Federal Arbitration Act]. Indeed, in recent years, we have held enforceable arbitration agreements relating to claims arising under the Sherman Act, the Securities Exchange Act of 1934, and the civil provisions of the Racketeer Influenced and Corrupt Organizations Act. (citations omitted). *In these cases we recognized that "by agreeing to arbitrate a statutory claim, a party does not forgo the substantive rights afforded by the statute;* it only submits to their resolution in an arbitral, rather than a judicial forum." *Gilmer*, 111 S.Ct. at 1652.

The Supreme Court has recognized that antitrust claims, where treble damages and attorneys fees are at stake, can be arbitrated. The Supreme Court has recognized that Securities Act violations, where public rights and the public interest in maintaining the integrity of the securities market are at stake, can be arbitrated. And the Supreme Court has held that age discrimination claims, where the public interest in enforcing our employment laws is at stake, can be arbitrated.

Given these statements by our Supreme Court, it seems clear that binding arbitration is capable of vindicating important statutory rights. Arbitrators are competent to interpret Federal statutes, and in particular, those statutes include Federal laws that have important societal effects. How can proponents of this bill claim that binding arbitration is similar to the Fair Labor Standards Act, and yet reject a Supreme Court case that allows arbitration of an employment-related age discrimination case?

Most important, Mr. President, the arbitration mechanism is necessary because employees cannot find lawyers to take discrimination cases. I previously mentioned that there is a tremendous backlog of cases in Federal court. Employees who believe they have a meritorious claim will either hire a lawyer on a per hour basis, or on a contingency fee basis.

If the lawyer agrees to a contingency fee arrangement, then the lawyer will not get paid anything until the court renders final judgment. With the backlog in the courts averaging 14 months from the time the employer answers the complaint to the time of trial, and with many States registering backlogs of 18 to 22 months, many potential suits never see the light of day.

Only very wealthy plaintiffs, can muster the resources to pay a lawyer on a per hour basis for a 1½ to 2 years. These cases are never brought, and again, the employee is the one who loses.

I ask unanimous consent at this point that a recent article printed in the New York Times entitled "Workers Find It Tough Going Filing Lawsuits Over Job Bias" be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DURENBERGER. Finally, Mr. President, there are many cases that never should be filed. Frivolous lawsuits abound, and employers wind up settling cases in order to dispose of them quickly.

One short example. With the backing of expert testimony from doctors and members of the police department, a woman claiming psychic powers was awarded $1 million when she persuaded a Federal jury she lost her psychic powers following a CAT scan. That, too, was a waste of resources. My amendment will allow both employers and employees either to handle disputes themselves or hire lawyers. But the will get an efficient and a quick hearing.

Both parties will find themselves ahead of the game. I am confident that the bill sponsors will claim that the S. 5 enforcement mechanism is in the best interest of the employee, but I think between the backlog in the courts, the fact that plaintiffs cannot find attorneys, that binding arbitration is in the best interest of the employees.

I believe the binding arbitration amendment has great merit. It is an idea that has been successfully applied to other employment discrimination statutes, and I hope the authors will admit that it is properly applied to family medical leave. I encourage my colleagues to support it.

Mr. President, I ask unanimous consent that a series of questions and answers on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS

How does the binding arbitration provision work?

An employee alleging a violation of the Family Medical Leave Act ("FML") may file a complaint with the Department of Labor. The DOL will send a list of seven arbitrators, two of which shall be from the Federal Mediation and Conciliation Service.

A hearing will be scheduled within 60 days. The arbitrator will preside over the hearing, and take evidence as appropriate. The arbitrator then issues a written opinion.

What type of claims would be subject to arbitration under the Durenberger amendment?

There are two types of claims that will arise. The first is denial of leave, where the employee requests and then is denied leave by his/her employer. The key issue will be whether the employee has met the requirements imposed by the Act—acquired the proper certification of illness, complies with the employer notification requirements, etc. These are simple factual questions that labor arbitrators, interpreting collective bargaining agreements, have vast experience with.

The second is when a person claims discrimination after exercising their rights under the Act. For example, a person is denied a promotion, discharged, or otherwise discriminated against in the terms and conditions of employment after taking family leave. This also constitutes a simple factual inquiry, which, again, arbitrators routinely decide. [Example: Was the person discharged "for just cause" as required by the collective bargaining agreement, or was the employer's reason for discharging the individual a "mere pretext."]

What type of Discovery will be available?

The Department of Labor will issue regulations providing for appropriate discovery. I must express my concern that the Department provide for a fair, equitable process. The Supreme Court noted in *Gilmer* v. *Interstate/Johnson Lane* and *Shearson American Express*, two recent Supreme Court decisions approving arbitration of Age Discrimination Act, RICO and antitrust claims, that those types of claims could be arbitrated, so long as they provided "a fair opportunity" for the parties to present their claims. *See Gilmer* 111 S.Ct. at 1655.

In the Court's view, "although these procedures might not be as extensive as in the federal courts, by agreeing to arbitrate, a party trades the procedures and opportunity for review of the courtroom for the simplicity, informality, and expedition of arbitration." *Gilmer*, 111 S.Ct. at 1655.

As long as the DOL regulations provide a "fair opportunity for employees to present their claims, then the sponsors believe that the intent of Congress will be satisfied.

The plaintiffs in *Gilmer* has limited discovery available.

What kind of judicial review will be available?

Either employers or employees may seek modification or vacation of an arbitrator's award based on well-established standards set forth in the 1925 Federal Arbitration Act. Thus, an award may be set aside if procured through fraud or corruption, if the arbitrator exceeded his powers under the Act, or if the arbitrator exhibited material error of law. A court could not reinterpret the disputed facts as found by the arbitrator.

Is there a due process problem with not providing a federal court remedy?

There is no due process problem. The Supreme Court has upheld the arbitration of federal statutory claims, including Age Discrimination in Employment Act (ADEA) claims. As long as the arbitral forum provides a "fair opportunity" for employees to vindicate their statutory rights, then the Supreme Court has allowed arbitration of such claims.

However, if there is any doubt as to the Constitutionality of this amendment, then we could agree to provide expedited review from the appropriate federal court.

Are there people currently in the workforce who are qualified to serve as arbitrators?

The Federal Mediation and Conciliation Service (FMCS) currently maintains a list of at least 1,700 qualified arbitrators throughout the country. Under the Durenberger amendment, the Department of Labor would provide a list of 7 arbitrators to the parties, 2 of which would be derived from the FMCS list.

The American Arbitration Association, a nonprofit corporation specializing in arbitration services, maintains a list of * * * arbitrators.

How much do cases cost to arbitrate?

Although individual costs vary depending upon the complexity of the case, most arbitrators charge about $450/day. Because Family Medical Leave cases will probably require one day for the hearing, and the arbitrator will probably take one day to write the opinion, the arbitrator should charge about $1,000 for the hearing.

Under the Durenberger amendment, the parties could hire lawyers to handle the hearing, or they could represent themselves. Assuming that the employee hired a lawyer, it probably would take about two days to review the employment file and interview witnesses, and one day to actually do the hearing. If the lawyer charged $500/day, then the employee would be expected to pay up front $1,500 for legal fees and half the arbitrator's fee ($500). This $2,000 amount is quite small compared to the thousands of dollars it takes to litigate a case to trial in federal court. Handling the pretrial motions alone in federal court would take longer than the whole arbitration proceeding.

Would the employee have to pay for his/her attorneys' fees and arbitration costs if the employee prevailed?

No, under the Durenberger amendment, the arbitrator, in his discretion, may award the prevailing party attorneys fees and arbitration costs. Thus, it might not cost the employee anything at all to take his or her claim through the arbitration machinery if he or she prevailed on the merits of the dispute.

Is it not true that, in aggregate, arbitration claims can cost the same amount as ordinary civil litigation because most arbitration claims are pursued through to trial, while most civil lawsuits settle before trial?

No, arbitration is less expensive and much faster at resolving disputes. Both labor and management arbitrate contractual disputes on a regular basis with great success. There is no reason to make a federal case out of every dispute that arises in the workplace.

Moreover, although proponents of Family Medical Leave argue that a jury trial is necessary, the fact is that 98 percent of all civil cases settle before trial. This suggests that the vast majority of litigants prefer a private settlement procedure to a federal court proceeding. So why not save time and money and legislate toward providing that private dispute mechanism?

What type of Remedies are available to the arbitrator?

The Durenberger amendment is modeled after Title VII of the Civil Rights Act of 1964. Accordingly, it allows the arbitrator to award reinstatement, backpay, or other make-whole equitable relief that the arbitrator deems appropriate. Under no circumstances would pain and suffering or punitive damages be available.

Median time from issue to trial date by State

State	*Months*[1]
Alabama:	
Northern	9
Middle	9
Southern	14
Alaska	22
Arizona	20
Arkansas:	
Eastern	12
Western	7
California:	
Northern	16
Eastern	20
Central	12
Southern	18
Colorado	17
Connecticut	21
Delaware	17
District of Columbia	12
Florida:	
Northern	23
Middle	13
Southern	11
Georgia:	
Northern	19
Middle	16

State	Months[1]
Southern	12
Hawaii	14
Idaho	21
Indiana:	
Northern	15
Southern	19
Illinois:	
Northern	12
Central	17
Southern	10
Iowa:	
Northern	39
Southern	14
Kansas	20
Kentucky:	
Eastern	18
Western	19
Louisiana:	
Eastern	11
Middle	26
Western	22
Maine	14
Maryland	11
Massachusetts	30
Michigan:	
Eastern	14
Western	17
Minnesota	20
Mississippi:	
Northern	18
Southern	15
Missouri:	
Eastern	10
Western	15
Montana	21
Nebraska	16
Nevada	17
New Hampshire	21
New Jersey	23
New Mexico	18
New York:	
Northern	26
Eastern	19
Southern	19
Western	29
North Carolina:	
Eastern	12
Middle	19
Western	15
North Dakota	20
Ohio:	
Northern	13
Southern	18
Oklahoma:	
Northern	12
Eastern	7
Western	11
Oregon	11
Pennsylvania:	
Eastern	12
Middle	10
Western	24
Rhode Island	12
South Carolina	8
South Dakota	11
Tennessee:	
Eastern	13
Middle	11
Western	30
Texas:	
Northern	17
Southern	23
Western	11
Eastern	11
Utah	14
Vermont	13
Virginia:	
Eastern	5
Western	13
Washington:	
Eastern	17
Western	17
West Virginia:	
Northern	23
Southern	13
Western	13
Wisconsin:	
Eastern	20
Western	7
Wyoming	9

[1] Months.

Worst Cases in median time from issue to trial date by State

State	Months[1]
Iowa: Northern	39
Louisiana: Middle	26
New York:	
Northern	26
Western	29
Western	30
Tennessee:	

[1] Months.

EXHIBIT 2

WORKERS FIND IT TOUGH GOING FILING LAWSUITS OVER JOB BIAS

(By Steven A. Holmes)

ALBANY, GA.—John Henry Smith Sr., a black employee of the Dougherty County Health Department, wanted to sue his employer with a claim of racial bias when he was passed over for a promotion. But, like an increasing number of people who want to file such suits, he could not afford the up-front cost of a lawyer and could not find one willing to take his case on a contingency basis.

He tried several lawyers in Albany. Then he tried in Athens, Atlanta, Columbus and Macon. The last one turned him down two weeks before the statute of limitations on his case was to run out.

YOU EDUCATE YOURSELF

Frantic, Mr. Smith decided to represent himself, though he is a high school dropout with a General Educational Development certificate. So far, by spending late nights in the local courthouse library, reading law books, Mr. Smith has managed to file the necessary court papers.

"It takes a whole lot of time 'cause you don't know what you're doing," he said. "But you kind of educate yourself as you go along."

As the nation wrestles intellectually and politically with the issue of civil rights, the legal system appears to be growing increasingly inhospitable toward individual race and sex discrimination cases. Lawyers more and more are turning away such cases, say experts in employment law and lawyers representing plaintiffs and employers.

They say the cases are time-consuming, difficult to win and bring far less money than other civil litigation like personal-injury suits, which permit punitive damages.

Lawyers themselves say, moreover, that they face increasingly conservative judges who are bored by, if not downright hostile to, such cases.

While much of the evidence is anecdotal, a survey conducted in May by the National Employment Lawyers Association, a group made up of about 1,000 lawyers for plaintiffs, found that 44 percent of its members rejected more than 90 percent of the job-discrimination cases that had been brought to them.

Last year, a committee of lawyers and judges appointed by Congress to study the Federal court system noted that the monetary stakes in some job-discrimination cases might be so small that "even with the potential to recover attorneys fees, claimants sometimes find it difficult to litigate in Federal court because they cannot find counsel to take their cases."

Sometimes, but not often, plaintiffs who cannot find lawyers receive court-appointed counsel. Sometimes they then elect to represent themselves, though they tend to be unschooled in the complexities of the law.

"They're getting killed in court," Jeanette Johnson, a civil rights lawyer in Dallas, said of the poor blacks and women who represent themselves. "It's like sheep to the slaughter."

Most often, experts say, those who seek to bring such cases simply abandon the thought of getting any redress in the Federal courts.

"What happens is that they end up not being able to enforce their rights," said Lex Larson, president of Employment Law Research, a North Carolina concern that publishes manuals on labor law. "They go out and find another job, and forget the whole thing."

HIGH COURT'S EFFECT

Experts say the growing reluctance of lawyers to take on job-bias claims is a trend that was intensified by a number of Supreme Court decisions making it harder for plaintiffs to bring such cases. A bill to reverse these decisions has been stalled in Congress by a dispute over whether it would compel employers to adopt hiring and promotion quotas.

Many lawyers say they are hampered by two Supreme Court decisions. The first, in 1982, limited their ability to bring large and potentially lucrative suits on behalf of whole classes of plaintiffs; the second, in 1989, virtually barred them from winning large monetary awards in race-discrimination suits, except those involving hiring. Claims alleging bias in hiring are a small minority of job-bias suits.

Plaintiffs's lawyers say they end up representing small individual claims brought by poor or working-class blacks or women who often cannot pay their normal rates. If they prevail, they say they often end up squabbling with judges over how much the losing party must pay them in fees.

"It's extremely difficult to earn a living in employment discrimination, virtually impossible," said Martha Pearson, an Atlanta lawyer who last November, after 10 years, quit a firm that represents plaintiffs in job-bias cases and joined a firm that represents local school boards in Georgia.

DIFFICULTY WITH SUITS

Amy Totenberg, an Atlanta lawyer who has been litigating job discrimination for 14 years, said: "The case has to be so excellent, and you're looking for someone who has some resources to finance it. So automatically you're looking at upper-middle-class people or middle-class plaintiffs."

Even some lawyers who represent employers acknowledge the difficulty in plaintiffs' winning discrimination suits and the difficulty for lawyers to earn a living handling such cases.

"You don't have the big easy class-action cases you had in the 1970's and 1980's, where you could get a big dollar settlement and attorneys fees over relatively simple issues," said Lawrence Z. Lorber, a Washington lawyer who represents large corporations. "Now, there are testing cases where you need experts and a lot of up-front money. It's an arena where the targets are fewer, the issues are more complex and the litigation takes longer, because the courts are jammed."

Plaintiffs who must fend for themselves in Federal court enter a bewildering world of procedures and jargon that make small-claims court seem user-friendly by comparison.

With legal papers spread before her on a mahogany table, Muarlean Edwards of Albany prepared to represent herself in a job-discrimination lawsuit against a local hospital.

But when a visitor asked her whether the hospital's lawyers had filed a motion for summary judgment, a routine legal maneuver asking the judge to quickly decide the case in the defendant's favor, Mrs. Edwards's face went blank.

"What is that?" she asked. "Is that when they set how much you're going to get?"

BIG BACKLOG IN AGENCY

While private lawyers seem more and more reluctant to take race- and sex-bias cases, the Federal Government is not picking up the slack. In the 1990 fiscal year, the Equal Employment Opportunity Commission, the Federal agency charged with enforcing job-discrimination laws, filed 524 lawsuits in Federal courts. While this is an increase over the 486 suits in 1989, the agency has a backlog of about 45,000 cases that have yet to be even investigated.

Unless the plaintiff cannot find representation elsewhere, current Federal regulations preclude Legal Aid Societies that receive Federal funds from taking on cases, like employment-discrimination lawsuits, that can generate fees for lawyers.

Because of these rules, these agencies concentrate their limited resources on other areas of civil litigation, like family law, welfare rights and landlord-tenant disputes, said Clinton Lyons, executive director of the National Legal Aid and Defenders Association, a group representing Legal Aid Societies and public defenders offices. As a result, Mr. Lyons said, lawyers in these agencies tend not to have the expertise to handle job-bias suits.

In contrast to race- and sex-discrimination cases, lawyers say there is little hesitation in taking on clients who claim age discrimination. Those cases tend to be more lucrative because, under Federal law, juries can award monetary damages equal to twice the amount of back pay that was lost because of the discrimination. Also plaintiffs in age-bias cases, who are often white male executives who have lost their jobs as a result of a company cutting management positions, are more attractive clients than blacks, Hispanics or working-class women, some lawyers say.

"Age discrimination is still the white males preserve," said a Washington lawyer who represents employers, speaking on condition of anonymity. "Typically, the plaintiff is a middle- or upper-management employee who has been laid off. They are much more sympathetic figures to juries. More importantly, they make bigger salaries so they can pay the upfront costs of litigation. And, if you win and get a back pay award, the amount the lawyer gets is even bigger."

For now, plaintiffs like Mr. Smith who are walking into court alone must rely on their own common sense and perhaps a sympathetic ear on the bench.

"I hope to keep going until the judge tells me this isn't right, do something else," Mr. Smith said. "I couldn't live with myself if I stopped now."

Mr. DURENBERGER. Mr. President, I reserve the remainder of my time.

Mr. DOMENICI. Will the Senator yield 5 minutes to the Senator from New Mexico?

Mr. DURENBERGER. I yield 5 minutes to my colleague.

Mr. DOMENICI. I thank the Senator and assure him I am going to speak in favor of his amendment.

Frankly, Mr. President, I do not stand up to speak of the technicalities of the court remedies versus arbitration remedies if and when this new right comes into being. I speak today about common sense, and the common sense is, if we are going to create some new rights in the marketplace of America, we ought to learn from the past. The past tells us that, if we create these rights and let the courts of America and the lawyers of America and the juries of America get involved in deciding the rights, the wrong people will benefit. Those who have been discriminated against, or those who have been harmed by the law will get little, if anything, of the proceeds of this kind of litigation. I do not know why.

I confess to the Senate—and it is a confession in these days—that I am a lawyer. I cannot do anything about that. I just happened to be one a long time ago when I came here, so I guess I still am. I will also tell my colleagues that I think my family is going astray because three of my children are lawyers. I am trying to talk the rest of them into not being lawyers, but I am not sure it will work. I am hopeful not all of them will be.

We will just be ruining America even worse than is occurring now. From what I can tell, the economy of the United States has a new dimension and a new way of predicting, and it is this, I say to the Senator from Minnesota. You can predict American prosperity like this: It will be inversely proportionate to the number of lawyers in the practice of law in America in any given year. It seems to work. I am sure it is not the only result, but it does point up something very interesting.

The person who came up with that is the CEO for Martin Marietta, Norm Augustine, who wrote a book about America and took a full chapter to talk about litigation, what it does of a detrimental nature to the United States and, in the process, helps little, if any, in particular those who ask for the help in the first place.

So I am here to suggest that for those who want the people of this country to receive this new benefit, I am not at all sure this benefit is going to become law this time around. I am not at all sure the proposal on the underlying bill is the right one. I am not at all sure that giving the kind of 12 weeks of unpaid benefits with the right to go back to work is the right thing to do.

But let me assure my colleagues of two things: One, it is not free. It will cost somebody, and, hopefully, before the day is out, I will speak to that as it pertains to the American economy. It is interesting that in the same week that we are talking about unemployment in America, the recession in America and the Democrats are proposing more unemployment compensation and the Republicans are proposing to extend unemployment benefits, we are today talking about a new benefit that will cost the workers of America and ultimately the employers of America, who will produce less jobs because they will make less money, and anybody ought to know that. But we will talk a little more about that later.

For now, let me suggest we would be doing everyone a favor including those who might be denied the rights created by this bill, if we decided to make a new start in behalf of remedies and to say they are no longer going to the courts of America to be handled by the lawyers of America on contingency fees so that those who should get benefits will not and before we get them 2 or 3 years will pass and clog the courts, which are already having difficulty getting anything significant and right done because we are asking them to do the impossible.

So I think we ought to adopt the formula and the idea of the distinguished Senator from Minnesota [Mr. DURENBERGER] and his cosponsor, who I understand is the Senator from Kansas [Mrs. KASSEBAUM]. I think it is a good step in the right direction to send that signal today. Whether or not this bill becomes law, we will have taken a very good step.

I say to my friend, Senator DURENBERGER, so he will know I am serious about this, another committee that he sits on and will have hearings on hopefully is a subject that has to do with medical malpractice. That is another one where the courts, the jury system is providing absolutely ruinous in terms of costs on every American in health care versus the benefits received. I hope when that comes before the distinguished Senator, we will also be talking about overhauling that court system in favor of something that is more apt to work.

I thank the Senator for yielding, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, I yield 7 minutes to the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont [Mr. JEFFORDS] is recognized.

Mr. JEFFORDS. Mr. President, I reluctantly rise in opposition to the amendment. A great deal of what has been said I agree with. There is no question but we have become a litigious society and lawyers oftentimes prove to be the only winners. Therefore, I do favor such things as reform in court liability situations and medical malpractice and other things where we do get into the kind of deep-pocket theory that an injustice has occurred, maybe it is not a legal one, but we should go after somebody with deep pockets and get what we can from settlement or going to court.

However, that is not the situation that we face here. We face the option, which is presented by the Senator from Minnesota, that says that you will have one option, not two as the present bill has, one, to go to court and, two, to use the present procedures under the Fair Labor Standards Act, which I will get into in a minute. You have two options under the present bill, one of which could lead to the kind of situation to which the Senator referred under certain circumstances. On the other hand, the other option, which is an equitable one and used now by many claimants, in fact just about all of them if not all of them, is under the Fair Labor Standards Act. Most of those are resolved without any court action.

What the Senator from Minnesota does is limit it to an arbitration, a binding arbitration agreement, a situation which, to my knowledge, except in rare circustances involving certain patent things and those sorts of things, is not a remedy which is available. And why not? Because you do not have the protection of the courts, you do not have the protection of juries, you do not have the protection of normal systems, and you only get into binding arbitration in our society when you have bargained for it in your own contracts and said, OK, it will be better for us if we take care of these kind of problems by getting an arbitrator to come in, usually in union bargaining agreements, et cetera, so the resolution can be made listening to a third person without the delays of the court system.

But there is another option under the bill presently, and that is a procedure which is set up under the Fair Labor Standards Act at present. In that relief, you can pursue your case yourself or the Secretary can go ahead and pursue it for you. It gives you an opportunity, for instance, to be in the administrative process. There is court protection at the end, I think, although there obviously is one under DURENBERGER, but under the grossest of circumstances, you have the normal process of appeals made through the administrative process under the bill now. Under that situation, it will be much cheaper for you than going through arbitration. Arbitration is going to require lawyers' fees. The argument is that you somehow get away from the lawyers. Very rarely are you going to get into a binding arbitration case without lawyers.

Second, you are going to have witness fees under this amendment, expert witness fees. Going through the administrative procedure in the bill before us, that would be covered in most circumstances by the Government.

So you have two options under the bill at present and you have only one under the Durenberger bill, one which is not used in any other area of the law outside some sophisticated situations.

Second, it would be less expensive. Under the present situation, like 80 or 90 percent of the cases are resolved through settlement in the administrative process and thus it has an excellent system right now.

Before I go to the remedy situation, which is related, the Senator from Connecticut [Mr. DODD] showed how small the cost would be to employers by implementing this provision of the bill. He has pointed out it would be something like $5.30 for the year to be able to handle these kinds of situations.

In my own experience, in my office, we have had this in effect now ever since we introduced the bill, and we have not had a single period of time that we have had to resort to using the provisions.

So I want to make sure people understand that, one, the possible cost to the employer is very small and, second, and perhaps in some sense unfortunately, the number of employees covered is not very large either. For instance, as has already been pointed out, 95 percent of the employers are eliminated, a substantial number of employees are eliminated. And then when you get to that population which is probably the most likely to use it, that is, the workers between 16 and 24, 63 percent of these workers, studies show, are only in employment for a year or less, which means that 63 percent of the employees would not be covered, would not receive any remedy under the bill that we are backing. And from the age group of 25 to 34, about a third of them would not be covered because they worked for less than a year, a year or less.

So we have already a symbolic bill to most, certainly the younger generation, yet an important step forward to try to bring equity in this Nation with respect to the other industrialized nations in the world.

So I would hope, again just in summary, to point out we oppose the Durenberger amendment, those of us who are for the Bond-Ford-Coats amendment, because it limits much more your remedies that you have available to you to receive recovery. And again, I remind you that the maximum you could get is double the loss paid or benefits that you did not receive. So it is a pretty limited bill to start with. But the remedy it has is a much more equitable and better one than the amendment offered by the Senator from Minnesota.

Mr. President, I rise in strong support of the Bond-Ford-Coats substitute for the Family and Medical Leave Act, S. 5, reported by the Senate Labor Committee.

I commend my colleagues, particularly my Republican ones, for cutting through the rhetoric and coming up with a realistic way to help the working people of this country, their children and their spouses.

You could carpet the Capitol with all the nice speeches we politicians give on supporting the family. But today, we will see who puts their vote where their mouth is.

America has changed remarkably over the past few decades, and our workplaces are no exception. More and more women are entering the work force. For the vast majority, this decision is driven by stark, economic necessity.

We do not have the happy family of "Father Knows Best" or "Leave it to Beaver." We have families of divorce, of poverty, of scratching out a living only a pay check or two away from foreclosure.

As our workplace changes, so, too, must the rules that govern it. Some employers have adapted. Employers in my State have put these sort of policies in place and testify to their contribution to a stable, productive workplace.

The evidence from those States that have legislated similar policies is clearly on the side that this type of approach is not burdensome for employers. And without doubt, it benefits employees and their families.

The arguments against this legislation have been discredited by their own shrillness. The cost of this legislation may be debatable, but it certainly is not substantial.

Who's covered? About 5 percent of the employers in this country. And even of the covered work sites, substantial numbers of workers will be ineligible for coverage.

Under the Bond compromise, workers will have to be on the job for a year before they are eligible for any leave. What does this mean? Well, 63 percent of all workers 16 to 24 have been on their job for a year or less, and 31 percent of workers aged 25 to 34 have an equally brief tenure. Combine the 2 and some 43 percent of young workers of prime childbearing age may be ineligible.

And beyond these basic numbers, another 10 percent of workers may be ineligible under the key employee exclusion. Even more are exempt due to their part-time status.

Thus, I think it should be obvious on its face that the reach of this legislation affects a limited population of workers.

And of those eligible, will they suddenly avail themselves of week after week of unpaid leave? Not very likely.

I have had this policy in my own office for years now, and I do not think that any employee has asked for a single day of unpaid leave for family or medical reasons.

With medical bills to pay, with the mortgage or rent due, few employees will make this decision lightly. But those few deserve our protection. When their back is up against the wall, when a true and tragic emergency strikes, parents will sacrifice their jobs for their family.

Why on Earth should they? If all of our prose is worth anything, we ought to be able to spare them from making this sacrifice. We ought to be able to craft legislation that will balance the real needs of employers with those of employees.

In fact we have. Mr. President, I urge the overwhelming adoption of the Bond-Ford-Coats compromise.

The PRESIDING OFFICER. Who yields time?

Mr. DURENBERGER. Mr. President, I believe I have just under 6 minutes remaining. I intend to take a couple of those minutes, but in case anyone else needs to speak in opposition——

Mr. DODD. Mr. President, if my colleague will yield, I thought the Senator had more time remaining than that. Let me yield 2 minutes to the distinguished Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland [Ms. MIKULSKI] is recognized.

Ms. MIKULSKI. I thank the chairman of the committee for yielding. I thank him for his leadership on this issue.

Mr. President, I want to speak in behalf of the family leave bill, to point out that this is not some huge act of congressional or corporate kindness. It sets minimum standards of decency and compassion for America's families and gets our workplace ready for the future. This measure is good for business and good for American families. The facts speak for themselves.

A recent Small Business Administration study showed that it cost business more to replace an employee than it does to grant them extended unpaid leave if they need to care for a family member.

Arguments against unpaid family leave are both outdated and shortsighted.

First, let us face it, when we talk about taking care of the family, where there is illness, particularly chronic illness, women are the ones who must take time off to care for the family. Our work force depends more on women than any other Western democracy, except for Scandinavia and Canada, and yet it does the least for them to be able to meet those dual responsibilities. It makes sense to give that work force leave when it is desperately needed. It is a way to retain loyal and trained workers.

Second, it is in the best interests of companies not to have the workers on the job who are under severe stress. They have accidents and their productivity is below par.

It is time for American business to get a reality check.

Most families have two wage earners just to get by. The days of Ozzie and Harriet are over. Eventually those wage earners will have family medical needs. It makes good business and common sense to give them the time they need to take care of their crisis and then get back to work. This is what our country needs.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Connecticut has 20 minutes and 20 seconds remaining.

Mr. DODD. I yield 6 minutes to the distinguished Senator from Missouri.

Mr. BOND. Mr. President, I thank my distinguished colleague. I certainly share the concerns that have been voiced by our colleague from Minnesota about the potential for adopting new legislation which would cause an explosion of litigation. That was, frankly, one of the amendments that I made to the underlying bill. I was fearful that a quadruple damage provision could develop a whole new bar, filing suits on family and medical leave.

What we hope to adopt in this substitute is a mirror image of the Fair Labor Standards Act. Under that act, there would be single damages only, or, if the employer were in flagrant violation, willful violation of the law, possibly double damages.

As I understand it, Mr. President, and I think this is one thing we may need to clarify, right now 97 percent of Fair Labor Standards Act cases are settled without litigation.

The question has been raised: will this spur a whole new growth industry in litigation? I honestly do not think so. But if it should, if the Fair Labor Standards Act is producing far more litigation than remedies, then I think I would join with my colleague from Minnesota to urge an administrative review so that we could change the procedure.

But, Mr. President, this debate is about protecting a person's job at no pay, and I believe that the enforcement standards will enable employees to keep their jobs and to take leave that they need.

Ninety-five percent of American businesses would be exempt. Only the largest 5 percent would be covered. We are not talking about paid leave. No worker is required to get paid leave under the legislation. No small business under 50 employees will be covered.

Let me make it clear. I oppose any mandated paid leave. I oppose it today. I will oppose it tomorrow. And to say that this is the beginning for paid leave, I can say that there are quite a few of us who support this who will be here to say no. We support leave with health insurance but not with pay.

I do not think it is appropriate to make the argument on hype now. The argument has been made that this is a yuppie protection bill. My colleague from Utah has said that. No one could afford to take this leave.

That argument might apply even better to a 6-year leave or an extended leave. One of the major premises behind the amendment we offer today is to ensure that people would not be using this to take a 12-week vacation every year. That is the point raised by my colleague from Mississippi.

In drafting the compromise, we worked hard to eliminate the potential for abuse, to ensure that it is taken only in those needy situations. We have tightened the definition of serious health condition for self and for family members. We have required 30 days' notice for leave in most cases. The fact that most women in the work force have husbands earning under $18,000 per year, or single parents, means that most families would be unable to afford leave except that which is absolutely necessary. It would result in temporary income loss, which is a tremendous disincentive. But it would not result in permanent job loss and it would not result in loss of health care benefits.

The GAO has said that they project only 1 out of 275 employees would be taking that leave each year. Workers will take unpaid leave so that they may be with a child who has leukemia, a spouse has been in an accident or if they have parents who have suffered heart attacks or strokes.

Around lunchtime today, my colleague from Connecticut made a very powerful argument that, among the 100 colleagues in this body, one Member took off time and was away from work when his child was injured in a very serious auto accident. He did not lose his job, and nobody begrudged him that time off.

Another has taken time off when a child had cancer. Another has taken time off for a transplant. Another for a family emergency. We all kept our jobs. I have taken weeks off for a serious medical emergency, an operation. Other colleagues have taken time off for their serious health conditions. I believe that the same kind of protections can be reasonably had, although we will not provide paid leave for workers at the lowest end of the economic scale, those at low-wage levels.

There is an argument that has been made that in the time of a recession it is not time to put a new burden on businesses. Unfortunately, in the time of recession is just when those who we seek to protect most need that protection. In a rough economy, Americans look to us for leadership, for protection, and for support—not stalemate or inaction.

I think we ought to point out in closing that, in States where family leave laws have been implemented, there is no evidence correlating family leave requirements with a negative effect on business employment or, in fact, in business growth. Studies have shown there is a positive correlation between

State parental leave laws and small business expansion.

Finally, our colleague from New Mexico has worried about the cost. This legislation will cost the 5 percent largest businesses in the Nation less than $5.30 per year per covered worker. This, to me, is not going to result in a tradeoff with other benefits. It is, in fact, a very valuable protection for the worker, the employee, who has a serious family situation.

Mr. President, I yield the floor.

I thank my distinguished colleague from Connecticut.

Mr. DURENBERGER. Mr. President, I yield 2 minutes to my colleague from Oklahoma.

Mr. NICKLES. Mr. President, I rise in support of Senator DURENBERGER'S amendment. I compliment him for it. It is an amendment that needs be agreed to if this bill becomes law. I hope this legislation does not become law, but certainly this amendment should be adopted.

I will tell you. I happen to have a little experience in the private sector. I have been in Federal court. I heard my colleagues say this is a Fair Labor Standards Act, and commonplace. I tell you that I have been before the Federal district court where it took over a year to hear our case. We spent thousands of dollars, trying to accumulate the data.

We had to come up with endless records. Basically, it was an harassment suit that we did end up winning. However, we did not really win. We won the court case, but the attorneys were the real winners. We paid a lot of money to our attorneys. The other attorneys made a lot of money.

But what was the resolved? Nothing. It added to the ever growing court case backlog which, in my State, is about a year—nationally, it is longer than that.

So I think the Senator from Minnesota, Senator DURENBERGER, has an outstanding resolution to this problem: Let us handle it through arbitration. I compliment him on his amendment.

Let me make it clear in this short statement that I am not against parental leave. As a matter of fact, in my company, we had paid maternal leave. We had paid sick leave. We offered paid benefits for those who needed it. If they had a child or family member that was ill, or if they had a serious problem, we allowed them to take the time they needed. We did not put a time constraint on it by 2 weeks, 3 weeks or 12 weeks. It depends on the illness; it depends on the situation at home.

Mr. President, let us not dictate and mandate on businesses throughout America what Congress deems is necessary. Let us allow that to be decided between the employers and employees and allow them to be flexible in working out what is mutually beneficial, not what is dictated by Washington, DC.

I thank my friend and colleague from Minnesota.

Mr. DURENBERGER. Mr. President, I yield myself such time as I may need.

Part of my response is to the objection that certain of these cases are going to take forever, cost a lot of money, and create problems for the employees and the company.

The other part is a bulk of these FLSA cases are minimum wage cases, overtime, or it is the records of the company that are in contest, not the health status of families, not the health status of relatives, not the intention of an employer in withholding from compensation or something like that. That is the kind of case that is going to get you the result that neither the Senator from Oklahoma, as the employer, nor his employee, sought.

What it all boils down to is simply this: Do we want this bill to work or do we not?

There are valid arguments on both sides over the bill. The proponents are right to say society has changed and our employee's benefit laws should change with it. The opponents are right when they say it is easier said than done; that this bill will not accomplish everything the proponents say it will do.

My amendment offers something to people on both sides. This is a bill that is going to pass. It may even become law.

But I want it to be pro-family. I want it to be pro-worker. The fact that this is a mandate does not kill the bill in my mind. We have lots of mandates. The problem with this bill is it has no way to adequately resolve the problems that it will create. So workers that we are trying to help will spend years in the courts instead of working.

Any new employment bill creates controversies. What does this term mean? What does that standard mean? I suspect this bill, which will affect millions of employees in thousands of settings, will create more than its share of problems.

I am offering an arbitration mechanism. It is fair. It is definitive. And most of all, it is fast, especially compared to litigation. It gets the worker back on the job. It gets the benefits they are entitled to in their pocket, not the lawyers' pocket. And most importantly, it gets everybody back to work.

Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has 1 minute 30 seconds remaining.

THE DEFINITION OF "SERIOUS HEALTH CONDITION"

• Mr. HARKIN. I would like to enter into a colloquy with the distinguished authors of the pending amendment. It is my understanding that under the Bond-Ford substitute the term "serious health condition" means an illness, injury, impairment, or physical or mental condition. It is also my understanding that the term includes those conditions that require inpatient care in a medical care facility or continuing treatment by a health care provider.

In addition, it is my understanding that the term is intended to cover conditions that affect an employee's health to the extent that he or she must be absent from work, as well as conditions that affect the health of an employee's family member such that he or she is similarly unable to participate in school or in his or her regular daily activities. Examples of such serious health conditions include but are not limited to heart attacks, most cancers, back and other conditions requiring therapy, strokes, secondary conditions which accompany certain disabilities, appendicitis, pneumonia, nervous disorders, and injuries caused by accidents on and off the job.

It is also my understanding that this definition of "serious health condition" is intended to include emergency health conditions that require immediate short-term treatment to prevent serious aggravation of the condition or to minimize the likelihood of longer-term illness or injury, or a more severe disability. Severe concussions, which often require a brief but immediate medical treatment to ensure against long-term damage provide an example of such conditions as does the treatment of decubitus ulcers—pressure sores—in people with physical disabilities. I would like to ask the Senators from Missouri and Kentucky, is it the intent of the Bond-Ford substitute to cover such conditions?

Mr. BOND. As the Senator stated, leave is not limited to just those cases of injury or illness, but extends also to "*** a physical or mental condition." It is our intent that if such conditions otherwise meet the requirements of the bill, leave should be granted.

Mr. HARKIN. It is also my understanding that the definition of serious health condition under the Bond-Ford substitute includes conditions that require intermittent visits to a health care provider for treatment, such as periodic chemotherapy treatments for a cancer patient or periodic speech and other therapies for children with hearing impairments or other disabilities. Is that understanding correct?

Mr. BOND. Yes, intermittent care is provided under the bill for qualifying serious health conditions.

Mr. HARKIN. Another question please. Sometimes parents of children with disabilities need to take time off so that they can do such things as monitor and regulate medication levels before their child can safely return to school. Additionally, people with physical and mental disabilities sometimes experience certain conditions which may limit their abilities and require some time off work to get the condition under control. Is it the intent of the Bond-Ford substitute to cover such conditions?

Mr. BOND. As I pointed out, we intend that such qualifying conditions be covered.

Mr. HARKIN. I have one last question. It is my understanding that the definition of "serious health condition" under the Bond-Ford substitute includes pregnancy and childbirth. For example, a pregnant patient generally receives prenatal medical treatment on an ongoing basis and may be temporarily incapacitated due to severe morning sickness or other complications. She later receives inpatient care for the actual period of childbirth, and receives ongoing medical treatment while she recovers from childbirth—a period of about 6 to 8 weeks for a normal delivery, with longer periods necessary if complications arise. Am I correct in my understanding that pregnancy and childbirth are considered to be serious health conditions under the Bond-Ford substitute?

Mr. BOND. Yes, the definition of serious health condition under this substitute definitely includes pregnancy and childbirth.

Mr. FORD. I concur with the statements of my colleague from Missouri, Senator BOND.●

Mr. DURENBERGER. Mr. President, as I say, I want this bill to work and keep its promises. One of the ways you can make sure it does keep its promises, if it passes here into law, is to vote for this amendment.

With that, I yield the remainder of my time.

Mr. HATCH. Mr. President, I ask for the yeas and nays on the Durenberger amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that I may send my amendment to the desk at this time and ask that it be in order to ask for the yeas and nays.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? Is there objection to ordering the yeas and nays at this time?

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I ask unanimous consent that the time for the previously ordered votes be changed to occur at 4:15 p.m.; that the time between now and then be equally divided and in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, my understanding is we are going to try to have 10-minute rollcall votes for all four votes?

Mr. DODD. We believe that is possible. That has to be cleared by the leaders of both sides.

Mr. HATCH. We are hoping that all four votes will be 10-minute rollcall votes, beginning at 4:15, and I presume the leader will tell us if he decides that is the case.

Mr. President, parliamentary inquiry. Are the votes now lined up on this in order, and are they in proper order for voting with regard to the family and parental leave?

The PRESIDING OFFICER. The Chair advises the Senator that the votes are now lined up to begin at 4:15.

AMENDMENT NO. 1249

(Purpose: To provide a substitute amendment)

Mr. HATCH. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], Mr. LUGAR, for himself and proposes an amendment numbered 1249.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Family Protection Act of 1991".

SEC. 2. PURPOSE.

The purpose of this Act is to facilitate stability in United States families by providing reemployment opportunities for eligible individuals who leave employment for legitimate family purposes.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" have the meanings given the terms in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means an individual who meets the criteria established in paragraphs (1) through (5) of section 4(a).

(3) EMPLOYEE.—The term "employee" has the meaning given the term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)).

(4) EMPLOYER.—The term "employer" means any person engaged in commerce or in any industry or activity affecting commerce.

(5) IMMEDIATE FAMILY MEMBER.—The term "immediate family member" means—

(A) a child of a parent;

(B) a current, legally recognized spouse; or

(C) a parent.

(6) LEGITIMATE FAMILY PURPOSE.—The term "legitimate family purpose" means a purpose described in paragraph (1)(B), (2), (3) or (4) of section 4(c).

(7) ORIGINAL POSITION.—The term "original position" means the position described in section 4(a)(2).

(8) PARENT.—The term "parent" means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, or a legal guardian.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means—

(A) a condition caused by an accident, a disease, or another physical condition that—

(i) poses an imminent danger of death; or

(ii) requires hospice care or hospitalization for extreme emergency care; or

(B) a mental or physical condition that requires constant in-home care.

(11) SIMILAR POSITION.—The term "similar position" means a position at the same location as the original position and with like seniority, status, duties, and responsibilities and equivalent pay and benefits.

SEC. 4. REEMPLOYMENT RIGHTS FOR ELIGIBLE INDIVIDUALS LEAVING EMPLOYMENT FOR LEGITIMATE FAMILY PURPOSES.

(A) REEMPLOYMENT RIGHTS.—An individual shall be entitled to reemployment as described in subsection (b) if the individual—

(1) was an employee of the employer from whom reemployment is sought for not less than 2,000 hours of continuous employment during the 14-month period preceding the provision of notice under subsection (d);

(2) left a currently held position with the employer for a period of time for a legitimate family purpose, as described in subsection (c);

(3) did not accept intervening employment exceeding 17.5 hours per week with any employer during the period;

(4) has provided the notice and documentation described in subsection (d); and

(5) has applied for reemployment as described in subsection (e).

(b) REEMPLOYMENT.—

(1) AVAILABLE EMPLOYMENT.—Except as provided in subsections (f) through (h), an employer shall restore an eligible individual to employment in the original or a similar position, if available at the time the individual applies for reemployment under subsection (e).

(2) SUBSEQUENTLY AVAILABLE EMPLOYMENT.—

(A) NOTIFICATION BY EMPLOYER TO ELIGIBLE INDIVIDUAL.—Except as provided in subsections (f) through (h), if the original or a similar position is not available when an eligible individual applies for reemployment under subsection (e), an employer shall—

(i) so notify the individual; and

(ii) if a similar position becomes available not later than 1 year after the date the individual applies for reemployment under subsection (e), notify the individual of the availability of the position and restore the individual to employment.

(i) MANNER OF NOTIFICATION.—

(i) PROVISION OF ADDRESS BY EMPLOYEE TO ELIGIBLE INDIVIDUAL.—An eligible individual who changes address prior to the date described in subparagraph (A) shall submit the new address to the employer by certified letter.

(ii) DELIVERY OF NOTIFICATION BY EMPLOYER TO ELIGIBLE INDIVIDUAL.—An employer shall make the notification described in subparagraph (A) by a certified letter delivered to the last address provided to the employer by an eligible individual.

(C) TIMING OF NOTIFICATION.—

(i) IN GENERAL.—Except as provided in clause (ii), an employer shall allow an eligible individual, in order to respond to the notification described in subparagraph (A), not fewer than 15 days after the date that the employer relinquishes formal control of the certified letter described in subparagraph (B)(ii) to the postal service, or other bona fide delivery system.

(ii) ECONOMIC REASONS.—If economic necessity requires an employer to fill a similar position earlier than 15 days after the date described in clause (i), the employer shall—

(I) allow an eligible individual not fewer than 5 days after the date to respond to the notification described in subparagraph (A); and

(II) notify the individual of reasonable time limitations within which the individual must accept the offer contained in the notification and commence performance of the duties of the position.

(D) AVAILABLE ALTERNATIVE EMPLOYMENT.—Notwithstanding any other provision of this section, if the original or a similar position is not available when an eligible individual applies for reemployment under subsection (e), the employer and eligible individual may agree that the eligible individual shall be employed in any available position with different duties or responsibilities, or of lesser seniority, status, benefits, or pay, until the original or similar position becomes available.

(c) PERIOD OF TIME FOR A LEGITIMATE FAMILY PURPOSE.—For the purposes of this section, a period of time for a legitimate family purpose shall include a period of time—

(1) taken by a parent during the period that precedes the birth of a child—

(A) because of a serious health condition or on the advice of a physician; and

(B) for purposes directly related to the birth of the child;

(2) not to exceed 6 years and taken by a parent following the birth of a child for the purpose of caring for and nurturing the child;

(3) taken by a parent following adoption of a child and ending not later than 6 years after the birth of the child; or

(4) not to exceed 2 years and taken by an individual because of a serious health condition of an immediate family member and for the purpose of providing necessary medical and personal care to the family member.

(d) NOTICE AND DOCUMENTATION.—In order to be eligible for reemployment under this section, an individual shall—

(1) provide to the employer a minimum of 30 days written notice that the individual desires, or finds it necessary, to leave the position for a legitimate family purpose, unless under the totality of the circumstances it is impossible for the individual to provide such notice; and

(2) promptly furnish such reasonable documentation as the employer may request of the legitimate family purpose that prompted the provision of notice under paragraph (1), unless under the totality of the circumstances it is impossible for the individual to promptly furnish the documentation.

(e) APPLICATION.—In order to be eligible for reemployment under this section, an individual shall submit a written application to the employer that demonstrates that the individual remains qualified to perform the duties and responsibilities of the original position that existed at the time the individual gave the notice described in subsection (d)(1).

(f) PRIOR RIGHT OF REEMPLOYMENT.—If two or more eligible individuals seek to exercise reemployment rights established under this section in conflict, the individual who first made application for reemployment shall have the prior right to be restored to employment. Restoration of an eligible individual to employment shall not otherwise affect the reemployment rights of other eligible individuals wishing to be similarly restored.

(g) EXEMPTION.—An employer shall not be subject to this section with respect to an eligible individual if—

(1) circumstances have so changed, between the time that the employer received the notice described in subsection (d)(1) and the time the individual applies for reemployment under subsection (e), as to make reemployment unreasonable; or

(2) the employer instituted formal or informal disciplinary action against the individual prior to delivery by the individual of the notice described in subsection (d)(1).

(h) WAIVER.—

(1) AVAILABILITY.—Absent coercion by either party, an employer and an employee of the employer may jointly agree, in writing, to—

(A) vary the requirements and conditions of the reemployment rights provided under this section; or

(B) substitute another employment arrangement, or an employment benefit or package of employment benefits, for the reemployment rights provided under this section.

(2) EXPLANATION.—

(A) REQUIREMENT OF RECEIPT.—In order for the agreement described in paragraph (1) to have effect, the employee described in paragraph (1) must receive a written explanation of the rights and remedies provided under this section before signing the agreement and must enter the agreement knowingly.

(B) MODEL EXPLANATION.—The Secretary shall prepare and publish in the Federal Register a model written explanation of the rights and remedies provided under this section. An employer may legibly reproduce the model explanation and generally distribute the explanation annually, or post the explanation permanently in a conspicuous place in the workplace, in order to satisfy the requirement described in subparagraph (A).

SEC. 5. ENFORCEMENT.

(a) ENFORCEMENT BY THE SECRETARY.—

(1) CHARGE.—In order to obtain enforcement of section 4, any eligible individual who believes that an employer has failed or has refused to comply with the provisions of such section shall file a charge with the Secretary within 180 days of the failure or refusal. Upon receipt, the Secretary shall investigate the charge to determine if a reasonable basis exists for the charge.

(2) DISMISSAL OF CHARGE.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the eligible individual and the employer named in the charge of the dismissal.

(3) ISSUANCE OF COMPLAINT.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based upon the charge and shall promptly notify the eligible individual of the issuance.

(4) ACTION.—If the Secretary issues a complaint under paragraph (3), the Secretary shall attempt to resolve the complaint with the employer through an informal conference. If the Secretary is unable to resolve the complaint as a result of such informal conference the Secretary may—

(A) file a civil action in the United States district court for the district in which the eligible individual described in paragraph (1) sought reemployment; or

(B) dismiss the complaint with notice to the individual and the employer named in the charge.

(5) BURDEN OF PERSUASION.—In any civil action brought under paragraph (4) with respect to an eligible individual, the Secretary shall have the burden of persuasion that the individual—

(A) has satisfied the requirements in paragraph (1) through (5) of section 4(a); and

(B) is qualified to perform the duties and responsibilities described in section 4(e).

(6) REMEDY.—If a court finds, in an action brought under this subsection, that an employer has failed to comply with section 4 with respect to an eligible individual, the court may order the employer to comply with the provisions of such action and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such action.

(b) ENFORCEMENT BY AN ELIGIBLE INDIVIDUAL.—

(1) ACTION.—If the Secretary issues a notice of dismissal to an eligible individual under subsection (a)(4)(B), the individual may bring a civil action in the United States district court for the district in which the individual sought reemployment.

(2) BURDEN OF PERSUASION.—An eligible individual who brings a civil action under this subsection shall have the burden of persuasion regarding the elements of explanation described in subparagraphs (A) and (B) of subsection (a)(5).

(3) REMEDY.—

(A) COMPLIANCE OR COMPENSATION.—If a court finds, in an action brought under this subsection, that an employer has failed to comply with section 4, the court may order the employer to comply with the provisions of such section and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such section.

(B) ATTORNEY'S FEES.—A court may award attorney's fees to the prevailing party in an action brought under this subsection, if the court determines that the award is appropriate.

SEC. 6. CONSTRUCTION.

The Act shall be construed—

(1) to grant an eligible individual any rights to a position with duties, responsibilities, seniority, status, benefits, or rates of pay beyond the rights possessed by the individual at the time the individual presented a notice to an employer under section 4(d)(1); or

(2) to impose on an employer any nonvoluntary obligation to provide training of any type, or to offer reemployment in any position, or at any other location, than that specifically stated in this Act.

Mr. DODD. Mr. President, I yield 3 minutes to the distinguished Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I do not know if I can do this in 3 minutes. My friend from Connecticut caught me by surprise here.

Let me just say that I would thank the Senator from Minnesota [Mr. DURENBERGER] for his remarks, about my parents. As the Senator knows, both of them had Parkinson's disease and I really know what it is like to have to work and try to take care of a parent or parents. I really appreciate his remarks.

I must say that I think some of this discussion today—I tried to listen to it—reminds me of a Yiddish proverb about how you cannot dance at two weddings at the same time.

So many people have said something for families and for parents being able to take care of children but then we have an important piece of legislation before us that does just that and they find reasons to oppose it. No. 1, it is supposed to be central government. This is not some revolutionary program. This is a new mandate of labor standards, pure and simple.

No. 2, the Senator from Utah says it is discriminatory, because it is harder on low-income people, because it is more difficult for them to take off 10 weeks. Well, if you were to talk to a low-income wage earner and ask her or him would you like not to have the option at all, they would say they want the option.

Finally, my colleague from Minnesota has presented a solution in his amendment, which I think is a solution in search of a problem. The Family and Medical Leave Act will not lead to a bonanza of litigation. There is just no evidence for that. That is why enforcement of it is through the Fair Labor Standards Act which has served us well from 1938. What evidence we have is that 97 percent of the cases have not had to go to litigation.

The senior Senator from Minnesota says these will be different kinds of questions. We do not know whether or not in the future there will be a problem with litigation. Here is what we do know: binding arbitration is no substitute for judicial review, and it is simply unprecedented in Federal labor standards legislation for employees not to be able to go through the court system to protect their rights.

I think the amendment of the senior Senator from Minnesota greatly weakens this bill. It will make it difficult for a single parent, or two parents, to be able to enforce their rights to be able to take some time off to take care of a child.

For those reasons I oppose it.

Finally, let me say to the senior Senator from Minnesota, that binding arbitration applies to labor and management when you are interpreting a contract, when you have a coequal partner relationship, coequal power. When we are talking about a parent with a sick child, wondering whether he or she can take some time off and not lose their job, that is not an equal bargaining relationship.

This amendment really strips away the enforcement of this very bill. I think it negates all that Senator DODD and others have worked for. For that reason, with a considerable amount of reluctance, I will vote against this amendment.

I yield the floor.

Mr. DODD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 9 minutes and 50 seconds remaining.

Mr. DODD. The proponent?

The PRESIDING OFFICER. The proponent has 13 minutes remaining.

Mr. DODD. On the Durenberger amendment?

The PRESIDING OFFICER. It is the understanding of the Chair that all time would be aggregated on the two pending amendments, equally divided.

The Senator from Connecticut has 9 minutes, and the proponent of the amendment 13 minutes.

Mr. DODD. Rather than waste any more time finding out how much time is left, I will take 3 minutes.

Mr. President, let me, first of all, thank my colleague from Minnesota, the distinguished Senator DURENBERGER, for a lot of help on this legislation. My colleagues ought to know that the staffs have spent a lot of time together, and a lot of what is in the Bond-Coats-Ford substitute are ideas that emanated out of the office of Senator DURENBERGER. While the debate now is on this particular amendment, there has been lot of work on other aspects of this legislation. I thank him and his staff for that help.

I disagree with Senator DURENBERGER on this particular amendment. We have had long discussions about it. In fact, in many ways, I am a bit in an awkward position. Philosophically, there is a lot of merit to the idea of the option of arbitration. We have talked about it. The problem is that we are dealing with it on one specific bill, rather than in a generic form.

Senator DANFORTH and I proposed something similar to this in product liability. We did not get very far. Nonetheless, the concept is of offering options to people in terms of how they dispute resolutions.

The problem here, in a sense, is that I do not necessarily believe that on this legislation, since we have designed a system under the fair labor standards and under Bonds-Coats-Ford, to allow for, in a sense, arbitration without getting to court—in a sense, that is incorporated into this. We set up a system to allow that—if a complaint occurred—before it gets into court, you try and resolve the matter, rather than actually jumping right into a court proceeding.

As was identified by Senator WELLSTONE of Minnesota, about 97 percent of these cases actually have been resolved without having to get to court. So when it takes some time, there is a resolution process. In fact, it has been successful without having to get into lengthy litigation.

In 1990, the Department of Labor investigated 7,400 Fair Labor Standard Act cases and determined there were violations of law in 5,200, of which 2,000 were referred to litigation. I will state that again: There were 7,400 complaints, and actually, out of the 7,400, 2,000 ended up in the courts.

So, in a sense, the process, while not working perfectly, is working.

While we may have broad problems, we want to design legislation and create options, and it seems we ought to do that across the board rather than picking out one particular set of circumstances where I do not think we can say with certainty what the problems are likely to be. So I hope that my colleagues would reject this amendment, with all due respect to its author.

Tort reform is, in my view, long overdue, in the broad sense. But, in this particular area, where we have made significant modernizations in the application of the Fair Labor Standards Act, we are only getting a few cases right now, and it seems that we ought to take that into consideration and see if we cannot draft some generic legislation, rather than trying to apply something where we are not sure how it would actually work.

Regretfully, I urge my colleagues to reject this amendment.

I, simultaneously, hope we can get to a point where we can have a good discussion, debate, and have legislation come forward on how to move forward offering options, generally, whether it be in tort reform, or specifically in product liability, or specifically in fair labor standards. And it makes sense to me. In this particular case, not knowing what we are dealing with here, talking about a whole new area of law, applying a new standard of law, I think is dangerous to go off that cliff without knowing more about what we are doing here.

So, Mr. President, I urge the rejection of this amendment at the time of the vote.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 5 minutes remaining. The Senator from Utah had 13 minutes remaining.

Mr. HATCH. Mr. President, I yield 4½ minutes to the distinguished Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I greatly respect the efforts of Senator BOND and Senator DODD, who worked long and hard to shape a constructive policy regarding family and medical leave practices. The legislation now before us presents me with a difficult choice. No one denies the importance of allowing workers time off to cope with family emergencies or the birth of a new child.

I sympathize deeply with those forced into the untenable position of having to decide between their families and their jobs. Yet at the same time, I am troubled by the larger unforeseen and unintended consequences of Federal involvement of this kind.

Without a doubt, we have witnessed over the last three decades major changes in the composition of our work force and the economics of the family. Greater numbers of women with young children are now wage earners and many families are dependent on these wages.

Also increasing are the numbers of elderly dependents whose responsibility for care is shouldered by a working son or daughter. Typically, when a family crisis hits, these dedicated workers must find a way to manage responsibilities at home as well as in the workplace.

In order to meet these changing needs and to attract highly skilled employees, some businesses have already responded with comprehensive leave programs. Others have approached the problem on a case-by-case basis.

Unfortunately, not all employers have adequately recognized the increasing demands on working parents, the commitment involved in caring for a newborn, or the pressures workers face when an illness strikes at home.

How should we in Congress react to this lack of responsiveness on the part of some in the business community? Should we mandate a response? Should we require all employers with 50 or more workers to offer no less than 12 weeks of family and medical leave? These are questions I have wrestled with for the last three Congresses, and each time I have reached the same answer: Regretfully, I cannot support this legislation.

Were it solely a matter of mandates per se, I would be less hesitant. There is no question that Congress has approved a variety of mandates in the workplace, from restrictions on child labor to standards for safe working conditions.

To my knowledge, however, this is the first time Congress has mandated a benefit. It is the first time we have required businesses to offer a form of compensation which businesses must pay for and which workers must accept—regardless of any agreement to the contrary.

Up until now, Congress has wisely refrained from interfering with this bargaining relationship—the give and take between employer and employee—however uneven at times it may be. This has allowed maximum flexibility for wage and benefit packages to be shaped according to the size and fiscal constraints of businesses, and the needs and desires of workers.

I am particularly concerned, for example, that the growing trend toward more flexible benefit programs will be constrained by Congress mandating benefits, to the detriment of those employees who do not need or desire those benefits.

The great diversity of business needs in this country makes it very difficult for the Federal Government to devise a single plan that addresses the needs of all workers, without adversely affecting the ability of employers to meet those needs.

I have listened during the course of this debate to various estimates of the cost of S. 5, ranging from a low of $5.30 per employee per year, to a total cost of $7.9 billion annually. What this really illustrates is that, in fact, we do not really know the true cost of this legislation. Even if the lowest estimate is correct, clearly this cost will vary depending upon such factors as the size or geographic location of a business.

For example, a company of 51 employees located in rural western Kansas will have far greater difficulty in absorbing the costs associated with absent workers than, say, a company of 5,000 in Wichita or Kansas City. Yet, it is precisely these smaller companies that create the greatest number of new jobs and at this time can ill afford additional burdens.

Mandating a new benefit will either result in diminishing current benefits or reducing current wages. The same dollar will be spent on workers, only the pie will be sliced along different lines. We cannot avoid the fact that when we mandate a benefit, it will increase benefit costs, which in turn will have a direct impact on the labor market, either curbing wage increases, discouraging the hiring of new workers, and perhaps even accelerating layoffs in hard times.

Mr. President, I appreciate the efforts of Senator BOND and others to fashion a workable bill. Unfortunately, the suggested changes only serve to underscore the difficulties inherent to this well-meaning legislation. For every new requirement, an enforcement mechanism must be implemented, along with the attendant regulations and necessary paperwork, adding further to the regulatory burdens of small- and medium-sized businesses.

Moreover, carving out exceptions and loopholes only creates the additional potential for unintended and undesirable consequences, which we, with our limited Washington perspective, cannot anticipate until it is too late.

For example, a Kansas City employer of several hundred workers also maintains a small office of five employees in Amarillo, TX. While the bulk of its employees would be covered, those in Amarillo, by virtue of their isolation, would be exempt. How, I was asked, can an employer deny this benefit to those workers, while the rest of the company is eligible to take family and medical leave? If the employer permits this benefit, will he be able to continue to operate this office successfully?

Consider the key employee exemption in the Bond amendment. How will these workers feel if they are singled out as ineligible for parental or medical leave? Or, consider the part-time worker exception. Will this merely encourage employers to hire part-time workers, for under 25 hours per week, in order to avoid the requirements of this legislation? Unfortunately, I do not know the answers to these questions.

Mr. President, leave for caring for a family is good for business, and it certainly is good for families. None of us would deny that. It is my hope that a growing number of employers will provide those benefits.

But for the reasons I have listed above, as well as the uncertainty about the health of our economy, I am voting against the Dodd-Bond legislation, and I would urge my colleagues to do so as well.

The PRESIDING OFFICER. Who yields time?

The Senator from Utah has 7 minutes and 6 seconds remaining.

Mr. HATCH. I yield 4 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Republican leader has the floor.

Mr. DOLE. Mr. President, I agree completely with my colleague from Kansas, Senator KASSEBAUM.

Mr. President, my opposition to S. 5, the Family and Medical Leave Act of 1991, is no secret.

I had hoped that when the compromise on this legislation was announced last month, that perhaps this difficult issue would be resolved.

Unfortunately, Mr. President, this compromise, which is being marketed as a "new and improved" version, is the same product with some different packaging.

EVERYONE SUPPORTS FAMILY LEAVE

Mr. President, there is no controversy here over whether family leave is good or not. I strongly support such programs and believe that they have served—and will continue to serve—a very important role in the work place where more and more American families find both parents out of the home.

Along the same lines, Mr. President, I also support health insurance benefits, disability plans, life insurance, vacation, sick leave, maternity leave programs, continuing education and professional development programs, and all the other infinite types of programs and benefits that the employers of this Nation voluntarily provide to their work force.

But this is not the issue, Mr. President. We are not voting on whether family leave is a good idea. Instead, we are voting on whether the Government knows best how to spend everyone's benefit dollars.

COMPROMISE DOES NOT ADDRESS MANDATE ISSUE

It is for this exact reason that the compromise to S. 5 does not solve the real problems.

While the amendment deals with some of the structural and administrative glitches of S. 5—such as the damages provisions and the definition of serious health condition—it does nothing to address the problem of the mandate.

The point is that the Federal Government should not be telling each and every employer and employee that one type of benefit is better for them than another type of benefit.

MANDATES DO NOT WORK FOR BUSINESS OR LABOR

Business can allocate only a specific amount of money for fringe benefits. They have projections and budgets and part of those plans is how much they will spend on salaries and how much they will spend on benefits.

The real world effect of this legislation, this mandate, is that employers will revisit those projections and budgets and cut back on something else.

While the Senator from Connecticut, Senator DODD, and the other proponents of this legislation, would have you believe that the cost of this legislation is negligible, the fact is that this bill costs business a ton of money—money that might of otherwise be earmarked for a COLA, or a child care center, or to business expansion producing more jobs, or simply to paying off debt and making ends meet so that no layoffs occur.

A recent survey by the Gallup organization of over 950 small businesses indicated that if this bill were to become law, more than half of small firms would establish stricter personnel policies and cut back employee benefits such as paid vacations and health insurance.

So while the proponents of this legislation may have good intentions in trying to help the American family, the effect of this legislation will be to take away benefits that were once freely negotiated between the employer and employee.

"ONE-SIZE-FITS-ALL" HURTS EMPLOYEES

Mr. President, I also do not understand how the proponents of this legislation justify to the American people that a one-size-fits-all approach to employee benefits is good for them.

Those who are unmarried—who have no interest in a family—don't want leave to have children.

Older workers have no interest in leave to have a family.

And yet, what the Congress wants to tell the American people is that such leave is good at the cost of benefits American workers might otherwise prefer and receive from their employer.

Such paternalism and interference is completely unwarranted. Indeed, we have seen an explosion during the last decade in the types of benefits offered by employers and the flexibility of those benefits.

Recently, for example, a lot of companies have begun introducing so-called cafeteria style plans. These plans give employees a fixed dollar amount to spend on benefits and let them pick which ones they want from a long menu.

It is my understanding that cafeteria plans are very popular and let employees shape their benefit program to their own personal, individual needs.

If this bill were to become law, the effect is that employers would give employees fewer dollars to spend on benefits they would otherwise choose cafeteria style in order to provide the mandated family leave.

I might add that a Gallup Poll found that only 1 percent of 1,000 respondents listed parental leave as their most valuable employee benefit. And a January 1991 Penn & Shoen survey found that 89 percent of 1,000 respondents preferred that employee benefits be decided privately between employers and employees rather than mandated by the Federal Government.

S. 5 IS A TAX ON EMPLOYERS

Mr. President, in this Senator's opinion, this bill amounts to nothing more than a tax on employers.

It looks like my colleagues on the other side of the aisle have decided that since the Federal Government is broke—and with about 30 States experiencing serious budget problems as well—the next place to find hard cash to pay for benefit programs is to dig into the pockets of the employer community with a bunch of mandates.

The problem, Mr. President, is that this tax—this mandate—will ultimately come out of the pockets of employees through a reduction in other benefits such as a cost-of-living increase; or paid health insurance premiums; or through the loss of jobs or job growth as companies bottom lines—already suffering from a sluggish economy—are squeezed further against the wall.

PRESIDENT WILL VETO

Finally, Mr. President, I have a letter that President Bush sent me stating that he will veto S. 5 or any other mandated leave legislation presented to him.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, October 1, 1991.

HON. ROBERT DOLE,
Republican Leader, U.S. Senator, Washington, DC.

DEAR BOB: As the Senate moves toward consideration of S. 5, the Family and Medical Leave Act, I want to reiterate my position on this issue. I strongly support the goal of encouraging family leave policies through voluntary negotiations between employers and employees. However, it is both inappropriate and counterproductive for the Federal Government to mandate blanket fringe benefit packages that treat all employees the same and benefit one employee perhaps at the expense of another. Workers and managers should have the freedom to sit down together and develop a benefit package that best meets their specific needs.

America faces its toughest competition in history. We must maintain the flexibility to meet these challenges directly in the most competitive way. At the same time, we must promote an environment of cooperation in which workers and managers together strive for their greatest productivity. We should not impose additional burdens and restrictions on employers and employees, particularly at this crucial time.

Accordingly, should S. 5 or any other mandated leave legislation be presented to me, I will veto it.

Sincerely,
GEORGE BUSH.

Mr. DOLE. First, let me say that I think we have a package that has been slightly improved. You could not improve it much, because it was so bad. But it has been improved a little with the amendment offered by Senators BOND, COATS, and FORD.

But I think we have to ask ourselves one very basic question. This is a tax on business; it is a tax increase. We might as well just pass a tax increase for everybody with 50 or more employees, every business. OK, this is a tax increase. That is what this is. It is a mandate.

The Senator from Kentucky said it is not a mandate; it is a Family Protection Act. I had one handout awhile ago. It said mandate; mandate in the Dodd bill; mandate in the Bond amendment, the same. Mandate on one side, and the same on the other.

They say it is a mandate. It is a mandate. How many mandates can we pass onto States? How many mandates can we pass onto employers? I finally figured it out. The Federal Government is broke. We have about 30 States that are broke. We have the five biggest cities broke. And some in the Senate still want a group hanging. All right. We can get them if we start right now, and they are called employers. They are people with 50 or more employees this year.

I note that another improvement was they modified this little Commission that was going to study what effect this would have on 50 or fewer employees. You know, we are doing 50 this year. They took it out. They put in broad language. The Commission can now study anything. Policies.

This bill will be vetoed and sustained either in the Senate or the House. But it will be back next year, and should it pass, I would predict within 3 or 4 years, they will say let us lower it to 40, and then 30, and then 25, and then 20, and then 10, and then bingo.

So there are a lot of things happening in the private sector. I support health insurance benefits, disability plans, life insurance, vacation, sick leave, maternity leave programs, continuing education, professional development programs, and all the other infinite types of programs and benefits that the employers are providing now—not the Federal Government, but the employers are providing.

If we just had to vote on whether family leave is a good idea, the vote would be 100 to nothing. But you all have to ask the employees and include results of polls where they surveyed 1,000 employees; 89 percent said: let me work it out with my employer. We do not want the Federal Government in Washington, DC, telling somebody in Topeka, KS, this is what you have to do. Whether married or single, young or old, children or no children, one plan fits all.

We also, in a Gallup poll, found that only 1 percent of 1,000 respondents listed parental leave as the most valuable employee benefit. Where is the demand for this legislation? There is not any, if you talk to people who would have to pay for it.

I wish we had had a vote on the $5.30 amendment the Senator from Utah had. Maybe we should have included that in the agreement of yesterday. That would have carried, and that might have been the end of this so-called legislation.

But this is a tax, a tax increase on employers. It is a mandate. It is a mandate on employers. It is the long arm of Washington, DC, reaching out all across America, saying: You are going to do this whether you like it or note.

If you want to vote for a tax increase, this is your opportunity.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Utah.

Mr. HATCH. Mr. President, first of all, I would like to say I think the Durenberger amendment should be supported. Binding arbitration, I think, would save everybody millions, if not billions, of dollars over the years.

The average termination suit cost about $20,000. Under this approach, it would cost around $1,000, and it would work better and help alleviate the congestion in Federal courts that is eating us all alive.

Mr. President, the problem with the Dodd-Bond bill is, number one, it is an unprecedented mandated employee benefit. It injects the Federal Government into each of our lives, telling us what to do.

Second, it restricts flexibility both for employers and employees.

Third, it has a discriminatory impact because half of all employees and 95 percent of all businesses are exempt from the bill. Generally, the people who will not get the benefits are those who are poorer, less educated, and less trained. So half of all employees and 95 percent of all employers are exempt from the bill.

Fourth, it is ineffective. It is impossible for parents to bond with new babies over a 12-week period. And, by definition, a serious illness is likely to last longer than 12 weeks.

And last but not least, it is an approach that would be vetoed by the President.

The Hatch substitute is supported by a number of organizations, including business organizations, family research organizations, and Hispanic organizations such as SER- jobs for progress. It is not a mandated benefit. The measure only returns to people what they have already earned. Unlike S. 5, it does not provide new, unearned mandated benefits.

In contrast, S. 5 only provides for 12 weeks of leave. My substitute allows employees to leave the workplace for up to 2 years to care for a sick family member and up to 6 years to care for a child.

My substitute applies to everybody, not just 50 percent of all employees and 5 percent of all businesses.

And, my substitute has a protected right of reemployment. It extends a right of preferential rehire. If an employee takes leave for a family purpose and he or she applies for reemployment, the employer must offer either the same or an equivalent job, if such a job is available.

So, Mr. President, I think if we want to pass a real family leave bill, we should all vote for the Hatch substitute. The votes are not there for passage now, but I think I have made a case against the mandated employment benefits which will linger.

I yield whatever time I have remaining to the distinguished Senator from Connecticut.

Mr. WALLOP. Mr. President, had there been other amendments in order to this legislation, I would have offered three; one requiring an economic impact analysis on any legislation which creates a new or revised Federal mandate for public or private sector employees; an amendment to strike title III of the bill, creating a Commission on Leave, and finally an amendment to require employees to pay their share of the cost of health insurance while on leave.

The amendment requiring an economic impact analysis is nearly identical to an amendment I offered—and the distinguished Labor Committee chairman, Senator KENNEDY accepted—to the minimum wage legislation adopted by this body in 1989. Unfortunately, that minimum wage bill was vetoed by President Bush and the subsequently enacted legislation did not contain this provision.

We have now been debating versions of family and medical leave legislation for the past 6 years. Just as the proponents of S. 5 believe extended leave periods are vital to today's working conditions, my amendment is crucial to the considerations we should give to the need for such benefits. So I regret that we failed to enact this amendment prior to consideration of S. 5 this year. Perhaps an economic impact analysis would convince my colleagues once and for all of the bad habits, that is, Federal mandates, which we cannot seem to break as demonstrated by this legislation.

What we cannot support by taxes and deficit spending, we simply disguise as a cost-free benefit and put in the laps of the American people. That benefit then becomes their obligation to provide, but not without cost to businesses and our economy.

Thus the specific purpose of my proposal is to expose faulty perceptions with accurate information. The family and medical leave bill provides the perfect forum for this discussion. It is a well-intended piece of legislation. Certainly all employers want to do their utmost to provide a wide variety of benefits for their employees. But we are imposing a benefit which affected employers cannot afford and for the most part working employees do not need or may also not afford. The Federal Government does not belong in the business of establishing benefit policies that have voluntarily been addressed by employers as unique circumstances arise with their employees. And we should not ignore the positive elements of a flexible employer/employee relationship.

By mandating a benefit, we remove that flexibility, reduce the employer's ability to meet the needs of their work force and potentially force them to cut back benefits to employees across the board.

S. 5 also does not take into account the indirect costs associated with extended periods of leave. In many instances, it will be difficult or nearly impossible for employers to recruit and train temporary replacements. These replacements and attendant productivity drains are costly propositions, particularly for small businesses already struggling to survive the strains of today's economy. Yet, in many businesses, positions cannot remain vacant for two or three months. So the Family and Medical Leave Act leaves businesses with two choices: A full plate or empty pockets, and GAO feels neither represents a loss—but then their analysts get paid for their view whether or not they are right. Business lives a real life.

My proposal would carefully measure the consequences of translating good intentions into unworkable programs. The Senate should have these data up front in order to make an informed decision—a decision which will obviously impact the lives of all Americans. Without this information, we will not know the effect of the legislation of the economic growth and development of new businesses and the health of existing businesses.

The economic impact statement contained in the report accompanying S. 5 pays little attention to the economic consequences of its enactment. I quote from the report:

> There is no evidence of economic impact on consumers as a result of S. 5. Costs to

consumers cannot be expected to increase since the additional costs to employers are minimal—based on a 1989 GAO study, estimated as $5.30 per year per covered employee—and since there is no evidence of greater business losses where State laws require similar family and medical leave. The GAO study concluded that the cost of family and medical leave legislation to employers would be less than $236 million annually. This cost results exclusively from the continuation of health insurance coverage for employees on unpaid leave.

This $236 million figure is as shocking as it is wrong. Yet it is typical of the General Accounting Office which has literally no concept of what it costs to do business. No small wonder that the American public has so little faith in what we do here to represent them. The GAO may be the congressional watchdog, but they are rarely vigilant in their regard for small business needs. Some of us here in this body have been in business. We know full well what it means to meet a payroll; to provide benefits for employees. So I ask my colleagues this question: What about the cost of replacement workers?

Employers who must hire and train temporary replacements and continue to pay expensive health insurance premiums for employees on unpaid leave, have two options: Either they hire fewer workers or provide less pay and fewer benefits to workers who don't take leave.

As such, I believe employees should be required to pay their cost of health insurance while on temporary leave. This principle is already established under the Consolidated Omnibus Reconciliation Act [COBRA] of 1985 whereby employees laid off or taking temporary periods of leave must pay up to 102 percent of the cost of health premiums.

No one would dispute that this country is plagued by the unrelenting high cost of health care. The United States now spends 12.4 percent of its gross national product on health care. Since 1970, the total cost of employer fringe benefits for employee health benefits has more than doubled. Likewise, total fringe benefits paid by employers have risen 13 percent. Obviously, these statistics show that it is becoming more and more difficult for employers to cover the continually rising costs of medical insurance.

The bill we are considering today does nothing to address rising health care costs. To the contrary, it merely puts an excessive burden on employers to absorb these costs, while also covering the cost of replacement workers. No one wants to spoil the picture of mom and dad spending 12 weeks bonding with junior, but someone is going to have to do the work until they return.

Parental leave is fine as one possibility in a basket of benefits. When it becomes obligatory, both management and workers are deprived of choice. Such mandates will only disrupt the labor market and, in the long term, result in lower cash compensation for workers and increased unemployment particularly among the working poor.

Many analysts feel that our system of private health insurance exacerbates the problem of rising costs because consumers are insulated from the real cost of health care services. We have been proposing such mandated employer-sponsored health insurance for the last few years. Proposing such uniform Federal policy isn't going to help our society, nor is one inflexible policy going to help the American family. Let us decide what is important and enact legislation that will address rising health care costs, not provide Band-Aid attempts.

Mr. SYMMS. Mr. President, I oppose S. 5, the parental leave bill.

I oppose it, first, because I believe in the freedom of choice. The decision concerning the sorts of benefits which the employees of a particular company want to receive should be a decision between those employees and their employer. Do they prefer higher salaries and no unpaid leave? What about greater employer health insurance contributions and no unpaid leave? What about 3 weeks of paid leave? Or a longer vacation?

S. 5 would remove all of those decisions from the employer and the employee and place them in the hands of the Federal Government. Ironically, this is being done by the same people who cynically bandy about the word "choice" when it suits their purposes.

I also oppose S. 5 because it would impose yet another regulatory burden on business at a time when many businesses are struggling to compete with Japanese and European corporations. The Small Business Administration has estimated that this legislation could cost American businesses as much as $1.2 to $7.9 billion a year—enough money to pay the salaries of up to 260,000 employees at a rate of $30,000 a year.

We have already witnessed the loss of jobs which overregulation has caused—not to mention the recession precipitated by our most recent tax increase. The last thing we need is to place even more impediments on American business at a cost of tens of thousands of productive jobs.

Finally, I oppose S. 5 because the details of the legislation are seriously flawed. "Serious illness" is defined so liberally that it includes kleptomania, transvestism, and drug addiction. The mechanism for determining whether a serious illness exists is a real "Rube Goldberg device." Furthermore, the leave is, contrary to the representations of the sponsors, not "unpaid leave" at all, since the employer would have a legal requirement that he continue to fund the missing employee's health insurance.

All of this can only have the effect of discouraging employers from hiring women—a result which would work to the severe detriment of the very people which this legislation is supposed to help.

Mr. President, it can be cold comfort that this would not be the first intrusive, counterproductive program cynically advanced for the purpose of erroneously persuading classes of constituents that they would get something for nothing.

This bill is not needed, therefore, I urge a "no" vote.

Mr. DODD. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. CONRAD). Five minutes, 30 seconds.

Mr. DODD. Mr. President, I yield whatever time he may desire to the majority leader.

Mr. MITCHELL. Mr. President, Members of the Senate, over the past decade the United States has witnessed an ever increasing number of women entering the work force, many with very young children, many of whom seek to rejoin the work force shortly after the birth of their children.

Job protection during times of childbirth and family illnesses ought to be a basic right for working Americans. Especially now with the economy in recession, job protection is even more important to the stability of American families. This is a family measure for American families.

To know that a worker has the flexibility to take care a newborn child or to care for an ailing parent without the fear of losing the job ought not to be remarkable. It ought to be a matter of course.

The composition of the American work force is changing. That change should be reflected in our policies.

This is an important bill for American women. It offers to American women equal economic opportunity, and it means that the question before us is whether American women will have economic independence.

The number of women working today is greater than ever before. Many of these women are working out of necessity. They need to work to raise their family's income to a level that will allow them to feed their children, make their rent or mortgage payments, car payments, and provide other basic necessities.

An increasing number of women are single parents who have no other option. They must work to provide for their family. But the fact remains, also, that 65 percent of married women work.

We ought not to force American women to choose between their jobs and their families. Too many women have been forced to make a painful choice between the economic imperative of working to supplement their families' income and the anxiety of caring for a seriously ill child. Too many women have to make that choice. It is unfair to them.

Too many women have had no job to return to after recuperating from the birth of their child.

The Family and Medical Leave Act would provide unpaid leave. Unpaid leave for birth, adoption, or care of a sick child. It would also provide unpaid leave for an employee's own serious medical illness or to care for an employee's seriously ill parent.

The United States is the only major industrialized country without a family medical leave policy. In fact, most other industrialized nations provide some type of paid leave. We are not talking about paid leave here, but unpaid leave, with the guarantee of a job to which to return.

Protecting jobs for those who must take leave to care for their families in times of crisis is not unreasonable. It is humane. Protecting jobs for those individuals who become seriously ill is not unreasonable. It is humane. It is reasonable. It is fair.

Enactment of this family leave law will not alleviate the stress a family feels when faced with a serious illness of a parent or a child, the loss of earnings. But it will alleviate the stress they feel, the real stress, when there is no job to which to return.

Enactment of this family leave law will provide a basic assurance of job security for the men and women during times of crisis. A number of States have already enacted such laws. It is now time for the Federal Government to act as well.

Mr. President, on that note, I would just like to make a comment. We have heard a lot of talk here, the usual statements that we ought not to have the Federal Government getting into this area of economic regulation. But the very same Senators who make that argument are sponsors of and promoting all kinds of other legislation to do that which they now warn against.

How many times have we heard speeches on the floor here in favor of product liability legislation that would extend the Federal Government wholly into an area that for 200 years has been left to the States? The very same people who stand here today and say we should not have the Federal Government do this in behalf of American women are prepared to force the Federal Government into areas previously left to the States in behalf of large corporations.

How about giving American women the opportunity for economic equality and economic independence? That is the issue here today. That is the issue.

Are we prepared to say that we will no longer tolerate American women being denied economic opportunity; we will no longer tolerate second-class status for American women? We are going to see that they get the same equality and free economic choice that is available to women all over the world.

I urge my colleagues to support this bill. It is a sound, sensible, reasonable, fair measure.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. DODD. Mr. President, I inquire of the majority leader, has there been a proposal to reduce the time of these votes?

Mr. MITCHELL. Mr. President, I ask unanimous consent that all votes after the first vote be for 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. Let me make clear that I mean all votes that are stacked in succession be for 10 minutes after the first vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 1248

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. DURENBERGER]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The result was announced—yeas 40, nays 57, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—40

Breaux
Brown
Burns
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Danforth
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Heflin
Helms
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Bryan
Bumpers
Burdick
Byrd
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NOT VOTING—3

Harkin
Kerrey
Pryor

So the amendment (No. 1248) was rejected.

Mr. DODD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBB. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1245

The PRESIDING OFFICER. The question is on agreeing to the Bond-Ford-Coats substitute amendment, amendment No. 1245. The yeas and nays have been ordered. The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 65, nays 32, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—65

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Coats
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Inouye
Jeffords
Johnston
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Simon
Specter
Stevens
Wellstone
Wirth
Wofford

NAYS—32

Boren
Brown
Burns
Cochran
Craig
Dole
Domenici
Garn
Gorton
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Kassebaum
Kasten
Lott
Lugar
Mack
McConnell
Nickles
Pressler
Rudman
Seymour
Shelby
Simpson
Smith
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Harkin
Kerrey
Pryor

So the amendment (No. 1245) was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1249

The PRESIDING OFFICER. The question now occurs on the amendment of the Senator from Utah [Mr. HATCH]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER (Mr. WIRTH). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 32, nays 65, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—32

Brown
Burns
Cochran
Craig
Dole
Domenici
Durenberger
Garn
Gorton
Gramm
Grassley
Hatch
Heflin
Helms
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Rudman
Seymour
Simpson
Smith
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—65

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Byrd
Chafee
Coats
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NOT VOTING—3

Harkin
Kerrey
Pryor

So the amendment (No. 1249) was rejected.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I would like to take a few moments to explain my opposition to the family and medical leave bill that has once again captured the attention of the Senate. Speaking as a husband and also as the father of three marvelous children, I am intimately familiar with the added responsibilities and pressures that parents experience when a newborn baby arrives. Being a parent is a joyous and rewarding experience, but there is no denying the fact that meeting the special needs of a newborn infant can be a very demanding and difficult enterprise. I have been in that situation—three times now—and I understand completely the anxiety and concern that can result.

I also know something about the difficulties that arise when there is an ailing parent or some other kind of illness in the family. My family and I are now caring for my dear dad who is laboring along in his 93d year. His quality of life has diminished greatly in recent years. Caring for him is a labor of love, but it is also a sad and sometimes difficult thing to do. My mother and my wife Ann's mother each are 90. They are special and vital and add much to our lives. At one time or another, almost every family has experienced—or will experience—the anguish and concern that result when a loved one suffers from illness or injury. That is very much a part of life, so it is understandable that there is so much fascination with this subject.

I think we would all agree that parental leave policies are surely an effective and sensible approach to alleviating the pressures felt by many working Americans who have young children and aging parents. If an employer chooses to offer this benefit to its employees—and many do—that is commendable. Parental leave policies can be beneficial to both parties when employers and employees have the opportunity to properly negotiate terms that are appropriate to their own particular circumstances. I applaud these kinds of flexible and responsive management policies, and I believe we should make it as attractive as possible for employers to offer family-friendly policies. Because family leave is such an important and valuable benefit to those who may need it, we should encourage employers to provide this benefit—but we should stop short of another congressionally imposed, inflexible mandate that may arm the very people it was intended to help.

While I support the concept of parental leave, I do strongly object to any proposal that would mandate the personnel policies of private employers. That is exactly what this bill does. It would dictate to employers what benefits they must provide, to whom they must be provided, and under what circumstances they must be provided—regardless of whether or not employees desire the benefits. If there was some overriding Federal interest that was served by regulating the personnel policies of private employers, then perhaps that would justify this action. However, I am unaware of any such Federal interest that exists in this instance and I would strongly suggest that the Federal Government restrict its activities to those matters which are within its proper sphere of influence.

I do understand the great temptation to mandate employee benefits. This new era of tight budgetary constraints is especially painful for the tax-and-spend liberals who are now limited in their ability to create new programs. So what we have now is this effort—almost an obsession for some—to take money out of the pockets of employers and force them to provide benefits that the Federal Government would like to provide, but cannot afford. By disguising the true costs of these benefits, Congress can pretend to be doing something for the American people without directly raising their taxes.

Many legislators believe that by forcing businesses to foot the bill, they have found the ultimate free lunch. In truth, Americans gain no free lunch when businesses are forced to absorb the cost of Government programs. Let there be no mistake about that. The costs associated with mandated benefits are very real and significant. The cruel trick of mandated benefits, of course, is that their true cost is ultimately borne by the workers they are supposed to help. Higher labor costs not only undermine our Nation's international competitiveness and destroy American jobs, but they also result in higher prices for consumers at home. In addition, the Federal Treasury takes in reduced tax revenues from a slower growing economy. Clearly, there are no winners in this situation.

Let us also be very clear about what this bill does not do. It does not in any way guarantee that employees will receive a larger overall package of benefits. In fact, many employees who have no need or desire for family and medical leave may find themselves worse off than before if their employer has to eliminate existing voluntary benefits in order to make up for the increased costs of providing the mandated benefits. In some instances, anticipated wage increases may even be offset or delayed if employers have to use these resources to provide the mandated benefit. These are not outcomes that most people would associate with good public policy, so I do think we should be honest in presenting the American people with a complete picture of what this bill would accomplish.

Finally, I would like to address this matter of just what is meant by being profamily. Some proponents of this legislation would have the American people believe that anyone who opposes mandated parental leave doesn't care about babies or old people or working families. I find that a tiresome and bombastic argument, but it is not surprising because that is the approach we so often see when the facts or the substance of an issue are lacking. Claiming to be profamily is just about as safe as any position one will ever take in this Chamber and it certainly appeals to the emotions in a way that few others can or ever will.

But I must seriously question whether this is a profamily measure when it would discourage employers from hiring young people of childbearing age. If Congress mandates parental leave benefits, employers will have powerful incentives to discriminate against those workers who are most likely to use the family leave benefit. Women at the bottom of the economic ladder—the uneducated, the untrained, and unskilled—will bear a disproportionate share of this burden. The experience of European nations who presently mandate generous leave benefits in that women of childbearing age are frequently unemployed or clustered in low-paying jobs. Given this fact, it hardly makes sense for the United States to imitate a policy that has already been demonstrated in other countries to have a negative impact on those people whom it was intended to help.

By mandating benefits, as this bill proposes, Congress would interfere with employer-employee negotiations and the collective bargaining processes that have made this kind of flexibility possible for so many years. I am deeply disturbed by the attitude that goes along with this proposal. What kind of arrogance is it that makes Congress think it knows better than the American people what benefits they may need? I, for one, will not pretend that I am better able than my constituents to decide what is best for them. To do that in Wyoming would be a sure-fire prescription for political pain and trouble.

The fundamental problem with this legislation is that it completely disregards the rather obvious fact that all employees do not have the same needs and preferences. In the real world—as we know it today—a worker who has no children or parents may prefer to have prescription drug benefits rather than family and medical leave. Others may prefer to have child care benefits, tuition benefits, or profit sharing arrangements. That is the beauty of the present system. Employers and employees can negotiate a benefits package that is tailor-made to their particular needs and circumstances. This bill flies in the face of all of that. It is very untimely and wholly unnecessary—but has a very nice political ring to it. But it's still very bad.

Mr. DURENBERGER. Mr. President, I would like to state my support for the Hatch alternative to Senator DODD's Family Medical Leave Act. Although I do not believe that it goes far enough, I think the theory underlying the Hatch proposal has great merit, and therefore I am voting for it.

Under the Hatch bill, an employee would be eligible to leave the workplace for up to 2 years to care for a sick child, and up to 6 years to care for a child, and be granted a preferential right of reemployment. In other words, after an employee gives birth to a child, the employee could take up to 6 years off to care for the child, to nurture the child, to be a parent to the child, and the employer would have to grant the individual reinstatement to his or her job if that job were still available.

In my view, this bill offers a wonderful opportunity for employees to bond with their children. If the U.S. Senate wants to promote families, then I think that we should support opportunities for parents to spend extended periods with their children. It just makes good sense.

Mr. President, I want to point out that although profamily groups support this bill, many who oppose Senator DODD's bill want to use the Hatch bill as a complete substitute. I want to be clear that I am not voting for the bill for that reason. I want to see the Hatch bill as a supplement, not a substitute, to the Dodd family leave bill. There is nothing inconsistent with supporting preferential rehire rights to employees who take time off to be with their children, and supporting 12 weeks of unpaid parental or medical leave for those who need a short period to be with newborn children, or sick parents, sick spouses, or sick children.

Many people cannot afford to take 3 years off from work to be with their children. It is difficult to take that much time off. But then again, many people cannot afford to take 12 weeks of unpaid leave either.

Mr. President, I suggest that in a nurturing society, where we want to support families in times of need, that 12 weeks of unpaid leave in times of great job—when a child is born, as well as in times of trouble—when a relative is sick and needs loving attention, is something that we in America ought to provide.

But let us face it. Twelve weeks is not that long to bond with a child. And 12 weeks is not always enough time to care for a sick child. The Hatch bill allows those who can afford it to spend more than 12 weeks with their children when their children need that time. As a U.S. Senator, I think that both of these bills are profamily, and because I am a profamily Senator, I want to indicate my support for the Hatch proposal, even though it is clear that it lacks the support to become law.

Mr. President, it is unclear at this time whether Senator DODD's 12-weeks' unpaid family medical leave proposal has the strength to override a Presidential veto. I clearly support the Dodd bill, and I voted for it. But if the Dodd bill does not retain veto strength, then my hope is that Senator DODD will incorporate many of the positive attributes in the Hatch bill into the Dodd proposal. Accordingly, we should use the Hatch initiative as an effort to bridge the gap between the parties, so we can move forward toward supporting our most important societal institution—the American family.

Mr. GRASSLEY. Mr. President, the birth or adoption of a child, an ailing parent or loved one. These are family challenges that have confronted most of us at some time in our lives. It seems that the problems facing American families have grown more complex over the last decade. And perhaps this new decade will not offer much relief.

How then can we best assist families, as they cope with crisis or adjust to a new family addition, and still be responsible to their job? I recognize that many families struggle to reconcile the many competing factors in their lives. However, I don't believe that the family and medical leave bill, which we are debating today, provides much relief for the average family.

Providing family and medical leave is a very desirable employment benefit for many people and, certainly employers should be encouraged to make such benefits available. In fact, the practice of providing family and medical leave is common in the private sector. Surveys have shown that over 60 percent of companies grant some type of leave. Recently, the Gallup organization conducted a survey of 950 small businesses concerning family and medical leave policies and found that 95 percent provided family emergency leave on request and 94 percent granted their most recent request for leave.

However, the question today is not whether leave policies are desirable benefits but rather is the use of Government mandates and their associated costs the best means to achieve a worthy goal?

Certainly employers should be encouraged to make such benefits available if there is the need and desire among the employees. However, I object to the Federal Government mandating leave policies. The Federal Government is not suited to determine the individual needs of workers and their families. It should not force its judgment into the employer-employee relationship, by legislating what benefits should be provided.

If the Government begins to legislate benefits, employers may be forced to eliminate, or reduce, voluntary benefits, such as flextime and child care, in order to pay for the mandatory ones. If it does, a dilemma is created. Is mandating one benefit at the expense of other benefits, perhaps more desirable ones, in the best interest of all the involved employees? This bill is an unprecedented attempt to legislate employment benefits. It ignores the diversity of our work force and its diverse needs. Senator BOND has attempted to reach a compromise on this issue, and I commend him for his effort. However, the fundamental issue remains unchanged. His compromise retains the Federal Government mandate.

It seems reasonable that before the Federal Government begins legislating specific new benefits we need to have a clear understanding of what the resulting costs will be to the employee, the employer and the consumer. To date, we do not have firm data on the total cost parental leave would have on the economy. Legislating leave policies will burden employers, especially smaller and medium-sized businesses with the cost of mandated leave regardless of their ability to absorb such costs. Faced with the additional costs of providing the benefit the employer will have two choices. Either cut back on other benefits and salary, or increase the prices of their goods or services, which will be borne by all consumers.

During this time of economic uncertainty we need to stimulate the economy and create jobs, not burden employers with additional costs. The additional costs associated with legislated benefits will have the opposite effect on the economy. Jobs will be lost and consumer prices will rise. Does this help families as they also struggle to climb out of the recession?

Furthermore, a mandated family and medical leave policy will not assist the working poor, those families that often need the most assistance. This benefit is irrelevant to low-income or single heads of households. Although the provisions of the bill offer them the chance to leave their job, how many will actually be able to afford to lose 3 months salary? Many poor working families struggle to save and few can cover unexpected expenses. These families need assistance. However, this bill doesn't give them the opportunity to take advantage of leave benefits.

Conversely, high-income wage earners can easily afford to forgo 3 months salary. They are more likely to accrue the necessary savings to support their families for 3 months. So, while high-income individuals and families will take advantage of leave benefits, all, including the poorer workers, will be forced to bear the costs. Is this fair?

There is one final reason why I cannot support the parental leave bill—and that is because it gives congressional employees second-class coverage. The bill would allow staff to complain of violations of the bill to internal administrative committees—here, in the Senate, the Ethics Committee. That is the only recourse for congressional staff. All other employees, if they were not satisfied with the administrative proceedings, could proceed in Federal court, but not so for employees of Congress.

This is simple hypocrisy on the part of Congress. I have an amendment on this subject, but I was not allowed to offer it. Senate leadership has indicated that I will be given the opportunity to offer a similar amendment to the civil rights bill. But that still leaves inadequate parental leave coverage for congressional employees.

Well, Mr. President, it looks like many of my colleagues are ready to tell the American people, again, "do as I say, not as I do." We want employers to live by certain rules, but we aren't willing to live by the same rules. I take no pride in the fact that Congress—with more than 37,000 employees throughout the country—is the last company town in America.

Some of my colleagues will charge that my idea of covering Congress violates the speech and debate clause, or the doctrine of separation of powers. I'm confident it doesn't, and I'll be ready, during consideration of the civil rights bill, to debate this issue fully.

So, Mr. President, for all of these reasons, I regret I cannot support the family and medical leave bill.

How, then, do we assist families as they struggle to raise their children and care for loved ones and earn a living? One way is to put money in their pockets and relieve some of the day-to-day pressure on those struggling to make ends meet. I have introduced the emergency tax relief for families legislation consisting of two bills that would provide much-needed tax assistance to families.

The first bill would expand the young child tax credit to up to $500 for families with adjusted gross income of under $50,000 and children under 5 years old.

The second bill would increase the dependent Federal tax exemption from the current $2,100 to $7,000 by the year 2000. Specifically, this measure will increase the exemption from the current $2,100 to $3,000 by the next tax season followed by approximately a $500 increase every year until we reach the $7,000 mark. The nearly $5,000 loss due to inflation only underscores the growing unfairness to families reflected in the Tax Code.

It is choice and flexibility that assists families. Many families have limited choices because they have limited resources. My tax initiative would provide many families with the resources to make some choices. Flexibility also helps families—whether it is the flexibility to spend their money as they wish or to select the benefits that assist them the most. The family and medical leave bill eliminates choice and flexibility. The goals of this bill are worthy, but mandated leave benefits and their associated costs are not the most efficient means to achieve this goal.

Mr. CRANSTON. Mr. President, I rise today in support of, S. 5, the Family and Medical Leave Act of 1991. I am proud to be an original cosponsor of this legislation, which is aimed at helping families cope with the pressures and problems of combining family responsibilities and needs with the demands of the workplace.

Our Nation's work force has changed dramatically in the past decade. A majority of parents are in the work force today, and they face tremendous difficulties in attempting to meet dual obligations. All too often, rigid and inflexible policies have hindered those efforts. Studies, like one conducted by the Women's Legal Defense Fund, document why this legislation is needed. This study, "Working Families Speak: Case Studies of Americans Who Needed Family and Medical Leave," consists of case studies from around the country which detail the tragic stories of family members who lost their jobs because they took time off for the birth or adoption of a child, or to care for a sick relative. This legislation is needed to prevent these situations and to help keep people off the unemployment rolls.

The cost of this legislation has been of great concern to many members of the business community. A study commissioned by the Small Business Administration, however, showed that the net cost to employers of placing workers on leave is always substantially smaller than the cost of terminating an employee. An analysis done by the GAO concluded that there would be little, if any measurable net costs to employers resulting from enactment of this legislation beyond the cost of continuing health insurance coverage during the period of unpaid leave. The GAO estimates the cost of providing medical and family leave to be $5.30 per eligible employee per year. Many studies have concluded that it is more cost effective to implement a leave policy than to hire and retrain new workers.

There is much that needs to be done to make work and family life more compatible, and we need to continue to develop proposals designed to help families stay together and function better while fulfilling multiple responsibilities. Working men and women need compassionate policies that allow them to function both as part of strong families and as productive members of the work force. This legislation is a step toward assisting families in meeting their dual responsibilities in a manner that is fair to employers and employees alike. It is unfortunate that in the course of consideration of this legislation, compromises were reached which would deny the protections outlined to millions of American workers. Nevertheless, the Family and Medical Leave Act offers an opportunity to do something really constructive to help families function, and I urge passage of this important and greatly needed legislation.

Mr. BRADLEY. Mr. President, I am pleased that the Family Medical Leave Act of 1991 is again before us. I am a cosponsor of the Senate bill and am a supporter of the Bond-Ford-Coats substitute amendment. This act provides up to 12 weeks per year of unpaid job-protected leave for employees for personal or family medical reasons, and for parents upon the birth or adoption of a child up to the age of 18. Businesses with less than 50 employees would be exempt from the bill. This act supports the American family and supports American economic growth into the 21st century through support of the American work force.

The number of mothers of childbearing age who have entered the work force—as well as the growing number of older Americans in need of family support and care—has made family medical leave an issue of growing need and concern. Nationally, 51 percent of mothers of children under the age of 1 are in the labor force, 66 percent of mothers with school-aged children are in the labor force, 96 percent of all fathers with school-aged children are in the labor force, and over 2 million families provide care for the frail and elderly that live in the communities of our country.

Mr. President, it is a fact of present-day American society that in over 85 percent of households both parents work or a single parent supports the family. I am increasingly concerned that we find ways to reconcile the need to help families care for their children—as well as their aging parents—with the need for working parents to remain productive members of the work force. I believe that the Family Medical Act addresses the concerns of working parents and provides appropriate job security for these families.

The American work force should not be forced to choose between their jobs and caring for their families. I urge adoption of this legislation and I urge the President not to veto it. America's families need this legislation.

Mr. BAUCUS. Mr. President, I do not take this vote lightly. This legislation, the Family Medical Leave Act, has been the subject of debate for many years. I have thought about this proposal from every angle over a long period of time, and my conclusion is to support it.

I represent a State whose economy is overwhelmingly made up of small business. Most are very small, four or fewer employees.

This legislation, because it exempts businesses with fewer than 50 employees, won't help most Montanans. And Montanans have just as great a need for family and medical leave as anyone in any State.

I know the burdens facing small businesses across this Nation. As a member of the Small Business Committee, I have heard countless hours of testimony on the difficulties created by endless Federal regulations that take precious time away from the real work at hand—running a business, contributing to the economy, producing a payroll and a livelihood for employees, and of course paying taxes.

Small businesses are the cornerstone of our country's economy. And yet small businesses often get the short end of the stick. They pay more for health insurance just because they're small. They can't take advantage of many of the benefits available to big corporations, particularly leverage in purchasing, tax breaks, and access to greater resources.

I am convinced that mandates are not a good idea, as a general rule, because they create and add to the burdens faced by small businesses.

But there are some burdens and responsibilities that must be borne by all, large and small. Minimum wage rates, a safe workplace, and equal employment opportunity, for example.

Mr. President, I support the Bond-Ford compromise because in our society workers and their families need the protections it affords. The family is in trouble, and we need to ease the burdens upon it. There are times when sick children need their parents to be with them. There are times when an elderly person needs their adult children to care for them. Families should be able to take care of their own without the threat of losing their job.

Mr. President, this is a fairness question as well as an economic one. Employers can take leave if they wish, and so should their employees. In addition, every other industrialized nation has a family-leave policy.

As I have said, this compromise will still leave employees of most small businesses without these protections. Should this bill become law, it is my hope that as large companies implement family-leave policies, smaller businesses will see the advantages to their employees—and to their business—of following suit voluntarily.

Mr. ROCKEFELLER. Mr. President, I am proud to be an original cosponsor of Senator DODD's Family and Medical Leave Act. This bill is an important measure to ease the stress and strain American families face. It deserves to become law. The Senate will pass this bill with bipartisan support, and I urge President Bush to take a fresh look at the legislation.

Instead of vetoing this bill to score political points, the President should reconsider his position and sign this reasonable package to support American families.

Balancing work and family responsibilities is an extremely difficult task. As chairman of the National Commission on Children, I had a unique opportunity to travel across our country to discuss the stress families face in our society.

The commission made a site visit to Charleston, WV. During our visit, each commissioner visited a family in their home to talk with parents and children about making ends meet. Such one-on-one visits are truly illuminating. Demands on a parent's time are enormous.

Both parents in these families desperately needed to work, usually full time, just to pay the bills, buy groceries and other necessities. But these parents also worried about health insurance and care for their children. They didn't know what they would do if their child became seriously ill and needed their care, but they couldn't get time off. They cannot afford to lose their job and the health insurance coverage it provides. No parent should be forced to choose between caring for a child, during a serious medical emergency, and losing their livelihood.

Conflicting obligations and responsibilities cause tremendous stress and impose difficult choices.

The birth or adoption of a child is a wonderful event for families. But it is also a dramatic change and people need time to make adjustments. Parents must revise their schedules and adapt to caring for an infant. Having time to nurture an infant and build lasting bonds is crucial, especially during the first few months of life. Working parents would like to take some time off when they have a child, but they need the security of knowing they can return to their job within a few months.

Likewise, when tragedies occur, families also need time to cope. During a serious illness, families often face a crisis. If both a husband and wife work, who can care for an aging parent during a serious illness? Or who can stay home for a few weeks with a gravely ill child? What happens when a person faces a serious illness and is unable to work for several weeks? In such circumstances, families will be facing huge medical bills, so having a secure job to return to after taking time off to care for a family member is a priority.

Senator DODD's bill offers answers to families struggling to cope with these situations. It is a very reasonable measure to provide 12 weeks of unpaid leave to employees for the birth or adoption of a child. It will also cover individuals who need time off because of a serious personal health problem which makes them unable to work, or people who must take time to care for a seriously ill family member.

Under this legislation, people who need time off could take it with the secure knowledge that their job would be waiting for them at the end of those 12 weeks. During their unpaid leave, their health benefit rights would also be protected.

This bill offers families security and support so that working adults can cope with major family events without running the risk of losing a job.

The legislation also recognizes the legitimate concerns of businesses. Genuine efforts have been made to respond to the concerns of small businesses. I commend Senator DODD for his extraordinary efforts to reach out to the business community. Every reasonable effort has been made to minimize the impact of family leave on small businesses. A bipartisan compromise is within our reach.

I also want to stress the benefits of having a family-leave policy. Companies that already offer family leave report gains in productivity, higher retention rates, and reduction in replacement and retraining costs.

Our families are changing. Many children are raised in single-parent homes. Women have joined the work force in record numbers. More than 66 percent of married mothers are now looking for work outside the home. Such dramatic changes have increased pressures on families. To respond to these changes, our country needs to develop more flexible workplace policies and practices.

All of our major industrialized competitors—a total of 57 countries—have some type of family-leave policy. Our country stands alone in its unwillingness to encourage business to offer family-leave policies. This should be changed. We should pass the Family and Medical Leave Act, and President Bush should sign it.

Mr. AKAKA. Mr. President, I rise in strong support of the Family and Medical Leave Act of 1991. I am proud to be an original cosponsor of S. 5, and commend the senior Senator from Connecticut [Mr. DODD] for his leadership on this issue. I also want to associate myself with the insightful opening remarks delivered by my friend from Connecticut earlier this afternoon.

Mr. President, I strongly support this beneficial legislation to provide 12 weeks of unpaid leave to care for a newborn or adopted child, a sick spouse, child, or parent, or for an employee's own treatment of a serious illness, protect an employee's job and benefits, and continue health insurance coverage during the unpaid leave. It disturbs me that the United States is the only major industrialized country without a family leave policy. All of our economic competitors, including Germany, Japan, and Canada, have recognized the importance, indeed, the national interest, of helping workers balance occupational and familial responsibilities. This legislation gives substance to the rhetoric of concern voiced by so many of us in support of the American family and traditional family values.

S. 5 is necessary to promote the stability and economic security of families. Demographics show that the baby boom generation is becoming increasingly caught between child care and parent care in three-generation households. Furthermore, the number of single-parent households and those in which both parents work is increasing significantly. Yet, national employment policies have the effect of forcing individuals to choose between job security and their families. Indeed, it is time for the administration to realize the stresses and difficult decisions confronting today's working families.

Mr. President, S. 5 affords the American wage earner a minimal safety net of job security when family needs require their complete attention. Opponents of S. 5 have argued that the bill mandates costly new benefits, which impose unrealistic and anticompetitive burdens upon the business community. In reality, nothing could be further from the truth. A 1990 survey of business, commissioned by the Small Business Administration, concluded that costs incurred by business with the enactment of S. 5 would be nominal. The SBA study further found the costs of permanently replacing an employee to be significantly greater than those of granting an employee up to 12 weeks of leave. Studies done by the General Accounting Office and other impartial organizations have reinforced the SBA findings.

The Family and Medical Leave Act will also advance the goal of equal employment opportunity for men and women. Due to the nature of the roles of men and women in our society, primary responsibility for family caretaking often falls upon women, and historically affects their careers considerably more than those of men. This reality of life has created the serious possibility that employers may discriminate against employees and job applicants who are women. This legislation will serve to minimize the potential for job discrimination on the basis of sex by ensuring that leave is available on a gender-neutral basis.

Mr. President, most of today's two-parent families are working families. Sixty-six percent of mothers with school-aged children work outside the home. Fifty-one percent of mothers with infants under age 1 are in the paid labor force. In my own State of Hawaii, the percentage of mothers working outside the home is even higher.

In Hawaii, by and large, it is imperative that both parents work outside the home to provide the basic necessities for their families. Our cost of living, the high cost of housing, food, and transportation require both parents to work. In addition, familial and economic realities have resulted in situations where a large number of multigenerational or extended families share a residence. A person caring for a newborn infant, sick child, or elderly parent should not have the additional hardship of worrying about job security or continued health benefits.

Mr. President, I also support the amendment offered by Senator BOND and Senator FORD which provides greater flexibility and safeguards for employers covered under the act. Great care has been taken to incorporate the concerns expressed by employers into the Family and Medical Leave Act. The Bond-Ford amendment would allow covered employers to exempt key employees, and tighten restrictions on part-time workers who are eligible.

By establishing good faith exceptions for employers and streamlining enforcement provisions to parallel enforcement procedures under the Fair Labor Standards Act, the Bond-Ford amendment would also address the objection raised with the bill the Congress passed last year regarding the possible increase in lawsuits. The amendment also eliminates consequential damages and limits damage remedies to an employee wrongfully denied leave.

Mr. President, this legislation is far from the comprehensive family and medical emergency coverage many of us support, and it is not the onerous, burdensome Government mandate that opponents have attempted to portray. Rather, S. 5 is a responsible, reasonable bill which takes into account the economic realities confronting workers and employers in the American workplace. It represents a good faith, flexible compromise and deserves our enthusiastic support. I urge my colleagues to vote for S. 5.

Mr. LEVIN. Mr. President, I am pleased to be an original cosponsor of the Family and Medical Leave Act of 1991 which would provide 12 weeks of unpaid employee leave for the birth or adoption of a child, or the serious illness of the employee or an immediate family member. This balanced proposal will help our Nation stay in step with the changing needs and structure of the American family.

In the last 25 years, there have been dramatic changes in the composition of the American work force. Most notable is the significant increase in two-earner and single-parent families. Currently there are nearly 29 million two-earner families in the United States and 7.7 million single-parent families. This shift in work trends make today's families particularly susceptible to economic ruin when a parent loses his or her job because of a personal or family illness or the birth of a child.

The Family and Medical Leave Act also covers the illness of an elderly parent. According to the National Council on Aging, nearly two-thirds of the nonprofessional caregivers of elderly, ill, or disabled persons are working women. Informal, unpaid caregiving by family members and friends provides 80 to 90 percent of the care to the elderly.

Employees should not be punished because they need time to take care of their families. Children are born. Family members get sick. Parents should not have to choose between economic ruin and caring for their loved ones. It is time to support public policies which promote the interests of the family.

As a member of the Senate Small Business Committee, I am particularly supportive of the proposals put forth in the Dodd-Bond amendment to this legislation. This amendment seeks to further lessen the burden on smaller businesses and make implementation of this leave a smoother procedure. For example, the Dodd-Bond amendment would implement a key-employee exemption which would enable employers to exempt the highest paid 10 percent of the employees from coverage of this act. This would decrease the odds of smaller businesses losing upper level employees whose absence could greatly disrupt the flow of business. The Dodd-Bond amendment would define eligible employees as those who have worked 25 hours per week over the previous 12 months. The original proposal required only 20 hours per week over 12 months.

It is important to note that this legislation, because it applies solely to businesses with more than 50 employees, exempts 95 percent of our Nation's businesses. This is a dramatic figure. Further, it has been reported the Family and Medical Leave Act would impose minimal cost to the 5 percent of businesses it does cover. In 1989, a General Accounting Office study estimated that the annual cost of this bill would amount to only $5.30 per covered employee. In a similar study, the Small Business Administration [SBA] stated that "the net cost to employers of placing workers on leave is always significantly smaller than the cost of terminating an employee." The SBA therefore concluded that the costs to small businesses would be relatively small. Studies conducted in States which have already enacted family leave laws have shown that employers in these States have been able to adhere to these laws at minimal cost with few problems in implementation.

Mr. President, this legislation strikes the appropriate balance between the humanitarian needs of the family and the business needs of the employer. It should become law.

Mr. THURMOND. Mr. President, I rise today in opposition to S. 5, the Family and Medical Leave Act of 1991.

Over the past few years, the Congress has debated various proposals which would mandate employers to provide several weeks of family and medical leave for the birth or adoption of a child, of for the care of a sick family member. While family and medical leave is desirable and should be encouraged, a Federal mandate in this area—as this legislation would require—does not take into account the varying needs and circumstances of employers and employees.

One employee may want a family leave benefit, while another may prefer to choose a different one from among the wide range of benefits now being offered by many businesses. I am concerned that this legislation could hamper the ability of employees to freely choose benefits which best meet their individual needs.

It is important to note that the side offerings of employee benefits in the late 1980's and early 1990's have resulted from the energy, vitality, and flexibility of the private sector. These offerings demonstrate the ability of American business to respond to a changing market and a willingness to accommodate the needs of a diverse work force.

Businesses should continue to have the freedom to respond to the market, and not have mandates for benefits. From the very formative years of this Nation, the free market has played a vital role in the private sector and employer/employee relations. Let us continue to build on this freedom.

Because I believe S. 5 stifles these market principles, and the rights of individuals to choose among different benefits, I intend to vote against this legislation.

• Mr. HARKIN. Mr. President, I rise today to voice my support for S. 5, the Family and Medical Leave Act of 1991, and to urge my colleagues to do the same. I am pleased to have been an original cosponsor of the bill and would like to express my appreciation to Senator DODD for the work he has done to focus on the needs of children and families.

Since World War II we have witnessed tremendous demographic and societal changes in our country. In more than 85 percent of U.S. families, either both parents or a single parent are employed outside the home; two-thirds of mothers with children under the age of three work outside the home; and 24 percent of all children grow up in single parent families. The work force has changed dramatically since the 1950s when in most families, only the father worked outside the home. This bill not only recognizes the many changes that have happened to families and children but considers the responsibilities many Americans have in providing care for older relatives. This is profamily legislation for the 1990s.

There currently is a patchwork of State laws and employer benefit plans which provide family and medical leave benefits, but no comprehensive national policy. We have strong and convincing data that family and medical leave policies make good business sense with reduced employee training costs and increased worker productivity. However, the coverage is disparate.

This bill is a modest approach and balances the interests of business with the needs of families. Briefly, the bill offers job protection and continues health insurance benefits for workers during times of family crisis. The legislation provides up to 12 weeks of unpaid leave for childbirth, adoption, or serious illness of an immediate family member. Small businesses are exempt from providing coverage and the General Accounting Office estimates the annual cost will be about $5.30 per employee. This is a small price for the peace of mind provided for workers trying to balance work and family responsibilities.

If you listen to the arguments against family and medical leave they sound familiar. Opponents argue that the leave will be difficult to administer and will cost businesses too much money. These arguments sound familiar because they were the same arguments used to oppose enactment of child labor laws, minimum wage and the 40-hour work week.

We now have data from a recent Oregon study of parental leave programs in that State which disputes some of the arguments against this legislation. In 1988, Oregon enacted legislation that offered unpaid parental and pregnancy leave for workers, with an exemption for small business. Since that time there have been only 34 complaints from employees who were denied leave benefits. Only 12 percent of employers found the leave policy difficult to implement, and 88 percent said they did not have to reduce other benefits in order to provide the protection; 94 percent of workers have endorsed the law. The success of the parental leave program prompted the Senate of Oregon to expand the program to include family medical leave, making it comparable to the legislation we are considering today. If it works for Oregon, it will work for the country.

More than 160 organizations, including the National Parent Teacher Association, the Children's Defense Fund, and the National Association of Area Agencies on Aging, have endorsed the Family and Medical Leave Act and have worked for enactment of this important legislation. I urge my colleagues to vote to provide this much needed and long overdue protection for American workers and their families.•

Mr. HATFIELD. Mr. President, I rise today as a strong supporter of S. 5, the Family and Medical Leave Act of 1991. Traditionally, I have been reluctant to support congressional action to impose new mandates on the business community. However, I have few reservations today. I have been a cosponsor of this legislation in each of the last three sessions of Congress because I believe a national family leave, policy is in the best interest of this country.

There are many compelling reasons for supporting family leave not the least of which is the activity in my own State of Oregon. Oregon has adopted a broad family leave policy and has been a leader in the implementation and promotion of national parental leave legislation. Oregon's current law covers employees who work for companies with 25 or more full- or part-time employees and provides for 12 weeks of leave. Oregon's experience thus far has been very positive. Benefits have not been reduced, companies have not gone bankrupt or had massive layoffs, and parents have returned to work. In some instances we have even seen employers expand benefits beyond what the current law requires. Due to the success of parental leave in Oregon, our State legislature recently amended the law to include medical leave as well.

The States have always been excellent laboratories for good public policy. This case is no exception. Oregon's model proves that family leave is not a fiscal disaster but a necessary part of our national effort to support America's families. I believe the time has come for us to put our families first, not because it is politically popular but because it is critical to our continued development as a compassionate nation. We must move this legislation to the top of the agenda of national priorities.

Mr. President, I have personally seen the benefits of family leave. I view my staff as my extended family and have always placed a high priority on the human needs of each individual in my employ. While I have normally offered extended leave periods to my staff, recently I have taken this a step further by providing paid leave for the first month of leave in most cases. I am also flexible in making further arrangements if one of my "family members" suffers from a catastrophic illness or injury. I have adopted this policy for one simple reason—to reinforce the belief that one's family should not be held hostage to an individual's paycheck.

We all know that the American economy is dependent on its working families. And the work force is changing: 66 percent of mothers with school-aged children are in the paid labor force; 51 percent of mothers with infants work outside the home. Women accounted for more than three-fifths of the increase in the civilian labor force since 1979. These demographics force us to alter our workplaces to meet the needs of America's new work force.

America is one of the few industrialized countries which does not have a comprehensive approach to providing leave to care for other family members as well as leave to workers who need to recover from their own illness or injury. With the exception of the United States, most of the industrialized countries, including many third world countries, 135 in all, have some form of parental leave. For example, Austria, Japan, and Sweden all provide some form of paid parental leave. Rather than viewing these policies in terms of their minimal fiscal constraints, these countries have clearly put their priority on strong families. They can't help but benefit from the impact of their decision.

If we as legislators expect to help many of this Nation's poor break the cycles of poverty, how can we deny them the opportunity to care for a sick loved one or give birth to a new child without the threat of losing their jobs? Medical leave is crucial to low-income workers who are economically vulnerable to injury or illness. I need not remind this body that single-parent families are on the rise in this country. Many families are not only dependent on a single individual's paycheck but also as the sole provider of health insurance and parenting. The opportunity to care for an ill loved one rather than risk financial catastrophe is a serious concern for many of these families. It is time that we give the American workers the opportunity to stay off welfare and unemployment rolls and remain on the company payrolls. It is time we put people first.

I know that this legislation is not a cure-all to many of the problems and concerns which I have raised today. However, this is a step in the right direction. I won't argue that 12 weeks is enough time for a mother and a newborn to bond properly. I won't argue that 12 weeks is enough time to care for someone who is suffering from the devastating effects of Alzheimer's disease or any other catastrophic disease or injury. However, I do feel that an acceptable balance can and has been reached between the fiscal impacts of a national leave policy and the needs of our families. I am proud of the work done in my State on this issue and I strongly believe the scepter is now appropriately passed to the Congress.

Mr. McCONNELL. Mr. President, my vote today on the Bond substitute to the Family and Medical Leave Act of 1991, also known as S. 5, is not so much a reflection of my views on the merits of the legislation as it is an expression of concern about the bill's potential effects on an already feeble economy.

I have nothing but respect for the principal author of this substitute amendment, my colleague from the State of Missouri, and I believe his efforts to find a compromise on this issue deserve the strongest commendation.

Further, I have been a supporter of generous family and medical leave policies, not only for the private sector, but for the Government as well, including my own Senate offices. As an employer who has strived to accommodate my employees' family needs, I have found it absolutely essential to have flexibility in arranging mutually agreeable extended leaves of absence.

Just as no two personal circumstances are the same, no one solution can easily embrace them all. Some employees need a few months at half pay, some need to work at home, some need to work part time; and as long as the employee has done a good job in the past, any reasonable employer will do his or her very best to accommodate that unique need. But with family leave, one size does not fit all.

Nevertheless, not all employers are reasonable; and because of that, I understand the reason for the Family and Medical Leave Act. We need to protect employees, and strike a balance between the needs of the marketplace and the needs of individuals who work in that marketplace. That was my reason for supporting similar legislation last year, although no recorded vote ever was taken on the issue.

Nevertheless, we are living in markedly different times from those which accompanied the debate on family leave in past Congresses. In previous years, this country enjoyed an era of unprecedented economic expansion: Businesses were sprouting up, new jobs were being created, real income was rising, and unemployment was falling.

In some sense, we could afford to consider new workplace mandates while our economy was expanding. Businesses, it seemed, could absorb all the added costs imposed by congressional fiat. So, for the last several years, Congress has piled on more regulations, new obligations, free benefits, and higher taxes—and for a while, the economy kept growing despite it all.

Today, however, we are mired in a continuing recession. Our Nation's economy is in feeble health, its fiscal arteries clogged by tax increases and massive regulatory burdens. Compare where this country is today with where we were only a year ago: Last June, when we considered a family leave bill similar to the package before us today, the unemployment rate nationwide was only 5.3 percent. A year later, total unemployment spiked at 7 percent and has dropped off only slightly since then.

In each of the five quarters since the family leave bill was passed by the Senate last year, the U.S. gross national product has increased by less than 2 percent per quarter. In fact, in three of those five quarters, the GNP has actually shrunk. Factory orders are down, construction spending is down, durable goods orders are down, and no one has the confidence to lend money to stimulate a recovery.

My home State of Kentucky has taken it particularly hard on the chin in these difficult economic times. Layoffs have spurred the unemployment rate up to 7.4 percent in Kentucky. In June 1990, when we were discussing this legislation, Kentucky's unemployment rate was 6.1 percent.

Some Kentucky businesses have simply shut their doors. And all of the other business people with whom I've met over the last several months tell me they simply cannot afford another cost or requirement or burden or regulation. They are on the brink. My concern is that any further mandate—even one that I might support in better times—could be the straw that breaks the camel's back in such extremely fragile economic circumstances.

The top priority of this Congress and the administration must be to get the economy back on its feet. Only then, when people are back at work, when more jobs are being created again, and when this country's fiscal health is restored, then we can look at proposals like this one to make jobs better and workers' lives easier.

I am looking forward to that day as much as everyone else in America. Until then, however, I cannot support any massive work force mandates like the measure before us today. Too much has changed and too much is at risk with regard to our Nation's economic future.

As a gesture of good faith, however, I support the substitute amendment offered by Senator HATCH, which requires firms to give rehiring preference to employees who take up to 6 years of leave for family or medical reasons. This measure advances the same concerns of the underlying bill—as well as the bill I supported last year—without placing an unsustainable burden on businesses and the economy. My hope is that Congress will take this affirmative step in the right direction, and then revisit this issue when the economy is on a sounder footing.

Mr. President, I yield the floor.

Mr. METZENBAUM. Mr. President, I admit to some mixed emotions about the subject of today's debate. On the one hand, I wish to commend Senator DODD for his steadfast leadership on this critical issue for working families. Once again, I am pleased to be an original cosponsor of S. 5, the Family and Medical Leave Act.

But, at the same time, I am frustrated that we have to repeat this debate this year. This legislation is long overdue. Frankly, it should have been signed into law last year.

Regrettably, President Bush vetoed this carefully tailored measure last year. Instead of responding to the needs of America's working families, he once again sided with the high-priced corporate lobbyists.

We need this legislation to keep pace with profound changes in the American working family. The once-typical single wage-earner family is rapidly vanishing. Less than 10 percent of American families fit that model. Instead, today's typical family depends on two incomes to survive. Nearly 60 percent of American women are now in the work force.

But workplace practices have not kept pace with this revolutionary change in the makeup of the work force. Workers are all too often forced to choose between a job and a family. This bill allows workers to have both—job security along with the time needed to care for a family member. No worker should lose a job because he or she needs to take a few days or a few weeks off to care for a newborn infant, a sick child, or a dying parent or spouse.

Let me take a moment to emphasize the need for the bill's elder and spousal care provisions. We can all recognize the importance of providing leave for parents of newborn or adopted children. That issue goes to the heart of making our young, working families as strong as possible.

But we must also recognize the significance of granting the same protection to mature, working families, by providing leave for spousal or elder care. The statistics demonstrate that older workers, particularly older women, increasingly have primary responsibility to care for all family members—older parents, spouses, and children. A significant percentage of these working caregivers have had to quit jobs, rearrange work schedules, reduce work hours, or take time off without pay to fulfill caregiving obligations. They need the protection of this legislation as much as young parents.

This year, as in years past, we have again heard business lobbyists make shrill predictions that this bill will ruin our economy and mark the end of capitalism as we know it. We have heard that song as a reason to oppose Social Security, minimum wage, child labor, civil rights, plant closing, and many other types of decent, progressive legislation. It is a tired refrain, one that has been proved false as often as it has been raised.

In this instance, the business lobbyists' complaints are ridiculous. First, we have already exempted 95 percent of the businesses in this country. Not 25 percent, not 50 percent, but 95 percent. That exception nearly swallows the rule, leaving over 60 percent of the work force unprotected. I do not believe that such a broad exemption is warranted, but I accept with reluctance that it was necessary as part of this compromise.

Second, let's remember the most stark fact about this bill: The leave it provides is unpaid. There is zero payroll cost. The only cost a covered employer would face would result from the continuation of health insurance coverage. The U.S. General Accounting Office estimates that cost to be only $5.30 per employee per year. I am sure the business community has paid each of their lobbyists a lot more than five bucks to lobby against this bill.

Moreover, that is a paltry sum compared to what we lose every year in production, training costs, and public assistance expenditures due to the lack of a national leave policy. The Institute for Women's Policy Research puts this number at $715 million a year.

So let us pass this legislation now, before it gets watered down beyond recognition. This profamily legislation is a matter of basic human decency. I urge my colleagues to support it, and I urge the President to come to his senses and sign it when it comes across his desk. To those in the business community who so vehemently oppose it, I would only say, "brother, can't you spare five bucks?"

Mr. MACK. Mr. President, the family and medical leave bill which we are discussing today is a classic example of legislation that will have the opposite effect of what its authors intend.

The bill's objective is clear. It attempts to give working families the opportunity to take unpaid leave to attend to family and medical emergencies, while retaining the ability to return to those same jobs after the emergency is over. It's a great concept. But the method is just plain wrong.

If I thought for one moment that this bill would truly help families, I would enthusiastically support it. The truth is that the Family and Medical Leave Act displays a remarkable lack of understanding of how the world works.

If Congress mandates that businesses have to provide unpaid leave for employees, two things will happen. First, businesses will employ relatively fewer of the kinds of people who are likely to need to take family and medical leave. This certainly means that women of child-bearing age will be hurt, not helped by this bill.

The second effect is that marginal businesses will cease operating or hire fewer workers than they otherwise would. It is certainly true that losers here will be lower skilled workers.

Mr. President, this bill is not only the product of illogical thinking, but it is a symptom of the antigrowth agenda of the U.S. Congress.

Nobody on this floor disagrees with what this legislation intends to do. I would love to see American workers wealth enough to able to take unpaid leave for all sorts of family and medical emergencies. Even more, I'd love to see American businesses healthy enough to be able to provide paid leave, not just unpaid leave, for their workers.

But those circumstances will not occur so long as Congress refuses to enact legislation that generates economic growth and stimulates job and wealth creation. With rare exceptions, Congress has been consistently antagonistic toward the kinds of policies which improve the economic well-being of American families.

Congress has no excuses. It is no secret that if we reduce tax and regulatory burdens, the U.S. Congress can do much more to produce an economic climate where families can afford to deal with medical and other emergencies.

But we do not enact these kinds of policies. Congress has consistently resisted attempts to pass progrowth legislation. Congress has refused to lower the capital gains tax rate; ignored the presence of the confiscatory Social Security earnings test; failed to assure that the personal exemption kept pace with inflation; and stubbornly raised new taxes and tax rates in the misguided belief that only the wealthy will be affected. If Congress were to adopt a positive attitude toward the creation of family wealth, even the concept of a Family and Medical Leave Act would be redundant.

But until Congress ceases its vendetta against wealth creation, the circumstances that have spawned the Family and Medical Leave Act will continue. I cannot and will not support this misguided legislation.

FAMILY AND MEDICAL LEAVE ACT WILL PROVIDE BADLY NEEDED HELP TO OUR FAMILIES

Mr. KERRY. Mr. President, it has been said that the only constant is change. Nowhere is that more completely the case than in and with respect to the American work force. We have witnessed one profound change after another. Many—indeed, arguably most—of the change has been to the immediate benefit of employees, as work environments and working conditions have been made healthier, safer, and more pleasant. Laws such as minimum wage and collective bargaining have offered an important measure of equity and minimum economic standards; the majority of employees have come to be covered by health insurance and other benefits provided and partially to fully funded by employers.

But in some respects the change in the complexion of the work force itself, mirroring other cultural, social, and economic movement, has outstripped the adjustments to accommodate those changes.

That surely is true in the case of the dramatic increase in the incidence of single-parent families with children, very significant increase in cases where both parents in a family work outside the home, and increasing numbers of cases where families find themselves with partial or complete responsibility to provide care for elderly or infirm relatives.

Where both parents work, the case in a majority of American intact families, or where a single parent works, an illness of any family member or the birth of another child often forces Americans in the work force to make an excruciating choice between meeting the needs of their families and their need for employment. While there has been a steady increase in the quantity and quality of employer-provided fringe benefits, so that a majority of American workers are provided some form of medical insurance, and many employers offer some form of family or medical leave, there is no uniformity across industries or across the Nation.

Most employers who offer any form of family or medical leave limit its applicability to complications for the mother or child related to child birth. It has been reported that only 16 percent of employers have a policy permitting a worker to take leave—even leave without pay—in the case of an ill child or other family member, and only 14 percent of employers have a policy permitting a worker to take leave in the case of an ill parent.

Mr. President, this is causing untold grief for untold millions of Americans. The anguish of illness is compounded by the anguish of making the untenable choice between caring for family members or working. When one realizes that the United States is the only industrialized nation in the world without a national family leave policy, I can see no justification for the Congress not acting immediately to establish such a policy.

Doing so is not just beneficial for American workers and their families. Aiding families in this way will enable them to be stronger. It is probable that workers from such families, experiencing less stress and fewer untenable choices, will be a more stable and dependable work force with higher productivity. Businesses will not experience, with nearly the current frequency, the loss of the experience and knowledge represented in long-time employees who have chosen their families when forced to choose between them and their jobs.

Particularly with the adoption of the Bond-Ford substitute today, I am satisfied that the bill on which we are voting has been crafted in such a way that the legitimate and important concerns of the business community have been addressed responsibly:

Small businesses with 50 or fewer employees have been exempted—an exemption which, incidentally, covers 95 percent of employers in the Nation.

Employee coverage by the bill's provisions is extended only to those who have worked 1,250 hours over the previous 12 months—or 25 hours per week on average—and for at least 12 months.

Enforcement procedures have been simplified and streamlined to parallel longstanding Fair Labor Standards Act procedures.

All consequential damages are eliminated and damage remedies are limited to actual losses. Employers are permitted "good faith" exceptions when they have reasonable grounds for believing they have not violated the law.

Employees must provide 30 days notice for foreseeable leaves for birth, adoption, or planned medical treatments, and must provide medical certification justifying the need for leave for the employee's or immediate family member's illness.

Employers may recapture health insurance premiums paid on behalf of employees on leave if the employee does not return to work other than in exceptional circumstances.

I wish to offer my sincere compliments to the senior Senator from Connecticut, Mr. DODD, for his tireless efforts to develop this legislation and bring it to this point of Senate passage. I extend compliments and appreciation to the distinguished Senator from Missouri, Mr. BOND, and the distinguished Senator from Kentucky, Mr. FORD, who labored with the Senator from Connecticut to produce the compromise which will achieve significant bipartisan support today.

Mr. President, this Nation needs this legislation. American families need this legislation. This is no longer a cutting edge or frontier issue in the developed world. We are, regrettably, virtually the last in line to take such a step. It has been too long in coming, but, truly, it is better late than never.

I enthusiastically endorse the bill as amended today and urge President Bush to accept the idea that its time has arrived and permit his administration to work with its proponents in both the Senate and the House to complete action on the legislation in the very near future.

Mr. CHAFEE. Mr. President, I am pleased to support the compromise amendment offered to the Family and Medical Leave bill by my distinguished colleagues, Senators BOND, FORD, and COATS.

Senator BOND and Senator DODD, the principal sponsor of S. 5, should be congratulated for their efforts to work out an agreement on the Family and Medical Leave bill. Every good piece of legislation requires some tradeoffs, some compromises, and today's final product is the result of many years of hard work.

I have supported parental leave legislation for a number of years. Back in the 100th Congress, I joined my friend from Connecticut, Senator DODD, as a principal cosponsor of the Parental and Medical Leave Act of 1988. Although that legislation has evolved considerably over the years, today's bill attempts to address the same fundamental issue: how to balance an employee's job responsibilities with his or her family obligations.

The past quarter century has seen dramatic changes in the makeup of the Nation's work force. Women have entered the work force in record numbers. More and more children are being raised by single parents. And in 9 out of 10 two-parent families, both parents work outside the home—usually out of economic necessity.

S. 5 would provide employees with 12 weeks of job security in the event that a worker must request leave to care for a newborn, a sick child, or an ailing parent. It would help ease the fears of employees who fear dismissal if they take an unpaid extended leave due to a family emergency. In short, it is a good bill that responds to the changing needs of the American family and the American worker.

This amendment makes a number of changes to the bill, and goes a long way toward addressing the concerns of the Nation's business community while reflecting our awareness of the need for employees to help care for members of their families.

The compromise package makes three significant changes to S. 5. First, it limits employee eligibility to those individuals who have worked 1,250 hours, or an average of 25 hours per week, over the previous 12 months. Second, it would permit employers to exempt key employees from coverage under the act. And third, it would prevent abuse of the legislation by requiring employees to repay health insurance premiums paid during the leave if that employee does not return to work at the end of his or her leave.

I urge my colleagues to support this compromise amendment, and I look forward to full Senate approval of S. 5.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 5, the Family and Medical Leave Act of 1991. As a cosponsor of this bill, I strongly believe that parents should not have to choose between their economic livelihood and staying home with their new or sick babies.

Mr. President, it is about time that the Congress enact a family and medical leave bill. At least 75 countries all over the world have already enacted such laws, including all Western industrialized countries. Furthermore, 15 States, including my State have recognized the burden on today's working families and have passed family and medical leave legislation.

Mr. President, we live now in a new world. Recent data show that over 80 percent of working women are in their prime childbearing years. In addition, less than 10 percent of all families are two parent families where the father is the breadwinner and the mother stays at home to care for the family. The Congress needs to recognize these remarkable changes in our society and pass this legislation to provide minimal job security to new parents and people who are forced to deal with family medical emergencies.

Mr. President, adjustments in the bill have been made to address the concerns of business. The bill exempts small businesses with fewer than 50 employees from the provisions of this bill. Key employees, the highest paid 10 percent of the work force, may be excluded by employers. Also, employees must have worked 1,250 hours over the previous 12 months in order to be eligible. This exemption applies to 95 percent of all employers. Secondly, a recent survey of business executives by the Small Business Administration found that granting an employee unpaid family and medical leave costs less than terminating an employee. The study showed that the cost to a business of granting, a worker leave ranged from 97 cents per week to $97.78 per week compared to a total of $1,131 to $3,152 to replace a terminated employee.

I understand that the President has threatened to veto this legislation. I urge my colleagues to pass this bill and override a veto if necessary to bring minimal security to working parents so that they do not have to choose between providing loving care to their family and maintaining economic livelihood.

Mr. BIDEN. Mr. President, today the Senate will pass legislation to establish a national policy for family and medical leave. This is landmark legislation that reflects the changing nature of the American work force.

By choice and by economic necessity, the one-wage earner family is no longer the norm. Gone are the days of father as breadwinner, mother as bread maker. Gone are the days when the men went to work and the women cared for the children. Those were the days of my childhood; but they are not the days of today's children.

Two-thirds of all mothers with children under the age of 3 now work outside the home. Some choose to; some have to. The reasons may vary, but the result does not. With more women working and an increasing number of single-parent households, a national family and medical leave policy is a necessity.

The shift away from the one-wage earner family means that, today, a parent may not be able to be at home in the crucial early days of childhood and during times of great family need. Economic conditions in the 1990's have effectively prevented this needed care from being available. That's what this legislation is all about.

The Family and Medical Leave Act gives families in need a chance to care for each other without having to risk economic disaster. It will provide up to 12 weeks of unpaid leave to care for a newborn child or a seriously ill family member, continue the employee's health benefits, and guarantee that person his or her job upon return.

But in looking at this issue, another lesson is clear, one that Senator HATCH raised this afternoon: 12 weeks of leave may simply not be enough, particularly with newborn children. That is why I find Senator HATCH's alternative proposal—allowing up to 6 years of family leave and 2 years of medical leave—interesting. Unfortunately, it has been offered as an either/or option. Either we vote to grant employees up to 6 years of family leave without a protected job, or we vote to grant 12 weeks of leave with a guaranteed job. Yet, I am not so sure these proposals are in conflict.

The intent of the Family and Medical Leave Act is to give parents the widest range of choices. That is why I would like to see us examine combining these proposals—allowing short unpaid leave with a guaranteed job for those who need short term leave or can afford no more; and at the same time allowing lengthy leave for those who can and want to stay at home with their children for several years. I am not aware of any attempts to combine these proposals, and there are sure to be complications with such a policy. However, it appears to be an approach worth further study.

One of the concerns raised about the Family and Medical Leave Act were fears of tremendous costs this bill could impose on American businesses. I will admit that this is not a whimsical worry; businesses have legitimate concerns. It should be noted, however, that the smallest of businesses—those with less than 50 employees—are exempt from this bill. And for the larger businesses that are covered, the wildest estimates of cost will not be realized.

An authoritative study on this matter was undertaken by the General Accounting Office [GAO] in 1989. The GAO estimated the cost to employers to be $188 million per year. With the recent increase in health insurance premiums—which employers must continue to provide during periods of leave—the total cost of this bill has increased to an estimated $244 million per year. In the aggregate, the numbers are large. But, it amounts to just $5.30 per employee per year. A survey by the Small Business Administration found similar results. The cost to all businesses—before excluding the smallest of businesses as this bill does—would be $6.70 per employee per year.

In 1988, one of the largest companies in the United States, DuPont, surveyed the needs of its employees. The results were not surprising. The survey revealed what the proponents of family and medical leave have recognized all along: that workers place a high priority on the ability to balance work and family. This study should be a signal to business that times have changed. The concerns of today's employees are different from those of a generation ago, and America's companies, to ensure a productive work force, need to recognize that change.

Yet, a 1990 study of 253 corporations found that 72 percent did not offer parental leave, and 62 percent of those said they would only offer the benefit if the Government required them to do so. As for employees, the Bureau of Labor Statistics reports that only 37 percent of females in companies with over 100 employees and just 14 percent of females in companies with less than 100 employees are offered a parental leave benefit. For men, the numbers are much smaller.

I recognize that American businesses have concerns about the effect on their operations. But, this bill represents a good compromise.

American families and America's children have concerns, too. They are looking for assistance to avoid an unpleasant, and truly unnecessary, choice between their jobs and their families. Very few steps could be taken by the U.S. Senate that would serve our Nation's families more than this legislation. I urge my colleagues to vote for this bill.

WISCONSIN FAMILY LEAVE

Mr. KOHL. I thank my colleague for his willingness to help me clarify the intent of this Federal legislation. As he is aware, the State of Wisconsin already has in place the Wisconsin Family and Medical Leave Act (section 103.10 Wisconsin Stats and Wisconsin Administrative Code 86.02). There is some concern with the way in which this and other Federal legislation impacts that law and I would appreciate the Senator's understanding of that.

Mr. DODD. Wisconsin has certainly been a pioneer in providing these benefits to employees and I would be happy to respond to the Senator from Wisconsin's questions.

Mr. KOHL. A recent ruling by a Wisconsin administrative law judge held that the provision of Wisconsin FMLA enabling employees to substitute accrued paid leave for unpaid family leave was preempted by ERISA as to an employer's ERISA plan that paid out sick leave. Is it the intent of the sponsors of this bill that the provisions of the Employee Retirement Income Security Act of 1974, as amended, shall not prevent the substitution of accrued paid leave for unpaid family leave, regardless of the source of funding for the paid leave?

Mr. DODD. Yes. The Bond-Ford substitute provides that either an employer or an employee may elect to substitute accrued paid leave for unpaid Family and Medical Leave. The provisions of this Family and Medical Leave Act preempt ERISA. The authors of the legislation have no intent of undercutting the family and medical leave laws of States that currently allow the provision of substitution of accrued paid leave for unpaid family leave, regardless of the nature of the family leave. Certainly, under Wisconsin law, if an employer or an employee opts to substitute accrued paid leave for the purposes of unpaid leave to care for a newly adopted child, it would be our intent that they be allowed to do so.

Mr. KOHL. Another recent decision by a New Jersey lower court held that the provision of New Jersey's State leave legislation requiring that employers continue their contributions to workers' medical coverage during leave is preempted by ERISA. Is it the intent of the sponsors of this bill that the provisions of the Employee Retirement Income Security Act of 1974, as amended, shall not prevent the continuation of employers contributions to workers health insurance coverage during family and medical leave?

Mr. DODD. Yes. The Family and Medical Leave Act also requires that employers continue their contributions to workers' medical coverage during leave. It is the intent of the sponsors of this bill that the provisions of this legislation serve as a floor, not a ceiling.

Mr. KOHL. Is it the intent of the bill sponsors that the provisions of ERISA would not preempt any provisions of State family and medical leave provisions?

Mr. DODD. Yes, as Federal legislation enacted subsequent to ERISA, it is certainly our intent that the Family and Medical Leave Act supercedes ERISA to the extent that ERISA preempts State leave law provisions. Enactment of the Federal FMLA will still allow States to provide even more generous leave protections for workers. The FMLA makes clear that State leave laws that are at least as generous as the Federal legislation are not preempted by ERISA, or any other Federal law.

Mr. KOHL. I thank my colleague from Connecticut. I understand from his remarks that should the State law provide, employers and employees would retain the right to substitute accrued paid leave during their family and medical leave, regardless of the purpose of that leave. I thank my colleagues.

MEASUREMENT OF HOURS OF SERVICE ELIGIBILITY

Mr. BOND. The purpose of section 101(2)(C) is to require use of legal standards and principles applicable to section 7 of the Fair Labor Standards Act, as developed in relevant judicial precedent, and where needed for clarification, Department of Labor regulations, to determine whether an employee has worked the minimum number of hours required for eligibility in this subsection even for employees otherwise excluded or exempt from Fair Labor Standards Act coverage. This section is further intended to incorporate, for the purpose of measuring employee family leave eligibility, the longstanding section 7 work measurement rule that "hours of service" include all hours "controlled or required by the employer and pursued necessarily and primarily for the benefit of the employer", including "all the time during which an employee is necessarily required to be on the employer's premises, on duty or at a prescribed work place." Applying section 7 standards and principles to the legislation under consideration here will clarify any uncertainty about employee eligibility regarding the latter. I refer my colleagues to the U.S. Supreme Court cases cited in Labor Department section 7 rules at 290 C.F.R. 785.7, since these precedents and rules have been used successfully for well over 40 years in measuring employee eligibility for other Federal labor law benefits like overtime pay which are linked to hours of service.

Mr. DODD. Will my distinguished colleague yield for a point of further clarification?

Mr. BOND. I yield for such purpose.

Mr. DODD. It is my understanding that certain airline industry employees such as flight attendants are exempted from coverage by section 7 and other Fair Labor Standards Act provisions. It is also my understanding that defining and measuring hours of service for such employees varies greatly among the carriers for compensation purposes, especially since many of these employees are paid according to the amount of time they are in the air even though their work also requires them to perform ground duties. Is it the Senator's intent that section 7 work measurement principles shall apply to these and other employees for the limited purpose of deciding family and medical leave eligibility notwithstanding such employees' exclusion or exemption from section 7 or other FLSA provisions?

Mr. BOND. Yes, that is the intent. Section 7 principles would apply to employees such as airline flight attendants for all time they must be on duty, in-flight or otherwise, without regard to their exemption or exclusion from section 7 itself on any other Fair Labor Standards Act provisions.

ATTORNEY'S FEES AND EXPERT WITNESS FEES UNDER FMLA

Mr. DODD. In reviewing section 107(a)(3) of the substitute, I note that a court shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, among other fees and costs, to be paid by the defendant. It is my understanding that this particular provision is modeled after section 216(b) of the Fair Labor Standards Act, and therefore should be interpreted in the same way as the FLSA. According to the Federal courts, the award of attorney's fees under the FLSA is mandatory and unconditional. A court has to discretion to deny fees to a prevailing plaintiff; its discretion extends only to the amount allowed. *Christiansburg Garment Co.* v. *E.E.O.C.*, 434 U.S. 412, 415 n.5 (1978); *Shelton* v. *Ervin*, 830 F.2d 182, 184 (11th Cir. 1987); *United Slate, Tile and Composition Roofers* v. *G&M Roofing*, 732 F.2d 495, 501 (6th Cir. 1984); *Hagelthorn* v. *Kennecott Corp.* 710 F.2d 76, 86 (2d Cir. 1983); *Graham* v. *Henegar*, 640 F.2d 732, 736 (5th Cir. 1981 (en banc). Is my understanding of how section 107(a)(3) is intended to be interpreted correct?

Mr. BOND. The Senator's understanding is indeed correct. The intent of the language is that the award of a reasonable attorney's fee is governed by the FLSA standard as enunciated by the Federal courts.

Mr. DODD. It is also my understanding that under Federal Rule of Civil Procedure 11 a plaintiff may have to pay attorney fees for the defendant.

Mr. BOND. Although rule 11 of the Federal Rules of Civil Procedure also permits the award of fees against a plaintiff who files a frivolous action, such a sanction is available against a plaintiff only when, according to the words of the U.S. Court in *Christianburg Garment Co.* v. *E.E.O.C.*, 98 S. Ct. at 701 "a court finds that his claim was frivolous, unreasonable, or groundless, or that the plaintiff continued to litigate after it clearly became so."

Mr. DODD. I also note that the substitute provides for reasonable expert witness fees, in addition to any judgment awarded to the plaintiff, to be paid by the defendant. It is my understanding that this provision comes in direct response to the Supreme Court's holding in *West Virginia University hospitals, Inc.* v. *Casey*, 111 S. Ct. 1138 (1991). In that case the Court made clear that expert witness fees will be awarded as part of attorney's fees only if explicitly authorized by statute. Is that understanding correct.

Mr. BOND. Yes. That provision is intended to respond to the Court's holding in West Virginia hospitals by providing explicit authorization for the award of fees for services in litigation rendered by experts.

REQUIREMENT OF 30 DAYS' NOTICE

Mr. DODD. The Bond-Ford substitute requires that an eligible employee provide the employer with at least 30 days' notice of the need for leave for birth, adoption, or planned medical treatment when the need for such leave is foreseeable, "subject to the actual date" of the birth, adoption, or treatment. It is my understanding that such 30-day advance notice is not required in cases of medical emergency or other unforeseen events—for example, a premature birth, or sudden changes in a patient's condition that require a change in scheduled medical treatment. Similarly, parents who are waiting to adopt a child are often given very little notice of the availability of a child. In these situations, it is often impossible for an employee to give 30 days' advance notice. Is it the intent of the Bond-Ford substitute that such notice will not be required in cases of emergency or unforeseen changes in the dates of birth, adoption, or planned medical treatment?

Mr. BOND. Yes. The language "subject to the actual date" of birth, adoption, or planned medical treatment in the Bond-Ford substitute is intended to require 30 days' advance notice of the need for leave to the extent possible and practical. Employees who face emergency medical conditions or unforeseen schedule changes will not be precluded from taking leave if they are unable to give 30 days' advance notice.

CLARIFYING PREGNANCY DISABILITY LEAVE AS MEDICAL LEAVE

Mr. DODD. My understanding of the Bond-Ford substitute is that when a woman is physically unable to work because of pregnancy, childbirth, or related medical conditions, she is entitled to leave for her serious health condition under section 102(a)(1)(D) of the substitute. Thus, while she is on leave for these reasons, she is entitled to any temporary disability or other compensation as the employer or other insurance may provide for these purposes. Is that correct?

Mr. BOND. The Senator is correct.

Mr. DODD. My understanding of the substitute is also that once a woman is physically able to work after recuperating from childbirth and related medical conditions, she is then eligible for leave to care for the newborn child under section 102(a)(1)(A) to the extent that she has not exhausted her 12-week leave period. Is that correct?

Mr. BOND. Yes.

DEFINITION OF EMPLOYER

Mr. DURENBERGER. The Senator from Connecticut defines employer as including "any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer" and "any successor in interest of an employer." The FLSA, which the Senator says he has patterned this bill after, omits the latter phrase. Title VII omits both phrases. I find this new language confusing.

Does the "directly or indirectly" language, for example, imply that a general contractor would step into the shoes of its subcontractor when the subcontractor fails to grant leave to its employees?

Mr. DODD. No. The directly or indirectly language is not designed to address situations involving a general contractor and a subcontractor. This language should be interpreted in accordance with FLSA precedents. It is designed to cover situations of common ownership and control. For example, if a large conglomerate owned a subsidiary, and the holding company exercised ownership and control over the subsidiary, then the holding company could potentially be liable for influencing the subsidiary's decisions to delay leave.

Mr. DURENBERGER. Also, does the successor language mean that an employee can sue the employer who discriminated against the employee plus all succeeding owners of the business. For example, Joe Smith buys Lunds Grocery Store. Two weeks afterwards, an employee who had been denied leave under the previous owner files suit against Joe Smith as the successor of the employer who actually violated the act. Under this act, is Joe Smith intended to be liable for the previous owner's actions, even when there was no prior knowledge of any violation or action by the aggrieved employee? At a minimum, the language is confusing, and at worst, it suggests open-ended liability to almost all parties that in any way interact with an employer. What does the Senator really intend?

Mr. DODD. The bill is not intended to provide open ended liability. I would not expect that this successorship language should be interpreted in accordance with similar language in labor law statutes. Successors or buyers that take over the business without notice should not be liable. However we do not want to create a situation where employers are using transfer of ownership as a subterfuge to undermine the protections of the act.

Mr. DURENBERGER. There has been some confusion with the various changes in the drafts of the bill. I simply want to make sure that I am clear that in the Bond-Dodd substitute no "pain and suffering" or "punitive" damages are available.

Mr. DODD. It is the Senator from Connecticut's view that no pain and suffering or punitive damages would be allowed under S. 5.

GOOD FAITH

Mr. DURENBERGER. The Bond-Dodd substitute has included a "good faith" clause, suggesting a two pronged subjective and objective standard. What exactly does the Senator mean by this "good faith" defense? If an employer believes there was a violation but a reasonable person would not so believe, then under S. 5 as written, liquidated damages would be appropriate. Perhaps this simply should use an objective standard?

Mr. DODD. This good faith clause is identical to a provision in FLSA, and we intend it to be interpreted in the same manner. This provision says that if the employer's violation of the Act occurred in good faith and the employer had reasonable grounds for believing that it was not violating the Act, the court may reduce the damages to the amount of actual losses plus interest, rather than double that amount.

SICK OR ANNUAL LEAVE

Mr. DURENBERGER. By including "sick leave and annual leave" in the list of employee benefits, I assume that the Senator means that the court may grant the plaintiff who has been fired sick leave or annual leave that they would have accrued if they had been treated in a nondiscriminatory manner. For instance, if fired after requesting leave, the person would have accrued leave after dismissal and that accrual may be recovered.

The bill also allows the employer to require an individual to use his or her other paid leave prior to receiving leave under this bill. It is my reading of the bill that sick and annual leave that the employer could have required the employee to use prior to taking leave under the Act and which the employee actually used is not recoverable as damages by an employee who has been denied leave and stayed on the job. Is this a correct interpretation?

Mr. DODD. Yes, that is correct.

Mr. DURENBERGER. Also, I need to be assured that the court will not award damages in the amount equal to the time that the employee requested for leave to an employee who was denied leave and stayed on the job. That would constitute double recovery, because the employee actually was paid for the time he/she worked.

Mr. DODD. The employee who was denied leave and stayed on the job would not be paid twice for time actually worked. However, that employee could seek damages in the amount of any actual monetary losses sustained by the employee as a direct result of the violation.

EXPERT WITNESSES

Mr. DURENBERGER. The Bond-Dodd substitute allows for attorneys' fees and other costs, specifically citing expert witness fees. Both FLSA, and title VII only provides attorneys' fees. FLSA, provides attorneys' fees and "other costs." As you know, lawyers have become experts themselves at abusing the use of "expert witnesses." For example, with the backing of "expert testimony" from a doctor and members of the police department, a woman claiming psychic powers was awarded $1 million after she persuaded a Philadelphia jury that she lost her psychic powers following a CAT scan. Is it the Senator's intent that employers under this Act be required to pay for such experts?

Mr. DODD. It is our intent that employers be required to pay reasonable expert fees.

SECTION 104—EMPLOYMENT AND BENEFITS PROTECTION

Mr. DURENBERGER. The bill requires an employee to be restored to "the position of employment held by the employee when the leave commenced," or "to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment." In the real world many employers will respond to a worker on leave by reassigning work that individuals on leave had to other employees. In fact, this is the most common current practice among employers.

My concern is that as the bill is written, it is unclear whether "other terms and conditions" would include specific work assignments. The simplest case I can foresee is that a lawyer takes leave and a large case has to be reassigned. By the time the employee is ready to return to work, the case is almost ready to go to court and it might be disruptive to give the case back to the original lawyer. Yet under the bill it is unclear whether or not the employer would be forced to return this case to the original lawyer. What specifically do you mean by "other terms and conditions?" Does the Senator intend that specific work assignments be included within the definition of "other terms and conditions."

Mr. DODD. I agree with my distinguished colleague from Minnesota. We certainly want to allow flexibility in these situations, and allow the employer to continue to retain control over work assignments.

EMPLOYMENT BENEFITS

Mr. DURENBERGER. The Senator defines "employment benefits" as "all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employer or through an 'employee welfare benefit plan'."

The bill allows employees to sue for "damages in the amount of * * * employment benefits denied or lost to such employee by reason of the violation."

As I read this language, it would be conceivable that an employee could sue for benefits that the employer offered, even if the employee never took advantage of them. For example, an employer could offer a variety of different benefits under a cafeteria plan, but the employee is only entitled to a total of three. A loose reading of the language in the bill would entitle the individual to receive damages in the amount of all benefits denied.

The language is somewhat confusing. Does the Senator intend to allow an individual to sue for damages that he or she was not actually receiving at the time of the violation?

Mr. DODD. No, for example in the case of a cafeteria plan, the bill is only designed to provide damages for benefits that the individual had selected at the time of the violation and that were actually lost due to the violation.

Mr. DURENBERGER. The Senator states that the taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced. How does this work for bonuses. For instance, what happens if an employer has a bonus system that gives bonuses to any employee who produces 100 widgets. An employee, who took leave under this Act produced 93 widgets, and files a suit claiming that had it not been for the time they took under the act, they would have been able to meet the bonus requirements. Is this bill intended to allow this employee to sue for lost benefits in this situation?

Also, bonuses are included as recoverable under the damages section of this bill. What do you intend if, for example, an employee receives a bonus one year, then is discharged for a discriminatory purpose under S. 5? Would a plaintiff be entitled to a bonus for the duration of the discharge, even if fellow employees received no bonus due to an economic downturn? Even if there is no way to know whether plaintiff would have earned his/her bonus?

Mr. DODD. I would like to respond to each of the situations that my distinguished colleague from Minnesota has raised. In the case where bonuses are awarded on the basis of the number of widgets produced, I would not intend the employee to receive the bonus.

Regarding the second situation, the awarding of a bonus would depend on how speculative that award would be. If other employees would not have been awarded the bonus due to an economic downturn, and therefore it appeared that the employee in question would not have earned his or her bonus, then damages in the amount of the bonus would not be appropriate.

DIRECTLY ATTRIBUTABLE: DAMAGES

Mr. DURENBERGER. The phrase "lost to such employee by reason of the violation" under the damages section seems to be very broad. One could interpret the language to include all consequential damages flowing from the breach, no matter how attenuated or unforeseeable, could be awarded to plaintiff under that standard. For instance, an employee whose health insurance lapsed after wrongful discharge might encounter a large medical bill. If the employee paid the medical bill with his/her house mortgage money, and then the bank foreclosed on the house, should the employer have to pay for the cost of a new house for the employee or rental payments for the next 20 years? I would submit that employer is only responsible for the medical bill. Would this be a correct interpretation of this situation?

Mr. DODD. Yes, this would be correct. The damages arising from the loss of the house would not be wages, salary, or other compensation denied or lost by reason of the violation.

MIXED MOTIVE CASES

Mr. DURENBERGER. I suspect that there will be mixed motive cases under this act where an employer has a legitimate as well as a discriminatory reason for discharging or demoting the individual requesting leave. How do you intend that mixed motive cases be treated?

Mr. DODD. Let us take the example of an employee fired allegedly because of poor performance and because the employer is unwilling to grant requested family leave. The employer would not be liable for wages and compensation of the employee if the poor performance was such that the employee would have been terminated absent any considerations of family leave. But the employer could be liable for the denial of the request for leave, and injunctive relief.

DEFINITION OF "SERIOUS HEALTH CONDITION" AND ABILITY TO PERFORM FUNCTIONS OF JOB

Mr. DURENBERGER. As I read the definition of "serious health condition in the Bond substitute, it is very broad. Included within that definition an illness, injury, impairment, or physical or mental condition that involves not only in-patient care, but also "continuing treatment by a health care provider." Under this definition, an individual with a minor allergy condition, on-going arthritis, or a broken bone, could lay claim to a "serious health condition."

This may be intentially broad. However, the problem, as I see it arises when this definition is applied in conjunction with the requirements for when an individual can take leave, specifically the language that allows an individual who "because of a serious health condition * * * is unable to perform the functions of the position." Combining these two ideas—serious health condition and unable to perform the functions of the job—an individual could take leave if he or she had a broken foot and was unable to walk copies of reports to the adjoining office down the street, which is one of a myriad of responsibilities of that employee. Because a serious health condition has made that individual unable to perform a function of his job that employee is entitled to leave. Even if a person is able to do 95 percent of the job, the employee does not have the right to reassign that specific task to another employer for a period of time, and the employee is entitled to leave. Is this the intent of the Senator from Connecticut?

Mr. DODD. The bill is not intended to allow an employee to abuse leave in this way. It is expected that if an employee is able to perform the major functions of the job then leave would not be appropriate.

Mr. DURENBERGER. I thank my colleague.

The PRESIDING OFFICER. Without objection, the committee substitute, as amended, is agreed to.

Mr. GARN. Mr. President, I have no objection to a voice vote, but in lieu of having a rollcall vote, I would like to make it known that I would vote against it if we did have one.

The PRESIDING OFFICER. The RECORD shall so state.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So, the bill (S. 5), as amended, was passed, as follows:

S. 5

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.—*ERR08*

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
TITLE I—GENERAL REQUIREMENTS FOR LEAVE
Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Investigative authority.
Sec. 107. Enforcement.
Sec. 108. Special rules concerning employees of local educational agencies.
Sec. 109. Notice.
Sec. 110. Regulations.
TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES
Sec. 201. Leave requirement.
TITLE III—COMMISSION ON LEAVE
Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.
TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Coverage of the Senate.
Sec. 405. Regulations.
Sec. 406. Effective dates.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of single-parent households and two-parent households in which the single parent or both parents work is increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of family members who have serious health conditions;

(3) the lack of employment policies to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects the working lives of women more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish the purposes described in paragraphs (1) and (2) in a manner that accommodates the legitimate interests of employers;

(4) to accomplish the purposes described in paragraphs (1) and (2) in a manner that, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE EMPLOYEE.—

(A) IN GENERAL.—The term "eligible employee" means any "employee", as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)), who has been employed—

(i) for at least 12 months by the employer with respect to whom leave is sought under section 102; and

(ii) for at least 1,250 hours of service with such employer during the previous 12-month period.

(B) EXCLUSIONS.—The term "eligible employee" does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act); or

(ii) any employee of an employer who is employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(C) DETERMINATION.—For purposes of determining whether an employee meets the hours of service requirement specified in subparagraph (A)(ii), the legal standards established under section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) shall apply.

(3) EMPLOY; STATE.—The terms "employ" and "State" have the same meanings given such terms in subsections (g) and (c), respectively, of section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203 (g) and (c)).

(4) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(5) EMPLOYER.—

(A) IN GENERAL.—The term "employer"—

(i) means any person engaged in commerce or in any industry or activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(ii) includes—

(I) any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer; and

(II) any successor in interest of an employer; and

(iii) includes any "public agency", as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(B) PUBLIC AGENCY.—For purposes of subparagraph (A)(iii), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(6) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employer or through an "employee benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)).

(7) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

(B) any other person determined by the Secretary to be capable of providing health care services.

(8) PARENT.—The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

(9) PERSON.—The term "person" has the same meaning given such term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(10) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment by a health care provider.

(13) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Subject to section 103, an eligible employee shall be entitled to a total of 12 workweeks of leave during any 12-month period—

(A) because of the birth of a son or daughter of the employee;

(B) because of the placement of a son or daughter with the employee for adoption or foster care;

(C) in order to care for a son, daughter, spouse, or parent of the employee who has a serious health condition; or

(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—

(A) IN GENERAL.—Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employer of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 103(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

(B) ALTERNATIVE POSITION.—If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employer may require such employee to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which such employee is entitled under subsection (a).

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

(2) SUBSTITUTION OF PAID LEAVE.—

(A) IN GENERAL.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee for leave provided under subparagraph (A), (B), or (C) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection.

(B) SERIOUS HEALTH CONDITION.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for leave provided under subparagraph (C) or (D) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

(B) shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for leave under subparagraph (C) or (D) of section 102(a)(1) be supported by a certification issued by the health care provider of the eligible employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Certification provided under subsection (a) shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

(4)(A) for purposes of leave under section 102(a)(1)(C), a statement that the eligible employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 102(a)(1), the employer may require, at the expense of the employer, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (b) for such leave.

(2) LIMITATION.—A health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the opinion in the original certification provided under subsection (a), the employer may require, at the expense of the employer, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any eligible employee who takes leave under section 102 for the intended purpose of the leave shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

(3) LIMITATIONS.—Nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) CERTIFICATION.—As a condition of restoration under paragraph (1), the employer may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 102 to periodically report to the employer on the status and intention of the employee to return to work.

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

(1) DENIAL OF RESTORATION.—An employer may deny restoration under subsection (a) to any eligible employee described in paragraph (2) if—

(A) such denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(B) the employer notifies the employee of the intent of the employer to deny restoration on such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) AFFECTED EMPLOYEES.—An eligible employee described in paragraph (1) is a salaried eligible employee who is among the highest paid 10 percent of the employees employed by the employer within 75 miles of the facility at which the employee is employed.

(c) MAINTENANCE OF HEALTH BENEFITS.—

(1) COVERAGE.—Except as provided in paragraph (2), during any period that an eligible employee takes leave under section 102, the employer shall maintain coverage under any "group health plan" (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

(2) FAILURE TO RETURN FROM LEAVE.—The employer may recover the premium that the employer paid for maintaining coverage for the employee under such group health plan during any period of unpaid leave under section 102 if—

(A) the employee fails to return from leave under section 102 after the period of leave to which the employee is entitled has expired; and

(B) the employee fails to return to work for a reason other than—

(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

(ii) other circumstances beyond the control of the employee.

(3) CERTIFICATION.—

(A) ISSUANCE.—An employer may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

(i) a certification issued by the health care provider of the eligible employee, in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(D); or

(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(C).

(B) COPY.—The employee shall provide, in a timely manner, a copy of such certification to the employer.

(C) SUFFICIENCY OF CERTIFICATION.—

(i) LEAVE DUE TO SERIOUS HEALTH CONDITION OF EMPLOYEE.—The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

(ii) LEAVE DUE TO SERIOUS HEALTH CONDITION OF FAMILY MEMBER.—The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

SEC. 105. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary shall not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 107(b).

(d) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

SEC. 107. ENFORCEMENT.

(a) CIVIL ACTION BY EMPLOYEES.—

(1) LIABILITY.—Any employer who violates section 105 shall be liable to any eligible employee affected—

(A) for damages equal to—

(i) the amount of—

(I) any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(II) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to 12 weeks of wages or salary for the employee;

(ii) the interest on the amount described in clause (i) calculated at the prevailing rate; and

(iii) an additional amount as liquidated damages equal to the sum of the amount described in clause (i) and the interest described in clause (ii), except that if an employer who has violated section 105 proves to the satisfaction of the court that the act or omission which violated section 105 was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of section 105, such court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under clauses (i) and (ii), respectively; and

(B) for such equitable relief as may be appropriate, including, without limitation, employment, reinstatement, and promotion.

(2) STANDING.—An action to recover the damages or equitable relief prescribed in paragraph (1) may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of—

(A) the employees; or

(B) the employees and other employees similarly situated.

(3) FEES AND COSTS.—The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(4) LIMITATIONS.—The right provided by paragraph (1) to bring an action by or on behalf of any employee shall terminate, unless such action is dismissed without prejudice on motion of the Secretary, on—

(A) the filing of a complaint by the Secretary of Labor in an action under subsection (d) in which—

(i) restraint is sought of any further delay in the payment of the damages described in paragraph (1)(A) to such employee by an employer liable under paragraph (1) for the damages; or

(ii) equitable relief is sought as a result of alleged violations of section 105; or

(B) the filing of a complaint by the Secretary in an action under subsection (b) in which a recovery is sought of the damages described in paragraph (1)(A) owing to an eligible employee by an employer liable under paragraph (1).

(b) ACTION BY THE SECRETARY.—

(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 105 in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

(2) CIVIL ACTION.—The Secretary may bring an action in any court of competent jurisdiction to recover on behalf of an eligible employee the damages described in subsection (a)(1)(A).

(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee pursuant to paragraph (2) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) LIMITATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), an action may be brought under subsection (a) or (b) not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

(2) WILLFUL VIOLATION.—In the case of such action brought for a willful violation of section 105, such action may be brought within 3 years of the date of the last event constituting the alleged violation for which such action is brought.

(3) COMMENCEMENT.—In determining when an action is commenced by the Secretary under subsection (b) for the purposes of this subsection, it shall be considered to be commenced on the date when the complaint is filed.

(d) ACTION FOR INJUNCTION BY SECRETARY.—The district courts of the United States shall have jurisdiction, for cause shown, over an action brought by the Secretary to restrain violations of section 105, including actions to restrain the withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to eligible employees.

SEC. 108. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) APPLICATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the rights (including the rights under section 104, which shall extend throughout the period of leave of any employee under this section), remedies, and procedures under this Act shall apply to—

(A) any "local educational agency" (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and an eligible employee of the agency; and

(B) any private elementary and secondary school and an eligible employee of the school.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1):

(A) ELIGIBLE EMPLOYEE.—The term "eligible employee" means an eligible employee of an agency or school described in paragraph (1); and

(B) EMPLOYER.—The term "employer" means an agency or school described in paragraph (1).

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising the rights of such employee under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.—

(1) IN GENERAL.—Subject to paragraph (2), in any case in which an eligible employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under subparagraph (C) or (D) of section 102(a)(1) that is foreseeable based on planned medical treatment and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require that such employee elect either—

(A) to take leave for periods of a particular duration, not to exceed the duration of the planned medical treatment; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(2) APPLICATION.—The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an eligible employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with respect to periods of leave near the conclusion of an academic term in the case of any eligible employee employed principally in an instructional capacity by any such educational agency or school:

(1) LEAVE MORE THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under section 102 more than 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) LEAVE LESS THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under subparagraph (A), (B), or (C) of section 102(a)(1) during the period that commences 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) LEAVE LESS THAN 3 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under paragraph (A), (B), or (C) of section 102(a)(1) during the period that commences 3 weeks prior to the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require the employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to the restoration of an eligible employee to an equivalent position), in the case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school that has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in the discretion of the judge or court, reduce the amount of the liability provided for under section 107(a)(1)(A) to the amount and interest determined under clauses (i) and (ii), respectively, of such section.

SEC. 109. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 110. REGULATIONS.

Not later than 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as are necessary to carry out this title.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. LEAVE REQUIREMENT.

(a) CIVIL SERVICE EMPLOYEES.—

(1) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—FAMILY LEAVE

"§6381. Definitions

"For purposes of this subchapter:

"(1) The term 'employee' means—

"(A) an 'employee', as defined by section 6301(2) of this title (excluding an individual employed by the Government of the District of Columbia); and

"(B) an individual described in clause (v) or (ix) of such section;

who has been employed for at least 12 months by an employing agency and completed at least 1,250 hours of service with an employing agency during the previous 12-month period.

"(2) The term 'health care provider' means—

"(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

"(B) any other person determined by the Director of the Office of Personnel Management to be capable of providing health care services.

"(3) The term 'parent' means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

"(4) The term 'reduced leave schedule' means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

"(5) The term 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment by a health care provider.

"(6) The term 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6382. Leave requirement

"(a)(1) An employee shall be entitled, subject to section 6383, to a total of 12 workweeks of leave during any 12-month period—

"(A) because of the birth of a son or daughter of the employee;

"(B) because of the placement of a son or daughter with the employee for adoption or foster care;

"(C) in order to care for the son, daughter, spouse, or parent of the employee who has a serious health condition; or

"(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

"(2) The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3)(A) Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employing agency of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 6383(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

"(B) If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employing agency may require such employee to transfer temporarily to an available alternative position offered by the employing agency for which the employee is qualified and that—

"(i) has equivalent pay and benefits; and

"(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

"(b) On agreement between the employing agency and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled under subsection (a).

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) An employee may elect, or an employing agency may require the employee, to substitute for leave under subparagraph (A), (B), or (C) of subsection (a)(1) any of the accrued annual leave under subchapter I of the employee for any part of the 12-week period of such leave under such subparagraph.

"(2) An employee may elect, or an employing agency may require the employee, to substitute for leave under paragraph (1)(D) of subsection (a) any of the accrued annual leave or sick leave under subchapter I of the employee for any part of the 12-week period of such leave under such paragraph, except that nothing in this subchapter shall require an employing agency to provide paid sick leave in any situation in which such employing agency would not normally provide any such paid leave.

"(e)(1) In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

"(2) In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

"(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse or parent of the employee; and

"(B) shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

"§ 6383. Certification

"(a) An employing agency may require that a claim for leave under subparagraph (C) or (D) of section 6382(a)(1), be supported by certification issued by the health care provider of the employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(b) A certification provided under subsection (a) shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

"(4)(A) for purposes of leave under section 6382(a)(1)(C), a statement that the employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

"(B) for purposes of leave under section 6382(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

"(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 6382(a)(1), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning any information certified under subsection (b) for such leave.

"(2) Any health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6384. Employment and benefits protection

"(a) Any employee who takes leave under section 6382 for the intended purpose of the leave shall be entitled, upon return from such leave—

"(1) to be restored by the employing agency to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"(b) The taking of leave under section 6382 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

"(c) Except as otherwise provided by law, nothing in this section shall be construed to entitle any restored employee to—

"(1) the accrual of any seniority or employment benefits during any period of leave; or

"(2) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

"(d) As a condition to restoration under subsection (a), the employing agency may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work.

"(e) Nothing in this section shall be construed to prohibit an employing agency from requiring an employee on leave under section 6382 to periodically report to the employing agency on the status and intention of the employee to return to work.

"§ 6385. Prohibition of coercion

"(a) An employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) An employee allegation of a violation under subsection (a) is within the jurisdiction of the Merit Systems Protection Board under section 1204(a)(1) and may be investigated by the Special Counsel as a prohibited personnel practice under section 1214.

"(c) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6386. Health insurance

"(a)(1) Except as provided in paragraph (2), an employee enrolled in a health benefits plan under chapter 89 who is placed in a leave status under section 6382 may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909) through the employing agency of the employee, the appropriate employee contributions.

"(2) The employing agency may recover the contributions that the agency paid for maintaining such enrollment during any period of unpaid leave under section 6382 if—

"(A) the employee fails to return from leave under section 6382 after the period of leave to which the employee is entitled has expired; and

"(B) the employee fails to return to work for a reason other than—

"(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

"(ii) other circumstances beyond the control of the employee.

"(3)(A) An employing agency may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

"(i) a certification issued by the health care provider of the employee, in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(D); or

"(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(C).

"(B) The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(C)(i) The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

"(ii) The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

"§ 6387. Regulations

"The Director of the Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

(2) TABLE OF CONTENTS.—The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Leave requirement.
"6383. Certification.
"6384. Employment and benefits protection.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (C); and

(2) by adding at the end the following new subparagraph:

"(E) subchapter V of chapter 63, which shall be applied so as to construe references to benefit programs to refer to applicable programs for employees paid from nonappropriated funds; or".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter referred to in this title as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave;

(B) the potential costs, benefits, and impact on productivity of such policies on employers; and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 108(a); and

(2) not later than 2 years after the date on which the Commission first meets, prepare and submit, to the appropriate Committees of Congress, a report concerning the subjects listed in paragraph (1).

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—

(i) APPOINTMENT.—Two Members each shall be appointed by—

(I) the Speaker of the House of Representatives;

(II) the Majority Leader of the Senate;

(III) the Minority Leader of the House of Representatives; and

(IV) the Minority Leader of the Senate.

(ii) EXPERTISE.—Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission. Any appointment shall not interrupt or otherwise affect the civil service status or privileges of the employee appointed.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out the duties of the Commission. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTI-DISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or disability.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law that provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish the obligation of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act or any amendment made by this Act shall not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. COVERAGE OF THE SENATE.

(a) COVERAGE.—

(1) APPLICATION.—The rights and protections established under sections 101 through 105 shall apply with respect to a Senate employee and an employing authority of the Senate.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1)—

(A) the term "eligible employee" means a Senate employee; and

(B) the term "employer" means an employing authority of the Senate.

(b) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to sections 101 through 105, shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(c) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under sections 101 through 105.

(d) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under sections 101 through 105, the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by such sections. Such remedies shall apply exclusively.

(e) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in subsection (a) shall be within the exclusive jurisdiction of the United States Senate. The provisions of subsections (b), (c), and (d) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 405. REGULATIONS.

The Secretary of Labor shall prescribe such regulations as are necessary to carry out sections 401 through 403 not later than 60 days after the date of the enactment of this Act.

SEC. 406. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I and II and this title shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date that occurs 12 months after the date of the enactment of this Act.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, the Senate has just acted in decisive fashion on very important legislation dealing with the issue of family and medical leave. Because of the intervening votes, I did not have the opportunity earlier to express my congratulations and gratitude to the distinguished Senator from Connecticut [Mr. DODD] who has been the leader in this effort, Senator BOND of Missouri, and Senator FORD of Kentucky.

I believe this to be very important and meaningful legislation. It passed with a very decisive vote, 65 votes in the affirmative. There were three absences, and all three of those Senators have publicly expressed their support for the legislation. So effectively 68 Senators are supporting this very important bill.

I think all of the American people and particularly American women, whose economic independence will be enhanced by this important legislation, owe a great deal of gratitude to Senators DODD, BOND, and FORD. I commend them for that.

Obviously, passing the Senate is not the same as becoming law. Many long and difficult steps lie ahead. But the first substantial hurdle has been overcome. Very important legislation is now on its way toward what we hope will be enactment and most importantly, the achievement of economic independence for American women.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the majority leader and the minority leader as well. Yesterday was a rather long day in negotiations, I think some 7 hours or so. Actually, it may have been longer. The majority leader may correct me. But it was a long day of trying to work out the unanimous consent which led to the votes that occurred this afternoon, as well as the vote, I gather, next Tuesday on the Thomas nomination.

Mr. President, I have said it already today, but it bears repeating. We would not have achieved the results we did today without the help of an awful lot of people on both sides of the aisle. This was not a partisan battle at all. There were people who differed over the legislation, but the differences were encountered on both sides. There were opponents of the legislation on this side, as obviously there were on the other side of the aisle. But without the efforts of Senator BOND of Missouri, Senator COATS of Indiana, Senator PACKWOOD, going back a long time, an original cosponsor, we would not have been able to achieve the results we did, helping put together the compromise. So I am eternally indebted to them for their tremendous effort.

The majority leader, Mr. President, has said, correctly, we were missing three of our colleagues today who were unavoidably absent from participating in the votes this afternoon: Senators HARKIN, KERREY, and PRYOR. Senators HARKIN and KERREY are cosponsors of the Bond-Coats-Ford substitute, as well as the original Dodd legislation on family medical leave, and Senator PRYOR is a supporter.

Take those 3 votes, add them to the 65 we achieved on the Bond-Coats-Ford substitute, and that is 68 votes. My hope is, Mr. President, that we will be able to encourage President Bush and the administration to step forward and say let us sit down and see if we cannot work out something that the President can support and will sign. I am very anxious for that to occur. Nothing would make me sadder than to have to get into a veto override battle on the floor of the Senate or in the House.

So the offer still stands, Mr. President, even though we achieved an override, if you will, at least by today's vote, apparently an override vote. I hope we do not get to that. I hope we can work out the differences and pass some nonpartisan legislation in the Senate, differences though there be. It was not a partisan vote in that sense.

Again my deep sense of thanks to Senator BOND of Missouri and others on that side as well as on our own side, Mr. President, who made not only that vote possible but I think the quality of the legislation. So I thank them, and I thank the majority leader for his help in this regard.

Mr. MITCHELL. Mr. President, I will be pleased to yield to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I join my colleague from Connecticut in expressing our sincerest thanks to the majority leader and minority leader. We had a very long negotiating session. I think we have come to an excellent outcome. We were able to handle a very important piece of legislation and now we will move on tomorrow to another very important matter. I appreciate the people who worked so long and hard to allow us to achieve that.

I add my special thanks to Senator DODD and the other original cosponsors for their strong push behind this legislation. We are deeply appreciative of their willingness to negotiate, to accommodate us. Senator FORD, Senator COATS, and I had concerns and they were able to accommodate us and make this, I think, a much more workable piece of legislation.

I express thanks to the staff of those members. I want to say a special thanks to Julie Dammann and Leanne Jerome of my staff, who worked very hard.

For those who say that this is a question of a veto override, let me emphasize what Senator DODD has already said. I hope now that we have 68 people in favor of this legislation, either recorded in the vote today or having previously announced their support, we will be able to discuss his with the White House and with the Labor Department to see if there are accommodations that can be made. This is an ongoing process. We want to see the families of America protected when illness or the arrival of a child makes it necessary for a worker to take some time off from a job. I think the family and medical leave protections are extremely important to many families in America who are under great pressure. I am grateful that we had such a strong vote, and I thank those who came along only as a result of the adjustments. We assure them that we want to continue to work with them.

Our objective is to see this measure passed in the House and ultimately signed into law by the President. That I think is not good Democratic or Republican politics. I think it is good policy for the United States. I hope we can see a measure signed with strong bipartisan support and a Republican President's signature on the bill.

I thank my colleagues I yield the floor.

Mr. MITCHELL. Mr. President, I thank my colleagues for their comments and also thank the Senator from Kentucky, who played such a prominent role in bringing this to a successful conclusion and who typically said little publicly but worked a lot on the measure outside the public eye.

We are all grateful to the Senator from Kentucky for his usual hard work and conciliating efforts that made this result possible.

Mr. DODD. Mr. President, if the majority leader will yield, I want to second those comments. This is the steady hand from Kentucky. There have been some very troubled waters over the last 5 years. He has guided this piece of legislation. Without that steady hand, we would not have brought the coalition together.

But I want to also, Mr. President, thank my staff, as well as Senator BOND's staff, and Senator FORD's staff. I will not enumerate all the names of people who were involved in the respective offices in pulling this together, but there was some fine staff work done by people whose names are never heard of in the public eye, who made this possible, working long hours. So I thank Senator BOND for mentioning that as well.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that immediately upon disposition of Senate Resolution 186, the Haiti resolution, offered by Senator GRAHAM of Florida and others, the Senate proceed to the immediate consideration of Calendar No. 234, Senate Joint Resolution 110, regarding Zionism; that there be 2 minutes for debate on the resolution under the control of Senator MOYNIHAN, with no amendments in order to the resolution; that when the time is used or yielded back, the Senate without intervening action or debate proceed to vote on passage of the resolution; and further, that it now be in order to ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I now ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that that vote be a 10-minute vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, Senators, therefore, should be aware there will now be two 10-minute votes coming up with 2 minutes for Senator MOYNIHAN between the two votes.

I thank my colleagues.

I yield the floor.

SENATE RESOLUTION 186—RELATIVE TO HAITI

The PRESIDING OFFICER. Under the previous order the clerk will report Senate Resolution 186.

The legislative clerk read as follows:

A resolution (S. Res. 186) relating to Haiti.

The Senate proceeded to the consideration of the resolution.

Mr. D'AMATO. Mr. President, I rise today to express my deep concern over the disturbing and dangerous events presently unfolding in Haiti. The constitutional democracy that the Haitian people have enjoyed over the past 7 months has been trampled by the brutal and illegal coup of President Jean-Bertrand Aristide.

Mr. President, when Father Aristide was elected, the Haitian people gained an outspoken reformist and all democratic governments supported the moderation with which he was reforming his country. Today, all that progress has been shattered. The senseless loss of life caused by the coup is deplorable. Some reports indicate well over 100 persons have been killed. Those who are responsible should be held accountable and suffer severe punishment.

While much remains unknown as to who is responsible for these alarming events, there is no doubt that if Haiti is to continue on the path of democracy, President Jean-Bertrand Aristide must be restored to his lawful role as President of Haiti.

Mr. President, it is time that the U.N. Security Council take a decisive and immediate stand condemning this ruthless coup. The United Nations' pernicious habit of turning its head when military rulers oust a democratically elected government of the people is unacceptable. With the tide of democracy sweeping across the globe, the world body can not simply stand by as the colonels govern by the barrel of the gun.

I applaud the Bush administration's decision to immediately suspend all aid and economic assistance to Haiti until the legitimate democratic government is restored, and I stand ready to assist the people of Haiti in their enduring struggle to achieve true and lasting democracy in their nation.

Mr. LEAHY. Mr. President, 4 years ago in Haiti at least 34 people were gunned down at the polls as they tried to elect a president. Last year, despite threats of another bloodbath by the same Duvalierists, the Haitian people again courageously voted and this time, in an election closely monitored by the United Nations and the OAS, overwhelmingly elected a civilian president, a priest whose life had been devoted to Haiti's poor.

For the Haitian people and the world, that day symbolized a rejection of 40 years of dictatorship and greed, and the beginning of a new era of democracy, justice and hope.

As chairman of the Foreign Operations Subcommittee which writes the foreign aid appropriations bill, I have strongly supported U.S. aid to the Aristide government. Last year we provided financial support to register voters and protect the polls, and since then we have provided large amounts of economic aid to help Haiti begin to solve its economic problems and strengthen democracy.

Mr. President, the coup d'etat that has just been perpetrated by the Haitian army is a desperate attempt to reverse the tide of history. It is an attempt that I am confident will ultimately fail. I am confident that this outrageous subversion of democracy, this blatant violation of the will of the Haitian people for the sake of personal privilege and power, will be unequivocally opposed throughout this hemisphere.

All United States aid to Haiti has been stopped. France and Canada have also suspended their aid. I will not agree to the resumption of aid to the Haitian Government until democracy is restored. The OAS is to take this matter up shortly and I urge all its member countries to act forcefully to condemn this illegal act and refuse any recognition of the coup leaders. The Haitian generals must be made to see, as the Soviet coup plotters saw just a little over a month ago, that this kind of usurpation will not be sustained.

Mr. President, for the better part of this century the United States was on the side of dictatorship in Haiti. That changed dramatically last year, when our Government threw its full weight behind President Aristide. I am pleased that the administration has publicly denounced this coup and reaffirmed its commitment to democracy in Haiti. Ambassador Adams deserves special praise for his role in negotiating for President Aristide's release from custody and safe passage to Venezuela. I urge President Bush, in consultation with the other governments of the hemisphere, to do all that is possible to work to restore to the Haitian people the democracy they have struggled and suffered so long for and so clearly deserve.

The **PRESIDING OFFICER**. The question occurs on adoption of the resolution.

The yeas and nays have not been ordered.

Mr. **MITCHELL**. Mr. President, I request the yeas and nays.

The **PRESIDING OFFICER**. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **FORD**. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—97

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—3

Harkin
Kerrey
Pryor

So the resolution (S. Res. 186) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 186

Whereas the people of Haiti have long suffered under the brutal and arbitrary rule of dictatorship rather then the democratic rule of law;

Whereas in 1986 Haitians from all sectors of society showed great courage in joining together to oust President-for-Life Jean Claude Duvalier;

Whereas an overwhelming majority of Haitians have declared themselves in support of democratic rule by approving a constitution in 1987 establishing a legal framework for the election of a civilian government;

Whereas the 1987 presidential election was cancelled due to widespread violence on the day of election;

Whereas the Haitian people participated in a second internationally supervised election on December 16, 1990, and elected President Jean-Bertrand Aristide by almost 70 percent of the vote in an election that was recognized by international observations as free, fair and open;

Whereas elements of the military on September 30 launched an armed attack against President Aristide and the people of Haiti;

Whereas President Aristide was forced to leave Haiti and a military junta has seized power: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President should make clear that the United States supports the restoration of the democratically elected government of President Aristide;

(2) all United States assistance to the Haitian Government, economic and military, should remain suspended until democratic government is restored;

(3) the Haitian military should respect the human rights of the Haitian people;

(4) the Organization of American States (OAS) should be commended for vigorously condemning the coup and for its Santiago commitment of June 1991 creating a new automatic mechanism to respond to the interruption of legitimate elected government; and

(5) the international community, particularly the OAS, should take all appropriate action to restore democratic government in Haiti.

The **PRESIDING OFFICER**. Without objection, the motion to reconsider is laid upon the table.

The Chair recognizes the majority leader.

ORDER OF PROCEDURE

Mr. **MITCHELL**. Mr. President, pursuant to a prior agreement, momentarily Senator MOYNIHAN will be recognized to address the Senate for 2 minutes, following which there will be a rollcall vote on his resolution regarding Zionism. That will be the last rollcall vote today.

The Senate will be in session tomorrow and Friday, and Monday and Tuesday of next week, prior to the Columbus Day recess. I have been consulting with the distinguished Republican leader and a number of Senators involved in appropriations conference reports, and I hope to have an announcement later this evening on the schedule with respect to votes for the 4 days which I have just described: that is, Thursday, Friday, Monday, and Tuesday.

We are going to try to organize it in a way that, to the extent possible, the conference reports will be adopted by voice vote, and if rollcall votes are required, to stack those on next Tuesday.

That requires the cooperation of several Senators who are involved in the handling of such legislation, and we do not have that understanding completed yet. That is why I am not able to make a statement at this time with respect to Thursday, Friday, Monday, and Tuesday. But I do hope to have that before the Senate completes its business today, and make that announcement for the information of all Senators. And those who are not present, of course, will learn of it through their staffs.

So I thank all Senators for their cooperation. The distinguished Republican leader and I will be meeting shortly in this regard, and I will have an announcement as soon as possible.

RELATIVE TO A REPEAL OF UNITED NATIONS GENERAL ASSEMBLY RESOLUTION 3379

The **PRESIDING OFFICER**. Under the previous order, the clerk will report Senate Joint Resolution 110.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 110) expressing the sense of the Congress that the United States and the Soviet Union shall lead an effort to promptly repeal United Nations General Assembly Resolution 3379.

The Senate proceeded to consider the joint resolution.

The **PRESIDING OFFICER**. Under the previous order, the distinguished Senator from New York is recognized for 2 minutes.

Mr. **MOYNIHAN**. Mr. President, this resolution obviously supports President Bush's fine, exceptionally fine address to the General Assembly on September 23. It supports and expresses, in effect, appreciation to the endorsement of the proposal by the Soviet Foreign Minister, the following day and on this Monday, by the Ukrainian President.

Mr. President, in his recent speech before the General Assembly of the United Nations, President Bush called for the repeal of the infamous resolution equating Zionism with racism. During that historic speech the President said:

> U.N.G.A. Resolution 3379, the so-called "Zionism is racism" resolution, mocks this pledge, and the principles upon which the United Nations was founded, and I call now

for its repeal. Zionism is not a policy. It is the idea that led to the creation of a home for the Jewish people, to the state of Israel. And to equate Zionism with the intolerable sin of racism is to twist history and forget the terrible plight of Jews in World War II and indeed throughout history.

To equate Zionism with racism is to reject Israel itself, a member of good standing of the United Nations. This body cannot claim to seek peace and at the same time challenge Israel's right to exist. By repealing this resolution unconditionally, the United Nations will enhance its credibility and serve the cause of peace.

Shortly after the President spoke on September 23, Foreign Minister Pankin of the Soviet Union also called for the repeal of the resolution. This is especially noteworthy because the Soviet Union was the organizer and sponsor of the campaign to adopt Resolution 3379. Foreign Minister Pankin said:

> The philosophy of new international solidarity, which is finding its way into practice, signifies a de-ideologization of the United Nations. In renewing our Organization we should once and for all leave behind the legacy of the ice age like the obnoxious resolution equating Zionism with racism.

Perhaps most dramatic of all, on Monday, September 30, Leonid Kravchuk, President of the Ukraine, also addressed the General Assembly. In his address, President Kravchuk implicitly noted the Soviet campaign charging that the Babi Yar massacre was a collaboration of the Gestapo and Zionists. He noted that the Ukraine had been a prime sponsor of the Zionism resolution. I believe that it is worth repeating his remarks on these subject in full.

> Precisely half a century ago, on September 30, 1941 loudspeakers had been booming for 48 hours on end in the Ukrainian capital, airing music in a cynical attempt to drown the sound of automatic fire as Nazi troops were wearily shooting the last of the Jewish women, children and old people in Kiev. They were the first to be burned in the mass graves of Babi Yar. Nearly 200,000 others Jews, Ukrainians, Russians and Gypsies shared their lot under the occupation. Our compassionate memory owes tribute to all those innocent victims without distinction. Today we can no longer accept the ideological approaches of the former regime in our country which often ended in neglect for individual rights and the rights of entire peoples. We can accept nothing less than the entire truth about the Babi Yar tragedy where Jews were the most frequent victims of mass executions. The international commemoration of the victims of the tragedy in Babi Yar, held this week in the city of Kiev, services as yet another reminder of our duty to make sure that genocide never happens again anywhere on earth.
>
> In this connection I would like to stress that nowadays Ukraine has changed more than just its country plate in the UN Assembly Hall. It has made fundamental adjustments in the attitude to the tragic pages of its history and in its approach to a number of world issues. Thus, it would have been impossible for the independent Ukraine to support, let alone co-sponsor, a resolution equating Zionism to racism—a resolution born out of bitter ideological confrontation among the nations of the world. It is time for the United Nations to shake off the burden of the past.

Last week the executive director of the Conference of Presidents of Major American Jewish Organizations stated:

> As the initial author of the resolution, the Soviet Union's repudiation should be a major spur to the effect for its rejection by the entire United Nations.

That is exactly the thrust of this resolution.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that all Senators who wish may add their names before the close of business, and that any Senator voting in the affirmative be considered to have cosponsored.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I yield 30 seconds to my friend and colleague from New York, Mr. D'AMATO.

The PRESIDING OFFICER. The Senator from New York is recognized for 30 seconds.

Mr. D'AMATO. On behalf of Senator DOLE and myself, we are pleased to join in sponsoring this resolution. This is a manner and way in which the United Nations can really further the peace process.

Mr. GRASSLEY. Mr. President, I rise in support of this resolution urging the repeal of the United Nations' outrageous resolution equating Zionism with racism. This resolution has been a stain upon the United Nations for some 16 years and its repeal is long overdue.

I was pleased to hear President Bush, this week at the opening session of the General Assembly, call for the repeal of the Zionism is a racism resolution. As he noted, this resolution calls into question the very existence of Israel. And at a time that the United States is trying to advance the peace process, we should be promoting and facilitating conduct which increases Israel's confidence in the peace process.

Mr. President, the world is a very different place since the time that resolution was adopted, over very strong objections of the United States, I might add. East-West tensions have receded. The United States, allied with many nations, fought a war against aggression, and the United Nations played a constructive role in that effort.

But when it comes to Arab-Israeli tensions, the United Nations, so long as this resolution stays on the books, has no credibility. The United Nations shows itself to be in the rejectionist camp, questioning Israel's very right to exist.

Zionism was an ideal and a political movement. Now it is a reality. In the last 2 years, Israel has welcomed hundreds of thousands of new immigrants, mostly from the Soviet Union, but also from Ethiopia and Latin America. Israel, 43 years after its creation, continues to fulfill its the dreams of Zionism—to provide a homeland for any Jew from anywhere.

Let us lead the way to the repeal of this offensive resolution.

Mr. MOYNIHAN. Mr. President, seeing no further request to speak, I yield back the floor and thank the majority leader and Republican leader.

The PRESIDING OFFICER. There being no further debate, the question is, Shall the joint resolution pass?

Under the previous order, the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I annonce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—97

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—3

Harkin
Kerrey
Pryor

So the joint resolution (S.J. Res. 110) was passed.

S.J. RES. 110

Whereas United Nations General Assembly Resolution 3379 (XXX), which equates Zionism with racism—

(a) has been unhelpful in the context of the search for a settlement in the Middle East;

(b) is inconsistent with the Charter of the United Nations;

(c) remains unacceptable as a misrepresentation of Zionism; and

(d) has served to escalate religious animosity and incite anti-Semitism;

Whereas the United States vigorously opposed the adoption of Resolution 3379 and has never acquiesced to its content;

Whereas the Soviet Union vigorously supported the adoption of Resolution 3379 but has now stated that it no longer supports the resolution; and

Whereas the Soviet Union has expressed a desire to participate in the search for a just and lasting peace in the Middle East and should demonstrate its commitment to peace by working to repeal Resolution 3379: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States and the Soviet Union should lead an effort to promptly repeal United Nations General Assembly Resolution 3379 (XXX).

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid upon the table.

Mr. MOYNIHAN. Mr. President, may I note, with the gracious agreement of the Presiding Officer, unanimous consent was obtained that all Senators who voted for the resolution would be considered to have been cosponsors thereof.

The PRESIDING OFFICER. Under the previous agreement, that was agreed to.

Mr. MOYNIHAN. I do thank the Chair.

DEPARTMENTS OF VETERANS AFFAIRS, HOUSING AND URBAN DEVELOPMENT AND SUNDRY INDEPENDENT AGENCIES, COMMISSIONS, CORPORATIONS, AND OFFICES APPROPRIATIONS ACT, FISCAL YEAR 1992—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I now ask that the Chair lay before the Senate the conference report on H.R. 2519, the Veterans Affairs-HUD appropriations bill for fiscal 1992.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs, and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 28, 1991.)

Ms. MIKULSKI. Mr. President, I ask unanimous consent that Paul Bryant, Tom Spence, Sarah Linstead, and Paul Brubacher be granted unlimited floor privileges during the Senate consideration of this conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I urge the adoption of the conference report.

Mr. President, I am proud to bring before this body the conference report to accompany H.R. 2519, the fiscal year 1992 VA, HUD, and independent agencies appropriations bill, and I urge my colleagues to adopt it.

This year's bill has been my most difficult as chair of the VA-HUD Subcommittee. We faced compelling needs from virtually every agency and advocacy group with an interest in this legislation. From our aging veterans who fought to save our freedom, to the pioneers of the new frontiers in space, we had significant causes among which to choose.

The criteria we used to set our course were first, what was in the national interest. Second, had we met our commitments—both past and future: to the heroes of our past wars—or through public investments in the next generation in space, science and the environment. And finally, in housing, had we given the opportunity for those Americans who seek to become middle class.

We had three lists of priorities: What we "must do"; what we "should do"; and what we would "like to do". We have done our best to fund those items on the must do list, and to lesser extent, those on the should do list. But I would be less than honest with my colleagues if I said that this legislation contains everything I would like to do. Whether it is in veterans health care, or housing, or in investments in the future like space or the environment, we simply did not have the funds to address every good idea or intention.

In addition, the subcommittee faces a serious, last-minute problem before conference in housing. For the second time in 3 years, HUD admitted to a $1.2 billion error in its estimates of section 8 contract renewals, only hours before the Senate went to markup in July. To solve this problem, and avoid putting 24,000 families in the street next year, we had to agree to add an additional $325 million in section 8 renewals in fiscal year 1992, and provide an advance appropriation of over $850 million for fiscal year 1993. That is $325 million that is not available for either new housing initiatives or traditional housing programs.

So these pressures, coupled with the legitimate requests of our colleagues in both bodies, have made for a tight budget which require us to make the hard choices for which our constituents elected us.

I will now outline some of the major aspects of the conference agreement.

DEPARTMENT OF VETERANS AFFAIRS

The conference agreement includes a total of $32.5 billion for the Department of Veterans Affairs. For medical care, $13.5 billion is provided, an increase of $226 million above the President's request and $1.2 billion above last year's amount.

This includes $75 million for 1,500 new nurses in VA hospitals, $500 million for vitally needed medical equipment, $12 million to institute a quality assurance system in each VA hospital, and $30 million to treat vets suffering from posttraumatic stress.

A total of $796 million is included for the Veterans Benefits Administration, including funds above the budget request for 220 staff to reduce the growing backlog of veterans' claims.

For the National Cemetery System, $67 million is provided—an increase of $10 million above the President's request—to restore our veterans cemeteries to a level of beauty and dignity befitting those who are buried there.

Finally, more than $600 million is provided for major and minor construction projects. The conferees agreed to reduce the budget of the VA's Office of Facilities, which runs the construction program, to send a strong message that they need to get the excessive construction cost overruns under control.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The bill provides a direct appropriation of $23.8 billion for housing and community development. In addition, the bill uses about $750 million in carryover funds and a $1.750 billion savings from the refinancing of elderly and disabled housing projects. This provides for a total housing program level of $26.3 billion, about $2 billion, or an 11-percent increase, over last year.

Provided within this amount are funds for three new initiatives: $1.5 billion for the new HOME Program; over $600 million for the preservation of housing funded under the old 221 and 236 programs; and $361 million for the new HOPE Program.

In addition, the bill includes almost $7.4 billion for section 8 contract renewals, as well as funds for new Indian, elderly, disabled, public, and section 8 housing units. The bill also includes $3.4 billion for the CDBG Program, $200 million above last year's level.

In addition, we have included $450 million for homeless programs. While less than the President's budget request, the level in the conference report for homeless assistance is about 32 percent above last year's appropriation. It was the decision of the conferees, however, to put more funds into permanent housing, rather than simply into homeless assistance.

The conferees have included the language requested by the Office of Management and Budget on the conversion of 202 elderly and handicapped housing projects. While including this language, however, the conferees have added a provision that does not mandate conversion until January 1, 1992. In addition, from January 1, 1992, until April 1, 1992, the conferees have provided the Secretary with the ability to provide a conversion waiver on a case-by-case basis. The conference report also provides language that makes clear that any existing project which converts from the loan to the direct grant program that they will be able to use secondary financing from non-Federal sources. Finally, converted projects, under the conference report, will guarantee that they will not lose their place in line in the approval process.

ENVIRONMENTAL PROTECTION AGENCY

The conference agreement provides $6.7 billion to the Environmental Protection Agency, an increase of 9 percent over the fiscal year 1991 budget and 7 percent above the President's request.

Included in that is $2.6 billion for EPA's operating programs: more than $1 billion for salaries and expenses, sufficient funds to implement the new Clean Air Act amendments; $323 million for research and development; and about $570 million for State grants for nonpoint source control, clean lakes, drinking water, hazardous waste, asbestos abatement, and other activities.

The conferees agreed to provide $1.616 billion for the hazardous substance Superfund to clean up toxic waste sites nationwide. The agreement directs EPA to cut back on contractors' overhead expenses, and reduces the amount of administrative expenses charged to the trust fund, leaving more funds available for direct site clean ups.

Finally, $2.4 billion is provided for sewage treatment construction grants and the State revolving loan fund program, the highest amount since 1985. It represents an increase of $500 million above the President and $300 million above the 1991 level.

FEDERAL EMERGENCY MANAGEMENT AGENCY

The bill provides a total appropriation to FEMA of over $773 million.

Notable differences between the conference agreement and the administration request are:

Rejection of a $91.25 million budget amendment for disaster relief.

We rejected the budget amendment because the administration didn't designate these funds as emergency in nature, and its source of proposed funding offsets were unacceptable. It's my hope that this impasse over emergency designation will be resolved.

An additional $34 million for the Emergency Food and Shelter Program, to maintain last year's funding level of $134 million.

Addition of $2.26 million to make necessary safety and other building improvements at Emmitsburg, MD.

And an addition of $3 million for title III community-right-to-know activities.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The conferees recommend $14.3 billion for NASA for 1992. This is an increase of $452 million, or 3.3 percent over last year. Of this total, $6.4 billion is for research and development, $5.2 billion is for space flight, control, and data communications, $2.2 billion is for research and program management, $525 million is for construction of facilities, and $14.6 million is for the inspector general.

The conference report recommends $6.414 billion for research and development. This is an increase of $390 million, 6.5 percent, over last year. Included in R&D is $2.029 billion for the space station *Freedom*, and increase of $129 million or 6.8 percent over 1991. With this recommendation, the conferees provide the President's full request.

The report provides $2.667 billion for space science and applications. This is an increase of $238 million or 9.8 percent over last year. The report recommends: $151 million for AXAF [X-ray observatory]; $211 million for CRAF/Cassini [Comet & Saturn]; and $188 million for EOS plus $83 million for EOSDIS.

The conferees recommend $595 million for space transportation. This is $87 million below 1991, due to reductions in spacelab, upper stages, and the new launch system. Aeronautical research is increased $62 million to $574 million, and commercial programs, $19 million to $105 million.

The conferees recommend $5.157 billion for space flight, control, and data communications. This is an increase of $46 million or 9 percent over 1991. Of this, $1.1 billion is for shuttle production and capability, $2.9 billion is for space transportation operations, and $.9 billion is for space and ground communication networks.

The conference report recommends $525 million for the construction of facilities. This is an increase of $27 million over 1991.

The conferees recommended $2.242 billion for research and program management. This is an increase of $130 million over last year.

The conference agreement includes the adoption of a series of principles with respect to NASA's future budget submissions. It is imperative, in the view of the committees, that NASA and the OMB take them seriously so as to guarantee that our civilian space program will continue to help us prepare for the 21st century in an era of great fiscal constraint.

NATIONAL SCIENCE FOUNDATION

The conference agreement provides an appropriation of $2.6 billion for the National Science Foundation for 1992. This is an increase of $261 million over last year's appropriation, an increase of 10 percent.

Of this amount, $1.879 billion has been provided for the research and related activities. This is an increase of $185 million, or 11 percent over 1991. The agreement recommends additions of $12.5 million for astronomy, $7.5 million for Arctic research and logistics, and $4 million for EPSCoR.

The conferees have added $75 million to Education and Human Resources bringing the total to $465 million. This is an increase of 44 percent—signaling the conferees' strong commitment to education activities.

The conference report provides $33 million for academic research facilities and instrumentation. It recommends a 50-50 split of funds for these two initiatives.

Included in the report are funds for the Antarctic—$78 million for Antarctic research and $10 million for logistics. These are to be supplemented by DOD funds for logistics and environmental cleanup activities.

The conferees recommended $108 million for the salaries and expenses of the Foundation. This is an increase of $7 million or 7.3 percent over last year. Finally, $14.6 million is provided for the Office of the Inspector General.

FEDERAL DEPOSIT INSURANCE CORPORATION

The bill provides $15,867,000,000 for the FSLIC resolution fund; $12,448,000,000 more than the formal budget request. Changes consists of:

Likely cost increases for the year of $2.473 billion.

Advice of the Chairman FDIC that out-year savings of $2 billion could be realized with an additional $10.007 provided in 1992.

Reduction of $32 million based on identification by the RTC IG of ineligible costs of that amount.

We're providing that extra $10 billion to try to save the taxpayers some money. Last year, the Congress provided the FSLIC resolution fund an additional $16 billion to buy out or renegotiate some of these deals at better terms for the Government. The RTC IG confirmed last summer, that $16 billion would save the taxpayers at least $500 million, and likely up to $2 billion.

CONCLUSION

Mr. President, in conclusion, I would like to thank the members of my subcommittee, particularly my ranking member, the distinguished Senator from Utah. They have provided me with invaluable support this year. I am indebted to them, and especially Senator GARN, for their cooperation and counsel.

A special thanks also goes to my full committee chairman, Senator ROBERT C. BYRD, and the full committee's ranking member, Senator MARK HATFIELD. No committee in this body could be headed by any better Senators, and the Committee on Appropriations is fortunate to have them both.

I would also like to thank the full committee staff, led by Jim English, Terry Sauvain, and Mary DeWald for the majority, and Keith Kennedy for the minority. Without their help this year, we would have faced an infinitely more difficult task.

I also want to thank my dedicated subcommittee staff. They have worked very hard on this legislation and I am proud of them for what they have been able to help Senator GARN and I accomplish in it. They include on the majority staff: Kevin Kelly, the staff director and majority clerk; Carrie Apostolou, the assistant clerk; Juanita Griffin, the subcommittee's staff assistant; Dr. Thomas Spence, on detail from the National Science Foundation this year; Paul Bryant, our ace accountant on detail from the General Accounting Office who has helped us wade through both FEMA and our responsibility with America's financial institutions for the last 2 years; and Sarah Linstead on detail from NASA. On the minority side, they include Stephen Kohashi, Donna Pate, and Paul Brubacher.

I urge my colleagues to agree to this conference report as a balanced effort for America's future in a time of great fiscal constraint.

Mr. GARN. Mr. President, as we begin consideration of the conference report on the fiscal year 1992 VA-HUD appropriations bill, I would like to compliment Senator MIKULSKI, chair of our subcommittee, for her hard work and dedication in resolving the significant differences between the House and Senate versions of this measure. This task, and the difficult and complex choices involved, has been compounded by the severe budgetary constraints imposed on discretionary appropriations.

I would note, however, that we can expect these budgetary burdens to grow, if not multiply in severity next year and thereafter, and I am very concerned over the implications of some of the choices made in this bill in terms of how they will aggravate our plight. This is particularly worrisome in the low-outlay housing and community development activities which are being financed through one-time budget authority recapture windfalls. This is enabling us to provide a significantly higher program level than what we will be able to sustain in future years when we must use new budget authority and remain within expected outlay limitations.

I fully recognize the natural reluctance to decline attractive opportunities available now because of what may happen down the road. But I think it is important that we put ourselves, and the public, on notice that this measure probably represents the high-water mark of funding for these programs. And that we must expect reductions in years to come.

When I served as chairman of our subcommittee, I employed the same techniques and schemes to maximize the program levels of activities under our jurisdiction. Frankly, there is no incentive in our appropriations process to exercise restraint. Indeed, there is a real disincentive: failure to use every gimmick available only means that the baseline for your programs in the ensuing year's budget allocation will be less, and that your claim to a more adequate share will be unfairly prejudiced by the lack of restraint by others.

We may have entered into a multiyear budget agreement, but we still formulate appropriations bills on an annual basis. And we pay little more than lip service to the implications of our actions on future year budgetary limits.

The program levels reflected in the measure before us simply cannot be sustained within any plausable expectation of what will be available next year, whether or not there is any revision of the budget agreement. Indeed, it is not clear that we will even get through the current fiscal year without a political collision over the domestic spending cap. The housing program levels in this measure are based on optimistic cost assumptions and can be provided only if we recover very high rates of unspent prior year budget authority. Moreover, it is an open issue of how we will respond to the shortfall in disaster relief funding, but there is no room left under our spending caps for this obvious need.

During consideration of last year's conference report I analyzed worrisome trends in expansion of programs under our jurisdiction and the rapid escalation of cost in addressing these needs. For example the largest account in the bill, VA medical care, is demanding increases in funding far outstripping any inflation index, and that is before addressing increased service demand resulting from demographics and constraints on the availability of other forms of medical coverage.

Frankly, I was dubious that we would be able to achieve any agreement on an appropriations bill this year given these rapidly escalating demands and the constrained budgetary caps imposed on discretionary spending. To my relief and surprise, Senator MIKULSKI managed to craft a bill which sustains programs that assist veterans, housing needs of the poor, and the environment, while still providing for increased investment in critical science, space and technology activities. Truly, a remarkable feat and I applaud her outstanding performance.

Mr. President, as I noted earlier, there remain unresolved substantial budgetary issues which we will have to address during the course of this fiscal year. For example, we simply do not know what the number and severity of disasters may occur which will require Federal assistance. Nor do we now know whether HUD estimtates of program recaptures, housing unit subsidy cost, and subsidy renewals requirements are accurate. Unfortunately, past experience has shown that our projections of cost are usually overly optimistic, requiring supplemental appropriations and there is no room for such additional funding.

It is likely, therefore, that we will revisit some of the recommendations contained in our conference agreement during the course of this fiscal year. In addition, given the difficult and substantial choices confronted by our subcommittee during the consideration of this bill, many decisions were made which may result in unintended consequences. For example, a very promising commercial development of a pressurized module for the space shuttle, called Spacehab, was cut by over half of the amount requested in the President's budget. Our assumption was that the private debt structure of this program could be revised to maintain this important initiative. Should this not be the case, we will have to consider a reprogramming among the program levels recommended for NASA to sustain this effort. I am aware of similar concerns relating to the effect of other recommendations such as the reductions for the Advanced X-Ray Astrophysics Facility, shuttle structural spares, and the advanced turbopump development. We cannot expect a reduction in the President's request for NASA of $1.4 billion can be made without pain or sacrifice, but I believe the agency has both the authority and responsibility to review our recommendations and to seek prudent reprogrammings should further analysis warrant such action.

Another significant concern is the assumed shift of funding responsibility for logistical support of the U.S. Antarctic research program from the National Science Foundation to the Department of the Navy in line with the actual operational activities of these two agencies. I understand that OMB has raised questions over the budgetary treatment of this $75 million realignment, but unless this issue is resolved favorably, we may well have to secure funding on an emergency basis to avoid a catastrophic shutdown of this critical program.

Mr. President, this bill is a tribute to the efforts of the Senator from Maryland. It addresses more adequately the important issues and critical program requirements under our jurisdiction than we could have reasonably expected under the circumstances, and I urge its enactment.

Mr. LAUTENBERG. Mr. President, I rise in support of the fiscal year 1992 VA, HUD, and independent agencies appropriations conference report. I commend the leadership of the subcommittee Chair, Senator MIKULSKI, who put together a good bill, and moved it through conference with the House under difficult constraints.

ENVIRONMENTAL PROGRAMS

This bill makes a major financial commitment to the protection of our Nation's environment. I want to highlight aspects of the environmental spending in this bill, as well as projects of special importance in New Jersey which I worked to secure, as a member of the VA HUD and Independence Agencies subcommittee.

Mr. President, I am pleased that total EPA funding in the bill of about $6.7 billion represents an increase by over $450 million above what the President requested, and about $600 million above last year's level. The bill includes increases for the asbestos program, nonpoint pollution, and Construction Grants. The $2.4 billion appropriation for the sewage treatment program, a $300 million increase over last year.

The bill maintains funding for Superfund at last year's level, but includes report language aimed at achieving the actual level of cleanup funding at the level requested by the President.

Particularly in light of recent reports of waste in the Superfund contracting program, the bill has taken a more cautious approach to funding Superfund. The Chair, Senator MIKULSKI, has attempted to target the bill's proposed cuts below the President's budget to those wasteful areas identified in these recent reports.

At my request, the General Accounting Office is examining the question of wasteful contracting practices, and I am hopeful that this independent audit will achieve greater efficiency in the program. The key is to make sure that we are not impeding EPA's ability to move forward with cleanups, and that we are imposing any proposed cuts on those areas of real inefficiency in the program.

I am pleased that the bill includes $3 million for grants under title III of Superfund Amendments and Reauthorization Act.

Mr. President, the conferees also agreed to include $500,000 for lake water quality activities at Cranberry Lake, Lake Wawayanda, Lake Marcia, and Sylvan Lake in my State of New Jersey. With this funding, the New Jersey Department of Environmental Protection will be able to perform studies and lake quality restoration work on at least four priority projects in New Jersey. These lakes and many others throughout my State which were once used for recreation are now suffering from the effects of pollution. This money is a step in the right direction toward cleaning up lakes around our State and returning them to their natural condition.

The bill also contains $1.5 million for the Integrated Pollution Prevention Initiative at the New Jersey Institute of Technology [NJIT].

In its 1987 report, "From Pollution To Prevention: A Progress Report On Waste Reduction," the Office of Technology Assessment found that pollution prevention efforts have proceeded slowly because industry lacks the information about the opportunities and benefits of source reduction. NJIT's proposal will help address the concerns raised in OTA's report.

Source reduction of chemicals, pollutants and wastes provides significant health and environmental benefits, as well as cost savings. NJIT has proposed a pollution prevention initiative that will bring together academic institutions, industry and the Federal Government in a multidisciplinary program that will seek increased utilization of waste reduction philosophies and techniques in industrial production.

NJIT is well equipped to carry out such an ambitious program. The Institute is home to EPA's Northeast Hazardous Substance Research Center and also houses a Hazardous Substance Management Research Center that has the participation of various academic institutions and 32 industrial members. Furthermore, NJIT has well-established management and public service programs that the school will utilize in conjunction with its technical programs in an effort to produce engineering and managerial professionals who will be able to fully incorporate pollution prevention strategies in the workplace.

Mr. President, I'm very grateful to the Senator MIKULSKI for including language in both the bill and report to stop EPA from any further spending on its proposed Environmental Technology or E-Tech Lab in Edison.

Last year, at my request the subcommittee included language in the fiscal year 1991 VA, HUD and Independent Agencies Appropriations Act that prohibited EPA from spending funds allocated in fiscal year 1988 for the design and renovation of the E-Tech lab. I requested that the subcommittee include this language because EPA had failed to adequately address the environmental concerns of local officials and the community. Furthermore, an informal EPA request for an additional $8,000,000 for the project raised serious questions about the overall scope and design of the project.

The intent of the language included in last year's act was to prohibit EPA from constructing the E-Tech facility and to see if the Agency could satisfy State and local concerns. However, EPA has done neither, despite the fact that Congress gave the Agency ample time to do so. During the past year opposition to the project has grown and EPA failed to include a request for E-Tech in its fiscal year 1992 budget proposal.

Given EPA's lack of a budget request and its failure to satisfy concerns in New Jersey, I asked Senator MIKULSKI to include language in the subcommittee's bill and report that would permanently halt construction of E-Tech.

To permit E-Tech to go forward, in the face of community opposition, and considering the densely populated nature of the area, makes no sense.

As a coauthor of Superfund Amendments and Reauthorization Act of 1986, I continue to support an effective Federal research effort to find ways to treat hazardous waste. At my request, the Senate Appropriations Committee urged EPA to put forth alternatives to E-Tech at Edison to promote a vigorous, national program of hazardous waste research. I hope EPA will take the committee's language to heart and come up with a safer alternative to E-Tech in the near future.

The bill before us also includes funding for efforts to control medical waste, which periodically soils the beaches of my State and others, and threatens the health and peace of mind of Americans. The conferees agreed to provide $1.2 million for grants to States like New Jersey to enforce the Medical Waste Tracking Act. The bill also requires the EPA to allocate sufficient funds within its budget to implement the act on the Federal level.

Mr. President, the bill is an important one for the protection of our Nation's environment and for the cleanup of pollution that scars our landscape and threatens the public health.

HOUSING AND COMMUNITY DEVELOPMENT

Mr. President, I want to comment on some items related to housing and community development that are of special interest to me.

First, I am very pleased that the conference report includes $165 million for the Public and Assisted Housing Drug Elimination Act. This program, which I developed about 3 years ago, provides much-needed assistance to housing authorities, owners of assisted housing, and residents of federally subsidized housing, to fight the plague of drug-related violence in many housing projects.

Mr. President, the residents of public and assisted housing, among the poorest of all Americans, are suffering disproportionately from the dramatic increase in drug-related crime over the past several years. Too many projects have become virtual war zones, controlled by armies of violent, heavily armed drug dealers. With severe violence routine, many residents, particularly young children, are afraid even to leave their apartments at night.

The Public and Assisted Housing Drug Elimination Act is the only Federal program designed specifically to deal with this problem, and is the most effective vehicle for such efforts. Last year, grants were awarded to 349 public housing authorities and 15 Indian housing authorities in 46 States, the District of Columbia and Puerto Rico. A new round of grant awards was announced by HUD earlier this week.

The $165 million provided in this bill represents the full amount requested by the administration for fiscal year 1992, and virtually the full authorized level of the program. It also includes $10 million that will be available for grants to owners of assisted housing projects, many of which face the same types of drug problems as those in public housing. Last year, with my support, the Congress expanded this program to include assisted housing.

As I have discussed in past statements, the owners of assisted housing have the primary responsibility for providing safe living conditions. However, many of these owners face an unforeseeable explosion in drug-related crime and lack the resources to respond effectively. Under these circumstances, their residents should not be left at the mercy of violent drug criminals.

The National Affordable Housing Act allows HUD to establish separate selection criteria for consideration of applications from owners of assisted housing. Given the limited funds available, I am hopeful that these selection criteria will help HUD target grants to assisted housing owners who could not otherwise meet their obligation to provide safe housing.

Another housing program in which I have been particularly involved is the HOME Program, which provides support for State and local governments, and nonprofit, community-based groups, for the development of affordable housing. The Community Housing Partnership title of the HOME Program is based on legislation I introduced in the 101st Congress, the Community Housing Partnership Act.

The conference report contains $1.5 billion for the HOME Program. Although somewhat lower than the $2 billion approved by the Senate, which I would have preferred, this should go a long way toward getting the program off the ground.

I am also pleased that the bill includes a significant increase for the Community Development Block Grant Program, to $3.4 billion. The CDBG Program is an essential tool for local governments seeking to meet urgent community development and housing needs. It deserves our strong support.

Mr. President, I also want to note the funding provided in the bill for public housing operating subsidies and modernization. Public housing authorities face enormous problems in their efforts to serve their residents, and to rehabilitate deteriorating projects. The funding provided in the conference report for operating subsidies and modernization is badly needed to better serve those who call public housing home.

Mr. President, I also want to take this opportunity to express my support for funding of the AIDS Housing Opportunities Act, a new program that was included in the omnibus housing bill last year. This program provides special housing assistance for people with AIDS. Under the program, funds are distributed largely to cities and States, which may use the funds for a number of housing services, including rental subsidies, construction of new housing, renovation of existing housing, homeless prevention programs, community residential facilities, information services, and other housing programs. Funding for the program is important given the severity of the AIDS crisis, and the difficulty that many of those with the disease face in securing housing.

I am pleased that the conference report includes $500,000 for a housing technology demonstration program that has been developed by the New Jersey Institute of Technology.

Given the severe shortage of affordable housing in much of the country, it is important that technologies be developed to reduce the costs of housing production. Yet presently, there are real disincentives for the home building industry to invest capital in the development of new technological innovations. These innovations typically require many years of work, and the expenditure of large sums to pay for research, development, material testing, and construction of prototypes, code testing and approvals, tooling, manufacturing and marketing. Given the fluctuations in the housing market, it is generally uncertain whether there will be a market after this lengthy process is complete.

A study by the New Jersey Institute of Technology found that there are many new ideas and technologies for improving housing quality and reducing costs that could be developed under the appropriate conditions. NJIT worked with a variety of building industry and State officials, and developed a proposal for a housing technology demonstration park for the design, development, and production of housing built with innovative materials, methods, and components. With the $500,000 provided in the conference report, this project should provide a useful vehicle to test, demonstrate, and market affordable housing technologies.

The NJIT initiative complements another important initiative on housing technology research that is funded in the bill, the provision for $1 million for the Research Center of the National Association of Home Builders.

Let me turn now to provisions in the conference report that will have a direct, positive impact on several specific communities in New Jersey.

First, the bill includes $2.5 million for the St. Joseph's School for the Blind in Jersey City, NY. This is the State's only school for the blind and multidisabled, and serves the needs of approximately 60 students. Over 50 percent of these students are from low-income families who receive public assistance.

Residential students at St. Joseph's are currently housed in old, cramped quarters on the second and third floor of the school. The proposed residential facility will be located off campus, to provide a more mainstreamed environment for the children and will be built on a parcel of land that the city of Jersey City donated to the school. The city has also proposed a comprehensive redevelopment plan for this section of Jersey City, called the Heights section, which will include a police and fire station, a water company building, a recreation area, and new and renovated housing.

The bill also includes $100,000 for improvements to the West Side Community Center in Asbury Park, NJ. This is a recreational center open to all community residents that serves as a hub for community activities, such as a summer day camp, drug abuse prevention classes, theater, sports, and child care.

The center has found that many senior citizens residing in the city are eating poorly, and wants to construct a kitchen that would be used to prepare hot meals for the elderly. In addition, the kitchen would be used for a summer box lunch program for youth, which would complement existing summer recreation programs at the center.

I also want to point out an allocation of $20,000 for a commercial redevelopment feasibility study for Clayton, NJ. Clayton is a small town with low- to middle-income families and many senior citizens on fixed incomes. The town is seeking to bring back its downtown, which has deteriorated, and is hoping to implement a plan to revitalize that area.

The bill also includes $50,000 for a feasibility study on the creation of a business park in Wildwood, NJ. Wildwood is a municipality that has suffered economically, and there is a real need to revitalize its downtown. This funding could help, by laying the groundwork for a business incubator that could offer reasonably priced space for various uses, such as factory outlet facilities, a vegetable produce center, and a retail outlet for handicapped and special education adults and youth. I am hopeful that the study can be completed for less than the full $50,000 in which case funds also could be applied to begin preliminary work on the project.

In addition, the bill includes $80,000 for an initiative to revitalize the central business district in Paulsboro, NJ. This initiative would be part of an effort to improve parking areas, store front facades, and the rehabilitation of a vacant building for senior citizen housing.

I also want to express my support for allocations that are provided in the conference report for Newark, NJ. These include funding for an international trade and convention center, for a literacy training project in public housing projects, and for renovation of storefront facades in the Four Corners area of the city. I also would note the $200,000 that has been provided for a revitalization initiative in Perth Amboy, NJ.

Mr. President, the New Jersey initiatives on which I have worked are consistent with the goals of Federal community development programs. They are important to the communities involved, and the many low- and moderate-income residents of these communities.

SCIENCE FUNDING

Mr. President, the conference report makes important investments in the development of American technology, and the preparation of America's next generation of scientists and innovators. It includes critical funding for the National Science Foundation and NASA, as well as research functions of the EPA, VA and HUD.

I am pleased that an increase in funding is included for two satellite systems—the Earth Observation System [EOS] and Landsat—that will improve the quality of our global climate research program. I was pleased to seek this funding and to work with the Chair on its inclusion in the Senate bill.

EOS is the cornerstone of the U.S. global climate and will provide the scientific community with the necessary data to understand the rate, causes and effects of global climate change, including such effects as climate warming, ozone depletion, deforestation and acid rain. This conference report provides $271 million for EOS, $80 million above last year's level. The bill also provides $2.5 million for long lead parts for Landsat 7, the next stage of the Landsat satellite system, which is also essential for global climate change research and also has national security applications. The Landsat system was used to collect information during Operation Desert Storm. I am proud that scientists and researchers at General Electric facilities in New Jersey are developing these innovative projects.

The bill also includes $3.1 million for the continued development of the rotary engine for general aviation aircraft, a project being developed in Wood-Ridge, NJ.

Within the appropriation for NSF, the bill also includes $465 million for the Education and Human Resource activities of NSF, $143 million over last year's level. The bill specifically includes $33 million for facilities modernization and instrumentation for our Nation's colleges and universities. The funding levels in the bill will enhance our efforts to prepare teachers of science, to support graduate research, and to upgrade the laboratories where America's scientists work. Our Nation's academic infrastructure is crumbling and the funding of this program takes a small step in rectifying this situation.

Mr. President, America's competitiveness depends on its technological edge. This measure before us makes an important investment in activities designed to keep that edge.

VETERANS PROGRAMS

Mr. President, I rise in support of the substantial commitment that is made in the conference agreement for the care of our Nation's veterans. Under tight budget constraints, the conference agreement includes substantial increases to meet the growing needs of those who served our Nation. I commend the Chair of the subcommittee, Senator MIKULSKI, and the ranking minority member, Senator GARN, for their steadfast support of our veterans.

The conference agreement includes significant funding for veterans medical services and programs, as well as for medical research and care, special pay for physicians, dentists and nurses, treatment of posttraumatic stress disorder, and housing for homeless veterans. Specifically, the conference agreement includes $227 million for VA medical research. It provides $13.5 billion for medical care. That is $225 million above the President's request for medical care.

Of particular importance to the veterans of New Jersey, where our hospitals have experienced difficulty attracting skilled medical personnel, the conference agreement also includes an additional $60 million over the administration's request for special pay for physicians and dentists, an additional $50 million for special pay for nurses, and an additional $75 million to hire over 1,500 nurses in areas of greatest need.

The conference agreement also includes $30 million for posttraumatic stress disorder, $10 million over the administration's request.

I also note that the report accompanying the Senate version of this bill has included language directing the Veterans Affairs Department to address the significant unmet need for magnetic resonance imaging services in New Jersey. The Senate Appropriations Committee has asked the Department to include an appropriate request in next year's budget to meet this need, and to also provide the committees with a report on this matter.

Mr. President, our military personnel have risked their lives to protect the national security of this country. I'm pleased that the Congress has approved these increases, to help heal the wounds that our veterans still have with them, and to meet their other health care needs. Our veterans deserve no less.

Finally, I want to thank Senators MIKULSKI and GARN for their help on these matters. They have done an excellent job with this bill in most respects, and they deserve a great amount of credit.

PRINTING ERROR

Ms. MIKULSKI. Mr. President, I would like to correct a printing error in the statement of the managers on H.R. 2519, the 1992 VA, HUD, and Independent Agencies Appropriations Act.

On page 24612 of the CONGRESSIONAL RECORD dated September 27, 1991, under amendment No. 35, a special purpose grant provides $575,000 for emergency construction of water lines in Auburn, MA, to address presently irreversible hazardous contamination of the sole source of water for certain sections of the town. The grant is for the town of Auburn, not Ashburn as printed in the RECORD. There is no Ashburn in Massachusetts.

Mr. President, I have discussed this matter with the minority and they agree that the grant is intended for Auburn, MA. Further, I understand that the House concurs that this was a printing error and was so noted when the conference report was before that body earlier today.

NASA ALTERNATE TURBOPUMP DEVELOPMENT COLLOQUY

Mr. HEFLIN. Mr. President, I would like to ask the chairwoman of the subcommittee about the Assured Shuttle Availability Program. I know the chairwoman and the members of her subcommittee are concerned about this program and particularly with the alternate turbopump development [ATP] portion of the program. Conferees have agreed to delete $40 million from the President's budget request and stated that they "believe that the fuel pump being developed under the ATP program should be terminated."

It has come to our attention that there remain some outstanding technical issues with the current hydrogen fuel pump, even though it has recently been fully certified. While these issues do not appear to be of overwhelming concern, they do suggest that it might be slightly premature to terminate the ATP Fuel Pump Program. In addition, the $40 million cut envisioned by the subcommittee will be absorbed by $25 million in cancellation expenses. For approximately $15 million we can have the insurance necessary for the Assured Shuttle Availability Program. Given these factors, is the chairwoman agreeable to terminating the program only after a study of the program has been conducted and presented at the NASA budget hearings for fiscal year 1993?

Ms. MIKULSKI. This is certainly an issue that NASA will have to address in its program operating plan which is due 30 days following enactment of this bill. NASA should carefully consider the concerns you raise, and we will review their recommendations.

USBI WATERJET TECHNOLOGY

Mr. HEFLIN. Mr. President, on past occasions, I have discussed the significant value of spinoff applications developed through our country's space program. I would like to take this opportunity today to mention a spinoff technology being developed by one of Alabama's premier space companies, USBI, a part of the United Technologies Corp.

USBI is a major contractor on NASA's space shuttle program. They are responsible for refurbishing, integrating, and recovering the non-motor portions of the two solid rocket boosters used on each launch. In the refurbishment process, USBI uses a high pressure waterjet process to remove the old thermal protective ablative [TPA] material from the nosecone, frustrum, and aft skirt portions of the solid rocket boosters. USBI developed this automated, robotic high pressure waterjet process to replace the original manual methods employed for removing the material.

As a spinoff application, USBI is using this technology as an alternative for stripping old paint from military and commercial aircraft as well as removing coatings from jet engine parts. The waterjet method is significantly faster than conventional chemical-based techniques, uses only minimal labor and most importantly, virtually eliminates the need for the use and disposal of toxic stripping chemicals. In addition, workers are not exposed to dangerous fumes, need not wear protective clothing, and use no solvents.

The U.S. Air Force was so impressed with the technology that they recently awarded USBI a $5.9 million Mantech contract—extendable to $9.6 million—for a large aircraft robotic paint stripping system [LARPS] that uses waterjet technology under robotic control. Further, a special task force of the International Air Transport Association [IATA], studying alternative techniques for paint stripping from aircraft, has endorsed waterjet technology as the most promising of several techniques under review.

The conventional technique for removing paint from aircraft skin is by using methylene chloride, a toxic solvent requiring workers to wear protective latex clothing and breathing apparatus. The conventional technique for removing coatings from aircraft engine parts for refurbishment requires submersion in toxic chemical baths and grit blasting. High pressure waterjet technology uses only water which makes it the most environmentally acceptable technique available today. In addition, waterjet technology is faster, less labor intensive, and does a better job, in many instances prolonging the life of the individual components.

Other applications identified for this spinoff waterjet technology include stripping paint from ships, railcars, and military combat vehicles, such as tanks.

One important result of USBI's analyses so far has been the fact that the cumulative savings in labor, faster throughput time, reduced disposal costs, and the elimination of toxic material handling costs are significant enough to pay for the investment in waterjet equipment over a very short time. In other words, waterjet pays for itself.

In summary, a new industry based on a NASA spinoff technology is emerging as the economically sound and environmentally safe technology for stripping paint and coatings from a variety of products, thereby eliminating a major use of toxic chemicals in American industry.

The PRESIDING OFFICER. Is there further debate on the conference report?

The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the Senate consider and concur in the amendments of the House en block, and that the motions to table and the motions to reconsider be agreed to en bloc, with the exception of amendment No. 21.

The PRESIDING OFFICER. Without objection, is is so ordered.

The amendments in disagreement considered and agreed to en bloc are as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2519) entitled "An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6, 10, 14, 28, 29, 30, 34, 49, 53, 71, 73, 74, 75, 76, 78, 80, 81, 85, 89, 92, 98, 106, 123, 124, 131, 139, 142, 147, 148, 153, 159, and 173 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$413,360,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$3,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$796,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Notwithstanding the funding limitations contained in section 346 of Public Law 100-322 (May 20, 1988), appropriations available to the Department of Veterans Affairs for fiscal year 1992 for the National Cemetery System shall be available for the operation and maintenance of the National Memorial Cemetery of Arizona (formerly the Arizona Veterans Memorial Cemetery): *Provided*, That the provisions of this paragraph regarding the National Memorial Cemetery of Arizona shall be effective until (a) enactment into law of legislation concerning funding for the National Memorial Cemetery of Arizona or (b) November 30, 1991, whichever first occurs.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 25 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$95,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 26 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$95,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 35 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

[INCLUDING RESCISSION OF FUNDS]

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $8,070,201,000, to remain available until expended: *Provided*, That to be added to and merged with the foregoing amounts, there shall be $2,287,000,000, consisting of $537,000,000 of budget authority previously made available under this head for nonincremental purposes which remains unreserved at the end of fiscal year 1991; and $1,750,000,000 of section 8 funds arising from the conversion of the new capital advance program of projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act: *Provided further*, That, from the foregoing total of $10,357,201,000, $227,170,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb); $573,983,000 shall be for the development or acquisition cost of public housing, including $15,719,158 for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzales National Affordable Housing Act (Public Law 101-625), and, notwithstanding the 20 per centum limitation under section 5(j)(2) of the Act, of the $573,983,000 for the development or acquisition of public housing, $200,000,000 shall be awarded competitively for construction or major reconstruction of obsolete public housing projects, other than for Indian families; *Provided further*, That of the $10,357,201,000 total under this head, $2,800,975,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including funds for the comprehensive testing, abatement, and risk assessment of lead, of which $25,000,000 shall be for the risk assessment of lead and $5,000,000 shall be for technical assistance and training under section 20 of the Act (42 U.S.C. 1437r), and $7,437,600 shall be for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $10,357,201,000 total under this head, $915,750,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f), including $50,000,000 for a Foster Child Care demonstration program involving 11 States, $12,840,790 for a demolition/disposition demonstration program in Saint Louis, Missouri pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and $20,000,000 for a demonstration involving five cities with populations exceeding 400,000 in metropolitan areas with populations exceeding 1,500,000, under which the Secretary shall carry out metropolitan-wide programs, designed to assist families with children to move out of areas with high concentrations of persons living in poverty, through contracts with nonprofit organizations and through annual contributions contracts with public housing agencies for administration of housing assistance payments contracts: *Provided further*, That of the $10,357,201,000 total provided under this head, $794,167,000, shall be for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o); $2,300,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended, including $70,000,000 which shall be for rental adjustments resulting from the application of an annual adjustment factor in accordance with section 801 of the Department of Housing and Urban Development Reform Act of 1989 (P.L. 101–235); $618,462,000 shall be for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intent to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and of the $618,462,000 made available for such assistance, up to $25,000,000 shall be for use by nonprofit organizations, pursuant to the Emergency Low Income Housing Preservation Act of 1987, as amended by the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and for tenant and community-based nonprofit education, training and capacity building and the development of State and local preservation strategies; $88,884,000 shall be for section 8 assistance for property disposition; and $257,000,000 shall be for loan management: *Provided further*, That any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1) (42 U.S.C. 1437f(b)(1)) shall be obligated for a contract term that is no more than five years: *Provided further*, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b) and 8(o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: *Provided further*, That up to $167,000,000 of amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and, except as herein provided, for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1992, shall be rescinded: *Provided further*, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall not be rescinded, or in the case of cash, shall not be remitted to the Treasury, and such amounts of budget authority or cash shall be used by State housing finance agencies in accordance with such section: *Provided further*, That of the $10,357,201,000 total, $50,000,000 shall be for housing opportunities for persons with AIDS under Title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) and $50,000,000 shall be for grants to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately-owned rental units: *Provided further*, That such grant funds shall be available only for projects conducted by contractors certified and workers trained through a federally or State-accredited program: *Provided further*, That, to be eligible for such grants, States and units of general local government must demonstrate the capabillity to identify significant-hazard housing units, to oversee the safe and effective conduct of the abatement, and to assure the future availability of abated units to low- and moderate-income persons; and $4,200,000 shall be for the housing demonstration under section 304(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $54,250,000 earmarked in Public Law 101–507 for special purpose grants (104 Stat. 1351, 1357), $667,000 made available for the city of Chicago to assist the Ashland II Redevelopment Project shall instead be made available for the city of Chicago to assist the Marshway Project: *Provided further*, That notwithstanding the language preceding the first proviso of this paragraph, $150,000,000 shall be used for special purpose grants in accordance with the terms and conditions specified for such grants in the committee of conference report and statement of managers (H. Rept. 102–226) accompanying this H.R. 2519, including $500,000 for the city of Kansas City, Kansas to operate a social service center.

Of the $10,357,201,000 total under this head, $538,808,000 shall be for capital advances for housing for the elderly as authorized by section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $451,200,000 shall be for project rental assistance for supportive housing for the elderly under such section 202(c)(2) of the Housing Act of 1959; $148,700,000 shall be for amendments to rental assistance contracts for projects for the elderly that receive capital advances or projects reserved under section 202 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act; and $16,250,000 shall be for service coordinators pursuant to section 202(g) of the Housing Act of 1959, as amended by section 808 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided*, That to the extent that the funding provided herein for rental assistance contracts for the elderly that receive capital advances is insufficient to match the units provided through capital advances, funds deemed excess in other section 8 programs may be added to and merged with the rental assistance funding to ensure that sufficient rental assistance units are available.

Of the $10,357,201,000 total under this head, $102,860,000 shall be for capital advances for housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $100,159,000 shall be for project rental assistance for persons with disabilities under section 811(b)(2) of the Cranston-Gonzalez National Affordable Housing Act; and $23,300,000 shall be for amendments to rental assistance contracts for projects for the handicapped that receive capital advances, including projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act.

The Secretary of Housing and Urban Development shall make a commitment and provide capital advance assistance under section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, or section 811 of such Act if the project is for persons with disabilities, for any project for which there is a loan reservation under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act, if the loan has not been executed and recorded, and if the project is making satisfactory progress under 24 CFR section 885.230: *Provided*, That the Secretary shall not make such commitments and provide such capital advances assistance before January 1, 1992: *Provided further*, That the Secretary shall have the discretion until April 1, 1992 not to terminate a project and not to convert a project to capital advance assistance: *Provided further*, That upon converting a project to capital advance assistance, the loan reservation for such project shall be terminated: *Provided further*, That a project not making satisfactory progress under 24 CFR section 885.230 shall not have its loan reservation terminated before January 1, 1992, and the Secretary shall ensure that the processing of all projects through loan execution and recordation or the making of the capital advance is expedited, and that no project being so processed shall have the order in which it is processed arbitrarily changed: *Provided further*, That an owner of a project that is converted pursuant to this paragraph shall be permitted voluntarily to provide funds for capital costs in addition to the capital advance, from debt or other non-Federal sources.

With respect to each project that has a loan reservation terminated pursuant to the immediately foregoing paragraph, the Secretary of Housing and Urban Development shall convert each funding reservation that was made under section 8 of the United States Housing Act of 1937 or section 202(h) of the Housing Act of 1959, before enactment of the Cranston-Gonzalez National Affordable Housing Act, to a commitment for project rental assistance under such section 202 as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act or section 811 of the Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, $7,355,128,000, to remain available until expended: *Provided*, That funds provided under this paragraph may not be obligated for a contract term is less than five years: *Provided further*, That the Secretary may maintain consolidated accounting data for funds disbursed at the Public Housing Agency or Indian Housing Authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts.

Further, for the foregoing purposes, $850,000,000, to become available for obligation on October 1, 1992, and to remain available for obligation until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For those projects in the State of Maine, the owners of which have converted their section 23 leased housing contracts (former section 23 of the Act, as amended by section 103(a), Housing and Urban Development Act of 1965, Public Law 89–117, 79 Stat. 451, 455) to section 8, the subsidy provided shall be for a five-year extension of such projects' current housing assistance payments contracts.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided*, That of the funds provided under this heading, $294,156,000 shall not become available for obligation until September 20, 1992."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 58 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided*, That there shall be established, in the Office of the Secretary, an Office of Lead Based Paint Abatement and Poisoning Prevention to be headed by a career Senior Executive Service employee who shall be responsible for all lead-based paint abatement and poisoning prevention activities (including, but not limited to, research, abatement, training regulations and policy development): *Provided further*, That such office shall be allocated a staffing level of 20 staff years."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 67 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Notwithstanding any other provision of law or other requirement, the city of Vallejo, California, is authorized to retain any land disposition proceeds or urban renewal grant funds that remain after the financial close-out of the Marina Vista Urban Renewal Project, and to use such funds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The city of Vallejo shall retain such funds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such funds, including any interest.

Notwithstanding any provision of law or other requirement, the Urban Renewal Authority of the City of Oklahoma City, in the State of Oklahoma, is authorized to retain any land disposition proceeds and other income from the financially closed-out Central Business District Number 1A Urban Renewal Project (OKLA. R–30) and John F. Kennedy Urban Renewal Project (OKLA. R–35) in accordance with the close-out Agreements executed pursuant to 24 CFR 570.804(b)(5) October 16, 1979, and concurred in by the Secretary, which agreements obligated such proceeds to completion of project activities in consideration for the reduction of an approved categorical settlement grant in satisfaction of the repayment requirements of 24 CFR 570.486. The Urban Renewal Authority of the City of Oklahoma City shall retain such proceeds and other income in a lump sum and shall be entitled to retain and use, subject only to the provisions of 24 CFR 570.504(b)(5), such past and future proceeds, including any interest, for the completion of such project activities.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 70 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsection:

"(p) With respect to amounts available for obligation on or after October 1, 1991, the criteria established under section 213(d)(5)(B) of the Housing and Community Development Act of 1974 for any competition for assistance for new construction, acquisition, or acquisition and rehabilitation of public housing shall give preference to applications for housing to be located in a local market area that has an inadequate supply of housing available for use by very low-income families. The Secretary shall establish criteria for determining that the housing supply of a local market area is inadequate, which shall require—

"(1)(A) information regarding housing market conditions showing that the supply of rental housing affordable by very low-income families is inadequate, taking into account vacancy rates in such housing and other market indicators; and

"(B) evidence that significant numbers of families in the local market area holding certificates and vouchers under section 8 are experiencing significant difficulty in leasing housing meeting program and family-size requirements; or

"(2) evidence that the proposed development would provide increased housing opportunities for minorities or address special housing needs.".

Section 14(k)(5)(A) of the Housing Act of 1937, as amended, is hereby amended as follows:

By striking in the first sentence thereof the word "initial".

In subsection (i) thereof by substituting the phrase "for each of the preceding three fiscal years" for the phrase "for each of fiscal years of 1989, 1990 and 1991".

Adding a new subsection (iii) which provides: "(iii) In determining whether an agency is 'troubled with respect to the modernization program', the Department shall consider only the agency's ability to carry out that program effectively based upon the agency's capacity to accomplish the physical work: (a) with decent quality; (b) in a timely manner; (c) under competent contract administration; and (d) with adequate budget controls. No other criteria shall be applied in the determination.".

Section 14(k)(5)(E) of said Act is repealed.

No appropriated funds may be used to implement the rule proposed in 56 Federal Register 45814, September 6, 1991 relating to "Low-income Public and Indian Housing—Vacancy Rule" or any revision thereof or any other rule related or similar thereto.

Section 6(j)(1) of the Housing Act of 1937, 42 U.S.C. 1437 d(j)(1), [section 502 (a) of the National Affordable Housing Act] is amended as follows:

(1) by adding at the end of subparagraph (H) the following language: "which shall not exceed the seven factors in the statute, plus an additional five"; and

(2) by adding as subparagraph (I) the following:

(I) "The Secretary shall: (1) administer the system of evaluating public housing agencies flexibly to ensure that such agencies are not penalized as result of circumstances beyond their control; (2) reflect in the weights assigned to the various indicators the differences in the difficulty of managing individual projects that result from their physical condition and their neighborhood environment; and (3) determine a public housing agency's status as "troubled with respect to the program under section 14" based upon factors solely related to its ability to carry out that program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 72 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

The Secretary of Housing and Urban Development shall transfer title to the repossessed property know as the Roosevelt Homes Project (No. 074–84006) located in Davenport, Iowa, to a nonprofit organization. Such property shall be used only for the provision of an integrated program of shelter and social services to the homeless, or for other nonprofit uses, for a period of not less than 20 years following the date of the transfer. Use of the transferred property before the expiration of the 20-year period following the date of the transfer for any purpose other than those described herein shall cause title to revert back to the Secretary of Housing and Urban Development. The nonprofit organization selected by the Department shall have the right house or not use the section 8 certificates attached to the property.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 77 to the aforesaid bill, and concur therein with an amendment as follows:

At the end of the matter inserted by said amendment, insert:

Hereafter, until the Department of Housing and Urban Development has adopted regulations specifying the nature and quality of insurance covering the potential personal injury liability exposure of public housing authorities and Indian housing authorities (and their contractors, including architectural and engineering services) as a result of testing and abatement of lead-based paint in federally subsidized public and Indian housing units, said authorities shall be permitted to purchase insurance for such risk, as an allowable expense against amounts available for capital improvements (modernization): *Provided*, That such insurance is competitively selected and that coverage provided under such policies, as certified by the authority, provides reasonable coverage for the risk of liability exposure, taking into consideration the potential liability concerns inherent in the testing and abatement of lead-based paint, and the managerial and quality assurance responsibilities associated with the conduct of such activities.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Section 14(a) of the Housing Act of 1937, as amended, (42 U.S.C. 14371(a)) is amended by:

(1) striking "and" at the end of clause "(1)";

(2) adding clauses (3), (4), and (5) as follows:

"(3) to assess the risks of lead-based paint poisoning through the use of professional risk assessments that include dust and soil sampling and laboratory analysis in all projects constructed before 1980 that are, or will be, occupied by families; and

"(4) to take effective interim measures to reduce and contain the risks of lead-based paint poisoning recommended in such professional risk assessments;

"(5) the costs of testing, interim containment, professional risk assessments and abatement of lead are eligible modernization expenses. The costs of professional risk assessment are eligible modernization expenses whether or not they are incurred in connection with insurance and costs for such assessments that were incurred or disbursed in fiscal year 1991 from other accounts shall be paid or reimbursed from modernization funds in fiscal year 1992."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 95 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided further*, That of the amount provided under this heading, up to $1,000,000 shall be available for the Chemical Safety and Hazard Investigation Board, as authorized by the Clean Air Act Amendments of 1990 and up to the sum of $17,000,000 shall be for subsidizing loans under the Asbestos School Hazard Abatement Act, and $2,400,000 shall be for administrative expenses to carry out the loan and grant program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 107 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$1,948,500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 111 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: $340,000,000 shall be for making grants under title II of he Federal Water Pollution Control Act, as amended, to the appropriate instrumentality for the purpose of constructing secondary sewage treatment facilities to serve the following localities, and in the amounts indicated:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 112 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Back River Wastewater Treatment Plant, Maryland, $40,000,000; Boston, Massachusetts, $100,000,000;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 119 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken by said amendment, insert "*Provided further*, That the U.S. Environmental Protection Agency shall not prohibit the Massachusetts Water Resources Authority (MWRA) from utilizing the most appropriate technology for the treatment, disposal, and or beneficial re-use of sludge, unsold fertilizer pellets, and grit and screenings outside the Commonwealth of Massachusetts through lease, contract, or by other legal means. The EPA may require sufficient backup capacity for the disposal or treatment of sludge in the Commonwealth through ownership, lease, contract, or by other legal means. The MWRA shall not be required to construct a backup landfill of facility if other alternatives approved through EPA NEPA review of MWRA long-term residuals management, are or become available through ownership, lease, contract, or other legal means prior to September 1, 1992, and as long as such alternatives remain available.

"Any facility or technology used by the MWRA shall meet all applicable federal and state environmental requirements. Any facility or technology must be on-line when a contract between the MWRA and NEFCO, which is responsible for the marketing and disposal of sludge, expires in 1995"

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 121 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the Environmental Protection Agency shall not exceed: (1) 51 workyears for the Immediate Office of the Administrator, (2) 45 workyears for the Office of Congressional and Legislative Affairs, (3) 77 workyears for the Office of Communications and Public Affairs, (4) 187 workyears for the Office of General Counsel, (5) 61 workyears for the Office of International Activities, (6) 32 workyears for the Office of Federal Activities, (7) 259 workyears for the Office of Policy, Planning, and Evaluation, and (8) 1,386 workyears for the Office of Administration and Resource Management.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 122 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "The Administrator shall establish, within 60 days of enactment of this Act, a new staff of 5 workyears within the Immediate Office of the Administrator, which shall be responsible for guiding, directing, and mediating all policy activities associated with Pollution Prevention. The Pollution Prevention Policy Council shall be chaired by the Deputy Administrator".

Resolved, That the House receded from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided*, That notwithstanding any other provision of law, that Office may accept and deposit to this account, during fiscal year 1992, gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and educational materials; may expend up to $1,100,000 of those gifts for those purposes, in addition to amounts otherwise appropriated; and the balance shall remain available for expenditure for such purposes to the extent authorized in subsequent appropriation Acts"

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 146 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the National Aeronautics and Space Administration shall not exceed: (1) 51 staff years for the Office of the Administrator; (2) 117 staff years for the Office of the Comptroller; (3) 56 staff years for the Office of Commercial Programs; (4) 191 staff years for the Office of Headquarters Operations; (5) 30 staff years for the Office of Equal Opportunity Programs; (6) 43 staff years for the Office of the General Counsel; (7) 132 staff years for the Office of Procurement; (8) 4 staff years for the Office of Small and Disadvantaged Business Utilization; (9) 33 staff years for the Office of Legislative Affairs; (10) 520 staff years for the Office of Space Flight, including Level I and Level II Activities for the Space Station; (11) 210 staff years for the Office of Management; (12) 62 staff years for the Office of Space Operations; (13) 64 staff years for the Office of Public Affairs; (14) 183 staff years for the Office of Safety and Mission Quality; (15) 172 staff years for the Office of Aeronautics, Exploration and Technology; (16) 288 staff years for the Office of Space Science and Applications; and (17) 77 staff years for the Office of External Relations: *Provided*, That the Administrator may reorganize these offices and reallocate the staff years among these offices as long as the aggregate number of staff years at NASA Headquarters does not exceed 2,220 staff years: *Provided further*, That no funds may be used from amounts provided in this or any other Act for details of employees from any organization in the National Aeronautics and Space Administration to any organization included under the budget activity "Research and Program Management," except those details which involve developmental or critical staffing assignments: *Provided further*, That, of the amount provided for "Research and Program Management," up to $675,722,000 may be transferred to "Research and Development" and "Space Flight, Control and Data Communications," and of this amount such sums as may be necessary are provided for the lease, hire, maintenance and operation of mission management aircraft: *Provided further*, That the funds made available in the preceding proviso may only be used for the purpose of operations of facilities: *Provided further*, That, notwithstanding any provision of this or any other Act, not to exceed an additional $100,000,000 may be transferred or otherwise made available, using existing or future authority, to the National Aeronautics and Space Administration in fiscal year 1992 from any funds appropriated to the Department of Defense and such funds may only be provided to the "Space flight, control and data communications" appropriation: *Provided further*, That the limitation in the immediately preceding proviso shall not apply to funds transferred or otherwise made available under existing reimbursement arrangements.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 150 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert "$1,879,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 151 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

ACADEMIC RESEARCH FACILITIES AND INSTRUMENTATION

For necessary expenses in carrying out an academic research facilities and instrumentation program pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $33,000,000, to remain available until September 30, 1993.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 156 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided further*, That up to $9,000,000 may be transferred to and merged with funds made available under "United States Antarctic Research Activities": *Provided further*, That notwithstanding section 104 of the National Science Foundation Authorization Act of 1988 (Public Law 100–570), no funds appropriated to the National Science Foundation under this Act may be transferred among appropriations accounts.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 162 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert ": *Provided*, That of the new budget authority provided herein, $5,000,000 shall be for the purpose of providing local neighborhood revitalization organizations revolving homeownership lending capital, and equity capital for affordable lower-income rental and mutual housing association projects, to remain available until September 30, 1994: *Provided further*, That the $5,000,000 shall be available for obligation to Neighborhood Reinvestment Corporation in quarterly payments of $625,000 beginning with September 1 of fiscal year 1992"

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The Office of Inspector General of the Resolution Trust Corporation shall review by September 30, 1993, each of the agreements described in section 31(A)(b)(11)(B) of the Federal Home Loan Bank Act and determined whether there is any legal basis sufficient for a rescission of the agreement, including but not limited to, fraud, misrepresentation, failure to disclose a material fact, failure to perform under the terms of the agreement, improprieties in the bidding process, failure to comply with any law, rule or regulation regarding the validity of the agreement, or any other legal basis sufficient for rescission of the agreement. After such review has been completed, and based upon the information available to the Inspector General, the Inspector General shall certify its findings to the Resolution Trust Corporation and to the Congress: *Provided*, That any agreement which has been renegotiated and certified pursuant to section 518(b) of this Act may be excluded from further review under this provision based upon a review by the Inspector General of the appropriate evidence, and a determination that the government has achieved significant and substantial savings as a result of the renegotiation: *Provided further*, That the Inspector General report the basis for the exclusion in writing to Congress prior to any exclusion of further review under this provision.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 168 to the aforesaid bill, and concur therein with an amendment as follows:

At the end of the matter inserted by said amendment, insert:

(d) The provisions of this section shall be effective until (1) enactment into law of legislation concerning the price of drugs and biologicals paid by the Department of Veterans Affairs or (2) June 30, 1992, whichever first occurs.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 172 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 521. Notwithstanding any provision of this Act, none of the funds appropriated or otherwise made available by this Act or by any other Act may be used to move Federal Housing and Urban Development offices from downtown Jacksonville, Florida, (as defined by the Downtown Development Authority of Jacksonville) or to finance the operation of such Federal Housing and Urban Development offices in any area of Florida other than the downtown area of Jacksonville, Florida (as defined by the Downtown Development Authority of Jacksonville).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 174 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 526. ESTABLISHMENT OF REGIONAL OFFICE.—The President may establish within the Environmental Protection Agency an eleventh region, which will be comprised solely of the State of Alaska, and a regional office located therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 175 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 527. EXTENSION OF PERIOD APPLICABLE TO SINGLE FAMILY HOUSING.—(a) IN GENERAL.—Section 21A(c)(2)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(2)(B)) is amended by striking "3-month" each place it appears and inserting "3-month and one week".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to eligible single family properties acquired by the Resolution Trust Corporation on or after the date of enactment of this Act.

AMENDMENT NO. 1250 TO HOUSE AMENDMENT TO SENATE AMENDMENT NO. 21

(Purpose: To assure full and complete compliance by Department of Veterans Affairs laboratories of quality assurance standards mandated by the Public Health Service Act)

Ms. MIKULSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Ms. MIKULSKI] proposes an amendment numbered 1250 to the amendment of the House to the amendment of the Senate No. 21.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed by the amendment of the House to the amendment of the Senate numbered 21, insert the following:

SEC. 101. (a) REGULATIONS FOR STANDARDS OF PERFORMANCE IN DEPARTMENT OF VETERANS AFFAIRS LABORATORIES.—(1) Within the 120-day period beginning on the date on which the Secretary of Health and Human Services promulgates final regulations to implement the standards required by section 353 of the Public Health Service Act (42 U.S.C. 263a), the Secretary of Veterans Affairs, in accordance with the Secretary's authority under title 38, United States Code, shall prescribe regulations to assure consistent performance by medical facility laboratories under the jurisdiction of the Secretary of valid and reliable laboratory examinations and other procedures. Such regulations shall be prescribed in consultation with the Secretary of Health and Human Services and shall establish standards equal to that applicable to other medical facility laboratories in accordance with the requirements of section 353(f) of the Public Health Service Act.

(2) Such regulations—

(A) may include appropriate provisions respecting waivers described in section 353(d) of such Act and accreditations described in section 353(e) of such Act; and

(B) shall include appropriate provisions respecting compliance with such requirements.

(b) REPORT.—Within the 180-day period beginning on the date on which the Secretary of Veterans Affairs prescribes regulations required by subsection (a), the Secretary shall submit to the appropriate Committees of the Congress a report on those regulations.

(c) DEFINITION.—As used in this section, the term "medical facility laboratories" means facilities for the biological, micro-biological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological, or other physical examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings.

Ms. MIKULSKI. Mr. President, I want to bring to the Senate's attention that the amendment does the following things: No. 1, it clarifies that the clinical lab standards issued by the VA must equal those required under HHS regulations; and No. 2, it tells the VA

Secretary to report on its implementation of these regulations.

I urge its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1250 to House amendment to Senate amendment No. 21) was agreed to.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

Ms. MIKULSKI. Mr. President, we are in the closing hours of this Senate's meeting this week. I wanted to just take a few minutes to talk about what we just did. The U.S. Senate has just adopted the VA-HUD and independent agencies bill. I want to thank my ranking minority member for the cooperation he has given me in fashioning legislation that I think will meet the needs of veterans, housing, the environment, as well as our space program.

We had a list of three priorities: what we "must do"; what we "should do"; and what we would "like to do." We have done our best to fund those items on the "must do" list. We got to some of the items on the "should do" list. But I would be less than honest with my colleagues if I said that the legislation contained everything I would "like to do."

Mr. President, there is an enormous challenge facing this country on how we can meet those needs but I believe that veterans, those who find the need for housing, those who wish to protect our environment, those who protected our country, and those who are doing the scientific explorations for our country both as astronauts and those working in laboratories will feel that this subcommittee did its job.

I would like to think my staff for its cooperation, and the cooperation of the ranking minority staff for what we were able to do.

Mr. President, before I yield to the ranking minority member, I must clarify what we have just done however on the amendment in disagreement.

The House offered to the Senate an amendment of disagreement because they believed the VA should be in a position to police themselves on the quality in labs. It was the Senate's thrust that VA should follow explicitly the same rules and regulations of the private sector hospitals. Unfortunately, we got into a very prickly parliamentary situation.

But, Mr. President, I do not want to hold up the VA-HUD bill because of the internal politics of the House of Representatives and the U.S. Senate. A fiscal year has begun, and I believe we needed to get our money out to make sure that our space program was working, that we were going to meet the needs of the homeless, and that we were going to make sure that money was going into the VA hospitals for those personnel, doctors, and physicians whom I salute.

But I believe that the chairman of the House authorizing committee was mislead by the head of the VA medical care system. The gentleman who chairs the VA authorizing committee is indeed an extraordinary person. He was a general in our Armed Forces. He is a war hero. He wants to do best for what is there for the veterans.

But I will tell you the person who chairs the VA medical system wanted VA medical care to be exempted from the clinical laboratory standards that we now intend to hold to the private sector. This is the same medical care operation that presided over the horror stories that we saw at Cleveland Hospital where it resulted in terrible injury, deaths in a Chicago hospital, and in a Boston hospital where female patients were not given the VA mandated Pap smears and mammograms.

I was deeply disappointed at the way the VA bureaucracy tried to manipulate the processes of this institution. I am not going to get into temper-tantrum politics here. Our veterans deserve more than yellow ribbons. This is one Senator that is going to make sure that they get it.

But I will tell you, I pledge to the veterans of the United States of America that I will do all in my power to see to it that the clinical laboratories of the VA are up to the same duty as the men and women of our armed services. And I will have more to say about the VA bureaucracy at another time.

I am sorry we have had to come to a prickly relationship on this. But right now I am proud of the bill. I am willing to do the compromise because I will tell you: I want to make sure that we meet the high tech needs of the United States of America. This bill has done it. I am proud to Chair it.

I look forward to hearing the remarks from our ranking minority member.

Mr. GARN. Mr. President, I ask unanimous consent that the Senate concur in the House amendment as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

MORNING BUSINESS

Mr. KERRY. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SITUATION IN HAITI

Mr. KERRY. Mr. President, a little while ago the Senate adopted a resolution regarding the situation in Haiti by a vote of 97 to 0. It is obviously a broad statement about how we feel about Haiti. I wanted to take a minute if I may to suggest to colleagues and particularly to the administration that a resolution such as we have just agreed to is really only scratching at the surface of what needs to be done with respect to the situation in Haiti.

The U.S. Senate adopting the resolution today is an important statement, but that is all it is. It is a statement. It is not enough. I have heard some people in the public and also some here in the Senate suggest that what has happened in Haiti could conceivably be of little consequence to the United States. They view it as perhaps just another chapter in the sad history of a country that seems to be impossible to govern.

And they may view it as something that is regrettable, but also as something about which there is very little that the United States can really do. So, for many of these people, the passing of the resolution might be the end of the exercise.

I want to respectfully suggest—and I personally believe very deeply—that there is a very different view of the importance of what has happened in Haiti, and I believe that the coup directly threatens very real interests of the United States, not only because United States citizens are there—and that is of concern—but, also, importantly, because of the potential message that this coup sends elsewhere in the hemisphere at a time when most of us have been hoping that democracy is really on its road in this hemisphere.

I particularly think quickly of the message that might be sent up to Guatemala or El Salvador. This coup in Haiti is a body blow to democratic ideals, and to the aspirations of the people of Haiti and, indeed, the people of this hemisphere. The most recent elections were the fairest and the freest in the history of Haiti.

Father Aristide is perhaps the most popular political leader in Haitian history. And unless we take steps to help to ensure—not to ensure on our own, but to help to ensure his return to power, then I am convinced we will encourage every two-bit, would be dictator in the hemisphere to think seriously about the prospect of overturning democracy, thereby, testing our own resolve and our own willingness to back up democratic rhetoric with effective action.

Mr. President, there are both humanitarian and historical reasons why this coup cannot be allowed to prevail. The United States does not have a proud record or a proud history in Haiti. We did not recognize the independence of Haiti for almost 60 years, because we were a slave-holding country, and Haiti was a republic founded by former slaves.

Early in this century, we sent in marines, not to help Haiti, but fundamentally to protect the economic interests of American companies. Later, we learned to live with, and even support, the brutal regimes of "Papa Doc" Duvalier and his notorious son.

In recent years, we have assured the Haitian people that those days are past, and we have told them we are going to do all we can to support real freedom in their country. I think this is a moment of truth for that commitment and, most important, it is a moment of truth for that commitment close to home, not many thousands of miles away in the desert, or even in the Far East.

During the past couple of days, I have heard some people say, "Well, do not worry. The Haitian people will not allow this coup to stand. They are going to take to the streets, and the military will eventually have to give in."

Well, Mr. President, maybe that is correct. I did not know the answer to that. But I think we ought to stop and ask ourselves, if that is true, how many Haitians are going to have to die for that freedom before the freedom is restored? We have to remember that the Haitian people have really paid an extraordinary price of tyranny over and over again with their bodies, blood, and lives. We really cannot, in good conscience, simply sit back and wait for them to take this matter into hand.

So I do not accept the view of some that what is happening in Haiti is simply an internal matter. The survival of democracy is of international concern. We have so stated over and over again. The preservation of human lives is far more important than any international boundary.

I congratulate the administration for terminating aid to Haiti, and for seeking an emergency meeting of the foreign ministers of the OAS. That is a correct step to take, initially, but it is only an initial step. There is more.

I suggest, Mr. President, that first we must see to it that the prohibitions on aid to the new regime are fully enforced and are supported around the world with the same kind of energy that we attempted to do so with respect to Iraq. The sanctions should apply, not only to direct aid, but to trade in weapons, petroleum, vehicles and any other products that have significant military value.

Second, we should take steps to freeze any and all assets belonging to the Government of Haiti that are in the United States, and seek international support to freeze assets that may be located elsewhere around the world. The military should simply not be allowed to plunder the very limited resources of the Haitian people during this interval.

Third, we should consult with Father Aristide who, I understand, will be here tomorrow for the purpose of developing a plan for further actions leading to his return to power. With his concurrence, and with the example of the Persian Gulf in mind, we should, in fact, make it clear to the military in Haiti that the international community intends to restore democratic rule by any means necessary. That means we should also be willing to consider the use of force, which has been used previously, but this time, similar to the way we did in bringing order out of chaos in Granada, or to arrest General Noriega, or even to remove a dictatorship in Kuwait; that is something that should be considered.

I am not suggesting that it should be used immediately. But clearly, the Government of Haiti—the legitimate government—should know that our country is willing to place that option on the table. And, most important, the military thugs in Haiti should understand the willingness of the world to begin that consideration. Experts will decide precisely exactly when and how force might best be applied. But the message to the coup leaders in Haiti has to be clear, and it has to be decisive: You can give up now, or you can give up later, but you will give up.

Fourth, we ought to support an international response to the coup, not only in the regional forum of the OAS, as the administration has commenced, but in the Security Council of the United Nations, as well.

Finally, Mr. President, I might add that we here in the United States, in the wake of this, ought to really review the events leading up to the coup, and consider whether or not we have experienced one more failure of intelligence, and whether or not there might have been steps that we could have taken prior to this happening in order to prevent it from happening.

In closing, what we did earlier is important, but it is only a first step. It is vital that we have the administration articulate a concerted plan of action aimed at restoring democratic rule in Haiti. If ever a country deserved a chance to build, grow, and prosper, it is Haiti. If ever a people deserve the opportunity to live the freedom they have waited for, it is in Haiti. And if ever a nation deserved help in that effort, considering the other nations that we have helped, which have, frankly, been less deserving because of their less concerted efforts to develop democracy, then that country that deserves the help is Haiti.

This is not an issue that has two sides. And if what is happening in Haiti today is not wrong, then I do not think anything can be judged to be wrong. I think we all understand that, and I hope the President will move with the same authority and with the same skill that he and Secretary Baker did on a number of other issues that have been of equal concern, in order to try to send this message very firmly and clearly to restore democracy in Haiti.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are in morning business.

SANCTIONS AGAINST SERBIA

Mr. DOLE. Mr. President, I rise today in support of the legislation imposing restrictions on United States assistance to Serbia and imposing a trade embargo against Serbia, introduced by the distinguished Senator from New York [Mr. D'AMATO]. A war has been raging in Croatia since June, when Croatia declared its independence—over 1,000 people have died. And, there are signs that this war could spread to Bosnia-Hercegovina. In the Province of Kosova, a silent war has been underway for almost 3 years. During that time, the 2 million Albanians in Kosova have lived under marital law—they have lost their jobs, their schools, their rights and their lives.

There is no doubt that the hardline President of the Republic of Serbia is responsible for the tragic situation in Kosova and that he is orchestrating the war against Croatia. Our State Department and the European Community have clearly indicated that he is actively supporting and encouraging the use of force in Croatia by Serbian militants and the Yugoslav military.

Mr. President, it is high time that we take the necessary steps to end the inhumane aggression perpetrated by Serbian President Milosevic.

Our Government must get off the fence, and get on the right side—the side of freedom—in Yugoslavia.

America needs to do what is right and to stand on the side of democracy, human rights and self-determination.

And I am here today because I believe that this bill puts us on the right side—and does so not just with words, but with action.

In recent months, we have seen countless pictures of bombed buildings, crying mothers, and families fleeing into bomb shelters.

Last year, I saw that same suffering in the streets of Pristina—I saw the undeniable signs of a police state: People being beaten by police and dragged away to certain persecution in the overflowing prisons of Kosova.

I saw tear gas used against those Albanians whose only crime was waiting outside their offices and apartments to wave at Americans.

And, having seen this brutal reality firsthand and upclose, I returned to the United States and sounded the warning that Milosevic's violent aggression in Kosova would not only worsen, but would spread to other areas of Yugoslavia—unless the United States and Europe took action.

Few heeded this warning. Some said that communism was dead in Eastern Europe—and that it was only a matter of time before Milosevic and communism were swept away in Yugoslavia.

Those people were wrong. Milosevic has outlasted the rest of the Communists in Eastern Europe. And, despite the collapse of the coup in the Soviet Union, Milosevic still clings on to power as we watch and do nothing.

Milosevic's brand of hardline Communist aggression does not discriminate between Slovenian cities, Croatian ports, Bosnian towns and Hungarian villages. It does not discriminate between barracks, apartment houses, hospitals, elementary schools, and churches. Nor does it discriminate between Slovenian soldiers, Albanian women and Croatian children. All are targets in Milosevic's war. And, all are threatened by his inhumane plan to conquer land and enslave people in the name of a "Greater Serbia."

Milosevic and his allies in the Yugoslav army must be stopped. They can be stopped if the United States steps forward to assume leadership in this crisis which threatens peace and stability in central Europe.

The United States needs to isolate the Government of Serbia the way we isolated Cuba. Senator D'AMATO's legislation does exactly that.

Mr. President, this bill makes it perfectly clear that there will be no United States assistance and no economic benefits for Serbia until Milosevic stops waging war on Kosova, on Croatia on Bosnia and on his own people. The U.S. Congress will not accept the use of force to change the internal borders of Yugoslavia or to resolve political differences. Nor will be tolerate the continued and systematic abuse of human rights in Kosova, Vojvodina or even in Serbia.

Mr. President, this bill moves beyond diplomatic hand-wringing. It takes serious measures and puts the pressure on Milosevic to stop his war against the Albanians, the Croations, the Bosnians, and all other people in Yugoslavia who want freedom and democracy.

Mr. President, I hope that the Senate will act expeditiously on this legislation. Lives are at stake, democracy is at stake and, freedom is at stake.

(Mr. FORD assumed the chair.)

FAMILY AND MEDICAL LEAVE ACT

Mr. DOLE. Mr. President, I would just add also, on the family and medical leave bill that passed, I want to commend all of my colleagues. I think we did work out an agreement where people were able to express themselves.

As I said earlier, I think the bill was slightly improved by the amendment of the Presiding Officer, along with Senator BOND and Senator COATS. But I do not believe that this bill will become law. In fact, I am encouraged that we will have enough votes in the Senate to sustain a veto. I understand the Senate will act first. And unless I have miscounted our unless somebody has a change of heart—unless the bill fails to pass the House; that is something else that could happen, because last year there were 195 votes in the House against the measure. But if it should somehow slip through the Senate, the veto not being sustained, I am certain the House would sustain a veto.

Again, maybe next year or the following year, we can find some way to address this problem without taxing American business and without additional mandates. We have mandates. We have all voted for mandates. I think businessmen and women are telling us now they have had it up to here.

I had a couple of my colleagues before the vote say they will vote to sustain a veto. Those two votes, and I know there are possibly two or three other votes, would certainly be enough to sustain a veto.

Again I commend my colleagues, who were able to dispose of this bill because of cooperation. All sides got together after several hours of discussion yesterday and agreed on a procedure so that there could be a full debate and discussion, and then a final disposition of the measure.

Mr. President, I yield the floor.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,391st day that Terry Anderson has been held captive in Lebanon.

LOAN GUARANTEE LEGISLATION FOR ISRAEL

Mr. DODD. Mr. President, I rise today to offer my strong support for the legislation introduced today by the senior Senator from Hawaii [Mr. INOUYE] and the senior Senator from Wisconsin [Mr. KASTEN]. I want to commend them for their dedication to this important issue and their hard work in crafting such a fine piece of legislation.

At the outset, Mr. President, let me make absolutely clear what this program does. Contrary to popular opinion, this is not a cash grant to Israel. Contrary to popular opinion, this is not a direct loan to Israel. All we are doing with this legislation is telling private, commercial lenders around the world that if they loan money to Israel, we will offer the full faith and credit of the U.S. Government behind those loans.

At its core, Mr. President, this is nothing more than a self-help measure. We are simply letting Israel know that if she can find the creditors, we will guarantee repayment. And I would point out that in all of her 43 years, Mr. President, Israel has never missed a loan payment. If she pays back these loans, the total cost to the U.S. taxpayer will be zero.

Mr. President, the idea of loan guarantees for Israel is one that I have long supported. In fact, it was almost 3 months ago that I stood on this floor and called on the administration to support this program. At the time, I had hoped the administration would see fit to support this program without attempting to link it to the settlements in the occupied territories.

Since then, Mr. President, I have been sorely disappointed, not only with the prime-time television address made by President Bush not too long ago but with all the administration's statements on the issue. The President's strategy is apparent: he clearly seeks to use the bully pulpit of his office to intimidate and manipulate the Government of Israel.

I have no doubt the President is acting with noble intentions in this matter. I know he holds a legitimate desire to bring a peaceful solution to this long-running conflict. But sometimes I wonder if the administration truly appreciates what is at stake here.

The administration seems to believe there is an organic connection between settlements in the occupied territories and humanitarian aid to the refugees. The administration apparently thinks we can end the Arab-Israeli conflict, indeed we can do away with a millenium of cultural animosity, if only we can put a halt to the settlements. The administration has somehow come to the bizarre conclusion that cutting humanitarian assistance for needy refugees is the key to peace.

It is a concept only George Orwell could appreciate. More than that, Mr. President, it is a recipe for failure.

I stood here 3 months ago and said it then, and I will repeat it this morning: if the President really believes the refugees are the key to a geopolitical solution, I would like to see him try to explain it to them.

Seventeen years ago, the Jackson-Vanik amendment to the Trade Act of 1974 called on the Soviet Union to let down her borders and allow her people to emigrate. Seventeen years ago, we made the principle of free emigration, the right of people to live anywhere in the world they choose, one of the cornerstones of our foreign policy.

Now that the barriers to emigration are coming down, during the next 5 years over one million Jews will leave the former Soviet Union. And most of them, Mr. President, will choose to live in Israel.

I'd like to see how the President would explain to these refugees, the ultimate realization of the Jackson-Vanik dream, that we will link humanitarian aid to the settlement issue. That we will make them pawns in a dispute they did not create and want no part in. That we will hold them hostage to a dispute that runs so deep, Mr. President, that there ancient religion claim the city of Jerusalem as their birthplace.

For decades, Mr. President, these refugees dreamed of the day they could come to Israel, where they could finally enjoy economic and political liberty. What a bitter irony it would be if, after so many years of encouraging that dream, we would cruelly snatch it away. And by denying these refugees the means to acquire the most basic of sustenance, that is exactly what we would be doing. Make no mistake about it. That's what linkage is really about.

Mr. President, I don't like the settlements in the occupied territories any more than anybody in this Chamber. I recognize that these settlements must some day end if there is to be lasting peace in the region. And frankly, I understand the administration's frustration over the issue. Sometimes I wonder if the Shamir government wouldn't make it a lot easier on all of us if it would simply declare a temporary halt to the settlements.

But let's not forget that, as we speak, the Arabs continue to impose a total economic boycott on Israel. And even as we speak, none of the Arab nations besides Egypt has even accepted the right of Israel to live within secure borders. Mr. President, if these are issues for the peace conference, then surely the settlements must be as well. At the very least, we should await the outcome of these face to face negotiations before using the refugees in a deadly game of geopolitical chicken.

Mr. President, it was half a century ago that the Western World shamefully closed her borders to the helpless victims of the murderous Nazi regime. Embodied in the Jackson-Vanik amendment, Mr. President, is a promise. It is a promise that never again will the West stand idly by as an entire society falls victim to brutal genocide. And it is a promise that we will support the right of the Jewish people to make a new home in Israel.

With this loan guarantee program, we take one step further toward fulfilling that promise. And in my view, we take one step further toward bringing true peace to the region. For the sake of humanity, I call on the President to support this legislation.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, and in consultation with the Republican leader, pursuant to Public Law 101-557, appoints the Senator from Arkansas [Mr. PRYOR] and the Senator from Florida [Mr. MACK] to the Task Force on Aging Research.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276, as amended, appoints the Senator from Hawaii [Mr. AKAKA] as a member of the Senate delegation to the Fall Interparliamentary Union Meeting, to be held in Santiago, Chile, October 7-12, 1991.

AUTHORIZATION FOR CERTAIN PROGRAMS FOR THE CONSERVATION OF STRIPED BASS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 241, H.R. 2387, regarding the conservation of striped bass.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2387) to authorize appropriations for certain programs for the conservation of striped bass, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLINGS. Mr. President, I rise today to discuss legislation to conserve and manage South Carolina's State fish, the striped bass. H.R. 2387, the Striped Bass Act of 1991, authorizes funding through fiscal year 1994 for the Atlantic Striped Bass Conservation Act and for striped bass research under the Anadromous Fish Conservation Act. The bill also extends and strengthens Federal authority to bring states into compliance with interstate efforts to manage the striped bass fishery. Finally, the bill authorizes the Secretaries of Commerce and the Interior to enter into cooperative agreements to improve the effectiveness of management efforts.

Striped bass is a catch prized by both recreational and commercial fishermen all along the Atlantic coast. Like salmon, this fish typically spends most of its adult life in marine waters, returning to fresh waters to spawn. Migrating along our eastern shores from New England to the South Atlantic, stocks of striped bass return each spring to lay their eggs in the rivers and tributaries of the Chesapeake Bay. In addition, a land-locked population was discovered in the Santee-Cooper Lakes of South Carolina in the midfifties.

The life history of striped bass makes them vulnerable to two human threats—overfishing and coastal pollution. Each year as stripers move along the coast, they swim through an obstacle course of eager recreational and commercial fishermen. Those fish that make it to the Chesapeake then face shrinking and often polluted spawning areas. In 1979, responding to concern over the stock's condition, Congress initiated an Emergency Striped Bass Research Study under the Anadromous Fish Conservation Act. Over the years, the study provided information for managing the striped bass fishery. However, despite management efforts, commercial fishery landings continued to drop. By the mideighties, striped bass seemed well on their way to becoming yet another case study of man's inability to use marine resources wisely.

In 1984, the seriousness of the situation led Congress to enact the Atlantic Striped Bass Conservation Act. This Act called for Federal-State cooperation in implementing and enforcing an interstate fishery management plan for striped bass developed by the Atlantic States Marine Fisheries Commission. Under the act, the interstate plan established guidelines for State regulation of striped bass harvests in coastal waters. State regulatory and enforcement programs then became subject to an annual review by the Commission to determine whether they met the plan guidelines. Finally, those States which failed to comply with the plan faced a Federal moratorium on striped bass fishing in their coastal waters.

Today, as a result of these tough measures, striped bass stocks appear to be recovering. The abundance of young fish is on the increase, and cooperative management among the States is improving. But while recent scientific evidence has created cautious optimism among fishery managers about the future of striped bass, sustained recovery is still far from certain and will require continued State commitments to a conservative management regime.

Looking back over the past decade, the Atlantic Striped Bass Conservation Act and the Anadromous Fish Conservation Act have proven their effectiveness in furthering cooperative management of this complex fishery. Both acts must be extended if we are to ensure that such cooperation continues. Enactment of the Striped Bass Act of 1991 would accomplish that legislative task. Thus, I urge my colleagues to support the bill's passage.

Mr. KERRY. Mr. President, I rise today in support of the Striped Bass Act of 1991.

Striped bass is an important recreational and commercial species for

Massachusetts and other States from Maine to North Carolina. A decade ago, the fishery was estimated to add about $200 million to the economy in the New England and Mid-Atlantic regions. However, increasingly fishing effort beginning in the 1970's resulted in rapidly declining stocks. Stringent management and conservation efforts now appear to be reversing this decline. It is essential that these efforts continue until the stock is fully restored.

The Atlantic States Marine Fisheries Commission is responsible for developing interstate plans for managing striped bass and other coastal fisheries. The purpose of the Commission is to coordinate State efforts for species that are interjurisdictional, in recognition of the need to manage fish stocks over their full range. The interstate plans provide guidelines for State fishing regulations.

The bill that we are considering today will enhance cooperative efforts to manage striped bass in the Atlantic. It allows the Secretary of Commerce to impose and enforce a moratorium on striped bass fishing in any State in which existing management efforts are insufficient to restore stocks. It also authorizes cooperative agreements between the Commission and the Secretaries of Commerce and Interior. Finally, this legislation authorizes funding that will provide the information that is needed to properly manage this important fishery.

It has been suggested that this cooperative management approach be expanded to other coastal fisheries. The possibility of this is being explored by the Atlantic States Marine Fisheries Commission and we may consider taking future action based on their recommendations.

In addition, I will be working in the future to see that the Commission has the needed resources not only to manage these fisheries resources, but also to assure that State monitoring and enforcement efforts are adequate.

The PRESIDING OFFICER. The bill is deemed read the third time and passed.

Mr. MITCHELL. I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DRUG ABUSE PREVENTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3259 relating to drug abuse prevention just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3259) to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Without objection, the bill is deemed read a third time and passed.

The bill (H.R. 3259) was deemed read a third time and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 4:06 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 2935. An act to designate the building located at 6600 Lorain Avenue in Cleveland, Ohio as the "Patrick J. Patton United States Post Office Building"; and

S.J. Res. 78. Joint resolution to designate the month of November 1991 and 1992 as "National Hospice Month."

The enrolled bill and joint resolution were subsequently signed by the President pro tempore [Mr. BYRD].

At 5:11 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. —. A concurrent resolution directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 868.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 6, 10, 14, 28, 29, 30, 34, 49, 53, 71, 73, 74, 75, 76, 78, 80, 81, 85, 89, 92, 98, 106, 123, 124, 131, 139, 142, 147, 148, 153, 159, and 173 to the bill; and it recedes from its disagreement to the amendments of the Senate numbered 4, 5, 9, 20, 21, 25, 26, 35, 36, 37, 40, 58, 67, 70, 72, 77, 79, 95, 107, 111, 112, 119, 121, 122, 133, 146, 150, 151, 156, 162, 164, 168, 172, 174, and 175 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 707) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission; to establish registration standards for all exchange floor traders; to restrict practices which may lead to the abuse of outside customers of the marketplace; to reinforce development of exchange audit trails to better enable the detection and prevention of such practices; to establish higher standards for service on government boards and disciplinary committees of self-regulatory organizations; to enhance the international regulation of futures trading; to regularize the process of authorizing appropriations for the Commodity Futures Trading Commission; and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following as managers of the conference on the part of the House:

From the Committee on Agriculture, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. DE LA GARZA, Mr. ENGLISH, Mr. STAGGERS, Mr. STALLINGS, Mr. NAGLE, Mr. SARPALIUS, Mr. JOHNSON of South Dakota, Mr. HUCKABY, Mr. GLICKMAN, Mr. PENNY, Mr. ESPY, Ms. LONG, Mr. STENHOLM, Mr. TALLON, Mr. COLEMAN of Missouri, Mr. SMITH of Oregon, Mr. GUNDERSON, Mr. COMBEST, Mr. ALLARD, Mr. BARRETT, Mr. NUSSLE, Mr. BOEHNER, and Mr. ROBERTS.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Mr. GONZALEZ, Mr. ANNUNZIO, Mr. NEAL of North Carolina, Mr. HUBBARD, Mr. LAFALCE, Ms. OAKAR, Mr. WYLIE, Mr. LEACH, Mr. MCCOLLUM, and Mrs. ROUKEMA.

As additional conferees from the Committee on Energy and Commerce, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Mr. DINGELL, Mr. MARKEY, Mr. SCHEUER, Mr. SYNAR, Mr. ECKART, Mr. SLATTERY, Mr. LENT, Mr. RINALDO, Mr. MOORHEAD, and Mr. RITTER.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 238. An act for the relief of Craig A. Klein;

H.R. 454. An act for the relief of Bruce C. Veit;

H.R. 478. An act for the relief of Norman R. Ricks;

H.R. 590. An act for the relief of Edgardo, Ismael, Juan Carlos, and Edilliam Cotto Roman;

H.R. 655. An act for the relief of Juan Luis, Braulio Nestor, and Miosotis Ramirez; and

H.R. 1279. An act for the relief of Charlotte S. Neal.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 209. A concurrent resolution congratulating the Government and people of Greece and the municipal government and people of Athens; on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens.

The message also announced that pursuant to the authority granted on September 16, 1991, the Speaker makes the following modifications in the appointment of conferees in the conference on the disagreeing votes of the two Houses on the amendments of the Senate to H.R. 2100, to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes:

The panel from the Committee on Energy and Commerce is also appointed for consideration of section 817 of the House bill, and section 826 of the Senate amendments. Delete section 3134 of the Senate amendments from the appointment.

The panel from the Committee on Foreign Affairs is also appointed for consideration of section 904 of the Senate amendments.

The panel from the Committee on the Judiciary is also appointed for consideration of section 3131(e)(5) of the Senate amendments.

The panel from the Committee on Public Works and Transportation is also appointed for consideration of section 2801(g) of the Senate amendments.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 804 and 807 of the Senate amendments, and modifications committed to conference: Mr. CARPER, Mr. LAFALCE, Ms. OAKAR, Mr. VENTO, Mr. KANJORSKI, Mr. RIDGE, Mr. PAXON, and Mr. HANCOCK.

The message further announced that pursuant to the provisions of section 491 of the Higher Education Act, as amended by section 407 of Public Law 99-498, the Speaker reappoints Mr. Joseph L. McCormick of Austin, TX, as a member from private life of the Advisory Committee on Student Financial Assistance on the part of the House.

The message also announced that pursuant to the provisions of section 101(b) of Public Laws 99-500 and 99-501, the Speaker recommends Mr. SISISKY and Mr. ALLARD to the James Madison Memorial Fellowship Foundation on the part of the House.

The message further announced that pursuant to section 2702(a)(1)(B)(ii) of title 44, United States Code, the minority leader appoints Dr. John J. Kornacki of Pekin, IL, as a member from private life of the Advisory Committee on the Records of Congress on the part of the House.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 238. An act for the relief of Craig A. Klein; to the Committee on the Judiciary.

H.R. 454. An act for the relief of Bruce C. Veit; to the Committee on the Judiciary.

H.R. 478. An act for the relief of Norman R. Ricks; to the Committee on the Judiciary.

H.R. 590. An act for the relief of Edgardo, Ismael, Juan Carlos, and Edilliam Cotto Roman; to the Committee on Labor and Human Resources.

H.R. 655. An act for the relief of Juan Luis, Braulio Nestor, and Miositis Ramirez; to the Committee on Labor and Human Resources.

H.R. 1279. An act for the relief of Charlotte S. Neal; to the Committee on Armed Services.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 209. A concurrent resolution congratulating the Government and people of Greece and the municipal government and people of Athens; on the occasion of the 2,500th anniversary of the establishment of democracy in the city of Athens; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment:

S. 962. A bill to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians (Rept. No. 102-168).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. FORD:

S. 1792. A bill directing the Secretary of the Army to develop and implement a plan for modifying the channel bypass element of the Levisa Fork, Kentucky, for the purpose of water quality improvement in and restoration of Pikeville Lake, Kentucky; to the Committee on Environment and Public Works.

By Mr. D'AMATO (for himself, Mr. DOLE, Mr. GLENN, Mr. PELL, Mr. GORE, Mr. NICKLES, Mr. PRESSLER, Mr. RIEGLE and Mr. SEYMOUR):

S. 1793. A bill to restrict United States assistance for Serbia or any part of Yugoslavia controlled by Serbia until certain conditions are met, and for other purposes; to the Committee on Foreign Relations.

By Mr. SANFORD:

S. 1794. A bill to suspend for a three-year period the duty on ethyl 2-keto-4-phenylbutanoate, also known as keto ester; to the Committee on Finance.

S. 1795. A bill to continue for a three-year period the suspension of duties on Trifluoroacetyl-L-Lysine-L-Proline in free base and tosyl salt forms, also known as Tfa Lys Pro in free base and tosyl salt forms; to the Committee on Finance.

S. 1796. A bill to suspend for a three-year period the duty on (S)-1-{N2-(1-carboxy-3-phenylpropyl)-L-lysyl}-L-proline dihydrate, also known as lisinopril; to the Committee on Finance.

By Mr. DIXON:

S. 1797. A bill to suspend temporarily the duty on 3, 4, 4′-trichlorocarbanilide; to the Committee on Finance.

By Mr. CRANSTON (by request):

S. 1798. A bill to amend section 3413 of title 12, United States Code, to add an exception authorizing financial institutions to disclose to the Department of Veterans' Affairs the names and current addresses of their customers who are receiving payments, by direct deposit or Electronic Funds Transfer into their accounts, of compensation, Dependency and Indemnity Compensation or pension benefits under title 38, United States Code; to the Committee on Veterans' Affairs.

By Mr. LAUTENBERG:

S.J. Res. 209. A joint resolution designating the month of March 1992 as "National Computing Education Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SHELBY:

S. Con. Res. 67. A concurrent resolution protesting the decision of the Secretary of Health and Human Services to prohibit Federal payments under the medicaid program relating to State medicaid expenditures that are made from revenues derived from provider-specific taxes; to the Committee on Finance.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. Con. Res. 68. A concurrent resolution expressing the sense of the Congress relating to encouraging the use of paid leave by working parents for the purpose of attending parent-teacher conferences; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for himself, Mr. DOLE, Mr. GLENN, Mr. PELL, Mr. GORE, Mr. NICKLES, and Mr. PRESSLER):

S. 1793. A bill to restrict United States assistance for Serbia or any part of Yugoslavia controlled by Serbia until certain conditions are met, and for other purposes; to the Committee on Foreign Relations.

SANCTIONS AGAINST YUGOSLAVIA

• Mr. D'AMATO. Mr. President, I rise today along with Mr. PELL, Mr. DOLE, Mr. GLENN, Mr. NICKLES, Mr. PRESSLER, and Mr. GORE to introduce legislation imposing sweeping United States economic sanctions against Serbia and all parts of Yugoslavia under Serbian control.

The massacre being undertaken by Communist dictator Slobodan Milosevic and Serbian guerrillas against the innocent citizens of Croatia, Slovenia, and Bosnia is unconscionable. And, we all know about the repression of 2 million Albanians in Kosova, who have suffered under martial law for over 2½ years.

Over 1,000 Croatian citizens have been killed. Over 100 Slovenians have been killed. Foreigners have been killed. Churches have been bombed. Reports indicate that even chemical weapons have been used on several occasions. Over 100,000 people have been displaced. Mr. President, how long can the United States stand on the sidelines? How long can we watch the killings, the tortures, and the repression of a ruthless dictator's on purge the innocent citizens of Yugoslavia. Milosevic and his killers belong in jail, not in power.

My bill, a bipartisan measure, will send a clear message to the powers that wage war in Yugoslavia: The United States has stepped off the sidelines, Congress has seen enough, we will act and we will act now. We will not close our eyes to the brutal reality of Serbian sponsorship of civil war in Yugoslavia. We will not turn our back on those who seek democracy, freedom, and human rights in Slovenia, Croatia, and Kosova.

Today, Congress puts down its foot. This bill will cut all aid and trade with Serbia and parts of Yugoslavia under Serbian control. We will embargo the Communists until they adhere to the principles of a new world order: Holding free and fair elections, ceasing armed conflict, ending all human rights violations, instituting economic reform, and respect for the internal borders established under the 1974 Yugoslav National Constitution.

As I stand here before you today, at this very moment, the Serbian-controlled Yugoslav Federal Army has broken another cease-fire, their fifth, and vowed to destroy Croatia. Tanks are moving, artillery is flying and once again, innocent people are dying. To just stand by and watch the massacre taking place before our eyes is wrong.

Mr. President, Slobodan Milosevic is the Butcher of Belgrade. The reality is that Yugoslavia is dead. It has reached the point of absolute war. The United States has a moral obligation to do all it can to stop the killing and save the innocent Croatian, Slovenians, and Albanians suffering under the sword of a Communist dictator.

Mr. President, I ask unanimous consent that the text of my bill be printed in its entirety at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress makes the following findings:

(1) In 1990, the republics of Croatia, Slovenia, Macedonia, and Bosnia-Hercegovina held free and fair elections.

(2) In 1990, the republics of Serbia and Montenegro held elections which were not free and fair.

(3) 2 million Albanians in the province of Kosovo have been living for more than two and one-half years under a Serbian-imposed martial law. The repressive measures instituted against Albanians in the province of Kosovo include thousands of political arrests, tens of thousands of politically motivated job dismissals, and widespread police violence against ethnic Albanians. The violence includes the excessive use of force by police to disperse peaceful demonstrations and random and unprovoked shootings by police that have resulted in at least 30 deaths and hundreds of injuries.

(4) Since the Declaration of Independence by the Republic of Slovenia on June 25, 1991, more than 100 people have been killed, including civilians, by the Serbian-controlled Yugoslav federal army.

(5) Since the Declaration of Independence by the Republic of Croatia on June 25, 1991, more than 500 people have been killed, including many innocent civilians, by the Serbian-controlled Yugoslav federal army and Serbian guerrillas.

(6) The Serbian-controlled Yugoslav federal army is actively using both ground and air forces in Croatia to attack the citizens that they are constitutionally bound to protect.

(7) Ethnic Hungarians in the province of Vojvodina have suffered egregious human rights violations.

(8) According to an August 31, 1991 Helsinki Watch report, more than 100,000 persons have been displaced by the fighting in Yugoslavia.

(9) Nine journalists have been killed and dozens attacked in Croatia by the Yugoslav federal army and Serbian guerrillas.

(10) According to the August 31, 1991, Helsinki Watch report, prisoners in Serbian and Croatian jails have experienced physical beatings and, in the case of Serbian jails, prisoners have been the victims of other abuses, including electric shock.

(11) The Serbian-controlled Yugoslav army's invasion into Croatia constitutes an illegal effort to alter the borders of Yugoslavia by force.

(12) The leaders of the Serbian republic and the Serbian-controlled Yugoslav army are pressing an unacceptable agenda in an effort to hold onto power and privilege.

(13) Continued violence an unrest in Yugoslavia will jeopardize the stability and security of central Europe.

(14) The majority of citizens in Yugoslavia want peace with self-determination and human rights.

(15) The United States should advance the principles of peace, democracy, human rights, self-determination, respect for existing borders, and respect for international law.

SEC. 2. RESTRICTION ON ASSISTANCE FOR SERBIA.

(a) RESTRICTION ON ASSISTANCE.—Unless the conditions of section 6(b) are certified to have been met, no United States assistance (including funds appropriated before the date of enactment of this Act) may be furnished for Serbia or for any part of Yugoslavia controlled by Serbia.

(b) DEFINITION.—For the purposes of this section, the term "United States assistance" means assistance for any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to any foreign country, including—

(1) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of art I of such Act);

(3) sales under title I or III and donations under title II of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(4) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities; and

(5) financing under the Export-Import Bank Act of 1945.

SEC. 3. SUSPENSION OF MULTINATIONAL ASSISTANCE.

Unless the conditions of section 6(b) are certified to have been met, the Secretary of the Treasury shall instruct the United States executive directors of the International Monetary Fund, the International Bank for Reconstruction and Development, and the International Development Association to vote against any loan or other utilization of the funds of their respective institutions to or for Serbia or any part of Yugoslavia controlled by Serbia.

SEC. 4. SUSPENSION OF AIR TRAVEL.

(a) IN GENERAL.—Unless the conditions of section 6(a) are certified to have been met—

(1) the President shall direct the Secretary of transportation to revoke the right of any air carrier designated by the Government of Yugoslavia under the air transportation agreement between the United States and that country to provide service to Serbia or any part of Yugoslavia controlled by Serbia pursuant to that agreement;

(2) the Secretary of State shall terminate so much of that agreement as relates to Serbia or territory in Yugoslavia controlled by Serbia in accordance with the provisions of that agreement;

(3) upon termination of those provisions, the Secretary of Transportation shall prohibit any aircraft of a foreign air carrier owned, directly or indirectly, by Serbia from engaging in air transportation with respect to the United States; and

(4) The Secretary of Transportation shall provide for such exceptions from the prohibition contained in paragraph (3) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

(b) DEFINITION.—For purposes of this section, the terms "aircraft", "air transportation", and "foreign air carrier" have meanings given those terms in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).

SEC. 5. TRADE EMBARGO.

Notwithstanding any other provision of law, unless the conditions of section 6(a) are certified to have been met—

(1) the export to Serbia (or any part of Yugoslavia controlled by Serbia) of any goods or technology subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States is hereby prohibited; and

(2) no product, growth, or manufacture of Serbia (or of any part of Yugoslavia controlled by Serbia) may enter the customs territory of the United States.

SEC. 6. CONDITIONS.

(a) CONDITIONS ON AIR TRAVEL AND TRADE.—The conditions referred to in sections 4 and 5 are—

(1) that Serbia has ceased its armed conflict with the other ethnic peoples of Yugoslavia; and

(2) that Serbia has agreed to respect the internal borders established under the 1974 Yugoslav Federal Constitution.

(b) CONDITIONS ON ASSISTANCE.—The conditions referred to in sections 2 and 3 are as follows:

(1) that Serbia has ceased its armed conflict with the other ethnic peoples of Yugoslavia;

(2) that Serbia has agreed to respect the internal borders established under the 1974 Yugoslav Federal Constitution;

(3) that Serbia has held free and fair multiparty elections;

(4) that Serbia is not engaged in a pattern of systematic violations of human rights, within the borders of Yugoslavia;

(5) that Serbia is instituting economic reform, based on progress toward a market-oriented economy; and

(c) CERTIFICATION REQUIRED.—Whenever the President determines that the conditions of subsection (a) or (b) have been met, he shall so certify to the Congress.•

• Mr. GLENN. Mr. President, I rise today to voice my grave concern about the continuing crisis in Croatia, as well as to express my profound disappointment that our Government appears content to virtually ignore the deteriorating situation. Many innocent civilians have been attached, killed or wounded, in their homes and village streets, and thousands more have become refugees within their own land. The Yugoslav Federal Army, making a mockery of its allegedly neutral role of separating the warring parties, has openly sided with Serbian nationalists in Croatia.

Clearly, the use of force is not the answer to the apparently impending break up of the Yugoslav federation. Earlier this year I wrote to the President urging that the United States put its full weight behind the EC's oft-frustrated efforts to arrange an effective cease-fire. Unfortunately, to date, the administration appears to be satisfied to sit on the sidelines while the Europeans wrestle with this issue. The world's remaining superpower should not be sitting this one out; the United States should be actively engaged in the search for a solution. One way to do this would be to appoint a high level U.S. envoy to work with the EC Ministers—to coordinate the use of diplomatic and economic leverage and to signal our commitment to a peaceful negotiated solution. I still think this proposal merits serious consideration by the administration.

Despite the slightly more hopeful prospects for this fifth and latest cease fire, the situation remains tense and the ceasefire extremely tenuous. I fear that the EC effort may yet collapse if it is not immediately and firmly backed up by the international community. The U.N. Security Council was established to provide a collective response to threats to the peace; with the end of the cold war, the Council has actually had some success in this regard. The civil war in Yugoslavia certainly seems a proper issue for Security Council consideration. Very recently the Security Council did take up the question and imposed an arms embargo on Yugoslavia. I welcome this action as well as the strong, albeit belated, condemnation of Serbian aggression by the Secretary of State.

I do not claim to have the answer to the long standing animosities which fuel this crisis; I cannot tell the Serbs and Croats how to sort out their differences. However, I can say that military force is not the way—civil war would be an unmitigated disaster for all the peoples of Yugoslavia and a dangerous precedent for the many other long simmering ethnic conflicts now resurfacing across Eastern Europe and the Soviet Union. As a first step, the fighting in Croatia must stop, not temporarily but fully and permanently. The U.S. must use its diplomatic, political and economic leverage—ideally in coordination with the EC and the United Nations—to back up calls for a lasting cease-fire.

There should be no question that the United States insists on respect for the fundamental human rights of all of Yugoslavia's ethnic groups. This means Albanians in Kosovo, Serbs in Croatia, Hungarians in Vojvodino, etc. However, we cannot countenance a land grab by the government of Serbia and the armed forces under its control designed to create a de facto Greater Serbia. For this reason I will join several of my colleagues in sponsoring legislation to impose economic sanctions on Serbia unless and until it ceases its aggressive military action against neighboring republics.•

• Mr. PELL. Mr. President, I am pleased to join Senators D'AMATO, DOLE, RIEGLE, GLENN, NICKLES, and PRESSLER in introducing legislation that seeks to hold the Serbian government accountable for its egregious actions in Yugoslavia.

Specifically, the bill would impose an embargo on the import of products from Serbia until Serbia has ceased its armed conflict with the other republics of Yugoslavia. It would also restrict U.S. assistance to Serbia until the President can certify that Serbia has met certain conditions, including that Serbia is not engaged in a pattern of systematic violations of human rights within the borders of Yugoslavia and that it has held free and fair multiparty elections.

In Yugoslavia, the principles of freedom and self-determination are being severely threatened by the ongoing conflict. Long-held ethnic animosities and a dictator's unjust struggle to dominate the entire country have thrown the country into a war that threatens security throughout the region. Serbian republic president Slobodan Milosovic and his band of despots are pressing an unacceptable agenda of creating a greater Serbia at the expense of other republics and ethnic populations.

The Serbian-backed Yugoslav Army and Serbian renegades are waging war against Croatia, where regrettably, according to Croatian sources, approximately 1,000 people have lost their lives since fighting broke out three months ago. Cities rich in history and culture, such as Dubrovnik, are reportedly at risk of being turned to rubble, and the new fear is that the conflict will spread to the Republic of Bosnia-Hercegovina, where the potential for conflagration is extremely high.

As war rages in Croatia, we must not forget the plight of the people in the rest of Yugoslavia, particularly in Kosova where the Serbian government's repression against the Albanian population is intensifying. Albanian citizens are being deprived of their civil rights, and are subjected to beatings, police violence, arrests, and detentions.

Mr. President, I believe that we who value freedom and self-determination—principles which are so severely at risk in Yugoslavia—must take action to bolster those who share our values. Last week at the United Nations, Secretary of State Baker issued the administration's toughest statement yet on the subject of Yugoslavia, finally coming around to the view which many of us in Congress have held for weeks that:

> The Serbian leadership is actively supporting and encouraging the use of force in Croatia by Serbian militants and the Yugoslav military.

The Secretary also asserted that "the apparent objective of the Serbian leadership and the Yugoslav military working in tandem is to create "small Yugoslavia" or "greater Serbia" * * * This new entity would be based on the kind of repression which Serbian authorities have exercised in Kosovo for several years."

I commend Secretary Baker for his strong stance, and agree that the Yugoslav war poses a direct threat to international peace and security. The United Nations Security Council, recognizing that threat, last week adopted a resolution strongly urging the parties in the conflict in Yugoslavia to observe the EC-brokered cease-fire and to settle the dispute through negotiations. The U.N. resolution also imposes an embargo on all deliveries of weapons and military equipment to Yugoslavia.

Mr. President, I believe that these are steps in the right direction, but the world must do more to focus on the dreadful situation in Yugoslavia. The United States, for its part, must continue to condemn in the strongest manner possible the violence in all of Yugoslavia. I would hope that the U.S. administration would take a more active approach in breaking the cycle of violence gripping Yugoslavia. The legislation that we are introducing today seeks to do just that by ensuring that the United States does not aid—directly through our assistance program or indirectly through trade—the Government of Serbia as long as it continues on its present reckless course.●

By Mr. SANFORD:

S. 1794. A bill to suspend for a three-year period the duty on ethyl 2-keto-4-phenylbutanoate, also known as keto ester; to the Committee on Finance.

SUSPENSION OF DUTY

● Mr. SANFORD. Mr. President, I am introducing a bill to suspend for 3 years the duty on ethyl 2-keto-4-phenylbutanoate, also known as keto ester.

The imported keto ester is not manufactured by any company in the United States, and Merck & Co. must import the material. Keto ester is used to produce the active drugs, enalapril and lisinopril, which are then formulated in Wilson, North Carolina, to their dosage forms, Vasotec and Prinivil.

Vasotec is used both for the treatment of hypertension and for therapy in the management of heart failure. Prinivil is also used in the treatment of hypertension. I urge my colleagues to support a duty suspension for keto ester in order that these products may continue to be manufactured efficiently and cost-effectively.●

By Mr. SANFORD:

S. 1795. A bill to continue for a three year period the suspension of duties on Trifluoracetyl-L-Lysine-L-Proline in free base and tosyl salt forms, also known as Tfa Lys Pro in free base and tosyl salt forms; to the Committee on Finance.

SUSPENSION OF DUTY

● Mr. SANFORD. Mr. President, today, I am introducing legislation to suspend for a 3-year period the duty in Trifluoracetyl-L-Lysine-L-Proline in free base and tosyl salt forms, also known as Tfa Lys Pro in both free base and tosyl salt forms.

Tfa Lys Pro free base and tosyl salt are not manufactured in the United States, and Merck & Co. must import the ingredients which are formulated to dosage form in the company's Wilson, North Carolina plant.

The final product, lisinopril, is a patented drug which is used in the treatment of hypertension and provides economic benefits to society by shortening hospital stays and keeping patients out of the high cost health care system. I ask for my colleagues' support in suspending the duty on Tfa Lys Pro.●

By Mr. SANFORD:

S. 1796. A bill to suspend for a three-year period the duty on (S)-1-[N2-(1-carboxy-3-phenylpropyl)-L-proline dihydrate, also known as lisinopril; to the Committee on Finance.

SUSPENSION OF DUTY

● Mr. SANFORD. Mr. President. I rise today to introduce legislation to suspend for a 3-year period the duty on (S)-1-[N2-(1-carboxy-3-phenylpropyl)-L-proline dihydrate, also known as lisinopril.

Lisinopril is imported from Ireland for manufacturing into final dosage form at Merck and Company's Wilson, North Carolina plant. Merck also manufactured Lisinopril in Puerto Rico, yet the domestically produced material is insufficient to meet the market demand. Merck developed Lisinopril and holds the patent for the product. However, under a special licensing agreement, lisinopril is manufactured by ICI Americas, and ICI manufactures the material in the United Kingdom.

Lisinopril is marketed domestically by Merck as Prinivil and by ICI as Zestril. When combined with hydrochlorothiazide, Lisinopril is marketed as Prinzide by Merck and Zestoretic by ICI. Lisinopril is a patented drug to fight hypertension, and I urge my colleagues to suspend the duty on this product for the next 3 years.●

By Mr. DIXON:

S. 1797. A bill to suspend temporarily the duty on 3,4,4′-trichlorocarbanilide; to the Committee on Finance.

SUSPENSION OF DUTY

●Mr. DIXON. Mr. President, I am introducing legislation today to temporarily suspend the duty on a chemical, 3,4,4′-trichlorocarbanilide. This bill is simple and noncontroversial. It eliminates the duty on an antibacterial chemical that is not produced in the United States. But is an ingredient in deodorant soaps manufactured in this country.

This bill merely establishes a level playing field for domestic soap producers. Because there are no U.S. producers of trichlorocarbanilide, domestic soap producers must import the antibacterial agent, which carries a duty. As a result, domestic soap is produced at a higher cost than foreign made soap. This puts domestic soap producers at a disadvantage.

The U.S. harmonized tariff system was not created to handicap U.S. producers. Removing this duty would level the playing field for U.S. soap producers, thereby, allowing our companies to compete internationally. It is a reasonable bill.

I understand that the Finance Committee is considering putting together another miscellaneous trade and tariff bill; if this is the case, I strongly believe this provision should be included in that measure.

Mr. President, this is a meritorious bill, and I look forward to working with my colleagues to ensure its prompt enactment.

Mr. President, I ask unanimous consent that a copy of the bill be included at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY SUSPENSION OF DUTY.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	3,4,4¼-trichlorocarbanilide (provided for in subheading 2924.21.30008)	Free	No change	No change	On or before 12/31/94".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

By Mr. CRANSTON (by request):

S. 1798. A bill to amend section 3413 of title 12, United States Code, to add an exception authorizing financial institutions to disclose to the Department of Veterans Affairs the names and current addresses of their customers who are receiving payments, by direct deposit or Electronic Funds Transfer into their accounts, of compensation, Dependency and Indemnity Compensation or pension benefits under title 38, United States Code; to the Committee on Veterans' Affairs.

ACCESS TO ADDRESSES OF BENEFICIARIES BY THE DEPARTMENT OF VETERANS AFFAIRS

● Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I am today introducing, by request, S. 1798, a bill to amend section 3413 of title 12, United States Code, to authorize financial institutions to disclose to the Department of Veterans Affairs the current addresses of their customers who are receiving payments, by direct deposit or Electronic Funds Transfer into their accounts, of certain VA benefits. The Secretary of Veterans Affairs submitted this legislation by letter dated June 13, 1991, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the June 13, 1991, transmittal letter and enclosed section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Section 3413 of the Right to Financial Privacy Act of 1978 (12 U.S.C. §3413) is amended by adding at the end the following new subsection:

"(p) Disclosure for proper administration of Department of Veterans Affairs' compensation, Dependency and Indemnity Compensation and pension benefit programs under Title 38, United States Code. Nothing in this chapter shall apply to a request for access to, or the disclosure to the Department of Veterans Affairs of, the name and address of a customer, who is or has been receiving payments of compensation, Dependency and Indemnity Compensation, or pension benefits under title 38, United States Code, by means of Government direct deposit or Electronic Funds Transfer into that customer's account at a financial institution, when such disclosure is needed for the purpose of the proper administration of those benefit programs."

SECTION-BY-SECTION ANALYSIS

This proposal would amend the Right to Financial Privacy Act of 1978 (RFPA), 12 U.S.C. §§3401–3422, by adding an exception to section 3413. This specific and limited exception would authorize a financial institution to disclose to the Department of Veterans Affairs (VA) the name and address of a customer who is receiving payments of VA compensation, Dependency and Indemnity Compensation, or pension benefits under title 38, United States Code, but only when such payments are being directly deposited either by Government mailed check or by Electronic Funds Transfer (DD/EFT) into that customer's account at the financial institution, and when the disclosure is needed for the purpose of the proper administration of those benefit programs.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, June 13, 1991.

Hon. DAN QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: The enclosed bill and section-by-section analysis are presented for your consideration as a proposal to assist the Department of Veterans Affairs (VA) in administering our compensation, Dependency and Indemnity Compensation (DIC), and pension programs under title 38, United States Code. We submitted this same legislative proposal in the last session of Congress. The proposal would add a limited exception to the Right to Financial Privacy Act of 1978 (RFPA); 12 U.S.C. §§3401–3422, to authorize VA to request and obtain from financial institutions the names and current mailing addresses of certain VA beneficiaries who are receiving payments under these VA benefit programs; this would be done only when a current mailing address is unavailable and needed for proper administration of those programs, and when such payments are being deposited directly either by mailed check or by Electronic Funds Transfer (DD/EFT) into beneficiaries' accounts at those financial institutions.

The Treasury Department, Social Security Administration, and Railroad Retirement Board obtained enactment of an RFPA exception in 1983 to authorize their access to customer names and addresses when necessary to, and solely for the purpose of their proper administration of certain programs. Pub. L. No. 98–21; 12 U.S.C. §3413(k). This proposal would create a similar exception to authorize VA access to the names and addresses of customers, who are also VA direct deposit or DD/EFT compensation, DIC or pension beneficiaries, when needed for the purpose of VA administration of these benefit programs under title 38, United States Code.

The VA presently pays ongoing benefits to over 3.8 million compensation, DIC and pension beneficiaries under title 38, United States Code. VA is successfully encouraging more and more of these beneficiaries to have their payments deposited directly into their accounts at financial institutions by Electronic Funds Transfer (DD/EFT) means. Over 1.5 million of these beneficiaries now receive DD/EFT payments. This method of payment saves time and administrative costs, and provides improved convenience and safety for beneficiaries. However, there are still significant delays and administrative costs which result because a small but constant percentage of DD/EFT payment beneficiaries fail to keep VA advised of changes in their mailing address. In many cases these costs and delays could be avoided if we could get current addresses from the financial institutions. For example, about 5 percent of our recent compensation cost-of-living rate increase notice letters to DD/EFT payment beneficiaries have been returned as undeliverable because the VA does not have a current mailing address for them.

The VA needs current mailing addresses to communicate with beneficiaries from time to time for several reasons. In many cases physical examinations must be accomplished to evaluate the current severity of veterans' disabilities; if we do not have their current mailing address and hence cannot communicate with them, we must suspend their benefit payments. This causes significant VA administrative costs and inconvenience to veterans. We must also be able to advise beneficiaries of any legislative changes affecting their benefits. Moreover, continued entitlement to VA pension and parent's DIC benefits depends upon the amount of income of the beneficiary which he or she must periodically report to VA. Again, if the required VA income reporting forms which we periodically mail to those receiving income-dependent benefits (pension and parents' DIC) are not received, completed, and returned on time, then we are required to suspend payment of these benefits. Suspension can be particularly inconvenient and costly, for example, to DD/EFT payment beneficiaries who are having payments directly deposited into their checking or savings accounts, and who have come to rely upon these deposits.

Enactment of this proposal would not result in any additional costs. Savings would occur in that undeliverable mail to beneficiaries, suspension of benefits, and the manual effort of searching for addresses would be reduced because of more timely receipt of a current address.

For all the above reasons, we believe that this proposal creating a very limited exception to the RFPA would improve VA administration of these benefit programs, save administrative costs, and avoid unnecessary delays and inconvenience for many of our beneficiaries.

Thank you for the opportunity to present this legislative proposal for your consideration.

The Office of Management and Budget advises that there is no objection to the submission of this legislation to Congress from the standpoint of the Administration's program.

Sincerely yours,
EDWARD J. DERWINSKI.•

By Mr. LAUTENBERG:

S.J. Res. 209. Joint resolution to designate March 1992 as "National Computing Education Month" to the Committee on the Judiciary.

NATIONAL COMPUTING EDUCATION MONTH

• Mr. LAUTENBERG. Mr. President, I rise today to introduce a joint resolution designating March 1992 as National Computing Education Month. This resolution will encourage young people to train for computer careers. It will also promote awareness of the importance of computer technology in maintaining our Nation's leadership in computer software development.

Today we are faced with a critical shortage of qualified and skilled computing professionals, particularly computer programmers and systems analysts. This shortage has resulted from a decline in students pursuing undergraduate degrees in the information sciences, and a lack of awareness of the career possibilities in the field. Students need to be encouraged to pursue an education in information sciences. They need better information about the opportunities available to them, and the vast demand for these skills in the workplace.

We need a sufficient number of qualified computing scientists to meet our Nation's competitiveness goals, and the needs of the public and private sector for computing services. Government has a role to play in creating public awareness of these issues, and encouraging a sound working partnership between business and academia in meeting the challenges of the 21st century.

As the cofounder and former head of Automatic Data Processing [ADP] now the world's largest computer services company, I have witnessed the astonishing growth of computing technology from its beginning decades ago. Today, our society depends on computers for a range of tasks, from the college student typing his or her paper with a word processor to a company that relies on computers to craft precision instruments or process thousands of pieces of information in seconds.

America simply must keep pace with other countries in developing sophisticated computing technology, and we must do that with people. People educated and trained in the latest technology. People educated to make the next breakthrough in computing science.

We have the potential. All we need to do is develop it. I hope that National Computing Education Month will help put us on the right path.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 209

Whereas software development productivity must increase to ensure our full use of new computer technology;

Whereas a sufficient number of qualified and talented computing scientists are required to meet not only our Nation's goals but also the needs of the public and private sectors;

Whereas there is mounting evidence that we are approaching a critical shortage of qualified and skilled computing professionals, particularly computer programmers and systems analysts;

Whereas there is a corresponding decline of undergraduate degrees awarded in the last 3 years in computers and information sciences; and

Whereas government must take an active role in creating a public awareness of these issues and encourage a sound and working partnership between business and academia in meeting the challenges of the 21st century: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) Congress recognizes and supports the leadership position of the United States of America in computer software development;

(2) Congress acknowledges the significant impact that this issue may have if business and government do not make plans to actively encourage our Nation's youth to consider this field for their future careers; and

(3) the month of March 1992 is designated as the "National Computing Education Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate programs, ceremonies, and activities.●

ADDITIONAL COSPONSORS

S. 152

At the request of Mr. COATS, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to increase the personal exemption to $4,000.

S. 447

At the request of Mr. THURMOND, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 447, a bill to recognize the organization known as The Retired Enlisted Association, Incorporated.

S. 448

At the request of Mr. SYMMS, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 448, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt organizations to establish cash and deferred pension arrangements for their employees.

S. 596

At the request of Mr. MITCHELL, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 649

At the request of Mr. BREAUX, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 649, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

S. 701

At the request of Mr. COATS, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 701, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the exemption for dependent children under age 18 to $3,500, and for other purposes.

S. 709

At the request of Mr. HATCH, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 709, a bill to amend the Internal Revenue Code to allow a deduction for qualified adoption expenses, and for other purposes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 914

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 914, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 962

At the request of Mr. INOUYE, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. SIMON], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. REID], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 962, a bill to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.L.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians.

S. 1257

At the request of Mr. SYMMS, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1261

At the request of Mr. DOLE, the names of the Senator from Alabama [Mr. SHELBY], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1261, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax.

S. 1357

At the request of Mr. BREAUX, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 1357, a bill to amend the Internal Revenue Code of 1986 to permanently extend the treatment of certain qualified small issue bonds.

S. 1358

At the request of Mr. GRAHAM, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1358, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans.

S. 1455

At the request of Mr. GRAHAM, the names of the Senator from Pennsylvania [Mr. WOFFORD], the Senator from New Mexico [Mr. DOMENICI], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1455, a bill entitled the "World Cup USA 1994 Commemorative Coin Act."

S. 1563

At the request of Mr. METZENBAUM, his name was added as a cosponsor of S. 1563, a bill to authorize appropriations to carry out the National Sea Grant College Program Act, and for other purposes.

S. 1566

At the request of Mr. PACKWOOD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1566, a bill to amend the Internal Revenue Code of 1986 to permit withdrawals without penalty from retirement accounts to purchase first homes, to pay education and medical expenses, or to meet expenses during periods of unemployment, and for other purposes.

S. 1578

At the request of Mr. THURMOND, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1641

At the request of Mr. BREAUX, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1641, a bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants.

S. 1791

At the request of Mr. DOLE, the names of the Senator from California [Mr. SEYMOUR], the Senator from Missouri [Mr. BOND], the Senator from Missouri [Mr. DANFORTH], the Senator from Utah [Mr. HATCH], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 1791, a bill to provide emergency unemployment compensation, and for other purposes.

SENATE JOINT RESOLUTION 39

At the request of Mr. THURMOND, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Joint Resolution 39, a joint resolution to designate the month of September 1991, as "National Awareness Month for Children with Cancer."

SENATE JOINT RESOLUTION 110

At the request of Mr. MOYNIHAN, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from Washington [Mr. GORTON], the Senator from Texas [Mr. BENTSEN], the Senator from Montana [Mr. BAUCUS], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Oklahoma [Mr. BOREN], the Senator from Louisiana [Mr. BREAUX], the Senator from Colorado [Mr. BROWN], the Senator from Nevada [Mr. BRYAN], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from West Virginia [Mr. BYRD], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from North Dakota [Mr. CONRAD], the Senator from Idaho [Mr. CRAIG], the Senator from Missouri [Mr. DANFORTH], the Senator from South Dakota [Mr. DASCHLE], the Senator from Connecticut [Mr. DODD], the Senator from New Mexico [Mr. DOMENICI], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Georgia [Mr. FOWLER], the Senator from Utah [Mr. GARN], the Senator from Texas [Mr. GRAMM], the Senator from Utah [Mr. HATCH], the Senator from Oregon [Mr. HATFIELD], the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Vermont [Mr. LEAHY], the Senator from Mississippi [Mr. LOTT], the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Maryland [Ms. MIKULSKI], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Georgia [Mr. NUNN], the Senator from South Dakota [Mr. PRESSLER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Delaware [Mr. ROTH], the Senator from New Hampshire [Mr. RUDMAN], the Senator from North Carolina [Mr. SANFORD], the Senator from Tennessee [Mr. SASSER], the Senator from Alabama [Mr. SHELBY], the Senator from Wyoming [Mr. SIMPSON], the Senator from New Hampshire [Mr. SMITH], the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from Wyoming [Mr. WALLOP], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 110, a joint resolution expressing the sense of the Congress that the United States and the Soviet Union should lead an effort to promptly repeal United Nations General Assembly Resolution 3379 (XXX).

SENATE JOINT RESOLUTION 131

At the request of Mr. LUGAR, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of Senate Joint Resolution 131, a joint resolution designating October 1991 as "National Down Syndrome Awareness Month."

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Texas [Mr. BENTSEN], the Senator from Illinois [Mr. SIMON], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate October 1991, as "National Lock-In-Safety Month."

SENATE JOINT RESOLUTION 147

At the request of Mr. LEAHY, the names of the Senator from Missouri [Mr. BOND], the Senator from Montana [Mr. BURNS], the Senator from California [Mr. CRANSTON], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nebraska [Mr. EXON], the Senator from Georgia [Mr. FOWLER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Michigan [Mr. LEVIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Tennessee [Mr. SASSER], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating October 16, 1991, and October 16, 1992, as "World Food Day."

SENATE JOINT RESOLUTION 188

At the request of Mr. LAUTENBERG, the names of the Senator from Montana [Mr. BAUCUS], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 188, a joint resolution designating November 1991, as "National Red Ribbon Month."

SENATE JOINT RESOLUTION 193

At the request of Mr. SANFORD, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Joint Resolution 193, a joint resolution to establish a commission to commemorate the bicentennial of the establishment of the Democratic Party of the United States.

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUYE, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Alabama [Mr. SHELBY], the Senator from Texas [Mr. GRAMM], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 202, a joint resolution to designate October, 1991, as "Crime Prevention Month."

SENATE JOINT RESOLUTION 208

At the request of Mr. DECONCINI, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of Senate Joint Resolution 208, a joint resolution to designate October 15, 1991, as "Up With People Day."

SENATE RESOLUTION 166

At the request of Mr. COATS, the names of the Senator from Colorado [Mr. BROWN], the Senator from Mississippi [Mr. LOTT], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Resolution 166, a resolution expressing the sense of the Senate that, in light of current economic conditions, the Federal excise taxes on gasoline and diesel fuel should not be increased.

SENATE RESOLUTION 186

At the request of Mr. GRAHAM, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Indiana [Mr. LUGAR], and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of Senate Resolution 186, a resolution relative to Haiti.

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Resolution 186, supra.

SENATE CONCURRENT RESOLUTION 67—RELATING TO STATE MEDICAID EXPENDITURES

Mr. SHELBY submitted the following resolution; which was referred to the Committee on Finance:

S. CON. RES. 66

Protesting the decision of the Secretary of Health and Human Services to prohibit Federal payments under the medicaid program relating to State medicaid expenditures that are made from revenues derived from provider-specific taxes.

Whereas the medicaid program is a State-administered entitlement program under which the Federal Government reimburses States for expenses incurred by the States in providing medical services on behalf of low-income individuals;

Whereas the amount of payment made by the Federal Government to a State under the medicaid program is based on a percentage of the total amount of the State's expenditures under the program;

Whereas in determining the total amount of a State's medicaid expenditures for purposes of calculating the Federal payment to the State, the Secretary of Health and Human Services has historically included State expenditures made from revenues derived from provider-specific taxes assessed on providers of services under the medicaid program;

Whereas the Secretary has issued an interim final rule that, if implemented, would prohibit the inclusion of expenditures made from revenues derived from these taxes in the calculation of State medicaid expenditures, resulting in the suspension of Federal payments under medicaid related to these expenditures for years beginning with 1992;

Whereas it is not appropriate for the Federal Government to take actions that have the effect of preempting the tax decisions of State governments;

Whereas for many States revenues derived from provider-specific taxes represent a significant proportion of medicaid expenditures;

Whereas the Secretary's refusal to treat revenues derived from provider-specific taxes as reimbursable medicaid expenses will result in drastic reductions in Federal payments to States under the medicaid program; and

Whereas these reductions in Federal payments under medicaid will occur at the same time State medicaid expenses are rapidly rising as a result of Federal mandates expanding the population States must serve and the benefits States must provide under the program: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) it is the sense of Congress that it is not appropriate for the Federal Government to take actions that have the effect of preempting the tax decisions of State governments; and

(2) Congress protests the decision of the Secretary of Health and Human Services to prohibit Federal payments under the medicaid program relating to State medicaid expenditures that are made from revenues derived from provider-specific taxes, and strongly urges the Secretary to drop the proposed rule implementing the decision.

• Mr. SHELBY. Mr. President, I rise today to introduce a concurrent resolution expressing the sense of the Senate that it is neither appropriate, nor right that the administration take action to preempt the revenue raising decisions of our State governments.

My legislation was prompted by the September 12, 1991 regulations that appeared in the Federal Register announcing the intention of the Department of Health and Human Services to bar Federal reimbursement to States for any portion of State Medicaid outlays that are funded through voluntary contributions or provider-specific taxes.

What this rule does is effectively prohibit States from meeting the needs of the most medically underserved of their populations. The Medicaid Program assists nearly 27 million poor Americans. Over 50 percent of those recipients are children.

Mr. President, my home State of Alabama stands to lose $790 million if this proposed rule is implemented. But more shocking than the actual dollar figure lost, is the number of Alabamians—10,000—who will no longer receive health care through my State's Medicaid Program. They are our poor—they are our children—and they are our seniors.

An innovative Alabama Medicaid pharmacy program, which is not a Federal requirement, but which serves to fill a widening gap in our health care network by providing access to prescription drugs, would be eliminated.

At issue, is whether or not the administration has the authority to make tax decisions for State governments. The answer, I believe, is no. Ultimately, the courts may have to decide this issue.

I also question the reasoning behind mandating expansions in the Medicaid Program while at the same time denying States the ability to fund these federally required health services.

Several States are in the same position as Alabama. Those States are: Arkansas, Kentucky, Maine, California, Florida, Georgia, Maryland, Michigan, Mississippi, Missouri, North Carolina, Pennsylvania, South Carolina, Texas, Utah, Illinois, Indiana, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New Jersey, New York, Ohio, Tennessee, Vermont, Washington, and Wisconsin.

I urge my colleagues from these States to stand with me in opposition to this ill-conceived proposal and remain supportive of States' rights to utilize existing financing options to fund this much needed national health care program.

Mr. President, I know that an expanded Medicaid Program is making a difference in my State. It has helped to lower our infant mortality rate. It has helped nearly a quarter of a million people last year in Alabama receive the prescription drugs they need. It has helped provide nursing-home care to people with no resources and nowhere else to turn.

I won't turn my back on this program. For too many years, Alabama has been struggling to creep out from under the stigma of having the Nation's highest infant mortality rate and some of the most restrictive Medicaid eligibility requirements. Finally, there is hope in Alabama. Our Medicaid Program is expanding and meeting health care needs. Much more remains to be done.

Barring the use of provider-specific taxes to fund our share of the Medicaid Program will push Alabama backwards—a place we cannot afford to go.

I urge my colleagues to join with me as cosponsors of this legislation and to work with me to prevent the finalization of this proposed rule.•

SENATE CONCURRENT RESOLUTION 68—RELATIVE TO USE OF PAID LEAVE TO ATTEND PARENT-TEACHER CONFERENCES

Mr. HATFIELD submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 68

Whereas in national survey 90 percent of teachers considered the lack of parental support to be a major problem in schools, contrasted with 49 percent reporting alcohol and 54 percent reporting drugs as major problems;

Whereas in a parent-teacher survey involving the ranking of areas of concern related to improving elementary and secondary education, 7 of the 10 highest ranked areas addressed parental involvement;

Whereas a nationwide survey of 1,000 public and private schools found that nearly half of the 24,600 eighth grade students surveyed indicated they rarely discuss school with their parents;

Whereas a survey of eighth graders' parents reveals that only slightly over one-half of such parents have any contact with their children's schools regarding academic performance, and only 35 percent of such parents have any such contact regarding academic programming;

Whereas opportunities for parent-teacher collaboration have diminished in part due to the divorce rate, the percentage of students living in one-parent homes, and the ratio of married mothers working outside the home having doubled since 1965; and

Whereas parent-teacher communication is an important element in the educational progress of American students: Now, therefore, it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that Members of Congress, agencies of the Federal Government, and all employers in the United States should support parent-teacher conferences and should undertake measures to encourage working parents to use paid leave for the purpose of attending parent-teacher conferences.

• Mr. HATFIELD. Mr. President, I rise today to reaffirm my support for our Nation's education system and its teachers. As we all know, support can take many forms. The Congress usually demonstrates its support of principles and institutions by authorizing costly new programs. The support I introduce today is a strategy for education that may be the least costly of all and may improve the achievement of the greatest number of students.

In a recent national survey, 90 percent of teachers cited lack of parental support as a serious problem in their school, while only about half named alcohol, drugs, or violence as a problem. Lack of parental support does not necessarily mean apathy toward their children or their schools; it may merely reflect the increased numbers who work full-time. Only 7 percent of American families now fit the family image of the 1950's with the homemaker mother and income-earner father.

Employers therefore have unprecedented control over parental involvement in their children's schooling. The American Electronics Association, for example, can affect over 2½ million workers through its member industries. The AEA recently instituted a campaign to strengthen the involvement of employees in their children's education. Realizing the huge difference between merely permitting and actively encouraging actions, companies joining the campaign agree to emphasize the value of home-school connections and to encourage the use of paid-leave to attend parent-teacher conferences.

My office is the first in the U.S. Senate to join AEA's Get Together for Kids campaign. Although my staff already may use flex time or paid leave time to attend teacher or school-scheduled conferences, I now go a giant step further: Because I consider parental connections with their children's education so crucial, I endorse all opportunities for parent-school dialogues.

I don't mean just teacher-scheduled conferences. A parent facing conditions that necessitate the awareness of or input from their child's teacher should request a meeting. Work hours can be juggled and, if necessary, substitutes can keep the workplace going; but no substitute parents or simulated concern can keep a child's life on track.

Fifteen years ago, my staff was composed primarily of young, single individuals just beginning their careers. Over time, and with some turnover, this cadre of eager young people acquired more than mere Hill experience and some frown wrinkles. They married and began having families. Not long ago, a group of "old-timers" awaiting the start of a staff meeting were overheard discussing serious matters: not the most recent movie they had seen nor the newest after-hours social establishment, but the relative benefits of cloth versus disposable diapers. What a transformation.

My staff can boast of—at this moment—32 children. Six were born within the past year and two more are on the way. With three marriages and eight engagements during the past 6 months, I predict our baby boom will continue. These new lives have changed the perspectives and personal priorities of my staff. With the responsibilities of parenthood, they have a renewed respect for the importance of a strong family unit and a determination to nurture the children with whom they have been blessed. As the de facto patriach of the extended "Hatfield Family"—as my staff calls itself—I do what I can to ensure the welfare of each family member. This concern continues and often intensifies throughout the children's elementary and secondary school years. Among the few measures I can take in my other role of employer, I wholeheartedly endorse AEA's campaign.

In the Senate and other office environments, this action may not seem to be significant. However, until we formalize our commitment to parental participation in education, we cannot urge our constituents to take similar actions. I am proud of the fact that Oregon, with over 26 percent of AEA companies joining in the first 6 months of the campaign, leads all other States; the national average is 13 percent. I can now wholeheartedly solicit the remaining AEA membership to join their colleagues—and me—in encouraging their employees to be actively involved in their children's education.

Finally, I urge my own colleagues in the U.S. Senate to join the AEA campaign, clarify their office policy, and encourage their constituents to Get Together for Kids.●

AMENDMENTS SUBMITTED

FOREIGN RELATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, FISCAL YEAR 1992

KASTEN (AND OTHERS) AMENDMENT NO. 1247

(Ordered referred to the Committee on Appropriations.)

Mr. KASTEN (for himself, Mr. INOUYE, Mr. D'AMATO, Ms. MIKULSKI, Mr. SPECTER, Mr. LAUTENBERG, Mr. NICKLES, Mr. DECONCINI, Mr. JOHNSTON, Mr. HARKIN, Mr. PACKWOOD, Mr. SHELBY, Mr. MACK, Mr. AKAKA, Mr. BROWN, Mr. RIEGLE, Mr. BOND, Mr. KOHL, Mr. MCCAIN, Mr. WOFFORD, Mr. SEYMOUR, Mr. ADAMS, Mr. HATCH, Mr. BRADLEY, Mr. COHEN, Mr. ROBB, Mr. CRAIG, Mr. BURDICK, Mr. COATS, Mr. SIMON, Mr. BURNS, Mr. GRAHAM, Mr. GRASSLEY, Mr. CONRAD, Mr. PRESSLER, Mr. CRANSTON, Mr. LEVIN, Mr. DODD, Mr. SARBANES, Mr. LIEBERMAN, Mr. GLENN, Mr. FOWLER, Mr. KENNEDY, Mr. EXON, Mr. BIDEN, Mr. HEFLIN, Mr. FORD, Mr. METZENBAUM, Mr. KERRY, Mr. GORE, Mr. WELLSTONE, Mr. WIRTH, Mr. BRYAN, Mr. COCHRAN, Mr. REID, Mr. DIXON, Mr. DASCHLE, Mr. LOTT, Mr. MOYNIHAN, Mr. ROCKEFELLER, Mr. BAUCUS, Mr. MCCONNELL, Mr. BUMPERS, Mr. PELL, Mr. HOLLINGS, Mr. DURENBERGER, Mr. MURKOWSKI, Mr. GRAMM, Mr. GORTON, and Mr. DANFORTH) submitted an amendment intended to be proposed by them to the bill (H.R. 2621) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes, as follows:

On page 28, between lines 20 and 21, insert the following:

Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 226. LOAN GUARANTEE PROGRAM FOR RESETTLEMENT OF REFUGEES IN ISRAEL.—(a)(1) During the period beginning on October 1, 1991, and ending on September 30, 1996, the President shall issue guarantees against losses incurred in connection with loans to Israel for the purpose of providing economic assistance to Israel and the economy of Israel in connection with the extraordinary costs occasioned by Israel's humanitarian undertaking to resettle and absorb Soviet and Ethiopian refugees. The authority of this subsection is in addition to any other authority to issue guarantees for any such purpose.

"(2) The total principal amount of guarantees which may be issued under this subsection in any fiscal year shall not exceed $2,000,000,000, except that, in the event that less than $2,000,000,000 of guarantees is issued in any fiscal year, the authority to issue the balance of such guarantees shall be available in any subsequent fiscal year ending on or before September 30, 1996. Each guarantee issued under this section shall guarantee 100 percent of the principal and interest payable on such loans. Loan guarantees shall be made in such increments as the government of Israel may request. The guarantee for each such increment shall be obligated and committed within 30 days of the request therefor, and the issuance of the guarantee for each such increment shall occur within 60 days of such request, unless a later date is selected by the government of Israel.

"(b) The standard terms of any loan or increment guaranteed under this section shall be 30 years, with semiannual payments of interest only over the first 10 years, and with semiannual payments of principal and interest, on a level-payment basis, over the last 20 years thereof, except that the guaranteed loan or any increments issued in a single transaction may include obligations having different maturities, interest rates, and payment terms if the aggregate schedule debt service for all obligations issued in a single transaction equals the debt service for a single loan or increment of like amount having the standard terms described in this sentence. The guarantor shall not have the right to accelerate any guaranteed loan or increment or to pay any amounts in respect of the guarantees issued other than in accordance with the original payment terms of the loan. For purposes of determining the maximum principal amount of any loan or increment to be guaranteed under this section, the principal amount of each such loan or increment shall be—

"(1) in the case of any loan issued on a discount basis, the original issue price (excluding any transaction costs) thereof; or

"(2) in the case of any loan issued on an interest-bearing basis, the stated principal amount thereof.

"(c)(1) Before the issuance of the first guarantee under this section, the Government of Israel shall provide the President with written assurances that such loans will be used only for projects or activities in geographic areas which were subject to the administration of the Government of Israel before June 5, 1967, to be stated in the same manner as was provided in the grant agreement with Israel for fiscal year 1991 under chapter 4 of part II of this Act.

"(2) Section 223 shall apply to guarantees issued under subsection (a) in the same manner as such section applies to guarantees issued under section 222, except that subsections (a), (e)(1), (g), and (j) of section 223 shall not apply to such guarantees and except that, to the extent section 223 is inconsistent with the Federal Credit Reform Act of 1990, that Act shall apply. Loans shall be guaranteed under this section without regard to sections 221, 222, and 238(c). Notwithstanding section 223(f), the interest rate for loans guaranteed under this section may include a reasonable fee to cover the costs and fees incurred by the borrower in connection with financing under this section in the event the borrower elects not to finance such costs or fees out of loan principal.

"(3) Notwithstanding any other provision of law, fees charged for the loan guarantee program under this section shall be an aggregate origination fee of $100,000,000, payable on a pro rata basis as each guarantee for each loan or increment is issued.".

The loan guarantees authorized pursuant to section 226 of the Foreign Assistance Act of 1961 (as added by this Act) for fiscal year 1992 and for each of the four succeeding fiscal years shall be made available without need for further appropriations of subsidy cost as the fees required to be paid by the borrower under section 226(c)(3) of the Foreign Assistance Act of 1961 reduce the subsidy cost to zero.

FAMILY AND MEDICAL LEAVE ACT

DURENBERGER (AND KASSEBAUM) AMENDMENT NO. 1248

Mr. DURENBERGER for himself and Mrs. KASSEBAUM) proposed an amendment to the bill (S. 5) to grant employees family and temporary medical leave under certain circumstances, and for other purposes, as follows:

Strike section 107 of the amendment and insert the following new section:

SEC. 107. ENFORCEMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that parties with a dispute regarding rights provided under this Act should attempt to resolve the dispute without resort to litigation.

(b) ARBITRATION.—

(1) IN GENERAL.—An eligible employee who alleges that an employer has violated a right of the employee provided under this Act shall, in order to enforce the right, submit the dispute to binding arbitration in accordance with this section.

(2) WRITTEN NOTIFICATION.—Not later than 180 days after the date of an alleged violation of the right, the eligible employee shall notify the employer in writing that such alleged violation has occurred.

(3) COMPLAINT.—On submission of the notification described in paragraph (2), the eligible employee or the employer may file a complaint regarding the alleged violation with the Department of Labor. The Secretary shall by regulation specify procedures for filing the complaint.

(4) SELECTION OF ARBITRATOR.—

(A) LIST.—Not later than 10 days after receiving such a complaint regarding an eligible employee and an employer, the Secretary shall make available to the employee and employer a list of not fewer than seven arbitrators. Such list shall include, at a minimum, two names provided by the Federal Mediation and Conciliation Service. Each arbitrator on the list shall possess such qualifications as the Secretary shall by regulation specify.

(B) SELECTION.—The eligible employee and employer shall choose a mutually acceptable arbitrator (referred to in this section as the "arbitrator") from the list provided by the Department of Labor. If the employee and employer are unable to agree on an arbitrator, the Secretary shall appoint the arbitrator.

(5) HEARING DATE.—The eligible employee and employer shall schedule a mutually acceptable date to conduct a hearing with the arbitrator under subsection (c), which hearing shall take place not more than 60 days after the date of choosing the arbitrator. The Secretary or the arbitrator may grant an extension of the hearing date for good cause shown.

(c) HEARING.—

(1) IN GENERAL.—The arbitrator shall conduct a hearing regarding the complaint submitted under subsection (b)(3) in accordance with the procedures set forth in this subsection.

(2) DISCOVERY.—The eligible employee and employer shall be entitled to make appropriate requests for discovery prior to the hearing. The Secretary shall by regulation specify the appropriate scope for the discovery requests. The ruling of the arbitrator on the discovery requests shall be final, binding, and nonreviewable.

(3) EVIDENCE.—The arbitrator shall preside over the hearing and take into consideration written and oral evidence as presented by the eligible employee and the employer. The arbitrator may utilize the Federal Rules of Evidence as a guideline for determining the admissibility of evidence during the hearing, but the Federal Rules of Evidence shall not be determinative.

(4) DECISION.—The arbitrator shall issue a written decision to the eligible employee and the employer not later than 30 calendar days after the last day of the hearing. The decision shall be final, binding, and nonreviewable, except as provided in this Act.

(d) REMEDY.—

(1) EQUITABLE RELIEF.—

(A) IN GENERAL.—If an arbitrator determines that an employer has violated any right provided under this Act, the arbitrator may issue an order enjoining the employer from engaging in such conduct, and may order, as appropriate, equitable relief directly attributable to and proximately caused by the violation, including reinstatement or full or partial backpay.

(B) DETERMINATION OF BACKPAY.—Backpay awarded under this subsection shall not accrue from a date more than 2 years prior to the date of filing of written notification to the employer under subsection (b)(2). The arbitrator shall reduce the backpay that an eligible employee would otherwise have recovered by the amount of the interim earnings of the employee or the amounts that the employee could have earned with reasonable diligence.

(2) DAMAGES.—No arbitrator shall issue an order under paragraph (1) awarding punitive damages, or compensatory damages for pain and suffering, emotional distress, or other injury under the common law.

(3) FEES.—The arbitrator, in the discretion of the arbitrator, may award reasonable attorney's fees and arbitrator fees to a prevailing party in a hearing brought under subsection (c).

(e) JUDICIAL REVIEW.—

(1) ARBITRATION ORDER.—

(A) IN GENERAL.—An eligible employee or an employer who was a party to an arbitration hearing under subsection (c) may seek vacation, modification, or enforcement of the arbitration order resulting from the hearing in the State or Federal court in which the eligible employee resides or works, or where the employer operates.

(B) APPLICATION.—An application for vacation, modification, or enforcement of such an order shall be filed not later than 90 days after the date of the issuance of the order.

(C) BASIS FOR VACATION OR MODIFICATION.—The court may vacate or modify such an order if the court finds that—

(i) the order was procured by corruption, fraud or other improper means;

(ii) there was evident partiality by the arbitrator;

(iii) the arbitrator exceeded the powers of the arbitrator under this Act; or

(iv) the arbitrator committed a material and manifest error of law.

(D) FEES AND COSTS.—In an action for vacation, modification, or enforcement of an order of an arbitrator under this subsection, the court may award reasonable attorney's fees and court costs to a prevailing party.

(2) OTHER REVIEW.—No person may commence a civil action to enforce a right provided under this Act except—

(A) in accordance with this section; or

(B) in an action brought under the Constitution.

In section 106(c) of the amendment, strike ", or is investigating" and all that follows through "section 107(b)".

In section 108 of the amendment, strike subsection (f).

HATCH (AND LUGAR) AMENDMENT NO. 1249

Mr. HATCH (for himself and Mr. LUGAR) proposed an amendment to the bill S. 5, supra, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Family Protection Act of 1991".

SEC. 2. PURPOSE.

The purpose of this Act is to facilitate stability in United States families by providing reemployment opportunities for eligible individuals who leave employment for legitimate family purposes.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" have the meanings given the terms in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means an individual who meets the criteria established in paragraphs (1) through (5) of section 4(a).

(3) EMPLOYEE.—The term "employee" has the meaning given the term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)).

(4) EMPLOYER.—The term "employer" means any person engaged in commerce or in any industry or activity affecting commerce.

(5) IMMEDIATE FAMILY MEMBER.—The term "immediate family member" means—

(A) a child of a parent;

(B) a current, legally recognized spouse; or

(C) a parent.

(6) LEGITIMATE FAMILY PURPOSE.—The term "legitimate family purpose" means a purpose described in paragraph (1)(B), (2), (3) or (4) of section 4(c).

(7) ORIGINAL POSITION.—The term "original position" means the position described in section 4(a)(2).

(8) PARENT.—The term "parent" means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, or a legal guardian.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means—

(A) a condition caused by an accident, a disease, or another physical condition that—

(i) poses an imminent danger of death; or

(ii) requires hospice care or hospitalization for extreme emergency care; or

(B) a mental or physical condition that requires constant in-home care.

(11) SIMILAR POSITION.—The term "similar position" means a position at the same location as the original position and with like seniority, status, duties, and responsibilities and equivalent pay and benefits.

SEC. 4. REEMPLOYMENT RIGHTS FOR ELIGIBLE INDIVIDUALS LEAVING EMPLOYMENT FOR LEGITIMATE FAMILY PURPOSES.

(A) REEMPLOYMENT RIGHTS.—An individual shall be entitled to reemployment as described in subsection (b) if the individual—

(1) was an employee of the employer from whom reemployment is sought for not less than 2,000 hours of continuous employment during the 14-month period preceding the provision of notice under subsection (d);

(2) left a currently held position with the employer for a period of time for a legitimate family purpose, as described in subsection (c);

(3) did not accept intervening employment exceeding 17.5 hours per week with any employer during the period;

(4) has provided the notice and documentation described in subsection (d); and

(5) has applied for reemployment as described in subsection (e).

(b) REEMPLOYMENT.—

(1) AVAILABLE EMPLOYMENT.—Except as provided in subsections (f) through (h), an employer shall restore an eligible individual to employment in the original or a similar position, if available at the time the individual applies for reemployment under subsection (e).

(2) SUBSEQUENTLY AVAILABLE EMPLOYMENT.—

(A) NOTIFICATION BY EMPLOYER TO ELIGIBLE INDIVIDUAL.—Except as provided in subsections (f) through (h), if the original or a similar position is not available when an eligible individual applies for reemployment under subsection (e), an employer shall—

(i) so notify the individual; and

(ii) if a similar position becomes available not later than 1 year after the date the individual applies for reemployment under subsection (e), notify the individual of the availability of the position and restore the individual to employment.

(B) MANNER OF NOTIFICATION.—

(i) PROVISION OF ADDRESS BY EMPLOYEE TO ELIGIBLE INDIVIDUAL.—An eligible individual who changes address prior to the date described in subparagraph (A) shall submit the new address to the employer by certified letter.

(ii) DELIVERY OF NOTIFICATION BY EMPLOYER TO ELIGIBLE INDIVIDUAL.—An employer shall make the notification described in subparagraph (A) by a certified letter delivered to the last address provided to the employer by an eligible individual.

(C) TIMING OF NOTIFICATION.—

(i) IN GENERAL.—Except as provided in clause (ii), an employer shall allow an eligible individual, in order to respond to the notification described in subparagraph (A), not fewer than 15 days after the date that the employer relinquishes formal control of the certified letter described in subparagraph (B)(ii) to the postal service, or other bona fide delivery system.

(ii) ECONOMIC REASONS.—If economic necessity requires an employer to fill a similar position earlier than 15 days after the date described in clause (i), the employer shall—

(I) allow an eligible individual not fewer than 5 days after the date to respond to the notification described in subparagraph (A); and

(II) notify the individual of reasonable time limitations within which the individual must accept the offer contained in the notification and commence performance of the duties of the position.

(D) AVAILABLE ALTERNATIVE EMPLOYMENT.—Notwithstanding any other provision of this section, if the original or a similar position is not available when an eligible individual applies for reemployment under subsection (e), the employer and eligible individual may agree that the eligible individual shall be employed in any available position with different duties or responsibilities, or of lesser seniority, status, benefits, or pay, until the original or similar position becomes available.

(c) PERIOD OF TIME FOR A LEGITIMATE FAMILY PURPOSE.—For the purposes of this section, a period of time for a legitimate family purpose shall include a period of time—

(1) taken by a parent during the period that precedes the birth of a child—

(A) because of a serious health condition or on the advice of a physician; and

(B) for purposes directly related to the birth of the child;

(2) not to exceed 6 years and taken by a parent following the birth of a child for the purpose of caring for and nurturing the child;

(3) taken by a parent following adoption of a child and ending not later than 6 years after the birth of the child; or

(4) not to exceed 2 years and taken by an individual because of a serious health condition of an immediate family member and for the purpose of providing necessary medical and personal care to the family member.

(d) NOTICE AND DOCUMENTATION.—In order to be eligible for reemployment under this section, an individual shall—

(1) provide to the employer a minimum of 30 days written notice that the individual desires, or finds it necessary, to leave the position for a legitimate family purpose, unless under the totality of the circumstances it is impossible for the individual to provide such notice; and

(2) promptly furnish such reasonable documentation as the employer may request of the legitimate family purpose that prompted the provision of notice under paragraph (1), unless under the totality of the circumstances it is impossible for the individual to promptly furnish the documentation.

(e) APPLICATION.—In order to be eligible for reemployment under this section, an individual shall submit a written application to the employer that demonstrates that the individual remains qualified to perform the duties and responsibilities of the original position that existed at the time the individual gave the notice described in subsection (d)(1).

(f) PRIOR RIGHT OF REEMPLOYMENT.—If two or more eligible individuals seek to exercise reemployment rights established under this section in conflict, the individual who first made application for reemployment shall have the prior right to be restored to employment. Restoration of an eligible individual to employment shall not otherwise affect the reemployment rights of other eligible individuals wishing to be similarly restored.

(g) EXEMPTION.—An employer shall not be subject to this section with respect to an eligible individual if—

(1) circumstances have so changed, between the time that the employer received the notice described in subsection (d)(1) and the time the individual applies for reemployment under subsection (e), as to make reemployment unreasonable; or

(2) the employer instituted formal or informal disciplinary action against the individual prior to delivery by the individual of the notice described in subsection (d)(1).

(h) WAIVER.—

(1) AVAILABILITY.—Absent coercion by either party, an employer and an employee of the employer may jointly agree, in writing, to—

(A) vary the requirements and conditions of the reemployment rights provided under this section; or

(B) substitute another employment arrangement, or an employment benefit or package of employment benefits, for the reemployment rights provided under this section.

(2) EXPLANATION.—

(A) REQUIREMENT OF RECEIPT.—In order for the agreement described in paragraph (1) to have effect, the employee described in paragraph (1) must receive a written explanation of the rights and remedies provided under this section before signing the agreement and must enter the agreement knowingly.

(B) MODEL EXPLANATION.—The Secretary shall prepare and publish in the Federal Register a model written explanation of the rights and remedies provided under this section. An employer may legibly reproduce the model explanation and generally distribute the explanation annually, or post the explanation permanently in a conspicuous place in the workplace, in order to satisfy the requirement described in subparagraph (A).

SEC. 5. ENFORCEMENT.

(a) ENFORCEMENT BY THE SECRETARY.—

(1) CHARGE.—In order to obtain enforcement of section 4, any eligible individual who believes that an employer has failed or has refused to comply with the provisions of such section shall file a charge with the Secretary within 180 days of the failure or refusal. Upon receipt, the Secretary shall investigate the charge to determine if a reasonable basis exists for the charge.

(2) DISMISSAL OF CHARGE.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the eligible individual and the employer named in the charge of the dismissal.

(3) ISSUANCE OF COMPLIANT.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a compliant based upon the charge and shall promptly notify the eligible individual of the issuance.

(4) ACTION.—If the Secretary issues a compliant under paragraph (3), the Secretary shall attempt to resolve the compliant with the employer through an informal con-

ference. If the Secretary is unable to resolve the compliant as a result of such informal conference the Secretary may—

(A) file a civil action in the United States district court for the district in which the eligible individual described in paragraph (1) sought reemployment; or

(B) dismiss the complaint with notice to the individual and the employer named in the charge.

(5) BURDEN OF PERSUASION.—In any civil action brought under paragraph (4) with respect to an eligible individual, the Secretary shall have the burden of persuasion that the individual—

(A) has satisfied the requirements in paragraph (1) through (5) of section 4(a); and

(B) is qualified to perform the duties and responsibilities described in section 4(e).

(6) REMEDY.—If a court finds, in an action brought under this subsection, that an employer has failed to comply with section 4 with respect to an eligible individual, the court may order the employer to comply with the provisions of such action and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such action.

(b) ENFORCEMENT BY AN ELIGIBLE INDIVIDUAL.—

(1) ACTION.—If the Secretary issues a notice of dismissal to an eligible individual under subsection (a)(4)(B), the individual may bring a civil action in the United States district court for the district in which the individual sought reemployment.

(2) BURDEN OF PERSUASION.—An eligible individual who brings a civil action under this subsection shall have the burden of persuasion regarding the elements of described in subparagraphs (A) and (B) of subsection (a)(5).

(3) REMEDY.—

(A) COMPLIANCE OR COMPENSATION.—If a court finds, in an action brought under this subsection, that an employer has failed to comply with section 4, the court may order the employment to comply with the provisions of such section and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such section.

(B) ATTORNEY'S FEES.—A court may award attorney's fees to the prevailing party in an action brought under this subsection, if the court determines that the award is appropriate.

SEC. 6. CONSTRUCTION.

The Act shall be construed—

(1) to grant an eligible individual any rights to a position with duties, responsibilities, seniority, status, benefits, or rates of pay beyond the rights possessed by the individual at the time the individual presented a notice to an employer under section 4(d)(1); or

(2) to impose on an employer any nonvoluntary obligation to provide training of any type, or to offer reemployment in any position, or at any other location, than that specifically stated in this Act.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES, COMMISSIONS, CORPORATIONS, AND OFFICES APPROPRIATIONS ACT, FISCAL YEAR 1992

MIKULSKI AMENDMENT NO. 1250

Ms. MIKULSKI proposed an amendment to the amendment of the House to the amendment of the Senate numbered 21 to the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes, as follows:

In lieu of the matter proposed by the amendment of the House to the amendment of the Senate numbered 21, insert the following:

SEC. 101. (a) REGULATIONS FOR STANDARDS OF PERFORMANCE IN DEPARTMENT OF VETERANS AFFAIRS LABORATORIES.—(1) Within the 120-day period beginning on the date on which the Secretary of Health and Human Services promulgates final regulations to implement the standards required by section 353 of the Public Health Service Act (42 U.S.C. 263a), the Secretary of Veterans Affairs, in accordance with the Secretary's authority under title 38, United States Code, shall prescribe regulations to assure consistent performance by medical facility laboratories under the jurisdiction of the Secretary of valid and reliable laboratory examinations and other procedures. Such regulations shall be prescribed in consultation with the Secretary of Health and Human Services and shall establish standards equal to that applicable to other medical facility laboratories in accordance with the requirements of section 353(f) of the Public Health Service Act.

(2) Such regulations—

(A) may include appropriate provisions respecting waivers described in section 353(d) of such Act and accreditations described in section 353(e) of such Act; and

(B) shall include appropriate provisions respecting compliance with such requirements.

(b) REPORT.—Within the 180-day period beginning on the date on which the Secretary of Veterans Affairs prescribes regulations required by subsection (a), the Secretary shall submit to the appropriate Committees of the Congress a report on those regulations.

(c) DEFINITION.—As used in this section, the term "medical facility laboratories" means facilities for the biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological, or other physical examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on "Buying 'Green': Federal Purchasing Practices and the Environment," on Tuesday, October 8, 1991, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., October 2, 1991, to receive testimony from Elizabeth Moler and Branko Terzic, nominees to be members of the Federal Energy Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, October 2, 1991, at 9:30 a.m. to hold confirmation hearings on Robert M. Gates to be Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Tuesday, October 2, at 9:30 a.m., for a hearing on the subject: Government regulation of reproductive hazards.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 2, at 2 p.m. to hold a hearing on three State Department nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITIES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Wednesday, October 2, 1991, at 9:30 a.m. to conduct a hearing on S. 1533, the Securities Investor Protection Act of 1991, and other issues relating to the statute of limitations for private lawsuits brought under the Securities Exchange Act of 1934.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, October 2, at 2 p.m. to hold a hearing on the nomination of Barbara A. Caulfield, of California, to be U.S. district judge for the Northern District of California. Ronald E. Longstaff, of Iowa, to be U.S. district judge for the Southern District of Iowa. John W. Longstrum, of Kansas, to be U.S. district judge for the District of Kansas. Terry R. Means, of Texas, to be U.S. district judge for the Northern District of Texas.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Wednesday, October 2, at 9:30 a.m. to hold a hearing on "Medicare Fund and Abuse: A Neglected Emergency?"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 2, at 10 a.m. to hold a hearing on two maritime treaties and a State Department nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUTTE CELEBRATIONS

• Mr. BAUCUS. Mr. President, I rise today to honor the accomplishments of Butte Celebrations of Butte, MT. This nonprofit, volunteer organization has given the 37,000 citizens of Butte and Silver Bow County 35 years of vibrant, citywide festivities. Few things demonstrate the spirit and vitality of the Butte community like the Independence Day activities, sponsored each year by Butte Celebrations.

Fourth of July parades have been part of Butte's cultural tradition since 1876, when the residents of this young mining town gathered to celebrate our Nation's centennial. During this period, the silver and gold booms fostered great interest in Butte, and the small community grew and diversified. Easterners and immigrants settled here hoping to strike lodes of ore, and created an even richer vein of Butte culture, varied and unified at once, and vested with pride in a young, vigorous America.

As the town's population grew, so did its enthusiasm for community celebrations. The energetic Independence Day celebrations of the early 1900's established Butte as the center of Montana's Fourth of July activity. In 1937, the city of Butte began sponsoring the Independence Day parade, but by 1956, found financing difficult. Determined to maintain this part of Butte's heritage, several community members formed Butte Celebrations.

Thanks to much hard work and personal dedication, this Independence Day tradition has survived and flourished. Every year, people from all over Montana come to participate in the festivities, not only to commemorate the adoption of the Declaration of Independence, but to celebrate the unique, indomitable spirit of Butte. I congratulate the members of Butte Celebrations for making these spirited events possible.•

GWICH'IN PEOPLE OPPOSE ALASKAN OIL DEVELOPMENT

• Mr. WELLSTONE. I want to address a dimension of the national energy strategy that deserves serious attention in this body: The threat to the culture and way of life of the Gwich'in Indians posed by plans to open the Arctic National Wildlife Refuge [ANWR] to oil exploration and development.

I have had the honor of meeting with representatives of the Gwich'in people this past week, and I wish every Senator had been there to hear their story. They are a people who have lived in northeast Alaska and northwestern Canada for thousands of years—perhaps as long as 20,000 years. They are the most northern Indian peoples in the United States today, and there are only about 7,000 remaining people living in 17 small towns and villages in Alaska and the Yukon. They are truly an endangered native people.

The Gwich'in are a caribou people—most of their food comes from caribou hunting, and their entire culture and identity revolves around the caribou. They are as dependent on the caribou as the Plains Indians once were on the buffalo in the lower United States. And to put this question in some historical perspective, I would like to ask my fellow Senators what we would have done a century ago if the remaining chiefs had come to us and pleaded with us to stop the slaughter of buffalo. Would we have done it? If we had it to do over again, would we do it? Would we be willing to protect the buffalo from virtual extinction and prevent the destruction of Indian cultures in the West?

Today, we are faced with a similar question in regard to oil development in ANWR. The Gwich'in tribal leaders are adamantly against oil development on the 1002 Coastal Plain because they are convinced it will destroy the calving grounds of the Porcupine Caribou herd on which their whole way of life depends. The calving grounds are not just economically important to the Gwich'in people—they are sacred. They fear that any disturbance of this sacred area will lead to decline of the caribou herd and changes in migration patterns that will doom their way of life as well.

Consequently they have filed a lawsuit against the Secretary of the Interior on grounds that oil development in ANWR could deprive them of their inherent right to continue their own way of life, a right recognized by the International Covenant on Civil and Political Rights; and also on grounds that a full environmental impact statement has never been done on the 1002 area. I myself raised the issue of the inadequacy of the old 1002 report during committee markup, but I now realize that the issues go even deeper—they go to the very survival of native peoples threatened by ecological destruction. This is an issue of human rights.

The reply of those who want to develop the Arctic Wilderness no matter what is that enough studies have been done to be confident that development of oilfields does not significantly disrupt caribou migration and calving patterns, and that in fact, the experience of Prudhoe Bay and the Alaskan pipeline is that the caribou herds have multiplied since construction. They point to the growth of the central caribou herd in particular.

The Gwich'in people and others now challenge these claims. It is true that all caribou herds have grown in recent years, but they have observed that only the central herd that is impacted by the Prudhoe Bay developments has sharply declined in the past year or so. Gwich'in hunters have observed many dead and diseased animals, and a clear decline in successful calving this year. They are convinced that the same thing will happen to the Porcupine Herd if they are forced out of the 1002 area into less healthy calving grounds.

We have heard a lot about support for ANWR development by the Eskimos living in the village of Kaktovik on the north coast. Some of them have come down to Washington to testify also. But I have heard from many sources that the people of Kaktovik are, in fact, deeply divided over this, and that many are too intimidated to speak up against tribal leaders. Be that as it may, the Gwich'in people deserve at least an equal voice and they are solidly united against oil development. It is simply not true that the Native peoples support this.

The Gwich'in believe that if their way of life is changed by the oil companies, it can only be for the worse. The alternative to preserving their identity and way of life is a host of social problems that have beset other Indian communities, including alcoholism and welfare dependency. They do not want this—they are fighting for their most fundamental right to exist as an indigenous people who are an integral part of the landscape, of the unique ecology of this region.

We cannot condemn the Gwich'in as a people; we must respect their right to survival. We cannot ignore their rights the way we did in the last century. We cannot sacrifice them for the greed of a few oil companies or for a few months' supply of oil.

This is one of the reasons I will oppose S. 1220, the so-called National Energy Security Act. I will speak on other reasons to oppose this bill later; but before we even think about other provisions, let us get our values straight. What is it that we as a nation aspire to be? What are our basic values? Have we learned anything in the past 100 years? Or are we doomed to repeat the mistakes of the past? I believe we must listen to what our elder brothers, the Gwich'in, are telling us and find a way to meet our energy needs without destroying this unique community of land, animals, and people.•

GREEN COUNTY COURTHOUSE CENTENNIAL

• Mr. KASTEN. Mr. President, I rise today to honor an important anniversary in Wisconsin's Green County. The Green County courthouse in Monroe, WI, is celebrating its centennial this year.

For 100 years, this building has been a witness to the history of Green County—a living symbol of justice and liberty.

Its predecessor, the first courthouse in Green County, burned to the ground in the early 1840's before it could actually be completed—setting the stage for the building of the wonderful edifice that exists today.

This facility was built for $52,390 by local masons. They used red brick from Maiden Rock, WI, from the basement of the building to its attic. In 1892, a tower clock was added which still graces the building—and the tower itself was reinforced with concrete in 1955.

In the 1980's, the community worked together to achieve the restoration and lighting of the courthouse steeple—showing that the courthouse is still a vitally important element in the public life of the area's residents.

The Green County courthouse is a true monument to the traditions and values of the men and women who built it—and those who carry on in their place. Since 1978, the courthouse has been on the National Register of Historic Places; it will be an important landmark for years to come.

I ask my Senate colleagues to join me in extending our warmest congratulations to all those who have worked hard to celebrate this important centennial—especially county clerk Michael Doyle, Donna Heiser, Mavis Robertson, Marilyn Neuenschwander, Gary Luhman, Steve Elmer, Jan Perry, and John Callahan.

They are keeping the faith with our forebears—and we own them all a vote of thanks.•

WILLIAM VON RAAB

• Mr. SIMON. Mr. President, during hearings on BCCI before the Senate Foreign Relations Subcommittee on Terrorism, Narcotics and International Operations, chaired by Senator JOHN KERRY, William von Raab brought up the name of Frank Mankiewicz as having worked for BCCI.

In a telephone conversation with Frank Mankiewicz, I mentioned having heard that, and he said there was absolutely no truth to it, and he had a letter from William von Raab stating that.

I ask to insert the William von Raab letter into the RECORD at this point.

The letter follows:

AUGUST 29, 1991.

Mr. FRANK MANKIEWICZ,
Washington, DC.

DEAR FRANK: In order to clear matters up, please understand that I do not have any information that Mr. Gray or you spoke to or contacted any official in either our federal government's executive or legislative branch on behalf of BCCI

Very truly yours,

WILLIAM VON RAAB.•

AIDS UPDATE

• Mr. CRANSTON. Mr. President, according to the Centers for Disease Control, as of August 31, 1991, 191,601 Americans have been diagnosed with AIDS; 121,196 Americans have died from AIDS; and 70,405 Americans are currently living with AIDS.

AIDS CONFERENCE

The 1992 International AIDS Conference, which had been scheduled for Boston, will be moved to Amsterdam. It is fortunate for hastening an end to this tragic disease that this important world conference will be held. It is unfortunate and embarrassing for the United States that our policy of preventing HIV-infected foreigners from visiting or immigrating to the United States has shut the door on a vital scientific effort. The political wrongheadedness of the Bush administration on the HIV immigration issue has diminished the U.S. contribution to the world effort to conquer AIDS.

BELINDA MASON

Mr. President, a member of the National Commission on AIDS, Belinda Mason, died recently. Belinda was a person with AIDS who devoted the last years of her life to serving persons, like herself, who suffered the ravages of AIDS. She acquired AIDS through a blood transfusion. Her reaction to learning that she had AIDS was to pledge what remained of her life to ending discrimination against people with AIDS. She fought for the rights of others. We have much to learn from her selflessness and from her love.•

EVALUATION OF EPA TO CABINET LONG OVERDUE

• Mr. WELLSTONE. Mr. President, I am delighted that we finally have an opportunity to elevate the Environmental Protection Agency to full Cabinet status. During my campaign last year, I called for this action as one of the top priorities in my environmental program. I have cosponsored S. 533 to indicate my strong support for this bipartisan legislation, which I believe is long overdue.

EPA was established by Executive order in 1970 and has lacked a statutory charter. In the past it has been too easily subject to political manipulation and attack, especially under the Reagan administration. For this reason alone, we need a permanent and equal seat for our chief environmental office at the Cabinet table.

EPA's functions and responsibilities have grown enormously—from administering four basic statutes 20 years ago, to carrying out some 15 major laws today that cover virtually the whole field of environmental protection. Its operating budget has increased more than tenfold, and compliance costs for EPA regulations are now estimated at nearly $100 billion annually. In many cases environmental issues cut across administrative jurisdictions and require interdepartmental cooperation. Elevating EPA to Cabinet level will help to give it the stature it needs to ensure Governmentwide attention to and coordination of Federal environmental policies.

In addition, EPA now plays a critical role in global environmental affairs, including the critical negotiations now in progress to achieve an international framework convention on climate change next year. The United States is the only major nation that does not have a Cabinet environment minister or secretary to represent our country in such negotiations. The Secretary of the Environment will be in a stronger position to exert U.S. leadership on this level.

We should be clear, however, that establishing USDE will not guarantee stronger or more effective environmental protection. As with other departments, it will only be as effective as the President and his office allow it to be. I hope there will not be the kind of political interference from the White House that we have recently seen at EPA. The USDE must have the independence and resources to present and analyze environmental data objectively and to act on the best science available. It must have the authority to do the kind of job the American people expect.

I urge my colleagues to join me in passing this landmark environmental legislation.•

FOR JAILED SCHOLAR, A WIFE'S DARING VOICE ON RIGHTS

• Mr. SIMON. Mr. President, in going through the newspapers that accumulated while I was on an overseas trip as chairman of the African Affairs Subcommittee, I came across the New York Times story of Hou Xiaotian, an incredibly courageous Chinese wife, whose husband is jailed for standing up for freedom at Tiananmen Square.

The government of the People's Republic of China [PRC] should understand that if anything happens to people like Hou Xiaotian, all the Chinese Government does is to create increasing antagonism toward the PRC.

The feeling of sympathy for the people of China, who yearn for freedom and democracy, is very strong in the United States. But that feeling will intensify if tolerance isn't shown for people with the uncommon bravery of Hou Xiaotian.

I insert the article into the RECORD.

The article follows:

[From the New York Times, Aug. 24, 1991]

FOR JAILED SCHOLAR, A WIFE'S DARING VOICE ON RIGHTS

(By Sheryl WuDunn)

BEIJING, August 23.—Hou Xiaotian's face brightens with an innocent grin as she weaves her bicycle through the traffic. But her girlish demeanor belies a life these days composed more of tears than smiles, more of prison than family, and of memories of a husband whom she is not scheduled to be reunited with again until the year 2002.

Ms. Hou, 28 years old, has become virtually the only person in Beijing now who dares to speak out for human rights to the foreign press. She assumed the role after her husband, Wang Juntao, was sentenced in February to 13 years in prison for his role in the Tiananmen Square democracy movement.

"Why am I doing this?" she asked. "If I can speak freely, if this can take place in China, then it shows that China is making progress. I am nudging the Government. This is an opportunity and I must not abandon it."

Since April, her husband has been confined alone in a small jail cell where he eats, sleeps, and uses a toilet, Ms. Hou said. A scholar of economics, with a passion for democracy, he can barely read because of the dim light. His family said he suffers from hepatitis B, a potentially fatal ailment of the liver.

HUSBAND ON HUNGER STRIKE

Last week, Mr. Wang began a hunger strike as a protest against his treatment and in reponse to the authorities' decision not to allow Ms. Hun to visit him this month. Normally she is allcwed one monthly visit for 30 minutes, but this month the session was cancelled—apparently because the authorities were annoyed at Ms. Hou's contacts with foreign journalists.

For more than a year, Ms. Hou's battle has focused on improving prison conditions for her husband, and she has repeatedly approached various officials in different Government departments to solicit help. She brought cakes and gifts to the prison doorsteps on his birthday, their wedding anniversary and the new year, but both she and her gifts were turned away.

The setbacks, she said, have taken a toll on her emotional and physical health. Earlier this summer, she became weary and severely depressed, crying every day, and she spent more than a month in the hospital.

"They are really villians, trying to exploit the love a woman has for her husband to attain to their means," Ms. Hou said in an appeal printed earlier this year by a human rights organization. The authorities wanted to know what she had told foreign reporters, threatening to reject the presents she had brought for her husband, she said.

SERVED 5 MONTHS IN PRISON

"I knew the life inside prisons because I had been inside one, and so I was very concerned about my husband ," the appeal continued. "How dare they blackmail me using this relationship and my feelings. They are really not human beings at all."

Ms. Hou was jailed for five months until April 1990 in a jail cell separated from the outside world by eight layers of doors or gates. The authorities charged that she helped her husband attempt to escape the law in the months after the June 1989 crackdown. She insists, however, that she did not help him. But now she suggests that she wished she had.

"I was full of despair and thought I would never come out," Ms. Hou said of her time in prison. "I know what my husband must be going through. He must be losing his respect. I have wronged him. In jail I thought that if I got out, I would help my husband."

Mr. Wang is just as concerned about his wife. When he first decided in July to begin a hunger strike, he told his parents in confidence, but not Ms. Hou, for fear she could not bear the news. After his trial in February, he sent a letter to his lawyers and closed with a request that they look after his wife for him.

ALLOWED TO PROVIDE MEDICINE

"Please help me comfort Xiaotian," he urged in the letter, which was later published by newspapers in Hong Kong. "Let her calm down, not to get into any more trouble, not to break any law, expecially not to become impolite to those who are handling my case. I still need her to help me in many things on the outside, so she must take care of herself."

For a long time, the authorities denied that Mr. Wang was ill, but finally in June, they admitted to his family that he had hepatitis and allowed them to bring him some medicine.

But the family has not been allowed to give him medicine regularly, and earlier this month the Government denied to a visiting United States Congressional delegation that Mr. Wang was sick. Mr. Wang apparently contracted hepatitis while he was being treated by injection for a toothache during his detention in Qincheng prison, family members said. In April, he was moved to Beijing No. 2 prison, as was another dissident, Chen Ziming, who was also sentenced to 13 years. The two men were detained in 1989, two years before their trial, and this period will count toward their jail terms.

"I speak about the most basic right of man, what God gave man—even though I don't believe in God—and I tell them that you must give back what man is born with," Ms. Hou said. "This is what I fight for."

"I CAN BE TAKEN IN ANYTIME"

She talks little about the shortcomings of socialism or of the need for freedom of the press and political reform, and says she believes that this may be one reason why the authorities have been relatively tolerant of her outspokenness. She is still concerned, however, that she could be detained or arrested at any moment, and one stark reminder of the risk came when Zhang Weiguo, a prominent journalist who spoke openly against the political system, was detained for three weeks this summer in Shanghai.

"I've been waiting for them to come get me," she said. "When Zhang Weiguo was detained, it made me realize what a thin tightrope I am walking on. I can be taken in anytime."

Eased out of her job in an employment center, she has no means of livelihood and no place to live. Instead, Ms. Hou, who has a graduate degree in psychology, moves from place to place, relying on handouts from friends who dare to help her as she continues to fight for her husband so that she can go on with her life.

"What I really want is a family, to be a housewife—a virtuous wife and a good mother," Ms. Hou said. "I want a child, but now I can't have one."•

TRIBUTE TO HINDMAN

• Mr. MCCONNELL. Mr. President, I rise today to make a few comments about Hindman, a small town hidden in the Appalachian Mountains of eastern Kentucky.

Hindman epitomizes the traditions of American small towns. The residents tend to "keep to themselves," and strangers seeing the town for the first time might not understand why the residents are so fond of it. It does not bother the residents that their town is not a main stop for tourists. In fact, they enjoy the peacefulness, and prefer to hold local events for themselves, where they can relax and celebrate the closeness of their town together.

Many people see Hindman as a needy town, and do not realize that charity flows out of Hindman as fast, if not faster, than it flows in. When Hurricane Hugo struck South Carolina, councilwoman Pat Calhoun appealed to the people of Hindman to send necessities to the hurricane-ravaged area. People, even those who really could not afford to, responded with vigor. "In no time * * * people were coming in with truckloads," she said.

Those who do not know the true spirit of Hindman may be surprised at such a response, and may think that Hindman will never have the excitement of a big city.

Mike Mullins, director of the Hindman Settlement School, has a different view of Hindman. He sees great prosperity in the future of the town. He perceives that the town will become one which people will want to visit. State Senator Benny Ray Bailey agrees. He foresees a time when small town workers are linked to large cities by satellites and computers, working with information, not auto parts.

Regardless of where the future of the town lies, it is unlikely that the future will be anything but bright. The people of Hindman have a great sense of pride in their town, one not likely to fade. Residents may leave the town from time to time, but there is that something special about Hindman which keeps drawing them back.

Because of this, and many other reasons, the residents of Hindman would never consider living anywhere else. It is a special town, linked by bonds which can only be described by the residents.

Mr. President, I would like to insert the following Hindman article from the Louisville Courier-Journal into the RECORD.

The article follows:

HINDMAN: I'VE TRAVELED A BIT YET I KEEP COMING BACK HERE LIKE IRON FILINGS TO A MAGNET

(By C. Ray Hall)

Looking supremely untroubled, the editor of the weekly Troublesome Creek Times stood in the middle of one of Kentucky's narrowest Main Streets. All around Ron Daley swirled the Gingerbread Festival, which he thought up 10 years ago. The sideshows included an albino raccoon, a Schwarzenegger-sized gingerbread man, and carnival games conducted under borrowed funeral-home tents.

Daley, undistracted, spoke with great wonder about his small wonder of an adopted hometown, Hindman.

"For a place this small to have a congressman, Chris Perkins . . . the chairman of the state Democratic party, Grady Stumbo . . . one of the most famous four-year colleges in the country, Alice Lloyd . . . James Still, Kentucky's most famous living writer . . . and Benny Ray Bailey, one of the most effective senators in Frankfort . . ."

He might have added: All this, and Bart Simpson, too.

Tiny Hindman's television station, TV 12, has just signed on to the Fox Network. It isn't every day that an albino raccoon and the Bart Simpson network come to the same town.

So far, however, the icons in Hindman are still the same as ever—preachers, politicians and basketball players. None is bigger then Carl Perkins, whose status stands on a narrow slit of land beside the court house, the right hand forever poised in midair, about to reach out to a constituent. To some folks who find the Perkins legend resistible, the hand out symbolizes a handout.

"Some people act like Carl Perkins reached into his own pocket and gave 'em the welfare money," harrumphs Christopher Columbus Slone, a former magistrate. "We've had a congressman from his town for 42 years, and yet there's no industry. Can you tell me why?"

The facile answer is that, in Kentucky, a town is more enriched by having a governor than a congressman.

But let's let Sen. Benny Ray Bailey, one of the most agile political thinkers in Hindman or anywhere else, field that one.

What is the most important thing you can do when you represent an area where people have trouble getting an education, people have trouble getting food on the table, where people have a devastating disease called black lung? What's the most important thing you can do for those people?" he says, listing, by inference, Perkins' concerns when he was in Congress, 1949–84.

"The second thing is, industry goes where industry wants to go . . . Prior to 10–12 years ago, we had a four- or five- hour trip to get to Lexington. Roads were very bad. The services we provided—of 435 Congressional districts, two in Kentucky ranked 434 and 435—and people want to know why can't you get industry to locate here?"

Even so, he notes, there are things government could have done, "Eastern Kentucky University should have been in Eastern Kentucky. What kind of difference would it have made in this area if Eastern Kentucky University had actually been located in East Kentucky?"

That sort of thing was left to other means and ends. Alice Lloyd, the emigre from Boston, founded her remarkable college just up the road in Pippa Passes. She was one of a wave of creative, committed educators who came to the mountains just after the turn of the century. Their followers came to be known as "brought-in people."

Bringing in people just isn't always that easy.

"People say, 'Why don't you put a hospital in Knott County?" Bailey notes. "We had trouble getting a pharmacist to come to Knott County."

There are four doctors, hailing from, as Bailey says, "Knott County, Knott County, Floyd County and Poland. About the same. Similar background, Except in Poland they still mine coal. We've quit.

With the coal industry producing ever more coal but ever fewer jobs—people are looking elsewhere. To tourism, for example. A planned lodge 14 miles away at Carr Fork Lake could help. But traditional industry seems a phantom.

"Today in Knott County," Bailey says, "if we had a industry . . . that came to us and said, 'We want to locate here; we need 20 acres of land with utilities,' we don't have it. There are things to do. And the county is moving toward providing those things."

Ah, utilities. A word that, in Hindman, carries as many shades of meaning as an Ibsen play, and just about as much anguish. Everybody has a horror story about the water-and-sewer system: The mayor, Kenneth Blair, a nominal defender of the system, says little good about it, especially when he's sloshing about in a creek at midnight, helping prepare a broken water main. Other detractors have included the Environmental Protection Agency, disgusted customers who drilled their own wells and people who bought $167,000 worth of bonds to pay for the system. Those folks are still waiting for their payday. "We've been in default 13 years," Blair notes.

To help retire that debt, which mounts by the day, Blair helped push through a local insurance tax this year, "We're not putting it all in the sewer," the mayor says, speaking both literally and figuratively.

Taxes are as popular in Hindman as anywhere, which is to say not at all. Local folks have not rushed to embrace the state's new school-reform act, especially the part that involves taxes. Rather than ante up, Knott County decided to anti up. That, and other intramural scuffles, make the school board meetings one of the county's best sideshows.

"In Knott County, we have a cynicism that compares with what goes on all over America," says Daley, the newspaper editor. "In this area, we've not got what we feel we should have and want to blame somebody."

But then everything in Knott County—as everybody says—is politics. Even the annual Gingerbread Festival, which Daley thought up 10 years ago, takes its name from old-time politicians' practice of handing out gingerbread to voters on the way to the polls. To Knott Countians, politics is like a grisly car wreck: You can't look and you can't look away.

"I've found that even though politics is so pervasive, people don't like it," Daley says. "They don't want to read about politics. . . . But at the same time, politics is probably the biggest hobby many people have. It's not the majority, but they're the ones who talk the loudest. If you told people they could never talk about politics again, there's a couple hundred of them that would just as soon go off and die."

Says councilwoman Pat Calhoun: "Politics, to me, stinks. I live in one of the most political places that ever was, and I am an elected official. But I have never campaigned. I have never asked anybody to vote for me and I don't ever intend to. They know me and if they want to vote for me, fine. If they don't, fine."

For some folks, politics, isn't a dirty word. Mike Mullins, director of the Hindman Settlement School, says: "I think there are some of us who experienced the '60s in a philosophical way, and who still have a sort of an idealism and still believe that we can make a difference. And we've made a commitment to these hills, to these mountains. We live here, we're trying to raise our children here."

He stays in Knott County not just because of commitment, he says, but comfort. "There's not one red light in Knott County. I like that fact. I've often said when they get a red light, I'm moving out; they're getting too many people here."

Mullins envisions a time when Hindman might become an artsy-craftsy tourist attraction "like L.L. Bean up in Maine, where people would say, 'We need to go there. You can get the best of the best.'"

Bailey, the senator, thinks the future in Knott County will be the same as it is everywhere: People will make a living doing what he calls "massaging information." He foresees a time when workers in Knott County, connected to Chicago or some other place by satellite and computer, work with information, not, say, auto parts.

Either way, it seems unlikely that Hindman will get so crowded that Mullins will have to move. The population is stable. "We lost five or six people in the census between 1980 and 1990," Blair notes.

Some of the staples are going, bit by bit, though. The town looks a lot like it did in the 1950s, but Young's Department Store just closed. The older generation remembers the homey atmosphere of Joe's Place, a restaurant where the teen-aged customers pitched in and helped when things got hectic. There are still some old reminders, with new names: Francis Family Drugs now goes by the name of Napier. (The pineapple milk shakes—thick and slushy and served the old-fashioned way in a glass with a frosty silver cup on the side—are worth a drive to Hindman.) The drug store also carries an astonishing array of potions to keep flies off horses—a tribute to the growing number of horse enthusiasts in the county.

Doubtless there are still some benighted folks—even fellow Kentuckians—who imagine Knott Countians galumph about the hills on horses, barefoot and bereft. James Still, the writer, tells of the well-meaning folks who sent clothes to the Hindman Settlement School that the "needy wouldn't be caught dead wearing," They also sent hundreds of books to the library, only three of which he judged worth keeping.

Charitable urges flow out of Knott County as easily as they flow in, perhaps more so. When Hurricane Hugo wracked South Carolina, councilwoman Pat Calhoun appealed for water, baby food, diapers and other staples for the hurricane victims.

"In no time . . . people were coming in with truckloads," she says. "People really that could not afford to do. . . . The senior citizens brought quilts—new quilts that you could sell for $400-600—and sent them to these people. It just gives you a good feeling to know you live among this type of people."

Because of that, and other reasons, a great many people in Hindman blanch at the idea of living anywhere else.

"I don't know of any place that's more exciting to live in the world than right at the forks of Troublesome Creek," Mullins says. "Mr. Still, the writer . . . said one time that Knott County might not be the easiest place to live in, but it's the best place to live."

"Mr. Still" will get the last word here. In his latest book, "The Wolfpen Notebooks," Still explains why he has lived in or around Hindman for the last 60 years.

"It's a rare day when I'm out and about that I fail to hear something linguistically interesting. I go to the post office and I'll hear somebody say something that's of interest to me. That has a lot to do with why I live her. Of course, there are other reasons. I've traveled a bit yet I keep coming back here like iron fillings to a magnet. Here we are more conscious of the individual. Everybody is somebody."

Population: Hindman, 900; Knott County, 17,906.

Per capita income: (1988) Knott County, $8,203, or $4,539 below the state average.

Knott County jobs: (1988) Mining & quarrying, 1,477; State/local government, 632; Services, 442; Retail/Wholesale, 322; Manufacturing, 29.

Big non-government employers: Alice Lloyd College (Pippa Passes) 115 employees; Casey's IGA, 44; TV Service and United Cable, 30; Thacker-Grigsby Telephone Company, 25.

Education: Knott County Schools, 3,665 students; Knott County Area Vocational Education Center, 235; June Buchanan School, Pippa Passes, 188; Alice Lloyd College, Pippa Passes, 548.

Media: Newspaper: Troublesome Creek Times (weekly). Radio: WKCB–AM (1340) and FM (107.1) contemporary hits. Television: TV–12, local Fox affiliate, plus 27 other cable channels whose offerings include three network stations from Lexington, Ky., and one from Johnson City, Tenn.

Transportation: Air: Nearest facility with regular commercial service, Huntington, W.Va., 114 miles. Rail: None (Nearest facility, Hazard, 20 miles). Water: None. Truck: Seven lines serve Hindman.

Topography: Hindman lies in a narrow valley at the forks of Troublesome Creek, one of several creeks—but no rivers—that run through the mountainous county. Locals point out that Knott is the only Kentucky county untouched by a river.

FAMOUS FACTS AND FIGURES

Hindman's Thacker-Grigsby Telephone Company, bought for $162 in 1919, is one of only three family-owned phone companies in Kentucky. (The others are in Harold and Brandenburg). When Robert Thacker took over the company in 1950, it had 60 customers. Today it has 8,000.

In a state noted for basketball, Knott County is one of the most notable strongholds. The 1928 Carr Creek team played in the national tournament in Chicago. The school's 1956 team, coached by Morton Combs, won the state championship. So did the 1943 Hindman team, coached by Pearl Combs. Both those schools are now part of Knott County Central High.

In 1988, 46 percent of all jobs in Knott County were in coal mining. And 43 percent of all personal income comes from government. That ranks it 12th in the state.

Knott County's Hall of Fame includes the late Congressman Carl Perkins, educator Alice Lloyd and 85-year-old author James Still. The list includes 11 educators, six politicians, three doctors, three writers, three basketball coaches and Bertha Gayheart. "She's just a good Old Regular Baptist lady that attends all the funerals," says Hall of Fame curator Ron Daley. "It's not just for the bigwigs."•

HOW VAST THE WASTELAND NOW

• Mr. SIMON. Mr. President, one of the more stimulating people in this country and a public servant in a great many ways over these years is Newton N. Minow, who served as the Chairman of the Federal Communications Commission under John F. Kennedy. I'm proud to have him as a citizen of Illinois, and all of us should be proud to have him as one of America's leaders.

On May 9, 1961, he made a talk about television, calling it a vast wasteland. That speech stimulated a huge amount of discussion and is referred to frequently yet to this day.

Thirty years later, he gave a talk at the Gannett Foundation Media Center at Columbia University, a talk that didn't get as much attention as his vast wasteland speech, but which contains just as much common sense.

At one point in his remarks he says, "I think the most troubling change over the past 30 years is the rise in the quantity and quality of violence on television. In 1961, I worried that my children would not benefit much from television, but in 1991 I worry that my grandchildren will actually be harmed by it."

I mention this because the television industry now has an exemption from the antitrust laws signed into law by the President, for which I had the honor to be the chief sponsor. Both the broadcasting side of television and the cable side of television have had meetings on the question of violence, but I would be fooling my colleagues if I sensed that very much was happening in a positive direction. I hope I am wrong.

We should not have to have the heavy club of government to make sensible changes that would serve the public well. In Newton Minow's speech he quotes Bill Baker, president of Thirteen/WNET, who has been in both commercial and public television, who said: "To aim only at the bottom line is to aim too low. Our country deserves better." I urge television executives to note that.

A point that Newt Minow makes is that public television deserves more support than it now receives. Perhaps I am the only Member of the Senate who does not like the fact that public television has to rely on commercial sponsors in order to survive. That has, in my opinion, had a harmful effect on public television.

Mr. Minow calls on this nation to provide free air time to political candidates and parties. The abuses that are taking place because of raising money for television commercials are all too widely known to every Member of the Senate, yet we fail to do anything about it.

There is more good sense in the Newt Minow address, and I urge my colleagues to read it. I ask to insert Newton Minow's address into the RECORD at this point.

The address follows:

HOW VAST THE WASTELAND NOW?

(Address by Newton N. Minow)

After finishing that speech to the National Association of Broadcasters (NAB) thirty years ago today, I remained near the podium talking with LeRoy Collins, a former governor of Florida who was serving as NAB president. A man from the audience approached us and said to me, "I didn't particularly like your speech." A few moments later the same man returned with, "The more I thought about it, your speech was really awful." A few minutes later he was back a third time to say, "Mr. Minow, that was the worst speech I ever heard in my whole life!"

Governor Collins gently put his arm around me and said, "Don't let him upset you, Newt. That man has no mind of his own. He just repeats everything he hears."

Thirty years later I still hear about that speech. My daughters threaten to engrave on my tombstone "On to a Vaster Wasteland."

My old law partner, Adlai E. Stevenson, loved to tell a favorite story about the relationship between a fan and a fan dancer: There is really no intent to cover the subject—only to call attention to it. Like a fan dancer, it is not my intent today to cover every part of that speech, but rather to use its anniversary to examine, with thirty years' perspective, what television has been doing to our society and what television can do for our society.

Thirty years cannot be covered fully in thirty minutes, but let us begin by reminding ourselves of the times, circumstances and optimistic spirit of the Kennedy administration in the early '60s. What was broadcasting like at that stage of development?

President Kennedy started off with a dream of a New Frontier, but made a major blunder on April 17, 1961, at the Bay of Pigs. A few weeks later, on May 5, there was a great triumph: the successful launch of the first American to fly in space, Commander Alan Shepard. Commander Shepard returned from his flight to meet President Kennedy and Congress on May 8. On the same day, President Kennedy was to speak to the National Association of Broadcasters and invited me to accompany him when he gave his speech. I was to meet him outside the Oval Office in the morning and to ride with him to the Sheraton Park Hotel.

As I waited there, President Kennedy emerged and said, "Newt, how about taking the Shepards with us to the broadcasters?" Of course, I said, and the president went back into his office to make the arrangements. He returned to say, "It's all set. Now come with me, I want to change my shirt. And what do you think I should say to the broadcasters?"

Although I had known Jack Kennedy before he was president, it was the first time that I was in the bedroom of the president of the United States watching him change shirts and being asked to advise him on what to say. Nervously, I mumbled something about the difference between the way we handled our space launches compared to the Soviets: that we invited radio and television to cover the events live, not knowing whether success or failure would follow. On the other hand, the Soviets operated behind locked doors. President Kennedy nodded, took no notes, and led me back to his office, where Commander and Mrs. Shepard and Vice President Lyndon Johnson were waiting. We went out to the cars. The vice president and I ended up on the two jump seats in the presidential limousine, with the president and the Shepards in the back seat in an ebullient mood as we rode through Rock Creek Park. After we arrived, President Kennedy gave a graceful, witty, thoughtful talk about the value of an open, free society, exemplified by the live radio and television coverage of Commander Shepard's flight. The broadcasters responded with a standing ovation.

The next day I returned to that same platform for my first speech as chairman of the Federal Communications Commission. Many people think I should have asked President Kennedy to watch me change my shirt and give me advice on my speech because, as you know, the audience did not like what I had to say.

In that speech, I asked the nation's television broadcasters "to sit down in front of your television set when your station goes on the air and stay there without a book, magazine, newspaper, profit-and-loss sheet or rating book to distract you—and keep your eyes glued to that set until the station signs off. I can assure you that you will observe a vast wasteland.* * *

"Is there one person in this room who claims that broadcasting can't do better? * * * Your trust accounting with your beneficiaries is overdue."

That night, at home, there were two phone calls. The first was from President Kennedy's father, Joseph Kennedy. When I heard who was calling I anticipated sharp criticism; instead Ambassador Kennedy said, "Newt, I just finished talking to Jack and I told him your speech was the best one since his inaugural address on January 20th. Keep it up; if anyone gives you any trouble, call me!" The second call was from Edward R. Murrow, then director of the U.S. Information Agency. He said, "You gave the same speech I gave two years ago. Good for you—you'll get a lot of heat and criticism, but don't lose your courage!"

Those two calls gave me the backbone I needed.

What was the situation at the time? In the late '50s, scandals damaged both the FCC and the television industry. President Eisenhower had to replace an FCC chairman who had accepted lavish entertainment by industry licensees. Broadcasters had to explain quiz show and payola scandals in congressional hearings. Television was still new—in its first generation of programming. The word "television" did not yet appear in the Federal Communications Act.

While at the FCC, we followed two fundamental policies: 1) to require that broadcasters serve the public interest as well as their private interest, and 2) to increase choice for the American home viewer. In the long run, we believed that competition was preferable to governmental regulation, especially where a medium of expression was involved. So we worked to open markets to new technologies, to help build a noncommercial television alternative and to provide educational opportunities through television. Satellites, UHF, cable—we encouraged them all.

Today that 1961 speech is remembered for two words—but not the two I intended to be remembered. The words we tried to advance were "public interest." To me, the public interest meant, and still means, that we should constantly ask: What can television do for our country?—for the common good?—for the American people?

Alexis de Tocqueville observed in 1835: "No sooner do you set foot on American soil than you find yourself in a sort of tumult * * * all around you everything is on the move." What would Tocqueville have said about the explosive expansion of telecommunications—particularly the electronic media—during the thirty years between 1961 and 1991?

In 1961 there were 47.2 million television sets in American homes; by 1990 that number had more than tripled, to 172 million. Fewer than 5 percent of the television sets in 1961 were color; in 1990, 98 percent of American homes receive television in color. Cable television, which started by bringing television to people who could not receive signals over the air, now brings even more television to people who already receive it. In 1961, cable television served just over a million homes; now it reaches more than 55 million. Between 1961 and 1991, the number of commercial television stations in America doubled, from 543 to 1,102. Noncommercial—now called public—television stations quintupled from 62 to 350.

Americans spend more time than ever watching television. Since 1961 the U.S. population has risen from 150 million to 245 million, and the amount of time Americans spend watching television has skyrocketed from 2.175 hours a day to a staggering 7.3 hours per day. In 1961, television viewers spent more than 90 percent of their viewing time watching the three commercial networks; today that figure is around 62 percent.

While the U.S. government slipped from a $3 billion surplus in 1960 to a deficit of more than one hundred sixty-one billion dollars today, total advertising revenues for the television industry rose twentyfold in the same period, from $1.2 billion to $24 billion. In 1961 cable advertising revenues were zero; in 1988 cable advertising revenues were $1.16 billion. And cable subscribers, who paid an average of $4 per month in 1961, today pay around $25 for cable service. Cable subscriptions accounted for revenues of $51 million in 1961; now they amount to almost $20 billion.

Video revenue in the movie industry, which was zero thirty years ago, is now $2.9 billion—more than $700 million larger than current movie theater receipts. VCRs—unavailable commercially in 1961—are now in more than 58 million American homes.

Children today grow up with a remote control clicker, cable and a VCR. Former NBC President Bob Mulholland, who now teaches at Northwestern University's Medill School of Journalism, says that these children don't remember the days when televison signals came to the home through the air to an antenna on the roof as God and General Sarnoff intended. My own children used to say, "Is it time for the 'Mickey Mouse Club' yet?" My grandchildren say, "Can I watch the tape of Peter Pan again?"

Today, new program services like CNN, C-SPAN, HBO, Showtime, Disney, Nickelodeon, Discovery, Lifetime, Arts and Entertainment, ESPN, USA, TNT, Black Entertainment TV, Bravo, Cinemax, TBS, Home Shopping, Weather Channel, Univision, CNBC, Galavison, Nashville, MTV, FNN, American Movie Channel—and even more—enter the home by wire for those who can pay the monthly cable bill. Choice has skyrocketed. The VCR means you can watch a program when you want to see it, not just when the broadcaster puts it on the schedule. If you are a sports fan, a news junkie, a stock market follower, a rock music devotee, a person who speaks Spanish, a nostalgic old-movie buff, a congressional hearing observer, a weather watcher—you now have your own choice. The FCC objective in the early '60s to expand choice has been fulfilled—beyond all expectations.

Yet, to many of us, this enlarged choice is not enough to satisfy the public interest. There are several reasons. Although some viewers have gone from a vast emptiness to a vast fullness, others have been excluded. Choice through cable comes at a price not all can afford, and cable is still not available to the entire nation. (Where I live in Chicago, we did not receive cable service until last year, and of course many parts of New York City and Washington, D.C., do not have cable either.) And as CBS President Howard Stringer said in a speech at the Royal Institution in London last year, "We see a vast media-jaded audience that wanders restlessly from one channel to another in search of that endangered species—originality * * * more choices may not necessarily mean better choices."

One evening as I watched, with my remote control in hand, I flipped through the channels and saw a man loading his gun on one channel, a different man aiming a gun on a second, and another man shooting a gun on a third. And if you don't believe me, try it yourself. Remember Groucho Marx's advice: "Do you believe me or your own eyes?" I think the most troubling change over the past 30 years in the rise in the quantity and quality of violence on television. In 1961 I worried that my children would not benefit much from television but in 1991 I worry that my grandchildren will actually be harmed by it. One recent study shows that by the time a child is 18 he has seen 25,000 murders on television. In 1961 they didn't PG–13 movies, much less NC–17. Now a 6-year-old can watch them on cable.

Can this be changed where television is concerned? My own answer is yes. If we want to, we can provide the American people with a full choice, even if the marketplace does not meet the demands of the public interest. I reject the view of an FCC chairman in the early '80s who said that "a television set is merely a toaster with pictures." I reject this ideological view that the marketplace will regulate itself and that the television marketplace will give us perfection. The absolute free market approach to public good has been gospel in our country in the case of the savings and loan industry, the airline industry, the junk bond financing industry, and in many other spheres of commerce and common interest. If television is to change, the men and women in television will have to make it a leading institution in American life rather than merely a reactive mirror of the lowest common denominator in the marketplace. Based on the last thirty years, the record gives the television marketplace an A+ for technology, but only a C for using that technology to serve human and humane goals.

Bill Baker, president of Thirteen/WNET here in New York (and like me a veteran of both commercial and public television) said it all in two short sentences: "To aim only at the bottom line is to aim too low. Our country deserves better." Felix Rohatyn, a star of the marketplace, was on target when he said, "Though I believe the marketplace knows best most of the time, I am skeptical that it should always be the ultimate arbiter of economic action, and I am more than willing to interfere with it when it becomes a distorting rather than a benign influence."

In the last thirty years, the television marketplace has become a severely distorting influence in at least four important public areas. We have failed 1) to use television for education; 2) to use television for children; 3) to finance public television properly; and 4) to use television properly in political campaigns.

First, education. Suppose you were asked this multiple-choice question: Which of the following is the most important educational institution in America? (a) Harvard, (b) Yale, (c) Columbia, (d) the University of California, (e) none of the above. The correct answer is e. The most important educational institution in America is television. More people learn more each day, each year, each lifetime from television than from any other source. All of television is education; the question is, what are we teaching and what are we learning? Sometimes, as in the case of the splendid Annenberg/CPB-sponsored educational course on the Constitution (created here at Columbia by Professor Fred Friendly), we see what television can do to stretch the mind and the spirit. In Ken Burns' brilliant programs about the Civil War, millions of Americans learned more about that terrible period in American history than they ever learned in school. We are slowly doing better each year in using television for education, but too much of the time we waste television's potential to teach—and viewers' to learn.

Second, television for children. Bob Keeshan, our Captain Kangaroo for life, has seen how television for children all over the world is designed to be part of the nurturing and educational system. But "in America," he says, "television is not a tool for nurturing. It is a tool for selling." True, there are glorious exceptions like Joan Cooney's work, starting with "Sesame Street." But far too often television fails our children. And it fails them for more hours each day than they spend with a teacher in a classroom.

Competition, it is said, brings out the best in products and the worst in people. In children's television, competition seems to bring out the worst in programs and the worst in children. Children lack purchasing power and voting power, and the television marketplace and the political process have failed them. Cooperation instead of competition—among broadcasters and cable operators—could do wonders for children. Congress last year and the FCC this year have finally started to address these issues, and the attention is long overdue. If they would give the same time and attention to policies for children's television as they give to industry fights about the financial interest and syndication rules, our children would begin to receive the priority concern they deserve.

Third, public television should become just as much a public commitment as our public libraries, hospitals, parks, schools and universities. Yet it is a stepchild, struggling to provide outstanding public service while remaining in the role of a perpetual beggar in the richest country in the world. We have failed to fund a strong independent alternative to commercial television and thus failed, in Larry Grossman's words, to "travel the high road of education, information, culture and the arts."

There are many ways to establish a sound economic base for public broadcasting. For example, Congress could create a spectrum-use or franchise fee for all commercial broadcast and cable operators to fund public broadcasting on a permanent basis. If this were set in the range of a 2 percent annual fee on broadcasting and cable's $50 billion total annual revenues, it would produce about $1 billion a year. Even at that figure, we'd still be behind Japan. If we added $5 as a tax on the sale of new television sets and VCRs and earmarked the funds to match private contributions to public broadcasting, we could catch up to Japan—which now spends twenty times as much per person for public broadcasting as we do!

Finally, the use of television in political campaigns. Studies of the 1988 campaign show that the average block of uninterrupted speech by a presidential candidate on network newscasts was 9.8 seconds; in 1968 it was 42.3 seconds. As Walter Cronkite observed, this means that "issues can be avoided rather than confronted." And David Halberstam adds, "Once the politicians begin to talk in such brief bites. . . they begin to think in them."

A United States senator must now raise $12,000 to $16,000 every week to pay for a political campaign, mostly to buy time for television commercials. A recent United Nations study revealed that only two countries, Norway and Sri Lanka (in addition to the United States) do not provide free airtime to their political parties. If we are to preserve the democratic process without corrupting, unhealthy influences, we must find a bipartisan way to provide free time for our candidates and stop them from getting deeply in hock to special interests in order to pay for television commercials.

More than twenty years ago, I served on a bipartisan commission for the Twentieth Century Fund which recommended the concept of "voters' time" for presidential candidates. Voters' time would be television time purchased with public funds at half the commercial-time rates and given to candidates. In exchange, we would prohibit by law the purchase of time by the candidates. And while we're at it, we should institutionalize the presidential debates—make them real debates by eliminating the panels of journalists. And we should clean up our political campaigns—once and for all.

In these four areas, the television marketplace has not fulfilled our needs and will not do so in the next thirty years. These four needs can be met only if we—as a nation—make the decision that to aim only at the bottom line is to aim too low. If we still believe in the concept of the public interest, we can use television to educate, we can stop shortchanging our children, we can fund public broadcasting properly, and we can provide free television time for our political candidates. My generation began these tasks, and the time has now come to pass the responsibility on to the next generation—the first generation to grow up with television.

What will happen in television in the next thirty years—from now until 2021? As Woody Allen says, "More than any other time in history, mankind faces a crossroads. One path leads to despair and hopelessness. The other to total extinction. Let us pray we have the wisdom to choose correctly."

In the next thirty years, four main forces—globalization, optical fiber, computers and satellite technology will illuminate the crossroads.

Today's able FCC chairman, Al Sikes, is wisely trying to keep public policy in pace with rapidly changing technologies. As Al observes, "Today we can see the new world. . . . in it, tomorrow's communications networks will be dramatically improved. Copper and coaxial cables are giving way to glass fibers, and wavelengths are being replaced by digits. . . ."

Well before 2021, I believe there will be convergence of the technologies now used in telephones, computers, publishing, satellites, cable, movie studios and television networks. Already we see tests of optical fiber demonstrating the future. In Montreal tonight, a home viewer watching the hockey game on television can use his remote control to order his own instant replay, order different camera angles—and become his own studio director. In Cerritos, California, a viewer today can participate in an experiment to summon any recorded show at any time, day or night; and he can stop it, rewind it, or fast forward it.

Here in New York City, Time Warner is building a two-way, interactive cable system with 150 channels. People will be able to order any movie or record album ever produced and see and hear it when they themselves want to see and hear it. We see 400- and 500-channel systems on the horizon, fragmenting viewership into smaller and smaller niches, and we need to remember that for all their presumed benefits these developments undermine the simultaneous, shared national experiences that comprise the nation's social glue.

At the Annenberg Washington Program of Northwestern University, we are developing a blueprint for the future of optical fiber. As this new technological world unfolds, the risk remains that we will create information overload without information substance or analysis, of more media with fewer messages, of tiny sound bites without large thoughts, of concentrating on pictures of dead bodies instead of thinking human beings. Henry Thoreau warned us more than 125 years ago: "We are in great haste to construct a magnetic telegraph from Maine to Texas; but Maine and Texas, it may be, have nothing important to communicate."

When we launched the first communications satellite in 1962, we knew it was important—but we had little understanding of its future use. I did tell President Kennedy that the communications satellite was more important than launching a man into space, because the satellite launched an idea, and ideas last longer than human beings. The last thirty years have taught us that satellites have no respect for political boundaries. Satellites cannot be stopped by Berlin Walls, by tanks on Tiananmen Square or by dictators in Baghdad. In Manila, Warsaw and Bucharest, we saw the television station become today's Electronic Bastille.

Thirty years is but a nanosecond in history. If President Kennedy were alive today, he would celebrate his 74th birthday later this month. He would be seven years older than President Bush. He would be astonished by the technological changes of the past thirty years, but he would be confident that the next thirty years will be even more advanced.

Before he was elected president, John F. Kennedy once compared broadcasters and politicians in these words, "Will Gresham's law operate in the broadcasting and political worlds, wherein the bad inevitably drives out the good? Will the politician's desire for reelection—and the broadcaster' desire for ratings—cause both to flatter every public whim and prejudice—to seek the lowest common denominator of appeal—to put public opinion at all times ahead of the public interest? For myself, I reject that view of politics, and I urge you to reject that view of broadcasting."

I went to the FCC because I agreed then and agree now with President Kennedy's philosophy of broadcasting. As I think back about him, and also think of our future, I propose today to the television and cable industries: Join together to produce a unique program to be on all channels that will have enduring importance to history. Seldom in history have we had five living American presidents at the same time: Right now, Presidents Reagan, Carter, Ford and Nixon are with us, in addition to President Bush. You can bring all of them to the Oval Office in the White House to discuss their dreams of America in the 21st century, and you can give every American the opportunity to see and hear this program and to share a vision of our future.

The '60s started with high hopes, confronted tragedy and ended in disillusion. Tragically, our leaders—President John F. Kennedy, Reverend Martin Luther King Jr. and Pope John XXIII, left too soon. We cannot go back in history, but the new generation can draw upon the great creative energy of that era, on its sense of national kinship and purpose, and on its passion and compassion. These qualities have not left us—we have left them, and it is time to return.

As we return, I commend some extraordinary words to the new generation. E.B. White sat in a darkened room in 1938 to see the beginning of television—an experimental electronic box that projected images into the room. Once he saw it, Mr. White wrote: "We shall stand or fall by television—of that I am sure * * * I believe television is going to be the test of the modern world, an that in this new opportunity to see beyond the range of our visions, we shall discover either a new and unbearable disturbance to the general peace, or a saving radiance in the sky."

That radiance falls unevenly today. It is still a dim light in education. It has not fulfilled its potential for children. It has neglected the needs of public television. And in the electoral process it has cast a dark shadow.

This year, television enabled us to see Patriot missiles destroy Scud missiles above the Persian Gulf. Will television in the next thirty years be a Scud or a Patriot? A new generation now has the chance to put the visions back into television, to travel from the wasteland to the promise land, and make television a saving radiance in the sky.●

THE C–17

● Mr. D'AMATO. Mr. President, considering the hurricane of self-congratulation blowing out of Long Beach, you would have thought that the first flight of the McDonnell Douglas C–17 was only a year behind schedule, instead on an actual 19 months late. The publicity whirlwind reached an Orwellian peak when a McDonnell Douglas employee was quoted, unchallenged, as saying that the interminable delays preceding first flight would be justified now by an unusually rapid and successful flight test program, as though the C–17 team was doing us a favor by playing havoc with the aircraft's schedule.

To add a note of sobriety to the giddy goings-on, let me point out two articles that appeared respectively in Aviation Week & Space Technology and the Wall Street Journal, European edition, on September 23, 1991: "Second C–17 Mission Cut Short Following Flight Control System Faults" and "McDonnell Douglas Finds Glitch in C–17 Cargo Plane."

I commend these articles to my colleagues, and ask that the full text of both articles be printed in the RECORD immediately after my remarks.

The Articles follow:

[From Aviation Week & Space Technology, Sept. 23, 1991]

SECOND C–17 MISSION CUT SHORT FOLLOWING FLIGHT CONTROL SYSTEM FAULTS

EDWARDS AFB, CA.—A second C–17 test mission on Sept. 18—expected to last about 4 hr.—was cut to 41 min. when flight control system (FCS) faults appeared. The quadruple-redudant system continued to function, but program officials elected to curtail the flight as a safety precaution.

FCS faults were triggered when the third flight control computer (FCC No. 3) sensed that it was receiving invalid data.

The same FCC was involved in three FCS fault alerts during the first flight, as well. Test force officials said the computer would be replaced.

Although there was no confirmed relationship with FCC No. 3 problems, the No. 2 air data computer was "intermittent" and also will be replaced according to Frank N. Lucero, deputy director of the C–17 Combined Test Force.

The left inboard segment of a leading edge slat failed to deploy fully during the second flight. Douglas engineers were inspecting the slat system late last week to decide what action to take before the third C–17 flight, which was scheduled for Sept. 20.

Landing gear inspections after the transport's first flight determined that the nose gear had not been damaged when it halted during retraction, and no adjustment was made (see p. 18). During the second test mission, first flight conditions were duplicated, but the gear retracted normally, Lucero said.

[From the Wall Street Journal (European edition), Sept. 23. 1991]

MCDONNELL DOUGLAS FINDS GLITCH IN C–17 CARGO PLANE

(By David J. Jefferson)

NEW YORK.—A week of flight testing has disclosed a problem in the flight-control system of McDonnell Douglas Corp.'s new C-17 air force cargo plane, which finally got off the ground a year late and several million dollars over budget.

But company engineers "have a pretty good idea of what the problem is" and are working to correct it, said Len Impellizzeri, vice president and general manager of the C-17 development-program.

The problem, which required resetting the C-17s flight-control computers, was detected during the plane's inaugural flight Sept. 15 from Douglas Aircraft facilities in Long Beach, California to Edwards Air Force Base. The problem reappeared in a second test flight Wednesday but wasn't present in the third flight Friday, a company spokesman said. The problem hasn't grounded the plane because the computer system is "quad redundant," meaning that if a problem is detected in any of the four flight-control and air-data computers in the system, the workload is transferred to the others, Mr. Impelizzeri said.

Despite the glitch, the C-17 performed "just as we expected" in its first three flight tests last week, Mr. Impellizzeri said. Pilots flew a total of four hours and 16 minutes on three separate missions. On Friday, they documented flight-handling qualities at various altitudes, speeds and configurations and checked out the plane's emergency backup systems.

"The purpose of the flight-test program is to verify the integrity and operating characteristics of the aircraft and correct any problems before the aircraft becomes operational," said Tom Ryan, vice president and general manager of product support for the C-17. A team comprising people from McDonnell Douglas and U.S. air force, army and marine corps personnel will test the cargo plane in some 600 flights over the next two years.

The first C-17 is scheduled to be delivered to the Military Airlift Command in late 1992, with initial operational capability in late 1994. The plane, which is the first four-engine cargo plane featuring a two-member cockpit and an all-digital "fly-by-wire" electric flight-control system, is designed to succeed the Lockheed Corp. C-5A as the U.S. air force's cargo workhorse.

St. Louis-based McDonnell Douglas was allotted $6.6 billion to develop the plane and manufacture six production aircraft and must pay any expenses over that amount.●

STILL KOWTOWING TO THE CHINESE

● Mr. SIMON. Mr. President, one of the most impressive legislators anywhere in the world is Martin C.M. Lee, who is chairman of the United Democrats of Hong Kong, that colony's largest political party.

The future for freedom in Hong Kong is not as good as it ought to be, in part because Great Britain is not standing up for democracy as fully as British traditions suggest, and in part because the United States seems too eager to please both Great Britain and the People's Republic of China.

I urge my colleagues to read his comments that appeared in the New York Times and the St. Louis Post-Dispatch, and I ask to insert the article into the RECORD at this point.

The article follows:

[From the St. Louis Post-Dispatch, Sept. 6, 1991]

STILL KOWTOWING TO THE CHINESE

(By Martin C.M. Lee)

When Prime Minister John Major of Britain arrived in Hong Kong Wednesday after a visit to Beijing, he did not receive a warm welcome.

The people of Hong Kong understand that working relations between Britain and China are vital if the transfer of sovereignty over the territory in 1997 is to proceed smoothly. Yet the Chinese-British relationship amounts to British appeasement of Beijing's demands for control over Hong Kong and to Britain's selling out of the interest of the people of Hong Kong.

The new memorandum of understanding signed on Tuesday by Major and Prime Minister Li Peng of China contrasts sharply with the 1984 joint declaration on Hong Kong that called for democracy and autonomy.

In that declaration, China guaranteed that after 1997 "Hong Kong people would rule Hong Kong" through an elected legislature and enjoy full autonomy except in defense and foreign affairs. At the same time, Britain promised to establish a democratic government that would be strong enough to survive 1997.

Sadly, Major's visit signifies that a seven-year retreat from the joint declaration has become a rout. In February 1990, Britain secretly promised China it would not allow for the democratic election of more than one-third of the Hong Kong legislature before the 1997 transfer of sovereignty. Thus, Hong Kong's first democratic elections, on Sept. 15, will be for only 18 of the legislature's 60 seats.

Moreover, the agreement signed on Tuesday provides that London and Beijing—rather than Hong Kong—will jointly award major contracts and franchises in the territory's huge port and airport development. For the first time, China will be given the opportunity to appoint its own representatives to an executive government body in Hong Kong, the airport authority. And Tuesday's agreement was negotiated without participation by any Hong Kong representatives.

The obvious question is: Why is Britain so willing to collaborate with the dictators in Beijing and deny democracy to Hong Kong.

The answer is twofold:

First, Britain wants to maintain cooperation with China and secure advantages for British companies there. Britain foolishly believes that appeasing Beijing will lead to greater cooperation in the period before the 1997 transfer of sovereignty.

Second, the British Foreign Office is terrified of the challenge that a representative legislature in Hong Kong would pose to the British colonial administration in Hong Kong. Britain knows that if it loses its pliant majority in the Hong Kong legislature, that legislature would demand free elections and condemn Chinese-British efforts to cut into Hong Kong's autonomy.

In addition, a democratically elected legislature would seek amendments to the basic law, drafted by the Chinese, that will serve as Hong Kong's post-1997 constitution.

Such challenges by the Hong Kong legislature would prove very embarrassing to Major's government, for they would expose British disregard for Hong Kong's interests and call into question the terms of the sovereignty transfer.

Major's trip to Beijing and his agreement with Li hark back to earlier centuries when foreign emissaries would offer tribute and kowtow before the Chinese emperor.

The tragedy for Hong Kong is that the tributes being offered by Major are the wishes and hopes of the 6 million people of Hong Kong to play a part in the democratic revolution spreading through the rest of the world.●

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. on Thursday, October 3; that following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there be a period for morning business not to extend beyond 11 a.m., with Senators permitted to speak therein, with the time from 9:30 a.m. to 10:30 a.m. under the control of the Republican leader, or his designee, and that during the time from 10:30 a.m. until 11 a.m., Senators WIRTH and WELLSTONE be recognized to speak for up to 15 minutes each.

I further ask unanimous consent, as in executive session, that at 11 a.m., the Senate proceed to the consideration of the nomination of Clarence Thomas to be an Associate Justice of the Supreme Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 6:50 p.m., recessed until Thursday, October 3, 1991, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 2, 1991:

THE JUDICIARY

THE FOLLOWING NAMED PERSONS TO BE JUDGES OF THE UNITED STATES COURT OF MILITARY APPEALS:

REBERT E. WISS, OF ILLINOIS, FOR THE TERM OF 7 YEARS TO EXPIRE ON THE DATE PRESCRIBED BY LAW. (NEW POSITION)

HERMAN F. GIERKE, OF NORTH DAKOTA, FOR THE TERM OF 13 YEARS TO EXPIRE ON THE DATE PRESCRIBED BY LAW. (NEW POSITION)

PEACE CORPS NATIONAL ADVISORY COUNCIL

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE PEACE CORPS NATIONAL ADVISORY COUNCIL FOR TERMS EXPIRING OCTOBER 6, 1993:

RUTH GARDNER COX, OF TEXAS. (REAPPOINTMENT)

ROLAND H. JOHNSON, OF PENNSYLVANIA, VICE PETER L. BOYNTON.

IN THE AIR FORCE

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTION 593, 8218, 8373, AND 8374, TITLE 10 UNITED STATES CODE:

TO BE BRIGADIER GENERAL

COL. GLEN W. VAN DYKE xxx-xx-xxxx AIR NATIONAL GUARD OF THE UNITED STATES.

HOUSE OF REPRESENTATIVES—*Wednesday, October 2, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Your boundless love, O God, is sufficient for every person and allows us to welcome each day as a gift of grace. As we prepare to give attention to the concerns that crowd about, we also remember those with any special need—those who face critical decisions concerning the future, those who are ill and who need Your healing presence, those who wish direction and purpose in the essentials of life. May Your tender mercy, O God, that is with us at all the moments of life, be with us and those we love, and with all Your creation, now and evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will recognize the gentleman from Colorado [Mr. ALLARD] to lead us in the Pledge of Allegiance.

Mr. ALLARD led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 305. Joint resolution to designate the month of October 1991, as "Country Music Month."

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 533. An act to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes;

S.J. Res. 131. Joint resolution designating October 1991 as "National Down Syndrome Awareness Month;" and

S.J. Res. 208. Joint resolution to designate October 15, 1991, as "Up With People Day."

RECOMMENDATION OF MEMBERS TO JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of section 101(b) of Public Laws 99-500 and 99-591, the Chair recommends the following Members to the James Madison Memorial Fellowship Foundation on the part of the House: Mr. SISISKY of Virginia and Mr. ALLARD of Colorado.

REAPPOINTMENT AS MEMBER TO ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE

The SPEAKER. Pursuant to the provisions of section 491 of the Higher Education Act, as amended by section 407 of Public Law 99-498, the Chair reappoints on the part of the House the following Member to the Advisory Committee on Student Financial Assistance: Mr. Joseph L. McCormick of Austin, TX.

APPOINTMENT OF MEMBER TO ADVISORY COMMITTEE ON THE RECORDS OF CONGRESS

The SPEAKER laid before the House the following communication from Hon. BOB MICHEL, the Republican leader:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 27, 1991.

Hon. THOMAS S. FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Sec. 2702(a)(1)(B)(ii) of 44 U.S.C., I hereby appoint the following as a member of the Advisory Committee on the Records of Congress: John J. Kornacki, Ph.D., Executive Director, The Dirksen Congressional Center, Pekin, Illinois.

Sincerely,

BOB MICHEL,
Republican Leader.

MODIFICATIONS IN APPOINTMENT OF CONFEREES ON H.R. 2100, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The SPEAKER. The Chair wishes to make the following modifications on the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Pursuant to the authority granted on September 16, 1991, the Chair announces the following modifications in appointment of conferees on H.R. 2100, Department of Defense authorization:

The panel from the Committee on Energy and Commerce is also appointed for consideration of section 817 of the House bill, and section 826 of the Senate amendment. Delete section 3134 of the Senate amendment from the appointment.

The panel from the Committee on Foreign Affairs is also appointed for consideration of section 904 of the Senate amendment.

The panel from the Committee on the Judiciary is also appointed for consideration of section 3131(e)(5) of the Senate amendment.

The panel from the Committee on Public Works and Transportation is also appointed for consideration of section 2801(g) of the Senate amendment.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 804 and 807 of the Senate amendment, and modifications committed to conference: Mr. CARPER, Mr. LAFALCE, Ms. OAKAR, and Messrs. VENTO, KANJORSKI, RIDGE, PAXON, and HANCOCK.

The Clerk will notify the Senate of the modifications in the appointment of conferees.

NEW MEANING FOR THE WORD "CYNICISM"

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, yesterday George Bush gave new meaning to the word "cynicism."

The same day his administration was leading the charge against extending unemployment benefits to American workers he was taking part in a thinly veiled campaign photo op on education paid for by American tax dollars.

What is going on here? Does this President think he can do and say anything, no matter how outrageous, and that no one is paying attention.

Today's Washington Post details how the U.S. Department of Education used taxpayer dollars to pay a private television production firm to orchestrate his little chat with American schoolchildren.

Forget that this President has no educational program. He has to use Government funds to hire outside help to stage a television production to

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

make him look good for the next campaign. Are we to believe that the White House and the Department of Education do not have enough press aides already on the Government payroll to handle the President's television photo ops.

Maybe some of these Government employees should be fired since they obviously are not needed. Then the President might be more sympathetic to unemployment benefits.

TIME TO CLEAR THE AIR

(Mr. BOEHNER asked and was given permission to address the House for 1 minute.)

Mr. BOEHNER. Mr. Speaker, are we so arrogant with power and privilege that we place ourselves above public scrutiny?

This body is known for its propensity to investigate—investigate any question of ethical or fiduciary propriety in any governmental agencies—investigate anything remotely resembling scandal in the private sector.

Rightly or wrongly, this body loves to launch an investigation.

So why not investigate the improprieties of the House bank? Are we so fearful of the bright lights of inquiry that we cloak ourselves in secrecy, attempting to protect ourselves with words of assurance?

Mr. Speaker, only you and the Sergeant at Arms know what those records show.

If we fail to judge ourselves as we judge others, can we ever again be taken seriously? Do we not condemn ourselves to being the brunt of every coffee shop joke—the topic of every talk show host? Mr. Speaker, release the full GAO report. Clear the air of the rumors that now swirl around this body.

PRESIDENT SHOULD ADDRESS DOMESTIC NEEDS

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Mr. Speaker, last Friday night President Bush recognized that the world has changed by announcing a bold and historic reduction in nuclear arms.

I applaud the President's action and earnestly believe history will remember that moment as one of his finest moments.

How ironic—and sad—it is then, Mr. Speaker, that he is so unable to show the same kind of vision—heck, I think we would settle for even a little of his attention at this point—for domestic issues here at home.

This is not nitpicking, Mr. Speaker.

In the international arena, the President displays boldness, vision, and action. Here at home, he displays timidity, shortsightedness, and inaction.

How can the President who saw things so clearly Friday night, be the same President who cannot see real unemployment reaching record heights; that we are losing 9,000 jobs a month under his economic policies; or that 400,000 people a month are exhausting their unemployment benefits and need an extension of those benefits—benefits, I might add, they not only earned, but paid for?

America deserves better than half a President.

I urge President Bush to join Congress in the effort to address America's urgent domestic needs. Signing the unemployment compensation bill would be an excellent place to start.

A CALL FOR RELEASE OF NAMES IN GAO REPORT

(Mr. KLUG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLUG. Mr. Speaker, a New York Times editorial this morning said it well. The headline read "The Bouncing Bank Clean-Up Lags."

Last weekend I made the fatal mistake of shopping with my 3-year-old son to buy him a book and attempting to write a check for the purchase. The clerk looked at me with a snigger and said, "This isn't one of those rubber ones, is it, Scott?"

Every one of us has one of those stories from back home these days.

But the important issue is not the bounced checks for dry cleaning or for pizza or for a little kid's book. What we need to disclose are the 24 Members identified in the GAO report who regularly bounce checks of $1,000 or more every month for 6 months. The fact is the practice could have gone on for years, but the General Accounting Office only looked at 6 months. So in baseball terms, the offenders hit 1,000 percent, 6 for 6.

All of us are guilty of mistakes, but only two dozen of us are apparently guilty of blatantly abusing the public trust.

If the Speaker does not want to release all the names because most of the charges facing Members in the House are trivial, then at the very least identify those two dozen Members who at the very least should face an Ethics Committee probe.

APPOINTMENT OF CONFEREES ON H.R. 707, COMMODITY FUTURES IMPROVEMENTS ACT OF 1991

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 707) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission; to establish registration standards for all exchange floor traders; to restrict practices which may lead to the abuse of outside customers of the marketplace; to reinforce development of exchange audit trails to better enable the detection and prevention of such practices; to establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations; to enhance the international regulation of futures trading; to regularize the process of authorizing appropriations for the Commodity Futures Trading Commission; and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none and appoints the following conferees and, without objection, reserves the right to appoint additional conferees:

From the Committee on Agriculture, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. DE LA GARZA, ENGLISH, STAGGERS, STALLINGS, NAGLE, SARPALIUS, JOHNSON of South Dakota, HUCKABY, GLICKMAN, PENNY, and ESPY, Ms. LONG, and Messrs. STENHOLM, TALLON, COLEMAN of Missouri, SMITH of Oregon, GUNDERSON, COMBEST, ALLARD, BARRETT, NUSSLE, BOEHNER, and ROBERTS.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Messrs. GONZALEZ, ANNUNZIO, NEAL of North Carolina, HUBBARD, and LAFALCE, Ms. OAKAR, Messrs. WYLIE, LEACH, and MCCOLLUM, and Mrs. ROUKEMA.

As additional conferees from the Committee on Energy and Commerce, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Messrs. DINGELL, MARKEY, SCHEUER, SYNAR, ECKART, SLATTERY, LENT, RINALDO, MOORHEAD, and RITTER.

There was no objection.

CIA WIRETAPS OF MEMBERS OF CONGRESS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, it goes to the very fabric of our democratic institutions. It would undermine the ability of the people's representatives to objectively and fairly conduct the Nation's business. The question or allegations of whether the Central Intelligence Agency used the wiretaps of Members of Congress to intimidate them and undermine their judgment in the conduct of the Nation's foreign policy.

We are reminded, Mr. Speaker, of the recurring need to maintain control of the intelligence agencies of this country and the vigilance that is needed to protect the independence of this institution. The repercussions are enormous.

The question of undermining or compromising the judgment of Members of Congress by using wiretaps. Mr. Speaker, the silence of protests since these allegations arose only a week ago has been deafening.

RUBBERGATE SCANDAL

(Mr. NUSSLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NUSSLE. Mr. Speaker, from time to time we call upon colleagues in this House to be in touch with people back home, to understand what is going on in our districts. Yet we have the Rubbergate scandal that is going on right now with regard to the House Bank, and we ask ourselves, are we in touch with the folks back home?

Let me give my colleagues an example. A bank in Dubuque reported this week that 90 percent of its accountholders have never bounced a check and that of the members that have bounced a check, they only bounce it less than once a year. Is that being responsive? Is that being a mirror image of the people we represent?

I think not. I do believe that there are Members who have abused this privilege, and I believe that there are Members that have, through accounting errors and bookkeeping errors, possibly overlooked some problems. Those Members should not be held accountable, but the Members that have been bouncing checks in a systematic scheme should be held accountable.

The only way to discover that, Mr. Speaker, is to release the names of the Members that have been doing this.

POULTRY CENTER OF EXCELLENCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the administration, at a cost of $4 million, has established a Poultry Center of Excellence.

What is a Poultry Center of Excellence? Does one have to be a dead turkey to get in? Does one have to lay a record number of eggs? Does one have to be a Member of Congress who bounced a check, or is it sort of like a hall of fame for all our feathered friends who sacrificed their lives for our low-cholesterol diets?

Listen, Mr. Speaker, 9 million Americans unemployed, 37 million Americans without health insurance, savings and loan belly up, people worried about their next meal, and this administration is spending $4 million for a high-technology university for dead chickens.

□ 1020

I think that says it all. I think it is time for the Democrats to bring our own foul play into focus.

SMALL BUSINESS EXPORTING MEANS JOBS FOR AMERICANS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, contributions by small businesses to our economy and to job creation are well documented. And support for small business exporting efforts will produce much needed jobs for our Nation's unemployed.

In 1982 Congress established a program to set aside some of the Export-Import Bank funds for small business export assistance. However, the Eximbank has apparently failed to comply with either the letter or the spirit of this law.

Initially the Eximbank told me that 24 percent of their portfolio is directed toward small businesses. But closer scrutiny revealed that the Eximbank is counting big business loan assistance in that number, claiming that the resulting subcontracts helped small business.

The intent of the set-aside program is not to have assistance trickle down from big business. It is to directly assist the small businesses with their exporting opportunities. I will make this point through clarifying legislation, if necessary, to force the Eximbank to comply with the spirit of the law as well as the letter of the law.

America needs growth. We need job creation as well as growth. We cannot look to the big Fortune 500 companies for it either. Small business is the answer to our current economic problems, and so, my colleagues, as you consider the flood of regulation, mandates, and budget busting legislation that affects small business, try to remember it is easy to say that you are all for small business, but it is how you vote that counts.

WAGERING ON THE ATLANTA BRAVES TO WIN THE PENNANT

(Mr. JONES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Georgia. Mr. Speaker, this may appear to some of my cynical colleagues as just a prop, a cheap gimmick, a visual aid to enhance my remarks. But in Atlanta these days this is necessary apparel, for as America knows, the never-say-die Atlanta Braves are doing the tomahawk chop, and the race between the good guys and the Dodgers is what baseball is all about.

So today I am wagering my colleague, Congressman MEL LEVINE of Los Angeles, a bushel of the finest Georgia pecans against a crate of California citrus that the Dodgers are going to be blue, blue, blue when we get through.

So take that, Tommy Lasorda, take that, Darrell Strawberry, take that, MEL LEVINE.

OUTRAGE AT PRESIDENT'S DECISION TO PROVIDE NEW MILITARY AID TO JORDAN

(Mr. GREEN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of New York. Mr. Speaker, I rise to express alarm and outrage at the President's recent decision to provide $20 million in new military aid to Jordan.

I have learned that in late March, just over a month after formal hostilities ceased between the Allied Coalition and Iraq, the administration began providing renewed military aid to Jordan, drawing on unused fiscal year 1989 and 1990 funds. Previously, all United States aid to Jordan had been frozen because Jordan had allied itself with Saddam Hussein during the war, defied the economic embargo of Iraq that the United Nations had forged, and may have even provided the Iraqis with weapons.

Despite all that, today, in addition to an estimated $25 million in pipeline aid, the administration is seeking yet more funds to support Jordan's military. This, in addition to $31 million in economic assistance released to Jordan since the war's end.

When questioned for reasons behind the latest obligation of military funds, Pentagon and State Department officials said that we are providing a carrot to the Jordanians to participate in the peace talks. A Presidential determination of September 16, 1991, certifies that military assistance to Jordan is "beneficial to the peace process" and "in the national interest of the United States." The President had to employ the national interest waiver provided under current law because he was not able to certify that Jordan is adhering to the United Nations trade embargo on Iraq. Most notably, Jordan is importing oil from Iraq in exchange for retirement of debt owed by Iraq to Jordan.

Meanwhile, the administration decries any additional support for Israel, our reliable Mideast ally of many decades, which has requested that the United States guarantee loans to help with the resettlement of Jewish refugees from the Soviet Union, Ethiopia, and Eastern Europe.

What price has Israel paid for her friendship to the United States? When asked by the United States to assume a low profile after Saddam Hussein invaded Kuwait, Israel complied. When asked by the United States not to launch a preemptive strike against Iraq, Israel assented. And then, during the war, when attacked night after night by Scud missiles, and asked by the United States not to retaliate or respond, Israel consented, despite the violation this meant to longstanding Israeli defense policy.

Then, in March, with the war over and refugees continuing to flow by the thousands to Israel, the United States requested that the Israelis delay their loan guarantee request until September. Again, Israel said OK.

But, when September came, the President once again admonished Israel to wait. Wait, without assurances of future support from the administration. Just wait.

And much of the country, influenced by the President, wondered, "So why not wait?"

Until recently, Jews waited behind an iron curtain. Now, with a window open, they deserve freedom. The issue is clear—the rescue of an oppressed and endangered people from the Soviet Union, which the United States has demanded and orchestrated for two decades, cannot be delayed, and should clearly not be linked to the political vagaries of the Middle East.

The Soviet Union is in dissolution. The winter is bound to be desperate and full of want for most of its citizens. The Jewish community there, having lived for decades in institutionalized anti-Semitism, should not have to make the wretched choice we are asking of them. If they leave the Soviet Union for Israel, they face possible unemployment and homelessness because Israel alone cannot absorb the hundreds of thousands of Jews seeking refuge. But if they stay in the Soviet Union, they face certain anti-Semitism and religious persecution.

It is outrageous that the United States has chosen to help Jordan's military, while rebuking the Israelis for their humanitarian request.

What price has Jordan paid for its alliance with the dictator Saddam Hussein?

The administration cannot have it both ways. The President will have to make his case far better than he has so far if he wants support for his lopsided and dangerous Middle East policy.

PAID LEAVE FOR PARENTS TO ATTEND PARENT-TEACHER CONFERENCES

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, today many working parents do not know what their children are learning in school because it is difficult for them to attend vital parent-teacher conferences.

But the Congress can help, Mr. Speaker.

Today, I have introduced a bipartisan resolution to urge employers—in the Government and private sector alike—to allow workers to take paid leave to attend conferences with their kids' teachers.

My resolution would not mandate any new employee benefits, but it would demonstrate the commitment of the Congress to improving our competitiveness by bettering schooling for all Americans.

Mr. Speaker, I ask my colleagues to join me and Mr. HORTON of New York; Mr. AUCOIN of Oregon, and Mr. FUSTER of Puerto Rico as cosponsors of this important statement about education in America.

STOP THE SPENDING BINGE

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I would like to wish my colleagues a happy fiscal new year—but I don't think there's much to celebrate because the mood is anything but festive. Last year, we made a New Year's resolution—known to some as the Budget Deficit Reduction Act—that was supposed to ring in a new era of fiscal restraint. But there's no champagne flowing as we embark on fiscal year 1992 and reflect on what was accomplished in 1991. The only thing flowing around here is red ink.

The 1991 budget deficit was frightening—somewhere in the neighborhood of $200 billion. Add to that the largest tax increase in history—a grand total of $163 billion—and some might think we had our problems solved. But budget math doesn't work that way, and this New Year's Day we're nursing a monumental deficit hangover of more than $350 billion. A few facts: Every 24 hours we pile a billion new dollars onto our existing $3.6 trillion total debt. Interest payments on that debt are fast becoming our largest single expenditure at about $80 million a day.

Mr. Speaker, this is not just a groggy New Year's morning after one night of excess. The American people feel like they have been hit over the head with a ton of bricks—and they are waiting for this Congress to sober up. Stop the spending binge.

H.R. 1414—PASSIVE LOSS CORRECTION

(Mr. LIPINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIPINSKI. Mr. Speaker, I rise today to express my support for H.R. 1414, the passive loss correction bill. I am 1 of over 300 cosponsors of this legislation because I believe that we must do all we can to get our economy back on track.

Last year, Mr. Speaker, America's banks wrote off 7.6 billion dollars' worth of property loans and classified $45 billion as problem loans. And the Resolution Trust Corporation has recently asked for an additional $80 billion to pay for the already outrageous bill left by the S&L scandal.

H.R. 1414 will help to keep many of these troubled properties in private hands and keep the growing Federal burden from becoming even more unmanageable. It will allow rental property operators to hold on to their properties and reduce the growing number of foreclosures and limited failures which are crippling our financial institutions.

I encourage my colleagues to join me in supporting this important legislation and hope that it will come before us for a vote before the year is out.

RESPECTING OUR COLLEAGUES

(Ms. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MOLINARI. Mr. Speaker, yesterday a Republican colleague came to this well and took myself and Congressman TOM CAMPBELL politically to task and publicly to task for our prochoice position on abortion. Clearly this issue is an emotional issue. This issue is an overwhelmingly important issue, and sensitivity and thoughtfulness must surround all of our discussions on this issue.

To single out one or two Members of Congress helps no one and hurts this cause. And to refer to me in this well as "Suzie," and Congressman CAMPBELL as "Tommy," I believe demeans this institution and every one of us who serves here.

Mr. Speaker, I truly respect every one of my colleagues who is prolife, their opinions, and their commitment. Congressman DORNAN, I believe I deserve the same.

A SPECIAL TRIBUTE TO WESTERN SAMOA'S RUGBY TEAM

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, it is most unfortunate that our national media will not share with all America, a world event that takes place every year around this time in England—this, of course, is the world championship playoffs among the world's top 15 rugby teams. And I want to share with my colleagues and our country—the fact that even America is represented in this prestigious rugby tournament. Our national rugby team, the Eagles, will be among the top 15 teams all vying for the World Cup, and we should all wish them well.

Mr. Speaker, I also want to share with my colleagues another unique feature of this year's World Rugby Tournament competition. And that is, for the first time ever, a Pacific Island nation, the independent State of Western Samoa will also be sending its national rugby team called Manu o Samoa, to compete in this year's world event.

Mr. Speaker, this is quite an accomplishment for such a small island nation of 170,000 predominantly of the Polynesian-Samoan population. The sport of rugby is one of the favorite games played in Samoa, and it seems that finally rugby has become of age in Samoa and I suspect this island nation will be sending a national team every year to England in the years to come.

Mr. Speaker, I want to pay a special tribute to His Highness Tuiatua Tupua Tamasese who has always been a patron and leader of Western Samoa's rugby union over the years. Also, to Mr. Allen Grey and to Mr. George Meredith, who are with the union's leadership organization. I also want to commend Western Samoa's Prime Minister, the Honorable Tofilau Eti Alesana, for extending to me a personal invitation to attend this historical first game that Manu o Samoa will be playing next week, October 6, against one of the great rugby teams of the world—the national rugby team from Wales.

Again, Mr. Speaker, it is sad that our national television networks will not be sharing with the rest of America—the sport of rugby, one of the most popular in the world.

Mr. Speaker, I also want to commend three other national rugby teams from the Pacific region that will also be participating in this year's world competitions—the teams from the Republic of Fiji, Australia, and currently the world champions, New Zealand's national rugby team—the "All Blacks."

NORTH CAROLINA 2000

(Mr. BALLENGER asked and was given permission to address the House for 1 minute).

Mr. BALLENGER. Mr. Speaker, last week, Gov. Jim Martin announced that North Carolina had adopted a plan to make education a priority in every community in the State. North Carolina 2000, based on America 2000 proposed by the President, focuses local efforts to achieve national education goals.

According to these goals, by the year 2000, North Carolina will have all children starting school ready to learn; the high school graduation rate will increase to at least 90 percent; students will demonstrate skill in vital subjects from English to geography; students will be the first in the world in math and science; every adult will be literate; and all schools will be drug and violence free.

During the August recess, I met with coalitions of business leaders, educators, parents, and others to discuss America 2000 and ways to make this far-reaching plan a reality in my district. I am pleased to report that many, many folks are excited about America 2000 and the promise it holds for educational opportunities. Hopefully in the near future, I will be on the floor announcing America 2000 communities in my district.

I look forward to working with the President and the Governor to make sure that these goals are implemented.

GIVE AMERICAN MIDDLE CLASS A FAIR SHAKE: SUPPORT H.R. 1414

(Mr. JOHNSON of South Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of South Dakota. Mr. Speaker, among the hundreds of bills that beg our attention, we need to move quickly to pass proposals that enhance economic growth and give the American middle class a fair shake.

One such proposal that falls into that category is H.R. 1414—to bring fairness to property investors.

I am a cosponsor of this legislation and have strongly supported its passage. Unfortunately, we have not had an opportunity to vote or even to debate this bill at this time.

Enactment of this bill would help reverse the sharp decline in the real estate market and send an important message to investors that Congress supports tax policies that nurture legitimate investment. Enactment of this bill would also make a difference to the American taxpayers who are saddled with bailing out the S&L's. Soon, the House will be asked once again to provide additional funding for the RTC.

In my opinion, some of the best relief the House could offer the RTC is passage of H.R. 1414. Properties now in the RTC's hands would move more easily to private hands, and troubled properties now in private hands would be less likely to wind up in the Government's lap.

This bill would bring good results for the country. The only problem seems to be getting good results from Congress. We should move forward expeditiously.

REPAIRING TAX-REFORM DAMAGE

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, I want to join this morning the people who have come to the well of the House and have asked that we take up the bill, H.R. 1414.

This is an important piece of legislation. After all, every single recovery that we have had since the end of the Second World War has always been spearheaded by real estate, and if we address 1414 and take this up, it would really give a shot in the arm and a boost to the real estate industry.

H.R. 1414 is budget neutral. It is designed to put an end to the passive-loss rules which were intended to abolish real estate shelters, but, as we know, the effect of it was that it chilled the real estate investment and plunged the industry into a downturn.

Under the present passive-loss rules, real estate investors are taxed on gross income, not on net income. So let us all join in working to make the real estate sector the locomotive of our economy again, the real estate sector that leads us in the powerful recovery and productive jobs for all of our people.

I urge the Speaker to bring up H.R. 1414 for a vote as soon as possible.

START SPENDING PEACE DIVIDEND ON OUR CHILDREN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, here we are at the beginning of the new fiscal year, and I think the one thing we can say is that the way we could capture this year is the red ink is rising.

But that is not the only deficit this country has to deal with. There is the twin deficit of the attention-deficit disorder the President seems to have when it comes to domestic issues. Even he admits that we have had a very, very serious change in the world, thank goodness for the better, since we put the budget together, and he has made this very historic, historic speech saying we are going to cut back the number of weapons and so forth out there.

He is also saying no peace dividend, and that we cannot start cutting back defense measures to lower this deficit and start attacking some of the domestic issues that desperately need to be dealt with.

I think in this fiscal year, every decision should be based on whether we are getting ready to compete with the Europeans, the Canadians, and the Japanese for the highly paid, highly skilled, highly educated jobs, or whether we are dropping out of that competition and just going to pick up whatever we can.

If we want to compete with them, we are on the wrong track. We need the President to overcome his attention deficit disorder, and we need to look at this budget that was put together in an entirely different time. There should be a peace dividend, and we should start spending it on our children, their education, and get ready for the 21st century and position ourselves where we want to be.

THE CRIME BILL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, last Sunday the Washington Post ran a front page story on the influence of gangs in the murder capital of the world, Washington, DC, and last week, the Committee on the Judiciary reported out a crime bill that the media barely mentioned, and I think maybe for good reason: The bill was so inadequate in responding to the violent reality of crime that it did not deserve coverage.

The vast gap between what is happening on the mean streets of the cities and what is not happening in the sheltered Halls of Congress is a sad commentary on the majority's leadership.

The Democrats' crime bill does not contain habeas corpus reform, a revised exclusionary rule, nor more effective death penalty procedures. It is not the tough crime bill that the President sent to the House earlier this session. It is not even close.

If this weak crime bill passes unchanged, the President should veto it, and the House should sustain that veto.

The American people do not need bold declarations. They need bold action to battle crime.

AMERICAN PUBLIC CAN DO WITHOUT THE LUXURY TAX

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. TAUZIN. Mr. Speaker, yesterday we began the second fiscal year of the luxury tax enacted last year as part of the budget agreement that was supposed to finally get the deficit under control.

Well, surprise, surprise, the fiscal year we just ended contains the biggest deficit in America's history.

It is no small wonder when you consider what the luxury tax is contributing to it.

CNN recently reported that the Federal Government will cost out $5 for every $1 we collect in luxury tax revenues. As every day passes, more working people lose their jobs, and revenue losses mount.

Let us not make another mistake by keeping a bad law on the books any longer.

Mr. Speaker, every industry covered by the tax has been hurt. The boat and airplane industries and the retailing industry have laid off nearly 20,000 workers. These are working Americans, craftsmen, mechanics, salespeople. The automobile industry has laid off 7,500 workers since the imposition of the tax. These are working Americans. They were working Americans, parts personnel, secretaries, body repair folks.

When the rich choose not to buy the so-called luxury items, it is the American workers, not the well-to-do, who feel the pain. Federal and State treasuries suffer as well through reduced income tax payments, sales tax receipts, and cash payments such as unemployment compensation benefits to the thousands of workers losing their jobs.

Mr. Speaker, the luxury tax is a tax that Americans can hardly afford any longer.

□ 1040

TYING SECRETARY KEMP'S HANDS AT HUD

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, yesterday the distinguished Secretary of Housing and Urban Development, Jack Kemp, appeared at a hearing of the Housing Subcommittee of the Committee on Banking, Finance and Urban Affairs. He discussed his efforts to reorganize the Department to prevent any reoccurrence of the mismanagement of the past. The entire subcommittee has welcomed Jack Kemp's cooperative spirit and aggressive approach to fulfilling his mission; however, a large roadblock has been thrown in his way.

The VA-HUD appropriations conference report has slashed Mr. Kemp's executive staff of specialists by almost 40 percent. This at the same time the Secretary is fighting to clean up the troubled institution he inherited and bring innovative programs, such as HOPE and HOME to provide direct assistance to needy Americans. If anyone can oversee the successful stabilization of HUD and move forward progressive housing programs, it is Jack Kemp.

The conference report appropriates $150 million new dollars in special purpose housing grants; in other words, pork. At the same time, it foolishly cuts staff critical to HUD's revitalization. If Congress is serious about solving our Nation's housing problems, it should work with Secretary Kemp, not tie his hands as he fights to bring American families better homes.

THE SOURCES OF AMERICA'S WORLD POWER

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, as a world power, the United States has promoted democracy and peace among nations. There is no question that our Nation has achieved this in the past, while maintaining a domestic agenda. At question, Mr. Speaker, is our ability today to retain our role as a force for international cooperation and domestic reforms, when the American President pursues a policy of domestic neglect.

Executive negligence, an obstruction of a domestic agenda in education and employment opportunity, in health care and real crime prevention, undermines the foundation of our own democracy.

The difference between President Bush and us is that we Democrats believe that the true source of America's world power and the strength of our democratic system is a healthy, secure work force, and an educated electorate.

We must work for a policy which recognizes that strength. I believe that is what we were sent here to do.

BILLIONS IN FOREIGN AID TO BAIL OUT FOREIGN BANKS

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, today the House will pass overwhelmingly a foreign aid authorization bill. This will be done in spite of the fact that the great majority of Americans do not want to keep sending billions of dollars more overseas.

Included in this bill will be a $12 billion increase in the United States contribution to the International Monetary Fund, primarily for loans to the Soviet Union.

B.J. Cutler, foreign affairs columnist for the Scripps Howard Newspaper chain, wrote a few days ago:

> The plan, which won't be spelled out to the public, goes like this: for "humanitarian reasons" the Soviet people must be aided. So the International Monetary Fund and the World Bank will make massive loans to Moscow. But most of the money will be recycled to repay banks in London, Paris, Frankfurt, Tokyo, et cetera.

He then added:

> To be blunt, the scheme consists of shifting the cost of bankers' blunders to American and foreign taxpayers, which they wouldn't tolerate if they knew about it.

Americans do not want to see anyone starve, but they do not want to pay billions of dollars to bail out big banks in Japan and Germany and other places.

Pat Buchanan wrote last week:

> Some day an American Congress will say to the IMF and World Bank, "We are not

guaranteeing any higher loan levels than present." On that day, the game will be over. One Third World nation after another will default. The IMF and World Bank will come to the U.S. Treasury for payment. The Treasury will have to borrow to pay, and pile that borrowing on top of the U.S. national debt. And our children will work decades to pay it off.

Mr. Speaker, this is not the time to give $12 billion more to the IMF. This is a very bad investment for the American taxpayers.

THE TELEVISION THING

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. SCHUMER. Mr. Speaker, we have a hot new show coming to us from the studios at 1600 Pennsylvania Avenue. It's called Homefront. Lacking the vision thing, Mr. Speaker, the President has turned to the television thing. Episode one found him in the Grand Canyon to talk about clean air to a bank of network cameras. In reality, his administration's rules are dismantling the clean air bill.

Episode two found him in Miami to talk about crime to a bank of network cameras. The crime bill he sent us will not put a single extra cop on the street or ban one assault weapon.

In episode three, he spoke about education at a Washington, DC, school with the private cameras recording the events—public cameras and reporters were not allowed in the room—and they were probably making a dub for Roger Ailes.

Mr. Speaker, even the children are not buying this agenda of photo opportunities. "I'm sure we'll never see this in a campaign ad," said a 13-year-old at the school yesterday.

Can we blame her for being skeptical?

Mr. Speaker, it is time the President stepped out of the cynical glare of the television lights and matched his symbol with substance.

DEPARTMENT OF THE ENVIRONMENT

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Speaker and my colleagues, the Department of the Environment is within our grasp. Yesterday by unanimous consent, the Senate passed a Department bill that strengthens the environmental functions of Government. It is a bill that the President can sign.

My congratulations to Senator GLENN and Senator ROTH for putting together S. 533 and passing it with overwhelming support, a true bipartisan effort. We are at our best in this institution when we work together for worthy causes, and enhancing the quality of our environment is a most worthy cause.

The House can do the same. On July 31, 1991, I introduced legislation that also creates a Department of the Environment and has earned the endorsement of both the administration and environmentalists, Republicans and Democrats alike, Members who give a high priority to environmental issues.

After the President called for a new Department in January 1989, efforts to pass legislation failed because of partisan political differences. Let us put them aside.

Our bill is a consensus bill, a bipartisan effort took months to put together in deliberations with the administration and environmental groups, particularly the Sierra Club. We have got everyone agreeing that if we really want a bill and we want a Cabinet-level post for the environmental chief, this is the opportunity.

Mr. Speaker, the window of opportunity is there. Let us climb through it.

REPUBLICANS CAN RUN, BUT CANNOT HIDE BEHIND TRIVIALITY

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, we are taking up too much time on this check bouncing issue. We know that it is serious and things have to be righted. The Speaker of the House got up out here and came up with a formula that allows that this is not going to happen again, and the Republicans know it; but they want to take the spotlight off a badly declining economy which they are going to have to run on next year.

We are losing 10,000 jobs a month in this country. We have 37 million people who do not have any health insurance. Industries and businesses are moving out of the country, or they are going bankrupt. We are on the verge of a banking scandal following the savings and loan. Millions of our unemployed are running out of unemployment compensation, and we have a President who just does not give a damn about it.

Well, I am going to say this. You can run, but you cannot hide behind triviality. You had better start taking care of the people now or they are going to take care of you next year.

WOMEN IN APPRENTICESHIPS AND NONTRADITIONAL OCCUPATIONS

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, American businesses, now and for the remainder of the 20th century, will face a dramatically different labor market than the one to which they have become accustomed. Two in every three new entrants to the work force are now women. To meet labor needs, these women must work in all occupational areas, including apprenticeships and nontraditional occupations.

Today, I am introducing a bill to assist business in meeting the challenge of Workforce 2000 by preparing employers to successfully recruit, train, and retain women in apprenticeships and nontraditional occupations. Presently only 4 percent of the female labor force works in nontraditional occupations, which are significantly higher paying than traditionally female occupations.

I ask my colleagues to join me in assisting business to prepare for Workforce 2000 and in improving the economic self-sufficiency of women.

□ 1050

WE HAVE DEFENDED EUROPE FOR 50 YEARS; IT IS TIME TO DEFEND OUR PEOPLE HERE AT HOME

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, as this country's economic crisis continues, the administration tries to divert our attention; 20 out of the last 24 years, we have had Republican administrations, each one of them getting tougher and tougher on crime. Yet our city streets and in our rural communities crime continues to spiral. Maybe if we spent a little time giving people a job and a home and an education, we could stop making speeches about crime, because we would get at the root causes of it.

This country subsidizes the defense of West Germany and Western Europe from the newly freed Baltic States and the disintegrating Soviet Union.

The cost to the American taxpayers is $140 billion. Let us take some of those dollars that are supposed to defend us and put them in our cities, put some police on the streets to make the city streets safe for mothers and children and for people who go to work every day. Take some of those dollars and bring up the standard of education. Meetings and conferences on education in now over a decade of Republican administrations has not improved our educational system.

Let us take some of those dollars and let people who have worked all their lives and who are unemployed, give them those extended benefits and let us make sure that when the Senate passes parental leave we join the Germans, the French, the Belgians, the Scandinavian countries and the rest of the civilized world with some parental leave of our own in this country.

Mr. President, we have defended Europe for 50 years; it is time to defend our people here at home.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TORRICELLI). The Chair will remind Members that, in addressing the House, they should address their remarks to the Chair and not to persons outside of the House.

AIDING AND ABETTING THE COMMUNISTS IN NICARAGUA

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DOOLITTLE. Mr. Speaker, recent press reports indicate that some Members of Congress or their aides may have been in league with the Communist regime in Nicaragua to thwart the policies of the U.S. Government. These reports are based upon conversations taped by United States intelligence agencies, which monitored activities of the Nicaraguan Sandinista government.

This type of conduct would appear to violate the Logan Act and should be fully investigated.

As Samuel Francis has observed in a recent Washington Times column, "This is something that is neither politics nor diplomacy. It used to be called treason."

Mr. Speaker, I call upon the administration to make available to the Congress or to the appropriate investigative agencies the information gathered by the intelligence agencies in order that the appropriate investigation may be commenced.

NATIONAL ENERGY EFFICIENT LIGHTING EDUCATION ACT OF 1991

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, as Congress struggles over the creation of a national energy strategy, we must not neglect the role that energy efficiency education can play. Although we have increased our efforts to promote conservation and recycling, educational efforts have often lagged far behind.

Last month, DAVID PRICE and I introduced H.R. 3285, the National Energy Efficient Lighting Education Act of 1991.

H.R. 3285 will establish 10 regional lighting centers to provide educational information, workshop, and displays about energy efficient lighting. In addition, this bill will create a partnership between the lighting centers and educational institutions to establish lighting engineering and technical programs and curricula emphasizing energy efficiency.

Energy efficiency education can and should play an important role in national conservation programs: energy used to generate electricity accounts for 36 percent of the energy used in this country, and lighting equipment accounts for 18 percent of all electric power generation.

The centers established by this bill will expand markets for energy efficient products and educate both the lighting industry and the public about lighting efficiency.

Real opportunities for gains in conservative exist, and I believe it is time we take advantage of them. I invite my colleagues to join me in support of this legislation.

CONGRESS SHOULD PASS A MORE COMPREHENSIVE CRIME BILL

(Mr. MCCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCCOLLUM. Mr. Speaker, in a few days we are going to consider a crime bill on the floor of the House. Unfortunately, the Democrats in the House Judiciary Committee have gutted the President's crime bill in the process of producing one that we will see out here.

I hope that my colleagues will have the opportunity, when the Committee on Rules is finished, to vote on some very key amendments that will restore the basic thrust of the President's bill because surely that is what needs to be done. We came very close to having that in the last Congress. This body passed most of those key provisions, but the conference with the Senate, in the last 3 days, it did not work, it did not happen.

We need a tough habeas corpus provision that ends the opportunity for those on death row to continue to delay and to delay the carrying out of their sentences. But the bill out of the Committee on the Judiciary, the Democrats did not do that. We need to have a change in the exclusionary rule, to let evidence in in cases where there is no search warrant but where the police acted in a reasonably objective fashion to comply with the Constitution. We need to let that evidence in. The courts in two circuits in this country have already said that they will establish that standard on their own. But we need to legislatively put it in in a uniform fashion and change that exclusively rule.

And we do not need the kind of thing that is in this bill coming out of the Committee on the Judiciary that would bottle up the death penalties throughout the States by using some kind of a race statistics data to say, "If you have certain statistics in your particular court circuit, you are not going to be able to have the carrying out of the death penalty." That is an absurd thing. Race has no part of being a part of any sentencing process. We need to look at all of those, and we need to look at the death penalty procedures that also are not in conformity with the President's wishes.

Let us change the bill on the floor and send a good product over to the other body as we did in the last Congress.

I urge my colleagues to do that.

MILES DAVIS, A RARE AND VALUABLE NATIONAL TREASURE

(Mr. CONYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, on behalf of those Members who joined me in the designation of jazz as a rare and valuable national American treasure, House Concurrent Resolution 57 in another Congress, to celebrate the life and musical contribution of the late Miles Davis, one of the greatest jazz trumpet players of all time.

Mr. Speaker, it was 45 years ago that as a teenager he came to New York, joined with the late great Charlie Parker and, on a 78 record, the old kind, he recorded an immortal tune called "Now is the Time."

His enormous talent brought him right to the top and immediately moved him to the front ranks of jazz artists. Then he moved to other vistas; cool jazz, then to hard bop, and later on to fusion.

Mr. Speaker, he gave millions of Americans their most pleasant musical moments and we now realize that Miles Davis, himself, was a rare and valuable national American treasure because he, like jazz itself, served as a unifying force bridging cultural, ethnic, and age differences in a very diverse society.

Miles Davis, this Congress remembers you and will hold a special order to celebrate your life and work next Wednesday on October 10, 1991.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. PETERSON of Minnesota. Mr. Speaker, I ask unanimous consent that my name be removed as cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CONFERENCE REPORT ON H.R. 2519, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1992

Mr. TRAXLER. Mr. Speaker, I call up the conference report on the bill (H.R. 2519) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1992, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 27, 1991, at page 24609).

The SPEAKER pro tempore. The gentleman from Michigan [Mr. TRAXLER] will be recognized for 30 minutes, and the gentleman from New York [Mr. GREEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. TRAXLER].

□ 1100

Mr. TRAXLER. Mr. Speaker and Members of the House, we bring to you today the conference report on the fiscal year 1992 VA, HUD, and independent agencies appropriations bill. This bill includes funding for the Department of Veterans Affairs, the Department of Housing and Urban Development and 22 independent agencies, totaling approximately $81 billion. It is the largest domestic discretionary appropriation bill of the several which will be considèred from the Committee on Appropriations.

However, Mr. Speaker, before we proceed to discuss this bill, I would like to pay special thanks and honor to those who have been involved in its preparation and the difficulties that we have had over these last 8 months in bringing it to fruition and presenting it to our colleagues in its final form—in this conference report.

Mr. Speaker and Members, we would not be here but for the efforts and the contributions of the ranking Republican member, the gentleman from New York [Mr. GREEN]. He is a very talented and dedicated Member of this body who knows the subject matter of this bill as none other does, and I call it a very high honor and a distinct privilege to have the opportunity to be associated with him and to work with him to bring this product to our colleagues for their consideration.

Mr. Speaker and Members, I must also say that no other subcommittee chairman has the good fortune that I do in having a subcommittee that has as many members who are as concerned and dedicated to the agencies under the jurisdiction of this subcommittee, and to the people, and to this Nation as a whole, as the members of this subcommittee, and they include the gentleman from Ohio [Mr. STOKES], the gentleman from West Virginia [Mr. MOLLOHAN], the gentleman from Texas [Mr. CHAPMAN], the gentleman from Massachusetts [Mr. ATKINS], the gentlewoman from Ohio [Ms. KAPTUR], the gentleman from Pennsylvania [Mr. COUGHLIN], the gentleman from California [Mr. LOWERY], all very significant contributors to this process in presenting this conference report for our colleagues' consideration.

I might also add that none of this would be possible without the efforts of a dedicated and highly professional staff that serves this subcommittee, the full Committee on Appropriations, and the Members of this body and the Nation as a whole. That includes Dick Malow, who is the committee clerk, been there for some 19 or 20 years; Mr. Paul Thomson, staff assistant to the committee; Michelle Burkett, staff assistant; and Marissa Smith, a detailee from the Department of Veterans Affairs. All of these people make possible the technical aspects of this bill and its formal presentation to this body. There is Mr. Jeff Lawrence on the staff of the gentleman from New York [Mr. GREEN] and Bill Gilmartin on my staff who make their personal contributions as well.

So, Mr. Speaker, we bring to you, as a group, these recommendations, and, like in past years, it is a very, very difficult bill to do. There are tough issues involved, and basically it is a small pot of money, a size 9 shoe with a 12 foot to fit into it. It is not done with any ease or simplicity. Each year when we come before the House with this bill we suggest it was one of the most difficult years, and certainly 1992 is no exception. I can say without any hesitation whatsoever that this has been the most difficult of years.

Obviously, not everyone within the agencies or within this House, nor outside interests, are pleased with every aspect of this product, and yet we must tell our colleagues in all candor that it is the very best we could do under trying financial circumstances. The reason everyone is not going to be happy is because we do have a budget crisis, and yet even in times of limited resources we all know that there are essential services that must be performed by this central government, the Federal Government of the United States of America.

There may be those who argue that we ought to repeal government. But government provides essential services that are necessary for the public welfare and for the public good, and, if we, as a nation, are going to continue to stand tall in the hall of nations of the highest technological order, then we must make certain expenditures to preserve this Nation's physical and human infrastructure, and this is one of those bills that does exactly that, ranging all the way from veterans health issues, to issues concerning the public environment, concerning NASA, a very high tech agency, housing for millions of people, and questions involving the National Science Foundation and putting out almost $2 billion in research grants to stimulate the minds of America's research scientists.

So, all in all, it is a significant contribution to the future and the well-being of millions of Americans, and there is literally no one in this Nation that is not touched by this bill in some fashion and to some degree.

We do not have, unfortunately, unlimited domestic discretionary moneys to fund all of the programs at the levels that most of us would like to see. There were hard choices made in this bill. We did categorize, and we did prioritize, and that is always a painful process, and someone is going to be dissatisfied. It means that we had to make cuts and reductions. They are very painful to me, to other members of this committee, and I am certain to the agencies involved. But we believe on balance, and that is what is critical here, that for the most part we have spread the agony. There is no agency that has precedent over another agency. Each of them in a sense is a subcommittee child, and we love each and every one of them and treat them as a parent ought to, with appropriate discretion and equal affection.

I must say that we have proposed a bill which involves using nearly $3 billion in creative scorekeeping. Now this $3 billion in the scorekeeping will not be available to this subcommittee next year under the current budget practices.

Now what does that mean? Well, it means, unless the fire walls come down between domestic expenditures, defense and foreign aid, so that the Committee on the Budget and the Committee on Appropriations can reach across and treat the Federal budget as a unified one and to move moneys appropriately from one function to another, we are going to be in deep trouble in this subcommittee next year. Our 1993 money allocation will not be able to sustain, and let me emphasize this, and no one disagrees with this; we will not be able to sustain the program levels for next year that we are establishing this year under current budget practices.

I recognize it is hard to get anyone interested in 1993. As my colleagues know, we all behave like Wall Street. We are only interested in this quarter's bottom line. But somehow or another this Nation has to rethink that concept of instant gratification. That is what a child does. Surely, as rational adults we can foresee the future and predict what will occur tomorrow based upon our conduct and actions today.

Now unless, as I said, these walls around defense and foreign aid are breached, and of course the Director of OMB has said that he intends to do that when it is to his advantage, following the election of next year, should he be here. I say to my colleagues that we, as a Congress, having a responsibility for providing domestic tranquillity and the welfare of the people of this Nation, must consider that ourselves in next year's budget negotiations. Next year is certainly going to be tighter than 1992.

Let us take a look at some of the details.

We are providing a total of $13,513,000,000 for the veterans' medical care. Now that represents nearly a 10 percent increase above 1991. But medical costs are increasing by at least that rate, and that is the healthiest increase in funding for the VA medical care in many years, and each of my colleagues can take great pride in that fact. But before we get excited, remember we still have a ways to go in terms of staying abreast of the need for adequate funding of veterans medical care because we have been funding the VA medical care system at roughly a 7-percent increase over the last 10 years. On the other hand, as I said, medical care costs have gone up at a somewhat higher rate, so we are going to have to play some kind of catch up here.

While we may be keeping our head above the water, we do not have enough critical staff throughout the VA hospital system in my judgment. I want to say at this point that no Appropriations Subcommittee chairman has had a finer or better relationship than what I have had with the chairman of the authorizing committee, the gentleman from Mississippi [Mr. MONTGOMERY], and it is through his knowledge, and his interests and his commitment to America's veterans that our subcommittee has been able to do the things that we have done, and for his counsel, and his direction and leadership I want to express my personal appreciation and that of the subcommittee's as well.

□ 1110

Now, in housing I believe we have done an incredible job. The total appropriation for the Department of Housing and Urban Development is $23,809 million. That compares with about $23,617 million provided in 1991.

Now, get this. Within that total, we have provided $1,500 million for the newly authorized program called HOME. I must say, in all candor, that is probably a little more money than what I would have personally liked to have seen. This is a new program. I might have preferred a slower startup than what you see here. But the authorizing committees felt that this was an appropriate number. The Senate took the lead on this. We work in a collegial fashion, of course. The gentleman from Texas [Mr. GONZALEZ] and others on his committee felt strongly in terms of this issue, and we are pleased to have honored their requests.

We are going to watch how this program gets underway, and we are going to make some adjustments accordingly in the year ahead.

Incidentally, of keen interest to many Members, we have waived the local matching requirement at the request of the authorizers and at the insistence of the Senate. That is waived for only 1 year. It is the understanding that it will be revisited next year.

I might add we are providing $361 million for the Secretary's program HOPE. There is a $10 million increase above the level provided in the House bill for HOPE I.

I must say that there is no stronger advocate for the issues that he believes in and no more talented individual, no one who is as committed to pursuing the administration policy on housing, than Secretary Kemp. I count him as a personal friend. He is a former Member of this body and in addition was a member of the Committee on Appropriations.

We are also at the same time looking at the need for an increase of $1,200 million for contract renewals—a problem that was dumped in our laps at the last minute by the Department of Housing and Urban Development. They underestimated the number of section 8 contracts that will come up for renewal during fiscal year 1992.

Unless we provide this money, and we did not know about it, of course, until the Senate was going to markup, unless we provide this money, you literally could have people thrown out in the streets. We certainly do not want that.

Now, what about NASA? The latest report from the Augustine Commission to Admiral Truly, the Administrator of NASA, strongly suggests that NASA not continue to overload its plate of projects and programs.

Briefly, from the letter, there was one sentence in my mind that stuck out:

> The adoption of the content of one space program and the budget of another would be the greatest disservice of all, to this agency.

The problem is that is exactly where we are at. The budget request for NASA was $15,721 million. This bill appropriates $13,320 million, a reduction of $1,400 million.

In regard to NASA, let me say the distinguished gentleman from California [Mr. BROWN] has been a friend and an ally of this subcommittee, and has brought to our attention the needs of the agency. We have had a close working relationship with the gentleman and the Committee on Science, Space, and Technology. For that, I am very appreciative.

It does not take a genius to understand that the budget request for NASA was based on funding x number of programs at Y levels. But with a $1.4 billion reduction, and, get this, if you are going to fund the space station consistent with the direction that this House gave to the subcommittees in its amendments of early last summer, then some programs for NASA have to be eliminated or reduced or stretched out. Yes; I said eliminated.

We have attempted to do that. We are fitting again a size 12 foot into a size 9 shoe.

We have taken the NASA contribution to the national aerospace plane fundamentally to zero. We put in $5 million, in a sense to keep their oar in the program, a substantial part of which is funded through the defense budget.

We have canceled the flight telerobotic servicer. That was a favorite, I might add, of the subcommittee. We have terminated the Lifesat Program. We have recommended the cancellation of one of the advanced turbo pumps for the space shuttle main engine. We provided no funds for the space infrared telescope facility, which, by the way, was the highest single recommendation of the National Academy's Astronomy Committee for projects to be funded in the 1990's—a very painful decision, but a new start.

Let me repeat: We have not provided a nickel for SIRTF, even though it has the highest priority. We cut space shuttle operations by $330 million. We are not proud of that at all.

We have delayed the advanced x ray astrophysics facility for more than a year. That was one of my favorite projects.

We have salvaged the CRAF and CASSINI missions, but with a 1-year delay. We have cut the operations of installations funding under NASA's salaries and expense account by $175 million.

Mr. Speaker, I have to say it was very discouraging to sit in our conference and witness how desperately our friends in the aerospace community lobbied individual members to keep every one of these programs online, and that was their very right, even if they were going to be funded at totally inadequate levels, which would create for the subcommittee an impossible situation next year, in view of what we anticipate will be our allocation of money for the subcommittee.

Mr. Speaker, I hope I can bring some reality to this problem soon. If we are going to fund the space station NASA proposes to build as directed by the House and by the other body, given our future budget outlook, we are not going to fund a great deal else in some other programs.

In the environmental area I sincerely wish we could have done better. The totals for the EPA include an increase of $100 million in the agency's operating programs, and a total increase of about

$450 million when the Superfund and construction grant programs are included.

For the National Science Foundation we are providing an increase of 11 percent in the basic research account, and 13 percent in the education and human resources account, which is essential if we want our K-12 children to take an interest in math and sciences in this Nation.

Mr. Speaker, that is a summary of the 1992 bill. It was tough, but we did the best we could under these circumstances.

Mr. Speaker, I would like to correct a printing error in the statement of the managers on H.R. 2519, the 1992 VA, HUD, and Independent Agencies Appropriations Act.

On page 24612 of the CONGRESSIONAL RECORD dated September 27, 1991, under amendment No. 35, a special purpose grant provides $575,000 for emergency construction of water lines in Auburn, MA, to address presently irreversible hazardous contamination of the sole source of water for certain sections of the town. The grant is for the town of Auburn, not Ashburn as printed in the RECORD. There is no Ashburn in Massachusetts.

Mr. Speaker, I have discussed this matter with the minority and they agree that the grant is intended for Auburn, MA. Further, I understand that the Senate concurs that this was a printing error and will so note when the conference report is before that body.

Mr. Speaker, the motion that I will offer on amendment No. 146 incorporates a minor technical change to accommodate the Congressional Budget Office and the Budget Committees in connection with the scoring of this bill. With this adjustment, the language conforms to the existing budget agreement scoring rules and the VA-HUD-Independent Agencies appropriations bill meets all budget authority and outlay ceilings.

Mr. Speaker, the motion that I will offer on amendment No. 156 incorporates a minor, technical change to accommodate the House Science and Technology Committee in connection with setting aside transfer authority among National Science Foundation appropriation accounts.

The conference agreement repealed the transfer authority which has been carried in the legislative bill for some years. We took this action because of the very sensitive nature of funding for the entire Foundation—and particularly the Antarctic programs. In short, we do not want to leave open-ended transfer authority on the books in 1992.

The technical change we have made in the language sets aside the transfer authority only for the duration of fiscal year 1992.

Next year, when the Foundation is reauthorized, we'll be happy to work with the Science Committee on this overall issue.

Mr. Speaker, at this point I would include a table on the conference agreement.

H.R. 2519 - Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, 1992

	FY 1991 Enacted	FY 1992 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I						
DEPARTMENT OF VETERANS AFFAIRS						
Veterans Benefits Administration						
Compensation and pensions	16,397,135,000	15,841,620,000	15,841,620,000	15,841,620,000	15,841,620,000	-555,515,000
Readjustment benefits	752,500,000	635,400,000	635,400,000	635,400,000	635,400,000	-117,100,000
Veterans insurance and indemnities	15,410,000	25,740,000	25,740,000	25,740,000	25,740,000	+10,330,000
Loan guaranty revolving fund	670,200,000					-670,200,000
Guaranty and indemnity fund	80,800,000					-80,800,000
Guaranty and indemnity program account (indefinite)		367,709,000	367,709,000	367,709,000	367,709,000	+367,709,000
Administrative expenses		39,689,000	39,689,000	39,689,000	39,689,000	+39,689,000
Loan guaranty program account (indefinite)		128,920,000	128,920,000	128,920,000	128,920,000	+128,920,000
Administrative expenses		85,870,000	85,870,000	85,870,000	85,870,000	+85,870,000
Direct loan program account (indefinite)		9,000	9,000	9,000	9,000	+9,000
(Limitation on direct loans)		(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+1,000,000)
Administrative expenses		1,368,000	1,368,000	1,368,000	1,368,000	+1,368,000
Education loan fund program account		8,000	8,000	8,000	8,000	+8,000
(Limitation on direct loans)		(21,000)	(21,000)	(21,000)	(21,000)	(+21,000)
Administrative expenses		307,000	307,000	307,000	307,000	+307,000
Vocational rehabilitation loans program account		105,000	105,000	105,000	105,000	+105,000
(Limitation on direct loans)		(1,688,000)	(1,688,000)	(1,688,000)	(1,688,000)	(+1,688,000)
Administrative expenses		936,000	936,000	936,000	936,000	+936,000
Direct loan revolving fund (limitation on direct loans)	(1,000,000)					(-1,000,000)
Total, Veterans Benefits Administration	17,916,045,000	17,127,681,000	17,127,681,000	17,127,681,000	17,127,681,000	-788,364,000
Veterans Health Administration						
Medical care	12,335,490,000	13,287,096,000	13,495,096,000	13,527,920,000	13,512,920,000	+1,177,430,000
Medical equipment			90,000,000	90,000,000	90,000,000	+90,000,000
Copayment savings			-90,000,000	-90,000,000	-90,000,000	-90,000,000
Medical and prosthetic research	216,795,000	216,795,000	226,795,000	227,000,000	227,000,000	+10,205,000
Health professional scholarship program	10,113,000	10,113,000	10,113,000	10,113,000	10,113,000	
Medical administration and miscellaneous operating expenses	41,434,000	40,479,000	40,479,000	40,479,000	40,479,000	-955,000
Grants to the Republic of the Philippines	484,000	500,000	500,000	500,000	500,000	+16,000
Total, Veterans Health Administration	12,604,316,000	13,554,983,000	13,772,983,000	13,806,012,000	13,791,012,000	+1,186,696,000
Departmental Administration						
General operating expenses	860,969,000	790,159,000	787,159,000	805,159,000	796,000,000	-64,969,000
National Cemetary System	53,545,000	57,045,000	67,045,000	67,045,000	67,045,000	+13,500,000
Desert Shield/Desert Storm incremental costs			(14,100,000)	(14,100,000)	(14,100,000)	(+14,100,000)
Office of Inspector General	24,859,000	29,959,000	28,000,000	29,959,000	29,959,000	+5,100,000
Construction, major projects	580,000,000	450,000,000	522,000,000	309,850,000	414,250,000	-165,750,000
Construction, minor projects	130,640,000	195,701,000	189,701,000	190,701,000	190,701,000	+60,061,000
(Limitation on administrative expenses)	(44,420,000)	(46,176,000)	(45,176,000)	(41,176,000)	(41,176,000)	(-3,244,000)
Parking garage revolving fund	28,900,000	8,536,000	19,200,000	8,536,000	19,200,000	-9,700,000
Grants for construction of State extended care facilities	70,000,000	85,000,000	85,000,000	85,000,000	85,000,000	+15,000,000
Grants for the construction of State veterans cemetaries	3,946,000	5,104,000	5,104,000	5,104,000	5,104,000	+1,158,000
Total, Departmental Administration	1,752,859,000	1,621,504,000	1,703,209,000	1,501,354,000	1,607,259,000	-145,600,000
Total, title I, Department of Veterans Affairs:						
New budget (obligational) authority	32,273,220,000	32,304,168,000	32,603,873,000	32,435,047,000	32,525,952,000	+252,732,000
(Limitation on direct loans)	(1,000,000)	(2,709,000)	(2,709,000)	(2,709,000)	(2,709,000)	(+1,709,000)
(Limitation on administrative expenses)	(44,420,000)	(46,176,000)	(45,176,000)	(41,176,000)	(41,176,000)	(-3,244,000)
TITLE II						
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Housing Programs						
Homeownership and opportunity for people everywhere grants (HOPE grants)		865,400,000	361,000,000	215,400,000	136,000,000	+136,000,000
(By transfer)				(225,000,000)	(225,000,000)	(+225,000,000)
HOME investment partnerships program		1,000,000,000	500,000,000	2,000,000,000	1,500,000,000	+1,500,000,000
Annual contributions for assisted housing	9,525,000,000	9,065,790,000	9,985,790,000	7,917,000,000	8,070,201,000	-1,454,799,000
Rescission of assisted housing deobligations (budget authority, indefinite)	-535,190,000	-227,000,000	-227,000,000	-227,000,000	-167,000,000	+368,190,000
Total, annual contributions for assisted housing (net)	8,989,810,000	8,838,790,000	9,758,790,000	7,690,000,000	7,903,201,000	-1,086,609,000
Assistance for the renewal of expiring sec. 8 subsidy contracts	7,890,800,400	7,024,589,000	7,024,589,000	7,024,589,000	7,355,128,000	-535,672,400
Rental rehabilitation grants	70,000,000					-70,000,000
Rental housing assistance:						
Rescission of budget authority, indefinite	-46,000,000	-52,641,000	-52,641,000	-52,641,000	-52,641,000	-6,641,000
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-2,393,000)	(-2,393,000)	(-2,393,000)	(-2,393,000)	(-393,000)

H.R. 2519 - Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, 1992

	FY 1991 Enacted	FY 1992 Estimate	House	Senate	Conference	Conference compared with enacted
Rent supplement program:						
Rescission of budget authority, indefinite	....	-53,856,000	-53,856,000	-53,856,000	-53,856,000	-53,856,000
(Limitation on annual contract authority, indefinite)	....	(-2,448,000)	(-2,448,000)	(-2,448,000)	(-2,448,000)	(-2,448,000)
Housing assistance for the elderly and persons with disabilities	....	152,810,000	....	....	....	....
Congregate services	9,500,000	....	9,500,000	26,000,000	17,700,000	+8,200,000
Payments for operation of low-income housing projects	2,175,000,000	2,155,844,000	2,188,844,000	2,500,000,000	2,450,000,000	+275,000,000
Housing counseling assistance	8,000,000	3,700,000	8,350,000	3,700,000	6,025,000	-1,975,000
Flexible subsidy fund	....	203,413,000	52,413,000	50,000,000	50,000,000	+50,000,000
Federal Housing Administration Fund	317,366,000	....	....	....	....	-317,366,000
(Limitation on guaranteed loans)	(75,000,000,000)	....	....	....	....	(-75,000,000,000)
Temporary mortgage assistance payments (limitation on direct loans)	(151,125,000)	....	....	....	....	(-151,125,000)
FHA - Mutual mortgage insurance program account:						
(Limitation on guaranteed loans)	....	(53,592,815,000)	(60,000,000,000)	(60,000,000,000)	(60,000,000,000)	(+60,000,000,000)
Administrative expenses	....	255,645,000	255,645,000	255,645,000	255,645,000	+255,645,000
Offsetting receipts	....	-255,645,000	-255,645,000	-255,645,000	-255,645,000	-255,645,000
FHA - General and special risk program account:						
(Limitation on guaranteed loans)	....	(8,651,901,000)	(8,651,901,000)	(8,651,901,000)	(8,651,901,000)	(+8,651,901,000)
Administrative expenses	....	189,000,000	189,000,000	189,000,000	189,000,000	+189,000,000
Program costs	....	54,911,000	54,911,000	54,911,000	54,911,000	+54,911,000
Total, Federal Housing Administration Fund	317,366,000	243,911,000	243,911,000	243,911,000	243,911,000	-73,455,000
Nonprofit sponsor assistance (limitation on direct loans)	(1,100,000)	....	....	....	....	(-1,100,000)
Drug elimination grants for low-income housing	150,000,000	165,000,000	165,000,000	165,000,000	165,000,000	+15,000,000
Government National Mortgage Association						
Guarantees of mortgage-backed securities loan guarantee program account:						
(Limitation on guaranteed loans)	(80,000,000,000)	(74,769,293,000)	(74,769,293,000)	(74,769,293,000)	(74,769,293,000)	(-5,230,707,000)
Administrative expenses	....	6,595,000	6,595,000	6,595,000	6,595,000	+6,595,000
Offsetting receipts	....	-279,700,000	-279,700,000	-279,700,000	-279,700,000	-279,700,000
Total, Housing Programs (net)	19,564,476,400	18,408,455,000	19,071,795,000	17,323,598,000	17,811,363,000	-1,753,113,400
Homeless Assistance						
Emergency shelter grants program	73,164,000	71,000,000	71,000,000	73,164,000	73,164,000	....
Transitional and supportive housing demonstration program	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	....
Supplemental assistance for facilities to assist the homeless	11,263,000	57,000,000	57,000,000	11,263,000	11,263,000	....
Section 8 moderate rehabilitation, single room occupancy	105,000,000	....	55,000,000	105,000,000	105,000,000	....
Shelter plus care:						
Section 8 moderate rehabilitation, single room occupancy	....	53,333,000	50,000,000	73,333,000	73,333,000	+73,333,000
Section 202 rental assistance	....	37,200,000	37,200,000	37,200,000	37,200,000	+37,200,000
Homeless rental housing assistance program	....	167,200,000	116,000,000	....	....	....
Total, Homeless Assistance	339,427,000	535,733,000	536,200,000	449,960,000	449,960,000	+110,533,000
Community Planning and Development						
Community development grants	3,200,000,000	2,920,000,000	3,265,000,000	3,400,000,000	3,400,000,000	+200,000,000
(Limitation on guaranteed loans)	(140,000,000)	....	(140,000,000)	(140,000,000)	(140,000,000)	....
Urban homesteading	13,000,000	....	....	....	....	-13,000,000
Total, Community Planning and Development	3,213,000,000	2,920,000,000	3,265,000,000	3,400,000,000	3,400,000,000	+187,000,000
Policy Development and Research						
Research and technology	28,500,000	35,000,000	29,500,000	25,000,000	25,000,000	-3,500,000
Fair Housing and Equal Opportunity						
Fair housing activities	12,410,000	13,000,000	13,000,000	13,000,000	13,000,000	+590,000
Management and Administration						
Salaries and expenses (multiple accounts)	429,500,000	444,453,000	438,453,000	444,453,000	438,453,000	+8,953,000
(By transfer, limitation on FHA corporate funds)	(396,000,000)	(435,000,000)	(435,000,000)	(435,000,000)	(435,000,000)	(+39,000,000)
Office of Inspector General	29,283,000	35,020,000	34,000,000	35,020,000	35,020,000	+5,737,000
(By transfer, limitation on FHA corporate funds)	(10,000,000)	(9,645,000)	(9,645,000)	(9,645,000)	(9,645,000)	(-355,000)
Total, title II, Department of Housing & Urban Development:						
New budget (obligational) authority (net)	23,616,596,400	24,257,061,000	24,248,948,000	23,906,431,000	23,808,796,000	+192,199,600
Appropriations	(24,197,786,400)	(24,590,558,000)	(24,582,445,000)	(24,239,928,000)	(24,082,293,000)	(-115,493,400)
Rescissions	(-581,190,000)	(-333,497,000)	(-333,497,000)	(-333,497,000)	(-273,497,000)	(+307,693,000)
(By transfer)	....	....	....	(225,000,000)	(225,000,000)	(+225,000,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-2,841,000)
(Limitation on direct loans)	(152,225,000)	....	....	....	....	(-152,225,000)
(Limitation on guaranteed loans)	(155,140,000,000)	(137,014,009,000)	(143,561,194,000)	(143,561,194,000)	(143,561,194,000)	(-11,578,806,000)
(Limitation on corporate funds to be expended)	(406,000,000)	(444,645,000)	(444,645,000)	(444,645,000)	(444,645,000)	(+38,645,000)

H.R. 2519 - Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, 1992

	FY 1991 Enacted	FY 1992 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE III						
INDEPENDENT AGENCIES						
American Battle Monuments Commission						
Salaries and expenses	15,900,000	18,440,000	18,440,000	18,440,000	18,440,000	+2,540,000
Commission on National and Community Service						
Salaries and expenses	2,000,000			2,000,000	2,000,000	
Program activities	55,000,000			73,000,000	73,000,000	+18,000,000
Total, Commission on National and Community Service	57,000,000			75,000,000	75,000,000	+18,000,000
Chemical Safety and Hazard Investigation Board						
Salaries and expenses		5,000,000				
Consumer Product Safety Commission						
Salaries and expenses	37,109,000	39,200,000	40,200,000	39,200,000	40,200,000	+3,091,000
Court of Veterans Appeals						
Salaries and expenses	7,481,000	9,133,000	9,133,000	9,133,000	9,133,000	+1,652,000
Department of Defense - Civil						
Cemeterial Expenses, Army						
Salaries and expenses	12,236,000	12,587,000	12,587,000	12,587,000	12,587,000	+351,000
Environmental Protection Agency						
Salaries and expenses	974,700,000	1,090,000,000	1,084,000,000	1,029,000,000	1,040,500,000	+65,800,000
Office of Inspector General	37,000,000	41,200,000	39,661,000	41,200,000	41,200,000	+4,200,000
Research and development	254,900,000	313,000,000	333,875,000	313,000,000	323,000,000	+68,100,000
Abatement, control, and compliance	1,006,525,000	1,019,500,000	1,133,625,000	1,142,500,000	1,133,625,000	+127,100,000
Buildings and facilities	40,000,000	13,000,000	39,700,000	18,000,000	39,300,000	-700,000
Subtotal, operating programs	2,313,125,000	2,476,700,000	2,630,861,000	2,543,700,000	2,577,625,000	+264,500,000
Hazardous substance superfund	1,616,228,000	1,750,000,000	1,630,000,000	1,616,228,000	1,616,228,000	
(Limitation on administrative expenses)	(233,000,000)		(260,000,000)	(180,000,000)	(240,000,000)	(+7,000,000)
Leaking underground storage tank trust fund	65,000,000	85,000,000	85,000,000	75,000,000	75,000,000	+10,000,000
(Limitation on administrative expenses)	(6,000,000)		(6,400,000)	(6,400,000)	(6,400,000)	(+400,000)
Construction grants	2,100,000,000	1,900,000,000	2,195,000,000	2,400,000,000	2,400,000,000	+300,000,000
Total, Environmental Protection Agency	6,094,353,000	6,211,700,000	6,540,861,000	6,634,928,000	6,668,853,000	+574,500,000
Executive Office of the President						
Council on Environmental Quality and Office of Environmental Quality	1,873,000	2,560,000	2,560,000	2,560,000	2,560,000	+687,000
National Space Council	1,363,000	1,491,000	1,491,000	1,491,000	1,491,000	+128,000
Office of Science and Technology Policy	3,560,000	3,880,000	3,880,000	9,410,000	6,010,000	+2,450,000
The Points of Light Foundation	5,000,000	7,500,000		7,500,000	5,000,000	
Total, Executive Office of the President	11,796,000	15,431,000	7,931,000	20,961,000	15,061,000	+3,265,000
Federal Emergency Management Agency						
Disaster relief		274,459,000	184,459,000	184,459,000	184,459,000	+184,459,000
Disaster assistance direct loan program account		541,000	541,000	541,000	541,000	+541,000
(Limitation on direct loans)		(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)	(+6,000,000)
Salaries and expenses	143,000,000	166,363,000	165,113,000	163,113,000	163,113,000	+20,113,000
Office of Inspector General	3,351,000	5,144,000	3,600,000	5,144,000	5,144,000	+1,793,000
Emergency management planning and assistance	282,624,000	277,827,000	277,827,000	285,827,000	285,827,000	+3,203,000
Emergency food and shelter program	134,000,000	100,000,000	134,000,000	134,000,000	134,000,000	
Total, Federal Emergency Management Agency	562,975,000	824,334,000	765,540,000	773,084,000	773,084,000	+210,109,000
General Services Administration						
Consumer Information Center	1,540,000	1,944,000	1,944,000	1,944,000	1,944,000	+404,000
(Limitation on administrative expenses)	(2,172,000)	(2,285,000)	(2,285,000)	(2,285,000)	(2,285,000)	(+113,000)
Department of Health and Human Services						
Office of Consumer Affairs	1,964,000	2,103,000	2,103,000	2,103,000	2,103,000	+139,000
Interagency Council on the Homeless						
Salaries and expenses	1,083,000	1,300,000	1,083,000	1,083,000	1,083,000	

H.R. 2519 - Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, 1992

	FY 1991 Enacted	FY 1992 Estimate	House	Senate	Conference	Conference compared with enacted
National Aeronautics and Space Administration						
Research and development	6,023,600,000	7,198,500,000	6,023,600,000	6,549,000,000	6,413,800,000	+390,200,000
Space flight, control and data communications	6,334,132,000	5,608,300,000	5,157,075,000	4,907,000,000	5,157,075,000	-1,177,057,000
Portion applied to debt reduction	-1,209,732,000	-32,675,000	-32,675,000	-32,675,000	-32,675,000	+1,177,057,000
Construction of facilities	497,900,000	480,300,000	497,900,000	525,000,000	525,000,000	+27,100,000
Research and program management	2,211,900,000	2,452,300,000	2,211,900,000	2,342,300,000	2,242,300,000	+30,400,000
Office of Inspector General	10,500,000	14,600,000	10,500,000	14,600,000	14,600,000	+4,100,000
Total, National Aeronautics and Space Administration	13,868,300,000	15,721,325,000	13,868,300,000	14,305,225,000	14,320,100,000	+451,800,000
National Credit Union Administration						
Central liquidity facility:						
(Limitation on direct loans)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	
(Limitation on administrative expenses, corporate funds)	(893,000)	(964,000)	(964,000)	(964,000)	(964,000)	(+71,000)
National Commission on Financial Institution Reform, Recovery, and Enforecment						
Salaries and expenses				1,000,000	1,000,000	+1,000,000
National Commission on Native American, Alaska Native, and Native Hawaiian Housing						
Salaries and expenses				500,000	500,000	+500,000
National Institute of Building Sciences						
Payment to the National Institute of Building Sciences			250,000			
National Science Foundation						
Research and related activities	1,694,200,000	1,963,500,000	1,960,500,000	1,926,000,000	1,879,000,000	+184,800,000
Academic research facilities	20,478,000		20,000,000			-20,478,000
Academic research instrumentation		50,000,000				
Academic research facilities and instrumentation				46,000,000	33,000,000	+33,000,000
United States Antarctic research activities	100,000,000	118,000,000	118,000,000	78,000,000	78,000,000	-22,000,000
United States Antarctic logistical support activities	75,000,000	75,000,000	75,000,000	10,000,000	10,000,000	-65,000,000
Education and human resources activities	322,350,000	390,000,000	435,000,000	465,000,000	465,000,000	+142,650,000
Salaries and expenses	101,000,000	122,000,000	109,000,000	117,000,000	109,000,000	+8,000,000
Office of Inspector General	3,000,000	3,500,000	3,300,000	3,500,000	3,500,000	+500,000
Total, National Science Foundation	2,316,028,000	2,722,000,000	2,720,800,000	2,645,500,000	2,577,500,000	+261,472,000
Neighborhood Reinvestment Corporation						
Payment to the Neighborhood Reinvestment Corporation	25,554,000	26,900,000	26,900,000	36,900,000	31,900,000	+6,346,000
Selective Service System						
Salaries and expenses	26,635,000	27,480,000	27,480,000	27,480,000	27,480,000	+845,000
Total, title III, Independent Agencies:						
New budget (obligational) authority (net)	23,039,954,000	25,638,877,000	24,043,552,000	24,605,068,000	24,575,968,000	+1,536,014,000
(Limitation on administrative expenses)	(241,172,000)	(2,285,000)	(268,685,000)	(188,685,000)	(248,685,000)	(+7,513,000)
(Limitation on direct loans)	(600,000,000)	(606,000,000)	(606,000,000)	(606,000,000)	(606,000,000)	(+6,000,000)
(Limitation on corporate funds to be expended)	(893,000)	(964,000)	(964,000)	(964,000)	(964,000)	(+71,000)
TITLE IV						
CORPORATIONS						
Federal Deposit Insurance Corporation:						
FSLIC Resolution Fund	22,000,000,000	3,419,000,000	15,899,000,000	15,867,000,000	15,867,000,000	-6,133,000,000
Portion applied to liquidation of authority to borrow	-22,000,000,000	-3,419,000,000	-15,899,000,000	-15,867,000,000	-15,867,000,000	+6,133,000,000
Resolution Trust Corporation: Office of Inspector General	10,785,000	30,328,000	30,328,000	30,328,000	30,328,000	+19,543,000
Total, title IV, Corporations	10,785,000	30,328,000	30,328,000	30,328,000	30,328,000	+19,543,000
Grand total:						
New budget (obligational) authority (net)	78,940,555,400	82,230,434,000	80,926,701,000	80,976,874,000	80,941,044,000	+2,000,488,600
Appropriations	101,521,745,400	(85,982,931,000)	(97,159,198,000)	(97,177,371,000)	(97,081,541,000)	(-4,440,204,400)
Rescissions	(-581,190,000)	(-333,497,000)	(-333,497,000)	(-333,497,000)	(-273,497,000)	(+307,693,000)
(By transfer)				(225,000,000)	(225,000,000)	(+225,000,000)
(Limitation on administrative expenses)	(285,592,000)	(48,461,000)	(313,861,000)	(229,861,000)	(289,861,000)	(+4,269,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-4,841,000)	(-2,841,000)
(Limitation on direct loans)	(753,225,000)	(608,709,000)	(608,709,000)	(608,709,000)	(608,709,000)	(-144,516,000)
(Limitation on guaranteed loans)	(155,140,000,000)	(137,014,009,000)	(143,561,194,000)	(143,561,194,000)	(143,561,194,000)	(-11,578,806,000)
(Limitation on corporate funds to be expended)	(406,893,000)	(445,609,000)	(445,609,000)	(445,609,000)	(445,609,000)	(+38,716,000)

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not cover the whole gamut of the bill, which has been so ably done by the distinguished chairman of our subcommittee, but rather address certain issues that I think may be of particular interest to Members.

First, I have to say at the outset that I discussed this bill as recently as last night with the Director of the Office of Management and Budget, and there still is no administration decision on this bill. So I cannot assure Members that the bill will in fact be signed in its present form, nor am I suggesting that it will not be signed. That simply remains an open question at this moment.

As the chairman indicated, and this is the second point I wish to address, the bill involves very significant scoring issues of which the House should be aware. Perhaps the largest of those is the issue relating to the section 202 program for nonprofit sponsorship of housing for the elderly.

As Members may remember, in a recent housing bill we voted to change that from a loan program to a grant program. In the past we have provided an appropriation for loans for the housing, and then we provided a further appropriation under the section 8 program. That section 8 funding largely enabled the nonprofit sponsors to pay back the loans which we had given them under the 202 program.

An issue arose under the credit reform legislation that we passed as part of last year's budget agreement as to whether if we now recapture the 202 loan funds and the associated section 8 funds and convert the program into a grant program as to projects previously funded, we would be able to get the full amount of the recaptured loan program allocated to us for budget purposes. The argument turned on the fact that starting with fiscal year 1992, loan programs are being scored quite differently from the way they have been through fiscal year 1991.

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At least tentatively, OMB has accepted the idea that we can get the full amount of the recaptured loan authority despite the new credit rules, and that provides us with roughly $1.75 billion for this bill. As the distinguished chairman of the subcommittee has pointed out, that and other accounting devices in this bill are not going to be available to us next year, and I think we all should understand that we may have to be a leaner bill on some of these problems next year than we have been this year.

There are a number of other issues which simply remain unresolved at this point.

One is a question of whether some money for the Antarctic program is properly attributable to the defense account as opposed to the domestic discretionary account. The bill also does not provide for over $700 million that the Federal Emergency Management Agency needs to pay sums due with respect to past disasters. I think it is safe to say that there remains a disagreement between the Democratic leadership of the Committee on Appropriations and the Office of Management and Budget as to whether that funding qualifies as emergency funding. While on its face, of course, anything related to disasters would appear to be an emergency and fit in the emergency category under the budget agreement. The administration takes the position that that $700 million gap exists because in the past the Congress funded FEMA at lower levels than the administration had requested for this account. The administration therefore takes the position that while the disasters are acts of God, the underfunding of that account was an act of men and therefore does not qualify under the budget agreement as an emergency.

As I said, that remains to be resolved. So there are a lot of loose ends here, and everyone should understand that those loose ends are here when they come to vote on this bill.

I think it is important to point out to my House colleagues that on the two issues where they spoke contrary to the judgment of the Appropriations Subcommittee and the full Committee on Appropriations, their views have been respected. The space station is funded and not just at the House-passed $1.9 billion, but at the higher Senate figure, which the administration supported. So we have very gracefully accepted the mandate that we got from the House to move ahead with the space station.

I shall have more to say in a minute about what the consequences are, however, of that mandate.

The other area where the full House reversed our subcommittee was on the question of funding for the HOPE I program. On that, though we did not go to the full Senate level, we did go to $10 million above the House level. So again, I think the House should recognize that we have fully responded to the instruction we got from the full House and went into the conference fully trying to achieve all of the goals that the House had asked of us.

I now come to the part of the bill that leaves me very unhappy, and that is the consequence for NASA of the funding for the space station. Let me say that in the conference I proposed a $65 million reduction from the Senate level in the space station, which would have left us roughly half way between the House and the Senate levels, in order to try to ease, not totally to solve, but to ease some of the pain in the science and environmental programs that I am about to discuss.

However, a majority of the conference disagreed with my judgment that we could prudently take that $65 million from the station program, and I certainly understand their thinking.

They are rightly aware of the past history at NASA of cost overruns in major programs. They see the budget difficulties that lie ahead of us and, under those circumstances, they thought it was imprudent to start new programs or to accelerate other programs. I certainly respect their feelings on that matter, despite my regrets at where that leads us in the science programs and other important programs at NASA.

Let us see the price that we are paying for the space station, because I think everyone in this House ought to understand just what we did back a couple of months ago when we voted to continue the space station program. Let me start with the national aerospace plane program. That program is seen by many, including me, as very important for the future of America's lead in the aviation field.

In essence, NASA is almost totally out of that program. We did put in $5 million, as the chairman noted, essentially to keep NASA's franchise. But if this program is going to move ahead, it is going to move ahead with Defense Department dollars, not NASA dollars. Everyone should understand that.

The infrared telescope, which most of the astronomical community considers their highest priority for a new start at NASA, was not started. And when it will be started, if it ever will be started, I cannot say.

The orbiting solar/laboratory was not started, and I think it is highly unlikely that we will see that anywhere in the immediate future. If it is any solace to those interested in that mission, I am told by an astronomer who has played a major role in the planning for it that he and others have been approached by the Japanese with a suggestion that they turn the program over to the Japanese and launch on a Japanese vehicle. So at least the science may get done, though if so it will be the Japanese rather than Americans who will be leading the effort.

The advanced x-ray telescope has been put off at least for a year, although there is funding in here to keep the program alive. That postponement occurs despite the fact that the tests on the mirror have turned out to be excellent, and it is clear that from a technological point of view this program could be done and done very successfully.

Mission to planet Earth, which is vitally important to us from an environmental point of view, will be delayed a year. And the synthetic aperture radar, which most involved in mission to planet Earth think is a critical element of it, was not given a start.

The flight telerobotic servicer, which some of us had hoped would lead to significant improvements in the country's telerobotics capacity, has been terminated. The Lifesat Program, an important life sciences program, has been terminated. CRAF and CASSINI have been delayed.

Finally, there are significant cuts in the shuttle program, and I fear that we may one day pay very heavily for not providing spare parts and for the cut in shuttle operations. Those are the realities of life. This House has spoken and the Senate has spoken on the space station. In the conference, we faithfully followed the charge that we received from the House. I have outlined the consequences.

One other program we were not able to fund was the Shelter Plus Care Program in the housing field. Again, we simply ran out of money at the end of the conference and that is a program which outlays somewhat more rapidly than some of the other housing programs. In the end, we were not able to start it.

Through its concept of putting more social services into housing for those who are in need of services, that program could yield some very important results, and I hope that we shall be able to move ahead with it at some future point.

But the reality is, there is only so much money in the till and the till is now empty with what we have in this bill.

That is the bill that we bring to my colleagues. It is not the bill that I should have liked to bring, but it is the bill that we were asked to bring by Members' votes last spring.

I certainly must urge my colleagues under the circumstances to move the bill forward by passing this conference report.

Let me conclude by expressing my thanks to the distinguished chairman of the subcommittee for his leadership in this very, very difficult year for the subcommittee. Without his good cheer and his great grasp of all of these very complex programs and, most important of all, the courtesy that he has shown not just to me as ranking minority member but all the members of the subcommittee, I do not think we could have reached this point today.

He did follow faithfully what our colleagues asked him to do here in this House and I now urge my colleagues to support him in this report that he brings back from the conference and to pass the conference report, so that we can get these programs moving rapidly.

Mr. Speaker, I reserve the balance of my time.

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Mr. TRAXLER. Mr. Speaker, I am pleased to yield such time as he may consume to the chairman of the full committee, the dean of the House and a dear friend and my mentor, the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I want to commend the gentleman from Michigan [Mr. TRAXLER] and my other colleagues on the VA-HUD subcommittee for the fine work done in reaching this conference agreement.

In view of the financial situation facing the Nation, this is a good agreement and is consistent with the actions of the conference committee.

This is a very important bill. It provides funds to meet the needs of our veterans, for housing, for the National Science Foundation, and the National Aeronautics and Space Administration.

Mr. Speaker, if we are to retain our position in the world, it is more important than ever to continue making research investments that will provide direct, and indirect, benefits to the Nation and to maintain a sound economy.

Mr. Speaker, the bill includes funds for the advanced solid rocket motor program needed to increase the amount of thrust and improve the safety of new rocket motors. These new motors are needed for use in our space program for the shuttle program, and for the heavy lift-expendable launch vehicles. Facilities to produce this advanced motor needed for improved safety, and to provide additional thrust, are located at Yellow Creek, MI.

Mr. Speaker, this is an excellent agreement and represents the good hard work of the members of this subcommittee, and I urge that it be adopted.

Mr. GREEN of New York. Mr. Speaker, I yield such time as he may consume to the distringuished ranking minority member of the full Appropriations Committee, the gentleman from Pennsylvania [Mr. MCDADE].

Mr. MCDADE. Mr. Speaker, I thank my friend for yielding time to me.

Mr. Speaker, I am pleased to rise in support of this conference report making appropriations for the Department of Housing and Urban Development, veterans, NASA, EPA, the National Science Foundation, and so many other agencies. It is a good work product, and I want to congratulate the distinguished gentleman from Michigan [Mr. TRAXLER], the chairman of the subcommittee, for the work that he has done. And I want to express my deep gratitude to the ranking member, the gentleman from New York [Mr. GREEN]. Together they, with the members of their subcommittee, have worked on what is undeniably one of the most difficult bills that the members are forced to face each year. There are so many areas of dispute in this bill by the nature of it, and so many subjects of great interest and complexity, that by definition one could make a career in any one title of this bill. So they have done an enormous job in getting a bill that the members have signed off on and bringing it to the floor, and I am very pleased to stand and recommend to the House that we pass it.

At the outset, I do need to reference back to the statement that my friend from New York, Mr. GREEN, made about the FEMA funding that is in controversy back and forth around the Capitol at the moment. There is a $700 million shortfall in FEMA funding for the disaster program.

There was a requested supplemental in fiscal year 1991 which has not as yet been addressed. The consequence of that is that we have set the stage for, what my friend from New York referred to as, acts of God that are going to have to be paid for somewhere down the road. But by failing to come to grips with it in fiscal year 1991, we are moving it over into fiscal year 1992, and it is going to be much more difficult to get the necessary funding to cover the needs in areas of the country where there have been disasters. We are going to have a hard time working that out.

I want to express my appreciation to both my friends, Chairman TRAXLER and BILL GREEN, again, not just for working through the problems of the space station, but also the housing sections which were also in controversy. I want to personally thank them for working out the language that had been inserted that was offensive to the Secretary, and my friend, BOB TRAXLER, for increasing the level of funding that was needed to try to get this program off and running.

There is, as has been evidenced by the gentlemen who preceded me, some difference in the cost estimates from OMB and CBO—affectionately referred to around here as the bean counters—about how this bill ought to be scored. The bean counters at this point, apparently, although we do not know definitively, might have some differences of opinion. It is a minor and technical matter, and in my judgment, can be taken care of as we move forward, but there is that difference, and it may cause us at some point to revisit the bill. I hope it will not, and I do not think there is any real justification for any Member to be concerned about this bill, which in my view is a fine work product that the gentlemen on the committee have worked hard on to bring to us. And I urge its adoption.

This conference report is of special significance and importance, because it addresses a diverse array of essential programs and services of direct value and benefit to virtually all Americans. Programs funded in this conference report make it possible for this Nation's veterans, who have contributed so much to defend our freedom and our country, to receive pension benefit payments, health and medical care, and housing assistance.

FHA loan guarantees, home ownership opportunities for middle-income families, and rental assistance for the elderly, disabled, and poor, including programs to help alleviate homelessness, are all part of this conference report. Other necessary, and important, HUD assistance is made available to help States and local communities maintain and restore community development needs and public facility infrastructure.

One of our country's highest priorities, and greatest concerns, is to maintain and aggressively attack air, water, and other forms of pollution problems. The funds provided for the Environmental Protection Agency make it possible for our Government, working in cooperation with States and localities, to make the environment safe and clean.

We have always been a Nation of explorers and our space and science activities, carried out by NASA, represent the hope of the future and even a visionary way for solving many of our environmental problems here on earth today. These NASA exploration and space science efforts are investments in the future and are maintained, but limited by cost considerations in the conference report.

The conference report also provides money to help people who are hurt by natural disasters through the response of the Federal Emergency Management Agency. In total there are 27 separate departments and agencies which receive funding and support in this conference report. Many of these independent agencies perform vital consumer-protection functions and protect the public by regulations of the banking system.

To say that this conference report, which we are now considering, is of the utmost importance to the stability and welfare of the Nation, is an understatement. All of these programs and services, of course, are expensive to maintain especially in this era of scarce Federal resources. The total amount of new budget authority, which is made available for fiscal year 1992 by the conference report, is almost $81 billion which is about $3 billion more than last year.

Mr. Speaker, we are all very fortunate and owe a debt of gratitude to the subcommittee chairman, BOB TRAXLER, and to our ranking Republican, BILL GREEN, two of the very best and brightest of our leaders and managers who are responsible for directing this important bill in the House. This year once again, Chairman TRAXLER and Representative GREEN have worked another miracle in steering this very difficult legislation through rocky and dangerous waters to a safe harbor. Both of these fine gentlemen, my good friends and colleagues in arms on the Appropriations Committee, have managed this year's VA, HUD, and Independent Agencies appropriations bill and final conference agreements with great skill, intelligence, and fairness. And along with our hall of fame and distinguished chairman of the whole committee, Mr. WHITTEN deserves the respect and appreciation of every Member of this House.

Because most of the important and relevant details contained in the conference report have been described in a comprehensive and useful manner by our talented chairman, Congressman TRAXLER, and Congressman GREEN, I will take advantage of this opportunity to comment very briefly on several specific and important issues of concern to me.

First, I am very concerned that the FEMA emergency disaster relief fund has not been adequately funded. This fund, which provides urgent and emergency relief and assistance to victims of declared national disasters, has been seriously underfunded and is now depleted. To date, FEMA needs close to $700 million to pay for claims in 35 States which have experienced declared natural disasters. Regrettably the conference report only provides $184.459 million for fiscal year 1992 disaster relief. The President's fiscal year 1992 budget asked Congress to fund this account for $274.459 million. In addition the committee has also unfortunately rejected the President's fiscal year 1991 supplemental request submitted in June for $693 million, which could have avoided this crisis. Mr. Speaker, it is my great hope that we will very shortly work in a cooperative and less partisan manner to resolve this dispute and make urgent funds quickly available to FEMA.

I am both disappointed and concerned that we were not able to respond more positively to the requests received from our good friend and former House colleague, HUD Secretary Jack Kemp. Secretary Kemp has worked tirelessly to revitalize HUD and he firmly believes that the HOPE program is a key element for a better housing policy. The House only approved $151 million for HOPE I public housing homeownership assistance, due to the good efforts made by a number of Members on the floor, including Congressman JIM KOLBE. I was also successful in getting the conferees to agree to accept $161 million, which is quite disappointing to me and Secretary Kemp. I urge my colleagues on the committee to work with Secretary Kemp to increase funding for the HOPE program, which shows great promise in next year's bill.

On a more positive note, Mr. Speaker, I am very pleased that the conference agreement provides for an increase in veterans medical and health care funding and for medical and prosthetic research. Overall VA funding for health care will be increased to $13.791 billion for fiscal year 1991, which is over $1 billion more than was appropriated in fiscal year 1991.

I am very supportive of the HOME investment partnerships program which was authorized as a new program by the National Affordable Housing Act last year. HOME offers choice and flexibility to States and local communities for delivering housing assistance, and will be especially beneficial to Pennsylvania and counties and cities located in my district as well as the entire country. I am pleased that the conference agreement approves $1.5 billion for HOME.

I strongly support the increase provided for the highly successful Community Development Block Program administered by HUD. Fully $3.4 billion is recommended for CDBG, an increase of $480 million above 1991. HUD funds have been increased for the section 202 elderly and disabled capital grant program to support a highly needed, and worthwhile, increase for 11,250 new housing units. And almost $450 million more aid is made available for homeless assistance under the McKinney Act programs for an increase of $111 million above last year's level.

Mr. Speaker, in my mind there is no mission which is more urgent, or vital, than that which has been charged to the Environmental Protection Agency. And I am pleased that the conference agreement recognizes the urgency of our commitment for maintaining a clean and safe environment. An increase of $574 million above fiscal year 1991 is recommended to support EPA programs at a level of $6.669 billion. I am however, opposed to that part of the conference report which reduces EPA salaries and expenses $50 million below the President's budget request.

I am satisfied that the conference report, despite our very tight budget allocations and constraints, preserves our continued support to maintain space science and space exploration activities carried out by NASA. These programs offer our best hope and opportunity for the future in helping us to solve many of most perplexing environmental and scientific challenges. I am especially gratified that space station Freedom is fully funded at the President's request for $2,028,900,000 in fiscal year 1991. And space research and development, while reduced below the budget request, still receives $6.413 billion, closer to the higher House level.

It is clear to me that NASA can, and should, carefully select priorities and seek diligently to achieve better cost efficiencies in 1993 and beyond.

I am happy to advise that President Bush's voluntary support program, which has been so successful known as The Points of Light Foundation, has been funded in the conference agreement for $5 million.

In conclusion, Mr. Speaker, and my friends and colleagues in the House, in this time of scarce Federal dollars we are all forced to make very difficult choices and set priorities among worthy and competing objectives, and this creates a situation where it is not possible to provide for everyone's wants. I believe that under the circumstances the VA, HUD, and Independent Agencies conference report we are considering is very fair, and balanced, and strongly recommend its approval.

Mr. TRAXLER. Mr. Speaker, I am pleased to yield 5 minutes to the distinguished gentleman from California [Mr. BROWN], chairman of the Committee on Science, Space, and Technology, the authorizing committee.

Mr. BROWN. Mr. Speaker, may I express my deep appreciation to my dear friend, the gentleman from Michigan [Mr. TRAXLER] for yielding this time because I known how pressed he is for time, and I know he is giving me the time only because I promised him that I was going to support the bill, and I reiterate that.

Mr. Speaker, I want to take this opportunity to comment on the matters under the jurisdiction of the Committee on Science, Space, and Technology that are funded in H.R. 2519. First, I want to commend the gentleman from Michigan [Mr. TRAXLER] and the gentleman from New York [Mr. GREEN] and all of the other conferees for their hard work on this bill. Indeed, there can be no doubt that some very difficult choices had to be made within the confines of the budget agreement.

The conference report addresses many of the same issues the authorizing committee has dealt with over the past year, and for the most part, the funding decisions are reasonable. There is one disturbing aspect of the process however that I must call to the attention of my colleagues since it threatens to undermine any good work that we manage to do. That relates to the practice of adding unauthorized, unrequested earmarks for personal interest items.

This, of course, is in many ways a time-honored tradition of this body and could be overlooked if it were not for the severe budgetary environment that we have had to operate within this year and for the foreseeable future. This year, the budget reductions that Congress has had to make has made it entirely inappropriate to indulge in the earmarking that we are being asked to approve.

Mr. Speaker, I will include as a part of my statement a full list of these projects. I want to take a few moments to cite a few examples and explain why I believe this practice has simply gone too far.

In the NASA area, I am certain that my colleagues recall the debate earlier this year over the space station. That debate was, in many ways, a historic one. We were asked to make a major decision on whether we could afford to continue the space station when so many other programs were in dire need of funding. These included space science programs, housing programs, environmental programs, and veterans programs. We voted to continue the station and there can be no doubt that many of these other meritorious programs have not received the funding they needed.

Yet the conference report contains over $100 million in projects that were never requested by the administration, never authorized, and never discussed on the floor. We were never given the choice between the station and these projects. These appear in the NASA portion of the budget but some can scarcely even be called space projects.

The conferees generously set aside over $40 million for a vast variety of brick and mortar projects in West Virginia. These include $22.5 million in funding for a National Technology Transfer Center in Morgantown, WV. The proponent envisions that persons inquiring about technological advances that are taking place through Government projects must write to West Virginia for the answer. It includes $7.5 million in continued funding for the Wheeling, WV; Jesuit College. I do not believe anyone in Congress or in NASA knows what this will be used for.

It includes continued funding for a consortium of universities and consultants in the Saginaw, MI, area which somehow has emerged as the center for environmental research over the past 3 years. Total funding for this project, called CIESIN, is now over $41 million all awarded without adequate competition and virtually no congressional oversight. NASA itself has little idea where this funding is going.

It includes $20 million for the Christopher Columbus Center for Marine Research in Baltimore. I stress marine research, not space research.

Mr. Speaker, the Congress and the American people have entrusted NASA with managing and carrying out the Nation's space program. This as we know is a challenging task of major proportion. NASA is now struggling to come to grips with its responsibilities within the current budgetary climate. The conferees reduced the NASA budget by over $1.4 billion and the growth in the space program will not even cover inflationary increases. On top of all of this, the conferees have chosen to lay additional distractions on NASA completely unrelated to their purpose.

The conference report terminates a vast variety of NASA scientific projects such as the space infrared telescope, our next great observatory, the orbiting solar observatory that will provide valuable data on the Sun, and the flight telerobotic servicer. These are all projects that scientists have spent decades planning and developing. These are all projects that could have been funded with a little more restraint on the part of the conferees.

Elsewhere in the conference report is funding for the programs of the National Science Foundation [NSF]. The conference agreement is an increase over the NSF funding for fiscal year 1991 of about $260 million, an increase of 11 percent. In these times of budgetary restraint, this increase is welcome and I commend the Appropriations Committee for their effort on behalf of the National Science Foundation and the Nation's science and technology needs.

I note that while the recommended funding level represents an increase, the funding for research at NSF in this agreement is below that passed by either the House or the Senate. This is the only NSF function which is below the funding level approved by one of the Houses and is probably the most critical function at NSF. I will not quibble with this decision, but would like to point the situation out.

A point on which I will quibble is the amendment reported in disagreement with the Senate dealing with funding for the Antarctic Research Program. We anticipate a transfer of $105 million from the Department of Defense [DOD] to the NSF for logistical support activities in Antarctica. The Senate sought to allow the transfer of funds from DOD in its bill and the managers on the part of the House propose to enforce that proposal by striking language in the NSF, authorization which permits limited transfers of funds within NSF, leaving the DOD transfer as the only way to fund the Antarctic Research Program.

I cannot agree to the proposed amendment by the House conference managers. This proposal, while seeming to force the administration to live up to their promise to transfer funding for logistical support, violates a principle which is central to our committee. The House Science, Space, and Technology Committee cannot allow another committee to repeal provisions which have been put into law in one of our authorization bills. We would like to come to an agreement with our friends on the House Appropriations Committee and insure the continuation of the Antarctic Research Program, but we cannot simply allow someone else to amend statutes under our committee's jurisdiction.

I must note with some concern that the conference agreement contains language earmarking $2 million for planning a demonstration for shared super computer use. While I agree with the need for this type of a program, I worry that we are moving dangerously close to earmarking within the NSF funding, a threshold which we have not crossed to date. I will be watching this development carefully in future funding proposals.

Moving to another critical science function funded in this bill, I would like to commend the Appropriations Committee for the funding level recommended for the White House Office of Science and Technology Policy [OSTP]. The conference agreement recommends $6.01 million for OSTP in fiscal year 1992, with specific provision of $1.6 million for the Critical Technologies Institute at OSTP. We on the House Science, Space, and Technology Committee feel strongly that this Institute needs to move forward without further delay.

Another function under the jurisdiction of the House Science, Space, and Technology Committee which is funded in this bill is the research and development activity of the Environmental Protection Agency [EPA]. The recommendation contained in the conference agreement would increase the funding for EPA's Office of Research and Development [ORD] by $10 million over fiscal year 1991, to a total of $323 million. While I ordinarily would be supportive of this increase, I must take issue with what this increase represents.

Contained in the EPA ORD funding agreement are nearly $28 million in earmarks. In addition, there are nearly $18 million in directed cuts to existing programs, such as the Environmental Monitoring and Assessment Program. Together, these actions reduce the real funding available for the base programs at ORD. This action begins to compromise the integrity of these programs and reduces the effectiveness of our efforts to move toward a rational, scientifically based regulatory approach. I will be paying close attention to this type of activity and will have more to say about it at a future date.

I must also note that major reductions have been made to the salaries and expenses account at EPA. Almost $50 million has been cut from this account, at a time when EPA is experiencing shortages in a number of scientific skills. EPA cannot recruit and retain skilled toxicologists and other scientists needed for sound regulatory decisions, and this cut will serve to worsen the situation. In addition, EPA's enforcement capability will suffer as well as a number of other vital functions.

Mr. Speaker, this conference report is representative of the problems which we face in Congress today. Inadequate funding available means difficult choices have to be made. The full committee and the subcommittee have made those choices and I appreciate their difficult situation. I hope to work with them to change the ground rules under which they work, terms which were set out in the current budget agreement. I hope to help my friends on the VA, HUD, and Independent Agencies Subcommittee remove the walls between civilian and defense program funding so that these vital programs can be fully funded.

But my colleagues on the committee must also respect my position on the need for prior authorizations, the need to work cooperatively with the committee when our statutory language is a problem, and the need to curb the proliferation of location-specific research projects. I do not want to get into a confrontation with the committee over these issues, but I will not simply sit back and let these actions continue without challenge.

Mr. Speaker, our Founding Fathers envisioned for the Congress one very important power that underlies our entire system of Government—the power to appropriate funds. I cannot help but see this conference report as a sad exercise in the abuse of that power.

My comments today are not made out of anger but sorrow. I will vote for this conference report because it is important to the future of our space program, the National Science Foundation, and environmental research. Yet I sincerely hope that we can find a way to curb this unwarranted appetite for personal projects that has become such a burden.

EARMARKS IN H.R. 2519

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

$950,000 for a reusable capsule landing site in New Mexico.

$28,400,000 for the consortium for International Earth Science Network in Michigan.

$22,500,000 for the National Technology Transfer Center in West Virginia.

$2,000,000 for AdaNet Project in West Virginia.

$7,500,000 for Wheeling Jesuit College in West Virginia.

$750,000 for Delta College learning center in Michigan.

$20,000,000 for the Christopher Columbus Center for Marine Research in Maryland.

$10,000,000 for the West Virginia University Software verification Center.

$10,000,000 for an upgrade of the Poker Flats Alaska Research Range.

ENVIRONMENTAL PROTECTION AGENCY

$3,200,000 for the Center for Environmental Management at Tufts University.

$3,100,000 for the Neural Science Research Equipment for the New York University Center.

$1,000,000 for the Center for Excellence in Polymer Research.

$800,000 for the Adirondack Destruction Assessment Program.

$1,300,000 for a recycling project at Western Michigan University.

$2,000,000 for the Great Lakes National Program office.

$2,000,000 for the Southwest Environmental Research Policy Center.

$90,000 Pollution Abatement Demonstration Program, Hamburg, NY.

$116,000 for the Wetlands Research Project at the University of Nebraska.

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Mr. GREEN of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. COUGHLIN], a distinguished member of the subcommittee.

Mr. COUGHLIN. Mr. Speaker, I rise in strong support of the conference report covering the fiscal year 1992 appropriations for the Department of Veterans Affairs, the Department of Housing and Urban Development, and independent agencies—including EPA, NASA, and the NSF.

The pace of the conference committee meeting should not lead anyone to question the difficult hours of work which went into crafting the conference report we bring to the House today. As a conferee, I can attest to the conflicting pressures which were placed on the conferees and take this opportunity to thank personally my chairman, Mr. TRAXLER, and my Republican chairman, Mr. GREEN, for their efforts. Our dedicated subcommittee staff also deserves the appreciation of the House for their untiring work.

I will only take a few minutes to discuss several items in the conference report which the House should adopt today.

The conference report maintains the overall appropriations level passed by the House, $80.9 billion. Hundreds of differences between the House- and Senate-passed legislation had to be resolved and the differences were settled. But many hard choices were made.

For example, space station Freedom is fully funded at the administration's requested fiscal year 1992 level of $2.03 billion which represents an increase over the House appropriation recommendation of $1.9 billion. In order to fund fully the station, however, other programs in NASA which are vital to the future of our Nation's future space presence did not fare as well. This remains an issue of great concern to me and I cannot be optimistic at this time that space science activities will have more success next year in competing for scarce taxpayer dollars.

The conference committee, despite the criticism of some, also succeeded in providing an increase in the House-passed appropriations for the Environmental Protection Agency. The report recommends a funding level for EPA in fiscal year 1992 of more than $6.6 billion—$600 million over last year's appropriation and $400 million over the President's request. It is clearly impossible to spend all that people would like on environmental initiatives, but the House can be proud of the funds we are recommending on the environment throughout the entire bill.

Several key community development and housing programs are also funded in this legislation as my colleagues know. I particularly want to point to the $3.4 billion recommended for community planning and development grants which assist our districts, as well as the $1.5 billion for the HOME Investment Partnerships Program. My office received hundreds of letters urging funds in this range for these programs and I am pleased we succeeded in addressing these needs.

There unfortunately were activities we could not support at levels I would have preferred as I mentioned earlier. I particularly regret we could not recommend more for HOPE grants in fiscal year 1992. HOPE represents a tremendous opportunity for thousands of low-income families to become homeowners. Innovative activities which enable low-income individuals who desire to move out of public housing should be fostered and my support for Federal funding in this area is steadfast. I would also encourage my colleagues on the authorizing side to work as expeditiously as possible to extend programs like HOPE, HOME, and to review other housing initiatives given the funding crunch which inevitably will confront our subcommittee next year.

The conference report we discuss today is the byproduct of months of work by the administration, the House, and the Senate. I commend all the participants in the process and urge the House to adopt the report crafted by our conference committee.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I am happy to yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, I appreciate the gentleman's remarks. He is totally correct.

I hope every authorizing chairman is listening to what he says, because we are not going to have enough money. The problem is that each one of the authorizing chairmen thinks that their area of concern is the only one in the entire U.S. budget, and that is not true.

We have to balance the equities, and I think we do it superbly, and I thank the gentleman.

Mr. COUGHLIN. Mr. Speaker, I particularly want to cite two areas where we need guidance in this committee, in the area of the whole space program. We are talking about wholly funding the space station, but at the expense of other very critical scientific programs that we are cutting in this appropriation that we had to because of the vote in the House, take the money from some other place, and we are going to have to have guidance next year as to what we are going to do with these very critical scientific programs which we would like to have funded but which we could not fund because we are fully funding the space station.

Let me also cite the area of the housing programs. We have so many housing programs authorized that for the appropriators it is almost like standing on the top of the stairs and throwing money down the steps. We have all of these authorized programs. There is no attempt to rationalize between the programs. There is no attempt to try and set priorities as to what authorized programs we should be funding.

We are going to face that same problem next year that we face this year in terms of what programs we fund in the housing area.

So I ask my colleagues on the authorizing side to look at these programs, to look at us as we face this problem next year.

I commend the chairman and the Republican Chairman for what they have done.

Mr. TRAXLER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, if the chairman of the subcommittee would allow it, I would like to engage in a colloquy with him.

I would like to clarify a provision in the conference report on the location of a waste disposal site related to the Boston Harbor. As you know, this provision makes it clear that construction of an alternative site for such disposal would be permissible provided it was approved under the appropriate NEPA review process before September 1, 1992.

While I would not ask that the NEPA review process be violated in any way, I do think it would make sense for any review performed under this provision to be conducted as rapidly as would be practicable.

Is it your understanding, Mr. Speaker, that in the event the Governor of Massachusetts locates an alternative site for the landfill or backup landfill, the EPA and other relevant agencies will act promptly in performing the NEPA review so as to minimize the possibility that the September 1, 1992, deadline will be missed?

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I am happy to yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, yes, that is my understanding.

Mr. GREEN of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me say at the outset that there are a number of, I think, very good things in this bill.

I think on the front of the space station, the committee has done what the House asked them to do. I think that is a very positive development.

I think that in the area of Veterans' Administration funding that there is really an attempt to move in the right direction there, and that is certainly something that this Member is very thankful for. I am concerned, however, with some of the language that we have heard on the floor suggesting that there was no room in this budget to do other kinds of priority things, that we had to cut important science efforts, as an example, because we simply did not have budgetary room to do them.

I would suggest that maybe budgetary room could have been found by not funding what I would regard as lower priority projects. For example, there are some areas in this appropriation where the authorizing committees have specifically turned down the money, and yet the appropriators have gone ahead and funded the programs.

There are other areas where the money is specifically items that seemed to have more merit based upon where they are than what they do, and I have a list just in the science area. I did not bother to go into the other areas, because this is the area that I look at. I have a list of $137 million of spending that appears to be in the bill largely because of where it is, and that concerns me, because the national aerospace plane, for example, gets only $5 million of funding in this bill instead of the $70 million that it needed.

If there are $137 million of lower priority projects, I would suggest that maybe the national aerospace plane might have had a higher priority than some of the things that are on the list. You know, for instance, as I go down through it, I find $6 million to construct, equip, and integrate a classroom of the future in West Virginia. You know, the winner is West Virginia. I look down and find another $1.5 million for the same facility in another account. Guess where; in West Virginia. I find $750,000 for planning and design activities at Delta College Learning Center in Michigan. The winner is Michigan. I find $25 million for the consortium of the International Earth Science Network. Again, the winner is Michigan. And then in another account there is another $3.4 million. The winner is Michigan; $9 million for a commercial programs account earmarked for the National Technology Transfer Center, and the winner is West Virginia; $13.5 million to construct, equip, and integrate facilities related to the National Technology Transfer Center. The winner? West Virginia $2 million for AdaNET. The winner? West Virginia. Twenty million dollars for the construction of the Christopher Columbus Center of Marine Research and Exploration, in Baltimore.

This is money coming out of the NASA budget despite the fact that the authorizors specifically turned it down in the NOAA budget last year, and now we are going to create a center for marine research and exploration in NASA accounts. The only thing I can figure is that they call it the Christopher Columbus Center, and maybe we are going to raise the Santa Maria that some guy found the other day and fly it. But I cannot understand why we have to have $20 million in construction money for this center put in the NASA budget.

And $10 million for construction and equipping and integrating an independent software validation and verification project, and the winner is West Virginia; $10 million for the Poker Flat Research Range. The winner? Alaska and $1 million, or $950,000, for a reusable capsule landing site in New Mexico. I do not even know what that does, and it is very, very strange. For rural enterprises, $625,000. The winner? Oklahoma. And then we get to a series of projects that have not been contained in either the House or the Senate authorizing bills. Now, remember we could not do the national aerospace plane, remember this, we cannot do the advance work on national aerospace plane, but here is one we can do: The advanced liquid dispensing technology evaluation. What is that? That sounds wonderful. That is to supply either Coke or Pepsi to the shuttle and to the space station. We cannot do the national aerospace plane, but we are going to spend taxpayer money to figure out how to put Coke and Pepsi in the shuttle and in the space station.

There is something strange in our set of priorities there; $5 million for a reflight of the Astro 2 mission. This is not a bad idea, but the fact is that it has a Maryland connection to it, which seems to be the main reason why it is there.

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There is $20 million for the tropical rainful measuring mission. Again, the winner, Maryland.

There is $4 million for the applied research and climate modeling. It is probably going to yield some pretty good science. Is it the highest priority science? We do not know, but the fact is that it is another Maryland project.

All I am suggesting is that if you are really going to do priorities, some of the priorities here are not exactly what most people would have picked.

Mr. TRAXLER. Mr. Speaker, I yield ½ minute to the distinguished gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of the conference report on H.R. 2519, the Departments of Veterans Affairs and Housing and Urban Affairs, and independent agencies appropriations bill for fiscal year 1992.

The bill provides $63.942 billion in discretionary budget authority and $61.711 billion in discretionary outlays. I am pleased to note that the bill is $11 million below the level of discretionary budget authority and $3 million below the discretionary outlays as compared to the 602(b) spending subdivision for this subcommittee.

As chairman of the Budget Committee, I plan to inform the House of the status of all spending legislation, and will be issuing a "Dear Colleague" on how each appropriation measure compares to the 602(b) subdivisions.

I look forward to working with the Appropriations Committee on its other bills.

Mr. Speaker, I include the following material:

COMMITTEE ON THE BUDGET,
Washington, DC, October 1, 1991.

DEAR COLLEAGUE: Attached is a fact sheet on the conference report to accompany H.R. 2519, the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Bill for Fiscal Year 1992. This bill could be considered this week.

This is the fourth regular Fiscal Year 1992 appropriations bill conference report to be considered. The bill is below the 602(b) subdivision.

I hope this information will be helpful to you.

Sincerely,

LEON E. PANETTA,
Chairman.

[Factsheet]

CONFERENCE REPORT TO ACCOMPANY

H.R. 2519, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1992 (H. REPT. 102–226)

The House Appropriations Committee filed the conference report for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations bill for Fiscal Year 1992 on Friday, September 27, 1991. This conference report could be considered at any time.

COMPARISON TO THE 302(b) SUBDIVISION

The conference report provides $63.942 million of discretionary budget authority, $11 million less than the Appropriations subdivision for this subcommittee. The bill is $3 million under the subdivision total for estimated discretionary outlays:[1] A comparison of the bill with the funding subdivisions follows:

COMPARISON TO SPENDING ALLOCATIONS

[In millions of dollars]

	VA/HUD and independent agencies appropriations bill		Appropriations Committee 602(b) subdivision		Bill over (+)/under(−) committee 602(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	63,942	61,711	63,953	61,714	−11	−3
Mandatory[1]	17,279	21,251	17,279	21,251		
Total	81,221	82,962	81,232	82,965	−11	−3

[1] Conforms to the Budget Resolution estimates for existing law.

Note.—BA—New Budget Authority; O—Estimated Outlays.

The House Appropriations Committee reported the Committee's subdivision of budget authority and outlays in House Report 102–180. These subdivisions are consistent with the allocation of spending responsibility to House committees contained in House Report 102–69, the conference report to accompany H. Con. Res. 121, Concurrent Resolution on the Budget for Fiscal Year 1992, as adopted by the Congress on May 22, 1991.

The following are the major program highlights for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations conference report for FY 1992, as reported:

PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Housing and Urban Development:		
HUD salary and expenses (S&E)	438	354
HOPE grants	361	
HOME Investment Partnerships Program	1,500	30
Assisted housing (excludes $167 million rescission)	7,845	46
Renewal of expiring section 8 contracts	7,355	515
Public housing operating subsidies	2,450	996
Community development block grants	3,400	136
Drug elimination grants for low-income housing	165	1
Emergency shelter grants (homeless)	73	11
Transitional housing (homeless)	150	
Supplemental assistance for facilities (homeless)	11	2
Section 8 SRO MOD-rehabilitation (homeless)	105	
Shelter plus care SRO	73	
Shelter plus care section 202	37	
Federal Housing Administration Insurance Program		(60,000)
Federal Housing Administration General and Special Risk Program		(8,652)
Government National Mortgage Association Loan Program		(74,769)
Environmental Protection Agency:		
EPA research and development	323	113
EPA sewer construction grants	2,400	84
EPA S&E		1,041
895:		
EPA abatement, control, compliance	1,134	453
Hazardous substance response trust fund (Superfund)	1,616	242
Leaking underground storage tank trust fund	75	19
NASA:		
NASA space flight	5,124	3,548
NASA R&D	6,414	3,377
NASA research and program management	2,242	1,941
Construction of facilities	525	53
Veterans' Administration:		
Veterans' Administration compensation and pensions and burial benefits (mandatory)	15,842	14,511
Veterans medical care	13,513	11,367
Veterans readjustment benefits (mandatory)	635	635
Veterans general operating expenses	863	759
Veterans medical and prosthetic research	227	166
Veterans construction, major projects	414	19
Veterans construction, minor projects	191	79
Veterans Loan Guaranty Program	215	162

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[1] The outlay estimate on this page and the budget authority figures on the next page assume that language relating to transfers and reimbursements for NASA space flight is altered to clarify that it is a limitation on, rather than expansion of, any such authority.

PROGRAM HIGHLIGHTS—Continued

[In millions of dollars]

	Budget authority	New outlays
Veterans Guaranty and Indemnity Program	407	145
National Science Foundation (NSF) and other activities	2,578	1,056
FEMA (salary & expense and planning), including defense	449	305
FEMA disaster relief	184	74
Emergency food and shelter (FEMA)	134	129
Commission on National and Community Service	75	13

Mr. GREEN of New York. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. GILLMOR].

Mr. GILLMOR. Mr. Speaker, I rise in support of this conference report. I would like to thank the chairman, the ranking Republican member and members of the subcommittee for bringing us this excellent compromise.

This conference report addresses many of the important needs of this country such as veterans care, environmental protection, cleaner air, emergency assistance for disasters such as earthquakes and floods and funds to develop our future in space.

This bill guarantees housing programs, not only for the poor, elderly, and homeless, but also provides for programs to develop our neighborhoods and cities which are in dire need of our assistance. The committee was particularly sensitive to the needs of my communities and I appreciate their generous support.

They provide $900,000 for facility development in Seneca County of which $700,000 is for library and classroom development at Tiffin University and $200,000 is for library development at Heidelberg College. Also $100,000 will be made available to develop an Old Fort Community Center.

Mr. GREEN of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I just rise to say that I am very perplexed by this particular bill. In some ways it is very good. I think we have made real progress. In some ways there were some decent things done with the space station. There is some modest progress made in terms of housing reform, but it is my understanding, and I am prepared to be corrected if I am wrong here, that in this bill in its current form, Secretary Kemp's ability to hire people who are directly responsible to him and who he is able to use in the legislative shop and elsewhere drops from 28 people to 15.

Now, I just want to say this is a Department which I believe has something like 17,000 employees. If you want to see how the Congress emasculates President Bush and emasculates his Cabinet officers and their ability to get things done, there is something terribly petty about the Appropriations Committee reducing the number of employees that a Secretary of a Department the size of Housing and Urban Development can hire who are able to help him run the Department. If you want to guarantee that the bureaucrats dominate everything, and if you want to guarantee that the bureaucrats worry more about congressional subcommittees than they do about the President and the President's Cabinet officers, this is precisely that kind of extraordinarily petty behavior.

Frankly, my advice to the President would be to set up a system either to veto bills like this and protect his Cabinet officers, or to tell the Congress that next year when the legislative appropriations bill comes up that he is going to veto the legislative appropriations bill, because if Congress is going to micromanage the ability of Cabinet officers to hire personnel to help them manage the Department, then maybe the President ought to start micromanaging the ability of congressional chairmen to manage their committees.

Now, it is a total lack of comity and a total lack of reasonableness to engage in this kind of personnel procedure.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, as a general principle, I agree with the gentleman's statements, but let me say in connection with HUD, it is not our intention that we would interfere with the operation of HUD. As I said, the Secretary is a dear friend of the subcommittee, and mine personally; however, he has about 26 senior executive service noncareer personnel. Percentagewise, most other agencies have less than half of what HUD has. We are limiting him to 15, which I realize is a reduction, but it puts him at twice what other agencies have.

Mr. GINGRICH. Mr. Speaker, if the gentleman will permit me for just a second, how many staff would the gentleman guess the Committee on Energy and Commerce has? It is over 100.

Mr. TRAXLER. Well, the congressional staffing has stayed quite constant for about 10 years now, in all honesty, I say to the gentleman.

Mr. GINGRICH. But if you assign someone of Jack Kemp's caliber and you ask him to take over a Department that has a huge scandal, go into the inner cities and help poor people, rethink the bureaucracy, restructure everything, it would seem to me that 28 people for the whole country to help the Secretary of HUD does not sound to most Americans like it is a gigantic surplus of human beings.

Mr. TRAXLER. Well, of course, the gentleman knows these are patronage positions. They are not dedicated career positions.

Mr. GREEN of New York. Mr. Speaker, I yield the balance of our time to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, this past Thursday, a terrible thing happened: The conferees who prepared the report we are now considering, decided to drastically cut NASA's portion of the funding for the National Aerospace Plane Program [NASP], was cut from the amount this body had appropriated, $95 million, to $5 million.

Mr. Speaker, this conference attempt to kill NASP is absolutely indefensible. It is a blow to the future of our aerospace industry and to America's future competitiveness worldwide.

Mr. Speaker, the NASP program has already developed several revolutionary new technologies. Isn't the development of new technologies one of NASA's major missions? The NASP program is leading to major new methods of air breathing transportation and to inexpensive access to space. Is not doing this also part of NASA's charter? Are not these missions the very things that we have been complaining that NASA does not seem to do?

Mr. Speaker, I submit that by reducing NASA's participation in the NASP program this conference is contributing to the agencywide hardening of the arteries so evident in NASA.

Furthermore, Mr. Speaker, the reduction in the NASP budget for NASA contained in this conference report is a decision to give up our lead in hypersonic technology.

Right now, Mr. Speaker, the United States is 5 years ahead of any other nation in this area. Have we now decided to simply give the lead away to the Japanese or to the Europeans?

Mr. Speaker, I will not be voting "aye" for this conference report. I realize that this will in no way affect the passage of this legislation. Nevertheless, given what has been done to the NASP program by this report, I cannot in good conscience support this bill.

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Mr. TRAXLER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding. I rise in strong support of this legislation, commend the chairman and the ranking member for their hard work on it.

Mr. Speaker, I am particularly pleased about the funds for AIDS housing, HOME initiative, and the work that they did on the prepayment issue.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. TRAXLER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Speaker, in the short time I have available I would like to first thank the chairman of the subcommittee, the gentleman from Michigan [Mr. TRAXLER] for his patience and his wisdom and his accessibility. We know that he is pushed, pulled, and tugged in all directions. The fact that he is so quick to listen is very, very important to all of us.

Mr. Speaker, in the short time I have remaining, I would like to draw attention to two areas of this conference report for my State and for our Nation.

Mr. Speaker, for Mississippi, the conferees included some money to fund a perinatal center to make sure that we can reduce the high level of infant mortality in an area of the Nation where 22 babies out of every 1,000 will not live to blow out the candle on their very first birthday cake.

This is very important. It is a small amount of money, but the impact on young lives will be huge.

Mr. Speaker, for our Nation, the conference report includes funding for HOPE I, home ownership for people everywhere, a Jack Kemp-inspired program to allow people, residents of public housing, to purchase their own homes.

Again it is a relatively small amount of money, but it is a new attitude toward people of public housing who want to move from dependence into independence.

I thank the gentleman for his accessibility and his willingness, and urge my colleagues to support the conference report.

Mr. TRAXLER. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE], a member of the full committee and a good friend of the subcommittee.

Mr. PRICE. Mr. Speaker, I rise today in support of this legislation. I want to compliment the chairman of this committee, BOB TRAXLER, Mr. GREEN, and the other members of the subcommittee, for once again bringing before us a bill which will help support efforts to house our Nation's citizens, deal effectively with environmental hazards, maintain our Nation's leadership in science, and provide for the veterans that have served so valiantly in armed services. I want to briefly highlight a few key items.

I am particularly pleased that $5 million is provided in this bill to begin design work on a new consolidated facility for the Environmental Protection Agency in North Carolina's Research Triangle Park. Chairman TRAXLER recently visited this facility, taking time to discuss its operations and its needs thoroughly. It was clear from that visit that a new facility is badly needed, since current facilities are overcrowded, inadequate, and in need of repair. A new building will greatly enhance the productivity, efficiency, and effectiveness of EPA research operations.

I also commend the subcommittee for taking a strong stand for EPA's role in conducting global warming and stratospheric ozone depletion mitigation research. Under the bill, EPA is directed to develop a strong research effort to evaluate and demonstrate replacements for ozone depleting compounds, develop and demonstrate biomass utilization technologies, characterize sources that contribute to upper level tropospheric ozone, and develop emission reduction approaches to those pollutants. The research is vital to our Nation's efforts to combat global warming.

In the housing area, I compliment the conferees for providing $1.5 billion for the new HOME Program. Using these funds, local communities can use these resources to develop affordable housing initiatives. These funds will allow cities to more fully utilize a financing technique called soft second mortgages which will greatly expand homeownership opportunities in this country by lowering interest costs and monthly payments for first-time home buyers.

In closing, I want to commend Chairman TRAXLER for his leadership. Facing tough budgetary constraints, he has crafted a bill which does justice to all these vital areas. I urge my colleagues to support this bill.

Mr. TRAXLER. Mr. Speaker, I yield the remaining time, 2 minutes, to the gentleman from New York [Mr. SCHUMER], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. SCHUMER. Mr. Speaker, I thank the chairman not only for yielding the time to me but for his leadership on this issue. Mr. Speaker, both he and the gentleman from New York [Mr. GREEN], I think, have done a superb job, a very tough job of allocating scarce dollars among many important needs.

I would like to focus on one, the Family Unification Program which is in the bill. Mr. Speaker, throughout the cities of this country, when families, intact families, cannot find housing, the courts often order the children into foster care. Here we are in America where we have great problems; we do not have family structure in large parts of our cities and yet when we do there is no housing available and away go the families because of the lack of housing. Courts order these kids into foster care.

The Family Unification Program sets up a priority category so that families that find themselves caught in this bind will receive section 8 certificates so that they can afford an apartment and keep their children. This program keeps and focuses on the most vital resource we have, families, and prevents them from being torn apart simply because we cannot find housing for them.

The conference report also provides a level of funding for the HOME Program, which I think is very, very important. It was authorized by the landmark Cranston-Gonzalez Affordable Housing Act. I want to salute the committee for doing a good job in that area.

Finally, there has been some talk about Secretary Kemp being disappointed about the level of funding for the HOPE Program. The HOPE Program deserves a chance, but I think it has to take a back seat to the HOME Program, which is the meat and potatoes of housing rather than the dressing.

I suggest that HOPE did not suffer because HOME was funded, it suffered because the space station was funded. We felt we should fund the space station. But it also was funded because HOME builds new housing whereas HOPE simply changes the allocation of housing.

That is why HOME took priority.

Mr. Speaker, in conclusion, the committee has done a superb job under very difficult circumstances. Mr. Speaker, I urge support of the bill.

Mr. FAZIO. Mr. Speaker, I rise in support of the conference report on H.R. 2519 and specifically for the $25 million included in the bill for construction of new veterans health care facilities in Martinez, CA. I also want to commend my colleague, Congressman BOB TRAXLER, for the outstanding job he has done in crafting this bill. As chairman of the House Appropriations Subcommittee on VA, HUD and Independent Agencies, Chairman TRAXLER has been instrumental in guaranteeing that our Nation's veterans, our Nation's housing programs, and our Nation's environmental programs receive the support they need.

Of particular interest to my constituents is the urgency with which the committee has addressed the imminent closure of the VA medical center in Martinez, CA. The Veterans Administration announced in early August that it would close the hospital because the facilities do not meet seismic safety standards. At the same time, the VA also announced that it would build a new hospital to replace the existing Martinez facility as well as construct new outpatient and nursing home care facilities in Martinez and the Sacramento area.

In the wake of this announcement, many veterans in northern California voiced their concerns that these decisions were being made at their expense. However, the conference committee included $25 million in this bill for design, planning, and construction of the new Martinez facilities. This funding is a very important step in demonstrating to northern California veterans that Congress, for one, is serious about ensuring that their health care services are not only maintained at current levels, but actually expanded and improved in the future.

Mr. Speaker, this appropriations bill is a balanced and responsible bill. I want to commend and thank Chairman TRAXLER and the subcommittee staff for their diligence, and particularly for their assistance in addressing the issues surrounding the closure of the VA hospital in Martinez.

Ms. MOLINARI. Mr. Speaker, I rise in support of this conference report. I would like to thank the chairman and the ranking Republican members for bringing us this compromise legislation.

This bill is the largest domestic appropriations bill Congress will consider. Despite limited resources, the bill's far-reaching legislation addresses many of our Nation's greatest challenges. Caring for our veterans, housing our homeless, and protecting our environment are not easily balanced concerns. Yet, the conferees have done a fine job of establishing a balance among all these important needs.

I especially appreciate the conferees understanding of the special needs of the communities in my district.

In the conference report $250,000 is provided for senior nutrition in the Bay Ridge Community of Brooklyn, NY. We have some wonderful organizations active in Bay Ridge providing essential services to our frail and elderly. The St. John's Nutrition Program and the Bay Ridge Association of Senior Citizens each provide over 500 meals a day both within their centers and on location. Recent budgets at the city and State level have caused dramatic and visible difficulties for these essential programs.

Staten Island University Hospital affords similar senior nutrition programs to senior citizens in Staten Island, NY. The $250,000 will enable the hospital to continue to provide this service.

This legislation also allocates $250,000 for crime prevention programs in Bay Ridge. The 68th and the 62d precincts in New York have wonderful records in working with the community, particularly our senior population. Project Safe, initiated by the 68th precinct has provided free lock checks and lock changes for seniors. They also teach safety and awareness to our seniors. The program was working wonderfully until Project Safe ran out of money. I am hopeful that with this award the 68th and 62d precincts can reinstitute Project Safe programs which will provide an essential service in the face of a recent rash of breakins and muggings against our senior population. These funds for anticrime campaigns along with the $250,000 for crime prevention programs on Staten Island will go a long way to secure the safety for citizens in the communities.

Mr. COLEMAN of Missouri. Mr. Speaker, I am pleased that the House and Senate conferees included language directing the Environmental Protection Agency to provide $7.3 million for the transportation and storage of materials in Byers warehouse in St. Joseph, MO.

Since 1986, EPA has allowed banned dioxin-contaminated chemicals—670,000 pounds of solid and 260,000 gallons of liquid 2,4,5-T/Silvex—to remain in a warehouse located in downtown St. Joseph, MO. My reasons for concern about this issue are obvious; the warehouse is located in downtown St. Joseph—a city with a population of 80,000 that is situated alongside the Missouri River.

I shared my concerns with the House Appropriations Subcommittee, and asked that, in view of the significant health implications to my constituents and the amount of time that has passed with no solutions forthcoming, the committee ensure that EPA has the resources to address this problem as a priority in its fiscal year 1992 budget.

Let me again thank the House and Senate conferees for recognizing the importance of this situation, and for giving EPA the means and the direction to properly resolve this issue.

Mr. STOKES. Mr. Speaker, I rise in strong support of the conference report on H.R. 2519, the VA–HUD and Independent Agencies appropriations for fiscal year 1992. I want to commend my colleague and chair of the subcommittee on which I serve, Congressman BOB TRAXLER, for the outstanding leadership he demonstrated in moving this bill through the Congress. I want to also acknowledge Congressman BILL GREEN, the ranking minority, whose support was crucial in the passage of this bill.

Mr. Speaker, the VA–HUD and independent agencies appropriations bill provides funding for some very vital programs and services that benefit our Nation. This bill finances not only people-oriented initiatives, but it supports the basic technological and research efforts that advance America's competitiveness.

The task for providing adequate resources to all of these important programs was very difficult this year. This was due to the lower than anticipated level of funding allocated for the VA–HUD appropriations. Nonetheless, we overcame these constraints and supported programs that all of the varying sectors of the public urged us to support.

Mr. Speaker, H.R. 2519 funds housing programs for the poor, elderly, and homeless. It also includes considerable resources to initiate the new housing programs established in the National Affordable Housing Act. This bill continues to provide funds for community development in our cities, which nationwide are in dire need of our support.

Programs for our veterans and their families—from those that furnish their medical care to those that provide them with housing loans and educational assistance—are included in H.R. 2519. In addition, NASA and the National Science Foundation—the two agencies whose strategies and programs are the backbone for math and science in this Nation—are addressed in this bill.

Moreover, funds to support efforts to clean up our environment, including lead-based paint abatement; pollution prevention and control; and research to develop new technologies to address these environmental concerns. Our Nation's disaster relief projects are also funded through this measure.

Mr. Speaker, I am pleased to note that several initiatives that I formulated are included in H.R. 2519. There is the grant program to States for the abatement of lead-based paint and dust in privately owned low- and moderate-income housing. Knowing the threat that lead-based paint poses to our Nation, this effort is essential to our eliminating the dangers our citizens face.

H.R. 2519 also includes funding for the National Science Foundation to support a minority summer science program, designed to increase minority participation and representation in the science field through summer science camps. I am also pleased that funding that benefits research and development at some of our Nations minority institutions was provided.

Efforts I have supported to increase minority participation in government contracting is also furthered with the inclusion of language directing the EPA to establish a contractor mentor/protege program for socially and economically disadvantaged businesses. Language requiring that the Resolution Trust Corporation award at least 10 percent of its prime and subcontracts to minority and women-owned businesses was also incorporated.

I am most gratified by the support given to some special projects back in my district in Ohio that provide essential services to Cleveland citizens and the community-at-large. These funds will support community development and various youth activities.

Mr. Speaker, knowing the difficulties encountered since H.R. 2519 was first brought to the floor in June and since it was marked up in the Senate makes this conference report that much more remarkable. The extreme differences about the space station and housing have been fairly and properly dealt with. This bill addresses the concerns of everyone and thus, it deserves our support.

Again, I commend Chairman TRAXLER and my colleagues on the subcommittee for their fine work on this bill, and urge my colleagues to support H.R. 2519.

Ms. PELOSI. Mr. Speaker, I rise today in strong support of the conference report on H.R. 2519, the VA–HUD appropriations bill for fiscal year 1992. I would like to express my thanks to Chairman TRAXLER and ranking member GREEN for their hard work in putting together a reasonable and balanced bill. I would also like to thank the subcommittee members and staff for their willing assistance in addressing issues of concern to the city of San Francisco and to the low-income housing community as I raised them.

I am particularly pleased that the conferees included $4 million for a new housing and detoxification center for homeless people in San Francisco. This program is an important part of Mayor Agnos' comprehensive plan to address homelessness in the city. Its inclusion in this bill is a testimony the mayor's commitment and creativity in addressing homelessness. He personally worked with Chairman TRAXLER and Chairman MIKULSKI on the senate side to convince them of the local utility and national significance of this program.

I am also pleased that the bill appropriates $50 million for the new AIDS Housing Opportunities Program, of which San Francisco will receive approximately $4.1 million. This program, developed by representatives MCDERMOTT, SCHUMER, and me, will help in the provision of needed housing and services to communities and individuals struggling to address the AIDS epidemic. The funds can be used for a variety of programs, including homeless prevention, rehabilitation, and construction of facilities for people with AIDS and HIV infection, and services The use of the funds will be determined at the local level, ensuring that they will have the maximum impact in communities that are particularly hard hit by the epidemic.

The bay area still has unmet housing needs from the Loma Prieta earthquake. The report contains language urging the Secretary of the Department of Housing and Urban Development to release $25 million in discretionary funding for additional earthquake-related rehabilitation and replacement of low-income housing. I hope that the Secretary will follow the committee's direction.

And, the conference report provides $2 million for the San Francisco estuary project. This money will be instrumental in developing a final plan to address issues like dredging and fresh water diversion to protect the vitality and beauty of San Francisco Bay.

I am pleased that the conferees were able to provide significant levels of funding for a number of high priority national programs which will benefit local communities and low-income individuals, including $1.5 billion for the Home Investment Partnership Program, which will play a significant role in facilitating the development of local affordable housing initiatives. Waiving all State and local matching requirements will help local communities meet serious housing needs.

The bill also provides a total of $10.1 billion for assisted housing programs for low-income families, including $618 million for the preservation of properties threatened by prepayment and the provision of section 8 assistance to tenants displaced from buildings which opt-out of participating in low-income programs.

I am also pleased that this conference report contains $3.4 billion for the community development block grant [CDBG] program, $200 million more than last year, and $480 million, 16 percent, more than the administration's request. CDBG funds play a vital role in meeting local community needs. This increase in funding comes at a critical time of revenue shortfalls for many local communities and will ensure that some vital services are not cut.

While I am grateful that the committee provided 15-year project-based property disposition subsidies in this bill, I am concerned that the limited number of 953 such subsidies may result in hardship for some communities. I hope that HUD will be willing to work with us to identify additional funding for this need.

Again, I would like to commend Chairman TRAXLER and ranking member GREEN for their success in developing a funding bill for fiscal year 1992 which will provide assistance to many people in this country who are struggling to meet their basic needs. I urge my colleagues to support this conference report.

Mr. ATKINS. Mr. Speaker, I rise in strong support of this important legislation which will move us forward in the area of veterans medical care and assisted housing for our most vulnerable segments of the population. I would also like to express my personal thanks to Chairman BOB TRAXLER and the ranking minority member BILL GREEN who worked together in a bipartisan manner to bring the best bill possible to the floor under severe fiscal constraints. I don't think anyone in this body can fully appreciate the difficult decisions that had to be made by Mr. TRAXLER and Mr. GREEN concerning the urgent and diverse needs that our subcommittee faced. With last year's budget agreement restricting domestic discretionary spending and the goal of our subcommittee to fund agencies so that they deliver the services that the American people expect and deserve, this year's conference was very difficult. With the leadership of Chairman TRAXLER and Mr. GREEN the difficult was made possible.

One particular allocation in this bill that I am most proud of is the $50 million in the HUD budget to remove lead paint in federally assisted housing. Fifteen years ago, we learned about the tragedy of lead poisoning through our television set. Who could forget the ad showing a young girl eating paint chips from her tenement apartment window sill? However, recent studies have shown that most lead poisoning comes not from eating paint chips, but from dust that drifts in the air from cracked and peeling paint. Toxic lead exists not only in housing projects, as the television ad implied, but in homes everywhere.

A recent report from the Centers for Disease Control estimates that over 3 million children have unacceptably high levels of lead toxin in their bloodstream. Today, thousands upon thousands of children suffer from serious developmental disabilities and many are afflicted with severe physical ailments.

Children under age 6 are particularly susceptible to lead poisoning as their brains are in a critical stage of development. Symptoms of lead poisoning may include hyperactivity, reduced attention span, and hearing loss. In some cases, permanent brain damage may occur and even death.

Like asbestos removal several years ago, many companies that test, remove, or encapsulate lead paint do not have the expertise to safely alleviate the problem. Often, lead paint removal by disreputable or incompetent firms creates an even more hazardous situation by spewing harmful toxic dust throughout the home. But a new report by the Environmental Protection Agency includes guidelines to safely remove or encapsulate lead paint.

Today, Congress can seize on the EPA report and finally confront the lead paint issue head on. After years of delay and study, this bill sets aside $50 million in the housing budget to begin to eliminate lead paint in federally assisted housing. Contracts will only be awarded to certified lead paint removal companies meaning that the job will be done right. The legislation also creates an office for lead paint within the Department of Housing and Urban Development to coordinate testing and removal activities. The new office will ensure that an industry to safely and effectively remove dangerous lead will grow so that all households will have access to reputable abatement technology.

Lead paint has been called the No. 1 domestic health hazard in America today. Beginning today, with the passage of this legislation, the problem is being solved.

Mr. LOWERY of California. Mr. Speaker, I want to express my support for the conference report on the VA–HUD and independent agencies appropriations bill. In addition, I want to commend Chairman BOB TRAXLER and Congressman BILL GREEN, the ranking minority member, for their management of this legislation and for the fair treatment given to all Members interested in the programs covered by this bill.

As a member of the subcommittee, I participated directly in the formulation of this bill. As my colleagues know, this process was extremely difficult. The budget allocation the subcommittee received for fiscal year 1992 presented Chairman TRAXLER and the members of the subcommittee with very difficult decisions for the many important agencies funded by this appropriations bill.

This was especially true for NASA. Because of budget constraints, the chairman and the subcommittee originally proposed to terminate funding for space station *Freedom*. Chairman TRAXLER made this decision without prejudice and agreed to allow Congressman CHAPMAN and I to offer an amendment to restore the space station funding when the bill came to the full House in June. The House voted to continue the space station program and Chairman TRAXLER and BILL GREEN accepted that decision graciously and then sought to formulate the fairest bill possible in conference with the Senate. I believe they accomplished that goal. While this bill is not perfect, it does provide funding for every major veteran's program, as well as generous funding for most housing programs. While, I would prefer to have provided additional funding for Secretary Kemp's HOPE program for home ownership, the conference committee did increase funding for HOPE I from $151 to $161 million.

This legislation does provide full funding for space station *Freedom* in fiscal year 1992. This will enable the redesigned station program to make real progress over the next year. I believe the station is the key to reaching the next level in manned space exploration. It will move us beyond the fine achievements of the space shuttle program and toward more discoveries in our efforts to explore and better understand our universe and man's place in it.

I share the chairman's concern that funding for NASA programs will be even more difficult over the next few years. We must strike a workable balance between the manned program and important space science research. I look forward to working with the chairman and my colleagues to meet this challenge.

In addition, I want to thank Chairman TRAXLER for his cooperation with my efforts to provide funding for a number of important environmental programs through the Environmental Protection Agency. This bill will provide $49 million to continue development of an international sewage treatment facility on the United States-Mexico border between San Diego and Tijuana. When completed, this facility will end the flow of thousands of gallons of raw sewage now flowing from Tijuana that threaten the health of American citizens and the environment on the southern California coast. The bill before the House today will also provide funds for five coastal cities to upgrade their water and sewage treatment facilities. H.R. 2519 provides $300 million to enable New York, Boston, Seattle, Los Angeles, and San Diego to improve their sewage treatment standards as required by the Clean Water Act. The President requested these funds and the committee has cooperated in the effort to improve the water quality and sewage treatment in our cities.

Mr. Speaker, while I may not agree with every program or spending priority in the conference report, this legislation represents a solid, good-faith effort to forge a compromise that will provide funding for veterans, housing, environmental, and science programs. The bill is under the spending limits required by the 1990 deficit reduction agreement. It funds critical veterans' health programs and the President's top space exploration priority, space station *Freedom*. This bill is not perfect, but given our current spending limitations and the many contrasting priorities represented in the bill, the conference report is a solid, workable compromise.

I support passage of this legislation and urge its approval by the House.

Ms. SNOWE. Mr. Speaker, I rise in support of the conference committee report on H.R. 2519, the fiscal year 1992 HUD–VA, independent agencies appropriations bill. In particular, I want to express my thanks to Subcommittee Chairman TRAXLER and Ranking Minority Member GREEN for the fact that the conference report includes $23.5 million in funding for the National Science Foundation's [NSF] laser interferometer gravitational-wave observatory [LIGO].

The LIGO project will use the detection of gravitational waves to provide us with new and compelling information about the nature of the universe. The funding of this project represents an invaluable opportunity for the 102d Congress to demonstrate its support for the development of physics research that will ensure Americans preeminence in this area well into the 21st century.

I want my colleagues in the House to know that the LIGO project has gone through the peer review process, and has been approved. The National Science Board approved a LIGO prototype that the Brinkman Commission subsequently endorsed. This is proof positive that funding the LIGO project represents good physics research.

Once this initial funding is approved, the National Science Foundation can proceed to select two sites, from a total of 18 proposals, for the LIGO project. When the project becomes operational, the data collected will be available to use in expanding the study of physics throughout all of the United States.

In conclusion, Mr. Speaker, I want to reiterate my thanks to the subcommittee chairman, Mr. TRAXLER, and ranking minority member, Mr. GREEN, for their efforts to include funding of this valuable project in the final version of H.R. 2519.

Funding the LIGO project represents a big step forward in our efforts to ensure that the United States is at the cutting edge of physics research worldwide and I urge my colleagues in the House to join me in support of this conference report.

Mr. WAXMAN. Mr. Speaker, while I support their legislation, I want to make clear for the record my strong opposition to the provision relating to the use of DVA drug prices for purposes of calculating rebates under the Medicaid Program.

This provision will not achieve its intended objective: To protect the VA from price increases imposed by drug companies. It will increase Federal Medicaid costs—according to CBO estimates—by $40 million this fiscal year. It will increase Medicaid costs to the States by about $30 million.

The only winners will be the drug companies, who will continue to be able to raise their prices to the VA with impunity.

This bizarre result comes from a provision which directly amends the Medicaid statute, and therefore is not in the jurisdiction of the Committee on Appropriations. This blatant usurpation of the jurisdictional prerogatives of this committee violates not only the rules of the House, but also the comity between this committee and the Committee on Appropriations.

This provision also breaks an understanding with the States that the Congress reached just 1 year ago. States were told that they would be receiving rebates on all prescription drugs that they purchased through their Medicaid Program. These rebates would enable them to take advantage of the same discount then being enjoyed by DVA and private purchasers. In exchange, the States were prevented from limiting the drug they covered; instead, they were required to cover virtually all of the drugs of manufacturers that agreed to give rebates.

Under the provision being adopted today, States will continue to have to offer all drugs of participating manufacturers, but they will no longer be able to have the benefit of the deep discounts on some of those drugs available to the DVA. The result, as the National Governor's Association makes clear in the following letter, is new and significant cost increases to already hard-pressed State budgets. The NGA's case is particularly compelling since this provision does not protect even the DVA from drug company price increases.

I want to assure my colleagues that my subcommittee is monitoring the implementation of the Medicaid drug rebate provisions very carefully. The reason we have not yet acted is a simple one: We have absolutely no data from the administration on the operation of the program, which was initiated only 9 months ago. Due to lags in reporting of data, the administration tells that we will not get this information until next month.

When we have better information on how the rebate program is working and what the problems are, we will be in a position to come back to the House with an appropriate legislative remedy. At this point, we're simply unable to do that.

I very much regret the precipitous action taken in the legislation before us. Taking the discounts now enjoyed by the VA out of the Medicaid rebate formula will only make matters worse. As soon as we have enough information on which to act, I will be working with my colleagues on the subcommittee to report legislation that corrects the mistake we are making in this bill today.

OCTOBER 2, 1991.

Hon. HENRY A. WAXMAN,
Chairman, Subcommittee on Health and the Environment, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE WAXMAN: I write on behalf of the National Governors' Association to express our opposition to a provision contained in the Veterans' Administration-Department of Housing and Urban Development (VA-HUD) fiscal 1992 appropriation conference bill that will have a significant impact on state Medicaid programs. The provision would deny Medicaid access to discounts pharmaceutical companies offer to the Department of Veterans' Affairs until June 1992. The Congressional Budget Office estimates the combined federal and state Medicaid cost of the provision at $72 million.

As you know, last year Congress enacted legislation, as part of the Omnibus Budget Reconciliation Act 1990 (OBRA 1990), to give state Medicaid programs access to prescription drug discounts that pharmaceutical manufacturers offer to other federal health programs and private health programs and providers, such as hospitals and health maintenance organizations (HMOs). The projected savings ascribed to the OBRA 1990 legislation were used to offset most of the $3 billion in Medicaid expansions also enacted in OBRA 1990.

Any legislative change that diminishes the Medicaid prescription drug savings will cause both state and federal Medicaid budgets to suffer. At a time when Medicaid is the fastest growing portion of state budgets, increasing 19 percent in fiscal 1990 and more than 25 percent this year, states simply cannot assume new significant cost increases.

While the Governors agree it is equally important to enact legislation to protect the Department of Veterans' Affairs drug discounts from unjustifiable increases, the provision contained in the VA-HUD appropriations conference harms Medicaid without helping the DVA. Simply eliminating the DVA from Medicaid rebate calculations will not guarantee that the DVA will regain rebates that existed prior to the enactment of OBRA 1990.

The Governors request your assistance in stopping the enactment of this provision, and urge the Energy and Commerce Subcommittee on Health and the Environment, in concert with the Committee on Veterans' Affairs, to work with the states and the Department of Veterans' Affairs to find a solution to rising prescription drug costs that protects the interests of the DVA and Medicaid.

Sincerely,
RAYMOND C. SCHEPPACH,
Executive Director.

Mr. STUMP. Mr. Speaker, as ranking minority member of the Veterans' Affairs Committee, I rise in opposition to the conference agreement on H.R. 2519, which makes appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for the independent agencies. My opposition remains essentially the same as it was when I spoke against H.R. 2519 on June 6, 1991.

Though I cannot support the conference agreement, I want it to be clear that I am in no way belittling the efforts of the leadership of the House Appropriations Subcommittee, Chairman BOB TRAXLER and Ranking Minority Member BILL GREEN. The level of appropriations for veterans programs are as much as could be expected, given the size of the subcommittee's allocation. But I believe funding for veterans programs deserves a higher priority and dollar level.

Consequently, the gentleman from New York, JERRY SOLOMON, and I have introduced House Resolution 204 to create a separate subcommittee on veterans affairs. With their own subcommittee, veterans would not have to compete with domestic programs such as housing, science, and environmental protection. Veterans programs are a cost of war and national defense, while the others are not. It is unfair for veterans to be placed in the same allocation of dollars as the space station, toxic dump cleanups and low-income housing, regardless of their merits. Veterans have literally earned their own allocation, so I invite my colleagues to cosponsor the resolution.

Part of my opposition also stems from certain provisions of the conference agreement which seriously encroach on the functions of the Veterans' Affairs Committee as an authorizing committee. We all know that appropriations bills are supposed to have corresponding authorizations, a principle that these days seems to be honored more and more in its breach, rather than in its observance.

Mr. Speaker, the conferees direct the Secretary of Veterans Affairs to submit a plan and legislation to restructure and reclassify all but the most essential health care personnel positions from title XXXVIII to title V. The conferees adopt a Senate provision and direct establishment of a Geriatric Research and Evaluation Center at the Baltimore VA Medical Center without providing additional dollars. And the conferees direct VA to submit a proposal for a nurse education loan repayment program to aid in recruitment and retention. The House Veterans' Affairs Committee has not authorized any of these, and they clearly require authorization.

Further, the conference agreement adopts a Senate provision and calls for an extremely unwise reduction in appropriations for the VA Office of Facilities. This office runs the VA's vast construction programs. While improvements can always be made arbitrarily cutting $5 million will necessitate the loss of almost 100 employees, a reduction of 16 percent. There is no reason to believe such a step will improve VA's construction operations. To the contrary, VA's construction operations will be degraded.

Finally, Mr. Speaker, this conference agreement still funds excessive public housing subsidies. In fact, the conference agreement would put even less than the House-passed bill did into the new and innovative housing programs that are badly needed to give tenants a stake in their future.

The funding priorities in this conference agreement are mixed up, and all in all, it is not as good as the House-passed bill I voted against last June. I urge my colleagues to oppose the conference agreement on H.R. 2519.

Mr. ERDREICH. Mr. Speaker, I rise today to express my concern for the Federal Emergency Management Agency's budget request and authorization of appropriations for a flood risk directory project in conjunction with the digitization of flood insurance rate maps. The total program costs are expected to be over $45 million over the next 10 years.

The Committee on Banking, Finance and Urban Affairs' Subcommittee on Policy Research and Insurance, which I chair, has jurisdiction and oversight responsibility over the National Flood Insurance Program. The subcommittee has requested meetings with the Federal Insurance Administration on two occasions to discuss the program and the subcommittee's reservations in full detail.

I do not question the appropriateness of the directory as a Federal product, but rather the accuracy of the directories which are based on census data. The directories would only include 50 to 60 percent of all addresses of structures located in special flood hazard areas. Flood risk directories do not provide communities and homeowners with a full accurate listing of addresses in the flood plain. Communities and homeowners should not rely on the limited information provided in these directories to determine whether their structures are located in the flood plain. My fear, Mr. Speaker, is that the flood risk directories may provide communities and homeowners with a false sense of security.

Mr. Speaker, the Subcommittee on Policy Research and Insurance has spent the past 2½ years reviewing the National Flood Insurance Program. I introduced H.R. 1236, the National Flood Insurance, Mitigation, and Erosion Management Act of 1991, last March and the legislation passed the House overwhelmingly in May by a vote of 388 to 18. The legislation addresses the need for continuous map updates and maintenance to determine insurance rates and implement flood hazard reduction activities.

The digitization of flood insurance maps and the creation of a flood risk directory are an important undertaking by the Federal Insurance Administration. The accuracy of the information, however, is the foundation of the insurance and mitigation elements of the program. I raise my concerns for the flood insurance policyholders who are funding the flood risk directory project and for communities and homeowners who may depend on the flood risk directories to determine whether their structures are located in special flood hazard areas.

Mr. KLECZKA. Mr. Speaker, I rise today in support of the fiscal year 1992 VA–HUD conference report. I also rise to thank the members of the Appropriations Committee and my good friend, Chairman TRAXLER, for their hard work in steering this outstanding legislation through the House-Senate conference. Once again, Chairman TRAXLER has shown his leadership in gaining consensus on the controversial issues raised by this legislation.

The VA–HUD conference report provides for a broad cross-section of American life. The legislation funds programs which will benefit our Nation's veterans, protect our environment, continue the Space Program, and further our mission to increase affordable housing opportunities. Despite the constraints imposed by last fall's budget agreement, this legislation gives each of these programs a fair shake.

The conference report shines brightest in its provisions for housing and community development programs. For example, the highly-regarded Community Development Block Grant [CDBG] Program will receive almost $3.4 billion, and the home program will receive $1.5 billion.

The conference report also funds an innovative and much-needed demonstration project for low-income residents in my district. The conference report appropriates $4.2 million authorized by The 1990 Cranston-Gonzalez National Affordable Housing Act for the development, rehabilitation and revitalization of two vacant structures in a minority Milwaukee neighborhood. Two successful, neighborhood-based organizations, the United Community Center and Esperanza Unida, will work with the redevelopment authority of the city of Milwaukee to convert these neglected buildings into sites for housing, social services, and community development. I am proud to have led the effort in the House to gain funding for this crucial project.

Mr. Speaker, this is vital legislation and I applaud Chairman TRAXLER and his subcommittee for their efforts on behalf of America's future.

Mr. FAWELL. Mr. Speaker, I rise to raise an objection to the amendment in technical disagreement, number 35, on the VA–HUD appropriations bill (H.R. 2519, House Report 102–226).

I am strongly opposed to the amendment because it provides $150 million for 133 special purpose grants. The House-passed version contained no such grants. The Senate-passed version contained 58 special purpose grants, none of which was authorized, subject to any sort of congressional hearing, or competitively awarded.

The remaining 75 projects were added in the conference committee. By definition, these grants are not authorized, not subject to any hearing, and not competitively awarded.

To add insult to injury, the funding for these special purpose grants is coming from the account for annual assisted housing. This, to me, is unfathomable. By agreeing to this amendment, we are taking money from low-income housing to fund projects which have never been publicly scrutinized in any fashion. While some of these projects have admittedly laudable purposes, that is no excuse for not obtaining funding through the established appropriations process.

Additionally, many of these projects, which are reducing the amount available to assist low-income housing, have no relation whatsoever to the mission of HUD. Money which would have been used to provide low-income housing assistance will instead be spent for what we must assume are deemed higher priorities by the committee and the conferees. These include $1 million for the rehabilitation of a historic building in Ypsilanti, MI; $505,000 for a performing arts cultural center in North Miami Beach, FL; and $1.5 million for acquisition and renovation of theatre space in New York City.

Prior to the HUD Reform Act of 1989, these special purpose grants were funded under section 107, the Secretary's discretionary fund. When the abuse and mismanagement at HUD under Secretary Pierce's watch came to light, Congress zeroed-out this discretionary fund, thereby supposedly ending the practice of giving special purpose grants.

In his subcommittee's November 1, 1990, report on the HUD Reform Act, my colleagues from the other side of the aisle, TOM LANTOS, clearly stated that housing projects should be awarded on the basis of merit and competition, not power and influence. Quoting from page 8 of the report, Mr. Lantos states:

> There is a need to take politics and discretion out of housing programs. This applies equally to the executive and legislative branches. Just as it was wrong for HUD, under Secretary Pierce, to dole out housing units and grants to former HUD officials and the politically well-connected, and just as it was not right for President Reagan in 1982 to give housing units to New Jersey to influence a Senate race, so too Congress should not earmark funding for housing projects in appropriations bills. This practice by Congress, which circumvents objective criteria, competition, and merit, should be ended.

Unfortunately, the Congress did not heed Mr. LANTOS' wise counsel. The fiscal year 1991 HUD appropriations bill, which was the first since the HUD Reform Act went into effect funded 60 special purpose grants, totaling $53 million, under the section for annual contributions for assisted housing. Rather than ending the abuse, Congress had become the abuser. In what may be classified as "Robin Hood in reverse," Congress robbed the poor to pay off the powerful.

This year, the heist is even larger. The number of projects has more than doubled—from

60 to 133—and the amount of money has nearly tripled—from $53 million to $150 million. The $150 million spent on this year's special purpose grants could have funded 5,000 housing vouchers and certificates.

Earlier this year, I introduced the Spending Priorities Reform Act—H.R. 2643. This bill seeks to rescind the unobligated balances for 325 fiscal year 1991 projects, totaling over $1 billion at the time, which received funding in violation of the budget process. Among the projects included in the measure were the 60 special purpose grants in last year's HUD appropriations bill. Next year I plan to introduce a similar rescission package and you can be sure I will include the money for the 133 special purpose grants funded this week.

In a letter to the conferees, Secretary Kemp made clear his great displeasure with the special projects:

> The administration strongly objects to many provisions in both the House and Senate bills allocating funds directly to specific recipients and projects without competition. The Department believes that scarce HUD resources should be allocated through open and fair competition, consistent with the HUD Reform Act.

In this time of budget crisis, Congress must prioritize the needs of the Nation and adhere to a rigorous process of public scrutiny to ensure that our limited resources are doing the most good. The practice of awarding projects on the basis of power and influence should no longer be tolerated and I will continue to fight such abuses.

Mr. BROWN. Mr. Speaker, may I express my deep appreciation to my dear friend, Mr. TRAXLER, for yielding this time because I know how pressed he is for time, and I know he is giving me the time only because I promised him that I was going to support the bill, and I reiterate that.

I want to take this opportunity to comment on a few of the matters under the jurisdiction of the Committee on Science, Space, and Technology. I want to commend the gentleman from Michigan and the gentleman from New York and all the conferees for the work that they did on this bill. Indeed, there can be no doubt they made some very difficult choices as they had to within the confines of the budget agreement.

The conference report addresses many of the issues that authorizing committee has dealt with over the past year, and for the most part the funding decisions are reasonable. There is one disturbing aspect of the process, however, that I must call to the attention of my colleagues since it threatens to undermine any good work that we manage to do. This relates to the practice of adding unauthorized, unrequested earmarks for personal interest items. This, of course, is a time-honored tradition of this body and could be overlooked if it were not for the severe budgetary environment that we have had to operate under this year and will for the foreseeable future. This year, the budget reductions that Congress has had to make has made it entirely inappropriate to indulge in the earmarking that we are being asked to approve.

Mr. Speaker, I am not going to go into a diatribe about this. I am bringing it up because I think we have a serious problem with regard to the relationship between the authorizing and appropriations committees, and we'll deal with this at a later point. In part, it's our responsibility on the authorizing committee that this has developed. The NASA bill, for example, has just been approved last week in the Senate. The appropriations bill will go to the President before the authorizing bill and the appropriators are under no constraints to be bound by that bill. In my opinion—as a chairman of an authorizing committee—that's intolerable but it's our fault not the Appropriation Committee's fault. We must seek ways in which to resolve that problem. I also understand full well how the members of the Appropriations Committee carry on in the great tradition of Winston Churchill who said, "I did not come to the primeministership of Britain to preside over the extinction of the British empire." The members of the Appropriations Committee, did not become members to preside over the diminution of Federal funds to their districts, and they continue in that great statesmanlike tradition to make sure they get as much as possible of these funds. And I admire that, but in the interest of equity and comity I think we are going to have to find some way to readjust the balance.

In the NASA area, the conference report contains over $100 million in projects that were never requested by the administration, never authorized, and never discussed on this floor. We were never given the choice between the space station, for example, and these projects. These appear in the NASA portion of the budget but some can scarcely even be called space projects. I will itemize these in more detail in the extension of my remarks, Mr. Speaker, and I will not belabor them here.

Mr. Speaker, the Congress and the American people have entrusted NASA with managing and carrying out the Space Program. This is a challenging task and NASA is now struggling to come to grips with this responsibility within the current budgetary climate. The conferees reduced the NASA budget by over $1.4 billion and the growth in the Space Program will not even cover inflationary increases. On top of all of this, the conferees have chosen to lay additional distractions on NASA completely unrelated to their purpose. I appreciated the remarks that Mr. GREEN made about his efforts to bring the station funding back to some intermediate level between the House and the Senate and to use those additional funds for space science. I want to make it absolutely clear that I supported the action that we took earlier in funding the space station on the assumption and in the hope that creative ways would be found to fund space science down the road in the Senate, with the cooperation of the administration. That has not happened to the degree that I would like or anywhere close. I want to make it absolutely clear that I will not sacrifice space science for the space station if we are unable to resolve this conflict. I hope and believe that Mr. GREEN and Mr. TRAXLER both appreciate the fact that my deepest commitment in the Space Program is to the science base, not to the hardware base. I think we need a properly balanced program, however, and I will seek to achieve that every way that I possibly can.

Elsewhere in the conference report is funding for the programs of the National Science Foundation. This is a substantial increase over the current fiscal year, the increase is welcome, and I commend the committee for their efforts on behalf of the National Science Foundation.

This gentleman regrets that his time has expired. He had many more very important words and will put them in the RECORD.

The SPEAKER pro tempore (Mr. TORRICELLI). All time has expired.

Mr. TRAXLER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidentily, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 390, nays 30, not voting 12, as follows:

[Roll No. 286]

YEAS—390

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton

Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
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Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Oberstar
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Riggs
Rinaldo
Ritter
Roberts
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—30

Archer
Armey
Beilenson
Burton
Cox (CA)
Crane
Dannemeyer
DeLay
Dreier
Duncan
Fawell
Hancock
Hughes
Jacobs
Kyl
Luken
McEwen
Moorhead
Murphy
Obey
Orton
Packard
Pallone
Pease
Penny
Petri
Roemer
Rohrabacher
Sensenbrenner
Stump

NOT VOTING—12

Edwards (OK)
Ford (TN)
Holloway
Hopkins
Kaptur
LaRocco
Mrazek
Neal (NC)
Ridge
Santorum
Slaughter (VA)
Waters

□ 1226

Mrs. COLLINS of Illinois, Mr. BEREUTER, and Mr. DORNAN of California changed their vote from "nay" to "yea."

Mr. LUKEN changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LAROCCO. Mr. Speaker, during the vote on H.R. 2519, I was unavoidably detained and unable to record my vote. Had I been present, I would have voted "aye."

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 4: Page 7, line 11, strike out "$375,000,000" and insert: "$389,550,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$413,360,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 5: Page 7, line 18, after "activities" insert: ": *Provided further*, That of the funds made available under this heading, not to exceed $6,000,000 shall be available for transfer to the Medical Administration and Miscellaneous Operating Expenses Appropriation for quality assurance functions".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 5, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert the following: "$3,000,000".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. TORRICELLI). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 6: Page 7, line 18, after "activities" insert:" : *Provided further*, That of the funds made available under this heading, $700,000 shall be made available for a rural mobile clinic in the State of Vermont".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 9: Page 9, line 5, strike out "$854,204,000" and insert: "$805,159,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$796,000,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

□ 1230

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 9, line 18, after "amended" insert: ": *Provided further*, That the funds appropriated in the preceding proviso shall be available only after submission to the Congress of a formal budget request by the President that designates said amount as an emergency requirement as defined in section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 10, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 14: Page 11, line 24, after "standpoint" insert: ": *Provided further*, That $100,000 of the funds made available under this heading shall be for the purchase of land adjacent to the Veterans Medical Center, Beckley, West Virginia".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 20: Page 15, after line 12, insert:

Notwithstanding the funding limitations contained in section 346 of Public Law 100-322 (May 20, 1988), appropriations available to the Department of Veterans Affairs for fiscal year 1992 for National Cemetery System shall be available for the operation and maintenance of the National Memorial Cemetery of Arizona (formerly the Arizona Veterans Memorial Cemetery).

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 20, and concur therein with an amendment, as follows:

In lieu of the matter proposed in said amendment, insert the following:

Notwithstanding the funding limitations contained in section 346 of Public Law 100-322 (May 20, 1988), appropriations available to the Department of Veterans Affairs for fiscal year 1992 for the National Cemetery System shall be available for the operation and maintenance of the National Memorial Cemetery of Arizona (formerly the Arizona Veterans Memorial Cemetery): *Provided*, That the provisions of this paragraph regarding the National Memorial Cemetery of Arizona shall be effective until (a) enactment into law of legislation concerning funding for the National Memorial Cemetery of Arizona or (b) November 30, 1991, whichever first occurs.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will desigante the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 21: Page 15, after line 12, insert:

The Secretary of the Department of Veterans Affairs is hereby required to comply with regulations to be issued by the Department of Health and Human Services pursuant to the Clinical Laboratory Improvement Amendments of 1988.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 21, and concur therein.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I demand that the question be divided.

The SPEAKER pro tempore. The question will be divided.

The question is, Will the House recede from its disagreement to the amendment of the Senate numbered 21.

The House receded from its disagreement to the amendment of the Senate numbered 21.

PREFERENTIAL MOTION OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. MONTGOMERY moves that the House concur in the amendment of the Senate numbered 21 with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SEC. 101. (a) REGULATIONS FOR STANDARDS OF PERFORMANCE IN DEPARTMENT OF VETERANS AFFAIRS LABORATORIES.—(1) Within the 120-day period beginning on the date on which the Secretary of Health and Human Services promulgates final regulations to implement the standards required by section 353 of the Public Health Service Act (42 U.S.C. 263a), the Secretary of Veterans Affairs, in accordance with the Secretary's authority under title 38, United States Code, shall prescribe regulations to assure consistent performance by medical facility laboratories under the jurisdiction of the Secretary of valid and reliable laboratory examinations and other procedures. Such regulations shall be prescribed in consultation with the Secretary of Health and Human Services and shall establish standards in accordance with the requirements of section 353(f) of the Public Service Act.

(2) Such regulations—

(A) may include appropriate provisions respecting waivers described in section 353(d) of such Act and accreditations described in section 353(e) of such Act; and

(B) shall include appropriated provisions respecting compliance with such requirements.

(b) REPORT.—Within the 180-day period beginning on the date on which the Secretary of Veterans Affairs prescribes the regulations required by subsection (a), the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on those regulations.

(c) DEFINITION.—As used in this section, the term "medical facility laboratories" means facilities for the biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings.

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. TRAXLER] will be recognized for 30 minutes, and the gentleman from New York [Mr. GREEN] will be recognized for 30 minutes.

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that the distinguished gentleman from Mississippi [Mr. MONTGOMERY] be allocated 30 minutes, and the other 30 minutes be equally divided between myself and the distinguished gentleman from New York [Mr. GREEN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, this motion is very simple. The provision contained in the Senate bill regarding the regulation of VA laboratories is legislation that is in our appropriations bill.

As we all know, it is common practice in the Senate to include legislative provisions in appropriations acts. I would ordinarily object to that. However, the motion that I am offering is identical to the language that passed the House on June 25, 1991, in section 304 of H.R. 2280. That bill is on the Senate Calendar and is awaiting further Senate action.

Mr. Speaker, as chairman of the committee with responsibility for authorizing the activities of the Department of Veterans Affairs, I have examined the need for quality standards for the Department's clinical laboratories. This amendment requires the VA to establish standards for clinical laboratories that are consistent with standards which the Secretary of Health and Human Services, Dr. Sullivan, will prescribe for private laboratories.

Mr. Speaker, the problem is the Secretary has not issued any type of regulations pertaining to laboratories and the HHS does not have any laboratories.

We have discussed this language with the Committee on Energy and Commerce and the gentleman from Michigan [Mr. DINGELL], and they agree with our approach to this subject.

This amendment makes VA responsible for assuring the quality of laboratory services it performs. If we start handing over the responsibilities to other departments, it could result in services to veterans being reduced, and that is the last thing we need to do.

Mr. Speaker, the VA operates 172 hospitals and 339 outpatient clinics. It has always operated its laboratories at the highest standards. There has been no criticism of its activities in that area.

Mr. Speaker, I might add that this amendment we are proposing was added on on the Senate side, as our House managers will explain themselves here.

We have no intention of allowing the Secretary of another department to determine whether the standards to be applied in VA laboratories have been met. That responsibility should rest with the Secretary of Veterans Affairs.

Mr. Speaker, as I said earlier, HHS has no laboratories of their own. We have no problem with the law itself to regulate private and small laboratories.

When the House considered this provision on June 25, there was no opposition to the agreement that had been worked out before our committee and with the Committee on Energy and Commerce.

Mr. Speaker, I urge Members to support this amendment. All of the veterans organizations in this country strongly oppose the Senate appropriation provision.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding. I would like to commend the distinguished chairman of the Committee on Veterans' Affairs for offering this amendment. He has stated that the VA needs to be held to the highest standards possible, and I think we do that. However, we should not place VA laboratories under the control of another Federal agency.

Mr. Speaker, I urge Members to support the previously passed provision in H.R. 2280 by voting for the Montgomery amendment.

Mr. MONTGOMERY. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding.

Let me just say, as the former ranking Republican on the Committee on Veterans' Affairs, that I want to concur in the statement of the gentleman from Mississippi [Mr. MONTGOMERY] and the statement of the gentleman from Arizona [Mr. STUMP]. As one of the major sponsors, along with these gentlemen, of the bill which created the Department of Veterans Affairs, this is the very reason we did it, to keep the other agencies out of the hair of the Veterans' Administration.

Mr. Speaker, we want to hold the Veterans' Administration responsible. They do a good job. These Members and I have concentrated on this for years.

Mr. Speaker, I certainly hope that the House supports the motion of the gentleman from Mississippi [Mr. MONTGOMERY] in this effort. I commend the gentleman for it.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, certainly no one regrets this issue coming before this body more than I do. The relationship that I have had with the authorizing Committee on Veterans' Affairs has been, I think, one of the most enjoyable in my congressional career.

Mr. Speaker, to the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from Arizona [Mr. STUMP], I have the highest personal regard. There are no two Members in this body that are more committed to America's veterans and the promotion of their cause than these two fine gentlemen.

Mr. Speaker, I want to bring before Members what the position of the Senate is. In a sense, when we are in conference and are talking about what the House wants and they talk about what the other body wants, it is not without reason. Oftentimes one is moved out of considerations, often unrelated to the specific issue in front of us.

One of the things that sometimes motivates us in a minor way on the House side in conference on these appropriations bills is that we are sometimes driven by budget matters—budget considerations on outlays. We are under constraints to get the job done within the moneys available to us. I can tell Members that there is a little known provision in the summit agreement that sort of moved us along to resolve matters of difference between the House and Senate in the conference, and we did not perhaps argue as long as we should have on some issues.

□ 1240

Of course, this is one of those issues of great importance to my authorizing friends and to me as well.

There was created, not by me, but by the Committee on Appropriations and by the authorizers in the summit agreement of last fall, a special set-aside of money to accommodate scorekeeping differences between OMB and CBO. And in this bill alone, there is a total of some $400 million that must, as the bill is presently constructed, make use of that special set-aside.

I must say, what we are looking at is a race, a race between myself and my other subcommittee chairmen on appropriations to that special set-side. And we were highly motivated to proceed as rapidly as possible and as expeditiously as possible because the special set-aside is not sufficient to cover all of the differences in the appropriations bills. So please understand that this was in the back of my mind.

The Senate felt very, very strongly on the issue. I think the gentleman from Mississippi [Mr. MONTGOMERY] very adequately said it for us, and I certainly do not disagree with his definition.

The bill provides that the Department of Veterans Affairs is required to comply with regulations to be issued by the Department of Health and Human Services pursuant to the Clinical Laboratory Improvement Amendments of 1988. Those regulations, I am told, will be out very soon. That will bring all of America's—if this amendment as proposed by the Senate is concurred in—that will bring all of America's laboratories, whether it is a hospital laboratory or the clinical laboratory in one's hometown, and the VA laboratories under the same standards.

For some people in the health care field, that is an important issue. It happens that the Members on the Senate side that sit on the Committee on Appropriations were involved in the writing of the clinical laboratory improvement amendments bill, and so they have a personal commitment here to bring everybody under that umbrella bill.

On the other hand, the history of the VA is that it stands outside of these general provisions that relate to, shall we say, the civilian hospitals. And rightfully so, my chairman on the Committee on Veterans' Affairs has insisted that this be the case. I advanced those arguments in the course of the conference.

I must say that the Senate felt very strongly on this. I told them how strongly the authorizing committee on the House side felt on this issue, and I feel very much like a person who is sort of caught in the center, who wants to support my House colleagues and at the same time wants to get the conference report done so we can utilize the special set-aside, among other reasons, and to complete action on this bill which is important to all Members. And all Members want to do the same thing.

What I am saying to my colleagues is that we came down in the conference on the side of what the Senate was recommending. I cannot say that that was absolutely right. What I can say is that we have presented the issues for Members' consideration and we want the matter as expeditiously resolved as possible.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. Mr. Speaker, I want to say to the gentleman from New York [Mr. SOLOMON] that in my association with him over these years and, of course, he was on the authorizing committee—the Committee on Veterans' Affairs—and he left that for another position, a very demanding one, I might add.

Even though he is no longer on the committee, there is no more loyal a supporter of the authorizing committee than the gentleman from New York [Mr. SOLOMON] is. Certainly his heart has always remained there.

I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, that is awfully nice of the gentleman. I do appreciate his remarks. Serving in that new capacity, as the ranking Republican on the Committee on Rules, my heart is still there looking out for helping the gentleman, and my good friend, the gentleman from New York, BILL GREEN, for the tremendous job they do for the veterans.

I just cannot tell them how much I appreciate it personally. I also know the spot that they, and other members of the subcommittee and our full Committee on Appropriations, are put in because they do have to compromise.

We discussed this in the debate on the unemployment insurance yesterday. We all have to bend a little. And so we know that they were put in that position. And that is why I think the gentleman from Mississippi [Mr. MONTGOMERY], knowing how vital this is, and the gentleman from Arizona [Mr. STUMP] and others, really would like to stick to our point.

The gentleman cannot renege on his agreement; probably putting all this pot together, he is right. Maybe he has to make that concession. But the House does not.

I just want the gentleman to know, it is no slap on his face if we oppose him on this issue, because we know the spot he is put in.

As a matter of fact, I would like to put in a plug for one of my bills because it is this very problem of the 602(b) allocation that lumps the Department of Veterans Affairs—the second largest department in Government—lumps them in with HUD, and EPA, and FAA, and all of the other AAA's, or whatever they are. And that is what is wrong.

My colleagues know, and I know, that the veterans ought to have their own subcommittee, so that we do not fight with these other agencies for that share of that pot. We ought to be fighting for the agencies within the Veterans Department for their fair share. Someday, down the line, I would like to sit down and discuss this with the gentleman and maybe we will not have this same problem. In the meantime, let us not necessarily cave in to some of the pompous Members of that other body that just want to get their way all the time.

I take my hat off to both gentleman.

Mr. STUMP. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Arizona.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding to me. I just want him to know that we appreciate his kind words. It has been a pleasure to work with him on veterans' issues in the past. This is really not a spending issue. This is an authorization issue, and we on the authorizing committee should be able to settle this.

I thank the gentleman and commend him for this work.

Mr. TRAXLER. Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume.

As I think the members of the Committee on Veterans' Affairs can understand, as the manager on the minority side of this conference report, I find myself in a very difficult position.

The Senate has used the conference in a way which is disadvantageous to the Committee on Veterans' Affairs, and I understand that.

I also have to say, however, that on this issue the Senate was quite adamant. I have not a lot of hope that, if this motion is passed, we are going to have this issue instantly resolved, because I think the Senate feels just as strongly as do the members of the Committee on Veterans' Affairs on their side of this issue.

What I want to address is not the issue, which really—as the gentleman pointed out—is not truly an appropriations issue, but the consequences of delay.

The gentleman from Michigan, my good friend, pointed out one consequence of the delay. And that is the possibility that as the wheel turns, we shall lose some of the 602(b) authority that we now have and everyone will be worse off, including the veterans. That is one very real risk.

I should like to point out that there are other problems from delay also. One of those deals with the new housing programs. Our colleagues on the Committee on Banking, Finance and Urban Affairs are naturally very interested in seeing their new housing programs go into effect.

The effect of any extensive delay, if this becomes a matter of intransigence on the Senate side and the House side, will therefore mean that we shall be operating under a continuing resolution under which the new housing programs will have to start at the much lower levels in the House bill.

I think everyone on my side of the aisle ought to understand that the administration in general, and our former colleague, Secretary Kemp, are very eager to get on with those new programs. The Secretary regretted that they were not included in the supplemental, and the effect of delaying getting this bill to the President means that we are going to start the new programs not with a bang but a whimper.

Similarly, on the space station. As everyone knows, that is not my favorite program. But the House voted to go ahead with the space station.

□ 1250

And we agreed to go ahead at the higher level that was in the Senate bill.

If we are caught in a long delay, we go back to the lower of the levels in the House bill and the Senate bill as part of the continuing resolution, and I have to tell Members that is devastating not just to the space station—which will get some interim reduction in funding—but because of the way the space station amendment was crafted by the space station sponsors here in the House, it really has a very negative impact on the whole NASA operation, which certainly does not need any grief at this point.

So I do urge my colleagues to consider the consequences of delay as they decide whether to go back to the Senate on this one, where our chairman tried very, very hard to get the Senate to recede and was not able to do so. I ask all of my colleagues simply to consider the costs of delay, in terms of other programs, if we now get in a deadlock with the Senate on what is admittedly an important issue. But there are other important issues that this bill also addresses and that should be addressed promptly.

Mr. Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I have only one other speaker and then we can move to other amendments.

Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. HARRIS], who is a member of our Veterans' Affairs Committee.

Mr. HARRIS. Mr. Speaker, I thank the chairman for yielding time to me. I am very fortunate to serve on the Veterans' Affairs Committee with our chairman, the gentleman from Mississippi [Mr. MONTGOMERY], and am also privileged to serve on the Energy and Commerce Committee with Chairman DINGELL.

Before I make my remarks, I would like to, at this point, personally thank BOB TRAXLER and BILL GREEN for the fine job that they have done on this conference report. I know that they worked long and hard.

But back in June the House made a very strong statement on this particular point, and then we passed H.R. 2280, as I recall on a voice vote. And it was a bill that had some very carefully crafted compromises, not only between our Committee on Veterans' Affairs but also the Committee on Energy and Commerce, and Chairman DINGELL had written a letter to the committee stating his position. I would like to share a portion of it because it goes to the heart of the agreement.

It says:

> It also recognizes the desirability of vesting the Secretary of Veterans Affairs with authority for applying those requirements to veterans' laboratories by requiring the Secretary to prescribe regulations in accordance with the requirements of Section 353(f) and to establish appropriate compliance measures.

And this is what the House passed, and as I said, it was a very strong statement.

I do not have to tell my colleagues about the problems of in-fighting between different agencies. They can imagine the problems that we would have if we start putting the operation of the Department of Veterans Affairs under the Department of Health and Human Services. I just do not think that it is a good situation. It sets a bad precedent, and I encourage my colleagues to support this preferential motion of Chairman MONTGOMERY.

Mr. GREEN of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say that we have had a wonderful relationship, and we will continue to have that, between our committee and the Subcommittee on Appropriations. Mr. Speaker, it is really like a good marriage. We are having a little spat right now, and of course we know we are right.

On this issue I might also say that the veterans did not cause this delay. It was the Senate Appropriations Committee by inserting this authorization amendment.

I am concerned that we do not want to delay this legislation. I never really have quite understood the scoring that they are talking about today, but I think it would be very, very unfair if the Senate and some Members over there would see fit to delay a question, such as this, which means so much to the veterans and is not that burning an issue.

Let me say that I understand what is being said here today and I appreciate the gentleman's remarks outlining the Senate's position. But as the gentleman knows, and I am speaking of the gentleman from Michigan [Mr. TRAXLER], that position contained in the appropriations bill did not come through the authorization committees of the Senate. They never saw this language. But as I said, the authorization committees in the House, both the Veterans' Affairs Committee and the Energy and Commerce Committee, as pointed out by the gentleman from Alabama [Mr. HARRIS], have stated their position, and that position is reflected in the amendment which I am offering at this time.

I urge my colleague to support the amendment.

Mr. Speaker, I yield back the balance of my time.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume to say that I want to express my appreciation to the distinguished gentleman from Mississippi. He has explained the issue well.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORRICELLI). The question is, Will the House concur in Senate amendment No. 21 with an amendment?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TRAXLER. Mr. Speaker, I object to the vote on the grounds that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 390, nays 24, not voting 18, as follows:

[Roll No. 287]

YEAS—390

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Clay
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Studds
Stump
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thornton

Torres
Torricelli
Towns
Traficant
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walker
Walsh
Washington
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—24

Atkins
Beilenson
Carr
Chapman
Early
Gradison
Green
Kennedy
Lehman (FL)
Lightfoot
McDermott
Mfume
Panetta
Sabo
Scheuer
Skaggs
Stokes
Thomas (WY)
Traxler
Visclosky
Waters
Waxman
Weiss
Yates

NOT VOTING—18

Chandler
Clement
Ford (TN)
Hatcher
Holloway
Hopkins
Kaptur
Kolbe
Levine (CA)
Mrazek
Neal (NC)
Petri
Pursell
Ridge
Santorum
Slaughter (VA)
Smith (IA)
Sundquist

□ 1318

Messrs. VISCLOSKY, CARR, STOKES, WAXMAN, and LEHMAN of Florida changed their vote from "yea" to "nay."

Mr. DINGELL changed his vote from "nay" to "yea."

So the House concurred in the amendment of the Senate numbered 21 with an amendment.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. TORRICELLI). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 16, line 3, strike out "$100,000,000" and insert: "$130,000,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$95,000,000".

The SPEAKER pro tempore (Mr. TORRICELLI). The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

□ 1320

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 26: Page 16, line 8, strike out "$100,000,000" and insert: "$125,000,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 26, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$95,000,000".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that the Senate amendments numbered 28, 29, 30, 34, 49, 53, 71, 73, 74, 75, 76, 78, 80, 81, 85, 89, 92, 98, 106, 123, 124, 139, 142, 147, 148, 153, 159, and 173 be considered en bloc and printed in the RECORD.

Mr. Speaker, these are noncontroversial, and I have discussed these amendments with the distinguished gentleman from New York [Mr. GREEN].

The SPEAKER pro tempore (Mr. TORRICELLI). Is there objection to the request of the gentleman from Michigan?

Mr. BURTON of Indiana. Mr. Speaker, reserving the right to object, I would like to ask the gentleman a question. I did not catch all those numbers. Amendments numbered 35 and 131 were not included?

Mr. TRAXLER. Mr. Speaker, if the gentleman will yield, the gentleman is correct.

Mr. BURTON of Indiana. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The texts of the amendments enumerated in the foregoing unanimous-consent request are as follows:

Senate amendment No. 28: Page 16, line 12, after "expended" insert: ": *Provided further*, That, notwithstanding any other provision of law, a mutual housing association shall qualify as an applicant under the HOPE for Homeownership of Multifamily Units Program".

Senate amendment No. 29: Page 16, line 12 after "expended" insert; ": *Provided further*, That in selecting eligible families to acquire vacant units under the HOPE for Homeownership of Single Family Homes Program, the recipient shall give a first preference to otherwise qualified eligible families who reside in public or Indian housing".

Senate amendment No. 30: Page 16, line 12, after "expended" insert; ": *Provided further*, That of the amounts made available by this paragraph, $225,000,000 shall be derived by transfer from amounts made available for nonincremental use under the heading "Annual contributions for assisted housing" in fiscal year 1991 and prior years which remains unreserved at the end of fiscal year 1991".

Senate amendment No. 34: Page 17, line 8, after ""$250,000"" insert; ": *Provided*, That the Secretary shall not, as a condition of assisting a participating jurisdiction under such Act using amounts provided herein for fiscal year 1992 only, require any contributions by or in behalf of a participating jurisdiction, notwithstanding section 220 of such Act".

Senate amendment No. 49: Page 31, line 21, strike out "$3,265,000,000" and insert: "$3,400,000,000".

Senate amendment No. 53: Page 32, line 19, after "note)" insert; ": *Provided further*, That $2,000,000 shall be made available from the foregoing $3,400,000,000 to carry out a neighborhood development demonstration under section 915 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625)".

Senate amendment No. 71: Page 43, after line 13, insert:

The Secretary shall cancel the indebtedness of the Sale Creek Utility District in Soddy Daisy, Tennessee, relating to public facilities loan (Project No. TN 40-PFL0071) issued May 1, 1962. The Sale Creek Utility District in Soddy Daisy is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any other fees and charges payable in connection with such loan.

Senate amendment No. 73: Page 43, after line 13, insert:

Notwithstanding any other provision of law, housing assistance payments in the amount of $896,000 made available under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990 (Public Law 101–144), for project-based assistance under the section 8 existing housing certificate program (42 U.S.C. 1437f) for the Ganado Acres project, shall be for a term beginning on December 1, 1989.

Senate amendment No. 74: Page 43, after line 13, insert:

Hereafter, notwithstanding any other provision of State or Federal law, regulation or other requirement, any public housing agency or Indian housing authority that purchases any line of insurance from a nonprofit insurance entity, owned and controlled by public housing agencies or Indian housing authorities, and approved by the Secretary, may purchase such insurance without regard to competitive procurement.

Senate amendment no. 75: Page 43, after line 13, insert:

Hereafter, the Secretary shall establish standards as set forth herein, by regulation, adopted after notice and comment rulemaking pursuant to the Administrative Procedures Act, which will become effective not later than one year from the effective date of this Act.

Senate amendment No. 76: Page 43, after line 13, insert:

Hereafter, in establishing standards for approval of such nonprofit insurance entities, the Secretary shall be assured that such entities have sufficient surplus capital to meet reasonably expected losses, reliable accounting systems, sound actuarial projections, and employees experienced in the insurance industry. The Secretary shall not place restrictions on the investment of funds of any such entity that is regulated by the insurance department of any State that describes the types of investments insurance companies licensed in such State may make. With regard to such entities that are not so regulated, the Secretary shall establish investment guidelines that are comparable to State law regulating the investments of insurance companies.

Senate amendment No. 78, Page 43, after line 13, insert:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the Department of Housing and Urban Development shall not exceed (1) 71 staff years for the Immediate Office of the Secretary/Under Secretary, (2) 13 staff years for the Deputy Under Secretary for Field Coordination, (3) 19 staff years for the Office of Public Affairs, (4) 28 staff years for the Office of Legislation and Congressional Relations, (5) 1,068 staff years for the Assistant Secretary for Housing—Federal Housing Commissioner, of which 25 staff years shall be for data management reform and preservation activities only, (6) 207 staff years for the Assistant Secretary for Public and Indian Housing, (7) 275 staff years for the Assistant Secretary for Community Planning and Development, (8) 137 staff years for the Assistant Secretary for Policy Development and Research, (9) 170 staff years for the Assistant Secretary for Fair Housing and Equal Opportunity, and (10) 219 staff years for the Office of General Counsel of which not more than 13 staff years shall be for the Immediate Office of General Counsel: *Provided*, That no funds may be used from amounts provided in this or any other Act for details of employees from any organization in the Department of Housing and Urban Development to any organization included under the budget activity "Departmental Management".

Senate amendment No. 80: Page 43, after line 13, insert:

Section 606(c) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715l note) is amended by adding at the end thereof the following new sentence: "The Secretary may apply this 25 percent requirement to all the homes under Nehemiah housing opportunity program or to a phase (approved under subsection (b)) consisting of at least 16 homes.".

Senate amendment No. 81: Page 43, after line 13, insert:

For purposes of the United States Housing Act of 1937, members of the Pascua Yaqui tribe who reside in Guadalupe, Arizona, shall be considered (without fiscal year limitation) as residing on an Indian reservation or other Indian area.

Senate amendment No. 85: Page 45, after line 2, insert:

COMMISSION ON NATIONAL AND COMMUNITY SERVICE

SALARIES AND EXPENSES

For use in establishing and paying the salaries and expenses of the Commission on National and Community Service under subtitle G of title I of the National and Community Service Act of 1990 (Public Law 101–610), $2,000,000, to remain available until September 30, 1993.

PROGRAMS AND ACTIVITIES

For use in carrying out the programs, activities and initiatives under subtitles B through F of title I of the National and Community Service Act of 1990 (Public Law 101–610), $73,000,000, to remain available until September 30, 1993.

Senate amendment No. 89: Page 47, line 8, after "established" insert: ": *Provided further*, That $500,000 of the amount provided under this heading for the Immediate Office of the Administrator shall not become available until the Administrator provides to the Committees on Appropriations the Agency's Strategic Plan".

Senate amendment No. 92: Page 48, line 1, after "development" insert: "; and construction, alteration, repair, rehabilitation and renovation of facilities, not to exceed $75,000 per project".

Senate amendment No. 98: Page 49, line 20, after "sites" insert: ": *Provided further*, That of amounts previously appropriated under this heading, $6,000,000 shall be available as a grant to the Christopher Columbus Center Development, Inc. for planning and design of the Christopher Columbus Center of Marine Research and Exploration in Baltimore, Maryland".

Senate amendment No. 106: Page 51, line 17, strike out "$2,195,000,000" and insert: "$2,400,000,000".

Senate amendment No. 123: Page 54, after line 7, insert:

LEAD ABATEMENT TRAINING AND CERTIFICATION

Not later than twelve months after the date of enactment of this Act, the Administrator of EPA shall, in consultation with the Secretary of Labor, the Secretary of Housing and Urban Development and the Secretary of Health and Human Services (acting through the Director for the National Institute for Occupational Safety and Health) promulgate final regulations governing lead-based paint abatement activities to ensure that individuals engaged in such activities are properly trained; that training programs are accredited; that contractors engaged in such activities are certified; and that laboratories engaged in testing for substances that may contain lead-based paint are certified.

TRAINING GRANTS

Grants for training and education of workers who are or may directly be engaged in lead-based paint abatement activities shall be administered by the Environmental Protection Agency. Such grants shall be awarded to non-profit organizations engaged in lead-based paint abatement activities with demonstrated experience in implementing and operating worker health and safety lead-based paint abatement training and education programs and with a demonstrated ability to reach and involve in lead-based paint training programs target populations of workers who are or will be directly engaged in lead-based paint abatement activities. Grants shall be awarded only to those organizations which fund at least 30 percent of their lead-based paint abatement training programs from non-Federal sources, excluding in-kind contributions.

DEFINITION

For purposes of the immediately preceding two paragraphs, lead-based paint abatement activities means activities engaged in by workers, supervisors, contractors, inspectors, and planners who are engaged in the removal, disposal, handling, inspection, and transportation of lead-based paint and materials containing lead-based paint from public and private dwellings, public and commercial buildings, bridges, and other structures or superstructures where lead-based paint presents or may present an unreasonable risk to health or the environment.

Senate amendment No. 124: Page 54, after line 7, insert:

The Administrator shall maintain a facility within the Environmental Protection Agency to conduct biological testing of pesticides.

Senate amendment No. 139: Page 63 line 2, after "activities" insert:[66] ": *Provided further*, That of the funds appropriated under this heading, $6,000,000 shall be available to continue the construction, equipping, and integration of a Classroom of the Future on the campus of Wheeling Jesuit College; $3,400,000 shall be available for planning and design for facilities in support of the Consortium for International Earth Science Information Networks (CIESIN); $10,000,000 shall be available to West Virginia University for an independent software validation and verification facility; $10,000,000 for construction and equipping a new space dynamics lab at Utah State University; $13,500,000 shall be available for construction of integrated facilities to support for National Technology Transfer Center; and $20,000,000 shall be available for construction and outfitting of the Christopher Columbus Center of Marine Research and Exploration".

Senate amendment No. 142; Page 64, line 7, after "Act" insert: "with respect to any fiscal year."

Senate amendment No. 147; Page 65, after line 9, insert:

NATIONAL COMMISSION ON FINANCIAL INSTITUTION REFORM, RECOVERY, AND ENFORCEMENT

SALARIES AND EXPENSES

To carry out the provisions of subtitle F, title XXV, of the Crime Control Act of 1990, $1,000,000 to remain available until expended.

Senate amendment No. 148: Page 65, after line 9, insert:

NATIONAL COMMISSION ON AMERICAN INDIAN, ALASKA NATIVE, AND NATIVE HAWAIIAN HOUSING

SALARIES AND EXPENSES

For necessary expenses of the National Commission on American Indian, Alaska Native, and Native Hawaiian Housing, in carrying out their functions under title VI of the Department of Housing and Urban Development Reform Act of 1989 (Public Law 101–235, 103 Stat. 1987, 2052) $500,000, to remain available until expended.

Senate amendment No. 153: Page 67, line 19, after "appropriation" insert ": *Provided further*, That no funds in this account shall be used for the purchase of aircraft other than ones transferred from other Federal agencies."

Senate amendment No. 159: Page 69, line 13, after "year" insert "*Provided further*, That section 14(a)(3) of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1873(a)(3)), is amended by striking the words "and when less than."

Senate amendment No. 173: Page 81, after line 6, insert:

SEC. 525. GENERAL ACCOUNTING OFFICE STUDY OF THE FEDERAL HOUSING ADMINISTRATION'S MUTUAL MORTGAGE INSURANCE FUND.—The General Accounting Office shall prepare and submit to Congress no later than April 1, 1992, a study of the actuarial soundness of the Federal Housing Administration's single family mortgage insurance program and the solvency of the Mutual Mortgage Insurance Fund. The study, using existing studies (including the study entitled "An Actuarial Review of the Federal Housing Administration's Mutual Mortgage Insurance Fund") and employing the latest reliable data available, shall analyze the actuarial soundness of the Mutual Mortgage Insurance Fund and the ability of the Mutual Mortgage Insurance Fund to meet the capital ratio targets established in the Omnibus Budget Reconciliation Act of 1990 under various economic and policy scenarios. Factors considered in the analysis shall include, but shall not be limited to, the following:

(1) The actuarial performance of all cohorts of loans insured by the Mutual Mortgage Insurance Fund, including all available post-1985 books of business. Specifically, the overall default rates and claims (loss) experience of these loans should be considered.

(2) The effect of the Mortgagor Equity rule issued by the Department of Housing and Urban Development, which limits the

amount of closing costs that can be financed with a Federal Housing Administration mortgage to 57 percent of the total amount of allowable closing costs, on the actuarial status of the Mutual Mortgage Insurance Fund, default rates of Federal Housing Administration borrowers, the relative impact on purchasers of homes at various price levels, and the ability of potential Federal Housing Administration borrowers to purchase homes.

(3) The effect of underwriting changes made by the Federal Housing Administration since 1986.

(4) The effect of the increase in the insurable maximum mortgage amount that was made permanent in the National Affordable Housing Act and the effect of further increasing the maximum mortgage amount.

(5) The impact of a policy to allow "streamlined refinancings" whereby the borrower would not be required to pay an annual premium.

(6) The Federal Housing Administration's accounting method for deferring and amortizing the Mutual Mortgage Insurance Fund single-family one-time premium revenue.

(7) The valuation of delinquent loans for loan loss reserve accounting purposes.

(8) The impact of various assumptions regarding the rate of real home price appreciation and mortgage interest rates.

(9) The effect of various economic conditions, including favorable, moderate, and adverse conditions, on the ability of the Mutual Mortgage Insurance Fund to build adequate capital levels.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendments of the Senate numbered 28, 29, 30, 34, 49, 53, 71, 73, 74, 75, 76, 78, 80, 81, 85, 89, 92, 98, 106, 123, 124, 139, 142, 147, 148, 153, 159, and 173 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 35: Page 17, strike out all after line 9 over to and including line 2, on page 23, and insert:

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $7,917,000,000, to remain available until expended: *Provided*, That to be transferred to and merged with the foregoing amounts, there shall be $1,764,747,195, consisting of $216,200,000 of budget authority previously made available for vouchers and certificates under section 8(o) and section 8(b) of the Act (42 U.S.C. 1437f(b)(o)) which remains unreserved at the end of fiscal year 1991; $348,547,195 of budget authority previously made available under this head for nonincremental purposes which remains unreserved at the end of fiscal year 1991; and $1,200,000,000 of recaptured section 8 funds resulting from the conversion of projects previously reserved under section 202 of the Housing Act of 1959, as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act, to the new capital grants program: *Provided further*, That, from the foregoing total of $9,681,747,195, $243,396,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb); $573,982,500 shall be for the development or acquisition cost of public housing, including $15,719,158 for a demolition/disposition demonstration program in St. Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625); $3,000,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), including funds for the comprehensive testing, abatement, and risk assessment of lead, of which $25,000,000 shall be for the risk assessment of lead and $5,000,000 shall be for technical assistance and training under section 20 of the Act (42 U.S.C. 1437r): *Provided*, That notwithstanding the 20 per centum limitation under section 5(j)(2) of the Act, of the $3,000,000,000 made available for modernization of existing public housing, $200,000,000 shall be awarded competitively for construction or major reconstruction of obsolete public housing projects, other than for Indian families, and $7,437,600 shall be for a demolition/disposition demonstration program in St. Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $9,681,747,195 total under this head, $883,750,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f), including $50,000,000 for a Foster Child Care demonstration program involving ten States, and $12,840,790 for a demolition/disposition demonstration program in St. Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625); $777,500,000 shall be for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)); $1,320,042,895 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended, including $70,000,000 which shall be for rental adjustments resulting from the application of an annual adjustment factor in accordance with section 801 of the Department of Housing and Urban Development Reform Act of 1989 (Public Law 101–235), and such amendments to section 8 contracts, other than amendments to contracts for projects developed under section 202 of the Housing Act of 1959, as amended, and other than amendments for rental adjustments resulting from the application of an annual adjustment factor in accordance with section 801 of the Department of Housing and Urban Development Reform Act of 1989 (Public Law 101–235), shall be for no more than three years; $718,462,000 shall be for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intent to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and of the $718,462,000 made available for such assistance, up to $50,000,000 shall be for use by nonprofit organizations, pursuant to section 212 of the Emergency Low Income Housing Preservation Act of 1987, as amended by the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and for tenant and community-based nonprofit education, training and capacity building and the development of State and local preservation strategies; $166,900,000 shall be for loan management: *Provided*, That any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1) (42 U.S.C. 1437f(B)(1)) shall be obligated for a contract term that is no more than five years; and $88,883,800 shall be for section 8 assistance for property disposition: *Provided further*, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b) and 8(o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: *Provided further*, That up to $227,000,000 of amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and, except as hereinafter provided, for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1992, shall be rescinded: *Provided further*, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall not be rescinded, or in the case of cash, shall not be remitted to the Treasury, and such amounts of budget authority or cash shall be used by State housing finance agencies in accordance with such section: *Provided further*, That of the $9,681,747,195 total, $50,000,000 shall be for housing opportunities for persons with AIDS under title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) and $75,000,000 shall be for grants to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately-owned rental units: *Provided further*, That such grant funds shall be available only for projects conducted by contractors certified and workers trained through a federally- or State-accredited program: *Provided further*, That, to be eligible for such grants, States and units of general local government must demonstrate the capability to identify significant-hazard housing units, to oversee the safe and effective conduct of the abatement, and to assure the future availability of abated units to low- and moderate-income persons; and $4,200,000 shall be for the housing demonstration under section 304(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $54,250,000 earmarked in Public Law 101–507 for special purpose grants (104 Stat. 1351, 1357), $667,000 made available for the city of Chicago to assist the Ashland II Redevelopment Project shall instead be made available for the city of Chicago to assist the Marshway Project: *Provided further*, That notwithstanding the language preceding the first proviso of this paragraph, $72,800,000 shall be used for special purpose grants in accordance with the terms and conditions specified for such grants in the Senate Appropriations Committee report on 1992 appropriations for the Departments of Veterans Affairs and Housing and Urban Development (S. Rept. 102–107) including $500,000 for the city of Kansas City, Kansas to operate a social service center.

Of the $9,681,747,195 total under this head, $573,200,000 shall be for capital advances for housing for the elderly as authorized by section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625); $480,000,000 shall be for the project rental assistance for supportive housing for the elderly under such section 202(c)(2) of the Housing Act of 1959; $248,700,000 shall be for amendments to rental assistance contracts for projects for the elderly that receive capital advances or projects reserved under section 202 as it existed before enactment of the Cranston-Gonzalez national Affordable Housing Act; and $16,250,000 shall be for service coordinators pursuant to section 202(g) of the Housing Act of 1959, as amended by section 808 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625).

Of the $9,681,747,195 total under this head, $111,200,000 shall be for capital advances for housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625); $108,280,000 shall be for project rental assistance for persons with disabilities under section 811(b)(2) of the Cranston-Gonzalez National Affordable Housing Act; $23,300,000 shall be for amendments to rental assistance contracts for projects for the handicapped that receive capital advances, including projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act.

In 1992 and thereafter, the amount of assistance payments made with funds provided under this head for vouchers and certificates under section 8(o) and section 8(b) of the Act (42 U.S.C. 1437f(b)(o)) may be adjusted annually if necessary to assure continued affordability: *Provided*, That the aggregate amount of such adjustment may not exceed the amount of any excess of contributions provided for in the contract over the amount of assistance payments actually paid.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(INCLUDING RESCISSION OF FUNDS)

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $8,070,201,000, to remain available until expended: *Provided*, That to be added to and merged with the foregoing amounts, there shall be $2,287,000,000, consisting of $537,000,000 of budget authority previously made available under this head for nonincremental purposes which remains unreserved at the end of fiscal year 1991; and $1,750,000,000 of section 8 funds arising from the conversion to the new capital advance program of projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act: *Provided further*, That, from the foregoing total of $10,357,201,000, $227,170,000 shall be for the development or acquisition cost of public housing for Indian families, including amounts for housing under the mutual help homeownership opportunity program under section 202 of the Act (42 U.S.C. 1437bb); $573,983,000 shall be for the development or acquisition cost of public housing, including $15,719,158 for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and, notwithstanding the 20 per centum limitation under section 5(j)(2) of the Act, of the $573,983,000 for the development or acquisition of public housing, $200,000,000 shall be awarded competitively for construction or major reconstruction of obsolete public housing projects, other than for Indian families: *Provided further*, That of the $10,357,201,000 total under this head, $2,800,975,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 14371), including funds for the comprehensive testing, abatement, and risk assessment of lead, of which $25,000,000 shall be for the risk assessment of lead and $5,000,000 shall be for technical assistance and training under section 20 of the Act (42 U.S.C. 1437r), and $7,437,600 shall be for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $10,357,201,000 total under this head, $915,750,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f), including $50,000,000 for a Foster Child Care demonstration program involving 11 States, $12,840,790 for a demolition/disposition demonstration program in Saint Louis, Missouri, pursuant to section 513 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and $20,000,000 for a demonstration involving five cities with populations exceeding 400,000 in metropolitan areas with populations exceeding 1,500,000 under which the Secretary shall carry out metropolitan-wide programs, designed to assist families with children to move out of areas with high concentrations of persons living in poverty, through contracts with nonprofit organizations and through annual contributions contracts with public housing agencies for administration of housing assistance payments contracts: *Provided further*, That of the $10,357,201,000 total provided under this head, $794,167,000 shall be for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)); $2,300,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended, including $70,000,000 which shall be for rental adjustments resulting from the application of an annual adjustment factor in accordance with section 801 of the Department of Housing and Urban Development Reform Act of 1989 (P.L. 101–235); $618,462,000 shall be for assistance for State or local units of government, tenant and nonprofit organizations to purchase projects where owners have indicated an intent to prepay mortgages and for assistance to be used as an incentive to prevent prepayment or for vouchers to aid eligible tenants adversely affected by mortgage prepayment, as authorized in the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and of the $618,462,000 made available for such assistance, up to $25,000,000 shall be for use by nonprofit organizations, pursuant to of the Emergency Low Income Housing Preservation Act of 1987, as amended by the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), and for tenant and community-based nonprofit education, training and capacity building and the development of State and local preservation strategies; $88,884,0000 shall be for section 8 assistance for property disposition; and $257,000,000 shall be for loan management: *Provided further*, That any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1) (42 U.S.C. 1437f(b)(1)) shall be obligated for a contract term that is no more than five years: *Provided further*, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b) and 8(o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: *Provided further*, That up to $167,000,000 of amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and, except as herein provided, for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1992, shall be rescinded: *Provided further*, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall not be rescinded, or in the case of cash, shall not be remitted to the Treasury, and such amounts of budget authority or cash shall be used by State housing finance agencies in accordance with such section: *Provided further*, That of the $10,357,201,000 total, $50,000,000 shall be for housing opportunities for persons with AIDS under Title VIII, subtitle D of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) and $50,000,000 shall be for grants to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately-owned rental units: *Provided further*, That such grant funds shall be available only for projects conducted by contractors certified and workers trained through a federally- or State-accredited program: *Provided further*, That, to be eligible for such grants, States and units of general local government must demonstrate the capability to identify significant-hazard housing units, to oversee the safe and effective conduct of the abatement, and to assure the future availability of abated units to low- and moderate-income persons; and $4,200,000 shall be for the housing demonstration under section 304(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided further*, That of the $54,250,000 earmarked in Public Law 101–507 for special purpose grants (104 Stat. 1351, 1357), $667,000 made available for the city of Chicago to assist the Ashland II Redevelopment Project shall instead be made available for the city of Chicago to assist the Marshway Project: *Provided further*, That notwithstanding the language preceding the first proviso of this paragraph, $150,000,000 shall be used for special purpose grants in accordance with the terms and conditions specified for such grants in the committee of conference report and statement of managers (H. Rept. 102–226 accompanying this H.R. 2519, including $500,000 for the city of Kansas City, Kansas to operate a social service center.

Of the $10,357,210,000 total under this head, $538,808,000 shall be for capital advances for housing for the elderly as authorized by section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $451,200,000 shall be for project rental assistance for supportive housing for the elderly under such section 202(c)(2) of the Housing Act of 1959; $148,700,000 shall be for amendments to rental assistance contracts for projects for the elderly that receive capital advances or projects reserved under section 202 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act; and $16,250,000 shall be for service coordinators pursuant to section 202(g) of the Housing Act of 1959, as amended by section 808 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625): *Provided*, That to the extent that the funding provided herein for rental assistance contracts for the elderly that receive capital advances is insufficient to match the units provided through capital advances, funds deemed excess in other section 8 programs may be added to and merged with the rental assistance funding to ensure that sufficient rental assistance units are available.

Of the $10,357,201,000 total under this head, $102,860,000 shall be for capital advances for housing for persons with disabilities as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (P.L. 101–625); $100,159,000 shall be for project rental assistance for persons with disabilities under section 811(b)(2) of the Cranston-Gonzalez National Affordable Housing Act; and $23,300,000 shall be for amendments to rental assistance contracts for projects for the handicapped that receive capital advances, including projects previously reserved under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act.

The Secretary of Housing and Urban Development shall make a commitment and provide capital advance assistance under section 202 of the Housing Act of 1959, as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, or section 811 of such Act if the project is for persons with disabilities, for any project for which there is a loan reservation under section 202 of the Housing Act of 1959 as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act, if the loan has not been executed and recorded, and if the project is making satisfactory progress under 24 CFR section 885.230: *Provided*, That the Secretary shall not make such commitments and provide such capital advance assistance before January 1, 1992: *Provided further*, That the Secretary shall have the discretion until April 1, 1992 not to terminate a project and not to convert a project to capital advance assistance: *Provided further*, That upon converting a project to capital advance assistance, the loan reservation for such project shall be terminated: *Provided further*, That a project not making satisfactory progress under 24 CFR section 885.230 shall not have its loan reservation terminated before January 1, 1992, and the Secretary shall ensure that the processing of all projects through loan execution and recordation or the making of the capital advance is expedited, and that no project being so processed shall have the order in which it is processed arbitrarily changed: *Provided further*, That an owner of a project that is converted pursuant to this paragraph shall be permitted voluntarily to provide funds for capital costs in addition to the capital advance, from debt or other non-Federal sources.

With respect to each project that has a loan reservation terminated pursuant to the immediately foregoing paragraph, the Secretary of Housing and Urban Development shall convert each funding reservation that was made under section 8 of the United States Housing Act of 1937 or section 202(h) of the Housing Act of 1959, before enactment of the Cranston-Gonzalez National Affordable Housing Act, to a commitment for project rental assistance under such section 202 as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act or section 811 of the Act.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BURTON of Indiana. Mr. Speaker, I am opposed to this motion, and I ask for 20 minutes of the time.

The SPEAKER pro tempore. Is the gentleman from New York [Mr. GREEN] in favor of or opposed to the motion?

Mr. GREEN of New York. Mr. Speaker, I am in favor of the motion.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. TRAXLER] will be recognized for 20 minutes, the gentleman from New York [Mr. GREEN] will be recognized for 20 minutes, and the gentleman from Indiana [Mr. BURTON] will be recognized for 20 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know some of my colleagues have seen this poster before. It is a picture of a hog eating the Capitol dome. I will not belabor the point.

I would like for all of you to take a close look at it because that is the purpose of my statement here today.

A couple of years ago this House eliminated the slush fund commonly known as the Secretary's discretionary fund from HUD, which amounted to about $70 million.

This amendment I am talking about right now, amendment No. 35, has 133, count them, 133 pork barrel projects. Now, some of these projects that are in this amendment are very worthy projects. But I submit that we should set priorities on our spending and that many of these projects can and should be paid for by the States involved or by the local communities involved.

Mr. Speaker, I would just like to give you a sampling of some of these projects that are among these 133, most of which I consider to be pork: $1.5 million for a municipal center in Bloomfield, NM; $200,000 for the National Association of the Southern Poor; $4.4 million for the city of Portland, OR, to establish a northeast Portland revolving fund to be used for urban economic development; $500,000 for the Newark public library to develop literacy training in reading rooms at 5 public housing developments in Newark, NJ; $900,000 for the renovation of an abandoned building to convert into an economic development and training center at Elkins, WV; $1 million to rehabilitate the Pease Auditorium, a historic building in Ypsilanti, MI; $2.9 million for demolition and park construction in Tampa, FL; $2 million for construction of a multiuse facility which will aid in the revitalization effort in Buffalo, NY; $1 million for a parking garage in Ashland, KY; $150,000 for a new Government Center in Warren, RI; and so on and so on.

That is 133 of these projects.

Mr. Speaker, the deficit this year, which was projected to be under $200 billion because we raised the people's taxes in this country by $137 billion last year to get control of our deficit, is not going to be under $200 billion, it is going to be more like $400 billion, the largest in U.S. history.

Mr. Speaker, 10 years ago, 11 years ago, in 1980, we had a $1 trillion-plus national debt. Do you know what the national debt is now? Four trillion dollars. It has gone up four times in 10 years. All of the debt that we incurred as a nation in the first 200 years-plus of our existence was $1 trillion. In the next 10 years, it has gone up 400 percent to $4 trillion.

This year, instead of the deficit going down, it is going to be double what they estimated.

Many of my colleagues, when they raised everybody's taxes by $137 billion last year, and it is going to be $400 billion, and that is one-tenth of the total of the national debt in 1 year, spending is out of control. My colleagues, I hope you will pay attention, spending is out of control.

□ 1330

In addition, this is a slush fund for pork barrel projects, this amendment; 133 pork barrel projects.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, does my distinguished colleague, the gentleman from Indiana [Mr. BURTON], support the B–2 bomber? And the SDI?

Mr. BURTON of Indiana. Yes, I do.

Mr. TRAXLER. Could I hear it again?

Mr. BURTON of Indiana. Yes, I do.

Well, I am not going to get into a defensive posture on this issue, but let me tell my colleagues that defense as a proportion of the budget is about 20 percent and going down. That is way down from where it was when John F. Kennedy was President, when it was 50 percent of total spending.

The biggest problem we have is pork being put in, and the Defense Department has to set priorities on spending, and defense spending is going down, but the fact of the matter is every single Congressman here at one time or another seems to have some project they think is extremely important that the Federal Government ought to pay for. We had a $1 million bike path not too long ago that we put in the transportation bill. If the State of Michigan wants that $1 million bike path, that is great, but the people of Indiana and the people of California should not pay for it, nor should they pay for most of the projects in this bill.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, would the gentleman from Indiana [Mr. BURTON] refresh my memory? did the gentleman, a few months ago in this well, support $150 million for the Punjab, a foreign country?

Mr. BURTON of Indiana. $115 million for the Punjab?

Mr. TRAXLER. $150 million for the Punjab.

Mr. BURTON of Indiana. No, I do not recall ever voting for $150 million for the Punjab.

Mr. TRAXLER. I thank the gentleman from Indiana [Mr. BURTON] for the answer.

Mr. BURTON of Indiana. I do not know where the gentleman from Michigan [Mr. TRAXLER] is getting his information, but that is not correct.

But let me just say this: The deficit this year is going to be approaching one-tenth of the total national debt, which is $4 trillion. Ten years ago it was $1 trillion, and the pork barrel projects that are in almost every appropriations bill have to be dealt with. I think we need a line item veto with a two-thirds majority necessary to override any line item veto in order to get control of this spending.

We have an institutional problem. Three hundred eighty-five Members of this House asked for 3,000 projects from one subcommittee, one subcommittee of the Committee on Appropriations. Three hundred eighty-five Members asked for 3,000 projects, special projects, from one subcommittee of the Committee on Appropriations last year. That is one of the major reasons that we have this deficit spending out of control.

So, I would just like to say to my colleagues that this amendment should be defeated. Unfortunately the way it is worded we cannot do much about it today. We cannot do much about it because it is in report language. But I think every one of my colleagues ought to be aware that in conference committee we just put in 133 projects, most of which are pork, which are not prioritized and which are taking this country down the road to financial and fiscal ruin.

Mr. TAYLOR of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Will my colleague, the gentleman from Indiana [Mr. BURTON] refresh my memory? I believe it was in June of this year when the foreign aid authorization bill came up, and, if I am not mistaken, and we are researching it at this moment, the gentleman asked for about $150 million to help out the Punjabs in India.

Mr. BURTON of Indiana. No.

Mr. TAYLOR of Mississippi. What is the difference between helping those folks with taxpayers' dollars and trying to help the people who elected us, and who pay our salaries, and who pay to run this great Nation?

Mr. BURTON of Indiana. May I reclaim my time?

First of all, the gentleman from Mississippi [Mr. TAYLOR] needs to get his facts straight, and the facts are these: I asked for a cut in developmental aid to the country of India because of human rights in the Punjab, and they are not called Punjabis. They are called Sikhs. So, I did not ask for $150 million for the Punjab. The gentleman is in error.

Mr. TAYLOR of Mississippi. What did the gentleman ask for?

Mr. BURTON of Indiana. Mr. Speaker, I reserve the balance of my time.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think what we should do is consider this appropriation a human rights appropriation. It is an appropriation for the human rights of Americans, and what we are doing in these amendments is building America's infrastructure.

Now there are people who disagree with that. They would rather spend money overseas on foreigners. They would rather spend money on a B-2 bomber, which most of us understand to be a worthless expenditure and without any necessity. But that is military pork. The gentleman from Indiana [Mr. BURTON] thinks this is pork.

We contend that every penny here stays in America, No. 1; No. 2: It benefits America, and No. 3: This is exactly in my judgment, at this time, the things that we ought to be doing, investing in our country and its people.

Now let me tell my colleagues there is no one, no one, that has a greater concern over the deficit than I. The difference between what the previous speaker was making in his point is that he would not spend on this country and its people. He would spend overseas, and he would spend in the military.

We do not have an enemy anymore, folks, and what we do have is a recession, and most Americans believe that there is a depression coming.

Now this is an important vote, and we do not get many of them like this. It is important because it sends a clear signal that this Congress; we understand where America is and what it needs. It is a prioritizing of Federal expenditures, of Federal dollars. Let me ask my colleagues what is more important than building this Nation, physically and in our human infrastructure? We should be doing health, we should be doing education, and we should be doing this kind of an infrastructure. Our major overseas competitors emphasize that. That is how they succeed. What do we do? We pay for the defense of those countries that allows them to build their nations, and we better get to doing it, or we are going to be worse than second rate.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I am delighted to yield to the distinguished gentleman from Indiana, the supporter of the B-2.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. TRAXLER. Of course. I just said I am delighted to yield to my good friend and supporter of the B-2.

Mr. BURTON of Indiana. Yes, sir. I appreciate that.

Mr. TRAXLER. And of course he says that is not pork.

Mr. BURTON of Indiana. I appreciate that.

Mr. TRAXLER. Yes.

Mr. BURTON of Indiana. Does the gentleman from Michigan [Mr. TRAXLER] believe that the people of his State ought to pay for things such as $1 million for a bicycle path in Michigan?

Mr. TRAXLER. The people that I represent have a concern over the future of America and believe that the Federal Government ought to direct its money into those programs that are going to build our people and our Nation.

Mr. BURTON of Indiana. Such as a million dollars for a bicycle path in Michigan?

Mr. TRAXLER. It is a heck of a lot better than sending money to Punjab, India.

Mr. BURTON of Indiana. There was no money sent to Punjab, India. Where is the gentleman getting that?

Mr. TRAXLER. Mr. Speaker, we are going to come back to that issue in a few minutes. I think we can help the gentleman.

Mr. BURTON of Indiana. I hope the gentleman from Michigan [Mr. TRAXLER] will.

Mr. TRAXLER. Yes, we certainly will, but I might add from my constituency that it is a heck of a lot better than the B-2 which costs $750 million a copy and will run out to almost $100 billion. Now that is not small change, and I say to the gentleman, "That's a waste."

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, did I understand the gentleman from Michigan [Mr. TRAXLER] correctly just a moment ago when he said that we do not have any enemies anymore? I thought he said that in his statement.

Mr. TRAXLER. I am sorry, I could not hear the gentleman.

Mr. BURTON of Indiana. Mr. Speaker, the gentleman from Michigan indicated in his statement a few moments ago that we need to cut back dramatically in the military because we do not have any enemies anymore. In fact, I am almost sure that is a direct quote.

Mr. TRAXLER. I know this will come as a surprise to the gentleman from Indiana [Mr. BURTON], but the cold war is over.

Mr. BURTON of Indiana. Well, that clarifies it a little bit. We still have enemies like Saddam Hussein, and Mu'ammar Qadhafi and others who might cause problems in the world, or we might need some kind of a defense.

Mr. TRAXLER. I know in the gentleman's imagination these people cause a threat to 250 million Americans, one of the largest economic nations in the world; I am sure in his mind to justify the continuing waste in the military that he would forever find an enemy.

Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of New York. Mr. Speaker, I yield myself such time as I may consume only for the purpose of pointing out that this conference report being considered today is $1,289,390,000 below the administration's budget request for this Appropriations Subcommittee so that we know we have a very real deficit problem in this country. It is certainly not this appropriations bill that is causing it.

Mr. Speaker, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, year in and year out the liberals in this body continue to make defense the whipping boy, and one can always find a weapons system with which they can take issue. I remember the gentleman, I believe, was one of those who was pointing out a few years ago that the M-1 tank was a white elephant. The M-1 tank turned out to be——

Mr. TRAXLER. No, the gentleman would not want to make a misstatement; would he?

Mr. BURTON of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. TRAXLER] for rebuttal.

Mr. TRAXLER. Yes, please, for the truth.

Mr. BURTON of Indiana. I believe the gentleman opposed that at the time, but I could be incorrect. But most or many of the people on the gentleman's side opposed the M-1 tank saying that the M-1 tank was a white elephant, it had to use too much gasoline, petrol, and there were all kinds of problems with it. Well, during Desert Storm the M-1 tank was one of the most effective weapons we had in our arsenal.

Now they beat on the defense of this Nation year in and year out, but we have to have a defense, and it is up to Dick Cheney, and the President of the United States and the experts, not the people who sit over here and speculate—the experts to decide which of the defense programs are best for this Nation.

□ 1340

They are making dramatic cuts in defense and dramatic cuts in personnel. The defense budget is going to be less than 20 percent of all total spending in the not-too-distant future, but they use defense as a whipping boy to mask their insatiable desire for pork barrel spending. There are 133 pork barrel projects in this amendment. Some of them are laudable projects, but they can be paid for by the local community or by the State. The Federal Government should not be paying for all the programs every Congressman comes up with for his district, and that is what happens.

There is an institutional problem that we have here, and that institutional problem is, if you want something for your district and you go along with the appropriations process and with the Appropriations Committee, you can get it done. There are 385 Members of this body who asked for 3,000 projects from 1 subcommittee, and when we propose amendments to try to cut spending, cut out a pork barrel project, when the Members come through the door, they ask what the vote is all about, I say that this will save $700 million on the aircraft carrier, U.S.S. *Kennedy*, or somebody will say it saves a million dollars on a bike path in Michigan, and somebody on the Appropriations Committee is standing right next to me saying, "We really need your vote against this. Don't you have a project that you want?"

The implication is, "If you don't go along, you don't get along" and "If you don't get along, you don't go along," and vice versa. The fact of the matter is that we have a $400 billion deficit staring us in the face right now, and that is a terrible legacy we are leaving our children.

The national debt has increased from $1 trillion to $4 trillion in the last 10 years. We are spending 18 to 20 percent of all the money the taxpayers pay in interest. That is taking away from important programs like housing and the underprivileged and education when we pay a bigger and bigger percentage of our total budget on interest, and that deficit we are creating, increasing every year, increasing the debt because of the deficit each year is taking a bigger chunk out of the tax dollars that can go for education and these projects, and we are mortgaging the future of the children of this Nation.

The gentleman nods his head, and he knows it, but we go right on hell bent for leather spending this money, coming up with pork barrel project after pork barrel project in every single appropriation bill that comes down the pike. Something has to be done about it.

I know I am not going to prevail on this amendment. I know I am going to lose, but the people of this country and the Members of this body need to know what is going on, and that is that spending is out of control, and adding more pork to these spending bills is not the solution. The solution is to get control of spending, and there is only one way to do that. That is for us to start prioritizing spending and cutting out projects that are not absolutely necessary.

I think the institutional problem we have with the appropriations process I am talking about can only be solved with a line-item veto, and I would commend to my colleagues that at some point in the future we ought to pass something like that so we can get control of this process.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAXLER. Mr. Speaker, may I inquire as to how much time I have left?

The SPEAKER pro tempore (Mr. TORRICELLI). The gentleman from Michigan [Mr. TRAXLER] yielded his time back to the Chair. The gentleman had 16 minutes remaining, and he yielded his time back.

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that my balance of time be restored.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. TRAXLER] that he be allowed to reclaim his time despite the fact that it was yielded back to the Chair?

There was no objection.

Mr. TRAXLER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from North Carolina [Mr. HEFNER], chairman of a subcommittee of the Committee on Appropriations.

Mr. HEFNER. Mr. Speaker, this is a very interesting debate. I did not know we were discussing defense. I am a strong supporter of national defense. I am chairman of the Subcommittee on Military Construction.

I do not know how many Members of this House come before our committee to ask for so-called pork barrel projects, but to me a Member who represents a district is obligated to get whatever largesse he can because his taxpayers pay into the Federal Government. They have paid for the deficit we are putting on our children, so if you get a project that helps your community or your State, then to me that is not pork. Pork is something that somebody else gets. If he gets it for you, it is a good, worthwhile project, and I know of many, many projects in this bill that are very, very good.

Let me raise a couple of points. The gentleman is exactly right. Spending is a big problem, and the deficit is a big problem. Let me mention a couple of things, since we are talking about defense and foreign affairs and this type of thing. The President just went blithely ahead and said to Egypt, "Hey, we will forgive $7 billion." That is quite a little bundle. And also he said to some other people that we are going to lift restrictions and they can just ship their textiles and things in, which takes jobs from my particular district. And he said to the Turkish people, "Hey, we are going to lift restrictions. You can ship stuff in."

We also have fast track with Mexico, which is going to take some jobs from our people. We may need a little pork before this thing is all over.

There are some good projects in all these appropriation bills, and I would remind the gentleman of one other thing. Every subcommittee chairman has an allocation. He knows what he can spend, and I am not surprised that Members come to the Appropriations Committee and request projects. There are good projects. There are an awful lot of jobs made from these so-called pork barrel projects.

The gentleman talked about spending. The President just recently forgave some $2 billion of loans that were outstanding to countries all around the world. So we add the $7 billion we are forgiving for Egypt, the $7 billion loan and the $2 billion loan where they can get in under the fiscal year and where they can go and apply for some more money that we will help pay for, and we are talking about $10 billion that is gone like that, that does not buy one thing for one American citizen in this country. So to call these projects pork barrel is absolutely totally ridiculous.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Speaker, I thank my colleague for yielding.

When you talk about pork barrel and giving up $7 billion for Egypt and Turkey, one of the things in Desert Storm that saved lives was our ability to use our allies, and that is Turkey and Egypt. That saved lives. When you are talking about pork, we are talking about national interests. With your pork barrel projects, you are talking about local interests, and there is a big difference.

Mr. HEFNER. Mr. Speaker, I will reclaim my time.

I am glad the gentleman brought that up. I went to Saudi Arabia when the conflict came about. The Egyptians came and signed on with us, and they voted with us. That was the extent of the contribution from the Egyptian Government. They got $7 billion for voting with us and sending a few troops who never actually participated.

As far as the Turkish Government goes, we gave them concessions we do not even know about at this particular time. If you want to go on even further, if you want to raise this issue, back when we had the Persian Gulf and we were keeping the Persian Gulf open so the oil could flow through, if you remember, we were not even able to fuel our ships at the Saudi ports or the Kuwaiti ports. So if you want to talk about what is in the national interest, there are a lot of things involved here.

I am talking about doing things for the American people. I do not know about the gentleman's district. His people may not appreciate his getting projects for his district, and I say to the gentleman, if you do not want projects for your district, do not request projects for your district and we will not award them to your district if you do not want them, because we do not force people to take on any projects they do not want.

Mr. GREEN of New York. Mr. Speaker, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

□ 1350

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just have a couple of questions. As I understand it, we are on amendment 35. Amendment 35 contains 133 projects.

Can anyone tell me how much these projects will cost in total? What is the total cost of these projects in this amendment?

Mr. GREEN of New York. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. GREEN of New York. Mr. Speaker, I am advised it is in the area of $150 million.

Mr. WALKER. One hundred fifty million dollars. I thank the gentleman. The only point that I want to make is that we do exact costs from society when we do these projects.

Mr. Speaker, it is fine for people to talk about the money going into their districts. I see, for instance, $50,000 going for a feasibility study on the creation of a business park in Wildwood, NJ. I spend time around Wildwood, NJ in the summertime. It is where I go to the beach. It is not necessarily a case where we could not find some other kind of money, rather than $50,000 from the taxpayers, to do a feasibility study. In fact, the tourists bring a lot of money into Wildwood, NJ, every summer.

Mr. Speaker, let me just suggest that there are costs that come out of this. If we are going to spend $150 million, that means that we are going to kill a total of about 5,000 jobs with that $150 million. Let me tell you how I get to that.

Each family in this country gets about $35,000 a year in income. If you take $150 million, that means that all of the family income of all of those 5,000 families is going to go to just pay the cost of this amendment.

Now, it is true some people will say there are jobs created here as well. I hope there are at least 5,000, because the fact is that we are killing 5,000 jobs somewhere on the premise that some of this is going to make it up.

That is the problem in this Congress. With our tax policies, with our spending policies, with our deficit policies, and all the rest of it, what we do day after day is kill off American jobs.

The gentleman from Michigan [Mr. TRAXLER] was quite eloquent a moment ago about the recession and the problems that people are facing out in the country. Yes, the reason why we have a recession and the reason why there are problems in the country is because there are not enough people working. We have to provide unemployment benefits because people are jobless.

What we need are more jobs, and the problem is that Congress is not in the job of creating business these days; it is in the job of killing business.

This one amendment will kill 5,000 jobs of American families. This one amendment is going to kill off jobs, and that is a shame. I think that we had better have a pretty good accounting for how many jobs might be created for the jobs that will surely be killed because this amendment is in this bill.

Mr. Speaker, I am not certain how much longer we can go down the road of creating deficits and killing jobs.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am a Member of this body that believes that now is the time to do a public works bill for America. What we need to be doing is precisely the things I recommended earlier on. This country ought to be looking after its own, and this country ought to be building those public facilities that are necessary to support a strong and viable nation.

Mr. Speaker, I urge people to visit our economic competitors. I would like you to go to Germany. I would like you to see their public buildings. I would like you to see their parks. I would like you to see the infrastructure that they support there, including their education and their health care systems.

They believe, as the Japanese do, that in order to be strong economically, you must be strong in health and education and the things that physically support a country: Good roads, good railroad systems, and good transport with airlines. They believe in public facilities and buildings. They have wonderful museums. They have grand, grand zoos.

We are spending our money, let me tell you, to defend them, to defend them while our infrastructure, human and physical, is deteriorating before our very eyes.

People oppose these kinds of public purpose projects, where people will be put to work and will work in them after they are done. I must confess, I do not know if there are 5,000 or 20,000 jobs that will be created here, but I believe that is what our Nation is about and what we ought to do. I believe this with all of my heart and fervor that I can muster. If the Nation would disagree with me on that, I would not change, because in my heart of hearts, I know it is right.

Mr. Speaker, I oppose this recommendation. I urge us to get on with building America.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just rise to say in closing that the previous speaker, my good friend and gentleman from Michigan [Mr. TRAXLER], just made a case for public service jobs, the Government paying for jobs rather than the private sector, more Government largesse being spent to create jobs. The gentleman said that we should be looking after our own.

Well, I would submit to the gentleman, if you talk to most American taxpayers, they would think that it would be in their interest not to have their taxes go up any more. Last year, we had the second largest tax increase in history when we had the budget summit agreement, $137 billion taken out of the pockets of taxpayers.

That was supposed to reduce the deficit. The deficit has more than doubled, because that tax increase was one of the major factors in putting us into a recession and creating more unemployment. For each 1 percent of unemployment, it cost the taxpayers $42 billion.

So we have exacerbated the economic problems of this country by raising taxes last year. We should be looking after our own, and our own are the people who pay taxes in this country, not taking from somebody to give to somebody else when we do not have to.

Mr. Speaker, I think this is where we diverge. I think the more liberal Members of this body believe we ought to take from one segment of society to create jobs and give to others, where on this side of this aisle the more conservative Members believe we ought to stimulate the private sector to create jobs through free enterprise and not more Government regulation and control.

Let us get back to the case at point. The case at point now is we have got 133 pork barrel projects in this one amendment that is going to cost $150 million. We have got a $400 billion deficit and a $4 trillion national debt, which has quadrupled in just 10 years.

The legacy we are leaving our children is a very poor one, because they are going to have to pay these bills. They are going to have to pay the interest on the debt, which is about 18 to 20 percent a year now and going up.

We must get control of our appetite for spending. It should start here, and it should start now.

In addition to that, if we cannot get control of our appetite for spending, it is imperative that we give somebody some way to constrain these bodies, the House and the Senate. I would suggest the President needs and this country deserves a line item veto so we do not have all these pork barrel projects going through here lickety split, week after week.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, obviously for some people the glass is half full; for others it is half empty. Previous speakers in opposition to what the committee has done in designating this money for America have supported projects in the military budget wholeheartedly. In fact, I think it would be rare, we would be hard pressed to find one military expenditure they have opposed.

Mr. Speaker, let me give an illustration of waste. If the gentleman wants to talk about $150 million a year, remember that the B–1 bomber, that was the father of the B–2, the B–1 cost us billions and billions of dollars. Where was it during the gulf war, this new marvel of technology? Billions and billions of dollars? Where was it? Sitting on the ground. It was sitting on the ground, because it could not fly. It is unsafe.

The gentleman from Indiana [MR. BURTON] never raised an issue on that point. He is not disturbed by it. He does not get excited about it. Indeed, it is fair to say there are many in this body who never saw a defense dollar that they did not think ought to be doubled.

But when those of us who put domestic concerns and the people of America ahead of foreign concerns and being the policeman of the world and setting up pork barrel projects in the defense bill, when we rise to do something on health and education, on physical infrastructure, they say that is waste.

☐ 1400

I say to them "Shame, shame on you for attempting to mislead the American public as to what your true intentions and purposes are. How can you possibly relegate this Nation to second rate in health, education, public facilities, and buildings? Why do you want to do that? Why do you place constantly overseas interests and foreigners ahead of the American public?"

I do not understand it and neither does the American public. And there will be a day of reckoning. I can assure my colleagues.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Boy, can you demagog an issue?

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, will the gentleman tell me, did he or did he not support the B–1?

Mr. BURTON of Indiana. Mr. Speaker, I did. I did.

Mr. TRAXLER. Mr. Speaker, if the gentleman will continue to yield, has he ever met a weapons system he did not love?

Mr. BURTON of Indiana. Mr. Speaker, I have.

Let me just end up that the issue at hand here is not the defense of this Nation, even though we are cutting the defense budget dramatically right now. The issue at hand is 133 projects in this amendment that are going to cost the taxpayers $150 billion, many of whom, most of whom could be taken care of at the State or local level and should be. These are pork-barrel projects, and the pork is getting out of control in this body. That is the problem.

The deficit is $400 billion. The gentleman has to realize that we are spending way more than we take in. We have to prioritize spending. So he can demagog this issue all he wants to on defense and everything else. The fact remains: pork, pork, pork, pork.

Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of New York. Mr. Speaker, I yield back the balance of my time.

Mr. TRAXLER. Mr. Speaker, I yield myself such time as I may consume.

Again, beauty is in the eyes of the beholder. Let the gentleman and I be very clear about where we are on this. In his world, in his definition there can never be enough money for projects that most of us, many of us, consider to be an utter and total waste of taxpayer dollars. I will tell my colleagues the B–1 was a classic illustration. It could not get off the ground. Hundreds of billions of dollars squandered. Was anybody down in that well from the gentleman's side denouncing that? Not at all.

Did the gentleman ask where was the B–1 in the gulf war? Not at all. Does he believe that was a worthwhile expenditure of public funds? Absolutely.

Mr. Speaker, to the average American, it was pork, military, corporate pork. We do not like it, and I am going to tell my colleagues, if we want a strong Nation, build it on its people, not on weapons systems that do not work or, in the alternative, are unnecessary.

I urge my colleagues to support this Nation and its people and to support this subcommittee.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORRICELLI). All time having been yielded back, the Chair will remind the Members that the question is whether to support the motion offered by the gentleman from Michigan [Mr. TRAXLER] that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment. An affirmative vote would support that position; a negative vote would oppose it.

The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 36: Page 23, strike out lines 5 to 16, and insert:

For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, $7,024,589,000, to remain available until expended: *Provided*, That funds provided under this paragraph may not be obligated for a contract term that is less than five years: *Provided further*, That the Secretary may maintain consolidated accounting data for funds disbursed at the Public Housing Agency or Indian Housing Authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 36, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

For assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) not otherwise provided for, for use in connection with expiring section 8 subsidy contracts, $7,355,128,000, to remain available until expended: *Provided*, That funds provided under this paragraph may not be obligated for a contract term that is less than five years: *Provided further*, That the Secretary may maintain consolidated accounting data for funds disbursed at the Public Housing Agency or Indian Housing Authority or project level for subsidy assistance regardless of the source of the disbursement so as to minimize the administrative burden of multiple accounts.

Further, for the forgoing purposes, $850,000,000, to become available for obligation on October 1, 1992, and to remain available for obligation until expended.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 37: Page 23, line 16, after "accounts" insert ": *Provided further*, That, for those projects in the State of Maine, the owners of which have converted their section 23 leased housing contracts (former section 23 of the Act, as added by section 103(a), Housing and Urban Development Act of 1965, Public Law 89-117, 79 Stat. 451, 455) to section 8, the subsidy provided for five-year project-based certificates (42 U.S.C. 1437f(b)).".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 37, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

For those projects in the State of Maine, the owners of which have converted their section 23 leased housing contracts (former section 23 of the Act, as amended by section 103(a), Housing and Urban Development Act of 1965, Public Law 89-117, 79 Stat. 451, 455) to section 8, the subsidy provided shall be for a five-year extension of such projects' current housing assistance payments contracts.

Mr. GREEN of New York (during the reading) Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 40: Page 24, line 22, after "$2,188,844,000" insert": *Provided*, That of the funds provided under this heading, $344,156,000 shall not become available for obligation until September 20, 1992".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 40, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That of the funds provided under this heading, $294,156,000 shall not become available for obligation until September 20, 1992".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 58: Page 35, line 2, after "Administration" insert: ": *Provided*, That there shall be established, in the Office of the Secretary, an Office of Lead Based Paint Abatement and Poisoning Prevention to be headed by a career Senior Executive Service employee who shall be responsible for all lead-based paint abatement and poisoning prevention activities (including, but not limited to, research, abatement, training regulations and policy development): *Provided further*, That such office shall be allocated a staffing level of 20 staff years: *Provided further*, That a qualified industrial hygienist shall be designated for each Department of Housing and Urban Development field office administering assisted housing programs to oversee and coordinate lead paint abatement and poisoning prevention activities of that office: *Provided further*, That such appointments are to occur within 12 months of enactment of this Act for any office that serves any of the 25 largest public housing agencies and within 18 months for all other field offices of the Department".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 58, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That there shall be established, in the Office of the Secretary, an Office of Lead Based Paint Abatement and Poisoning Prevention to be headed by a career Senior Executive Service employee who shall be responsible for all lead-based paint abatement and poisoning prevention activities (including, but not limited to, research, abatement, training regulations and policy development): *Provided further*, That such office shall be allocated a staffing level of 20 staff years".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [MR. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 67: Page 38, strike out all after line 21, over to and including line 7 on page 39.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 67, and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Notwithstanding any other provision of law or other requirement, the city of Vallejo, California, is authorized to retain any land disposition proceeds or urban renewal grant funds that remain after the financial closeout of the Marina Vista Urban Renewal Project, and to use such funds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The city of Vallejo shall retain such funds in a lump sum and shall be entitled to retain and use, in accordance with this paragraph, all past and future earnings from such funds, including any interest.

Notwithstanding any provision of law or other requirement, the Urban Renewal Authority of the City of Oklahoma City, in the State of Oklahoma, is authorized to retain any land disposition proceeds and other income from the financially closed-out Central Business District Number 1A Urban Renewal Project (OKLA. R-30) and John F. Kennedy Urban Renewal Project (OKLA. R-35) in accordance with the Close-out Agreements executed pursuant to 24 CFR 570.804(b)(5) October 16, 1979, and concurred in by the Secretary which agreements obligated such proceeds to completion of project activities in consideration for the reduction of an approved categorical settlement grant in satisfaction of the repayment requirements of 24 CFR 570.486. The Urban Renewal Authority of the City of Oklahoma City shall retain such proceeds and other income in a lump sum and shall be entitled to retain and use, subject only to the provisions of 24 CFR 570.504(b)(5), such past and future proceeds, including any interest, for the completion of such project activities.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [MR. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 70: Page 42, strike out all after line 10, over to and including line 13 on page 43.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 70, and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsection:

"(p) With respect to amounts available for obligation on or after October 1, 1991, the criteria established under section 213(d)(5)(B) of the Housing and Community Development Act of 1974 for any competition for assistance for new construction, acquisition, or acquisition and rehabilitation of public housing shall give preference to applications for housing to be located in a local market area that has an inadequate supply of housing available for use by very low-income families. The Secretary shall establish criteria for determining that the housing supply of a local market area is inadequate, which shall require—

(1)(A) information regarding housing market conditions showing that the supply of rental housing affordable by very low-income families is inadequate, taking into account vacancy rates in such housing and other market indicators; and

"(B) evidence that significant numbers of families in the local market area holding certificates and vouchers under section 8 are experiencing significant difficulty in leasing housing meeting program and family-size requirements; or

"(2) evidence that the proposed development would provide increased housing opportunities for minorities or address special housing needs.".

Section 14(k)(5)(A) of the Housing Act of 1937, as amended, is hereby amended as follows: by striking in the first sentence thereof the word "initial"; in subsection (i) thereof by substituting the phrase "for each of the preceding three fiscal years" for the phrase "for each of fiscal years of 1989, 1990 and 1991"; adding a new subsection (iii) which provides: "(iii) In determining whether an agency is 'troubled with respect to the modernization program', the Department shall consider only the agency's ability to carry out that program effectively based upon the agency's capacity to accomplish the physical work: (a) with decent quality; (b) in a timely manner; (c) under competent contract administration; and (d) with adequate budget controls. No other criteria shall be applied in the determination."

Section 14(k)(5)(E) of said Act is repealed.

No appropriated funds may be used to implement the rule proposed in 56 Federal Register 45814, September 6, 1991 relating to "Low-income Public and Indian Housing—Vacancy Rule" or any revision thereof or any other rule related or similar thereto.

Section 6(j)(1) of the Housing Act of 1937, 42 U.S.C. 1437 d(j)(1), [section 502(a) of the National Affordable Housing Act] is amended as follows:

(1) by adding at the end of subparagraph (H) the following language: "which shall not exceed the seven factors in the statute, plus an additional five"; and

(2) by adding as subparagraph (I) the following:

(I) "The Secretary shall: (1) administer the system of evaluating public housing agencies flexibly to ensure that such agencies are not penalized as result of circumstances beyond their control; (2) reflect in the weights assigned to the various indicators the differences in the difficulty of managing individual projects that results from their physical condition and their neighborhood environment; and (3) determine a public housing agency's status as "troubled with respect to the program under section 14" based upon factors solely related to its ability to carry out that program.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 72: Page 43, after line 13, insert:

The Secretary of Housing and Urban Development shall transfer title to the repossessed property known as the Roosevelt Homes Project (No. 074-84006) located in Davenport, Iowa, to a nonprofit organization selected by the city of Davenport. Such property shall be used only for the provision of an integrated program of shelter and social services to the homeless, or for other nonprofit uses, for a period of not less than 20 years following the date of the transfer. Use of the transferred property before the expiration of the 20-year period following the date of the transfer for any purpose other than those described herein shall cause title to revert back to the Secretary of Housing and Urban Development.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 72, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

The Secretary of Housing and Urban Development shall transfer title to the repossessed property known as the Roosevelt Homes Project (No. 074-84006) located in Davenport, Iowa, to a nonprofit organization. Such property shall be used only for the provision of an integrated program of shelter and social services to the homeless, or for other nonprofit uses, for a period of not less than 20 years following the date of the transfer. Use of the transferred property before the expiration of the 20-year period following the date of the transfer for any purpose other than those described herein shall cause title to revert back to the Secretary of Housing and Urban Development. The nonprofit organization selected by the Department shall have the right to use or not use the section 8 certificates attached to the property.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 77: (77)Page 43, after line 13, insert:

Hereafter, the Secretary shall not approve additional nonprofit insurance entities until such standards have become final, nor shall the Secretary revoke the approval of any nonprofit insurance entity previously approved by the Department unless for cause and after a due process hearing.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 77, and concur therein with an amendment, as follows:

At the end of the matter inserted by said amendment, insert the following:

Hereafter, until the Department of Housing and Urban Development has adopted regulations specifying the nature and quality of insurance covering the potential personal injury liability exposure of public housing authorities and Indian housing authorities (and their contractors, including architectural and engineering services) as a result of testing and abatement of lead-based paint in federally subsidized public and Indian housing units, said authorities shall be permitted to purchase insurance for such risk, as an allowable expense against amounts available for capital improvements (modernization): *Provided*, That such insurance is competitively selected and that coverage provided under such policies, as certified by the authority, provides reasonable coverage for the risk of liability exposure, taking into consideration the potential liability concerns inherent in the testing and abatement of lead-based paint, and the managerial and quality assurance responsibilities associated with the conduct of such activities.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 79: Page 43, after line 13, insert:

The Secretary shall establish competitive procedures for the disbursement of the amounts made available under this Act for a scientifically-based risk assessment of lead in public and Indian housing. Such procedures shall not require that applications for financial assistance for the risk assessment of lead be made in connection with the provision of other assistance under section 14 of the United States Housing Act of 1937.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 79, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

Section 14(a) of the Housing Act of 1937, as amended (42 U.S.C. 14371(a)), is amended by:

(1) striking "and" at the end of clause "(1)";

(2) adding clauses (3), (4), and (5) as follows:

"(3) to assess the risks of lead-based paint poisoning through the use of professional risk assessments that include dust and soil sampling and laboratory analysis in all projects constructed before 1980 that are, or will be, occupied by families;

"(4) to take effective interim measures to reduce and contain the risks of lead-based paint poisoning recommended in such professional risk assessments;

"(5) the costs of testing, interim containment, professional risk assessments and abatement of lead are eligible modernization expenses. The costs of professional risk assessment are eligible modernization expenses whether or not they are incurred in connection with insurance and costs for such assessments that were incurred or disbursed in fiscal year 1991 from other accounts shall be paid or reimbursed from modernization funds in fiscal year 1992."

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agree to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 95: Page 49, line 6, after "6949)" insert ": *Provided further*, That of the amount provided under this heading, up to $1,000,000 shall be available for the Chemical Safety and Hazard Investigation Board, as authorized by the Clean Air Act Amendments of 1990".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 95, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That of the amount provided under this heading, up to $1,000,000 shall be available for the Chemical Safety and Hazard Investigation Board, as authorized by the Clean Air Act Amendments of 1990 and up to the sum of $17,000,000 shall be for subsidizing loans under the Asbestos School Hazard Abatement Act, and $2,400,000 shall be for administrative expenses to carry out the loan and grant program".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 107: Page 51, line 18, strike out "$1,783,500,000" and insert: "$2,383,500,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 107, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$1,948,500,000".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 111: Page 51, strike out all after line 23 over to and including "indicated" in line 2 on page 52.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 111, and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: "$340,000,000 shall be for making grants under title II of the Federal Water Pollution Control Act, as amended, to the appropriate instrumentality for the purpose of constructing secondary sewage treatment facilities to serve the following localities, and in the amounts indicated:"

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 112: Page 52, lines 2 and 3, strike out "Boston, Massachusetts, $100,000,000;".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 112, and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: "Back River Wastewater Treatment Plant, Maryland, $40,000,000; Boston, Massachusetts, $100,000,000;".

Mr. GREEN OF New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 119: Page 52, line 16, strike out all after "Flows" over to and including "ments" in line 19 on page 53.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 119, and concur therein with an amendment, as follows:

In lieu of the matter striken by said amendment, insert the following: ": *Provided further*, That the U.S. Environmental Protection Agency shall not prohibit the Massachusetts Water Resources Authority (MWRA) from utilizing the most appropriate technology for the treatment, disposal, and or beneficial re-use of sludge, unsold fertilizer pellets, and grit and screenings outside the Commonwealth of Massachusetts through lease, contract, or by other legal means. The EPA may require sufficient backup capacity for the disposal or treatment of sludge in the Commonwealth through ownership, lease, contract, or by other legal means. The MWRA shall not be required to construct a backup landful or facility if other alternatives approved through EPA NEPA review of MWRA long-term residuals management, are or become available through ownership, lease, contract, or other legal means prior to September 1, 1992, and as long as such alternatives remain available. Any facility or technology used by the MWRA shall meet all applicable federal and state environmental requirements. Any facility or technology must be on-line when a contract between the MWRA and NEFCO, which is responsible for the marketing and disposal of sludge, expires in 1995".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 121: Page 53, strike out all after line 20 over to and including line 7 on page 54, and insert:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the Environmental Protection Agency shall not exceed: (1) 72 workyears for the Immediate Office of the Administrator, (2) 50 workyears for the Office of Congressional and Legislative Affairs, (3) 77 workyears for the Office of Communications and Public Affairs, (4) 187 workyears for the Office of General Counsel, (5) 32 workyears for the Office of Federal Activities, (6) 259 workyears for the Office of Policy, Planning, and Evaluation, and (7) 1,386 workyears for the Office of Administration and Resources Management.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 121, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the Environmental Protection Agency shall not exceed: (1) 51 workyears for the Immediate Office of the Administrator, (2) 45 workyears for the Office of Congressional and Legislative Affairs, (3) 77 workyears for the Office of Communications and Public Affairs, (4) 187 workyears for the Office of General Counsel, (5) 61 workyears for the Office of International Activities, (6) 32 workyears for the Office of Federal Activities, (7) 259 workyears for the Office of Policy, Planning, and Evaluation, and (8) 1,386 workyears for the Office of Administration and Resources Management.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 122: Page 54, after line 7, insert:

The Administrator of the Environmental Protection Agency shall move, within sixty days of enactment of this Act, the pollution prevention activities and workyears associated with the Office of Pollution Prevention from the Office of Policy, Planning, and Evaluation to the Office of the Administrator.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 122, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

The Administrator shall establish, within 60 days of enactment of this Act, a new staff of 5 workyears within the Immediate Office of the Administrator, which shall be responsible for guiding, directing, and mediating all policy activities associated with Pollution Prevention. The Pollution Prevention Policy Council shall be chaired by the Deputy Administrator.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 131: Page 57, line 15, after "$277,827,000", insert:[1] ", notwithstanding section 201 of Public Law 100–707, including $1,155,000 to install new sirens in Kansas with a twenty-five percent local match in towns under 5,000 and a fifty percent local match in towns over 5,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 131, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 133: Page 60, line 5, after "$2,103,000" insert ": *Provided*, That the appropriations, revenues, and collections deposited into the fund shall be available for necessary expenses of United States Office of Consumer Affairs activities in the aggregate amount of $3,203,000. Administrative expenses of the United States Office of Consumer Affairs in fiscal year 1992 shall not exceed $1,100,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 1992 in excess of $3,203,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 133, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following ": *Provided*, That notwithstanding any other provision of law, that Office may accept and deposit to this account, during fiscal year 1992, gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and education materials; may expend up to $1,100,000 of those gifts for those purposes, in addition to amounts otherwise appropriated; and the balance shall remain available for expenditure for such purposes to the extent authorized in subsequent appropriation Acts".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 146: Page 65, after line 9 insert:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the National Aeronautics and Space Administration shall not exceed: (1) 50 staff years for the Office of the Administrator; (2) 201 staff years for the Headquarters Operations; (3) 50 staff years for the Office of Commercial Programs; (4) 42 staff years for the Office of General Counsel; (5) 195 staff years for Agency Management; (6) 82 staff years for the Office of External Relations; (7) 33 staff years for the Office of Legislative Affairs; (8) 259 staff years for the Office of Space Science and Applications; (9) 160 staff years for the Office of Aeronautics, Explorations, and Space Technology; (10) 272 staff years for the Office of Space Flight, including Level I activity for the Space Station; (11) 62 staff years for the Office of Space Operations: *Provided*, That no funds may be used from amounts provided in this or any other Act for details of employees from any organization in the National Aeronautics and Space Administration to any organization included under the budget activity "Research and Program Management".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 146, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

During fiscal year 1992, notwithstanding any other provision of law, average employment in the headquarter's offices of the National Aeronautics and Space Administration shall not exceed: (1) 51 staff years for the Office of the Administrator; (2) 117 staff years for the Office of the Comptroller; (3) 56 staff years for the Office of Commercial Programs; (4) 191 staff years for the Office of Headquarters Operations; (5) 30 staff years for the Office of Equal Opportunity Programs; (6) 43 staff years for the Office of the General Counsel; (7) 132 staff years for the Office of Procurement; (8) 4 staff years for the Office of Small and Disadvantaged Business Utilization; (9) 33 staff years for the Office of Legislative Affairs; (10) 520 staff years for the Office of Space Flight, including Level I and Level II Activities for the Space Station; (11) 210 staff years for the Office of Management; (12) 62 staff years for the Office of Space Operations; (13) 64 staff years for the Office of Public Affairs; (14) 183 staff years for the Office of Safety and Mission Quality; (15) 172 staff years for the Office of Aeronautics, Exploration and Technology; (16) 288 staff years for the Office of Space Science and Applications; and (17) 77 staff years for the Office of External Relations: *Provided*, That the Administrator may reorganize these offices and reallocate the staff years among these offices as long as the aggregate number of staff years at NASA Headquarters does not exceed 2,220 staff years: *Provided further*, That no funds may be used from amounts provided in this or any other Act for details of employees from any organization in the National Aeronautics and Space Administration to any organization included under the budget activity "Research and Program Management," except those details which involve developmental or critical staffing assignments: *Provided further*, That, of the amount provided for "Research and Program Management," up to $675,722,000 may be transferred to "Research and Development" and "Space Flight, Control and Data Communications," and of this amount such sums as may be necessary are provided for the lease, hire, maintenance and operation of mission management aircraft: *Provided further*, That the funds made available in the preceding proviso may only be used for the purpose of operations of facilities: *Provided further*, That, notwithstanding any provision of this or any other Act, not to exceed an additional $100,000,000 may be transferred or otherwise made available, using existing or future authority, to the National Aeronautics and Space Administration in fiscal year 1992 from any funds appropriated to the Department of Defense and such funds may only be provided to the "Space flight, control and data communications" appropriation: *Provided further*, That the limitation in the immediately preceding proviso shall not apply to funds transferred or otherwise made available under existing reimbursement arrangements.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 150: Page 66, line 9, strike out "$1,960,500,000" and insert: "$1,926,000,000".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 150, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: "$1,879,000,000".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 151: Page 66, strike out all after line 20, over to and including line 3 on page 67, and insert:

ACADEMIC RESEARCH FACILITIES AND INSTRUMENTATION

For necessary expenses in carrying out an academic research facilities and instrumentation program pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $46,000,000, to remain available until September 30, 1993.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 151, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

ACADEMIC RESEARCH FACILITIES AND INSTRUMENTATION

For necessary expenses in carrying out an academic research facilities and instrumentation program pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $33,000,000, to remain available until September 30, 1993.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

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The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 156: Page 68, line 9, after "appropriation" insert: ": *Provided further*, That up to $9,000,000 may be transferred to and merged with funds made available under 'United States Antarctic Research Activities'."

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 156, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That up to $9,000,000 may be transferred to and merged with funds made available under 'United States Antarctic Research Activities': *Provided further*, That notwithstanding section 104 of the National Science Foundation Authorization Act of 1988 (Public Law 100–570), no funds appropriated to the National Science Foundation under this Act may be transferred among appropriations accounts."

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 162: Page 69, line 24, after "$26,900,000" insert: ": *Provided*, That of the new budget authority provided herein, $10,000,000 shall be for the purpose of providing local neighborhood revitalization organizations revolving homeownership lending capital, and equity capital for affordable lower-income rental and mutual housing association projects, to remain available until September 30, 1996: *Provided further*, That the $10,000,000 shall be available for obligation to Neighborhood Reinvestment Corporation in quarterly payments of $625,000 beginning with September 1 of fiscal year 1992".

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 162, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

": *Provided*, That of the new budget authority provided herein, $5,000,000 shall be for the purpose of providing local neighborhood revitalization organizations revolving homeownership lending capital, and equity capital for affordable lower-income rental and mutual housing association projects, to remain available until September 30, 1994: *Provided further*, That the $5,000,000 shall be available for obligation to Neighborhood Reinvestment Corporation in quarterly payments of $625,000 beginning with September 1 of fiscal year 1992".

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 164: Page 72, after line 5, insert:

The Office of Inspector General of the Resolution Trust Corporation shall review by September 30, 1993, each of the agreements described in section 21A(b)(11)(B) of the Federal Home Loan Bank Act and determine whether there is any legal basis sufficient for rescission of the agreement, including but not limited to, fraud, misrepresentation, failure to disclose a material fact, failure to perform under the terms of the agreement, improprieties in the bidding process, failure to comply with any law, rule or regulation regarding the validity of the agreement, or any other legal basis sufficient for rescission of the agreement. After such review has been completed, and based upon the information available to the Inspector General, the Inspector General shall certify its findings to the Resolution Trust Corporation and to the Congress.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TRAXLER moves that the House recede from its disagreement to the amendment of the Senate numbered 164, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

The Office of Inspector General of the Resolution Trust Corporation shall review by September 30, 1993, each of the agreements described in section 21(A)(b)(11)(B) of the Federal Home Loan Bank Act and determine whether there is any legal basis sufficient for a rescission of the agreement, including but not limited to, fraud, misrepresentation, failure to disclose a material fact, failure to perform under the terms of the agreement, improprieties in the bidding process, failure to comply with any law, rule or regulation regarding the validity of the agreement, or any other legal basis sufficient for rescission of the agreement. After such review has been completed, and based upon the information available to the Inspector General, the Inspector General shall certify its findings to the Resolution Trust Corporation and to the Congress: *Provided*, That any agreement which has been renegotiated and certified pursuant to section 518(b) of this Act may be excluded from further review under this provision based upon a review by the Inspector General of the appropriate evidence, and a determination that the government has achieved significant and substantial savings as a result of the renegotiation: *Provided further*, That the Inspector General report the basis for the exclusion in writing to Congress prior to any exclusion of further review under this provision.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. Traxler].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 168: Page 81, after line 6, insert:

Sec. 520. Notwithstanding any other provision of law—

(a) prices for drugs and biologicals paid by the Department of Veterans Affairs and prices for drugs and biologicals on contracts administered by the Department of Veterans Affairs, shall not be used to calculate Medicaid rebates paid by drug and biological manufacturers; and

(b) the Secretary of Veterans Affairs shall attempt to negotiate new contracts, or renegotiate current contracts, for drugs and biologicals, including those contracts for drugs and biologicals utilized or administered by the Department of Veterans Affairs which are listed in Federal Supply Classification (FSC) Group 65 of the Federal Supply Schedule, with the view toward achieving a price comparable to, or lower than, the price charged the Department of Veterans Affairs by the manufacturer on September 1, 1990, increased by the fiscal year 1991 medical consumer price index, as determined by the Secretary; and

(c) the Secretary shall provide a report by June 30, 1992, to the House and Senate Veterans' Affairs Committees, the House and Senate Appropriations Committees, the House Energy and Commerce Committee and the Senate Finance Committee, on the percentage of price increase to the Department from September 1, 1990, to a date 60 days prior to the date of the report, for each drug and biological listed in FSC Group 65.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Traxler moves that the House recede from its disagreement to the amendment of the Senate numbered 168, and concur therein with an amendment, as follows:

At the end of the matter proposed by said amendment, insert the following:

(d) The provisions of this section shall be effective until (1) enactment into law of legislation concerning the price of drugs and biologicals paid by the Department of Veterans Affairs or (2) June 30, 1992, whichever first occurs.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. Traxler].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 172: Page 81, after line 6, insert:

Sec. 524. Notwithstanding any provision of this Act, none of the funds appropriated or otherwise made available by the Act or by any other act may be used to move Federal Housing and Urban Development offices from downtown Jacksonville, Florida, (as defined by the Downtown Development Authority of Jacksonville) or to finance the operation of Federal Housing and Urban Development offices in any area of Jacksonville, Florida, other than the downtown area (as defined by the Downtown Development Authority of Jacksonville).

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Traxler moves that the House recede from its disagreement to the amendment of the Senate Numbered 172, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 521. Notwithstanding any provision of this Act, none of the funds appropriated or otherwise made available by this Act or by any other Act may be used to move Federal Housing and Urban Development offices from downtown Jacksonville, Florida, (as defined by the Downtown Development Authority of Jacksonville) or to finance the operation of such Federal Housing and Urban Development offices in any area of Florida other than the downtown area of Jacksonville, Florida (as defined by the Downtown Development Authority of Jacksonville).

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. Traxler].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 174: Page 81, after line 6, insert:

Sec. 526. Establishment of Regional Office.—The Administrator of the Environmental Protection Agency shall establish within the Environmental Protection Agency an eleventh region, which will be comprised solely of the State of Alaska, and a regional office located therein.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Traxler moves that the House recede from its disagreement to the amendment of the Senate numbered 174, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 526. Establishment of Regional Office.—The President may establish within the Environmental Protection Agency an eleventh region, which will be comprised solely of the State of Alaska, and a regional office located therein.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. Traxler].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 175:

Sec. 527. Extension of Period Applicable to Single Family Housing.—(a) In General.—Section 21A(c)(2)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(2)(B)) is amended by striking "3-month" each place it appears and inserting "5-month".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to eligible single family properties acquired by the Resolution Trust Corporation on or after the date of enactment of this Act.

MOTION OFFERED BY MR. TRAXLER

Mr. TRAXLER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Traxler moves that the House recede from its disagreement to the amendment of the Senate numbered 175, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 527. Extension of Period Applicable to Single Family Housing.—(a) In General.—Section 21A(c)(2)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(2)(B)) is amended by striking "3-month" each place it appears and inserting "3-month and one week".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to eligible single family properties acquired by the Resolution Trust Corporation on or after the date of enactment of this Act.

Mr. GREEN of New York (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. TRAXLER].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 2519 as well as the Senate amendments reported in disagreement, and that I may include tables, charts, and other extraneous material.

The SPEAKER pro tempore (Mr. TORRICELLI). Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3039, DEFENSE PRODUCTION ACT AMENDMENTS OF 1991

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 231 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 231

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3039) to reauthorize the Defense Production Act of 1950, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by title instead of by section, and each title shall be considered as having been read. In lieu of the amendments recommended by the Committee on Armed Services now printed in the bill, it shall be in order to consider amendments en bloc printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Gonzalez of Texas or his designee. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After passage of H.R. 3039, it shall be in order to take from the Speaker's table the bill S. 347 and to consider said bill in the bill in the House. It shall then be in order to move to strike out after all the enacting clause of said Senate bill and to insert in lieu thereof the provisions of H.R. 3039 as passed by the House. It shall then be in order to move that the House insist on its amendment to S. 347 and request a conference with the Senate thereon.

The SPEAKER pro tempore. The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 231 is the rule providing for consideration of H.R. 3039, the Defense Production Act Amendments of 1991.

This is an open rule providing 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs.

The rule makes in order the Banking Committee amendment in the nature of a substitute now printed in the bill as an original bill for purpose of amendment. That substitute will be considered by title, instead of by section, and each title will be considered as having been read.

In addition, the rule provides that, in lieu of amendments reported by the Armed Services Committee when it considered H.R. 3039, it will be in order to consider amendments en bloc, printed in the report to accompany the rule, if offered by Representative GONZALEZ or his designee. The en bloc amendment reflects compromises on provisions negotiated by several committees. The rule also provides one motion to recommit with or without instructions.

Finally, Mr. Speaker, the rule makes it in order to take S. 347, the Senate version of the Defense Production Act reauthorization, from the Speaker's table and consider it in the House; to move to strike all after the enacting clause; and to substitute the text of the House-passed H.R. 3039.

Further, it will be in order to move to insist on the House amendment and request a conference with the Senate on this legislation.

Mr. Speaker, H.R. 3039 extends the Defense Production Act of 1950 for 3 years. The primary purpose of the act is to ensure that the United States maintains an industrial capacity sufficient to manufacture and supply products which are essential for our Nation's defense. The act enables the Government to mandate that commercial companies give priority to Government for weapons and military equipment.

Mr. Speaker, to repeat, House Resolution 231 is an open rule. I urge the adoption of the resolution so that we may proceed to the consideration of H.R. 3039.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 231 which provides for the consideration of H.R. 3039, the Defense Production Act Amendments of 1991.

As the gentleman from California has just said, this is an open rule and I urge its adoption.

I also want to congratulate the chairman of the full Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ]; and the ranking minority member, the gentleman from Ohio [Mr. WYLIE]; as well as the chairman of the Economic Stabilization Subcommittee, the gentleman from Delaware [Mr. CARPER]; and our ranking member, the gentleman from Pennsylvania [Mr. RIDGE], for their outstanding work in bringing this legislation to the floor.

Previous efforts to reauthorize the Defense Production Act have been stymied by major controversies involving attempts to remake the legislation into an industrial policy program. Although a clean 3-year reauthorization would be preferable, H.R. 3039 is about as close as we can get to that, and that is a credit to the leadership of the gentleman from Texas [Mr. GONZALEZ], the gentleman from Ohio [Mr. WYLIE], the gentleman from Delaware [Mr. CARPER], and the gentleman from Pennsylvania [Mr. RIDGE].

Mr. Speaker, I want to stress how important it is that we move to reauthorize the Defense Production Act. It is the Government's primary source of authority for maintaining our defense industrial mobilization during a crisis.

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The DPA gives the Departments of Defense and Commerce, FEMA, and others the authority for mobilization responsibility such as keeping production on schedule and monitoring industrial resources.

It is estimated that the Department of Defense utilizes the authority of the Defense Production Act about 350 times a year during peacetime. Congress allowed that authority to lapse during a 10-month period during Operation Desert Shield and Desert Storm. Although the President was able to utilize other constitutional powers to meet our mobilization needs, that process could have been much more difficult had the crisis been more serious.

Mr. Speaker, the Defense Production Act helps to ensure that our Armed Forces are well-equipped and well-prepared during a time of crisis. For this reason, I urge adoption of both House Resolution 231 and H.R. 3039.

Mr. Speaker, I am including for the RECORD a copy of the statement of administration policy in this matter.

STATEMENT OF ADMINISTRATION POLICY

The Administration opposes H.R. 3039 and urges the House to enact a simple extension of the existing authorities of the Defense Production Act of 1950 (DPA) until September 30, 1994, in lieu of H.R. 3039.

Specifically, the Administration opposes the following provisions of H.R. 3039:

Section 111, which would include the Secretary of Commerce and the Administrator of the Small Business Administration in determining which contractor may receive loans, loan guarantees, and purchase agreements for defense contracts. The Secretary of Defense can best determine which contractors should receive such assistance.

Section 122, which would establish a cap of $400 million for the Defense Production Act Fund. The $400 million cap is excessive; a $250 million cap has long been recognized as sufficient.

Section 123, which would statutorily establish a policy concerning "offset" arrangements in military exports. (U.S. exporters may enter into reciprocal agreements to purchase certain goods and services from or provide other services for the country purchasing U.S. military goods and services, thereby "offsetting" the cost of the original export.) The section would also mandate specific diplomatic initiatives to reduce the effects of offsets. These requirements would inadvisably restrict Federal policy and interfere with the President's exercise of his constitutional authority to conduct foreign affairs.

Section 124, which would require (1) U.S. industry to report immediately offset agreements with foreign entities and (2) the Secretary of Commerce, rather than the President, to prepare an annual offset report for Congress. Section 124 would also require the Secretary to disclose alternative findings or recommendations, made within the government, on offsets. The real-time reporting by U.S. industry would be burdensome and unnecessary. A statutory requirement to disclose internal Executive branch findings and recommendations would infringe upon the President's constitutional authority to maintain the confidentiality of Executive branch deliberations.

Section 126, which would require the utilization of certain materials in existing and future weapon systems. This requirement may require the redesign of, or lowered specifications for, existing or future weapon systems to accommodate these materials. This would raise the costs and lower the performance of the weapon systems or make weapon systems procurement and support more vulnerable to particular suppliers.

Section 134, which would require the establishment and maintenance of a defense industrial base information system. Such an information system would be an enormous undertaking and impose a considerable reporting burden on the government and the companies involved.

Section 163, which would require a report on the review of the foreign acquisition of U.S. companies involved in critical technologies that would be burdensome and of questionable value.

Sections 201 and 202, which would require the Department of Defense to consider providing full reimbursement of defense contractors' independent research and development/bid and proposal costs. Such reimbursement would unnecessarily increase Defense Department contract costs by up to $1 billion annually by 1996.

Section 211, which would amend the Code of Federal Regulations to specify the circumstances under which a contractor may be suspended or debarred. Such an amendment would duplicate existing procedures and would result in a misplaced emphasis on violations rather than contractor responsibilities.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXPRESSING SENSE OF THE HOUSE IN SUPPORT OF DEMOCRACY IN HAITI

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 235) expressing the sense of the House of Representatives in support of democracy in Haiti, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object. I do so to afford our chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], the opportunity to explain this resolution.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. Further reserving the right to object, I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this resolution expresses the sense of outrage of this House at the Haitian Army's ouster of President Jean-Bertrand Aristide.

The resolution supports the policy of the United States as expressed by President Bush that we support fully the restoration of the democratically elected Government of President Aristide. It also backs the decision announced by the State Department that all aid to the Haitian Government be cut off. The resolution commends the Organization of American States for its prompt condemnation of the Haitian coup; calls on the Haitian military to respect the rights of its people; and finally calls on the international community to take all appropriate action to restore democratic government in Haiti.

Mr. Speaker, in a few hours the Foreign Ministers of the OAS will convene here in Washington to hear President Aristide. The OAS in June of this year adopted new policies for reacting to military coups. Its reaction to this coup is the first test of the new policy agreed to by the nations of this hemisphere. I am convinced that the OAS can play a critical role in bringing this seizure of power to an end. Speaking with one voice, the OAS membership will bring significant diplomatic pressure to bear on Haiti's junta.

Mr. Speaker, earlier this week we saluted the 2,500th anniversary of the birth of democracy in ancient Athens. Today we speak out in defense of a beleaguered people not far from our own shores. The principles of democracy have survived and flourished after 25 centuries. The day will come when we can say that they have come once and for all to Haiti.

Mr. Speaker, this action is prompted now because the OAS itself goes into session in just a short time. We felt it would be extremely important to reflect officially the position of the Congress of the United States, and that is what this resolution does.

Mr. Speaker, I would be delighted to change places with the chairman of the Subcommittee on the Western Hemisphere so that he could express himself on this resolution, and I think we ought to take time for him to make a statement on the matter.

I thank the gentleman from Michigan, the ranking Republican, for giving me the opportunity to explain this matter.

The SPEAKER pro tempore (Mr. TORRICELLI). If the distinguished gentleman from Michigan would permit the Chair, the Chair wants to thank the distinguished chairman. He has so well made the case in the Chair's stead while he is in the chair, and he thanks the gentleman.

Does the gentleman from Michigan [Mr. BROOMFIELD] continue to insist upon his reservation of objection?

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I would like to make a short statement.

Mr. Speaker, it is a sad day for our hemisphere. At a time when democracy is moving forward throughout the world, the dark cloud of tyranny has once again descended upon Haiti. I commend Chairman FASCELL for his leadership in bringing this issue promptly before the House of Representatives.

Last Sunday night, elements of the Haitian military overthrew the democratically elected President Aristide. Many were killed and hundreds were wounded. Haiti has now joined Cuba as one of the last outposts of dictatorship in the Americas.

It is important for the Congress to speak out against this military coup in the strongest possible terms. The Bush administration has also responded forcefully and has suspended all American assistance.

Just last week, President Aristide spoke at the United Nations about the new horizons of democracy for a country that has suffered so much for so long. Unfortunately, the U.N. Security Council has refused to take up the coup in Haiti, despite the fact that the election of President Aristide was judged free and fair by an official U.N. delegation.

The response to the coup in Haiti is also an important test for the Organization of American States and its recently created mechanism to respond to antidemocratic actions in the hemisphere. The OAS did not react well to Noriega's 1989 rejection of democracy in Panama. It now has a chance to express concrete support for the restoration of constitutional government in Haiti.

I congratulate President Aristide for his continuing courage and commitment to democracy. I also urge my colleagues to support this resolution and join in the international chorus of opposition to this illegal action in Haiti.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Missouri [Mr. EMERSON

Mr. EMERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to commend the Committee on Foreign Affairs on the prompt movement on this issue. I think it is most appropriate that you are bringing this resolution before us and that we are acting as we are.

The gentleman from Ohio [Mr. HALL], chairman of the Select Committee on Hunger, and the gentleman from Missouri [Mr. WHEAT], and I, as the ranking Republican on the Hunger Committee, went as the congressional delegation following the democratic elections in Haiti. We went there this spring and spent a great deal of time with President Aristide, members of the Chamber of Deputies, one member of which came to visit me yesterday, and we were very impressed with the tremendous stride that was being made there prodemocracy.

To see this reversion to doing things the old way down there is very disheartening, and the Haitians, President Aristide, need all of the moral support that we can give them at this time.

I want to commend the distinguished chairman and ranking member for their leadership in moving this issue so promptly to the House. It is important we speak as we do today.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. LAGOMARSINO], the ranking member on our Subcommittee on the Western Hemisphere.

Mr. LAGOMARSINO. Mr. Speaker, as an original cosponsor of this resolution condemning the overthrow of the democratically elected President of Haiti, I wish to commend the chairman of the Foreign Affairs Committee, DANTE FASCELL; ranking member BROOMFIELD; and Western Hemisphere Chairman TORRICELLI for their leadership in expediting consideration of this resolution. It is imperative this body go on the record immediately to condemn in the strongest possible terms the military coup which has deprived the Haitian people of their democratic government and their President, Jean Bertrand Aristide.

I also wish to commend the Bush administration for its prompt action in terminating all assistance to Haiti until democratic government is restored. Other nations who have cut off aid to Haiti, like France and Canada, deserve our praise for their support for restoring democracy to Haiti.

As affirmed by this resolution, the Organization of American States merits our commendation for taking before it today the ouster of President Aristide under the newly established mechanism to respond promptly to an interruption of a legitimately elected government.

The Haitian people, against great odds, had finally succeeded in securing for themselves a democratic government and the promise of protection of human rights and the prospects for more equitable economic development. They have had that promise brutally taken from them by a military force that ignores the will of the people and tramples on the spirit of democracy.

In the outrage that accompanies the Haitian military's defiance of justice, I want to make a special commendation in expressing to the Bush administration and our Ambassador Al Adams in Haiti the tremendous gratitude of the Congress in making clear to the leaders of the coup the necessity of sparing the life of President Aristide.

As we condemn the actions of the Haitian military, we must also give notice that we will join the OAS and other nations of the world in seeking the prompt and complete return of democratic government to Haiti.

I urge my colleagues to give their unanimous approval to the resolution.

□ 1430

Mr. BROOMFIELD. Mr. Speaker, under my reservation, finally I would like to thank the gentleman from Texas [Mr. GONZALEZ], the chairman of the Committee on Banking, Finance and Urban Affairs, for letting the gentleman from Florida [Mr. FASCELL] and I to move this bill so expeditiously.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. TORRICELLI). Is there objection to the request of the gentleman from Florida?

Mr. DYMALLY. Reserving the right to object, Mr. Speaker, and I shall not obviously object.

First, Mr. Speaker, I want to commend the chairman of the Committee on Foreign Affairs and the minority leader, the gentleman from Michigan [Mr. BROOMFIELD] for the expeditious manner in which they have brought this very important resolution to the House.

Freedom-loving people all over the world are shocked and outraged at the behavior of the military junta in Haiti. Just at a time when we were beginning to say that we have democratic governments in the Western Hemisphere—and certainly in the Caribbean—unprovoked, the military junta has again overthrown a democratic government.

I believe that the President was correct in taking this swift action and he must be commended for that.

I hope that the Organization of American States will proceed with some form of sanctions against this regime. It may be necessary to call upon the U.N. peacekeeping forces to protect the democratic rights of the people and to restore the President back to his rightful position.

Mr. Speaker, I join with my colleagues in condemning the junta and wishing very deeply that we could restore democratic government there by taking President Aristide back to Haiti to continue his democratic rule.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. WEISS. Further reserving the right to object, Mr. Speaker, and of course I, too, will not object.

I simply want to take this occasion to express my commendation and appreciation to our distinguished chairman, the gentleman from Florida [Mr. FASCELL] and to the distinguished minority leader of the committee, the gentleman from Michigan [Mr. BROOMFIELD], for their very quick and prompt action in bringing this resolution forward.

I also want to express my appreciation to President Bush and the Bush administration and Ambassador Adams, who from the very beginning reacted positively, expressing America's concern about the shunting aside and the overthrow of a hard-fought, hard-earned democracy, by the people of Haiti.

At a time in the world's history when peoples after peoples are overthrowing the yokes of oppression, for the military junta in Haiti not to be watching and learning from that, but instead to be reverting to the age-old brutality which has kept the people of Haiti in the worst kind of conditions in this hemisphere and perhaps in the world of any people is just really incredible and unbelievable.

I certainly urge the Organization of American States to take heed of the international reaction to this and do everything within their power to restore democracy to Haiti. That is the only real remedy to what has taken place.

Mr. GILMAN. Mr. Speaker, I rise to express my strong support for House Resolution 235, and I commend the distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL], as well as our distinguished ranking Republican member, the gentleman from Michigan [Mr. BROOMFIELD], for their outstanding and expeditious consideration and support of this measure.

The people of Haiti have long suffered under the brutal and arbitrary rule of dictatorship. In 1986, the Haitian people demonstrated incredible courage when they ousted then-President-for-life Claude Duvalier. In 1987 an overwhelming majority of Haitians declared themselves in support of democratic rule by approving a constitution, which established a legal framework for the election of a civilian government.

In 1987, the presidential election was canceled due to widespread violence in Haiti on the day of the election. On December 16, 1990, in a free and fair election Jean-Bertrain Aristide was elected president, by almost 70 percent of the vote

Mr. Speaker, with the democratization of Eastern Europe before us, I was willing to believe the way of the dictator was almost over—but on September 30, 1991, elements of the Armed Forces launched an attack against President Aristide and the people of Haiti, forcing the President to leave Haiti with the Haitian Government in the hands of a military junta.

I believe we must make it unequivocally clear that the United States supports President Aristide and his democratically elected government. Accordingly, I urge the President to cease all security assistance to the Haitian Government, until democracy is restored. We must also urge the OAS, as well as the international community at large to do everything possible to restore democracy to Haiti and respect for the human rights of its people. This measure makes the U.S. Congress' position clear on this matter and I strongly urge its adoption.

Mr. YATRON. Mr. Speaker, I rise in strong support of the resolution by the gentleman from Florida. I want to commend Chairman FASCELL for his outstanding and unsurpassed leadership over the years in promoting democracy and respect for human rights in Haiti. Let me also commend Mr. BROOMFIELD, Mr. TORRICELLI, Mr. LAGOMARSINO, and Mr. BEREUTER, for all their efforts in facilitating the consideration of this resolution.

This is an extremely timely and important resolution. It condemns the coup in Haiti, and calls for the restoration of the democratically elected government. It further urges that all United States assistance to Haiti remain suspended until democratic government is restored. It demands that the Haitian military respect human rights and calls on the international community and the OAS to work for the return of democracy in Haiti.

The Haitian people have long suffered under brutal and undemocratic regimes. Last year, a freely elected government ushered in a new era of promise and hope in Haiti. It is imperative that the coup constitute only a temporary setback, and that the United States do whatever it can to work toward the restoration of the elected government.

This resolution sends a powerful message not only to the Haitian military leaders, but also to the people of Haiti. The United States will continue to oppose oppression and military dictatorships and help the people of Haiti in their struggle for democracy, human rights, economic prosperity, and rule of law.

I urge my colleagues to support this measure.

Mr. COX of Illinois. Mr. Speaker, I rise today to speak in support of House Resolution 235, which addresses the recent tragedy in Haiti. I commend my colleagues on the Foreign Affairs Committee for their action, and am pleased to join as an original cosponsor to this resolution.

The morning papers brought us more news from Haiti—news of a continued coup characterized by patrolling military troops and random machinegun fire—news of young democracy in distress.

Last December, the citizens of Haiti cast their votes in the first free and fair election of their country's history. Jean-Bertrand Aristide became Haiti's first popularly elected leader. A history marred by poverty and political violence gave way to the hope and promise of democracy.

Today, less than a year later, President Aristide has been forced to flee the country, members of his government have been jailed, and more than 100 civilians have died. The hopes of democracy have been diminished by fears of violence and terror, fears all too familiar to the people of Haiti.

Today's resolution calls for a response from the United States and the international community to the illegal and intolerable actions of the coup leaders. We must make it clear that the consequences of these actions will be severe. We must work to ensure the restoration of democracy.

I urge the adoption of this important resolution.

Mr. WEISS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 235

Whereas the people of Haiti have long suffered under the brutal and arbitrary rule of dictatorship rather than the democratic rule of law;

Whereas in 1986 Haitians from all sectors of society showed great courage in joining together to oust President-For-Life Jean Claude Duvalier;

Whereas an overwhelming majority of Haitians have declared themselves in support of democratic rule by approving a constitution in 1987 establishing a legal framework for the election of a civilian government;

Whereas the 1987 presidential election was cancelled due to widespread violence on the day of election;

Whereas the Haitian people participated in a second, internationally supervised election on December 16, 1990, and elected President Jean-Bertrand Aristide by almost 70 percent of the vote in an election that was recognized by international observations as free, fair, and open;

Whereas elements of the military on September 30, 1991, launched an armed attack against President Aristide and the people of Haiti; and

Whereas President Aristide was forced to leave Haiti and a military junta has seized power: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the President should make clear that the United States supports the restoration of the democratically elected government of President Aristide;

(2) all United States assistance to the Haitian Government, economic and military, should remain suspended until democratic government is restored;

(3) the Haitian military should respect the human rights of the Haitian people;

(4) the Organization of American States should be commended for vigorously condemning the coup and for its Santiago commitment of June 1991 creating a new automatic mechanism to respond to the interruption of legitimate elected government; and

(5) the international community, particularly the Organization of American States, should take all appropriate action to restore democratic government in Haiti.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1991

The SPEAKER pro tempore. Pursuant to House Resolution 231 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3039.

☐ 1435

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3039) to reauthorize the Defense Production Act of 1950, and for other purposes, with Mr. MURTHA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Delaware [Mr. CARPER] will be recognized for 30 minutes, and the gentleman from New York [Mr. PAXON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it seems there are now three things we can depend on in life—death, taxes, and the need to extend the Defense Production Act. Legislation dealing with the Defense Production Act has become a common feature of our floor calendar, and with this bill, we hope to put an end to those appearances—at least for the next 3 years.

Mr. Chairman and my colleagues, H.R. 3039 is the product of efforts over the past two Congresses to craft substantive reforms to the Defense Production Act. The original act—passed in 1950—was a reaction to concerns during the Korean war that this Nation's industrial capacity was unable to meet military needs, either in times of conflict or peace. The resulting act provided the means to ensure that the industrial capacity to meet defense needs could be developed and to ensure that defense contracts—in times of need—would take precedence over any commercial contracts a particular producer might have. The most important features of the current act are: First, the authority to prioritize defense contracts where the need exists; second, the mandate to provide financial assistance through loan and purchase guarantees to promote defense productive capacity, third, the ability to mobilize executive reserves from U.S. industry to assist the Nation in emergencies, and fourth, the responsibility—under the so-called Exon-Florio provisions—to review proposed foreign takeovers, mergers and acquisitions of domestic firms that could adversely affect the national security.

This legislation before us today has a long history. It is a reflection of a bill which passed the House last year, went to conference with the other body, was agreed to by House-Senate negotiators, and passed the House again—only to be delayed in the other body until the 101st Congress had expired. At one time or another, a number of House committees have been involved in the evolution of this bill, including the Banking, Energy and Commerce, Armed Services, Government Operations, the Judiciary, and Ways and Means Committees. If I have forgotten anyone, my sincerest apologies. The implication is that this bill reflects the interests and efforts of many Members and committees of the House, and is a better bill for those contributions. In fact, at the appropriate time, I will offer an en bloc amendment making changes to improve the bill as suggested by many of those committees.

H.R. 3039 will begin to move the Defense Production Act into the modern, post cold-war era. Ironically, as our military posture is reduced, our need to maintain a vibrant defense production base which can respond quickly and effectively to potential conflicts will increase. To assist in meeting that challenge, this legislation makes several improvements to the act.

First, the bill would require the Secretary of Defense to identify critical components of weapon systems, to identify their suppliers, and to determine where vulnerabilities in the supply of those components exist—for example, sources located in unstable foreign countries, or sole sources in this country. When those vulnerabilities are identified, the bill requires that a reliable source be found or created. Furthermore, the bill requires the development of an information base capable of highlighting foreign sources and production vulnerabilities to assist in meeting the mandate to rectify identified weaknesses in the production base.

To assist in the development of domestic production capability, H.R. 3039 would increase the authorization of title III assistance programs to $200 million per year. These funds can be used to provide loans and purchase guarantees necessary to support expanded production capability for critical materials and other items.

The bill would also modify language in title III to enhance the ability of title III assistance programs to encourage the development of dual-use industrial resources and technology items which might be useful in both the defense and commercial sectors. By allowing this civil-military integration, the bill would improve U.S. competitiveness by permitting a more efficient use of domestic industrial resources.

H.R. 3039 also states congressional policy that the Federal Government not be in the business of promoting the use of offset arrangements on export sales of military goods to foreign nations. And the bill requires the Commerce Department to prepare annual reports analyzing the impact of offset agreements on the U.S. defense industrial base.

And finally, H.R. 3039 establishes a congressional commission to review whether agency policies are consistent with our goal of maintaining a strong domestic production base, and to recommend to Congress what changes need to be made.

Mr. Chairman, with the assistance of many of our colleagues in the House and administration officials, we have been able to craft a sound bill to reauthorize and amend the Defense Production Act. I would particularly like to thank chairman GONZALEZ and his staff for their tremendous support in getting this legislation to the floor. Thanks also to Mr. WYLIE, ranking member of the Banking Committee for his assistance and constructive additions to the bill. And a special thanks to my colleagues and ranking member of the Economic Stabilization Subcommittee, Mr. RIDGE, whose leadership in the subcommittee and strong support for a competitive domestic production base are much appreciated. And to Ms. OAKAR, my predecessor on the subcommittee, many thanks for doing the hard part in paving the way for this bill.

Mr. Chairman, I commend this bill to the House and urge its adoption.

□ 1440

Mr. Chairman, I reserve the balance of my time.

Mr. PAXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this act is the principal statute for the development and maintenance of a defense industrial base capable of producing goods and services necessary for the national defense. This bill is the result of efforts going all the way back to the 100th Congress to reauthorize and update the act. I think this year we will succeed in passing the bill. The bill is solidly bipartisan, and I compliment Mr. CARPER and his aide, Mr. Tulou, for handling the bill in a commonsense, no nonsense manner.

Mr. Chairman, title I amendments will rectify many concerns about production base vulnerabilities, erosion of the production base, and the growing reliance on foreign producers. The bill requires the President to identify critical components, determine where vulnerabilities exist in the supply system, and rectify those vulnerabilities either by domestic sourcing or switching to a more reliable foreign producer. While previous versions of this legislation unecessarily restricted procurement of critical components to domestic producers only, this bill recognizes that allies and other countries are efficient and reliable producers, and should be allowed to help maintain our first-rate military capability.

This bill also increases the authorization of title III assistance programs to $200 million per year, funds that will provide loans and purchase guarantees needed to support expanded production capability for critical components. The bill modifies language to encourage the production of material that will have both military and civilian uses, ending wherever possible the artificial separation of use. The bill also emphasizes that this assistance be used for material that will remain economically viable long after the assistance has expired. It is our intent that scarce Federal resources be used as wisely as possible.

Our colleagues on the Armed Services Committee expressed reservations about parts of the bill that were in their jurisdiction. I am told now that their most pressing concerns have been negotiated in a satisfactory manner.

The administration has published a statement opposing the bill. Some of their concerns have also been addressed in the leadership amendment. I understand that the administration would like a clean DPA reauthorization; I must say, though, that the bill before us now is quite clean compared to last year's product—it really has come a long way. We have listened to the administration during the process and addressed their most fundamental points. The differences remaining are disagreements between honorable persons, and are not related to budgetary concerns.

Mr. Chairman, I reserve the balance of my time.

Mr. CARPER. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I thank the chairman for yielding to me, and I rise briefly in support of this bill and fundamentally to point out three things.

First, the Defense Production Act was born in 1950 as a result of the Korean war and the Committee on Banking, Finance and Urban Affairs has exercised its jurisdiction very diligently throughout the years, the fundamental purpose being that there should be in our country a defense base to foment, encourage and stimulate those productions of materials that our defense efforts would necessitate.

The main, the important thing about this bill I can summarize by saying, one, the full committee approved it unanimously, so to speak, on July 30 of this year. The only difficulties that have stemmed in getting a permanent or semipermanent amendment to this act since the last Congress was the fact that the Senate appended nongermane amendments. I believe there was some reference to that made by the distinguished minority member of the subcommittee.

The other thing is that there is no budgetary impact from this bill. It is a pay-as-you-go. There is no budgetary impact at all. It is within the budget limitations and agreements.

The fact is that this would extend the act, and it represents a very, very diligent and careful, able leadership of the subcommittee chairman, the gentleman from Delaware [Mr. CARPER], and the ranking minority member of the subcommittee, the gentleman from Pennsylvania [Mr. RIDGE].

Mr. Chairman, I want to compliment them. It is certainly worthy of our support, my colleagues, and I urge that support.

Mr. Chairman, I want to finish by saying that I am very proud of the work of the subcommittee in this respect.

Mr. CARPER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I very much appreciate the opportunity to speak to this legislation. Of course, I have no problem with the reauthorization. I simply take the time to indicate that although I will not be offering an amendment today, the Economic Conversion Act, that is, the Defense Economic Adjustment Act of 1991 is still pending and it is still alive and is under active consideration, and we will in fact be pursuing it.

Mr. Chairman, it is essential, I think, that at a time when the budget of the defense industry is being cut, the Defense Department is being cut back, and tens of thousands, if not hundreds of thousands of Americans who were persuaded, induced to work for the defense sector are being thrown out of work, that in fact the Federal Government undertake to make their plight bearable by providing them an opportunity to continue to use their talents and skills and facilities of the plants in which they worked and to continue to contribute to the rebuilding of America. That is really what the Defense Economic Adjustment Act that I have authored—and we have a great many cosponsors at this point—seeks to do.

Mr. Chairman, it is the second half to this piece of legislation, although it will, of necessity, have to be offered separately. But I think it is high time; there are places in my home State of New York, in Connecticut, Missouri, California, where huge areas are being hurt because of the layoffs. I just think that it is improper for the Congress and the administration not to take note of that.

Mr. CARPER. I thank the gentleman from New York for his comments.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman I rise in support of H.R. 3039, the Defense Production Act Amendments of 1991.

Mr. Chairman, this bill contains matters which also fall under the jurisdiction of the Committee on Energy and Commerce. These include a change to the so-called Exon-Florio amendment to the Defense Production Act having to do with reviews to determine the national security impact of foreign takeovers of American firms. In addition, this bill establishes an offset policy for the United States and requires the Secretary of Commerce to do an annual report on the impact of offset requirements imposed on American manufacturers that sell defense systems to foreign governments.

I want to add my support for the way the bill addresses these issues. Offsets, such as requirements that American manufacturers license their technology to foreign firms in order to sell defense systems abroad, can undermine the competitiveness of U.S. firms. By identifying the extent to which this practice is occurring, the bill will help our Government oppose this practice where it is inappropriate.

I also support the report the bill requires to be submitted to the Congress every 4 years under the authority of the Exon-Florio amendment. This report requires Treasury to identify coordinated strategies of foreign countries or companies to gain control of U.S. firms or industries that are involved in research, development or production of critical technologies for which the United States is a leading producer.

For example, it is no secret that Japanese firms have targeted the American electronics industry for heavy investment. In just the last 3 years since the Exon-Florio amendment was enacted, more than 80 American firms that provide equipment and materials for the semiconductor industry have been brought by foreign firms; more than 60 of these were bought by Japanese companies.

The dangers of foreign control of our country's leading technologies are becoming more and more obvious. Last week, the General Accounting Office issued a report in which they identified a large number of American companies that claim foreign suppliers have intentionally withheld state-of-the-art technology, putting these American companies at a serious competitive disadvantage compared to their foreign counterparts.

Mr. Chairman, I believe the bill we are considering will help thwart foreign efforts to dominate American high technology and American industry. I commend my colleagues on the Banking Committee for the work they have done. I look forward to working with them in the future on legislation to ensure that careful consideration under Exon-Florio is given to all foreign acquisitions involving critical American technologies.

□ 1450

Mr. CARPER. Mr. Chairman, I thank the gentlewoman from Illinois [Mrs. COLLINS] for her remarks. Let me just say, as she suggested, the Committee on Energy and Commerce has a keen interest in her subcommittee, and a particularly keen interest in some of the provisions she has just discussed, particularly as they related to the acquisition by foreign firms of American companies as it may relate to our national security, and we appreciate very much the chance of work with her in the context of this bill.

Mrs. COLLINS of Illinois. Mr. Chairman, let me thank the gentleman from Delaware specifically for the support he has given toward the full working cooperation that we have had together on this, and again we are deeply grateful for it.

Mr. CARPER. I suggest we do it again in 3 years from now. I am not sure we will both be here.

Mrs. COLLINS of Illinois. Let us hope so.

Mr. CARPER. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MAVROULES] with whom we have worked diligently to try to address these concerns.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman from Delaware [Mr. CARPER], and I will be very, very brief.

There were about four or five areas of disagreement. We were able to work it out with the Committee on Banking, Finance and Urban Affairs. I do want to take this opportunity to commend and thank the chairman, the gentleman from Texas [Mr. GONZALEZ], the gentleman from Delaware [Mr. CARPER], and also the gentleman from Minnesota [Mr. VENTO] who cooperated right before the ballgame on Monday evening. We were able to work out an agreement.

Just very briefly, the five areas that we had a concern, that being the Committee on Armed Services, dealt with the best value methodology, the federally funded research and development centers, the offset policies, the FAR amendments and the defense management review. I am delighted to report that we have reached agreement with the Committee on Banking, Finance and Urban Affairs. In my prepared statement, Mr. Chairman, I am a little critical with regard to the turf that I am trying to protect for the Committee on Armed Services, but we will submit that for the RECORD.

I do want to make my position very clear, however, on probably one of the amendments that might be offered, and I think I can speak for the Committee on Armed Services, and I am sure my colleague, the gentleman from South Carolina [Mr. SPENCE], will support me, that, if indeed the gentleman from North Dakota [Mr. DORGAN] were to offer the second amendment requiring that in the industrial base policy commission created by the bill's study the extent to which the geographical dispersement with defense industrial base, and so on, and so on, and so on; if that is offered, then I would stand in opposition to that at the proper time.

Let me thank the Committee on Banking, Finance and Urban Affairs for a job well done. I thank them for their cooperation, and hopefully we can get on with our work.

Mr. Chairman, I rise representing the Committee on Armed Services and in support of an amendment to the bill reported by the Committee on Armed Services. The amendment would amend several sections of the bill as reported by the Banking Committee.

Mr. Chairman, earlier this year the House Committee on Armed Services sought sequential referral of the Defense Production Act. We received sequential referral on Friday, September 20. But we were only given until the next Wednesday to act on this legislation. That's 5 days—2 of which were weekend days.

This forced the committee to deal with the bill very quickly—too quickly. We had no time for hearings or subcommittee consideration. We moved straight to the full committee.

At the same time we opened negotiations with the Banking Committee. Mr. Chairman, personally I find about a dozen provisions of the Banking Committee bill objectionable. I whittled that down to the five most objectionable segments and took those to the Banking Committee. My colleagues on the Armed Services Committee gave me unanimous support in this approach. I am happy to report that the Armed Services Committee and the Banking Committee were able to work this out amicably. The Banking Committee has agreed to changes in all five provisions. The amendment before you frames that agreement. With these changes, I will be able to support the bill in conference.

This process has left some ill feelings among members of the House Armed Services Committee and I feel obligated to air them.

The first problem is the 5-day limit on sequential referral. It is simply inadequate to deal properly with any intricate piece of legislation, and to keep Members fully informed, and to give them a real opportunity for full participation. This time pressure was aggravated by the fact that the 5-day window fell in the middle of our annual conference with the Senate on the National Defense Authorization Act, the fatest piece of legislation to come before this body on an annual basis. There was no need for this rush. The Banking Committee argued that a short period of sequential referral was warranted by the fact that the Defense Production Act was about to expire September 30, at the end of the fiscal year. Mr. Chairman, the DPA expired last year on October 20, in the middle of Operation Desert Shield. We saw Desert Shield and Desert Storm to a successful conclusion without any Defense Production Act on the books. The President invoked section 18 of the Military Selective Service Act of 1940 in order to require private business firms to deliver needed supplies for Desert Storm. The DPA was not renewed until August 17 of this year—more than 6 months after the fighting in the Persian Gulf ended. There was no pressing need to act before September 30 of this year—and indeed we are not acting before September 30.

Now let me turn to the bill itself. The Defense Production Act was first enacted in 1950 at the start of the Korean conflict. The Government had the power to order businesses to turn their production over to the military. As I just mentioned, that was contained in the 1940 Selective Service Act. But that left businesses with a potential problem. Let's say a steel firm diverted all its steel plate to the Army under orders. Another manufacturing firm with a contract to receive that steel could sue the steel firm for nonfulfillment of the contract. The DPA was written by the Banking Committee to protect firms from such suits during the Korean war.

The Committee on Armed Services never had any dispute over that. Such an issue is appropriately within the bounds of the Banking Committee—although I suppose the Energy and Commerce Committee could lay claim to part of that turf.

In recent years, however, the Banking Committee has progressively extended the Defense Production Act into other policy realms. Chiefly, the bill has been used as a vehicle for buy American legislation. Last year, however, the Banking Committee moved even further and sought to enter the realm of defense industrial base issues—an area the Committee on Armed Services has been involved with for decades. At that point, the Committee on Armed Services objected. This led directly to the decision last month to refer the DPA sequentially to the Committee on Armed Services for the first time in its 41-year history. This year's DPA amendments involve buy America issues, defense industrial base issues and even defense contracting laws and regulations.

There are several provisions of the Banking Committee bill with which the Committee on Armed Services has major problems. They fall roughly into two categories—one process and the other substance. Let me summarize them without listing each and every individual point. A description and explanation of each point in contention will be found in the report of the Armed Services Committee on this bill.

First, with regard to process, there are provisions that amount to an outright raid on the jurisdiction of the Armed Services Committee. For example, there is a provision that relates to the use of so-called offsets in foreign military sales. A few years ago, the Defense Authorization Act directed the President to formulate offset policies within some guidelines laid out in the law. The Committee on Armed Services has been following those policies and has been satisfied to date. The Banking Committee bill would codify the existing policies. There's no change in the policy, but the policy would become part of the Defense Production Act—thus deftly shifting jurisdiction away from the Armed Services Committee and into the Banking Committee since any change to those policies would require an amendment to the Defense Production Act.

The second problem relates to substance. While the bill would make no substantive change in offset policies, it does change long-established practices in other areas. For example, take the Competition in Contracting Act, known as CICA. That act emerged in 1984 from the work of several committees. The lead committee was Government Operations. Armed Services and Small Business and others participated in the process—and have participated in the updates and refinements passed since then. One provision of CICA provides that the concept of best value should be the key element in contracting. The Banking Committee was not involved in these deliberations for the simple reason that acquisition policy does not fall within its jurisdiction. Suddenly, this year a bill emerges from Banking that specifies a particular methodology for calculating best value. This methodology is new. And this methodology conflicts with CICA as drafted and reviewed by several other committees over the last decade. Mr. Chairman, the Armed Services Committee does not agree with these proposed changes and opposes them.

Mr. Chairman, that outlines the problems the Committee on Armed Services finds with this bill and the way it has been referred to us. They are major complaints. Needless to say, the Armed Services Committee now plans to watch the progress of the Defense Production Act each year with a hawkeye. I certainly hope that this dispute over referral time, over jurisdiction, and over the substance of legislation will not be repeated.

Certainly, I am happy to report that once we went to the Banking Committee last week, we received a fair hearing. As I mentioned, given the time, we reduced our list of objections from a dozen to five key provisions. The Banking Committee understood our concerns and listened to our complaints. I would like to thank Chairman GONZALEZ, as well as TOM CARPER, the chairman of the subcommittee, and the members and staff of the Banking Committee for dealing expeditiously with the concerns of the Armed Services Committee and being generous with their time. For example, BRUCE VENTO and I worked out some compromise language on the last provision just before Monday night's football game. The short referral period put the Banking Committee under the gun as well, but they responded speedily and courteously. They have agreed to the amendments proposed by the Committee on Armed Services. I am happy that we can now put this tiff to bed and that we can come before the House with a unified and agreed position of the two committees, which I urge the House to support.

Mr. CARPER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, there are a couple of sections of the bill to which I am offering amendments. The first amendment deals with the language in the bill in title I, section 108, where the President shall give preference to small businesses for contractors and subcontractors under the bill. I think that is very good language. I commend the committee.

My first amendment would modify that a bit, however, and it would say in addition to that that the President shall also give preference to those small business contractors and subcontractors in areas of high unemployment and continuing economic decline. So, the President would have that right and option if he would prefer to give preference to those companies located in those high-unemployment and high-impacted areas where they have continued to see unemployment figures for years.

The second one deals with the new defense procurement fund, and it simply states that any employee or individual involved in the oversight of that fund would be subject to disclosure of personal finances consistent with financial disclosure laws for every other Federal employee. In addition to that, it goes also a step further, that an employee having oversight, or management, or responsibility of that fund would also have to certify each year that they have no conflict of interest with that particular assignment, and, if there is a situation that is perceived to be a conflict, that they give details of that subject according to Federal conflict of interest laws.

Mr. Chairman, I am glad to have the support of the chairman of the Committee on Banking, Finance and Urban Affairs, and I would hope that the committees would find favor with those two amendments.

The last amendment is simply a buy-American amendment insofar as it reminds everybody that we do have a Buy-American Act of 1933 and that this bill is subject to such Act, except for one other thing it has: a fraudulent labeling provision to it which states that, if anybody has a contract subject to the buy-American law that has been in existence, and if they are going to put "Made in America" on it, it should be made in America or they can lose their production rights as a contractor under this particular bill.

Mr. Chairman, these amendments are not earth shaking. I think they are reasonable policies of, not only procurement, but the granting of contracts to those areas that have faced this unemployment, and the President can give them preference. And let me say this: Those high-unemployment areas will be defined by the Secretary of Labor consistent with past formulas and definitions that have been made in the Congress.

So, with that I appreciate and would appreciate my colleagues' support. I appreciate this time, and I am hoping that the Defense Subcommittee will also find favor with the amendments.

Mr. PAXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have examined the amendments, and we are pleased to accept the amendments, all three offered by the gentleman from Ohio [Mr. TRAFICANT].

Mr. CARPER. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEVINE] for a colloquy.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman from Delaware [Mr. CARPER], my friend, for yielding. I would like to congratulate my colleagues and friends, the gentlemen from Delaware [Mr. CARPER], and the gentleman from Pennsylvania [Mr. RIDGE] who is not here at the moment, but who has played such a key role in the crafting of this legislation, for their efforts in putting together an outstanding piece of legislation. The Defense Production Act is one of the linchpins in our national security system. As we all saw in the gulf war, with military technology becoming ever more sophisticated, we must have confidence in our domestic production capacity and industrial based strength. This preparedness can save many precious American lives and did so in the gulf.

Mr. Chairman, a few months ago I introduce legislation to strengthen the Exon-Florio provisions of the Defense Production Act which are a key part of protecting our industrial base.

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While today's Defense Production Act will not be the vehicle for any broader changes to Exon-Florio, I would urge the House to take this issue up soon. Our economic and national security is too often threatened by foreign takeovers of American firms critical to our future.

I have, however, discussed with the gentleman from Delaware [Mr. CARPER] the possibility of working in conference on this act to carve out a small loan program, perhaps in the neighborhood of some $10 million, to give temporary assistance to companies whose foreign acquisition has been blocked by CFIUS, or to provide purchasing incentives to other U.S. firms to maintain U.S. ownership.

Such loans were endorsed, as the gentleman knows, by a prestigious panel of policy, finance, and manufacturing experts in a June 1990 Defense Science Board report. In their eyes, and in mine, helping to maintain the economic viability and U.S. ownership of firms which have a clear national security value is a logical extension of the $200 million loan program for domestic production capacity already authorized in today's bill.

I want to thank the gentleman from Delaware [Mr. CARPER] for his efforts on today's legislation, and I look forward to working with him and the gentleman from Pennsylvania [Mr. RIDGE] on the development of this important loan initiative.

Mr. CARPER. Mr. Chairman, if the gentleman will yield, let me just say to my friend, the gentleman from California [Mr. LEVINE] that I think he has put his finger on an issue that is important and that is germane to the legislation. Although we are not considering an amendment that relates to it at this time, once we do get to the conference with the Senate, which I hope will begin as early as next week, we will be fully willing to set down, at least on our side, and find out fully what the gentleman has in mind, and we will try to do our best to work with him and to address his concerns.

Mr. LEVINE of California. Mr. Chairman, I look forward to working with the gentleman from Delaware on it, I appreciate his leadership, and I thank him for his help.

Mr. VENTO. Mr. Chairman, I rise in support of H.R. 3039, the Defense Production Act Amendments of 1991. I want to commend the chairman of the Banking Subcommittee on Economic Stabilization, Mr. CARPER, and his staff and subcommittee chairman NICK MAVROULES and his good staff for their hard work in moving this legislation forward in spite of the numerous jurisdictional claims over the past weeks which threatened to further delay the consideration of this important legislation.

H.R. 3039 reauthorizes the Defense Production Act for 3 years and amends the act to strengthen domestic defense production capabilities and to upgrade information on the Nation's defense production base. The bill also requires the President to identify critical components of weapon systems to determine where any vulnerabilities in the supply of these components exists H.R. 3039 also requires the development of an information base which will highlight foreign sources and production vulnerabilities to assist us in strengthening the domestic defense production base.

The bill increases the authorization for title III assistance programs to $200 million per year over each of the next 3 years to assist in the development of domestic production capabilities. While I applaud this additional assistance, I'm sure that my colleagues would agree that we should be doing more to prevent the further erosion and loss of our defense industrial base so that we don't have to spend money making up for what we have lost. Offsets in military sales have contributed, in my view and many others, to the erosion and loss of our defense industrial base.

Section 123 of the bill includes an important declaration of offset policy by the Congress. This provision, which is identical to the offset policy was required of the administration by virtue of law, President Bush of April 16, 1990, states that "certain offsets for military exports are economically inefficient and market distorting." Because of this fact, the policy declares that "no agency of the U.S. Government shall encourage, enter directly into, or commit U.S. firms to any offset arrangement in connection with the sale of defense goods or services to foreign governments."

It has been established in recent years that while some offset agreements work to the advantage of the prime contractors, those same agreements often work to the disadvantage of the all important subcontractors who see that work go to foreign countries rather than to American business and American workers. Section 123 expresses Congress' preference that agencies of the U.S. Government should not be directly involved in promoting offset agreements with foreign governments.

On some rare occasion, if there is a legitimate national security interest at stake which must be addressed through direct Federal involvement in an offset arrangement, the bill provides for an exception to the policy based upon the recommendation of the National Security Council.

Mr. Chairman, I am also concerned about offsets in military sales because these agreements hasten technology transfers from the United States to foreign nations, including some of our staunchest competitors in the international marketplace. The FSX deal between the United States and Japan was a prime example of the United States Government actively promoting a coproduction arrangement which provided the Japanese with important access to United States aerospace technology involving resins and composites. Such technology transfers may hasten the day when Japan not only builds jet fighters to compete with the products of Grumman and General Dynamics, but also commercial air transports to compete against the products manufactured by Boeing and McDonnell-Douglas.

By legislating congressional policy on offsets as this legislation does, Congress reinforces the President's stated policy and also assures itself a role in future modifications of offset policy.

I hope that my colleagues will join me in supporting this important legislation.

Mr. HOAGLAND. Mr. Chairman, I urge my colleagues to support this extension of Defense Production Act authority for another 3 years. This law is the primary tool for promoting the development and availability of strategic materials and technologies, the stockpiling of key goods not necessarily available from domestic suppliers, and ensuring supplies by giving the military primary access to strategic goods during times of national emergency.

The Defense Production Act contains what are known as the Exon-Florio provisions which give the President the authority to review the national security implications of proposed foreign acquisitions, mergers, and takeovers of U.S. companies, and if necessary, stop the merger or takeover. I believe that the national security review process is too important to be allowed to lapse periodically. It creates confusion in the business community, if they feel an acquisition may be retroactively reviewed and potentially undone. Allowing the takeover provisions to expire leaves the business community questioning what the rules are.

During the Banking Committee markup of H.R. 3039 this past July, I successfully offered an amendment exempting from termination the so-called Exon-Florio provisions, which are in section 721 of the Defense Production Act. The following week the House passed H.R. 991, the short term DPA extension, which contained an identical amendment that had been offered by the subcommittee chairman, TOM CARPER, exempting Exon-Florio from termination. I am pleased that the committee has recognized the need for a permanent extension in both bills.

I want to commend Congressmen CARPER and RIDGE for their efforts to preserve and extend this important law. As stated before, I would like to commend our senior Senator from Nebraska, Mr. EXON, for having the leadership and foresight to have drafted and had enacted the original Exon-Florio provisions.

Ms. OAKAR. Mr. Chairman, I rise in strong support of the Banking Committee's bill (H.R. 3039), to extend and revise the Defense Production Act [DPA].

The record should reflect that the gentleman from Delaware [Mr. CARPER] has done a very able job in crafting the pending bill and in reconciling the interests of the various committees having an interest in the defense industrial base so that H.R. 3039 can be considered on the floor. Likewise, the record should reflect the active interest of the membership of the Subcommittee on Economic Stabilization and the support and contributions made by the ranking minority Member Mr. RIDGE.

LEGISLATIVE HISTORY

As the House is aware, DPA is familiar terrain. Last year, we passed three extensions of DPA, the subcommittee's 1990 reauthorization bill, the conference report, and two amendatory concurrent resolutions on the bill. As chairman of the subcommittee from 1986 to 1990, I am proud to recall that House consideration last year was a solid bipartisan effort to strengthen the Nation's defense industrial base to support our Armed Forces, which were then in the field in the Middle East. The vote to report the bill from the Banking Committee was 38 to 9 and the vote on passage of H.R. 486 was 295 to 119. The conference report passed by voice vote.

Unfortunately, a small group of Republican Senators and the Defense Department blocked consideration of the conference report on DPA in the Senate on the last night of the 101st Congress.

As a result, the war with Iraq, Operation Desert Storm, was fought while the DPA was not in effect. To attempt to fill the GAP, an Executive order was promulgated that purported to create some of the key authorities of the DPA. It is important to note that information reaching the Subcommittee on Economic Stabilization during the period when DPA had lapsed was that its various authorities were sorely missed.

During peacetime, DPA authorities for priority production, essential research, and management of mobilization are used an average of once every working day. During wartime, these authorities are even more important.

THE PROBLEM CONCEALED BY THE SUCCESS OF DESERT STORM

Mr. Chairman, our judgment about the importance of DPA was confirmed this week by another in the useful series of reports by the Air Force Association on the defense industrial base entitled "Lifeline Adrift." The Air Force Association observes that Desert Storm was fought with a stock of weapons and munitions that had been built up in the context of superpower tensions. However, even with this strong provision, the Air Force Association found that: "thin spots were beginning to appear before—hostilities—ended 2 months later."

Corroborating this condition were press reports that: "On nearly 30 occasions, the Bush administration needed help from foreign governments to get delivery of crucial parts for the war effort"—"U.S. relied on foreign-made parts for weapons," Washington Post, March 25, 1991.

The Air Force Association report further notes that the defense industrial base that produced the materiel for Operation Desert Storm "no longer exists." The September report finds that many defense contractors, particularly subcontractors and suppliers of components are moving from defense production to the more profitable and less adversarial commercial market—report, loc. cit., summary, page i.

The report also tabulates that the six largest defense contractors will, by the end of 1991, have cut back 50,000 workers over the past 5 years, paring down the critical personnel skill base of the defense industrial base.

The report cites many examples of critical components and systems, such as radars, aircraft engines, optical devices, and bearings, that have only 1 or 2 suppliers in this country—report, loc. cit., page 6. If the build-down of the Armed Forces of 25 percent that is projected over the next 5 years proceeds as scheduled, this attrition will be compounded.

The bottom line for the association and the country is that "serious questions exist about how well the defense industrial base—reduced to a level that cannot yet be predicted, its production lines cold, its work force dispersed, and its talents diversified into other pursuits—will be able to mobilize and respond."

The problem of future national security is that it only takes a few willful men, or in several well known cases, one willful man at the head of a government, to ignite a major regional conflict in which the United States or its allies or friends could be embroiled.

I want this House to mark my words. Since 1956, there have been six crisis situations in the Middle East. That is one every six years. Chances are that there will be another crisis in that region or in another region for which the United States must be prepared.

NECESSITY FOR STRONG ACTION ON DPA

Accordingly, this House and the Congress must provide for strong and clear-headed management of the defense industrial base in the years ahead.

I agree with the Air Force Association, that we cannot let our defense capabilities drift with market forces. This country is the anchor of world stability and it has responsibilities that transcend drifting with the market in matters of national security.

For these reasons, I believe we need to assure integration of defense doctrine with defense production; we need to assure the availability of qualified contractors and subcontractors; we must make sure that our worker skill base is maintained and enhanced; we must make sure that research is supported and linked to our outstanding military and civilian needs; and we should develop the very best information systems to help us find production bottlenecks and manage mobilization capabilities.

We must also make provision for adequate energy sources for the defense industrial base in times of emergency. The military gets all the energy it needs under DPA, but there is no comparable provision for civilian facilities that supply the military. It is wise for Congress to address this situation, so industry could be scrambling around at the next crisis, paying the price for not addressing it. In H.R. 486, we included a provision for assessing the prospects of utilizing renewable and alternative sources of fuel to maintain industrial capabilities in times of threat. The amendment by the gentleman from North Dakota [Mr. DORGAN] goes part way toward achieving the result of the Oakar provision that was deleted for the bill, and I favor moving toward achieving the potential of such energy sources. I urge that all of the committees concerned cooperate so that, together, we "provide for the common defense" of this country.

SUMMARY

For all of these reasons, I strongly support the pending bill to reauthorize the Defense Production Act, and urge all of my colleagues to do likewise.

Mr. DORGAN of North Dakota. Mr. Chairman, the purpose of the Defense Production Act Amendments (H.R. 3039) is to undergird and shape the Nation's defense industrial base. The purpose of the amendment I will offer is to advance that same goal by providing additional policy guidance on three goals of the bill itself: First, increasing energy independence; second, dispersing the defense industrial base; and third, improving the reliability of contracting for critical production.

These amendments have been cleared by the Parliamentarian as being germane to the bill and have been accepted by Chairman TOM CARPER, the chairman of the Banking Subcommittee with jurisdiction over the bill. I also understand that the ranking minority member, Mr. RIDGE, has no objections. All three subject areas in each amendment are part of current law and have enjoyed bipartisan and bicameral support. I believe they should be noncontroversial.

Let me also state that all three provisions are permissive. They do not bind the Defense Department or its contractors. The language in each case is that the goal should be met "to the maximum extent possible."

I. INCREASE ENERGY INDEPENDENCE THROUGH CONSERVATION AND RENEWABLE FUELS USE

The recent war in the Persian Gulf again illustrated our overdependence on imported fuels. Our net trade deficit on oil and oil products has increased from $38 billion in 1987 to $55 billion in 1990. In recent years, we have been asleep at the switch and comforted by low energy prices. This has created a false sense of security and devastated our own domestic energy industry.

I simply make the point that the goal of this bill to strengthen energy independence should include conservation measures and the use of renewable fuels such as ethanol. I also believe that expanded use of conservation and renewable fuels should be adopted as part of our overall energy policy—not just as measures in this bill.

Current law already requires the Defense Department to purchase ethanol when available at competitive prices. A pending amendment to the Defense authorization bill from both bodies would also require that DOD increase its purchases of ethanol as the purchasing agent for other Federal agencies and justify exemptions to its own purchase of ethanol. (House section 815 and Senate amendment 961 do this.)

This proposal represents a sound way to save energy and to reduce our dependence on foreign oil. It thereby strengthens our defense industrial base and properly falls within the purview of this bill. Concomitant benefits will also flow to family farmers in the form of increased incomes from the sale of commodities for ethanol production.

II. ENCOURAGE THE DISPERSAL OF THE DEFENSE INDUSTRIAL BASE

The Defense Production Act of 1950 has mandated for over 40 years that our defense production base should be spread out. The act further specifies that procurement of goods and services should also be dispersed.

However, our defense base has become more concentrated—not less. A few areas of the country dominate defense production—despite the law's mandate. Economically depressed rural areas like North Dakota have garnered few benefits from the big defense buildup of the 1980's. I think all depressed areas should be able to benefit from defense production.

Consistent with the bill, my amendment seeks only to recommend how this dispersal should occur. Instead of helping the already prosperous regions, it directs that to the maximum extent possible dispersal should seek to include economically depressed areas. This does not preclude other measures to deal with distressed areas such as technical assistance centers authorized by the Defense authorization bill, although this is a very modest program. It only sets a policy framework for this bill.

My amendment would assist any depressed area, although it points to the obvious ones: cities with high unemployment and poverty rates, rural counties with population and job loss, and Indian reservations with severe health and employment problems. It seems fair to me that the Federal Government has a responsibility to help the areas suffering from the recession or chronic economic problems, rather than to enrich those already prospering.

Again, amendments to the 1986 and 1987 Defense Authorization Act have sought to encourage geographic dispersal. For example, section 963 of Public Law 99–661 required a report on efforts to disperse defense contracts. The same law in section 962 endorsed a memorandum of understanding between DOD and SBA to increase contracts with Indian businesses. Public Law 101–189 also gives special credit for subcontracting with Indian firms on reservations.

I might mention that this makes good sense for the defense base. One of the Indian firms in North Dakota, Turtle Mountain Manufacturing Corp., for example, received an outstanding performance award for its manufacture of water carriers for Desert Storm. A rural firm, Lucas Western, is one of few in the Nation to produce parts which are shipped to another plant for assembly without having to undergo further quality control at the assembly point.

III. AWARD CONTRACTS UNDER DPA TO FIRMS NOT CONVICTED OF FRAUD

This is another commonsense effort to say we should avoid doing business with crooks. Firms with criminal records are not as reliable and dependable as those with ethical business practices. When court actions disrupt management and producton it means that the supply of critical materials can also become uncertain. So my amendment seeks to make this principle our policy under the DPA.

Again, there is a major problem with contract fraud. Many defense firms have been convicted of criminal activity and DOD has seen fit to award some of these firms with new contracts. Unless national security is imperiled, we simply shouldn't do business like that.

As with the other provisions, the language is permissive: "To the maximum extent possible * * *." So there is some flexibility here for DOD and contractors.

Current law already prevents DOD from doing business with individuals convicted of defense fraud. This results from provisions in the Defense Authorization Act for 1986—sections 954 and 932 of Public Law 99–145. Section 932 was later modified in section 941 of Public Law 99–591. The General Accounting Office has confirmed to me that this provision works.

In summary, I urge support for the three provisions in the Dorgan amendment which will help to strengthen our defense preparedness by increasing domestic energy supplies, by dispersing the defense industrial base, and by improving the reliability and performance of defense contractors. Each provision pertains specifically to this bill, although I have shown that there are parallel provisions in other bills. Each part of the amendment spells out a new policy provision, but also allows sufficient flexibility to meet our national defense production needs.

These are commonsense measures that should enjoy unanimous support. I urge the adoption of the Dorgan policy amendment.

Mr. PAXON. Mr. Chairman, I have no further requests for time.

Mr. CARPER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Banking, Finance, and Urban Affairs, now printed in the reported bill is considered as an original bill for the purpose of amendment and each title is considered as read.

In lieu of the amendments recommended by the Committee on Armed Services now printed in the reported bill, it shall be in order to consider amendments en bloc printed in House Report 102-230, if offered by the gentleman from Texas [Mr. GONZALEZ] or his designee.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Defense Production Act Amendments of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—AMENDMENTS TO THE DEFENSE PRODUCTION ACT OF 1950

PART A—DECLARATION OF POLICY

Sec. 101. Declaration of policy.

PART B—AMENDMENTS TO TITLE I OF THE DEFENSE PRODUCTION ACT

Sec. 111. Strengthening of domestic capability and assistance for small businesses.
Sec. 112. Limitation on actions without congressional authorization.

PART C—AMENDMENTS TO TITLE III OF THE DEFENSE PRODUCTION ACT

Sec. 121. Expanding the reach of existing authorities under title III.
Sec. 122. Defense Production Act Fund.
Sec. 123. Offset policy.
Sec. 124. Annual report on impact of offsets.
Sec. 125. Civil-military integration.
Sec. 126. Testing, qualification, and incorporation of materials for use for weapon systems and development programs.

PART D—AMENDMENTS TO TITLE VII OF THE DEFENSE PRODUCTION ACT

Sec. 131. Small business.
Sec. 132. Definitions.
Sec. 133. Regulations and orders.
Sec. 134. Information on the defense industrial base.
Sec. 135. Public participation in rulemaking.

PART E—TECHNICAL AMENDMENTS

Sec. 141. Technical correction.
Sec. 142. Investigations; records; reports; subpoenas.
Sec. 143. Employment of personnel.
Sec. 144. Technical correction.

PART F—REPEALERS AND CONFORMING AMENDMENTS

Sec. 151. Synthetic fuel action.
Sec. 152. Repeal of interest payment provisions.
Sec. 153. Joint Committee on Defense Production.
Sec. 154. Persons disqualified for employment.
Sec. 155. Feasibility study on uniform cost accounting standards; report submitted.
Sec. 156. National Commission on Supplies and Shortages.

PART G—REAUTHORIZATION OF SELECTED PROVISIONS

Sec. 161. Authorization of appropriations.
Sec. 162. Extension of program.
Sec. 163. Quadrennial report.

TITLE II—ADDITIONAL PROVISIONS TO IMPROVE INDUSTRIAL PREPAREDNESS

PART A—ENCOURAGING IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE

Sec. 201. Recognition of modernized production systems and equipment in contract award and administration.
Sec. 202. Sustaining investment.

PART B—MISCELLANEOUS

Sec. 211. Discouraging unfair trade practices.
Sec. 212. Evaluation of domestic defense industrial base policy.

TITLE III—AMENDMENT TO RELATED LAWS

Sec. 301. Energy security.

TITLE IV—EFFECTIVE DATES

Sec. 401. Effective dates.

PARLIAMENTARY INQUIRY

Mr. CARPER. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CARPER. Mr. Chairman, I do have en bloc amendments that I want to offer at some time so that we will be able to discuss them and vote on them. Is this the appropriate time to make that request?

The CHAIRMAN. This is the appropriate time.

AMENDMENTS EN BLOC OFFERED BY MR. CARPER

Mr. CARPER. Mr. Chairman, pursuant to the rule, I offer amendments en bloc.

The Clerk read as follows:

Amendments en bloc offered by Mr. CARPER: In section 2 of the Defense Production Act of 1950, as proposed to be amended by section 101, strike subsection (d).

In section 107(b)(1) of the Defense Production Act of 1950, as proposed to be amended by section 111—

(1) strike "or authorities' and insert "and authorities"; and

(2) strike "provision of law" and insert "provision of statute".

In section 107(b)(4) of the Defense Production Act of 1950, as proposed to be amended by section 111, insert "similar" after "other". Amend section 123 to read as follows:

SEC. 123. DECLARATION OF OFFSET POLICY.

(a) IN GENERAL.—Recognizing that certain offsets for military exports are economically inefficient and market distorting, and mindful of the need to minimize the adverse effects of offsets in military exports while ensuring that the ability of United States firms to compete for military export sales is not undermined, it is the policy of the Congress that—

(1) no agency of the United States Government shall encourage, enter directly into, or commit United States firms to any offset arrangement in connection with the sale of defense goods or services to foreign governments;

(2) United States Government funds shall not be used to finance offsets in security assistance transactions except in accordance with policies and procedures that were in existence as of September 30, 1991.

(3) nothing in this section shall prevent agencies of the United States Government from fulfilling obligations incurred through international agreements entered into before September 30, 1991; and

(4) the decision whether to engage in offsets, and the responsibility for negotiating and implementing offset arrangements, resides with the companies involved.

(b) PRESIDENTIAL APPROVAL OF EXCEPTIONS.—It is the policy of the Congress that the President may approve an exception to the policy stated by subsection (a) after receiving the recommendation of the National Security Council.

(c) CONSULTATION.—It is the policy of the Congress that the President shall designate the Secretary of Defense, in coordination with the Secretary of State, to lead an interagency team to consult with foreign nations on limiting the adverse effects of offsets in defense procurement. The President shall transmit an annual report on the results of these consultations to the Congress as part of the report required under section 309(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2099(a)).

Amend section 133 to read as follows:

SEC. 133. REGULATIONS AND ORDERS.

Section 704 of the Defense Production Act of 1950 (50 U.S.C. App. 2154) is amended to read as follows:

"SEC. 704. REGULATIONS AND ORDERS.

"(a) IN GENERAL.—Subject to section 709 and subsection (b), the President may prescribe such regulations and issue such orders as the President may determine to be appropriate to carry out the provisions of this Act.

"(b) LIMITATIONS.—The President may not prescribe any regulation, or issue any order, to carry out the provisions of this Act that is inconsistent with or conflicts with the Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act.".

Strike section 201.

Strike section 202.

Redesignate section 211 as section 201.

Redesignate section 212 as section 202 and in subsection (b)(3) of this section strike the second sentence.

Strike the headings for parts A and B of title II.

In section 301, strike subsections (a) and (b) and strike "(c) GEOTHERMAL ENERGY PROGRAM.—".

Amend title IV to read as follows:

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

This Act shall take effect on September 30, 1991.

Conform the table of contents in section 1(b).

Mr. CARPER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment en bloc be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. CARPER. Mr. Chairman, this amendment represents the culmination of many hours work with members and staff of the Energy and Commerce, Armed Services, and Government Operation Committees. It is an amendment which encompasses several suggested improvements in this legislation, and I would would like to thank the members of those three committees and their staff for their cooperation.

Though some of these changes are not really technical in nature, I know of no controversy with them and know of no opposition. They are the product of considerable negotiations, and represent the shared consensus of the Banking Committee and the other committees involved.

This en bloc amendment would, very briefly, do the following:

First, strike provisions in the declaration of purpose dealing with "best value" procurement and defense-related professional and technical services;

Second, strike sections in the bill which would require amendments to the Federal acquisition regulations and which relate directly to acquisition and procurement policy;

Third, clarify that measures taken by the Secretary of Defense to ensure that the availability of reliable sources of critical weapon system components are similar to measures authorized by the new DPA section 107 created the bill, and that such actions be taken in conjunction with existing authorities in title 10 of the United States Code;

Fourth, drop reporting requirements dealing with projected capacity and potential prospects for the use of alternative and renewable sources of energy for defense mobilization and industrial preparedness;

Fifth, clarify that any regulations developed to carry out the provisions of this act be consistent with the Federal acquisition regulation;

Sixth, strike a provision of the bill which would require that acquisition policies mandated by this act be incorporated as part of the Federal acquisition regulation within 270 days. Given other changes made in this amendment, this provision is no longer necessary; and,

Seventh, modify the offset policy provision of the bill to make it a freestanding statement of congressional policy that the Federal Government should not engage directly in offset arrangement made in connection with sale of defense goods or services to foreign governments.

Mr. Chairman, this is a amendment crafted in cooperation with the various House committees that share an interest in maintaining a strong defense production base. I encourage its adoption.

Mr. SPENCE. Mr. Chairman, I rise in support of the amendments en bloc.

Mr. Chairman, I rise to express the support of the House Armed Services Committee minority for the committee-endorsed amendment being offered by the gentleman from Delaware.

This amendment incorporates the amendments to the Defense production bill that the Armed Services Committee reported out unanimously last week making corrections in a number of important policy areas.

I also would point out that, although this amendment has our support, it only addresses a handful of the items in H.R. 3039 that the Armed Services Committee objects to. We hope that these remaining issues can be revisited in conference and that our concerns in areas of our legitimate jurisdiction can be better accommodated in the future. Both the administration and the Department of Defense have expressed their concern and opposition to certain provisions of H.R. 3039, some of which are addressed by this amendment, but some which are not, and will require another close look down the road.

Mr. Chairman, during general leave I will ask unanimous consent to have the statement of administration policy on H.R. 3039 and a letter from the Department of Defense General Counsel Terrence O'Donnell inserted into the RECORD at the end of my statement outlining the various provisions to which they object.

STATEMENT OF ADMINISTRATION POLICY

The Administration opposes H.R. 3039 and urges the House to enact a simple extension of the existing authorities of the Defense Production Act of 1950 (DPA) until September 30, 1994, in lieu of H.R. 3039.

Specifically, the Administration opposes the following provisions of H.R. 3039:

Section 111, which would include the Secretary of Commerce and the Administrator of the Small Business Administration in determining which contractor may receive loans, loan guarantees, and purchase agreements for defense contracts. The Secretary of Defense can best determine which contractors should receive such assistance.

Section 122, which would establish a cap of $400 million for the Defense Production Act Fund. The $400 million cap is excessive; a $250 million cap has long been recognized as sufficient.

Section 123, which would statutorily establish a policy concerning "offset" arrangements in military exports. (U.S. exporters may enter into reciprocal agreements to purchase certain goods and services from or provide other services for the country purchasing U.S. military goods and services, thereby "offsetting" the cost of the original export.) The section would also mandate specific diplomatic initiatives to reduce the effects of offsets. These requirements would inadvisably restrict Federal policy and interfere with the President's exercise of his constitutional authority to conduct foreign affairs.

Section 124, which would require (1) U.S. industry to report immediately offset agreements with foreign entities and (2) the Secretary of Commerce, rather than the President, to prepare an annual offset report for Congress. Section 124 would also require the Secretary to disclose alternative findings or recommendations, made within the government, on offsets. The real-time reporting by U.S. industry would be burdensome and unnecessary. A statutory requirement to disclose internal Executive branch findings and recommendations would infringe upon the President's constitutional authority to maintain the confidentiality of Executive branch deliberations.

Section 126, which would require the utilization of certain materials in existing and future weapon systems. This requirement may require the redesign of, or lowered specifications for, existing or future weapon systems to accommodate these materials. This would raise the costs and lower the performance of the weapon systems or make weapon systems procurement and support more vulnerable to particular suppliers.

Section 134, which would require the establishment and maintenance of a defense industrial base information system. Such an information system would be an enormous undertaking and impose a considerable reporting burden on the government and the companies involved.

Section 163, which would require a report on the review of the foreign acquisition of U.S. companies involved in critical technologies that would be burdensome and of questionable value.

Sections 201 and 202, which would require the Department of Defense to consider providing full reimbursement of defense contractors' independent research and development/bid and proposal costs. Such reimbursement would unnecessarily increase Defense Department contract costs by up to $1 billion annually by 1996.

Section 211, which would amend the Code of Federal Regulations to specify the circumstances under which a contractor may be suspended or debarred. Such an amendment would duplicate existing procedures and would result in a misplaced emphasis on violations rather than contractor responsibilities.

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, DC, September 25, 1991.

Hon. LES ASPIN,
Chairman, Committee on Armed Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request to provide our position on H.R. 3039, "Defense Production Act (DPA) Amendments of 1991."

Enclosed is a listing of the objectionable provisions in this bill.

Sincerely,

TERRENCE O'DONNELL.

LISTING OF OBJECTIONABLE PROVISIONS NOW IN H.R. 3039

Section 108, which would include the Secretary of Commerce and the Administrator of the Small Business Administration in determining which contractor may receive loans, loan guarantees, and purchase agreements for defense contracts. The Secretary of Defense can best determine which contractors should receive such assistance.

Section 122, which would establish a cap of $400 million for the Defense Production Act Fund. The $400 million cap is excessive; a $250 million cap has long been recognized as sufficient.

Section 123, which would statutorily establish a policy concerning "offset" arrangements in military exports. (U.S. exporters may enter into reciprocal agreements to purchase certain goods and services from or provide other services for the country purchasing U.S. military goods and services, thereby "offsetting" the cost of the original export.) The section would also mandate specific diplomatic initiatives to reduce the effects of offsets. These requirements would inadvisably restrict Federal policy and interfere with the President's exercise of his constitutional authority to conduct foreign affairs.

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Section 125, which would require the utilization of certain materials in existing and future weapon systems. This requirement may require the redesign of, or lowered specifications for, existing or future weapon systems to accommodate these materials. This would raise the costs and lower the performance of the weapon systems or make weapons systems procurement and support more vulnerable to particular suppliers.

Section 135, which would require the establishment and maintenance of a defense industrial base information system. Such an information system would be an enormous undertaking an impose a considerable reporting burden on the government and the companies involved.

Section 201 and 202, which would require the Department of Defense to consider providing full reimbursement of defense contractors' independent research and development/bid and proposal costs. Such reimbursement would unnecessarily increase Defense Department contract costs by up to $1 billion annually by 1996.

Section 211, which would amend the Code of Federal Regulations to specify the circumstances under which a contractor may be suspended or debarred. Such an amendment would duplicate existing procedures and would result in a misplaced emphasis on violations rather than contractor responsibilities.

Section 402, which would require a report on the review of the foreign acquisition of U.S. companies involved in critical technologies that would be burdensome and of questionable value.

The CHAIRMAN. The question is on the amendments en block offered by the gentleman from Delaware [Mr. CARPER].

The amendments en bloc were agreed to.

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—AMENDMENTS TO THE DEFENSE PRODUCTION ACT OF 1950

PART A—DECLARATION OF POLICY

SEC. 101. DECLARATION OF POLICY.

Section 2 of the Defense Production Act of 1950 (50 U.S.C. App. 2062) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"(a)(1) The vitality of the industrial and technology base of the United States is a foundation of national security. It provides the industrial and technological capabilities employed to meet national defense requirements, in peacetime and in time of national emergency. In peacetime, the health of the industrial and technological base contributes to the technological superiority of our defense equipment, which is a cornerstone of our national security strategy, and the efficiency with which defense equipment is developed and produced. In times of crisis, a healthy industrial base will be able to effectively provide the graduated response needed to effectively meet the demands of the emergency.

"(2) To meet these requirements, this Act affords to the President an array of authorities to shape defense preparedness programs and to take appropriate steps to maintain and enhance the defense industrial and technological base.

"(b)(1) In view of continuing international problems, the Nation's demonstrated reliance on imports of materials and components, and the need for measures to reduce defense production lead times and bottlenecks, and in order to provide for the national defense and national security, our defense mobilization preparedness effort continues to require the development of preparedness programs, domestic defense industrial base improvement measures, as well as provision for a graduated response to any threatening international or military situation, and the expansion of domestic productive capacity beyond the levels needed to meet the civilian demand. Also required is some diversion of certain materials and facilities from civilian use to military and related purposes.

"(2) These activities are needed in order to improve domestic defense industrial base efficiency and responsiveness, to reduce the time required for industrial mobilization in the event of an attack on the United States or to respond to actions occurring outside the United States which could result in the termination or reduction of the availability of strategic and critical materials, including energy, and which could adversely affect national defense preparedness of the United States. In order to ensure national defense preparedness, which is essential to national security, it is also necessary and appropriate to assure the availability of domestic energy supplies for national defense needs.

"(c)(1) In order to ensure productive capacity in the event of an attack on the United States, it is the policy of the Congress to encourage the geographical dispersal of industrial facilities in the United States to discourage the concentration of such productive facilities within limited geographical areas which are vulnerable to attack by an enemy of the United States. To ensure that essential mobilization requirements are met, consideration should also be given to stockpiling strategic materials to the extent that such stockpiling is economical and feasible.

"(2) In the construction of any Government-owned industrial facility, in the rendition of any Government financial assistance for the construction, expansion, or improvement of any industrial facility, and in the production of goods and services, under this or any other Act, each department and agency of the executive branch shall apply, under the coordination of the Federal Emergency Management Agency, when practicable and consistent with existing law and the desirability for maintaining a sound economy, the principle of the geographical dispersal of such facilities in the interest of national defense. However, nothing in this paragraph shall preclude the use of existing industrial facilities.

"(3) To ensure the adequacy of productive capacity and supply, executive agencies and departments responsible for defense acquisition shall continuously assess the capability of the domestic defense industrial base to satisfy peacetime requirements as well as increased mobilization production requirements. Such assessments shall specifically evaluate the availability of adequate production sources, including subcontractors and suppliers, materials, skilled labor, and professional and technical personnel. In this context, every effort should be made to foster cooperation between the defense and commercial sectors for research and development and for acquisition of materials, components, and equipment. In furtherance of this policy and to ensure the capability of the domestic defense industrial base, defense contractors should be allowed full recovery of the costs of independent research and development and the preparation of bids and proposals.

"(4) It is the policy of the Congress that plans and programs to carry out this declaration of policy shall be undertaken with due consideration for promoting efficiency and competition.

"(5) It is also necessary to recognize that—

"(A) the domestic defense industrial base is a component part of the core industrial capacity of the Nation; and

"(B) much of the industrial capacity which is relied upon by the Federal Government for military production and other defense-related purposes is deeply and directly influenced by—

"(i) the overall competitiveness of the United States industrial economy; and

"(ii) the ability of United States industry, in general, to produce internationally competitive products and operate profitably while maintaining adequate research and development to preserve that competitive edge in the future, with respect to military and civilian production.

"(6)(A) The domestic defense industrial base is developing a growing dependency on foreign sources for critical components and materials used in manufacturing and assembling major weapons systems for our national defense.

"(B) This dependence is threatening the capability of many critical industries to respond rapidly to defense production needs in the event of war or other hostilities or diplomatic confrontation.

"(C) The inability of United States industry, especially smaller subcontractors and suppliers, to provide vital parts and components and other materials would impair our ability to sustain our Armed Forces in combat for more than a few months.

"(D) In the event our Armed Forces must face an adversary with a numerical advantage, in the context of a conventional war, it is imperative to preserve and strengthen the industrial and technological capabilities of the United States.

"(d)(1) The domestic defense industrial base includes a significant and dynamic industry that comprises those companies providing mission critical professional and technical services to the Federal Government. In order to preserve the continuing vitality of this industry, it is the policy of the Congress that executive agencies and departments responsible for the acquisition of these services should utilize a streamlined 'best value' procurement methodology that—

"(A) emphasizes technical quality at a reasonable price,

"(B) employs flexibly priced contracts, and

"(C) provides incentives for this industry to achieve optimal levels of creativity and innovation in program performance.

"(2) It is further the policy of the Congress that the trend toward placing increasing levels of defense-related professional and technical services in the public and quasi-public sectors (such as Federal Government laboratories, depots, arsenals, and federally funded research and development centers) be reversed. In the face of limited defense budgets, it is unrealistic to believe that private and public defense sectors both can be sustained at viable levels. It is essential that one healthy, efficient, and technically innovative services sector be maintained. The Congress recognizes that the private commercial sector generates jobs and tax revenues, whereas the public sector consumes tax resources. In order to maintain the productive technological capacity of the United States, it is essential that the executive agencies and departments responsible for the acquisition of professional and technical services place the utmost emphasis on the procurement of such services from the tax-paying private sector and reduce reliance on the public and quasi-public sectors.".

PART B—AMENDMENTS TO TITLE I OF THE DEFENSE PRODUCTION ACT

SEC. 111. STRENGTHENING OF DOMESTIC CAPABILITY AND ASSISTANCE FOR SMALL BUSINESSES.

Title I of the Defense Production Act of 1950 (50 U.S.C. App. 2071, et seq.) is amended by adding at the end the following new sections:

"SEC. 107. STRENGTHENING OF DOMESTIC CAPABILITY.

''(a) IN GENERAL.—The President, acting through the Secretary of Defense, shall identify critical components essential for the execution of the national security strategy of the United States in peacetime and during graduated mobilization, and take appropriate actions to protect against unreliable sources for critical components.

''(b) APPROPRIATE ACTIONS.—For purposes of subsection (a), appropriate action may include—

''(1) restricting solicitation for procurement of a critical component to domestic and reliable foreign sources only or to domestic sources only (pursuant to this section or authorities in section 2304(b)(1)(B) or 2304(c)(3) of title 10, United States Code, or any other applicable provision of law);

''(2) stockpiling critical components;

''(3) developing substitutes for critical components; or

''(4) other appropriate measures.

''(c) IDENTIFICATION OF CRITICAL COMPONENTS.—At a minimum, critical components shall be identified for all items on the CINC Critical Items List. Additionally, the Department of Defense shall take into account those components identified as critical by a National Security Assessment or Presidential determination as a result of a petition filed under section 232 of the Trade Expansion Act of 1962 when identifying critical components.

"SEC. 108. ASSISTANCE FOR SMALL BUSINESSES.

''(a) IN GENERAL.—In providing any assistance authorized for defense contractors and subcontractors under this Act, the President shall provide a strong preference for contractors and subcontractors which are small businesses, as defined by the Administrator of the Small Business Administration.

''(b) MODERNIZATION OF EQUIPMENT.—

''(1) In general.—Funds authorized under title III may be set aside to guarantee the purchase or lease of advance manufacturing equipment, and any related services with respect to any such equipment for purposes of this Act.

''(2) SMALL BUSINESS SUBCONTRACTORS.—In considering applications under paragraph (1), the President shall provide a strong preference for smaller subcontractors that—

''(A) have obtained the recommendation—

''(i) of an agency of the Department of Defense; or

''(ii) pursuant to the efforts of an agency described in clause (i), of the Secretary of Commerce or the Administrator of the Small Business Administration; and

''(B) have arranged to obtain management assistance services in connection with the installation of the advance manufacturing equipment.''.

SEC. 112. LIMITATION ON ACTIONS WITHOUT CONGRESSIONAL AUTHORIZATION.

Section 104 of the Defense Production Act of 1950 (50 U.S.C. App. 2074) is amended to read as follows:

"SEC. 104. LIMITATION ON ACTIONS WITHOUT CONGRESSIONAL AUTHORIZATION.

''(a) WAGE OR PRICE CONTROLS.—No provision of this Act shall be interpreted as providing for the imposition of wage or price controls without the prior authorization of such action by a joint resolution of Congress.

''(b) CHEMICAL OR BIOLOGICAL WEAPONS.—No provision of title I of this Act shall be exercised or interpreted to require action or compliance by any private person to assist in any way in the production of or other involvement in chemical or biological warfare capabilities unless authorized by the President.''.

PART C—AMENDMENTS TO TITLE III OF THE DEFENSE PRODUCTION ACT

SEC. 121. EXPANDING THE REACH OF EXISTING AUTHORITIES UNDER TITLE III.

(a) GUARANTEE AUTHORITY.—Section 301 of the Defense Production Act of 1950 (50 U.S.C. App. 2091) is amended—

(1) in subsection (a)(1), by striking ''to expedite production and deliveries or services under Government contracts for the procurement of materials or the performance of services for the national defense'' and inserting ''to expedite or expand production and deliveries or services under Government contracts for the procurement of industrial resources or critical technology items essential for the national defense'';

(2) by amending subsection (a)(3)(A) to read as follows:

''(A) the guaranteed contract or operation is for industrial resources or a critical technology item which is essential to the national defense;'';

(3) in subsection (a)(3)(B)—

(A) by striking ''Without'' and inserting ''without''; and

(B) by striking ''the capability for the needed material or service'' and inserting ''the needed industrial resources or critical technology item'';

(4) by amending subsection (a)(3)(D) to read as follows:

''(D) the combination of the United States national defense demand and foreseeable nondefense demand is equal to, or greater than, the output of domestic industrial capability which the President reasonably determines to be available for national defense, including the output to be established through the guarantee.'';

(5) in subsection (e)(1)(A), by striking ''Except during periods of national emergency declared by the Congress or the President'' and inserting ''Except as provided in subparagraph (D)'';

(6) in subsection (e)(1)(C), by striking ''$25,000,000'' and inserting ''$50,000,000''; and

(7) by adding at the end of subsection (e)(1) the following new subparagraph:

''(D) The requirements of subparagraphs (A), (B), and (C) may be waived—

''(i) during periods of national emergency declared by the Congress or the President, or

''(ii) upon a determination by the President, on a nondelegable basis, that a specific guarantee is necessary to avert an industrial resource or critical technology shortfall that would severely impair national defense capability.''.

(b) LOANS TO PRIVATE BUSINESS ENTERPRISES.—Section 302 of the Defense Production Act of 1950 (50 U.S.C. App. 2092) is amended—

(1) in subsection (a), by striking ''for the procurement of materials or the performance of services for the national defense'' and inserting ''for the procurement of industrial resources or a critical technology item for the national defense'';

(2) by amending subsection (b)(2)(D) to read as follows:

''(D) the combination of the United States national defense demand and foreseeable nondefense demand is equal to, or greater than, the output of domestic industrial capability which the President reasonably determines to be available for national defense, including the output to be established through the loan.'';

(3) in subsection (c)(1), by striking ''No such loan may be made under this section, except during periods of national emergency declared by the Congress or the President'' and inserting ''Except as provided in paragraph (4), no loans may be made under this section'';

(4) in subsection (c)(3), by striking ''$25,000,000'' and inserting ''$50,000,000''; and

(5) in subsection (c), by adding at the end the following new paragraph:

''(4) The requirements of paragraphs (1), (2), and (3) of this subsection may be waived during periods of national emergency declared by Congress or the President.''.

(c) PURCHASES AND PURCHASE COMMITMENTS.—

(1) Section 303(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2093(a)) is amended to read as follows:

''(a)(1) To assist in carrying out the objectives of this Act, the President may make provision—

''(A) for purchases of or commitments to purchase an industrial resource or a critical technology item, for Government use or resale; and

''(B) for the encouragement of exploration, development, and mining of critical and strategic materials, and other materials.

''(2) Purchases for resale under this subsection shall not include that part of the supply of an agricultural commodity which is domestically produced except insofar as such domestically produced supply may be purchased for resale for industrial use or stockpiling.

''(3) No commodity purchased under this subsection shall be sold at less than—

''(A) the established ceiling price for such commodity, except that minerals, metals, and materials shall not be sold at less than the established ceiling price, or the current domestic market price, whichever is lower, or

''(B) if no ceiling price has been established, the higher of—

''(i) the current domestic market price for such commodity; or

''(ii) the minimum sale price established for agricultural commodities owned or controlled by the Commodity Credit Corporation as provided in section 407 of the Agricultural Act of 1949.

''(4) No purchase or commitment to purchase any imported agricultural commodity shall specify a delivery date which is more than one year after the expiration of this section.

''(5) Except as provided in paragraph (7), the President may not execute a contract under this subsection unless the President determines that—

''(A) the industrial resource or critical technology item is essential to the national defense;

''(B) without Presidential action under authority of this section, United States industry cannot reasonably be expected to provide the capability for the needed industrial resource or critical technology item in a timely manner;

''(C) purchases, purchase commitments, or other action pursuant to this section are the most cost-effective, expedient, and practical alternative method for meeting the need; and

''(D) the combination of the United States national defense demand and foreseeable nondefense demand for the industrial resource or critical technology item is equal to, or greater than, the output of domestic industrial capability which the President reasonably determines to be available for national defense, including the output to be established through the purchase, purchase commitment, or other action.

''(6) Except as provided in paragraph (7), the President shall take no action under this section unless the industrial resource shortfall which such action is intended to correct has been identified in the Budget of the United States or amendments thereto, submitted to the Congress and accompanied by a statement from the President demonstrating that the budget submission is in accordance with the provisions of the preceding sentence. Any such action may be taken only after 60 days have elapsed after such industrial resource shortfall has been identified pursuant to the preceding sentence. If the taking of any action or actions under this section to correct an industrial resource shortfall would cause the aggregate outstanding amount of all such actions for such industrial resource shortfall to exceed $50,000,000, any such action or actions may be taken only if specifically authorized by law.

"(7) The requirements of paragraphs (1) through (6) may be waived—

"(A) during periods of national emergency declared by Congress or the President; or

"(B) upon a determination by the President, on a nondelegable basis, that a specific guarantee is necessary to avert an industrial resource or critical technology shortfall that would severely impair national defense capability.".

(2) Section 303(b) of the Defense Production Act of 1950 (50 U.S.C. 2093(b)) is amended by striking "September 30, 1995" and inserting "a date that is not more than 10 years from the date such purchase, purchase commitment, or sale was initially made".

(d) DEVELOPING SUBSTITUTES.—Section 303(g) of the Defense Production Act of 1950 (50 U.S.C. App. 2093(g)) is amended by inserting before the period the following: "and for the production readiness of critical technology products and processes".

SEC. 122. DEFENSE PRODUCTION ACT FUND.

Section 304 of the Defense Production Act of 1950 (50 U.S.C. App. 2094) is amended to read as follows:

"SEC. 304. DEFENSE PRODUCTION ACT FUND.

"(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a separate fund to be known as the Defense Production Act Fund (hereafter in this section referred to as 'the Fund').

"(b) MONEYS IN FUND.—The following moneys shall be credited to the Fund:

"(1) All moneys appropriated after September 30, 1991, for the Fund, as authorized by section 711(c).

"(2) All moneys received after September 30, 1991, on transactions entered into pursuant to section 303.

"(c) USE OF FUND.—The Fund shall be available to carry out the provisions and purposes of this title, subject to the limitations set forth in this Act and in appropriations Acts.

"(d) DURATION OF FUND.—Moneys in the Fund shall remain available until expended.

"(e) FUND BALANCE.—The Fund balance at the close of each fiscal year shall not exceed $400,000,000, excluding any moneys appropriated to the Fund during that fiscal year or obligated funds. If at the close of any fiscal year the Fund balance exceeds such amount, the amount in excess of $400,000,000 shall be paid into the general fund of the Treasury.

"(f) FUND MANAGER.—The Secretary of Defense shall designate a Fund manager. The duties of the Fund manager shall include—

"(1) determining the liability of the Fund in accordance with subsection (g);

"(2) ensuring the visibility and accountability of transactions engaged in through the Fund to the Secretaries of Defense, Treasury, and Commerce, and to the Congress; and

"(3) reporting to Congress each year regarding fund activities during the previous fiscal year.

"(g) LIABILITIES AGAINST FUND.—When any agreement entered into pursuant to this title after December 31, 1991, imposes contingent liabilities upon the United States, such liability shall be considered an obligation against the Fund.".

SEC. 123. OFFSET POLICY.

Section 309 of the Defense Production Act of 1950 (50 U.S.C. App. 2099) is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(2) by adding a new subsection (a) as follows:

"(a) OFFSET POLICY.—

"(1) IN GENERAL.—Recognizing that certain offsets for military exports are economically inefficient and market distorting, and mindful of the need to minimize the adverse effects of offsets in military exports while ensuring that the ability of United States firms to compete for military export sales is not undermined, it shall be the policy of the United States Government that—

"(A) no agency of the United States Government shall encourage, enter directly into, or commit United States firms to any offset arrangement in connection with the sale of defense goods or services to foreign governments;

"(B) United States Government funds shall not be used to finance offsets in security assistance transactions except in accordance with policies and procedures that were in existence as of September 30, 1991;

"(C) nothing in this section shall prevent agencies of the United States Government from fulfilling obligations incurred through international agreements entered into before September 30, 1991; and

"(D) the decision whether to engage in offsets, and the responsibility for negotiating and implementing offset arrangements, resides with the companies involved.

"(2) PRESIDENTIAL APPROVAL OF EXCEPTIONS.—The President may approve an exception to the policy stated by paragraph (1) after receiving the recommendation of the National Security Council.

"(3) CONSULTATION.—The President shall designate the Secretary of Defense, in coordination with the Secretary of State, to lead an interagency team to consult with foreign nations on limiting the adverse effects of offsets in defense procurement. The President shall transmit an annual report on the results of these consultations to the Congress as part of the report required under subsection (b).".

SEC. 124. ANNUAL REPORT ON IMPACT OF OFFSETS.

Section 309 of the Defense Production Act of 1950 (50 U.S.C. App. 2099) (as amended by section 123 of this Act) is amended—

(1) in subsection (b) (as so redesignated by section 123(1) of this part)

(A) by striking "(b) REPORT REQUIRED.—Not later" and inserting:

"(b) ANNUAL REPORT ON IMPACT OF OFFSETS.—

"(1) REPORT REQUIRED.—Not later";

(B) by striking the second sentence; and

(C) by adding at the end the following new paragraph:

"(2) DUTIES OF THE SECRETARY OF COMMERCE.—The Secretary of Commerce shall—

"(A) prepare the report required by paragraph (1);

"(B) consult with the Secretary of Defense, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative in connection with the preparation of such report; and

"(C) function as the President's Executive Agent for carrying out the requirements of this section.";

(2) by amending subsection (c) (as so redesignated by section 123(1) of this part) to read as follows:

"(c) INTERAGENCY STUDIES AND RELATED DATA.—

"(1) PURPOSE OF REPORT.—Each report required under subsection (b) shall identify the cumulative effects (indirect as well as direct) of offset agreements on—

"(A) the full range of domestic defense productive capability (with special attention to the firms serving as lower-tier subcontractors or suppliers); and

"(B) the domestic defense technology base as a consequence of the technology transfers associated with such offset agreements.

"(2) USE OF DATA.—Data developed or compiled by any agency while conducting any interagency study or other independent study or analysis shall be made available to the Secretary of Commerce to facilitate the Secretary in executing the Secretary's responsibilities with respect to trade offset and countertrade policy development."; and

(3) by adding at the end the following new subsections:

"(d) NOTICE OF OFFSET AGREEMENTS.—

"(1) IN GENERAL.—If a United States firm enters into a contract for the sale of a weapon system or defense-related item to a foreign country or foreign firm and such contract is subject to an offset agreement exceeding $5,000,000 in value, such firm shall furnish to the official designated in the regulations promulgated pursuant to paragraph (2) information concerning such sale.

"(2) REGULATIONS.—The information to be furnished shall be prescribed in regulations promulgated by the Secretary of Commerce. Such regulations shall provide protection from public disclosure for such information, unless public disclosure is subsequently specifically authorized by the firm furnishing the information.

"(e) CONTENTS OF REPORT.—

"(1) IN GENERAL.—Each report under subsection (b) shall include—

"(A) a net assessment of the elements of the industrial base and technology base covered by the report;

"(B) recommendations for appropriate remedial action under the authorities provided by this Act, or other law or regulations;

"(C) a summary of the findings and recommendations of any interagency studies conducted during the reporting period under subsection (c);

"(D) a summary of offset arrangements concluded during the reporting period for which information has been furnished pursuant to subsection (d); and

"(E) a summary and analysis of any bilateral and multilateral negotiations relating to use of offsets completed during the reporting period.

"(2) ALTERNATIVE FINDINGS OR RECOMMENDATIONS.—Each report shall include any alternative findings or recommendations offered by any departmental Secretary, agency head, or the United States Trade Representative to the Secretary of Commerce.

"(f) UTILIZATION OF ANNUAL REPORT IN NEGOTIATIONS.—The findings and recommendations of the reports required by subsection (b) , and any interagency reports and analyses shall be considered by representatives of the United States during bilateral and multilateral negotiations to minimize the adverse effects of offsets.".

SEC. 125. CIVIL-MILITARY INTEGRATION.

Title III of the Defense Production Act of 1950 is amended by adding at the end the following new section:

"SEC. 310. CIVIL-MILITARY INTEGRATION.

"An important purpose of this title is the creation of production capacity that will remain economically viable after guarantees and other assistance provided under this title have expired."

SEC. 126. TESTING, QUALIFICATION, AND INCORPORATION OF MATERIALS FOR USE FOR WEAPON SYSTEMS AND DEVELOPMENT PROGRAMS.

Title III of the Defense Production Act of 1950 (50 U.S.C. App. 2091 et seq.) is amended by adding at the end the following new section:

"SEC. 311. TESTING, QUALIFICATION, AND INCORPORATION OF MATERIALS FOR USE FOR WEAPON SYSTEMS AND DEVELOPMENT PROGRAMS.

"The President shall, within 12 months after the date of the enactment of the Defense Production Act Amendments of 1950, take those measures necessary to ensure—

"(1) that all materials manufactured with assistance provided under sections 301, 302, or 303 are tested for qualification for use in the production of existing and future weapon systems and existing and future development programs, and

"(2) that all materials manufactured with assistance provided under sections 301, 302, or 303 and qualified under paragraph (1) are used and incorporated into the production of existing and future weapon systems and existing and future development programs.".

PART D—AMENDMENTS TO TITLE VII OF THE DEFENSE PRODUCTION ACT

SEC. 131. SMALL BUSINESS.

Section 701 of the Defense Production Act of 1950 (50 U.S.C. App. 2151) is amended to read as follows:

"SEC. 701. SMALL BUSINESS.

"(a) PARTICIPATION.—Small business concerns, including businesses owned by women and business owned by minorities, shall be given the maximum practicable opportunity to participate as contractors, and subcontractors at various tiers, in all programs to maintain and strengthen the Nation's industrial base and technology base undertaken pursuant to this Act.

"(b) ADMINISTRATION OF ACT.—In administering the programs, implementing regulations, policies, and procedures under this Act, requests, applications, or appeals from small business concerns, including business concerns owned by women and minorities, shall, to the maximum extent practicable, be expeditiously handled.

"(c) ADVISORY COMMITTEE PARTICIPATION.—Representatives of small business concerns, including business concerns owned by women and minorities, shall be afforded the maximum opportunity to participate in such advisory committees as may be established pursuant to the provisions of this Act.

"(d) INFORMATION.—Information about the Act and activities under the Act shall be made available to small business concerns, including business concerns owned by women and minorities.

"(e) ALLOCATIONS UNDER SECTION 101.—Whenever the President makes a determination to exercise any authority to allocate any material pursuant to section 101 of this Act, small business concerns, including business concerns owned by women and minorities, shall be accorded, so far as practicable, a fair share of such material, in proportion to the share received by such business concerns under normal conditions, giving such special consideration as may be possible to new small business concerns, including business concerns owned by women and minorities, or individual firms facing undue hardship.".

SEC. 132. DEFINITIONS.

Section 702 of the Defense Production Act of 1950 (50 U.S.C. App. 2152) is amended to read as follows:

"SEC. 702. DEFINITIONS.

"As used in this Act—

"(1) CRITICAL COMPONENT.—The term 'critical component' includes such components, subsystems, systems, and related special tooling and test equipment essential to the production, repair, maintenance, or operation of weapon systems or other items of military equipment as are identified by the Secretary of Defense as being essential to the execution of the national security strategy of the United States. Additionally, the Secretary shall take into account those components identified as critical by a National Security Assessment or Presidential determination as a result of a petition filed under section 232 of the Trade Expansion Act of 1962 when identifying critical components.

"(2) CRITICAL INDUSTRY FOR NATIONAL SECURITY.—The term 'critical industry for national security' means any industry (or industry sector) identified pursuant to section 2503(6) of title 10, United States Code, and such other industries or industry sectors as may be designated by the President as essential to provide industrial resources required for the execution of the national security strategy of the United States.

"(3) CRITICAL TECHNOLOGY.—The term 'critical technology' includes any technology that is included in 1 or more of the plans submitted pursuant to section 2508 of title 10, United States Code (unless subsequently deleted), or such other emerging or dual use technology as may be designated by the President.

"(4) CRITICAL TECHNOLOGY ITEM.—The term 'critical technology item' shall mean materials directly employing, derived from, or utilizing a critical technology.

"(5) DEFENSE CONTRACTOR.—The term 'defense contractor' means any person who enters into a contract with the United States to furnish materials, industrial resources, or a critical technology, or to perform services for the national defense.

"(6) DOMESTIC DEFENSE INDUSTRIAL BASE.—The term 'domestic defense industrial base' means domestic sources which are providing, or which would be reasonably expected to provide, materials or services to meet national defense requirements during war or national emergency.

"(7) DOMESTIC SOURCE.—The term 'domestic source' means a business entity—

"(A) that performs in the United States or Canada substantially all of the research and development, engineering, manufacturing, and production activities required of such firm under a contract with the United States relating to a critical component or a critical technology item, and

"(B) that procures from entities described in subparagraph (A) substantially all of the components and assemblies required under a contract with the United States relating to a critical component or critical technology item.

"(8) ESSENTIAL WEAPON SYSTEM.—The term 'essential weapon system' shall mean a major weapon system and other items of military equipment identified by the Secretary of Defense as being essential to the execution of the national security strategy of the United States.

"(9) FACILITIES.—The term 'facilities' includes all types of buildings, structures, or other improvements to real property (but excluding farms, churches or other places of worship, and private dwelling houses), and services relating to the use of any such building, structure, or other improvement.

"(10) FOREIGN SOURCE.—The term 'foreign source' means a business entity other than a 'domestic source'.

"(11) INDUSTRIAL RESOURCES.—The term 'industrial resources' means materials, services, processes, or manufacturing equipment (including the processes, technologies, and ancillary services for the use of such equipment) needed to establish or maintain an efficient and modern national defense industrial capacity.

"(12) MATERIALS.—The term 'materials' includes—

"(A) any raw materials (including minerals, metals, and advanced processed materials), commodities, articles, components (including critical components), products, and items of supply; and

"(B) any technical information or services ancillary to the use of any such materials, commodities, articles, components, products, or items.

"(13) NATIONAL DEFENSE.—The term 'national defense' means programs for military and energy production or construction, military assistance to any foreign nation, stockpiling, space, and any directly related activity.

"(14) PERSON.—The term 'person' includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative thereof, or any State or local government or agency thereof.

"(15) SERVICES.—The term 'services' includes any effort that is needed or incidental to—

"(A) the development, production, processing, distribution, delivery, or use of an industrial resource or a critical technology item, or

"(B) the construction of facilities.".

SEC. 133. REGULATIONS AND ORDERS.

Section 704 of the Defense Production Act of 1950 (50 U.S.C. App. 2154) is amended to read as follows:

"SEC. 704. REGULATIONS AND ORDERS.

"Subject to section 709, the President may prescribe such regulations and issue such orders as the President may determine to be appropriate to carry out the provisions of this Act.".

SEC. 134. INFORMATION ON THE DEFENSE INDUSTRIAL BASE.

The Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.) is amended by adding at the end the following new section:

"SEC. 722. DEFENSE INDUSTRIAL BASE INFORMATION SYSTEM.

"(a) ESTABLISHMENT REQUIRED.—

"(1) IN GENERAL.—The President, acting through the Secretary of Defense and the heads of such other Federal agencies as the President may determine to be appropriate, shall provide for the establishment of an information system on the domestic defense industrial base which—

"(A) meets the requirements of this section; and

"(B) includes a systematic continuous procedure to collect and analyze information necessary to evaluate—

"(i) the adequacy of domestic industrial capacity and capability in critical components, technologies, and technology items essential to the national security of the United States;

"(ii) dependence on foreign sources for industrial parts, components, and technologies essential to defense production; and

"(iii) the reliability of foreign source supply of critical components and technologies.

"(2) INCORPORATION OF DINET.—The defense information network (DINET), as established and maintained by the Secretary of Defense on the date of the enactment of the Defense Production Act Amendments of 1991, shall be incorporated into the system established pursuant to paragraph (1).

"(3) USE OF INFORMATION.—Information collected and analyzed under the procedure established pursuant to paragraph (1) shall constitute a basis for making any determination to exercise any authority under this Act and a procedure for using such information shall be integrated into the decisionmaking process with regard to the exercise of any such authority.

"(b) SOURCES OF INFORMATION.—

"(1) FOREIGN DEPENDENCE.—

"(A) SCOPE OF INFORMATION REVIEW.—The procedure established to meet the requirement of subsection (a)(1)(B)(ii) shall address defense production with respect to the operations of prime contractors and at least the first 2 tiers of subcontractors, or when a critical component (as that term is defined by section 702(1)) is identified at a lower tier.

"(B) USE OF EXISTING DATA COLLECTION AND REVIEW CAPABILITIES.—To the extent feasible and appropriate, the President shall build upon existing methods of data collection and analysis and shall integrate information available from intelligence agencies with respect to industrial and technological conditions in foreign countries.

"(C) INITIAL EMPHASIS ON PRIORITY LISTS.—In establishing the procedure referred to in subparagraph (A), the Secretary may place initial emphasis on the production of parts and components relating to priority lists such as the Commanders' in Chief Critical Items List, those components identified as critical by a National Security Assessment or Presidential determination

as a result of a petition filed under section 232 of the Trade Expansion Act of 1962, and the technologies identified as critical in the annual defense critical technologies plan submitted pursuant to section 2508 of title 10, United States Code.

"(2) Production Base Analysis.—

"(A) Top-to-bottom review.—Effective on or after October 1, 1991, the analysis of the production base for any major procurement project which is included in the information system maintained pursuant to subsection (a) shall, in addition to any information and analyses the President may require—

"(i) include a review of all levels of acquisition and production, beginning with any raw material, special alloy, or composite material involved in the production and ending with the completed product;

"(ii) identify each contractor and subcontractor at each level of acquisition and production with respect to such project which represents a potential for delaying or preventing the production and acquisition, including the identity of each contractor or subcontractor whose contract qualifies as a foreign source or sole source contract and any supplier which is a foreign or sole source for any item required in the production, including critical components (as that term is defined by section 702(1)); and

"(iii) include information to permit appropriate management of accelerated or surge production.

"(B) Initial requirement for study of production bases for not more than 6 major weapon systems.—In establishing the information system under subsection (a), the President, acting through the Secretary of Defense, shall require an analysis of the production base for not more than 2 weapons of each military department which are major systems (as defined in section 2302(5) of title 10, United States Code). Each major system study shall include in the analysis a determination of critical components of that system.

"(3) Consultation regarding the census of manufacturers.—

"(A) In general.—The Secretary of Commerce, acting through the Bureau of the Census, shall consult with the Secretary of Defense and the Director of the Federal Emergency Management Agency with a view to improving the application of information derived from the Census of Manufacturers to the purposes of this section.

"(B) Issues to be addressed.—Such consultations shall address improvements in the level of detail, timeliness, and availability of input and output analyses derived from the Census of Manufacturers necessary to facilitate the purposes of this section.

"(c) Strategic Plan for Developing Comprehensive System.—

"(1) Plan required.—Not later than December 31, 1992, the President shall provide for the establishment of and report to Congress on a strategic plan for developing a cost-effective, comprehensive information system capable of identifying on a timely, ongoing basis vulnerability in critical components, technologies, and technology items.

"(2) Assessment of certain procedures.—In establishing plan under paragraph (1), the President shall assess the performance and cost-effectiveness of procedures implemented under subsection (b) and shall seek to build upon such procedures as appropriate.

"(d) Capabilities of System.—

"(1) In general.—In connection with the establishment of the information system under subsection (a), the President shall direct the Secretary of Defense, the Secretary of Commerce, and the heads of such other Federal agencies as the President may determine to be appropriate to—

"(A) consult with each other and provide such information, assistance, and cooperation as may be necessary to establish and maintain the information system in a manner which allows the coordinated and efficient entry of information on the domestic defense industrial base into, and the withdrawal, subject to the protection of proprietary data, of information on the domestic defense industrial base from the system on an on-line interactive basis by the Department of Defense;

"(B) assure access to the information on the system, as appropriate, by all participating Federal agencies, including each military department;

"(C) coordinate standards, definitions, and specifications for information on defense production which is collected by the Department of Defense and the military departments so that such information can be used by any Federal agency or department which the President determines to be appropriate; and

"(D) assure that the information in the system is updated, as appropriate, with the active assistance of the private sector.

"(2) Task force on military-civilian participation.—Upon the establishment of the information system under subsection (a), the President shall convene a task force consisting of the Secretary of Defense, the Secretary of Commerce, the Secretary of each military department, and the heads of such other Federal agencies and departments as the President may determine to be appropriate to establish guidelines and procedures to ensure that all Federal agencies and departments which acquire information with respect to the domestic defense industrial base are fully participating in the system, unless the President determines that all appropriate Federal agencies and departments, including each military department, are voluntarily providing information which is necessary for the system to carry out the purposes of this Act and chapter 148 of title 10, United States Code.

"(e) Report on Subcontractor and Supplier Base.—

"(1) Report required.—At the times required under paragraph (4), the President shall issue a report which includes—

"(A) a list of critical components, technologies, and technology items for which there is found to be inadequate domestic industrial capacity or capability; and

"(B) an assessment of those subsectors of the economy of the United States which—

"(i) support production of any component, technology, or technology item listed pursuant to paragraph (1); or

"(ii) have been identified as being critical to the development and production of components required for the production of weapons, weapon systems, and other military equipment essential to the national defense.

"(2) Matters to be considered.—The assessment made under paragraph (1)(B) shall consider—

"(A) the capacity of domestic sources, especially commercial firms, to fulfill peacetime requirements and graduated mobilization requirements for various items of supply and services;

"(B) any trend relating to the capabilities of domestic sources to meet such peacetime and mobilization requirements;

"(C) the extent to which the production or acquisition of various items of military material is dependent on foreign sources; and

"(D) any reason for the decline of the capabilities of selected sectors of the United States economy necessary to meet peacetime and mobilization requirements, including stability of defense requirements, acquisition policies, vertical integration of various segments of the industrial base, superiority of foreign technology and production efficiencies, foreign government support of nondomestic sources, and offset arrangements.

"(3) Policy recommendations.—The report may provide specific policy recommendations to correct deficiencies identified in the assessment, which would help to strengthen domestic sources.

"(4) Time for issuance.—The report required by paragraph (1) shall be issued not later than July 1 of each odd-numbered year which begins after 1991, based upon data from the prior fiscal year and such prior fiscal years as may be appropriate.

"(5) Release of unclassified report.—The report required by this subsection may be classified. An unclassified version of the report shall be available to the public.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to the President for purposes of this section not more than $10,000,000, to remain available until expended, of which not more than $3,000,000 shall be available for the purposes of subsection (b)(2).".

SEC. 135. PUBLIC PARTICIPATION IN RULEMAKING.

(a) In General.—Section 709 of the Defense Production Act of 1950 (50 U.S.C. 2159) is amended to read as follows:

"SEC. 709. PUBLIC PARTICIPATION IN RULEMAKING.

"(a) Exemption From the Administrative Procedure Act.—Any regulation prescribed or order issued under this Act shall not be subject to sections 551 through 559 of title 5, United States Code.

"(b) Opportunity for Notice and Comment.—

"(1) In general.—Except as provided in subsection (c), any regulation prescribed or order issued under this Act shall be published in the Federal Register and opportunity for public comment shall be provided for not less than 30 days, consistent with the requirements of section 553(b) of title 5, United States Code.

"(2) Waiver for temporary provisions.—The requirements of paragraph (1) may be waived, if—

"(A) the officer authorized to prescribe the regulation or issue the order finds that urgent and compelling circumstances make compliance with such requirements impracticable;

"(B) the regulation is prescribed or order is issued on a temporary basis; and

"(C) the publication of such temporary regulation or order is accompanied by the finding made under clause (A) (and a brief statement of the reasons for such finding) and an opportunity for public comment is provided for not less than 30 days of public comment before any regulation or order becomes final.

"(3) All comments received during the public comment period specified pursuant to paragraph (1) or (2) shall be considered and the publication of the final regulation or order shall contain written responses to such comments.

"(c) Public Comment on Procurement Regulations.—Any procurement policy, regulation, procedure, or form (including any amendment or modification of any such policy, regulation, procedure, or form) issued under this Act shall be subject to section 22 of the Office of Federal Procurement Policy Act.".

(b) Scope of Application.—Section 709 of the Defense Production Act of 1950 (50 U.S.C. App. 2159), as amended by subsection (a) of this section, shall not apply to any regulation prescribed or order issued in proposed or final form on or before the date of enactment of this Act.

PART E—TECHNICAL AMENDMENTS

SEC. 141. TECHNICAL CORRECTION.

Section 301(e)(2)(B) of the Defense Production Act of 1950 (50 U.S.C. App. 2091(e)(2)(B)) is *amended by striking "and to the Committees on Banking and Currency of the respective Houses" and inserting "and to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives".*

SEC. 142. INVESTIGATIONS; RECORDS; REPORTS; SUBPOENAS.

Section 705 of the Defense Production Act of 1950 (50 U.S.C. App. 2155) is amended—

(1) in subsection (a), by striking "subpena" and inserting "subpoena";

(2) by redesignating subsections (c), (d), (e), and (f) as subsections (b), (c), (d), and (e), respectively;

(3) in subsection (c) (as redesignated by paragraph (2)), by striking "$1,000" and inserting "$10,000"; and

(4) in subsection (d) (as redesignated by paragraph (2)), by striking all after the first sentence.

SEC. 143. EMPLOYMENT OF PERSONNEL.

(a) NOTICE OF APPOINTMENT AND FINANCIAL DISCLOSURE FOR EMPLOYEES SERVING WITHOUT COMPENSATION.—Section 710(b)(6) of the Defense Production Act of 1950 (50 U.S.C. App. 2160(b)(6)) is amended to read as follows:

"(6) NOTICE AND FINANCIAL DISCLOSURE REQUIREMENTS.—

"(A) PUBLIC NOTICE OF APPOINTMENT.—The head of any department or agency who appoints any individual under this subsection shall publish a notice of such appointment in the Federal Register, including the name of the appointee, the employing department or agency, the title of the appointee's position, and the name of the appointee's private employer.

"(B) FINANCIAL DISCLOSURE.—Any individual appointed under this subsection who is not required to file a financial disclosure report pursuant to section 101 of the Ethics in Government Act of 1978, shall file a confidential financial disclosure report pursuant to section 107 of such Act with the appointing department or agency.".

(b) TECHNICAL AMENDMENTS.—Section 710(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2160(b)) is amended—

(1) in paragraph (7)—

(A) by striking "Chairman of the United States Civil Service Commission" and inserting "Director of the Office of Personnel Management"; and

(B) by striking "and the Joint Committee on Defense Production"; and

(2) in paragraph (8), by striking "transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes and regular places of business pursuant to such appointment" and inserting "reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions for which they were appointed in the same manner as persons employed intermittently in the Federal Government are allowed expenses under section 5703 of title 5, United States Code".

SEC. 144. TECHNICAL CORRECTION.

Section 711(a)(1) of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended by striking "Bureau of the Budget" and inserting "Office of Management and Budget".

PART F—REPEALERS AND CONFORMING AMENDMENTS

SEC. 151. SYNTHETIC FUEL ACTION.

Section 307 of the Defense Production Act of 1950 (50 U.S.C. App. 2097) is amended—

(1) in subsection (b), by striking the 2d sentence; and

(2) by striking subsection (c) and all that follows through the end of the section.

SEC. 152. REPEAL OF INTEREST PAYMENT PROVISIONS.

Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) by striking subsection (b),

(2) in subsection (a)—

(A) by striking "(a)(1) Except as provided in paragraph (2) and paragraph (4)" and inserting "(a) Except as provided in subsection (c)",

(B) in the parenthetical by striking "and for the payment of interest under subsection (b) of this section",

(C) by striking paragraph (2),

(D) by redesignating paragraph (3) as subsection (b), and

(E) in paragraph (4)—

(i) by striking subparagraph (B), and

(ii) by redesignating the remainder of paragraph (4) as subsection (c).

SEC. 153. JOINT COMMITTEE ON DEFENSE PRODUCTION.

Section 712 of the Defense Production Act of 1950 (50 U.S.C. App. 2162) is repealed.

SEC. 154. PERSONS DISQUALIFIED FOR EMPLOYMENT.

Section 716 of the Defense Production Act of 1950 (50 U.S.C. App. 2165) is repealed.

SEC. 155. FEASIBILITY STUDY ON UNIFORM COST ACCOUNTING STANDARDS; REPORT SUBMITTED.

Section 718 of the Defense Production Act of 1950 (50 U.S.C. App. 2167) is repealed.

SEC. 156. NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES.

Section 720 of the Defense Production Act of 1950 (50 U.S.C. App. 2169) is repealed.

PART G—REAUTHORIZATION OF SELECTED PROVISIONS

SEC. 161. AUTHORIZATION OF APPROPRIATIONS.

Section 711(c) of the Defense Production Act of 1950 (as amended by section 152 of this Act) is amended to read as follows:

"(c) There are authorized to be appropriated for each of fiscal years 1992, 1993, and 1994 not to exceed $200,000,000 to carry out the provisions of title III of this Act.".

SEC. 162. EXTENSION OF PROGRAM.

The 1st sentence of section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking "September 30, 1991" and inserting "September 30, 1994".

SEC. 163. QUADRENNIAL REPORT.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by adding at the end the following new subsection:

"(i) QUADRENNIAL REPORT.—

"(1) IN GENERAL.—Not later than the date which is 1 year after the date of the enactment of the Defense Production Act Amendments of 1991, and every 4 years after that date, the Secretary of the Treasury shall complete and submit to the Congress a report which—

"(A) evaluates whether there is credible evidence of a coordinated strategy by one or more countries or companies to acquire United States companies, or significant control of United States industries, involved in research, development, or production of critical technologies for which the United States is a leading producer; and

"(B) evaluates whether there are industrial espionage activities directed by foreign governments against private United States companies for the purpose of obtaining commercial secrets related to critical technologies.

"(2) CLASSIFIED REPORTS.—

"(A) IN GENERAL.—The reports required by this subsection may be classified.

"(B) UNCLASSIFIED VERSIONS.—An unclassified version of each report required by this subsection shall be available to the public.".

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: After Title I, Sec. 108(a), insert the following:

In awarding authorized contracts under this Act, the President shall provide a strong preference for those small businesses located in areas of high unemployment and/or areas that demonstrate a continuing pattern of economic decline as identified by the Secretary of Labor.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, on this bill I want to commend the committee for a very fine policy of setting a preference for the small business contractors and subcontractors of our Nation so that they would be eligible for and would get a preference from our President for some of these awards.

The Traficant amendment simply takes that amendment and that language a step further. It says that the President shall also give preference to those small businesses located in areas of high economic decline and unemployment and continuing patterns of economic decline characterized by high unemployment, as defined by our Secretary of Labor. I say to the members of the committee, the respective committees, the two respective authorizing agencies, that this is good procurement type language. It will not only help get some contracts into the small business community but into those small business communities in those areas that have suffered the greatest decline of economic opportunities and jobs lost.

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Mr. Chairman, I would appreciate the support of Members on this amendment.

Mr. CARPER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the chairman of the subcommittee.

Mr. CARPER. Mr. Chairman, I thank the gentleman for sharing his amendments with me. I wish the gentleman might have done it a little earlier in this process. But this gentleman is inclined to accept the amendment, and, once we get to conference, to work with the gentleman from Ohio [Mr. TRAFICANT] to make modifications, if it is necessary to do so. I am interested in trying to work with you.

Mr. PAXON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. PAXON. Mr. Chairman, I have no objection to the amendment, and would concur in the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate title II.

The text of title II is as follows:

TITLE II—ADDITIONAL PROVISIONS TO IMPROVE INDUSTRIAL PREPAREDNESS

PART A—ENCOURAGING IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE

SEC. 201. RECOGNITION OF MODERNIZED PRODUCTION SYSTEMS AND EQUIPMENT IN CONTRACT AWARD AND ADMINISTRATION.

(a) IN GENERAL.—The single Government-wide Federal Acquisition Regulation, referred to in section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)), shall be amended to specify the circumstances under which an acquisition plan for any major system acquisition, or any other acquisition program designated by the Secretary or agency head responsible for such acquisition, shall provide for contract solicitation provisions which encourage competing offerors to acquire for utilization in the performance of the contract modern industrial facilities and production systems (including hardware and software), and other modern production equipment, that increase the productivity of the offerors and reduce the costs of production.

(b) AUTHORIZED SOLICITATION PROVISIONS.—Contract solicitation provisions referred to in subsection (a) may include any of the following provisions:

(1) An evaluation advantage in making the contract award determination.

(2) A provision for a domestic contractor to share in any demonstrated cost savings that are attributable to increased productivity resulting from the following contractor actions not required by the contract—

(A) the acquisition and utilization of modern industrial facilities and production systems (including hardware and software), and other modern production equipment, for the performance of the contract; or

(B) the utilization of other manufacturing technology improvements in the performance of the contract.

(c) DOMESTIC CONTRACTOR DEFINED.—For purposes of this section and section 202, the term "domestic contractor" has the meaning given to the term "domestic source" in section 702(7) of the Defense Production Act of 1950.

SEC. 202. SUSTAINING INVESTMENT.

It is the sense of the Congress that, in order to encourage investment to maintain our Nation's technological leadership, to preserve the strength of our industrial base, and to encourage contractors to invest in advanced manufacturing technology, advanced production equipment, and advanced manufacturing processes, the Secretary of Defense as part of his implementation of changes to defense acquisition policies pursuant to the Defense Management Review shall consider—

(1) full allowability of independent research and development bid and proposal costs;

(2) appropriate regulatory changes to increase the progress payment rates payable under contracts; and

(3) an increase of not more than 10 percent in the amount which would otherwise be reimbursable to a domestic contractor as the Government's share of costs incurred for the acquisition of production special tooling, production special test equipment, and production special systems (including hardware and software) for use in the performance of the contract.

PART B—MISCELLANEOUS

SEC. 211. DISCOURAGING UNFAIR TRADE PRACTICES.

(a) SUSPENSION OR DEBARMENT AUTHORIZED.—Subpart 9.4 of title 48, Code of Federal Regulations (or any successor regulation) shall be amended to specify the circumstances under which a contractor, who has engaged in an unfair trade practice, as defined in subsection (b), may be found to presently lack such business integrity or business honesty that seriously and directly affects the responsibility of the contractor to perform any contract awarded by the Federal Government or perform a subcontract under such a contract.

(b) DEFINITIONS.—For purposes of this section, the term "unfair trade practice" means the commission of any of the following acts by a contractor:

(1) An unfair trade practice, as determined by the International Trade Commission, for a violation of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337).

(2) A violation, as determined by the Secretary of Commerce, of any agreement of the group known as the "Coordinating Committee" for purposes of the Export Administration Act of 1979 or any similar bilateral or multilateral export control agreement.

(3) A knowingly false statement regarding a material element of a certification concerning the foreign content of an item of supply, as determined by the Secretary of the department or the head of the agency to which such certificate was furnished.

SEC. 212. EVALUATION OF DOMESTIC DEFENSE INDUSTRIAL BASE POLICY.

(a) CONGRESSIONAL COMMISSION ON THE EVALUATION OF DEFENSE INDUSTRIAL BASE POLICY ESTABLISHED.—There is hereby established a commission to be known as the Congressional Commission on the Evaluation of the Defense Industrial Base Policy (hereafter in this section referred to as the "Commission").

(b) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall develop criteria for maintaining the strength of the domestic defense industrial base for purposes of supporting the national security strategy of the President.

(2) CONSIDERATION OF AGENCY PROCEDURES AND ACTIVITIES.—In developing criteria under paragraph (1), the Commission shall consider, with respect to each Federal agency and department which has any responsibility for maintaining the strength of the domestic defense industrial base—

(A) the extent to which the statutory authority, policies, regulations, organizational arrangements, plans, programs, and budgets of such agency or department are adequate for the purpose of maintaining the strength of the domestic defense industrial base; and

(B) the degree to which such authority, policies, regulations, arrangements, plans, programs, and budgets are being effectively implemented and sufficiently coordinated (within the agency or department and with other Federal agencies and departments).

(3) EVALUATION OF CIVIL-MILITARY INTEGRATION.—The Commission, in developing criteria under paragraph (1) and considering agency procedures and activities under paragraph (2) shall evaluate the feasibility of integrating defense research, development, production, acquisition, and other relevant contracting activities with similar activities in the commercial sector, and the degree to which such integration is being implemented by the agency or department. In particular, the Commission shall review impediments, including elongated procurement lead-times, overly stringent military specifications, and the Federal Government's unlimited rights in software and technical data, which serve to hinder the successful integration of commercial and military activities that provide vital goods and services to the Department of Defense.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 9 members as follows:

(A) 3 members appointed by the Speaker of the House of Representatives (2 of whom shall be appointed upon the recommendation of the majority leader of the House of Representatives and 1 of whom shall be appointed upon the recommendation of the minority leader of the House of Representatives) from among individuals who are especially qualified to serve on the Commission by reason of their education, training, or experience.

(B) 3 members appointed by the President pro tempore of the Senate (2 of whom shall be appointed upon the recommendation of the majority leader of the Senate and 1 of whom shall be appointed upon the recommendation of the minority leader of the Senate) from among individuals who are especially qualified to serve on the Commission by reason of their education, training, or experience.

(C) 3 members appointed by a majority of the members appointed under subparagraphs (A) and (B) from among individuals who are especially qualified to serve on the Commission by reason of their education, training, or experience.

(2) TERMS.—

(A) IN GENERAL.—Each member shall be appointed for the life of the Commission.

(B) VACANCY.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(3) PROHIBITION ON COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), members of the Commission shall serve without pay.

(B) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(4) QUORUM.—A majority of the members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(5) CHAIRPERSON.—The Chairperson of the Commission shall be elected by the members of the Commission from among the individuals appointed under paragraph (1)(C).

(6) MEETINGS.—The Commission shall meet at the call of the Chairperson or a majority of the members.

(d) POWERS OF COMMISSION.—

(1) HEARINGS AND SESSIONS.—

(A) IN GENERAL.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate.

(B) ADMINISTRATION OF OATHS.—The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take.

(3) OBTAINING OFFICIAL DATA.—

(A) AUTHORITY TO OBTAIN.—Notwithstanding any provision of section 552a of title 5, United States Code, the Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out this Act.

(B) PROCEDURE.—Upon request of the Chairperson of the Commission, the head of that department or agency shall furnish the information requested to the Commission.

(C) USE OF INFORMATION.—The Commission shall be subject to the same limitations with respect to the use or disclosure of any confidential or privileged information, trade secrets, or other proprietary or business-sensitive information which is obtained from any department or agency under this subsection as are applicable to the use or disclosure of such information or secrets by such department or agency.

(4) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(e) STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.—

(1) STAFF.—Subject to such regulations as the Commission may prescribe and with the approval of the Commission, the Chairperson may appoint and fix the pay of such personnel as the Chairperson considers appropriate.

(2) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

(3) EXPERTS AND CONSULTANTS.—Subject to such regulations as the Commission may prescribe, the Chairperson may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(4) STAFF OF FEDERAL AGENCIES.—Upon request of the Chairperson, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this Act.

(f) DOMESTIC DEFENSE INDUSTRIAL BASE DEFINED.—For the purposes of this section, the term "domestic defense industrial base" means—

(1) the industries in the United States and Canada which at any time are providing national defense materials and services; and

(2) the industries in the United States and Canada which reasonably would be expected to provide national defense materials and services in a time of emergency or war.

(g) REPORT.—The Commission shall submit to the Congress and the President—

(1) an interim report at the end of the 1-year period beginning on the date the Commission first meets with a majority of members present; and

(2) a final report not later than September 1, 1993, on the findings of the Commission under this section with respect to the domestic defense industrial base, together with such recommendations for legislative, administrative, or policy action as the Commission may determine to be appropriate.

(h) TERMINATION.—The Commission shall cease to exist on September 30, 1994.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years 1992, 1993, and 1994 an amount not to exceed $500,000 to carry out the purposes of this section.

The CHAIRMAN. Are there any amendments to title II?

The Clerk will designate title III.

The text of title III is as follows:

TITLE III—AMENDMENT TO RELATED LAWS

SEC. 301. ENERGY SECURITY.

(a) CONGRESSIONAL INTEREST MANIFEST IN OTHER LAWS.—The Congress hereby finds that congressional interest in energy security and the availability of energy for defense mobilization, industrial preparedness, and other purposes of the Defense Production Act of 1950 has also been expressed in various statutes enacted since the date of the enactment of such Act, including the provisions of Geothermal Energy Research, Development, and Demonstration Act of 1974, the Biomass Energy and Alcohol Fuels Act of 1980, and the Synthetic Fuels Corporation Act of 1985 which relate to geothermal energy, alcohol, and synthetic fuel projects.

(b) REPORTS REQUIRED.—To assist the Congress in discharging congressional responsibility for energy security and the availability of energy for defense mobilization, industrial preparedness, and other purposes of the Defense Production Act of 1950, the President shall prepare and transmit to the Congress, no less frequently than the end of each odd-numbered year, the projected capacity and potential prospects for the use of alternative and renewable sources of energy for such purposes.

(c) GEOTHERMAL ENERGY PROGRAM.—Section 203 of the Geothermal Energy Research, Development, and Demonstration Act of 1974 (30 U.S.C. 1143) (relating to period of guaranties and interest assistance) is amended by striking "1990" and inserting "1993".

The CHAIRMAN. Are there any amendments to title III?

AMENDMENTS OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: After Sec. 304(f)(3), insert the following:

Any individual involved in the operation and/or oversight of this fund shall submit to the Secretary of Defense and the Secretary of Commerce annually during such individual's tenure in such positions—

(1) a statement disclosing personal income and finances which shall be consistent with federal financial disclosure laws relating to federal employees, and;

(2) a statement certifying that no conflict of interest exists with the position occupied by such individual and describing any circumstances that may reasonably be perceived as a conflict of interest, which shall be consistent with federal laws relating to conflict of interest.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, section 304 is a new Production Act fund. It provides money to be used under the authority of this act. It creates a fund manager and a director and staff to oversee and manage that particular process.

The Traficant amendment basically says this: Any staff involved with oversight or management of this fund must, No. 1, the first provision, give full financial disclosure, subject to Federal financial disclosure laws, of their income.

The second provision says that in addition to that disclosure, they must each year give a statement that there exists no conflict of interest with their position of trust and the private sector. In fact, it states explicitly if there appears to be or is a perceived conflict, that they must give detailed and explicit information stating that there is no conflict of interest, subject to the conflict of interest laws that are currently enforced.

So it is a disclosure statement of those employees that are entrusted with the management of the fund and the oversight of the fund. In the second regard it is a statement that there is no conflict of interest, and that these individuals can continue to have the trust of the Congress and report to the Congress that they are in fact servants of the Congress, not colluders that are involved in anything that may be improper.

Mr. CARPER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I would be glad to yield to the subcommittee chairman.

Mr. CARPER. Mr. Chairman, this gentleman is prepared to accept this amendment as well, and I do so.

Mr. PAXON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. PAXON. Mr. Chairman, on behalf of the minority, we also accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—EFFECTIVE DATES

SEC. 401. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on September 30, 1991.

(b) ACQUISITION POLICIES.—The acquisition policies required by this Act shall be incorporated as part of the Federal Acquisition Regulation within 270 days after enactment. Such policies shall apply to solicitations issued 60 days after such regulations are issued.

The CHAIRMAN. Are there any amendments to title IV?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Insert the following new section at the end of the bill:

SEC. . BUY AMERICAN PROVISIONS.

(A) The Secretary shall insure that the requirements of the Buy American Act of 1933 as amended apply to all procurements made under this Act.

(B) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, that person shall be ineligible to receive any contract or subcontract made with funds authorized under this title pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, under existing procurement law we have a Buy American Act that was passed in 1933. There is nothing earth shaking about this particular amendment, other than to say in the first section that the Secretary shall ensure that the requirements of the Buy American Act, currently the American procurement policy and law, are applied to all procurements made under this particular act.

But, second of all, it has an expanding provision. The second section deals with prohibition against fraudulent use of "Made in America" labels.

America is being faced with products coming in from China and other nations on the disguise of companies supposedly producing them in this country. They are not.

What the Traficant amendment states is if it is determined by a court or Federal agency that any person has intentionally affixed a label bearing a "Made in America" inscription or any inscription with the same meaning to any product sold in or shipped to the United States that is not made in our country, that person shall be ineligible to receive any contract or subcontract made with funds authorized under the act.

Mr. Chairman, this is language that has been placed on other procurement-type initiatives. It does not infringe upon the Committee on the Judiciary calling for specific penalties, but it does state that that individual would not be eligible to participate in any contract or subcontract made eligible under this particular act.

Mr. Chairman, I think this is a very good amendment. I would hope that the committee would favor the amendment.

Mr. CARPER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Delaware.

Mr. CARPER. Mr. Chairman, this gentleman is prepared to accept this amendment as well, with the same caveat that applied to the first two amendments that the gentleman from Ohio offered. We will work with the gentleman in conference to try to see that if there are some changes needed, that the gentleman has an opportunity to be a part of that.

Mr. TRAFICANT. Mr. Chairman, I appreciate that.

Mr. PAXON. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. PAXON. Mr. Chairman, this gentleman is also not only prepared to support this amendment, but to support it very strongly. I believe it is an incredible outrage to fraudulently use "Made in America" labels on items that are not. Certainly any contractor that would engage in such deception should be made ineligible. So I am very pleased to go along in full support of the position of the gentleman from Ohio [Mr. TRAFICANT] on this amendment.

Mr. TRAFICANT. Mr. Chairman, I appreciate the support of the gentleman from Delaware [Mr. CARPER] and the gentleman from New York [Mr. PAXON].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

Mr. DORGAN of North Dakota. Mr. Chairman, I have an amendment at the desk. Because the gentleman from Ohio [Mr. TRAFICANT] was recognized and we have gone past the section, I would ask unanimous consent to be allowed to offer an amendment to section 2.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

AMENDMENT BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORGAN of North Dakota:

In section 2(b)(2) of the Defense Production Act of 1950, as proposed to be amended by section 101, after the period at the end of the second sentence add the following new sentence: "To further assure the adequate maintenance of the defense industrial base, to the maximum extent possible such supplies should be augmented through reliance on renewable fuels, such as solar, geothermal, and wind energy and ethanol and its derivatives, and on energy conservation measures.".

In section 2(c)(1) of the Defense Production Act of 1950, as proposed to be amended by section 101, after the period at the end of the first sentence insert the following new sentence: "To the maximum extent possible, such dispersal should seek to include such economically depressed regions as urban areas with high unemployment and poverty rates, counties in rural States with high levels of outmigration and job loss, and Indian reservations with severe health and employment problems.".

In section 2 of the Defense Production Act of 1950, as proposed to be amended by section 101—

(1) strike the close quotation marks and the second period at the end of subsection (d), and

(2) add the following new subsection:

"(e) Contracts awarded under provisions of this Act should be awarded to the maximum extent possible to those firms which have not been convicted of defense contract fraud or otherwise debarred or suspended from contracting with the Department of Defense or its constituent agencies.".

Mr. DORGAN of North Dakota (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. DORGAN of North Dakota. Mr. Chairman, I would like to explain the three parts of this amendment I am offering today.

Mr. Chairman, this amendment is an amendment to the policy statement of the bill. With this amendment, in three parts I am trying to make three points. It will represent a form of nonbinding resolution on the three points, and I would like to explain them to Members. We have furnished a copy of this previously to the majority and the minority.

Mr. Chairman, first, as a matter of policy, in my judgment where we can we ought to attempt to use the defense establishment and defense procurement to increase energy independence through renewable fuels use.

Mr. Chairman, I have no other occasions on other bills proposed on the floor of the House that where possible, the Government ought to be the leader in trying to establish a precedent for requiring the use of alternative fuels. I am especially interested in the use of ethanol. I think stretching our energy supplies by using ethanol makes a lot of sense.

Mr. Chairman, I think not only for the Defense Department, but generally speaking for the Federal Government, to the extent we could ask our vehicles, our gasoline-powered engines, to use ethanol-enhanced or other renewable fuels, it would make a lot of sense and provide the right kind of leadership.

It is interesting that at the Federal level we have 500,000 vehicles, 400,000 of which are gasoline-powered vehicles. We could do a lot in stimulating the right kind of energy policy and the use of renewable fuels if we simply said wherever we can in law that this is what we wanted the Federal Government to do, that this is the way we wanted the Federal Government to lead.

So the first piece of this resolution is an attempt to suggest that we use augmented fuels through reliance on renewable fuels, such as solar, geothermal, wind energy, and ethanol.

The second point is to encourage the dispersal of the defense industrial base. That has been something that has been long debated and long sought by Congress, to suggest that in areas of the country where we have high unemployment, economic distress, where we have out-migration, what we ought to do is use the opportunity in our permanent defense establishment to produce products and do the kind of things that we do on a continuing basis in those areas where we can provide the maximum good by providing new jobs and new employment opportunities. That is the second part of my amendment.

Third, it is very simple. It is to say that to the extent there are contracts awarded under this provision, under the bill, I would like very much for us to not be awarding contracts, wherever it is possible, to those firms that have been convicted of felonies.

Mr. Chairman, I am getting a little tired of reading about a large defense contracting firm that is convicted of a felony on a Friday, and the next week it gets a new contract. In fact, not too long ago we had a newspaper article come out in Washington, a daily paper, that had a story that was fascinating. It was a story about one of our largest defense contractors. Two things were going on about that company here in this town on the same day: Over at the Pentagon they were negotiating an $80 million brandnew contract and they were going to sign it.

☐ 1520

Over in Alexandria in the U.S. Prosecutor's Office they were finalizing the felony plea for that same company for a commission of contract fraud. I found that astounding, that the very same company on the same day that is getting a defense contract for $680 million is also downtown in another building pleading guilty on a felony plea for contract fraud.

I would like to see us stop that nonsense. No more of a slap on the wrist and a pat on the back and a new contract. Let us, where we can, really combat contractor fraud and say, "If you are going to commit fraud against the Federal Government, you will not be doing business with us any more."

The language in here is not able to control all the contracting that goes on, and I understand that in some cases we go way down the line on a weapons program and we probably cannot change the contractor next week. I do not have language in here that causes that kind of interruption, but I hope on this point we finally stand up and insist on being heard about contractor fraud.

Those are the three provisions in this amendment, and I would hope the House will consider them favorably.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, during the debate period I had indicated that I would object if indeed the gentleman from North Dakota [Mr. DORGAN] had indeed put forth the second amendment.

After consultation with my colleague, I find although I might have some concerns with regard to the Committee on Armed Services, I think that we can accept the amendment without reservation at this point only, so long as I have the commitment that once we go to conference, we can work out any differences.

Therefore, I want to commend the gentleman for his amendment, and we do not object to it.

Mr. CARPER. Mr. Chairman, if the gentleman will yield, I accept the amendment.

Mr. PAXON. Mr. Chairman, if the gentleman will yield, we have no objections to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments to the bill?

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GONZALEZ) having assumed the chair, Mr. MURTHA, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 3039) to reauthorize the Defense Production Act of 1950, and for other purposes, pursuant to House Resolution 231, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CARPER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 419, nays 3, not voting 10, as follows:

[Roll No. 288]

YEAS—419

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)

Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—3

Armey
Fawell
Penny

NOT VOTING—10

Clement
Downey
Ford (TN)
Holloway
Hopkins
Kaptur
Mrazek
Santorum
Slaughter (VA)
Sundquist

□ 1546

Mr. ROYBAL changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CARPER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3039, the bill just passed.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Delaware?

There was no objection.

□ 1550

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2622, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, Wednesday, October 2, 1991, to file a conference report on the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Mississippi?

Mr. McDADE. Mr. Speaker, reserving the right to object, and for the benefit and edification of the Members, in order to propound an inquiry to my distinguished colleague, this is the bill which drops the contentious item out of the bill and clears the way for bringing it up on the floor here, is that correct?

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. McDADE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MAKING IN ORDER AT ANY TIME ON THURSDAY, OCTOBER 3, 1991, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 2608, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that notwithstanding the provisions of clause 2 of rule XXVIII that it be in order at any time on Thursday, October 3, 1991, or any day thereafter, to consider the conference report amendments in disagreement, and motions to dispose of amendments in disagreement, to the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes, and that the conference report and the Senate amendments be considered as read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MAKING IN ORDER AT ANY TIME ON THURSDAY, OCTOBER 3, 1991, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 2622, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that notwithstanding the provisions of clause 2 of rule XXVIII, that it be in order at any time on Thursday, October 3, 1991, or any day thereafter, to consider the conference report, amendments in disagreement, and motions to dispose of amendments in disagreement, to the bill H.R. 2622, making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes, and that the conference report and the Senate amendments be considered as read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked for this time to proceed so that I might inquire of the distinguished majority leader the program for the balance of this day and the balance of the week.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished majority leader.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for yielding to me.

Our business is finished for today. On tomorrow we will be taking up the conference report on the appropriations bill on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992. That will complete the business for tomorrow.

We will not have a session on Friday.

We will have business on Monday, but no votes on Monday.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

Then will we find out tomorrow in a further colloquy on the program for next week?

Mr. GEPHARDT. That is correct.

Mr. MICHEL. Mr. Speaker, I thank the distinguished majority leader.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 230

Mr. GILMAN. Mr. Speaker, I ask unanimous consent to have the name of the gentleman from North Carolina [Mr. McMILLAN] removed from cosponsorship of House Joint Resolution 230. His name was mistakenly listed instead of the gentleman from Maryland [Mr. McMILLEN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL FIREFIGHTERS DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 189) designating October 8, 1991, as National Firefighters Day, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so simply to yield to the gentleman from Pennsylvania [Mr. WELDON], who is not only the chief sponsor of House Joint Resolution 189, but the founder and driving force in the creation of the largest congressional caucus, the firefighters caucus.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WELDON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like at this time to thank the gentleman from Ohio [Mr. SAWYER] and the gentleman from Pennsylvania [Mr. RIDGE] for their cooperation in helping us bring this important piece of legislation forward, which will in fact designate October 8 for the first time as National Firefighters Recognition Day, recognizing the 1.8 million men and women across this country who every day provide the support for America's domestic defense. These are the men and women who respond to all our disasters, not just fires, but our plane crashes, our hazmat incidents, our floods, our hurricanes, our tornadoes, and do so without regard to life, limb, or their own well-being.

It is important that we recognize their contribution and dedication to America.

President Bush speaks about a thousand points of light, and we who support the fire service talk about 32,000 points of light, because that is how many fire departments there are in America. In these 32,000 fire departments, comprising 1.8 million men and women, they form a basic element of our society that is the backbone of our Nation and the heart and soul of many of our communities.

This is the first time, Mr. Speaker, that we are able to recognize them, both paid and volunteers, in one day.

It is also important because we are doing this during Fire Prevention Week, which is that week that we set aside in October of each year to remember the importance of changing the batteries in our smoke detectors in our homes and teaching our young children the vital lessons about fire safety.

Recognizing that America still has the worst record of any industrialized nation, with 6,000 people being killed each year and approximately 120 firefighters being killed in the line of duty each year, it is important that we recognize the entire week of Fire Prevention Week, but most importantly, Firefighters Day.

So I thank my colleagues, and I would remind my colleagues here that October 13 at Emmitsburg, MD, the site of the National Fire Academy will again be the annual tribute to fallen firefighters. This year we will be honoring the 120 brave men and women from throughout our country and from across this Nation who gave their lives fighting to protect the lives of others and to protect the property of this great Nation.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I am happy to yield to my colleague, the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding to me.

I want to commend the gentleman from Pennsylvania [Mr. WELDON] who is also the chairman of our firemen's caucus for his outstanding work in bringing us all together in the Congress to give appropriate recognition and support and help to our firefighting community out there, the thousands upon thousands of volunteers who each and every day sacrifice their time and energy and often their lives to save property and lives throughout our communities, throughout the Nation. They certainly are symbolic of the thousand points of light that our President so eloquently speaks about from time to time; so I am pleased to join in this resolution and I urge my colleagues to wholeheartedly support it.

□ 1600

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 189

Whereas there are over 2,000,000 professional firefighters in the United States;

Whereas firefighters respond to more than 2,300,000 fires and 8,700,000 emergencies other than fires each year;

Whereas fires annually cause nearly 6,000 deaths and $10,000,000,000 in property damages;

Whereas firefighters have given their lives and risked injury to preserve the lives and protect the property of others;

Whereas the contributions and sacrifices of valiant firefighters often go unreported and are inadequately recognized by the public; and

Whereas the work of firefighters deserves the attention and gratitude of all individuals in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 8, 1991, is designated as "National Firefighters Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL RADON ACTION WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 132) to designate the week of October 13, 1991, through October 19, 1991, as "National Radon Action Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so simply to acknowledge the work of our colleague, the gentleman from New Jersey [Mr. ROE], who is the chief sponsor of this resolution.

Mr. ROE. Mr. Speaker, it is my pleasure, as the original sponsor of House Joint Resolution 67 to commend Chairman SAWYER on the passage of the second annual National Radon Action week. I am pleased to have had 218 of my colleagues join me in support of this worthwhile commemorative and want to extend my personal thanks to the ranking minority member of the subcommittee, Congressman RIDGE and to the full committee chairman, the gentleman from Missouri, Congressman WILLIAM CLAY.

With this resolution, joined in effort by my good friend and colleague who serves in the other body, Senator LAUTENBERG, we are once again this year increasing the awareness of the problem of radon and urging Americans to have their homes, schools, and workplaces tested. Although radon is a problem throughout the country, our home State of New Jersey has reported some of the highest levels of radon in the Nation. Indoor radon may result in 8,000 to 40,000 lung cancer deaths annually, according to the U.S. Environmental Protection Agency [EPA].

National Radon Action Week is an effort on behalf of Congress, the EPA, and the American Lung Association to reduce radon exposure. Recent reports released in June by the EPA, state that new standards are necessary to control the health risks imposed by radon in the air and radionuclides found in drinking water.

Radon is a naturally occurring gas, it is second only to smoking as a cause of lung cancer in the Nation. Radon can be so deadly that the EPA and the Surgeon General have strongly recommended that all homes be tested for radon. Alarming as these statistics are, the problem can be readily and cheaply solved through simple testing and mitigation. Nevertheless, only 6 percent of U.S. homes have been tested so far.

Although the primary health hazard comes from breathing air containing radon, radon in drinking water also serves as a hazard. Radon invades your home from the surrounding soil. In some cases, well water, as recent studies by EPA have shown, can be a major source of radon. Radon in water generally accounts for about 5 percent of the total indoor air concentration in homes with ground water sources of drinking water. It is released into indoor air during household water use such as showering and washing clothes.

Once inside, radon is completely invisible to sight, smell, or taste. Radon can accumulate to dangerously high levels. In fact, as you breathe in radon, its decay products become trapped inside your lungs. As these products continue to decay, they release small bursts of energy which can damage lung tissue and lead to lung cancer. It's like exposing your family to hundreds of chest x rays each year.

The EPA conducts Radon Measure Proficiency [RPM] Program to evaluate companies that make and analyze radon test kits. Therefore, to ensure that you get accurate results, look for test kits from companies that have successfully completed the EPA proficiency program. State radon offices also have a list of all radon measurement companies that are State or EPA approved.

Our family's risk of developing lung cancer from radon depends on the average annual level of radon in your home, and the amount of time they're exposed to it. Obviously, the longer your exposure, or the higher the level of radon in your home the greater the risk. That is why it is so important that your home be tested immediately. Testing as I stated earlier, is simple and inexpensive. The risk involved if you don't test is great. So the sooner you test your home, the sooner you can take appropriate action.

In the Northeast, radon levels are dangerously high in many areas; so EPA strongly recommends that all homeowners protect their property and health by testing for radon. If homeowners have questions they may contact State radon offices as well as EPA's toll free number 1–800–SOS–RADON.

We cannot deny the health risks that radon imposes. I am convinced of the need for each of us to test our homes. Considering the impact that radon may have on our lives, I am proud to be associated with this important effort, and I encourage each of you to join in support of this resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 132

Whereas exposure to radon poses a serious threat to the health of the people of this Nation;

Whereas the Environmental Protection Agency estimates that lung cancer attributable to radon exposure causes approximately 20,000 deaths a year in the United States;

Whereas the United States has set a long-term national goal of making the air inside buildings as free of radon as the ambient air;

Whereas excessively high levels of radon in homes and schools can be reduced successfully and economically with appropriate treatment;

Whereas only about 2 percent of the homes in this Nation have been tested for radon levels;

Whereas the people of this Nation should be educated about the dangers of exposure to radon; and

Whereas people should be encouraged to conduct tests for radon in their homes and schools and to make the repairs required to reduce excessive radon levels; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 13, 1991, through October 19, 1991, is designated as "National Radon Action Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORLD FOOD DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 230), designating October 16, 1991, and October 16, 1992, each as "World Food Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, under my reservation I yield to our colleague and friend, the gentleman from New York [Mr. GILMAN], who is the chief sponsor of this resolution.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 230, which would designate October 16, 1991, and October 16, 1992, as "World Food Day."

A little over 2 years ago, on August 7, 1989, our friend and colleague the gentleman from Texas, Mickey Leland, and staff of the Select Committee on Hunger, tragically perished during a mission to help some of Africa's needy. Unfortunately, the problems Mickey Leland sought to resolve still daunt us as enormous suffering continues in Africa and elsewhere around the globe.

Volunteers for World Food Day working in coordination with the Select Committee on Hunger have tirelessly worked throughout the years to call attention to hunger. While their efforts have brought to bear increasingly substantial resources, the magnitude of the problem has not changed. Hunger still persists as strong as ever throughout the world.

Since 1979, on October 16, antihunger activists around the world have participated with Patricia Young, the national chairwoman of World Food Day, in efforts designed to educate the public about the problem. I would like to share with my colleagues some facts submitted to me by the Select Committee on Hunger regarding the domestic and international hunger problem.

I ask that the full text of the factsheets on domestic and international hunger be printed in the RECORD at this point and I urge my colleagues to review these statistics and ask for their support for House Joint Resolution 230.

The factsheets referred to are as follows:

DOMESTIC HUNGER FACTS

12.6 million children in the U.S. are poor.

A family of three needs $832.75 per month for subsistence (1989 Federal poverty guidelines), yet as of January 1990, the maximum welfare benefit was less than half this level in 34 states.

The number of children in very poor homes (half the poverty rate) grew from 3.398 million in 1979 to 4.862 million in 1990.

32.2 percent of female headed households are poor.

Children account for 24 percent of the homeless population.

37 percent of homeless persons report eating 1 meal per day or less, and 36 percent report going at least 1 day per week without any nourishment.

A survey of 30 major cities in 1990 reported a 22 percent increase in demand for emergency food assistance and a 24 percent increase in demand for emergency shelter.

3 out of every 4 persons requesting emergency food assistance were either children or their parents.

33.4 million Americans lack health insurance.

The U.S. Infant Mortality Rate was 10 deaths per 1,000 live births in 1988, which ranks the U.S. 21st among industrialized nations.

A recent study on older Americans found that one in four have a household income of less than $10,000, and one in five skip at least one meal a day. Older Americans are the single largest demographic group likely to be at nutritional risk.

INTERNATIONAL HUNGER FACTS

An estimated 1.2 billion people lived in absolute poverty in 1989; 700 million–1 billion suffered chronic food shortages.

An estimated one billion people, roughly 20% of the world's population, are diseased, in poor health or malnourished. In South and East Asia alone, 500 million people or 40% of the population is ill and undernourished.

At present rates, more than 100 million children will die from illness and malnutrition in the 1990s.

Fourteen million children in developing countries die each year; ten million could be saved from death by low-cost, easy to administer treatments for such common causes of child death as diarrhea, respiratory infections, measles, and neonatal tetanus.

With sufficient resources and research, it may be possible to develop a new vaccine which would be administered only once in infancy and would produce lifelong immunity against a wide range of infectious diseases.

Forty-six million infants are not fully immunized each year against the six major killers—polio, tetanus, measles, diphtheria pertussis and tuberculosis. Three million of these children die every year because they have not been immunized.

Since 1984, the world refugee population has grown from 9 million to more than 16 million in 1990. An equal number of people are displaced from their homes, but still living in their own countries. Third World refugees who face famine and death while fleeing from civil war, or natural disasters find the struggle for survival continues in the refugee camp.

Poverty and the lack of alternatives are the forces which drive rural people to overgraze, over-cut the forests, and overfarm marginal lands, thus, destroying the very basis on which future development depends. Each year farmers lose an estimated 24 billion tons of topsoil in excess of new soil formation.

Mr. RIDGE. Mr. Speaker, further under my reservation of objection, I yield to my colleague, the gentleman from Ohio [Mr. SAWYER], the chairman of the subcommittee.

Mr. SAWYER. I thank my friend and colleague from Pennsylvania for yielding to me, and I take this opportunity to associate myself with the remarks and the effort that our friend, the gentleman from New York [Mr. GILMAN], has made with regard to this important issue.

The question of hunger has, from time immemorial, driven people to make better lives for themselves, or to wage war, or to move across entire continents, and that same motive continues to shape the world in which we live today. But perhaps in no time in living memory has the question of hunger hung more in the balance with regard to the political and quality of life future for 300 million or more people in Central and Eastern Europe and across the Eurasian Continent that it does today.

The efforts that have been made in that troubled part of the world to achieve self-determination, autonomy and political independence and to achieve the measure of freedom and democracy we all hold dear is very much at stake with regard to the ability to feed hundreds of millions of people over the course of what most observers believe will be an enormously difficult winter.

I do not think there could be a more critical time for the gentleman from New York [Mr. GILMAN] to renew the kind of commitment that Members of this Congress have been making over decades, none more so than our friend and colleague, Mickey Leland, in whose memory we rededicate ourselves today.

Mr. Speaker, I just want to thank the gentleman from New York [Mr. GILMAN] for this extraordinary effort and the extraordinary effort that he made today to bring this measure to the floor in a timely way.

Mr. Speaker, it is important far beyond the symbolism of the kind of recognition we give it through this kind of enactment.

I thank the gentleman for yielding.

Mr. RIDGE. Mr. Speaker, further under my reservation of objection, I too would like to thank and commend our colleague, the gentleman from New York [Mr. GILMAN].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 230

Whereas hunger and malnutrition remain daily facts of life for hundreds of millions of people in the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States has a long tradition of demonstrating humanitarian concern for the hungry and malnourished people of the world;

Whereas there is growing concern in the United States and in other countries for environmental protection and the dangers posed to future food security from misuse and overuse of precious natural resources of land, air, and water and the subsequent degradation of the biosphere;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas the United States plays a major role in the development and implementation of interregional food and agricultural trade standards and practices, and recognizes the positive role that food trade can play in enhancing human nutrition and in the alleviation of hunger;

Whereas the United States, as the largest producer and trader of food in the world, plays a key role in assisting countries and people to improve their ability to feed themselves;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, the homeless, and children, remain vulnerable to malnutrition and related diseases;

Whereas the Congress is acutely aware of the paradox of enormous surplus production capacity in the United States despite the desperate need for food by people throughout the world;

Whereas the United States and other countries should develop and continually evaluate national policies concerning food and nutrition to achieve the well-being and protection of all people and particularly those most vulnerable to malnutrition and related diseases;

Whereas the Congress is aware and fully supportive of the 1992 World Conference on Environment and Development and the forthcoming International Conference on Nutrition, and the influence the decisions of these conferences may have on sustainable agricultural development and human well-being;

Whereas private enterprise and the primacy of the independent family farmer have been basic to the development of an agricultural economy in the United States and have made the United States capable of meeting the food needs of most of the people of the United States;

Whereas conservation of natural resources is necessary for the United States to remain the largest producer of food in the world and to continue to aid hungry and malnourished people of the world;

Whereas participation by private voluntary organizations and businesses, working with national governments and the international community, is essential in the search for ways to increase food production in developing countries and improve food distribution to hungry and malnourished people;

Whereas the member nations of the Food and Agriculture Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the Congress, the President, the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, and by programs of the Department of Agriculture, other Federal departments and agencies, and the governments and peoples of more than 140 other nations;

Whereas nearly 450 private voluntary organizations and thousands of community leaders are participating in the planning of World Food Day observances in 1991, and a growing number of these organizations and leaders are using such day as a focal point for year-round programs; and

Whereas the people of the United States can express their concern for the plight of hungry and malnourished people throughout the world by fasting and donating food and money for such people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1991, and October 16, 1992, are each designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe World Food Day with appropriate ceremonies and activities, including worship services, fasting, education endeavors, and the establishment of year-round food and health programs and policies.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SWORDS INTO PLOWSHARES: LEACH UPDATES EISENHOWER'S ATOMS-FOR-PEACE

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Iowa [Mr. LEACH] is recognized for 5 minutes.

Mr. LEACH. Mr. Speaker, as a complement to the President's arms-restraint initiative announced last Friday, I am today introducing three pieces of legislation. The first calls on the President to give highest priority to negotiating an international ban on trafficking in weapons of mass destruction with individual and corporate accountability perhaps over time before an international criminal court.

☐ 1610

The second, Mr. Speaker, calls on the President to negotiate a ban limiting or eliminating Government credits for arms sales. Extraordinarily Iraq did not buy equipment as much as it purloined such with credits from public and private parties. It is time the governments of the world worked to slow down instead of accelerate with credits the arms race.

The third piece of legislation calls on the United States and the Soviet union to enter negotiations to dedicate fissionable materials from dismantled nuclear weapons to peaceful uses. In 1953, President Dwight Eisenhower in his famous atoms-for-peace proposal suggested this would be the most symbolic way to turn swords into plowshares. Experts tell us technologies are available to make such a weapons-to-energy conversion a reality. All that is needed is the political will to make it happen. Arms control to this point in time has dealt with restraining or eliminating certain of the weapon aspects that have to do with trajectory, but nothing to do with the material itself on the warhead, and what I think needs to be done is for the superpowers to take a step that would, as President Eisenhower put it, be dedicating some of their strengths to serve the needs, rather than the fears, of mankind.

NEW DEVELOPMENTS IN THE AIDS EPIDEMIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, in the last week there has been a great deal of renewed interest; I think there has been interest all along, but there has been renewed interest in the AIDS pandemic, epidemic, in this country because of the appearance of Kimberly Bergalis, the young lady who contracted AIDS from her dentist in Florida, and she came and testified before the Congress on the need for a bill to inform patients of their health-care provider's AIDS status prior to them being treated by that health-care provider. It also provided in that legislation that a health-care provider, a doctor, or dentist, or health-care worker who feels they may be working with somebody or working on somebody who has the AIDS virus could require a test of that patient. So, it was a two-way street.

But because of this appearance by Kimberly Bergalis before Congress there has been a heightened awareness of this problem in the last week. Because of that I wanted to take advantage of the situation and bring to the attention of my colleagues and anyone who may be paying attention of some new developments in the AIDS epidemic.

This year, using current methods of determining who has the AIDS virus, active AIDS, we will go over the 200,000 mark of people who are dead or dying from this dread disease. By the end of this year it is estimated that there will be 207,300-plus people dead or dying of the AIDS virus.

Now think about that: 207,000 people dead or dying.

In addition to that, the Centers for Disease Control in Atlanta has said that they are redefining who has active AIDS. They are going to define anyone with fewer than 200 CD4 lymphocytes as a person with active AIDS, and that is estimated to increase the amount of people who are defined as having active AIDS by about 50 percent. So, we are going to have by the end of this year, once this new definition takes effect, over a quarter of a million people in this country dead or dying of this disease. Based upon projections that we came up with back in 1985 and 1986, that means we will have about a million-plus people in this country dead or dying of AIDS by the middle of this decade, by 1995 or 1996.

Mr. Speaker, we are going to have a million or a million and a half people dead or dying of AIDS. The drain on our health resources is going to be dramatic, but I wanted to talk tonight just briefly about a more horrible thought than even the amount of expenditures it is going to take to take care of these people who are dead or dying of AIDS and the impact it is going to have on the health care delivery system of this country, and what I wanted to talk about is the impact it is going to have on the future of this Nation.

According to Gallup Polls that were taken in the last year, the people in their early sexually active years, and those are teenagers, people 14 to age 30, have not changed their attitudes toward sexual involvement since the 1960's. Even though there has been educational material sent to TV stations talking about condoms, and how to have safe sex and everything else, which is a misnomer, the fact of the matter is teenagers, college-age students and young adults have not changed their attitudes about sexual encounters since the mid-1960's.

Now what does that mean? That means that there is going to be a dramatic increase in the number of people with AIDS in their formative years, teenagers. Up till now people believed that the most at-risk population was the homosexual community, and statistics bore that fact out. But it is no longer the case. In fact, in the future the most rapidly growing segment of our population that is going to have the AIDS virus is going to be the people between the ages of 14, 15, 16, up to age 30, and that is the future of this Nation.

Mr. Speaker, those are the producers of tomorrow. That is the future economy of America. And it is going to take a very terrible toll.

Now, unless my colleagues think I may be misleading them, Mr. Speaker and my colleagues, there was an article that was put out by the Associated Press yesterday over the TV and the radio media that talked about this very subject, and I want to quote an Associated Press story. It says:

> The AIDS virus appears to be spreading quickly among poor teen-agers, particularly dropouts, and is reaching especially alarming levels among girls, studies show.
>
> Experts say they have detected a dramatic increase in the level of infection among teenagers over the past year or two.
>
> One study in Washington found that over 1 percent of the city's adolescents are now infected, and the disease appears to be spreading through heterosexual encounters in these youngsters.
>
> "It's a surprise and a concern," said Dr. George A. Conway of the Centers for Disease Control.
>
> Research presented by Conway and others Tuesday at a meeting of the American Society of Microbiology documents increasing rates of infection with HIV, the AIDS virus, in all racial groups, but especially blacks.
>
> The largest amount of new data comes from the Jobs Corps, a job-training program for poor young people, many of them dropouts. Participants, who range in age from 16 to 21, are required to take AIDS tests.
>
> The CDC analyzed results of tests on 51,358 females and 118,086 males from cities and rural areas across the country.
>
> They found that between 1988 and 1990, the infection rate doubled among females and declined slightly among males. Young females are now one and a half times more likely than males to carry the virus.
>
> Conway said the figures show "high and increasing levels of HIV infection" in poor young women.
>
> In the Washington study, Dr. Lawrence G. D'Angelo of Children's Hospital estimated AIDS infections among District of Columbia teen-agers from anonymously drawn blood samples of emergency room patients.

☐ 1620

Blood from more than 11,000 youngsters has been tested. The infection rate grew from four-tenths of 1 percent to 1.3 percent. That is a 300-percent increase in the number of young people, percentage-wise, who are getting AIDS in Washington, DC. It is now 1.3 percent of the total population that has the AIDS virus.

He says, and I quote, "We may be facing a heterosexual epidemic." Until now AIDS in the United States has spread primarily in three ways: through homosexual acts, through sharing dirty needles, and from male drug abusers to their female sexual partners.

But now, he says, and I quote again, "We may be facing a heterosexual epidemic."

Five years ago the Centers for Disease Control told the people of this country we had 1.5 million people infected, and that it was doubling every year to a year and a half. The incubation period was from 2 to 10 years, which means simply that people can carry the AIDS virus without any manifestations of the disease, they may not even know they have it, up to 10 years, and during that entire time they can infect other human beings with the virus, thus condemning them to death. And now we know that it is spreading rapidly in the teenage heterosexual community. That portends horrible things for the future if we do not come up with a comprehensive program to deal with it.

So today I would like to say to my colleagues that we have by the end of this year, under the new definitions from CDC and HHS, about 250,000 Americans who are dead or dying of AIDS and we do not have any program to deal with it. These people who are getting AIDS, 97 percent or more of them, do not even know they have it, and they are communicating it to others, and the most sexually active group, the teenagers and the young college students, are practicing the same sexual habits they had back in the 1960's. It is now into the young heterosexual community, and it is going to spread like wildfire unless we do something about it.

For each person that get the AIDS virus, it costs this country and the health community $100,000 to $150,000 from the time they get the disease until they die. If you put a pencil to that, it means that if we get 4 million or 5 million people dead or dying of the AIDS virus, which is likely, we are going to destroy the health-care system in this country or else we are going to have to give much less care to those who are infected with this virus.

We have got to come up with a program. Time and time again I have said that we need a comprehensive program to deal with it, and I want to enumerate the things that need to be done.

The first thing we need to do is to identify those who have the AIDS virus so we can come to some conclusions about how it is spreading, where it is spreading, and who is spreading it, and inform them that they have to change their habits so they no longer infect other people who are not yet infected.

So we need a national testing program to test every adult in this country on an annual basis. We have to know who has the disease before we can attack it, and we will not know for 10 years, for most people, if we do not have the testing, and in 10 years we will have 5 million or 10 million people dead or dying of this disease. We cannot wait. So we need a testing program to identify and inform people who will have the disease.

The second thing we have to do is, we have to continue scientific research to try to find some way to cure this or to stop its spread through inoculation.

The third thing we have to do is to continue education and expand the education so young people know there is no panacea as far as protection is concerned against this disease. Condoms will not protect you. Eighteen to twenty-five percent of the people who use condoms and have contact with people who have AIDS get the disease. So condoms will not protect you. They will help, but it certainly is no panacea.

So we need to have more education. The only way to protect one's self is to have a monogamistic relationship with another human being. You cannot go out and sleep with everybody and his brother and hope to not get this disease. So we need to have more education, broader education in the schools and on television and through the media.

We need to have penalties for those who know they have the AIDS virus and continue to spread it. Make no mistake about it, there are prostitutes in this country and there are other people in this country who know they are HIV-positive and continue to go out and spread it to other human beings, thus condemning them to death. So we have to make sure there are penalties for those who continue to spread the disease after they know they have the virus.

We also have to have in this overall program protection for people who do have the AIDS virus, as far as their civil rights are concerned, and as far as their health care benefits, their jobs, and their homes are concerned.

So in short, Mr. Speaker, this pandemic is growing in leaps and bounds. I do not believe we have only 1.5 million people infected, like CDC says. I believe it is more like 4 to 5 million people, because we had 1 to 1.5 million five years ago, and it was doubling then every year to 18 months. It is inconceivable to me that we would still have only 1.5 million people infected, especially in view of the fact that we are going to have 250,000 people dead or dying by the end of this year alone.

So if we have 4 million to 5 million people infected, that means 4 million to 5 million people are infectious and they can communicate it to other people. They are destined to die and they are destined to be a drain on the health care system of this country. So we need to come to grips with this through a comprehensive program.

Mr. Speaker, I would just like to restate one more time to my colleagues that it is now into the teenage heterosexual population of this country. It is no longer a homosexual disease. People in the heterosexual community, starting in their teenage years, are now at dire risk, and we have to come up with a comprehensive program to deal with it. The longer we ignore this, the longer we keep our head in the sack, hoping this will go away, doing very little or nothing, the more people we are condeming to die and the bigger the drain on the future of the United States of America, both as far as human beings are concerned and as far as our economy is concerned.

So, Mr. Speaker, I hope my colleagues will take this to heart and start thinking about it, because we do not have a lot of time.

BABI YAR COMMEMORATION

The SPEAKER pro tempore (Mr. SARPALIUS). Under a previous order of the House, the gentleman from New York [Mr. SOLARZ] is recognized for 60 minutes.

Mr. SOLARZ. Mr. Speaker, there is a plaque at Yad Vashem, Israel's moving museum and memorial to the victims of the Holocaust, which warns eloquently against forgetting. It reads, in part:

> * * * Keep not silent, forget not deeds of tyranny, cry out at the disaster of a people, recount it unto your children, and they unto theirs from generation to generation, that hordes swept in, ran wild and savage, and there was no deliverance.

We gather this afternoon in a solemn act of remembrance and redemption. Five decades ago this past weekend, there occurred one of the most horrid episodes of the Nazi Holocaust: Babi Yar.

Babi Yar is a ravine on the outskirts of Ukrainian city of Kiev.

Close by the gorge was a Jewish cemetery, and it was to this cemetery that the Nazi Einsatzgruppen ordered the Jews of Kiev to report on September 29, 1941—supposedly for the purpose of resettlement.

That order came only 9 days after the Wermacht's occupation of Kiev, and 3 months after the beginning of Operation Barbarossa and the Final Solution.

On pain of death, the Jews of Kiev were ordered to bring "documents, money, valuables, as well as warm clothes, underwear, etc."

Unaware of the Nazis' systematic effort to exterminate their brothers and sisters in other parts of Europe, many of the Jews of Kiev obeyed the order.

As reported by an eyewitness after the war, this is what happened next:

> Ukrainian policemen formed a corridor and drove the panic-stricken people towards the huge glade, where with sticks, swearings, and dogs, who were tearing the people's bodies, they forced the people to undress, to form columns in hundreds, and then to go in the columns in twos towards the mouth of the ravine.
>
> [In the mouth of the ravine,] the [Jews] found themselves on the narrow ground above the precipice, twenty to twenty-five meters in height, and on the opposite side there were the Germans' machine guns.
>
> The killed, wounded and half-alive people fell down and were smashed there.
>
> Then the next hundred were brought, and everything recreated again.
>
> The policemen took the children by the legs and threw them alive down into the Yar.
>
> [In the evening,] the Germans undermined the wall of [the] ravine and buried the people under the thick layers of earth.
>
> But the earth was moving long after, because wounded and still alive Jews were still moving.
>
> One girl was crying: Mommy, why do they pour the sand into my eyes.

In 2 days between Rosh Hashanah and Yom Kippur that year, 33,771 Jews died at Babi Yar.

Thereafter, the ravine was the killing ground not just for Jews but also for gypsies, Soviet POW's, and the handicapped.

In the 18 months that passed before the Soviet Red Army recaptured Kiev, probably over 100,000 met their end there.

The carnage of Babi Yar, which was replicated simultaneously on a small scale in communities all over the western Soviet Union, was bad enough.

What happened after the end of the war only compounded the tragedy.

Stalin and his successors enforced an oblivion around Babi Yar which only a select few courageous individuals attempted unsuccessfully to penetrate.

When a Babi Yar memorial was finally completed in 1974, it celebrated only the "Victims of Fascism" and ignored the special suffering of Kiev's Jews.

And those who asked to say Kaddish, the Jewish prayer for the souls of the dead, for those who died at Babi Yar were turned away.

To thus distort history is not simply an injustice to yesterday's victims.

It also obscures the evil that men do today and the threats they may pose to civilization tomorrow.

Fortunately, the injunction to remember Babi Yar has finally been heard, even in the Soviet Union.

With glasnost, the warming of United States-Soviet relations, and the collapse of communism, the truth about the tragedy is being told—even in Kiev.

This week, the Ukranian Government itself is sponsoring a 50th anniversary commemoration of the Babi Yar massacre—in cooperation with organizations such as the World Jewish Congress, the United States Holocaust Memorial Council, the United States Commission for the Presentation of America's Heritage Abroad, B'nai B'rith, and others.

An international academic conference will fill the blank spaces on Babi Yar's page in history.

The cornerstone of a new memorial will be laid. And, on this Saturday evening—at last—the saying of Kaddish will begin.

In my district in Brooklyn, there resides a community of Holocaust survivors that is larger than any other in the Nation.

Nothing can make up for the pain and suffering they endured.

And there is nothing anyone can do to bring back to life those whose souls and spirit were snuffed out in the killing field on Babi Yar.

Even as we fulfill our obligation to remember, we can only pay scant homage to the courage and dignity they displayed on the altar of hate and cruelty.

Yet we, can invest the sacrifice of those who died with a redemptive significance, by resolving to do everything within our power to prevent such an evil from happening again.

Where governments subject defenseless people to overwhelming and unrestrained violence, the civilized world has only one choice: to act on behalf of those who suffer.

From their final resting place, the victims of Babi Yar call upon us to never forget.

From our earthly abode, we can only respond: "Never again."

□ 1630

Mr. Speaker, I am pleased and privileged to yield to my very good friend, the distinguished gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, the 50th anniversary of the massacre at Babi Yar outside Kiev in the Ukraine is a chilling reminder, yet one that cannot and must not be allowed to pass without acknowledgement. I thank our colleagues the gentleman from New York [Mr. SOLARZ] and the gentleman from Ohio [Mr. FEIGHAN], for reserving today's time enabling us to honor the memory of those martyred at Babi Yar. Their congressional leadership on this issue comes on the heels of renewed recognition of what happened at this infamous site.

Not since Yevgeny Yevtushenko wrote his moving testament have so many eyes focused on Babi Yar. President Bush's recent visit, and his stirring memorial to the victims of Babi Yar have resurrected the uniquely Jewish nature of Babi Yar, for so long ignored and for so long in the shadows.

On September 29th, 1941, evil showed its true face at Babi Yar, as 33,000 innocent Jews were transported there, and, in a scrupulously methodical manner, were gunned down in the next 48 hours by Nazi butchers. Over the next 2 years, untolled thousands would perish there as well, Jew and non-Jew alike. Babi Yar exists as a silent reminder of where the world was 50 years ago. It is the site of a world gone mad. The savage events which took place five decades ago are ingrained forever in our memories.

This monstrous mass slaughter, among the most unspeakable crime against humanity, must never be forgotten. The 50th anniversary allows us not only to bless the memories of those who were lost, saying Kaddish for their souls, but also reminds us of man's inhumanity to man. Let us be ever mindful of the fragility of freedom, and the need to fiercely and continually protect it at all costs.

Mr. SOLARZ. Mr. Speaker, I yield the balance of my time to my very good friend from Ohio [Mr. FEIGHAN], with whom I took out this special order.

Mr. FEIGHAN. Mr. Speaker, I yield to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, September 29 and 30 was the 50th anniversary of the single most concentrated episode of mass slaughter of Jews by the Nazis during the World War II Holocaust—Babi Yar. The very name conjurs up one of the most chilling examples in all of recorded history of the savagery which humans are capable of inflicting on fellow human beings. On these 2 days in the early fall of 1941, Nazi units brutally massacred 33,771 Jews.

When the German Army invaded Russia, special extermination teams, called Einsatzgruppen, were charged with destroying East European Jewry. Upon capturing Kiev, they posted notices ordering the city's Jews to report for resettlement. The victims, carrying their personal belongings, were marched to the Babi Yar ravine, where Nazi units machinegunned them. By 1943, when the Germans retreated from Russia, Babi Yar had become a mass grave for more than 100,000 persons, most of them Jews. In a desperate attempt to destroy evidence of the deaths, the Germans unearthed the mass graves and burned the remains.

It was, moreover, a monstrosity that for decades the Soviet Government sought to suppress. Even when a pseudo-memorial was finally erected on the site in 1976, the fact that Jews were the primary victims of this phase of the Holocaust was altogether ignored.

Two months ago, President Bush layed a wreath at Babi Yar during his visit to Kiev. The Ukrainian Government designated September 29 as a day of memory and sorrow. This week, numerous commemorative events are being held throughout the city, culminating with the saying of Kaddish, the Jewish prayer for the dead.

I have been to Babi Yar and walked that ravine. As I did, I tried to visualize the unbelievable horrors that occurred there just a few short decades ago. It affected me, it affected me very much. I came away from that ravine resolved that I would do my part to see to it that this despicable act of man's inhumanity to man would never be forgotten. Not everyone will have the opportunity to walk Babi Yar as I did. Nevertheless, each succeeding generation has the responsibility of ensuring that such atrocities never be permitted to happen again. We owe it to ourselves, we owe it to their memories.

Mr. FEIGHAN. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. GEJDENSON].

□ 1640

Mr. GEJDENSON. The world often takes it time about noticing horror and often we miss some of the most outrageous events that occur. It does take the magnitude of this event to get the world to stop for a moment and notice the tens of thousands of people who were massacred in but a few days.

The amount of barbarism that still exists in the globe is hard to imagine and, coming from somebody whose parents survived the Holocaust, luckily escaping a similar situation in my father's case to what happened at Babi Yar, my father lived in a small village in White Russia. And the war came and first it was taken by the Russians.

It was part of Poland. The Polish Army, which my father was part of, held out for as long as it could. But quickly the country was divided, half given to the Soviets, half taken by the Germans.

Most of the world was silent about what had happened before, was happening then. And I remember speaking to my father one day in the early 1970's, he was working, after the Germans invaded the Soviet Union and then took the part that he was in, he was working on a farm not far. But they had put all the Jews in a ghetto and he came back, having heard that the Japanese had attacked Pearl Harbor. And he figured that the war was over and that the Americans, with their great strength and resources, would shortly end the war, liberating his family, his friends in Europe from the tyranny it had seen.

Following that, as what happened to the people at Babi Yar, his family and his friends were moved into a small depression that had developed as the result of an explosion in World War II. The entire village, all the Jews of the village, were marched into this one depression and machine gunned.

It did not take 2 or 3 days like it took at Babi Yar. It does not make a lot of reports of grand and large events, but to the individuals that died there, their fate, their horror was the same as those who would die at Babi Yar.

My father fled with a handful of others that survived. He jumped into a woodpile and at that point one of the local women went by and saw him there. And she threw some wood on top of him so when the German Nazi soldiers came by that he would not be spotted.

He spent some time in the woods, hiding out, sleeping under trees in the forest, wiping ice off his eyes in the morning as he awoke.

A Polish lady hid him. She had eight children. And I would often, as a young men think, a young child, think about the courage that this old Polish lady had. Because if the German had found this Jew hiding in her attic, they would not have simply killed him and her. They would have killed her eight children. And it was a measure of courage that I could not fathom then but now, as a father of two, it is beyond my comprehension to have that much courage, that much principle, to be able to risk your whole family for a stranger is something that I think is very difficult for us to comprehend.

It is an easy kind of theoretical test, as we sit here with civil rights and civil liberties that we enjoy in this country, but the lesson for us is that each of us have a responsibility to speak out when there is torment, when there is murder, and not simply when it gets as large as Babi Yar or as the Holocaust, but when one person disappears in a Guatemalan village or if one Vietnamese family is sunk as they are off somewhere in Vietnam trying to get a refugee camp to freedom, anywhere on the globe.

We should not wait till 5,000 Kurds are killed and then the Kuwaitis are invaded and taken and then Saddam Hussein again starts to kill the Kurds, before we figure out that it is wrong, that had the United States maybe spoken out when the first Kurds began dying, maybe we would not have had an invasion of Kuwait and then an additional massacre of the Kurds.

Had the world spoken out at Kristallnacht or the taking of the Sudetenland, maybe Hitler would have been stopped. It is not just the big acts.

I think what we often convince ourselves here is that it is the monumental acts, it is the military actions at the end of the day when the tyrant had finally gone too far for even those who want to pay no attention to his outrages, that makes the difference.

I submit that is not what makes the difference. It is the individual. It is that old Polish woman who took what she had learned in her childhood seriously and risked all to save one person.

And the opposite of that is the silence, the silence of people in elective office, but not just of leaders where it is easy to kind of leave the blame. It is the silence of average citizens, of people buying items made in China, in slave labor shops, of government who are silent about the imprisonment of those who had courage at Tiananmen Square. And whether they are in East Timor or in Guatemala or in South Africa or anywhere on the globe, it is all our responsibility to speak out before we reach the magnitude of Babi Yar.

Lastly, to Mr. Gorbachev and the courageous people that are bringing in democracy to the Soviet Union, they have not gotten a lot of applause in this Chamber, not when they, Gorbachev and his people went and led the process of freeing Eastern Europe, not when they instituted democratic reforms. It really took the coup for us to recognize that there were changes and those changes could be threatened by people who wanted the good old days.

It was Gorbachev and his government that began to seek the truth, and that is also part of our responsibility, whether it is in the past as Babi Yar or as in the present around the globe. We need to seek the truth when the first person is a victim of oppression, not when we get to 100,000 in 2 days, not when we get to 6 million in a war, not when we get to millions in Cambodia or across the globe.

I want to commend my colleagues here because I look around the room. They are clearly the ones that did speak out, as many more Members of the House do. We need every citizen in this country speaking out against injustice here and across the globe.

Mr. FEIGHAN. Mr. Speaker, I thank the gentleman for his personal, eloquent statement.

Mr. KOSTMAYER. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Speaker, this fall marks the 50th anniversary of the tragedy of Babi Yar and the full implementation of Hitler's Terrible Final Solution. Between September 29 and October 3, 1941, between the religious holidays of Rosh Hashanah and Yom Kippur, 33,000 Jews—men, women, and children—were marched out of Kiev, stripped of their clothes and valuables, taken to the edge of the Babi Yar ravine, and shot by Nazi SS and Ukrainian auxiliaries.

This blight on history must never be repeated. But it will be unless we open our eyes to the indifference, intolerance and fanaticism in the world today.

On February 19, 1939, Senator Robert Wagner of New York and Representative Edith Rogers of Massachusetts introduced a bill to allow 10,000 Jewish refugee children under age 14 from Europe into the United States, in 1939 and 1940.

The Daughters of the American Revolution and the American Legion testified against the bill which failed to get out of committee. Here is what one witness said, "Mr. Chairman, I am the daughter of generations of patriots. My forefathers helped to found this Republic. These refugees have a heritage of hate, they could never become loyal Americans."

Four months later on May 27, 1939, the *St. Louis*, a ship carrying nearly 1,000 European Jews, lingered in Havana harbor until being turned away and told to return to Germany. A few days later, on Sunday, June 5, the *St. Louis*, after wandering aimlessly, anchored 4 miles from Miami. The *St. Louis* cruised in circles and then at 11:40 p.m. on June 6, the *St. Louis* turned toward Germany after being turned away by United States immigration officials. Its passengers were finally given refuge in Great Britain and in Belgium and Holland, both of which were later overrun by the Nazis.

Two and a half years later the United States Government began rounding up and jailing American citizens of Japanese descent. Nearly 50 years later Congress provided some restitution to those Americans who lost their homes and their freedom and once again veterans groups opposed the legislation. Nothing seems to have changed very much.

The Kuwaitis are brutalized by the Iraqis. When the Iraqis are driven out, the Kuwaitis turn on the Palestinians with equal savagery.

On the West Bank of the Jordan the heirs of the Holocaust's victims too often remain silent when the Israeli Government brutalizes Palestinians, sometimes blowing up the homes of those suspected, but never charged or convicted of crimes.

The President of the United States and the Congress at first turn their backs as Kurdish women and children are slaughtered, coming to their rescue only after international pressure mounts. By our silence we fail to condemn their killing as vigorously as we condemn the killing of others.

In New York City, black Americans, still the victims of persecution in our own country, murdered Orthodox Jew Yankel Rosenbaum in Crown Heights, Brooklyn, because he was Jewish and chanted "Heil Hitler" in the streets.

Man's savageness seems still largely untamed.

Victims turn on victims.

As Americans in 1991, we needn't look to the past or to other lands to find human cruelty and indifference.

We are not perfect citizens and this is not the perfect State. Let us recall this as we recall Babi Yar.

Let us recall also our own responsibility to speak out against the world's and our own country's sins. On June 8, 1939, an 11-year-old girl wrote to Eleanor Roosevelt about the *St. Louis*, she said:

> Mother of our country, I am so sad the Jewish people have to suffer so * * * please let them land in America * * * It hurts me so, that I would give them my little bed if it was the last thing I had because I am an American, let us Americans not send them back to that slaughterhouse. We have three rooms that we do not use. Mother would be glad to let someone have them. Surely our country will find a place for them.

Surely.

Mr. NICHOLS. Mr. Speaker, we are here today to express our deep sorrow for the tens of thousands of Jews massacred 50 years ago in the single most concentrated mass slaughter of the Holocaust: Babi Yar.

Why did this happen? How could this have happened? How can we prevent a Holocaust in the future?

There can be no answer as to why and how something so terrible as Babi Yar can happen. But we can prevent it from happening again by remembering the sacrifice of those killed. Today, we know what occurred in that ravine in Kiev and in the Nazi death camps. That knowledge serves as a reminder of the weakness of mankind and the atrocities that will consume whole groups of people if we stand by and allow it to happen.

As we watch events unfold today in the Middle East, we remember that just 50 years ago, we witnessed the intended destruction of an entire race of people. Simply hoping that the terrors of the Holocaust will not return is not enough. We stopped Saddam Hussein in Kuwait. Can we stop others like him in the future?

My message is to remind everyone of the horrors of World War II and the Holocaust. We can never forget the murder of innocent, defenseless people.

□ 1650

Mr. FEIGHAN. Mr. Speaker, as we close the special order today I just want to bring focus that the commemoration of the events of Babi Yar has really one major goal, and that is remembrance. The events that have been described very eloquently by my colleagues really defy comprehension: 33,000 men, women and children slaughtered at Babi Yar in just 2 days. And as Congressman SOLARZ has indicated, probably another 100,000 more over the next few months. In a century of horrors, there are few more horrifying than the mass slaughter that took place at a ravine outside of Kiev, a place we now know as Babi Yar.

Today, we speak about Babi Yar because for 50 years the massacres at Babi Yar were shrouded in silence. The poet, Yevgeny Yevtushenko, wrote in 1961 that "everything here at Babi Yar screams in silence."

In his most famous poem, he spoke of the absence at Babi Yar of any indication that tens of thousands of Jews had been murdered there. In fact, until 1976, there was no monument of any kind at Babi Yar.

In that year a monument was built which ignored largely the Jewish victims. That omission reflected the official Soviet view that the Holocaust was nothing more than a chapter in the history of World War II and that Jews suffered no more than anyone else.

Besides, in the years since the war, Soviet policy had become increasingly anti-Israel and anti-Semitic. There was no place for a memorial to Jews in the Communist Soviet Union.

Today, all that has changed. This week the Ukrainian Republic is commemorating "days of memory and sorrow" to mourn the victims of Babi Yar. Flags in Kiev are flying at half staff. A new memorial, a memorial to the Jews who died at Babi Yar, is being dedicated.

And that is not all. Plans have been made to introduce Holocaust studies in all Ukrainian schools. There will be annual Babi Yar memorial ceremonies. The Ukrainian Government intends to institute student exchanges with Israel.

The Ukrainian Government deserves credit for breaking with the past and for recognizing and acknowledging the crimes at Babi Yar. In the words of 1941 Robert Kesten, an American who is serving as international chairman of the Babi Yar commemorations, the Ukrainian Republic "has taken a meaningful step to set the record straight, to acknowledge facts, and to begin building a different future."

I think it is appropriate that we salute the Ukrainian Republic for undertaking this year's commemoration. It is only together that we can ensure that the events of Babi Yar will neither be forgotten nor repeated.

I think we must believe, Mr. Speaker, that in the final and very desperate moments of life for those victims at Babi Yar there must have been wishes, there must have been hopes that there would be people in the future, that there would be generations that would recall the horrors that they suffered. And it is for their memory, and it is for their suffering that we hold this remembrance today. But it is most especially in fulfillment of their wish that an acknowledgment, an annual remembrance of the horrors of Babi Yar will make a major contribution to prevent any future such horror.

I think that the testimony that we have received today, particularly I would point out from the gentleman from Connecticut [Mr. GEJDENSON], a very personal and very eloquent statement not only of the horror and tragedy of Babi Yar, but more importantly, in the context of this remembrance, a perspective, a global perspective on the meaning of Babi Yar in all of our lives, regardless of our heritage, and of the obligation that we have to the victims there and to the hundreds of thousands of other nameless victims throughout the Holocaust and other violations across the globe, the obligation that we continue to have to them, to their memory, and more importantly or as importantly to our obligation to ensure that those atrocities against humanity never happen again.

Mr. LEHMAN of Florida. Mr. Speaker, I would like to thank you for this opportunity to share my thoughts with our colleagues on this historic occasion. Babi Yar, the largest single mass execution of Jews in the history of the Holocaust, symbolizes the depth of the depravity and evil of anti-Semitism. On this 50th anniversary of Babi Yar, we are reminded of the brutal mass murder that took place on September 29 and 30, 1941, and continued for at least 12 more months in Kiev. In those 2 days alone, 33,771 Soviet Jews were methodically lined up and shot in a continuous 48-hour bloodbath. Today, we must remember our brothers and sisters who experienced this terror of hatred.

The legacy of Babi Yar lives on in the hearts of Jewish people. In subsequent years, hundreds of Soviet Jews gathered at the actual site in Kiev to pay homage to those who were murdered, unfortunately having to risk termination from their jobs and harassment or arrest from Soviet authorities whose denial of the Jewish victims of Babi Yar has not exonerated them from their own culpability. In 1976, after years of Soviet denial, the state erected a monument at Babi Yar that was cynically silent and gave no remembrance to the Jewish victims of Babi Yar. The Soviets designed this incomplete memorial in an effort to end Soviet implication in the murderous activities associated with the Stalin era. The memorial was inscribed, "Here in 1941–1943 German-Fascist Invaders executed more than 100,000 citizens of the city of Kiev and prisoners of war." With the anti-Semitic motivation for the massacre at Babi Yar ignored, the 33,771 Jewish men, women, and children who were shot in cold blood and thrown naked into a ravine have not as yet been appropriately memorialized. In solidarity with those whose lives were lost, we recognize what happened at Babi Yar.

Although sweeping changes are currently altering the course of history for the Soviet Union, we must still be vigilant of the tendencies that threaten to return us to the past. In the words of Elie Wiesel, "And yet—they do need to be defended, as much as the victims of long ago. With one difference: for the victims, it is too late." I therefore call upon my colleagues to join in the overdue recognition and remembrance of the Jewish population at Babi Yar and, at the same time, acknowledge the plight of Soviet Jews today. We must all work together for the eradication of the scourge of anti-Semitism.

Mrs. KENNELLY. Mr. Speaker, it is impossible to recall the horrors of Babi Yar without an overwhelming sense of grief. That such atrocities could occur and the world not know—that we did not rise up appalled—is the most convincing proof of the limits of human understanding. Even now, 50 years later, it is difficult to speak of the events of September 29, 1941. For 36 hours, soldiers systematically destroyed a people—men, women, and children were forced to place their clothes and goods aside and then descend into a ravine where they were shot. More than 33,000 people were killed in that initial slaughter; 18 months later, the number had climbed to 100,000.

To recall this massacre is unspeakably painful. But it is necessary. It is necessary because we dare not forget what happened at Babi Yar. We dare not forget that it was a people who were being eliminated—not criminals, not soldiers in the midst of battle, but whole families, generations destroyed in minutes.

This is the first year that formal ceremonies at the Babi Yar site will officially recognize that those who were killed were not only Soviet citizens, they were Jews. They were not only women and children—they were Jewish women and children. They were not only young men, or the aged—they were Jewish young men and elderly Jews.

Finally, we can speak the truth at Babi Yar. We can acknowledge not only the suffering, but those who bore it. It is worth remembering that even this has taken 50 years.

What we must face now are the larger questions: what do we do with the memory of Babi Yar? Can we expect a world that is very much different from the world of the last 50 years? I would like to believe we have a chance to change that world. If I did not believe that, I could not stand before you in this Congress, urging your support on matters I think critical. But I must also acknowledge that it does not take much to make us look away.

Today we must remember the cost of looking away. We must not ignore the plight of a people who are welcoming scores of immigrants into their country. We must not ignore the misery of our own citizens who cannot find jobs, who cannot afford health care, and who cannot find help. Most of all we must recall that truth is our best ally as we try to recover, whether from poverty and neglect or from the unspeakable anguish of the massacre at Babi Yar.

Mr. SCHUMER. Mr. Speaker, I first want to thank my colleagues, Mr. SOLARZ and Mr. FEIGHAN, for reserving this special order in order that we in Congress might all reflect on the 50th anniversary of the tragic Babi Yar massacre.

Babi Yar is perhaps the darkest episode in what is certainly the most tragic and barbaric period in the history of mankind. The Holocaust continues to make us shudder 50 years later, and it will do that 500 years later, because it shows the capacity of human beings to do evil. While some might try to forget or obscure this period, 50 years ago is just a moment in the history of this world. Our country still has citizens whose memories are seared by images of the Holocaust, and whose memories recall those who did not escape.

Never again. Never again must an episode like the Holocaust occur. Never can we allow any people to be the victims of genocide. We Americans have a special duty as leaders of the free world to see to this.

Mr. Speaker, there is one good that came out of this dark period in our history. The good that came out of this shock to the world was the consensus it built for acceptance of the Zionist dream. The State of Israel exists today, and is the focus of attention for Jews around the world, in part so that the Holocaust can never be repeated, so that Jews will never be without a homeland to welcome us and protect us. The anniversary birth of the State of Israel will always be numerically close to the anniversary of Babi Yar, and the two will always be connected in my mind.

This year we are happy to find that the horrors of Babi Yar are being more openly acknowledged. The Ukrainian Government designated September 29, a "day of memory and sorrow." but this new recognition comes at a difficult time. Recent events have brought a child to American-Israeli relations unlike any seen before. I ask my colleagues in government and all my fellow Americans to use these moments of reflection to also reflect on these developments, and to renew and reaffirm our support for the State of Israel. Israel has always stood by America because she shares our ideals and our hopes. We in America ought to share Israel's hopes for peace and safety for Jews and Arab alike. Now Israel needs our support. Let's remember why Israel is there, and why she must always be there.

Mr. YATES. Mr. Speaker, today I am joining together with a number of my colleagues to remember and mourn the victims of one of a cruel century's most evil events. It was 50 year ago that the Nazi government of Adolf Hitler murdered 33,771 Jews in 2 days at a place called Babi Yar near Kiev in the U.S.S.R.

The monstrous events at Babi Yar stand as an indictment of the human race and warning to all of us that bigotry and hatred are a poison that can destroy everything we call humane and human. We mourn those that died at Babi Yar and the millions of others who died in Europe during the Holocaust. It is vital that we remember and understand this dark chapter in human history. The effort today is a part of our obligation to decency and humanity and on that point, I am encouraged by the actions of the Ukrainian Government in designating September 29 as a "day of memory and sorrow."

Mr. DWYER of New Jersey. Mr. Speaker, I would like to thank Mr. SOLARZ for reserving time today to commemorate the 50th anniversary of Babi Yar. All of us participating in today's special order are aware of the massacre of almost 34,000 Ukrainian Jews by the Nazis on September 29–30, 1941. However, there were those who would have preferred that no one would ever know of the mass slaughter which took place during those 2 days.

The German Army entered Kiev on September 19, 1941. Several days later an explosion destroyed the German command post resulting in the loss of life of many German soldiers. The Germans held the local Jews responsible and ordered all Jews in Kiev to assemble near the Russian and Jewish cemeteries at 8 a.m. on September 29. They were told to bring with them such things as documents, money, valuables, and warm clothing. The Jews thought that they were to be resettled and had no idea of the horrible fate which awaited them.

When they arrived at Babi Yar, they were ordered to undress; and small groups were led away from the clearing toward a narrow ledge along the ravine. There, hidden behind the ledge, the Germans had mounted machine guns; and, over the next 2 days, they systematically executed 33,771 people. The killings at Babi Yar continued over the next several months, but never again on that scale.

While the massacre of the Jews at Babi Yar was the worst single incident of Nazi extermination, the aftermath of that tragedy was somehow even more horrible. The Soviet Union refused to acknowledge that the slaughter took place. Babi Yar was a Jewish gravesite which the Soviet Union would not acknowledge; and, in fact, tried to obliterate.

In the years following World War II, the Soviet Union adopted an anti-Semitism policy.

And, not until 1956 did a thaw begin in the Soviet Union which would allow ethnic and religious groups any freedom of expression.

In 1958, in Kiev, Jews sought to express their identity and their first concern was to sanctify the mass graves at Babi Yar. By this time, Babi Yar was a cattle pasture. Earlier efforts to have the site properly designated with a memorial had been thwarted by the Soviet Government when they determined how many of the dead at Babi Yar were Jews. That information greatly disturbed the Soviet Government and they sought to find a permanent coverup of the atrocity of Babi Yar. The Government decided to fill the ravine and build a sports stadium. In the process, they constructed a dam, which turned the ravine into a lake. By 1961, the dam had risen so high that when torrential rains occurred in March 1961, the dam broke and 145 people died in a wave of mud. The people of Kiev proclaimed that the ghosts of Babi Yar were taking their revenge. Finally, in 1976 a monument was erected to the murdered "citizens of the city of Kiev and prisoners of war."

In the intervening years, we have seen repression of the Soviet Jews; and, more recently, a new policy of openness whereupon tens of thousands of Jews have been allowed to leave the Soviet Union.

It is important that we remember that the Holocaust was not just the prison camps of Auschwitz, Dachau, and Treblinka. It touched the lives of Jewish families throughout Europe and the Soviet Union. The Holocaust was also Babi Yar.

Mr. LEVINE of California. Mr. Speaker, 50 years ago, on September 29, 1941, the Jews of Kiev were marched to the ravine of Babi Yar. Men, women, and children were forced to strip as the Nazis collected jewelry and other valuables. For 36 hours 33,771 Jews were massacred at the edge of the ravine for no other reason than their Jewish blood. They were among the millions of victims of Hitler's Final Solution.

In the 18 months that followed, nearly 100,000 Jews, Gypsies, Soviet POW's, and disabled were executed at Babi Yar. As the war turned against Nazi Germany, German units desperately attempted to erase all evidence of their horrific slaughter. The Germans and forced labor uncovered the mass graves in the ravine and burned the bodies. Fifteen conscripted concentration camp inmates survived to tell the story of Babi Yar and ensured that the world would never forget this chilling example of human evil.

Tragically, the Soviet Government attempted to hide the truth of Babi Yar for decades after the savage massacre. Only 25 years after the war did the Soviets erect a memorial at Babi Yar, but the word "Jew" did not appear. Now, 50 years later, as the forces of freedom and democracy are prevailing over the forces of repression and dictatorship throughout the Soviet Union and Eastern Europe, those who perished at Babi Yar will not be forgotten. A new memorial will be erected at the edge of the ravine to acknowledge the Jewish victims at Babi Yar.

As we take a moment on this solemn day to reflect on the human tragedy at Babi Yar and the suffering of the thousands of innocent victims who perished there, we should at the same time remember the sacrifices and heroism of those who fought then, and those who continue to fight, for a more just, humane, and free world.

Mr. TORRICELLI. Mr. Speaker, today we remember the brutality that occurred 50 years ago at the infamous ravine at Babi Yar. At that site outside of Kiev, more than 200,000 Jews, Gypsies, Soviet prisoners of war, and hospitalized handicapped persons were murdered in cold blood over a 2-year period.

The events that occurred at this site were among the most atrocious in the history of the Holocaust. After the German Army captured the city of Kiev in September 1941, the Nazis commanded all of the city's Jews to appear at Dekhtyarev Street within 10 days. They were to wear warm clothing and bring with them all of their money and possessions. Failure to appear would be punishable by death.

On the morning of September 29, 33,000 Jews were marched 2 miles outside the city to the Babi Yar ravine. There, men, women, and children—young and old were forced to strip naked and hand over their clothing and possessions.

For the next 2 days, which happened to fall between Rosh Hashanah and Yom Kippur, 33,771 Jews were mowed down by machine guns and layered at the bottom of the ravine. As it filled, the Jews were thrown onto the piling mass of corpses and shot dead.

In 1943, as the German Army faltered and the Soviets were poised to retake the Ukraine, the Nazis ordered slave labor to exhume and destroy the Babi Yar graves in an attempt to eradicate the evidence of mass murder. It was 15 Jewish slave laborers who made a daring escape from Babi Yar who let the world know of the abomination taking place there.

While no one will ever understand what could make men commit such inhuman acts against the innocent, we do know that it is crucial that we disclose the truth of the Holocaust and always remember its horrors.

But in the Soviet Union, the truth about Babi Yar has been forgotten—until now. Although memorials were erected in 1966 and 1976, they did not specifically mention the massacre of Jews. However, the disintegration of communism and totalitarianism in the Soviet Union has opened the door to the truth.

For the first time ever, the Soviets are currently holding a week-long commemoration of Babi Yar and, more importantly, they are officially recognizing the Kiev Jews who were the primary victims of the Nazis.

While the crimes of the Nazis can never be comprehended, explained, or forgiven, they can and must be remembered. The Soviet Union's long overdue recognition of the true events at Babi Yar does nothing to ease the pain of the Jewish people or remove the scars from human history. But it will remind the world that these crimes can never be repeated and can never be forgotten.

Mr. FAZIO. Mr. Speaker, today we mark the 50th anniversary of one of the most barbaric episodes in human history, the massacre of 33,771 Jews on September 29 and 30, 1941, and the murder of tens of thousands of other Jews and non-Jews in the 2 years that followed, at Babi Yar, Kiev.

A half century later, the magnitude of the murderers' brutality, the infinite sacrifice of the murdered, and the pain inflicted on the living still leave us shocked and grieving. Because the death of one diminishes all who remain, the ravine at Babi Yar will always stand as a deep wound to our vision of a world based on peace and tolerance.

The injury has begun to heal not with the passage of time, but with honesty, education, and remembrance.

This anniversary occurs at a moment in history when it seems that more of the world's people may have a chance to live a life free of deprivation and violence. In that spirit of hope, and in our determination to achieve such a world, let us rededicate ourselves to listening to the voices of those whose lives were taken at Babi Yar, so that we may truly say, "never again."

Mr. GREEN of New York. Mr. Speaker, I should like to commend my distinguished colleagues, Representative SOLARZ and Representative FEIGHAN, for organizing this special order to commemorate the 50th anniversary of Babi Yar.

As a member of the U.S. Holocaust Memorial Council, I am always anxious to see such anniversaries marked, for, as we know, the world's memory is short and the eyewitnesses will not be here much longer to bear witness.

In the case of Babi Yar it is especially important that we create an institutional memory. For Babi Yar not only stands for a monstrous massacre in which 33,771 Jewish men, women, and children were slaughtered, it also stands for a governmental coverup, not only by the Nazis who literally covered the bodies of their victims with dirt and sticks and stones and later by burning, but also by the Soviet Union which tried to cover the truth with omission.

For 25 years after the war, no memorial was erected at Babi Yar, and, when it was finally built, there was no mention of who these victims were. As Dr. Michael Berenbaum, the Holocaust Museum project director, notes in a recent museum newsletter article, "The word 'Jew' does not appear on the memorial; the identity of Babi Yar's Jewish victims is obscured."

Mr. Speaker, I should like to include here the entire article by Dr. Berenbaum which clearly documents the history and lessons of Babi Yar.

[From the U.S. Holocaust Memorial Museum Newsletter, Sept. 1991]

BABI YAR AFTER 50 YEARS: THE MASSACRE AND ITS MEMORIALIZATION

(By Dr. Michael Berenbaum, Museum Project Director)

September 29-30, 1991 marks the fiftieth anniversary of the Nazi murder of more than 33,000 Jews in Babi Yar, a ravine outside Kiev.

For the first time in the past half century, formal ceremonies sanctioned by the Ukrainian government will be held at Babi Yar to remember its victims not as anonymous "Soviet citizens, victims of Nazi Fascism" but as Jews, murdered in a systematic Nazi program of genocide, the "Final Solution to the Jewish Question."

On September 19, 1941, the advancing German army captured Kiev, the capital of the Ukraine. Within days, a number of German civilian and military buildings were blown up by the NKVD (Soviet Secret Service).

Then an order was posted in Ukrainian and Russian:

"Yids of the city of Kiev and surroundings! On Monday, September 29, you are to appear by 7:00 A.M. with your possessions, money, documents, valuables, and warm clothing at Dekhtyarev Street, next to the Jewish cemetery. Failure to appear is punishable by death."

From the cemetery, Kiev's Jews were marched to the ravine of Babi Yar, two miles from the city.

There Germans forced them to strip—men and women, boys and girls, old and young. The Nazi were characteristically meticulous; no material was wasted. Clothing was gathered and folded carefully. Jewelry and other valuables were placed in adjacent piles. At the edge of the ravine, the Jews were mowed down by automatic fire.

In the days between Rosh Hashanah and Yom Kippur, the Jewish New Year and the Day of Atonement 1941, 33,771 Jews were murdered at Babi Yar. In the months that followed, Babi Yar remained an execution site for more Jews, Gypsies, Soviet prisoners of war and the hospitalized handicapped. Soviet reports after the war speak of 100,000 dead. The true number may never be known.

ERASING THE EVIDENCE OF A CRIME

In August 1943, as the tide of war turned against the Wehrmacht and the Soviet army stood poised to recapture the Ukraine, German units and forced labor dug up the mass graves of Babi Yar and burned the bodies. The evidence of mass murder was to be removed.

Paul Blobel, whose troops had previously slaughtered Kiev's Jews, returned to the site of the crime as commander of Special Unit 1005. For more than a month, his men and conscripted concentration camp inmates disinterred the bodies.

At the end of the assignment, the inmate workers were to be killed. In the cover of darkness on September 29, 1943, 25 escaped; 15 of them survived to tell of what they had seen.

After the war, many other Germans as well as Ukrainians and Russians who had witnessed the massacre recounted their experiences. The following excerpt is from the statement that Mr. Hofer, a former soldier assigned as a military truck driver, gave to German prosecutors in 1959 in the Einsatzgruppen trials.

Mr. Hofer had been assigned in September 1941 to drive his truck to the outskirts of Kiev: "En route I was overtaken by columns of Jews, walking with luggage in the same direction I was going. There were entire families. * * * Piles of clothing lay in a large empty field. This was my destination. * * * my truck was then loaded with these pieces of clothing. * * * I think only a very few minutes elapsed between removal of a coat and total nakedness.

"Two or three small passages led into the ravine and the Jews were channeled into the large ditch. When they entered the edge of the ravine, they were attacked by the Security Police and shot while lying on top of the already murdered Jews. This happened very rapidly. The corpses were in regular layers."

HIDING THE JEWISH IDENTITY OF THE VICTIMS

For 25 years after the war, the Soviet Union erected no memorial at Babi Yar.

A memorial was finally begun in 1966 and completed in 1974. It bears an inscription commemorating "the victims of fascism during the German occupation of Kiev, 1941-1943." The word "Jew" does not appear on the memorial; the identity of Babi Yar's Jewish victims is obscured.

When the President's Commission on the Holocaust visited Babi Yar in 1979, its members were, as it was reported to President Jimmy Carter, "shocked by this conspicuous omission and alerted to the danger of historical falsification or dilution." The Commission protested to the city fathers of Kiev, to historians and officials in Moscow.

On subsequent visits to the Soviet Union, Museum officials have raised the issue of Babi Yar. At first, their words were met with cordial silence, but later with the changing climate in the Soviet Union, there was an understanding that something had to be done to redress this historical misrepresentation.

As relations between the United States and the Soviet Union were thawing in 1988, Miles Lerman, chairman of the Museum's International Relations Committee, met with B.V. Ivanenko, director of the Ukrainian Main Archival Administration, to facilitate the Museum's archival microfilming projects in the Ukraine. Among the issues he raised was the memorial at Babi Yar. Mr. Ivanenko promised that the historical misrepresentation would be corrected.

Last spring Sergei Komissarenko, Deputy Prime Minister of the Ukrainian Republic and chairman of Babi Yar's 50th anniversary Commemoration Committee, met with Mr. Lerman, Museum Director Jeshajahu Weinberg and Council Executive Director Sara Bloomfield.

Mr. Komissarenko announced a program of commemoration that would formally recognize the Jewishness of the majority of the victims of Babi Yar and lead toward the creation of a new memorial at the edge of the actual ravine. Mr. Lerman then accepted Mr. Komissarenko's invitation to send a formal Council delegation to participate in the 50th anniversary ceremonies scheduled for October 3-4 in Kiev.

A special segment of the Museum's permanent exhibition will be devoted to the Mobile Killing Units Einsatzgruppen and particularly to Babi Yar, the largest single Einsatzgruppen massacre. Museum visitors, if they choose, will see pictures of the event.

Mr. GUARINI. Mr. Speaker, September 29 and 30 was the 50th anniversary of the start of one of the most horrible incidents in human history. During these 2 days, 50 years ago, 33,771 human beings were massacred in a ravine known as Babi Yar, located on the outskirts of the city of Kiev. These individuals were killed solely because they were Jewish. They were the victims of Adolf Hitler's Final Solution, a maniacal campaign to exterminate the entire Jewish people. During a 12-month period 100,000 people, 90,000 of whom were Jewish, would be murdered at Babi Yar. We must remember today and say never again.

The criminals of Babi Yar were the sonderkommando or special commando units of Einsatzgruppe C, troops who were specially picked for their stringent belief in Nazi ideology and specifically trained in methods of torture and mass murder. Upon their entry into the city, these individuals carried out a disinformation campaign to gather their Jewish victims—most of whom were women, children, the sick, and the elderly—and subsequently devised a way to most efficiently execute each one. Their method—lining Jews up like cattle, stripping them naked, and taking their belongings, using dogs and weapons to force them onto the edge of a ravine, and gunning them down with machineguns in 1-hour shifts. The process lasted over 2 days and for his accomplishments, the head of the sonderkommando unit, Paul Blobel, received an iron cross from the Fuehrer.

Tragically, many aided the invading Nazis in the atrocities which occurred at Babi Yar. These individuals willingly conspired with the Germans, betrayed the many Jews who were in hiding, and even participated in the massacre itself. In some parts of the country, they welcomed the Nazis as liberators and wholeheartedly embraced Hitler's final solution.

The tragedy of Babi Yar should serve to remind us of man's capacity for evil. Today, as members of a society that respects human rights and the value of human life, Babi Yar serves as a reminder that rational, well-educated individuals are capable of the inhumane activities which transpired. It is difficult to imagine that German soldiers often laughed at the screams and cries of their bloodied victims, while others gathered around the slaughter—as if watching a circus spectacle. Although they were educated members of a modern society, similar in some ways to ours, their indoctrination and anti-Semitic ideology enabled them to treat their fellow beings in this way.

More importantly, Babi Yar should renew our determination to fight anti-Semitism and racism, even when these attitudes are not openly expressed. The Jews, in spite of the centuries of anti-Semitic violence perpetrated against them, never expected the cooperation their non-Jewish neighbors would offer to the Nazis. They were unaware that prejudices, which might have appeared insignificant at the time, were in fact the seeds of a betrayal that would cost them their lives.

I am saddened that even after events like Babi Yar, anti-Semitism, racism, and other ideologies of hatred are still alive and well in the world today. In fact, 2 days ago, on the actual anniversary of Babi Yar, the New York Times reported a brutal wave of attacks on foreign migrants in Germany, led by racist youth gangs. Neo-Nazi and skinhead groups in recently unified Germany have been using the frustration caused by that country's high unemployment to spread their anti-Semitic views. If there is one thing that the events of Babi Yar have taught us, it is that their message of hate cannot be ignored. When will we ever learn?

As we commemorate this sad anniversary, I implore my fellow Members of Congress as well as all freedom-loving people to use the memory of Babi Yar to maintain a constant vigil against anti-Semitism and all forms of hatred. Only by fighting these ideologies aggressively can we ensure that similar atrocities will never be repeated. Only in this way can we make sure that the victims of Babi Yar did not die in vain.

Mr. HUGHES. Mr. Speaker, today I am honored to pay tribute to the victims of Babi Yar. This year marks the 50th anniversary of this horrible event.

Babi Yar is an area outside of Kiev in the Soviet Union. It was here that 33,771 Jews were systematically murdered in a 2-day period in 1941. The victims of this slaughter were mostly children, mothers, the elderly, and the sick. Their bodies were buried in a ravine after being beaten and shot by Nazi soldiers.

The killings continued in this ravine for quite some time, and by the end of 1943 as many as 100,000 bodies, 90,000 Jewish, were buried in this mass grave.

In 1943 the Nazi Army attempted to cover up all the evidence of this massacre. Soon thereafter the atrocities of Babi Yar were discovered, but it still remains a virtual secret 50 years later.

Babi Yar had been left a silent issue without any acknowledgement until a memorial was finally erected in 1976. Even this memorial fails to specify the victims and is of little comfort to mourners. It is time for us to pay tribute to those who were so brutally sacrificed at Babi Yar, and focus world attention on this horrible and dispicable act against humanity.

This tragedy needs to be recognized and not forgotten. To allow this anniversary to pass without recognition would be a tragedy in itself. The only way to make sure such a grizzly episode is not repeated is to remember and learn. Not only do we need to remember this horrible event, but we need to remember and honor those who perished there.

Today, now that the complexion of the Soviet Union has changed, we can fully recognize Babi Yar. Through this recognition its importance and significance will be realized and never forgotten.

Mr. SIKORSKI. Mr. Speaker, in 1941, in the days between Rosh Hashanah and Yom Kippur, the Jewish New Year and the Day of Atonement, 33,771 Jewish men, women, and children were murdered in Babi Yar Ukraine. In the months that followed, Babi Yar remained an execution site for more Jews, Gypsies, Soviet prisoners of war, and the hospitalized handicapped. Soviet reports after the war spoke of 100,000 dead. The true number may never be known.

For the first time in the past half century, formal ceremonies sanctioned by the Ukrainian Government are being held at Babi Yar to remember these victims. It is also significant that, for the first time, they will be mourned not as anonymous Soviet citizens, victims of Nazi fascism but as Jews, murdered in a systematic Nazi program of genocide, the "Final Solution to the Jewish Question."

I appreciate the opportunity to speak in memory of those victims of hate and ignorance. The commemoration of the events at Babi Yar is both a symbol of our continuing vigilance against the rise of hate and violence around the world, and a reminder of the price we may pay if we fail to learn from the past.

Fifty years ago, the world became aware of the monstrous acts prepetrated by Hitler and the Nazis. Since then, we have used memorials and commemorations of the events of the Holocaust to declare never again. We make these declarations not only to condemn the murder of 6 million Jews, but also to reaffirm the words of Martin Luther King when he said that "injustice anywhere is a threat to justice everywhere." I have always believed that these declarations are fundamental calls to action which oblige us to continue the fight against crimes against humanity. To truly honor the memory of the victims of the Nazis and their collaborators, we are obligated to actively fight for the rights and lives of those individuals who continue to face hate, death, torture, bigotry, starvation, and neglect. This means fighting to end the rampage of death squads in Central America. This means fighting to end anti-Semitism in the Soviet Union. This means fighting to end starvation and infant mortality in Africa. And this means fighting to end homelessness and crime in the United States.

Commemorations such as the one taking place in Babi Yar remind us of the price that we pay if we fail in our vigilance. I often think of the words of a lonely priest who was being led to a Nazi gas chamber. He wrote:

> First they came for the Jews and I did not speak out—because I was not a Jew.
>
> Then they came for the communists and I did not speak out—because I was not a communist.
>
> Then they came for the trade unionists and I did not speak out—because I was not a trade unionist.
>
> Then they came for me—and there was no one left to speak out for me.

These words serve as a warning to those individuals who do not want to be bothered with the suffering of other human beings or who don't want to get involved. The events at Babi Yar are a poignant reminder of the heavy price of indifference.

We should note that the commemoration ceremonies that are taking place this week also signal a new era in the Soviet Union. It is heartening that after 50 years of denial and neglect by the Soviet Government, the new Ukrainian Government is acknowledging the human tragedy that took place at Babi Yar. It is inspiring to watch as Jew and gentile come together to remember the 50th anniversary of the massacre. I am hopeful that this event marks an era when anti-Semitism ends in the new Soviet Republics, and all Jews enjoy the right of free emigration.

I also use this opportunity to voice concern regarding recent reports that Nazi collaborators may be among the 50,000 Ukrainians who have been officially exonerated of Stalin-era crimes. Although I certainly understand the desire to free the victims of the Communist regime, I hope that any individual who is guilty of crimes against humanity will not escape justice. I can think of no greater stain on the memory of the victims of Babi Yar than having some of their executioners walk free.

As time passes, there is the danger that the tragic events of the Holocaust will fade from memory and the lessons that we have learned from that painful episode will be lost. It is our responsibility, and it is the responsibility of every other human being to remember the lessons of the past, and keep vigil against the modern descendents of Hitler and hatred.

Mr. MATSUI. Mr. Speaker, 50 years ago this week, on September 29–30, 1941, Nazi soldiers massacred 33,271 Russian Jews at Babi Yar. Today, I would like to take a moment to reflect on the meaning of this act of human savagery.

Why is it important for Members of Congress to stand and recount the tragic events of Babi Yar? First, we represent the American people who care deeply about human rights and the well-being of the people of the world. Second, the United States and the countries of the world have a responsibility to come to the aid of those being persecuted. Third, anti-Semitism is as pervasive as ever and still threatens the welfare and safety of millions of Jews. The tragedy of the Holocaust is not only that 6 million Jews were murdered, but that anti-Semitism remains such a destructive force today.

While the events at Babi Yar demonstrate the brutality of which people are capable, it is not enough to admit this sad fact and resign ourselves to the constant threat of its reoccurrence. The Nazi war machine was neither a faceless monolith nor Adolf Hitler and a bunch of people just following orders. The Nazi soldiers at Babi Yar were not born wanting to kill Jews. Rather, they lived at a time and in an environment that allowed their ignorance and hatred to develop, and served a psychopathic dictator that empowered them to commit murder under the direction and protection of the Government.

It is imperative that the United States work to ensure that the circumstances leading to Babi Yar are not repeated. The United States must continue to take an active role in promoting democracy and human rights abroad. Further, we must closely monitor reports of anti-Semitism and use our considerable influence to demand equal protection under the law for people everywhere.

Mr. Speaker, 50 years ago this week, thousands of innocent men, women, and children were gunned down because of their religious and cultural heritage. While our statements here today are ones of remembrance and sadness, they are also symbolic of our commitment to avoiding any reoccurrence of the nightmare at Babi Yar. Together, let us take a pledge to remember the tragedy of Babi Yar, to understand its lessons, and most importantly, to do all we can to prevent it from happening again.

Mrs. LOWEY of New York. Mr. Speaker, I rise today to join my colleagues in commemorating the 50th anniversary of the massacre at Babi Yar.

Fifty years ago, the Ukrainian Jewish population was almost annihilated. Nazi machine-gunners and Ukrainian henchmen butchered 33,771 innocent human beings in just 36 hours. The Ukrainian Jews, along with gypsies and Communists, were forced into rows in front of pits filled with corpses. They were then shot and killed: men, women, and children alike. Those pits were then covered with dirt, the perpetrators hoping the world would soon forget.

The Soviet Union shared the Nazi hope that Babi Yar would be forgotten. The Soviets refused until 1976 to even acknowledge that these fields outside of Kiev held the bodies of thousands of Jews, gypsies, and Communists. When the Soviet Government finally did acknowledge the tragedy that had occurred, they had the audacity to continue to deny the fact that amongst the murdered individuals were Jews and gypsies.

I recently returned from Eastern Europe where I met with representatives of Jewish communities living in Hungary, Czechoslovakia, and Bulgaria. These Jews have never known complete safety. They continue to live in a state of fear. They remember well what happened at Babi Yar, and they fear that the recent breakup of the Soviet Union could very well lead to a resurgence in the type of ethnic nationalism which has imperiled Eastern Europe's Jews for generations.

Today, we are rising to say that we have not forgotten. And in the Ukraine, at long last, a day of national mourning has been declared and a 15-foot menorah was erected last week at Babi Yar to remember the Jews who lost their lives in that tragedy. That monument should help ensure that they will never be forgotten.

As Members of the U.S. House of Representatives we have a responsibility to remind the world of the massacre at Babi Yar and of the Holocaust. To fail to do so would leave open the frightening possibility that memories would fade and that such tragedies could occur again. That is a risk none of us should ever accept.

Mr. RAMSTAD. Mr. Speaker, today I rise to memorialize the 50th anniversary of the Babi Yar massacre.

On September 29–30, 1941, German S.S. and Gestapo units, created to carry out Hitler's "final solution," perpetrated the single most horrific instance of mass murder in World War II, when 33,771 Jews, mostly women, children, and the elderly, were executed in 36 hours of nonstop barbarism. Whole families were marched in front of German machine guns, their bodies falling into the ravine called Babi Yar.

These Jews sacrificed their lives for their faith. Yet for 50 years the Soviet Government has failed to acknowledge the full extent of this atrocity. The truth remains that many Soviets were sympathetic or indifferent to the German campaign of genocide.

The Soviet Union has a long history of anti-Semitism. For decades Soviet Jews have been wrongfully arrested, denied employment, and harassed. Although recent events have loosened the restrictions on immigration, many hardships continue to face the Jewish community still residing in the Soviet Union.

Thousands of Soviet Jews wish to start new lives with peace and freedom in Israel. The United States has an opportunity to assist this cause of liberty simply by guaranteeing commercial loans for Israel to absorb these refugees.

Mr. Speaker, let us remember those who sacrificed so much at Babi Yar by giving their survivors and descendants the gift of freedom. To do any less would stand against all the principles this country holds so dear.

Mr. SWETT. Mr. Speaker, I rise today to join my colleagues in remembering the Babi Yar tragedy which took place 50 years ago. I wish to thank my colleagues, Mr. SOLARZ and Mr. FEIGHAN, for calling this special order regarding this most tragic chapter in history. I think it is altogether fitting that as we continue to fight for freedom and human rights throughout the world, we remember the tragedies of the past so that such atrocities never occur again.

When reflecting upon the murderous events of the Holocaust, descriptions of Auschwitz and Dachau come to mind, but nothing haunts the minds and dreams of Jews as much as the horror that took place at Babi Yar at the end of September 1941. It was at this spot near Kiev the Nazi officers assembled a special task force to annihilate the Jewish people.

On September 29, 1941, this task force issued an order throughout Kiev that all Jews must congregate or be shot. The Jews, unaware of what the Nazis were doing in Germany, arrived peacefully, thinking that they were to be relocated. They were marched to a ravine called Babi Yar and indiscriminately shot.

Mr. Speaker, the massacre at Babi Yar continued for 36 hours straight and resulted in the death of over 33,000 Soviet Jews. During the ensuing months, the death toll of Soviet Jews in Kiev from this genocide climbed to over 100,000.

The Nazis tried to obliterate all the evidence of this vicious and despicable deed. The details that we have are from the carefully taken records that were sent to high-level officials in confidential reports. The coverup was clumsy and the facts are now known.

It is painful even to discuss these events. Yet, we must remember them so that they are never forgotten, so that we never relax our struggle to fight the vicious evils of racism and anti-Semitism and to defend the rights of individuals throughout the world. As Anatoly Kuznetsov reminded us: "History will not be cheated, and nothing can be hidden forever."

The Holocaust so shocked the world when its horrors were fully revealed that it gave birth to the Universal Declaration of Human Rights. Mr. Speaker, as we solemnly recall this unspeakable tragedy of a half century ago, let us recommit ourselves to work toward universal respect for human rights.

Let us reaffirm our commitment to the fundamental principle of our Constitution—the importance of the individual. Tragedies occur when nations fail to observe human rights. If we tolerate bigotry and hatred, we may be setting the stage for another Babi Yar. As we remember Babi Yar, let us recommit ourselves to protect and uphold the fundamental rights of individuals.

Mr. SCHEUER. Mr. Speaker, I rise in solemn reflection on the events of September 29 and 30 almost exactly 50 years ago, in the woods outside of Kiev. In those 2 days, the Nazis and their helpers murdered 33,771 Jews.

The German army captured Kiev on September 19, 1941. Soon an order was posted stating:

> Yids of the city of Kiev and surroundings: You are to appear by 7:00 a.m. with your possessions, money, documents, valuables, and warm clothing at Dekhtyarev Street, next to the Jewish cemetery. Failure to appear is punishable by death.

From the cemetery, the Jews of Kiev were marched 2 miles to the ravine of Babi Yar.

There, the Germans forced them to strip, placing their jewelry and valuables in one pile, their clothes in another. Then they were told to stand at the edge of the ravine—boys and girls, men and women, young and old.

And then the machine guns fired; 33,771 Jews were mowed down.

Subsequently, more Jews, Gypsies, Soviet prisoners of war, and handicapped people were executed at Babi Yar—Soviet reports after the war number the dead at 100,000.

In order to hide this atrocity from the world, the Germans, fearing a Soviet recapture of the Ukraine in 1943, supervised as forced labor dug up and burned the bodies. These laborers were to be killed at the conclusion of their job, but 25 escaped and the 15 who survived lived to tell what they had seen.

There have been other efforts to hide the massacre too. Until 1976, the Soviet Government refused to acknowledge the monstrosity, even then only erecting a monument that ignored the Jewish deaths.

Now, gratefully, as the totalitarian nightmare in Eastern Europe recedes, the memories of officialdom are clearing. The newly independent Ukrainian Government has taken strong steps toward addressing the past, having designated September 29 as a "day of memory and sorrow" and holding a week of events memorializing the event. Just 2 weeks ago, the Ukrainian Foreign Minister attended a synagogue in New York to commemorate the massacre.

I salute my colleagues STEVE SOLARZ and ED FEIGHAN for holding this special order so that we, too, may remember and pay tribute to the victims of evil.

Ms. PELOSI. Mr. Speaker, I join with many of my colleagues this week in recognizing the 50th anniversary of the single most concentrated episode of mass slaughter during the Holocaust: Babi Yar.

Today is the fourth day of a week of commemorative events during which we are remembering and reflecting on the nearly 34,000 Jews who lost their lives over a 2-day period in a ravine in Kiev, and the tens of thousands of Jews and non-Jews who met the same fate over the next 2 years there. During this time let us remember, too, the families and loved ones of the Babi Yar victims who confront their terrible loss every day.

Nearly 12 million Jews, individuals of various Slavic ethnicities, homesexual men and women, gypsies, the disabled, and other groups singled out by the Nazis were slaughtered during the Holocaust. We all know the history of World War II and of the unthinkable atrocities committed in the death camps.

The terrible and unpredictable capacity for man's inhumanity against man is embodied in the Holocaust. The world continues to unfold in waves of revolution—revolution for the very rights denied to the victims of Babi Yar. In a world of unfolding democratic values and belief in individual rights and freedom, we must remember those who were sacrificed. And, in their memory, we must fight for human rights.

We must continue to strive for an improvement in human rights on a governmental and individual basis. Individuals saved the lives of a number of people under threat of persecution by the Nazis, but acting alone they could not fight such a rising tide of hatred.

In the years following World War II, the United States has led the world in ensuring the success of the State of Israel. We must reaffirm our commitment to a strong Israel. Our support is a measure of our belief in the rights to Jews and all people to prosper in their homelands.

Mr. SMITH of Florida. Mr. Speaker, with good reason, the massacre at Babi Yar has become synonymous with the idea of remembrance. Some 33,000 Jews were shot in a ravine near Kiev in a day and a half, and half a century passed before they were remembered, not as "Soviet citizens," not as "victims of fascism," not as "martyrs in the great patriotic war," but as Jews. At Babi Yar, wrote Yevgeny Yevtushenko, "all screams in silence," and in his courageous words, he pinpointed the essential truth of Babi Yar: that we have a moral need to remember, that the refusal to remember is no less an act of genocide, that the desire to forget is the ultimate moral abdication.

When we recall Babi Yar, we grasp the monstrousness of Nazism. The German Schutzstaffel, which carried out the massacre, applauded itself in its official report for the clever stratagem that was used to bring the Jews of Kiev to Babi Yar. The day before the roundup, notices were posted, ordering Jews in the just-conquered city to appear on Monday, September 29, 1941, at a corner near the cemeteries. They were told to bring "their documents, money, other valuables and warm clothes."

The Germans spread rumors that the Jews would be evacuated to a ghetto or a labor camp. They warned that Jews who disobeyed would be shot, but so would non-Jews who broke "into flats left by the Jews" to take "possession of their belongings.' The next day, in trepidation, yet not without hope, Jews in great numbers assembled.

They were herded into a closed area bounded by barbed wire. Hundreds of Germans, assisted by the Ukrainian militia, prevented their escape. They were ordered to put down their belongings and to strip. They were led in groups down the side of the ravine, and machine gunned from the opposite side. The wounded were buried along with the dead. With a ghastly precision, the Schutzstaffel reported that 33,771 Jews were killed that day. By the end of the German occupation, more than 100,000 people, most of them Jews, had met their deaths at Babi Yar.

When we recall Babi Yar, we encounter history's hard realities and apportion responsibility. Babi Yar was not committed by robots, or faceless agents of history, but by real people. By the thousand men who formed Einsatzgruppe C of the Schutzstaffel, by the few hundred who comprised Sonderkommando 4A, by the dozens of Ukrainian militiamen who welcomed the Germans as liberators and willingly aided the slaughter.

Babi Yar did not take place in a vacuum. In the 500 years preceding the massacre, the Jewish presence in the Ukraine was scarred by violence, expulsion, and discrimination. The Jews of Kiev were assaulted in repeated pogroms, and were hammered on the anvil of famine and terror in the 1930's.

The massacre at Babi Yar was not an accident. Babi Yar was the culmination of centuries of anti-Semitism, that demonized the Jews and aggrandized the German Nation, that categorized humans by race and culture, that turned whole peoples into inferior objects that existed, as the late author Jerzy Kosinski put it, "only to be exterminated."

When we recall Babi Yar, we make moral judgments. Mass murder without awareness of the consequences is the stuff of fiction. When the Nazis recalled Babi Yar, as the Red Army closed in from the East in February 1944, they tried to cover up what they had done. They unearthed and burned more than 100,000 bodies from the ravine. Yet witnesses to this desperate attempt survived to testify, and thousands of bodies remained to silently indict the Nazis.

When the Soviets recalled Babi Yar, they refused to memorialize Jewish suffering, and in so doing, revealed the essential inhumanity and hypocrisy of communism. As Yevtushenko pointed out, for all their talk of "the union of the Russian people" and "the brotherhood of man," the Soviets compounded the acts of the Nazis by denying peoplehood to the Jews of Babi Yar, even in death.

The erection of a proper monument at Babi Yar, so recently accomplished, speaks volumes about the moral redemption of the Soviet people, and especially, the people of the Ukraine. The marker at Babi Yar renounces not only Nazi racism, and its Ukrainian collaborators, but five decades of indecent acts that followed: the hounding of Yevtushenko; the plans to build a sports stadium on the site of the ravine; the reemergence of nationalist anti-Semitism, as exemplified by Trofim Kitchko's notorious Judaism without embellishment; the harassment of Jews who tried to live as Jews, or emigrate; the transparently anti-Semitic depiction of Israel and Zionism; and the vile monument erected by the Communists in 1976, that made no mention of the Jews.

When we recall Babi Yar, we chart a path for the future. Remembrance is inseparable from responsibility. In recalling Babi Yar, we commit ourselves to a higher standard of public policy: in the face of racism and hatred, we will not remain silent, simply out of political expedience or in deference to local sensibilities.

In recalling Babi Yar, we resolve to call to account those who deny the Holocaust, and, in a larger sense, to confront distortions of history and misrepresentations of truth.

In recalling Babi Yar, we remember that a vital community was nearly wiped out in a day, that it painfully reconstituted itself after World War II, and that the ultimate message of Babi Yar is not death, but survival.

In recalling Babi Yar, we commit ourselves to proclaim freedom, the freedom to live in peace and the freedom to live elsewhere.

In recalling Babi Yar, we commit ourselves to remember the past, and to learn from it, and to never forget.

Mrs. MEYERS of Kansas. Mr. Speaker, exactly 50 years ago the Holocaust saw its bloodiest 36 hours. The most brutal episode in the most inhuman display of bigotry in history took place in a ravine north of Kiev called Babi Yar. There, the Nazis murdered 33,371 Jews in a day and a half. Over the next 2 years the killing continued until over 100,000 Jews, Gypsies, handicapped people, and Soviet POW's had died in Babi Yar.

When Germany invaded the Soviet Union in June 1941, in the wake of the Wehrmacht assault forces came the SS Einsatzgruppen. Their mission, assigned by Hitler himself, was to exterminate all Jews and Soviet officials.

On September 19, 1941, the German Army captured Kiev, the capital of the Ukraine and the third largest city in the U.S.S.R. Ten days later, the Einsatzgruppen posted notices ordering the city's Jews to report with all their belongings for resettlement. The Jews were then marched north to the ravine at Babi Yar.

When they reached Babi Yar, they were ordered to strip, and were led in small groups to a narrow ledge along the ravine. There they were shot with machine guns. As each new group was massacred, they fell onto the bodies of those who had preceded them. Not all were killed instantly by the bullets, and they were buried alive in the mass of humanity.

Over the next 2 years, thousands more were murdered at Babi Yar. Then as the counterattacking Red Army approached Kiev, the Germans attempted to remove the evidence of the murders. The bodies were exhumed and burned by concentration camp inmates, who were then to be killed. On September 29, 1943—ironically 2 years to the day after the massacre—25 of the prisoners escaped: 15 of them would survive to tell the tale.

Even after the war the indignities for the victims of Babi Yar continued. The Soviets refused to memorialize the Jewish dead at Babi Yar. It wasn't until the 1970's that any monument was erected at the site. And yet, the fact that the preponderance of the victims were killed because of their faith was blatantly ignored.

Finally this year, the Ukrainian Government is recognizing and commemorating the special significance of Babi Yar and its connection with the Holocaust. A new memorial is being created at the edge of the ravine to emphasize the Jewishness of the victims.

It took 50 years to remember properly the horror of Babi Yar. We must now make sure it is never forgotten.

GENERAL LEAVE

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. SARPALIUS). Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTABLISHING A BIPARTISAN COMMISSION TO STUDY THE POSTAL SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BROOMFIELD] is recognized for 60 minutes.

Mr. BROOMFIELD. Mr. Speaker, the purpose of this special order is to discuss my resolution (H. Res. 194) to establish a bipartisan commission to study the Postal Service.

Let me make very clear at the outset that this resolution does not seek to privatize the Postal Service.

It has been 20 years since the Congress made the Postal Service a quasi-independent entity.

If anything, the Service has further deteriorated since then. That's why it is time to take a fresh look at the problems with the Postal Service and figure out ways to solve them.

I am happy to report that almost one-third of the House has sponsored this resolution. My constituents have expressed their concerns about the Postal Service and I want to share their views with you.

But first, I'd like to recognize Congressman McGRATH of New York who has cosponsored this bill and who agrees with me that something must be done to improve the Postal Service.

Mr. Speaker, I yield to the gentleman from New York [Mr. MCGRATH].

□ 1700

Mr. MCGRATH. Mr. Speaker, I appreciate being afforded the opportunity to participate in this special order regarding U.S. Postal Service flaws. Untenable postal problems have been rampant in my district over the past several months.

I am alarmed that changes ostensibly designed to streamline and improve mail delivery, have instead, engendered serious declines in the quality of service. During my first 10 years in Congress, constituent complaints on postal matters were sporadic, and confined to isolated individual circumstances. Since the institution of the recent modifications, however, I have been contacted on an almost daily basis by irate constituents. The sheer number of grievances voiced by letter—and phone calls—is staggering. Since April, for instance, I have received approximately 300 letters of complaint regarding the Postal Service, not to mention countless phone calls. Additionally, the lack of adequate mail services was the No. 1 issue broached by district residents at the numerous town meetings I conducted this summer.

Businesses and consumers have been damaged by late delivery of sales notices and catalogs. Civic association members have received meeting notices more than a month late. People have called and written to inform me that they would have liked to participate in one of my town meetings, but received the meeting notice when the forum had already occurred. Patrons mailing bill payments have run the risk of late penalties due to delays in delivery on both ends. A full week has passed before the delivery of first class mail within one village. Letters mailed out of my Washington Office on August 5 and 8 have reached my constituents on September 11, over 1 month later. To fully appreciate the gravity of this breakdown, it is instructive to note that the period of time these letters took to travel between the Washington, DC area and New York, is longer than that needed to travel between the two points in the 1700's.

Neither my constituents' complaints, nor my own, center around the job performance of letter carriers, or the rank and file postal workers, but around the system itself and the attitude of management. Indeed, I have spoken with letter carriers who are as frustrated as my constituents and I, by delivery difficulties, management's failure to address these concerns, and management's cavalier attitude when dealing with grievances from customers. Many postal patrons who were actually able to speak to managers, found that they were treated with contempt and that their concerns were taken lightly. Despite numerous meetings between members of my staff, and local postal officials, no steps have been taken to correct either systemic delivery problems, or the attitude of many postal officials.

Recent changes in internal processing procedures have been poorly and incompletely implemented. Postal officials claim that they have taken the actions necessary to correct unforeseen difficulties arising from such moves as route adjustments, changes in carrier assignments, attrition of employees, and the activation of the pilot remote bar code system program which automates mail processing. If national deployment of this automation system bears any resemblance to the partial deployment in my district, the country can look forward to disgracefully poor mail service, and serious systemic problems. Postal management maintains that primary objectives during activation and implementation of the new system, included minimizing disruptions to patrons and carriers, as well as maximizing savings. Presuming that these were indeed the operative goals, the Postal Service failed miserably as far as minimizing the adverse impact on the customer.

Occasional glitches are to be expected when wholesale changes take place in any system, but the pattern of postal inefficiency has continued long beyond any reasonable period of transition. The Postal Service's failure to develop safeguards against such a rocky transition period have subjected the public to unconscionably, deficient delivery quality levels. Responsibility can no longer be attributed to startup difficulties. Rather, postal management must accept its duty to correct current problems, and forestall future ones.

Glib assurances suggest temporary delivery complications are close to being solved. These attempts to minimize the problem are unacceptable. Postal patrons have suffered long enough. We must stand together to see that basic service is actually provided, and that unnecessary inconveniences cease. The needless hardships experienced by postal customers must be eradicated. For this reason, I believe that it is time the Postal Service thoroughly examines its own procedures, and make efforts to change those methods, which inflict distress upon the average citizen.

Furthermore, I would suggest that postal officials remember that failure to repair their mistakes will radically lessen congressional support for the postal system. The time for stalling and passing the buck is past. I call on the Postal Service to respond to the concerns of its patrons, and take immediate and comprehensive action to assure that all of us are provided the quality service to which we are entitled. Failing that, I call upon my colleagues in this distinguished body, to take action to compel correction of postal difficulties. I do not, however, suggest privatization of the USPS.

Turning the USPS over to private businesses would, I believe, lead only to further delivery problems, and higher costs to the consumer. Mail service has been provided by the Federal Government from the earliest days of our Nation and, despite its problems, we would be foolish to give up a system which has worked for so long for a delivery method whose precise results are unknown.

Mr. Speaker, let me just conclude by saying that my frustration level is beyond my capacity to tell you. I am hoping that this special order will serve as a warning to the administrators of the postal system that something is desperately wrong with the service that our constituents are receiving at this particular point in time and that I hope that a remedy is around the corner.

I thank the gentleman from Michigan for taking out this special order and giving me an opportunity to vent my frustrations.

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman from New York for his contribution.

Mr. Speaker, in July I introduced a resolution (H. Res. 194) that would create a blue ribbon, bipartisan commission to look into the many constituent complaints that Congress has been getting about the U.S. Postal Service. The commission would investigate ways of reorganizing the Postal Service so that it provides better service.

This resolution is a straightforward and much needed piece of legislation. Nearly one-third of the House have signed on as cosponsors.

The concept of the resolution is one that every Member of Congress should welcome. It lets a little sunshine in on the operations of the largest domestic organization that the U.S. Government is responsible for.

More than $48 billion a year: That has got to put it among the top 10 companies in America.

The time is long overdue for a commission. However, the House Committee on Post Office and Civil Service has told me that they oppose this resolution.

I have the greatest respect for my friend Chairman BILL CLAY. But Mr. Speaker, why is the Post Office and Civil Service Committee afraid of this bill? Why is the Postal Service afraid of this bill as well? What are they hiding? What are they concerned about? Everywhere I turn, the Postal Service and their friends in Congress are putting on a full court press, intimidating Members with the enormous clout the postal organization wields through strong-arm lobbying and PAC contributions.

From my vantage point, I see the situation turning into a standoff between the postal management as well as its friends in Congress and the vast majority of the people they are supposed to serve—more than 100 million homes and businesses in our country.

Just a few days ago I got a report from a postal union official from the Midwest who said that his union local was beginning to see the first efforts in a campaign to sabotage the proposed bipartisan commission.

The ammunition in this anti-commission campaign included a Dear Colleague letter sent by Postal Committee Chairman CLAY—a letter originally intended for just the 435 Members of Congress, but now being sent to hundreds of thousands of postal employees around the Nation.

The military-industrial complex has nothing on the postal-congressional complex.

Some of my colleagues might be surprised that I got this information from a union official. I am not. In fact, some of the most intense opposition to the way the Postal Service is being run today comes from within the organization itself.

I have heard from postmasters, from union officials, and from men and women of the Postal Service who serve on the front lines.

Just last week I got a letter from an association that represents injured Federal workers. This association charged that when it comes to honoring the claims of injured workers, the Postal Service has one of the worst records in our country.

The workers who write us have a real stake in the Postal Service. They know that their organization could be managed a whole lot better, and they have the integrity, the courage, yes, and the civic responsibility to come forward and ask that something be done about it.

This resolution responds to their concerns and to the concerns of millions of Americans who use the postal system and have watched it deteriorate year after year.

First, let me tell you what the resolution does not do. It does not call for privatization of the Postal Service.

I must tell you this because of the thick fog of propaganda that has settled over this proposal. Ever since I introduced it, the postal-congressional complex has been falsely claiming that this resolution is nothing but a backdoor way to privatization. That is simply not true.

The commission should study anything that will make for a better postal system, and that is what I am after.

Now let me tell you what the resolution does. It calls on the President of the United States to create the Commission, and insists that it be a bipartisan one.

It would include Members of Congress from both parties. It would include members of the Postal Service management and representatives of the postal unions. It would also include individuals who do not serve in government.

A real cross-section of America. A traditional town meeting on an organization that day in and day out affects more Americans than any other government—affiliated entity that I can think of.

The makeup of the Commission is critical, I believe no commission that has such a widespread impact on the lives of so many Americans could hope to succeed unless it was viewed as being representative of every interest.

The Commission's makeup ensures that the people who deliver the mail door to door, who work in the huge distribution centers, or in any number of service areas, will have their interests fully represented at each and every meeting.

It ensures that the Commission will benefit from the input of postal management, from its day-to-day familiarity with the operations of the Postal Service.

It also ensures that the representatives of 240 million American people, Members of Congress who represent different parties, different areas of the country, people with different income levels, will be there at the table to make sure that whatever comes out of the Commission is acceptable to the broad spectrum of the American postal ratepayers.

Finally, there will be spots for the Postal Service's customers: businessmen and women, housewives, farmers, people who have firsthand experience with the strengths and weaknesses of the current postal system.

The Commission would be given no secret mandate. The only mandate they have is to come up with a plan that will force the Postal Service to provide better service.

The key is better service. My friends at the Postal Service and on the Postal Committee say everything is running along just fine. Oh maybe a little fine tuning here, or a couple of adustments there; but outside of a few adjustments, everything is A-OK.

That is flat wrong. They are not listening to their customers or the American people.

The people who the Postal Service is supposed to serve have had it up to here with declining postal service and rising postal costs. My constituents write almost daily—to me and to the local newspapers—complaining about the Postal Service.

A sample of letters printed in the Royal Oak Daily Tribune and received by my office during the summer follows:

[From the Royal Oak Daily Tribune, Aug. 12, 1991]

SLOW DELIVERY

The Berkley senior citizen newsletter was mailed July 23. I just received mine today, August 8. What's the matter?—Berkley.

GIDDYAP!

I mailed a letter at the Royal Oak post office on Sunday, August 4. It reached its destination on August 8 in Southfield. At that rate, they should bring back the horses and send the mail by pony express—faster and cheaper.—Oak Park.

[From the Royal Oak Daily Tribune, Aug. 13, 1991]

MAIL MALADY

Our mail service stinks. We're getting our mail later and later every day, sometimes at 6:30 p.m. Also, they must hold mail at the post offices since we get our circulars when the sales are half over. They want to raise the postage rates again, but before they do they'd better first provide better service. Either that or let's have an independent mail carrier.—Madison Heights.

SHORT-STAFFED?

So you think your mail is late? You should live in Southfield and wait until the next day because the postmaster tells me there weren't enough people to deliver it. He skipped a day's mail because there wasn't enough help.—Southfield.

IT'S POSSIBLE

In response to Friday's Soundoff, you can tell the human resources director for the post office that it is possible for someone to be receiving mail at 7:45 p.m. Ours was delivered at 7:15 p.m., and I couldn't believe it.—Royal Oak.

[From the Royal Oak Daily Tribune, Aug. 2, 1991]

WHERE IS MAIL?

It's 5:30 and on North Vermont we still don't have our mail delivered yet. Come on post office. Let's do something. The post office doesn't answer the phone. Where is our mail?—Royal Oak.

[From the Royal Oak Daily Tribune, Aug. 5, 1991]

LAZY CARRIERS

To the person in Berkley: I understand exactly how you feel. A couple months back we always got our mail at 11:30 a.m. Now it comes at 3 p.m., sometimes 5 p.m. We should start complaining to the post office to make sure they are on time to deliver the mail. I think it is because they are tired and lazy and don't want to work no more.—Royal Oak.

[From the Royal Oak Daily Tribune, Aug. 9, 1991]

NIGHT MAIL

So you think getting mail at 5 p.m. is late? I saw a postman delivering mail on Monday at 7:45 p.m. on Stephenson. Is he getting overtime or has the post office added an afternoon shift for carriers? Just wondering.—Royal Oak.

(Ed Note: Director of Human Resources Howard Byrne says that really couldn't have happened, not even for express delivery. (If there's a next time, try to get the number of the truck. It's centered over the windshield.))

STARTING LATE

I'm a letter carrier with the post office and people are wondering why their mail is coming so late. The reason is that the management keeps changing our starting times. When I first started at the post office, we were starting at 6 and now we start at 8.—Royal Oak.

(Ed Note: Director of Human Resources, Howard Byrne, says the post service's nationwide effort to cut costs by moving to automation means the mail is being sorted later in the day—at 8 a.m., rather than 6 a.m.)

[Letter from a constituent, July 18, 1991]

I receive a daily newspaper (USA Today) and it is coming one day late on many occasions. I have been to the new post office in Milford to complain and the problem is not resolved. I also filled out PS Form 4314-C on July 8, 1991 and returned it to complain of the service . . .

I would like my service to be at least as good as it was before they made the changes in the post office from Union Lake to Commerce Township. As a taxpayer and a captive user of the U.S. Postal Service, I can't understand how rates go up and service goes down.—Commerce Township.

[Letter from a constituent, July 20, 1991]

My mail delivery as of July 1 is in shambles. I am missing all kinds of publications as well as first class mail, or receiving them up to two weeks late. I am getting long distance calls from correspondents who mailed me important first class materials and did not receive my reply (since I never got them) . . .

I feel that I am living in a developing country. What is happening to us? Who is going to compensate me for my wasted time and problems resulting from first class mail which did not reach me? To what depths of inefficiency do we have to plunge before this country wakes up?—Bloomfield Hills.

[Letter from a constituent, July 29, 1991]

As you can see by the enclosed envelope, postmarked Hartford, Conn. and on the back postmarked Port Huron, MI—our mail is getting to us, not directly, but via Port Huron.

We have had mail from Pa., Mass., Florida, etc—all go to Port Huron—first—and then to us! This is progress? It stinks—and we are mad.—Bloomfield Township.

[Letter from a constituent, Aug. 5, 1991]

The Post Office keeps asking for increases in postal rates in order to improve service but all we, the public, see are increased rates and decreased service.—Birmingham.

[Letter from a constituent, Aug. 12, 1991]

I just sent a letter to the Postmaster in Troy listing all the "goofs" that had happened in a three month period of time. Yes, this system is in a mess. and it is coming from the administration of the organization.—Troy.

At a time when more and more businesses remain open on weekends, when it is getting harder and harder for two-earner families to get all the family chores done during the workweek, the Postal Service is closing some of its post offices on Saturdays, reducing window hours at other post offices, and removing collection boxes from convenient locations.

The removal of collection boxes is an especially sore point. Those red, white, and blue mailboxes are as widespread and as much a part of the culture as the American flag.

But more to the point, they were put on street corners for a reason. The reason is that some of our Nation's elderly do not have the stamina to walk 2½ miles through rain, sleet, or snow to mail a letter.

Too many of those mail boxes are vanishing. It is not the local vandals who are ripping them out of the sidewalks. It is the management of the U.S. Postal Service.

The Detroit News in my area asked the Postal Service what was happening. Here is what a postal spokesman had to say about those boxes: "I think they are really becoming a thing of the past," he said.

It is not just the convenient post boxes that are becoming a thing of the past. I say thanks to postal management, service is not becoming a thing of the past.

Recently, I asked the Postmaster General about the disappearance of senior citizen express trucks. They were a real service to older people who relied on them to sell postage stamps, pick up packages, and perform other services.

What I was told was that the Senior Citizen Express Trucks Program was not a national program, and that anyway, older Americans can now obtain their stamps by mail.

I responded that if it was not a national program that it certainly should be, that instead of cutting this important program back, the Postal Service should be expanding it.

It is not enough to say that older Americans can now obtain their stamps by mail. What about packages? Many of our older people can no longer drive. Yet, come Christmas time, many of these people in many parts of the country will have no alternative but to trudge through snowy streets and sidewalks carrying bulky packages to send their grandchildren.

If the Postal Service has any competitive instincts or willingness to take on United Parcel Service or Federal Express, this would be a good time to show it. If it does not have any competitive instincts, at least it could show that it has a heart.

Post boxes and senior citizen express trucks are not the only problems.

At a time when the population is growing, and when large concentrations of people are forming new neighborhoods, it is getting harder and harder to get the Postal Service to open new offices that can serve these growing areas.

At a time when the pace of the economy is moving faster and faster, the Postal Service is implementing slower and slower standards for the delivery of first-class mail.

At a time of movement into suburbs, when all sorts of transportation and communications technology allows people to live at greater distances from each other, the Postal Service seems to be abandoning home delivery, wherever possible.

□ 1720

I am told that the Postal Service now discourages the installation of residential mailboxes at new homes, which often forces the residents to use cluster boxes.

In some rural areas, the mailboxes are often grouped together on busy highways, as much as a quarter mile from some residences, a situation which can endanger the lives of those trying to retrieve their mail.

Perhaps the management of the Postal Service can't see its way to providing better service because it has been distracted by all of the trivial pursuits it's been engaged in recently.

Why is the Postal Service now in the business of selling wristwatches when it hasn't mastered the business of delivering its own mail on time?

Why is the Post Office spending millions of dollars promoting Olympic speedsters when its own distribution system now operates at a snail's pace?

All these trinkets they are now selling, all these ads they are now running won't succeed in distracting the consumer's attention from the poor job the Postal Service is doing in fulfilling its real mission.

The Postmaster General has written me a long letter to tell me I've got things all wrong. He says he has the statistics to prove it.

He says the Opinion Research Corp. has conducted a poll. It found, he says, that 85 percent of the respondents rated the Postal Service as good, very good, or excellent.

Now I would find that statement a whole lot more convincing if he would agree to release the full study. When I asked his office for a copy of the survey, all I got was a one-page summary.

He has refused to release any backup material on the poll despite a promise he made during a speech last year at the Detroit Athletic Club. I will quote his remarks. He said he would:

> Report these measurements publicly—even when the numbers are lower than we would like—so the public can judge how we're doing and if we are improving service quality over time.

More than 50 questions were asked on the survey. Yet the Postal Service releases only a single answer. This one-page summary of survey results is nothing more than a publicity handout. I do not believe it tells the public anything.

Neither does the public-interest group Citizens for a Sound Economy. They filed a Freedom of Information Act request to try to gain public access to the full results. They were turned down flat. It makes you wonder what the Postal Service is hiding. Especially when you consider all the criticism of the Postal Service that I have been hearing from constituents, not to mention all the criticism from constituents that other Members have been getting around the country.

Service is not the only problem. The Postal Service has hit the American consumer with a one-two punch.

You remember what happened to the 25-cent postal stamp. Postal management originally demanded a 20-percent increase in the price of a first-class stamp.

What they got from the Postal Rate Commission was a 16-percent increase. That brought it to 29 cents, not something to be sneezed at during a time when most businesses would not dare to raise prices at all.

What I find incredible is that the Board of Governors of the Postal Service is still pushing for the full 20 percent—a rise in the price of stamps from 25 to 30 cents.

Of course, the Postal Service can defy the laws of economics. It is a monopoly protected by Federal statute. Generally speaking, no one else in America is allowed to carry letter mail.

The Postal Service is relentless in its efforts to protect that privilege. You will not believe this: it once threatened to sue a Cub Scout pack for delivering Christmas cards. Only a very arrogant organization would threaten to sue a Cub Scout pack. But arrogance is just what the Postal Service has become. Its monopoly position, its size, and the congressional committees that have shielded it from public scrutiny have given it an indifference to the public interest that no other organization, public or private, could afford to assume.

The best example of that arrogance was the decision by postal executives to award themselves $20 million in bonuses for their efforts during a time in which the Postal Service lost $1.4 billion in the last 3 years.

These bonuses were awarded virtually across the board. Of all postal executives eligible for bonuses, 97 percent received them.

Let me quote the Pittsburgh Press on bonuses handed out in its area.

It writes:

> $136,716 in bonuses were paid to 23 executives even though the division lost $38.3 million from 1988 to 1990, and was rocked by problems that included concealing late mail and rigging entrance exams so that friends and relatives could get jobs.

You know something is out of whack here. Very few businesses award bonuses after doing that kind of business when they are not making a profit. I thought bonuses are intended as incentives to get people to do good work. In the post office they are rewards for superior performance.

When 97 percent of the top postal managers get bonuses during a period in which they lost $1.4 billion—well, that is the strangest incentive plan I ever heard of.

Instead of awarding bonuses to its top managers, the Postal Service should have awarded bonuses to its dedicated letter carriers.

It has been 20 years since the old post office was reestablished as a quasi-independent agency; 20 years should be enough time to see whether an organization is fulfilling its mandate, whether its structure is adequate to its mission, whether it is really doing what Congress intended it to do back in 1970.

I say to every Member of Congress it is time to take a fresh and impartial look at the system and see whether the American people are getting their money's worth. We have got to assure them that Congress is doing something about it.

I hope that those Members who have not already cosponsored this resolution will do so today. I urge my colleagues to join me in this significant effort in the interest of the American people.

Mr. IRELAND. Mr. Speaker, I would like to express my complete support for House Joint Resolution 194, as introduced by Representative BILL BROOMFIELD to express the sense of the House of the great need to establish a bipartisan commission to investigate the operation of the U.S. Postal Service. I wholeheartedly commend Mr. BROOMFIELD for his leadership on this issue of growing concern to many Americans.

I could not agree more that, with growing consumer dissatisfaction and ever-increasing postal rates, it is time we take action to ensure that our constituents receive dependable service at the best rates possible. The impetus for the creation of this legislation was the recent salary raise given to USPS executives, despite serious financial difficulties. I support this legislation because I feel it will address the numerous inquiries I receive weekly about poor postal service. I believe that the creation of such a commission can only improve the current situation.

As recently as July, the Postal Service tried to push through, yet, another postal rate increase—only months after they elevated stamp prices by 4 cents. I think a recent letter that was sent out by Postmaster General Anthony Frank best explains the reason for public outrage. Mr. Frank made the following comment in a letter to Congress dated July 23, 1991: "* * * These bonuses were paid during a time the Postal Service incurred cumulative losses of around $1 billion."

This statement, alone, verifies that the U.S. Postal Service made the decision to boost executive salaries at a time when, by their own admission, they were operating with severe losses. My support for this legislation is not to hinder USPS operations, but to enhance them.

I urge my colleagues to join me as a cosponsor of this legislation to support an initiative which will demonstrate to our constituents that we will do everything in our power to ensure fair and efficient service. After all, they deserve to be heard on this issue—and, if your constituents have expressed any of the same opinions that some of mine have—it is our duty to question such inconsistencies in policy.

Mr. BROOMFIELD. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. I thank the gentleman for yielding.

First of all I want to say I commend the gentleman from Michigan for raising some of these points here today. The gentleman from Michigan is certainly one of the most admired and most well-respected Member of this body. The gentleman from Michigan just made reference to the postal bonuses that were given not too long ago. I recently spoke out on the floor of the House against these ridiculous and excessive bonuses that were given to some 1,200 high-ranking Postal Service executives. I think 97 percent of the executives who were eligible for these bonuses received them. They totaled over $20 million.

Mr. Speaker, these bonuses were given between 1988 and 1990, a 3-year period during which the Postal Service lost more than $1.4 billion. Certainly we would never have seen anything like that happen in the private sector. No company would be giving bonuses totaling over $20 million during a time when that company lost more than $1.4 billion. In Chicago, for example, 62 executives received over $502,298 in bonuses while their division was losing $142 million and at the same time a survey showed 66 percent of their customers were unhappy and dissatisfied with their services.

Certainly we are all receiving, all Members of Congress are receiving many complaints about the Postal Service at this time in this country. Yet when people come to see me to complain about this, I have to explain to them that unfortunately the Congress can do almost nothing about the Postal Service today because the politics was taken, or supposedly taken, out of the system in the early 1970's. There is really no effective political control over the Postal Service today.

Actually, many postal employees have told me that the internal politics today is worse than the external politics ever used to be. Many rank-and-file postal employees were extremely upset over these postal bonuses that were given, and so many of them were totally left out of the process or left out of the picture in that regard.

As I said, the politics supposedly has been taken out. As a practical matter, it has. For some reason we in this body, all politicians, act embarrassed or ashamed of the fact that we are politicians. But if the people are ever going to have any real say-so or control of their government, it has to be through politics.

I think we have been sold a bill of goods in this country by certain upper crust liberal elitists when they tell us, they are always saying take the politics out of this or take the politics out of that. They seem to think that the people just do not have enough sense or enough intelligence to make good decisions, so they want to take any real say-so or any real control that the people have over their own government away from them.

□ 1730

If we are ever going to get good service, I think, from some of these high level postal people again, we are going to have to reestablish some type of effective political control. The high levels of the Postal Service are probably the most unresponsive members of this entire Government. I cannot think of any governmental agency that is less responsive to Members of Congress than the high level of the Postal Service are today.

Mr. Speaker, this is not any complaint about the rank and file postal employee, because they are certainly not at fault here, but the high levels of the Postal Service have just failed to respond to the people of this country, and I think it is time that we stand up and say, "Some changes have got to be made, some improvements have got to be made, and the people have got to take control of the Postal Service once again."

Mr. Speaker, I thank the gentleman from Michigan [Mr. BROOMFIELD] for yielding to me.

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman from Tennessee [Mr. DUNCAN] for his contribution. I could not agree with him more. That is the whole purpose of this resolution, to create this kind of commission that will have everybody put their suggestions down and see if they cannot improve the Postal Service. But I do thank the gentleman very much for his contribution.

THE BILL WILL BE PAID

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, my State of Maryland has been rocked by the draconian cuts in the State budget announced by Gov. William Donald Schaefer. We are not alone in our plight. Florida has announced a $700 million cut and D.C. Mayor Sharon Pratt Dixon, is beginning layoffs—even though the Congress allocated larger funding to the District of Columbia this year.

As of July 1, 21 States were facing a shortfall of $35 billion and New York City laid off 9,000 employees in the same month.

Cuts at State levels, in every instance, will be followed by cuts in county budgets—then impacting cities and town payrolls. In one way or the other, every citizen will feel the impact of what is happening in the State capitols.

And the State capitols are feeling the impact of what has happened to the national economy.

Ever since I came to the Congress—back in 1985—I have spoken about the potential devastating effect of the free trade philosophy on American manufacturing—on American jobs. I have fought to protect certain segments of the economy against foreign onslaughts of cheap goods recognizing as we all must, that foreign workers do not pay taxes into the U.S. Treasury. That a foreign product, no matter how cheap it is—no matter how well it is made—is a luxury because it is putting Americans out of work.

A headline from the Sun papers last week reports that "Md. Welfare Rolls" are "At 10-year High." The message is that you will pay for a decent standard of living. If you don't pay the price for American-produced goods, you will pay through your taxes to take care of those who cannot find jobs and so need welfare and unemployment insurance.

A story in the Evening Sun of October 1 summarizes the points I have been trying to make over these many years—the headline reads "Changes in economy led to State's financial woes, Deficit forces more cuts in State budget.."

The reporter, Marina Sarris, states the causes as being:

> Shifting employment trends, a tax system that does not address some economic changes and a nationwide economic recession all played a role in the continuing saga of the State's budget deficit.

In the latter half of the article she states:

> The economy shifted away from manufacturing and toward the service industry during the last two decades, according to administration and legislative financial analysts.
>
> Goods producing and service jobs each made up about half of total employment in 1969. Twenty years later, however, service jobs outstripped non-service jobs, 64 percent to 36 percent.
>
> The service category includes everything from lawyers to hamburger flippers in fast-food franchises.

"Many service workers earn less than manufacturing or factory workers, for example, leading to less growth in State revenues from income taxes," said Frederick Puddester, deputy secretary of budget and fiscal planning for the State.

The story goes on to make the point that the shift into the service sector—besides slowing income tax growth—also retards the growth in sales taxes, since the State taxes merchandise, but not services. "Sales and income taxes make up almost 80 percent of the general fund revenues."

Now, will all of those economists who have pushed and driven our economy away from manufacturing and toward services stand up? I, and many other Americans would like to present them with a tax bill that they owe us all.

But, more practically, I'll accept an admission that they were wrong. If they will begin to rebuild this country with an economy which rewards long-term investment and tax policies which encourage savings, I'll forgive them.

We can recover the mischief they have created if we have a commitment to protect our new, struggling industries to the same degree that our major trading partners protect theirs—no more, no less.

We can speak nicely of them if they will help us fashion policies which favor the rebuilding of this Nation with the concern we are showing to Russia's problems.

Mr. Speaker, nobody likes to be right more than I do. But, in this case—in the case of what has happened to our industries and our workers—our States and our cities—I am sorry to have been so right.

I was never trained in economics—only basic math. I was raised to work and make a salary—to save and pay taxes. It takes no college degree to know that when one pays taxes where one works, goods are bought with what is left over. Japanese workers, Mexican workers are no different from you and me.

We need to bring the jobs back home. The bill for having shipped them offshore has become too high for us to pay!

Now let's talk about some of those off-shore activities that are so devastating to our economy.

JAPAN FLEXES ITS MUSCLES

Mr. Speaker, after reports of our dependency on the Japanese for computer chips to run United States weaponry in the Persian Gulf action, stories in the business press this week make it very clear that we are equally dependent upon the Japanese—and other foreign sources—for the more advanced screens for our computer manufacture.

In a shockingly protectionist action on the part of the Commerce Department and the International Trade Commission [ITC], a 63 percent tariff was levied on screens used largely in the laptop and notebook computers—the fastest growing sector of the market.

Japanese firms are reported to be retaliating, threatening to stop shipments or to move their United States-based manufacturing plants back offshore. Toshiba is very straight forward in their threat: "If the tariff is removed, we will produce again in the United States."

ITC and Commerce are upholding U.S. law albeit, selectively. To many observers, a stronger dumping case can be made and should be made in the matter of auto parts coming in from Japan, but the Commerce Department has been loath to pursue the law on this one. It would be a very clear cut case, as I understand it—no United States auto parts are allowed to be sold in Japan and our trade deficit on auto parts with the Japanese continues to grow.

However, in the display screens decision—the Japanese will win either way. It is strange how very narrowly the duties decision is being played by Commerce and the ITC. If a screen is imported—separately from a computer—it is so threatening to our industry that a 63-percent duty will apply. On the other hand, if it is imported with the machine attached, the duty drops to 3.9 percent regular duty for the machine.

Now, it seems to me—if reason ever applies in Washington—a screen is a screen is a screen and sales are lost to our struggling industry whether the screen is separate or attached. And furthermore, if all the manufacturing moves offshore so that the marriage of screen and machine takes place beyond the reaches of the tariff—then heads we lose, tails we lose. Few offshore manufacturers will come shopping for our U.S. screen production and we will have lost both computer manufacturers and screen manufacturers.

Normally, I would be delighted that an American industry was receiving protection from dumping actions of a foreign country—but in this instance, narrow, mindless protection seems to be worse than none at all and as in every recent instance dealing with trade matters—we come away poorer for the experience. One must wonder if the decision was a deliberate effort to buy off some protectionists?

As to the Japanese threats—I think it is nothing but muscle flexing. They are going to win either way it goes.

TIME WARNER SOON IN JAPANESE HANDS

When I read the story in today's New York Times that Toshiba and C Itoh were investing $1 billion in Time Warner, I was angry. These are the two companies who a decade ago, sold our sensitive technology to the Soviets which will result in costing the American taxpayer $100 billion to develop and produce new technology to protect our submarines.

Now Toshiba and C Itoh are infiltrating our telecommunications industry and will have an interest in Time Warner's cable, film and pay television business. Time Warner also owns Time magazine, Sports Illustrated and People and has a worldwide information network which will be very helpful to Japanese business interests.

This sale to the two companies who showed such contempt for American law by selling our technology, now will be in a position to influence our television. It completes the circle of foreign invasion into our communications system which began with the sale of Columbia Pictures to Sony and MCA to Matsuishita.

What all of these sales do is freeze our electronics industry out of the hardware used for the film industry. Now Toshiba and C Itoh also will have a vested interest in one of our most prestigious publications Time magazine.

Will this entrance into the publishing business give the Japanese the ability to influence what is printed by Time Warner? According to media reports from the movie industry the Japanese are telling writers to rewrite their films for a specific cultural cast. If they do that in Hollywood, surely that will happen in the print industry. More importantly, this will give the Japanese a very strong presence in communication and the means to push to buy radio and television stations, which now are barred to foreign ownership. Unfortunately, the FCC commissioner is considering asking that we open up the ownership of radio and television to foreign interests.

This must not be allowed. We are the only country in the world so shortsighted as to sell our cultural industries like printing and movies to foreign interests.

We lost a national treasure when Columbia Records, the oldest recording studio in the world, was taken to Germany and renamed with a Japanese name and a German placed as the president of the company.

We are losing our national treasures and ability to define our own culture—to communicate the American view to the world. How is this happening?

We have what Pat Choate calls agents of influence. In this case the agent of influence is Felix Rohatyn, a partner in Lizard Frieres—the architect of the bail out of New York, which has ultimately failed. I realize that Mr. Rohatyn is held in esteem, but certainly his judgment was not ruling in this, but his pocketbook. Remember Ambassador Bob Strauss made $8 million at lunch in negotiating the MCA sale with Matsutshita. In fact, he represented both sides of the negotiations.

I know the reasons for the Japanese in this Time Warner venture. Toshiba and C Itoh want to stop their biggest competitors Matsushita Electric Industrial Co., which owns MCA and Sony Corp., which owns Columbia. Obviously Mr. Rohatyn is making big bucks and the Japanese are now allowed to play in our telecommunications industry.

Almost 2 years ago I spoke to you about the effect of the Sony purchase of Columbia Pictures in a speech "America's Bedtime Story."

I pointed out that America is literally turning out the lights for our industries if we passively let the studios and HDTV slip through our fingers—and now we are selling a major media industry to these original film sales.

Time Warner with its information network and magazines is too important to the United States and its welfare to be in the hands of the Japanese. How will the stories in Time be written about Japanese trade. We must keep our cultural industries and information systems for America.

We are sounding the death knell for American's to communicate their culture. We are truly a colony without the means to communicate and inform the public about events and policy choices. Paul Revere once warned our citizens about foreign advances when he made that famous midnight ride and cried "the British are coming, the British are coming." Today there can be no Paul Revere to warn "the Japanese are coming" because they are here because of American "agents of influence." The American people should protest this sale.

□ 1750

Mr. HUNTER. Mr. Speaker, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman for yielding.

I was in my office watching her statements, and I just wanted to come to the floor and tell her how valuable her efforts, her untiring efforts have been for the industrial base of this country and for jobs for literally millions of Americans.

We sat in, in having a discussion today in urging the Defense Department to continue voluntary restraints with respect to machine tool imports, because the machine tool business is so important to this country and to our industrial base and many, many industries which are appended to it.

It was pointed out to us at one point in our discussion with DOD that, for example, if Americans only replaced half of the cars that they purchased today that are foreign cars with American cars, if we had a 30-percent penetration of our market, if we only took 15 percent or one-half of that 30 percent and bought American cars, we would literally pull this country out of the present recession because the auto industry pulls like a big train so many other industries with it.

That same principle is valid with respect to a vast array of American industries and technologies, which the gentlewoman has sought to protect.

I just want to tell her that I know she has done, she has embarked on this vigil for the last many, many months. Her statements have had an effect and the country appreciates it.

I think that listening to the gentlewoman from Maryland, HELEN DELICH BENTLEY is one way to start pushing ourselves out of this recession that we are still in.

Mrs. BENTLEY. Mr. Speaker, I thank the gentleman from California, DUNCAN HUNTER, who has been also a very strong supporter in this activity. At times when I was fearful of being all alone, the gentleman from California was there to continue to provide background and support.

I think while we are on the matter of automobiles, let us make a point. I think it pays to explain to our people the differences between a car, an American-manufactured car, let us say one by Ford or one by GM or one by Chrysler, versus one that is imported from overseas. This is something that too many people do not stop to think about.

When one is manufactured here and they start with buying the steel in this country, the ore for that steel is carried, is transported either by ship on the Great Lakes, American workers on that ship, or a ship coming down the St. Lawrence River where the ore is unloaded.

Then it goes into a steel mill where it is processed into steel by American workers, and then the steel is taken out and sent to an automobile plant here or to a parts plant, a manufacturing plant here. So that there are American workers who are involved in the making of the body and American workers involved in the making of the components that go into the automobile, the radios and what have you.

Finally, when we get the finished product, we have many, many, many American workers involved in each of those steps.

But when we have a car coming in from overseas, the only employment there is is the car coming into a port. And I represent a seaport and people say, "How can you represent a seaport and talk against imports?"

I will because manufacturing in this country is important until we can get two-way trade.

That car comes in. It is discharged. It goes right to an automobile storage area for a while until they can dump the price, as they have and we know they have. Or it goes right into a dealership, and there is is sold.

But how many American workers are not involved in the production of that car? This is what we were told today by Department Secretary Donald Atwood, the importance of buying one American car out of every two cars that are bought from here on in this country, what it would mean to the economy.

And just think what that would do to, talking about the State economies and how the States are suffering, because taxes are not going in, people are on unemployment. We have been fighting extending the unemployment compensation in this country because people are out of work.

How much we could all help by thinking of buying American goods.

Mr. HUNTER. Mr. Speaker, if the gentlewoman will continue to yield, I thank the gentlewoman for expanding with respect to Buy America. One constituent of mine, a very astute gentleman named Don Cox, from Imperial Valley CA, ran some statistics by me the other day that he developed. He is well-educated and has spent a lot of time working on and analyzing the trade industry, the trade business.

He said this:

> A multiplier for automobile purchases is really about five. That means because of all of the attendant industries and because the workers are buying groceries and renting apartments and houses and things like that, when you buy a $20,000 car made in America, you are really spending the gross national product $20,000 times 5 or $100,000.

Similarly, if one buys a car made in Korea or Japan or Germany or some other place, one is expanding their gross national product, less of course the sales costs in America, by $100,000.

He said:

> Now consider this. We tax our industrial base at a rate of about 20 percent of the GNP. Taxes in this country are roughly 20 percent of the gross national product. So if the gross national product that is produced by a $20,000 car purchase is $100,000 and you tax that $100,000 at a 20-percent rate, that means that when you buy a car made in America, you are creating $100,000 in gross national product for your country, for your neighbor to have a job and your son and your daughter, but you are also creating $20,000 in revenues for the Treasury, which reduces the deficit.

□ 1800

So what we are talking about when cars are called a big-ticket item, that really is an understatement. Cars are major, major battles in the economic competition that we engage in with other countries, and the loss of the automobile industry and the erosion of the automobile industry, and I say this as a guy from San Diego with no autoworkers in my district, and with literally a torrent of foreign products flooding our shores, the loss of the automobile industry, should it occur, and it is occuring right now, certainly deterioration is taking place, will have a devastating effect across the board on the American economy. And I think we should, in the economic pages we are putting onto the floor, and the gentlewoman from Connecticut, NANCY JOHNSON, spoke about this today, as did the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. And the gentleman from Illinois [Mr. HYDE].

Mr. HUNTER. That is correct, HENRY HYDE. We should try to insert some type of provision in any economic growth package that will have a salutary effect on the automobile industry and the people, the great American people who work in that industry.

Mrs. BENTLEY. The gentleman was talking about the tax portion of the GNP. Taking taxes in another way, the Congressional Research Service tells us that out of every dollar spent in this country, 38 cents to 42 cents of that goes into some form of taxes, unemployment, Social Security, income tax, all the taxes that go to State, local, and Federal treasuries. So this is one of the reasons again that we are losing, our economy is suffering, because so much of our economy has been moving offshore so that they can come back.

The thing that really blows my mind is the purchase of Time Warner, and Sony, and Columbia Pictures and all of these other companies in this country by foreign interests, which is with our own dollars, our own dollars. We are losing our treasures ourselves because we are so shortsighted, and I do hope that we turn this around.

EXPRESSION OF SYMPATHY AT THE DEATH OF LILY SOTO

Mr. HUNTER. If the gentlewoman will yield for 1 more second for something that is completely unrelated and is rather a personal statement, I would appreciate it because she is such a good friend of mine and we impose on each other all of the time.

My wonderful office manager, Lily Soto, who was my office manager when I was a pup attorney practicing law in the barrio, a little bitty storefront in the 1970's, and has been with me ever since in my congressional career, passed away today from a heart attack.

Mrs. BENTLEY. I am sorry to hear that.

Mr. HUNTER. Lily was a wonderful person who had 13 children and was intensely dedicated to this country, and provided not only a great service for the people of the 45th Congressional District, but also a wonderful friendship and a kinship. She considered me, I guess, as a son, and I, her almost as a mother during our long friendship and relationship.

She had sudden heart attack, and her family is taking it rather difficultly. But she was a wonderful, wonderful person, and I wanted to take the floor just to say that this Congress, which has done a lot of good things in the last 10 years or so, is well served by many hundreds of thousands of very fine, capable staff people. And Lily Soto was one of those people who represented the very, very best.

Mrs. BENTLEY. They certainly are, and I am sorry to hear that. Please express all of our sympathy to the family.

JULY 1991 SOUTH PACIFIC FORUM CONFERENCE

The SPEAKER pro tempore (Mr. SARPALIUS). Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I want to take this opportunity to present a commentary on the results of the most recent meeting of the 15 island nations of the South Pacific Forum.

Mr. Speaker, the South Pacific Forum was established in 1971, and is a regional organization comprised of the several island nations that make up Oceania. It evolved out of the desire of the leaders of the independent nations of the Pacific to be able to discuss common problems, and the recognition that a concerted regional approach would give the small and relatively isolated island countries of the region a better chance to resolve mutual needs.

Mr. Speaker, the countries represented at the first forum in 1971, were the Cook Islands, Republic of Fiji, Kingdom of Tonga, Independent State of Western Samoa, Australia, and New Zealand. These have since been joined by Niue, Papua New Guinea, Kiribati, Solomon Islands, Tuvalu, Vanuatu, the Federated States of Micronesia, and the Republic of the Marshall Islands.

The South Pacific Forum has been involved in the establishment and administration of a wide range of regional agreements, organizations and agencies operating in the region through the Forum Institutional Network [FIN]. Part of this network includes the Forum Fisheries Agency, the South Pacific Commission and other organizations which deliberate the welfare of the region.

One of the major accomplishments of the Forum Fisheries Agency [FFA] was the successful negotiations of the United States and the FFA Pacific Tuna Treaty. This provides for the payment of an access fee by the American tuna vessels for the right to catch tuna within the exclusive economic zones of these island countries.

This year's South Pacific Forum Conference was held in Palikir, Pohnpei, and the Federated States of Micronesia during the last week of July, and was attended by leaders of the governments of the Cook Islands, Fiji, Kiribati, Nauru, New Zealand, Papua New Guinea, Tuvalu and Western Samoa, Australia, Tonga, Solomon Islands, and the Marshall Islands.

Among the important issues discussed at this meeting were economic development and trade prospects for the region; the environment; regional security; developments in New Caledonia; and the region's approach to global issues The group also issued a communique on the continued detonation of nuclear devices by the French Government in the Island of Mururoa.

Mr. Speaker, I would like to address this issue first:

The island nations of the Pacific are concerned that these French nuclear tests will spread radioactive contamination, especially on the marine environment of the region. The last mushroom clouds soared over the Pacific nearly 40 years ago—spreading destruction over atolls and caused serious physical harm to several hundred Micronesians who live in the Marshall Islands.

Mr. Speaker, the residents of our region in the south Pacific have protested this continued testing in the Pacific in every international forum, but to no avail. The French have insisted that its nuclear testing at Mururoa is safe and poses no risk to the environment, but the members of the forum are not buying this argument.

A report prepared by the Nauru Government and presented to the summit said nuclear leakage from the test sites could occur as early as within the next 6 years. It said a mission by French underwater explorer Jacques Cousteau to Mururoa "found spectacular cracks and fissures * * * and some subsidence and submarine slides."

The report said:

> If the cracks seen at relatively shallow depths by Cousteau should penetrate the basalt substructure under the atoll and reach the test chambers, they could constitute a fast pathway for radioactivity into the atoll's immediate environment.

It said there were grave doubts that radioactive materials would be safely contained if French nuclear testing continued. U.S. scientist Norman Buske found high levels of caesium in the lagoon of Mururoa atoll he said could only have come from underground nuclear explosions. "The time required for radioactive leakage to reach the open environment is probably less than 6 years," Buske said.

The French Commisariat a L'Energie [CEA] has claimed that no radioactive leakage for hundreds of years would take place at Mururoa atoll and only small amounts of radioactive water would reach the surrounding ocean. Forum nations were irked that Paris took the omission of any condemnation of French nuclear testing in their communique issued last year in Vila, Vanuatu, as acquiescence to the program.

France had tried to placate critics of its nuclear program by emphasizing the benefits to Pacific nations and stressing the safety of the nuclear blasts rather than taking steps to terminate testing in the Pacific, the Nauru report stated. "The forum reiterated its firm and unceasing opposition to nuclear testing in the region," the communique issued at this year's conference declared. "In this regard the forum agreed to give consideration to an expanded program of opposition to France's nuclear testing in the region," the communique added, without specifying what action forum countries might take. French representatives here refused to comment on the forum's condemnation of the nuclear tests and a foreign ministry spokesman in Paris said it would not change France's position. While the number of nuclear tests over the past year has declined, their combined yield remains high, officials said. One test on May 29 at Fangataufa reached about 100 kilotons and was one of the largest undergound tests ever undertaken at France's Pacific test site, they added.

Paris completed its 1991 test series with a 35 kiloton underground explosion on July 15, about 2 weeks before the forum opened its summit meeting on Pohnpei.

One forum official said tempers were rising and patience running thin on the issue. "We can't just keep swapping position papers," he said.

Mr. Speaker, how much longer must our President and the administration going to remain silent on the serious matter?

Mr. Speaker, it is my intention to introduce a resolution to express strong concern on the harm that these underwater nuclear tests affect on the marine environment. The concern for the marine environment is not just an issue restricted to the Pacific—it is a global issue now that is just as important to countries in the Atlantic, the Mediterranean.

So I call upon the good people of France to plead with their leaders to stop this insane practice of conducting underwater nuclear detonations. And I repeat, underwater. It is not underground and safely above as in Nevada. Why do not we invite the French to conduct their nuclear tests in Nevada?

France has tried to placate critics in the forum by stressing the safety of the nuclear explosions rather than taking steps to terminate testing in the Pacific. Mr. Speaker, if it's so safe, why doesn't the French Government conduct its tests in the territorial waters of France? I'll tell you why, there is not one citizen of France who wants to risk the danger of radioactivity as a result of nuclear detonations in his backyard.

Another major topic discussed at this forum meeting was economic development and trade prospects for the region. The forum confirmed that Prime Minister Geoffrey Henry of the Cook Islands continue his discussions with U.S. authorities regarding funding and the structure of the proposed joint commercial commission [JCC] between forum island countries and the United States to be initially located at the East-West Center in Hawaii.

President Bush in a summit meeting with several island leaders in Hawaii last year in October, announced several initiatives. First, he proposed the establishment of a joint commercial commission with the islands, to meet each year—at senior Government levels—to identify and address commercial opportunities and trade concerns.

Second, he announced that the Overseas Private Investment Corporation [OPIC] would establish two new funds, an Asian-Pacific growth fund and an environmental investment fund to respectively assist private sector and natural resource development. In addition, OPIC will lead a 1991 mission of American investors to Pacific island countries.

OPIC reports that they have placed an Asia-Pacific growth fund on the market and are expecting a great amount of interest in this investment fund. An investment mission also visited the South Pacific during the middle part of September and I am looking forward to a report of their findings.

Mr. Speaker, I applaud the President for finally taking a serious look at a region that the United States has ignored since the end of World War II. While other countries such as Japan, China, the Soviet Union, and Europe, Clamor to make friends with a region whose oceans hold approximately 25 percent of the world's resources, the United States has continued to practice its policy of benign neglect in this region.

Mr. Speaker, the world's population is expected to grow by about 1 billion within the next 10 years. This growth will surely place a large burden on the world's food resources—and I am afraid that our present neglect will not gain us friends in an area which, because of its resources, will become one of the most strategic areas in the world. It's like that ad on TV on oil filters—"Pay me a little now, or pay me a lot later."

Mr. Speaker, the South Pacific Forum also addressed the issue of drift net fishing in the South Pacific. The forum reaffirmed its commitment to the Tarawa Declaration which committed members of the forum to the cessation of drift net fishing within their waters and to actively contribute to international efforts to prohibit the practice.

Mr. Speaker, drift net fishing is probably the most demeaning and devastating method of fishing invented by these contries. These nets stretch for 30 miles out, and are suspended by as much as 50 feet in depth. Because the line is nylon—it is invisible, and as it floats on the water, it will catch anything in sight. In other words, a drift net does not ask if you are a bird, a turtle, a whale, a swordfish, or even tuna—it kills anything it carries.

Mr. Speaker, sometimes these nets get lost. And you know what happens? The drift net continues to fish. With 800 fishing vessels using drift nets—Mr. Speaker, you're talking about 24,000 miles of ocean that gets fished every day in the worst way.

Drift net fishing by Japan, Korea, Taiwan, and other countries has, in some instances, decimated tuna stocks that we in the Pacific have cultivated for hundreds of years. Two years ago I introduced legislation which was unanimously passed by the Congress to stop this insance method of fishing. The United Nations also passed a resolution which mandated the complete cessation of drift net fishing in the South Pacific.

I am happy to report that most, if not all, the countries involved in drift net fishing have agreed to comply with the United Nations resolution—I just hope we are not too late.

I would personally like to commend outgoing Secretary General, the Honorable Henry Naisali, who in his 6 years in office presided over the development of the forum Secretariat which he molded into a highly professional body. I would also like to welcome the new Secretary General, Ieremia Tabai, former President of Kiribati, who brings with him a vast knowledge and understanding of the Pacific region. But mostly I would like to commend all the leaders of the Pacific Forum for the dedication they have shown in the affairs of the region and for preparing all of its residents to meet the challenges of the 21st century.

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Mr. Speaker, I am including in the RECORD a copy of the forum communique of the 22d South Pacific Forum, as follows:

TWENTY-SECOND SOUTH PACIFIC FORUM

FORUM COMMUNIQUE

The Twenty-Second South Pacific Forum was held in Palikir, Pohnpei, Federated States of Micronesia from 29 to 30 July 1991, and was attended by Heads of Government of the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Papua New Guinea, Tuvalu and Western Samoa. Australia was represented by its Minister for Foreign Affairs and Trade, the Republic of the Marshall Islands by its Minister for Health, Solomon Islands by its Minister for Foreign Affairs, Tonga by its Minister for Foreign Affairs and Defence and Vanuatu by its Deputy Prime Minister.

2. The Forum discussed the following key issues:

Economic development and trade prospects for the region;

Environmental matters including the UN Conference on Environment and Development;

The importance of ongoing discussions on regional security;

Developments in New Caledonia; and

The region's approach to global issues.

ECONOMIC DEVELOPMENT

3. The Forum expressed concern at the continuing difficult economic situation facing many member governments. It endorsed the view that while many issues, such a programmes of economic structural adjustment, needed action at the national level, there was also a key role of regional action. The Forum noted that while the delivery of substantial aid flows remained of critical importance to Forum Island Countries, there was a need for greater emphasis to be given to issues involving the private sector including trade and investment.

4. The Forum recognised the importance of continuing high level economic discussions between Forum Island Countries and the region's major development partners. It was pleased to note the firm resolve shown by all those interested in South Pacific development to foster greater levels of cooperation, coordination and policy dialogue. In this regard a number of important issues were identified for further development of policies and programmes. These included the role of the private sector, recurrent costs issues of aid delivery, progress in the development of strategic planning and policy formulation capacities, human resources development including higher education and training and refinement of aid consultative mechanisms. It was fundamental that all agencies involved in these activities in the region continued to work closely together, coordinating their efforts to the greatest extent possible. The Forum particularly emphasized the role of the South Pacific Organisations Coordinating Committee in this regard.

5. The Forum was particularly concerned about duplication of activities between regional programmes and organisations. It therefore welcomed the proposal that the Forum Secretariat work with other regional organisations and donors to develop a statement of priority programme needs for the region that could be met through collaborative regional assistance programmes, complementing national activities.

6. The Forum agreed that the region should continue to promote links with the rest of the world including non-Forum territories in the Pacific and that links should continue to be strengthened with groupings such as APEC and PECC and that the relationship between the Secretariat and the ASEAN Secretariat continue to be fostered. The Forum joined others in the international community in urging all participants in the Uruguay Round to commit themselves to a comprehensive and successful end to the negotiations this year and underlined the importance of fair trading systems to Forum member countries.

7. The Forum also confirmed that the Prime Minister of the Cook Islands continue his discussions with the United States authorities regarding funding and the structure of the proposed Joint Commercial Commission (JCC) between Forum Island Countries and the United States to be initially located at the East West Center in Hawaii. It also accepted that the JCC would be initially composed of the United States and the thirteen Forum Island Countries as proposed by the United States but wished the opportunity to remain for other Pacific Island Governments to become members of the Commission in future. Forum members agreed that upon the establishment of the JCC, Mr Jioji Kotobalavu would be appointed as their Executive Secretary.

ENERGY

8. Given the importance of the energy sector, the Forum welcomed the offer of Fiji to host a meeting of Forum Energy Ministers on 29-30 August 1991 to consider oil pricing policies as they affected economic development in Forum Island Countries. If further endorsed the need for the Secretariat to continue to monitor and analyse international oil prices and the cost structure of oil companies in reaching the prices of oil products charged in Forum Island Countries.

CONSUMER PROTECTION

9. The Forum supported efforts to develop a more regional approach to consumer protection matters. In this context it welcomed the holding of a further regional Seminar on Consumer Protection in Western Samoa later this year. All member governments undertook to examine closely the United Nations Guidelines on Consumer Protection.

SMALLER ISLAND STATES

10. The Forum recognized the special development requirements of the Smaller Island States of the Forum and recommended that the international donor community take these into account when providing assistance to those Forum members. The Forum welcomed the offer by the Cook Islands Government to host a meeting in November 1991 of Heads of Government of the Smaller Island States together with senior officials and private sector representatives to consider the longer term strategies for the development of the Smaller Island States. The Forum Secretariat would facilitate this meeting drawing on funding to be made available by

Australia under a new programme to foster the development of the private sector in the South Pacific.

ENVIRONMENT

11. The Forum reaffirmed the fundamental importance to the region of environmental issues and acknowledged the critical linkages between the protection and conservation of the environment and sustainable economic development. It stressed the need to articulate Pacific interests clearly and comprehensively in the negotiation of international conventions on climate change and biodiversity as well as in other environmental forums. The Forum also reaffirmed the obligation of all countries to cooperate to conserve and protect the environment and to promote appropriate and sustainable development policies in order that the well-being of future generations could be assured.

12. It welcomed progress on decisions made the previous year on the need for strong institutional arrangements to address these concerns with the marked strengthening of the South Pacific Regional Environment Programme (SPREP) into a fully autonomous regional organisation and the decision to establish SPREP's Headquarters in Western Samoa.

13. The Forum welcomed the entry into force of the Convention for the Protection of Natural Resources and Environment of the South Pacific Region (SPREP Convention) and its associated Protocols concerning Co-operation in Combating Pollution Emergencies in the South Pacific Region and the Prevention of Pollution of the South Pacific Region by Dumping. It also welcomed the entry into force of the Convention on the Conservation of Nature in the South Pacific (Apia Convention).

14. The June 1992 United Nations Conference on Environment and Development (UNCED) would be of critical importance to the future of the region. The importance of the regional preparation for UNCED and its preparatory meetings was firmly underlined by the Forum. The Forum expressed its full support for the Ministerial Declaration on Environment Development issued by Ministers and representatives at the 8–9 July SPREP Intergovernmental Meeting. The Forum also noted the South Pacific regional statement to be presented at the third meeting of the UNCED Preparatory Committee in August 1991. It agreed that the Forum's support for the Declaration be conveyed to all relevant international bodies with the aim of ensuring that full account was taken of South Pacific concerns. For the peoples of the Pacific, the sea was a most important part of their environment and in this regard the Forum urged those member states who had yet to ratify the Law of the Sea Convention to do so.

15. The Forum agreed that its members be collectively represented, at ministerial level where possible, with coordination and support from SPREP, at the Preparatory Committees leading up to the Conference as these will take many of the key decisions. The third and fourth Preparatory Committees were of particular importance in this regard. At the UNCED Conference itself, participation at the highest possible political level would be desirable to focus attention on the region's interest. Given the complexity and size of the UNCED process the Forum considered that issues could be usefully engaged in concert with other like-minded countries, especially members of the Alliance of Small Island States (AOSIS). Consideration should be given to a coordinated strategy whereby Forum representatives might "specialize" as spokesperson for the region on specific issues. Support from SPREP would be vital. The Forum urged international support to facilitate the effective participation of the Forum Island Countries at the Preparatory Committees and the UNCED itself.

Climate change and sea level rise

16. Global warming and sea level rise were the most serious environmental threats to the Pacific region. The cultural, economic and physical survival of Pacific nations was at great risk.

17. The Forum confirmed the importance for all members of the international community to develop a Framework Convention on Climate Change. In this regard it applauded the efforts of AOSIS. It stressed the urgency of securing international action through the timely conclusion of a strong and substantive global convention with commitments to control the adverse effects of climate change by, inter alia, significant and immediate reductions in emissions of industrially generated greenhouse gases, in particular carbon dioxide. The Forum noted the primary responsibility of industrial countries for reducing these emissions. The Forum noted that the Intergovernmental Negotiating Committee on a Framework Convention on Climate Change (INC/FCCC) had acknowledged the need to accommodate the special interests and needs of Small Island States. It stressed the need to identify those needs and interests clearly and comprehensively, and to communicate them to the INC prior to its third negotiating session in September 1991. It recognised the importance of SPREP playing a central technical and coordinating role.

18. The Forum recognised that progress towards the stabilisation of greenhouse gas emissions was directly linked to commitments to achieve greater energy efficiency and to develop appropriate alternative energy sources and technologies. It called upon all countries, but particularly developed countries, to give high priority to continuing research, development and transfer of technologies in these areas. The Forum agreed to communicate these concerns to the INC and to all other relevant international bodies.

Nuclear testing

19. The Forum remained concerned that despite long standing opposition by the Forum, France continued to carry out nuclear testing in the region. It noted that this was despite France's welcome decision to become a party to the Non-Proliferation Treaty and its signature and ratification of the SPREP Convention and its Protocols. The Forum expressed its deep dismay that the French Government had formally stated that its nuclear testing programme in the South Pacific would not be affected by the decision to join the Nuclear Non-Proliferation Treaty. The Forum reiterated its firm and unceasing opposition to nuclear testing in the region. In this regard the Forum agreed to give consideration to an expanded programme of opposition to France's nuclear testing in the region. It suggested that SPREP play a central role in monitoring and evaluating the environmental impact of nuclear testing in the region.

Dumping of toxic and hazardous waste

20. Concern was expressed about the potential for the region to become a dumping ground for toxic and hazardous waste and chemicals and radioactive materials. In this regard, the Forum commended the London Dumping Convention (LDC) for its recent progressive stance on ocean dumping, and in particular for its 1990 decision to phase out industrial waste dumping at sea. The Forum expressed support for Forum Island Country members who were seeking to codify these advances by amendment of the LDC. The Forum noted its desire to culminate this procedure at the Fifteenth Consultative Meeting of the LDC in 1992 coincident with the UNCED Conference.

Drift net fishing

21. The Forum reaffirmed its commitment to the Tarawa Declaration which, inter alia, committed members of the Forum to the cessation of driftnet fishing within their waters and to actively contribute to international efforts to prohibit the practice. In this regard the Forum welcomed the entry into force on 17 May 1991 of the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific and reaffirmed its call for all eligible countries to accede to the Convention and its Protocols, as appropriate.

22. The Forum also reiterated that Resolutions 44/225 and 45/197, in which the United Nations mandated the complete cessation of driftnet fishing in the South Pacific region by 1 July 1991 and the imposition of moratoria in all regions of the world on all large scale driftnet fishing on the high seas by 30 June 1992, should be fully implemented. The Forum called for continued vigilance and co-operation by Forum members and other like-minded states during consideration of this issue at the United Nations General Assembly and noted that in compliance with Resolutions 45/197, Forum members in consultation with the Forum Fisheries Agency would be submitting a report on the impact of driftnet fishing to the Secretary General.

Biodiversity

23. The Forum noted that the Pacific region was one of the world's centres of biological diversity. The many thousands of islands had a rich complex of terrestrial and marine ecosystems. The maintenance of the region's biological diversity was critically important to ecologically sustainable development throughout the region and the world. The Forum recognized the fundamental importance of their biological resources to the people of the Pacific region and endorsed the development of agricultural, forestry, mining and fishing practices which encouraged the maintenance of Pacific biological diversity.

JACADS

24. The Forum considered the Report of the Ministerial Mission on JACADS. Subsequently the United States had, at the request of Solomon Islands Government, removed World War II chemical munitions to Johnston Atoll. The Forum again recorded Pacific opposition to JACADS and reaffirmed the fundamental importance of advice and consent of Pacific governments in any future actions by any state that could impact upon the health and well-being of Pacific people. A Forum scientific mission to monitor the progress and safety of JACADS would be undertaken in the near future and would report its findings to all member governments.

25. The Forum welcomed and accepted as binding US assurances that it would cease the operation of JACADS and dismantle the facility following the destruction of chemical weapons now on Johnston Atoll (and any further stocks discovered in the Forum region). The Forum expressed its appreciation of US efforts to keep Forum Governments informed on the operations of the JACADS facility and looked forward to continuing dia-

logue with the US on this matter. The Forum urged the US to bring Johnston Atoll under the SPREP Convention regime.

REGIONAL SECURITY

26. The Forum stressed that, in a rapidly changing global political and economic scene, exchange of information and dialogue amongst member governments was increasingly important. It also concluded that there was further scope for effective regional co-operation in the law enforcement field. Recent work had revealed that this was a complex area and that individual countries had different priorities. The Forum Regional Security Committee was directed to consider priorities and resource needs when Forum Governments had completed national assessments.

27. The Forum expressed its continuing concern over the grave social consequences of drug abuse and the illegal traffic in narcotic drugs. Forum Governments renewed their commitment to cooperate in combating drug abuse and drug trafficking. In this connection it expressed support for proposals to increase the resources available to regional organizations combating drug abuse and drug trafficking. It also expressed support for various proposals to help develop the capacity of small island countries to successfully address law enforcement problems associated with drug abuse, drug trafficking and other related issues.

DECOLONIZATION

28. The Forum once again reaffirmed the importance of the universal realisation of the right of peoples to self-determination in accordance with the Charter of the United Nations, and the principles and practices of the United Nations pertaining thereto. In this connection, the Forum noted that the United Nations had now embarked on the International Decade for the Eradication of Colonialism and renewed its request that the Secretary-General of the United Nations, or a specially designated representative of the Secretary-General, visit each of the territories which remained on the United Nations list of non self-governing territories. The Forum also renewed its proposal that an extensive study of the remaining non self-governing territories be undertaken by the United Nations and the results widely distributed, and that countries be requested to consider adopting national legislation to promote and safeguard the human rights of peoples living under colonialism.

Western Sahara

29. The Forum expressed satisfaction with the recent progress made toward achieving a just and lasting solution to the question of Western Sahara. In this connection Forum Governments congratulated the POLISARIO Front and the Kingdom of Morocco on this achievement, and commended the role played by the Organization of African Unity and the United Nations in contributing to a suitable solution consistent with the principles and practices of the United Nations.

New Caledonia

30. The Forum one again drew attention to the close links which existed between the people of New Caledonia, particularly the indigenous Kanaks, and other peoples of the South Pacific, and acknowledged the constructive actions being taken by all involved to facilitate the further development of those links.

31. The Forum noted the positive measures being pursued in New Caledonia by the French authorities, in cooperation with all sectors of the population, to promote equitable political, economic and social development in the territory, in order to provide a framework for its peaceful evolution to self-determination.

32. The Forum stressed the great importance of equitable economic and social development, transparency in the preparation of the electoral rolls, and continued dialogue among all the parties involved in New Caledonia in preparation for an act of self-determination, consistent with the principles and practices of the United Nations, in which all options, including independence, were open, and which would safeguard the rights of the indigenous Kanaks and those of all other New Caledonians.

33. Forum Government again expressed the hope that the French authorities, and others, would expand their assistance for education and training opportunities for the Kanak population, in order to enable all New Caledonians to exercise their right of self-determination under the best possible conditions. They reiterated their hope that the French authorities would facilitate regular visits to New Caledonia by visiting missions of the United Nations.

34. The Forum would continue its active and vigilant observation of developments in New Caledonia. It congratulated the Ministerial Committee established by the 21st Forum on its very useful interim report. The Forum directed that the final report be widely distributed, including at the United Nations, and ask the Committee to continue its work. The Forum expressed the hope that the French authorities would continue to facilitate visits to New Caledonia by representatives, including Heads of Government of Forum countries.

35. The Forum's intention was to promote increasing contacts with New Caledonia, including by invitations, on a case-by-case basis as appropriate, to French Pacific territories to participate in Forum advisory committees, seminars and workshops. The Forum also acknowledged the usefulness of cultural events where through invitation to the various ethnic groups in New Caledonia, informal contacts with them could be promoted. Informal contacts with political groups within New Caledonia during the annual Forum meeting should be continued. It expressed the hope that other groups would take advantage of this opportunity.

36. The Forum offered to assist the FLNKS in developing a programme of action for ensuring their objectives were met through the Matignon Accords. It further agreed to the establishment of a fund to assist with the training of Kanaks within and outside the region to be administered by the Secretariat.

South Africa

37. The Forum reviewed the situation in South Africa and noted the positive measures taken over the past year to dismantle institutionalised apartheid. Forum Governments called upon those who currently governed South Africa to take the further steps necessary to accelerate the process of totalling dismantling apartheid, and its various vestiges and effects. The Forum noted with dismay the revelation of South African Government involvement in covert political destabilisation and called upon it to take such steps as were necessary to restore its credibility and set the course of negotiations back on a proper path. The Forum, while accepting the appropriateness of a phased relaxation of sanctions as major progress was made in dismantling apartheid, believed that some form of external discipline should be maintained upon the South African Government until a fully democratic political and social system was achieved.

PRESIDENCY OF THE UNITED NATIONS GENERAL ASSEMBLY

38. The Forum unanimously reaffirmed its endorsement of the candidacy of the Foreign Minister of Papua New Guinea, the Rt Hon Sir Michael Somare, for the position of President of the 46th Session of the United Nations General Assembly. Given the significant changes taking place around the world, it also strongly supported the theme of "Managing Change" proposed by Sir Michael as an important issue to be pursued at the United Nations.

SECURITY OF SMALL STATES

39. The Forum welcomed the liberation of Kuwait from foreign occupation and urged the international community to consider effective peaceful measures to assure the security and territorial integrity of all militarily or economically vulnerable smaller states. In this connection, Forum Governments urged all members of the world community to work together for the effective implementation of all United Nations resolutions on this subject, as well as the progressive development of, and respect for, international law.

FORUM COUNTRY INITIATIVES

40. Heads of Government pledged their support and commended:

Applications of the Republic of the Marshall Islands and the Federated States of Micronesia to join the United Nations as full members. The Forum called upon the Security Council and the General Assembly of the United Nations to welcome unanimously, these applications for membership in the United Nations.

The candidacy of New Zealand for the United Nations Security Council for a two-year term in 1993-94. Members also recalled their pledges of support for Japan's candidacy.

Application of Nauru for membership of the Asian Development Bank.

The proposal for the convening of a Pacific Summit for Children and requested that the Secretary General discuss this proposal with his colleague, the Secretary General of the South Pacific Commission and submit a report to the 23rd South Pacific Forum.

The Forum received the report of the Rarotonga Workshop on the Convention for the Elimination of all forms of Discrimination Against Women.

The 40th Anniversary of the Office of the United Nations High Commissioner for Refugees.

Both South Korea and North Korea in their respective bids for membership of the United Nations.

TOURISM

41. The Forum acknowledged the importance of tourism to the economic development of the region and that linkages with the Forum by the Tourism Council of the South Pacific (TCSP) were important to ensure regional tourism development proposals were coordinated closely with other priorities. The Forum recognized the TCSP as a regional intergovernmental organization and agreed that it should have a reporting relationship with the Forum.

POST FORUM DIALOG

42. The Forum endorsed the value of the Post-Forum Dialog as an important opportunity to exchange views on international and regional issues with the main external powers with interests in the South Pacific. It adopted procedural changes designed to encourage participation in the Dialog at a high level, and to enable the Dialog to address

fully the global and regional policy issues of mutual concern of Forum countries with the Dialog Partners.

43. The Forum decided that there should be no change to existing criteria for Post-Forum Dialog Partners, or to the current list of Partners. It directed the Secretariat to examine the possibility of a separate meeting for exchange of views with representatives of Taiwan/Republic of China.

OBSERVER STATUS AT FORUM MEETINGS

44. The Forum decided that there should be no change to existing criteria for observer status. It noted that the Secretary General was clarifying with the Governments of the Republic of Palau and French Polynesia their interest in observer status at the Forum.

DONOR SUPPORT FOR FORUM PROGRAMMES

45. The Forum welcomed the strong support provided by a wide range of donors to the programmes being implemented by the Forum Secretariat. In particular it recognised the contributions now being made by nonmember countries and organizations as implementing agents for a number of regional programmes such as those funded under the UNDP Fifth Cycle Regional Programme.

REPORTS OF REGIONAL ORGANIZATIONS

46. The Forum received and adopted annual reports of:

(1) Director of the Forum Fisheries Agency.

(2) Director of the Pacific Islands Development Program.

(3) Director of the South Pacific Applied Geoscience Commission.

(4) Vice-Chancellor of the University of the South Pacific.

(5) Secretary General of the Forum Secretariat.

(6) Director of the South Pacific Regional Environment Programme.

APPOINTMENT OF SECRETARY GENERAL

47. The Forum appointed the Hon. Ieremia Tabai, GCMG, of Kiribati as the new Secretary General for the Forum Secretariat.

OUTGOING SECRETARY GENERAL

48. The Forum acclaimed the invaluable contributions and historic achievements of the outgoing Secretary General, the Hon Henry Naisali, who in his six years in office had presided over the development of the Forum Secretariat into the highly professional body it was today. Forum Leaders wished him long life, happiness and success in his future endeavours.

SOPAC

49. The Forum supported the application of Mr. Philipp Muller and strongly supported his appointment as the New Director of SOPAC. It expressed appreciation for the services and contributions of Mr. Philipp Muller, the outgoing Director of the Forum Fisheries Agency and Mr. Jioji Kotobalavu, the outgoing Director of SOPAC.

DATE AND VENUE OF NEXT MEETING

50. The Forum accepted with appreciation the kind offer of Solomon Islands Government to host the 23rd South Pacific Forum and Nauru to host the 24th South Pacific Forum. The Forum agreed that it was desirable that the hosting of the Forum should revert thereafter to the practice of preceeding in alphabetical order, commencing with Australia, subject to the Forum determining that special circumstances (e.g., Papua New Guinea's 20th Anniversary in 1995) warranted a variation.

INTRODUCTION OF THE SMALL BUSINESS ECONOMIC OPPORTUNITY ENHANCEMENT ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. IRELAND] is recognized for 60 minutes.

Mr. IRELAND. Mr. Speaker, today I am introducing the Small Business Economic Opportunity Enhancement Act of 1991. This bill establishes a 5-year demonstration program providing direct loans to very small businesses, or microenterprises.

Even as we meet today, a new world economic order is on the march. With the fall of the Berlin Wall and the dawn of a new political era in the former eastern bloc nations, capitalism is being embraced on new fronts.

Indeed as our own economy moves from recession to recovery we are seeing an increase in business and economic activity.

This increase has been evidenced in all of the traditional sectors of our multifaceted economy: Factory orders are on the rise, inventories are dwindling and unemployment is at worst steady and at best actually declining in some areas of our Nation.

The small business community is also playing its traditional role of business expansion and the creation of new jobs. The Small Business Administration reports that since last year its loan guaranty activity between October 1, 1990, and June 30, 1991, has increased by over 5 percent over the same period last year.

But while we see this and other equally positive economic trends, we must confront an equally negative trend. During the past 10 years of American and global economic expansion there has been an 8-percent increase in the number of persons receiving AFDC benefits.

The number of persons on the welfare rolls has increased from 10.5 million in 1980 to 11.4 million in 1990. The Nation's expenditures for the same period have increased from $13.4 billion to $21.2 billion a 58-percent increase.

Mr. Speaker, these numbers reveal in no uncertain terms that the economic growth of the 1980's and the 1990's has not extended to all segments of our populace.

Some might argue that the welfare system's success is demonstrated by the fact that the amount of money each welfare recipient receives is increasing. I, however, cannot accept that definition of success.

As long as every able-bodied person on welfare is not able to realize his or her full potential as an active, independent and productive member of society, the system is clearly lacking.

I believe that many of the Americans who receive welfare benefits would do better if they could do better. When you look at the system we have created, it's easy to understand why the entrepreneurial instinct that is so basic to all Americans has been snuffed out at this level of our society.

We have done little to unleash the entrepreneurial instinct that could transform an economically dependent member of our society into a productive, economically independent one.

I firmly believe that most of the Americans on the welfare rolls would, if given the opportunity, take advantage of the economic freedoms that so many others enjoy.

My belief has been reinforced in recent weeks by my introduction to one of the most provocative worldwide manifestations of the new economic order that I spoke about earlier. It is called microentrepreneurship, or microenterprises.

In a recent column, William Raspberry wrote that he did not believe that welfare and other governmental antipoverty efforts created poverty.

But, Mr. Raspberry wrote that he did believe that the welfare rules and regulations, originally designed to prevent abuse, made it difficult for the poor to climb out of their poverty.

He cited the example of how a welfare mother with talent and interest in hairdressing might use that talent and interest to start a business were it not for the welfare rules that won't let her save enough money to get started.

It doesn't matter where the savings come from. No matter how she manages to save, under current welfare rules those savings become an asset; an asset that could reduce or eliminate her welfare eligibility.

After giving other examples of the perverse effect of rules designed to prevent abuse, Mr. Raspberry asks the question, and I quote:

> Wouldn't it make sense to change the rules to positively encourage poor people to go into business for themselves?

I believe that it would make sense to do just that—to change the rules so as to foster independence and not dependency.

Indeed, we already have examples of what happens when we change the rules and encourage economic independence. One such example is the women's self employment project in Chicago, IL.

This nonprofit, self-help group runs a microenterprise loan program under the auspices of the Illinois Department of Public Aid.

The group initiated the Independent Business Women's Demonstration Program, which is designed to enable women receiving welfare benefits to experience greater choice and control over their lives by giving them the opportunity to start their own businesses.

The results were very encouraging. As of October 1989, the date of the final program report, 70 percent of the 20 welfare recipients who began the program no longer received cash assistance from AFDC. Over 80 percent were completely off welfare or received greatly reduced levels of aid.

The Chicago program is but one example of similar demonstration programs across the Nation: the good faith fund in Arkansas; the mountain micro enterprise fund in North Carolina, and the lakota fund in South Dakota.

All are patterned after the Grameen Bank in Bangladesh, which pioneered uncollateralized small lending to the poor because traditional lenders would not do so.

The efforts of the Grameen Bank have resulted in a 98 percent repayment record. More importantly, it has provided financial independence for literally hundreds of thousands of poor people.

Mr. Speaker, several microloan bills have been introduced in both Houses of Congress. While I applaud the intent of these bills and of their sponsors, my visit with the Chicago program and my research into other similar demonstration programs has convinced me that these bills fall short of what is needed for a successful microloan initiative.

The bill that I introduced today addresses all of the concerns voiced by those who should know best—the people across this country who have been trying to run microloan programs.

Specifically, my bill would make it easier for States to change their welfare rules so that the welfare mother that Mr. Raspberry wrote about can have an equal shot at the American dream.

State waivers will allow welfare recipients to accumulate the small amount of equity needed to start a microenterprise without breaking the rules, or even worse, risking the health hand welfare of her children through a loss of benefits. The waivers also would allow welfare recipients to borrow money.

The benefits that my bill would protect would include aid to families with dependent children, Medicaid, Social Security and unemployment benefits.

Further my bill would amend the job Training Partnership Act so that funds for JTPA, currently restricted to helping a needy American find a job, could be used to train Americans to be business owners

The Community Development Block Grant Program and the Consolidated Farm and Rural Development Acts would also be amended to make microloans eligible activities.

Finally, I would direct the Small Business Administration to insure that half of the programs funded go to rural areas of our country where the need is especially great.

Mr. Speaker, America has traditionally been at the forefront of innovation and new approaches to solving age old problems.

By passing the Small Business Economic Opportunity Enhancement Act, Congress can take a page from the Grameen Bank experience and the experience of such American pioneers as the Women's Self-Employment Program.

We can unleash the entrepreneurial power of a forgotten segment of our society. In doing so, we can foster pride and financial independence in those who lack them most.

The Small Business Economic Opportunity Enhancement Act is an act of hope for all Americans.

CONFERENCE REPORT ON H.R. 2622

Mr. ROYBAL submitted the following conference report and statement on the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1992, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-234)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2622) "making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 16, 29, 37, 41, 42, 45, 70, 76, 86, 90, 103, 104, 107, 114, 116, 124, 125, and 153.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 9, 18, 19, 21, 30, 44, 47, 49, 61, 63, 64, 72, 73, 74, 75, 77, 78, 79, 82, 105, 108, 109, 111, and 117, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$68,238,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$33,325,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$39,645,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$8,309,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$336,040,000*; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$19,000,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *4,109*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *1,127*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$1,266,305,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$189,000,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$105,122,000*; and the Senate agree to the same.

Amendment numbered 85:

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$12,000,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 7, 10, 13, 20, 22, 23, 24, 25, 27, 28, 31, 32, 33, 34, 35, 36, 38, 39, 40, 43, 46, 48, 50, 51, 52, 53, 55, 56, 57, 58, 59, 60, 62, 65, 66, 67, 68, 69, 71, 80, 81, 83, 84, 87, 88, 89, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 106, 110, 112, 113, 115, 118, 119, 120, 121, 122, 123, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 154, and 155.

EDWARD R. ROYBAL,
STENY H. HOYER,
DAVID E. SKAGGS
(except for amendments No. 43 and No. 155),
NANCY PELOSI,
SIDNEY R. YATES,
JOSEPH D. EARLY,
JAMIE L. WHITTEN
(except for amendment No. 43),
FRANK R. WOLF,

JIM LIGHTFOOT,
HAROLD ROGERS,
JOE MCDADE,
Managers on the Part of the House.

DENNIS DECONCINI,
BARBARA A. MIKULSKI,
BOB KERREY,
ROBERT C. BYRD,
PETE V. DOMENICI
(except for amendments No. 24 and No. 31),
ALFONSE M. D'AMATO,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2622) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1992, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENT OFFICES

SALARIES AND EXPENSES

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for not less than $2,522,000 and 40 full-time equivalent positions for the Office of Foreign Assets Control.

Amendment No. 2: Appropriates $68,238,000 for salaries and expenses instead of $67,500,000 as proposed by the House and $68,975,000 as proposed by the Senate.

UNDER SECRETARY FOR ENFORCEMENT

The conferees believe there is a need within the Department of the Trreasury to give increased prominence to the very important law enforcement activities and responsibilities of its law enforcement bureaus. The Treasury Department has wide ranging law enforcement jurisdictions, from the protection of our nation's borders to the protection of the President of the United States. Its outstanding efforts in the war against drugs, and leadership in attacking money laundering and other financial crimes have brought worldwide respect.

The principal law enforcement position within the Department of the Treasury is currently the Assistant Secretary for Enforcement. The Assistant Secretary represents the Department nationally and internationally in the broadest range of law enforcement matters and in regulatory, tariff and trade enforcement matters. The Assistant Secretary deals with issues which frequently involve the responsibilities of several Assistant Secretary and higher level officials in other executive departments, and frequently represents the United States in international forums. With the war on drugs identified as the nation's number one domestic priority, and financial crimes now recognized internationally as a major problem, and international trade enforcement (including critical trade embargoes and sanctions) playing an increasingly important role in foreign relations, the conferees strongly believe the position of Assistant Secretary for Enforcement should be elevated to Under Secretary of the Treasury for Enforcement. The Department of the Treasury is, therefore, directed to prepare a proposal for establishing the position of Under Secretary of the Treasury for Enforcement, and to prepare a related analysis of any budget and resource implications of such proposal. This proposal shall be submitted to the House and Senate Committees on Appropriations by February 1, 1992. If the Department determines that the proposal should be implemented, it shall submit a reprogramming request to the House and Senate Committees on Appropriations for prior approval.

INTERNATIONAL AFFAIRS

Amendment No. 3: Appropriates $33,325,000 for International Affairs instead of $32,794,000 as proposed by the House and $33,855,000 as proposed by the Senate.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Amendment No. 4: Appropriates $24,835,000 for salaries and expenses as proposed by the Senate instead of $22,710,000 as proposed by the House.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Amendment No. 5: Appropriates $39,645,000 for salaries and expenses instead of $39,245,000 as proposed by the House and $41,245,000 as proposed by the Senate. The conferees have provided $400,000 for increased operational support of the Marana, Arizona satellite facility.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Amendment No. 6: Appropriates $8,309,000 for the Federal Law Enforcement Training Center's Acquisition, Construction, Improvement, and Related Expenses account, instead of $5,359,000 as proposed by the House and $16,534,000 as proposed by the Senate. The conferees have provided an additional $2,950,000 above the budget request for projects at the Artesia, New Mexico, facility, as proposed by the Senate.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$231,500,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $231,500,000 for salaries and expenses instead of $189,195,000 as proposed by the House and $228,968,000 as proposed by the Senate. The Conference agreement includes the requested amount, $1,200,000, to implement the Federal/State Equity Program, as authorized by Public Law 101-453. This will ensure that cash management improvements in the transfer of funds between Federal and State governments stay on track and lead to greater efficiency.

Amendment No. 8: Makes available $10,794,000 until expended for systems modernization initiatives as proposed by the House instead of $10,294,000 as proposed by the Senate.

Amendment No. 9: Deletes language proposed by the House and stricken by the Senate which would have authorized the FMS to be fully and directly reimbursed from the Social Security Trust Funds for the costs it incurs in processing benefit payments.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

SALARIES AND EXPENSES

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty: Provided, That, notwithstanding the provision of 31 U.S.C. Sec. 1342, the Bureau of Alcohol, Tobacco, and Firearms is authorized to accept, receive, hold, and administer gifts of services and personal property for hosting the General Assembly of the International Office of Vine and Wine (OIV) in the United States in 1993. The Bureau of Alcohol, Tobacco, and Firearms is authorized to use otherwise available funds from the appropriations to the Bureau for fiscal years 1992 and 1993, as necessary, to pay the expenses of hosting, including reception, representation, and transportation expenses. The Bureau of Alcohol, Tobacco, and Firearms' authority shall continue until all expenses for the General Assembly meeting have been paid or otherwise satisfied: Provided further, That*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment allows ATF to pay per diem and other expenses to employees when a member of the National Response Team works over 16 hours in the investigation of a bombing or arson incident. It also provides authority for the hosting of the General Assembly of the International Office of Vine and Wine. It is anticipated that the source of the gifts of services, money, and personal property to be utilized for the OIV General Assembly meeting will include members of the wine industry.

Amendment No. 11: Appropriates $336,040,000 for salaries and expenses instead of $316,796,000 as proposed by the House and $341,040,000 as proposed by the Senate.

The conferees have provided total funding of $336,040,000 for the Bureau of Alcohol, Tobacco, and Firearms for fiscal year 1992. Included in this amount is an additional $16,000,000 for the alcohol program; $800,000 for a pilot gang prevention project to be implemented in Phoenix, Arizona; and $2,244,000 for 4 Project Achilles task forces.

The conferees have denied funding for an additional $5,000,000 for the Bureau of Alcohol, Tobacco, and Firearms to implement the initial development of a national gang analysis information center.

Since 1986, the Bureau of Alcohol, Tobacco, and Firearms (ATF) has successfully used the Achilles Task Force approach in combatting violent criminals who use firearms to further their illegal activities in major cities across the United States. Some of these task forces concentrate on gang enforcement; others use their resources to bring criminals to prosecution under criminal statutes which require mandatory sentencing for repeat offenders. Achilles Task Forces are presently operational in sixteen cities located throughout the country. The conferees have included an increase of $2,244,000 for ATF to establish four new task forces in the following cities: Atlanta, Georgia; Portland, Oregon; Charleston, South Carolina; and Milwaukee, Wisconsin.

The conferees request that the Bureau of Alcohol, Tobacco, and Firearms submit a report to the House and Senate Committees on Appropriations by February 1, 1992, which summarizes the success of the Achilles Task Forces to date and justifies, in priority order, other cities in the nation which merit inclusion in this program.

Amendment No. 12: Makes available $19,000,000 solely for the enforcement of the Federal Alcohol Administration Act instead of $15,000,000 as proposed by the House and $22,000,000 as proposed by the Senate.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows funds for improvement of information retrieval system at the National Firearms Tracing Center with certain limitations.

Amendment No. 14: Establishes a minimum level of 4,109 full-time equivalent positions instead of 4,073 as proposed by the House and 4,119 as proposed by the Senate.

Amendment No. 15: Establishes a limitation of no fewer than 1,127 full-time equivalent positions to be allocated for the Armed Career Criminal Apprehension Program instead of 1,037 as proposed by the House and 1,137 as proposed by the Sente.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Amendment No. 16: Restores language proposed by the House and stricken by the Senate on additional positions for certain U.S. Customs Districts.

CUSTOMS POSITIONS

The conferees are aware of the need to increase Customs staff positions for the following Customs Districts: San Francisco, California; Baltimore, Maryland; and Port Huron, Michigan. The conferees have included an additional $1,000,000 in the salaries and expenses account for 24 additional entry/inspection aides for the San Francisco, California, Customs District and 2 additional inspector positions for the Port Huron, Michigan Customs District. The conferees are also aware of the need for additional positions over and above these levels for the Port Huron, Michigan, and the Baltimore, Maryland, Customs Districts and request the Commissioner to hire, from available funds in fiscal year 1992, additional inspectors for the Port Huon, Michigan, District; and additional agents, inspectors, and support personnel for the Baltimore, Maryland, District.

Amendment No. 17: Appropriates $1,266,305,000 for salaries and expenses instead of $1,226,514,000 as proposed by the House and $1,270,005,000 as proposed by the Senate.

CUSTOMS RENTAL REQUIREMENTS

The conferees are aware that due to an error by the Department of the Treasury and the U.S. Customs Service during the formulation of the fiscal year 1992 budget, sufficient funds for GSA rental payments were not included in the U.S. Customs Service fiscal year 1992 budget request. These proposed rental charges, totalling $23,140,000, are mandatory and must be paid by Customs during the fiscal year. Because of budgetary constraints, the conferees have not provided increased funds to cover these rental costs. The conferees expect the Commissioner of Customs to achieve savings in overhead expenses to accommodate the increased rental requirements in fiscal year 1992. If this cannot be accomplished, the Commissioner is instructed to submit a reprogramming request to the House and Senate Committees on Appropriations for prior approval identifying the areas from which the funds will be taken.

Amendment No. 18: Makes a technical change by inserting the words "the Commissioner" instead of the pronoun "his".

Amendment No. 19: Deletes language proposed by the House and stricken by the Senate which provided that none of the funds made available to the U.S. Customs Service may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program. The conferees direct the Commissioner of Customs not to redirect the Equal Employment Opportunity Program without the advance approval of the House and Senate Committees on Appropriations.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which establishes a minimum level of employment for Customs and certain programs.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

Amendment No. 21: Inserts a new center heading as proposed by the Senate.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for the operation and maintenance of marine vessels in the Customs Air and Marine Interdiction Programs.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes marine interdiction programs in the new Customs Interdiction Account.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$175,932,000, of which $14,500,000 shall not be obligated prior to September 30, 1992*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CUSTOMS AIR AND MARINE ASSETS

The conferees have provided a total funding level of $175,932,000 for the Customs Air and Marine Interdiction Progams in fiscal year 1992. Of this amount, $32,000,000 shall be available for the procurement of a fourth P-3 AEW; and $9,000,000 shall be available for operation and maintenance expenses of the marine interdiction program. The conferees expect the Service to report to House and Senate Committee on Appropriations concerning the actual amount of funds required on an annual basis to sufficiently operate and maintain the marine program. The conferees have also provided $10,000,000 for the acquisition of support helicopters for between ports of entry investigations on the Southwest border; and $4,500,000 to begin the replacement and modernization of the Customs marine interdiction fleet. With respect to the procurement of the support helicopters, the Commissioner of Customs is instructed to procure those helicopters which will maximize the long-term air interdiction mission requirements of the Service.

CUSTOMS AIR INTERDICTION FACILITIES, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum named in said amendment, insert the following: *$12,100,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes a new account for improvements to Customs air interdiction facilities and provides $12,100,000 for the Jacksonville, Florida facilities and architectural engineering and design costs for the Corpus Christi, Texas and Miami, Florida air facilities.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Amendment No. 26: Appropriates $189,000,000 for necessary expenses connected with any public debt issues of the United States instead of $192,270,000 as proposed by the House and $185,659,000 as proposed by the Senate.

INTERNAL REVENUE SERVICE

ADMINISTRATION AND MANAGEMENT

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$141,372,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $141,372,000 for Administration and Management instead of $144,503,000 as proposed by the House and $141,653,000 as proposed by the Senate.

TAX LAW ENFORCEMENT

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$3,579,879,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $3,579,879,000 for Administration and Management instead of $3,606,124,000 as proposed by the House and $3,582,485,000 as proposed by the Senate. It also deletes language proposed by the Senate which would have earmarked funds for fraud investigations.

TAX FRAUD INVESTIGATIONS

The conferees expect the IRS to devote no less than $292,248,000 and 4,293 full-time equivalent positions to Tax Fraud Investigations in fiscal year 1992. These amounts shall be increased by the additional amounts and positions funded by transfer to this activity from the Office of National Drug Control Policy's Special Forfeiture Fund.

Amendment No. 29: Restores language proposed by the House and stricken by the Senate which directs IRS to provide additional amounts above fiscal year 1991 levels for international tax enforcement.

INFORMATION SYSTEMS

Amendment No. 30: Makes available $427,323,000 until expended for tax systems modernization as proposed by the Senate instead of $492,000,000 as proposed by the House.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *Provided, That of the $427,323,000 provided for tax systems modernization up to $15,000,000 may be available until expended for the establishment of a federally funded research and development center and may be utilized to conduct and evaluate market surveys, develop and evaluate requests for proposals, and assist with systems engineering, technical evaluations, and independent technical reviews in conjunction with tax systems modernization: Provided further, That of the amounts authorized to remain available until expended, $97,000,000, shall not be obligated prior to September 30, 1992*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have added language earmarking $15,000,000 for a federally funded research and development center and have inserted a provision which provides that of the total amounts authorized to remain available until expended, $97,000,000, shall not be obligated prior to September 30, 1992.

ADMINISTRATIVE PROVISION

INTERNAL REVENUE SERVICE

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which establishes the requirement for advance approval for transfers of appropriations to other IRS accounts by the House and Senate Committees on Appropriations.

The conferees have reduced three IRS appropriation accounts to reflect a 3 percent inflationary adjustment for non-personnel transfers between accounts by the IRS which could affect personnel levels. As a result, the conferees instruct the Commissioner of IRS to submit a report to the House and Senate Committees on Appropriations which includes a detailed analysis of staffing levels for all of the programs in each appropriation account within 30 days of enactment. Such report shall identify any changes from those proposed in the President's budget submission for fiscal year 1992. In addition, the conferees instruct the Commissioner of IRS to fully allocate the $172,000,000 appropriated for fiscal year 1992 implementation of the fiscal year 1991 resource compliance initiatives.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the use of appropriated funds for certain activities and expenses.

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations under certain conditions.

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes available until expended funds for renovation at the Official Residence of the Vice President and the New York Field Office. It also makes funds available for protection at the one non-governmental property and at the airport facility used for travel to and from that property.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes fiscal year 1992 funds available for any Presidential Protection Assistance reimbursements claimed in fiscal year 1991.

SECRET SERVICE FULL-TIME POSITIONS

The budget request of the Secret Service for fiscal year 1992 included $4,400,000 for consolidation activities at the present headquarters site. Instead of using the budgeted funds for that purpose, the conferees are providing the $4,400,000 for an additional 32 full-time equivalent special agent positions and 22 full-time equivalent support positions above the fiscal year 1992 FTE levels requested by the Administration for the operational activities of West African heroin drug task forces which the Senate had proposed to fund through the Special Forfeiture Fund. The conferees further instruct the Service to make available up to $600,000 to support these task forces from any unobligated balances accruing from candidate nominee protection activities. Furthermore, the conferees expect the Service to use any unobligated balances from candidate nominee protection activities to support other Secret Service activities. However, before any expenditure of these funds for other activities, the conferees expect to receive a reprogramming request for prior approval. The conferees have included $4,400,000 in the GSA Federal Buildings Fund for the consolidation of Secret Service office space requirements.

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

Amendment No. 37: Restores language proposed by the House and stricken by the Senate which provides that the IRS conduct a pilot program to test the feasibility of sharing efficiency savings between employees and Federal agencies.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 102. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitation for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes certain basic activities within the Treasury Department.

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first section number named in said amendment, insert the following: *103*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes certain codes of conduct for employees of the IRS in carrying out their tax collection duties.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 104. Notwithstanding any other provision of law, none of the funds appropriated by this or any other Act shall be used by the Secretary of the Treasury to direct bill a Treasury bureau for penalty mail costs incurred by another Treasury bureau.

SEC. 105. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. No such transfer may increase or decrease any appropriation in this Act by more than 2 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 106. Notwithstanding any other provision of this Act, the amount appropriated to the United States Mint for salaries and expenses is $52,450,000.

SEC. 107. Notwithstanding any other provision of this Act, the amount appropriated to the Internal Revenue Service for Processing Tax Returns and Assistance is $1,657,944,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Section 104 prohibits the Department of the Treasury from direct billing any of its bureaus for the postage costs of another Treasury bureau.

Section 105 authorizes transfer authority within the Department of the Treasury.

Section 106 appropriates $52,450,000 to the U.S. Mint for salaries and expenses instead of $53,806,000 included under that heading in this Act.

Section 107 appropriates $1,657,944,000 to the Internal Revenue Service for Processing Tax Returns and Assistance instead of $1,661,298,000 included under that heading in this Act.

Amendment No. 41: Deletes a provision proposed by the Senate which would have eliminated the collection of excise taxes on the importation of certain firearms.

Amendment No. 42: Deletes a provision proposed by the Senate which would have prohibited the use of funds for implementation of the Treasury Department voice messaging system.

The conferees understand that this common network would avoid fragmentation of systems that might be procured individually by Treasury's bureaus, eliminating redundant administrative and operational overhead costs. However, the conferees are concerned that productivity savings are assumed to result from this new system in the fiscal year 1992 Treasury budget request even though the Department has indicated that this system is not expected to be operational until the second quarter of fiscal year 1993. The conferees, therefore, deny the fiscal year 1992 full-time equivalent position reductions associated with the implementation of this system as proposed in the President's budget and direct the Department to ensure that each participating Treasury bureau pay its proportionate share of any fiscal year 1992 costs related to this new system.

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *$470,000,000:*

Provided, That the last sentence of section 2401(c) of title 39, United States Code, is amended to read as follows: "In requesting an appropriation under this subsection for a fiscal year, the Postal Service shall (i) include an amount to reconcile sums authorized to be appropriated for prior fiscal years on the basis of estimated mail volume with sums which would have been authorized to be appropriated if based on the final audited mail volume; and (ii) calculate the sums requested in respect of mail under former sections 4452(b) and 4452(c) of this title as though all such mail consisted of letter shaped pieces, as such pieces are defined in the then effective classification and rate schedules.": Provided further, That section 3626(a)(2) of title 39, United States Code, is amended to read as follows:

"(2) Rates of postage for a class of mail or kind of mailer referred to in paragraph (1) of this subsection shall be established in accordance with the requirement that the direct and indirect postal costs attributable to such class of mail or kind of mailer (excluding any other costs of the Postal Service) shall be borne by such class of mail or kind of mailer, as the case may be: Provided, however, That with respect to mail under former sections 4452(b) and 4452(c) of this title the preceding limitation shall apply only to rates of postage for letter shaped pieces, as such pieces are defined in the associated classification and rate schedules."

: Provided further, That section 3626(i)(2) is amended by adding at the beginning of the first sentence thereof the phrase, "Subject to the requirements of section 2401(c) of this title and paragraph (a)(2) of this section with respect to mail under former sections 4452(b) and 4452(c) of this title,": Provided further, That notwithstanding the provisions of section 3627 of title 39, United States Code, (1) the rates for free and reduced rate mail under section 3626 of title 39, United States Code, with the exception of the rates for third-class pieces other than letter shape, shall continue at the rates in effect on the date of enactment of this Act during fiscal year 1992; (2) the rates for reduced rate third-class pieces other than letter shape shall be increased pursuant to section 3627 of title 39, United States Code, so as to recover as nearly as possible one-half the difference between the sum requested for fiscal year 1992 in respect of mail under former sections 4452(b) and 4452(c) of this title as calculated under section 2401(c)(ii) of title 39, and the sum that would be requested for fiscal year 1992 in respect of such mail if paragraph (ii) of section 2401(c) had not been enacted; and (3) the Postal Service is instructed to reconcile any fiscal year 1992 funding shortfall as a result of this appropriation or the requirements of this proviso against future year appropriations requests: Provided further, That pursuant to section 3627 of title 39, United States Code, the rates for reduced rate third-class pieces other than letter shape shall be adjusted to increase the revenues received from the users of such mail, but in no case less than 20 days following the date of enactment of this Act: Provided

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included a provision in the bill which institutes a reform to the revenue forgone program. This provision will result in a projected savings to the Postal Service of $90 million in fiscal year 1992. The language provides that there will be no rate increase for preferred rate mailers, with the exception of third class non-profit, non-letter shaped pieces in fiscal year 1992. This reform has the effect of assisting the Postal Service in one of its primary objectives which is to maximize the benefits of automation. Currently non-letter shaped pieces cannot be automatically processed and, therefore, each piece must be manually processed, at a much higher cost per piece than letter-shaped mail. The conferees have provided a total appropriation of $470,000,000 for the fiscal year 1992 revenue forgone payment to the Postal Service, an amount which is $180,000,000 below the amount proposed by the House and $87,000,000 above the amount proposed by the Senate. If the Postal Service determines that there is a funding shortfall as a result of the appropriated amount for this account, the Postal Service is directed, pursuant to section 3627 of title 39, United States Code, to adjust the rates on reduced-rate third-class mail other than letter-shaped pieces, by the appropriate amount in fiscal year 1992. All other rates for free and reduced-rate mail will remain at their present levels in fiscal year 1992. The Postal Service is instructed to adjust future year appropriation requests to reconcile any fiscal year 1992 funding shortfall remaining.

Amendment No. 44: Makes a technical change by inserting the word "further" as proposed by the Senate.

POSTAL FACILITY FOR FLATWOODS, KENTUCKY

The conferees expect that the Postal Service shall establish during fiscal year 1992 a new Postal facility for Flatwoods, Kentucky. The conferees have been made aware that this has been a high priority for the Louisville Division for many years because of the current inadequacy of the existing facility.

MAILINGS USING RECYCLED PAPER

The Postmaster General and the Postal Rate Commission are encouraged to explore the establishment of a preferred rate category for mailings which use recycled paper.

PRIORITY OF ELIGIBILITY

The conferees urge the House Post Office and Civil Service Committee and the Senate Governmental Affairs Committee to review the categories of preferred rate mailers eligible for subsidized rates under current law and to consider establishing some order of priority to apply to limit such eligibility in the event funds available to be appropriated for fiscal year 1993 and later years are insufficient to offset fully revenue forgone from all categories of subsidized preferred rate mailers.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

Amendment No. 45: Deletes a provision proposed by the Senate which would have required organizations preparing preprinted material, fitting the Postal Service's description of "postcard", to display their name, acronym, and/or logo on the preprinted postcards under certain conditions.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which reverts any unused funds to Treasury and prohibits this expense account to be taxable to the President.

OFFICE OF ADMINISTRATOR

SALARIES AND EXPENSES

Amendment No. 47: Appropriates $24,510,000 for salaries and expenses as proposed by the Senate instead of $23,010,000 as proposed by the House.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows funds appropriated for repair of the face of the Executive Residence to remain available until expended.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Amendment No. 49: Inserts the word "operation" and deletes the words "maintenance, repair, and alteration" as proposed by the Senate. This is a technical change in wording.

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the Vice President to account for official entertainment expenses solely on his certificate.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that advances, repayments, or transfers from this appropriation may be made to any department or agency for expenses of carrying out activities related to the Official Residence.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That the Council shall carry out only those responsibilities and authorizes which are consistent with the National Materials and Minerals Policy, Research and Development Act of 1980, Public Law 96–479: Provided further, That Staff and resources of Federal departments and agencies with responsibilities or jurisdiction related to minerals or materials policy shall be made available to the Council on a nonreimbursable basis*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment provides that the Council carry out certain specific responsibilities and authorizes certain resources to be available to the Council.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first sum named in said amendment insert the following: *$51,934,000*

The managers on the part of the Senate will move to concur in the amendment of the House of the amendment of the Senate.

This amendment appropriates $51,934,000 instead of $50,470,000 as proposed by the House and $53,434,000 as proposed by the Senate. It also inserts limitations which prohibit certain actions by the Office of Management and Budget which have been included in the bill in prior years.

The conferees have continued the General Provision which prohibits the General Services Administration from contracting out certain types of positions, such as guards and custodians. The conferees understand that personnel ceilings imposed by the Office of Management and Budget may also decrease GSA's ability to allocate its manpower most efficiently. The conferees believe that the Public Buildings Service has done a conscientious job of equating its program and personnel requirements through its "most efficient organization" policy. The conferees therefore direct OMB and GSA to work together to assure that GSA's real property management programs are adequately staffed.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Amendment: No. 54: Appropriates $105,122,000 for salaries and expenses instead of $69,122,000 as proposed by the House and $113,018,750 as proposed by the Senate.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to receded and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *of which $500,000 shall be available for salaries and expenses of the Counter-Drug Technology Assessment Center; of which $1,000,000 shall be available to the Counter-Drug Technology Assessment Center for counternarcotics research and development activities.*

The managers on the part of the Senate will move to concur in the amendment of the House of the amendment of the Senate.

This amendment earmarks $500,000 for salaries and expenses of the Counter-Drug Technology Assessment Center and $1,000,000 for counternarcotics research and development activities.

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$86,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $86,000,000 for designated High Intensity Drug Trafficking Areas instead of $50,000,000 as proposed by the House and $85,000,000 as proposed by the Senate.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That of the $86,000,000 made available, up to $50,000,000 shall be transferred to Federal agencies and departments within 90 days of enactment of this Act for implementing the approved strategy for each High Intensity Drug Trafficking Area and shall be obligated by the end of fiscal year 1992: Provided further, That not less than $36,000,000 shall be transferred to the Department of Justice and the Department of the Treasury within 90 days of enactment of this Act for disbursement to State and local drug control entities for drug control activities which are consistent with the approved strategy for each High Intensity Drug Trafficking Area: Provided further, That in the case of the Southwest Border High Intensity Drug Trafficking Area, such funds shall be available for drug control activites which are consistent with the approved strategy and only for those activities approved by the Joint Command Group of Operation Alliance and the Assistant Secretary for Enforcement of the Department of the Treasury: Provided further, That notwithstanding any other provision of law, the Department of the Treasury, is authorized to transfer funds to other Federal, State, and local drug control agencies: Provided further, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

STATE AND LOCAL HIDTA ASSISTANCE

The conferees have provided $36,000,000 in fiscal year 1992 for direct assistance to state and local drug control agencies in designated high intensity drug trafficking areas. Of this amount, $16,000,000 shall be available for the Southwest border HIDTA and the remaining $20,000,000 shall be available for the four Metropolitan HIDTAs. With respect to the Southwest border HIDTA, the conferees instruct the Department of the Treasury to allocate the funds for drug control activities evenly among the four states comprising the Southwest Border HIDTA. These funds shall only be used for activities which are approved by the Joint Command Group of Operation Alliance and ultimately, the Assistant Secretary for Enforcement of the Department of the Treasury.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$52,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes $52,500,000 to be expended from the Special Forfeiture Fund instead of $77,000,000 as proposed by the House and $67,000,000 as proposed by the Senate.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *of which $19,000,000 shall be transferred to the Alcohol, Drug Abuse, and Mental Health Administration: Provided, That $10,000,000 shall be available to the Office of Substance Abuse Prevention for the implementation of not to exceed ten demonstration projects to permit substance-abusing women to reside with their children in comprehensive community prevention and treatment facilities: Provided further, That $9,000,000 shall be made available to the Office of Treatment Improvement for drug treatment capacity expansion; of which 47,500,000 shall be transferred to the Immigration and Naturalization Service for the hiring, equipping, and training of not less than an additional 75 full-time equivalent Border Patrol agents to be designated to sectors on the United States-Mexico border: Provided, That such positions shall be in addition to the full-time equivalent Border Patrol positions funded in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992; of which $6,000,000 shall be transferred to Internal Revenue Service, tax law enforcement, for the hiring, equipping, and training of additional special agents and administrative and support positions for drug-related investigations in designated High Intensity Drug Trafficking Areas; and of which $20,000,000 shall be transferred to the Counter-Drug Technology Assessment Center of the Office of National Drug Control Policy for counternarcotics research and development activities and for substance abuse addiction and rehabilitation research, to remain available until expended: Provided further, That any unobligated balances remaining in the Fund at the end of the third quarter of fiscal year 1992 in excess of $13,125,000, shall be transferred to the Alcohol, Drug Abuse, and Mental Health Administration and made available for the purposes of reducing waiting lists; expanding drug treatment capacity, drug abuse treatment, and treatment-related activities; and shall also be transferred to the Department of Housing and Urban Development and made available for the Drug Elimination Grant Program, and such funds shall remain available until expended*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Anti-Drug Abuse Act of 1988, Public Law 100-690, was amended during 1990 to provide for the establishment of a Counter-Drug Technology Assessment Center within the Office of National Drug Control Policy. This office is authorized to serve as the central counter-narcotics enforcement research and development organization of the U.S. Government.

The conferees have provided $500,000 for salaries and expenses and $1,000,000 for counter-drug research and development for the Center for fiscal year 1992 in the Office of National Drug Control Policy's salaries and expenses account, as requested. In addition, the conferees have provided $20,000,000 to be transferred to the Center out of the Special Forfeiture Fund. These funds are to carry out counternarcotics research and development activities, as well as substance abuse addiction and rehabilitation research.

The conferees believe that in examining addiction and rehabilitation research, it is especially important to stress and interdisciplinary approach examining clinical, pharmacological and behavioral approaches to this problem. The conferees encourage the Counter-Drug Technology Assessment Center to work closely with the National Institute of Drug Abuse (NIDA) and the Addiction Research Center of NIDA in awarding grants in this regard.

The conferees expect counter-drug enforcement research and development programs to be coordinated by the Center in order to prevent duplication of effort and to assure that whenever possible, those efforts provide capabilities that transcend the needs of any single Federal agency. The conferees also expect that Center to give priority consideration to the application of existing technologies developed by the national laboratories and other Federal research and technological needs of drug enforcement agencies. In addition, the conferees direct the Center to use the funding provided to supplement individual drug control agency research budgets, thereby providing a source from which priority unfunded needs can be met.

Prior to the obligation of these funds, the conferees expect to be notified by the chief scientist on how these funds will be spent. The conferees also expect to receive periodic reports from the chief scientist on those priority research and development requirements identified by the Center.

RESIDENTIAL DRUG TREATMENT PROJECTS

The conferees have provided an additional $10,000,000 to the Alcohol, Drug Abuse, and Mental Health Administration's Office for Substance Abuse Prevention to fund comprehensive residential drug treatment projects for substance-abusing mothers and their children. Also included in this amount is $350,000 for the Office for Treatment Improvement to operate the Amity Jail Project in Pima County, Arizona. This project provides treatment to drug-abusing criminal offenders in the Pima County Adult Detention Center and has been used as model for similar drug treatment programs throughout the country.

TITLE IV—INDEPENDENT AGENCIES

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows funds collected from the sale of publications to be used to supplement funds in this account.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

Amendment No. 61: Appropriates $1,446,000 for salaries and expenses as proposed by the Senate instead of $1,293,000 as proposed by the House.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum named in said amendment, insert the following: *$271,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House of the amendment of the Senate.

This amendment appropriates $271,000,000 to the Federal Buildings Fund.

Amendment No. 63: Makes a technical change inserting the word "said" as proposed by the Senate instead of the word "the" as proposed by the House.

Amendment No. 64: Deletes language proposed by the House which cites a specific statute. That statute is cited in Amendment No. 62.

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$4,152,613,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes a total limitation of $4,152,613,000 instead of $4,131,346,000 as proposed by the House and $4,037,836,276 as proposed by the Senate.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$548,482,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes a limitation for construction of $548,482,000 instead of $371,416,000 as proposed by the House and $385,104,276, as proposed by the Senate.

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

California:

Menlo Park, United States Geological Survey, Office Laboratory Buildings, escalation, $11,047,000

Orange County, Courthouse, $250,000

District of Columbia:

U.S. Secret Service, consolidation, $4,400,000

Florida:

Fort Myers, Federal Building and United States Courthouse, $977,000

Tallahassee, U.S. Courthouse Annex, $3,764,000

Georgia:

Albany, U.S. Courthouse, design, $921,000

Atlanta, Centers for Disease Control, $5,000,000

Augusta, U.S. Courthouse, $3,500,000

Indiana:

Hammond, Courthouse and Federal Building, $5,000,000

Kansas:

Wichita, U.S. Courthouse, $9,968,400

Maine:

Portland, Edward T. Gignoux U.S. Courthouse, $10,575,000

Maryland:

Bureau of the Census, Computer Center, planning and design, $2,700,000

Montgomery and Prince George's Counties, Food and Drug Administration, consolidation, site acquisition, planning and design, construction, $200,000,000

Prince George's County, U.S. Courthouse, $10,747,000

Massachusetts:

Boston, Thomas P. O'Neill Federal Building, claim, $3,100,000

Minnesota:

Minneapolis, Federal Building and U.S. Courthouse, $19,000,000

Missouri:

St. Louis, Federal Building and U.S. Courthouse, $30,000,000

Nevada:

Reno, C. Clifton Young Federal Building, United States Courthouse Annex, design and site acquisition, $6,321,000

New York:

Brooklyn, U.S. Courthouse, $10,000,000

North Carolina:

Asheville, U.S. Courthouse and Federal Building, $29,791,000

Tennessee:

Knoxville, U.S. Courthouse—Post Office, $36,616,000

United States Virgin Islands:

Charlotte Amalie, Saint Thomas, U.S. Courthouse Annex, $8,524,000

West Virginia:

Beckley, Federal Building and U.S. Courthouse, $25,000,000

Nonprospectus Construction Projects, $5,000,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

SCRANTON FEDERAL BUILDING

The conferees are aware of a growing need for additional space to accommodate the Federal courts located in Scranton, Pennsylvania. Accordingly, the General Services Administration is directed to investigate potential site acquisition for a future expansion project of the Scranton Federal Building.

FOOD AND DRUG ADMINISTRATION

The conferees have provided $200 million to begin the process of consolidating the Food and Drug Administration (FDA) from its current 34 buildings and 11 buildings and 11 locations into two campuses: (1) a headquarters campus, to include administrative and drug research facilities, in Montgomery County, and (2) a food and veterinary sciences campus in Prince George's County. These funds may be used for land acquisition, site development, environmental impact statement preparation, and design of facilities and construction. It is the intention of the conferees that funding and agency action on the two campuses should proceed concurrently.

There is no disagreement that the current space is antiquated, overcrowded, unsafe, and inefficient. The poor facilities are having a negative impact on recruitment and retention of scientific talent and are leading to inefficiencies that are delaying approval of drugs and products for consumers. These points have been repeated by the General Accounting Office in numerous studies and in hearings before the Congress. These problems are especially alarming in light of the fact that FDA is now responsible for regulating the health and safety of products that represent 25 percent of what every American consumer spends each year.

GSA has reported that there will be significant long-term savings to the taxpayer from a consolidation as well, since government-owned facilities will be cheaper to occupy than the leased space which is currently used for much of the agency's needs.

Both the President and the Congress have expressed their support for this project by enacting P.L. 101-635, that specifically authorized construction of new administrative and laboratory facilities for the FDA. Delays with the consolidation of facilities have already placed the mission of the FDA in jeopardy. Further delay will only worsen the overcrowded, inefficient and often dangerous condition which now exist.

The Conferees have taken a significant first step with the funding provided in this bill. The conferees recognize that this is an extremely large project and one that will take many years to fund and complete. The conferees are concerned that without an annual budget request by the President of funds necessary to complete this project it is unlikely that the Congress will be able to sustain the funding necessary to complete this project. The conferees direct FDA, GSA, HHS, and OMB to work together to develop and submit a funding plan to the House and Senate Appropriations Committee no later than December 31, 1991. The conferees strongly urge the Office of Management and Budget and the President to review this project and support it and request an appropriate funding level in the fiscal year 1993 budget request.

U.S. SECRET SERVICE CONSOLIDATION

The conferees have appropriated $4.4 million to the Federal Buildings Fund and provided a like amount of New Obligational Authority, to be available until expended, to provide for part of the above-standard relocation expenses associated with the consolidation of the United States Secret Service office space in the District of Columbia.

KNOXVILLE, TENNESSEE COURTHOUSE

The conferees have agreed to the $36 million appropriation provided by the Senate to the General Services Administration for the construction of a federal courthouse in Knoxville, Tennessee. This amount is sufficient to complete construction of a 125,600 square foot building with 22,500 square feet of parking space. The conferees are aware that this original estimate of the size of the

Knoxville courthouse may not reflect the projected need for space in the new building. The conferees understand that additional funding may be necessary to fund the construction cost of a larger courthouse, and in making available $36 million in fiscal year 1992, the conferees do not intend to limit the ability of the GSA to proceed with the engineering, design and construction of a larger building.

FEDERAL SPACE NEEDS, ATLANTA, GA

The Administrator of the General Services Administration is directed to conduct a study of federal space needs in Atlanta, Georgia and to submit a report thereon to the Committees on Appropriations of the House and Senate. The report should specifically consider vacant private sector buildings which may be available for lease or purchase and renovation. Such a report should be submitted to the Committees by March 31, 1992.

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects by not to exceed 10 per centum. It also provides that all funds for direct construction projects shall expire on September 30, 1993, and remain in the Federal Buildings Fund (except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date). It further provides that claims against the Government of less than $100,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects, be liquidated with prior notification to the Committees on Appropriations to the extent savings are effected in other such projects.

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *: Provided further, That the General Services Administration shall reprogram up to $16,200,000 to supplement funds previously authorized and appropriated for the National Oceanographic and Atmospheric Administration laboratory, Boulder, Colorado, subject to the approval of the House and Senate Committees on Appropriations according to existing reprogramming procedures: Provided further, That such funds will be obligated only upon the advance approval of the House Committee on Public Works and Transportation and the Senate Committee on Environmental and Public Works: Provided further, That the amount available under this heading for Department of Transportation, Headquarters, site in Public Law 101–509, dated November 5, 1990 is hereby deferred and shall be available for obligation on October 1, 1992 and all contingencies and constraints on the use of such funds in the original language are continued herewith; (2) not to exceed $569,251,000 which shall remain available until expended, for repairs and alterations: Provided further, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount:*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment mandates that GSA reprogram and defer certain funds, and establishes certain limitations on the Federal Buildings Fund activities.

Amendment No. 70: Makes available $14,000,000 for the Harold D. Donahue Federal Building and Courthouse as proposed by the House instead of $10,331,000 as proposed by the Senate.

PEACE BRIDGE, BUFFALO, NEW YORK

The conferees are concerned about the delays in expansion of the Peace Bridge border facility in Buffalo, New York. The conferees support the upgrading of this facility to better accommodate the growth of commercial trade and direct the U.S. Customs Service and the General Services Administration to formulate a plan to meet these needs and submit such plan to the House and Senate Committees on Appropriations no later than December 15, 1991. The conferees expect that plan to include steps to initiate design, planning and other preconstruction work during fiscal year 1992 from available funds.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$266,331,000: Provided, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 1993, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date;*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes a limitation of $266,331,000 as proposed by the House instead of $270,000,000, as proposed by the Senate. It also authorizes certain GSA activities.

Amendment No. 72: Insert new paragraph number as proposed by the Senate.

Amendment No. 73: Insert new paragraph number as proposed by the Senate.

Amendment No. 74: Makes available $1,568,900,000 for rental of space as proposed by the Senate instead of $1,655,900,000 as proposed by the House.

PATENT AND TRADEMARK OFFICE

The conferees direct the Administrator of General Services to conduct a reappraisal of the 1992 rent rates to be assessed the Patent and Trademark Office (PTO) beginning on October 1, 1991, for the office facilities that the PTO leases in Crystal City, Arlington, Virginia. The reappraisal shall consider commercial rates currently being assessed the private sector in the Crystal City-Pentagon City areas of Arlington, Virginia for large blocks of space comparable to the blocks currently available to the PTO. Within 90 days of the date of enactment of this Act, the Administrator shall report to the House and Senate Committees on Appropriations on the results of the reappraisal and the expected adjustment in rent rates, if any, to be charged the PTO in fiscal year 1992 by the General Services Administration.

Amendment No. 75: Insert new paragraph number as proposed by the Senate.

Amendment No. 76: Restores language proposed by the House and stricken by the Senate which makes available funds for the relocation of the National Science Foundation headquarters.

This amendment provides for the relocation of National Science Foundation headquarters.

Amendment No. 77: Inserts new paragraph number as proposed by the Senate.

Amendment No. 78: Makes available $137,748,000 for program direction and centralized services as proposed by the Senate instead of $139,748,000 as proposed by the House.

Amendment No. 79: Inserts new paragraph number as proposed by the Senate.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$112,273,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment makes available $112,273,000 for design and construction instead of $143,072,000 as proposed by the House and $114,874,000 as proposed by the Senate.

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *:Provided further, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: Provided further, That none of the funds available to the General Services Administration, except for the Albany, Georgia U.S. Courthouse; the Augusta, Georgia U.S. Courthouse; the Wichita, Kansas U.S. Courthouse; the Portland, Maine Edward T. Gignoux U.S. Courthouse; the Maryland, Food and Drug Administration consolidation; the St. Louis, Missouri, Federal Building and U.S. Courthouse; the Reno, Nevada C. Clifton Young Federal Building and U.S. Courthouse Annex; the Asheville, North Carolina Federal Building; the Knoxville, Tennessee U.S. Courthouse-Post Office; the Beckley, West Virginia, U.S. Courthouse and Federal Building; the Atlanta, Georgia, Centers for Disease Control Building; the Orange County, California, U.S. Courthouse; the Worcester, Massachusetts, Harold D. Donahue Federal Building and U.S. Courthouse; the Hammond, Indiana, Courthouse and Federal Building; the Brooklyn, New York, U.S. Courthouse; the Maryland, U.S. Census Bureau Computer Center; and the District of Columbia, U.S. Secret Service Consolidation shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from* *the Committees on Appropriations of the House and Senate: Provided further, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes the General Services Administration to consider certain buildings as federally owned, authorizes certain buildings to be constructed under certain circumstances, and authorizes certain emergency repairs. It also authorizes construction related to U.S. Secret Service protective functions.

Amendment No. 82: Inserts the word "further" as proposed by the Senate.

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that any other sums as well as revenues and collections accruing to the Federal Buildings Fund shall remain in the Fund.

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$4,152,613,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment establishes a new limitation obligational authority of $4,152,613,000 instead of $4,131,346,000 as proposed by the House and $4,037,836,276 as proposed by the Senate.

REAL PROPERTY RELOCATION

Amendment No. 85: Appropriates $12,000,000 for Real Property Relocation instead of $16,000,000 as proposed by the House and $8,000,000 as proposed by the Senate.

Amendment No. 86: Restores language proposed by the House and stricken by the Senate which establishes the "Silvio O. Conte National Records Center".

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$31,155,000: Provided, That this appropriation shall be available for general administrative and staff support services, subject to reimbursement by the applicable organization or agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code: Provided further, That not less than $825,000 shall be available for personnel and associated costs in support of Congressional District and Senate State offices without reimbursement from these offices: Provided further, That not to exceed $5,000 shall be available for official reception and representation expenses*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $31,155,000 for salaries and expenses instead of $31,421,000 as proposed by the House and $30,431,000 as proposed by the Senate. This amendment also authorizes certain activities.

INTERNATIONAL CULTURAL AND TRADE COMMISSION

The conferees have included $724,000 for the International Cultural and Trade Commission (ICTC) for operational expenses. Current law provides that the ICTC may seek contributions of up to $1,000,000 per year from several federal agencies until it becomes fully operational. The conferees direct the ICTC to use this authority, or to request the President to seek a separate line-item appropriation for ICTC as an independent agency, for fiscal year 1993 funding. The operational expenses of the Commission will not be borne solely by the GSA in future years.

CFC'S

The conferees are aware that the Clean Air Act Amendments of 1990 banned the production of refrigerants known as "CFCs" after the year 2000 and the international release of all refrigerants into the atmosphere after July 1, 1992. For purposes of the Act, the recovery, reclamation and re-use of refrigerants in current supply is considered to be an environmentally sound and economically beneficial alternative for compliance.

The conferees are aware that the useful life for many air conditioning and refrigeration units under federal control extends beyond the CFC phase-out period and that a rational policy should be developed by the General Services Administration for all federal buildings which responds to this issue. The conferees direct GSA to submit a report no later than September 30,1992 that will at a minimum, (1) identify any and all refrigerants in current supply at buildings and facilities under federal control, (2) investigate the feasibility of recovering and reclaiming refrigerants from decommissioned activities to determine if a substantial reserve supply could be provided that would be readily available for use at other public building locations, (3) determine the potential savings from recovering and reclaiming refrigerant, and (4) evaluate the extent to which a refrigeration reclamation program will prolong the remaining useful life of the government's existing equipment base.

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes funds available for the Information Security Oversight Office.

OFFICE OF INSPECTOR GENERAL

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $35,994,000 as proposed by the Senate instead of $34,994,000 as proposed by the House and authorizes certain expenditures for other purposes.

GENERAL SERVICES ADMINISTRATION

GENERAL PROVISIONS

Amendment No. 90: Restores language proposed by the House and stricken by the Senate which provides up to $8 million for expenses related to the relocation of a U.S. Fish and Wildlife Service regional office to the Amherst, Massachusetts area as authorized and directed by Public Law 101-136. These funds should be provided directly to the Fish and Wildlife Service without delay so that relocation activities can be completed in a timely and efficient manner. In addition, the GSA is directed to proceed expeditiously with the acquisition of a suitable facility to house the regional office. GSA requires no further authorization from the Congress or any agency of the Federal government to comply with the relocation mandated by Public Law 101-136.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 2. The Administrator of the General Services Administration (GSA) is authorized to accept property from the State of Maryland at no cost for the purpose of constructing a computer facility for the Bureau of the Census and to begin preliminary design work on such a facility. GSA and the Office of Management and Budget are directed to submit to the appropriate authorizing and appropriations committees of the Congress an evaluation of need and a prospectus for this project no later than January 31, 1992.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes the Administrator of GSA to accept certain property and requires that an evaluation be made.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *3*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment permits the Federal Buildings Fund to be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement included as part of rentals received from Government corporations.

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *4*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment allows the GSA to use appropriated funds for the hire of motor vehicles.

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *5*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment provides the GSA with authority to transfer up to 2 percent between appropriations accounts with the prior approval of the House and Senate Committees on Appropriations.

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *6*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment restricts the transfer of any funds appropriated for activities of the Federal Buildings Fund.

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first section number named in said amendment, insert the following: *7*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes GSA to use funds from other agencies for expansion and these amounts are authorized to be used in addition to the new obligational authority limits on rental of space activities.

Amendment No. 97: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *8*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment prohibits the GSA from disposing of certain lands located near Norfolk Lake, Arkansas.

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *9*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment prohibits the GSA from disposing of certain lands located near Bull Shoals Lake, Arkansas.

Amendment No. 99: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first section number named in said amendment, insert the following: *10*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes Federal agencies to reimburse employees for certain expenses associated with child care.

Amendment No. 100: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 11. Notwithstanding any other provision of law, the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), is authorized to receive any revenues, collection, or other income received during fiscal year 1992 in the form of rebates, cash incentives or otherwise, related to energy savings or materials recycling efforts, all of which shall remain in the Fund until expended, and remain available for Federal energy management improvement programs, recycling programs, or employee programs as may be authorized by law or as may be deemed appropriate by the Administrator of General Services. The General Services Administration is authorized to use such funds, in addition to amounts received as New Obligational Authority, in such activity or activities of the Fund as may be necessary.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have continued this general provision, with modification, to encourage the General Services Administration to continue to achieve increased energy efficiency in federal buildings and to promote participation in recycling programs.

Amendment No. 101: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *12*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment requires GSA to undertake a ceded lands inventory in the State of Hawaii.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *12*

SEC. 13. Notwithstanding any other provision of law, the General Services Administration shall enter into an agreement with the City of Des Moines, Iowa, to pay expenses for one half of the operation, maintenance and repair of each skywalk bridge spanning city streets or alleys and connecting to the Federal Building at 210 Walnut Street in Des Moines, Iowa after the construction of each such skywalk and each year thereafter.

SEC. 14. The Center and Federal Building located at 255 East Temple Street in Los Angeles, California, is hereby designated as the "Edward R. Roybal Center and Federal Building". Any reference to such building in a law, map, regulation, document, record, or other paper of the United States shall be considered to be a reference to the "Edward R. Roybal Center and Federal Building".

SEC. 15. Notwithstanding any other provision of law, where funds have been made available to the General Services Administration in the real property operations activity of the Federal Buildings Fund in fiscal year 1992, not to exceed $7,000,000, for expenses related to relocation of a specific agency as authorized by this Act, such agency is hereby authorized and required to reimburse the General Services Administration for such expenditures in equal amounts over a period of two years, beginning in fiscal year 1993.

SEC. 16. After certification by the City of Des Moines, Iowa (the City), that the YMCA of Greater Des Moines (YMCA) will serve significant educational purposes, including educational requirements of the City, the Secretary of Education (the Secretary) is authorized to consider the YMCA as an educational institution or organization for the purposes of section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. section 484(k)), with respect to use by the YMCA of a portion, to be designated by the City, of the land conveyed to the City by the United States pursuant to section 203(k) on or about November 6, 1972. Upon joint application by the YMCA and the City, of Secretary, acting in accordance with section 203(k) and regulations related thereto, shall promptly consider, and is authorized to approve, a lease by the City to the YMCA of the above property designated by the city, subject to such terms and conditions as the Secretary shall deem necessary to protect or advance the interests of the United States.

SEC. 17. Notwithstanding any other provision of law, funds previously provided under this heading in P.L. 101-136, for a grant to the County of Los Angeles, California, shall be provided directly to the City of Long Beach, California, for construction of a parking facility and the City will assume the role of grantee and all the responsibilities attendant therewith: Provided, that the City of Long Beach, California, shall provide to the GSA, without cost, 250 parking spaces for a period of 99 years, in a parking facility to be constructed: Provided further, That Section 16, GSA General Provisions, P.L. 101-136, is hereby repealed.

SEC. 18. Notwithstanding any other provisions of this Act the limitation on the real property operations activity of the Federal Buildings Fund of the General Services Administration is $1,071,372,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Section 13 authorizes GSA to pay expenses for one half of the operation, maintenance, and repair of certain skywalk bridges under certain conditions.

Section 14 names a center and federal building.

Section 15 requires reimbursement to the Federal Buildings Fund (FBF) of the General Services Administration (GSA) for relocation expenses to be incurred in the real property operations activity of the FBF for the one agency specified under that activity. Relocation expenses are not part of the services provided by GSA in return for rent charged to customer agencies; such expenses are normally borne by the relocation agency. Therefore, it is proper that these expenses should be reimbursed to GSA.

Section 16 permits the Secretary of Education, after appropriate certification by the City of the Des Moines, Iowa, to recognize the YMCA of Greater Des Moines as meeting the qualifications of an educational institution or organization for obtaining Federal surplus land under section 203(k) of the Federal Property and Administrative Services Act of 1949. The Secretary will thus be able to approve a lease of a portion of certain lands which the City of Des Moines holds under a prior conveyance of surplus property for educational purposes, subject to the terms and conditions of applicable law and regulations and such other terms and conditions as the Secretary deems necessary to protect the interests of the United States. The YMCA of Greater Des Moines has offered a program of activities to the City that will involve substantial educational components. The conferees must emphasize, however, that this authorization is based on unique circumstances obtaining in Des Moines. They do not intend that this case be regarded as a precedent with respect to other YMCA's or similar organizations.

Section 17 changes responsibility for grant funding provided in a previous appropriation act, from the County of Los Angeles to the City of Long Beach. This will allow the City to use the grant to construct a parking facility at a cost not to exceed the original amount of $3,000,000 and to provide the General Services Administration, without cost, 250 parking spaces. The County of Los Angeles, City of Long Beach and General Services Administration mutually agree that action to alleviate the parking shortages associated with the opening of the new Long Beach Federal Building is rightfully the responsibility of the City of Long Beach; hence the need to reassign the responsibility for the grant funding to the City. This action by the Conferees does not affect the availability as to time of the grant funds.

Section 18 establishes a limitation of $1,071,372,000 on the real property operations activity of the Federal Buildings Fund of the GSA.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Amendment No. 103: Appropriates $152,143,000 for operating expenses as proposed by the House instead of $154,143,000 as proposed by the Senate.

Amendment No. 104: Allocates $5,400,000 for allocations and grants for historical publications and records as proposed by the House instead of $6,000,000 as proposed by the Senate.

Amendment No. 105: Includes language proposed by the Senate which makes funds available until expended.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $116,593,000 for salaries and expenses and $79,757,000 to be transferred from Office of Personnel Management Trust Funds, with certain limitation and authorizations.

MAILINGS

The conferees note that until 1982, the Office of Personnel Management (OPM) provided the Senior Executives Association (SEA) and National Association of Retired Federal Employees (NARFE) with assistance to facilitate communication with their membership. Most notably, this include "blind mailings" of material provided by these groups. This means that the names of federal employees or mailing addresses were never released to these groups, and all costs associated with the mailings were borne by the groups doing the mailing. This prevented violations of privacy and the Freedom of Information Act.

The conferees believe that such mailings can be beneficial to employees and retirees. The conferees, therefore, direct OPM to seriously consider requests from SEA and NARFE for blind mailings, weighing carefully the privacy rights of federal employees and retirees as provided for under the Privacy Act, as well as any administrative problems or costs that might arise.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Amendment No. 107: Deletes a provision proposed by the Senate which would have amended Title 18 of the United States Code to provide criminal sanctions regarding the transmission of the AIDS virus.

Amendment No. 108: Appropriates $4,018,000 for salaries and expenses as proposed by the Senate instead of $3,118,000 as proposed by the House.

Amendment No. 109: Makes available $5,825,000 for administrative expenses to audit OPM insurance programs as proposed by the Senate instead of $6,375,000 as proposed by the House.

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *, as determined by the Inspector General: Provided, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes the Inspector General to make certain determinations and to rent conference rooms.

REVOLVING FUND

Amendment No. 111: Deletes a provision proposed by the House which would have made funds available for the President's Commission on Executive Exchange.

OFFICE OF PERSONNEL MANAGEMENT

GENERAL PROVISION

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which ensures that cost-of-living allowance (COLA) rates paid to General Schedule, Postal Service, and other employees are not reduced while OPM considers appropriate adjustments to the COLA program.

U.S. TAX COURT

SALARIES AND EXPENSES

Amendment No. 113: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $32,050,000 for salaries and expenses as proposed by the Senate instead of $33,050,000 as proposed by the House. It also authorizes travel expenses of the judges to be paid upon written certification of the judge.

TITLE V—GENERAL PROVISIONS OF THIS ACT

Amendment No. 114: Restores language proposed by the House which prohibits the withdrawal of the designation of Front Royal, Virginia as a Customs Service Port of Entry.

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *523A.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment reduces all travel expenses in the Act by 5 percent, with the exception of the Committee for Purchase from the Blind and Other Severely Handicapped.

Amendment No. 116: Restores language proposed by the House and deleted by the Senate which provides that no funds in this Act may be used to award a Federal agency lease in the Omaha, Nebraska-Council Bluffs, Iowa, geographical area, which does not meet certain criteria.

Amendment No. 117: Deletes language proposed by the House and stricken by the Senate regarding the Bureau of the Public Debt move to Parkersburg, West Virginia. This subject matter is addressed in Amendment No. 120.

Amendment No. 118: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 528. The provisions of section 515 shall not apply after October 1, 1991.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

WORK AND FAMILY EMPLOYEES STUDY

The conferees recognize that an increasing number of federal employees must balance the demands of work and family, and it is important that the federal government accommodate these needs. Thus, the Director of the Office of Personnel Management is directed to survey federal agencies to assess the use of profamily employee programs governmentwide, and to report to Congress no later than 6 months after enacted on measures that would make these programs more effective and more extensively utilized.

The conferees expect that the employee programs considered should not be limited to, but should include: child day care, senior care, flexiplace, flexitime, and other alternative work schedules, job-sharing, leave sharing, and annual and sick leave policy. The report should include specific recommendations on measures that would make these programs more useful to employees. It should also include specific recommendations on incentives for federal agencies to implement these programs, for supervisors and managers to promote these programs, and for employees to participate. The report should be accompanied by legislation to implement the Director's recommendations, and should indicate which recommendations could be implemented by OPM or other federal agencies under current law. The conferees believe that in order to recruit, retain, and motivate high quality employees, the federal government must be sensitive to work and family considerations, and believes that the OPM report will advance this effort.

EXECUTIVE SEMINAR CENTERS

The conferees are aware that the Office of Personnel Management plans to reassess human resource development activities in fiscal year 1992 and, accordingly, the conferees have limited the applicability of section 515 in order to facilitate this process. As OPM proceeds with plans to implement a governmentwide training strategy, all affected employees at existing Executive Seminar Centers should be provided the opportunity to continue working for OPM in the same or similar positions.

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *529*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment mandates certain employment practices regarding veterans.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 530. (a) The Secretary of the Treasury shall implement the plan announced by the Bureau of the Public Debt on March 19, 1991 to consolidate such Bureau's operations in Parkersburg, West Virginia.

(b) The consolidation referred to in Subsection (a) shall commence on or before September 30, 1992, and shall be complete by December 31, 1995, in accordance with the plan of the Bureau of the Public Debt.

SEC. 531. (a) None of the funds appropriated by this Act may, with respect to an individual employed by the Bureau of the Public Debt in the Washington Metropolitan Region on April 10, 1991, be used to separate, reduce the grade or pay of, or carry out any other adverse personnel action against such individual for declining to accept a directed reassignment to a position outside such region, pursuant to a transfer of any such Bureau's operations or functions to Parkersburg, West Virginia.

(b) Subsection (a) shall not apply with respect to any individual who, on or after the date of enactment of this Act, declines an offer of another position in the Department of the Treasury which is of at least equal pay and which is within the Washington Metropolitan Region.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included language in the bill supporting the Bureau of the Public Debt's plan to move almost all Washington-based operations to Parkersburg, West Virginia, specifically including the Offices of Administration, Automated Information Systems, Public Debt Accounting, and Securities and Accounting Services. The Bureau announced on March 19, 1991, that it had arrived at the decision to relocate to Parkersburg as part of its long-range planning process.

The Commissioner of the Bureau of the Public Debt has written that this move will provide substantial long-term benefits to the Bureau as an organization, to the Bureau's millions of customers, and to the Federal Government.

According to the Bureau, its employment and retention experience in Parkersburg has been very positive. For those seeking federal employment in the Parkersburg area, the Bureau has been the dominant employer. Because of its location and resulting competitive advantage, the Bureau has had an abundant supply of well-qualified applicants for jobs, and high retention rates. For example, two-thirds of Parkersburg's computer center employees have more than fifteen years of service with the Bureau, which is a very unusual and desirable level of data processing experience. The Bureau expects this advantage to continue as employment increases at its Parkersburg facilities.

The Bureau also expects substantial cost savings in the administrative services area and data processing area as a result of consolidating all these facilities in Parkersburg. It is estimated that the shift of 700 employees to Parkersburg could save approximately $3,000,000 per year, based on the premise that if the Bureau were not to move to Parkersburg, it would need to find suitable space in the Washington area in the range of $30 per square foot, compared to rent of only $13 per square foot in Parkersburg.

The conferees have also adopted language which ensures that no present employee of the Bureau who does not wish to move to Parkersburg will be left without a federal job in the Washington, D.C. Metropolitan Region. This language prohibits the Department of the Treasury from separating, reducing the grade or pay, or carrying out any other adverse personnel action against any individual who declines to move to Parkersburg, unless such individual has declined an offer of another Department of the Treasury job of at least equal pay in the Washington, D.C. region. The Bureau has stated its commitment to do everything possible to minimize the disruption caused by the move the Parkersburg to employees' lives and careers, specifically by assisting those employees who cannot move or choose not to move to find other employment in the Washington area. The conferees believe this bill language is consistent with the stated intention of the Bureau.

The conferees also support the language in the House and Senate reports directing the Bureau and the Office of Personnel Management to provide voluntary early retirement for affected employees as well as reimbursement of relocation costs for those employees who choose to relocate to West Virginia.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *532*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment prohibits the use of Customs Service funds to collect or impose a land border user fee.

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first section number named in said amendment, insert the following: *533*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment authorizes assistance to certain State and local law enforcement entities for Presidential protection activities.

Amendment No. 123: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment, insert the following: *534*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment restricts the use of travel funds to those amounts included in agency budget estimates if no other limitations have been included in the bill.

Amendment No. 124: Deletes a provision proposed by the Senate which mandated a report on certain property in Harrisonburg, VA.

HARRISONBURG, VIRGINIA POSTAL FACILITY

The conferees instruct the Administrator of General Services and the Postmaster General of the United States to submit a report to the House and Senate Committees on Appropriations by March 1, 1992, indentifying the disposition of the United States Postal Service facility located in Harrisonburg, Virginia. Such report shall include information on the cost of acquiring the facility located in Harrisonburg, Virginia. Such report shall include information on the cost of acquiring the facility and projected renovation costs.

Amendment No. 125: Deletes a provision proposed by the Senate regarding the Federal Employees Pay Comparability Act of 1990. The legislative Committees are currently considering this matter.

TITLE VI—GENERAL PROVISIONS DEPARTMENTS, AGENCIES, AND CORPORATIONS

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which places limitations on the cost for the purchase of Government vehicles with certain exceptions.

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the use of travel funds for other purposes in accordance with 5 U.S.C. 5922–24.

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 607. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian, and Laotian refugees paroled in the United States after January 1, 1975, or (6) nationals of the People's Republic of China protected by Executive Order Number 12711 of April 11, 1990: Provided, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: Provided further, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: Provided further, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: Provided further, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment restricts the use of funds to compensate individuals who are not citizens of the United States with certain exceptions. It includes within those exceptions nationals of the People's Republic of China who are protected by Executive Order Number 12711.

Amendment No. 129: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits the GSA to use funds from other agencies for renovation and alterations of facilities.

Amendment No. 130: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits funds made available for administrative expenses of corporations and agencies subject to chapter 91 of title 31 U.S.C. to be available for rent in the District of Columbia.

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which restricts the use of pay to any person for filling a position for which that person has been nominated after the Senate has voted not to approve the nomination.

Amendment No. 132: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the use of foreign credits owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year.

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the use of funds for commissions or other similar groups without specific statutory approval to receive financial support from one or more agencies.

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the Postal Service to employ guards, police, and security personnel.

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the use of funds to implement or enforce any regulation which has been disapproved by the Congress.

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which limits the amount of funds GSA can charge per square foot for space and services.

Amendment No. 137: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which places limitations on prevailing wage rates.

Amendment No. 138: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the use of funds to reduce the number of Customs regions and district offices.

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which limits the amount of funds which can be used to redecorate offices of Presidential appointees.

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires reports from certain executive branch agencies with respect to the detailing of employees.

Amendment No. 141: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which concerns nondisclosure agreements.

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the use of funds by any executive branch agency to purchase, construct, or lease facilities for the purpose of law enforcement training, except within or contiguous to existing locations.

Amendment No. 143: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which concerns the procurement services by the Administrator of General Services for FTS 2000.

Amendment No. 144: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which restricts the use of grants unless certain conditions are met.

Amendment No. 145: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits Federal agencies to use funds for interagency telecommunications services.

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits agencies which participate in the Federal flexiplace project to use funds to install telephone lines in private residences.

Amendment No. 147: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits Federal agencies from using funds to hire Schedule C employees solely for the purpose of detailing these employees to the White House, with certain exceptions.

Amendment No. 148: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 627. Section 4521 of title 5, United States Code, is amended to read as follows:

"SEC. 4521. DEFINITION

"For the purpose of this subchapter, the term 'law enforcement officer' means—

"(1) a law enforcement officer within the meaning of section 8331(20) or section 8401(17) and to whom the provisions of chapter 51 apply;

"(2) a member of the United States Secret Service Uniformed Division;

"(3) a member of the United States Park Police;

"(4) a special agent in the Diplomatic Security Service;

"(5) a probation officer (referred to in section 3672 of title 18); and

"(6) a pretrial services officer (referred to in section 3153 of title 18).".

The managers on the part of the Senate will move to recede and concur in the amendment of the House to the amendment of the Senate.

This amendment makes a technical change to Title 5 of the United States Code by defining the term "law enforcement officers".

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the release of the government's reversionary interest in certain property in Charleston, South Carolina to the School District of Charleston county.

Amendment No. 150: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the release of the government's reversionary interest in certain property in San Francisco, CA, to New College of California.

The reversionary interests which are being transferred in this Amendment and in Amendment No. 149 are exceptions to the Federal Property Act. The conferees believe that exceptions to the long-established authority and procedures based on the Federal Property Act create policy and administrative difficulties, raise issues of fairness, and should be avoided in appropriations acts. The Chairman of the House Committee on Government Operations has informed the conferees that he agrees with the principle enunciated by the President when the President signed the National Defense Authorization Act for fiscal year 1991 on November 5, 1990. Stating his concern about specified property disposal that circumvents the Federal Property Act, he concluded that in general, effective and efficient management of these real property matters is best accomplished in accordance with that Act. The conferees agree that there is merit in this principle.

Amendment No. 151: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 630. None of the funds appropriated by this or any other Act may be used to relocate the Department of Justice Immigration Judges from offices located in Phoenix, Arizona, to new quarters in Florence, Arizona without the prior approval of the House and Senate Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment prohibits the relocation of immigration judges from Phoenix, Arizona without the prior approval of the House and Senate Committees on Appropriations.

Amendment No. 152: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 631. Notwithstanding any other provision of law, sick leave provided by section 6307 of Title 5, United States Code, may be approved for purposes related to the adoption of a child in order to test the feasibility of this concept during fiscal year 1992.

SEC. 632. Notwithstanding any other provision of law, the Administrator of the Office of Federal Procurement Policy, for the purpose of clarifying the Federal Acquisition Regulation with respect to the definition of "construction materials" and the identification of "domestic construction materials," shall evaluate emergency life safety systems—such as emergency lighting, fire alarms, audio evacuation systems and the like—which are discrete systems incorporated into a public building or work and which are produced as a complete system, as a single and distinct construction material regardless of when or how the individual parts or components of such systems were delivered to the construction site.

The managers on the part of the Senate will move to concur in the amendment of the house to the amendment of the Senate.

Section 631 concerns the use of sick leave by Federal employees for adoption purposes. The conferees are continuing this general provision which permits federal employees to use sick leave, in limited amounts, for adoption purposes.

Section 632 clarifies a federal acquisition regulation with respect to the Buy America Act.

SMALL BUSINESS PENSION AUDIT PROGRAM

Not later than six months from the date of enactment of this Act, the General Accounting Office shall submit a report to the House and Senate Committees on Appropriations, together with appropriate language to implement any recommendations, which analyzes the impact of the Small Business Pension Audit (SBPA) program upon smaller businesses and the validity of the retirement age and interest rate assumptions being used in the current program. The report should also include recommendations on appropriate measures to eliminate any adverse effects of SBPA implementation on the expansion of pension plan opportunities for employees of smaller businesses. Further, the conferees expect GAO to specifically examine the impacts of the current SBPA program implementation approach on income levels, size of business, and the profit history of a company, relative to contributions, based on cases closed during fiscal years 1991 and 1992.

POSTAL SERVICE AIR TRANSPORT

Amendment No. 153: Deletes a provision proposed by the Senate. The conferees have not included language in the bill as proposed by the Senate regarding the Postal Service's expansion plans for its air transportation network. On September 23, 1991, the conferees received a written commitment from the Postmaster General stating that the United States Postal Service's management had rejected a task force report that recommended a substantial expansion of its dedicated air transportation network. The conferees respect this commitment and have agreed to drop the statutory language that required a report to Congress prior to such expansion. Should the Postal Service's plans again change, however, the Postal Service is expected to give Congress advance notice before the new plan is implemented.

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the first section number named in said amendment, insert the following: *633*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included a provision, approved by unanimous votes of both Houses, amending federal sentencing guidelines for child pornography offenses. Because of concerns raised by the Sentencing Commission as to the scope and potential impact of these provisions, the conferees direct that the Commission, in consultation with the U.S. Department of Justice, report to Congress within six months on the effect on the criminal justice system of the mandated changes in sentencing guidelines for child pornography offenses. The report shall include a comparison of sentences imposed under sentencing guidelines for child pornography offenses as amended by this legislation with sentences imposed under the guidelines before the amendments contained in this legislation take effect. The report shall also discuss sentences imposed for child pornography offenses where judges depart from the guidelines, compare the rates of departure that occur both before and after this amendment takes effect, and provide a statistical breakdown of the reasons given by judges for departing from the guidelines.

Amendment No. 155: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 634. Notwithstanding any other provision of law, each State Public Health Official shall, not later than one year after the date of enactment of this Act, certify to the Secretary of Health and Human Services that guidelines issued by the Centers for Disease Control, or guidelines which are equivalent to those promulgated by the Centers for Disease Control concerning recommendations for preventing the transmission of the human immunodeficiency virus and the hepatitis B virus during exposure prone invasive procedures, except for emergency situations when the patient's life or limb is in danger, have been instituted in the State. State guidelines shall apply to health professionals practicing within the State and shall be consistent with federal law. Compliance with such guidelines shall be the responsibility of the State Public Health Official. Said responsibilities shall include a process for determining what appropriate disciplinary or other actions shall be taken to ensure compliance. If such certification is not provided under this section within the one-year period, the State shall be ineligible to receive assistance under the Public Health Service Act (42 U.S.C. 301 et seq.) until such certification is provided, except that the Secretary may extend the time period for a State, upon application of such State, that additional time is required for instituting said guidelines.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement requires that each State Public Health Official shall, not later than one year after the date of enactment of this Act, certify to the Secretary of Health and Human Services that guidelines issued by the Centers for Disease Control, or guidelines which are equivalent to those promulgated by the Centers for Disease Control concerning recommendations for preventing the transmission of the human immunodeficiency virus and the hepatitis B virus during exposure prone invasive procedures, except for emergency situations when the patient's life or limb is in danger, have been instituted in the State. Such guidelines shall apply to health professionals practicing within the State and shall be consistent with federal law. Compliance with such guidelines shall be the respnsibility of the State Public Health Official. Said responsibilities shall include a process for determining what appropriate disciplinary or other actions shall be taken to ensure compliance. If such certification is not provided under this section within the one-year period, the State shall be ineligible to receive assistance under the Public Health Service Act (42 U.S.C. 301 et seq.) until such certification is provided, except that the Secretary may extend the time period for a State, upon application of such State, that additional time is required for instituting said guidelines. It shall be the responsibility of the Director of the Centers for Disease Control to determine whether guidelines other than those issued by the Centers for Disease Control are "equivalent" to those issued by the CDC.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1992 recommended by the Committee of Conference, with comparisons to the fiscal year 1991 amount, the 1992 budget estimates, and the House and Senate bills for 1992 follow:

New budget (obligational) authority, fiscal year 1991	$20,914,977,000
Budget estimates of new (obligational) authority, fiscal year 1992	19,522,037,000
House bill, fiscal year 1992	19,630,702,000
Senate bill, fiscal year 1992	19,883,543,750
Conference agreement, fiscal year 1992	19,882,355,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1992	−1,032,622,000
Budget estimates of new (obligational) authority, fiscal year 1992	+360,318,000
House bill, fiscal year 1992	+251,653,000
Senate bill, fiscal year 1992	−1,188,750

EDWARD R. ROYBAL,
STENY H. HOYER,
DAVID E. SKAGGS
(except for amendments No. 43 and No. 155),
NANCY PELOSI,
SIDNEY R. YATES,
JOSEPH D. EARLY,
JAMIE L. WHITTEN
(except for amendment No. 43),
FRANK R. WOLF,
JIM LIGHTFOOT,
HAROLD ROGERS,
JOE MCDADE,
Managers on the Part of the House.

DENNIS DECONCINI,
BARBARA A. MIKULSKI,
BOB KERREY,
ROBERT C. BYRD,
PETE V. DOMENICI
(except for amendments No. 24 and No. 31),
ALFONSE M. D'AMATO,
MARK O. HATFIELD,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLEMENT (at the request of Mr. GEPHARDT) for today after 12:30 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. RIGGS, for 30 minutes, today.

Mr. BURTON of Indiana, for 60 minutes each day, on October 28, 29, 30, 31, and November 1.

Mr. MCEWEN, for 5 minutes, today.

Mr. IRELAND, for 60 minutes each day, today and on October 3.

Mr. DELAY, for 60 minutes each day, on October 8, 9, 10, 11, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, 30, and 31, and November 1.

Mr. LEACH, for 5 minutes, today.

(The following Members (at the request of Mr. FEIGHAN) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ESPY, for 60 minutes each day, on October 15, 22, and 29, and for 5 minutes on November 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(Mr. IRELAND, following Mr. MCGRATH in the special order of the gentleman from Michigan [Mr. BROOMFIELD] today.)

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. BURTON of Indiana.
Mr. SCHULZE.
Mr. HORTON.
Mr. CAMP in two instances.
Mr. DUNCAN.
Mr. RITTER.
Mr. MILLER of Ohio.
Mr. MACHTLEY.
Mr. BEREUTER.
Mr. FISH.
Mr. RHODES.
Mr. ZIMMER.
Mr. SOLOMON.
Mr. CRANE.
Mr. GILMAN in two instances.

(The following Members (at the request of Mr. FEIGHAN) and to include extraneous matter:)

Mr. HAMILTON.
Mr. ROE in two instances.
Mr. PAYNE of Virginia.
Mr. KOSTMAYER.
Mr. ERDREICH.
Mr. MOODY.
Mr. FAZIO.
Mr. TOWNS.
Mr. JACOBS.
Mr. LEVIN of Michigan.
Mr. DOWNEY.
Mr. DELUGO.
Mr. MAVROULES.
Mr. EDWARDS of California.
Mr. LEVINE of California.
Mr. VISCLOSKY.
Mr. KANJORSKI.
Mr. ESPY.
Mr. LAROCCO.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 131. Joint resolution designating October 1991 as "National Down's Syndrome Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 208. Joint resolution to designate October 15, 1991, as "Up With People Day"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2935. An act to designate the building located at 6600 Lorain Avenue in Cleveland, OH, as the "Patrick J. Patton United States Post Office Building."

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 78. Joint resolution to designate the month of November 1991 and 1992 as "National Hospice Month."

ADJOURNMENT

Mr. IRELAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Thursday, October 3, 1991, at 10 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROYBAL: Committee of Conference. Conference report on H.R. 2622 (Rept. 102-234). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X, the following action was taken by the Speaker:

H.R. 1688. The Committee on Public Works and Transportation discharged from further consideration of H.R. 1688. H.R. 1688 referred to the Committee of the Whole House on the State of the Union. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SMITH of Texas:

H.R. 3466. A bill to amend the Immigration and Nationality Act to require the registration of convicted aliens released on parole and to limit the number of times an alien may be provided voluntary departure; to the Committee on the Judiciary.

By Mr. MAVROULES:

H.R. 3467. A bill to amend the procurement integrity provisions of the Office of Federal Procurement Policy Act; jointly, to the Committees on Government Operations, Armed Services, Energy and Commerce, and the Judiciary.

By Mr. ALLARD:

H.R. 3468. A bill to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; to the Committee on Interior and Insular Affairs.

By Mr. CRANE:

H.R. 3469. A bill to suspend temporarily the duty on 2,6-Difluorobenzonitrile; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself and Mr. REGULA):

H.R. 3470. A bill to enhance America's global competitiveness by fostering a high skills, high quality, high performance work force, and for other purposes; jointly, to the Committees on Education and Labor, the Judiciary, and Ways and Means.

By Mr. IRELAND:

H.R. 3471. A bill to authorize the Small Business Administration to conduct a demonstration program to enhance the economic opportunities of startup, newly established, and growing microenterprises by providing loans and technical assistance through intermediaries, and for other purposes; jointly, to the Committees on Small Business, Ways and Means, Education and Labor, Agriculture, and Banking, Finance and Urban Affairs.

By Mr. LEACH:

H.R. 3472. A bill to require the President to enter into negotiations to phase out the use of governmental credits for financing the export of defense articles and services; to the Committee on Foreign Affairs.

By Mr. MOODY (for himself, Mr. KOSTMAYER, Mr. MCDERMOTT, Mr. STUDDS, Mr. ROYBAL, Mr. COYNE, Mr. DONNELLY, Mr. LEVIN of Michigan, Mr. BEVILL, Mr. REED, Mr. FRANK of Massachusetts, Mr. SABO, Ms. PELOSI, Mr. FASCELL, Mr. GUARINI, Mr. HORTON, Mr. MANTON, Mr. BILBRAY, Mr. SYNAR, Mr. OBERSTAR, Ms. OAKAR, Mr. JONTZ, Mr. AUCOIN, Mr. TOWNS, Mrs. LLOYD, Mr. DIXON, Mr. EVANS, Mr. KANJORSKI, Mr. ACKERMAN, Mr. KILDEE, Mr. OWENS of Utah, Mr. BRYANT, Mr. MCCANDLESS, Mr. TANNER, Mr. BORSKI, Mr. MFUME, and Mr. HALL of Ohio):

H.R. 3473. A bill to amend title XVIII of the Social Security Act to require the Secretary of Health and Human Services to include a description of the medical assistance for Medicare cost-sharing available under title XIX of such act in the annual program notices sent to Medicare beneficiaries, to amend title XIX of such act to require States to make applications for such assistance available at local offices of the Social Security Administration and to accept such applications by mail, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. MICHEL (for himself, Mr. GINGRICH, Mr. WOLF, Mrs. VUCANOVICH, and Mr. RHODES):

H.R. 3474. A bill to authorize appropriations for construction of Federal-aid highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. MORELLA:

H.R. 3475. A bill to assist business in providing women with opportunities in apprenticeship and nontraditional occupations; to the Committee on Education and Labor.

H.R. 3476. A bill to establish the Commission on the Advancement of Women in the

Science and Engineering Work Forces; to the Committee on Education and Labor.

By Mr. OLIN (for himself, Mr. Payne of Virginia, Mr. Pickett, Mr. Wolf, Mr. Sisisky, Mr. Boucher, Mr. Bliley, Mr. Johnson of South Dakota, Mrs. Lloyd, Mr. Traficant, Ms. Kaptur, Mr. Moran, Mr. Walsh, Mr. DeFazio, Mr. Slaughter of Virginia, Mr. Camp, Mr. Machtley, Mr. Murphy, Mr. Bateman, Mr. Martin, Mr. Jontz, Mr. Matsui, Mr. Regula, Ms. Long, Mr. Ray, Ms. Snowe, Mr. Broomfield, Mr. Swift, Mr. Henry, Mrs. Roukema, Mr. Sabo, and Mr. Dwyer of New Jersey):

H.R. 3477. A bill to amend the Federal Water Pollution Control Act to establish a program to regulate combined sewer overflows, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. RHODES:

H.R. 3478. A bill to increase working Americans access to health care and affordable health insurance; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. RHODES (for himself and Mr. Kolbe):

H.R. 3479. A bill to amend the act entitled "An Act to Provide for the Extension of Certain Federal Benefits, Services, and Assistance to the Pascua Yaqui Indians of Arizona, and for other purposes"; to the Committee on Interior and Insular Affairs.

By Mr. SCHULZE:

H.R. 3480. A bill to abolish the Resolution Trust Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SOLOMON:

H.R. 3481. A bill to amend the Internal Revenue Code of 1986 to allow health insurance premiums to be fully deductible to the extent not in excess of $3,000; to the Committee on Ways and Means.

By Mr. WISE:

H.R. 3482. A bill to encourage nonroad transportation modes to convert from the use of imported fuels like diesel oil to cleaner burning domestic alternative fuels, and for other purposes; to the Committee on Energy and Commerce.

By Ms. HORN:

H.J. Res. 340. Joint resolution to designate October 19 through October 27, 1991 as "National Red Ribbon Week for a Drug-Free America"; to the Committee on Post Office and Civil Service.

By Mr. LEACH:

H.J. Res. 341. Joint resolution to provide for the contribution by the United States, the Soviet Union, and other states of nuclear material recovered from warhead under arms control treaties for use for peaceful nuclear programs under auspices of the International Atomic Energy Agency, particularly to benefit developing states which are parties to the Treaty on the Non-Proliferation of Nuclear Weapons; to the Committee on Foreign Affairs.

By Mr. DANNEMEYER:

H. Con. Res. 213. Concurrent resolution to provide the Soviet Union and its constituent republics economic incentives for the dismantlement of nuclear forces; to the Committee on Foreign Affairs.

By Mr. DYMALLY (for himself and Mr. Payne of New Jersey):

H. Con. Res. 241. Concurrent resolution expressing the sense of the Congress with respect to the implementation of the United Nations peace plan for the Western Sahara; to the Committee on Foreign Affairs.

By Mr. MINETA (for himself, Mr. AuCoin, Mr. Fuster, and Mr. Horton):

H. Con. Res. 215. Concurrent resolution expressing the sense of the Congress relating to paid leave for working parents for the purpose of attending parent-teacher conferences; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

By Mr. FASCELL (for himself, Mr. Broomfield, Mr. Hamilton, Mr. Yatron, Mr. Solarz, Mr. Wolpe, Mr. Gejdenson, Mr. Dymally, Mr. Lantos, Mr. Torricelli, Mr. Berman, Mr. Levine of California, Mr. Feighan, Mr. Weiss, Mr. Ackerman, Mr. Fuster, Mr. Owens of Utah, Mr. Johnston of Florida, Mr. Faleomavaega, Mr. Murphy, Mr. Kostmayer, Mr. Foglietta, Mr. McCloskey, Mr. Sawyer, Mr. Payne of New Jersey, Mr. Orton, Mr. Rangel, Mr. Dixon, Mr. Towns, Mr. Clay, Mrs. Collins of Michigan, Mrs. Collins of Illinois, Mr. Conyers, Mr. Dellums, Mr. Espy, Mr. Flake, Mr. Ford of Tennessee, Ms. Norton, Mr. Jefferson, Mr. Lewis of Georgia, Mr. Mfume, Mr. Owens of New York, Mr. Savage, Mr. Stokes, Mr. Hayes of Illinois, Mr. Washington, Ms. Waters, Mr. Wheat, Mr. Smith of Florida, Mr. Cox of Illinois, Mr. Oberstar, Mr. Lehman of Florida, Mr. Gilman, Mr. Lagomarsino, Ms. Snowe, Mr. Hyde, Mr. Smith of New Jersey, Mr. Miller of Washington, Mr. Houghton, Mr. Goss, Ms. Ros-Lehtinen, Mr. Bilirakis, Mr. Shaw, Mr. McCollum, Mr. Stearns, Mr. Young of Florida, and Mr. Franks of Connecticut):

H. Res. 235. Resolution expressing the sense of the House of Representatives in support of democracy in Haiti; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 299: Mr. Dornan of California.

H.R. 441: Mr. Foglietta and Mr. Sawyer.

H.R. 609: Mr. Sanders, Mr. Camp, and Mr. Pursell.

H.R. 661: Mr. Cunningham and Mr. Towns.

H.R. 710: Mr. Crane and Mr. Dymally.

H.R. 780: Mr. Lancaster.

H.R. 840: Mr. Jontz, Mr. Pickle, and Mr. Wilson.

H.R. 1048: Mr. Henry and Mr. Lagomarsino.

H.R. 1092: Mr. Shays.

H.R. 1161: Mr. Perkins.

H.R. 1237: Mr. McMillan of North Carolina, Mr. McCollum, and Mr. Saxton.

H.R. 1346: Mrs. Collins of Michigan.

H.R. 1395: Mr. Horton, Mr. Engel, Mr. Dellums, Mr. Santorum, Mr. Bustamante, and Mr. Lagomarsino.

H.R. 1430: Mr. Jones of Georgia.

H.R. 1450: Mr. Jones of Georgia and Mr. Tallon.

H.R. 1622: Mr. Olin.

H.R. 1652: Ms. Kaptur.

H.R. 1790: Mr. Cox of Illinois and Mr. Ramstad.

H.R. 2258: Mr. Faleomavaega, Mr. Grandy, Mr. Hochbrueckner, Mr. Kostmayer, and Mrs. Patterson.

H.R. 2309: Mr. DeFazio, Mrs. Johnson of Connecticut, Mr. Peterson of Florida, and Mr. Rowland.

H.R. 2410: Mr. Sensenbrenner, Mr. Petri, Mr. Espy, and Mr. Sanders.

H.R. 2503: Mr. Tallon.

H.R. 2515: Mr. Mfume.

H.R. 2569: Mr. Gradison.

H.R. 2579: Mr. Morrison.

H.R. 2593: Mr. Machtley.

H.R. 2641: Mr. Shays and Mr. Packard.

H.R. 2743: Mr. Frost, Ms. DeLauro, Mr. Lancaster, Mr. Waxman, and Mr. Scheuer.

H.R. 2744: Mr. Frost, Ms. DeLauro, Mr. Waxman, and Mr. Scheuer.

H.R. 2768: Mr. Sensenbrenner.

H.R. 2841: Mr. Panetta.

H.R. 3015: Mr. Lewis of Florida.

H.R. 3098: Mr. Lantos and Mr. Payne of New Jersey.

H.R. 3142: Mr. Ravenel, Mr. Barnard, Ms. Oakar, Mr. DeFazio, Mr. Cox of California, and Mr. Pickett.

H.R. 3153: Mr. Kolbe and Mr. Smith of Texas.

H.R. 3176 Mr. Towns.

H.R. 3221: Mr. Baker, Mr. Roberts, Mr. Dornan of California, Mr. Petri, Mr. Ravenel, Mr. Camp, Mr. Inhofe, Mr. Santorum, Mr. Lewis of California, Mr. Pickett, Mr. Skelton, Mr. Schiff, Mr. Weber, Mr. Neal of North Carolina, Mr. Tallon, Mr. Dooley, Mr. McCandless, Mr. Ritter, and Mr. Miller of Washington.

H.R. 3231: Mr. Oberstar and Mr. Peterson of Minnesota.

H.R. 3236: Mr. Machtley, Mr. Jefferson, and Mr. DeFazio.

H.R. 3253: Mr. Jontz, Mr. Hertel, Mr. Jones of Georgia, Mr. Evans, Mr. Edwards of California, Mr. Andrews of New Jersey, Mr. Peterson of Minnesota, and Ms. Pelosi.

H.R. 3312: Mr. Andrews of Texas, Mr. de la Garza, Mr. Hammerschmidt, Mr. Hutto, Mr. Laughlin, Mr. Perkins, Ms. Snowe, Mr. Stearns, and Mr. Williams.

H.R. 3314: Mr. Thomas of Wyoming, Mr. Ramstad, Mr. Goss, Mr. Guarini, Mr. Shays, Mrs. Lowey of New York, Mr. Wilson, Mr. Andrews of Maine, Ms. Pelosi, Mr. Frost, Mr. Cunningham, Mr. Hutto, Mr. Walsh, Mr. Mavroules, and Mr. Cox of California.

H.R. 3351: Mr. Blaz.

H.R. 3353: Ms. Pelosi.

H.R. 3373: Mr. Murtha, Mr. Scheuer, Mr. Ravenel, Mr. Moorhead, and Mr. Bliley.

H.R. 3376: Mr. Riggs, Mr. Allard, and Mr. Ewing.

H.R. 3380: Mr. Lent, Mr. Lehman of California, Mr. Condit, and Mr. Quillen.

H.J. Res. 67: Mr. Peterson of Minnesota.

H.J. Res. 83: Mr. Nichols and Mr. Doolittle.

H.J. Res. 123: Mr. Klug, Mr. Wyden, Mr. McHugh, Mr. Natcher, Mr. Fields, Mr. Abercrombie, and Mr. Rahall.

H.J. Res. 212: Mr. Cox of Illinois, Mr. Clinger, Mr. Lehman of Florida, Mr. Tallon, Mr. DeFazio, Mr. Rangel, and Mr. Cox of California.

H.J. Res. 230: Mr. Savage, Mr. Jones of Georgia, Mr. Cunningham, Mr. Oxley, Mr. Sundquist, Mr. Neal of North Carolina, Mrs. Boxer, Mr. Livingston, Mr. Aspin, Mr. McEwen, Mr. Hubbard, Ms. Pelosi, Mr. Ireland, Mrs. Vucanovich, Mr. Duncan, Mr. Yates, Mr. Smith of Iowa, Mr. Miller of California, Mr. Moakley, Mr. Gibbons, Mr. Schumer, Mr. Bilirakis, Ms. Oakar, Mr. Dreier of California, Mr. Wyden, Mr. Waxman, Mr. Bryant, Mr. Wheat, Mr. Montgomery, Mr. Stenholm, Mr. DeFazio, Mr. Kopetski, Mr. McMillen of Maryland, Mrs. Collins of Illinois, Mr. Rohrabacher, Mr. DeLay, Mr. de la Garza, Mr. Torres, Mr. Berman, Mr. McDade, Mr. Ritter, Mr. Hansen, Mr. Frank of Massachusetts, Mrs.

Lowey of New York, Mr. Ford of Tennessee, Mr. Dellums, Mr. McDermott, Mr. Hochbrueckner, Mr. Dixon, Mr. Harris, Mr. Weldon, Mr. Fields, Mr. Hunter, Mr. Clinger, Mr. Nowak, Mr. Gonzalez, Mr. Cooper, Ms. Slaughter of New York, Mr. Wise, Mr. Mollohan, Mr. Chapman, Mr. Thomas of Georgia, Mr. Coble, Mr. Nichols, Mr. Young of Florida, Mr. Valentine, Mr. Natcher, Mr. Burton of Indiana, Mr. Chandler, Mr. Rhodes, Mr. Murtha, Mr. Darden, Mr. Kasich, Mr. Whitten, Mr. Wilson, Mr. Russo, Mr. Serrano, Mr. Gillmor, Mr. Swift, Mr. Carr, Mr. Gekas, Mrs. Lloyd, Mr. Moran, Mr. Gordon, Mr. Towns, Mr. Kennedy, Mr. Faleomavaega, and Mr. Sarpalius.

H.J. Res. 284: Mr. Solomon, Mr. Brooks, Mr. Jefferson, Mr. Camp, Mr. Dixon, Mr. Dickinson, Mr. Peterson of Florida, Mr. Mazzoli, Mr. McCollum, Mr. McGrath, Mr. Fish, Mr. Nagle, Mrs. Meyers of Kansas, Mr. Hall of Texas, Mr. Bateman, Mr. Cramer, Mr. Kennedy, Mr. Lagomarsino, and Mr. Jacobs.

H. Con. Res. 81: Mr. Lancaster.

H. Con. Res. 88: Mr. Borski.

H. Con. Res. 145: Mrs. Boxer and Mr. Atkins.

H. Con. Res. 188: Mr. Frank of Massachusetts, Mr. Hyde, Mr. Matsui, Mr. Paxon, Mr. Dellums, Mr. DeFazio, Mr. McNulty, Mr. Bacchus, Mr. Skaggs, Mr. Yates, Mr. Bilbray, Mr. Cardin, Mr. Abercrombie, and Mr. Condit.

H. Con. Res. 205: Mr. Gallegly and Mr. LaFalce.

H. Con. Res. 208: Mr. Traficant, Mr. Hubbard, Mr. Ackerman, Mr. Atkins, Mr. Spratt, Mrs. Patterson, Mr. Sangmeister, Mr. Ford of Tennessee, Mr. Towns, Mrs. Lloyd, Mr. Mrazek, Mr. Downey, Mr. Sensenbrenner, Mr. Horton, Mr. McMillen of Maryland, Mr. Luken, Mr. Tallon, Mr. Tanner, Mr. Poshard, Mrs. Unsoeld, Mr. Hastert, Mr. Hughes, and Mr. Perkins.

H. Con. Res. 211: Mr. Dwyer of New Jersey, Mr. Kolter, Mr. Gejdenson, and Mr. Swift.

H. Res. 140: Mr. Reed, Mr. Smith of New Jersey, and Mr. Jontz.

H. Res. 173: Mr. Thomas of Wyoming.

H. Res. 224: Mr. AuCoin, Mr. Valentine, Mr. Rhodes, Mr. Livingston, and Mrs. Lloyd.

H. Res. 234: Mr. Lewis of Florida, Mrs. Meyers of Kansas, Mr. Santorum, Mr. Walsh, Mr. Applegate, Mr. Gallegly, and Mr. Solomon.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 230: Mr. McMillan of North Carolina.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3039

By Mr. TRAFICANT:

—After Sec. 304(f)(3), insert the following:

Any individual involved in the operation and/or oversight of this fund shall submit to the Secretary of Defense and the Secretary of Commerce annually during such individual's tenure in such positions—

(1) a statement disclosing personal income and finances which shall be consistent with federal financial disclosure laws relating to federal employees, and;

(2) a statement certifying that no conflict of interest exists with the position occupied by such individual and describing any circumstances that may reasonably be perceived as a conflict of interest, which shall be consistent with federal laws relating to conflict of interest.

—After Title I, Sec. 108(a), insert the following:

In awarding authorized contracts under this Act, the President shall provide a strong preference for those small businesses located in areas of high unemployment and/or areas that demonstrate a continuing pattern of economic decline as identified by the Secretary of Labor.

—Insert the following new section at the end of the bill:

SEC. . BUY AMERICAN PROVISIONS.

(A) The Secretary shall insure that the requirements of the Buy American Act of 1933 as amended apply to all procurements made under this Act.

(B) Prohibition against fraudulent use of "made in America" labels.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, that person shall be ineligible to receive any contract or subcontract made with funds authorized under this title pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations.

EXTENSIONS OF REMARKS

JEFFERSON COUNTY SOUNDS OFF IN CONGRESSIONAL QUESTIONNAIRE

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ERDREICH. Mr. Speaker, nearly 9,000 residents of Jefferson County, AL have responded to my 1991 questionnaire, and I urge my colleagues to listen closely to their sound advice. The opinions of the people serve as a gauge as I go about the task of representing the Sixth District, and I think the entire Congress would be well-served to take notice of the results of the questionnaire.

Reducing the deficit was the most important issue to nearly one-third, or 32 percent of those surveyed. Protecting American jobs from foreign competition was next, with 18 percent, followed closely by improving education with 16 percent.

Fifty-three percent said we should spend less on defense and national security, while 75 percent said we should spend more on education and 70 percent said we should increase spending for long-term health care for the elderly.

An overwhelming 82 percent of those surveyed support a Medicare plan that calls for a higher monthly Medicare premium for senior citizens making more than $125,000 a year.

My constituents were almost evenly split over whether the United States should play a peacekeeping role in the Persian Gulf, with 49 percent responding "yes" and 47 percent responding "no."

More than half—64 percent—said they would favor strengthening environmental protection laws even if it means additional costs to consumers, and 72 percent said they would favor trade restrictions on foreign imports even if it means higher consumer prices.

When asked about family medical leave, 62 percent favored a plan that would allow a specified amount of unpaid leave from work for family emergencies, and guarantee the same job upon return.

I thank the nearly 9,000 from Jefferson County who took the time to fill out the questionnaire.

Following are the questions included in my 1991 questionnaire, and the response percentages:

CONGRESSMAN BEN ERDREICH'S RESULTS OF 1991 CONGRESSIONAL QUESTIONNAIRE

	Percent	Number
1. Congress and the Administration face a broad range of issues in 1991. Rank the following in order of importance to you, with "1" being most important, and "8" being least important:		
a. Protect American jobs from unfair foreign competition	18	1,573
b. Strengthen programs that help families	9	807
c. Improve protection of the environment	10	841
d. Reduce the deficit	32	2,760
e. Encourage and expand economic growth	11	966
f. Enhance the quality of education and training	16	1,343
g. Strengthen anti-drug and crime enforcement efforts	11	988
h. Provide access to health care for the elderly	13	1,100
2. Do you favor strengthening environmental protection laws even if it means additional costs to consumers?		
a. Yes	64	5,468
b. No	34	2,910
3. President Bush has submitted a recent budget plan which, among other things, calls for a higher monthly Medicare premium for Medicare beneficiaries who make more than $125,000 a year. Do you support this Medicare proposal?		
a. Yes	82	7,067
b. No	16	1,344
4. Do you favor a family medical leave plan which would allow a specific amount of unpaid leave from work for family emergencies, and guarantee the same job upon return?		
a. Yes	62	5,354
b. No	35	3,005
5. Do you favor adopting policies to limit the imports or impose tariffs on countries that compete unfairly with U.S. goods, even if it means higher consumer prices?		
a. Yes	72	6,167
b. No	25	2,170
6. Do you think U.S. troops should continue to play a peacekeeping role in the Middle East?		
a. Yes	49	4,239
b. No	47	4,031
7. Do you favor a proposal to allow drilling for oil in the Arctic Wildlife Refuge to reduce America's dependency on foreign oil?		
a. Yes	55	4,710
b. No	42	3,641
8. One proposal for campaign reform is to have taxpayer financing of federal political campaigns. Do you favor this proposal?		
a. Yes	20	1,749
b. No	74	6,370
9. Considering the many national needs and the Federal Government's many limited resources, should spending for the following programs be more?		
a. Cleaning up the environment	60	5,134
b. Nutritional programs for mothers and infants	41	3,515
c. The war on drugs	65	5,604
d. Education	75	6,474
e. Defense/National Security	39	3,326
f. Health care for the uninsured	55	4,687
g. Long term health care for the elderly	70	6,000

Note.—Total response percentages on some questions do not equal 100 percent because all respondents did not answer all questions.

BERNARD J. HENDRZAK NAMED "MAN OF THE YEAR"

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. KANJORSKI. Mr. Speaker, on October 4, 1991, District Justice Bernard J. Hendrzak will be honored by the General Pulaski Memorial Committee of Luzerne County as their "Man of the Year."

I have known Bernie Hendrzak for many, many years. In fact, our offices were in the same building. I can think of no one more fitting of this honor than my good friend. He is devoted and dedicated to both his community and his family.

Bernard Hendrzak graduated with a law degree from Temple University and has been practicing law since 1959. He has served as an assistant district attorney for Luzerne County and has been admitted to practice before the court of common pleas of Luzerne County and all appellate courts in the Commonwealth of Pennsylvania. He also served his community as assistant solicitor of Luzerne County and various municipalities.

In 1981, he was elected district justice and won reelection handily in 1987.

In addition to his work on the bench, District Justice Hendrzak has been active in the Knights of Columbus, the International Lions Club, the Polish Union of the United States of North America, and he has served as president of the General Pulaski Memorial Committee of Luzerne County, of which he has been a member since 1959.

Mr. Speaker, I am sure that Bernie Hendrzak is "Man of the Year" every year to his wife, Helene, and his four children.

Again, let me congratulate District Justice Hendrzak on his being honored as "Man of the Year." His good works and commitment to our community are an example to us all.

TRIBUTE TO ALFRED G. (BOB) SCHAAR

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize the induction of a fine individual into the State of Michigan Polka Music Hall of Fame. The contributions he made to music in Michigan will not soon be forgotten.

Mr. Alfred Schaar, known as Bob to his friends, was born in Owosso, MI on March 30, 1894. The youngest of 10 children in his family, Bob's musical career started at an early age with the piano. After becoming a rather accomplished pianist, Mr. Schaar learned to play the tuba at age 16 in order to join the Owosso Westside Band. The band quickly became one of the best bands in the State winning many statewide competitions.

On June 28, 1916, Mr. Schaar married Thelma L. Turner. A fellow musician, Thelma was a natural partner for Bob. They were the parents of four children, two boys and two girls. The family was very musically inclined, spending many evenings together singing songs.

Mr. Schaar enjoyed playing all types of music, from classical and band to popular and jazz, but he especially enjoyed polkas and waltzes. A favorite quote of his was that "music was to be played and enjoyed."

For over a quarter of a century Bob Schaar played with many top bands and orchestras. In 1948 he finally formed his own band, Bob Scharr and the Michigan Polka Jacks. His orchestra became one of the most popular in the postwar era, sometimes playing to crowds of over 1,000 people, and broadcasting each

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Sunday over the radio station WOAP in Owosso, MI.

Bob Schaar and the Michigan Polka Jacks were featured in Billboard magazine and were offered numerous recording and performance contracts. The group turned down the contracts because of their strong family and home ties. They continued to play locally until the mid-1950's when they decided to retire because the time commitments were just becoming too much.

That was the need of a career, spanning nearly 40 years, as one of the finest tuba players in the business. Bob Schaar never played for fame and fortune, he played for the excitement and joy of the crowd.

Mr. Schaar died on March 4, 1974, just before his 80th birthday.

Bob Schaar truly dedicated his life to music and all the joys it could bring. Mr. Speaker, I know that you will join with me in commending this outstanding individual for the service he provided to music enthusiasts everywhere.

SENIORS DESERVE TO KNOW—THE QUALIFIED MEDICARE BENEFICIARY ENROLLMENT IMPROVEMENT AND PROTECTION ACT OF 1991

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. KOSTMAYER. Mr. Speaker, in 1988, as part of the Catastrophic Coverage Act, Congress passed a very important program to assist low-income senior citizens pay their Medicare bills. In fact, we felt so strongly about this program, that when we repealed the Catastrophic Coverage Act, this was one of the very few provisions which was retained. Unfortunately, neither the administration nor the States felt this program important enough to provide information to the beneficiaries about it.

In order to inform needy senior citizens of the Qualified Medicare Beneficiaries [QMB-"quimby"] Program, I, along with my colleague from Wisconsin, Mr. MOODY, am introducing the Qualified Medicare Beneficiary Enrollment Improvement and Protection Act of 1991.

More than half of the estimated 4.2 million individuals who are eligible for this program have not applied for benefits. Most of these individuals probably have never heard of this program. They are senior Americans who earn less than $7,000 a year as an individual or less than $9,000 as a couple. Many are spending up to one-sixth of their income on Medicare; others are forgoing health insurance altogether.

The QMB Program assists these seniors by allowing Medicaid to pay their Medicare premiums, copayments and deductibles. This program is essential for Medicare recipients who earn to much to qualify for Medicaid, yet are unable to pay their Medicare out-of-pocket expenses. In the last decade, Medicare out-of-pocket costs have risen 216 percent. An individual who is hospitalized once in 1991 is liable for at least $1,086.80, not including Medicare copayments and services not covered by Medicare.

This program is currently available only through local assistance offices. Most of those eligible have never received any form of public assistance and have no other way of hearing about or applying for this program. This legislation requires that clear information and a preliminary application be included in the Medicare annual notice. It also requires the Department of Health and Human Services to develop a poster to be distributed to health care providers and community groups and to develop a toll-free hotline. Social Security offices will be required to provide information and applications for this program. A grant program will be established to assist States and nongovernmental entities in informing seniors and assisting them with the applications. Finally, for those seniors, who through no fault of their own, did not know about this program, they may be retroactively covered for up to 3 months.

Mr. Speaker, this legislation does not create any new programs. It simply requires that senior Americans be informed of a program we have promised and guaranteed them.

QMB is a good benefit. It is an important benefit. It should not be a secret benefit.

EMPLOYEES OF RELIGIOUS ORGANIZATIONS TO OPT OUT OF SOCIAL SECURITY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. CRANE. Mr. Speaker, I have introduced legislation, H.R. 314, to correct a problem created by the 1983 Social Security Amendments which resulted in the Federal Government's intrusion into the ability of religious organizations to carry out their ministries. My legislation will allow employees of religious organizations to opt out of the Social Security system.

When the Social Security system was created, religious organizations and their employees were exempt from having to pay the Social Security [FICA] tax. In 1951, religious organizations were brought into the system on a voluntary basis. The 1983 Social Security amendments mandated that all employees be covered. Prior to the 1983 amendments, Congress realized that failure to grant such an exemption would jeopardize religious freedom. A 1946 report to the House Ways and Means Committee by the committee's Social Security technical staff declared that these groups were exempt from taxation because their representatives "feared endangering their freedom from taxation and the separation of church and state; they feared extension of Government influence on religious * * * policies."

However, the Social Security Amendments of 1983 brought the employees of all nonprofit, 501(c)(3), organizations—including church employees—into the system. After passage of these amendments, a public outcry arose because Congress considered all categories of nonprofit groups together and had failed to address the special first amendment concerns raised by mandatory coverage of religious groups. In the Deficit Reduction Act of 1984 [DEFRA], Congress attempted to correct the problem by allowing religious organizations to elect out of the system. Unfortunately, this modification did not solve the problem because the employees of the religious organizations that chose to opt out of the system were then treated as self-employed, and thus liable for the full share of the 15.3-percent FICA tax.

The provision hits employees of many church schools especially hard. Since many State school employees are currently exempt from FICA taxes, the FICA tax burden on church school employees makes it difficult for churches to pay salaries competitive with public schools. In addition, present law interferes with the strongly held religious conviction of some churches that they should provide for the retirement of their employees. For those religious schools which hold such beliefs, there is a double burden because they must pay salaries to their employees which reflect the heavy 15.3-percent FICA tax.

I ask my colleagues to recognize that at the heart of this issue lies the constitutional command that the Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. My legislation will allow church employees the freedom of choice they deserve. I urge my colleagues to join me in support of this piece of legislation.

INTRODUCTION OF THE HEALTH ACCESS FOR WORKING AMERICANS ACT

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. RHODES. Mr. Speaker, today I am introducing the second of my health care reform initiatives, the Health Access for Working Americans Act.

This legislation would provide guaranteed access to no frills, basic health insurance coverage for tens of millions of working Americans. They work for small businesses which cannot now afford to self-insure their employees or to purchase expensive "Cadillac" health insurance policies mandated by most States. This group of uninsured working Americans is in the greatest need and should be the focus of our efforts to reform the health care delivery system in America.

Mr. Speaker, my legislation has four basic essentials—

Guaranteed health insurance access;

No burdensome taxes on small business;

Cost containment requirements; and

Requirements for reinsurance mechanisms.

There are many small-market health care reform proposals being discussed in this Congress. As a member of the Republican Health Care Task Force, mine is an effort to contribute to those discussions. I want to provide an equitable opportunity for small businesses and their employees to have access to affordable medical insurance—"MedEquity." This critical area of health care reform is probably our best hope to benefit a large segment of low and middle income American workers, their families and children, who are in need of fundamental health insurance protections. I urge my colleagues and the appropriate committees to focus on and act on this critical issue, this Congress.

In Arizona, there are 500,000 uninsured people, according to a 1990 Flinn Foundation report. Of that number, nearly 290,000 have jobs or are dependents of uninsured workers. More than 58 percent of those working uninsured are employed by firms with fewer than 10 employees. Small business should not be forced to pay higher premiums for health insurance coverage for their employees than do large businesses. This legislation seeks to address the cost and availability issues and bring these workers and their families under a protective health insurance umbrella.

Nationwide, approximately two-thirds of the estimated 34 million nonelderly uninsured are working Americans, and 85 percent of them earn less than $40,000 a year. Ten million are children, according to the Employees Benefit Research Institute [EBRI]. These are middle class Americans who need our help for them to provide basic health insurance coverage for themselves and their families.

The Arizona Legislature, under the leadership of State Representatives Karen Mills and Dave McCarroll, this year adopted a voluntary basic health benefits law that goes a long way toward addressing this situation in Arizona. The health insurers themselves, working through the Health Insurance Association of America [HIAA], have forged a small-market reform plan. The health care regulators from each State, working through their National Association of Insurance Commissioners [NAIC], plan to finalize later this year, a small-market insurance model that could be used by all States. My legislation envisions that NAIC will in fact be the catalyst to providing model recommendations to the States. Finally, 18 individual States have so far enacted some form of small market basic health insurance requirements for insurers in their States. Several others are in the process of doing so.

The States have had and should have the primary regulatory role regarding insurance coverage. However, it seems to me the Federal Government can and should provide some prodding to bring more consistency and timeliness to basic health insurance coverage being made available to small business employers and employees across the country.

If the States fail to act, then it seems to me in this instance of crucial national significance, the Federal Government should step in and mandate what I call "MedEquity" basic health insurance coverage minimum requirements in those States. This bill encourages States to act in a timely fashion, so the Federal Government does not have to.

The failure of the health insurance industry to adequately cover working Americans does not represent, as some have attempted to portray, a total breakdown of our health care system. Our health care delivery system has received mixed reviews from Americans. While our technology remains unquestionably premiere, limited access to that care, high costs, and a host of interrelated problems bog down our exemplary system. Today, our health care system is like a racehorse that has been hobbled. Some of my colleagues would have us shoot the horse and wait for a promised chimerical replacement. Working Americans would rather we just help unleash the horse, thereby helping them get access to the basic health care they desperately need. The National Federation of Independent Business [NFIB] has endorsed the core principles of removing mandated benefits and of cost containment, without further burdening small business with more taxes. Those are the principles on which my legislation is based. A copy of a letter from NFIB vice president of Federal Governmental relations, John Motley, is attached.

These are my proposals. I understand there are others and other approaches. My hope is the Congress will soon consider all the options and approaches that Members of the House of Representatives and the Senate have introduced, and develop a meaningful consensus to act on this important issue for millions of Americans. The crucial elements to me are that there be no new tax on small business, that access to basic health insurance coverage be guaranteed to small businesses and their employees, that there be real cost-containment requirements and reinsurance requirements.

The NFIB letter and a section-by-section analysis of the bill follows:

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Washington, DC, September 20, 1991.

Hon. JOHN J. RHODES, III
Cannon House Office Building,
Washington, DC

DEAR CONGRESSMAN RHODES: On behalf of the over 500,000 members of the National Federation of Independent Business (NFIB), I want to congratulate you for taking an important first step toward addressing the inability of many Americans to obtain affordable health insurance.

Small business owners would like to provide the best possible health insurance for their employees. Unfortunately, they have been prevented from doing so by consistent double digit rates of inflation in health insurance costs. Without remedial steps taken to address the fundamental problems of cost and access, small business owners will continue to be unable to provide any health benefit.

Your bill, the "Health Access for Working Americans Act" recognizes that an incremental approach to changing the current health care system is the best approach. Small market insurance reform has been recognized by most observers of the health industry as a vital first step that would bring more individuals under the umbrella of health insurance coverage; we must then confront other issues affecting access.

The Rhodes bill incorporates several elements NFIB believes fundamental to any health care reform proposal including increased access and availability, greater tax equity in purchasing health insurance and cost containment provisions.

Small business owners hope your legislation will help form the basis for serious discussion of small market insurance reform to enhance access and affordability.

Sincerely,

JOHN J. MOTLEY III
Vice President,
Federal Governmental Relations.

SUMMARY OF WORKING AMERICANS ACCESS TO HEALTH CARE

TITLE I—INCREASE IN SMALL EMPLOYER ACCESS TO AFFORDABLE HEALTH INSURANCE

Sec. 101—Establishment and Enforcement of Standards for Small Employer Health Insurance Plans.

Requests the National Association of Insurance Commissioners (NAIC) to develop model regulations for small employer (3-50 employees) MedEquity plans.

Requires States to submit implementation enforcement reports of the standards established.

Authorizes the Secretary to direct any State that is not fulfilling responsibility in implementing and enforcing the availability of MedEquity plans, to correct the failure within 30 days.

Sec. 102—Preemption of State Benefits Mandates for Plans That Meet Consumer Protection Standards.

Preempts State mandated health benefit requirements, for the purposes of MedEquity plans.

Sec. 103—Requirement for Offering of Basic, Low Cost Plan (MedEquity Plan).

Requires insurance carriers which offer plans to small employers in a State, to make available to any small employer, a MedEquity plan. Guarantees every small employer, and every full-time employee and their dependents, a MedEquity policy. Requires cost-containment features for all MedEquity plans.

Sec. 104—Requirements Relating to Initial Writing of Policies.

Forbids insurance carriers from imposing a limitation or exclusion of benefit under a MedEquity plan for a condition that existed more than six months into the past, or twelve month into the future, from the date of effectiveness.

Limitations are placed on rating differences between different insured groups by more than 20%. Limitations are placed upon carriers transferring clients without their permission.

Requires full disclosure of rating rationale for MedEquity plans when plans are offered to small employers.

Sec. 105—Requirements Relating to Renewal.

Allows for the limitation of premium increases under the NAIC model regulations. Restricts carrier re-entry into the small employer health benefit market for 5 years if the insurance carrier leaves the small employee health benefit market.

Sec. 106—Establishment of Reinsurance Mechanisms for High Risk Individuals.

Request the NAIC to develop methods for reinsurance, to include a menu of at least six options. Requires States to establish and fund, two years after the enactment of the proposal, a reinsurance mechanism. Directs the Secretary to choose a reinsurance mechanism if one is not chosen by the state in appropriate timeframe.

Sec. 107—Registration of All Health Benefit Plans Required.

Allows State commissioners or superintendents of insurance to require the registration of employer health benefit plans, other laws notwithstanding, to provide the State official with enough information to carry out Sec. 106.

Sec. 108—Definitions.

TITLE II—EQUALIZATION OF TAX BENEFITS FOR SELF-EMPLOYED PERSONS UNDER CERTAIN PLANS

Sec. 201—Equalization of Tax Benefits for Self-Employed Persons Under Certain Plans.

Allowable deductions of self-employed persons are increased to 100% by 1996. No deduction shall be allowed for any plans that are not MedEquity equivalent plans. This provision shall take effect on December 31, 1991.

TITLE III—MANAGED CARE RIGHTS

Sec. 301—Managed Care Rights

Preempts any law that restricts the ability of a carrier to negotiate reimbursement rates for MedEquity plans.

Preempts any law that limits financial incentives that a health benefit plan may require a beneficiary to pay when a non-plan provider is used on a non-emergency basis for MedEquity plans. A variety of utilization review restrictions are preempted for the implementation of MedEquity plans.

TITLE IV—STUDY AND REPORT

Directs the Secretary to undertake a study on the impact of the implementation of MedEquity plans. The first report is due within two years of the implementation of this proposal.

THE REPUBLIC OF CHINA ON TAIWAN'S NATIONAL DAY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. CRANE. Mr. Speaker, on October 10 the Republic of China on Taiwan will observe its 80th anniversary of its founding by Dr. Sun Yat-sen in 1911. This year the Chinese on Taiwan will have a great deal to celebrate. The Government has announced a 6-year national development plan with an expenditure of $303 billion—hoping to make Taiwan one of the most desirable places on Earth for its citizens. I have no doubt that the new 6-year national development plan will be a success.

Taiwan is uniquely blessed with an excellent leadership team. Taiwan's President Lee Teng-hui, who was educated here in the United States, and Taiwan's other top leaders have vision and foresight. They fully understand the complex relationships underlying national development and economic growth. Their new 6-year plan will stimulate Taiwan's economy to such an extent that further economic expansion and prosperity will be ensured.

It is my hope that American companies will actively bid for some of the construction projects tied in with the 6-year national development plan, as it is Taiwan's policy to welcome United States participation. Joining and sharing in Taiwan's economic expansion is indeed an excellent way of celebrating the Republic of China's National Day.

TAIWAN REACHES OUT TO MAINLAND ON THE REPUBLIC OF CHINA'S 80TH ANNIVERSARY

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ERDREICH. Mr. Speaker, the Republic of China on Taiwan will be celebrating its 80th anniversary on October 10, 1991. I wish to extend my sincere congratulations to President Lee Teng-hui of the Republic of China on Taiwan.

President Lee is a political leader of vision who has accomplished a great deal since becoming President on January 13, 1988. Among his many accomplishments, none inspires more admiration than the bold step he took in announcing an end to six decades of war with Chinese Communists on April 30, 1991. On May 1, 1991, Taiwan ended the 43-year "Period of Communist Rebellion" against the Chinese Communists—a milestone in Taiwan's Democratic reform process, representing President Lee's Dramatic efforts in building bridges to the mainland by easing political tensions.

President Lee wants to initiate a dialog with mainland authorities toward the possibility of reunification but, unfortunately, mainland China has shown little willingness to treat the Republic of China as an equal and has been working to hinder Taiwan's diplomatic efforts worldwide.

It is my hope that the Chinese authorities in Peking will soon see Taiwan as a good economic and political model to emulate and that both will be reunited as one country under the principles of free enterprise and democracy. Best wishes to the Republic of China.

TRIBUTE TO ST. MARY'S ASSUMPTION ROMAN CATHOLIC SLOVAK CHURCH OF PASSAIC, NJ, ON ITS 100TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ROE. Mr. Speaker, it is with the deepest reverence and the greatest sense of pride that I rise today to pay tribute to an outstanding house of worship in my Eighth Congressional District of New Jersey which, for the past century, has been a spiritual focal point and a beacon of faith for countless numbers of worshipers in the greater northern New Jersey area.

I am speaking of St. Mary's Assumption Roman Catholic Slovak Church of Passaic, NJ, which is celebrating its 100th anniversary in 1991. This landmark occasion will be observed with a jubilee banquet on October 13, 1991, at the Wayne Manor in Wayne, NJ. I know this event will be a source of great pride to the entire congregation, and especially to this fine church's spiritual leader, Rev. Msgr. John J. Demkovich, pastor, and jubilee committee chairman, Peter J. Bakarich, Jr.

Mr. Speaker, as a means of providing you and our colleagues with the details of this important church, I would like to insert for the RECORD the official history of St. Mary's Assumption Roman Catholic Slovak Church:

As early as 1879, Passaic, NJ was a haven for Slovak pioneers who came to America. These Slovaks, most of them emigrating from the Austro-Hungarian Empire, had come from the Saris, Zemplin and Spis districts of the beautiful province of Slovakia. They left their homeland in search of freedom and a better life. For Slovaks, their churches have always been the center of their culture.

As a number of Slovak immigrants in Passaic increased, Msgr. John A. Sheppard, pastor of St. Nicholas Church in Passaic appealed to the Reverend Winand Michael Wigger, the bishop of Newark, to establish a Slovak parish in the community. On March 26, 1891 the request was granted and the Slavonian Catholic Church of the Assumption, commonly referred to as "St. Mary's," was incorporated.

In 1893 the cornerstone for the first church was laid. The present church of French Gothic architecture with seating capacity of 700 was dedicated in September 1902. Before the turn of the century, St. Mary's established a school for its young parishioners. With the number of students increasing, the Dominican Sisters from Newburgh, NY were asked to help with the teaching. The sisters came in 1902 and taught at the school until 1978.

As the mother parish for Slovaks in the area, St. Mary's has been the home of many societies and organizations which promoted the Slovak heritage and Catholic faith. These societies also gave assistance to their members in times of sickness and death.

While St. Mary's has undergone many changes over its 100 years, it holds steadfast to Slovak traditions handed down from generation to generation. With Msgr. John J. Demkovich as current pastor, St. Mary's serves parishioners from more than 20 communities.

The centennial celebration opened on April 21, 1991 with a mass celebrated by the Reverend Frank J. Rodimer, bishop of the dioceses of Paterson. The jubilee committee chairman is Peter J. Bakarich, Jr., with Charles Mihalik, and Alex Toskovich as cochairmen. Other committee chairpersons are George Bobal and Lorraine Yurchak, dinner committee; Michael Hovastak and Alex Toskovich, dinner tickets and reservations; Jane Kutney and Doris Dolack, spiritual and special events; Patrick Carberry, remembrance book; Judith Hoy, youth events; and Scholastika Franta, Slovak heritage. The end of the jubilee year is on March 22, 1992 with a solemn mass of thanksgiving.

Mr. Speaker, I appreciate the opportunity to present a portion of the history of this distinguished church that has remained dedicated to helping others and guiding them spiritually. As St. Mary's Assumption Roman Catholic Slovak Church celebrates its 100th anniversary, I know that you and all of our colleagues here in Congress will want to join me in extending our warmest greetings and felicitations for both the service and guidance it has provided for its community, State and Nation.

EDITORIAL SHOWS PUBLIC IS ON TO PARTISANSHIP OF MAJORITY PARTY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. SOLOMON. Mr. Speaker, a week hardly goes by without proof that Democrats consistently prefer scoring political cheap shots to working with Republicans and the White House to secure viable solutions to our Nation's problems.

We've already seen the application of that fact on the issue of extending unemployment benefits. Now we see it's application on the issue of the President's crime package.

And, Mr. Speaker, I must warn you that the American people, your constituents and mine and those of every other Member, are no longer fooled. My hometown newspaper, the Glens Falls, NY, Post-Star, today published an editorial entitled "Partisan politics may kill crime bill."

The editorial states the obvious, that the Democrat leadership's last-minute introduction of its proposal is designed to undermine the President's package.

I am placing the editorial in today's RECORD. If you want an example of the growing public awareness of the partisan games being played in this House, I suggest you read it.

PARTISAN POLITICS MAY KILL CRIME BILL

In August, it appeared Congress was ready to approve President Bush's crime bill, which would greatly strengthen the hand of law enforcement. The measure had sailed through the Senate and prospects for passage looked good in the House. But those prospects have dimmed considerably now that Democratic leaders in the House appear determined to redefine the national debate on law and order.

An alternative bill introduced by House Majority Leader Richard Gephardt, D-Mo., and Rep. Charles Schumer, D-NY., would focus on rehabilitation programs. By contrast, Mr. Bush wants to streamline the justice system and make certain the punishment fits the crime. Both approaches have merit, but House Democrats have turned the debate into an either/or proposition aimed at killing the president's bill.

The Democratic alternative, endorsed by Speaker Thomas Foley, D-Wash., would mandate drug treatment for all federal prisoners by 1995 and would give $100 million to states to establish similar programs for their inmates. It also would earmark $300 million for cities or regions designated as drug emergency areas.

To fund these and other programs, the Democratic measure would siphon nearly $1 billion from the Senate-passed bill, which the president supports. In the Senate version, the money would be used to build more prisons and hire additional agents for the FBI, the Drug Enforcement Administration and other federal law enforcement agencies.

Why did Gephardt and Schumer introduce their bill at the 11th hour, just as the administration's comprehensive measure was picking up momentum? The best explanation appears to be partisan politics. Gephardt practically conceded as much when he held a press conference to denounce Mr. Bush's plan.

Nonetheless, nearly every major law enforcement group has lined up behind the White House proposal. These professionals believe the administration's bill would enable them to apprehend more criminals and keep them off the streets.

The Senate-approved measure, which incorporates Mr. Bush's proposals, would help curb violent crime. If the House is serious about making America's streets safer, it will not allow partisan politics to derail the president's crime package.

POLITICKING AGAINST THE BILL OF RIGHTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. EDWARDS of California. Mr. Speaker, very soon, this body will be considering an omnibus crime bill. I want to call to the attention of every Member this editorial from the New York Times on Monday, August 12, 1991. It illustrates the effect of politicking on the Bill of Rights. In our effort to make our streets safer, we must not take away the constitutional rights of our citizens. I urge you to protect the rights of all of our citizens and join me in preserving habeas corpus by voting for the provision reported by the House Judiciary Committee last week.

[From the New York Times, August 12, 1991]

THORNBURGH PUZZLE

(By Anthony Lewis)

ATLANTA.—As he leaves the office of Attorney General, Dick Thornburgh leaves behind a puzzle. Why has he used that great office to denigrate the rights of Americans?

It is an urgent question. This year is the 200th anniversary of our Bill of Rights, the first 10 amendments to the Constitution. But it is a hard time for constitutional rights. The public, stressed by crime, is impatient with the idea of rights for the accused.

The American Bar Association, meeting here in Atlanta, has heard much concern about the state of the Bill of Rights. Officers of that historically conservative organization have called for national leadership to make us understand again the importance of the freedoms that, as one put it, have "shaped the American character."

The Attorney General of the United States is in a unique position to provide that leadership. But instead, Dick Thornburgh treated constitutional rights with at best disregard, at worst demagogic politics.

For example, he carried on a determined campaign to destroy an important aspect of habeas corpus—the right of Federal courts, written into our law since the Civil War, to examine claims by state prisoners that their constitutional rights were violated.

When he was charged last year with trying to wipe out that function of the Federal courts, Mr. Thornburgh said the charge was "outlandish." But it was true then, and it is even more obviously true now. For last month the Senate approved an Administration bill that would have that effect.

The incoming president of the American Bar Association, Talbot D'Alemberte, said the Senate bill would "effectively eliminate habeas corpus Federal review." Writing in The Atlanta Journal and Constitution, Mr. D'Alemberte said the Thornburgh proposal, as passed by the Senate, "could dramatically alter he character of this country and make us all less free."

If there is any right that an Attorney General would surely be expected to support, it is the right to counsel. But a provision in the Thornburgh Senate bill says that court appointment of counsel for poor prisoners in habeas corpus cases, which is now mandatory, shall be discretionary. How small, how mean.

Now, Mr. Thornburgh is fighting a Federal judge's effort to prevent mob rule in Wichita, Kan., by the extremist anti-abortion group Operation Rescue.

The anti-abortion demonstrators have used force and threats to keep women from going to abortion clinics. Judge Patrick Kelly relied on an 1871 law that forbids conspiracies against the exercise of constitutional rights—in this instance the right of women to choose abortion—as the basis for enjoining further use of mob tactics.

The Supreme Court has agreed to consider next term the applicability of the 1871 law. The Justice Department will urge as a friend of the Court that it does not apply.

Attorney General Thornburgh said he intervened in the Wichita case just to make that argument. "We're not taking sides in this case," he said.

But there was no need to step into the tense Wichita situation in order to anticipate a Supreme Court argument. It was wholly gratuitous, and in the circumstances a shocking disregard of the Attorney General's duty to help Federal courts when they face defiance of the law.

Mr. Thornburgh said his intervention was merely in the interest of federalism, the proper balance of state and Federal power. That is a strange argument to come from him, after his failure to object to the most radical assault on federalism in years—the provision added to the Senate crime bill that turns all state crimes committed with guns into Federal crimes.

The real reason for Mr. Thornburgh's intervention in Kansas was evidently politics. And that is also the evident solution to the puzzle of Dick Thornburgh as Attorney General.

He was widely regarded as a moderate man, sensitive to human needs. But he is about to run for the Senate in Pennsylvania, and after that he would like to be President. And he thinks the way to win is to appeal to the extreme right.

Mr. Thornburgh was an assistant to Edward Levi, who as President Ford's Attorney General restored luster to that office after the Nixon years. Mr. Thornburgh had a similar opportunity after Edwin Meese. He chose another course.

COLUMBUS QUINCENTENARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. GUARINI. Mr. Speaker, as we approach the Columbus Quincentenary in this Nation and the world, it gives me a great deal of pleasure to welcome the mayor of Genoa, Romano Merlo, as he begins a brief visit to these United States.

Mayor Merlo is coming to Washington as a special guest for the 16th annual gala dinner of the National Italian American Foundation, scheduled for October 5 at the Washington Hilton. The NIAF dinner and the convention which begins tomorrow represents the unofficial kickoff for the Columbus Quincentenary.

Romano Merlo has been the mayor of Genoa for the past year after serving on three different occasions on the Genoa City Council. During one of his terms he held the office of city councilman for private building and the Genoa subway project and he is credited for the successful completion of the first portion of the local subway system in that beautiful city.

As the mayor of Genoa, Romano Merlo is the ex-official chairman of "Ente Columbo 92" the Government of Italy's official agency for the implementation and management of the highly anticipated International Specialized Exposition "Genoa 1992" which will be based on the theme of Christopher Columbus: The Ship and the Sea. I look forward to visiting that exposition which will include a beautiful multifaceted pavilion of the United States.

I have the pleasure of serving as the chairman of the National Italian American Foundation's Christopher Columbus Quincentenary Program and in that capacity look forward to co-chairing a special quincentenary conference on Friday together with Frank J. Donatelli, the chairman of the Christopher Columbus Quincentenary Jubilee Commission. We both look forward to meeting Mayor Merlo while he is here. As the mayor of the city where Christopher Columbus was born, it is appropriate that we spotlight Genoa, its past and its bright future.

Ralph Waldo Emerson once wrote "every ship that comes to America got its chart from Columbus." We celebrate this courageous navigator and explorer from Genoa and view his quincentenary as an opportunity to promote improved dialogs between nations and peoples. It is my pleasure to welcome Mayor Romano Merlo to the United States and know his presence will add a great deal to the kickoff of the Columbus Quincentenary.

PEOPLE ARE NOT FOR HITTING

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. JACOBS. Mr. Speaker, the following letter to Washington, DC Mayor Dixon from our fellow citizen, Adam Corman, is not only enormously sensible, but also enormously eloquent.

Mr. Corman has reflected the title of a volume published by the Menninger Clinic in Kansas, "People Are Not For Hitting."

The person who does violence to a child, teaches violence to a child.

DEAR MAYOR DIXON: Yesterday I read about your theory on paddling and think it is outrageous.

When my Dad was a kid, he had a friend who was very poor and came to school one day in tattered clothing. The principal got so angry that he whipped him with a hose 'till his pants fell off.

I respect the headmaster and my teachers at St. Patrick's. I would not respect them if they beat me or any of my friends.

I always thought that one of the great things about schools in this country was our new way of teaching without paddling. I know that 60% of the states in the United States allow paddling, but it is wrong. That was the 1920's way of controlling kids. Please do not take D.C. back to the 1920's!

Hopefully,

ADAM CORMAN,
Sixth Grade

TRIBUTE TO ST. JOHN'S LUTHERAN CHURCH OF PASSAIC, NJ, ON ITS 100TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ROE. Mr. Speaker, it is with great pride that I rise today to observe an historic event in my Eighth Congressional District of New Jersey. This year marks the 100th anniversary of the St. John's Lutheran Church of Passaic, NJ, a vital force in the spiritual and civic fabric of Passaic, NJ, and its surrounding area.

Mr. Speaker, the fine people whose lives have been touched and strengthened by St. John's will celebrate this outstanding institution's century of service to its community with a gala dinner dance at the St. Russian Orthodox Cultural Center on October 19, 1991. This celebration also recognizes the success of St. John's Church's designation as an historical landmark by both the State of New Jersey and the Federal Government.

I know that along with celebrating St. John's Lutheran Church's 100th anniversary, this event will also be a tribute to Pastor Ulrich Keemss for the quality of his leadership and richness of his wisdom in his constant quest for the communion of people in faith and civic pride which is the greatest asset of a free society and the very foundation of the strength and vitality of America's heritage.

As this historic anniversary approaches, for the benefit of my colleagues, I would like to cite this history of the St. John's Lutheran Church in the RECORD.

Pursuing their dream of a church community in the tradition and language of their homeland, the "German Evangelical Lutheran Saint John's Church of Passaic City" was founded on October 14, 1891, by a small group of local Lutherans: Carl Froehlich, Wilhelm Brotze, Albert Hess, Math Matcher, Johann Sack, and Franz Werner.

Though dependent on financial help from other churches in its early years, the church became self-supporting in 1897, the year the 80 foot-high cathedral-style edifice as built and dedicated by Pastor Rudolph Haessner in a special ceremony. This began on the church steps at 10 a.m., with the congregation formally proceeding through the "great doors" into the sanctuary.

The terra cotta columns, spires and trims, exterior and interior, and the interior wall tiles were made in Germany, as well as the altar and baptismal font, pulpit and wrought iron work on the outside of the church door. The magnificient stained glass windows, 25 feet high and 9 feet wide, were designated by the studio of George Boos, Munich, Germany. The three massive, beautifully toned bells in the belfry weight 5,328 pounds.

Services were initially conducted in German, and in 1925, English services were added. The congregation supported a German school for children of the members and the community. The church has been served by faithful ministers over the years: Rev. Haessner, 1892–1903; Rev. Phillip Maas, 1903–1909; Rev. Paul E.T. Lemke, 1909–1942; Rev. William Otto Bruckner, 1943–1975; Pastor Keemss from 1971 to the present.

The Frauen-Verein, or Ladies Aid, formed in 1893, continued to flourish, and in 1932 the Dorcas Society came into existence as an English-speaking group for the younger women. The latter, which evolved into the Dorcas-Martha Circle, was later joined by the Rachel Circle and, more recently, the Sarah Circle. During World War I and II, the women kept in touch with members of the armed forces. A Sewing Circle did much work for the Red Cross.

In 1897, the first young people's group was organized, connected with the choir, and in later years, youth activities increased. During the 1960's, the very active Luther League enjoyed camping trips, dances, conferences, and service projects. The young people also attended retreats, assisted the Sunday Church School and provided ushers at services.

Today the Sunday School, open to children of members and non-members, holds classes from nursery to eighth grade. Bible study classes are available for adults. Retreats are sponsored periodically at Camp Beisler, and the children are encouraged to sponsor World Hunger projects, such as holding spaghetti dinners. The youngsters are also involved in sending contributions to the Queen Louise Home for Children in St. Croix, Virgin Islands.

In 1981, its 90th year, St. John's Lutheran Church was proud to be designated an Historical Landmark by both New Jersey and the Federal Government. St. John's magnificent sanctuary has always been open to all, as it stands as a beacon on the triangle of Lexington, Sherman and Hamilton Avenues, in Passaic.

When Pastor Keemss came to St. John Church in 1971, he continued the youth work, Confirmation studies, German and English services, improvement of the community and visiting shut-ins. Programs were begun with the involvement of the Mental Health Clinic in Passaic and Clifton and the ongoing development of an exciting ecumenical and community spirit in the United Passaic Organization.

Mr. Speaker, I appreciate this opportunity to present this history of this distinguished church that has dedicated its purpose to helping others and guiding them in their pathway of life. As St. John's Church celebrates its 100th anniversary, I know that you and all our colleagues here in Congress will want to join me in extending our warmest greetings and felicitations for the service and spiritual guidance it has provided for its community, State, Nation and indeed for all mankind.

THE JAPANESE GOVERNMENT SHOULD APOLOGIZE TO THE UNITED STATES FOR THE BOMBING OF PEARL HARBOR

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. BURTON. Mr. Speaker, the following is a resolution adopted by the Board of the World War II National Commemorative Association, Inc., August 21, 1991. As the 50th anniversary of Pearl Harbor approaches it is important for all Americans to remember the ultimate sacrifice made by 2,403 Americans who lost their lives on this tragic day. This resolution expresses the views of most World War II veterans that the Japanese Government should apologize to the United States for this bombing. I believe it merits inclusion in the CONGRESSIONAL RECORD.

RESOLUTION

Whereas, December 7, 1991, will be the 50th anniversary of the surprise attack on Pearl Harbor by the Japanese Empire; and

Whereas, December 7, 1991, was referred to by President Roosevelt in his address to Congress as a "date that will live in infamy;" and

Whereas, that attack caused the deaths of 2,403 unsuspecting American military personnel and civilians; and

Whereas, that bombing brought the United States into World War II, resulting in 292,131 American battle deaths and 671,278 wounded. Now therefore, be it hereby resolved that the World War II National Commemorative Association, Inc., calls upon:

Section 1. The Japanese government to apologize unequivocally to the American people for its unwarranted bombing of Pearl Harbor, and the subsequent harsh treatment it gave American P.O.W.s who were captured on Bataan, Corregidor, and other places in the Pacific during the war.

Section 2. Once this apology has been made, United States and Japanese World War II veterans and military historians will be encouraged to meet jointly at reunions and history symposiums during the anniversary years, 1991–1995, to share stories and promote historical research associated with the Pacific War.

Section 3. That the United States and Japanese governments will be further encouraged to hold a public ceremony aboard the USS MISSOURI in Tokyo Harbor, September 2, 1995, the 50th anniversary of the Japanese surrender, to sign an appropriate document, concentrating on the mutual respect the two nations have gained for each other through joint activities during the 50th anniversary of World War II.

INTRODUCTION OF H.R. 3457

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. KOSTMAYER. Mr. Speaker, yesterday I introduced legislation, H.R. 3457, to designate approximately 31 miles of the Delaware River as part of the Nation's Wild and Scenic Rivers System.

Mr. Speaker, this is not a new proposal at all, in fact, I first introduced this bill to protect portions of the Delaware River flowing through Bucks County, PA on January 25, 1983, almost 9 years ago.

However, due to the now concluded controversy over the construction of a pumping station on the Delaware in the village of Point Pleasant, further progress on the bill was stalled.

When the controversy over the project ended with a court ruling ordering its construction, I began again to think my bill might pass, but there was still opposition albeit much less.

I began to work with those who had concerns about the implications of the bill. We resolved many, but not all of those issues and so on September 10, 1991 the U.S. House of Representatives approved H.R. 3764, designating portions of the Delaware River as wild and scenic, but it became impossible to get it through the Senate and to the President's desk by adjournment.

The bill I introduced yesterday is virtually identical to last year's version, because I believe, as I did 9 years ago, that the natural, cultural, and historic resources of the river merit its protection from any further development. Furthermore, the bill enjoys widespread support.

My bill, Mr. Speaker, is part of a larger effort to restrict development along the Delaware River and to preserve and protect the still undeveloped countryside and farmland of rapidly growing southeastern Pennsylvania. The bill would authorize the Park Service to acquire undeveloped parcels of land along the Delaware, at fair market value, especially the unprotected islands in the river itself.

This is my second attempt, Mr. Speaker. To protect the Delaware. In 1978 I authored legislation designating 114 miles of the upper Delaware as part of the Federal Wild and Scenic Rivers System. Congress adopted my proposal and, in fact, resisted efforts on the floor to delete 41 miles of river from wild and scenic river protection. Thus the bill not only gave the Delaware protection, but blocked construction of the Tocks Island Dam on the upper Delaware.

This legislation, Mr. Speaker, also authorizes a wild and scenic river study of the Delaware between Washington Crossing and the northern Trenton city limits, and for three tributaries flowing into the Delaware, Cook's Creek, Tinicum Creek, and Tohickon Creek. The bill also provides for a river conservation study from Trenton to the Philadelphia boundary.

I hope we do not debate another 9 years the merits of protecting the Delaware. It is free-flowing, it has outstandingly remarkable values, and provides unique recreational resources for millions of Americans. Further delay of Federal protection for this river would be a serious mistake. Let us move forward to "save the Delaware," and preserve the countryside through which it flows.

TRIBUTE TO FRANK KISZKA

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. CAMP. Mr. Speaker, is is with great pleasure that I rise today to recognize the induction of a fine individual into the State of Michigan Polka Music Hall of Fame. The contributions he has made to music in Michigan will not soon be forgotten.

Mr. Frank Kiszka was born in Flint, MI on September 11, 1928. Mr. Kiszka grew up in Flint and graduated from Flint Northern High School in 1946. Two years later he joined the Navy where he served as a fire control technician aboard the U.S.S. *Columbus* naval ship. He served until 1952 when he was honorably discharged.

On November 7, 1953, he married Lilian Zalesak. They lived in Flint for the next 24 years. During that time they had three children: one son, Kelly, and two daughters, Janelle and Carolyn. In 1979 they moved to Flushing, MI where they have lived ever since.

Mr. Kiszka's interest in music began at an early age. At the age of 10 his parents bought him an accordion and he began taking lessons. By age 12 he was performing at weddings. The first band he played in was the Eight Aces, which later changed its name to the Bedrick Smeage Band.

He left the band in order to join the Navy, but upon his discharge he returned to play with the band for the next 19 years. During that time they made recordings for the RCA Co. Next Mr. Kiszka formed his own band, the Czech Notes, which he played in for 9 years before retiring.

Mr. Kiszka truly dedicated his life to music and all the joys it can bring. Mr. Speaker, I know you will join me in congratulating and commending this outstanding individual for the service he provided to the people of Michigan.

MYTH OF HEARTLESSNESS, A POOR FIT FOR AMERICA

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. BEREUTER. Mr. Speaker, Americans are often told that we live in a country that lacks compassion. The following editorial from the September 26, 1991, edition of the Omaha World-Herald offers insight into this matter. I invite my colleagues' attention to this editorial entitled:

MYTH OF HEARTLESSNESS, A POOR FIT FOR AMERICA

Hang on tight, America. An election year is coming. A tired old election-year theme has been dusted off and readied for a 1992 replay.

It is the theme of America, the Heartless. Variations on the theme are already cropping up in the rhetoric of the emerging campaign against George Bush. The public is being told that this is a land of selfishness and moral indifference and that it is all the fault of the White House.

Sure, the country has people who have trouble making ends meet. People who are unemployed or have trouble getting adequate medical care. People who struggle with poverty and deprivation.

But that doesn't mean that America lacks compassion. Nor does it signify that America has tilted against the low- and middle-income groups.

The fact is that things are better for Americans in general than has been the case during much of the country's history. That includes people who can't make it on their own, on whom the government is spending much, much more than it has ever spent before.

Poverty figures declined during the 1980s. Family income increased, in part because of the creation of more than 16 million jobs during the decade. Government spending to combat poverty reaches new heights almost every year. By one measurement, the government spends an annual average of more than $11,000 per low-income household in welfare benefits, food stamps, public housing and Medicaid.

Private-sector giving rose during the 1980s, a decade that some people associated with greed. Americans not only shared their bounty with the poor, the sick and the underprivileged of this country but also contributed millions of dollars for starving Ethiopians, earthquake-stricken Armenians and homeless orphans of Latin America.

Poverty is still undeniably a problem. Some of the most intractable poverty is caused by something that the government can't control—the breakdown of the family. Single-parent families, often headed by females, are much more likely to fall below the poverty line than families with two parents. The more divorces and out-of-wedlock pregnancies, the greater the chance that another household will have trouble making it without help.

But even then, what passes for poverty in America bears little resemblance to poverty in most other parts of the world. Methods used for measuring poverty in the United States grossly overstate the situation, says Robert Rector, a policy analyst for the Heritage Foundation.

Rector analyzed government figures that he said support the conclusion that the average poor person in America has more living space, more to eat and a greater chance of owning a car than the average Western European. Not the average poor Western European. The average Western European.

Some people say the existence of "homelessness in a land of plenty" reflects a lack of compassion. How ironic. Compassion helped cause the problem. The ranks of the homeless grew after reformers in the 1970s persuaded the legislatures and courts to throw open the doors of the mental hospitals and drunk tanks without insisting on community-based alternatives.

As to the charge that widespread hunger exists in America, most such claims lose their credibility when the definition of "hunger" is examined. Some activists have defined "hunger" so broadly that it could apply to a middle-income family eating canned soup and peanut butter sandwiches the night before the breadwinner's payday.

Certainly the record of any president who wants to be re-elected should be looked at thoroughly. The loyal opposition in a two-party system has the responsibility as well as the opportunity to give the public a robust debate.

We hope it will be a robust debate and not another of those weepy campaigns in which one side tries to persuade the voters that the other side has led the nation down the path of heartlessness. Americans are too smart, and too compassionate, to go down that path.

IN TRIBUTE TO THE HONORABLE DONALD C. MACK

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. HORTON. Mr. Speaker, I rise today to pay tribute to an outstanding man and close personal friend, Supervisor Donald C. Mack of Penfield, NY on the occasion of his retirement from public office.

For over 20 years, Don Mack has served the residents of the Rochester and Monroe County area with dedication, loyalty, and an unfailing insight into the needs of the people. His public administration began as deputy budget director and then budget director for the county of Monroe. After a year as assistant to commissioner of physical services, Don ran for the office of supervisor of the town of Penfield. He has held this post since 1984.

During Don's tenure in Penfield, he has managed the business of the town by encouraging economic growth with new homes, stores, and corporate headquarters, while retaining the quality of life the residents desire.

As a community activist, Don has held positions of responsibility with the Finger Lakes chapter, Leukemia Society; director, Easter Seals; Penfield Lyons Club, Penfield Cystic Fibrosis Bike-A-Thon, and March of Dimes "Walk America." His environmental involvement includes Irondequoit Basin subcommittee, water quality management committee, Irondequoit Bay coordinating committee, the Nature Conservancy, National Wildlife Federation, National Audubon Society, Penfield Conservation Board, and Penfield parks and recreation advisory committee.

Don has served Penfield in an exemplary manner. He has given unsparingly of his time and effort to have the town retain its identity and character. I can personally attest to the achievement of this goal because my wife, Nancy, and I live in this wonderful town. Don's many accomplishments on behalf of the town of Penfield will be recognized on October 27 as his friends and associates and the Penfield Lions Club honor him with a retirement celebration and the inauguration of the Donald G. Mack Scholarship Fund.

On a personal note, Don and his wife Trudy have been married for 41 years; they have six children, six grandchildren, and one great-grandchild.

Richard M. Rosenbaum, New York State Republican National Committeeman and personal friend states:

> Don Mack is a true public servant in the very best sense of that phrase. Don entered politics 25 years ago in Penfield and he has been a super star ever since.
>
> As a Republican committeeman, then as a town Republican chairman and now as town supervisor, Don exemplifies the finest in the business.
>
> He has been overly generous in giving of himself for the betterment of the people of Penfield, and he will be sorely missed when he leaves his post at the end of this year.
>
> I am tremendously proud to call him my protege and my friend.

Don, your many friends and colleagues wish you the very best in the days ahead. Our prayers are with you, and I salute you and wish you well in the future. I have been privileged to work with you during these many years and value our association and friendship.

THE HIGH SKILLS, COMPETITIVE WORKFORCE ACT OF 1991

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. GEPHARDT. Mr. Speaker, today I am proud to join with my colleague RALPH REGULA in introducing the High Skills, Competitive Workforce Act of 1991.

The United States is part of a highly competitive world market that rewards high quality products and services that respond rapidly to a variety of sophisticated and shifting consumer tastes. The key to success in this global economy is the human mind: its ingenuity and ability to innovate.

The High Skills, Competitive Workforce Act of 1991 is designed to foster investment in the minds and the skills of our people in areas that are necessary to a successful world class economy. The bill begins to implement the major recommendations of the report of the Commission on the Skills of the American Workforce, comprised of an impressive array of leaders from business, labor, education, and government service.

I want to emphasize the title of the report: "America's Choice: High Skills or Low Wages." I stress this title, because I believe that it says it all. This is America's choice; there are no other alternatives and there is no avoiding the choice. Doing nothing to upgrade the level of skills both needed and provided in our economy will inevitably lead to our becoming a low wage society.

One of the most important lessons to be drawn from the Commission's report is that in the 1990's and beyond, if we are to be a high wage economy, we must be a high skill, high performance economy. Over the past 20 years our productivity growth has slowed to a crawl. The only reason our economy has grown in this period is that we have added many workers to the work force. Even with this work force growth, our lowered productivity growth has caused earnings to decline over this period.

Work force growth will slow dramatically in the 1990's. We will no longer be able to grow simply by adding new workers. In order to avoid further reductions in earnings, we must increase productivity. And, as a high-wage society, we cannot do this simply by investing in better machinery. Today, low wage economies can afford the same machinery and still sell their products more cheaply. So, we must invest in better minds and better skills—and combine these human resources with our high technology resources to create workplaces that emphasize quality, innovation, and speed.

American ingenuity and innovation helped make this country great. For decades our European neighbors considered ingenuity and innovation to be part of the American character. Yet we are now falling behind in the global economic competition.

The reasons for this are many and complex. But chief among them is a widespread failure over the past decade to foster and support the abilities of our people. The signs of this failure are clear: American children do poorly in academic tests, compared to their peers in other nations; the United States has no systematic school-to-work program, despite the facts that at least 20 percent of American youth do not finish high school and of those who do finish, about half do not go on to college; American employers invest far less in worker training than do their competitors in other nations, and have shown less commitment to high performance work organization.

The choice between high skills or low wages has a direct impact on the people of this country: lowered wages mean a lowered standard of living. It is important to understand the full implication of a lowered standard of living: not just fewer luxuries, or even less comfort, but diminished opportunities and dying dreams. To take just one example, our working families can barely afford to send their children to college now. If they earn even less, with college tuitions continuing to rise, how will they manage?

The American dream is not two cars in the garage and a yacht at the dock. For millions of hard working citizens, the American dream is to live a productive life, to develop to their full potential—and to provide for their children the opportunity to do even better. It is this dream that hangs in the balance of America's choice. Nothing can be more important than to protect this dream, to preserve this opportunity.

My constituents understand that this unique feature of American life is in danger of becoming obsolete. At virtually every town meeting in my district, at least one constituent asks me the following question:

Congressman, I earn 10 or 15 or 20 dollars an hour. I want to continue earning this money. I need to continue earning this money: I have children to put through college and aging parents I want to be able to help—as well as trying to provide for my own and my spouse's later years. But how can I compete with workers in Singapore or Mexico, who are willing to work for a dollar an hour?

The only answer is that my constituent will be able to continue earning ten times more than these low wage workers only if he works ten times better and ten times smarter. Now, that worker—all workers—have the right to turn to their government and ask: What are you doing to give us the tools we need to restore our productivity and revive the American dream?

We are obliged to respond with credible answers—answers that do not include a capital gains tax cut, a laissez-faire free trade policy, or squandering investment capital in pursuit of expensive and pointless mergers. But the answers can be found in proposals such as the one we are making this morning. The High Skills, Competitive Workforce Act of 1991 is the way to demonstrate that we are serious about effecting the transition to a high skill, high performance economy.

The bill is designed to promote a thoroughgoing, national commitment to high skills and high performance. It envisions a national system of skills training and certification, in academic subjects and a wide range of recognized occupations, enabling our young people either to pursue a college education or to enter a high performance workforce with a high skill job.

The system starts in the schools, where students will demonstrate their solid grounding in the basic skills of reading, writing, calculating, and reasoning, and their mastery of basic material in math, science, history, and language. It creates a solid bridge from school to work, with national certifiable skill standards in a wide range of occupations, and programs to ensure that high school students who choose not to go to college have those skills. It provides continuing support for workers throughout their careers, with coordinated high performance skill training.

The High Skills, Competitive Workforce Act of 1991 provides the starting point for a comprehensive and systematic national commitment to an economy fueled by highly skilled workers, workers who deliver high quality, innovative goods and services that are second to none in the world.

I look forward to working with my colleagues in the House, and with concerned leaders in business, labor, and education, to send to the President's desk a bill that will help to enable all Americans to be productive, earn a good living, and provide their children with a future full of hope and opportunity.

I am submitting for the review of my colleagues a section-by-section analysis of the bill.

SECTION-BY-SECTION ANALYSIS OF THE HIGH SKILLS, COMPETITIVE WORKFORCE ACT OF 1991

TITLE I. FINDINGS AND NATION POLICY

SEC. 101. Finds that the preservation of a high standard of living requires productivity growth; that productivity growth is most successfully fostered by high skill, high performance work organization; that high skills and high performance require increased and systematic investment in the abilities of our people.

SEC. 102. States that it shall be the policy of the United States to: encourage the development of a voluntary national system of educational and occupational standards of proficiency and certificates of mastery; promote extensive school-to-work transition programs; stimulate the creation of high performance work organization; significantly increase and upgrade continuing education and training for workers, especially for front-line workers and supervisors. Primary resonsibility for this transformation of the American workforce must lie with the private sector, with the active involvement of labor, educational institutions, State and local government, and community organizations. The Federal government should serve primarily as a catalyst, through the formulation of strategic goals, providing of incentives, relaxation of antitrust inhibitions, sponsorship of R&D, dessemination of information and expertise, and improved coordination and consolidation of existing Federal, State, and local employment and training systems.

TITLE II. STANDARDS OF EXCELLENCE IN EDUCATION AND TRAINING

SEC. Authorizes funds for the establishment of a National Board for Professional and Technical Standards. This Board, with the assistance of newly created advisory committees for major industries, trades, and occupations, will develop voluntary national occupational standards, competency assessments, and curricula leading to associate degrees and professional certificates in a wide range of occupations.

SEC. 203. Authorizes funds for the Office of Educational Research and Improvement to develop internationally competitive competency standards, assessment tools, and model curricula; and establish pilot projects to develop and demonstrate multi-State performance-based assessment and examination systems for appropriate age/grade levels.

SEC. 204. Requires the public release of independently audited program, cost, and outcome information on vocational educational institutions.

TITLE III. SCHOOL-TO-WORK TRANSITION

SEC. 301. Calls for the creation of a nationwide system of school-to-work transition programs to aid American youth in becoming productive members of a high skill, high quality, high performance workforce.

Subtitle A—Career Preparation

SEC. 311. (a) Career Preparation Demonstration Programs. Authorized funds to the Department of Labor to carry out a variety of Youth Skills Development demonstration programs. Students will be exposed to these programs in the 9th and 10th grades, voluntarily enroll in 11th grade, and then spend several years in a combined academic and mentored on-the-job training curriculum, designed to impact proficiency in specific occupational skills. These programs will be geographically dispersed, cover a wide range of skills that are not included in current apprenticeship programs, and provide participants with the maximum flexibility to shift among skill areas and back into more traditional academic programs. Students who satisfactorily complete these programs will be awarded certificates of mastery, and be assisted in seeking employment by the entity that has implemented the program.

(b) CAREER AWARENESS. Authorizes funds to the Department of Education to establish a Career Awareness Program which will use interactive videos and other advanced technologies to acquaint students in grades 7 through 12 with a wide variety of career options.

Subtitle B—Community Youth Employment Compacts

SEC. 321. Authorizes funds to the Secretary of Labor, to provide incentive grants to establish Community Youth Employment Compacts among schools, businesses, and community organizations. These Compacts shall provide youth attending high school or alternative education programs, but not in a Career Preparation Program, with part-time and summer jobs and aid them in obtaining full-time employment after completion of high school.

Subtitle C—Youth Opportunity Centers

SEC. 331. Authorizes funds to the Department of Labor for the creation of a 25% federal matching grant to enable each State to establish Youth Opportunity Centers for high school dropouts, to provide them with alternative paths to academic and skills training sufficient for entry into the workforce or enrollment in postsecondary educational institutions. The States' share of the matching funds will come from the funds that would have been otherwise available if students had remained in traditional secondary schools. Services provided will include: (1) Academic preparation leading to certification with which the student can enter the workforce or pursue postsecondary education; (2) personal, academic, and job counseling; (3) skills training, including on-the-job training; (4) access to a full range of social support services; (5) access to paid work experience; and (6) opportunities to participate in community service, athletics, and recreational activities.

TITLE IV. HIGH PERFORMANCE WORK ORGANIZATION

SEC. 401. States that the purpose of this Title is to stimulate the private sector to provide increased worker training and accelerate the shift of American industry and services to high performance work organizations that will enable the United States to excel in global competition.

SEC. 402. Authorizes funds to the Department of Labor to make grants to promote the development of high performance workplaces and increased employer-based training. The grants will be used to aid employers, labor unions, and consortia by: (1) Disseminating information on successful work organization and training models; and (2) providing technical assistance to aid in creating high performance work organization, and establishing high skills training programs.

TITLE V. HIGH SKILLS TRAINING CONSORTIA

SEC. 502. States that such a training consortium shall not be deemed illegal per se under the antitrust laws, but shall be judged on the basis of its reasonableness.

SEC. 503. States that any entity entitled to monetary relief from such a consortium after suit under the antitrust laws shall be limited to the extent of the actual damages.

SEC. 504. Discourages frivolous antitrust suits against such consortia by making attorneys' fees recoverable by the prevailing party to the suit.

SEC. 505. Requires each new consortium promptly to file a notification with the United States Attorney General and the Federal Trade Commission that provides public disclosure of the nature and objective of the consortium and the identity of its members.

SEC. 506. Authorizes funds to the Department of Labor to provide planning and start-up grants to the private sector to establish High Skills Training Consortia consisting of companies operating within the same industry or utilizing similar technologies. Consortia are encouraged to develop investment-sharing systems so that member firms will not suffer from undue loss when workers whose training they have financed leave their employ.

TITLE VI. STATE AND REGIONAL EMPLOYMENT AND TRAINING SYSTEMS

SEC. 601. Authorizes funds to the Department of Labor for start-up grants to States for the establishment of statewide systems for the coordinated administration of Federal, State, and local employment and training programs, including such programs as JTPA, vocational education and rehabilitation, and dropout prevention.

Mandates States receiving grant money to create Regional Employment and Training Boards to coordinate the delivery of all employment and training services in the regional labor market and to develop a strategic plan concerning the human resource needs in the region.

SEC. 602. Requires GAO to conduct a study of all Federal employment training programs and make recommendations by January 1, 1993 on ways to eliminate gaps and unnecessary duplication in services, and increase the overall effectiveness of such programs.

TITLE VII. PRIVATE SECTOR INVESTMENT IN WORKFORCE TRAINING

Subtitle A—High Skills Training

SEC. 712. Requires employers with 20 or more employees to collect and provide the Secretary of Labor with information concerning their education and training expenditures in 1993.

SEC. 713. Assesses every employer with 20 or more employees half of one percent of total annual payroll in 1994 and one percent in 1995 and thereafter, unless the employer has expended an average of at least one percent of total wages on training during the preceding three-year period.

Subtitle B—High Skills Training Trust Fund

SEC. 721. Establishes a High Skills Training Trust Fund for States to award grants to establish high skills training programs that facilitate the implementation of high performance work organizations.

SEC. 722. Provides for administration of the fund by the Secretary of Labor through the States.

SEC. 723. Requires that priority in award of grants from the fund be given to training for front-line workers, non-supervisory skilled, semi-skilled, or entry-level employees, and for lower and middle management supervisory personnel implementing high performance work organization. Services to be provided include: literacy and basic skills instruction, including instruction leading to a high school diploma or its equivalent; skills training consistent with relevant certification standards established in Sec. 202; skills training to upgrade and retrain employees as necessary to implement high performance work organization.

Provides for the creation of High Skills Training panels in States receiving funds, comprised of representatives of private employers, labor organizations, State and local governments, and educational institutions, to administer the State grant and loan program.

Subtitle C—Educational Assistance to Employers

SEC. 731. Fosters increased worker participation in educational programs by making permanent the exclusion in the Internal Revenue Code for employer-provided educational assistance to employees.

GAY SOLDIERS, GOOD SOLDIERS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. KOSTMAYER. Mr. Speaker, last month the New York Times, in a lead editorial, added its voice to those calling for an end to the ban on gay and lesbian citizens serving their country in uniform.

No such ban applies to homosexuals holding civilian jobs in the military, some of whom have far more access to military secrets than low-ranking uniformed personnel. So much for security consideration which Secretary Cheney himself dismisses as "a bit of an old chestnut".

At a recent hearing before the House Budget Committee the Secretary wisely refused even to defend the policy, telling our colleague from Massachusetts, Mr. FRANK, that he had inherited it. Mr. Speaker, it's time the policy was disinherited and abandoned for what it is, a callous Government policy that singles out some citizens as less worthy than others. It encourages peoples to hate one another.

Some contend that, because heterosexuals and homosexuals must live and work under close conditions, that military operations would somehow be disrupted.

While their commanding offices may not know who they are, large numbers of gay and lesbians already serve in uniform without any apparent problem.

If it works in secret, surely it can work in the open. In fact, dealing with it openly will only diminish the anger and hostility it provides in so many.

Just after the war in the gulf, one military commander, speaking of gay and lesbian soldiers said, "If we know, we have no choice but to discharge them or lock them up."

Does he include those who won the Bronze or Silver Stars, those who were willing to give their lives alongside their heterosexual colleagues?

Public opinion polls show 6 out of 10 Americans favor ending a ban that should never have been imposed to begin with.

When the Pentagon brings this cruel and hateful barrier down, one more step toward full equality for all citizens, regardless of sexual orientation, will have been taken.

Surely one day, Mr. Speaker, we will look back and ask, "How could we have done this to people."

The Times editorial follows:

[From the New York Times, September 1, 1991]

GAY SOLDIERS, GOOD SOLDIERS

Do homosexual personnel, male and female, threaten the effectiveness of the armed forces? Or is it shortsighted prejudice for the military services to ban homosexuals and to discharge those discovered in its ranks?

That long-festering issue has emerged with new force in recent weeks, requiring Defense Secretary Cheney to explain anew to Congress and the public just why homosexuals are deemed "incompatible with military service."

Mr. Cheney showed little appetite for the task, with good reason. The ban deprives the armed forces of talent and the discharges damage thousands of careers and lives. All for a policy with not a shred of hard evidence to support it.

Much of the opposition to homosexuals reflects a deep-seated fear that gay personnel would make sexual advances on their heterosexual comrades, provoking fights or starting affairs that would destroy discipline. But that wrongly brands all homosexuals as sexual aggressors. The same specter of unrestrained sexuality was raised when women were first admitted to military service. Yet women have been successfully accommodated, and they performed valiantly in the Persian Gulf war.

The Defense Department is actually two-faced on the subject of homosexuality. Homosexuals are allowed to serve in civilian jobs, even at the highest and most sensitive levels, under civil service rules that outlaw sexual orientation as a criterion for employment. That is why Secretary Cheney has no trouble retaining a trusted aide who was identified as homosexual by a gay magazine.

But the department bans homosexuals from military service and has discharged more than 13,000 people as homosexuals since 1982. Many, sad to say, have been outstanding. Some have won bronze or silver stars. One was a naval cadet near the top of his class at Annapolis. Underscoring the absurdity of the policy, the commander of the surface fleet in the Atlantic last year urged, in a message to his subordinates, that investigations of lesbians not be "pursued halfheartedly" just because lesbians are generally "hard-working, career-oriented, willing to put in long hours on the job and among the command's top performers."

The official justification for the ban is a single sweeping paragraph in the Defense Department's administrative discharge directive. It asserts, with dubious accuracy, that the presence of homosexuals "seriously impairs the accomplishment of the military mission" in seven areas, including morale and recruitment.

The Pentagon may be retreating from one claim—that homosexuals are a security risk, peculiarly subject to blackmail. Unpublished studies for the military in 1957 and 1988 concluded that homosexuals were a negligible security risk, and Secretary Cheney dismissed the allegation as "a bit of an old chestnut."

Other assertions that the presence of homosexuals makes it difficult to maintain morale and insure the integrity of the command system sound like worst-case projections based on outdated stereotypes. Polls show that most Americans think homosexuals should be allowed in the military.

The most emotional reason for excluding homosexuals is that service members, in contrast to civilians in the Defense Department, "frequently must live and work under close conditions affording minimal privacy." Perhaps some heterosexual servicemen fear they would be propositioned in the showers. But that possibility could be managed with regulations proscribing sexual harassment. And what consenting adults do on their own time is their business, not the military's.

The military and its civilian overseers need to reexamine the case; there's no evident justification for discrimination on the basis of sexual orientation.

BIGGER BANKS—BIGGER RISKS

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. DUNCAN. Mr. Speaker, During consideration of banking reform legislation before the House Banking Committee I expressed concerns about the "too big to fail" policy.

It is not that I am opposed to bigger profits and international competition for our banking industry, but I am opposed to exposing the American taxpayer to huge risks should these bigger banks fail.

The taxpayers are already shouldering a multibillion-dollar savings and loan bailout, and now we find the bank insurance fund in a precarious condition. I just do not believe that bigger means better for our banking industry or the American taxpayer.

Following are my comments before the House Banking Committee concerning this issue as well as an engaging and timely column by nationally syndicated economics columnist Warren Brookes, which appeared in yesterday's The Washington Times.

REMARKS OF REPRESENTATIVE JOHN J. DUNCAN, JR.

The first morning after I was placed on the House Banking Committee, the Republican members were invited to have breakfast at the Treasury Department with Secretary Brady.

Mr. Brady is a very nice man, with whom I agree on many things. However, that morning, he voiced his concern that the United States no longer had any bank in the top 25 in the world.

He said that what we needed in this Country were fewer and bigger banks.

Of course, that is a regulator's dream. Many government officials like it when they have fewer entities to supervise, because it is less of a headache. And they feel more important when dealing with larger institutions and bigger money.

But I left the Treasury Department that morning feeling that we were headed in the wrong direction.

The day after the Bank of New England collapsed, I said in a speech on the House Floor that what we really need was more small, conservatively run institutions.

After all, it is just plain common sense that if a small bank fails, it is not the major catastrophe for the taxpayers and the economy that the failure of a Bank of New England is.

Yet, within the federal bureaucracy, common sense is not given much credence.

Old fashioned virtues like thrift and conservatism do not seem to impress federal regulators either.

Actually, what we needed to do is to ease some of the governmental barriers to entry into the banking business.

We need to allow and even encourage more people and especially more free enterprise into the industry.

However, the House Banking Committee has now passed a "banking reform" law that goes in the opposite direction.

Already, the cover of the Congressional Quarterly, the very objective weekly magazine that covers the Congress, has declared the bill as "Big Banks Victory."

The July 8 issue of U.S. News and World Report has a headline saying "Banks Get the Urge to Merge," reporting on two proposed mergers between four of our largest banks.

So the big will get bigger, and maybe this is inevitable, but it is a trend that should not be aided, abetted, and even encouraged or required by our own federal government.

And many small businessmen, farmers, average consumers, and middle and lower income people will find it increasingly more difficult to get loans or possibly even the time of day at these banks.

After all, the mega-banks do not want the business of the "little man," although that is a term I do not really like to use. They are a nuisance to the larger financial institutions.

And most rural areas and small and even medium-sized communities will find it increasingly difficult to get loans or charitable contributions for worthwhile local projects from banks whose home offices and real power are long distances away.

I opposed the Banking Committee Bill primarily because it will help the big to get bigger and make policies like "too big to fail" more common.

However, there are other reasons to oppose this bill as well.

At one of our hearings, I asked a banker from Wisconsin what one single thing Congress could do to make our nation's banks stronger.

He replied, "Decrease the regulatory paperwork," or words to that effect.

Other bankers testified along similar lines and reported having to put more employees and spend more money to keep up with all the new rules, regulations, and red tape.

Well, they had better get ready. The bill passed by the Banking Committee will increase the number of laws and rules the banks have to follow. It will increase their paperwork and associated costs.

Once again, the big banks, with their larger staffs, will find it easier to comply. Some small institutions, in good shape now, will drown in a sea of paperwork and will become marginal and have to merge.

The bill will increase the power of regulators. At another of our hearings, a banker from Ohio made a comment about overzealous regulators and how there is some risk even in good loans.

He told in his testimony how bankers used to be able to consider intangibles like character and reputation and consider future earnings prospects, say in making a loan to a new young doctor, for example. But he said these things did not satisfy today's young bank examiners.

During the months this bill was under consideration by our Committee, there were two front page articles in the Wall Street Journal about the "credit crunch."

President Bush was concerned enough about it to speak out in his State of the Union speech and say that now was the time for banks to be making loans.

That was late January, and yet our recession continued with bankers all over the nation complaining privately about the power and authority and unreasonableness of "25-year-old" banking examiners.

Now all the experts say we are coming out of the recession. Many small businessmen wonder if this is true. Home sales dropped more than 3 percent in May when all the "experts" were predicting we would have an increase of about that amount.

I hope our economy is recovering and that time are getting better. But I do not believe we will be able to have a long-term, sustained recovery with our national debt and deficits so unbelievably high and when we are passing banking reform that increases the power of the federal government over our banks.

Finally, going along with the "bigger is better" theory, the bill will limit the authority of the States to control interstate branching within their own borders.

The goal is to get a national banking system and not a locally controlled, decentralized one. Thus, the bill increases the power of the federal government over banking at the expense of the States.

Our Founding Fathers envisioned a system in which the States had more power than did the central or national government.

In modern times, we have seen the wisdom of their views. Not only is a government that is closer to the people more democratic, but there has been much less waste, fraud, and inefficiency at the state level than at the federal level.

Despite the fact that federal employees are almost always paid much more than state employees, the States have done a better job at governing and of spending the people's money than has the federal govenment.

In the same way, I believe in our "two tiered" banking system and believe we should leave as much of the regulation and supervision up to the states as possible. This bill goes in the opposite direction.

I know many members of the Banking Committee have worked long and hard on this bill. They are very sincere and dedicated, and I hope they are right. But, in the long run, I do not believe this bill will strengthen or improve the banking system in this Country.

Thus, I must oppose this bill and urge my colleagues to do likewise.

[From the Washington Times, Oct. 1, 1991]

DOES BIGGER MEAN BETTER FOR BANKS?

(By Warren Brookes)

Last week's announcement of the potential merger between Bank of Boston and the Shawmut Bank of Boston, the region's two largest banks, continues a trend being promoted both by bank regulators and the administration as a "solution" to the nation's ongoing banking crisis. That "solution" is implicit in the administration's efforts at banking reform that put great emphasis on interstate banking as a way of promoting "megabank" consolidation and size.

So far, at least, the financial markets and the U.S. regulatory apparatus from the Treasury to the Federal Reserve have approved these banking nuptials, apparently accepting the Treasury's premise that one reason for the weakness of our current banking system is too much fragmentation, not enough banks big enough to compete in the global market. With some 12,500 separate banking companies, the largest number of any nation in the world, there would appear to be a logic to that premise.

We are routinely reminded that even after these "megabank" mergers, none of these new "megabanks" even gets into the top 20 in the world, a field dominated by Japanese and European banks.

Fortunately, House Banking Chairman Henry Gonzalez is not buying this premise, and for good reasons. In the first place, as one Treasury official pointed out on background recently, "the loss of U.S. global bank ranking is mainly a function of the decline in the value of the dollar since 1985 which automatically depressed the asset positions of U.S. banks vis-a-vis foreign banks, even with no real change in competitive strength."

Beyond that, he notes, "When you look at the data, you discover that relatively speaking the really profitable and well-capitalized banks in the U.S. tend to be the medium to smaller-sized units, while the biggest capital and asset problems seem to be concentrated among some of the largest banks."

Those observations are well documented in the spring issue of the Minneapolis Federal Reserve Bank's Review, where senior research officer John Boyd and economist Stanley Graham "take exception to this widely held positive view of [bank] consolidation. After examining the available evidence, we do not think consolidation will deliver any of the benefits its proponents expect from it." Indeed, they argue, the current wave of consolidation is not the result of market forces, but in primarily the result of what they regard as "incentives created by government [regulatory] policy. In fact our investigation raises serious questions about the wisdom of certain bank regulatory practice."

Since 1984, we have lost 2,200 banks, a decline of 15 percent, mainly through merger and consolidation, in spite of a continued 1.6 percent annual rise in new bank charters that defies the theory that banking as an industry is dying out.

At the same time, the domestic share of all bank assets held by the 100 largest banking organizations rose from 50 percent in 1977 to 65 percent in 1990, and the asset share of those banks with $5 billion or more in assets shot up from 30 percent to 59 percent in the hands of less than 1 percent of banks.

While market analysts have attributed this growing concentration of assets to economies of scale in a macroscale economy, the Minneapolis Fed researchers argue that if that were so, it should be reflected in lower costs, higher efficiencies, and therefore better profitability for the biggest banks. Instead, their analysis of profitability trends shows exactly the opposite. Between 1971 and 1987, among bank holding companies with assets of more than $1 billion the highest profitability was found in the smaller and medium-sized banks. For example, on bank holding companies from $1 billion to $2.5 billion, net income as a percent of total assets averaged 1.5 percent. For those with more than $10 billion, it averaged only 0.5 percent, one-third as much. As for return on equity, the smallest of these banks averaged 13.5 percent, the largest 11.5 percent.

Most important, the ratio of equity capital to loan assets, the best measure of safety and soundness the banks with $1 billion to $2.5 billion were comfortably above 6.6 percent, while the largest banks were at a troublesome level of only 4.4 percent.

The Minneapolis Fed economists looked at the trends of all banks from 1972 through 1990, and this broad analysis also favored the smaller and medium-sized banks, which steadily strengthened their capital position in this period with only modest declines in profit, while those at the top steadily weakened their own safety and soundness. (See Table.) This suggests to the Fed economists that "economies of scale are captured at a modest size, and that once this size is reached, further increases do not improve profitability. In fact, there is some evidence that very large banking firms are less profitable than middle-sized ones. Thus, the evidence does not support the popular belief that a quest for economies is behind the banking industry's consolidation."

Indeed, the whole nature of the global information revolution is to reduce the economies of scale, increase the economies of microscale, and to make it possible for ever-smaller and more decentralized banking units to access the largest information networks and enjoy both their efficiencies and their service-outreach potential.

The question is, what is driving this consolidation, if not market forces? The Fed economists say government regulatory policies are. In particular, the "too big to fail" doctrine tends to drive large depositors (of more than $100,000) into the largest institutions where they get, in effect, 100 percent protection. The Bank of New England's deposits were soaring even as they plunged off the cliff—a plunge well-known in the market.

The other regulatory force is the natural tendency of the regulators to keep insolvent banks going by merging them with solvent ones, suggesting to the banking industry that when in trouble, merge, when on the edge, consolidate.

Whatever, the economists argue, "we see scant evidence that further banking consolidation will benefit either the U.S. banking industry or the U.S. economy."

BIGGER IS NOT SAFER

	Percent—	
	1972–75	1988–90
Return on assets:		
Under $25 million	0.92	0.86
$25 million to $100 million	.86	.72
$100 million to $1 billion	.75	.82
More than $1 billion	.72	.54
Equity-asset ratio:		
Under $25 million	7.8	9.0
$25 million to $100 million	7.0	8.9
$100 million to $1 billion	6.5	7.5
More than $1 billion	6.0	5.6

Source: Federal Deposit Insurance Corp.

A SMALL BUSINESSMAN WRITES ON HEALTH INSURANCE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. STARK. Mr. Speaker, in the category of I-wish-I-could-say-it-as-well, I received a letter yesterday from an Atlanta businessman who explains—in better terms that I can—why we need a complete overhaul of the Nation's health care system. His letter to Secretary Sullivan is a classic.

The health care problem has become a crisis not just for the poor, but for the American middle class and the administration's non-policy of endless study is a cruel joke.

HAMPTON ASSOCIATES, INC.,
Atlanta, GA, September 26, 1991.

Hon. LOUIS W. SULLIVAN,
Secretary, Department of Health and Human Services, Washington, DC.

DEAR DR. SULLIVAN: I read an article in yesterday's *Atlanta Constitution* in which you are quoted as saying, "The best avenue to improve health-care financing and access is through our current system of public-private health care * * *". I glanced up at the accompanying photo to see if you might have had a sly grin on your face, or were winking one eye, but, no, you actually looked serious. Surely, I thought, a man with Dr. Sullivan's obvious intellectual gifts and breadth of personal contacts could not still believe that our health care delivery system simply needs fine tuning or a "summit" to seek ways to reduce paperwork. But, I guess you still do, or you wouldn't make such statements.

Dr. Sullivan, I have worked in, for, around or with government agencies much of my adult life, and have owned my own small company for the past twelve years. When I started, I provided my employees full family coverage, including life insurance, with no deductible. Beginning in 1984, I started whittling away, as the costs increased. First the deductible increased, then we fooled around with eligibility waiting periods. Next we dropped family coverage and raised the deductible even more. Then we dropped disability. During the past three years we went to a PRO and now to an HMO. And we also shopped companies and changed four times, leading to gaps in coverage for some of our folks.

During this period, the health/life portion of our benefit package has increased from less than 4% of the average wage to 11.6%. And, those with families are paying another 12% to 18% out of their own pockets. So, we are paying nearly three times as much to provide our employees with a drastically reduced program of health care, and they are paying at least as much more to cover their children. It is a national scandal when many of our employees' health care coverage consumes a quarter of their salary and benefits.

If that were not enough, I have a professional staff person who spends at least 50% of her time correcting billing errors, advocating for employees whose claims have been improperly denied, and trying desperately to find program nuances that we can utilize to keep our costs at a minimum. All of this for a company with only 33 employees, doing business with a very large, well-advertised insurance carrier with nearly 100-year roots.

Mr. Secretary, the health delivery system in this country is a global disgrace. Our infant mortality rate is nothing short of tragic, the health of the poor is terrible, and the cost of any health-related service is so expensive that it is a favorite topic for comedians, and can easily outdistance the cost of a home, if sophisticated treatment or long-term care is required.

At a recent college reunion, I was discussing personal finances and the like with a number of my classmates and learned that American doctors own the lion's share of Gulf coast and Caribbean condominiums and are, not surprisingly, the largest single group of high volume personal investors in the world. On my return trip, I saw an article which related an IRS indictment against an internist in a Southern city alleging that he had underreported his income for a single recent year by over $250,000. He had actually reported nearly that much, so his gross was nearly a half-million dollars. I'm told that's pretty common. I was also told last month, by a hospital administrator here in Atlanta, that there are more MRIs on "Pill Hill" (your Atlanta memory will identify that as our northside collection of hospitals) than in all of Canada. Small wonder our costs are so high!

My heart is heavy over all of this, Dr. Sullivan. I am a physician's son and a lifelong active Republican, but I am also a father, an employer, a taxpayer, and a person who cares deeply about the condition of those who are imprisoned in our inner cities and in the rural areas which are being bypassed by opportunity. They, and their children, need quality care as much as you and I. They aren't getting it, and won't get it, under our present system. And those of us who do have some modest means can certainly not afford health care coverage which escalates in cost more than 20% every year.

The insurance companies need to go back to insuring lives and property. The hospitals need to worry far less about competing with each other and accumulating a full range of expensive technology, and learn to share and coordinate. The doctors need to become more Hippocratic and less entrepreneurial. And, last but not least, patients need to sacrifice their independent choice (which most do not know how to intelligently employ) for more uniform and accessible care.

I am sorry that my complaints are not followed by suggestions for a simple solution. Actually, the solution *is* fairly simple, if one could disregard ingrained professional traditions, excessive profits and, yes, greed. That takes leadership, Dr. Sullivan, and I pray that you and President Bush will provide it for us—all of us, not just the insurance companies, the doctors and the hospitals.

Respectfully,

C. LEE CREAN,
President.

CONGRATULATIONS TO THE PEOPLE OF THE TOWN OF BROOKLINE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. FRANK of Massachusetts. Mr. Speaker, the town meeting of the town of Brookline is one of the liveliest representative bodies in the country. Elections to this assembly are usually very contested and issues are debated quite seriously at the town meeting.

At the annual town meeting in June, the members voted a resolution which seems to me an extremely wise one. I congratulate the people of the town of Brookline on their commitment and perception—Members of the House will note Mr. Speaker, that this resolution was passed even before the total collapse of the Soviet Union in August, an event which gives even greater logic to its reasoning.

I am especially pleased Mr. Speaker because the sentiments voiced in this resolution are sentiments that I share completely and I welcome this initiative from this well informed group of responsible citizens as we prepare for the national debate we will have early in 1992 about the priorities of Federal spending. I believe an increasing number of Americans recognize that, having achieved victory in the cold war, Americans now have the right to bring tens of billions of dollars home that we have been spending overseas in Europe and East Asia, and that we also no longer need to go forward with such unnecessary and expensive weapon systems as the B–2 bomber. I am pleased to be working in the directions that the people of Brookline have outlined here.

TOWN OF BROOKLINE,
Massachusetts, July 23, 1991.

Congressman BARNEY FRANK,
437 Cherry Street
W. Newton, MA.

DEAR CONGRESSMAN FRANK: At the Brookline Annual Town Meeting in June, it was noted that spending for cities and towns, education, environment, health care and other human services has gone down sharply over the last decade to support dramatically increased military spending. Town Meeting Members expressed the view that with the breakup of the Warsaw Pact and the conclusion of the Persian Gulf War, it is time to reverse our spending priorities. Accordingly, the Meeting adopted the following Resolution:

Whereas the Town of Brookline has been forced to cut vital services, programs and employees because of decreased federal spending for cities and towns over the last decade; and

Whereas during this period, federal spending for community development block grants was sharply cut, federal revenue sharing was eliminated, while the military budget has increased dramatically; and

Whereas the $800 million expenditure for one B–1 bomber would cover most of the Massachusets state budget deficit for 1991; and

Whereas the Persian Gulf war has now been concluded;

Now therefore be it hereby resolved that the Town Meeting directs the Moderator on behalf of the Town Meeting to call upon our Congressional delegation, the Congress, and the President of the United States to redirect Federal spending away from an emphasis on military spending and towards programs in such areas as the environment, energy conservation, public transportation, education, health care, housing and child care to meet the needs of the residents of Brookline and other communities throughout the Nation, and

Be it further resolved that the Moderator send this resolution to newspapers of general circulation in this Town to be published and forwarded to our Congressional delegation and to the President.

I would greatly appreciate a response to this communication which I can convey to the Brookline Town Meeting Members.

Sincerely,

JUSTIN L. WYNER,
Town Moderator.

CONGRESSIONAL BIOMEDICAL RESEARCH CAUCUS ADDRESS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. GEKAS. Mr. Speaker, I would like to share with my colleagues some remarks made by Dr. Michael Brown, of the University of Texas, a Nobel laureate who recently spoke about his research on heart disease, at a briefing of the Congressional Biomedical Research Caucus. I believe that you will find this material informational and enlightening.

REMARKS BY DR. MICHAEL BROWN

I come before you today as witness to a revolution in biology that is energizing the second half of the century in the same way that the physics revolution energized the first half. The physics revolution led by Einstein gave us new understanding of space and time and the nature of the atom. This led to atomic energy, electronics, high speed communications and all the other wonders that have enriched our lives, but it also led to the creation of the atom bomb, the greatest threat that mankind ever faced.

The biology revolution has an equal potential. This revolution is much more recent. It began at the midpoint of the century with the discovery that DNA is the carrier of all hereditary material in nature. Since then it has accelerated progressively at a dizzying pace. The rate of discovery in biology is now much more rapid than has ever occurred in any scientific field at any time in history.

This biology revolution began when we learned that genes are merely chemicals composed of DNA. Like any chemical, the genes can be isolated and U.S.C. studied and tested. We learned how to alter genes and how to insert new genes into any living organism, including humans. We have learned to read the genetic code and thereby to decipher the instructions that dictate the production of the human body. We have also learned that everybody's genes are different. Each of us has about 100,000 genes, and all of us inherit small differences in many of our genes that account for our individuality. In fact, if all of our genes were identical, we would all be as similar as a pair of identical twins. The fact that we are not so similar is because our genes are different. This genetic individuality means that each of us responds differently to every environmental challenge including those that cause disease.

Nearly all diseases are caused by environmental factors that exploit differences in individual susceptibility to cause illness in some individuals but not in others. As a geneticist, I believe that there are no purely environmental diseases. Every disease has an environmental and a genetic component. Take sunburn, for example. Most of you think sunburn is caused by the sun, but this is only part of the story. Actually sunburn is a genetic disease. People with dark skin have a natural suntan lotion with a protective factor of 4. If a dark skinned person and a light skinned person both spend 15 minutes on the beach on a sunny day, the fair skinned person will burn and the dark skinned person will not. Skin color is genetically determined. Sunburn is a genetic disease.

But what does all this have to do with heart disease? Everything. Heart disease is like sunburn. Instead of the sun, heart disease is produced by environmental factors like high fat diets that raise blood cholesterol; high salt diets that raise blood pressure; and cigarette smoking. But all of us don't develop heart disease even when faced with these challenges. What genetic factors determine which of us will succumb? In the case of sunburn, it is easy to tell whether a person is genetically susceptible. Just look at the shade of their skin. But with heart disease we don't have such a simple test. Susceptibility is determined by chemical differences that we can't see with the naked eye. One of these differences lies in the level of cholesterol in the blood stream. People with low cholesterol levels are resistant to heart attack just as dark skinned people are resistant to sunburn. But what controls the level of cholesterol in the blood and why do so many Americans have such high levels of blood cholesterol that they develop heart attacks? That is where my own work enters the picture.

Arteriosclerosis, or hardening of the arteries, begins in the teenage years and progresses slowly throughout life. It starts with deposits of cholesterol in the blood. In fact, cholesterol is essential for life. Cholesterol is an oily substance that is part of every cell. It is used by cells to help form the outer membrane surrounding the cell. And in order to deliver cholesterol to cells so that it can be used to make the cell's membrane, the body transports cholesterol through the blood stream. The cholesterol is so oily that it won't dissolve in the water of the blood, so it has to be attached to a protein. The complex of cholesterol and protein is called a lipoprotein. The most abundant lipoprotein in the blood is called low density lipoprotein, or LDL. Another cholesterol carrying lipoprotein is high density lipoprotein or HDL. The cholesterol bound to LDL is known as "bad" cholesterol. This is because LDL has a tendency to stick to the walls of arteries and to deposit its cholesterol. When the level of LDL is high in blood the deposits form rapidly and arteriosclerosis occurs quickly. Cholesterol bound to HDL is called "good" cholesterol. HDL does not stick to arteries. In fact it may play some role in removing cholesterol from artery walls.

Epidemiologists tell us that two thirds of all Americans have levels of LDL in the blood that are high enough to produce arteriosclerosis. Why is this the case? How does the body normally control the level of LDL and why is it so high in so many people? Some of the answers came from studying a genetic disease called familial hypercholesterolemia. We abbreviate it FH. Hypercholesterolemia literally means "high choloesterol in the blood." Patients with familial hypercholesterolemia have a mutation in a single gene that is passed down from one generation to the next. An individual that inherits this mutant gene has from the time of birth a blood cholesterol level that is elevated from 2 to 10 times above normal, and they have heart attacks from as early as 2 years of age. In 1974 my colleague, Joe Goldstein and I, unraveled the genetic defect in familial hppercholesterolemia in our laboratory at the University of Texas Health Science Center at Dallas. In the course of this work we also discovered the normal mechanism that controls the blood cholesterol.

The key molecule of this story is called the LDL receptor. The LDL receptor is a protein that sits on the surfaces of cells. Its job is to remove LDL from the blood. When LDL approaches a cell that has an LDL receptor, the receptor reaches out and catches the LDL particle. It is something like a first baseman reaching out and grabbing a ball thrown by a shortstop. When that happens, the LDL particle is actually pulled into the cell and is delivered to the digestive system of the cell where the LDL is completely broken down and the cholesterol is released from the protein so that it can be used by the cell to make the membrane that surrounds the cell. All of us have LDL particles circulating in our blood stream. When cells are hungry for cholesterol, especially cells that are growing and have to make new membrane, they make a lot of receptors and they take up a lot of LDL from the blood stream. But if for some reason a cell begins to accumulate too much cholesterol within its interior, it activates feedback mechanism. When cholesterol builds up too high within our cells, the cells reduce their production of LDL receptors, more LDL stays in the blood stream, and the blood cholesterol rises.

Our understanding of the role of the LDL receptors came from studying patients with familial hypercholesterolemia. These people, who number one out of every 500 people in the country, have a mutation in the gene for the LDL receptor. Most of these individuals inherit only one mutant gene for the LDL receptor, and one normal gene. Remember all of us have two genes for almost everything. We inherit one copy of an LDL gene receptor from our mothers and one copy from our fathers. People who inherit mutant LDL receptor genes have an elevated cholesterol level in the blood from the time of birth. You can take blood from the placenta at the time of birth and show that at the instant of birth, a newborn baby with this defect has a cholesterol level that is twofold above normal before it has even looked at an egg. This is an inborn error of metabolism. This is almost a pure genetic disease. People who inherit this mutant gene cannot produce normal numbers of LDL receptors. Those who have only one copy of the normal gene and one copy of the gene produce only half the normal amount of LDL receptors and as a result the LDL particle builds up in their blood stream. They don't have to eat cholesterol in order for this to happen. Their bodies produce enough cholesterol to elevate the LDL level when receptors are genetically defective.

Recall that one out of every 500 people in the United States has this defect. The original research was conducted at the level of basic science. Nevertheless, it has led to therapy. Most FH patients have only one defective LDL receptor gene. The other copy of the gene is normal. It turns out that you can compensate for the mutant gene simply by stimulating the normal gene to become twice as active. The normal gene can produce enough receptors to keep the blood cholesterol normal. Drugs have been developed that stimulate the normal gene to produce more receptors. Physicians can not control the cholesterol level in almost all patients with familial hypercholesterolemia.

Now what about everybody else? After all, only one out of 500 people has a mutation in the LDL receptor gene. What about the other 499? Why do two thirds of these people have LDL levels that are too high for optimum health? Why don't their LDL receptors remove LDL from their blood. The answer lies in a process called feedback regulation. When an individual ingests diets that are high in cholesterol and saturated animal fat, cholesterol enters the body cells and discourages the production of LDL receptors. Through this mechanism a high cholesterol, high fat diet, raises the level of LDL in the blood. But the cholesterol level does not go up in everyone that eats a high cholesterol diet. Everybody can recall some family member who ate three or four eggs a day and lived to the ripe old age of 97. That is certainly true, and that is where genetic differences come in. Some of us have receptors that are very sensitive to cholesterol in the diet. When we even look at an egg our receptors go into hiding. Other people are able to tolerate large amounts of cholesterol without developing a problem.

The goal of our research and that of many others is to try to understand what is the reason for this genetic difference in sensitivity to cholesterol. The revolution in biology, has given us the tools with which to obtain answers to these questions. We have learned a lot about what turns genes on and off and what makes them become more active under one condition and less active under other conditions. We are now at the threshold of being able to understand why it is that so many of us respond differently to different environments. Cholesterol is just one example. I think you will hear later on this afternoon about other examples of diseases that are affected by environmental factors. Whenever you hear about disease remember that the environmental factor always play upon the genes like a pianist playing upon a keyboard, and it is only those people whose genes make them susceptible that get the disease.

Finally, I want to say a word about how this all came about—the revolution in biology that allowed a new understanding of the fundamental processes of life as well as the applied problem of cholesterol and heart attack. This progress resulted from legislation passed by this House; it was the development of the National Institutes of Health and the funding policy that provided constant growth for science that allowed all this to happen. Ninety percent of what I told you about was discovered in the United States of America. Ninety percent of the progress that's been made in this field has been made in American scientific labs. Why? Money has a lot to do with it. How does money do it? Money is important because growth is important in science; it is only by growth that one can allow younger scientists to get into the system. When budgets become constricted, the people who suffer are the people that are just finishing their training, ready to go out and look for a faculty job. Those faculty jobs disappear when support by the NIH disappears. Young people can't go off on their own and start their own laboratories because they can't get a research grant. And so they are forced to work under the tutelage of a mentor for a much longer period. Why is this bad? It is bad because the brilliant ideas in science come from young people. Scientific breakthroughs are achieved often by people who have just finished their training and who are going out with a bright idea and all of the energy in the world. They are willing to work 20 hours a day and to eat, sleep and think nothing but their scientific problems—those young, energetic, bright people are the ones from whom the freshest, the newest, and the most original ideas come. The great genius of the NIH funding system was that it provided money for those people in that crucial time in their career—it was different from any other research support program in the history of world—at least in biology. In Europe the tradition was that the money goes to the professor and he hires the junior associates. Our system gives the money to young people and encourages them to discover something with it. As funding reaches a plateau, there is no room for new people and new ideas and that is where we all suffer.

If biology were like the Olympics, the United States would have won the gold, silver, and bronze medals in nearly every event over the last 30 years. If only we showed science on television the way we show the Olympics, the American people would be incredibly proud of the way we've led the world. But that situation is changing. Other countries are getting much more intelligent about the way they support research. Our friends from Japan in particular are now beginning to encourage contributions by young people and they are beginning to make all of us sit up and take notice. I think it is imperative that we don't allow the biologic revolution that was started and fostered and energized in the United States to be passed off to others.

OIL DRILLING IN THE ARCTIC NATIONAL WILDLIFE REFUGE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, October 2, 1991, into the CONGRESSIONAL RECORD:

OIL DRILLING IN THE ARCTIC NATIONAL WILDLIFE REFUGE

One of the biggest environmental issues before Congress this session is whether to allow oil drilling in the Arctic National Wildlife Refuge [ANWR]. Located on the North Slope of Alaska, ANWR is home to a wide variety of plants and animals in a nearly undisturbed state, but it may also contain a large recoverable oil reserve. Efforts in Congress last session to open up ANWR to oil development ended with the Exxon Valdez oil spill. Yet policymakers are again looking at ANWR after the Persian Gulf War highlighted U.S. dependence on foreign oil. Oil drilling in ANWR is a key issue in the new energy package being considered by Congress.

ANWR was designated a national refuge in 1960 and expanded in 1980. It now has a total area of 19 million acres, about the size of Indiana, and is the home to a wide variety of arctic wildlife, including caribou, snow geese, and polar bears. Current law forbids energy leasing in ANWR. President Bush has proposed allowing oil companies to drill on the 1.5 million acre coastal plain of ANWR. This section is located on the Arctic Ocean near the oil production facilities at Prudhoe Bay; its oil would be shipped through the TransAlaska Pipeline.

There is significant uncertainty about the size of the oil reserves in ANWR, as oil companies which have drilled test wells are keeping their estimates secret. But the Interior Department puts the average estimate of reserves at 3.6 billion barrels, with production eventually reaching 600,000 barrels per day. That would amount to 5-6% of total U.S. oil imports by the year 2000. Prudhoe Bay currently produces about 1.5 million barrels per day.

ARGUMENTS FOR DEVELOPMENT

Those who favor oil drilling in ANWR put forth several arguments. First, increasing domestically produced oil will lessen U.S. dependence on unstable foreign sources and help reduce the trade deficit. In recent years, the share of U.S. oil coming from imports has increased from 32% in 1985 to more than 50% today. Many of America's tapped oilfields are nearly exhausted. Oil companies believe that the ANWR area is the most promising U.S. onshore oil prospect. Second, opening up ANWR will allow continued use of the TransAlaska Pipeline and longer production of Prudhoe Bay oil. Without ANWR oil, Prudhoe Bay oil would become uneconomical to produce and ship at lower volumes because of the high operating costs of the pipeline. Third, oil companies have improved their drilling technology, allowing them to space the wellheads closer and to significantly reduce the size of their production complexes. Steps such as limiting most construction work to the winter months when the ground is frozen would help reduce the "footprint" left by oil activities. Fourth, oil company efforts, coupled with tough new federal laws, have significantly improved industry capabilities for preventing and responding to oil spills. Oil industry officials also point out that keeping ANWR closed will mean more imported oil to meet U.S. needs, which will still be shipped through American waters and into American ports. Finally, those favoring development argue that the effects on wildlife in ANWR will not be serious. They argue that the wildlife will adapt to the drilling operations, just as, for example, caribou herds have flourished at Prudhoe Bay despite the development.

ARGUMENTS AGAINST DEVELOPMENT

Those opposed to opening up ANWR to oil development respond with several arguments of their own. First, the amount of recoverable oil in ANWR is fairly small compared to total U.S. oil needs. Even if the reserves are as large as the Interior Department estimates, they would be equivalent to only about 200 days worth of U.S. oil use. Second, the development in ANWR needed to extract and transport the oil would be extensive. Although significant open space would remain amidst the oil production infrastructure, there would be hundreds of miles of roads and pipelines weaving across ANWR as well as large drill pads, service centers, and airports. The nearby Prudhoe Bay oil operation sprawls over 800 square miles and is one of the world's largest industrial complexes. Almost anywhere visitors stand in the Prudhoe Bay area, they can see oil production equipment on the horizon. Third, the undulating coastal plain of ANWR is an area of rare natural beauty. ANWR is one of the wildest habitats of any type left in the U.S.

Many believe that this is the kind of unique national treasure that should be preserved, just as the U.S. does not dam up the Grand Canyon in order to produce hydropower. Fourth, although oil companies would try to restore the region after they leave, the Arctic tundra has a long memory. In some areas, tire tracks marking World War II troop movements can still be seen. Finally, those opposing development argue that a much more constructive step would be to develop alternate fuels and boost conservation and efficiency efforts. Tighter energy standards for autos could save more oil than might be found in ANWR. The increasing difficulty of finding new U.S. oil reserves highlights the need to shift to alternative, more plentiful sources of energy.

ASSESSMENT

The arguments on both sides are strong. This is not an easy call. I am just not sure how much damage will be done by development, and what shape this pristine area will be after the wells run dry in 30 years. Will quickly consumed oil be worth the long-lasting damage? Is it better to try more efficient use of the oil we have and to develop alternative fuels? What has greater value in the long run: what is above the ground or the oil below?

It seems to me that the benefits of the oil alone are not enough to outweigh the risks of development. But the question becomes more complicated in the context of the energy bill under consideration by Congress. Members of Congress who favor opening up ANWR appear willing to grant some major concessions—such as stronger energy efficiency standards—to get it included in the energy bill. So at this stage it may be prudent to wait to see what the energy package contains in exchange for ANWR.

My sense is that the odds are against opening up ANWR to drilling soon. Such a change would most likely be considered only as part of the Omnibus energy package, which face major hurdles in Congress. The energy bill is so far-reaching with so many sections arousing regional and economic sensitivities that it will be difficult to patch together a coalition of Members willing to support it. And without a change in current law, ANWR will remain closed to oil development.

COMMEMORATING THE 50TH ANNIVERSARY OF SHEPPARD AIR FORCE BASE

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. SARPALIUS. Mr. Speaker, I rise today in order to recognize a very special anniversary. This year, 1991, is the 50th anniversary of Sheppard Air Force Base located in my district at Wichita Falls, TX. Sheppard's contributions to the national defense and well-being of the United States sets an example for all U.S. military bases throughout the world. In addition, the fine people of Wichita Falls deserve recognition for all the support they have provided Sheppard over the past 50 years. Sheppard Technical Training Center [STTC] is one of six major training centers operated by Air Training Command. It is considered the most diverse training center in the Air Force. Its primary mission is to provide individual and military technical training for officers and airmen of the U.S. Air Force, Air Force Reserves, Air National Guard, Air Force civilian employees, and other NATO and Department of Defense agencies. As the 50th anniversary celebrations begin this month of October, I would like to tell my colleagues in Congress some of the fine history of Sheppard over the past 50 years.

On April 17, 1941, Army Chief of Staff Gen. George C. Marshall, announced that the U.S. Army would name a new training field north of Wichita Falls, TX, in honor of the late Texas Senator, Morris Sheppard. The new base, known as Sheppard Field, was part of an effort by President Franklin D. Roosevelt to mobilize America's defense capability to meet the growing military threats from Germany and Japan in 1941. Representatives of the War Department, after various meetings with officials of the city of Wichita Falls, signed a lease on February 1, 1941, giving the Government the right to build and operate a military installation adjacent to the Wichita Falls Municipal Airport. By October 13, 1941, construction had progressed sufficiently for the first class of 400 aviation mechanics to begin training. Four days later, the base was officially dedicated.

Originally, the Army had intended to use Sheppard Field's facilities solely to support aviation mechanic training under the jurisdiction of the U.S. Army Corps Technical Training Command. By mid-July, however, the War Department had broadened the mission of Sheppard Field to include both technical training and basic training. During the war, Sheppard Field provided instruction for medium bomber mechanics—Mitchells and Marauders—glider mechanics, advanced pilot training, and liaison aircraft training for ground officers. In addition Sheppard Field personnel also trained instructors, B–29 engineers, and C–82 transport mechanics. By August 1945, Sheppard Field reached its peak military strength of 46,392 while serving as a separation center for the Army Air Corps. As the war ended and U.S. military personnel were demobilized, the Army found that Sheppard Field had served its purpose, and the base was inactivated. By the day the base closed on August 31, 1946, nearly a half million men had received training at Sheppard Field.

In response to growing international tensions, on August 15, 1948, the Air Force reestablished Sheppard field. The fledgling USAF renamed the facility Sheppard AFB. Sheppard was reopened to supplement Lackland AFB as a basic training center at the time of the Berlin airlift. With the end of the Berlin blockade, the Air Force on April 1, 1949, discontinued basic military training at Sheppard. The base remained open, however, and the 3750 Basic Training Wing was redesignated the 3750th Technical Training Wing. In 1949, HQ ATC transferred the airplane and engine mechanics school, previously assigned to Sheppard Field during the World War II, from Keesler AFB to Sheppard AFB. Today, the 3700 Technical Training Wing is a direct descendent of the aviation mechanics school making it the oldest unit at Sheppard AFB.

Redesignated as a permanent Air Force installation on January 8, 1950, Sheppard's training mission has evolved over the years to keep pace with the rapid development of technology. On January 2, 1957, the Air Force activated the Department of Missile and Space Training at Sheppard AFB to train selected students in electronics, guidance, flight control airframes, and the erection and handling of missiles. On February 17, 1959, the Air Force named Sheppard AFB as the prime center for training on the Titan II and Atlas missile systems. That same year field training became an integral part of Sheppard's training mission when the base assumed responsibility for 53 field training detachments [FTD's].

In addition to technical training, Sheppard once housed a flying wing of the Strategic Air Command [SAC]. In July 1959, the first contingent of the 4245th Strategic Wing arrived at Sheppard. On February 1, 1963, the unit was dissolved and its personnel and equipment incorporated into what became the 494th Bombardment Wing. In October 1965, Sheppard became an undergraduate pilot training base with the assignment of the 3737th Flying Training Squadron (helicopters) from Stead AFB, NV. The 3737th was redesignated as the 3630 Flying Training Wing. Later the same year, the 3630 FTW was equipped with T–37 and T–38 aircraft to train German Air Force pilots, and later expanded to include pilots from other allied nations.

Medical training moved to Sheppard AFB from Gunter AFB at about the same time that helicopter pilot training arrived. In March 1966, the USAF Medical Service School was relocated during the medical buildup resulting from the war in Southeast Asia. Adopting the name "School of Health Care Sciences, USAF" in 1971, the school is the third largest training organization, in terms of graduates produced, at Sheppard AFB.

Mr. Speaker, I would also like to commend Gen. Dale C. Tabor and all of the military and civilian personnel which presently serve Sheppard AFB. The quality men and women which make up Sheppard's work force are among the finest in the Nation and consistently perform at the highest possible level in helping our Nation's military forces to be on the ready for any conflict that may arise. In addition, I would like to salute all of the personnel who have served Sheppard AFB over the past 50 years in helping to make Sheppard the fine military installation it is today.

Mr. Speaker, I hope you and all of my distinguished colleagues in Congress will join me in honoring Sheppard AFB on this very special occasion, its 50th anniversary.

INTRODUCTION OF NATIONAL RED RIBBON WEEK FOR A DRUG-FREE AMERICA

HON. JOAN KELLY HORN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Ms. HORN. Mr. Speaker, the No. 1 concern of all parents in America today is how to protect their children from the dangers of drugs. As a parent of six, I know this worry well. But no matter how much I, or any other parent, try to protect children from these dangers, the only ones that can stop the use of drugs are the children themselves. They must stand up to the peer pressure and say "no," and the best way to ensure that they do this is through education. If we educate our young people about the dangers of drugs and the effects on the human body, we stand a better chance that they will avoid them.

I am privileged today to introduce a commemorative resolution that I hope will help in this education effort. This resolution will designate the week of October 19–27 as National Red Ribbon Week for a Drug-Free America.

The National Red Ribbon Campaign, located in the Second Congressional District, is a grassroots organization that has worked tirelessly toward the goal of a drug-free America. During this week, the campaign will help communities and local organizations mobilize and hold rallies and events in local schools. They will also encourage people to wear red ribbons to show their support for a drug-free America.

I am proud to join in this fight with many others who have worked tirelessly toward this goal. The National Federation of Parents along with the National Red Ribbon Campaign have done tremendous work and the President and Mrs. Bush have lent time and effort to this fight. Special recognition should also go to Mrs. Nancy Murkowski, chair of the Congressional Families for Drug-Free Youth, for her exceptional work in this area. Without the efforts of these people, we would not have the chance of winning this fight against drugs that we do today.

Swift passage of this resolution will provide important support for the grassroots campaign against drugs around the country. Today, as I introduce this legislation, delegates from the National Federation of Parents are on Capitol Hill to gather support for their efforts. I am sure that they would like to hear of your cosponsorship of this resolution and I invite all of my colleagues to join me as cosponsors.

TRIBUTE TO ANITA J. HALTOM

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. HUBBARD. Mr. Speaker, I take the opportunity to pay tribute to my longtime friend Anita J. Haltom, who died August 12 at Marshall County Hospital in Benton, KY., at the age of 60.

Anita Haltom was an outstanding and admired lady who served her community both in her vocation as well as in her work as a volunteer. She was a retired court reporter for Marshall, Calloway and Livingston Counties in Kentucky.

Anita Haltom was one of the founders of the Marshall County School for Exceptional Children and served on the school's board of directors for 25 years. She also served as a member of the West Kentucky Mental Health-Mental Retardation Board. Anita was a faithful member of the Church Grove United Methodist Church and the Benton Eastern Star, Chapter 305.

She is survived by her husband Joe Tom Haltom, a successful businessman, chairman of the board at the Bank of Marshall County and a former sheriff of Marshall County, and her son Stephen T. Haltom, both of Benton.

My wife Carol joins me in sending our sincere sympathy to the family of Anita J. Haltom.

SADDAM CONTINUES CRIMINAL CONDUCT EVEN TODAY

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. WELDON. Mr. Speaker, I rise today to discuss a matter which has faded from the spotlight for most Americans. At the time of the gulf war, much was made of Saddam's brutal treatment of Kuwaitis. Saddam abused unarmed civilians, subjecting them to unspeakable torture. He also took thousands of prisoners, and shipped them off to prisons in and around Baghdad.

Saddam's criminal conduct continues even today. Most Americans are probably not aware that seven months after Operation Desert Storm over 2,000 Kuwaitis are still being held prisoner in Iraq. The Kuwait Committee on POW's estimates that Saddam still holds 2,216 Kuwait POW's, including 325 women.

We see once again that Saddam has run afoul of U.N. mandate. By holding these prisoners, Saddam is in direct violation of U.N. Security Council Resolution 686, which calls on Iraq to release all foreign nationals held against their will.

Yesterday, I came face to face with the human consequences of Saddam's brutality. I met with 10 Kuwaiti children whose parents are being held prisoner in Iraq. The children ranged in age from 7 to 14 years of age. These young kids have had their lives torn apart; because of Saddam they haven't seen their parents in over a year.

As chairman of the House Task Force on Kuwait, I have worked closely with the Kuwait Committee on POW's and the Kuwait Society to Defend War Victims, a private relief organization, to monitor the progress of the POW issue. The International Red Cross has also been involved in efforts to gain the release of these illegally held Kuwaiti POW's.

Back in July, I introduced legislation, House Resolution 217, urging that all economic sanctions against Iraq be maintained until Saddam releases all Kuwaiti POW's. If my colleagues share my outrage at Saddam's horrendous human right abuses, I would urge them to cosponsor this resolution. House Resolution 217 puts the U.S. Congress firmly on the side of these missing Kuwaitis. I ask for support from both sides of the aisle.

NEWBURGH ENLARGED CITY SCHOOL DISTRICT AND ITS MAGNET SCHOOLS ASSISTANCE PROGRAM

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. FISH. Mr. Speaker, I rise today to praise the Newburgh Enlarged City School District and its Magnet Schools Program. Located in the mid-Hudson Valley that I am privileged to represent, this school district continues to honor its commitment to quality education for all students through its outstanding program of magnet schools.

The school district has once again successfully participated in the federal Magnet School Assistance Program. Two grants they will receive during the 1991–92 and 1992–93 school years, totaling $5 million, will allow them to continue in their impressive development.

For over a decade, Magnet Schools have been the basis of a voluntary integration plan in the city and town of Newburgh and the town of New Windsor. This district, encompassing both urban and suburban areas, provides services to an ethnically and economically diverse population. Magnet Schools have helped maintain a balanced school population by attracting non-minority students to the inner city and drawing minority students to suburban locations. From its origins with programs at three sites—two of which have already been recognized by the U.S. Department of Education as "National Schools of Excellence"—the program will eventually include all of the district's eleven elementary schools and its two secondary schools.

Each of the district's current magnet elementary schools have adopted different themes they have incorporated into their curriculum. They are: Primary Magnet School (K–3), primary; Horizon on the Hudson, gifted and talented; Gardertown, basic/fundamental; Fostertown ECT (Excellence Through Creativity), performing arts; Newburgh Middle Magnet School, interdisciplinary program; South Junior High, communications; Vails Gate High Tech and Gidney Avenue Tech have both chosen computers and technology. The two newest Magnet Schools, Meadow Hill and West Street School, have already chosen their themes. Meadow Hill's is global, while West Street School will concentrate on micro-community matters. The three remaining elementary schools, New Windsor, Balmville and Temple Hill School are all scheduled to be converted to Magnet Schools in the near future, making the Newburgh Enlarged City School District one of only a handful in the Nation to have all its schools under the Federal Magnet Schools Assistance Program.

The Newburgh Enlarged City School District and the community that it serves deserve to be commended for their effort to fully implement a comprehensive magnet schools program. They are a reflection of our larger society, and they provide a model for replication that other school districts would be wise to follow.

TRIBUTE TO MR. FRANK C. COX, JR.

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. SMITH of New Jersey. Mr. Speaker, on October 4, Frank C. Cox, Jr., of Titusville, NJ, will receive the Meritissomo Miembro de Honor—Most Worthy Member of Honor—from the Dominican Rehabilitation Association in the Dominican Republic. The association will confer Mr. Cox with this prestigious citation because of his tireless efforts to eradicate polio in the Dominican Republic and assist an outstanding rehabilitation program for polio-afflicted children.

In 1982, Mr. Cox had the vision to garner material support for a countyrwide polio vaccination campaign. Days in June and August 1983, were set aside for the massive vaccination day, and the vaccinations have continued with superlative results. Having personally participated in two nationwide vaccination days in Central America, I am keenly aware of the organization and national commitment which are needed for such events to be successful. The results in the Dominican Republic speak for themselves. The disease inflicted at least 250 children in 1982 alone, but since July 1983, only 1 case of polio has been reported.

Through a companion project, Mr. Cox has worked diligently with the Dominican Rehabilitation Association's initiative, "Surgery for Handicapped Children from Low-Income Homes." Providing orthopedic surgery for children who most need the care and who can least afford it, the project has changed the lives and futures of more than 245 children. The contribution of moneys, thousands of volunteer hours, and donations of technical assistance and equipment has made such successes possible.

I commend Mr. Cox for his dedication to these worthy initiatives and join the Dominican Rehabilitation Association in their recognition of Mr. Cox's work. For the record, I ask that Mr. Cox's article, "Foreign Aid at its Best: The Eradication of Polio in Dominican Republic," be printed in full. His account of the campaign against polio in the Dominican Republic is compelling.

The article follows:

FOREIGN AID AT ITS BEST: THE ERADICATION OF POLIO IN DOMINICAN REPUBLIC

This is the most exciting story anyone can tell about any Christian Service project to any group of people at any time at any place.

If you already know that the president of a nearby country of six million people declared a nationwide holiday because of a simple little vaccination, stop reading. But we are talking about our neighbors who live down the street just a hop away.

You see, there was illness in so many families, even of epidemic proportion, from the top of the country to the bottom. Some Americans said that there was exactly one way, and only one way,that the American people could help get rid of the disease that had been plaguing our neighbors. We can call it American Foreign Aid at its best. Another name for it is Love.

To tell you something of the ending we mention background, namely that Dominican Republic had had cases of polio every year, and in 1982, in that little country, there was more polio than in any other country in the Western Hemisphere. The tremendous news is that there has not been one case of polio there since July 1, 1983.

Polio has been completely eradicated through the combined efforts of the Dominican Rehabilitation Association, the Ministry of Health, and with assistance from Church World Service.

Our story begins on a rural farm in Dominican Republic with Eddy, a tiny tot, falling out of bed and crying and calling, "Mommy, I can't get up. My leg won't move." To which his mother called back, "Oh yes you can. You run around with bare feet among the chickens. You get right out here. I'm busy getting breakfast." It is correct that he could not move one leg and he did not make it to the kitchen.

From the battery radio there was a report on the morning news that there was a case of polio five miles away and another one forty miles away. When Eddy's parents took him to the doctor by horse and wagon there was deep anguish for the doctor confirmed that he had polio also.

In some countries the immediate thought that runs through the minds of parents of children with polio is uselessness. The child, it was thought, will grow up always needing to be waited on, perhaps never going to school, perhaps never able to help himself or herself, probably a ward of society, and surely not able to help parents in their old age. In the poor families there is love but the sick are useless.

It was May, 1982 when a few cases had developed in one small area and it was declared an epidemic. American newspapers reported the prevalence of polio in Dominican Republic. Properly a request was made to Church World Service for 10,000 doses of vaccine on a rush basis.

In the United States polio has been almost unknown for many years and there is only one supplier of vaccine in the country. Material Resources Program, CWS purchased the vaccine which the supplier packed in dry ice and trucked to a plane bound for Santo Domingo where the Ministry of Health had a refrigerated tank ready to receive it. The length of time from request to delivery in the country was less than forty-eight hours, nothing extraordinary, just in keeping with MRP's tradition of immediate service.

It was on July 7, 1982 that a staff member of Church World Service suggested assistance to the Dominicans with the massive undertaking of vaccination of children throughout the country. Dr. Paul F. McCleary made the decision for Church World Service to launch a campaign for all the small children, and to take whatever steps might be necessary to help those children already having polio. He committed resources toward a gigantic health and medical project and, as it turned out, CWS lent aid to the Dominican people as friends and neighbors.

The year 1982 was disastrous for there were 250 reported cases that resulted in either death or a crippled child. In reality there were many more not reported. Especially in those large rural areas where so many families at a time seemed to have eight to twelve children, where poverty was the rule, and where illiteracy was common, high infant mortality was to be expected. In those long stretches of land where there are no telephones or electricity or running water, and where doctors live too many miles away, reports of deaths and serious illnesses are incomplete. A child may die for reasons unknown.

Long before Christmas the people of Dominican Republic were deeply disturbed and were determined that something had to be done about the disease but a countrywide vaccination for all the small children would be difficult.

Mrs. Mary P. de Marranzini, President of the Dominican Rehabilitation Association, herself the mother of a polio son and also a full-time volunteer, played a leading role in organizing committees that would get underway with sound objectives and hard work for all.

Dr. Amigo Perez Mera was the Secretary of State for Public Health and Lic. Angelas Suarez was director of the national campaign. Doctors throughout the country worked diligently with the leaders in preparation for a nationwide vaccination. There was solid coordination between the Ministry of Health and the Dominican Rehabilitation Association in planning to vaccinate all the small children.

The colleague agency of Church World Service was Servicio Social de Iglesias Dominicanas of which Rev. Juan Jose Feliz was Executive Director and Kathryn Wolford was the capable U.S. CWS Representative. They were in a position to tell the other agencies that CWS had oiled its machinery to raise money in order to purchase the vaccine.

The writer, invited by Rev. Feliz, took vacations from CWS in December and then in February, 1983, in order to have talks with Mrs. Marranzini and doctors in the Ministry of Health, and to see a large ward of small children in a hospital. Then there were written two papers on the project entitled "The Children" and "Thy Kingdom Come On Earth."

In the United States CROP in Elkhart and in all the state offices used various means including letters to contributors, CROP walks, and newsletters to raise money beginning in the autumn of 1982 and throughout 1983.

Under date of May 12, 1983 Dr. McCleary issued a direct appeal letter to all CWS contributors and enclosed a photo of a polio child. Although at that time it had not been known in New York how much the vaccine would cost, the estimate from his appeal was that it might cost $500,000 for vaccine alone, but that in addition CWS "will respond to requests for wheelchairs and other rehabilitation equipment for children already afflicted with polio."

It is interesting that Dr. McCleary could look down the road to see the need for rehabilitation for children already afflicted with polio, and that they should be given a chance, a real opportunity, to have whatever care is necessary so they could grow up to help themselves and help others.

In Dominican Republic the Minister of Health invited Dr. Albert Sabin to visit and to give his expert advice with hopes for a successful countrywide vaccination. Speaking to campaign leaders on February 23 and 24, he recommended that vaccination be administered to all children aged three months through thirty-six months. He believed that children aged four and five may be immune because of exposure to epidemics. He strongly recommended house to house vaccinations rather than for children to be brought to doctors and hospitals.

In March Dr. Sabin performed the greatest service to the entire campaign. Recognizing the need for all small children to be vaccinated in the entire country, and recognizing also the poverty and conditions in the country, Dr. Sabin went to Sclavo in Siena, Italy to ask that company, the largest manufacturer of polio vaccine, to make vaccine available at less than cost. After several weeks Sclavo made a generous donation from its philanthropic account and the net cost for the vaccine, including air freight from Rome to Santo Domingo, was $.0205 per dose.

The Ministry of Health divided the country into 50 regions and the plan established was for there to be one or two volunteers for about 50 households and a supervisor for each ten volunteers under a regional coordinator. More than 600,000 registration cards were printed showing region number, child's number, and dates for vaccination of polio and also other diseases.

The Ministry of Health established June 18 and 19 and August 13 and 14, 1983 as dates for the long-awaited house to house vaccination and the entire country prepared for this event. The government provided 2,600,000 pesos for the implementation of the program. Let us not forget the countless hours which so many worked in Dominican Republic with feverish pitch in order to bring about vaccination for all the small children.

Would there be enough volunteers? Thousands upon thousands all over the country flocked to the various area headquarters. There had to be a certain amount of training for the vaccinators and they had to be intelligent.

Numerous public and private institutions hardly had to be asked to assist the project. There were offers of transportation and people were spreading the word.

Material Resources Program, CWS, purchased 601,000 doses of the vaccine through Sclavo, as planned, and the parent company packed it as refrigerated cargo and it departed from Rome for Madrid, where another plane with refrigeration space took the vaccine for its giant hop across the ocean to Santo Domingo where it arrived on May 19 at 6:30 P.M. The Dominican Army met the plane with refrigeration tanks and it became the property of the Ministry of Health. The representative from CWS and members from SSID and the Ministry of Health served as a welcoming committee to greet the arrival at the airport.

This vaccine was for June 18 and 19 only. Another shipment was made for August 13 and 14.

In the spring of 1983, personnel in the Dominican Rehabilitation Association and the Ministry of Health asked themselves if they were dreaming and would everything go all right. They asked themselves if it was true that the dreaded polio could and would be eradicated. After all, polio had to be arrested. Polio was wanted for murder.

The planning was daily and frequently hourly. The newspapers were carrying more articles on the forthcoming vaccination. The loud radios were carrying announcements. Day by day things were taking shape and everybody involved was gearing toward everything's being ready.

Finally there was a president decree. President Blanco declared Saturday, June 18 and Saturday, August 13 holidays with all government offices to be closed. Stores and offices closed as well. That is how important it was for the people of the Dominican Republic. People were asked to stay home and keep their children home. This would be a new day for the Dominicans and polio would be conquered.

Anticipation was total and beyond belief. The morning of June 18 arrived and 20,000 men and women—ministers, priests, teachers, college students, doctors, nurses midwives, housewives and others—fanned out in this country and went house to house with the sugar cube and vaccine purchased by Church World Service, and on that day and on June 19, gave the oral vaccination to approximately 544,000 children, ages three months through thirty-six months.

President Blanco himself, setting an example, also gave the oral vaccine to twenty-seven small children.

Throughout the country there were some, for religious and other reasons, who refused vaccination and no one was forced to accept it.

On August 13 and 14 the process was repeated and it was established that about 600,000 children were vaccinated, most for the second dose.

Every house visited was marked with a sticker and the registration card for each child was completed. The card, because of places for entries for dates of vaccinations of DPT and others, might have been called a child's medical social security card.

Church World Service paid for the polio vaccine for 1983, 1984, and through June, 1985.

Although there were many deaths from polio, and no one really knows how many died because of deaths for reasons unknown, there are still so many children who survived the epidemic year of 1982 as well as previous years. All were crippled in some way for polio strikes hard.

Most of the children have been from the slums or from poverty-stricken homes. They are now older and they have grown, but every child with polio has a market disability. Some walked to school and some were carried to school, and it was feared that some would never go to school as long as they live. As they have grown they have not been forgotten.

Beginning late in 1987 the Dominican Rehabilitation Association started the project Surgery for Handicapped Children from Low-Income Homes. This project has included so many of the polio children as well as some others requiring orthopedic surgery. Many of the children require two and three surgeries.

Problems persist. Some are malnourished and some are anemic. One must think not only of the home from which the child comes, but also the therapy that will be required and the home to which the child returns.

Nevertheless, it is interesting to report that through December 31, 1990, 198 children, all from the poorest families, have had surgery with expenses of $28,671.36.

The donors of money are Americans from just a few American churches. These are Love Gifts as neighbors and friends to Dominicans who need assistance.

The Americans recognize the immense amount of time given as volunteers to help their own Dominican people. The surgeons, for example, charge approximately 10% of their normal fees in order to help the poor, handicapped children.

Americans and Dominicans, working together, know that surgery is just the beginning of this process, for we, like them, want to see the children go to school and to grow up to be useful and to be able to help themselves. Every child from one of these poor homes and requiring surgery is followed every three months or six months by a social worker, and this process continues until the child is able to help himself or herself.

So there was the polio epidemic of 1982 and the house to house vaccinations of June 18 and 19, 1983 and August 13 and 14, 1983. There have been vaccinations for all the infants and newcomers every year since, and no polio.

Americans assisted with the purchase of the vaccine, and Americans have been assisting the polio children with surgery and wheel chairs and braces, for this program is the aftermath of polio.

The people in Dominican Republic no longer have to fear having polio cases every year for the dreaded polio is gone forever. American assistance since 1982 may be called Helping Our Neighbors, or Love, or Foreign Aid at Its Best.

IMPROVEMENT OF INFORMATION ACCESS ACT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. OWENS of New York. Mr. Speaker, yesterday I introduced legislation (H.R. 3459) which is designed to assure that decisions by the Federal Government about the vast store of information it collects, maintains, and disseminates are fully accountable and responsive to the people who paid for that information in the first place—all Americans.

H.R. 3459, the Improvement of Information Access Act, is based on the simple, irrefutable premise that Government information belongs to the people. Americans pay billions of dollars in taxes every year to support the Federal Government's enormous information-gathering and -disseminating enterprise and they must be heard in the critical decisions over access to that information. It is the people's information and all Americans must be given the opportunity to participate meaningfully in discussions concerning the collection, use, and dissemination of that information.

A FRAMEWORK FOR DECISIONMAKING

H.R. 3459 does not micromanage agency decisionmaking, and it does not resolve many policy disputes concerning access to Government information, including the extent to which such information should be privatized. What the IIA Act does do, however, is establish a framework for making policy on access to information resources which assures continuing public participation in these critical decisions. it emphasizes the process for making decisions, focusing on issues of paramount concern to data users, but does not dictate the results.

WHAT H.R. 3459 WILL DO

H.R. 3459 will encourage the use of modern information technologies, prevent agencies from using high prices to limit access to public information, emphasize the importance of standards in making Government information easier to obtain and use, and require Federal agencies to open dialogs with citizens about information dissemination policies and practices.

It will require Federal agencies to store and disseminate information products and services in standardized record formats and disseminate information products and services through computer networks and other outlets, when appropriate. It would set the price of information products and services at the incremental cost of dissemination of the information. Royalties or fees for the redissemination of information are prohibited.

H.R. 3459 will also require Federal agencies to carry out an ongoing dialog with the public about information dissemination policies and practices. Agencies will be required to issue annual reports which describe agency policies and practices on a wide range of information management issues, including plans to introduce or discontinue information products or services, the development and adoption of standards for file and record formats, software query command structures, and other matters which make information easier to obtain and use, the creation and dissemination of indexes and bibliographies that describe agency information products and services, the modes and outlets used to disseminate information to the public, and provisions for protecting access to records stored with older technologies.

The public will be given an opportunity to review this report and provide the agency with comments on a number of items, including the types of information the agency collects and disseminates, the methods and outlets the agency uses to store and disseminate information, the prices the agency or other outlets charge for the information, and the validity, reliability, timeliness, and usefulness of the information. Federal agencies will keep these comments in a public file and will be required annually to summarize the comments and describe their responses.

Finally, H.R. 3459 will also require the Archivist of the United States and the Director of the National Institute of Standards and Technology [NIST] to issue model standards for the timeliness by which agencies shall provide the public with copies of press releases, agency decisions, docket filings, and other public documents.

A SENSIBLE LIMIT ON THE PRICING OF GOVERNMENT INFORMATION

One of the central provisions of the IIA Act is its requirement that the price of Government information be limited to the incremental cost of dissemination. This provision is necessary because many Federal agencies have abandoned historic policies of charging the public no more than duplication and handling costs for information. In some cases, arrogant bureaucrats have set the price of Government information at a level which was specifically designed to discourage general public access; in other cases, agencies have tried to generate some extra income for themselves by selling Government information. The desire of some Government agencies to find new and creative gimmicks to raise additional revenue is understandable in these budget-conscious times. But nickel and diming taxpayers for Government information they have already bought and paid for is not the way. It's like buying a new car and then being asked to pay the car dealer anytime you want to actually drive it. Government information belongs to the people and they should not have to pay for it twice.

Even more importantly, the exorbitant pricing of Government information strikes at the heart of our democratic freedoms. The right to know is the essence of self-government. As Christopher Harvey of the Advocacy Institute once eloquently explained:

> The Founding Fathers created a constitutional system which mandated that knowledge and ideas be allowed to flow freely. They were idealists who believed that action flowed from knowledge, and that freedom required that no one interfere with the knowledge that informed such action. In short, they understood that informed citizens opinion was the cornerstone of democratic self-government.

All Americans have the right to know—not just to those who can afford to pay for it.

Instances in which agency pricing decisions have curbed public access to information abound. For example, researchers who want to study policies of Federal bank regulators must pay $500 for a Federal reserve quarterly "Bank Call Report," which is stored on a computer tape that costs around $10. One college undergraduate writing his senior thesis was told that 40 quarters of this information would cost $20,000. Researchers in economics say that the high price of this Federal information has greatly restricted academic research on the relationship between Federal regulation and bank failures. Taxpayers, who have been asked to spend hundreds of billions of dollars on bailouts for the savings and loan and commercial banking industries, should be concerned that information about bank liquidity has become very costly to obtain.

Other Federal agencies are also attempting to cash in on public information that has market value. The Bureau of the Census now charges as much as $250 for a single CD-ROM of information, even though the cost of duplicating a CD-ROM is less than $2. In some cases, agencies use price to reward political friends and discourage political foes. For example, the U.S. Department of the Interior has told researchers that it would charge either zero or $250 for a tape of computer data on oil and gas lease sales, depending upon whether or not the researchers would agree to withhold criticism of the agency's policies.

Congress needs to make clear to Federal agencies that the public should pay no more than the incremental costs of dissemination to receive Government information. A failure to do so will invite even more abuses than those already occurring. As the Federal government continues to deal with its perennial fiscal crisis, agencies will scrounge for additional citizen user fees, and the public will be nickeled, dimed and quartered for access to Government information. Agencies will be free to use price to limit public access to databases that are politically sensitive, and the public will be divided into those who can afford access to Government information, and those who cannot.

Citizens, as taxpayers, will continue to pay the bulk of the expense for creating Federal information, but access to the information will be rationed to the most affluent. This outcome is outrageous and unfair.

THE NEED FOR PUBLIC PARTICIPATION IN AGENCY DECISIONS

Federal agencies are also often insensitive to citizen requests for new information products and services. For example, the Department of Commerce operates the Economic Bulletin Board [EBB], which offers low-cost access to the public to more than 1,000 data files from dozens of Federal agencies. While the EBB is a fine service, there is always room for improvement. One user of the EBB recently asked the Department of Commerce to provide access to the appendices from the Economic Report of the President. The Department of Commerce not only ignored the request, it also refused to allow the user to post a message asking other users of the EBB to name economic data that they would like to see on the EBB. Subsequently, ninety economists and journalists asked that the EBB be expanded to include the Department of Commerce's National Trade Data Bank [NTDB], a large database it currently sells on CD-ROM. The Department of Commerce asserted that this would be a difficult and costly task, despite ample evidence that electronic bulletin board systems can easily be modified to support CD-ROM technology.

An academic research studying the impact of exchange rate movements on manufacturing employment has on three occasions paid $700 for a magnetic tape of county-level employment statistics from the Bureau of Labor Statistics [BLS]. The source of the information is the BLS ES-202 program, which collects information in connection with Federal support for unemployment insurance. The agency asserted the high price was justified by the costs of custom programming for the information. The researcher asked BLS to consider offering the county-level employment statistics as a standard product, which would lower the price of the information to around $70, a tenth of the present charge. The lower price would reflect the savings to BLS from avoiding custom programming.

According to the data user, the BLS ES-202 program is the only source of timely employment data at the country level, and there would be a substantial demand for the product if it was priced lower. BLS officials are still considering this request, but they have indicated that they do not feel obligated to create such products, regardless of public demand, since the provision of the information products would be ancillary to their primary mission, which is the administration of the ES-202 program. Indeed, the $700 charge for the custom tape seems to be far in excess of BLS's actual costs, and agency personnel privately concede it is used as a deterrent to those who would distract agency personnel from their primary mission.

In another case, the Department of Commerce has long refused to make important changes in its annual survey of building permits. Specifically, the Department of Commerce has refused to include any questions about the square feet of building permits issued, even though the Department requires local governments to report the number and value of building permits issued. According to industry and academic research personnel, the square feet statistic is a far more useful and valuable statistic than either the number or the value of permits.

Recently 33 real estate professionals and economists asked Congress to press for changes in the Department of Commerce's building permit survey. Officials from the Department of Commerce have since asserted that there has never been any interest in the square foot statistic, and furthermore, that the so-called Paperwork Reduction Act prohibited them from including questions about the square feet of building permits because that statistic is now provided by the private sector. What the Department of Commerce did not mention was that the private sector source of this statistic is a single firm, McGraw Hill's F.W. Dodge Company subsidiary, that copyrights the information, restricts disclosure of the data, and for a history of county-level statistics charges as much as $200,000.

The failure of the Department of Commerce to provide a publicly available source for this statistic has denied virtually all academic economists and many business economists the opportunity to carry out even the most basic research into the supply and demand characteristics of commercial real estate markets. Real estate professionals claim that this limited availability of the data was a contributing factor to the disastrous crashes in commercial real estate markets in recent years. Research on energy consumption and conservation has also suffered.

In yet another example, the Securities and Exchange Commission [SEC] is spending more than $50 million of taxpayer money to develop the Electronic Data Gathering, Analysis and Retrieval [EDGAR] system, which is the SEC's new computerized records system. Academic researchers would like to purchase elements of this database on CD-ROM to study problems in finance and industrial organization, but the SEC will only sell the records on paper or microfiche, which cannot be read by a computer. Journalists would like remote online access to the EDGAR system, but SEC officials have designed a system that will provide public access only in three public reading rooms. The SEC has never asked the public to describe the uses it has for the SEC's disclosure records or allowed the public the opportunity to debate the merits of remote access. As a result, the public and most Government officials will have to pay commercial firms to search this Government database.

Dozens of Federal agencies spend the taxpayer's money to produce research abstracts. Most of these research abstracts could be searched by a single software program, if they were sold in standardized record formats. Despite enormous public demand for CD-ROM products and online searching services, most agencies disseminate the information only on computer tapes, which are difficult and expensive to use. Many agencies claim to be ignorant of the public interest in CD-ROM products or online searching services. The absence of a coordinated Federal effort to provide standards for publishing such research abstracts has led to fragmented marketing efforts, a confusing array of software interfaces, and high prices paid to commercial data vendors who repackage this taxpayer-funded information for sale to the public. The primary groups that pay these high prices are school and public libraries all over America, who are also being hit by declining state, local, and Federal support for library services. As a result, fewer Americans can afford to learn about research funded by their own tax dollars.

The Patent and Trademark Office [PTO] is spending hundreds of millions of dollars to develop its Automated Patent System [APS], which will provide online searching of U.S. and foreign patents to some 1,500 Federal patent examiners. Lawyers who litigate patent disputes, scientists who want to study patented inventions and educators who want to use patents to teach science courses have all expressed interest in obtaining online access to this database, but the PTO has not made any attempt to survey the public's interest. As is often the case, members, of the public have no obvious way to provide public comments on the agency's policy restricting access to its databases.

In these and in many other cases, H.R. 3459 is needed to force agencies to consider the public interest in information management policies. The Federal government has grown large and complex. It is extremely difficult for a professor in Texas, a school teacher in Seattle, a journalist in New York, or an entrepreneur in Montana to find the individual, committee, or agency that has the jurisdiction to resolve information access issues or the inclination to listen to suggestions from the public. Citizens should not be required to belong to specialized trade associations or hire high-priced Washington lobbyists to make simple suggestions or comments on agency policies and practices related to public access to Government information.

As stated in the findings of H.R. 3459, it is unnecessarily difficult for citizens to make constructive suggestions about agency policies on the dissemination of Federal information.

Agencies are often ignorant of important issues regarding information dissemination technologies and standards, and the public interest in agency information resources. H.R. 3459 provides straightforward framework for the agencies and the public to communicate about agency policies for the dissemination of Federal information resources. The bill will ensure that Federal agencies take citizen concerns into consideration as they manage vast Federal information resources.

H.R. 3459 is written to be flexible concerning rapidly emerging technologies. By requiring annual reports and public comments, H.R. 3459 will emphasize the need for ongoing attention to incremental changes in information management policies and practices, as markets, technologies, and standards change. It will be a tool to promote dynamic progress toward better information management policies.

Agencies will be free to ignore public comments and suggestions for any reason they choose, including economic or technical feasibility, but they will require to engage in a debate over their policies. Under H.R. 3459 it will be much easier to the public to learn about and speak out about agency policies. I am confident that this process will lead to much broader public access to Government information.

Finally, H.R. 3459 will address the problem of declining service for routine access to agency press releases, regulatory decisions, docket filings, and other public documents. While a decade ago it was a simple matter to ask a Federal agency for a copy of such documents, today it can be an ordeal. Some federal agencies take weeks to provide copies of documents by mail, forcing the public to rely upon high-priced private expediters for time information about Federal agency activities. This makes it far more difficult for citizens and public interest groups to monitor the activities of regulatory agencies and increases the risk that regulators will become captives of the industries they regulate. H.R. 3459 requires the heads of the National Archives and Records Administration [NARA] and the National Institute of Standards and Technology [NIST] to issue standards for the level of service to be provided to the public for access to such public records. These standards, benchmarks against which agency operations will be judged, will make it easier for citizens to press for improved agency policies and practices.

HOW THE ACT WOULD RELATE TO OTHER LAWS AND REGULATIONS

In closing I will offer a few comments about the relationship between H.R. 3459 and the Freedom of Information Act [FOIA], OMB Circular A–130, and the Paperwork Reduction Act [PRA].

The Freedom of Information Act establishes the principle that taxpayers are entitled to have access to documents that are in the possession of Federal agencies, with limited exceptions due to privacy, law enforcement, trade secret, or national security grounds. Despite many attempts to weaken FOIA, it remains one of the most powerful legislative tools to prevent agencies abuses in the area of the public's right to know.

As written, FOIA is not the solution to all problems concerning access to Government information, however. For example, courts have held that sections of FOIA do not apply to documents sold by Government agencies as publications. More important, however, is the fact that FOIA can only be used to request documents after they exist. The public's right to know depends greatly upon agency policies regarding publications. Press releases, newsletters, annual reports, and special periodicals are often key to understanding agency operations, policies and practices. It is far more difficult to obtain Government statistics under a FOIA request than to purchase a standardized report or publication that reports the information and provides explanations about the sources and methods of the information. It is one thing for the Department of Transportation to gather statistics regarding vehicle safety and yet another matter for the agency to disseminate the information in a usable format.

H.R. 3459 specifically addresses the development of Government information products and services and allows citizens to have greater say over how agencies publish and disseminate information. H.R. 3459 is needed to develop better ways of insuring the public's right to know.

OMB Circular A–130 is the administration's policy regarding the management of Federal information resources. This controversial circular is best known for its ill-advised requirement that Federal agencies place "maximum feasible reliance" upon the private sector to disseminate Government information. While the complete language of the circular is complex, the tone of the circular has been widely interpreted as a call to privatize the dissemination of Federal information resources. Among the mechanisms for doing so are requirements that Federal agencies ensure that existing and planning major information systems do not unnecessarily duplicate information systems available from the private sector. The single-minded focus of Circular A–130 on the issue of privatization was unfortunate, as the circular lacked a framework to resolve many other information management issues. Moreover, many Federal agencies were deterrent from solving even simple problems about data formats and standards, in order to avoid the appearance that the agency was considering policies that ran contrary to privatization.

Three proposals to reauthorize the Paperwork Reduction Act [PRA] have contained sections that would mimic OMB Circular A–130's attempts to discharge federal agencies from competing with the private sector. These include H.R. 3695, which passed the House of Representatives in 1990, and S. 1044 and S. 1139, which were introduced this year. While the language of these proposals are often marginally different from that used in OMB's Circular A–130, they have been widely interpreted to accomplish the same purpose. For this reason, library organizations, such as the American Library Association, have opposed the information dissemination sections of these bills.

Rather than focusing on issues related to privatization, H.R. 3459 takes a broader, more balanced approach. H.R. 3459 addresses legitimate private sector concerns about adequate public notice of agency policies, but it broadens the occasions upon which public notice is given and comments are received. While A–130 and the three bills to reauthorize the PRA only provide for public notice and comment when issues of privatization are at stake, H.R. 3459 makes public notice and comment an annual event. Moreover, the statutory language describes a broad range of issues that concern the public as users of Federal data bases.

WHO WOULD BENEFIT FROM H.R. 3459

The constituency for H.R. 3459 should include all citizens and organizations who support the public's right to the best access to Government information that is technologically and economically feasible. If you believe, as I do, that the Federal Government has moved too slowly to adopt modern technologies to broaden public access to Government information, you should support H.R. 3459. The approach outlined in this legislation is needed to jump-start a revolution in citizen access to public records.

As a librarian, I am proud of the leading role professional library organizations, such as the American Library Association, have played in focusing attention on the important role that agency publishing efforts play in protecting the public's right to know. This role has come naturally to the library community, because its very mission is to serve the public and promote the spread of knowledge. Libraries are also the largest consumers of information products and services. They are keenly aware of the impact of ill-advised privatization schemes that save a few dollars in direct publishing expenditures, at the cost of large increases in indirect expenditures on data purchases. H.R. 3459 will make it easier for this group to lend their considerable expertise to debates over Federal information management policies.

Another important group that has sought to expand the public's right to know is the Center for Study of Responsive Law's Taxpayer Assets project. This project was started by Ralph Nader to investigate the management of public assets, including Federal information resources. The Taxpayer Assets project has investigated a large number of cases where citizen access to Government information has been frustrated by poorly thought-out privatization initiatives and failures to develop standards and use innovative information technologies. These investigations have added a much needed economic analysis to the debate over Federal information management practices, and they have changed the way many experts think about policy options. Among the many important contributions this group has offered is the insight that the Federal Government itself is often a consumer of its own information, and that the same policies that have led to access barriers for the public have made it difficult and expensive for Government employees to search their own records. The Taxpayer Assets project will undoubtedly use H.R. 3459 to ask agencies about waste and inefficiencies that often occur when Federal agencies are forced to buy back their own data from commercial vendors.

Of course, many commercial firms that redisseminate Federal information with value-added enhancements have also been strong supporters of agency efforts to use new and innovative methods to deliver Government information to the public. The Department of Commerce's Economic Bulletin Board is widely used by private firms that need immediate access to time-sensitive information. Firms that sell data bases on real estate markets will use H.R. 3459 to prod Federal agencies to improve Government-funded surveys on these topics. Developers of Geographic Information Systems will use H.R. 3459 to encourage agencies to adopt common standards for cross-referencing tabular data by its geographic coordinates. Small businesses will use H.R. 3459 to identify better ways to obtain access to the National Trade Data Bank, Customs records, transportation tariffs, IRS rulings, and other useful Government records.

Data vendors, citizen groups, and academic researchers will use H.R. 3459 to tell Federai agencies about the scientific and social value of information contained in Federal computer data bases, and will encourage agencies to provide new standardized information products and services. Many Federal agencies do not appreciate the value of the information they possess. Often Federal agencies collect information for one purpose, without any appreciation of the uses of that information to others. For example, some citizen groups will be interested in asking the Department of Transportation to develop very specific information products that organize vehicle safety data in a more meaningful way. Labor unions may ask the Occupational Safety and Health Administration [OSHA] for information products that will be used to investigate particular relationships between worker health problems and job or employer characteristics. The Internal Revenue Service may be asked to publish regular reports that show trends in income distribution, stratified by race, gender, age, or other characteristics.

As more and more Government records become automated, new and exciting questions should be asked about the information products and services that should be available from Federal agencies. These new technologies should lead to new ways of looking at information, because more will be possible. Not only will it be cheaper and easier to produce new information products and services, but the staggering drop in the costs of computing and data storage have made it possible to manipulate these data in ways that were unthinkable a decade ago.

If Federal agencies are required to price Government information products and services at no more than their incremental costs of dissemination, and if the public is free to redisseminate the information, there will always be an important role for firms that provide value-added services. We know this is true, because for the past 200 years, the first amendment to the U.S. Constitution has been the best protection in the world for the information industry.

Attempts to privatize the dissemination of Government information have not led to increased public access to information. Rather, these efforts have led to a paralysis in the Federal Government. Every time there is an opportunity to use computer technologies to disseminate Government information, there is first a fear the agency will be criticized. This has crippled initiative, deterring agencies from opening dialogs with the public. Agencies anticipate severe constraints on their mandate to disseminate information, and they are embarrassed to acknowledge these constraints to data users. By opening a public dialog, H.R. 3459 will overcome this shame and bring the debate back to the genuinely interesting questions about the management of Federal information resources.

If, as I expect, H.R. 3459 leads to a proliferation of new agency information products and services, it will also lead to many new opportunities for firms that use, analyze, and add value to the information. It will benefit the private information industry. It will also benefit the public who receives the information, regardless of whether the information is obtained directly from Federal agencies or from private concerns that offer value-added enhancements.

No group in America has a stronger interest in the passage of H.R. 3459 than the news media. Reporters are intensive users of Government information, and they rely upon sources who need access to Government information. The free flow of information is a vital ingredient to a free press. I encourage professional news organizations to endorse H.R. 3459 and other efforts to make Government information easier and less expensive to obtain.

I look forward to working with all of these constituencies to further refine H.R. 3459 and to press for its enactment into law.

The text of H.R. 3459, the Improvement in Information Access Act, follows:

H.R. 3459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION I. SHORT TITLE.

This Act may be cited as the "Improvement of Information Access Act of 1991".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) A well-informed citizenry is essential for the well-being of a democratic society.

(2) Access to Government Information is essential for citizens tho seek to make the Federal Government accountable for its actions.

(3) The public should have timely, complete, equitable, and affordable access to Government Information.

(4) Federal agencies should use modern information technology for the benefit of citizens of the United States.

(5) Government information is a national resource that should be treated as a public good.

(6) Government information is a valuable economic asset that belongs to the public.

(7) Taxpayers pay for the creation, collection, and organization of Government information and should not be required to pay excessive fees to receive and use that information.

(8) It is unnecessarily difficult for citizens to provide federal agencies with comments and suggestions on Federal information policies. As a result, many Federal agencies do not take into account the public interest in the information resources they manage.

(9) Federal agencies have been slow in developing standards for record and file formats, software query command structures, and other important topics that will make Government information easier to obtain and use.

(10) Many Federal agencies do not provide timely access to Government information at reasonable costs.

SEC. 3. IMPROVED PUBLIC ACCESS TO GOVERNMENT INFORMATION.

Section 552 of title 5, United States Code, is amended by adding at the end the following:

"(g) Each executive department, military department, and independent establishment shall prepare by not later than February 1 of each year, and make freely available to the public upon request and at no charge, a report which describes the information dissemination policies and practices of the department or establishment, including—

"(1) plans of the department or establishment to introduce new information products and services or discontinue old ones;

"(2) efforts of the department or establishment to develop or implement standards for file and record formats, software query command structures, and other matters that make information easier to obtain and use;

"(3) progress of the department or establishment in creating and disseminating comprehensive indexes and bibliographies of information products and services, including coordinated efforts conducted with other agencies;

"(4) the methods to be used by the public for accessing information, including the modes and outlets available to the public;

"(5) provisions for protecting access to records stored with technologies that are superseded or obsolete;

"(6) methods used to make the public aware of information resources, services, and products; and

"(7) a summary of the comments received from the public under subsection (h) in the year preceding the report, and the response of the department or establishment to those comments.

"(h)(1) Not later than February 1 of each year, each executive department, military department, and independent establishment shall publish in the Federal Register, and provide in such other manner as will notify users of information of the department or establishment a notice of—

"(A) the availability of the report prepared under subsection (g), and

"(B) a period of not less than 90 days for submission by the public of comments regarding the information dissemination policies and practices of the department or establishment, including comments regarding—

"(i) the types of information the department or establishment collects and disseminates,

"(ii) the methods and outlets the department or establishment uses to store and disseminate information,

"(iii) the prices charged by the department or establishment, or such outlet, for the information, and

"(iv) the validity, reliability, timeliness, and usefulness to the public of the information.

"(2) Comments received under this subsection by a department or independent establishment shall be available for inspection to the public.

"(i) Before discontinuing an information product or service, an agency shall—

"(1) publish in the Federal Register, or provide by other means adequate to inform users of information of the agency, a notice of a period of not less than 120 days for submission by the public of comments regarding that discontinuation,

"(2) include in that notice an explanation of the reasons for the discontinuation, and

"(3) consider comments received pursuant to the notice.

"(j) Each agency shall—

"(1) disseminate information in useful modes and through appropriate outlets, with adequate documentation, software, indexes, or other resources that will permit and broaden public access to Government information;

"(2) store and disseminate information products and services in standardized record formats; and

"(3) use depository libraries, national computer networks, and other distribution channels that improve public access to Government information.

"(k)(1) Except as specially authorized by statute, an agency shall not—

"(A) charge more than the incremental cost of disseminating an information product or service; or

"(B) charge any royalty or other fee for any use or redissemination of Government information.

"(2) For purposes of this subsection, the incremental cost of disseminating an information product or service does not include any portion of the cost of collecting, organizing, or processing information disseminated through the product or service.

"(l)(1) The Archivist of the United States and the Director of the National Institute of Standards and Technology shall jointly issue and periodically revise model performance standards under which agencies shall be encouraged to provide access to public records.

"(2) Standards issued under this subsection shall include the establishment of a period within which an agency, upon request, shall provide by mail or other means a copy of any decision, rule, notice, docket filing, press release, or other public document of the agency.".

SEC. 4. STANDARDS FOR ACCESS TO PUBLIC RECORDS.

The Archivist of the United States and the Director of the National Institute of Standards and Technology shall jointly issue model performance standards for providing access to agency records, under section 552(l) of title 5, United States Code (as added by Section 3), by not later than 1 year after the enactment of this Act.

SUPPORT FOR UKRAINIAN INDEPENDENCE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. RITTER. Mr. Speaker, I rise today to ask my colleagues to support House Concurrent Resolution 212, legislation that I introduced yesterday urging the President to recognize Ukraine's independence and to take steps towards diplomatic recognition of the Ukrainian Government. A few days after the ill-fated coup attempt in the USSR, on August 24, 1991, an extraordinary session of the democratically-elected Ukrainian Parliament proclaimed the independence of Ukraine and the creation of an independent democratic Ukrainian State. The independence declaration stressed the indivisibility and inviolability of the territory of Ukraine and the exclusive validity of the Ukrainian Constitution in Ukraine.

This declaration—reflecting the aspirations of the long-suffering and long-repressed people of Ukraine—is a milestone in not only the history of Ukraine, but in the history of the world. Resource-rich Ukraine, with its 52 million people, represents a potential economic powerhouse. With the shackles of the center removed, Ukraine, at long last, will have the ability to realize its human, cultural and economic potential and to contribute in a meaningful way towards the development of the community of nations.

Mr. Speaker, it is in our national interests to assist Ukraine in their peaceful and democratic transformation to independence and to facilitate this process. Clearly, we benefit by having a stable, democratic and prosperous friend in that region of the world. Moreover, by supporting Ukraine's independence, we remain true to our values and our traditional support for freedom and self-determination. All too often in the past, this support was rhetorical.

This resolution, Mr. Speaker, calls upon the President to recognize Ukraine's independence. It would also encourage the President to undertake steps with a view towards the establishment of full diplomatic relations with the democratic Government of Ukraine following the December 1, 1991, Republic-wide referendum called to confirm the independence declaration.

What gives our recognition heightened importance is that Ukraine's path towards self-determination has been peaceful and purposeful. It has been democratic. It has been based on Helsinki Final Act principles that recognize human rights and the rights of national minorities. Clearly, Mr. Speaker, Ukraine, thanks to the efforts of the democratic opposition and especially the Popular Movement of Ukraine [Rukh] is making good faith efforts towards becoming a democratic State based on the rule of law. Nevertheless, there is no question about the fact that Ukraine, and, for that matter, all of the other republics of the former Soviet Union, still have a long way to go. The most significant obstacle is the economic and psychological devastation of 70 years of Communist rule. And it will take time and effort to help Ukraine overcome the legacy of this rule and to permanently dismantle the still powerful remnants of the older order. That is why this resolution also calls for United States assistance, trade and other programs to support the Government of Ukraine and encourage the further development of democracy and a free market economy.

Mr. Speaker, I urge my colleagues to support this resolution. It is in our national interests to support Ukraine's freedom at his time and it is the right thing to do.

LET'S UNLOCK THE "SECRET BENEFIT" TO FIGHT HIGH MEDICARE COSTS

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. McDERMOTT. Mr. Speaker, 3 years ago the Congress took a major step to make health care more affordable to older Americans. The Qualified Medicare Beneficiary Program, enacted in 1988 and improved in 1990, was meant to pay Medicare costs for more than 4 million low-income elderly and disabled Americans. But, because of State budgetary pressures and the indifference of the agencies responsible for the program, these benefits are reaching only half of those eligible. That is why the Qualified Medicare Beneficiary Program has been aptly called the secret benefit.

The secret benefit is simply this: Medicaid will pay the Medicare premiums, deductibles, and copayments for beneficiaries whose incomes are below the poverty level and whose assets are less than twice the level required to qualify for Supplemental Security Income. That means an elderly or disabled person with an annual income below $6,620, or a couple with an income below $8,880, and assets below $4,000 for an indivdual or $6,000 for a couple (not including a home, a car, life insurance, or burial space) should have no out-of-pocket costs for health services covered by Medicare.

Forcing 4 million Americans who live in poverty to pay Medicare costs is forcing them to choose between health care, housing, and food. That is why last year, when we increased the Medicare part B deductible for the first time in 8 years, we also passed legislation making the Qualified Medicare Beneficiary Program avaliable to more people.

But a benefit helps people only when they can obtain it. Too many eligible citizens are unaware of this program. Too many do not know how to apply. State governments, which would have to pay part of the cost, have an incentive not to publicize the benefit or make it easy to obtain. The Social Security Administration, which has frequent contact with older and disabled Americans, has no responsibility for this program. The Health Care Financing Administration's Medicare handbook does not even mention it.

That is why Congressmen MOODY, KOSTMAYER, and I have introduced the Qualified Medicare Beneficiary Enrollment Improvement and Protection Act, to take the wraps off this secret benefit and make it available to everyone who needs it. The act requires the States and the Department of Health and Human Services to reach out actively to eligible citizens and make sure that potential qualified Medicare beneficiaries know who they are and how to obtain the benefits we voted to provide them.

Specifically, the act requires local Social Security offices to take QMB applications; requires Health Care Financing Administration to include notices about the program in mailings to Medicare beneficiaries; establishes a toll-free QMB hotline; authorizes grants for States and nonprofit organizations to promote the program; and makes benefits retroactive this year. These and other improvements in the bill can make Medicare affordable for the first time for millions of Americans, as we meant it to be when we established the QMB program.

There is no excuse for keeping a vitally needed benefit a secret from 4 million eligible Americans. We should enact the Qualified Medicare Beneficiary Enrollment Improvement and Protection Act to assure that they get the help they need and deserve with today's high medical costs.

WOMEN IN SCIENCE, ENGINEERING, APPRENTICESHIPS, AND NONTRADITIONAL OCCUPATIONS

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mrs. MORELLA. Mr. Speaker, the needs of American business and the face of the U.S. labor market are undergoing a dramatic shift from what we have known. To compete in the global economy today and in the future, businesses must have a highly skilled and productive work force. This work force, of which two-thirds of new entrants are women, is not prepared to meet the needs of our economy.

In an effort to support businesses and women in our changing economy, I am introducing the Women in Apprenticeship Occupations and Nontraditional Occupations Act and the Advancement of Women in Science and Engineering Act. The bills will be included in the Economic Equity Act of 1991, a package of bills to achieve better equity for women, scheduled for introduction next week.

The purpose of the Women in Apprenticeship Occupations and Nontraditional Occupations Act is to provide technical assistance to employers and labor unions to encourage the placement of women in apprenticeships and nontraditional occupations. Such assistance will enable business to meet the challenge of Work Force 2000 by preparing employers to successfully recruit, train, and retain women in these occupations and will expand the employment and self-sufficiency options of women workers.

Nontraditional occupations are those in which 25 percent or less of the work force is female. Examples of nontraditional jobs include electronic technicians, mechanics, and maintenance engineers. Apprenticed occupations include carpentry, painting and welding. These occupations pay significantly higher wages than the traditionally female occupations in which women are concentrated.

Women face significant barriers to their participation in nontraditional occupations and apprenticeships. They do not have adequate information about opportunities, they have few if any role models in these occupations, and they experience sexual harassment on the worksite. The business community must be prepared to address the barriers that women have to such jobs, in order to successfully integrate them into the work force.

This bill would provide $1 million to the Department of Labor to provide technical assistance to employers and unions in recruiting, training, and retaining women in nontraditional occupations and apprenticeships. It complements the Department of Labor's skilled trades initiative which will help women gain access to these occupations. Presently, few resources are available to employers and unions who need assistance in this area.

Although the number of women receiving degrees in scientific and engineering disciplines has increased since 1981, women scientists and engineers have higher rates of unemployment and underemployment than their male counterparts. Women account for nearly 46 percent of the United States' work force; yet in the fields of science and engineering, they are grossly underrepresented.

In the sciences, 24 percent of the positions are filled by women. The field of engineering looks even worse: only 8 percent of employed engineers are women. In terms of education, 28 percent of natural science doctoral recipients in 1989 were women. Engineering schools awarded doctoral degrees to 400 women who comprised 9 percent of the recipients in 1989.

Passing the Advancement of Women in Science and Engineering Act is a first step we should take to counter roadblocks for women in the fields of science and engineering. The act provides for the establishment of a commission to more closely examine the barriers facing women in these highly skilled fields.

The charge of the commission is to examine the future U.S. work force needs in the fields of science and engineering. The commission will also review educational preparedness of women to meet these needs and will research successful practices and policies relating to recruitment, retention and advancement of women scientists and engineers. Through the compilation of this research, the commission will be able to present much needed information from which both educators and employers can build models for success.

Both the Women in Apprenticeship Occupations and Nontraditional Occupations Act, and the Advancement of Women in Science and Engineering Act will bring us closer to creating a skilled work force and achieving overall economic prosperity.

CONGRATULATIONS TO VINNY PAZIENZA

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate Vinny Pazienza, of Cranston, RI, winner of the World Boxing Association junior middleweight title.

On Tuesday, October 1 at the Providence Civic Center Vinny "the Pazmanian Devil" Pazienza won the title from Gilbet Dele, of France. The fight was scheduled for 12 rounds and nearly went the distance. However, Vinny Pazienza's continuous punishment of the champion Dele finally paid off as the referee stopped the fight with 50 seconds remaining.

This is not Vinny Pazienza's first experience as a world champion. Pazienza had been the International Boxing Federation lightweight champion after winning that title from Greg Haugen in 1987. He later lost that title to the former champion Greg Haugen. Since losing that title Vinny Pazienza had made several attempts at regaining a world championship before announcing his retirement at the beginning of the year. Most in the boxing world believed that Pazienza's illustrious career had come to an end.

A short time after announcing his retirement the rejuvenated Pazienza moved up to the junior middleweight class, and he made quick work of regaining a world championship. Despite his retirement a short time ago, many in the boxing world agree that Pazienza is fighting better than ever.

Vinny Pazienza has had great success in the boxing ring since turning professional. He has compiled a 31–5 record, with 4 of those losses coming in title fights. He has never lost in front of his hometown crowd at the Providence Civic Center.

I ask that my colleagues join me in congratulating Vinny Pazienza, the new WBA junior middleweight champion of the world. I wish Vinny Pazienza the best of luck in his future defense of the world title.

TRIBUTE TO THE PAST PRESIDENTS OF THE TOMS RIVER, NJ, JEWISH COMMUNITY CENTER AND TEMPLE BETH SHALOM OF TOMS RIVER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. PALLONE. Mr. Speaker, on Sunday, October 6, 1991, the past presidents of the Toms River, NJ, Jewish Community Center and Temple Beth Shalom of Toms River will be honored in what I am sure will be an extremely moving and memorable ceremony.

Temple Beth Shalom was started in October 1982 with 20 families and two student rabbis who served on weekends for services and taught Hebrew School. The many years of hard work by the leaders and members of the Jewish Community Center had laid the foundations for a congregation that continues to grow and prosper.

During the early to mid-1970's, the office of president of the Toms River Jewish Community Center was shared by three of its members, all long-time residents of Toms River. Mildred Robinson began with the organization when it was just a meeting place for the Jewish farmers in what was once a largely rural area. Al Abramowitz, who worked for many years in the construction industry, continues to serve on the board of trustees and on various committees within the Temple. Hans Ehrmann was one of Toms River's original egg farmers. Mr. Ehrmann has since passed away, and is remembered fondly for all his construction to the Community Center.

Fred Frankenberg served as president from the later 1970's until 1982. It was near the end of his term that the Community Center approached the Hebrew Union to seek membership as a Reform Temple. Irv Horowitz was the first president of Temple Shalom, a position he held from 1982 through 1984. Mr. Horowitz was the driving force behind efforts to construct a modern facility. Sadly, he passed away suddenly just as the project was beginning, and did not have the opportunity to see his dream fulfilled. Arthur Berkley served as president from 1984 through 1986 and still retains an active Board of Trustees seat, and also heads several committees. It was during Michael Gottesman's 2-year term (1986–88) that the Temple's first full-time rabbi was hired and construction began on a parsonage. Barry Klein served as president during the years 1988–90, during which time the parsonage was completed, plans were begun for expansion of the present facility and major fundraising initiatives began. Current president Barbara Klein began her term in 1990 and will serve through the spring of 1992. She has continued to build on the fine work of her predecessors, and has followed through with the hiring of a second full-time rabbi.

Mr. Speaker, I take great pride in paying tribute to my constituents from Toms River who, through dedication, hard work and a strong sense of faith and community, have built a house of worship and community center literally from the ground up. I salute all of those whose leadership made growth of Temple Beth Shalom and the Toms River Jewish Community Center possible, and I extend to them every best wish for their future growth and success.

TRIBUTE TO MAYOR TUCKER

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. DYMALLY. Mr. Speaker, although he has only been the mayor for a short time, Walter R. Tucker III has already begun implementing many of his campaign promises. Not only is he fulfilling his father's dream, but he is also making his own vision for the city of Compton a reality, beginning with the development of a new general plan for the city, and establishing Compton's first annual "Unity Festival and Summit Conference."

Born and raised in the city of Compton, except for the time he was away at law school, Tucker has resided there his entire life. Tucker is the second born, and the oldest son of the late Mayor Walter R. Tucker and Martha H. Tucker.

The 34-year-old attorney graduated valedictorian from Compton High in 1974. He earned his bachelor of arts degree in political science from the University of Southern California in 1978, graduating with honors. Tucker earned his law degree from Georgetown Law Center, Washington, DC in 1981. While in Washington, Tucker worked for the prestigious law firm of Segrue, Rothwell, McPeak, et al.

After passing the California State Bar, he served as deputy district attorney for the county of Los Angeles from 1984 to 1986. Since 1986, Tucker has practiced law in the city of Compton, specializing in criminal law.

He has been involved in politics since 1969, working over the years on his father's bids for school board and city council. Successfully coordinating his father's last two consecutive campaigns for mayor has made Tucker a veteran of politics. Whenever his father was unable to attend a speaking engagement, Tucker would represent him.

Tucker is a member of the South Central Bar Association, Los Angeles Bar Association, Langston Bar Association, Kiwanis Club of Compton, Rotary Club of Compton, Compton juvenile delinquency panel, life member of the NAACP, and numerous other organizations. Tucker, a Christian, is an ordained minister, and is actively involved in his church, Bread of Life Christian Center, where he serves as a Sunday School teacher. Tucker has volunteered countless hours to various youth [antigang programs such as those sponsored by the prestigious Constitutional Rights Foundation, and has innovative ideas for the development of additional youth programs.

Tucker's charismatic appeal, genuiness, and humility have endeared him to his constituents, and gained him the respect of his peers. His compelling skill as an orator has made him one of the most sought after speakers. In his mission to change the image of Compton, he maintains a full schedule of public guest appearances. He has appeared on several cable television programs and radio shows. Most recently, he joined the mayors of Beverly Hills and Santa Monica on the Michael Jackson Show, "KABC Talk Radio," to address the question, "What Is It Like To Be Mayor In Your City?"

As a testimony of his compassion for all of the people he serves, during an impromptu interview with a newspaper reporter, he was approached by an extremely modestly dressed man. Pausing for a moment, he reached into his pocket and handed the man some money. The reporter asked, "Who's that?" He replied, "Just a citizen, like you and me."

TRIBUTE TO MARTHA W. MURPHY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Martha W. Murphy of my 17th Congressional District. Mrs. Murphy is retiring after 18 years as the executive director of the District XI Area Agency on Aging.

Mrs. Murphy has devoted herself to helping others since 1942, when she was the executive director of the Catholic Charities Bureau in Ravenna, OH. In 1947 she married Robert M. Murphy, with whom she had five children, R. Terrance, Mary Eileen, Richard, James, and Kevin. In 1969 Mrs. Murphy began working at the Catholic Charities Diocese of Youngstown as its administrative assistant. From 1973 through 1974 she was the director of the Mahoning County Areawide Project on Aging. In 1974 Mrs. Murphy began working at the District XI Area Agency on Aging as the executive director.

Mrs. Murphy has made great stride for the elderly in our community since taking over as executive director of the agency. She formed a regional support network, which provides adult day care, chore service, counseling, home delivered meals, medical supplies, and transportation which make it possible for many older citizens to stay in their homes instead of going to nursing homes.

Mrs. Murphy has devoted the majority of her life to helping her fellow citizens, especially the elderly. Her contributions to our community are without measure and I know I share the sentiment of many others when I say she will be greatly missed.

TRIBUTE TO THE PROTECTION OF THE VIRGIN MARY ORTHODOX CHURCH IN GARY, IN

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. VISCLOSKY. Mr. Speaker, on September 28, 1911, the formation of the Protection of the Virgin Mary Orthodox Church in Gary, IN was brought to fruition under the dedication of Orthodox Christian pioneers of Slavic ethnic heritage. These people had moved to Gary in search of employment in the vast industrial expanse created by a burgeoning steel industry. That area on the shores of Lake Michigan, which at one time was only a mire of sand dunes, marshes and bogs, progressively emerged into an industrial stronghold and a tremendous ethnic melting pot.

Services for the Protection of the Virgin Mary Church were first held at a location on the corner of 13th Avenue and Madison Street; however, due to the lack of sufficient funds for rental and upkeep, the first elder of the parish, Kondrat Krenitsky, provided a room in his house for religious services. On November 22, 1911, the first permanent pastor of the parish, Rev. Benjamin Kedrovsky, arrived in Gary to assume full pastoral duties. He maintained this position until 1957.

On September 8, 1912, their new church, locally referred to as St. Mary's, was dedicated and consecrated. By midcentury, St. Mary's was firmly established due to the tireless efforts of Father Benjamin Kedrovsky, who was elevated to the rank of Right Reverend by the Holy Synod of Bishops in 1951. In 1957, Father Sergei Garklavs became the assistant rector of St. Mary's, a position he maintained until he assumed the role of parish leadership in 1959, when Father Benjamin retired.

St. Mary's parish continued to grow and soon it became necessary to construct a new church structure. On January 1, 1962, His Eminence Archbishop John officiated at the consecration of the new church, located at 505 East 45th Avenue. It was a truly wonderful day for St. Mary's on October 17, 1965, when the parishioners retired with much pride the debt at a formal mortgage burning ceremony.

The parishioners of St. Mary's have always been active and generous in their support of Orthodox causes and projects. They have donated their money to such projects as the construction of a permanent shrine in San Francisco for the Miraculous Ikon, The Holy Virgin of Kazan and a midwest Diocesan Expansion Program.

During this commemoration of 80 years of Orthodoxy, it is also important to pay special homage to those people who have recently passed away. I would pause to remember Father Peter Rozdelsky who passed away in 1986, and Father Tom Brown whose life ended while completing the Divine Liturgy on August 4, 1991.

It is indeed an honor to pay tribute to the parish of the Protection of the Virgin Mary Orthodox Church in Gary as it celebrates its 80th year of existence. Its good people and strong sense of community are what continue to reinforce St. Mary's as a timeless piece of history in northwest Indiana.

REPUBLIC OF CHINA ON TAIWAN'S NATIONAL DAY

HON. LARRY LaROCCO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. LAROCCO. Mr. Speaker, October 10 is the National Day of the Republic of China on Taiwan, and its people will certainly have great cause to celebrate.

Over the last few years, Taiwan has made significant strides in its march towards democratization. During a recent trade mission to the Republic of China with my colleagues, Congressmen GEORGE SANGMEISTER and TIM JOHNSON, I was proud to observe a culture well on its way to freedom. In July 1987, Taiwan abolished martial law, greatly enhancing the rights of assembly, speech, and press. Moreover, hundreds of thousands of Taiwanese citizens have now been allowed to return to mainland China and visit their relatives and friends. Indeed its citizens are, for the first time, coming to understand the liberties and rights which we in the United States have held dear for so long.

Taiwan's political success will, I hope, be a good example to other countries aspiring for political change and democratization. I extend my congratulations to President Lee and Premier Hau of the Republic of China on Taiwan.

THE QUALIFIED MEDICARE BENEFICIARY PROGRAM

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. MOODY. Mr. Speaker, today I join with my colleagues PETER KOSTMAYER, JIM MCDERMOTT, and more than 30 other Members of Congress to introduce the Qualified Medicare Beneficiary Enrollment Improvement and Protection Act of 1991.

This legislation will put teeth into the existing Qualified Medicare Beneficiary Program [QMB] passed by Congress 3 years ago but neglected until now. QMB law requires Medicaid to cover the premiums, copayments, and deductibles for low-income Medicare seniors with annual incomes below $6,620 and assets below $4,000. Couples must have annual incomes below $8,800 and assets below $6,000.

But this admirable program is not being fully implemented or explained. It is unconscionable that a full 3 years after QMB's enactment over 2 million eligible seniors—almost half—do not even know the program exists. HHS has done a dismal job of informing seniors of the law.

Many months ago a number of us wrote HHS to urge them to remedy this information gap, but we have seen no changes. The administration has shown that we must force their hand if we wish the law to help low-income seniors to be translated into reality. HHS' promises to publicize the program have proven empty. We must act legislatively to require HHS to make this program widely understood among seniors and remove the current barriers to application. And we must reach back to make some partial reparation for the lack of effort shown so far.

Our bill would: First, require HHS to include a brief description, and preliminary application, of the QMB Program in the yearly Medicare notice; second, allow seniors to obtain applications and return completed ones to the local Social Security Office; third, expand public awareness efforts; fourth, provide States the option of allowing poor seniors to spend down—deduct their incurred medical expenses—to reach the QMB income level; and fifth, implement a limited retroactive provisions so that eligible senors who were denied benefits for lack of information get partially compensated.

This bill does not make new policy for low-income seniors. The policy has already been declared. We simply make this policy a reality for the 2 million eligible seniors who are still unaware of the benefits. The Congress opened the door to health care for these particularly needy seniors, but the administration has blocked the entrance.

We would also like to thank Phyllis Torda from Families USA and Dan Schulder with the National Council of Senior Citizens for joining us here today and for all their assistance in producing this bill. Their help was instrumental in quantifying the number of seniors not currently participating in the Qualified Medicare Beneficiary Program. In addition, their field operations perform valuable services to seniors around the country. Without the work of these organizations, there would be far more than 2 million seniors unaware of the QMB Program.

I urge my colleagues in the House of Representatives to join us in cosponsoring this important legislation. it is our duty to ensure that low income seniors are made aware of the program and are easily able to apply for it. A more detailed summary of the bill follows:

SUMMARY

1. REQUIRE DESCRIPTION OF MEDICARE COST-SHARING PROTECTION IN ANNUAL NOTICE SENT TO MEDICARE BENEFICIARIES:

Each year Medicare sends a notice to Medicare beneficiaries. Our bill would require HHS to include a clear, simple explanation of the QMB program and how to apply for the benefit in this notice. Such explanation would also include any changes in eligibility requirements from the previous year and include the phone number for the consumer toll-free hotline (described below). A preliminary QMB application would also be included.

2. PUBLICIZING THE QMB PROGRAM

To increase public awareness of the QMB program, HHS would develop a poster describing the program. This poster would be distributed to hospitals, physicians, and other health care providers for display in their offices. The posters would also be given to community groups active with senior citizens.

Toll free hotline—Establish a toll free number for beneficiaries to obtain information on the QMB program.

3. USE OF SOCIAL SECURITY OFFICES FOR RECEIPT OF APPLICATIONS FOR QMB PROGRAM

Part of the current stigma preventing seniors from even applying for the QMB benefits is that they are required to go to a state welfare office to apply. Our bill would require that states establish a process for distribution and receipt of applications for the program at the Social Security office. In addition, personnel of such offices shall be trained to assist with the completion of the application form. The Social Security office would then transfer the application to the appropriate state office for processing.

Distribution form for an application—The Secretary shall also develop a form that contains a clear description of the QMB benefit in English (and other languages as appropriate). This form must include a pre-addressed reply card that an individual may mail to the agency administering the state program to receive an application and additional information of the program. This form will also be made available to community groups participating in programs designed to provide services to senior citizens. The state would be required to respond by mail to these requests within 30 days upon receipt.

4. ELIGIBILITY

When a person is determined to be eligible for QMB benefits, such eligibility will be considered valid for 12 months from the date of application.

In addition, the benefits will retroactively cover three months prior to application. This would be identical to Medicaid.

5. RETROACTIVITY

Individuals who apply for the QMB benefit who were entitled to the benefit in 1991, but did not receive it would be retroactively reimbursed for those benefits—if they apply during the first year of this law being in effect.

6. OPTIONAL SPENDDOWN

Under current law, while Medicaid recipients are allowed to spenddown in states that choose to provide that option—deduct their Medical expenses from their income to meet the Medicaid income requirements—QMBs cannot spenddown. This section would simply allow them to do so, but only for incurred portions of their medical bills.

7. GRANTS FOR OUTREACH

A grant program will be developed to groups who establish and operate an information, counseling, and assistance program to help people who may be eligible for QMB benefits to understand and apply for the program.

Grants will be split with 50% going to states and 50% to community groups active with seniors. Such funds would be used for programs to provide information on the QMB program and assistance with applications—the funds could not supplant current funds expended for such efforts.

Funding levels: In equal parts from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund, $30,000,000 for FY 1992–94 and $10,000,000 for later years.

DALAI LAMA'S MESSAGE OF HUMAN KINDNESS OFFERS A PRAGMATIC POINT OF DEPARTURE FOR NEW WORLD ORDER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. GILMAN. Mr. Speaker, on September 26, 1991, His Holiness, the Dalai Lama of Tibet, arrived at Sheremtyevo Airport, Moscow, on his way to Ulan Bator, the Capital of Mongolia. At an airport press conference he said:

Freedom is the most important condition on the road to happiness. I admire the fact that Soviet people have gained freedom in a nonviolent manner. The 1917 October revolution in Russia was accomplished by means of force. The 1991 August revolution was accomplished in a nonviolent way. Availing myself of the opportunity, I ardently congratulate Soviet people on the historic triumph.

However, democracy does not mean that all problems get resolved upon the gaining of freedom. Democracy signifies that people now assume a great responsibility, I think the most important thing is determination, calm, and patience based on compassion and forgiveness. If democracy is accompanied by responsibility and a sense of self-discipline, it has a bright future.

Asked about the purpose of his 3-day visit to Mongolia, the Dalai Lama said:

My trip to Mongolia, which has much in common with Tibet, is exclusively a peacemaking one. I was invited by Mongolian Buddhists and, naturally, a public prayer and the delivery of sermons are the main events in my programme.

I will strive to see everything new that has emerged in Mongolia as a result of tempestuous democratic processes.

After visiting Mongolia, the Dalai Lama went to the Baltic States.

On September 29, His Holiness, the Dalai Lama, arrived in Vilnius, Lithuania, for a 3-day visit at the invitation of President Vytautas Landsbergis of the Supreme Council of the Republic of Lithuania.

His Holiness met with President Vytautas Landsbergis and other senior government officials. His Holiness was the first foreign leader to address the Parliament of the independent state of Lithuania on October 1. While in Vilnius, His Holiness took part in an interfaith service and met the religious leaders of the country.

Today His Holiness arrived in Riga, Latvia, at the invitation of the foreign affairs committee of the Supreme Council of the Republic of Latvia. He will meet with President Anatolijs Gorbunovs, the Members of the Parliament and address the University of Riga.

His Holiness will then visit Estonia on October 3 and 4 at the invitation of Congress of Estonia. While there he will address the Council of Estonia in Tallinn and give a talk at the University of Tartu.

His Holiness is then scheduled to pay a 1-day visit to Sofia, Bulgaria.

While in Vilnius, he addressed the Parliament. His statement was very moving and offers an historic opportunity not only for Lithuania but for the entire world. He points out that the nonviolent methods Lithuania used to win its freedom is something that her leaders must continue to utilize in the future, both domestically and internationally.

As our Nation considers the shape of what a new international order might look like, it would behoove all of us to listen closely to this man's pragmatic message of love and compassion. We should set our sights high and seek to institutionalize a framework incorporating a more human approach to our foreign affairs policies; one that is based on the long term goals of freedom, democracy, and human rights. Not the short term ones of narrow economic gain.

Politically pluralistic societies are far more economically sound than nations ruled by totalitarian regimes. The former offer a stable and creative investment environment, while the latter perpetuate waste and stagnation.

I urge my colleagues to read His Holiness the Dalai Lama's speech and I request that they be printed in full at this point in the RECORD:

ADDRESS BY HIS HOLINESS THE DALAI LAMA OF TIBET TO THE PARLIAMENT OF THE REPUBLIC OF LITHUANIA

Mr. President, Honorable Members of Parliament, Brothers and Sisters, today is a very special day for me. I am very happy and very touched to be here with you. For a long time I have wanted to visit your country and convey to you the warm feelings of understanding and solidarity felt by the Tibetan people. I am happy to be able to do so now, and to share with you the celebration and joy arising from the recovery of your freedom.

I admire very much the strong determination of the Lithuanian people who have maintained the struggle for freedom during more than fifty years of occupation. Your efforts have helped set in motion a global awareness of the legitimate right of all peoples to self-determination.

I am especially impressed by the non-violent path you have chosen to follow. I am a firm believer in non-violence, on moral, as well as practical grounds. Using violence against a strong power can be suicidal. For countries like ours, the only hope for survival is to wage a non-violent struggle founded on justice, truth, and unwavering determination. You, the people of Lithuania, under the leadership of President Landsbergis, have set a new example for others, like my people, to be inspired by. You have strengthened our belief that non-violence is the correct path and renewed our hope that we too will one day regain our lost freedom through peaceful means.

Your role as an inspirational force has not ended with the success of your struggle for freedom. In truth, it has just begun. With the eyes of the world now focused on Lithuania, you have the rare and important opportunity to continue your exemplary work. You will face many challenges in coming years. During this critical period, fundamental principles must not be sacrificed on grounds of expediency. Of particular importance is your continuing commitment to the principles of self-determination and non-violence. Just as you steadfastly adhered to them in regaining your freedom, so should you rely on them in the future in relation to other peoples and countries, and in safeguarding your security.

There is a growing awareness in the international community of the danger posed by the heavy reliance on military strength and the trade in arms and weapons, including those of mass destruction. Total disarmament will be difficult but, I believe, necessary in the long run. Costa Rica, a small country in a strategic and very turbulent area, abolished its army in 1948. I am sure most people thought the situation could not last. Yet, that country has maintained its integrity without an army for over 40 years. Following Costa Rica's lead, your renewed commitment to non-violence could provide the needed impetus for global disarmament. A principled stand to defend your recently regained freedom without resorting to force would be truly inspiring.

From a purely practical perspective, it sometimes seems that by using violence a problem can be solved quite quickly. But, if you succeed through violence at the expense of others' rights and welfare, you have not solved the problem, but only created the seeds for another. The principles of democracy, justice and equality should be applied equally in domestic as well as in international relations.

In order for there to be true stability and lasting peace throughout the world, violence must be eliminated. I have always believed this. In the Five Point Peace Plan which I proposed to China in 1987, and in more recent statements, I have emphasized that Tibet must be completely demilitarized and restored to its previous status as a zone of peace. Elimination of violence is not as difficult a task as it may initially appear. Only a small proportion of the World's five billion people are engaged in acts of violence. The overwhelming majority are engaged in acts of loving, caring and sharing. It is thus my belief that in the human mind, the dominant force is not violence, but, on the contrary, compassion and peacefulness.

As I mentioned earlier, I believe that while recognizing the importance to Lithuania of cooperating with other governments to ensure future political and economic security, the freedom to act in accordance with your own moral precepts must not be compromised for short term gains. Remaining true to principles which have served you so well in the past, especially support for the side of truth, freedom and democracy, will provide a compelling example which will be followed by others.

In structuring needed economic reforms you will also encounter hardship, requiring sacrifices by all. Throughout these trying times, responsiveness to the needs of the individual, rather than adherence to abstract theory, should, I believe, guide your actions.

Religion can play an important role in developing a compassionate society based on mutual respect, tolerance and human well being. I feel that all religions have essentially the same message, although their philosophical approach may be different. The essence of religion is love and compassion. In my own experience, I have seen that the sincere practice of religion and its application in daily life produces similar attitude in people, regardless of the religious doctrine they follow. Of course, sometimes religion has been used to create divisions and problems between people. That is very unfortunate and sad, because I believe religion should do the opposite: it should develop harmony, compassion and understanding among people. The fact that there are differences should not create conflict. It is useful to have different religions so that people can practice the religion that best fits their mental disposition. What is important is that religious practitioners, especially religious leaders, should work in harmony with the common aim of converting the hearts of people to become good hearts.

I thank you for the warm welcome which I have received in this country by the government and the people. We are all the same human beings. Although we may look a little different externally, we have the same feelings inside. When I travel like this, I meet people like you, like my friend President Landsbergis, Just as ordinary human beings meeting each other. I am just a simple monk, a simple human being. So when we meet, we must develop a heart to heart communication. So, here this time, I have a warm feeling of friendship, love and understanding between us. That is the most important.

All people and things are interdependent. The world has become so small that no nation can solve its problems alone, in isolation from others. That is why I believe we must all cultivate a sense of universal responsibility, based on love and compassion for each other. We must recognize that the suffering of one person of one nation is the suffering of all humanity. That the happiness of one person of nation is the happiness of humanity. We must therefore develop a sense of responsibility for each other's condition. We must see that hurting someone else, or inflicting pain on other people, cannot bring happiness or peace of mind. Only the development of compassion and understanding for others can bring us the tranquility and happiness we all seek.

In our own case, the case of Tibet, we have tried to struggle for freedom without developing hatred for the Chinese who invaded and occupied our country. Like you, we were fully independent at the time of our neighbor's aggression. We were forced to sign an agreement with the Chinese for the so called "peaceful liberation" of Tibet in 1951. We have remained under the illegal occupation of a military force of about half a million troops for the past 40 years. One fifth of our population of six million died as a result of the occupation. We cannot free ourselves from this tyranny without the support of freedom loving people outside Tibet. Your moral and political support are essential ingredients of our non-violent struggle. So we too are dependent on the conduct of others. In turn, our actions will affect the lives of others just as your newly regained freedom affects all of us.

So I am happy because your victory is a victory for truth, patience, and above all, human spirit and determination. It is, therefore, a victory for principles I believe in. It is a happiness the whole world should share in. At the same time, it makes me a little sad. I wish my people's suffering would also come to an end and that they too could celebrate such freedom in their own country today. But your success gives us hope that some day soon we too will celebrate. When we do, we invite you who have shown such friendship in our time of need to rejoice with us.

Thank you.

EXTENSION OF THE FEDERAL HIGHWAY PROGRAM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. MICHEL. Mr. Speaker, as the Members know, authorization for the Federal highway program, and the 65 mile-per-hour speed limit, expired on Monday, September 30. I am today introducing legislation to extend that authorization for another 60 days, through November 30.

Mr. Chairman, I think it is a crime that in view of the current recession and the number of unemployed in this country, the Democratic leadership in Congress has allowed one of the most significant Federal job creation programs to expire without lifting a finger.

It is clear that the way things are going, we are not going to have a new highway bill enacted until well into next month. Within that time frame, without a short-term extension of the existing highway program, some 10 States will have run out of funds, and another 10 States will be on the verge of exhaustion.

The result will be an estimated loss of 22,000 jobs and $1.3 billion in output in the construction industry alone, and a total of 87,000 jobs lost and $5.9 billion in dollar losses when residual impact is taken into account.

All this can be avoided if we simply pass this 60 day extension bill. This is a jobs preservation bill, and if we are truly concerned about unemployment, this is the bill above all others that should receive emergency treatment by this body.

Beyond the jobs issue, the bill would keep in effect the 65 mile-per-hour speed limit. Authority for the 65 mile-per-hour limit expired along with the regular highway authorization on Monday. A great deal of havoc is in prospect if the States have to change the limit back to 55, only to raise it back to 65 again when we enact the new highway bill. So, by enacting this bill, we retain sanity on the highways.

IN MEMORY OF JEANNIE DRINKWINE

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. DE LUGO. Mr. Speaker, I rise to express my sincere condolences to the family and friends of Jeannie Drinkwine whose sudden and untimely death last week came as a shock to the many who knew and loved her.

Jeannie worked tirelessly for nearly 20 years to help make the Virgin Islands one of the strongest charter yachting ports in the Caribbean. As executive director of the Virgin Islands Charter Yacht League, she was instrumental in developing and maintaining one of the most important industries in the territory.

Many were the times when she was called upon to assist in advising me about charter yacht issues and legislation important to the health of this segment of our tourism economy.

Many were the times she made sure that visiting dignitaries enjoyed a sail in the lovely waters surrounding the Virgin Islands.

Jeannie was only 51 years of age when she died. But in that brief time she did more for her community, building the yachting industry and the Virgin Islands economy as a whole. And all the while, she did it with her low key charm, her professional skill, and her love for the people and the islands that were her home.

We will miss Jeannie Drinkwine. She was one of our finest lobbyists helping to win friends for the Virgin Islands because she cared so much about the Virgin Islands. Particularly to her husband, Paul, and her son, Lawrence, I offer my heartfelt sympathies. May she rest in peace.

TRIBUTE TO MR. CURTIS LYNN

HON. CALVIN DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. DOOLEY. Mr. Speaker, on Friday, October 4, in my hometown of Visalia, CA, friends and family will gather to pay tribute to Curtis Lynn, who is retiring after many years of dedicated service as the county director of the University of California Cooperative Extension Office.

Those who have had the pleasure of knowing Curt would agree with me that this honor is well-deserved. Curt has dedicated his life, through work and community service, to the betterment and enrichment of California agriculture.

The devotion this native Californian has for agriculture stems from early childhood influences. Curt was born in the rural town of Selma, CA, in 1929, and was raised there on the Lynn family farm. His initial attraction to the land and its fruitfulness extended through Curtis' education. He attended California State University of Fresno, where he obtained a bachelor of science degree in horticulture. Shortly after, he earned his master of science degree in horticulture at the University of California at Davis.

The knowledge Curtis gained, combined with the devotion he felt, led him to an influential career in the developing field of California agriculture. After receiving his graduate degree, Curt became the viticultural farm advisor in Fresno County. He remained in that position for 13 years where he managed programs involving growth regulators, training and grape trellising, vineyard management, and raisin and table grape quality.

In 1970 Curt became the Tulare County director of the University of California Cooperative Extension. The 21 years he has spent in that position have been enormously successful. Curt not only managed operations, personnel, and the budget of the Cooperative Extension office, but he conducted educational programs in resource management, which focused on water and agricultural environmental issues.

Curt's dedication to building public knowledge of the importance of California agriculture has led to many other accomplishments and responsibilities within his chosen carrier. Curtis has written for and been recognized by more than 60 scientific and popular publications concerning important agricultural practices and management. He has also served on approximately 90 University and public committees, including task forces at the local State and national levels.

Curt's expertise has led to extensive travel, not only throughout the United States and Canada, but in Europe as well. For 10 years he served as a consultant for the World Bank for horticultural development projects in both Romania and Yugoslavia.

And even now, as he faces retirement, Curt has expressed his desire to maintain an active position within the ever developing world of agriculture. He plans to consult on agricultural development projects and environmental studies in agriculture and resource management, particularly water and land use.

It takes a special man to commit his life so completely to one of the most valuable industries in the country. Through the years that I have known Curtis, I have always respected him as a friend and a professional. I have admired his ability to be a leader and an educator in a field that is close to my own heart. Now, I have the opportunity to thank him for his years of hard work and congratulate him for a lifetime of outstanding achievements. I ask my colleagues to join his family and friends, in honoring Curt Lynn for the extraordinary dedication he has shown to the world of agriculture.

INTRODUCTION OF LEGISLATION TO ABOLISH THE RESOLUTION TRUST CORPORATION

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. SCHULZE. Mr. Speaker, we have allowed the Resolution Trust Corporation—the RTC—to muddle along aimlessly for far too long. Today, I am introducing legislation which would give the RTC 6 months to dispose of the properties under its purview, then abolish that agency.

While the creation of the RTC was rooted in good intent, from its inception the RTC has proven itself to be a bureaucratic and slovenly nightmare.

In fact, if we keep pumping new life into the RTC in the form of billions in taxpayer dollars, the RTC will only perpetuate the savings and loan crisis, not hasten its end.

By forcing the RTC to sell off the remaining holdings under its care, we will also help create investment opportunities for Americans of all income levels.

I urge my colleagues to help me put the RTC out of its misery.

THE MASSACRE AT BABI YAR MUST NEVER BE FORGOTTEN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. TOWNS. Mr. Speaker, I join with my colleagues, Congressman SOLARZ and Congressman FEIGHAN in reflecting on the single most tragic event during the Holocaust: the massacre at Babi Yar. On September 29 and 30 in 1941, 36 hours of continuous shooting left 33,771 Ukrainian Jews slaughtered at the hands of German invaders. According to accounts in official German documents and from Soviet eyewitnesses, the machinegunners worked for an hour at a time and then were relieved by another crew. Few of us can help but shiver at the name Auschwitz, yet even the peak of the destruction there does not come close to equaling the horror of Babi Yar. In just 2 days 33,771 Jews of Kiev were executed. Einsatzgruppen "special-duty troops" were trained in military tactics and mass-murder techniques. This horrendous act of savagery must never be forgotten to ensure that it will never be repeated.

TRIBUTE TO THE REPUBLIC OF CHINA ON TAIWAN ON ITS 80TH BIRTHDAY

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. MILLER of Washington. Mr. Speaker, today I salute the Republic of China on Taiwan on the occasion of its 80th birthday. Taiwan's many successes—in the international marketplace, in its relationship with the United States, in its commitment to democracy—will certainly continue and grow with the coming national elections this winter.

Taiwan, an ally and friend, deserves our support. Particularly, I applaud President Bush's support for Taiwan's bid to join the GATT and other international organizations. This is especially appropriate for a country that has set such high standards economically and continues to make dramatic progress toward full democracy.

Happy 80th to the people of the Republic of China on Taiwan this October 10, 1991.

SALUTE TO NJ STATE DARE DAY II

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ZIMMER. Mr. Speaker, yesterday thousands of New Jersey schoolchildren celebrated NJ State DARE Day II.

DARE, drug abuse resistance education, is a nationwide program that brings together law enforcement officers, educators, parents and community leaders to teach young people about the dangers of drug abuse.

The program in New Jersey is just 3 years old, but it has grown almost 10-fold in that time.

DARE is exactly the kind of program that America needs if we are to win the war on drugs because it encourages everyone in the community to take responsibility for keeping kids away from drugs. This program offers one of our best hopes for breaking the cycle of drug use and dependence.

I ask my colleagues to join me in commending the police officers who contribute their time and their expertise to help to keep our youth away from drugs and in saluting the young people who participated in DARE Day II.

HONORING THE LIONS CLUB OF THE ISLIPS ON THE OCCASION OF ITS 45TH ANNIVERSARY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. DOWNEY. Mr. Speaker, it is with the greatest pride that I rise today to pay tribute and to share with my colleagues the long and dedicated service of the Lions Club of the Islips, which on October 19, 1991, will be celebrating its 45th anniversary of service to the community.

Throughout its 45-year history, the members of this organization have raised more than $500,000 through many diverse activities such as raffles, pancake breakfasts, golf outings, dances, boat rides, and minstrel shows. The club has used these funds to provide local community residents with free eye examinations and eye glasses, kidney dialysis equipment. TTY machines for the hearing impaired as well as baskets of food and clothing for needy residents at Christmas time.

Mr. Speaker, this very generous group of dedicated individuals has provided donations to organizations such as the Guide Dog Foundation for the Blind, the Vacation Camp for the Blind, the Long Island Eye Bank, the Empire State Speech and Hearing Clinic, the Cleary School for the Deaf, the Interdisciplinary School, local libraries, and youth organizations. In addition, the Lions Club of the Islips is unique in that it is one of a few service organizations in New York that has a free loan program of hospital equipment available. It is also one of the few Lions clubs which has conducted an annual blood drive for more than 40 years. The hard work demonstrated by the members of this club for their significant and lasting contributions to the Islip community deserves to be publicly commended.

Mr. Speaker, I would like my colleagues in the House of Representatives to join me in congratulating the Lions Club of the Islips on its 45th anniversary and in extending them our best wishes for many years to come.

1991–92 U.S. CONGRESS-BUNDESTAG YOUTH EXCHANGE PROGRAM

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. MAVROULES. Mr. Speaker, I rise today with the pleasure of commending two of my constituents who were chosen as winners for the 1991–92 U.S. Congress-Budestag Youth Exchange Program. The U.S. Congress-Bundestag Youth Exchange Program is jointly funded by both legislative bodies and is intended to create a better understanding among American and German youth of the importance of their countries' alliance.

Cora L. Neumann of Marblehead, MA and Kimberly A. Wilson of Topsfield, MA are 2 of the 302 American high school students who were chosen from 1,400 high school sophomores and juniors who were nominated by their teachers and school principals. The selections are based on merit. For 1 year, beginning in July of 1991, these two outstanding students will study in a German school and live with a German host family. At the same time, 300 German students will participate in a similar program in the United States.

It gives me a great honor to congratulate these two students on their achievement. I wish them the best of luck in all of their future endeavors.

U.S. ENGLISH RALLY

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. STENHOLM. Mr. Speaker, it is good to see this enthusiastic crowd here today to support making English the official language of the U.S. Government. As a Member of Congress, I am painfully aware of special interests that fracture the foundation and tear at the seams of our already fragile social fabric. It is encouraging to see such an ethnically and culturally diverse group supporting efforts to make English the common language of the U.S. Government.

This "Campaign for our common language" is an excellent opportunity for me to tell you why I have joined with my colleagues to make English the official language of Government. First, it just makes good, common sense. Something our Government could use more of.

America has its roots in the English Language. It was founded in English. The Declaration of Independence and the Constitution were written in English. The U.S. Congress conducts its business in English; the laws it makes are written English. At least 95 percent of the people who live in the U.S. speak English. For the most part, American industry and all levels of American Government conduct their day-to-day business in English.

There are those who say we really do not need a common language. They say a shared language does not mean that much anymore. The ethnic separatists who scorn assimilation into mainstream society say U.S. citizens actually have very little in common with the United States anymore. They say we are not a melting pot; we are a salad bowl. They claim English is just one of many languages in the cultural and ethnic mix.

I disagree. Dictionaries define a Nation as a group of people who share a common history, ethnicity, and language. This brings to mind the words of one of America's greatest Presidents who knew a lot about diversity and adversity. President Abraham Lincoln once said, "A house divided against itself cannot stand". In the United States, English is the common language. It is the glue that holds together this hodgepodge of ethnic and religious groups, races and nationalities in the United States; it is at the core of our Nation, and our democracy.

Individual liberties and freedoms are very important to me as they are to all Americans. It is true we are a diverse group of peoples sharing a land we call America and we should celebrate that diversity. It brings a richness to our country which cannot be found anywhere else in the world.

But as Americans, unity is as precious as diversity, and as an American I cannot support deliberate attempts to divide our society along language and ethnic lines. To me that is unamerican. One of the best ways to maintain our nation's unity for generations to come is to strengthen the most durable tie that binds us, our common language.

That is why I am here today, and that is why I am encouraging you to work vigorously for it during this "campaign for our common language".

REPUBLIC OF CHINA ON TAIWAN CELEBRATES 80TH BIRTHDAY

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. ESPY. Mr. Speaker, the Republic of China's 80th birthday is Thursday, October 10, 1991. What an appropriate time to reflect on the achievements of a friend and close ally. I congratulate the Republic of China on its impressive history and for its status as a major economic power, a strategic ally, and a model of evolving democracy.

Taiwan's accomplishments in trade and manufacturing, along with its dedication to free enterprise, are well known to us all. An island nation of 20 million people originally economically based in agriculture, now boasts foreign currency reserves of more than $75 billion, of which 68 percent is held in U.S. banks and securities.

Taiwan's leaders, such as President Lee Teng-hui and his predecessor, the late President Chiang Ching-kuo, have played an important role in Taiwan's present status as the world's 13th largest economic entity.

I have had the pleasure of visiting this nation, which is about the size of my Mississippi district on two occasions in the past 5 years, and on both visits I was equally impressed by the industriousness and persistence of its people. The Government of Taiwan has held tightly to the basic elements of democracy and is making lasting changes in its society to further democratic ideals.

It is my hope that Taiwan will experience more of the same economic progress and prosperity in its future as it has in its past. I am glad to work toward the strengthening of our relationship and urge the continuing economic and cultural exchanges between our countries.

TRIBUTE TO JOSEPH O. JORDAN

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mr. LEVIN of Michigan. Mr. Speaker, I rise today to pay tribute to Joseph O. Jordan, who is retiring after 30 years of faithful service as an officer and executive board member of the International Union of Operating Engineers, Local 547.

A resident of Dryden, MI, Joseph Jordan has been an involved citizen in his community. He has held numerous positions with local 547, including business representative, assistant business manager, recording corresponding secretary and financial secretary, the last position to which he was elected.

Joseph Jordan has served the State of Michigan on the Board of Mechanical Rules and is a member of the Michigan School Business Officials.

He is presently employed by the Macomb Intermediate School District as supervisor of buildings and grounds. In 1991, he was honored by being named Michigan School Business Administrator of the Year.

In addition to his active professional life, Joseph Jordan has a rich and rewarding family life. He has been married for 37 years to his wife Barbara, and has six children: Deborah, Matthew, Elizabeth, Michael, James, and Joseph.

I congratulate Mr. Jordan on his many years of distinguished service to local 547.

PROVIDING ADEQUATE PARKING SPACE FOR THE MICHIGAN CANCER FOUNDATION

HON. BARBARA-ROSE COLLINS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1991

Mrs. COLLINS of Michigan. Mr. Speaker, the Veterans Affairs Medical Center is being built in my district. Due to the construction of the medical facility, the Cancer Foundation has been forced to relinquish its parking facilities through the taking of the land by eminent domain.

The Michigan Cancer Foundation has grown over the years with its great and generous work for the Detriot metropolitan area, and is in desperate need of additional parking facilities. The foundation is located in a neighborhood which warrants safe and adequate parking to and from work for its employees. At this time the foundation, like many chartible organizations, is financially strapped and cannot afford to construct another parking lot for its benefactors and workers.

Yesterday the House passed the Veterans Affairs, Housing and Urban Development and Independent Agencies Appropriations bill. Under the VA construction section of the bill is a provision which requires the VA to construct parking facilities with at least 1,500 spaces at the Detroit VA Medical Center in my district. The VA facility is closely bordering the Cancer Foundation.

Mr. Speaker, the close proximity of the foundation and VA Medical Facility warrants the VA to sell or lease at least 50 of the 1,500 appropriated spaces to the Cancer Foundation. Such an agreement would be most feasible for both parties involved.

I urge the Veterans Administration to look into this situation and provide a solution that is both reasonable and fair for the Detroit metropolitan area which relies on both facilities for their fine and dedicated work.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, October 3, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 4

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings to examine the status of Great Lakes Federal programs.

SD–342

Joint Economic

To hold hearings on the employment-unemployment situation in September.

SD–628

10:00 a.m.

Foreign Relations

To hold hearings on the nomination of Elaine L. Chao, of California, to be Director of the Peace Corps.

S–116, Capitol

Judiciary

Patents, Copyrights and Trademarks Subcommittee

Business meeting, to mark up S. 793, to authorize funds for fiscal years 1992 and 1993 for the Patent and Trademark Office, Department of Commerce.

SD–226

OCTOBER 7

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to review global change research, focusing on the role of clouds in climate change.

SR–253

OCTOBER 8

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings to examine whether the Federal government is making environmentally conscious decisions in its purchasing practices.

SD–342

OCTOBER 17

9:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings to examine the feasibility of auctioning radio spectrums.

SR–253

9:30 a.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings on implementation of the Department of Energy's joint venture program for renewable energy.

SD–366

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 1687, to increase the capacity of Indian tribal governments for waste management on Indian lands.

SR–485

OCTOBER 22

9:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1315, to transfer administrative consideration of applications for Federal recognition of an Indian tribe to an independent commission.

SR–485

OCTOBER 23

9:00 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the Report of the Commission on the Future Structure of Veterans Health Care.

334 Cannon Building

9:30 a.m.

Governmental Affairs

To resume hearings to examine the employment and promotion opportunities in the Federal Government for women and minorities.

SD–342

OCTOBER 24

8:45 a.m.

Office of Technology Assessment

Board meeting, to consider pending business.

EF–100, Capitol

OCTOBER 29

9:30 a.m.

Select on Indian Affairs

To hold joint hearings with the House Committee on the Interior on H.R. 1476, to provide for the divestiture of certain properties of the San Carlos Indian Irrigation Project in the State of Arizona.

SR–485

POSTPONEMENTS

OCTOBER 3

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings to examine telecommunications reliability as related to aviation safety.

SR–253

2:00 p.m.

Foreign Relations

European Affairs Subcommittee

To resume hearings on consolidating free-market democracy in the former Soviet Union.

SD–419